

Ruapehu District Council  
Te Kaunihera-ā-Rohe o Ruapehu

# Annual Report 2022/2023

## Section 1.



Construction on the replacement of the Ruapehu Road rail over-bridge began in early April 2023 (2022/23 FY) and was completed in August (2023/24 FY). The work was part of \$1.5m in bridge renewal work undertaken in the 2022/2023 financial year.



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# COUNCIL DIRECTORY

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Website: [www.ruapehudc.govt.nz](http://www.ruapehudc.govt.nz)  
Email: [info@ruapehudc.govt.nz](mailto:info@ruapehudc.govt.nz)

Locations: 59-61 Huia Street, Taumarunui Phone 07 895 8188 Fax 07 895 3256  
37 Ayr Street, Ohakune Phone 06 385 8364 Fax 06 385 8628  
Cr Duncan/Seddon Streets, Raetihi Phone 06 385 4447 Fax 06 385 4014

Bankers: Bank of New Zealand  
101 Hakiha Street, Taumarunui

Auditors: Audit New Zealand on behalf of the Auditor General  
PO Box 1165, Auckland

Solicitors: Le Pine & Co  
PO Box 140, Taupo

Major Contractors: Horizon Services Ltd  
Datacom Group Ltd  
Inframax Construction Ltd  
Emmetts Civil Construction Ltd  
Enviro NZ Services Ltd  
GHD Ltd  
Combined Road & Traffic Services Ltd  
Jilesen Contractors Ltd  
Delta Technology Solutions Ltd  
Agspec Services Ltd  
Veolia Water Services (ANZ) Pty Ltd  
Visit Ruapehu

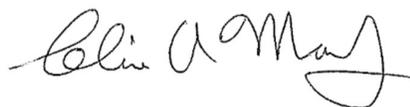
# STATEMENT OF COMPLIANCE

The financial statements and the service performance information of the Council and Group have been prepared in accordance with the requirements of the Local Government Act (LGA) and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FGP)R), which includes the requirement to comply with NZ GAAP.

Dated this 25<sup>th</sup> October 2023



Weston Kirton  
**MAYOR**



Clive Manley  
**CHIEF EXECUTIVE**

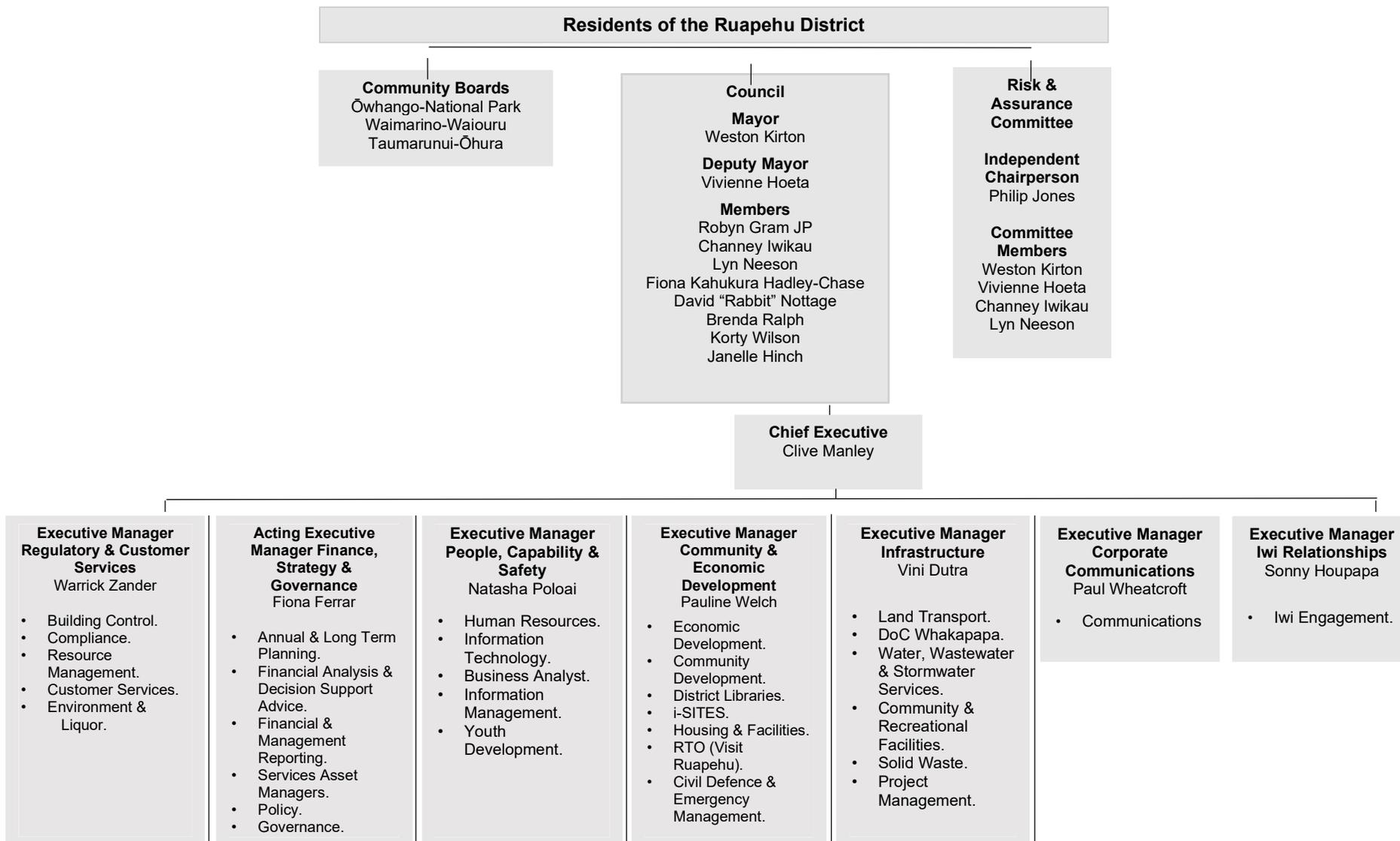
# WHAT IS AN ANNUAL REPORT

The local authority is required to produce a plan showing how it will achieve the purpose of Local Government that is to meet the current and future needs of the community. The local authority demonstrates its contribution towards this purpose in the setting of Strategic Goals (SGs) and in the development of a Long-Term Plan (LTP).

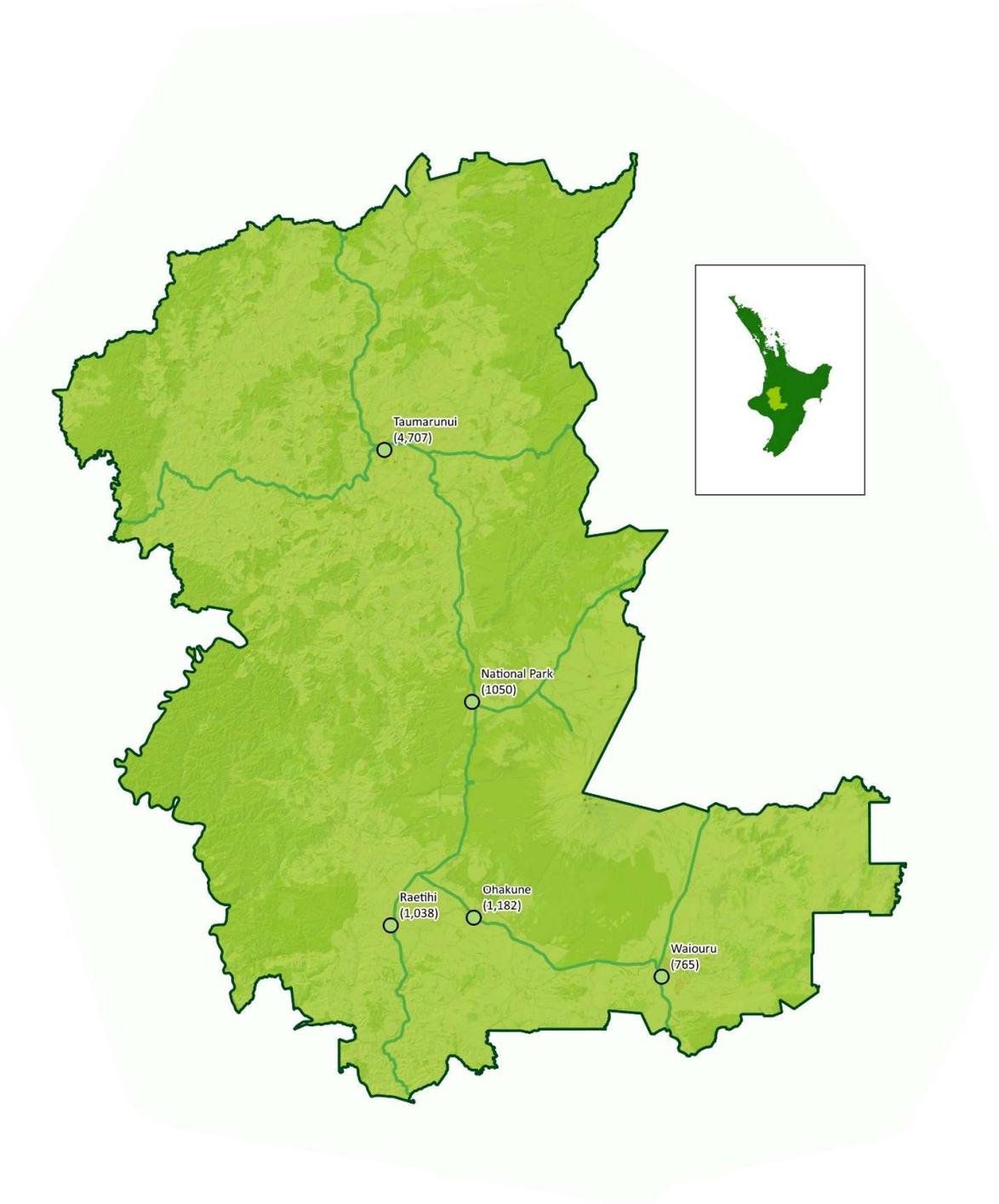
The LTP describes what a local authority aims to achieve over a minimum period of ten years. The LTP must be produced once every three years, with an Annual Plan for the years in between. The Annual Plan provides the budget for the coming year and explains any changes from the LTP. The first year of the LTP is the Annual Plan for that year.

The Annual Report is used to monitor the local authority's progress against the SGs and work programmes identified in the 2021-2031 LTP and against budgets contained within the 2021-2031 LTP.

# COUNCIL ORGANISATIONAL STRUCTURE



# RUAPEHU DISTRICT MAP



# MAYOR AND COUNCILLORS



**Weston Kirton**  
**Mayor**

56 State Highway 41,  
RD 4, TAUMARUNUI  
3994  
Phone 07 895 8188  
Mobile 027 494 4497



**Vivienne Hoeta**  
**Deputy Mayor**

34 George Street,  
RAETIHI 4632  
Phone 06 385 4451  
Mobile 027 658 8320



**Korty Wilson**  
**Māori Ward**  
**Councillor**

Mobile 027 255 7230



**David "Rabbit" Nottage**  
**General Ward**  
**Councillor**

32 Southridge Drive,  
OHAKUNE 4625  
Mobile 021 111 6514



**Fiona Kahukura**  
**Hadley-Chase**  
**Māori Ward**  
**Councillor**

20 Whakaraparapa  
Road, KAKAHI 3989  
Mobile 027 263 5869



**Robyn Gram JP**  
**General Ward**

158 Golf Road,  
TAUMARUNUI 3920  
Phone 07 895 5320  
Mobile 027 389 1912



**Lyn Neeson**  
**General Ward**

204 Tawata Road,  
RD3, KIRIKAU 3993  
Phone 07 896 7659  
Mobile 027 353 7907



**Brenda Ralph**  
**General Ward**  
**Councillor**

27 South Street,  
TAUMARUNUI 3920  
Mobile 027 663 4128



**Janelle Hinch**  
**General Ward**  
**Councillor**

Mobile 022 385 8683



**Channey Iwikau**  
**Māori Ward**  
**Councillor**

Mobile 027 226 8411

# COMMUNITY BOARDS

## Ōwhango – National Park Community Board

Janelle Hinch is Council's appointed representative on the Board. Mayor Weston Kirton is an ex-officio member and has speaking rights.



**Anthony Gurr**  
Chairperson

20 Ward Street,  
NATIONAL PARK 3989

Phone 021 487 742



**Janelle Hinch**  
Appointed Councillor

Phone 022 385 8683



**Simon O'Neill**  
Deputy Chairperson

1 Omatane Road,  
ŌWHANGO 3990

Phone 021 661 159



**Peter Zimmer**

Phone 027 479 1926



**Eddie Marsters**

10 Ward Street,  
NATIONAL PARK 3989

Phone 021 108 0279



**Murray Wilson**

13 MacKenzie Street,  
NATIONAL PARK 3989

Phone 027 542 9079

# COMMUNITY BOARDS

## Waimarino-Waiouru Community Board

David “Rabbit” Nottage is Council’s appointed representative on the Board. Mayor Weston Kirton is an ex-officio member and has speaking rights.



**John (Luigi) Hotter,  
Chairperson**

99 Ruapehu Road,  
OHAKUNE 4625

Phone 027 274 2616



**David “Rabbit” Nottage  
Appointed Councillor**

32 Southridge Drive,  
OHAKUNE 4625

Phone 021 111 6514



**Stu Robinson  
Deputy Chairperson**

3 Uthia Place,  
OHAKUNE 4625

Phone 021 024 07657



**Angel Reid**

3 Balance Street,  
RAETIHI 4632

Phone 027 431 6327



**Kay Henare**

18 Ranfurly Terrace,  
RAETIHI 4632

Phone 027 924 7252



**Colin Pakai**

29 State Highway 49,  
WAIOURU

Phone 021 091 67315

# COMMUNITY BOARDS

## Taumarunui-Ōhura Community Board

Lyn Neeson is Council's appointed representative on the Board. Mayor Weston Kirton is an ex-officio member and has speaking rights.



**Luke Pepper,  
Chairperson**

31b Oruaiwi Road, RD  
4, TAUMARUNUI 3994

Phone 027 329 2849



**Lyn Neeson  
Appointed Councillor**

204 Tawata Road, RD3,  
KIRIKAU 3993

Phone 07 896 7659  
Mobile 027 353 7907



**Molly Jeffries  
Deputy Chairperson**

45 Makere Street,  
TAUMARUNUI 3920

Phone 021 431 833



**Aroha Rudkin**

714 Makokomiko Road, RD  
2, TAUMARUNUI 3992

Phone 027 873 0061



**Sophie Stockbridge**

47 Taranui Road,  
ŌHURA 3926

Phone 020 401 11190



**Oriwia Wanakore**

19 Morero Terrace,  
TAUMARUNUI 3920

Phone 027 222 7872

# MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

We are pleased to present Ruapehu District Council's Annual Report for the 2022/23 financial year, which marks the second year of our ten-year 2021/31 Long Term Plan.

Our primary focus throughout the year has been the development of safe, prosperous rural communities that leverage agriculture, business, and tourism while preserving our environment. The Annual Report highlights our progress in achieving these strategic goals and successfully delivering our work programmes for 2022/23.

The year posed significant challenges, including general inflation growth, rising interest rates, construction and depreciation costs, compliance with three waters standards, and labour market pressures. Despite these complexities, we remained dedicated to maintaining service levels and addressing critical infrastructure needs, effectively completing most of our planned work program.

To fund these initiatives, the Council implemented an average 4.2% rate increase for the year. While this was above the target rate guideline of 3.5% we indicated in the Long-Term Plan it was the minimum required to keep our work program going while supporting community development with the cost challenges we were experiencing.

This increase enabled us to execute \$24.3 million in capital works for the 2022/23 financial year, with approximately equal allocations to Land Transport (\$10 million) and three waters (\$9.9 million), and most of the remainder (\$2.5 million) directed toward minor works for Recreation and Community Facilities.

We had previously highlighted the need for additional Government support in our three waters projects to prevent debt levels from becoming uncomfortable. The end of our current Government three waters funding required Council to borrow to maintain our work program and saw our debt increase by \$13.5m during the 2022/23 financial year, up from \$8m for 2021/22.

Notable three waters projects included the ongoing development of the new Ohakune Water Treatment Plant and the renewal of underground reticulated infrastructure in Taumarunui. Once completed, the Ohakune Water Treatment Plant will eliminate boil water notices and supply restrictions, benefiting the Ohakune tourism sector and promoting township growth. In Taumarunui, trenchless technology was employed to enhance the resilience of the reticulated network, minimizing disruption, time, and cost. Work to replace breakage prone water mains on Hakiaha Street and Golf Road Taumarunui was warmly welcomed by residents and businesses plagued by multiple outages over many years.

Land Transport faced challenges due to rising costs, labour shortages, budget constraints, and a wet summer season, affecting the extent of resurfacing and asphalt work. Nevertheless, we completed 18.6km of chip seal resurfacing and 4.96km of sealed pavement rehabilitation. A highlight was the initiation of the Ruapehu Road rail over-bridge replacement which was completed in August this year. The Land Transport activity also made substantial progress toward enabling the Te Ara Mangawhero and Te Hangāruru cycleways, crucial for tourism, local economy, and iwi development.

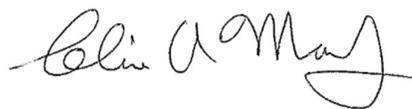
In the solid waste sector, a relatively small capital expenditure of \$800,000 supported the Taumarunui and Waimarino Resource Recovery Centres to divert around 190 tonnes of material from landfill. With all Ruapehu residual waste now transported to a landfill near Auckland, attracting increasing waste levy charges, our Resource Recovery Centres are playing an increasingly important role in achieving Ruapehu's zero-waste 2040 target and lowering waste costs to ratepayers.

Council's construction of six new social housing units in Moore St Ohakune was completed on-time and under budget in April 2023. The \$2.1m project was funded through the Government's COVID19 response infrastructure fund in partnership with Council. Construction of the units made a direct positive contribution to the local economy and are now helping to address a critical shortage of social housing in Ohakune. The project was Council's first implementation of its Five-Year Housing Strategy and Plan Action adopted in late 2020 with the money remaining from coming in under budget applied to refurbishing existing social housing units.

Looking forward, Council believes that despite our financial constraints, and uncertainties surrounding such things as three waters reform, the ski industry, and potential Government policy changes, that we remain adaptable and well-positioned to manage with our available resources. While our capacity for new initiatives is limited due to our financial position, we remain committed to understanding, and responding to, the community's aspirations as we develop the 2024-2034 Long Term Plan next year.



Weston Kirton  
**MAYOR**  
**RUAPEHU DISTRICT**



Clive Manley  
**CHIEF EXECUTIVE**  
**RUAPEHU DISTRICT COUNCIL**

# HOW WE PERFORMED FINANCIALLY

## Operational Result

Our operational result for the 2022/23 Financial Year shows a net deficit of \$2.2m against a budget of \$4.6m surplus.

## Capital Works Programme

We have completed a capital works programme in the last 12 months totalling \$24.3m.

Activity	Description	\$million
Land Transport	Renewals of various sorts	10.0
Water Supply	Renewals of various sorts	4.5
Wastewater	Various minor works	5.1
Stormwater	Various minor works	0.3
Solid Waste	Various minor works under \$100k	0.8
Recreation & Community Facilities	Various minor works	2.5
Community Support	Various minor works under \$100k	0.7
Overheads	Computer Equipment, Software and Furniture	0.5
<b>Total</b>		<b>24.3</b>

## Key Financial Indicators – Comparative Table

(\$million)

	LTP 2023	2023	2022	2021	2020	2019
Income	47.0	50.6	51.9	46.2	43.5	39.4
Less Expenditure	42.4	52.8	41.3	40.1	38.7	35.6
Surplus/(Deficit)	4.6	(2.2)	10.7	6.1	4.8	3.8

## Debt

Council debt total is \$55m. This has increased by \$13.6m during the 2022/23 Financial Year (\$8m for 2021/22).

## Weighted Average Interest Rates

	2023	2022	2021	2020	2019
Short Term < 1 yr.	6.03%	3.11%	0.59%	0.62%	3.79%
Long Term > 1 yr.	5.36%	3.10%	2.20%	2.01%	3.10%

## Key Treasury Management Indicators

The table indicates the performance of Council's Treasury Management against the Treasury Management Policy limits on borrowing and interest rate exposures.

	Acceptable Range	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual
Interest Expense/Operating Revenue	3 to 12%	4.0%	1.7%	1.2%	1.9%	2.9%
Total Liabilities /Total Assets	<12%	11.37%	9.1%	9.6%	8.2%	8.2%
Net Debt /Operating Revenue	1 to 1.5	0.89	0.80	0.71	0.67	0.71

	Acceptable Range	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual
<b>Interest Rate Exposure under new Treasury Policy</b>						
Less than 2 years	40% to 100%	44.75%	45.89%	56.00%	32.00%	38.18%
2 - 4 years	25% to 80%	34.53%	26.57%	24.00%	44.00%	32.73%
4 - 8 years	0% to 60%	20.72%	27.54%	19.00%	24.00%	29.09%

## Key Performance Indicators

Council records a variety of key performance indicators (KPIs) to report nonfinancial performance. Individual KPIs are reported in each activity area and can be found on the following pages.

	2023		
	Achieved	Not Achieved	Not Assessed
Land Transport	4	3	-
Water	7	2	-
Wastewater	5	-	-
Stormwater	7	-	-
Solid Waste	6	1	1
Recreation and Community Facilities	23	9	-
Community Support	8	2	-
Leadership	4	4	-
Regulation	9	6	-
<b>Total</b>	<b>73</b>	<b>27</b>	<b>1</b>

## Independent Auditor's Report

### To the readers of Ruapehu District Council's annual report for the year ended 30 June 2023

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

We are also required to report on:

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

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

We completed our work on 25 October 2023. This is the date on which we give our report.

#### Opinion on the audited information

In our opinion:

- the financial statements on pages 4 to 63 of section two:
  - present fairly, in all material respects:
    - the District Council and Group's financial position as at 30 June 2023;
    - the results of the operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the Public Benefit Entity Reporting Standards;
- the funding impact statement on page 64 of section two, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;
- the statement of service provision (referred to in the annual report as Council Activities) on pages 22 to 122 of section one:
  - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2023, including:
    - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
    - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
  - complies with generally accepted accounting practice in New Zealand;

- the statement about capital expenditure for each group of activities on pages 29 to 122 of section one presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's Long-term plan; and
- the funding impact statement for each group of activities on pages 29 to 122 of section one, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.

### **Report on the disclosure requirements**

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 68 to 74 of section two, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council and Group's audited information and, where applicable, the District Council's Long-term plan and annual plans.

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

### **Emphasis of matter – Uncertainty over the water services reform programme**

Without modifying our opinion, we draw attention to Note 33 on page 52 of section two, which outlines developments in the Government's water services reform programme which will affect the District Council in future years.

The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three waters services and related assets and liabilities currently controlled by local authorities. Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the Council as outlined in note 33 remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved.

### **Basis for our opinion on the audited information**

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

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

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

### **Responsibilities of the Council for the audited information**

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

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

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

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

### **Responsibilities of the auditor for the audited information**

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

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

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

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

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

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service provision (referred to in the annual report as Council Activities), as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

## **Other Information**

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 14 and 20 to 21 of section one and pages 1 to 3 and 66 and 67 of section two but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

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

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

## **Independence**

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

In addition to our audit and our report on the disclosure requirements, we have carried out engagements in the areas of a limited assurance engagement related to the District Council's debenture trust deed, which are compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the District Council.



Clarence Susan  
Audit New Zealand  
On behalf of the Auditor-General  
Tauranga, New Zealand



## SECTION ONE

# COUNCIL ACTIVITIES

*Section One Council Activities Image: Upper reaches of the Whanganui River, Ruapehu District.  
Credit Visit Ruapehu.*

# RUAPEHU'S VISION AND MISSION

## Vision

Drive and support the development of safe, prosperous rural communities that are able to thrive and capitalise on our agriculture, business and tourism sectors while sustaining our beautiful environment.

## Mission

Our mission is to promote an environment which is sustainable, enhances the quality of life and meets the needs of our present and future citizens and visitors to the Ruapehu District.

- Creating and retaining jobs.
- Growing incomes and opportunities.
- Increasing the ratepayer base.
- Providing sustainable infrastructure.
- Providing value for money in all we do.
- Ensuring the people who benefit from Council spending contribute their fair share of the costs.
- Working with Government and others to gain funding for key projects to reduce the financial burden on Ruapehu ratepayers.
- Creating collaborative partnerships with tangata whenua



*Image: Timber Trail, Ruapehu District.  
Credit: Visit Ruapehu.*

# COMMUNITY WELL-BEING OUTCOMES

Council has stated its core priorities in the form of five Community Well-Being Outcomes. These Outcomes are Council's "true north" for planning and decision-making. Every project that Council undertakes and every dollar it spends links back to at least one – but often several – of these Outcomes. They are a keyway we measure success.

This Annual Report provides information to the community on what Council has done to promote the achievement of the Outcomes.



## **Social - Safe, Healthy Communities**

- Quality regulation, regulatory services, and infrastructure.
- Reduce the volume of waste to the landfill.
- Core infrastructure endeavours to keep pace with changing demand.
- Excellent standards of safety and welfare are promoted and respected.
- Preparation, planning, and timely responses protect people and property from natural hazards.



## **Cultural - Vibrant and Diverse Living**

- Traditions, values, and history of all ethnic groups are respected.
- Activities, facilities, and opportunities for youth are provided and supported.
- Excellence and achievement in sport, arts/cultural pursuits, community service and business are supported.
- Events and festivals are encouraged and supported.
- Working together with tangata whenua to achieve common goals.



## **Environmental – Sustaining Beautiful Environments**

- Our environment is accessible, clean and safe and our water, soil and air meets required standards.
- The promotion of our District includes focus on our natural rivers, bush and mountains, as well as the built heritage, agriculture and railways.



## **Economic - Thriving Economy**

- Regulatory services and reliable infrastructure help the economy prosper.
- Our transportation network is reliable, safe and endeavours to meet the needs of users.
- Economic diversity and core economic strengths are encouraged in partnership with others.
- Planning and regulatory functions balance economic growth and environmental protection.



## **Strong Leadership and Advocacy**

- Council advocates strongly for the provision of, and access to, affordable and effective health, welfare, law enforcement and education services.
- Council is proactive, transparent and accountable.

# STRATEGIC ACTIVITIES

Council targets its activities to achieve Outcomes. There are nine groups of activities that Council reports against. These are grouped under two key areas – Facilities and Assets and Community Services.

Facilities and Assets	Community Services
<ul style="list-style-type: none"> <li>▪ <b>Land Transport</b></li> <li>▪ <b>Water Supply</b></li> <li>▪ <b>Wastewater</b></li> <li>▪ <b>Stormwater / Flood Protection</b></li> <li>▪ <b>Solid Waste</b></li>   <li>▪ <b>Community Facilities</b>            Cemeteries.            Community Halls.            Parks and Reserves.            Public Toilets.            Administration and Library Buildings.            Social Housing.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Community Support</b>            Emergency Management.            Library Services.            Regional Tourism Organisation.            i-SITES.</li>   <li>▪ <b>Leadership</b> <ul style="list-style-type: none"> <li>- Governance                Council.                Council Community Boards.</li> <li>- Strategic Development                Economic Development.                Business Development.                Iwi Development.                Policy Development.                Youth Development.</li> </ul> </li>   <li>▪ <b>Regulation</b>            Building Services.            Compliance.            Environmental Health.            Alcohol Licencing.            Resource Management.</li> </ul>

The section provides information on what Council did, and how much it cost, for each group of activities. The information is provided in the following format for each Activity:

- 1 What services and activities are included in the Group.
- 2 Why Council does these things and the contribution to Outcomes.
- 3 What Council achieved (KPI's).
- 4 What Council spent on major capital projects against planned expenditure.
- 5 Highlights of the year.
- 6 Funding summary including the operational result and rates allocated to fund the activity. This compared to the 2021/22 and 2022/23 Financial Years as set out in the Long-Term Plan 2021/31.

## Service performance judgements and assumptions

When we prepared the forecast Statement of Service Performance in the 2021-2031 Long Term Plan, Ruapehu District Council has made the following judgments in the selection of our service performance measures found in the Statements of Service Performance sections:

- We have reflected on the extent to which the levels of service we plan to provide to the community were best captured by performance measures.
- Consideration has been given to the views expressed by our residents and ratepayers, community boards and their communities. This includes feedback relevant to the levels of service and performance measures received throughout the LTP consultation process.
- We have ensured that the performance measures adequately inform progress towards delivering the outcomes in the 2021-2031 Long Term Plan.

Relevant measurement judgements have been included within each group of activity section to which the judgement relates.

Under the Local Government Act 2002 we are mandated to provide standard performance measures so that the public may compare the level of service provided in relation to the following group of activities: water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works and the provision of roads and footpaths. DIA guidance has been followed in measuring performance against all mandatory performance measures. We demonstrate regulatory compliance for statutory measures (such as percentage of both building consents and resource consents applications processed within 20 statutory days). Further to the above judgements being made in the selection of performance measures, we also apply judgements in the measurement, aggregation, and presentation of service performance information. As part of setting funding levels, the Council has considered the impact on services and their related performance measures. Despite funding pressures, management has determined it is possible to continue to provide services at current levels and the related performance measures do not need to be adjusted for funding reasons. Material judgements have been applied as follows:

### **Surveys**

To measure the quality of our outputs, we use the annual Customer Satisfaction Survey to help us to assess the quality of the service provided. This survey relates to customer interactions with council services. We also used a general community wellbeing survey to understand the attitudes and perceptions of our communities more broadly, which enables a comparison across councils of the impacts on residents' quality of life.

These surveys are designed in-house and have been designed to measure changes in perception of service delivery over time. We balance our measure of service delivery with supplemented direct measures of the quality of our service, which measures the direct observation of the service delivery, this type of measurement is more objective and easily quantifiable.

### **External implications for statements about performance**

There are conditions that affect the service performance results and may result in a variation from the anticipated or forecasted results. These are ones which are outside the control of council. Examples of this are, but not limited to changes in government policy in New Zealand, changes in international travel restriction, global and domestic economic conditions and international policy that may impact areas such as recruitment, availability of material and supplies (for example, materials required for critical infrastructure), volatility in international financial markets and other unforeseen considerations.

### **Statement of compliance**

The service performance information in this report is compliant with New Zealand generally accepted accounting practice (NZ GAAP).



# LAND TRANSPORT

## Introduction

The Land Transport Activity provides for the maintenance, renewal and development of local public roads, kerbs and channels, bridges, street lighting and footpaths for the whole District. State Highways are managed by the Waka Kotahi - New Zealand Transport Agency (NZTA).

The district land transport network consists of:

- 490 km of sealed roads.
- 842.5 km of unsealed road.
- 341 bridges and 88 large culverts.
- 70.5 km of footpaths.
- 1,339 streetlights.

# Community Well-being Outcomes



*Social*



*Cultural*



*Environmental*



*Economic*

## Rationale

The Land Transport activity provides road and pedestrian infrastructure that allows for the safe, reliable, efficient and effective movement of vehicles and people. Roads are essential infrastructure for both community and economic development.

## Activity impacts on community well-being

There are significant negative effects associated with the provision of a roads' service including loss of landscape amenity values, increased erosion, stormwater and flooding, runoff, noise, dust, vehicle emissions and traffic dangers.

Council mitigates many of these effects through provisions in its maintenance and improvement contracts. Council also supports this approach by inspections of road conditions, regular reporting by its contractors, audit of contractor performance and responding to public notification of road condition problems.

Council aims to achieve dust suppression by the use of appropriate maintenance aggregates and maintenance techniques such as the use of water suppression at work sites and seal extension on selected sites in urban areas. Erosion and sedimentation during routine road works are minimised using industry controls such as sediment filters and traps with disposal and fill sites located no closer than 20 meters from riparian margins.

Council's Land Transport Bylaw and Policy support the protection of its road network by regulating the behaviour of people who impact on road conditions.

## Highlights for the Year

Several activities within Land Transport under Ruapehu District Council's responsibilities had new contracts starting during the 2022/23 year. New contracts include:

Ref #	CONTRACT NAME	Term	Contract Commencement	Contract Completion Current Minimum	Contract Completion Maximum	Rights of Renewals
1901	Road Network Maintenance & Renewals (Inframax)	8 years	1 Oct 2022	30 Jun 2030	30 Jun 2030	NA
1903	Road Network Vegetation Control (Combined Road and Traffic Services)	5 + 3 years	1 Oct 2022	30 Jun 2027	30 Jun 2030	Engineer discretion
1906	Roadside Spraying & Pest Plant Control (Agspec)	5 + 3 years	1 Oct 2022	30 Jun 2027	30 Jun 2030	Engineer discretion
1912	Road Network Marking (Road Marking Services)	5 + 2 + 1 years	1 Oct 2022	30 Jun 2027	30 Jun 2030	Engineer discretion
1900	Streetlight Services (Horizon Networks)	5 + 2 + 1 years	1 Oct 2022	30 Jun 2027	30 Jun 2030	Engineer discretion
1880	Ohakune Mountain Road Traffic Management	5+1+1+1 (in Yr 4)	1 July 2019	30 June 2024	30 June 2027	Performance Management. Principals' discretion.
1902	Sealed Pavement Rehabilitation (Downer)	2 to 5 years	1 Oct 2022	30 Jun 2024	30 June 2027	Engineer and Principals' discretion
1905	Structural Maintenance and Renewals (Emmetts)	5+2 years	1 July 2023	30 Jun 2028	30 Jun 2030	Engineer discretion and Waka Kotahi NZTA approval
1916	Aggregate Supply (Jilesen Group)	Annual	1-July-2022	30 Jun 2030	30 Jun 2030	Annual price negotiation
1917	Aggregate Supply (Byfords)	Annual	1-July-2022	30 Jun 2030	30 Jun 2030	Annual price negotiation
1918	Aggregate Supply (Inframax)	Annual	1-July-2022	30 Jun 2030	30 Jun 2030	Annual price negotiation
1919	Aggregate Supply (Frasers)	Annual	1 Sep 2022	30 Jun 2030	30 Jun 2030	Annual price negotiation
1730	Professional Services for Land Transport (GHD)	4 +1 +1+1+1	1-July 2015	30 Jun 2024	30 Jun 2024	Contract Performance and Principals' discretion

The Professional Services agreement (Contract 1730) between RDC and GHD was extended by 12 months upon approval from Waka Kotahi New Zealand Transport Agency (Waka Kotahi). The end date for this contract is 30 June 2024.

- **Forestry and Land Use** - Changing land uses (i.e. forestry and mining) is resulting in (and will increase) the deterioration of the network, causing increased reactive (unplanned works to maintain the roading environment) maintenance and repair cost.
- **Needs and Expectations** - The needs and expectations of road users (local, freight, events, tourists) is resulting in increased investment to maintain and/or improve the form and function of the road network.
- **Climate, Geology and Topography** - The network is impacted by climate, geology, and topography, resulting in reactive/unplanned maintenance costs as well as increased safety risk and operation of the network.
- **Safety**-Vulnerable Road users are at greater risk due to increasing and changing activity and environmental conditions, which is expected to result in increased deaths and serious injuries.

### Pavement Resurfacing

Council completed 18.6km of chip seal resurfacing, which is less than the 30.3km completed in 2021/22 financial year. A wet summer season and limited budget impacted on the length of resurfacing and asphalt achieved.



Sealing Ruatiti Road



Sealing Ongarue Waimiha Road

### Sealed Pavement Rehabilitation

4.96km of pavement rehabilitation was completed in 2022/23.

920m on Ongarue Waimiha Road (RP 7.52 to 8.44 km) was deferred until next year due to the wet season and geology with a number of large, buried rocks. Ruatiti Road 6.76 to 8.50 km was also deferred due to the wet construction season. This budget for earthworks, known as 'Low Cost Low Risk' was reduced in the funding Council received from Central Government for 2021/24.

The full list of completed sites is shown below:

Pavement Rehabilitation Sites 2022/23				
Road Name		RP Location (km)	Length (km)	Status
Ongarue Village Road	Forestry haul route	RP 5.980 – 7.520	1.540	Complete
Ruatiti Road		RP 8.500 – 9.260	0.760	Complete
Ruatiti Road		RP 9.260 – 10.410	1.150	Complete
<b>Total Completed</b>			<b>4.960</b>	
Ongarue Waimiha Road		RP 7.520 – 8.440	0.920	Deferred to 2023/24
Ruatiti Road		RP 6.760 – 8.500	1.740	Deferred to 2023/24

### Bridges

#### Ruapehu Road:

KiwiRail permit to enter rail corridor was obtained on Monday 10 October. Emmetts were planning on starting on site in mid/late November. Ngāti Rangi blessed the site on Thursday 17 November at 7:30 am. The work got deferred due to the Lines Company work not being completed until 10 February 2023. This allowed for a digger to establish onsite on 9 April to start forming the crane pads.

To enable the work to proceed without further delays it was decided to investigate changing the bridge construction methodology and just putting the wires on the mountain side of Ruapehu Rd. This has created more work for Emmetts and the Lines Company to plan the new methodology but enabled the lines to be moved with less delay and the bridge to be constructed as soon as possible.

The replacement of the bridge is expected to take 5 to 6 months. The formation of the crane pads and road widening on Railway Row / Soldiers Rd intersection occurred during early April. Later in April the crane was established on the Ruapehu Rd side of the bridge for forming of the piles and abutment on the Ruapehu Rd side. During May 2023 the old bridge was removed in preparation for placing the new one. Bridge construction continued during June, discussions with Ngāti Rangi regarding a blessing before the bridge is opened began mid-July. It is expected that this project gets commissioned in August 2023.

#### Mangateitei

Due to the deterioration of aging timbers, Mangateitei Bridge is restricted to 60% Class 1, placing increased restrictions on farming operations beyond the bridge. The bridge was unable to be funded in the previous funding

block due to Waka Kotahi criteria (although it was Ruapehu District Council's desire to replace the bridges, funding was not available before September 2021).

A new Waka Kotahi funding activity became available for the 2021-24 block, and the Mangateitei and Ruapehu Road bridge replacement funding was approved by Waka Kotahi in September 2021 for funding block 2021-24. In parallel, approval was sought through KiwiRail for work to occur on and above the rail corridor. This has been obtained for Ruapehu Road bridge while Mangateitei Road bridge is still with KiwiRail for approval. Council and KiwiRail have both approved the Deed of Grant for both sites.

