Don't forget!

Candidate Nomination Forms must be in by:
12noon, 12 August 2022

Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Pūrongo o mua Pōtitanga
Pre Election Report

2022

www.southtaranaki.com/vote2022

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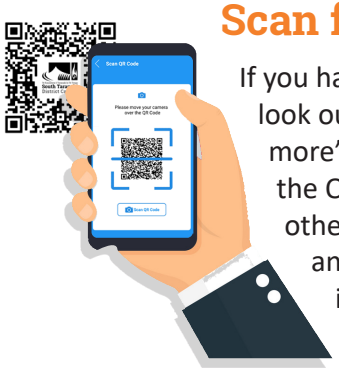
What is this document about?

The purpose of this Pre Election Report is to promote public discussion on the issues facing Te Kaunihera ō Taranaki Ki Te Tonga - South Taranaki District Council and encourage informed debate in the lead-up to the October 2022 local body elections. It is a legal requirement for councils to publish a Pre Election Report.

Find out more...

The information in this Report is sourced from existing Council documents such as our Long Term Plan 2021-31 (including our Financial and Infrastructure Strategies), our Annual Plan 2022-23 and Annual Reports. These documents can all be found on our website ***www.southtaranaki.com*** under Our Council > Plans, Strategies and Reports.

Find out more!



Scan for more

If you have a smart phone, look out for the 'Find out more' prompts and scan the QR code to be taken to other documents, videos and websites for more information.

He Whakaaro tā te Tumu Whakahaere

Message from the Chief Executive

Welcome to the South Taranaki District Council's 2022 Pre-Election Report.

This report provides a range of information to encourage informed debate and discussion in the lead-up to the October local authority elections.

Specifically, it outlines what we see as some of the challenges facing our District Council over the medium to long term, including the three major reforms Central Government is currently undertaking. These reforms will fundamentally change the way local government operates and the services it provides.

The report also lists some of the projects the Council is already committed to and/or is undertaking and provides audited financial results for the years ending 30 June 2020 and 2021 and forecast figures for the year ending 30 June 2022. The financial summaries provided include the budgeted figures recently approved for the current year (ending 30 June 2023) and the budget projections for the following three years ending 30 June 2024, 2025, and 2026.

This information will provide readers with a good understanding of the District's finances, which I can report, are very sound.

A notable change for South Taranaki in this year's local authority elections is the inclusion of two Māori Wards, Te Kūrae and Te Tai Tonga, each represented by one councillor. They will join the 11 General Ward Councillors and Mayor to establish a Council of 14 representatives.

This is a great, albeit uncertain, time to stand for election, and provides a unique opportunity to be involved in the changing face of local government, as well as planning for the future economic, social, cultural and environmental wellbeing of our District.

Whether you are a prospective candidate, a citizen of South Taranaki or an interested observer, I hope you find this Pre-Election Report useful.

Waid Crockett
Tumu Whakahaere
Chief Executive

PŌTI 2022
NGA PŌTITANGA Ā-ROHE

VOTE 2022
LOCAL ELECTIONS

Key Dates for 2022 Elections

Nominations open
15 July 2022

Nominations close
Noon, 12 August 2022

Voting papers delivered
From Friday 16 September 2022

Voting closes on Election Day
Noon, 8 October 2022

Official results announced
Thursday 13 October 2022

To be eligible to stand for election, a candidate must be:

- a New Zealand citizen (by birth or naturalisation ceremony); and
- enrolled as a Parliamentary elector (anywhere in New Zealand); and
- nominated by two electors whose names appear on the electoral roll within the respective area that a candidate is standing for.

Find out more!

Read more about standing in the 2022 Local Body Elections by visiting our website ***www.southtaranaki.com/vote2022***

Ā mātou mahi

What we do

We do all of this in a District with a population of approximately **29,000** (around 14,800 rateable properties) in our rural areas and **7 small towns** spread over a large geographic area **(362,000 hectares).**

Community Facilities

7 Campgrounds

7 Swimming Pools

and support Ōpunakē Community Baths financially

9 Urban Halls

As well as financially support 34 rural halls

TSB Hub

and financially support Ōpunakē's Sinclair Electrical and Refrigeration Events Centre

Financially support Hāwera Cinemas

15 Sportsgrounds

10 Cemeteries

Arts and Culture

36 Public Toilets

Economic Development

6 Premier Parks

54 other parks

700 hectares of parks and reserves District-wide

Civil Defence

6 Pathways

7 LibraryPlus

Tourism

38 Playgrounds

South Taranaki **i-SITE** Visitor Centre

Ā mātou mahi

What we do

Rubbish, Recycling and Greenwaste

1,634km of roads that we construct and maintain (84% sealed - 257km unsealed)