### **Minor Improvements**

Works at nine sites, including four pavement rehabilitation sites, were completed throughout the district. This work included carrying out minor improvements such as seal widening, widening retreats and truck pull over areas.

### **Flood Damage**

Four large scale events occurred during the year. These were 25<sup>th</sup> November, Cyclone Hale, the Auckland Anniversary Weekend event, and Cyclone Gabrielle. Although all events caused damage to roads throughout the district, Gabrielle produced nothing comparable to the extent seen and reported in other parts of the country.

### **Drainage**

The water channel programme continues, which comprises of travelling around the sealed network (and unsealed roads where the water channel is unable to be graded) on an eight-year cycle with wheeled diggers. The ramped-up culvert flushing programme and culvert inlet and outlet focus continues.

### **Cycleway Development**

The Council's focus during the year was on enabling Te Ara Mangawhero and Te Hangāruru cycle ways. Both trails had substantial amounts of work done towards obtaining designs, resource consents, building consents for structures and permits from DOC and KiwiRail. A ceremony was held at the Ohakune Mountain Road to mark the start of the construction works.

## Capital Projects

Project Description	Carried Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
Kerb and Channel Development	27	77	2	LOS
Bus Shelter Renewals	42	42	-	Renewal
Under Verandah Lighting Renewals	-	5	-	Renewal
Motorist Service & Information Signs	34	68	-	Renewal
Streetflags District	-	19	30	Renewal
Facility Road & Car Park Renewals	-	4	1	LOS
Seal Extensions	41	96	-	Growth
Miscellaneous Minor Capital Projects	-	125	-	LOS
Waiouru Truck Park - Investigation and Design	-	33	-	LOS
B297 Matahiwi Track Suspension bridge upgrade	-	3,477	-	Renewal
Pedestrian Safety Improvements - District wide	-	52	4	LOS
Minor & Associated Improvements	-	1,084	218	Renewal
Low Cost Low Risk (SPR) - A/C	21	1,636	252	Renewal
Low Cost Low Risk Road 2 Zero	-	-	28	LOS
Sealed Road Surfacing SPR	-	163	57	Renewal
Drainage Renewals SPR	-	30	3	Renewal
Traffic Services Renewals	-	26	23	Renewal
Unsealed Road Metalling	-	945	1,350	Renewal
Sealed Road Surfacing	-	1,722	1,096	Renewal
Drainage Renewals	-	460	439	Renewal
Pavement Rehabilitation	-	2,811	3,897	Renewal
Structures Components Replacements	-	552	155	Renewal
Traffic Services Renewals	-	275	184	Renewal
Bridge Renewals	1,112	4,512	1,459	Renewal
Footpath Renewals	336	510	(7)	Renewal
Low-Cost Low Risk - Taupo Rd Streetlight Upgrade	-	442	-	Renewal
Facility Road & Car Park Renewals	-	20	8	Renewal
<b>Total</b>	<b>1,613</b>	<b>19,182</b>	<b>9,199</b>	

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Land Transport</b>					
The safety of the land transport network is acceptable to users.	The change from the previous financial year in the number of crashes resulted in fatalities and serious injuries on the local road network, expressed as a number.	There were 3 serious crashes on the local network during 2021/22	Target for reducing the number of serious injuries and fatalities $\geq 1$ .	There were 9 serious crashes on the local network during 2022/23	Not Achieved. There were 9 serious/fatal crashes in 2022/23, so the total increased by 6.
Roads are managed to an acceptable level and the road network is available when required *.	The average quality of ride on a sealed local road network, measured by smooth travel exposure (Note 1).	90%	Target level of smooth travel exposure $\geq 87\%$ .	90%	Achieved.
	The percentage of the sealed local road network that is resurfaced.	7.4% 36.1km out of 488km	$\geq 7.5\%$ $\geq 37\text{km}$ out of 488km.	3.8% 18.6km out of 488km	Not achieved. Deferral of 2.76km of sealed pavement rehabilitation due to weather conditions, 3.52km of reseals and 1.86km of asphalts due to sub-contractor availability, weather conditions as well as budget constraints.
	Maintain the sealed roads to a standard that allows $< 5.5$ defects/km/quarter (Note 2).	Q1 – 5.5 Q2 – 5.8 Q3 – 4.8 Q4 – 3.3	$< 5.5$ defects/km/quarter	Q1 – 4.1 Q2 – 4.0 Q3 – 3.8 Q4 – 3.1	Achieved for all four quarters. In the first two quarters, litter, sealed potholes, detritus, vegetation, plant pests and surface water channel issues were recurring.  Two months, August and December, resulted in over 5 defects per kilometre – with high numbers of potholes, detritus and stormwater issues.  Maintenance issues are forwarded to the contractors each month.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
	Maintain the unsealed roads to a standard that allows <5.5 defects/km/quarter (Note 2).	Q1 – 4.4 Q2 – 3.3 Q3 – 3.5 Q4 – 4.0	<5.5 defects/km/quarter	Q1 – 4.6 Q2 – 3.7 Q3 – 3.6 Q4 – 4.1	Achieved for all four quarters.  There was a similar level in unsealed road audit results compared to last year.
	The percentage of footpaths within the district that fall within the level of service or service standard for the condition of footpaths that is set out in Council's Asset Management Plan.	94.1% of the 72.1km of footpath is in average or better condition.  4.5% of the network is in poor condition.	90% of network to be in average condition or greater and not more than 5% of network in poor condition.	91.7% of the 72.1km of footpath is in average or better condition.  4.3% of the network is in poor condition.	Achieved.
	The percentage of customer service requests relating to roads and footpaths to which Council responds within the time frame specified in the LTP (Note 3).	92%	≥85%	78%	Not achieved.  This was due to lack of resources.

\* The road measures are managed to an acceptable level, and the network available when required.

**Notes:**

1. Smooth travel exposure is reported annually. The two inputs Road Roughness, which is measured two yearly, was last completed in November 2021 by Shaw's Consulting Services Ltd. Vehicle Kilometres Travelled (VKT) are updated during the year from system-generated estimates.
2. A defect constitutes potholes on sealed roads, unsealed shoulders on sealed roads, corrugations on unsealed roads, damage to bridges, blocked drain holes and culverts, overgrown vegetation, and damaged running boards and traffic signs.
  - (a) The accuracy of these have not been verified by Council. The information reported on is collected by Council's Professional Services for Land Transport consultant GHD.
  - (b) The coverage of the roads network inspected during the year is aimed at 100%. In 2022/23, 99.3% of the network roads were inspected, with 1333.8 out of 1342.6 km of roads in the district inspected.
  - (c) Defects are calculated by the number of defects / number of kilometres audited over the three months in the quarter.
  - (d) Each road should be inspected at least once a year.
3. The Request for Service targets can be found in the Asset Management Plan.

4. Traffic counts are undertaken at 500 count sites over a five-year period from which the Waka Kotahi / Te Ringa Maimoa traffic counting system generates estimates for all (approximately) 1,800 sections of road. These estimates are used to calculate the vehicle kilometres travelled by multiplying the traffic volume for each section of road by the length of each section of road. During the 2022/23 financial year, traffic counts were undertaken at 148 different count sites.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Land Transport Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	1,573	1,671	1,534
Targeted rates	3,671	3,898	3,548
Subsidies and grants for operating purposes	6,741	7,140	8,659
Fees and charges	168	173	45
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	146	151	123
<b>Total operating funding (A)</b>	<b>12,299</b>	<b>13,033</b>	<b>13,909</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	9,757	10,332	12,030
Finance costs	242	310	777
Internal charges and overheads applied	324	351	1,329
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>10,323</b>	<b>10,993</b>	<b>14,136</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>1,976</b>	<b>2,040</b>	<b>(226)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	13,757	8,524	6,917
Development and financial contributions	24	25	78
Increase/(decrease) in debt	2,430	898	2,773
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>16,211</b>	<b>9,447</b>	<b>9,768</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	53	55	-
- To improve the level of service	6,685	3,173	34
- To replace existing assets	11,283	8,096	9,165
Increase/(decrease) in reserves	166	163	342
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>18,187</b>	<b>11,487</b>	<b>9,541</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(1,976)</b>	<b>(2,040)</b>	<b>227</b>
<b>Funding balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



# WATER SUPPLY

## Introduction

### Te Mana O Te Wai

The first principal of water use is Te Mana O Te Wai. Council ensures that they take this into consideration for all their water supplies across the district.

The purpose of the Water Supply Activity is to supply safe drinking water to the communities of the district. Water supply is essential to run households, maintain public health and sustain Economic Development. Council is committed to providing a water supply service that meets the needs of the community.

Council is responsible for the provision and management of six water supply schemes at National Park, Ohakune, Ōhura, Ōwhango, Raetihi and Taumarunui.

A total of 214.17 km of pipes makes up the reticulation network plus 5 pump stations located across the district.

In Waiouru, Council owns and operates the water supply network outside the Army base and purchases the potable water from the New Zealand Defence Force.

The water supply network is made up of a mix of assets:

- Head works, surface water sources, intake weirs and pipelines to treatment plants.
- Treatment Plant including raw water pumps, clarifier, filters, main pumps and chemical dosing pumps.
- Water storage including reservoirs and pipelines.
- A piped network including pipelines, valves, hydrants, water meters, service connections and pump stations.

## Community Well-Being Outcomes



*Social*



*Cultural*



*Environmental*



*Economic*

### **Rationale**

Water supply is perceived by communities to be one of the essential services Council supplies. Council is required by law to assess the need and provision of water services and to retain its water supplies. It also has a duty to improve, promote and protect public health. Water supplies can be closed or transferred with the agreement of local communities.

There have also been significant legislation and policy changes that will impact the wastewater activity including the Affordable Water Reform (previously called the 3 Waters Reform), more freshwater management direction, zero carbon bill and climate change considerations over the last three years. There is now a new crown entity Taumata Arowai to regulate drinking water and Water Services. Further legislation and regulation changes are expected with proposed changes to the Resource Management Act.

Council also has obligations under Horizons One Plan regarding the way it delivers and manages water.

### **Activity impacts on community well-being**

The provision of water supply services can result in negative environmental and cultural impacts on waterways.

Council use of waterways has an opportunity cost to others through reducing the amount of water that may be used by others, e.g., commercial, or industrial businesses and farms. This may have a detrimental economic impact on those businesses. Council mitigates these effects by drawing water to an agreed level that meets resource consent conditions. These conditions include limiting supply as set out in the One Plan. Promoting wise water use by all and reducing leakage in the reticulation network.

Failures in treatment or reticulation can have significant health effects such as what happened in Havelock North. The loss of water supply is disruptive to our communities and can affect whole communities and individual property owners.

Taumata Arowai (the new regulator) has requirements with a strong emphasis on increased monitoring of raw water through the treatment process to the customer. Council has bacterial compliance at all plants and is now focusing on delivering protozoal compliance and renewing failing pipeline. Investment in new infrastructure and compliance costs will be significant for developers and businesses along with individual households. There will be continued new government legislation, policy and regulations.

The government's announcement of the move from the originally planned three centralised water entities to ten water entities, with a delay to the anticipated implementation, will impact how these services will operate. Community affordability remains a high risk.

Climate change predictions are that extreme weather events will occur more frequently. Rainfall events carry sediment which makes rivers dirty which reduces the water quality in the river. Dirty water takes longer to treat and therefore reduces the capacity of the plant to produce clean safe clean water. Droughts can see the volume of water being able to be taken from the river reduced as set out in resource consents. This restricts capacity at a time when consumer demand is high.

## Highlights for the Year

### Ohakune Water Treatment Plant Upgrade

Progress on the New Ohakune Water Treatment Plant is well underway.



*Progress at Ohakune Water Treatment Plant*

### Taumarunui Railway Crossing Watermain Renewal

New watermain has been installed along Bell Road and connected with Golf Road at Short Street intersection.



*Installation and connection works at Bell Road, Golf Road and Short Street intersection*

### Hakiaha Street Watermain Renewal – Taumarunui

Progress is well under way with Hakiaha Street installation commencing July 2023. The new pipe will be connected to the newly installed main on Bell Road.



*New watermain pipes laid out ready for installation*

### Polymer Makeup Tank – Matapuna WTP - Taumarunui

A new higher capacity Polymer Tank was installed at the Matapuna Water Treatment Plant replacing the existing tank.

#### **ChemGuard Automatic Chlorine Gas Shutdown Systems – District Wide**

ChemGuard chlorine shutdown systems and battery backed chlorine gas detectors were installed at National Park, Ōwhango, Raetihi and Ohakune Water Treatment Plants. These are designed to automatically shut down the chlorine gas supply in the event of a gas leak. It will ensure an immediate secure shutdown protecting personnel, equipment and the environment from toxic gases.

#### **Bulk Tank Lines Replacement – Raetihi WTP**

The bulk tank lines at Raetihi Water Treatment Plant were replaced and relocated to prevent chemical over spill particularly when operators are replenishing the bulk chemical tanks.

#### **Water Network Sampling Point Upgrade**

New water sampling and collection boxes were installed at 21 locations:

Taumarunui 10; Ohakune 4; Raetihi 2; National Park 1; Ōwhango 3; Ōhura 1.



*New water sample collection points*

#### **Waiouru Hydraulic Water Modelling**

Water Modelling of the Waiouru Water Network was conducted to provide future planning / operational information. It was also used to assess any impacts of a second NZDF connection to the RDC network. (This connection has now been completed).

#### **National Park Wind Powered Generator**

A wind powered generator was installed at the National Park Reservoir to complement the existing solar powered unit.

#### **Te Peka Street Ridermain Upgrade - Taumarunui**

The 40mm galvanised ridermain on Te Peka Street was upgraded to 63mm MDPE.

#### **Manson Street 50mm Watermain Replacement - Taumarunui**

The 50mm Galvanised steel water main on Manson Street was replaced with 100 meters of 63mm PE80 watermain including 12 lateral connections.

#### **Miro Street Ridermain Upgrade & Lateral Connections – Manunui**

A deteriorated 25mm galvanised steel ridermain on Miro Street in Manunui was upgraded with new 63mm PE pipe. These works also included upgrading 4 property service laterals and ACCUFLOW tobies.

#### **Tawa Street Ridermain Upgrade – Manunui**

The ridermain on Tawa Street in Manunui was extended by 150 meters with 40mm HDPE pipes.

#### **Shannon Street Watermain Connection – Stage 2 - Ohakune**

Stage 2 - 100mm watermain installation was completed. These works followed on from the two 100mm ring main connection branches that were installed to serve the new subdivision development at Shannon Street during the last financial year.

## Safety Gates and Barriers - Taumarunui

Manunui Reservoir and Matapuna Water Treatment Plant had new safety gates and barriers installed.

### Status of Resource Consents for Water Plants as follows:

Town	Expiry Date of Consent	Consent Status	Notes
Ōhura	14 November 2021	Consent remains active under the Resource Management Act.	This consent expired in November 2021. Combined application between Iwi (Ngāti Haua, Nga Tangata Tiaki) and RDC in progress.
Taumarunui	20 June 2017	Consent remains active under the Resource Management Act.	New application lodged with Horizons Regional Council 20 March 2017. Abstraction continues under the old consent until the lodged consent is processed.  A new joint application is being planned. This project is being led by Ngāti Hāua with support from RDC.
Ōwhango	20 March 2016	Consent remains active under the Resource Management Act.	New application lodged with Horizons Regional Council 18 December 2015. The application remains on hold to allow Council to consider catchment water allocation in conjunction with the Taumarunui consent (Note 1). Abstraction continues under the old consent until the lodged consent is processed.
National Park	12 December 2026	Current	This consent will not expire until 2026.
Raetihi	1 July 2039	Current	This consent will not expire until 2039.
Ohakune	11 September 2025	Current.	This consent will not expire until 2025.

#### Notes:

1. The Water Supply Scheme continues to operate under the existing consent until the new consent is granted or declined.

## Capital Projects

Project Description	Carried Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
District Wide (Renewal)	-	13	-	Renewal
District Wide (LOS)	-	-	-	LOS
District Wide (Growth)	-	1	-	Growth
Ruapehu District Council SCADA Setup 2021-2022	-	31	-	LOS
District Wide Water - WTP Security	-	5	2	LOS
Water Network Sampling Points Upgrade	-	118	118	LOS
Water Meters FY22-23	-	75	164	LOS
National Park WTP Asset Renewals	12	14	47	Renewal
PLC Data Backup and Data Security	33	33	3	LOS
Upgrade Solar Panel, Battery and Battery Platform	8	8	5	LOS
National Park Reservoir Batteries	-	2	2	LOS
National Park PH Probe	-	2	-	LOS
Ohakune WTP build	-	7,267	4,013	LOS
Ohakune WTP Critical Spares	-	8	8	Renewal
Install Platforms at both Ohakune Reservoirs	-	21	-	Renewal
Shannon St Subdivision Watermain Connection Stage 2	-	-	35	LOS
Ōhura WTP: Buildings	-	-	1	LOS
Ōhura WTP: Resource Consent	25	25	(28)	LOS
Ōwhango Northern Reservoirs: Asset renewal	4	4	4	Renewal
Ōwhango WTP Upgrades	-	2	2	LOS
Raw Water Bridge Upgrades and Region Wide Reservoirs Access Entry Assessment	11	11	-	LOS
Raetihi Intake - Resource Consent	-	-	(1)	LOS
Raetihi - Network - Water Main Replacement	9	9	9	Renewal
Raetihi WTP FAC_pH Analyser Replacement	15	14	14	Renewal
Electrical, Instrumentation & SCADA Upgrade for Reservoir	25	25	-	LOS
Raetihi Reservoir Variations	-	-	(1)	LOS
Install local Data Logger at Settling Pond	-	63	29	LOS
IBC Bunds	-	9	9	LOS
Raetihi Renewals program	-	10	-	Renewal
Raetihi LOS program	-	1	-	LOS
Raetihi Reservoir	143	313	318	LOS
Ōhura Water Treatment Upgrade	1,001	723	727	LOS
Golf Road (Short St to roundabout)	223	158	158	Renewal
Water Meters	-	-	(2)	Aging WIP transferred to Expenses
Tmn Water Networks - Water Main Replacement	-	-	(1)	Aging WIP transferred to Expenses
Tmn - WTP - Health & Safety	14	23	23	LOS

Taumarunui: Rangaroa Reservoir: Asset Renewal	-	-	4	Renewal
Matapuna Intake: Resource Consent	-	-	(115)	Aging WIP transferred to Expenses
Tmn - Above Ground Asset Renewal	3	3	2	Renewal
Chlorine Gas Dosing at Matapuna WTP	-	-	(10)	Aging WIP transferred to Expenses
Hakiaha St Watermain	2,329	3,172	1,934	Renewal
ChemGuard Automatic Chlorine Gas Shutdown System	17	5	5	LOS
Water Meters FY2021-2022	-	-	(6)	LOS
Tait Radio Critical Spare	15	15	11	LOS
Matapuna WTP polymer Makeup Tank	56	12	12	LOS
Taumarunui Railway Crossing Watermain Renewal	-	715	290	Renewal
Matapuna WTP Air Conditioning Unit	-	4	5	LOS
Manson St Replace Existing 50mm Galvanised Watermain	-	136	136	Renewal
Matapuna WTP Clarifier Cones	-	7	-	LOS
Hekeawai Ridermain Installation	-	47	46	LOS
Water connection at the new New World	-	28	26	LOS
Replacement of back-wash line valve actuator at Matapuna WTP	-	8	8	Renewal
RUA/2022/0096 - Tawa St, Ridermain ext Manunui	-	-	42	LOS
Taumarunui Renewals program	-	1,074	-	Renewal
Water Renewals Waiouru	-	2	-	Renewal
<b>Totals</b>	<b>3,943</b>	<b>14,216</b>	<b>8,048</b>	



Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Water Supply</b>					
				Owhango = N National Park = N Raetihi = Y Ohakune = N	
Responsiveness.	Percentage of real water loss from the networked reticulation system, using minimum night flow analysis (Note 8).	Taumarunui (note 9) 36% National Park 23% Ohakune 35%* (note 11) Ōhura 63%* (note 11) Ōwhango 41% Raetihi 69% (note 11)	≤40% all supplies.	Taumarunui (note 9) 40% National Park 25% Ohakune 59% Ōhura 15% Ōwhango 56% Raetihi 64%	Achieved.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Water Supply</b>					
	<p>Where the 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:</p> <p>Attendance for urgent callouts: from the time that the Council receives notification to the time that service personnel reach the site (i.e., loss of water supply) (Notes 2, 5 and 6).</p>	35 Minutes	Median response times ≤2 hours.	38.5 Minutes	Achieved
	<p>Where the 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:</p> <p>Resolution of urgent call outs from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption site (i.e., loss of water supply) (Notes 2 and 6).</p>	59.5 minutes	Medium response times ≤6 hours.	159 minutes	Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Water Supply</b>					
	<p>Where the 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:</p> <p>Attendance to non-urgent callouts from the time that the Council receives notification to the time that service personnel reach the site (i.e., no loss of water supply) (Notes 2, 5 and 7).</p>	76 minutes	Medium response times ≤36 hours.	101 minutes	Achieved
	<p>Where the 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:</p> <p>Resolution of non-urgent callouts from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption (i.e., no loss of water supply) (Notes 2 and 7).</p>	250 minutes	Median response times ≤72 hours.	318 minutes	Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Water Supply</b>					
Public safety pressures and flow.	Total number of complaints (Note 4) received by Council about any of the following (expressed per 1,000 connections (Note 3) to the network reticulation systems.				Achieved
	(a) Drinking water clarity.	(a)3.9	(a)< 15	(a)3.2	
	(b) Taste.	(b) 0.7	(b) <10	(b)1.0	
	(c) Odour.	(c)0.4	(c)<5	(c)0.5	
	(d) Pressure and flow.	(d)5.2	(d)<25	(d)7.1	
	(e) Continuity of supply and	(e) 2.2	(e) <5	(e) 3.5	
	(f) Council response times.	(f) 0.0	(f) <25	(f) 0.0	
	The average consumption of drinking water per day, per resident within the territorial authority district (litres per person per day).	463	≤500	448	Achieved
	Peak demand using peak population (litres per person per day).	263	≤300	254	Achieved

**Notes:**

1. Mandatory Non-Financial Performance Measures, against which all water infrastructure in New Zealand is measured, were introduced by the Department of Internal Affairs in 2014.
2. The times shown for “attendance” and “resolution” are reported by the service provider, Veolia as part of their contracted responsibilities. This includes travel time. The accuracy of these have been verified by Council, and audits and GPS conduct check upon job completion.
3. The number of connections is calculated from the number of customers charged in their rates for use of Council water services calculated at 6,014 as of 30 June 2022 (5,771 as of 30 June 2021).

4. There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence. However, for after-hours complaints received from the Palmerton North Call Centre, only the first complaint about an incident was recorded.
5. The median time presented is based on calls that have been raised directly with Council and not Council's contractor Veolia.
6. An urgent call-out is one that leads to a complete loss of supply of drinking water due to a fault or unplanned interruption.
7. A non-urgent call-out is one where there is still a supply of drinking water.
8. Real water loss refers to volumes lost through leaks, bursts or overflows on mains, service reservoirs and services connections, up to the point of the customer meter. We aim to provide an efficient and effective water supply. We achieve this by undertaking activities such as water leakage detection and maintaining our network of water pipes. This measure estimates how much water is lost from the system between the water treatment plant and the household or customer. High levels of water loss can indicate that the network is in poor condition or operating inefficiently. 31% of the network have water meters installed on their properties.
9. This figure is for the Taumarunui urban area only. The methodology used for this analysis is based on the Non-Financial Performance Measures: Water Loss Guidance published by the Department of Internal Affairs. It has been adjusted based on local data to best suit the water consumption dynamics of the Ruapehu townships. Using this method, the water losses are expressed as a percentage of the total annual system output.
10. Bacterial criteria reporting has changed from 1st January 2023 when the new DWQAR (Drinking Water Quality Assurance Rules) came into effect superseding the previous DWSNZ (Drinking Water Standards New Zealand). The assessment results have therefore been split into two 6 monthly periods. The perimeters of reporting are now analysed at both Water Treatment Plant and Zone level. Bacterial criteria was achieved for all townships at both Water Treatment and Zone level for the period July to December 2022 under the DWNZS rules. The criteria was not met under the new DWQAR for the period January 2023 to June 2023.
  - 10a. Taumarunui achieved Bacterial criteria for Zone however did not achieve bacterial criteria for Water Treatment Plant.
  - 10b. Raetihi achieved Bacterial criteria for Water Treatment Plant but did not achieve bacterial criteria for Zone.
11. 2021/2022 Results for Ohakune, Taumarunui and Ohura differ from the 2021-22 Annual Report as amended data was provided by Veolia using refined methodology and updated information.  
Changes include:
  - Ohakune and Taumarunui wastewater flows were used to estimate night usage instead of toilet flushing for 6% of the population.
  - Ohura, the SCADA data was assessed for reliability and the effect of reservoir level was included when it was not previously.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Water Supply Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	-	-	-
Targeted rates	3,975	4,540	4,220
Subsidies and grants for operating purposes	120	-	355
Fees and charges	103	106	206
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>4,198</b>	<b>4,646</b>	<b>4,781</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,568	2,705	3,091
Finance costs	180	290	421
Internal charges and overheads applied	202	219	603
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>2,950</b>	<b>3,214</b>	<b>4,114</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>1,248</b>	<b>1,432</b>	<b>667</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	2,800	-	1,533
Development and financial contributions	30	31	13
Increase/(decrease) in debt	6,833	1,665	5,835
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>9,663</b>	<b>1,696</b>	<b>7,381</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	560	75	-
- To improve the level of service	6,020	769	5,435
- To replace existing assets	4,213	2,072	2,613
Increase/(decrease) in reserves	118	212	-
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>10,911</b>	<b>3,128</b>	<b>8,048</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(1,248)</b>	<b>(1,432)</b>	<b>(667)</b>
<b>Funding balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



# WASTEWATER (SEWERAGE)

## Introduction

The purpose of the Wastewater Activity is to collect and dispose of wastewater in an effective and environmentally friendly manner. This activity is essential in order to protect the environment and to maintain public health.

Council owns treatment plants at Taumarunui, National Park Village, Ohakune, Pipiriki, Raetihi and Rangataua. In addition, Council co-operates with the New Zealand Army in Waiouru to provide wastewater services for the town.

Council's wastewater assets consist of:

- 6 wastewater treatment plants.
- 126.1km of pipes.
- 17 pump stations.
- 1,627 manholes.
- 6488 rateable service connections.

# Community Well-Being Outcomes



## Rationale

Council is required to assess water and other sanitary services available to the community, including stormwater drainage, and has a duty under Section 23 of the Health Act 1956 to improve, promote and protect public health.

As well as the legal mandate, this service contributes to several of Council’s Community Outcomes.

## Activity impacts on community well-being

The collection, treatment and discharge of wastewater has a negative effect on the environment through the final disposal of treated wastewater.

The effects of climate change predictions are more extreme events of weather with increased frequency. The wastewater network can be affected by infiltration (water entering the system from high ground water tables) and inflow from stormwater flowing across the ground or illegal connections into the network. These forces can impact on individuals or whole communities’ properties and the environment.

Failures in the collection or treatment system, can result in untreated or partially treated wastewater discharges. This wastewater may contain pathogens and nutrients that can be harmful to humans and the environment. Wastewater may accumulate on the ground, percolate into the groundwater or flow into nearby waterways. This poses public health risks and can damage aquatic environments and/or cause property damage.

New more intensive treatment technologies will be required to deliver to higher environmental standards for the land, air, and water. These methods include high treatment costs including higher carbon outputs to deliver lower nutrient outputs. The investment in new infrastructure and compliance costs could be significant for developers and businesses along with individual households.

Council mitigates discharge effects by treating wastewater to an agreed level that meets resource consent conditions. Resource consent processes are lengthy and difficult to navigate with changing legislation, policy and regulations.

Wastewater discharges may also contribute to pollution issues experienced downstream of treatment facilities. Horizons One Plan’s new targets for wastewater treatment will require significant investment by Council. Council mitigates discharge effects by treating wastewater to an agreed level that meets resource consent conditions.

Council’s contractor has prepared a Health and Safety Assessment of Council’s systems to assist Council in the prioritisation, planning and implementation or mitigation measures. This report is available to view at all Council offices.

## Highlights for the Year

### General Components upgrade for Seven Wastewater Pump Stations (WWPS)

Various component upgrades, overhauls and installations were completed at the following Wastewater Pump Stations:

- Highway Campground WWPS - Raetihi
- Matai Street WWPS – Pump 2 -Taumarunui
- Matai Street no 2 WWPS - Taumarunui
- Tuku Street WWPS – Pump 2 – Taumarunui
- Golf Road WWPS – Pump 1 - Taumarunui
- Victory Bridge WWPS – Pump 1 – Taumarunui
- Sunshine Road WWPS – Electrical Upgrade and Replacement of Pump 1 – Taumarunui

### Bullians WWPS Pump 1 Pipework Upgrade - Taumarunui

The upgrade to Pump 1 at Bullians WWPs included the replacement of existing pipework, damaged discharge unit, gate and check valves. The components requiring upgrade were either deteriorated, obsolete or in poor condition.

### North Street Wastewater main relining - Taumarunui

AM-LINER II was installed on North Street using trenchless technology, relining 377 metres of 150mm GEW Wastewater mains. AM uPVC liner is a structural, seamless, chemically resistant, PVC pipe formed tightly to the interior of the existing host pipe.



*Relining works at North Street, Taumarunui*

### Ongarue Bridge/Kururau Road - Wastewater Main Relining – Taumarunui

AM uPVC Liner was installed at Ongarue Bridge and Kururau Road using trenchless technology, relining 70 metres of 225mm CLS, 40 metres of 225mm AC and 174 metres of 150mm AC Wastewater main.



*Relining works at the Ongarue Bridge, Kururau Rd intersection, Taumarunui*

### Ruanui Street Wastewater Rising Main Replacement - Waiouru

An existing 50mm Wastewater Rising Main on Ruanui Street was replaced with a new 63mm MDPE Wastewater Rising Main.

### Ohakune Wastewater Main Critical Upgrades - Ohakune

Chokepoints outlined in recent Wastewater network modelling of Ohakune enabled the identification of critical Wastewater main upgrades required within Ohakune. Upgrades include the following:

- **Miro Street** - 275m of the existing DN150mm AC mains upgraded to DN225mm uPVC SN16.
- **Mangawhero Terrace** - 190m of the existing DN300mm AC mains upgraded to DN375mm uPVC SN16.
- **Goldfinch Street** - 140m of the existing DN250mm AC mains upgraded to DN300mm uPVC SN16.
- **Burns Street** - 75m of the existing DN375mm AC mains upgraded to DN475mm uPVC SN16.



Goldfinch Street, Ohakune



Miro Street, Ohakune

### Aeris Global - 1 x aerdisc® - Aerator Purchase – Ohakune

An Aerdisc® directional aerator was installed at Ohakune Wastewater Treatment Plant. The Aerator was trialled for 6 months prior to purchase and has shown improvement to pond DO (Dissolved Oxygen) levels.



Aerisc® directional aerator



### Wastewater Pump Station - Pumps Discharge and Piping Improvement Works - Pipiriki

Improvement and upgrades to Pipiriki WWPS included the replacement of both discharges to new Flygt 50mm units. Riser pipework (50mm) in the wet-well, non-return and gate valves (PVC ball type i.e., no corrosion).

### The status of Resource Consents for Wastewater Plants is as follows:

Town	Expiry Date of Consent	Notes
Taumarunui	1 July 2023	Currently in discussion with Nga Tangata Tiaki and Ngāti Haua, this consent is being developed in conjunction with them. (Note 2)
National Park	17 November 2015	Application lodged with HRC 17 August 2015. (Note 1 & 2)
Raetihi	17 November 2015	Application lodged with HRC 17 August 2015. (Note 2 & 4)

Town	Expiry Date of Consent	Notes
Ohakune	17 November 2015	Application lodged with HRC 17 August 2015. (Note 2 & 4)
Pipiriki	1 July 2035	Current.
Waiouru	1 July 2029	Current (New Zealand Defence Force). (Note 3).
Rangataua	December 2005	Application lodged with HRC 30 June 2014. Council has responded to an s92 request for further information from HRC. In addition, iwi consultation has been taken further in assessing this system against their goals of "land passage" treatment as expressed in Ohakune and Raetihi resource consents. (Note 1 & 5).

**Notes:**

1. The Wastewater Plant continues to operate under the existing consent until the new consent is granted.
2. Pending outcome of MBIE funded feasibility study to combine Ohakune and Raetihi Wastewater Treatment Plant.
3. Wastewater disposal for Waiouru Township is procured by RDC from the New Zealand Defence Force.
4. Wastewater engineer is developing solutions. Once sufficient data is collected at Ohakune he will repeat the process for Raetihi to ensure that the correct solution is implemented to meet resource consent requirements.
5. Rangataua – Council in conjunction with Ngāti Rangi is looking at a land-based discharged treatment in conjunction with an environmental scientist. This project is being led by Ngāti Rangi.

## Capital Projects

Project Description	Carried Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
National Park - Headworks & Treatment - Resource Consent	-	-	(25)	Aging WIP transferred to Expenses
National Park Resource Consents	-	-	(129)	Aging WIP transferred to Expenses
NP Renewals program	-	31	-	Renewal
Ohakune WWTP - Upgrade	-	-	(8)	Aging WIP transferred to Expenses
Ohakune Wastewater Above Ground Assets: Renewals	13	13	13	Renewal
Ohakune WWTP Stairs	3	3	3	LOS
Aeris Global Aerator Pilot	18	117	99	LOS
Miro Street WW Main Critical Upgrade	-	472	184	LOS
Mangawhero Terrace WW Main Critical Upgrade	-	376	345	LOS
Goldfinch WW Main Critical Upgrade	-	-	384	LOS
Burns Street WW Main Critical Upgrade	-	163	44	LOS
Ohakune Renewals program	-	205	-	Renewal
Ohakune LOS program	1,000	-	-	LOS
Ohakune Growth program	-	20	-	Growth
RUA/2023/0013 Pipiriki WWPS Pumps Discharge and Piping Improvement Works	-	36	33	LOS
Pipiriki Renewals program	-	10	-	Renewal
Raetihi WWTP - Upgrade	-	-	(5)	Aging WIP transferred to Expenses
Raetihi Campground WWPS Driveway Construction	-	1	1	LOS
Raetihi Renewals program	-	11	-	Renewal
Renewal of Resource Consent	-	-	(44)	Aging WIP transferred to Expenses
Rangataua WWPS Chamber Lid	-	4	4	LOS
Rangataua Renewals program	-	70	-	Renewal
Rangataua LOS program	-	22	-	LOS
Hikumutu Sewerage Resource Consents	-	-	(75)	Aging WIP transferred to Expenses
Sunshine Road WWPS: Asset Renewal	-	-	(6)	Aging WIP transferred to Expenses
Hikumutu Above Ground Asset Renewals	-	123	123	Renewal
Asset Renewals/Replacements	-	29	17	Renewal
Bullians WWPS Pump1 Pipework Upgrade	57	54	54	LOS
Ongarue Bridge Wastewater Main Relining	-	141	141	Renewal
North Street Wastewater Relining	-	237	237	Renewal
Victory Bridge WWPS Safety Rails	-	2	2	LOS
Wastewater Connection at the new New World	-	25	24	LOS
Victory Bridge Gantry	-	2	-	LOS
Hikumutu Flow Transmitter Temporary Connection	-	11	-	LOS

Hikutumu WWTP Composite (22/0015)	-	245	45	LOS
Echolands Road Wastewater Main Upgrade	-	102	-	LOS
Hikumutu WWTP Effluent Telemetry Installation	-	20	-	LOS
Hikumutu WWTP Galvanised Waste Bins	-	-	8	LOS
Victory Bridge Monorail Support Beam	-	-	7	LOS
Taumarunui Renewals program	-	9	-	Renewal
Taumarunui LOS program	-	9	-	LOS
Hikumutu Aeration, Inlet & Pond Works	587	587	539	Renewal
Victory Bridge Pump Station	122	37	37	LOS
Hikumutu WWTP Switchboard, PLC & Electrical Upgrade Works	174	249	427	LOS
Hikumutu WWTP Inlet Screen upgrade works	22	125	161	LOS
Above Ground Asset Renewals	-	-	(1)	Aging WIP transferred to Expenses
Ruanui WW Rising Main Replacement	-	48	48	Renewal
District Wide - SCADA Upgrade	-	46	48	LOS
<b>Totals</b>	<b>1,996</b>	<b>3,655</b>	<b>2,735</b>	

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Wastewater</b>					
Environmental sustainability	Number of dry weather wastewater overflows from Council's system, (expressed per 1,000 connections (Note 3) to that system).	0.8	≤7	0.9	Achieved
	Compliance with Council's resource consents for discharges from the wastewater system as measured by number of:				
	(a) Abatement Notices.	-	≤2	1	Achieved
	(b) Infringement Notices received.	-	≤2	-	Achieved
	(c) Enforcement Orders received.	-	≤1	-	Achieved
(d) Convictions received by Council in relation to those resource consents.	-	-	-	Achieved	

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Wastewater</b>					
Responsiveness to infrastructure issues.	<p>Where Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council wastewater system, the following median response times measured:</p> <p>Attendance time: From the time that Council receives notification to the time that service personnel reach the site; (Note 2 and 5).</p>	0.45	Median response times ≤2 hours for a blockage or fault.	1.09	Achieved
	<p>Where Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council wastewater system, the following median response times measured:</p> <p>Resolution time: From the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault (Note 2 and 5).</p>	2.10	Median response times ≤6 hours for a blockage or fault.	3.72	Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Wastewater</b>					
Public safety of wastewater collection system.	Where Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council wastewater system, the following median response times measured:  Total number of complaints (Note 4) received by Council about any of the following (expressed as per 1,000 connections (Note 3) to the territorial authority's wastewater system.				
	(a) Wastewater odour.	(a) 0.83	(a) ≤15	(a) 0.31	Achieved
	(b) Wastewater system faults.	(b) 0.00	(b) ≤5	(b) 0.00	Achieved
	(c) Wastewater system blockages.	(c) 4.54	(c) ≤25	(c) 7.09	Achieved
	(d) The Council's response to issues with its wastewater system.	(d) 0.00	(d) ≤25	(d) 0.00	Achieved

**Notes:**

1. There are now mandatory Non-Financial Performance Measures against which all wastewater infrastructure in New Zealand is measured.
2. The times shown for "attendance" and "resolution" are reported by the service provider, Veolia as part of their contracted responsibilities. This includes travel time.
3. The number of connections is calculated from the number of customers charged in their rates for use of Council wastewater services calculated at 6,488 as of 30 June 2022 (4,841 as of 30 June 2021).
4. There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence.
5. The median time presented is based on calls that have been raised directly with Council and not Council's contractor Veolia.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Wastewater Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	23	25	-
Targeted rates	2,531	3,004	2,665
Subsidies and grants for operating purposes	120	-	4
Fees and charges	103	107	156
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>2,777</b>	<b>3,136</b>	<b>2,825</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	1,650	1,876	1,838
Finance costs	33	82	239
Internal charges and overheads applied	202	219	383
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>1,885</b>	<b>2,177</b>	<b>2,460</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>892</b>	<b>959</b>	<b>365</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	62	64	35
Increase/(decrease) in debt	3,779	592	2,334
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,841</b>	<b>656</b>	<b>2,369</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	87	20	-
- To improve the level of service	1,527	176	1,896
- To replace existing assets	3,099	1,233	839
Increase/(decrease) in reserves	20	186	-
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>4,733</b>	<b>1,615</b>	<b>2,735</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(892)</b>	<b>(959)</b>	<b>(365)</b>
<b>Funding balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



# STORMWATER AND FLOOD PROTECTION

## Introduction

Efficient and effective stormwater and flood protection infrastructure is a key element in the sustainable and healthy development of a community. A developed network of pipes, culverts to drains and watercourses provides a safe and efficient means of collecting and conducting stormwater through townships.

The stormwater network reticulation comprises of 66.5km of stormwater mains plus approximately 645 manholes across the district plus open drains, associated culverts, and sumps.

Stormwater is rainwater that runs over the ground on its way to a natural watercourse. When rain falls on buildings, carparks, roads, driveways and gardens, but does not soak into the ground, it will pond or follow a natural path downhill until it reaches a watercourse or is collected by a pipe system.

Where there is development, runoff from properties and roads flows into stormwater systems. The greater the level of development in a catchment, the greater level of impermeable surfaces, e.g., roofs, driveways, and paths, which results in a greater conversion of rainfall into runoff. If this runoff is not managed, it will cause flooding. Generally, stormwater is directed into channels on roadways or into drains, then into streams and rivers.

## Community Well-Being Outcomes



*Social*



*Environmental*



*Economic*

### **Rational**

Under the Local Government Act, Council is required to assess water and other sanitary services available to the community, including stormwater drainage.

There have also been significant legislation and policy changes that will impact the stormwater activity including the 3 water reforms, more freshwater management direction, zero carbon bill and climate change considerations over the last three years. There is now a new crown entity Taumata Arowai to regulate drinking water and Water Services. Further legislation and regulation changes are expected with proposed changes to the Resource Management Act.

As well as the legal mandate to provide this service, Council aims to:

- Provide efficient and safe stormwater collection and disposal and flood protection in an effective and environmentally acceptable manner.
- Plan for resilience to flooding and safeguard the lives and property of communities during flood events.
- Develop a stormwater treatment system which reduces degradation and contamination to the receiving environment.

### **Activity impacts on community well-being**

The stormwater and flood protection runoff naturally contains debris and chemicals that are present in the catchment area. Due to the presence of these chemicals and other debris, the disposal of stormwater and flooding into natural watercourses may have negative effects on the quality of the aquatic environment. This can also reduce the community's opportunity to engage with the water for swimming, sports or gathering kai.

The effects of climate change predictions are more extreme weather events increasing in frequency. The volume of water (rain events) impacts on the capacity of the watercourse, culvert and river system. When there is too much water to hold, flooding occurs which may impact on individuals or whole communities' properties and transportation networks.

Taumata Arowai (the new regulator) will need to be supported. The legislation allows for funding through its compliance checks of Council service delivery. This will be a new charge which will ultimately be funded by the customers and ratepayers. In addition, the government's announcement of the move from the originally planned three centralised water entities to ten water entities, with a delay to the anticipated implementation, will impact how these services will operate. Community affordability remains a high risk.

Stormwater and flooding runoff is monitored by Horizons Regional Council for water quality and other effects. Council maintains its stormwater and flood protection systems to reduce the level of flooding within the district.

## Highlights for the Year

### Totara Crescent Stormwater Extension - Taumarunui

Totara Crescent received a new 40-meter stormwater main extension. The new PE 100 180mm pipe is a mitigation measure.

### Plunket St Culvert Replacement - Raetihi

Following consultation with Councils stormwater engineer a culvert was replaced under Plunket Street to alleviate surface water laying at the property 8 Plunket Street.



*Culvert replacement – Plunket Street*

### Stormwater Channel and Drain Improvements

Multiple drains and channels were cleared and improved. Examples of some of the works below:

Site (Taumarunui)	Before	After
Lairdvale Road Drain		
Maata Street Drain		
Taumarunui Domain (BMX track)		
Hikumutu Road Drains		

### Subsoil Drain Replacement and Drainage Channel - Tay Street - Ohakune

30 meters of Stormwater drain on Tay Street was replaced and a new heavy weight drainage channel was connected.

### Stormwater System improvement & erosion management – Hikumutu WWTP

The stormwater system at Hikumutu Wastewater Treatment Plant was improved to protect the new building and inlet screen.



*Completed stormwater improvement and erosion management works at Hikumutu WWTP.*

## Capital Projects

Project Description	Carried Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
District Wide Stormwater (Renewal)	-	129	19	Renewal
District Wide Stormwater (LOS)	-	943	-	LOS
District Wide Stormwater (Growth)	-	13	-	Growth
Park Lane - Concrete Pipe and Catchpit	-	-	12	LOS
Findlay Street - Concrete Wingwall and Safety Grill	-	-	4	LOS
Tay Street Stormwater Subsoil Drain Replacement	-	16	16	Renewal
14 Tay St Heavy Wirght Channel & Connection	-	17	-	LOS
Modification of Stormwater Infrastructure as 52 Ward St	-	19	17	LOS
Plunket St Culvert Replacement	24	25	23	Renewal
Extension of Stormwater at Totara St	-	50	47	LOS
Stormwater Connection at the new New World	-	40	42	LOS
Hikumutu WWTP S/wtr Sys Improve & erosion mngt	-	50	53	LOS
<b>Totals</b>	<b>24</b>	<b>1,302</b>	<b>233</b>	

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Stormwater</b>					
Capacity/degree of protection.	The number of flooding events that occur in a territorial authority district (Note 2). For each event, number of habitable floors affected (Note 3) (per 1,000 properties connected (Note 1) to system).	-	≤3	-	Achieved
Environmental impacts are managed and resource consents complied with.	Compliance with Council's resource consents for discharges from the stormwater system as measured by the number of Abatement Notices.	-	≤2	-	Achieved
	Compliance with resource consents for discharges from the stormwater system as measured by the number of Infringement Notices received.	1	≤1	-	Achieved
	Compliance with resource consents for discharges from the stormwater system as measured by the number of Enforcement Orders.	-	≤1	-	Achieved
	Compliance with resource consents for discharges from the stormwater system as measured by the number of successful prosecutions received by Council in relation to those resource consents.	-	-	-	Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Stormwater</b>					
Responsiveness of service.	The median response time to attend a flooding event (note 3), measured from the time that Council receives notification to the time that service personnel reach the site.	-	≤2 hours	-	Achieved
	The number of complaints (Note 4) received by Council about the performance of its stormwater system, (expressed as per 1,000 properties connected to Council's stormwater system).	9	≤15	7	Achieved

**Notes:**

1. The number of connections is calculated from the number of customers charged in their rates for use of Council stormwater services calculated at 5,750 as of 30 June 2022 (5,459 as of June 2021).
2. A flooding event means an overflow of stormwater from a Council stormwater system that enters a habitable floor.
3. A habitable floor refers to a floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garages.
4. There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence.

## Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

### Stormwater Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	486	572	405
Targeted rates	486	572	405
Subsidies and grants for operating purposes	60	-	-
Fees and charges	17	22	69
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>1,049</b>	<b>1,166</b>	<b>879</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	559	634	524
Finance costs	8	24	45
Internal charges and overheads applied	101	110	250
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>668</b>	<b>768</b>	<b>819</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>381</b>	<b>398</b>	<b>60</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	10
Increase/(decrease) in debt	309	1,100	163
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>309</b>	<b>1,100</b>	<b>173</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	13	13	-
- To improve the level of service	146	1,112	175
- To replace existing assets	531	146	58
Increase/(decrease) in reserves	-	227	-
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>690</b>	<b>1,498</b>	<b>233</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(381)</b>	<b>(398)</b>	<b>(60)</b>
<b>Funding balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## SOLID WASTE

### Introduction

The Waste Management and Minimisation Activity manages the collection and disposal of rubbish and recycling in the district. The assets for this activity include seven transfer stations and seven decommissioned (closed) landfills. Waimarino and Taumarunui transfer stations include Resource Recovery Centres.

## Community Well-Being Outcomes



*Social*



*Environmental*



*Economic*

### **Rational**

There are two pieces of legislation that require councils to provide this service to their communities:

- The Health Act 1956 requires Council to provide this activity to ensure that the public suffers no adverse effects due to the accumulation of refuse (both legal and illegal).
- The Waste Minimisation Act 2008 requires councils to promote effective and efficient waste management.

Since 2015 the proportion of waste recycled in the district has remained steady along with the volume of refuse landfilled within the Ruapehu District. Over the last three financial years we have sent an average of 3,344 tonnes of waste to the landfill.

This presents a significant challenge to the community as the resource consent for the Taumarunui Landfill expired in October 2020 and all waste disposal is now shipped out of the district to Hampton Downs Landfill. As this is now a more expensive option, the community must show a greater commitment to generating and disposing of waste as efficiently as possible. This will include increased recycling and dealing with food waste by a means other than sending it to the landfill (e.g., composting, resource recovery centres).

### **Activity impacts on community well-being**

The Waste Management and Minimisation activity collects rubbish from around the district and deposits it at Hampton Downs Landfill. The accumulation of waste in one area concentrates the effects that this refuse may have on its immediate environment. This includes negative effects such as water contamination, odour and vermin nuisances.

In addition, landfill waste can result in significant environmental effects on the immediate area. For example, leachate can contaminate surrounding soil and water, while landfill gases (methane and carbon dioxide) pollute the air.

On the other hand, a single landfill limits the area of possible contamination to one location. It allows resources to be concentrated on reducing and managing the environmental impact of contamination.

Ruapehu District Council must abide by resource consent conditions to ensure responsible management of the negative environmental effects of the landfill. Horizons Regional Council monitors closed landfills for ongoing environmental impact.

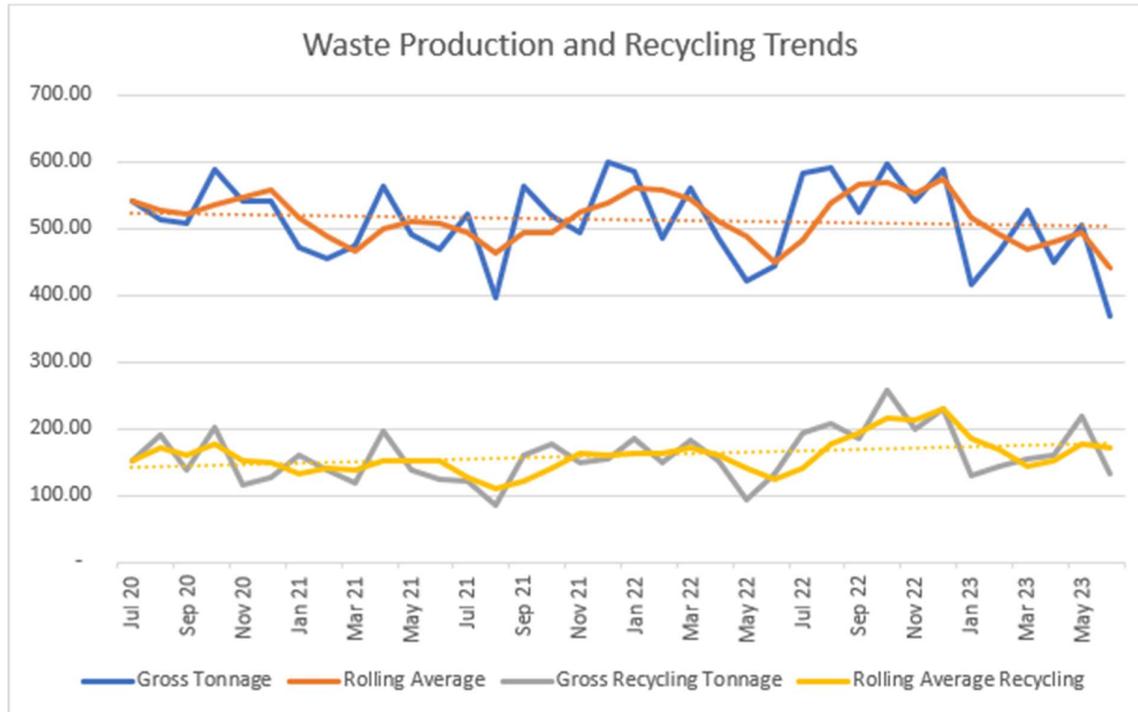
The disposal of waste to landfill has a significant cost associated with it. This cost has increased with the closure of the district landfill in 2020. To address these issues, Council is actively working to minimise the volume of waste produced, e.g. through the kerbside recycling programme and removing organics from the waste stream. Significant community education and buy in will be required to further lower the volumes of refuse landfilled.

## Highlights for the Year

### Solid Waste tonnages

Ruapehu District Council continues the journey towards sustainability, delivering the Waste Management and Minimisation Plan (WMMP) actions to the support Zero Waste 2040 vision.

Taumarunui Transfer station facility continues to be improved. The refuse storage bunkers, large waste and sorting pad now has a covered public recycling facility in front of the pad. This provides separation of the public with small quantities of recycling and waste; public are able to utilise the sealed site separate to the commercial users. Both Recycling and Waste are bulked up at the Taumarunui Transfer Station before being shipped out of the district to sites for further processing or the Hampton Downs Landfill.



### Solid Waste Tonnages

The graph provides a representation of solid waste tonnage over time. The line graphs depict the total volumes generated of reuse and recycling over the last three years. The bar graph represents the ratio of refuse, recycling, and Resource Recovery Centre shop sales over the year. While the shop sales are a small value in comparison to recycling volumes, they represent the community reusing products rather than buying new products. The recycling volumes are material that would otherwise end up in a landfill without the efforts of everyone undertaking kerbside recycling and recycling at the transfer station. Overall, the recycling volume continues to grow.

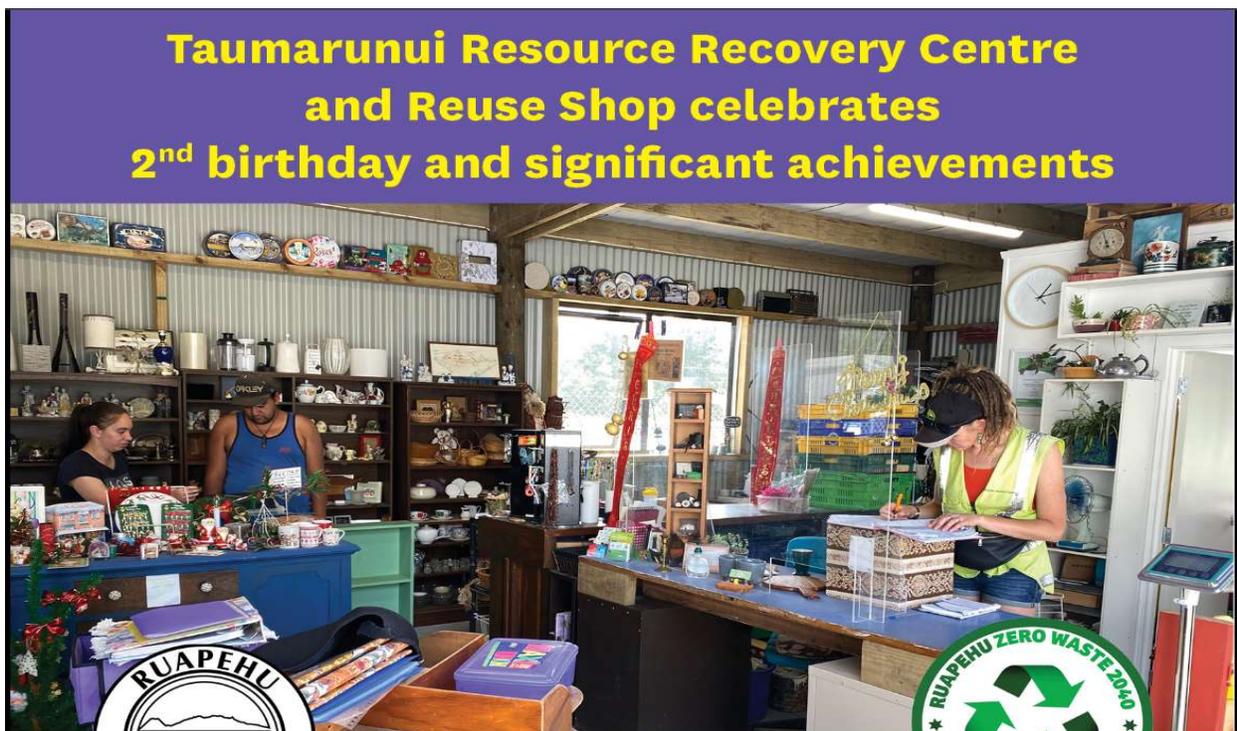


Taumarunui Refuse Facility under construction.

### **Resource Recovery Centre - Taumarunui**

The Resource Recovery Centre (in Taumarunui) new building was completed and has proven extremely popular with the community as a go to resource. The shop was open for 274 days, diverting 95 tonnes of material or 54,704 items being rehomed rather than be deposited into the waste stream.

Council Sustainability Facility relocated to the Resource Recovery Centre to support the facility to become a valuable resource for the community and promotes a sustainable and responsible approach to consumption. It has become a social hub for the sharing of knowledge and resources that empower our community to build resilience. The site is supported by Taumarunui Reuse Shop Facebook page <https://www.facebook.com>zerowaste2040> which has continued to grow with over 1.1k followers. The hub has been used to deliver sustainability workshops for schools and rural communities such as worm farms. With workshops for Fruit tree pruning within various communities such as Ōhura, Tokirima, Ōwhango, Raetihi, Manunui and Taumarunui.



Taumarunui Resource Recovery Shop

## Waimarino Resource Recovery - Ohakune

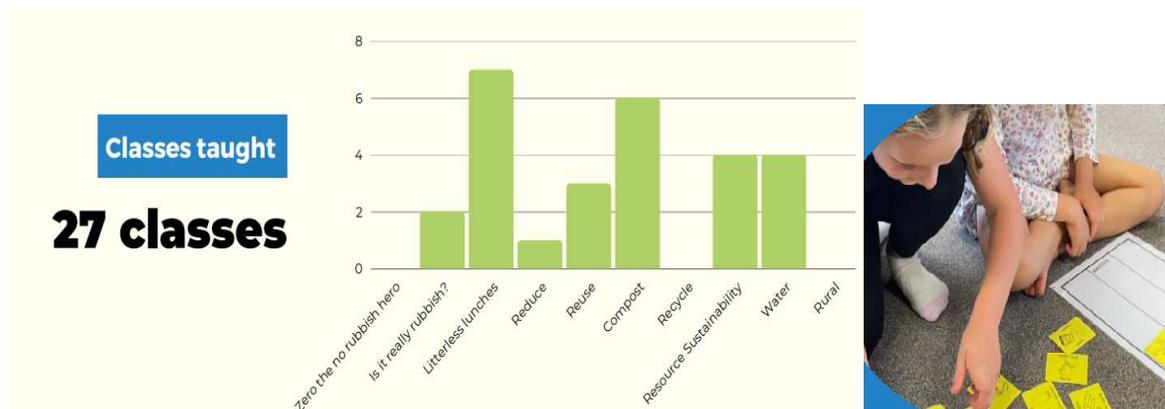
The Waimarino Resource Recovery was remodelled last year to increase the shop floor and the opportunity for diversion of resources from the waste stream to be reused. Small tweaks were made to the facility to enhance the site over this year. More recycling bins were added to facilitate the increasing volumes of material moved through the recovery streams. Waimarino shop is open in line with the transfer station and does not directly weigh its items sold but uses an approved estimation method. The estimated shop tonnage is 92.5 tonnes. The contract was renewed and expanded to empower the facility provider to provide education, engagement, and communications in delivering the WMMP.

## Education and Resource Recovery

Education in schools continues to yield remarkable results with all schools learning about the environment, their influence on it and opportunities to give back. Enviroschools provide extension programmes in which all schools have done well, and a number have reached out into the community extending their learning. Teacher's/Schools workshop were held at each of the Resource Recovery Centres to demonstrate the opportunities and resources available to the teachers through these facilities. There were 4 interactions with the resource recovery centre and schools.

Council remains a strategic partner with Para Kore in delivering marae-based recycling systems. Para Kore have been training fresh staff to deliver into Ruapehu District enhancing their opportunities to reach further. They have also been helping in the Waste Assessment and Waste Management and Minimisation Strategy.

Council supports a paper for trees programme which has 27 schools and preschools registered who recycled 30 tonnes of paper and cardboard and earned 79 plants. The Zero Waste programme provides a sound base of zero rubbish, reducing, reusing, recycling, and composting which reached 533 students. Educational units are graphed below.



Zero Waste Education Units and students participating in a unit.

## Capital Projects

Project Description	Carried Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
Sorting Facility for shipping waste out - District	-	-	(1)	Growth
Taumarunui - Office/Shop/Recycling	-	-	18	Growth
Taumarunui Shop	51	51	20	Growth
Eftpos machines National Park and Ōwhango	2	2	-	LOS
Community initiatives - Pipiriki	7	7	-	LOS
Huka bins for all sites	-	-	1	LOS
Road improvements all sites	-	32	20	LOS
Roof over sorting facility Taumarunui	70	70	52	LOS
Signage all sites	21	21	-	LOS
Waimarino and NP Weighbridges	-	99	-	LOS
Waimarino site development extension shop	4	4	20	Growth
NP transfer station under cover resite	-	52	-	LOS
Additional recycling facilities e.g. bailers, wheelie bins/hook bins	-	17	14	LOS
<b>Total</b>	<b>155</b>	<b>355</b>	<b>144</b>	

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Waste Management and Minimisation</b>					
The community is provided with opportunities to recycle.	The portion of waste recycled increases by 0.5% each year (Note 1).	-0.015	+0.5% Overall	6%	Achieved.  The total recycling value increased by 6%
Waste minimisation is encouraged.	A comprehensive waste audit is conducted every LTP cycle to inform any change to the Waste Minimisation Management Plan (2018, 2021 and 2024).	1	1	2	Achieved.  Council partnered in a Ministry for Environment Audit on consumer behaviour for waste and recycling. A Solid Waste Analysis of National Park Transfer Station was also completed.
Waste hierarchy (reduce, reuse, redirect and refuse promoted throughout the community.	Waste Minimisation initiatives promoted district wide through multimedia communications (Note 2).	4	4	>200	Achieved.  Taumarunui Reuse Shop Facebook Page has 1.1k followers on Ruapehu District Council Facebook Page and Website. Newspaper articles
	Two industry stewardship schemes promoted annually.	2	2	2	Achieved.  Taumarunui Reuse Shop was used to promote product stewardship. e-waste collected at Taumarunui and Waimarino Transfer Station
Legislative compliance is achieved.	Annual resource consent breaches.	4	<2	-	Not Assessed.  The report has been provided to Horizons Regional Council but has not yet been assessed.
Waste education in schools.	Percentage of schools visited annually that participate in Waste Minimisation education programme.	92%	75%	100%	Achieved.  Those who agreed to participate had the programme delivered. But 74% of programmes were delivered across schools.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Waste Management and Minimisation</b>					
Community is satisfied with the overall level of service for Waste Management and Minimisation.	Percentage of community satisfied with the overall LoS.	-	75%	68%	Not achieved.  Approximately 240 people replied to the survey. 67% recycling satisfaction 60% rubbish service satisfaction 77% Transfer stations satisfaction
	Number of requests for service that indicate poor service provision is less than 52 per year (approx. 1 per week) (Note 3).	61	<52	21	Achieved  86 RFS (request for service) complaints regarding refuse and recycling service.  21 valid issues  The rest were not valid or not contract issues.

**Notes:**

1. Future targets increased to reflect desired response to waste minimisation promotions to multimedia communications.
2. Future targets increased to reflect ability to use Facebook and website video links in addition to tradition methods of communication.
3. Future targets decreased to match desire to provide excellent level of service by principal and contractor.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Waste Management and Minimisation Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	559	621	615
Targeted rates	813	889	952
Subsidies and grants for operating purposes	-	-	-
Fees and charges	862	889	1,325
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>2,234</b>	<b>2,399</b>	<b>2,892</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,134	2,245	2,512
Finance costs	16	27	48
Internal charges and overheads applied	61	66	317
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>2,211</b>	<b>2,338</b>	<b>2,877</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>23</b>	<b>61</b>	<b>15</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	795	27	129
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>795</b>	<b>27</b>	<b>129</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	85	18	57
- To improve the level of service	731	62	87
- To replace existing assets	-	-	-
Increase/(decrease) in reserves	2	8	-
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>818</b>	<b>88</b>	<b>144</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(23)</b>	<b>(61)</b>	<b>(15)</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



## RECREATION AND COMMUNITY FACILITIES AND COMMUNITY PROPERTY

### Introduction

This activity provides a range of recreation facilities and property within each community that is readily accessible and enjoyed by the community. Council regards this activity as an essential service for the public good.

## **Parks and Reserves**

The Reserves Act 1977 provides the mandate and guidelines for the management of Council Reserves, most of which have been vested in Council by the Crown.

The purpose of Parks and Reserves assets is to:

- Provide space for people to pursue active and passive recreational activities for their social, spiritual, mental and physical wellbeing.
- Provide the landscape setting for towns.
- Ensure the protection and maintenance of history (ecological and human) and character of the area.
- Ensure that environments essential to the existence of plant and animal species (including humans) are maintained.
- Protect public access to significant landscape features and recreation areas.

Areas covered by the Parks and Reserves Activity include parks, reserves, playgrounds, camping grounds Taumarunui, Raetihi and Ohakune Holiday Parks), walkways, miscellaneous structures (for example, the Taumarunui Grandstand).

## **Swimming Pools**

Council maintains and operates three public swimming pools located in the three main townships: Taumarunui, Ohakune and Raetihi.

Public swimming pools provide highly valued swimming facilities for the people of the district. The three swimming pool complexes owned by Council are considered significant assets.

## **Community Halls**

Manunui Hall has been busy recently. The Whakaarotahi Trust who are currently operating out of the hall are also working alongside Land based training. Land based training are working with our rangatahi getting youth into work experience and hopefully moving forward an apprenticeship with the support of council.

Miriama Hall has been handed back after being a focal point for COVID testing during the previous year. This Hall is well utilised by the Community for meetings and events.

Libelle group continue to operate out of the Kitchen at the Taumarunui War Memorial providing lunches for our local primary schools. Their use has scaled back in the last 6 months and the Hall is again being heavily utilised by Community Groups. ANZAC, Matariki Concerts and various other events and art shows have taken place at the War Memorial Hall this past year.

## **Public Toilets**

The provision of public toilet facilities for residents and visitors is an important activity for Council, particularly in relation to public health and safety.

As well as the Taumarunui Hakiaha Street toilets coming back into full service after their refurbishment, new dry vault toilets were installed in the Ruatiti Domain. To support the increase facilities available for the users of the Cycleways, the Council have installed port-a-loos at various well used junctions such as Clyde Access, Horopito.

## **Cemeteries**

This service provides enquiry and burial services and burial administration and records for Council cemeteries. Council owns and maintains ten cemeteries in Manunui, Matiere, Ohakune, Ōhura, Ōwhango, Raetihi, Rangataua, Raurimu and Taumarunui. Council also owns the closed cemetery at Tatu (not maintained).

Council cemeteries continue to see upgrades to support the growth of Ruapehu, cultural practices and training are in the early stages of integration for contractors in our Cemetery spaces, the wider contract team are in the early stages on implementation of the open spaces contract.

## **Social Housing**

Council owns a total of 92 individual social housing units and one house. Constructed on seven separate sites across the district: Raetihi – 20 units and one house, Ohakune – 8 units, Taumarunui – 57 units (on four different sites).

6 brand new housing units have been constructed at Moore Street and are now occupied. Work continues to increase the living standards of all Council housing units.

#### **Administration Buildings and Libraries**

Each of the three administration buildings (Taumarunui, Raetihi and Ohakune) house a library, a Council Chamber, and staff offices. Council's provision of libraries sits under both Property activity (the buildings) and the Community Support activity (the service, incl. books, computers, children's holiday programmes etc.).

#### **Other Properties**

Council also owns the Taumarunui Aerodrome, Ohakune Railway Station, the former Taumarunui Saleyards and a number of other properties, and the former library building in Ohakune.

For detailed information on these properties, please see the Community Property Asset Management Plan.

## Community Well-Being Outcomes



*Social*



*Cultural*



*Leadership*

### **Rationale**

Under the Local Government Act, Council is required to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

The total value of Recreation and Community Facilities portfolio is currently estimated to be \$17.2 million. It includes parks, reserves, playgrounds, walkways, swimming pools, community halls, public toilets, and cemeteries.

The total value of the Community Property portfolio is currently estimated to be \$24.6 million. It includes the Council administration and library buildings, social housing and others.

As well as the legal mandate to provide these services, The Recreation and Community Facilities and Community Property activities play an important role in achieving Council's community well-being outcomes.

### **Activity impacts on community well-being**

There are no significant effects on the community associated with the provision of the Recreation and Community Facilities or Community Property activities.

## Highlights for the Year

### Cemeteries

Upgrades to Cemeteries in Ruapehu included continued installation of Cemetery furniture, ashes berms, burial berms and the commencement of Cemetery walls in some cemeteries.

Continued efforts explored for Cemetery land extensions in Raetihi and vegetation regimes including edging and garden renovations were carried out district wide. Emergency works in Taumarunui Cemetery saw all the cemetery trees re-assessed and works undertaken where necessary.



*Manunui ashes Berm & Cemetery Wall preparations*



*Cemetery Furniture, Taumarunui Childrens & baby section*



*Cemetery Furniture, Ohakune*

### Community Buildings and Property

Ruapehu District Council collaborates with the community for multiple facilities to be managed at a community level. This year capital upgrades included roof replacements, paint, laundry and accessible facilities.

The Taumarunui Youth Community Trust facility has been upgraded to provide users with accessible shower, toilet and laundry facilities. This facility supports to community to deliver sporting opportunities to the wider Community.

The Waimarino Toy Library and toilets facility has been upgraded in the form of paint and received roof replacement and fittings upgrades.

The Animal shelter has been upgraded with a new water pump, toilet and flooring upgrades as part of the asset schedule for the year.



*Laundry Facilities, Taumarunui Youth & Community Trust hub*



*Accessible Toilet, Taumarunui Youth & Community Trust hub*



*Accessible shower, Taumarunui Youth & Community Trust hub*

## **Social Housing**

Every social housing flat that is run by council now has lockboxes to make the flats easier to access. This will be useful for when a tenant is locked out or if ambulances/contractors or police need to access a flat.

### **11 Moore Street**

Flats 1, 2, 3, 4 and 8 at 11 Moore Street have received new carpet, vinyl, showers and a paint job. All of the units have received triple glazing on the windows and doors.



### **Miriama Street Flats**

Flat 2 has received new Vinyl and carpet, all units have received healthy homes upgrades.



### **Rochfort Flats**

Flats 7, 12 and 15 have all received new carpet and Vinyl. All units have received healthy homes upgrades.

### **Rangimarie Flats**

Flats 5, 12, 15 and 17 at Rangimarie have received new carpet and vinyl.

### **Waimarino Rest home**

The Waimarino rest home has now been returned to Ruapehu District Council and we are in the process of upgrading these units.



*Moore Street Housing Project Completed*



### **Parks and Reserves**

This year Ruapehu saw an increase in events and recreational use on green spaces throughout the district. Management plans that support Ruapehu's Parks regimes increased to deliver wider outcomes for the community including line marking for new sports such as Ki-o-rahi and increased demand on rugby and soccer required turf renovations completed in green space areas.

Significant renovations in the CBD garden spaces as a result of community consultation through Town Revitalization hui and continued support for Community Maara in some of our leased green spaces. CBD street furniture had upgrades in the form of paint, alongside replacement to new furniture in Ohakune.

Infrastructure in the form of power and lights was installed in Taumarunui Manson Garden to support the Community Christmas and Matariki light display.

Council's annual tree program was completed with an increase in demand due to the cyclone, together with a heritage tree analysis districtwide and exploration for GIS mapping.

Walkway developments in the form of accessible paths were constructed for recreation and transport connectivity from villages into the main townships with Ameku walkway in Raetihi constructed and supported by local community business.



*Maata Gardens renovations*



*Furniture renovations Parks and Reserves*



*Street Furniture purchase, Ohakune*



*Bus shelter renovations District wide*



*Reserve plants*



*Memorial Gardens*



*Tree removal, Lairdvale reserve*



*Major renovations, Ohakune Pump track*



*Whanganui River walkway project stage two complete*



*Ohura bin & fountain installation at reserve*



*Christmas lighting & power installation*



*Tree work in conjunction with Horizons*



*Recreational reserve line marking*



*Tree felling for furniture & carving by Rangatahi & Mana whenua*



*Ameku Walkway, Raetihi*

## Playgrounds

Recreational Playgrounds are continually expressed as an important asset by our community. Therefore, in partnership with local community groups upgrades included shelter, shade cloth, BBQ, paths, basketball half court, flying fox and soft fall installation in this year's program.

We continue to strengthen relationships with Iwi Partners, Educational partners and Community Partners to reach the desired outcomes in our playground spaces.

Ōhura and National Park Playgrounds received equipment replacement, water blasting and soft fall upgrades. While the BBQ and locally made furniture continues to support whanau in our recreational spaces at Taumarunui domain.



*Playground soft fall top up*



*Playground shelter, furniture and BBQ Taumarunui*



*Accessible path, Ohakune*



*Ōwhango, Reserve playground soft fall top up*



*Court and Hoop installation*



*Flying fox Carrot Land, Ohakune*

## Community Halls

- Taumarunui War memorial Hall - Has been painted and the inside deep cleaned. New tables were purchased for hire.
- Miriama Community Centre – We purchased a new commercial fridge for Miriama Hall.
- Manunui Memorial Hall- Whakaarotahi trust and land based training are based in the hall and 2x heat pumps were purchased for the hall.



*Miriama Community Centre  
new fridge.*

## Public Toilets

In collaboration with the timber trail and great rides we were able to support the development of an accessible toilet facility and path in Ongarue to see the continued support for the cycle community.

Other upgrades for the district included fittings upgrades in the form in Raetihi township, while the extension of the portaloo at Kakahi recreational reserve was explored to support the investigation of permanent facilities.



*Bennett Road Ongarue, Pathway and Car Park Exterior painting Raetihi public toilets*

## Swimming Pools

Ruapehu Pools are always popular in summer and saw upgrades in the form of roof replacement, paint, and window fittings. Business plans for all pools are underway to future proof the well-used community asset.

Council continued to support Community groups that help manage year-round pools, together with advocacy for external funding for the development of pools in Ohakune and Raetihi and business plans to support their proposals as a result of Town Revitalization.

Business plans for all pools are underway to future proof the well-used community asset.