163km of footpaths

10 Water Treatment Plants

37 Reservoirs

7 Transfer Stations

299 Bridges

Alcohol and Gambling Licensing

8 Wastewater Treatment Plants

35 Pump Stations

2,252 Streetlights

875 Streetlight Poles

Animal Services

Parking Control

68 Housing for the Elderly Units

Building Control

Planning Services

Environmental Health

641km of water mains

188km of wastewater mains

96km of Stormwater Pipes

Taranaki ki te Tonga te rohe tino pūwhenua

Making South Taranaki the Most Liveable District

We live in one of the best places in the world

Our Council's vision is to build on our many strengths and make South Taranaki the most liveable District.

The purpose of local government is to promote the social, economic, cultural and environmental well-being of our communities now and into the future. To achieve that purpose Council has a developed framework to guide our planning as we implement the projects, activities and services that will help make South Taranaki an even more desirable place to live, work and play.

At the heart of our framework are **ten community priorities** we developed after asking our residents (2019) what they wanted to see for the future of South Taranaki. Our residents told us they wanted us to encourage growth and vibrancy in our towns, take good care of our natural environment, develop our relationship with Māori and ensure our infrastructure continues to meet the community's needs.

Our four communtity outcomes

Vibrant South Taranaki/ Cultural Wellbeing

A vibrant and creative District that celebrates diversity and has strong relationships with Iwi/Hapū.

Together South Taranaki/ Social Wellbeing

A District with healthy, safe, resilient, informed and connected people.

Properous South Taranaki/ Economic Wellbeing

A prosperous District with a sustainable economy, innovative businesses and high quality infrastructure.

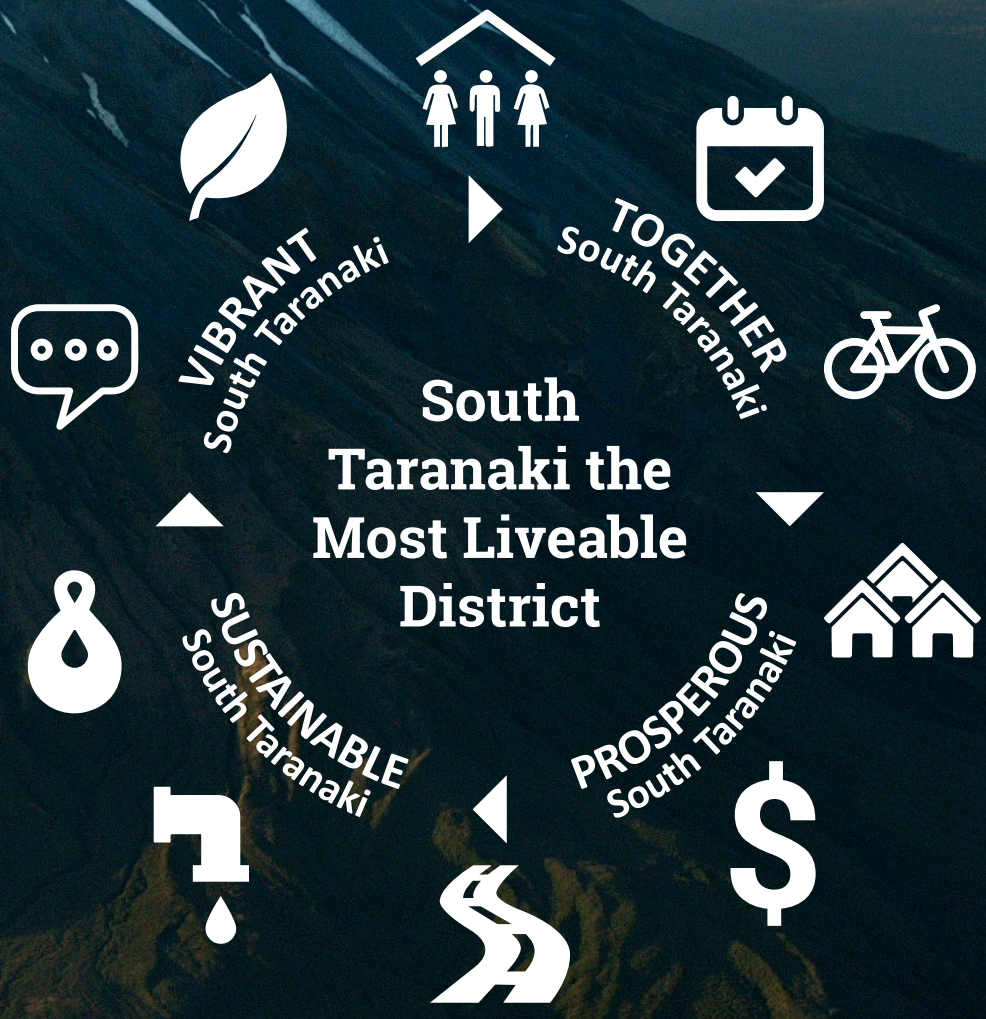
Sustainable South Taranaki/ Environmental Wellbeing