*Taumarunui Pool Office Roof*



*Taumarunui Pool Office Roof*

## Capital Projects

Project Description	Carry Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
Housing Initiative	-	206	(3)	LOS
11-13 Moore St, Ohakune - Building	-	469	501	LOS
Teitei Drive, Ohakune	-	-	14	LOS
Moore Street Units Refurbishment	-	-	3	LOS
Teitei Drive, Housing Project	-	-	69	LOS
Social Housing Minor Maintenance	-	26	4	Renewal
District Wide Social Housing Healthy Home Upgrades	157	157	127	LOS
Social Housing, Seddon St Raetihi (Waimarino)	-	191	75	LOS
Repile Ohakune Railway Station	-	-	4	LOS
Earthquake Prone Remediations	20	41	-	LOS
Ohakune - refurbishment of Main St chains	-	21	-	LOS
Manunui Hall	-	2	-	LOS
Ruapehu DC Play Trailer	-	-	10	LOS
Taumarunui Domain Facilities Upgrade	15	15	(1)	LOS
Fencing Problem Reserves North	-	12	6	Renewal
Fencing Problem Reserves south	-	12	1	Renewal
Taumarunui - 250m Walkway per annum	48	100	90	LOS
Ohakune - 250m walkway per annum	23	74	77	LOS
Taumarunui Domain drain realignment/boardwalk	20	20	-	LOS
Ohakune Swimming Pool Ablutions Block	29	29	-	LOS
Tangiwai Reserve Development	15	15	-	LOS
Parapara Road Development	10	10	-	Renewal
Ohakune Cemetery extension	-	-	19	LOS
Ohakune Drinking Fountains	1	5	2	LOS
Taumarunui Museum Archive	-	-	3	LOS
District Wide Cemetery Furniture	-	5	13	Renewal
Raetihi Cemetery Fence Front (last section)	15	15	-	Renewal
Raetihi Cemetery Land Purchase	179	179	28	LOS
Manunui Hall heat pumps	11	11	10	LOS
District Wide playground Equipment	40	40	5	Renewal
Memorial Walls TMN, OHK, RAE	15	30	-	LOS
Ohakune Junction Removable Bollards	40	40	-	LOS
Outdoor shelter rear of Animal Shelter	14	14	13	LOS
Taumarunui Wayfinding signage	-	-	53	LOS
Waiouru Playground	124	124	19	LOS
National Park Carroll St Toilets	-	-	(5)	Renewal
Ex-TMN Fire Station Disabled Facilities	40	40	15	LOS
Raetihi Rest Home Deferred Renewals	46	47	(3)	Renewal
Taumarunui Turf Upgrades	12	13	-	Renewal
Taumarunui Pool - Office Block Roof	-	51	-	Renewal
Pungapunga Reserve Access Route	-	-	33	LOS
Christmas Light Project	-	45	60	LOS
Pool Vacuum	-	7	6	LOS

Project Description	Carry Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
Recycling Trailer	-	-	27	Renewal
Pool Covers for Raetihi Pool	-	-	34	LOS
Mountains to Sea - Te Ara Mangawhereo	-	2,830	299	Growth
Ohakune to Raetihi cycle trail	48	101	2	Growth
Bennett Road Carpark	-	71	26	Growth
Mountains to Sea - Horopito to Pokaka (Missing Link)	-	320	280	Growth
Haikaha St landscaping	-	-	(26)	Renewal
Taumarunui Hakiaha St Verandahs	-	-	121	LOS
Town Revitalisation Raeithi service hub	-	153	35	LOS
National Park Revitalization plan	-	102	49	LOS
Ohakune Town Revitalization - planning	-	62	89	LOS
Raetihi Town Revitalisation	-	-	1	LOS
Ohakune Town Revitalization - infrastructure	-	40	34	LOS
<b>Total</b>	<b>922</b>	<b>5,745</b>	<b>2,219</b>	

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Recreation and Community Facilities and Community Property</b>					
Council will maintain and provide access to playgrounds, public green space, amenities, libraries and community halls.	<b>Council-Owned Swimming Pools</b> Achieve NZ Water Pool standards for all Pools.	100%	100%	100%	Achieved.
	<b>Cemeteries</b> Number of customer complaints on the maintenance of the district cemeteries.	5	<10 Per annum	1	Achieved. RFS System.
	% of cemetery assets in satisfactory condition (grades 1, 2 or 3).	90%	>95%	90%	Not Achieved. Asset condition components inspection detail.
	% of cemetery interment requests responded to within 24 hours.	100%	100%	100%	Achieved. RFS System.
	<b>Community Halls</b> Council managed community halls have the required building compliance and emergency evacuations procedures in place.	100%	100%	100%	Achieved
	% of Council managed community halls and public toilets in satisfactory condition (grades 1, 2 or 3).	90%	>95%	90%	Not Achieved. Asset condition components inspection.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Recreation and Community Facilities and Community Property</b>					
	<b>Community Halls, Swimming Pools &amp; Public Toilets</b> Full compliance with legislative requirements when undertaking repairs, refurbishing or demolition of buildings including asbestos material.	100%	100%	100%	Achieved
	<b>Community Halls, Swimming Pools &amp; Public Toilets</b> Safety defect requests attended and made safe at building within 4 hours.	90%	100%	90%	Not Achieved
	<b>Community Halls, Swimming Pools &amp; Public Toilets</b> Safety defects are rectified (issue fully resolved) within 3 days.	90%	100%	100%	Achieved. RFS System
Amenities and facilities are provided that meet the needs and safety of the community.	<b>Playgrounds</b> % of playground assets complying with NZ standards (annual audit). (Note 2).	100%	100%	100%	Achieved.
	<b>Parks and Reserves</b> Users feel safe when using actively used domains and reserves.	88%	85%	88%	Achieved. 77.91/91.66=85%
	<b>Parks and Reserves</b> Number of customer complaints on the maintenance of the actively used domains and reserves.	7	<10 per annum.	3	Achieved. RFS System.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Recreation and Community Facilities and Community Property</b>					
	<b>Parks and Reserves</b> % of parks assets in satisfactory condition (grades 1, 2 or 3) **.	85%	>95%	85%	Not Achieved
	<b>Public Toilets</b> % of public toilet related emergency requests for Service responded to within 24 hours (Note 1).	100%	90%	100%	Achieved
	<b>Public Toilets</b> % of public toilet related urgent requests for Service responded to within 48 hours (Note 1).	99%	85%	100%	Achieved
	<b>Public Toilets</b> Number of customer complaints received.	26	<20 per annum.	1	Achieved
	<b>Public Toilets</b> Any new public toilets provide safe environment for users.	100%	>95%	100%	Achieved
	<b>Public Toilets</b> % of public toilets inspected and cleaned daily in all areas.	68%	>85%	85%	Not Achieved  Some are not scheduled in for cleaning every day

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Recreation and Community Facilities and Community Property</b>					
Libraries, public meeting venues and Administration Buildings will be retained and well maintained.	<b>Buildings</b> Public council buildings (including administration, library and Information Centres) have the required building compliance in place.	100%	100%	100%	Achieved
	<b>Buildings</b> Full compliance with legislative requirements when undertaking repairs, refurbishing, demolition of buildings including asbestos material.	100%	100%	100%	Achieved
	<b>Buildings</b> Safety defect requests attended and made safe at building within 4 hours.	70%	90%	70%	Not Achieved
	<b>Buildings</b> Safety defects rectified (issue fully resolved) within 3 days.	75%	85%	75%	Not Achieved
	<b>Buildings</b> % of Council buildings in satisfactory condition (grades 1, 2 or 3**).	97%	95%	97%	Achieved
	<b>Library Facility</b> % of Library users who are satisfied or highly satisfied with public library facility.	68%	75%	61%	Not Achieved
	<b>i-SITES and Service Centres</b> Visitor Information and Service Centre users are satisfied or highly satisfied with buildings (Annual Survey Monkey).	54%	75%	56.43%	Not Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Recreation and Community Facilities and Community Property</b>					
Housing units are maintained to a satisfactory standard and provide a safe environment for tenants.	<b>Social Housing</b> % of residents who feel safe in their homes.	95%	95%	93%	Not Achieved
	<b>Social Housing</b> % of residents are satisfied or very satisfied with the LoS (Note 3).	95%	90%	95%	Achieved
	<b>Social Housing</b> All social housing units are proactively inspected annually.	100%	100%	100%	Achieved
	<b>Social Housing</b> % of social housing units in satisfactory condition (grades 1, 2 or 3) **.	95%	95%	95%	Achieved
	<b>Social Housing</b> % utilisation rates of social housing units available to use.	91%	80%	91%	Achieved
	<b>Buildings and Social Housing</b> % of requests responded to within 3 days (excluding safety defects).	72%	80%	72%	Not Achieved
Airfield that is safe for authorised aircraft.	<b>Aerodrome</b> % compliance of the Taumarunui Aerodrome with civil aviation authority (CAA) safety requirements.	97%	100%	100%	Achieved

**Notes:**

\*\* International infrastructure Management Manual conditions grades:

- 1 - Very Good,
- 2 - Good,
- 3 - Moderate,
- 4 - Poor,
- 5 - Very Poor.

- 1: Future targets decreased to reflect ability of contractors to respond and requirements of contract obligations.
- 2: Future targets increased to reflect responsibility of Principal under new Health and Safety Act.
- 3: Future targets increased to closer reflect actual performance.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Community Facilities Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	3,378	3,517	3,630
Targeted rates	-	-	-
Subsidies and grants for operating purposes	5	5	25
Fees and charges	555	595	267
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>3,938</b>	<b>4,117</b>	<b>3,922</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	3,163	3,249	3,098
Finance costs	74	106	30
Internal charges and overheads applied	364	395	815
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>3,601</b>	<b>3,750</b>	<b>3,943</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>337</b>	<b>367</b>	<b>(21)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	1,400	-	895
Development and financial contributions	-	-	-
Increase/(decrease) in debt	1,338	803	1,288
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>2,738</b>	<b>803</b>	<b>2,183</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	-	165	607
- To improve the level of service	2,732	741	1,589
- To replace existing assets	244	109	24
Increase/(decrease) in reserves	99	155	(58)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>3,075</b>	<b>1,170</b>	<b>2,161</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(337)</b>	<b>(367)</b>	<b>21</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



# COMMUNITY SUPPORT

## Introduction

The purpose of Local Government is to provide good quality local infrastructure, public services and regulatory functions at the least possible cost to households and business. In relation to Community Support functions, the key words are 'local' (to differentiate from services better provided by Central Government) and 'public' which means that Council's should not try to replace services provided by the private sector.

For Ruapehu District Council, those services that fall within the Community Support activity are:

- Emergency Management (Civil Defence).
- Libraries.
- i-SITES.
- Regional Tourism Organisation.

## Emergency Management

Council is an active member of the Manawatu-Wanganui Civil Defence Emergency Management (CDEM) Group, as required by the CDEM Act 2002. This group maintains a Plan that considers all phases of emergency – the 4 Rs: Reduction, Readiness, Response and Recovery. A business plan is also managed by the group, with each of the member councils contributing to achieving the goals of the group. The group's approach is "centralised coordination and local delivery" and works closely with emergency services, welfare agencies.

Council staff and volunteers are trained at various levels of competency in readiness for any civil defence emergency within the district. The aim is to improve consistency in approach and to provide additional resources to enhance the level of readiness and response capability throughout the district and the region.

The increasing impact of climate change has a direct impact on the emergency management activity of Council. There have been numerous events which have required emergency management support. Some recent examples include:

- Storm response to Auckland weather event
- IMT established before and during Cyclone Gabrielle
- Isolated flooding event between Ōhura and Matiere

Council will continue to resource this function to cope with future events and achieve compliance with the Civil Defence Act 2002.



## Library Services

Ruapehu Community Libraries are situated in Taumarunui, Ohakune and Raetihi. The library buildings are managed by the Community Property activity, but the library services (books, computers, children's holiday programmes etc.) fall within the Community Support Activity.

Council also supports the community libraries in Ōhura and Waiouru with grants each year.

## **i-SITES**

There are two i-sites in the district; Taumarunui and Ohakune plus a mobile i-site which supports both visitor experience and promotion of the district through events. I-sites provide local information and booking services to visitors and enhances the visitor experience. The i-sites are a tool for council to support economic development through their connectivity to visitors, business, and community.

## **Visit Ruapehu Limited - Regional Tourism Organisation**

Visit Ruapehu Limited is the registered legal name of this limited liability company, which from December 2019 began operating as a Council-Controlled Organisation (CCO) wholly owned by Ruapehu District Council.

The company is a New Zealand Regional Tourism Organisation and has been formed with the specific objectives of:

- (a) The promotion of social, cultural, environmental, and economic welfare of the citizens of the Ruapehu District.
- (b) The promotion of the Ruapehu District for the benefit of the public and visitors.
- (c) The provision of advocacy and support for the visitor sector to develop and deliver quality, sustainable visitor experiences.
- (d) The development and maintenance of resources holding public information about tourism in the Ruapehu District.

Council contracts out the Regional Tourism Organisation function because it believes that people who have worked in the industry can deliver the services better and more efficiently than Council could. Visit Ruapehu Limited supports the tourism infrastructure of the district and works with local, regional and national partners. Council considers Visit Ruapehu Limited to be an essential part of its economic and community development strategy, particularly the promotion of Ruapehu as a visitor destination, both for the domestic and international markets, in partnership with operators/providers.

## Community Well-Being Outcomes



*Social*



*Cultural*



*Environmental*



*Economic*



*Leadership*

### Rationale

The purpose of this activity is to provide services such as Emergency Management (Civil Defence), Libraries, i-SITES and Visit Ruapehu Limited (for tourism and economic development).

### Activity impacts on community well-being

- Emergency Management and Library Services:  
There are no significant negative effects on the community from the provision of these services.
- I-SITES and Regional Tourism Organisation (RTO)/ Visit Ruapehu  
The i-SITES and Visit Ruapehu work together to encourage visitors to the district and to ensure that they have a fantastic time while they are here.

The results of their efforts have been paying off with increases in both visitor numbers and length of stay.

While this increase is good for the local economy it also places extra pressure on the local infrastructure (roads, waste management, water and wastewater). Our growth-driven infrastructure demands could be a rate burden on our communities as we work to fund renewal and improvements to meet increasing standards such as those in the waters.

By way of mitigation, Council actively pursues funding support from central government so that the cost of infrastructure upgrades is not borne entirely by the ratepayer.

# Highlights for the Year

## Grants

A total of \$161,500 has been allocated through Grant Funding.

These have been allocated to:

- Raetihi Information Centre,
- Trust Waikato Community Pool,
- various Community Halls across the district (for maintenance purposes).

Grants also supported the Christmas Parades, which are held in Taumarunui and Raetihi. Pride of place funding has also been a significant contributor to communities across the district such as Ōwhango and Ongarue.

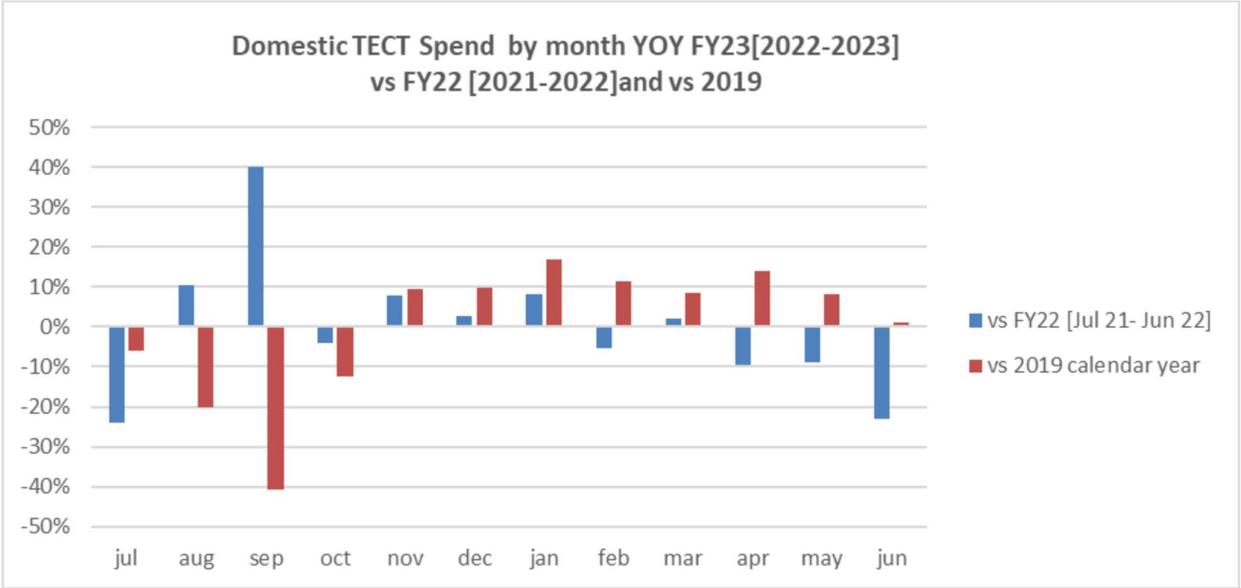
## Visit Ruapehu Limited – Regional Tourism Organisation

With the ongoing support of Ruapehu District Council the RTO (Visit Ruapehu) have had a successful year despite the ongoing negative impacts of COVID-19 on the tourism industry. There have been additional challenges posed by the closure of the Chateau Tongariro and the voluntary administration of Ruapehu Alpine Lifts (RAL), as well as the demanding economic landscape. The closure of the Chateau Tongariro Hotel has resulted in a reduction of 30% of Ruapehu region hotel accommodation stock, vs a New Zealand average increase of 14% of available rooms. Overall accommodation availability in the region has reduced by 13% with the closure. Visit Ruapehu remains committed to promoting Ruapehu as a place for domestic and international travellers to visit and providing support and advocacy for tourism operators, in alignment with the objectives outlined in the Statement of Intent.

Visit Ruapehu secured an extension of the funding agreement with the Ministry of Business, Innovation and Employment (MBIE) until 30 June 2023. This extension has allowed more time to engage meaningfully with the community on the Destination Management Plan, and subsequently launch and celebrate this pivotal document. Additionally, it enables establishment of a clear implementation pathway for the future, even though the MBIE funding period has come to an end.

During the summer of FY23, there was a positive influx of international visitors returning to the region. VR have increased efforts in the international travel agent/wholesale space, actively promoting Ruapehu as an enticing destination to key international markets of Australia, US, UK and Europe.

The key focus for marketing continues to be to the domestic audience, and although numbers are softening compared to last year when borders were closed, it is encouraging to see that the region continues to attract a greater number of domestic visitors than before the onset of the COVID-19 pandemic, outside of core winter months Jul-Sep with a very difficult ski year. This showcases the ongoing appeal, diversity, and resilience of the region.



Some of the key highlights are listed below:

### Long-Term Plan RDC Funding

- Annual international visitor spend, from MBIE's Tourism Electronic Card Transactions data, is four times that of 2022 from July 2022 – June 2023.
- Strong social media results for the period 1 July 2022 – 30 June 2023 with an increase of 84% in Facebook reach and Instagram over 100% compared to 1 July 2021 – 30 June 2022.
- Website results for the period 1 July 2022 – 30 June 2023 +36% on the year prior.
- Events have been supported with social media marketing, PR activity, VR team attendance at local events, and signage at the corner of SH1 and SH49 promoting upcoming events to commuters.
- Unreal Landscapes, Real Moments spring campaign Aug 22 – Oct 22 with paid search, billboards, radio, social media and competition activity with Grown Ups and Tots to Teens. The promotional materials were developed specifically for each of our key target markets of older couples, families and younger couples with no children. The creative showed that our landscapes are unreal, and that you can have real moments here.



- Summer is Right Here Domestic campaign Nov 22 – Jan 23 with billboards, national radio, content partnerships, targeted newsletters and digital promotion. Messaging for potential visitors to consider Ruapehu for a summer holiday, as it is all right here. Included promotion of deals, a “win a getaway” every day for a month activation on radio and events promotion across the rohe.



- Engagement with a wide range of international travel sellers through attendance at Inbound Tour Operator Days, Explore Show, TRENZ and ongoing work with neighbouring RTOs through our Explore Central North Island collaboration, covering the US and UK/ Europe markets with frequent webinars, newsletters, and offshore representation.
- Families and PR success including Financial Times, Sydney Morning Herald, and Qantas Magazine.

- Trade famils Helloworld, Southern World, Boomerang Reisen, Air NZ USA.
- TRENZ regional representation in CHC along with two Ruapehu operators.
- Explore Show regional representation in AKL along with a record 15 Ruapehu operators.
- Training of Australian agents in conjunction with ANZCRO and Flight Centre in market.
- Media coverage in stuff.co.nz, NZ Herald, Kia Ora Magazine, NZ Motorhomes, Mindfood Magazine, RV Lifestyle, Wilderness Magazine, Adventure Magazine, AA Traveller, Grown Ups, Tots to Teens.
- Working with Making Trax to improve accessibility for all in Ruapehu.

#### **Final MBIE funding period**

- Ruapehu Destination Management Plan Tahia Ko Puanga successfully launched with strong coverage and acknowledgement nationally.
- Data project in collaboration with Taupō, Bay of Plenty, Tairāwhiti Gisborne, and Waikato delivered and will be continued following the conclusion of the MBIE funding.
- SH4 Touring Route mapping completed, printed, and used as media pitch for refreshed Adventure Highway promotion.
- Whanganui River Road signage project finalised scope and funding approved for welcome signs, and visitor information signs agreed with Pipiriki community.
- Community Coin project from the destination management plan initialised with Raetihi Marae and funding for set up technology provided.
- Support and advocacy for Pipiriki Community Hub and Pōkākā Ecosanctuary continues with local and central government funding agencies.

## i-SITES

During 2022/23 the isites have refocused some visitor support through the introduction of a mobile isite which is generally located at National Park Village, Park and Ride area through winter which sees an increased visitor demand in ski-season. The mobile isite has been successful in supporting local business when demand increases and to support the visitor experience this year at both ski-season and attending local events. The mobile isite is all a sustainable solution to support visitors at peak times and through seasonal changes for visitor demand.

The Ruapehu isites, with the support of council, opted into an enhanced isite location with the Visitor Information Network and therefore received funding through the Ministry of Business, Innovation and Employment for an internal refurbishment of the Ohakune isite.

The Visitor Information Network rebranded the National isite network. Both Ohakune and Taumarunui isite will therefore have new external branding which is funded through the Visitor Information Network. The new brand was soft launched in December 2022 and will be implemented in 2023/2024 financial year.



The isites have worked closely with Visit Ruapehu and launched isite local tourism packages on their website which are also being promoted nationally on isite.com through Tourism New Zealand. They are the first in New Zealand to be promoted in a digital format and the ability to book immediately for accommodation, transport and activities in the area. This initiative supports the outcomes of the Destination Management Plan.

## **Civil Defence and Emergency Management**

Work continues still on the new Civil Defence volunteer's headquarters in Taumarunui along with the partner training Fire Rescue First Response Limited with now focusing on the lecture rooms to get them up to speed with office furniture and IT equipment so that this facility can be used to its fullest. The Facility in National Park nears completion which will provide an additional capability to manage emergency responses within the district.

School program for Taumarunui High School had its 2<sup>nd</sup> year of running which saw an increase to 20 students learning about the practical side of Civil Defence responses.

A lite audit has also been conducted this term with very good results and a 3–5-year strategy from that will be produced to assist Civil Defence in the area going forward.

Our volunteer numbers remain strong with ongoing recruitment, the Manawatu – Whanganui region now has an accredited NZ response team (NZRT4) which will most definitely be utilized in any large-scale emergency in the region.

## **Libraries**

Ruapehu Community Libraries are situated in Taumarunui, Ohakune and Raetihi. The library buildings are managed by the Community Property activity, but the library services (books, computers, children's holiday programmes etc.) fall within the Community Support Activity.

Council also supports the community libraries in Ōhura and Waiouru with grants each year.

A highlight for Ruapehu Libraries this year was to follow the national trend for public libraries to eliminate charging overdue fines for all books, so as not to inhibit library usage and to encourage ease of access to its resources.

Due to Covid lockdowns and restrictions the book fair had been postponed numerous times over the last few years, and these books had accumulated in storage. This was finally held, in the Taumarunui Memorial Hall over three days in September, and much of the month's prior were spent going through the collections at all libraries and 'weeding', in preparation for this. Funds raised were allocated towards new furnishings.

The process of developing a new Library Strategy has been unfolding over the last year, with library staff working closely with consultant Sue Sutherland. Surveys were created, promoted, and rolled out to the community in order to seek public opinion for future planning. This will be continued into this coming year.

The library participated in the Papatūānuku Day annual event, designed for Ohakune and Raetihi kindergartens and early childhood centres, at the reserve behind the Raetihi Holiday Park. About 80 children, their caregivers and kaiako attended. Organised by Ruapehu Reap, representatives from Ngāti Rangī, DOC, and other education co-ordinators (including RDC libraries) were invited to participate by running 'mother earth'/nature-based activity stations for the kids to visit. The library activities included bag designing, colouring-in, a book browsing table, and the children also enjoyed a 'wiggle and rhyme' story-time with dance.

Other events included a visit from the children's entertainer/author/storyteller Deano Yipadee during the summer holidays and the ClickHappy photography workshop for home-schooled children which was held in the Taumarunui council chambers. This was a huge success with about 20 children attending and learning how to take better pictures from their phones, iPads and other devices.

There have been school visits to both Ohakune and Raetihi libraries; continued weekly 'Read and Rhyme' sessions; the ongoing monthly 'Books in Schools' visits; and Taumarunui Library staff were invited to do a presentation at an Early Reading Together programme at Central Kids Paraone. Book selection and deliveries to 'housebound' borrowers has also been consistent.

Book genre signage throughout all three libraries has been redesigned and updated to include the Te Reo translation. Board games have been added to the collections in both Ohakune and Raetihi libraries and have been very popular.

Staff have been working closely with the new librarian of the NZ Defence Force based Waiouru Community Library. Due to the previous long-serving librarian leaving and the consequent closure of the library for about 18 months, and with the new person having had no previous library experience, some much needed support and assistance was needed to get things up and going again. This has included freshening the collections by 'weeding' the very many old books, ordering new books, and creating a more inviting hub with new and increased book display space and creative signage. A book fair is now being planned in Waiouru for this coming year, which will enable 're-homing' the old library books and creating a revitalised space in the library with more contemporary furnishings from funds raised.



## Capital Projects

Project Description	Carry Forward Budget \$000	Budget 2022/23 \$000	Actual 2022/23 \$000	Notes
Ohakune iSite Internal Refit	13	13	-	LOS
iSite Mobile Trailer Fit-out	9	9	-	Renewal
Internal Refit of Taumarunui Isite	1	1	-	LOS
CRM system for Isites	4	4	-	LOS
Whakapapa/ National Park Solution	10	10	-	LOS
Digital marketing display	8	8	-	LOS
New digital kiosk for Waiouru	18	18	-	LOS
Library - Taumarunui	-	36	36	Renewal
Library - Ohakune	-	17	19	Renewal
Library -Raetihi	-	8	6	Renewal
e books	-	5	5	Renewal
Library Funding 2020	-	-	1	Renewal
Radio Network	-	15	17	LOS
Huia Street Animal Shelter floor renewal	7	7	-	Renewal
Bin truck refit	15	-	-	LOS
EOC Laptops	18	15	-	LOS
Volunteer Tablets	3	4	-	LOS
CD Base	-	10	1	LOS
Mobile Shower Unit	-	19	16	LOS
<b>Total</b>	<b>106</b>	<b>199</b>	<b>101</b>	

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Emergency Management</b>					
Council will provide Civil Defence and Emergency Management for the District.	Percentage of staff who are adequately trained in an approved emergency response-training programme.	60%	70%	68%	Not Achieved.  A lot of new staff, staff have started online training, face to face training was plotted but BAU always seems to take priority.
	Undertake five or more presentations or events within the community to raise awareness of Civil Defence.	5	>5	12	Achieved
	Have trained volunteer community Civil Defence teams in the district.	2	2	6	Achieved.
	Respond to hazardous substance emergencies with two hours from notification.	100%	100%	100%	Achieved.
<b>Library Service</b>					
Provide a library service that meets the needs of the community.	Percentage of users who are satisfied with the service provided.	88%	75%	92%	Achieved.  Data sourced from 2022/23 Level of Service survey
	Increase the number of active library members.	2,305	+1% Per Year.	2,455 +6.1%	Achieved.  Sourced from Kōtui Library Management System database.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Visitor Information Centres (i-SITES)</b>					
i-SITES are open 40 hours minimum per week.	Booking transactions (sales) increase.	-20%	+2%	-37%	Not Achieved. Covid19 has impacted revenue statistics. RAL going into administration also impacted financial performance.
	Customer satisfaction with i-SITE service from Trip Advisor and Google+.	>91%	>=85%	>91.5%	Achieved
<b>Regional Tourism Organisation/Visit Ruapehu Limited</b>					
Visit Ruapehu Limited Regional Tourism Organisation (RTO) will proactively promote the destination to Domestic and International markets.	Domestic tourism awareness of Ruapehu grows against the 2016 benchmark of 14%	26%	+0.5%	26%	Achieved. With all of the changes in data and analysis available "post" COVID the measurement is now carried out by Angus and Associates in the form of a Market Perceptions Report.
	International tourism awareness of Ruapehu grows against the 2016 benchmark of 3% (Note 1).	11%	+0.5%	11%	Achieved. With all of the changes in data and analysis available "post" COVID the measurement is now carried out by Angus and Associates in the form of a Market Perceptions Report. This enables us to report on the Australia traveller propensity to visit also.

**Notes:**

1. The base data used in this measure is sourced from Angus & Associates Market Perceptions Report to enable measurement of key domestic and Australian market sentiment. For FY24 the Statement of Intent KPIs will be reset due to the end of access to this consumer data which was funded through MBIE over the last 3 years.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023  
Community Support Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	3,284	3,445	3,147
Targeted rates	597	615	455
Subsidies and grants for operating purposes	-	-	76
Fees and charges	114	130	967
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>3,995</b>	<b>4,190</b>	<b>4,645</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	2,601	2,666	2,843
Finance costs	1	2	58
Internal charges and overheads applied	1,254	1,359	2,172
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>3,856</b>	<b>4,027</b>	<b>5,073</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>139</b>	<b>163</b>	<b>(428)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	100	11	101
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>100</b>	<b>11</b>	<b>101</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	-	-	-
- To improve the level of service	107	39	34
- To replace existing assets	65	67	74
Increase/(decrease) in reserves	67	68	(435)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>239</b>	<b>174</b>	<b>(327)</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>(139)</b>	<b>(163)</b>	<b>428</b>
<b>Funding balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



# LEADERSHIP

## Introduction

The Local Government Act 2002 (LGA) sets out the role and principles of local government as well as governance and management principles.

The following principles from the Local Government Act 2002 guide both the governance and the strategic development functions of Council. Council must:

- Exercise activities for the benefit of the district.
- Conduct its business in an open and transparent manner, giving effect to desired Outcomes.
- Seek and consider the views of its communities and their wellbeing in decision making.
- Collaborate with other organisations to meet desired Outcomes.
- Ensure prudent financial and asset stewardship in accordance with sound business practice, including periodically assessing the expected returns from any commercial activity and assessing risk.

Provide for the present and future needs of the district by considering social, economic, cultural interests of the community and the need to maintain the environment for present and future generations.

The Leadership Activity is divided into two key areas:

- **Governance** – Council and Community Boards.
- **Strategic Development** – Economic Development, Business Development, Policy Development, Youth Development, and Iwi Development.

## **Governance**

### **Council**

Council is made up of nine Elected Members from across the District plus the Mayor. Council resolved to introduce Māori Wards for the 2022 elections, as such six Councillors represent the General Ward, and three Councillors represent the Māori Ward; both Wards comprise the entire Ruapehu District.

On election all Elected Members, whether elected from the General or Māori Ward, make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgement in the best interests of the entire District.

Council's focus is strategic direction policy and an overview of the financial position of Council.

### **Community Boards**

Community Boards are Ward-based and serve an important function in the district. Their role is to be the advocate for their local community (Ward) to Council, to stay involved and engaged with issues "on the ground" and communicate those concerns to Council.

Five Community Board members are elected every three years by their Ward constituents as part of local body elections, and Council appoints one Councillor to sit on one of each of the Community Boards.

In the Ruapehu District we have three community boards, Ōwhango-National Park Community Board (ONPCB), Taumarunui-Ōhura Community Board (TOCB), and Waimarino-Waiouru Community Board (WWCB).

## **Strategic Development**

### **Economic Development**

This group of activities promotes the Community Outcomes that mainly target environmental, social, and economic objectives. Wellbeing's are being targeted through diverse activities like town revitalisation, building resilience, and community development and relationships (by working with various community groups).

### **Business Development**

Council employs a permanent i-site and Business Development Manager to advocate for and support diverse business confidence, innovation, and growth in the district. The Manager works with local businesses, through the i-sites and Regional Tourism, plus through local business groups. The manager also works individually with businesses to navigate council processes, and other processes like health and safety.

### **Policy Development**

Council develops bylaws, strategies, and policies to provide practical solutions, guidance and consistency in direction setting and decision making with the purpose of achieving balanced wellbeing outcomes for the district.

### **Youth Development**

While Council does not employ a specific Youth Development officer, Youth Development has had a varied series of programmes that Council provided through diverse activities across council, including the MTFJ, Civil Defence, Libraries, and others.

The last 12 months have presented several personnel challenges that have impacted on the Youth Council.

While the youth council hasn't met, 2 youth from local schools accompanied Mayor Weston at the Future is Rail conference, reconnecting Aotearoa 2030 participating with central and local government ministers around the future of NZ Rail.

### **Developing relationships and engaging with Māori**

Council established the Iwi Relationships Team to enhance its capacity in meeting its commitments to Māori and continues to support its legislative obligations to Iwi and Hapū pre and post Treaty settlements.

## Community Well-Being Outcomes



Social



Cultural



Environmental



Economic



Leadership

### Activity impacts on community well-being

There are no significant negative effects on the community of the Leadership Activity of Council.

## Highlights for the Year

### Governance (Mayor and Council)

During 2022/23, the following number of meetings were held:

To note, following the October 2022 Local Body Elections:

- the name of National Park Community Board changed to Ōwhango-National Park Community Board
- the Taumarunui/Ōhura Ward Committee ceased and the Taumarunui-Ōhura Community Board commenced.
- the name of the Audit and Risk Committee changed to the Risk and Assurance Committee.

Name of Meeting	Number of Meetings
Council ordinary meetings	11
Waimarino-Waiouru Community Board	6
Ruapehu District Māori Council	0
Ōwhango-National Park Community Board	6*
Taumarunui-Ōhura Community Board	5**
Risk and Assurance Committee	3***
<b>Total</b>	<b>31</b>

\* Comprises 2 National Park Community Board Meetings and 4 Ōwhango-National Park Community Board Meetings

\*\* comprises 1 Taumarunui/Ōhura Ward Committee Meeting and 4 Taumarunui-Ōhura Community Board Meetings

\*\*\* comprises 1 Audit and Risk Committee Meeting and 2 Risk and Assurance Committee Meetings.

### Strategic Development

Some areas of Council progress during the 2022/23 period are:

1	Review of The Ruapehu Bylaw
2	Review of the Dog Control Policy
3	Review of the Freedom Camping Policy
4	Assistance with the creation of the Regulatory and Enforcement Strategy
5	Completion of the Climate Change Prioritisation Task
6	Review of the Trees on Council Property (Maintenance and Removal) Policy
7	Creation and adoption of the Project Management Policy
8	Review of the Easter Sunday Shop Trading Policy
9	Adoption of the Annual Plan 2023-24

10	Review of the Backflow Prevention Policy
11	Dissolution of the Stormwater Management Policy

The Policy & Strategy Team have prepared Council submissions on the following matters that were open for public consultation:

1	Central Government: Submission to the Water Services Entities Bill
2	Ministry for Primary Industries: National Direction for Plantation and Exotic Carbon Forest
3	Ministry for the Environment: Agricultural Emissions Pricing consultation
4	Ministry of Justice: Ohakune Justice Facility closure
5	Department of Internal Affairs: Performance Based Class 4 Gambling
6	Environment Committee: Resource Management Reform: National Built Environment Bill & Spatial Planning Bill
7	Finance and Expenditure Committee: Water Service Legislation Bill
8	Finance and Expenditure Committee: Water Services Economic Efficiency and Consumer Protection Bill
9	Future for Local Government Review
10	Contribution to a cross-Council submission regarding the Forestry Slash Inquiry

### **Youth Development**

The Mayors Taskforce for Jobs assisted 20 plus youth into sustainable employment outcomes and assisted with multiple youth in acquiring Drivers Licences through the Safe to Go programme in partnership with King Country REAP.

The MTFJ also supported a Youth in Emergency Services training programme with 18 young people taking part in the experiential learning weekend with hands on activities and learning. The council Civil Defence and Emergency Manager supported the local High School Gateway programme with upward of 15 rangatahi each Friday.

MTFJ also contributed to the Kiwi Can Do employment pathway programme in construction and building with Mana Ariki Marae. With the support of the MTF funding a range of courses were provided including chainsaw and heights and barista and customer service.

The Council was also successful in an application to Sport NZ to purchase a Play Trailer to support the community in promoting active recreation and play. It has worked proactively with community groups to support sport and recreation programmes in the community and provided well maintained recreation facilities through playgrounds and swimming pools encouraging active participation.

Along with Library services that supports holiday activities, reading programmes and an up to date reading collection for children.

### **Economic Development**

The Economic Development Activity continues to support Regional economic development, as well as regional and local Skills and Talent forums, and to build on previous Accelerate 25 projects. The close relationships between Community and Economic development have led to more energy going into Town Revitalisation projects by partnering with local community groups, Development of the draft Wellbeing Framework, working with communities on developing resilience, completion of the draft Event Strategy, and Library Strategy, and beginning the review of the Economic Development, Regional Tourism and I-site delivery options.

### **Town Revitalisation**

A steering group has been established in Raetihi to direct the Raetihi town revitalisation discussions. The group meets monthly and has adopted a Terms of Reference and Communications Plan. They are now beginning to work on a process to invite the community forward with ideas or projects for consideration.

### **Māori Development**

Council continued to work along Iwi to support their settlement processes and aspirations and acknowledges Ngāti Maru and Ngāti Maniapoto in settling their historic grievances with the Crown. Council acknowledges the establishment of a relationship agreement with Ngāti Rangī and continues to establish relationship agreements with other Iwi.

Council staff continued to support the workstreams associated to Te Awa Tupua (Whanganui River Claims Settlement) and the work in relation to Te Kōpuka Nā Te Awa Tupua – the strategy group working on establishing Te Heke Ngahuru ki Te Awa Tupua strategy document.

Council staff along with its elected members are committed to strengthening relationships and building capacity for Māori to better contribute to the decision-making processes and enhance development for Māori.

Council staff continued to develop skills in Te Reo Māori and Tikanga through the Education Perfect online programme. Feedback received about the programme has been positive and it is anticipated that further development opportunities in reference to Te Tiriti o Waitangi training will be looked at going forward.

The Iwi Relationships Team continued to support the project work being undertaken by Council's internal teams and their external contractors.



Pipitea Marae – Wellington (Third Reading Ngāti Maniapoto Iwi Treaty Settlement)

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Leadership</b>					
Council provides public access to the community through Community Boards and Council meetings.	Number of Public Forums per year.	41	>40	28	Not Achieved.  The RDMC did not hold any formal meetings during the 22/23 Financial Year. The swearing in of Council and the Community Boards did not include a Public Forum. Each Community Board met once between the elections and the start of the 2023 Calendar year.
Residents are satisfied with the Leadership of Council.	Percentage of respondents who are satisfied with Council's overall leadership and performance.	61.4%	60%	62.1%	Achieved
<b>Economic and Business Development</b>					
Progress Accelerate Ruapehu Visitor Development Plan and the Economic Development Strategy.	Continue to progress the Accelerate 25 Ruapehu Regional Visitor Development Plan by increasing the number of priority actions achieved each year.	5 additional actions achieved.	3 additional actions.	4 additional actions.	Achieved.  1. Destination Management Plan, finished and presented to the wider community. 2. Skill and Talent Advisory Group (local network group formed out of the Accelerate 25 regional growth plan) which feeds info and links to the Regional Skills Leadership Group: achieved and ongoing. 3. Mayor's Taskforce for Jobs: MSD/LGNZ programme with a youth development focus, those disadvantaged in the labour market etc achieved and ongoing. 4. SSEP: Secondary Schools Employers

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
					Programme Secondary School Employer Partnerships - Smart Waikato with Taumarunui High School signed up as a member to this programme.
	Continue to progress the Economic Development Strategy by increasing the number of priority actions achieved each year.	3 additional actions achieved.	3 additional actions.	3 additional actions.	Achieved. <ol style="list-style-type: none"> <li>1. Local Business enterprise supported through business network events, promotions and activities to build business to business opportunities. Achieved and ongoing</li> <li>2. Regional Business Partners Network business support programme. Achieved and ongoing</li> <li>3. EMA partnership to support local business: business developed, employment practice: all things employers etc. Achieved and ongoing</li> </ol>
<b>Iwi Development</b>					
Council meets regularly with Iwi/Hapū.	Number of meetings with Iwi/ Hapū per year.	10	>6	12	Achieved Expectation from Iwi/Hapū to be more inclusive has increased.
<b>Policy Development</b>					
Consultation material will be made publicly available from all Council offices and on its website.	Percentage of respondents who are satisfied or very satisfied with consultations.	66.4%	80%	71%	Not Achieved. Of 244 respondents 158 said they were satisfied or very satisfied.
<b>Youth Development</b>					

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
Activities, facilities and opportunities for youth are provided and supported.	Support the Ruapehu Youth Council to hold 18 meetings a year.	6	18	0	Not Achieved.  The Ruapehu Youth Council is not currently active. We are looking at what we do going forward in this space through the LTP process.
	Support the Ruapehu Youth Council to hold two community events per year (at least).	-	2	0	Not Achieved.  The Ruapehu Youth Council is not currently active. We are looking at what we do going forward in this space through the LTP process.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Leadership Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	1,787	1,867	1,854
Targeted rates	296	330	833
Subsidies and grants for operating purposes	33	34	495
Fees and charges	1	35	69
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
<b>Total operating funding (A)</b>	<b>2,117</b>	<b>2,266</b>	<b>3,251</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	1,632	1,740	1,641
Finance costs	-	-	-
Internal charges and overheads applied	485	526	231
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>2,117</b>	<b>2,266</b>	<b>1,872</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>-</b>	<b>-</b>	<b>1,379</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	91
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>91</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	-	-	-
- To improve the level of service	-	-	-
- To replace existing assets	-	-	-
Increase/(decrease) in reserves	-	-	1,470
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>-</b>	<b>1,470</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>-</b>	<b>-</b>	<b>(1,379)</b>
<b>Funding balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



# REGULATION

## Introduction

The Regulation Activity seeks to facilitate a safe and sustainable community through the administration and enforcement of laws made by Central Government. This includes the sustainable management and use of natural resources under the Resource Management Act 1991 and District Bylaws.

Council is required by a number of laws to provide Regulatory Services. These laws include, but not limited to:

- The Local Government Act 2002,
- The Resource Management Act 1991,
- The Dog Control Act 1996,
- The Building Act 2004,
- The Health Act 1956,
- The Sale and Supply of Alcohol Act 2012, and
- The Food Act 2014
- Amusement Device Regulations 1978,
- Camping Ground Regulations 1985,
- Litter Act 1979,
- Freedom Camping Act 2023,
- Land Transport Act 1998, and
- Reserves Act 1977.

As well as administering many Central Government laws, Council is required to enforce its own bylaws. A bylaw is a local law, specific to a region, district, or city.

The Regulation group is made of the following teams:

### **Building Services**

The Building Services team inspects all building works and relocated buildings to ensure they meet the Building Act 2004 and Building Code requirements.

### **Resource Management**

The Resource Management team coordinates both the issuing of resource consents and monitoring the conditions of these consents, in line with relevant legislation (primarily the Resource Management Act) and the District Plan.

The District Plan is one of Council's key planning documents that sets out the rules and policies that guide development in the district. The Resource Management Act requires that the District Plan to be reviewed every ten years. Because of the size and complexity of a DP review, Council will do a 'rolling review' of discrete sections as required to satisfy the prescribed review process. There is increasing interest to subdivide residential zoned land in Ohakune. These applications can be quite complex as they require careful consideration of issues around managing residential amenity and access to community infrastructure.

#### Land Information Memorandum (LIM)

This activity processes LIM application requests in accordance with the Local Government Official Information and Meetings Act 1987.

#### Licensing and Compliance Team

The Licensing and Compliance Team was formed in July 2022 by bringing together the following activities-

### **Environmental Health and Alcohol Licencing**

There are a number of functions under this activity, which includes food safety, alcohol licencing, making sure premises and events comply with regulatory standards, as well as monitoring environmental issues and investigating complaints. The team ensures that health and safety of the public are protected by ensuring food and alcohol premises comply with legal requirements under the Sale and Supply of Alcohol Act 2012, and Food Act 2014, and other premises required to hold registration under the Health Act 1956 also meet statutory requirements.

### **Compliance**

The Compliance activity ensures compliance with Council's Bylaws and legislation such as the Dog Control Act 1996, Litter Act 1979, Freedom Camping Act 2023, Land Transport Act 1998, and Reserves Act 1977.

The role is varied and includes:

- Animal control
- Parking
- Noise control
- Bylaws
- Stock on road calls
- Freedom camping
- Illegal dumping
- Abandoned vehicles

The Compliance Officers hold the responsibility to monitor and enforce these laws and bylaws when necessary. The role aims to promote a safe and happy community by engaging with members of the community; providing education about local bylaws and other community-focused legislation and working alongside individuals or businesses to achieve compliance where required.

## Community Well-Being Outcomes



Social

Environmental

Economic

Leadership

### Activity impacts on community well-being

There are no significant negative effects on the community as a result of the Regulatory Activity of Council.

## Highlights for the Year

### Licensing and Compliance

The Licensing side of the team has continued to assist businesses and individuals to ensure that the information provided is accurate and acceptable to the District Licensing Committee for all types of liquor licence applications. Most existing licensees achieve the requirements relating to the keeping of records, but unfortunately, several new business owners, still struggle to grasp the responsibilities associated with holding a liquor under the Sale and Supply of Alcohol Act 2012 resulting in the need for additional support. Staffing issues continues to be a source of concerns for the district's hospitality industry, particularly certified managers to act as duty managers.

The District Licensing Committee has conducted 1 hearing (4 held in the previous year). Consistent with the previous years, it was a Renewal Application for an existing On Licence that was referred to the Committee for failing to maintain required records and have required certified managers as stated on their Licence.

Food Businesses have overall shown a good level of compliance with the requirements under the food Act 2014, but unregistered individuals selling food through social media is again on the increase with education provided to those who the team has been able to make contact with.

The last year proved to be challenging for the compliance officers:

- 91% of dog registrations were paid during this financial year, which is slightly less than the 96.2% in the previous year,
- Wandering and barking dog complaints have been the most common complaints received from the community,
- 133 of the 184 dogs impounded were rehomed,
- 99 illegal dumping complaints were received with the majority being in the southern end of the district,
- 36 Abandoned vehicles we reported with most removed after 7 days' notice was posted on the vehicle, while others were removed at no cost to council for scrap metal.

The team continue to encourage customer to call when the issue occurs rather than next day/s after noise complaints and dog attacks, as some members of the community are not aware that an afterhours service is available to allow response to priority calls 24/7.

### Building Control Unit

IANZ audit, building the foundation – Building Team has a solid foundation for the future IANZ audit and internal audits. Started from nothing to 20,000-word internal audit document. The next audit is scheduled for 7 – 10 August 2023. Huge thanks to the building team.

The Building Team issued 262 Building Consents, completed 1731 Site Inspections, issued 311 Code Compliance Certificates, completed 326 Requests for Service and processed 446 Building Warrant of Fitness Compliance Schedules.



*The finished Taumarunui New World Project.*



Shortage of products saw more relocated dwellings than previous years

### **Resource Consents**

A total of 52 consents were processed in 2022/23, being a mix of Subdivision (37) and Land use (15) consents. The statutory timeframe under the RMA to process applications is 20 working days, our average processing was 16 days.

10 Deemed Permitted Boundary Activity Applications were processed under the new Section 87BA of the Resource Management Act 1991. These applications are exempt from the full Land Use Resource Consent process. They have a 10-day maximum timeframe to process under the RMA. All were processed with an average of 5 days.

736 Requests for Service have been received and completed, which is a decrease of 368 from last year.

## What We Achieved

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Building Services</b>					
Council will effectively process all proposed applications.	Building consents processed within 20 working days from request.	98.2%	100%	99.2%	Not Achieved. Of 262 – 2 consents not processed in 20 days
	Code Compliance Certificates issued within 20 working days from request.	99%	100%	99.03%	Not Achieved. Of 311 – 3 CCC's not issued within 20 days
	Urgent LIMs processed in five working days from valid application.	100%	100%	100%	Achieved.
	Non-urgent LIMs processed in ten working days from valid application (Note 1).	96.9%	95%	96.9%	Achieved.
<b>Animal Control</b>					
	Respond to dog attacks within two hours of receiving the complaint.	100%	100%	95%	Not Achieved. Staff shortages and distance to travel have pushed several responses past 2 hours. Fully staffed team will assist in meeting requirements in the future.
	% of all registered dogs by 30 June.	50%	50%	44.8%	Not Achieved.
<b>Environmental Health</b>					
Council will undertake ongoing monitoring of conditions to ensure compliance.	Health-related food hygiene complaints are responded to within 24 hours working weekdays and 72 hours weekends and actioned within five days.	0%	95%	100%	Achieved. Only one complaint received
	Percentage of food premises complying with improvements requested by Environmental Health Officer as second inspection.	93.33%	90%	96.6%	Achieved. Only two businesses required additional visit.

Level of Service	Key Performance Indicators	2021/22 Actual	2022/23 Target	2022/23 Actual	Commentary
<b>Alcohol Licensing</b>					
Ensure alcohol licensing complies with statutory and licensing provisions.	Percentage of alcohol licences that comply with statutory and licence conditions on first inspection.	95%	95%	95%	Achieved.  1 out of 20 premises failing to meet requirements.
<b>Health Related Noise</b>					
Ensure noise complaints are responded to effectively, promptly and efficiently.	Less than 2 health related noise complaints received a second time.	2	<2	1	Achieved.  Complaint was not substantiated as a problem at the time of inspection.
<b>Resource Management</b>					
Resource consents are processed within the legal timeframes.	Land Use consents processed within the legal timeframes.	100%	100%	100%	Achieved.  All 25 Land use consents processed within the legal timeframes. This includes 10 processed as Deemed Permitted Boundary Activity consents.
	Subdivision consents processed within the legal timeframes.	100%	100%	100%	Achieved.  All 37 Subdivision consents processed within the legal timeframe.
The public is informed about Resource Management processes and other issues related to maintaining a sustainable environment.	% of pre-application meetings to number of applications received.	47%	>10%	70%	Achieved.  There is a steady number of Pre-application meetings which generally result in future applications.

**Notes:**

1. While Council strives to meet the statutory 10 working day processing timeframe, until LIMs are available electronically, there is always a potential delay through unforeseen lack of human resourcing somewhere in the process.

# Funding Impact Statement

Ruapehu District Council for the year ending 30 June 2023

## Regulation Activity

	LTP 2022 \$000	LTP 2023 \$000	Actual 2023 \$000
<b>Sources of operating funding</b>			
General rates, uniform annual general charges, rates penalties	2,069	2,173	2,754
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,040	1,070	904
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	13
<b>Total operating funding (A)</b>	<b>3,109</b>	<b>3,243</b>	<b>3,671</b>
<b>Applications of operating funding</b>			
Payments to staff and suppliers	1,849	1,892	1,933
Finance costs	-	-	36
Internal charges and overheads applied	1,260	1,351	2,390
Other operating funding applications	-	-	-
<b>Total application of operating funding (B)</b>	<b>3,109</b>	<b>3,243</b>	<b>4,359</b>
<b>Surplus/(deficit) of operating funding (A-B)</b>	<b>-</b>	<b>-</b>	<b>(688)</b>
<b>Sources of capital funding</b>			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	7	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding (C)</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>Application of capital funding</b>			
Capital expenditure:			
- To meet additional demand	-	-	-
- To improve the level of service	-	-	-
- To replace existing assets	7	-	-
Increase/(decrease) in reserves	-	-	(688)
Increase/(decrease) of investments	-	-	-
<b>Total applications of capital funding (D)</b>	<b>7</b>	<b>-</b>	<b>(688)</b>
<b>Surplus/(deficit) of capital funding (C-D)</b>	<b>-</b>	<b>-</b>	<b>688</b>
<b>Funding balance ((A-B) +(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Council's construction of six social housing units in Moore Street Ohakune was completed on-time and under budget in August 2022.** The project made a direct positive contribution to the local economy and is now helping to address a critical shortage of social housing in Ohakune. Funding for the project was 'unlocked' with support from Council's award winning community portal Puwhenua ki Ruapehu which helped demonstrate the need for more social housing in Ohakune. The project was Council's first implementation of its Five Year Housing Strategy and Plan Action adopted in late 2020 with the money remaining from coming in under budget applied to refurbishing existing social housing units.

## SECTION TWO

# FINANCIAL INFORMATION

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# STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDED 30 JUNE 2023

Group and Parent  
For the year ended 30 June 2023P

	Notes	Council			Group	
		Actual 2023 \$000	LTP 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
<b>Revenue</b>						
Rates	3	27,000	27,721	25,525	27,000	25,525
Fees and Charges	4	3,208	3,123	2,969	3,208	2,969
Development and Financial Contributions		230	120	358	230	358
Subsidies and Grants	5	19,049	15,704	20,258	19,049	20,258
Finance Revenue	6	339	25	35	348	37
Other Revenue	7	680	309	1,275	1,138	1,782
Gains	8	91	-	1,554	91	1,554
<b>Total Revenue</b>		<b>50,597</b>	<b>47,002</b>	<b>51,974</b>	<b>51,064</b>	<b>52,483</b>
<b>Expenses</b>						
Personnel Costs	9	6,315	6,519	6,331	6,589	6,594
Depreciation and Amortisation Expense	19	10,786	10,171	8,860	10,788	8,861
Finance Costs	6	2,009	931	895	2,009	895
Other Expenses	10	30,733	24,739	24,235	30,920	24,492
Losses	11	2,960	-	943	2,960	943
<b>Total Expenses</b>		<b>52,803</b>	<b>42,360</b>	<b>41,264</b>	<b>53,266</b>	<b>41,785</b>
Share of Associate's Surplus / (Deficit)		-	-	15	-	15
<b>Net Surplus / (Deficit) before tax</b>		<b>(2,206)</b>	<b>4,642</b>	<b>10,725</b>	<b>(2,202)</b>	<b>10,713</b>
Income tax expenses		-	-	-	1	2
<b>Net Surplus / (Deficit) after tax</b>		<b>(2,206)</b>	<b>4,642</b>	<b>10,725</b>	<b>(2,201)</b>	<b>10,712</b>
<b>Other Comprehensive Revenue and Expense</b>						
Gain/(Loss) on Property, Plant and Equipment Revaluations	25	11,362	14,748	67,432	11,362	67,434
Financial Assets at Fair Value Through Comprehensive Revenue and Expense		(5)	-	2	(5)	2
<b>Total Other Comprehensive Revenue and Expense</b>		<b>11,357</b>	<b>14,748</b>	<b>67,434</b>	<b>11,357</b>	<b>67,436</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>9,151</b>	<b>19,390</b>	<b>78,159</b>	<b>9,156</b>	<b>78,148</b>

*Explanation of Major Variances against budget are provided in Note 37.  
The accompanying notes form part of these financial statements.*

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Group and Parent As at June 2023

	Notes	Council			Group	
		Actual 2023 \$000	LTP 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	12	9,407	2,197	7,187	9,620	7,929
Receivables	13	3,982	3,967	3,768	4,020	3,805
Prepayments and Accrued Income	38	2,811	1,015	1,831	2,825	1,831
Inventory	14	310	382	348	310	348
<b>Total Current Assets</b>		<b>16,510</b>	<b>7,561</b>	<b>13,134</b>	<b>16,775</b>	<b>13,913</b>
<b>Non-Current Assets</b>						
Investment in Associates						
- Investment in CCOs and other similar Entities	15	67	48	67	67	67
Other Financial Assets	16	1,028	741	1,079	1,028	1,079
Property, Plant and Equipment	17	542,477	487,690	520,796	542,484	520,799
Intangible Assets	18	155	877	159	155	159
Investment Property	20	5,805	3,741	6,684	5,805	6,684
<b>Total Non-Current Assets</b>		<b>549,532</b>	<b>493,097</b>	<b>528,786</b>	<b>549,539</b>	<b>528,789</b>
<b>Total Assets</b>		<b>566,042</b>	<b>500,658</b>	<b>541,920</b>	<b>566,315</b>	<b>542,702</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Creditors and Other Payables	21	6,783	3,540	5,928	6,909	6,124
Borrowings	22	8,122	8,000	19,000	8,122	19,000
Employee Entitlements	23	509	403	498	529	513
Income in Advance	38	1,793	2,835	1,326	1,801	1,783
<b>Total Current Liabilities</b>		<b>17,207</b>	<b>14,778</b>	<b>26,752</b>	<b>17,361</b>	<b>27,419</b>
<b>Non-Current Liabilities</b>						
Borrowings	22	46,900	40,951	22,400	46,900	22,400
Provisions	24	233	199	217	233	217
<b>Total Non-Current Liabilities</b>		<b>47,133</b>	<b>41,150</b>	<b>22,617</b>	<b>47,133</b>	<b>22,617</b>
<b>Total Liabilities</b>		<b>64,340</b>	<b>55,928</b>	<b>49,369</b>	<b>64,494</b>	<b>50,037</b>
<b>Net Assets</b>		<b>501,702</b>	<b>444,730</b>	<b>492,550</b>	<b>501,821</b>	<b>492,665</b>
<b>Equity</b>						
Accumulated Funds	25	294,941	298,749	296,864	295,058	296,976
Other Reserves	25	206,761	145,981	195,686	206,763	195,689
<b>Total Equity Attributable to the Council</b>		<b>501,702</b>	<b>444,730</b>	<b>492,550</b>	<b>501,821</b>	<b>492,665</b>

*Explanation of Major Variances against budget are provided in Note 37.  
The accompanying notes form part of these financial statements.*

# STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2023

Group and Parent  
For the year ended 30 June 2023

	Notes	Council			Group	
		Actual 2023 \$000	LTP 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
<b>Balance at 1 July</b>		<b>492,551</b>	<b>425,340</b>	<b>414,391</b>	<b>492,665</b>	<b>414,517</b>
Total Comprehensive Revenue and Expense for the Year		9,151	19,390	78,159	9,156	78,148
<b>Balance at 30 June</b>	25	<b>501,702</b>	<b>444,730</b>	<b>492,550</b>	<b>501,821</b>	<b>492,665</b>

*Explanation of Major Variances against budget are provided in Note 37.  
The accompanying notes form part of these financial statements.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

Group and Parent  
For the year ended 30 June 2023

	Notes	Council			Group	
		Actual 2023 \$000	LTP 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
<b>Cash Flows from Operating Activities</b>						
<b>Cash was received from:</b>						
Receipts from Rates Revenue		27,813	27,721	25,513	27,813	25,513
Receipts from Subsidies and Grants		18,310	15,704	14,635	18,310	14,635
Interest Received		339	26	37	348	37
Other Revenue		4,508	3,551	7,689	4,949	7,762
		<b>50,969</b>	<b>47,002</b>	<b>47,874</b>	<b>51,419</b>	<b>47,947</b>
<b>Cash was distributed to:</b>						
Payments to Suppliers		(30,934)	(24,738)	(23,238)	(31,665)	(23,086)
Payments to Employees and Elected Members		(6,305)	(6,519)	(6,457)	(6,573)	(6,453)
Interest Paid		(1,998)	(931)	(896)	(1,998)	(896)
Goods and Services Tax (Net)		164	-	627	175	627
		<b>(39,073)</b>	<b>(32,188)</b>	<b>(29,964)</b>	<b>(40,061)</b>	<b>(29,808)</b>
<b>Net Cash Flow from Operating Activities</b>	26	<b>11,897</b>	<b>14,814</b>	<b>17,910</b>	<b>11,359</b>	<b>18,139</b>
<b>Cash Flows from Investing Activities</b>						
<b>Cash was distributed to:</b>						
Purchase of Property, Plant and Equipment		(23,304)	(19,575)	(24,707)	(23,295)	(24,707)
Purchase of Intangible Assets		(48)	-	(26)	(48)	(26)
Purchase of Investments		54	-	(248)	54	(249)
<b>Net Cash Flow from Investing Activities</b>		<b>(23,298)</b>	<b>(19,575)</b>	<b>(24,981)</b>	<b>(23,289)</b>	<b>(24,982)</b>
<b>Cash Flows from Financing Activities</b>						
<b>Cash was received from:</b>						
Proceeds from Borrowings		13,622	4,761	8,000	13,622	8,000
		<b>13,622</b>	<b>4,761</b>	<b>8,000</b>	<b>13,622</b>	<b>8,000</b>
<b>Cash was distributed to:</b>						
Repayment of Borrowings		-	-	-	-	-
<b>Net Cash Flow from Financing Activities</b>		<b>13,622</b>	<b>4,761</b>	<b>8,000</b>	<b>13,622</b>	<b>8,000</b>
<b>Net Increase/(Decrease) in Cash, Cash Equivalents and Bank Overdrafts</b>		<b>2,220</b>	<b>-</b>	<b>931</b>	<b>1,691</b>	<b>1,158</b>
Cash, Cash Equivalents and Bank Overdrafts at the beginning of the year		7,187	2,197	6,256	7,929	6,771
<b>Cash, Cash Equivalents and Bank Overdrafts at the end of the year</b>	12	<b>9,407</b>	<b>2,197</b>	<b>7,187</b>	<b>9,620</b>	<b>7,929</b>

*Explanation of Major Variances against budget are provided in Note 37.  
The accompanying notes form part of these financial statements.*

# 1. STATEMENT OF ACCOUNTING POLICIES

## Reporting Entity

Ruapehu District Council (the Council or RDC) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The group consists of:

- The ultimate parent, Ruapehu District Council.
- RDC Holdings Ltd (100% owned subsidiary) which is non-trading.
- Manawatu Whanganui LASS Ltd (14.29%) which is equity accounted (an associate).
- Visit Ruapehu Ltd (100% owned Council Controlled Organisation) CCO.

All subsidiaries and associated entities are established and domiciled in New Zealand.

Financial statements have been prepared for Council, along with consolidated results for the Group consisting of Council, RDC Holdings Ltd, and Visit Ruapehu Ltd.

RDC Holdings Limited is non-active and has no revenue, expenditure, assets or liabilities and there have been no transactions recorded in 2022/23 (Nil 2021/22). Group and Parent accounts are materially the same. RDC Holdings Limited has a balance date of 30 June 2023.

Visit Ruapehu Limited was incorporated on 23 August 2019, as a Council Controlled Organisation (CCO) with Ruapehu District Council being the 100% owner. This new organisation replaced the Ruapehu Regional Tourism Organisation (RTO) Trust, which was operating from 2009 until it was wound up by a Trustees resolution on 17 October 2019 under a Deed of Confirmation. The assets were transferred to Visit Ruapehu Limited, free of all charges and encumbrances and all the Trusts debts and liabilities were paid.

The Council and Group provide local infrastructure, local public services, and perform regulatory functions. The Council does not operate to make a financial return. The Council has designated itself and the group as public benefit entities (PBEs) for financial reporting purposes.

The financial statements of the Council and Group are for the year ended 30 June 2023. RDC Holdings Ltd and Visit Ruapehu Limited have the same balance date as Council. The financial statements were authorised for issue by Council on 25<sup>th</sup> October 2023.

## Basis of Preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

### Statement of Compliance

The financial statements of the Council and Group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which includes the requirement to comply with NZ GAAP.

These financial statements have been prepared in accordance with and comply with PBE accounting standards.

### Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

### Other changes in accounting policies

There have been no other changes in accounting policies.

### Standard issued and not yet effective, and not early adopted

There have been no standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council and group.

## **New amendment applied**

### *PBE IPSAS 41 Financial Instruments*

PBE IPSAS 41 replaces PBE IFRS 9 Financial Instruments and is effective for the year ending 30 June 2023. Accounting policies have been updated to comply with PBE IPSAS 41. The main updates are:

#### *Classification and Measurement*

Loans as well as receivables are held to collect contractual cash flows and are expected to give rise to future cash flows representing solely payments of principal and interest. The Council has analysed the contractual cash flow characteristics of those instruments and concluded they meet the criteria for amortised cost measurement under PBE IPSAS 41. The measurement of these instruments remains the same, but they will now be classified under the amortised cost category under PBE IPSAS 41.

#### *Impairment*

- Debtors and other receivables – this policy has been updated to reflect that the impairment of short-term receivables is now determined by applying an expected credit loss model.
- Equity investments – this policy has been updated to remove references to impairment losses, as PBE IPSAS 41 no longer requires identification of impairment for equity investments measured at fair value through other comprehensive revenue and expense. Also, on disposal, the accumulated gains/losses are no longer transferred to surplus/(deficit) but are transferred to general funds.
- Short term investments and Government bonds – this policy has been updated to explain that a loss allowance for expected credit losses is recognised only if the estimated loss allowance is not trivial.

### *PBE FRS 48 Service Performance Reporting*

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 Presentation of Financial Statements and is effective for the year ending 30 June 2023. The Council had adopted the PBE FRS 48 and this resulted in the disclosure of judgements used in the selection, measurement, aggregation, and presentation of service performance information.

## **Summary of Significant Accounting Policies**

### **Basis of Consolidation**

The consolidated financial statements comprise the financial statements of Ruapehu District Council and its CCOs and subsidiaries as at 30 June 2023.

CCOs and subsidiaries are entities controlled by the group. Control is achieved when the group has the power to govern their financial and operating policies. In order to establish control, the controlling entity presently have exercisable power to govern decision making to be able to benefit from the activities of the other entity.

Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements from the date the group gains control until the date the group ceases to control the subsidiary. The accounting policies of controlled entities are consistent with the policies adopted by the controlling entity, or if not, adjustments are made to the consolidated financial statements to bring alignment of subsidiaries with the group's accounting policies. All intra-group balances, transactions, income, expenses, and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

The substantive subsidiary within the group is Visit Ruapehu Limited. Visit Ruapehu Limited was incorporated on 23 August 2019, as a Council Controlled Organisation (CCO) with Ruapehu District Council being the 100% owner. This new organisation replaced the Ruapehu Regional Tourism Organisation (RTO) Trust, which was operating from 2009 until it was wound up by a Trustees resolution on 17 October 2019 under a Deed of Confirmation. The assets were transferred to Visit Ruapehu Limited, free of all charges and encumbrances and all the Trusts debts and liabilities were paid. Its principal activities involve the development and marketing of tourism in the Ruapehu District.

The following parts of the group are exempt CCOs :

- RDC Holdings Ltd (100% owned subsidiary) which is non-trading.
- Manawatu Whanganui LASS Ltd (14.29%) which, is equity accounted (an associate)
- Visit Ruapehu Limited (100% owned Council Controlled Organisation) CCO.

### **Goods and Services Tax**

All items in the financial statements are stated exclusive of GST, except for receivables and payables. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

### **Budget Figures**

The budget figures are those approved by the Council for the year 2022/23 in its Long-Term Plan 2021-31. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements. The budget figures are for Council only as subsidiaries do not have published budgets.

### **Cost Allocation**

The cost of service for each significant activity of the Council has been derived using the cost allocation system outlined below:

- Direct costs are those costs directly attributable to a significant activity.
- Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as staff numbers and size of budgets.

### **Critical Accounting Estimates and Assumptions**

In preparing these financial statements, estimates and assumptions have been made concerning the future.

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

*Infrastructural Assets* - Note 17 provides information about the estimates and assumptions applied in determining the fair value of infrastructural assets.

*Landfill Aftercare Provision* - Note 24 provides information about the estimates and assumptions surrounding the landfill aftercare provision.

### **Critical Judgements in Applying Accounting Policies**

Management has exercised the following critical judgements in applying accounting policies:

#### *Classification of Property*

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore classified as property, plant and equipment rather than as investment property.

Parcels of land held for an undetermined future use that are classified as Investment Property may be re-classified in the future if the land use changes.

Taumarunui Airport and Ohakune Railway station are held for strategic reasons rather than for generation of revenue and are therefore classified as property, plant and equipment rather than as investment property.

## **Revenue**

Revenue is measured at fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

## **Exchange Transactions**

Exchange transactions are transactions where Council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to another entity in exchange.

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date.

Revenue from asset management services is recognised when provided to the customer.

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.

## **Non-Exchange Transactions**

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange or where the value given or received is not able to be accurately measured. This includes transactions for activities which are subsidised through rates.

An inflow of resources from a non-exchange transaction, whether this be an asset or revenue, is only recognised if a liability is not also recognised for that particular asset or revenue.

A liability is only recognised to the extent that the present obligations have not been satisfied. A liability in respect of a transferred asset is recognised only when the transferred asset is subject to a condition, such as a condition for the asset to be consumed as specified and / or that future economic benefits or service potential must be returned to the owner.

The specific accounting policies relating to significant revenue items follow:

## **Rates Revenue**

The following policies for rates have been applied:

- General rates and targeted rates (excluding water-by-meter) and uniform annual general charges, are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

## **Development and Financial Contributions**

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

## **Fees and Charges**

Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

### **Waka Kotahi New Zealand Transport Agency Roading Subsidies**

The Council receives funding assistance from the Waka Kotahi New Zealand Transport Agency (NZTA), which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

### **Other Grants Received**

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

### **Building and Resource Consent Revenue**

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

### **Landfill Fees**

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

### **Infringement Fees and Fines**

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The revenue recognised is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines.

### **Vested or Donated Physical Assets**

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if Council expects that it will need to return or pass the asset to another party.

### **Donated and Bequeathed Financial Assets**

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met (e.g. as the funds are spent for the nominated purpose).

## **Liabilities**

### **Income in Advance**

Income in Advance is predominantly made up of Central Government Grants for work that is yet to be completed and from rates and dog registrations paid in advance, these are non-exchange transactions.

## **Borrowing Costs**

In accordance with PBE IPSAS 5 Borrowing Costs, all borrowing costs are recognised as an expense in the period in which they are incurred.

## **Grant Expenditure**

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

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

## **Leases**

### **Operating Leases**

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

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

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

## **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## **Debtors and Other Receivables**

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "Written-off" :

- when remitted in accordance with the Council's 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 Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

### **Previous accounting policy**

In the previous year, the allowance for credit losses was based on the incurred credit loss model. An allowance for credit losses was recognised only when there was objective evidence that the amount due would not be fully collected.

## **Other Financial Assets**

PBE Standards classify financial assets into three categories: financial assets mandatorily measured at fair value through surplus or deficit, amortised cost and financial assets at fair value through other comprehensive revenue.

The classification depends on the Council's management model for the financial asset and the contractual cash flow characteristics of the financial asset. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Financial assets are initially measured at fair value plus transaction costs unless they are measured at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

### **Short term investments and loans to subsidiaries**

Short term investments and loans to subsidiaries are initially measured at the amount invested. Interest is subsequently accrued and added to the investment and loan balance. A loss allowance for expected credit losses is recognised if the estimated loss allowance is not trivial.

## **Equity investments**

Equity investments are irrevocably designated at fair value through other comprehensive revenue and expense at initial recognition.

After initial recognition, the shares are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred within equity to general funds.

## **Accounting for Derivative Financial Instruments and Hedging Activities**

Council uses derivative financial instruments to economically hedge exposure to interest rate risk arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit. Council's derivative financial instruments are not designated as hedging instruments for accounting purposes. Accordingly, derivative financial instruments are reported as financial instruments at fair value through surplus or deficit.

## **Debtors and Other Receivables**

Debtors and other receivables are recorded at the amount due, less an allowance for credit losses. The Council applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery.

## **Inventory**

Inventories held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at cost (using the FIFO method), adjusted, when applicable, for any loss of service potential.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the FIFO method) and net realisable value. The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

## **Assets held for Sale**

Assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of assets held for sale are recognised in the surplus or 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.

Assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

## **Property, Plant and Equipment**

Property, plant and equipment consist of:

**Operational Assets** – These include land, buildings, parks and reserves improvements, library books, plant vehicles, computer equipment and office equipment.

**Restricted Assets** – Restricted assets are mainly parks and reserves owned by Council that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

**Infrastructure Assets** – Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

**Land (operational and restricted)** – Is measured at fair value, and buildings (operational and restricted) and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation and impairment losses. All other operational and restricted asset classes are measured at cost less accumulated depreciation and impairment losses.

### **Revaluation**

Land and buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued annually.

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

### **Disposals**

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### **Subsequent Costs**

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

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

### **Depreciation**

Property, plant and equipment depreciation is provided on a straight line (SL) or diminishing value (DV) basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

Infrastructure asset depreciation rates are based on the remaining useful life for each individual asset component. These rates are on a straight-line basis.

The revaluation approach, useful lives and associated depreciation rates of major classes of assets have been estimated as per the next page.

For depreciated assets the residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Any work undertaken on infrastructure assets to reinstate (termed “renewal”) or add to the service potential of the asset is capitalised.

The useful lives and associated depreciation rates of major classes of assets have been estimated as per the following table:

### Useful Lives and Depreciation Rates

Property, Plant and Equipment	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Buildings (Excluding Investment Property)	RAD	5 – 100 Years	1 - 20% SL
Other Improvements	CAD	5.7 – 100 Years	1 – 17.5% SL
Computer Equipment	CAD	2.5 Years	40% DV
Office Equipment, Furniture and Fittings	CAD	5 Years	20% DV
Library Books	CAD	10 Years	10% SL
Plant and Vehicles	CAD	0 – 4 Years	0 – 25% SL
Roads and Footpaths	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Top Surface (Seal)	RAD	15 Years	6.67% SL
Pavement (Base Course)	RAD	100 Years	1% SL
Culverts	RAD	70 – 100 Years	1 – 1.43% SL
Footpaths	RAD	20 – 80 Years	1.25 – 5% SL
Kerbs	RAD	80 – 100 Years	1 – 1.25% SL
Signs	RAD	9 - 10 Years	10 – 11.1% SL
Street Lights	RAD	20 – 25 Years	4 – 5% SL
Bridges	RAD	36 – 100 Years	1 – 2.77% SL
Water Supply	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Pipes	RAD	50 – 100 Years	1 – 2% SL
Valves and Hydrants	RAD	15 – 120 Years	0.82 – 6.67% SL
Pump Stations	RAD	5 – 106 Years	0.94 – 20% SL
Tanks	RAD	15 – 100 Years	1 – 6.67% SL
Treatment Plants	RAD	5 – 104 Years	0.96% – 20% SL
Wastewater	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Pipes	RAD	15 – 120 Years	0.82 – 6.67% SL
Manholes and Cesspits	RAD	25 – 75 Years	1.33 – 4% SL
Pump Stations	RAD	3 – 114 Years	0.88 – 33.3% SL
Treatment Plants	RAD	3 – 200 Years	0.5 – 33.3% SL
Stormwater	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Pipes	RAD	12 – 200 Years	0.5 – 8.33% SL
Manholes and Cesspits	RAD	75 – 82 Years	1.22 – 1.33% SL
Solid Waste	Measurement Basis (*1)	Estimated Life	Depreciation Rate
Various	RAD	0 – 4 Years	0.00 - 25% SL

Other (Not Depreciated)	Measurement Basis Definitions*	Estimated Life	Depreciation Rate
Land	REV		
Formation Costs for Roading	COST		
Stop Banks	REV		
Work In Progress and Assets Under Construction	COST		

*	CAD	=	Cost Less Accumulated Depreciation And Impairment Losses.
	RAD	=	Revaluation Less Subsequent Depreciation.
	REV	=	Revaluation (Not Depreciated).
	COST	=	Cost.

## Intangible Assets

### Software Acquisition and Development

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

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

### 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 surplus or deficit. The useful lives and amortisation rates have been estimated as follows:

Amortisation Rates Intangibles	Estimated Life	Amortisation Rate
Computer Software	3 years	33.3% SL
Pipiriki Wastewater Treatment Plant Resource Consent	22 years	5% SL

## Impairment of Property, Plant and Equipment and Intangible Assets

Intangible assets subsequently measured at cost that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Property, plant and equipment and intangible assets subsequently measured at cost 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.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

### Value in Use for Non-Cash-Generating Assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

## **Investment Property**

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, all investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

## **Payables**

Short-term creditors and other payables are recorded at their face value.

## **Borrowings**

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

Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

## **Employment Entitlements**

### **Short-Term Employee Entitlements**

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

The Council expects all employee entitlements to be settled within 12 months of balance date.

### **Salaries and wages**

Salaries and wages are recognised as an expense as employees provide services.

## **Superannuation Schemes**

### **Defined Contribution Schemes**

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

## **Provisions**

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

## **Equity**

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

Equity is disaggregated and classified into the following components:

- Accumulated funds;
- Restricted reserves;
- Asset revaluation reserve;
- Fair value through other comprehensive revenue and expense reserve.

### **Restricted Reserves**

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### **Asset Revaluation Reserve**

This reserve relates to the revaluation of property, plant and equipment to fair value.

### **Fair Value through Other Comprehensive Revenue and Expense Reserve**

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

## 2. SUMMARY REVENUE AND EXPENDITURE FOR GROUP OF ACTIVITIES

The cost of service for each significant activity of the Council and Group has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage.

There have been no charges to the cost allocation methodology during the year.