A sustainable District that manages its resources in a way that preserves the environment for future generations.

Our ten communtity priorities

- Innovative and updated community facilities and services
- Community and cultural activities, entertainment and events, particularly for youth
- Cycleways and pathways for residents and visitors
- Revitalise town centres
- Stronger economic growth with more innovation, ideas, training opportunities and jobs
- Improve and maintain roads and footpaths
- Reliable and safe water supply, wastewater and stormwater
- Strong relationships with Iwi and Hapū
- Actively engage with the community particularly the youth
- Our environment and most valued landscape features are protected

How it all fits together



Ā mātou Wero

Our Challenges

Over the past 15 years our Council has focused on upgrading the District's water infrastructure, key community facilities and implementing projects to make South Taranaki a desirable place to live and do business.

Here are some key challenges we'll be facing over the next ten years and how we plan to meet these:

Page 10

Support sustainable economic growth, especially after COVID-19

By completing key projects such as Te Ramanui o Ruapūtahanga (see pages 11) and create the conditions that encourage sustainable economic growth in the right places, along with development of the South Taranaki Business Park, the Western Hāwera Structure Plan and town centre upgrades for Manaia, Eltham, Ōpunakē, Pātea and Waverley.

Page 13

Manage our debt and keep rates affordable at a time of rising costs

By funding our key projects with a combination of loans, existing reserves, external funding sources and earnings from the Long Term Investment Fund, rather than through rates.

Page 17

Minimise the impacts of climate change and manage our environmental sustainability requirements, including how we pay for the rising costs related to meeting new legislation

By implementing our environment and sustainability strategy.

Page 20

Work through the Government's local body reform programme

By transitioning and implementing the Government's reform programme while continuing to upgrade and manage our water, wastewater and stormwater infrastructure.

Page 25

Complete our planned capital work programme with pressure on resources

By prioritising capital works projects and increase the capacity of teams to deliver.

Toitū te Taiōhanga, Toitū te Tangata

Sustainable Economic and Population Growth

Our challenge: Support sustainable economic growth, especially after COVID-19

Background

In a report released in June this year, Venture Taranaki said that, despite the COVID-19 pandemic, Taranaki had recorded the highest GDP per capita in the country in 2021 and is experiencing a record low unemployment rate of 2.4%.

The focus on food and beverage production and farming has largely protected the regional economy from the effects felt elsewhere. Venture Taranaki found that job numbers had been steadily growing in Taranaki, a trend that it expects will continue, and the regional economic outlook continues to be positive.

What's happening now?

However, the region is not immune from what is happening across the rest of New Zealand. Like the rest of the nation, Taranaki people are feeling the effects of the rising costs of housing, food and fuel, and even though South Taranaki has a stable economic and employment base, our reliance on the dairy, oil and gas sectors and on a handful of large employers also presents some risk.

Our challenge

While the medium to long term predictions for economic growth in South Taranaki are positive, one of our challenges, as for most rural/provincial councils, is how to retain and grow our population (and ratepayer) base.

Using Statistics New Zealand's medium projections, South Taranaki can expect a small increase in population of 0.3% per year across the District.

This growth is expected to be mainly in and around Hāwera while the rural areas are likely to experience a small decrease. We believe that if South Taranaki is to achieve its potential, we must attract more skilled workers and their families to the District.

Toitū te Taiōhanga, Toitū te Tangata

Sustainable Economic and Population Growth

Town Centre Revitilisations

The Hāwera Town Centre Strategy is a key economic development initiative designed to provide a clear direction for the revitalisation and future development of the Hāwera urban centre.

The project aimed to address issues around the condition, accessibility and number of vacant commercial properties and the general lack of appeal to residents and new businesses. Its intention is to restore confidence and stimulate private investment, which will in turn provide real potential to keep existing/attract new residents and businesses to South Taranaki.