Breakdown of summary revenue and expenditure for group of activities	Council		
	Actual	LTP	Actual
	2023 \$000	2023 \$000	2022 \$000
<b>Revenue</b>			
Land Transport	22,357	21,764	18,999
Water Supply	6,329	4,676	7,508
Wastewater	2,860	3,199	3,648
Stormwater	889	1,169	1,008
Solid Waste	2,561	2,398	2,674
Recreation and Community Facilities and Community Property	3,050	3,816	7,297
Community Support	5,066	4,454	3,972
Leadership	12,271	6,843	10,785
Regulation	3,705	3,252	3,115
<b>Total activity revenue</b>	<b>59,088</b>	<b>51,571</b>	<b>59,006</b>
<b>Less internal revenue</b>	<b>(8,491)</b>	<b>(4,569)</b>	<b>(7,032)</b>
<b>Total revenue</b>	<b>50,597</b>	<b>47,002</b>	<b>51,974</b>
<b>Expenses</b>			
Land Transport	23,346	16,414	14,169
Water Supply	5,792	4,655	5,503
Wastewater	3,454	3,153	2,828
Stormwater	1,235	1,169	1,082
Solid Waste	2,955	2,398	2,516
Recreation and Community Facilities and Community Property	4,472	3,807	4,349
Community Support	5,062	4,748	4,284
Leadership	10,398	7,037	9,627
Regulation	4,580	3,549	3,938
<b>Total activity expenses</b>	<b>61,294</b>	<b>46,929</b>	<b>48,296</b>
<b>Less internal expenses</b>	<b>(8,491)</b>	<b>(4,569)</b>	<b>(7,032)</b>
<b>Total expenses</b>	<b>52,803</b>	<b>42,360</b>	<b>41,264</b>

### 3. RATES REVENUE

	Council & Group	
	Actual 2023 \$000	Actual 2022 \$000
General Rates	13,922	12,964
<b>Targeted Rates Attributable to Activities:</b>		
Community Support	556	535
Leadership	361	359
Land Transport	3,460	3,616
Stormwater	505	468
Wastewater	2,643	2,552
Water	4,220	3,967
Solid Waste	903	816
Rates Penalties	430	248
<b>Total Rates Revenue</b>	<b>27,000</b>	<b>25,525</b>

Of the total rates revenue, \$371,077 (2022: \$289,832) is for rates paid to Council by Council on properties it owns or leases.

#### Rates Remissions

Rates revenue is shown net of rates remissions. The Council rates remission policy allows rates to be remitted on land used for sport, land protected for historical or cultural purposes and contiguous and land-locked properties.

	Council & Group	
	Actual 2023 \$000	Actual 2022 \$000
Total Gross Rates Revenue	27,476	26,066
<b>Rates Remissions:</b>		
- Land used for Sport, Clubs and Societies	10	8
- Land protected for Historical or Cultural Purposes	14	22
- Contiguous and Land-Locked Properties	281	327
- Community Organisations	171	175
- Hardship	-	9
<b>Total Remissions</b>	<b>476</b>	<b>541</b>
<b>Rates Revenue Net of Remissions</b>	<b>27,000</b>	<b>25,525</b>

#### Non-Rateable Land

Under the Local Government (Rating) Act 2002, certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. These non-rateable properties may be subject to targeted rates in respect of wastewater, water, refuse and sanitation. Non rateable land does not constitute a remission under Council's Rates Remission Policy.

## 4. FEES AND CHARGES

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
User Charges	1,128	1,099
Regulatory Revenue	296	309
Rental Charges	460	484
Refuse Charges	1,324	1,077
<b>Total Fees and Charges (Non-Exchange)</b>	<b>3,208</b>	<b>2,969</b>

## 5. SUBSIDIES AND GRANTS

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
<b>Waka Kotahi New Zealand Transport Agency (NZTA)</b>		
<b>Roading Subsidies</b>		
Operational Subsidies	8,620	5,971
Capital Subsidies	6,917	7,412
Streetlight Cost Recovery	39	55
<b>Total NZTA Subsidies</b>	<b>15,576</b>	<b>13,438</b>
<b>Other Subsidies</b>		
Operational Central Govt Subsidies	854	1,254
Capital Central Govt Subsidies	2,291	1,854
Other Miscellaneous Subsidies	100	32
Capital Other Miscellaneous Subsidies	13	28
Three Water Stimulus Funding	215	3,652
<b>Total Other Subsidies</b>	<b>3,473</b>	<b>6,820</b>
<b>Total Subsidies and Grants (Non-Exchange)</b>	<b>19,049</b>	<b>20,258</b>

## 6. FINANCE INCOME AND FINANCE COSTS

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Finance Income</b>				
Interest Income	339	35	348	37
<b>Total Finance Income (Exchange)</b>	<b>339</b>	<b>35</b>	<b>348</b>	<b>37</b>
<b>Finance Costs</b>				
Interest Expense				
- Interest on Borrowings	1,995	883	1,995	883
- Discount unwind on Provisions	13	12	13	12
<b>Total Finance Costs</b>	<b>2,009</b>	<b>895</b>	<b>2,009</b>	<b>895</b>
<b>Net Finance Costs</b>	<b>1,670</b>	<b>860</b>	<b>1,661</b>	<b>858</b>

## 7. OTHER REVENUE

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Non-Exchange</b>				
Infringements and Fines	13	15	13	15
Petrol Tax	140	165	140	165
Other	325	866	783	1,373
<b>Total Non-Exchange Revenue</b>	<b>478</b>	<b>1,046</b>	<b>936</b>	<b>1,553</b>
<b>Exchange</b>				
Rental Revenue (from Investment Properties)	15	16	15	16
Other	187	213	187	213
<b>Total Exchange Revenue</b>	<b>202</b>	<b>229</b>	<b>202</b>	<b>229</b>
<b>Total Other Revenue</b>	<b>680</b>	<b>1,275</b>	<b>1,138</b>	<b>1,782</b>

## 8. GAINS

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
<b>Non-Financial Instruments</b>		
Gain on Disposal of Assets	72	7
Fair Value Gain on Investment Property Valuation	19	1,547
<b>Total Non-Financial Instrument Gains</b>	<b>91</b>	<b>1,554</b>

## 9. PERSONNEL COSTS

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
Salaries and Wages	6,129	6,017	6,403	6,280
Defined Contribution Plan Employer Contributions	170	173	170	173
Increase / (Decrease) in Employee Entitlements	16	142	16	142
<b>Total Personnel Costs</b>	<b>6,315</b>	<b>6,331</b>	<b>6,589</b>	<b>6,594</b>

Employer contributions to defined contribution plans include contributions to KiwiSaver. Salaries and Wages are paid in arrears, and timing of the actual payments to staff, will change from year to year, depending on how close to the year end a pay period falls on. The effect of this will see changes from year to year in the Increase/Decrease in Employee Entitlements.

## 10. OTHER EXPENSES

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Fees to Auditors</b>				
- Fees to Audit NZ for the Audit of RDC's Financial Statements	213	178	213	178
- Fees to Audit NZ for the Audit of RDC's Financial Statements for FY22 (billed in FY23)	65	-	65	-
- Fees to Audit NZ for the Audit of RDC's Long Term Plan	-	-	-	-
- Fees to Audit NZ for the Audit of the LGFA Debenture Trust Deed	8	7	8	7
<b>Total Fees to Principal Auditor</b>	<b>286</b>	<b>185</b>	<b>286</b>	<b>185</b>
Roading Maintenance	9,626	5,582	9,626	5,582
All Other Maintenance	7,679	6,158	7,679	6,158
Consultants and Legal Fees	3,086	3,990	3,086	3,990
Rental Expenses	538	444	538	444
Operating Lease Expenditure	93	93	93	93
Impairment of Receivables/Expected credit allowance for Receivables	418	24	418	24
Other Operating Expenses	9,007	7,759	9,194	8,016
<b>Total Other Expenses</b>	<b>30,733</b>	<b>24,235</b>	<b>30,920</b>	<b>24,492</b>

## 11. LOSSES

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
<b>Non-Financial Instruments</b>		
Losses on Disposal of Assets	2,011	943
Fair Value Loss on Investment Property Valuation	949	-
<b>Total Losses</b>	<b>2,960</b>	<b>943</b>

## 12. CASH AND CASH EQUIVALENTS

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
Cash at Bank and On Hand	9,407	7,187	9,620	7,929
<b>Total Cash and Cash Equivalents</b>	<b>9,407</b>	<b>7,187</b>	<b>9,620</b>	<b>7,929</b>

The carrying value of cash at bank and term deposits with original maturities less than three months approximates their fair value.

The Council holds unspent funds, included in cash at bank of \$62k (2022: \$62k) that are subject to restrictions. These unspent funds include proceeds from the sale of the Forestry Sale in 2019 held for benefit of the Ohakune and Raetihi Communities (Note 25).

## 13. RECEIVABLES

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Non-Exchange</b>				
Rates Receivables	2,439	2,096	2,439	2,097
Other Receivables	1,754	1,905	1,791	1,941
	<b>4,193</b>	<b>4,001</b>	<b>4,230</b>	<b>4,038</b>
Less allowance for expected credit losses (IPSAS 41)	(211)	(183)	(211)	(183)
Adjustment of provision for impairment (IPSAS 29)	-	(50)	-	(50)
	<b>3,982</b>	<b>3,768</b>	<b>4,020</b>	<b>3,805</b>
<b>Exchange</b>				
Other Receivables	-	-	-	-
<b>Total Debtors and Other Receivables</b>	<b>3,982</b>	<b>3,768</b>	<b>4,020</b>	<b>3,805</b>

### Rates Receivable

The Council does not provide ECLs on rates receivable. Council has various powers under the Local Government (Rating) Act 2002 (LG(R)A 2002) to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. Ratepayers can apply for payment plan options in special circumstances. Where such repayment

plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

## Other receivables

The ECL rates for other receivables at 30 June 2023 and 1 July 2022 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant. There have been no changes since 1 July 2022 in the estimation techniques or significant assumptions in measuring the loss allowance.

The allowance for credit losses based on Council and group's credit loss matrix is as follows:

	Other receivables' days past due				Total
	Current	1 to 30 days	31 to 90 days	More than 90 days	
<b>Council - 30 June 2023</b>					
Expected credit loss rate	0.20%	0.01%	0.04%	61.17%	
Gross Receivable amount (\$000)	401	127	45	344	917
Lifetime ECL (\$000)	1	0	0	210	211
<b>Group - 30 June 2023</b>					
Expected credit loss rate	0.20%	0.01%	0.04%	61.17%	
Gross Receivable amount (\$000)	401	128	45	344	918
Lifetime ECL (\$000)	1	0	0	210	211
<b>Council - 30 June 2022</b>					
Expected credit loss rate	0.00%	0.01%	0.00%	56.98%	
Gross Receivable amount (\$000)	309	8	111	294	722
Lifetime ECL (\$000)	15	0	1	167	183
<b>Group - 30 June 2022</b>					
Expected credit loss rate	0.00%	0.01%	0.00%	56.98%	
Gross Receivable amount (\$000)	309	8	111	294	722
Lifetime ECL (\$000)	15	0	1	167	183

Movements in the allowance for credit losses as follows:

	Council		Group	
	2023 \$000	2022 \$000	2023 \$000	2022 \$000
<b>Balance at 1 July measured under PBE IPSAS 29</b>	233	214	233	214
ECL adjustments due to adoption of PBE IPSAS 41 *	(50)	(206)	(50)	(206)
Opening balance for credit losses at 1 July	183	8	183	8
Additional provisions made during the year	28	175	28	175
Provisions reversed during the year	-	-	-	-
Receivable written off during the year	-	-	-	-
<b>Balance at 30 June</b>	<b>211</b>	<b>183</b>	<b>211</b>	<b>183</b>

\*Remeasurements as a result of the Council's adoption of PBE IPSAS 41 have been recognised directly in accumulated funds.

## 14. INVENTORY

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
Merchandise Visitor and Service Centres	46	71
Blue Recycling Bins	7	9
Critical Spares for Operations	246	240
Compost Bags and Bins	11	28
<b>Total Inventory at 30 June</b>	<b>310</b>	<b>348</b>

No inventory is pledged as security for borrowings or payables.

## 15. INVESTMENT IN ASSOCIATES

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
Investment In Associates		
- Investment In Manawatu-Whanganui LASS Ltd	67	67
	<b>67</b>	<b>67</b>
<b>Manawatu Whanganui Lass Ltd</b>		
<b><i>Summarised financial information of associates presented on a gross basis</i></b>		
Assets	686	696
Liabilities	325	336
Revenues	325	1,652
Surplus/(Deficit)	3	103
RDC's Share of Surplus/(Deficit)	-	15
RDC's Interest	14.29%	14.29%

All entities have a reporting date of 30 June. The actuals for 2022 and 2023 are based on unaudited financial statements.

The share of surplus/deficit in the Statement of Comprehensive Revenue and Expense includes any movement in prior years results post publication of Council's Annual Report, when the Associates final numbers became available. None of the Council's associates have contingent liabilities.

An investor is deemed to have significant influence if it has 20% or more of the voting or potential voting power of the investee. In Ruapehu District Council's case it holds less than 20% of the associates but is deemed to have significant influence by its representation on the Board.

### **Manawatu-Whanganui Local Authority Shared Services Limited (MW LASS Ltd)**

MW LASS Ltd was formed in October 2008 to provide an 'umbrella vehicle' for the councils of the Manawatu-Whanganui region to investigate, procure, develop and deliver shared services.

Such services will be initiated under the umbrella of MW LASS Ltd where a business case shows that they provide benefits to the council users by either improved levels of service, reduced costs, improved efficiency and/or increased value through innovation. Current feasibility studies being undertaken include GIS, Aerial photography and joint procurement.

MW LASS Ltd has been exempted according to section 7 of the Local Government Act 2002. It is therefore not a Council Controlled Organisation for the purposes of the Act.

## 16. OTHER FINANCIAL ASSETS

	Council & Group	
	Actual 2023 \$000	Actual 2022 \$000
<b>Current Portion</b>		
- LGFA Borrower Note - Short Term	-	112
<b>Total current portion</b>	-	<b>112</b>
<b>Non-Current Portion</b>		
<b>Other Investments:</b>		
- Unlisted Shares in Civic Assurance	51	56
- Loan to Kakahi Water Board Supply Limited	20	18
- LGFA Borrower Note – Long Term	958	470
- RAL Term Loan – Gondola	435	423
Less impairment allowance - RAL Loan	(435)	-
<b>Total Non-Current Portion</b>	<b>1,028</b>	<b>967</b>
<b>Total Other Financial Assets</b>	<b>1,028</b>	<b>1,079</b>

Council owns an 8.33% share in the Manawatu Whanganui Regional Disaster Relief Fund Trust. The Trust is not in operation and the value of the Trust is therefore nil. Should the Trust come into operation, Council will not be in receipt of any funds from the Trust, unless the district is struck by a disaster. In the event of the Trust being wound up, the surplus assets and funds, after payment of the Trust's liabilities, including expenses of winding up, shall not be paid or distributed among the Trustees or the Local Authorities, but shall be paid and transferred to such person or body corporate, for the furtherance of charitable purposes within New Zealand, as the Trustees shall determine at the meeting, when the resolution for winding up is duly confirmed.

During 2018/19 Financial Year Council entered into a loan to RAL for the gondola project for \$500k. At 30 June 2023, the discounted present value was \$435k (2022: \$423k) as per PBE IPSAS accounting standards. It will be repaid in 7 years' time at the full loan value of \$500k. RAL is currently up for sale. Recovery of the loan is still a possibility as any interested parties are being advised that the loan is due for repayment in 2028/29. This asset has not been fully written off as recovery of the full amount is still possible. However, the provision for impairment allowance of \$435k (2022: \$nil) is recognised in 2022/23 Financial Year.

### Fair Value

The carrying amount of other financial assets approximates their fair value. More details are shown in note 34.

### Other Investments

The investments in Civic Assurance are valued according to Council's share of the net assets in their financial statements. The investment in Civic Assurance is held for strategic purposes, and Council does not intend to dispose of the asset. There was no dividend payout during the 2022/23 Financial Year.

The loan to Kakahi Water Board Supply Limited is a loan for unpaid rates, that is a fixed term, with an option of early termination, should the timber on the land be felled before expiry of the loan. Council will either receive the outstanding loan amount, or an agreed portion of the timber revenue, whichever is higher.

### Impairment

RAL Loan As of the reporting date, the Group holds an unsecured loan to RAL amounted to \$500k.

Subsequent to the announcement of RAL's liquidation on 20 June 2023, there has been a significant increase in credit risk associated with the loan. In accordance with PBE IPSAS 41 credit losses associated with the RAL Loan were assessed over the entire remaining life of the loan. As of June 30, 2023, the Group conducted an assessment of the loan's credit risk. The assessment concluded that the probability of default over the remaining life of the loan is 100%. As a result, the impairment allowance as of 30 June is \$435k (2022: \$Nil). Other than the RAL Term Loan, none of the other financial assets are past due or impaired.

## 17. PROPERTY, PLANT AND EQUIPMENT

Council As at 30 June 2023	Opening Cost/ Valuation	Opening Accum Depn & Impairment Charges	Opening Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Revaluation Surplus/ (Deficit)	Cost / Valuation	Accum Depn & Impairment Charges	Carrying Amount
<b>Operational Assets</b>										
Land	24,283	-	24,283	-	-	-	(1,095)	23,188	-	23,188
Buildings	21,036	(1,125)	19,911	2,506	(7)	(1,246)	5,224	26,388	-	26,388
Other Improvements (not revalued)	3,520	(517)	3,003	411	-	(75)	-	3,931	(592)	3,340
Library Books	1,436	(1,313)	123	67	-	(14)	-	1,503	(1,327)	176
Plant & Vehicles	1,590	(1,119)	471	346	(49)	(219)	-	1,887	(1,338)	549
Computer Equipment	1,137	(883)	254	135	(4)	(139)	-	1,269	(1,222)	247
Office Equipment	2,595	(1,913)	682	218	(4)	(150)	-	2,809	(2,063)	746
<b>Total Operational Assets</b>	<b>55,597</b>	<b>(6,870)</b>	<b>48,727</b>	<b>3,683</b>	<b>(64)</b>	<b>(1,843)</b>	<b>4,129</b>	<b>60,975</b>	<b>(6,542)</b>	<b>54,632</b>
<b>Restricted Assets</b>										
Land	446	-	446	-	-	-	(36)	410	-	410
Improvements	579	(44)	535	49	-	(57)	26	654	(101)	553
<b>Total Restricted Assets</b>	<b>1,025</b>	<b>(44)</b>	<b>981</b>	<b>49</b>	<b>-</b>	<b>(57)</b>	<b>(10)</b>	<b>1,064</b>	<b>(101)</b>	<b>963</b>
<b>Infrastructural Assets</b>										
Roading & Footpaths	305,471	-	305,471	7,701	(1,997)	(4,241)	-	311,176	(4,241)	306,934
Bridges	56,734	-	56,734	2,263	-	(1,458)	-	58,997	(1,458)	57,539
Land Under Roads	9,115	-	9,115	-	-	-	-	9,115	-	9,115
Water Supply - Treatment Plants	6,698	(582)	6,116	304	-	(684)	1,101	7,521	(684)	6,838
Water Supply - Reticulation	31,107	(838)	30,269	4,197	-	(989)	2,590	37,056	(989)	36,067
Wastewater - Treatment Plants	10,119	(259)	9,860	3,065	-	(294)	279	13,203	(294)	12,909
Wastewater - Network	18,761	(598)	18,163	1,986	-	(690)	2,106	22,255	(690)	21,564
Stormwater	16,124	(357)	15,767	340	-	(415)	1,240	17,347	(415)	16,932
Stopbanks (no revalued)	156	-	156	-	-	-	-	156	-	156
Solid Waste	2,988	(37)	2,951	773	-	(70)	(72)	3,652	(70)	3,582
<b>Total Infrastructural Assets</b>	<b>457,273</b>	<b>(2,671)</b>	<b>454,602</b>	<b>20,628</b>	<b>(1,997)</b>	<b>(8,841)</b>	<b>7,243</b>	<b>480,477</b>	<b>(8,841)</b>	<b>471,637</b>
Items Under Construction	16,485	-	16,485	23,098	(24,338)	-	-	15,245	-	15,245
<b>Total Property, Plant and Equipment</b>	<b>530,379</b>	<b>(9,584)</b>	<b>520,796</b>	<b>47,458</b>	<b>(26,399)</b>	<b>(10,742)</b>	<b>11,362</b>	<b>557,761</b>	<b>(15,484)</b>	<b>542,477</b>

Group As at 30 June 2023	Opening Cost/ Valuation	Opening Accum Depn & Impairment Charges	Opening Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Revaluation Surplus/ (Deficit)	Cost / Valuation	Accum Depn & Impairment Charges	Carrying Amount
<b>Operational Assets</b>										
Land	24,283	-	24,283	-	-	-	(1,090)	23,193	-	23,193
Buildings	21,036	(1,125)	19,912	2,506	(7)	(1,246)	5,223	26,388	-	26,388
Other Improvements (not revalued)	3,520	(517)	3,003	411	-	(75)	-	3,931	(592)	3,340
Library Books	1,436	(1,313)	123	67	-	(14)	-	1,503	(1,327)	176
Plant & Vehicles	1,836	(1,366)	470	350	(47)	(222)	-	2,139	(1,588)	551
Computer Equipment	1,339	(1,083)	256	135	(4)	(139)	-	1,471	(1,222)	249
Office Equipment	2,600	(1,916)	683	218	(4)	(150)	-	2,814	(2,066)	748
<b>Total Operational Assets</b>	<b>56,050</b>	<b>(7,320)</b>	<b>48,730</b>	<b>3,687</b>	<b>(62)</b>	<b>(1,846)</b>	<b>4,133</b>	<b>61,439</b>	<b>(6,795)</b>	<b>54,643</b>
<b>Restricted Assets</b>										
Land	446	-	446	-	-	-	(36)	410	-	410
Improvements	579	(44)	535	49	-	(57)	26	654	(101)	553
<b>Total Restricted Assets</b>	<b>1,025</b>	<b>(44)</b>	<b>981</b>	<b>49</b>	<b>-</b>	<b>(57)</b>	<b>(10)</b>	<b>1,064</b>	<b>(101)</b>	<b>963</b>
<b>Infrastructural Assets</b>										
Roading & Footpaths	305,472	-	305,472	7,701	(1,997)	(4,241)	-	311,176	(4,241)	306,935
Bridges	56,734	-	56,734	2,263	-	(1,458)	-	58,997	(1,458)	57,539
Land Under Roads	9,115	-	9,115	-	-	-	-	9,115	-	9,115
Water Supply - Treatment Plants	6,698	(581)	6,118	304	-	(684)	1,101	7,523	(684)	6,840
Water Supply - Reticulation	31,107	(838)	30,269	4,197	-	(989)	2,590	37,056	(989)	36,067
Wastewater - Treatment Plants	10,119	(259)	9,860	3,065	-	(294)	279	13,203	(294)	12,909
Wastewater - Network	18,761	(598)	18,163	1,986	-	(690)	2,101	22,250	(690)	21,559
Stormwater	16,124	(358)	15,766	340	-	(415)	1,240	17,346	(415)	16,931
Stopbanks (no revalued)	156	-	156	-	-	-	-	156	-	156
Solid Waste	2,988	(37)	2,951	773	-	(70)	(72)	3,652	(70)	3,582
<b>Total Infrastructural Assets</b>	<b>457,274</b>	<b>(2,671)</b>	<b>454,604</b>	<b>20,628</b>	<b>(1,997)</b>	<b>(8,841)</b>	<b>7,238</b>	<b>480,473</b>	<b>(8,841)</b>	<b>471,634</b>
Items Under Construction	16,485	-	16,485	23,098	(24,338)	-	-	15,245	-	15,245
<b>Total Property, Plant and Equipment</b>	<b>530,834</b>	<b>(10,035)</b>	<b>520,799</b>	<b>47,462</b>	<b>(26,397)</b>	<b>(10,744)</b>	<b>11,362</b>	<b>558,221</b>	<b>(15,737)</b>	<b>542,484</b>

Council As at 30 June 2022	Opening Cost/ Valuation	Opening Accum Depn & Impairment Charges	Opening Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Revaluation Surplus/ (Deficit)	Cost / Valuation	Accum Depn & Impairment Charges	Carrying Amount
<b>Operational Assets</b>										
Land	15,671	-	15,671	-	(43)	-	8,655	24,283	-	24,283
Buildings	19,487	(1,048)	18,439	232	-	(1,125)	2,366	21,036	(1,125)	19,911
Other Improvements (not revalued)	3,389	(448)	2,941	131	-	(68)	-	3,520	(517)	3,003
Library Books	1,365	(1,305)	60	71	-	(8)	-	1,436	(1,313)	123
Plant & Vehicles	1,392	(944)	448	199	-	(175)	-	1,590	(1,119)	471
Computer Equipment	1,059	(755)	304	78	-	(128)	-	1,137	(883)	254
Office Equipment	2,317	(1,802)	516	280	(4)	(110)	-	2,595	(1,913)	682
<b>Total Operational Assets</b>	<b>44,680</b>	<b>(6,303)</b>	<b>38,377</b>	<b>991</b>	<b>(47)</b>	<b>(1,614)</b>	<b>11,021</b>	<b>55,597</b>	<b>(6,870)</b>	<b>48,727</b>
<b>Restricted Assets</b>										
Land	340	-	340	-	-	-	106	446	-	446
Improvements	598	(45)	553	-	-	(44)	26	579	(44)	535
<b>Total Restricted Assets</b>	<b>938</b>	<b>(45)</b>	<b>893</b>	<b>-</b>	<b>-</b>	<b>(44)</b>	<b>132</b>	<b>1,025</b>	<b>(44)</b>	<b>981</b>
<b>Infrastructural Assets</b>										
Roading & Footpaths	261,136	(4,000)	257,136	10,732	-	(3,402)	41,005	305,471	-	305,471
Bridges	47,984	(1,088)	46,896	400	-	(1,064)	10,502	56,734	-	56,734
Land Under Roads	9,115	-	9,115	-	-	-	-	9,115	-	9,115
Water Supply - Treatment Plants	6,674	(533)	6,141	149	(200)	(582)	607	6,698	(582)	6,116
Water Supply - Reticulation	29,552	(791)	28,761	1,357	(91)	(838)	1,080	31,107	(838)	30,269
Wastewater - Treatment Plants	9,222	(251)	8,971	1,004	-	(259)	144	10,119	(259)	9,860
Wastewater - Network	18,303	(580)	17,722	266	(35)	(598)	809	18,761	(598)	18,163
Stormwater	15,374	(357)	15,016	486	(1)	(357)	623	16,124	(357)	15,767
Stopbanks (no revalued)	156	-	156	-	-	-	-	156	-	156
Solid Waste	2,077	(18)	2,058	13	-	(37)	917	2,988	(37)	2,951
<b>Total Infrastructural Assets</b>	<b>399,593</b>	<b>(7,618)</b>	<b>391,972</b>	<b>14,407</b>	<b>(327)</b>	<b>(7,137)</b>	<b>55,687</b>	<b>457,273</b>	<b>(2,671)</b>	<b>454,602</b>
Items Under Construction	6,922	-	6,922	25,273	(15,710)	-	-	16,485	-	16,485
<b>Total Property, Plant and Equipment</b>	<b>452,133</b>	<b>(13,966)</b>	<b>438,167</b>	<b>40,671</b>	<b>(16,084)</b>	<b>(8,796)</b>	<b>66,840</b>	<b>530,379</b>	<b>(9,584)</b>	<b>520,796</b>

Group As at 30 June 2022	Opening Cost/ Valuation	Opening Accum Depn & Impairment Charges	Opening Carrying Amount	Current Year Additions	Current Year Disposals	Current Year Depreciation	Revaluation Surplus/ (Deficit)	Cost / Valuation	Accum Depn & Impairment Charges	Carrying Amount
<b>Operational Assets</b>										
Land	15,671	-	15,671	-	(43)	-	8,655	24,283	-	24,283
Buildings	19,487	(1,048)	18,439	232	-	(1,125)	2,365	21,036	(1,125)	19,912
Other Improvements (not revalued)	3,389	(449)	2,941	131	-	(68)	-	3,520	(517)	3,003
Library Books	1,365	(1,305)	60	71	-	(8)	-	1,436	(1,313)	123
Plant & Vehicles	1,639	(1,191)	448	199	-	(175)	-	1,836	(1,366)	470
Computer Equipment	1,260	(955)	305	80	-	(128)	-	1,339	(1,083)	256
Office Equipment	2,326	(1,805)	520	280	(4)	(111)	-	2,600	(1,916)	683
<b>Total Operational Assets</b>	<b>45,137</b>	<b>(6,753)</b>	<b>38,384</b>	<b>991</b>	<b>(48)</b>	<b>(1,615)</b>	<b>11,021</b>	<b>56,050</b>	<b>(7,320)</b>	<b>48,730</b>
<b>Restricted Assets</b>										
Land	340	-	340	-	-	-	106	446	-	446
Improvements	598	(45)	553	-	-	(44)	26	579	(44)	535
<b>Total Restricted Assets</b>	<b>938</b>	<b>(45)</b>	<b>893</b>	<b>-</b>	<b>-</b>	<b>(44)</b>	<b>132</b>	<b>1,025</b>	<b>(44)</b>	<b>981</b>
<b>Infrastructural Assets</b>										
Roading & Footpaths	261,135	(3,999)	257,136	10,732	-	(3,402)	41,005	305,472	-	305,472
Bridges	47,984	(1,088)	46,896	400	-	(1,064)	10,502	56,734	-	56,734
Land Under Roads	9,115	-	9,115	-	-	-	-	9,115	-	9,115
Water Supply - Treatment Plants	6,674	(533)	6,141	149	(201)	(581)	608	6,698	(581)	6,118
Water Supply - Reticulation	29,556	(795)	28,761	1,357	(91)	(838)	1,080	31,107	(838)	30,269
Wastewater - Treatment Plants	9,222	(251)	8,971	1,004	-	(259)	144	10,119	(259)	9,860
Wastewater - Network	18,302	(580)	17,722	266	(35)	(598)	809	18,761	(598)	18,163
Stormwater	15,374	(357)	15,016	486	(1)	(358)	623	16,124	(358)	15,766
Stopbanks (no revalued)	156	-	156	-	-	-	-	156	-	156
Solid Waste	2,074	(18)	2,057	14	-	(37)	917	2,988	(37)	2,951
<b>Total Infrastructural Assets</b>	<b>399,592</b>	<b>(7,621)</b>	<b>391,971</b>	<b>14,407</b>	<b>(327)</b>	<b>(7,138)</b>	<b>55,687</b>	<b>457,274</b>	<b>(2,671)</b>	<b>454,603</b>
Items Under Construction	6,922	-	6,922	25,273	(15,710)	-	-	16,485	-	16,485
<b>Total Property, Plant and Equipment</b>	<b>452,589</b>	<b>(14,419)</b>	<b>438,170</b>	<b>40,671</b>	<b>(16,085)</b>	<b>(8,797)</b>	<b>66,840</b>	<b>530,834</b>	<b>(10,035)</b>	<b>520,799</b>

## Core Infrastructure Asset Disclosures

Council & Group 2022/23	Closing Book Value \$000	Additions Constructed by Council \$000	Additions Transferred to Council \$000	Most Recent Replacement Cost Estimate For Revalued Assets \$000
<b>Roading</b> (excluding land under roads)	362,204	10,505	627	341,628
<b>Water Supply</b>				
Treatment Plants & Facilities	6,840	304	-	10,347
Reticulation	36,067	4,197	-	29,671
<b>Wastewater</b>				
Treatment Plants & Facilities	12,909	3,065	-	12,006
Reticulation	21,559	1,986	-	18,275
<b>Stormwater</b>	16,931	340	-	17,005

Council & Group 2021/22	Closing Book Value \$000	Additions Constructed by Council \$000	Additions Transferred to Council \$000	Most Recent Replacement Cost Estimate For Revalued Assets \$000
<b>Roading</b> (excluding land under roads)	362,204	10,505	627	341,628
<b>Water Supply</b>				
Treatment Plants & Facilities	6,116	149	-	18,530
Reticulation	30,269	1,357	-	26,885
<b>Wastewater</b>				
Treatment Plants & Facilities	9,859	1,004	-	10,861
Reticulation	18,163	266	-	16,785
<b>Stormwater</b>	15,766	486	-	15,639

### Valuation

A revaluation was performed on the following class of property, plant and equipment and the effects of this revaluation have been reflected in the 2022/23 financial statements:

- Land and buildings (performed on 30 June 2023).
- Infrastructural assets for Water, Wastewater and Stormwater (performed on 1 July 2022).

The revaluations for infrastructure assets completed prior to 30 June 2023 were reviewed for materiality and impairment. Council conducted an internal fair value assessment for 3 waters assets and no material difference was noted between the current carrying value and their assessment amounts.

Revaluation for roading assets was performed on 30 June 2023, however since there was no material difference in closing value, it was decided not to reflect in the 2022/23 financial statements.

### Land (Operational, Restricted and Infrastructural)

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the “unencumbered” land value where there is a designation against the land, or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely. Land has been valued as if vacant and incorporates the influences of size, contour, quality, location, zoning, designation and current and potential usage. Improvements by any lessee have been excluded, but land development and fertility improvements have been included. In determining fair value, an open market “willing buyer, willing seller” scenario is assumed. This is effectively the price an informed purchaser would have to pay to acquire a similar property.

### **Buildings (Operational and Restricted)**

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable sales data are available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions:

- The replacement asset is based on the reproduction cost of the specific assets with adjustments where appropriate for obsolescence due to overdesign or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is defined by taking the economic life of the improvement and reducing this by the effective age of the components within each property.
- Straight line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (e.g., residential buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

### **Infrastructural Asset Classes: Wastewater, Water, Drainage, Roads and Solid Waste**

Wastewater, water and drainage are valued using depreciated replacement cost methodology. Roothing infrastructural assets are valued using the optimised depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the optimised depreciated replacement cost method. These include:

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets. In addition, indexed replacement costs are also used in the transport valuation (based on NZTA's March 2020 cost adjustment factors) and in three waters (indexed based on the cost fluctuation adjustment as per BSD3-15:2005)
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions (e.g., 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 Revenue. To minimise this risk, infrastructural asset 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 asset management planning activities, which provides further assurance over useful life estimates.

The most recent valuation for wastewater, water and stormwater drainage was performed by Amy Bissett and reviewed by Bryan Jackson of Veolia Water Australia and New Zealand. The valuation had an effective date of 1 July 2022.

The most recent valuation for roading was performed by Joshua Kohunui and approved by Carolyn Copeland (Certificate in Highway Engineering (2008)) and approved by Simon Gough (BE (Civil, CAMA) of GHD Limited and the valuation had an effective date of 30 June 2022.

The most recent valuation for buildings, land and solid waste assets (valued by assessing the buildings on transfer station locations) was performed by Maria McHugh (BBS (VPM)MPINZ), Scott Lewis (BBS (VPM)) and James Jennings (BLPM) of Quotable Value Ltd and the valuation had an effective date of 30 June 2023.

### **Land under Roads**

Land under roads is carried at deemed cost.

### **Library Collections**

Library collections are valued at depreciated cost.

**Total Fair Value of Property, Plant and Equipment Valued by each Valuer (\$000)**

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
QV Asset and Advisory	50,586	42,898
Veolia Water	87,305	79,989
GHD	364,253	341,628

A comparison of the carrying value of buildings valued using depreciated replacement cost and buildings valued using market-based evidence is as follows:

	Council & Group	
	2023	2022
	\$000	\$000
<i>Operational buildings</i>		
Depreciated replacement cost	21,164	17,547
Market-based evidence	5,224	2,365
<b>Total carrying value of operational buildings</b>	<b>26,388</b>	<b>19,912</b>
<i>Restricted buildings</i>		
Depreciated replacement cost	553	535
Market-based evidence	-	-
<b>Total carrying value of restricted buildings</b>	<b>553</b>	<b>535</b>

**Impairment and Security for Liabilities**

There were no impairment or reversals recognised in 2023 (2022: Nil).

None of Council's assets are pledged as security for liabilities in 2023 (2022: Nil).

**Proceeds from Insurance**

Council received \$82k from its insurers for damages (2022: \$Nil). <sup>(OBJ)</sup>

**Work in Progress**

Capital Works in Progress by class of asset is detailed below:

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
<b>Operational Assets</b>		
Land	-	23
Buildings	237	2,054
Other Improvements	1,954	1,011
Library Books	1	5
Plant and Vehicles	-	-
Computer Equipment	33	-
Office Equipment	3	58
<b>Infrastructural Assets</b>		
Roading	41	134
Bridges	45	714
Water Supply	11,175	7,674
Wastewater	1,719	4,035
Stormwater	35	143
Solid Waste	2	634
<b>Property Plant and Equipment</b>		
<b>Capital Works in Progress Total</b>	<b>15,245</b>	<b>16,485</b>
Intangibles	-	-
<b>Total Capital Works in Progress by Asset Class</b>	<b>15,245</b>	<b>16,485</b>

## 18. INTANGIBLE ASSETS

The intangible assets owned by Council include computer software and a resource consent.

	Council		Group	
	Actual	Actual	Actual	Actual
	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Carrying Amount at 1 July	159	805	159	805
Intangibles				
Cost				
Balance at 1 July	2,273	3,259	2,323	3,308
Additions	48	26	49	26
Disposals	-	(1,012)	-	(1,011)
Balance at 30 June	2,321	2,273	2,372	2,323
Accumulated Amortisation				
Balance at 1 July	(2,114)	(2,453)	(2,164)	(2,503)
Amortisation Charge	(52)	(64)	(52)	(64)
Disposals	-	403	-	403
Balance at 30 June	(2,166)	(2,114)	(2,217)	(2,164)
<b>Carrying Amount at 30 June</b>	<b>155</b>	<b>159</b>	<b>155</b>	<b>159</b>
<b>Carrying Amount per Asset Class</b>				
Software	67	60	67	60
Resource Consents	88	99	88	99
<b>Carrying Amount at 30 June</b>	<b>155</b>	<b>159</b>	<b>155</b>	<b>159</b>

There are no restrictions over the title or security held on the intangible assets. There were no internally generated intangible assets (2022: Nil).

## 19. DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY

Directly Attributable Depreciation and Amortisation Expense by Group of Activity	Council		Group	
	Actual	Actual	Actual	Actual
	2023 \$000	2022 \$000	2023 \$000	2022 \$000
Community Support	9	4	9	4
Community Facilities	1,199	1,075	1,199	1,075
Land Transport	5,699	4,467	5,699	4,467
Leadership	-	-	-	-
Stormwater and Flood Protection	415	358	415	358
Wastewater	993	866	993	866
Water Supply	1,678	1,424	1,680	1,424
Waste Management and Minimisation	78	45	78	45
<b>Total Directly Attributable Depreciation and Amortisation by Group Of Activity</b>	<b>10,070</b>	<b>8,239</b>	<b>10,072</b>	<b>8,239</b>
Depreciation and Amortisation not directly related to Group of Activities	716	621	716	622
<b>Total Depreciation and Amortisation Expense</b>	<b>10,786</b>	<b>8,860</b>	<b>10,788</b>	<b>8,861</b>

## 20. INVESTMENT PROPERTY

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
Land	5,129	5,658
Buildings	676	1,027
<b>Balance at 30 June</b>	<b>5,805</b>	<b>6,684</b>

Movement in investment property during the year was:

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
Balance at 1 July	6,684	5,022
Reclassification from PPE	-	115
Additions	51	-
Disposals	-	-
Fair Value Gains/(Losses) on Valuation	(930)	1,547
<b>Balance at 30 June</b>	<b>5,805</b>	<b>6,684</b>

Investment properties are revalued annually effective at 30 June to fair value. The valuation was performed by Maria McHugh (BBS (VPM)MPINZ) of Quotable Value Ltd and the valuation had an effective date of 30 June 2023.

There are no restrictions on the realisability of investment property or the remittance of revenue or proceeds from disposal.

### Valuation

#### Investment Property Land

Investment land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the “unencumbered” land value where there is a designation against the land, or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely. Land has been valued as if vacant and incorporates the influences of size, contour, quality, location, zoning, designation and current and potential usage. Improvements by any lessee have been excluded, but land development and fertility improvements have been included. In determining fair value an open market “willing buyer, willing seller” scenario has been assumed. This is effectively the price an informed purchaser would have to pay to acquire a similar property.

#### Investment Property Buildings

Valuations give consideration to:

- Direct sales comparison approach, comparing structures based on market-based net rates per square metre:
- Income approach, capitalising net income and discounted cash flow (based on assumptions including future rental revenue, anticipated maintenance costs, and appropriate discount rates);
- Depreciated replacement cost is used if the fair value method cannot be established using market data. Depreciated replacement cost looks at replacement costs of material less economic physical obsolescence and any over design.

Revenue and Expenditure on Investment Property	Council & Group	
	Actual	Actual
	2023	2022
	\$0	\$0
Rental Revenue	15	16
Expenditure on Property Generating Revenue	(1)	(7)
Expenditure on Property Not Generating Revenue	(26)	(21)

Registered Valuations were completed as at 30 June 2023 for RDC's Investment Properties. The valuer adopted the Optimised Depreciated Replacement Cost (ODRC) approach whereby the fair value of an asset cannot be determined by reference to the price in an active market for the same asset or a similar asset. The optimised depreciated replacement cost is considered to be the most appropriate basis for determination of the fair value.

## 21. CREDITORS AND OTHER PAYABLES

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore, the carrying value of the creditors and other payables approximates their fair value.

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Current</b>				
<b>Exchange</b>				
Trade Payables	1,424	4,781	1,550	4,976
Accrued Expenses	5,127	830	5,127	830
	<b>6,551</b>	<b>5,611</b>	<b>6,677</b>	<b>5,806</b>
<b>Non-Exchange</b>				
Trade Payables	16	31	16	31
Accrued Expenses	-	-	-	-
Other Financial Liabilities	216	286	216	286
	<b>232</b>	<b>317</b>	<b>232</b>	<b>317</b>
<b>Total Current Portion</b>	<b>6,783</b>	<b>5,928</b>	<b>6,909</b>	<b>6,124</b>
<b>Total Creditors and Other Payables</b>	<b>6,783</b>	<b>5,928</b>	<b>6,909</b>	<b>6,124</b>

## 22. BORROWINGS

	Council & Group		Council & Group	
	Carrying Amount		Fair Value	
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Current Portion</b>				
Secured Loans	8,122	19,000	8,043	18,754
<b>Total Current Portion</b>	<b>8,122</b>	<b>19,000</b>	<b>8,043</b>	<b>18,754</b>
<b>Non-Current Portion</b>				
Secured Loans (Fixed Interest)	41,900	22,400	35,526	19,801
CARL Facility	5,000	-	5,000	-
<b>Total Non-Current Portion</b>	<b>46,900</b>	<b>22,400</b>	<b>40,526</b>	<b>19,801</b>
<b>Total Borrowings</b>	<b>55,022</b>	<b>41,400</b>	<b>48,569</b>	<b>38,555</b>

Weighted Average Interest Rate	Council & Group	
	Actual 2023	Actual 2022
Current	6.03%	3.11%
Non-Current	5.36%	3.10%
<b>Overall</b>	<b>5.46%</b>	<b>3.10%</b>

### Secured Loans

Council's secured loans of \$55m (2022: \$41.4m) have been borrowed at fixed and floating rates of interest from the Bank of New Zealand \$5m and the Local Government Funding Authority (LGFA) \$50m. Fixed rate debt rates are set at the time of rollover and include a margin for credit risk. Rates are fixed on terms in line with Council's Treasury Management Policy, with staggered rollovers to mitigate interest rate risk. During the year Council entered did not enter into any new interest rate swap contracts (2022: \$nil).

### Security

Council operates a Customised Average Rate Loan Facility (CARL) with the Bank of New Zealand. The limit of this facility was increased to \$5m, as at 30 June 2023 (2022:\$3m). This had \$5m amounts drawn down on it (2022: \$nil). This facility is secured by a charge over rates. There are no restrictions on the use of this facility and \$5m expires on 30 July 2024. Through the LGFA and CARL Facility Council can draw down funds to cover any short-term debt requirements to the limits outlined above.

Secured loans are secured over either separate or general rates of Council.

### Fair Values

The fair values are based on cash flows discounted using weighted average interest rates based on borrowing costs ranging from 4.68% to 6.77% (2022: 0.61% to 5.15%).

### Internal Borrowings

Council has no internal borrowings, defined as per clause 27 of schedule 10 in the Local Government Act 2002. Council is keeping track of internal movement of funds, but these do not qualify as internal borrowings under this provision.

## 23. EMPLOYEE ENTITLEMENTS

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
Annual Leave and Special Leave	323	353	343	368
Accrued Salaries	186	145	186	145
<b>Total Employee Entitlements</b>	<b>509</b>	<b>498</b>	<b>529</b>	<b>513</b>

## 24. PROVISIONS

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
<b>Non-Current Portion</b>		
Landfill Aftercare Provision	233	217
<b>Movement In Landfill Aftercare Provision</b>		
Balance at 1 July	217	206
Discount Unwind (Note 6)	16	12
<b>Balance at 30 June</b>	<b>233</b>	<b>217</b>

### Landfill Aftercare Costs

Upon formation of Council from amalgamation of smaller councils, and the introduction of the Resource Management Act (1991), 13 landfills throughout the district were phased out. Closed landfills are capped and monitored according to resource consent requirements. The risks associated with this operation are not believed to be significant and the expense is budgeted for annually as part of the relevant activity.

Council obtained resource consent in July 2001 to operate a landfill until October 2020. There is a responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed.

The landfill aftercare costs, and provision referred to in this note relate to the one operational landfill in Taumarunui and the provision utilised to fund this.

The cash outflows for landfill post-closure costs are expected to occur through to 2055. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and known changes to legal requirements. The gross provision is \$233k (2022: \$217k), and was set after obtaining an engineer's valuation of what the provision needed to be at 30 June 2016. An inflation factor of 5.8% has been applied for 2023 (2022: 5.6%).

## 25. EQUITY

	Council		Group	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
<b>Ratepayers Equity</b>				
Balance at 1 July	296,864	285,962	296,976	286,087
Transfers (to)/from Asset Revaluation Reserves on Disposal	283	177	283	177
Surplus / (Deficit) for the year	(2,206)	10,725	(2,201)	10,712
<b>Balance at 30 June</b>	<b>294,941</b>	<b>296,864</b>	<b>295,058</b>	<b>296,976</b>
<b>Other Reserves</b>				
<b>Restricted Reserves</b>				
Balance at 1 July	62	62	62	62
<b>Balance at 30 June</b>	<b>62</b>	<b>62</b>	<b>62</b>	<b>62</b>
<b>Asset Revaluation Reserve</b>				
Balance at 1 July	195,527	128,272	195,530	128,272
Net Revaluation Gains/(Losses)	11,362	67,432	11,362	67,434
Transfer to Ratepayers Equity on Disposal of Property	(282)	(177)	(283)	(177)
<b>Balance at 30 June</b>	<b>206,607</b>	<b>195,527</b>	<b>206,609</b>	<b>195,530</b>
<i>Asset Revaluation Reserves For Each Asset Class Consist Of:</i>				
<b>Operational Assets</b>				
- Land	18,918	20,049	18,918	20,049
- Buildings	19,746	14,498	19,748	14,501
<b>Infrastructural Assets</b>				
- Wastewater System	21,735	19,351	21,735	19,351
- Stormwater System	13,497	12,257	13,497	12,257
- Water Supply System	25,194	21,503	25,194	21,503
- Land Transport (Roading Network)	106,284	106,564	106,284	106,564
- Solid Waste	1,233	1,305	1,233	1,305
<b>Balance at 30 June</b>	<b>206,607</b>	<b>195,527</b>	<b>206,609</b>	<b>195,530</b>
<b>Fair Value Through Comprehensive Revenue and Expense Reserve</b>				
Balance at 1 July	97	95	97	95
Net revaluation gains/(losses)	(5)	2	(5)	2
<b>Balance at 30 June</b>	<b>92</b>	<b>97</b>	<b>92</b>	<b>97</b>
<b>Total Other Reserves</b>	<b>206,761</b>	<b>195,686</b>	<b>206,763</b>	<b>195,689</b>
<b>Total Equity</b>	<b>501,702</b>	<b>492,550</b>	<b>501,821</b>	<b>492,665</b>

The fair value through comprehensive revenue and expense reserve reflects the cumulative revaluations on other financial assets for which gains and losses are reflected through other comprehensive revenue and expense.

Information about reserve funds held for a specific purpose is provided below:

Council & Group Reserve	Activities for which the Reserve Relates	Balance	Transfers	Transfers	Balance
		1-Jul \$000	into Fund \$000	out of Fund \$000	30-Jun \$000
<b>2023</b>					
Raetihi Lighting	Community Facilities	4	-	-	4
Ohakune Forestry Sale Allocation	Community Facilities	32	-	-	32
Raetihi Forestry Sale Allocation	Community Facilities	26	-	-	26
<b>Total Restricted Reserves 2023</b>		<b>62</b>	<b>-</b>	<b>-</b>	<b>62</b>
<b>2022</b>					
Raetihi Lighting	Community Facilities	4	-	-	4
Ohakune Forestry Sale Allocation	Community Facilities	32	-	-	32
Raetihi Forestry Sale Allocation	Community Facilities	26	-	-	26
<b>Total Restricted Reserves 2022</b>		<b>62</b>	<b>-</b>	<b>-</b>	<b>62</b>

Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which Council may not revise without reference to the Courts or a third party. Transfer from these reserves may only be made for certain specific purposes or when specified conditions are met. Most of the restricted reserves were “inherited” during the amalgamation that created Ruapehu District Council. The last two Restricted Reserves that were created in the 2018/19 financial year related to the Ohakune and Raetihi share of the sale of the Whanganui Forestry Investment that occurred in December 2018. The Forestry investment was made between 1979 and 1990 and the two areas contributed some funding for the project, and this is their percentage share of the proceeds.

## Purpose of Each Reserve Fund

### Raetihi Lighting

In 2013 funds were allocated to the Raetihi community for community lighting.

### Ohakune & Raetihi Forestry Sale Allocation

In 2018, funds were allocated for town centre revitalisation.

## 26. RECONCILIATION OF NET SURPLUS (DEFICIT) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Council		Group	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Surplus/ (Deficit) after tax	(2,206)	10,725	(2,201)	10,712
<b>Add / (Less) Non-Cash Items</b>				
Share of Associate's (Surplus) / Deficit	-	(15)	-	(15)
Depreciation and Amortisation Expense	10,786	8,860	10,788	8,861
Property, plant, and equipment impairment	-	(115)	-	(115)
(Gains) / Losses on Impairment of Receivables	-	(233)	-	(233)
(Gains) / Losses in Fair Value of Investment Property	930	(1,554)	930	(1,554)
(Gains) / Losses in RAL Loan Net Present Value Discount Adjustment	15	(11)	15	(11)
	<b>9,525</b>	<b>17,657</b>	<b>9,533</b>	<b>17,646</b>
<b>Add / (Less) Items Classified As Investing Or Financing Activities</b>				
Net Losses / (Gains) on Disposal of Property, Plant and Equipment	2,015	942	2,015	942
(Gains) / Losses on Financial Assets Taken Through Gains / Losses	(5)	(15)	(5)	(15)
Losses / (Gains) on Disposal of Investments Classified as Fair Value through Other Comprehensive Revenue and Expense	-	2	-	2
	<b>2,010</b>	<b>929</b>	<b>2,010</b>	<b>929</b>
<b>Add / (Less) Movements In Working Capital Items</b>				
(Inc) / Dec in Debtors and Other Receivables	(216)	2,006	(216)	2,098
(Inc) / Dec in Prepayments and Accrued Income	(980)	(999)	(994)	(1,012)
(Inc) / Dec in Inventory	38	(3)	38	(3)
Inc / (Dec) in Creditors and Other Payables	1,495	(1,829)	959	(1,672)
Inc / (Dec) in Provisions	16	12	16	12
Inc / (Dec) in Other Employee Entitlements	10	137	15	141
	<b>362</b>	<b>(676)</b>	<b>(184)</b>	<b>(436)</b>
<b>Net Cash Inflow /(Outflow) from Operating Activities</b>	<b>11,897</b>	<b>17,910</b>	<b>11,358</b>	<b>18,139</b>

## 27. RECONCILIATION OF MOVEMENTS IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Council & Group	Finance guarantees \$000	Finance leases \$000	Debentures & Other loans \$000
Balance at 1 July 2022	-	-	41,400
Cash inflows	-	-	13,622
Cash outflows	-	-	-
Non-cash changes	-	-	-
Balance at 30 June 2023	-	-	55,022

## 28. CAPITAL COMMITMENTS AND OPERATING LEASES

	Council & Group	
	Actual 2023 \$000	Actual 2022 \$000
<b>Capital Commitments</b>		
Roading	21,849	48,848
Bridges	-	1,930
Water	3,187	6,401
Wastewater	-	34
Stormwater	-	24
Community Facilities	-	527
<b>Total Capital Commitments</b>	<b>25,036</b>	<b>57,764</b>
<b>Operating Leases As Lessee</b>		
Not Later Than One Year	301	305
Later Than One Year and Not Later Than Five Years	459	529
Later Than Five Years	1,094	1,052
<b>Total Non-Cancellable Operating Leases</b>	<b>1,854</b>	<b>1,886</b>
<b>Operating Leases As Lessor</b>		
Not Later Than One Year	33	101
Later Than One Year and Not Later Than Five Years	52	72
Later Than Five Years	65	74
<b>Total Non-Cancellable Operating Leases</b>	<b>150</b>	<b>247</b>

### Capital Commitments

Council has extended a number of contracts for land transport, mainly for the resurfacing and streetlight services, and Road Network Marking. These works are required to be completed by 30 June 2031.

### Operating Leases

Council leases property, plant, and equipment in the normal course of its business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as shown above.

Council leases an office building as the lessee, for which the lease expires in September 2031, with a right of renewal for a further 25 years. There is no option to purchase the asset at the end of the lease term.

There are no other significant leases. The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2022: \$nil).

There are no restrictions placed on the council by any of the leasing arrangements. No contingent rents have been recognised during the period.

## 29. CONTINGENCIES

### Contingent Liabilities

	Council & Group	
	Actual	Actual
	2023	2022
	\$000	\$000
Legal Proceedings	150	150

Council is subject to one legal proceeding against it, alleging inadequate compensation for acquired land.

The potential liability to Council, if the claim is successful, is estimated to be \$150,000. The outcome of the claim will not be known until legal proceedings progress further (as for 2022).

Council is working to resolve a Personal Grievance that has potential liability.

### New Zealand Local Government Funding Agency (LGFA):

The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a current credit rating from Standard and Poor of AAA for local currency and a foreign rating of AA+ as at 30 June 2023.

As at 30 June 2023, the Council is one of 30 local authority shareholders and 70 local authority guarantors of the LGFA. The New Zealand Government also has a 11.1% shareholding in the LGFA. It has uncalled capital of \$1 million. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event that an imminent default is identified. Also, together with other shareholders and guarantors, the Council is a guarantor of all the LGFA's borrowings. At 30 June 2023, the LGFA had borrowings totalling \$16.43 billion (2022: \$15.79 billion).

PBE Accounting Standard requires the Council to initially recognise the guaranteed liability by applying the 12-month expected credit loss (ECL) model (as fair value could not be reliably measured at initial recognition), and subsequently at the higher of the provision for impairment at balance date determined by the ECL model and the amount initially recognised. The Council has assessed the 12-month ECL of the guaranteed liability, based on market information of the underlying assets held by the LGFA. The estimated 12-month expected credit losses are immaterial due to the very low probability of default by the LGFA in the next 12 months. Therefore, the Council has not recognised a liability.

The Council considered the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- It is 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 raise sufficient funds to meet any debt obligations if further funds were required.

### Contingent Assets

There are no Contingent Assets.

## 30. RELATED PARTY TRANSACTIONS

### Transactions with Key Management Personnel

	2023		2022	
	FTE's	-	FTE's	-
<b>Councillors</b>				
Remuneration		491		410
Full Time Equivalent Members	17		12	
<b>Executive Leadership Team Including Chief Executive</b>				
Salaries and other Short-Term Employee Benefits		1,166		1,383
Post-Employment Benefits		-		-
Other Long-Term Benefits		-		-
Termination Benefits		-		-
Full Time Equivalent Members	7		9	
<b>Total Key Management Personnel Compensation</b>	<b>24</b>	<b>1,657</b>	<b>21</b>	<b>1,793</b>

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.

Key management personnel include the Mayor, Councillors, Chief Executive and the other eight members of the executive leadership team.

During the year, Councillors and senior management, as part of a normal customer relationship, were involved in minor transactions with Council (such as the payment of rates).

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Council and group would have adopted in dealing with the party at arm's length in the same circumstances.

Related party disclosures have also not been made for transactions with entities within the Council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.

Councillors are also involved in various non-profit organisations throughout the community, which receive funding from Council. There has been no disclosure where the transactions are consistent with a client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Council and group would have adopted in dealing with the party at arm's length in the same circumstances.

RDC Holdings Ltd (100% Council owned subsidiary) is non-active and has no revenue, expenditure, assets or liabilities, and there have been no transactions recorded in the 2023 financial year. (2022: Nil).

Visit Ruapehu Ltd (100% Council Controlled Organisation). This new organisation replaced the Ruapehu Regional Tourism Organisation (RTO) Trust, which was operated from 2009 until wound up by a Trustees Resolution on 17 October 2019 under a Deed of Confirmation. The transactions and assets and liabilities for the period 1 July 2022 to 30 June 2023 are consolidated into the Parent Group within the Financial Statements.

### Provisions/Impairments

No impairments have been required for any receivables to related parties (2022: Nil).

# 31. REMUNERATION

## Chief Executive

The total Chief Executive remuneration was:

Chief Executive	2023	2022
Salary – C. Manley	316,274	295,334
Superannuation Contribution – C. Manley	9,093	8,465
<b>Total Chief Executive Remuneration</b>	<b>325,367</b>	<b>303,799</b>

## Elected Representatives

Remuneration paid to elected representatives:

Council	2023	2022
Cameron, Don	32,522	109,104
Weston, Kirton* (Mayor)	88,064	-
Cosford, Graeme	8,135	25,905
Doyle, Adie	8,751	26,703
Gram, Robyn*	37,537	26,253
Hinch, Janelle*	38,755	26,141
Hoeta, Vivienne* (Deputy Mayor)	42,529	26,835
Iwikau, Channey*	29,025	-
Kahukura Hadley-Chase, Fiona*	29,465	-
Neeson, Lyn*	43,181	26,103
Ngatai, Karen*	11,721	38,387
Nottage, Rabbit*	37,031	26,066
Pue, Elijah	9,287	26,816
Ralph, Brenda*	29,335	-
Wheeler, Kim	8,135	26,066
Wilson, Murray	8,623	26,066
Wilson, Korty*	28,855	-
<b>Total</b>	<b>490,954</b>	<b>410,445</b>

### Notes:

\* appointed October 2022

## Community Boards

Remuneration paid to Community Board Members:

Community Boards	2023	2022
Bolten, Mark	869	2,961
Chapman, John	1,327	4,430
Gurr, Anthony*	6,427	-
Henare, Kay	7,533	4,398
Hotter, John (Luigi)	9,943	8,795
Jefferies, Molly*	6,721	-
Marsters, Eddie*	3,438	-
McCarthy, Clark	869	2,961
Wilson, Murray*	3,742	-
O'Neill, Simon	4,398	2,961
Pakai, Colin*	6,209	-
Pepper, Luke*	10,440	-
Reid, Angel*	6,209	-
Robinson, Stu*	6,209	-
Rudkin, Aroha	6,209	-
Stockbridge, Sophie*	8,181	-
Wanakore, Oriwia*	6,209	-
Whale, Allan	1,288	4,398
Zimmer, Peter	5,425	5,945
<b>Total Community Board</b>	<b>101,647</b>	<b>36,849</b>
<b>Total Council</b>	<b>490,954</b>	<b>410,445</b>
<b>Total Elected Representatives' Remuneration</b>	<b>592,601</b>	<b>447,294</b>

**Notes:**

\* appointed October 2022

Councillors (excluding the Mayor) attended the following meetings as part of their roles:

Councillor Meeting Attendance	Council	RDC	
		Rep External *	Total
Cameron, Don	4	6	10
Weston, Kirton* (Mayor)	7	11	18
Cosford, Graeme	4	1	5
Doyle, Adie	2	2	4
Gram, Robyn	12	1	13
Hinch, Janelle	9	5	14
Hoeta, Vivienne	10	4	14
Iwikau, Channey*	6	-	6
Kahukura Hadley-Chase, Fiona*	8	-	8
Neeson, Lyn	10	7	17
Ngatai, Karen	4	1	5
Nottage, Rabbit	12	15	27
Pue, Elijah	4	3	7
Ralph, Brenda*	7	-	7
Wheeler, Kim	3	1	4
Wilson, Korty*	6	-	6
Wilson, Murray	4	2	6
<b>Total</b>	<b>112</b>	<b>59</b>	<b>171</b>

**Notes:**

\* appointed October 2022

## Council Employees

Total Annual Remuneration By Band		
Bands for 2023 and 2022	2023	2022
< \$60,000	48	38
\$60,000 - \$79,999	7	23
\$80,000 - \$99,999	14	7
\$100,000 - \$119,999	6	7
\$120,000 - \$139,999	6	2
\$140,000 - \$340,000	5	8
<b>Total Employees</b>	<b>86</b>	<b>85</b>

Total remuneration includes non-financial benefits provided to employees.

At balance date, the Council employed 59 (2022: 56) full-time employees, with the balance of staff representing 16.1 (2022: 19.29) full-time equivalent employees. A full-time employee is determined on the basis of a 40-hour working week.

## 32. SEVERANCE PAYMENTS

For the year ended 30 June 2023, Council made one severance payment totalling \$5,376 (2022: \$10,187).

## 33. EVENTS AFTER BALANCE DATE

### **Water services reform programme**

In June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the Council will no longer deliver three waters services or own the assets required to deliver these services. During the 2022/23 Financial Year Central Government has undertaken a range of consultation activities and after the balance date it passed legislation that provides for the transfer of assets into one of 10 water service entities no later than 1 July 2026. Council has yet to determine the entity that it will likely enter.

### **Ruapehu Alpine Lifts (RAL)**

On June 20 2023 RAL went into liquidation. Since then, the government commits \$5m support to ensure the 2023 ski season can go ahead. Council has an unsecured loan to RAL of \$500k which has been impaired as at 30 June 2023. The government is now considering the three bids for government support with the bidders to determine the best outcome for RAL's creditor, the Crown, the local economy and the community.

## 34. FINANCIAL INSTRUMENT RISKS

### 34A: Financial Instruments – PBE IPSAS 41

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). The accounting policies for the year ended 30 June 2023 have been updated to comply with PBE IPSAS 41. The main changes to the Council accounting policies are:

- Note 13 Receivables - This policy has been updated to reflect that the impairment of short-term receivables is now determined by applying the simplified expected credit loss model.
- Note 16 Other Financial assets - This policy has been updated to reflect:
  - the new classification categories;
  - the measurement and recognition of loss allowances based on the new expected credit loss (ECL) model; and
  - the removal of impairment loss considerations for equity investments at FVTOCRE.

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.

Council	Measurement Classification		30-Jun-22	1-Jul-22	Adoption
	PBE IPSAS 29	PBE IPSAS 41	PBE IPSAS 29 \$000	PBE IPSAS 41 \$000	adjustment \$000
<b>Financial Assets</b>					
Cash and Cash Equivalents	Loans and receivables	Amortised cost	7,187	7,187	-
Other Financial Assets	Loans and receivables	Amortised cost	424	424	-
Receivables	Loans and receivables	Amortised cost	3,768	1,672	(2,096)
Accrued Income	Loans and receivables	Amortised cost	1,285	1,285	-
Unlisted Shares	FVTOCRE	FVTOCRE	56	56	-
Other Investments	FVTOCRE	FVTOCRE	600	600	-

Group	Measurement Classification		30-Jun-22	1-Jul-22	Adoption
	PBE IPSAS 29	PBE IPSAS 41	PBE IPSAS 29 \$000	PBE IPSAS 41 \$000	adjustment \$000
<b>Financial Assets</b>					
Cash and Cash Equivalents	Loans and receivables	Amortised cost	7,929	7,929	-
Other Financial Assets	Loans and receivables	Amortised cost	424	424	-
Receivables	Loans and receivables	Amortised cost	3,805	1,708	(2,097)
Accrued Income	Loans and receivables	Amortised cost	1,285	1,285	-
Unlisted Shares	FVTOCRE	FVTOCRE	56	56	-
Other Investments	FVTOCRE	FVTOCRE	600	600	-

FVTOCRE = Fair value through other comprehensive revenue and expense

FVTSD = Fair value through surplus or deficit

The measurement categories and carrying amounts for financial liabilities have not changed on transition to PBE IPSAS 41.

#### Additional information in relation to subsequent measurement classification assessment

PBE IPSAS 41 requires debt instruments to be subsequently measured at FVTSD, amortised cost, or 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, except for the Council's listed bond portfolio which are held to collect and sell in accordance with the Council's Treasury Management Policy to meet capital requirements.

Council's debt instruments are sole 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. The Council has elected to subsequently measure all its shares at FVTOCRE.

## 34B: Financial Instrument Categories

The accounting policies for financial instruments have been applied to the line items below:

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
<b>Financial Assets</b>				
<b>Amortised cost (2022 : Loans and receivables)</b>				
Cash and Cash Equivalents	9,407	7,187	9,620	7,929
Other Financial Assets	-	424	-	424
Receivables	1,543	1,672	1,580	1,708
Accrued Income	2,192	1,285	2,192	1,285
<b>Total at Amortised cost</b>	<b>13,142</b>	<b>10,568</b>	<b>13,392</b>	<b>11,346</b>
<b>Fair Value through Comprehensive Revenue and Expense</b>				
Other Financial Assets:				
- Listed Shares	-	-	-	-
- Unlisted Shares	51	56	51	56
- Other Investments	977	600	977	600
<b>Total at Fair Value through Comprehensive Revenue and Expense</b>	<b>1,028</b>	<b>656</b>	<b>1,028</b>	<b>656</b>
<b>Total Financial Assets</b>	<b>14,170</b>	<b>11,224</b>	<b>14,420</b>	<b>12,002</b>
<b>Financial Liabilities</b>				
<b>Financial Liabilities at Amortised Cost</b>				
Creditors and Other Payables	6,783	5,928	6,909	6,124
Borrowings:				
- CARL Facility	5,000	-	5,000	-
- Secured Loans	50,022	41,400	50,022	41,400
<b>Total at Financial Liabilities at Amortised Cost</b>	<b>61,805</b>	<b>47,328</b>	<b>61,931</b>	<b>47,524</b>

## 34C Financial Instrument Risk

### Fair Value Hierarchy Disclosures

The majority of Council's financial assets are valued using non-observable inputs. Council has assessed the value of Council's financial assets as not material and has therefore chosen not to present Fair Value Hierarchy Disclosures.

### Valuation Techniques with Significant Non-Observable Inputs (Level 3)

The table below provides reconciliation from the opening balance to the closing balance for the Level 3 Fair Value Measurements:

	Council & Group	
	Actual 2023 \$000	Actual 2022 \$000
Balance at 1 July	1,079	864
Gains and Losses Recognised in the Surplus or Deficit	2	13
Gains and Losses Recognised in Other Comprehensive Revenue and Expense	(5)	2
Purchases	(48)	200
Sales	-	-
Transfers into Level 3	-	-
Transfers out of Level 3	-	-
<b>Balance at 30 June</b>	<b>1,028</b>	<b>1,079</b>

These investments include unlisted shares in Civic Assurance. Also included is a loan to the Kakahi Water Supply Board Limited.

The increase in the value of the loan includes capitalisation of interest income and rates revenue.

### Financial Instruments Risk

Council has a series of policies to manage the risks associated with financial instruments, is risk averse and seeks to minimise exposure from its treasury activities. The Treasury Management Policies do not allow for any speculative transactions.

## Market Risk

### Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council does not have any material exposure to price risk.

### Fair Value Interest Rate Risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments at fixed rates of interest expose Council to fair value interest rate risk. Council's Treasury Management Policy sets the minimum and maximum levels of fixed interest rate exposure to borrowings across various time intervals.

### Cash Flow Interest Rate Risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council's policy is to raise long-term borrowings on fixed interest rates. There is no significant exposure to cash flow interest rate risk.

## Credit Risk

Credit risk is the risk that a third party will default on its obligation to Council, causing it to incur a loss. Financial instruments which potentially subject Council to credit risk principally consist of bank balances, accounts receivable, investments and other guarantees.

Debtors and other receivables arise mainly from Council's statutory functions. Therefore, there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers. Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council's Treasury Policy limits the amount of credit exposure on investment instruments to any one institution or organisation. There are also minimum credit rating limits in place. Council holds no collateral or credit enhancements for financial instruments that give rise to credit risk. Council's maximum credit risk exposure for each class of financial instrument is as follows:

	Council		Group	
	Actual	Actual	Actual	Actual
	2023	2022	2023	2022
	\$000	\$000	\$000	\$000
Cash at Bank and Term Deposits	9,407	7,187	9,620	7,929
Receivables	1,543	1,672	1,580	1,708
Accrued Income	2,192	1,285	2,192	1,285
Other Financial Assets (Investments)	1,028	1,079	1,028	1,079
<b>Total Credit Risk</b>	<b>14,171</b>	<b>11,223</b>	<b>14,420</b>	<b>12,001</b>

### Credit Quality of Financial Assets

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, where such ratings are available.

	AA-	Unrated	Total
	\$000	\$000	\$000
<b>Group 2023</b>			
Cash at Bank and Term Deposits	9,620	-	9,620
Receivables	-	1,580	1,580
Accrued Income	-	2,192	2,192
Other Financial Assets (Investments)	-	1,028	1,028
<b>Total Credit Risk</b>	<b>9,620</b>	<b>4,800</b>	<b>14,420</b>
<b>Group 2022</b>			
Cash at Bank and Term Deposits	7,929	-	7,929
Receivables	-	1,708	1,708
Accrued Income	-	1,285	1,285
Other Financial Assets (Investments)	-	1,079	1,079
<b>Total Credit Risk</b>	<b>7,929</b>	<b>4,072</b>	<b>12,001</b>

	AA-	Unrated	Total
	\$000	\$000	\$000
<b>Council 2023</b>			
Cash at Bank and Term Deposits	9,407	-	9,407
Receivables	-	1,543	1,543
Accrued Income	-	2,192	2,192
Other Financial Assets (Investments)	-	1,028	1,028
<b>Total Credit Risk</b>	<b>9,407</b>	<b>4,764</b>	<b>14,171</b>
<b>Council 2022</b>			
Cash at Bank and Term Deposits	7,187	-	7,187
Receivables	-	1,672	1,672
Accrued Income	-	1,285	1,285
Other Financial Assets (Investments)	-	1,079	1,079
<b>Total Credit Risk</b>	<b>7,187</b>	<b>4,036</b>	<b>11,223</b>

Other financial assets are mainly assets not able to be credit rated. The remaining assets are of insignificant value and are therefore not rated.

## Liquidity Risk

### Management of Liquidity Risk

Liquidity risk is the risk that 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. Council aims to maintain flexibility in funding by keeping committed credit lines available.

Council manages its borrowings in accordance with its funding and financial policies which include a Treasury Management Policy.

Council has a new CARL Facility with the Bank of New Zealand which has a maximum amount that can be drawn down of \$8m (2022: \$3m).

### Contractual Maturity Analysis of Financial Liabilities

The following table analyses Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the relevant interest rate at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

	Carrying Amount	Contractual Cash Flows				
		Total	< 1 year	1-2 years	2-5 years	5+ years
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Group 2023</b>						
Creditors and Other Payables	6,783	6,783	6,783	-	-	-
CARL Facility	5,000	5,000	5,000	-	-	-
Secured Loans	50,022	57,254	5,707	1,860	47,593	2,095
Bonds (Fixed Interest)	-	-	-	-	-	-
<b>Total</b>	<b>61,805</b>	<b>69,038</b>	<b>17,490</b>	<b>1,860</b>	<b>47,593</b>	<b>2,095</b>
<b>Group 2022</b>						
Creditors and Other Payables	6,124	6,124	6,124	-	-	-
CARL Facility	-	-	-	-	-	-
Secured Loans	41,400	44,879	20,115	695	18,543	5,527
Bonds (Fixed Interest)	-	-	-	-	-	-
<b>Total</b>	<b>47,524</b>	<b>51,003</b>	<b>26,239</b>	<b>695</b>	<b>18,543</b>	<b>5,527</b>

	Carrying Amount	Contractual Cash Flows				
		Total	< 1 year	1-2 years	2-5 years	5+ years
	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council 2023</b>						
Creditors and Other Payables	6,909	6,909	6,909	-	-	-
CARL Facility	5,000	5,000	5,000	-	-	-
Secured Loans	50,022	57,254	5,707	1,860	47,593	2,095
Bonds (Fixed Interest)	-	-	-	-	-	-
<b>Total</b>	<b>61,931</b>	<b>69,163</b>	<b>17,616</b>	<b>1,860</b>	<b>47,593</b>	<b>2,095</b>
<b>Council 2022</b>						
Creditors and Other Payables	5,928	5,928	5,928	-	-	-
CARL Facility	-	-	-	-	-	-
Secured Loans	41,400	44,879	20,115	695	18,543	5,527
Bonds (Fixed Interest)	-	-	-	-	-	-
<b>Total</b>	<b>47,328</b>	<b>50,808</b>	<b>26,043</b>	<b>695</b>	<b>18,543</b>	<b>5,527</b>

### Sensitivity Analysis

The following table illustrates the potential profit and loss impact due to reasonable possible market movements, with all other variables held constant, based on Council's financial instrument exposures at balance date. There are no financial instruments held for which foreign exchange risk applies. As there is no interest rate to Council, as all interest rates are at a fixed interest rate as balance date (including prior year) no table is included.

Interest Rate Risk (Through Surplus)	Council & Group		Council & Group	
	2023		2022	
	-50bp \$000	+100bp \$000	-50bp \$000	+100bp \$000
<b>Financial Assets</b>				
Cash and Cash Equivalents	(5)	10	(4)	8
<b>Financial Liabilities</b>				
Cash and Cash Equivalents	-	-	-	-
Term Loans	(11)	23	(6)	11
<b>Total Sensitivity</b>	<b>(16)</b>	<b>32</b>	<b>(10)</b>	<b>19</b>

#### Explanation of Interest Rate Risk Sensitivity

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis point (bp) movement. For example, a decrease in 50bp is equivalent to a decrease in interest rates of 0.5%.

As Council only secures borrowing through loans, there is no interest rate risk sensitivity on the financial liabilities.

## 35. CAPITAL MANAGEMENT

Council's 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 manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

Council complied with all externally imposed capital requirements to which it is subject.

The objective of managing these items is to achieve intergenerational equity. This is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and does not expect them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place Asset Management Plans for major classes of assets detailing renewal and maintenance programmes, to ensure that ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance. Council is also focussing efforts on ensuring that it is being "smart" with how it maintains and upgrades assets to minimise the impact on ratepayers now and in the future.

The Act requires Council to make adequate and effective provision in the Long-Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in these plans. The Act also sets out the factors that 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 Council's LTP.

Council has the following Council created reserves:

- Reserves for different areas of benefit.
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from payers of general rates. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Trust and bequest reserves are set up where funds that are restricted for a particular purpose have been donated to Council. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose for which they were donated.

## 36. COUNCIL CONTROLLED ORGANISATIONS

**RDC Holdings Limited** is a company created as a Local Authority Trading Enterprise (LATE) to comply with changes in tendering rules for contracting. The trading activities ceased with the sale of the LATE contracts Plant and Equipment to Works Construction in 1997. The company has been retained as an inactive company because, periodically, opportunities arise which may make it a useful entity. None of these prospective opportunities has materialised to date. RDC Holdings Ltd is intended to be an exempt CCO and has no performance targets.

**Visit Ruapehu Limited** was incorporated on 23 August 2019, as a Council Controlled Organisation (CCO) with Ruapehu District Council being the 100% owner. This new organisation replaced the Ruapehu Regional Tourism Organisation (RTO) Trust, which was operating from 2009 until it was wound up by a Trustees resolution on 17 October 2019 under a Deed of Confirmation. The assets were transferred to Visit Ruapehu Limited, free of all charges and encumbrances and all the Trusts debts and liabilities were paid. Visit Ruapehu Limited is an exempt entity and is not required to have performance targets.

	Actual 2023 \$000	Actual 2022 \$000
Investment In Subsidiaries (CCO)		
- Investment in Visit Ruapehu Ltd	118	114
	<b>118</b>	<b>114</b>
<b>Visit Ruapehu Ltd</b>		
<b>Summarised financial information of associates presented on a gross basis</b>		
Assets	271	782
Liabilities	153	668
Revenues	1,086	1,134
Surplus/(Deficit)	4	(13)
RDC's Interest	100%	100%

### **Shares in subsidiaries (cost)**

Breakdown of shares in subsidiaries and further information is as follows:

	Principal	Actual 2023 \$	Actual 2022 \$
Visit Ruapehu Ltd	To promote the Ruapehu District and tourism and improve the economic welfare of the citizens of the Ruapehu District	131,447	131,447
<b>Total</b>		<b>131,447</b>	<b>131,447</b>

# 37. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variations from the budget for 2022/23 are as follows:

## Statement of Comprehensive Revenue and Expense

### Revenue

Rates are similar level to the budget and \$1.5m higher than the previous year, due to the agreed rating increase for the year, growth within the district and penalties received of \$430k. This has been offset by \$37k for write offs of penalties and prior year rates, mostly due to the Rating of Whenua Māori Amendment Bill, and \$182K of payment discounts.