To date three town centre projects (Campbell Lane, Korimako Lane and the Countdown carpark/Nelson Street precinct) have been completed. Both Campbell Lane and Korimako Lane involved demolishing old, dilapidated buildings on High Street to create attractive pedestrian thoroughfares through to public car parks.

The Council has also developed high-level masterplans (co-designed with the community) for revitalising Eltham, Ōpunakē, Manaia, Pātea and Waverley town centres. The aim is to develop a suite of actions for each town centre that would encourage vibrancy, improve amenity and social connectedness.

The masterplans look at things like movement in and around the CBDs (pedestrians, cycles and vehicles), sustainable design and the relationship of adjoining developments. Following strong public support $10.6 million was committed in our 2021-31 Long Term Plan to undertake the town centre revitalisation work. Work on revitalisation projects in Eltham and Waverley will start in the latter half of 2022.

Te Ramanui o Ruapūtahanga

Te Ramanui o Ruapūtahanga is the Council's main project in the Hāwera Town Centre Strategy and will bring much needed foot traffic, visitors and vibrancy to the central business district. The modern $15.5 million multi-functional community facility will transform the town centre and provide residents and visitors with a wide range of services, information, cultural and educational resources right in the heart of Hāwera. These will include a library, community meeting rooms, art gallery, i-SITE visitor information centre, café and public toilets.

Demolition and clearing of the site were completed in April 2022 and construction will start in July 2022. The Council's original external fundraising target for the project was $3.2 million and to date just under $7 million has been secured with major contributions from the TOI Foundation ($2.8 million) and the Government's COVID-19: Infrastructure Investment Fund ($4 million). The Council's contribution is being funded by our Long Term Investment Fund (interest from the Fund will be used to repay the loan over a number of years), so there is no impact on rates to pay for this development. The facility is planned to be open by 2024.

Toitū te Taiōhanga, Toitū te Tangata

Sustainable Economic and Population Growth

Business Enterprise Hub

In collaboration with Bizlink Hāwera we are developing a District Business Innovation and Enterprise Hub.

Based initially in Hāwera, with the potential to expand to other towns, this initiative aims to support social and economic growth by providing a range of services such as co-working spaces, enterprise incubation, seed funding, business support, training and events.

The aim is to grow entrepreneurial activity and create a vibrant and connected business start-up community in South Taranaki.

Nukumaru Station Road Extension

As a result of flooding in 2015, the Limeworks Bridge (the only access to the Waiinu Beach community and Silver Fern Farms (Waitōtara) Food Processing Company) was severely damaged. The bridge was repaired, but because the river is prone to flooding, the chances of it being washed out again are high.

To have a secure permanent alternate access to the Beach community, the Waitōtara Freezing Works and other industries (such as forestry and quarrying), we are building a new road to connect with Nukumaru Station Road. The cost of the road is $10.1 million.

Of this, $7 million is being funded by the Government, $1.2 million from the New Zealand Transport Agency (Waka Kotahi) and the remaining $2 million is coming from the Council).

To date approximately 60% of the road has been completed.

District Business Park

In the right circumstances, business parks can help to overcome low growth and can assist in reforming a local economy.

To support reinvestment, industry growth, and diversification, the Council commissioned a feasibility study in 2019 to look at developing a business park somewhere in the District. The study found that, while there was considerable demand from new and existing businesses to establish and grow, there was a lack of industrial land available in the right locations, with the required infrastructure.

An area on the north side of Hāwera was identified as the best location and Council provided $3 million in September 2020 to begin designing and constructing infrastructure (roading and water, wastewater and stormwater) in three stages so the area can be developed. As part of the consultation on its 2021-31 Long Term Plan, the Council asked for feedback on whether it should complete all three stages, complete stages one and two or not progress beyond stage one. The feedback was that the community strongly favoured completing all three stages and $12.2 million has been allowed in the 2021-31 Long Term Plan for that purpose.

Council's contribution to the Business Park will initially be **funded by taking out a loan**. Over time, we will receive **financial contributions** from businesses establishing in the Park to help repay the loan. This means the impact on rates to fund the Business Park will be minimal.

Council is currently assisting active developers and at least 10 lots within the Business Park are already committed. The new tenants are a mixture of relocating and expanding businesses and some that are new to the District. It is estimated that 300 to 400 people will be employed in these businesses within the next four years. With a significant marketing campaign planned later this year, demand for lots is expected to increase.

The Business Park will support post-COVID-19 economic recovery, resilience and provide growth opportunities for the District.

Kia tau ai ngā Reiti

Keeping Rates Affordable

Our challenge: Manage our debt and keep rates affordable at a time of rising costs

Background

South Taranaki is a District of small towns and large rural areas, which means we have high levels of facility duplication and, compared to many other local authorities, an inherently high-cost structure.