Subsidies and Grants are \$3.2m higher than budget, mainly due to additional unbudgeted fund received for Ohakune WTP \$1.8m, Bridge Renewals \$840K, Bennett Road Carpark \$71k, 3waters Connection at the new New World \$110k and other minor projects.

Other revenue is \$507k higher than budget mainly due to unbudgeted \$300k Internal Salaries recoveries, unbudgeted \$56k received from National Emergency Management Agency, unbudgeted \$60k received from shared cost of Passenger project and \$55k higher than budget received from I-sites.

Council does not budget for non-financial instrument gains; therefore, any gain amount is a variance against the budget. This year this was a \$91k gain from revaluations of Investment Property and gain on disposal of assets.

### Expenses

Personnel Costs are \$204k lower than budget mainly due to vacant positions.

Finance costs are \$1.1m higher than the budget due to market interest rates being higher than what was budgeted.

Other expenses are \$6m higher than the budget mainly due to additional \$2.3m for roading maintenance from the weather events, additional \$2.2m spent on other maintenance mainly from the increase of contract from Ethical Waste and 3 waters, and \$810k increase in consultants fees.

Council does not budget for losses; therefore any gain amount is a variance against the budget. This year there was \$2.9m attributed to loss on disposal of assets from roading assets (renewals) and investments property valuation.

### Statement of Financial Position

Cash and Cash equivalents are \$7.2m higher than the budget, which is due to the timing of income and expenditure and also the need to have higher cash balances due to a larger capital works programme and the three waters stimulus spending profile.

Property Plant and Equipment is \$54.9m higher than the budgeted amount, mainly due to higher revaluation for land transport last year.

Investment Property is \$2.1m higher than the budgeted amount, due to strong revaluations over the last 3 years.

Creditors and other payables is \$3.2m higher than the budget, due to the timing of expenditure relating to large contracts of \$2.5m for land transport, \$1.1m for 3waters, \$400k contract payment for recreation services.

Borrowing is \$6.1m higher than the budget due to the increase in Capital Projects and Waka Kotahi Capital works. \$5m was to manage the liquidity position as of 30 June 2023. This has been repaid in July 2023.

Income in Advance is \$1m lower than the budget mainly due to delays in Bridge Renewals, Ohakune WTP and Trails project.

**Statement of Cash Flows**

Subsidies and grants receipts are \$2.5m higher than budget due to unbudgeted external funding from Central Government.

Cashflow from Other Revenue is \$1.1m higher than budget as a result of unbudgeted payment received from shared service and I-site sales.

Supplier payments are \$6.2m higher than budget, which is mainly due to higher Waka Kotahi expenditure.

Interest Paid is \$1.1m higher than the budget due to market interest rates being higher than what was budgeted.

Purchase of Property Plant and Equipment is \$3.7m higher than budget. This is mainly due to additional new projects of \$720k delivered for the year and the increase in contract costs, mainly Waka Kotahi capital contracts.

## 38. PREPAYMENTS, ACCRUED INCOME & INCOME IN ADVANCE

	Council		Group	
	Actual	Actual	Actual	Actual
	2023 \$000	2022 \$000	2023 \$000	2022 \$000
<b>Prepayments</b>				
Insurance Premiums	265	240	265	240
Annual Software Subscriptions	72	178	72	178
Other Invoices	-	1	14	1
SAAS (Software as a Service) arrangements	282	127	282	127
<b>Total Prepayments</b>	<b>619</b>	<b>546</b>	<b>633</b>	<b>546</b>
<b>Accrued Income</b>				
Interest	39	19	39	19
Petrol Tax	14	41	14	41
Water Meter Charges	22	-	22	-
Waka Kotahi NZTA Subsidy	2,117	1,217	2,117	1,217
Other Recharges	-	8	-	8
<b>Total Accrued Income</b>	<b>2,192</b>	<b>1,285</b>	<b>2,192</b>	<b>1,285</b>
<b>Total Prepayments and Accrued Income</b>	<b>2,811</b>	<b>1,831</b>	<b>2,825</b>	<b>1,831</b>
<b>Income in Advance</b>				
DIA Funding - Three Waters Stimulus	4	-	4	-
DIA Funding - Waimarino Rest Home	337	-	337	-
MBIE Funding - Water IWI Consultation Support	103	-	103	-
MBIE Funding – Great Rides	-	78	-	78
MSD Funding – Mayor’s Taskforce	53	-	53	-
Dog Registrations	97	94	97	94
Rates	1,089	1,018	1,089	1,018
Sundry Creditors	99	123	99	123
Health Regulation Fees	11	13	11	13
CCO Visit Ruapehu Ltd – Marketing Funding	-	-	8	457
<b>Total Income in Advance</b>	<b>1,793</b>	<b>1,326</b>	<b>1,801</b>	<b>1,783</b>

## Part B – Other Legislative Disclosures

### 1. FUNDING IMPACT STATEMENT FOR RUAPEHU DISTRICT COUNCIL FOR YEAR ENDING 30 JUNE 2023 – WHOLE OF COUNCIL

	LTP 2022 \$000	Annual Report 2022 \$000	AP 2023 \$000	Actual 2023 \$000
<b>Sources Of Operating Funding</b>				
General Rates, Uniform Annual General Charges, Rates Penalties	13,157	13,204	14,014	13,922
Targeted Rates	12,369	12,321	12,563	13,078
Subsidies And Grants For Operating Purposes	7,079	7,311	7,580	9,613
Fees And Charges	3,110	3,977	3,845	4,215
Interest And Dividends From Investments	25	37	26	348
Local Authorities Fuel Tax, Fines, Infringement Fees, And Other Receipts	146	774	176	136
<b>Total Operating Funding (A)</b>	<b>35,886</b>	<b>37,624</b>	<b>38,204</b>	<b>41,312</b>
<b>Applications Of Operating Funding</b>				
Payments To Staff And Suppliers	29,531	31,086	33,273	37,523
Finance Costs	640	895	1,290	2,009
Other Operating Funding Applications	-	-	-	-
<b>Total Application Of Operating Funding (B)</b>	<b>30,171</b>	<b>31,981</b>	<b>34,563</b>	<b>39,532</b>
<b>Surplus/(Deficit) Of Operating Funding (A-B)</b>	<b>5,715</b>	<b>5,643</b>	<b>3,641</b>	<b>1,780</b>
<b>Sources Of Capital Funding</b>				
Subsidies And Grants For Capital Expenditure	17,957	12,946	20,246	9,436
Development And Financial Contributions	116	358	120	230
Increase/(Decrease) In Debt	15,190	7,362	4,534	12,624
Gross Proceeds From Sale Of Assets	-	-	-	-
Lump Sum Contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total Sources Of Capital Funding ( C)</b>	<b>33,263</b>	<b>20,667</b>	<b>24,900</b>	<b>22,291</b>
<b>Application Of Capital Funding</b>				
Capital Expenditure:				
- To Meet Additional Demand	799	491	3,965	664
- To Improve The Level Of Service	18,179	14,779	15,350	9,354
- To Replace Existing Assets	20,000	10,327	14,416	13,134
Increase/(Decrease) In Reserves	-	713	-	920
Increase/(Decrease) Of Investments	-	-	-	-
<b>Total Applications Of Capital Funding (D)</b>	<b>38,978</b>	<b>26,310</b>	<b>33,731</b>	<b>24,071</b>
<b>Surplus/(Deficit) Of Capital Funding (C-D)</b>	<b>(5,715)</b>	<b>(5,643)</b>	<b>(3,641)</b>	<b>(1,780)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note : No Annual Plan in 2021/22.

## 2. SUPPORT FUNDING IMPACT STATEMENT – WHOLE OF COUNCIL

Lump Sum Contributions	LTP 2022 \$000	AP 2023 \$000	Actual 2023 \$000
<b>Sources Of Operating Funding</b>			
General Rates, Uniform Annual General Charges, Rates Penalties	(2)	(16)	(16)
Targeted Rates	-	-	-
Subsidies And Grants For Operating Purposes	-	-	-
Fees And Charges	147	583	205
Internal Charges And Overheads Recovered	4,391	4,832	8,491
Interest And Dividends From Investments	25	26	348
<b>Total Operating Funding (A)</b>	<b>4,561</b>	<b>5,425</b>	<b>9,028</b>
<b>Applications Of Operating Funding</b>			
Payments To Staff And Suppliers	3,619	3,856	8,015
Finance Costs	85	110	355
Internal Charges And Overheads Applied	139	499	-
Other Operating Funding Applications	-	-	-
<b>Total Application Of Operating Funding (B)</b>	<b>3,843</b>	<b>4,465</b>	<b>8,370</b>
<b>Surplus/(Deficit) Of Operating Funding (A-B)</b>	<b>718</b>	<b>960</b>	<b>658</b>
<b>Sources Of Capital Funding</b>			
Subsidies And Grants For Capital Expenditure	-	-	-
Development And Financial Contributions	-	-	93
Increase/(Decrease) In Debt	(401)	(4,909)	-
Gross Proceeds From Sale Of Assets	-	-	-
Lump Sum Contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total Sources Of Capital Funding (C)</b>	<b>(401)</b>	<b>(4,909)</b>	<b>93</b>
<b>Application Of Capital Funding</b>			
Capital Expenditure:			
- To Meet Additional Demand	-	-	-
- To Improve The Level Of Service	231	636	104
- To Replace Existing Assets	558	522	361
Increase/(Decrease) In Reserves	(472)	(5,107)	287
Increase/(Decrease) Of Investments	-	-	-
<b>Total Applications Of Capital Funding (D)</b>	<b>317</b>	<b>(3,949)</b>	<b>752</b>
<b>Surplus/(Deficit) Of Capital Funding (C-D)</b>	<b>(718)</b>	<b>(960)</b>	<b>(659)</b>
<b>Funding Balance ((A-B)+(C-D))</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note : No Annual Plan in 2021/22.

### 3. OVERALL FUNDING IMPACT STATEMENT RECONCILIATION - WHOLE OF COUNCIL

Reconciliation between the Group of Activities' Funding Impact Statements, the Overall Council and Group Funding Impact Statement and the Statement of Comprehensive Revenue and Expense against EAP budget.

	Actual 2023 \$000	AP 2023 \$000	Actual 2022 \$000
Total operating and capital funding sources as shown in the group of activities' funding impact statements	72,088	67,937	64,364
Less Corporate Services revenue unallocated	-	-	-
Less internal charges and overheads recovered	(8,491)	(4,832)	(7,073)
<b>Total operating and capital funding sources as shown in the overall council funding impact statement</b>	<b>63,597</b>	<b>63,105</b>	<b>57,291</b>
(Increase)/decrease in debt	(12,624)	(4,534)	(7,362)
Other gains	91	-	1,554
<b>Total funding sources</b>	<b>51,064</b>	<b>58,571</b>	<b>51,483</b>
<b>Total revenue as shown in the statement of comprehensive revenue</b>	<b>51,064</b>	<b>58,571</b>	<b>51,483</b>
Application of total operating and capital funding as shown in t	72,079	67,937	64,844
Add corporate services costs	-	-	-
Less internal charges and overheads applied	(8,491)	(4,832)	(7,073)
<b>Application of total operating and capital funding as shown in the overall council funding impact statement</b>	<b>63,589</b>	<b>63,105</b>	<b>57,771</b>
Capital expenditure	(23,151)	(28,542)	(25,076)
(Increase)/decrease in reserves	(919)	-	(713)
(Increase)/decrease in investments	-	-	-
Less corporate services net gain in allocations	-	-	-
Depreciation and amortisation	10,788	10,391	8,860
Other losses	2,960	-	943
<b>Total funding application</b>	<b>53,266</b>	<b>44,954</b>	<b>41,785</b>
<b>Total expenditure as shown in the statement of comprehensive revenue</b>	<b>53,266</b>	<b>44,954</b>	<b>41,785</b>

## 4. RATING BASE INFORMATION

The 2022/23 rates were set based on the following information, as at 1 July 2023 and prior year comparatives.

	Actual 2023	Actual 2022
Number of Rating Units	10,119	10,012
Non-Rateable Units	993	950
<b>Total Capital Value of Rating Units in the District</b>	<b>6,266,124,250</b>	<b>6,232,590,850</b>
<b>Total Land Value of Rating Units in the District</b>	<b>3,481,080,250</b>	<b>3,471,980,750</b>

## 5. INSURANCE

As at 30 June, Ruapehu District Council had the following insurance contracts in place:

		2023		2022	
		Sub Limit \$000	Value \$000	Sub Limit \$000	Value \$000
Material Damage	Replacement	13,000	113,370	13,000	100,331
Motor Vehicles	Market	2,000	2,000	2,000	1,570
Infrastructural Assets	Replacement	40,000	190,328	40,000	128,874

Council has no self-insurance fund. Risk mitigation include the Waka Kotahi NZTA subsidies and Council's ability to borrow to replace lost / damaged assets. Sub limit is on the assumption that not everything will be destroyed in one event.

# 6. BENCHMARKS

## Annual Report Disclosure Statement for the Year Ending 30 June 2023

### What is the purpose of this Statement

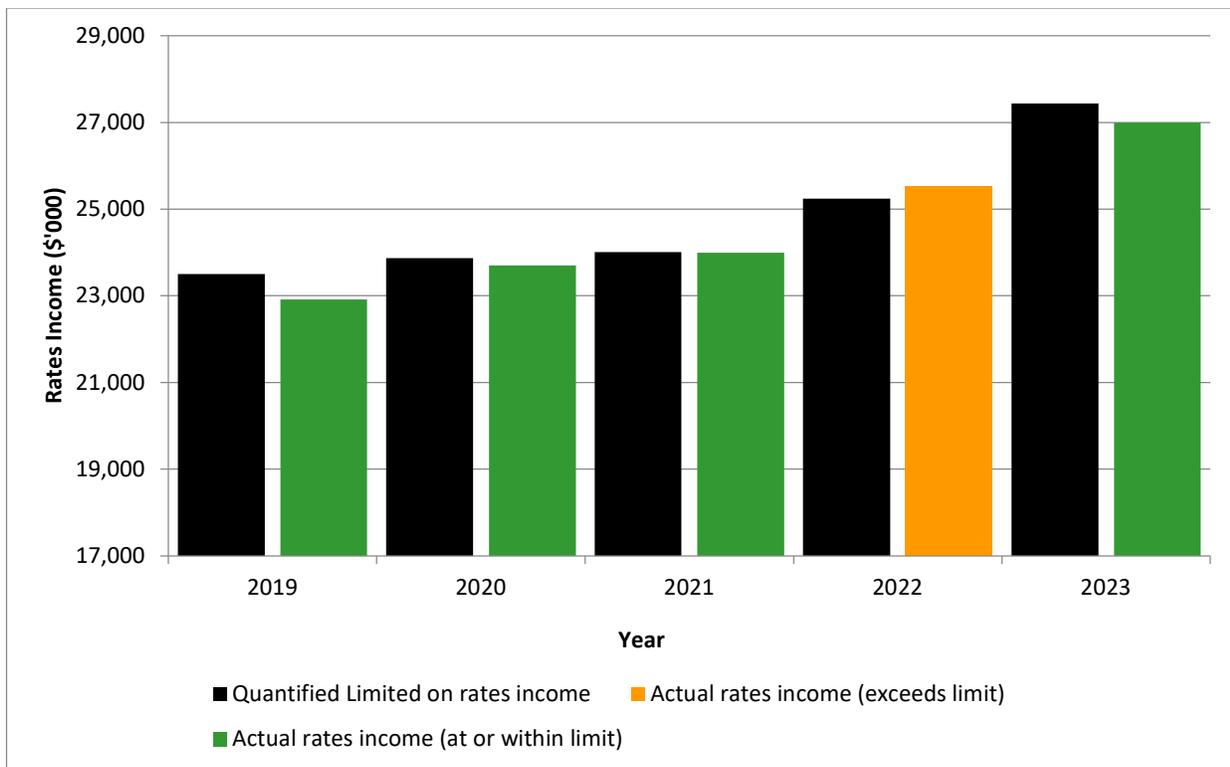
The purpose of this statement is to disclose the Council’s financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

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

### Rates (Income) Affordability

The following graph compares Council’s actual rates revenue with the quantified limit on rates.

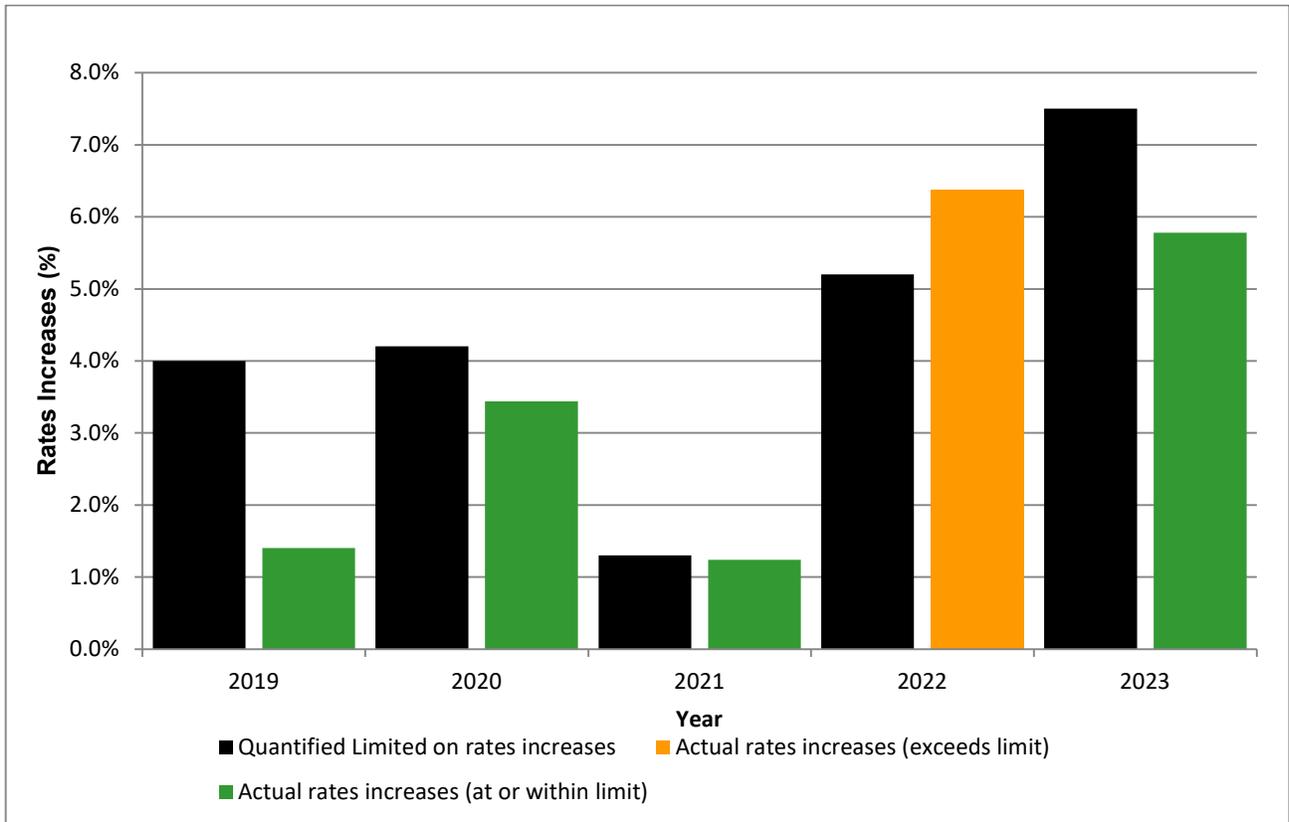
Council set a quantified limit on the rates income for which it plans to rate (whole of Council), included in the Financial Strategy within its Long-Term Plan. This quantified limit is that the whole of Council rate income will not increase by more than the Local Government Cost Index (LGCI) plus 2%, year on year.



The quantified limit for 2022/23 financial year was \$27.4M. Council was under this benchmark with a gross rates take of \$27M.

### Rates (Increases) Affordability

The following graph compares Council's actual rates increase with the quantified limit on rates increases included in the financial strategy included in the Council's Long-Term Plan. The quantified limit is the Local Government Cost index (LGCi) plus 2% for each of the next 10 years of the plan.

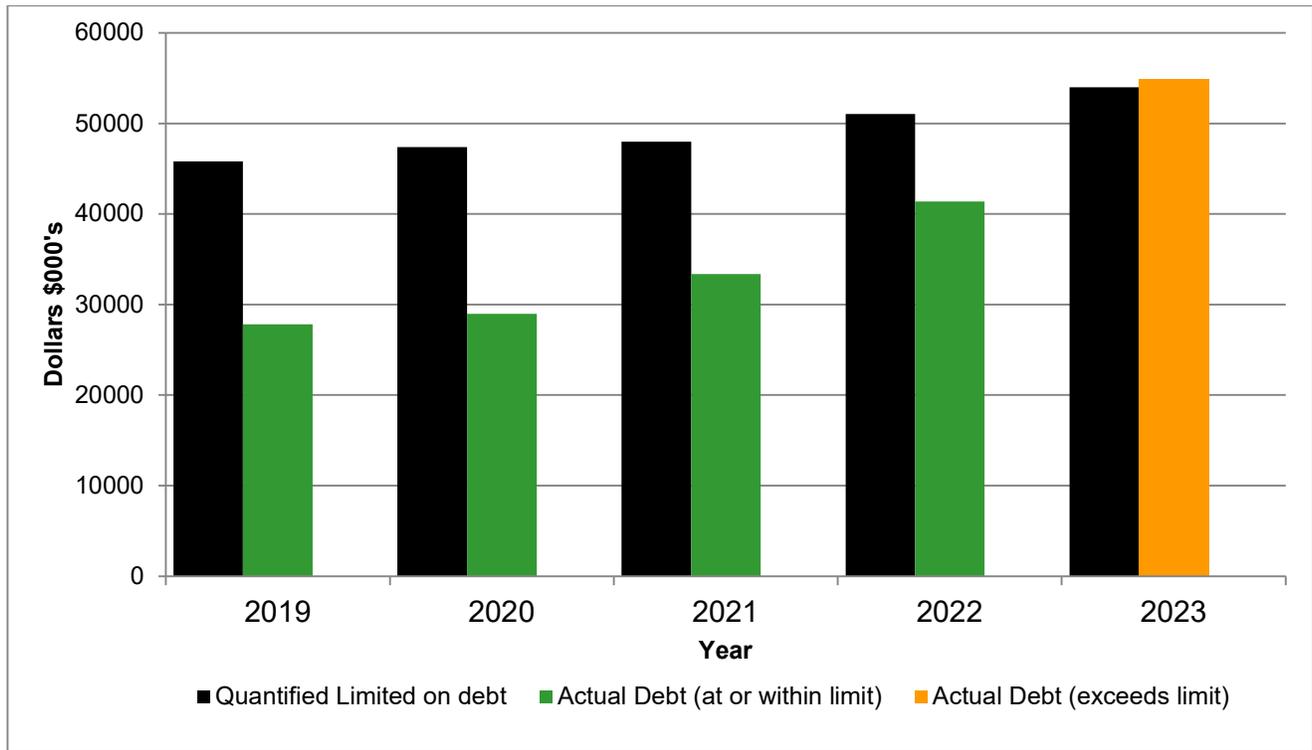


The quantified limit for 2022/23 financial year was 7.5%. Council was under this benchmark with 5.8% increase.

### Debt Affordability Benchmark

The Council meets the debt affordability benchmark if its actual borrowings are within each quantified limit on borrowing.

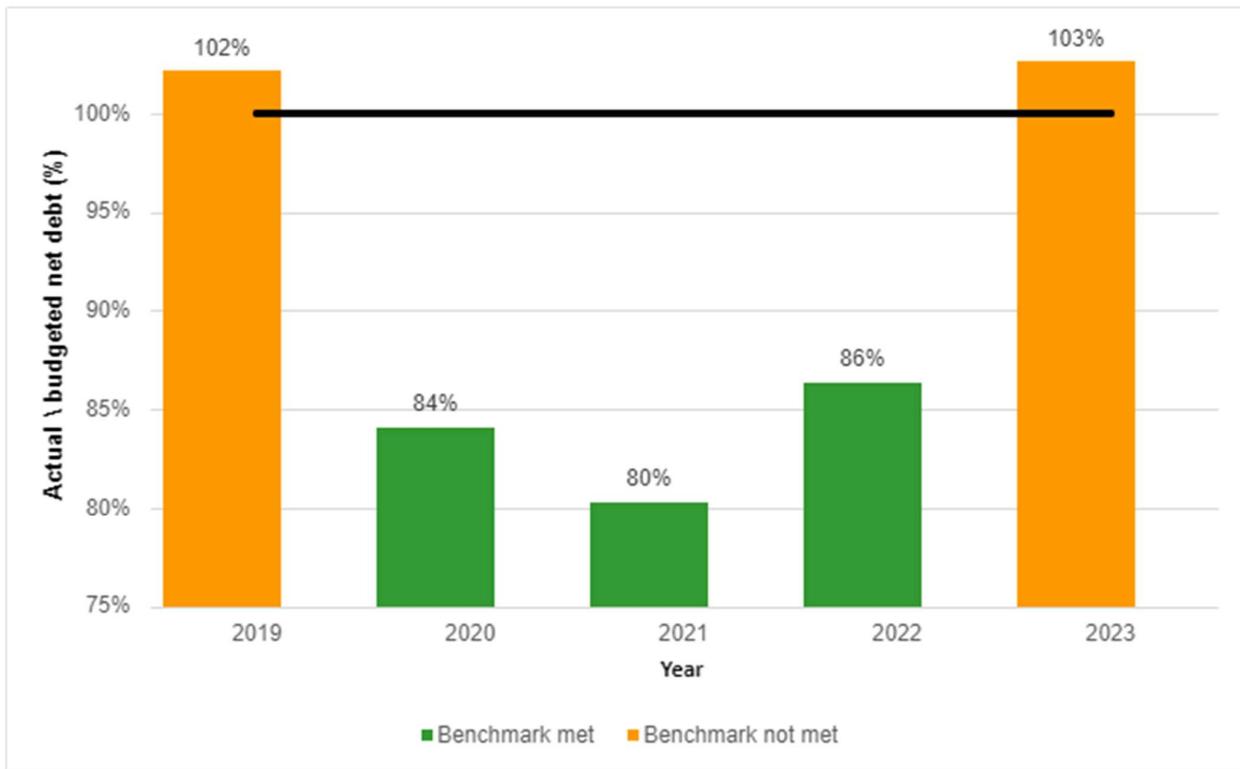
The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long Term Plan. The quantified limit is that debt should be less than twice the annual rates bill.



Council did not meet this benchmark with an actual debt position of \$55M against the quantified limit of \$54M.

### Debt Control Benchmark

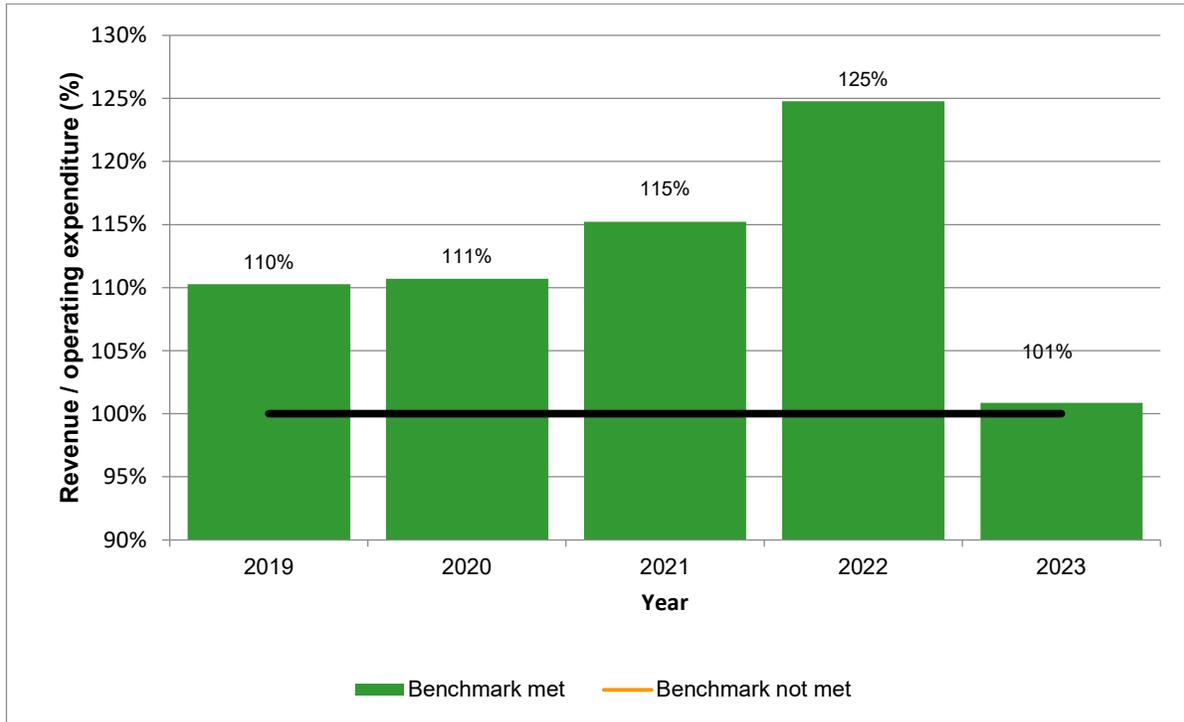
The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, Net Debt means financial liabilities less financial assets (excluding trade and other receivables). The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Council did not meet this benchmark with an actual result of 103% versus a plan of 100% due to higher borrowing.

### Balanced Budget Benchmark

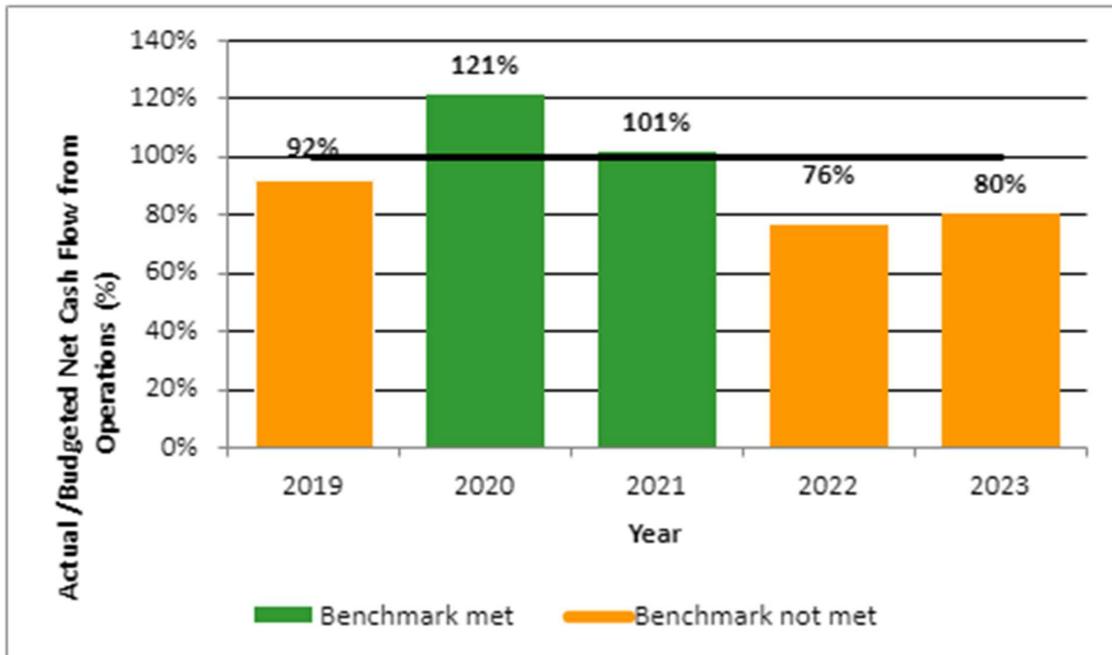
The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment as a proportion of operating expenses (excluding losses on derivative financial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



Council met this benchmark with an actual result of 101% versus a plan of 100%.

### Operations Control Benchmark

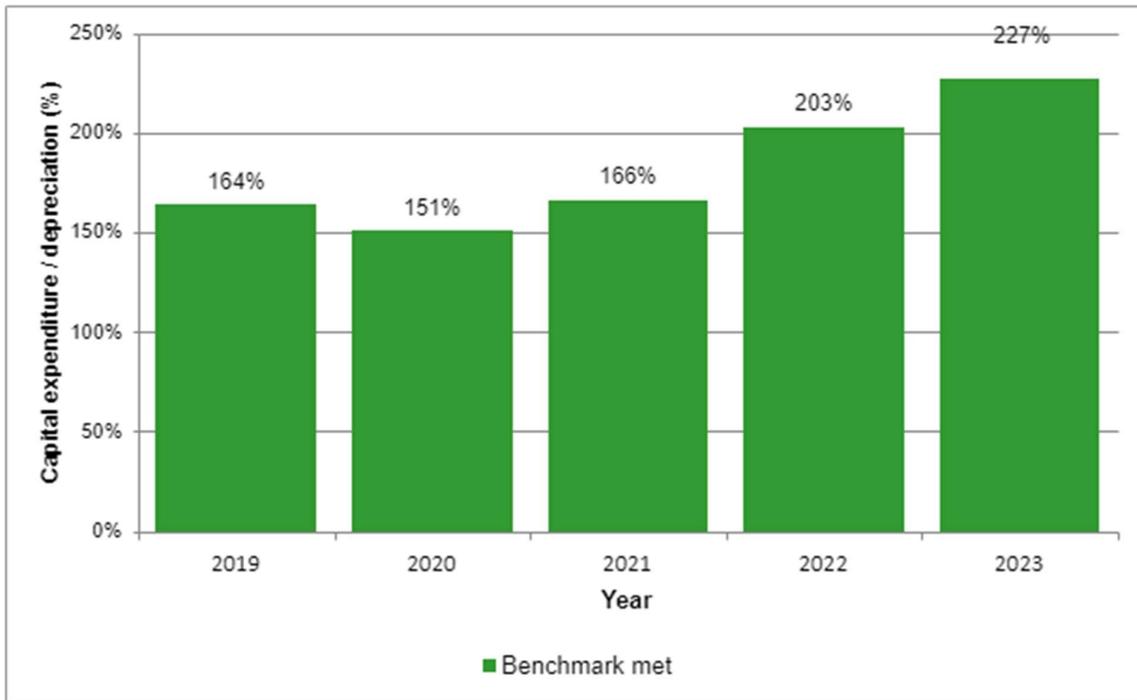
This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



Council did not achieve this benchmark for the 2023 financial year, mainly due to higher interest and increase of costs.

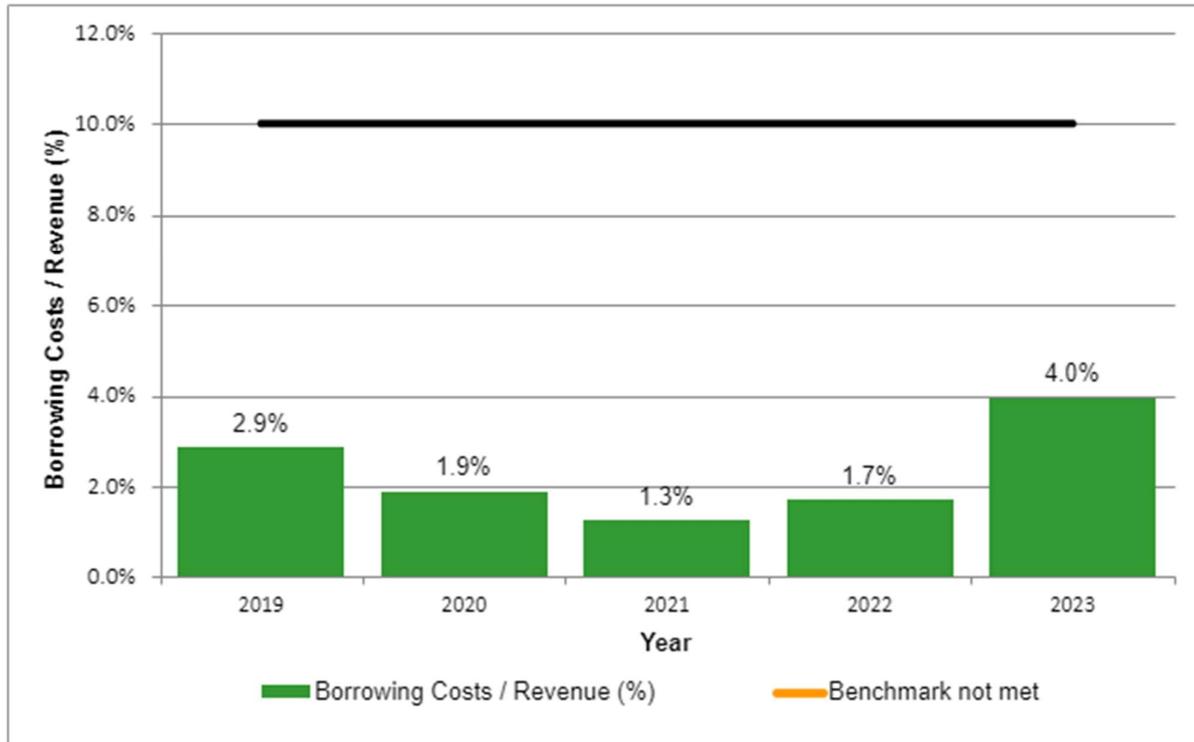
### Essential Services Benchmark

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.



### 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). Because Statistics New Zealand projects the Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



The interest to operating revenue benchmark that is measured against is that finance costs do not exceed 10% of operating revenue. Council's finance costs over the last five years have been significantly below this benchmark.