For example, we operate 10 water treatment facilities, 37 reservoirs, 8 wastewater treatment plants, 7 libraries, 7 swimming pools, 7 transfer stations, 38 playgrounds and 10 cemeteries – for a population of around 29,100.

Over the years we have consulted our communities on rationalisation of some of these facilities and each time received a clear message to retain and maintain the assets and facilities.

What's happening now?

This direction from our communities, coupled with **mandatory upgrade requirements** (for example, the Drinking Water Standards and costs related to meeting new environmental legislation such as the Government's freshwater reforms) has driven our capital upgrade programme, which in turn drives debt levels (see more about debt on page 15).

In addition, and like all sectors of the economy, the Council faces higher than usual cost increases (inflation) over the next couple of years. Treasury warned in its 2022 Budget Economic and Fiscal Update that *"Inflation has surfaced as the principal economic challenge in New Zealand and abroad… driven by strong domestic demand pushing up against constrained supply, which in turn has been compounded by the Russian invasion of Ukraine."* As a result, Treasury expects inflation to be above 5% until late 2023, and above 3% until the start of 2025.

Unlike most others, our Council is in the fortunate position of having an investment fund that subsidises rates and funds community projects designed to make South Taranaki an attractive and desirable place to live, work and do business (see more about our Investment Fund on page 15).

Our challenge

However, our challenge remains - how, when faced with rising costs, do we continue to provide the services and facilities our communities expect, while keeping rates at an affordable level, from a relatively small base of ratepayers spread across a large geographic area?

Kia tau ai ngā Reiti

Keeping Rates Affordable

We employ a range of approaches to help keep rates affordable including:

- Funding key projects with a combination of loans, existing reserves, external funding sources and earnings from the Long Term Investment Fund, rather than through rates.
- Having a total rate cap of 4.75% (see page 31)
- Subsidising rates on average by $6.4 million pa using earnings from our Long Term Investment Fund (see more on page 15).
- Collaboration with other Taranaki councils where appropriate to achieve efficiencies and cost savings.

Did you know?

As a result, the average total rate increase for the current financial year is 2.84% and the projected average rate increase over the next eight years is 3.81%

Using Debt to Fund Key Infrastructure

Over the last ten years we have invested around $249 million on renewing and upgrading the District's key infrastructure (including roads) and facilities.

Much of this work was required simply to meet new standards – for example work done on our water supplies was driven by the need to meet new Drinking Water Standards – or to replace ageing facilities. This work was largely funded by taking out loans that are paid back over a number of years.

This is a deliberate strategy – we take out loans (borrow) for building infrastructure and facilities so the costs of an asset are spread over the lifetime of that asset, and future generations who will use and benefit from the asset will contribute their fair share of the loan repayments. **This is called intergenerational equity.**

Managing our Debt*

*(*All figures include internal borrowing)*

Council's total debt at 1 July 2022 was	Debt is projected to peak at	Over the next nine years we plan to make about	Our average annual debt servicing over that time will be
$127.8m including **$15.6m** of internal borrowing	**$166.2m** in 2028 and decrease after that, so by 2031 it is expected to be **$159.9m**	**$57.4m** in loan repayments and raise about **$88.7m** in new loans.	**1% (net)** and **4.6% (gross)** of our total revenue.

The Council has set clearly defined limits to manage its debt and over the next nine years our debt stays well within these limits (see more about our debt limits on page 31 and 32).

The Council is also a Principal Shareholder in the Local Government Funding Agency (LGFA). The LGFA was established so the local government sector could use its collective bargaining power to borrow long term funds at lower interest margins than individual councils could do on their own. As a result of being an LGFA shareholder and our Standard & Poors AA/A-1+ with Stable Outlook credit rating, we are able to make substantial savings each year on debt servicing and this will increase over time. These savings have been used to increase loan repayments.

Kia tau ai ngā Reiti

Keeping Rates Affordable

Council Investments and Debt

As well as having debt the Council also has significant investments. So, while our debt at 1 July 2022 was $127.8 million, we had investments valued at $143.5 million. This means we have $15.7 million more investments than debt.

The Council could pay off all of its debt using its investments; however, it is more prudent to borrow money to fund infrastructural projects because the return on our investments is greater than the cost of servicing our loans. This approach also supports the principle of intergenerational equity.

Long Term Investment Fund

The Council's Long Term Investment Fund (LTIF) was created by investing the proceeds from the sale of Egmont Electricity ($88.7 million) in 1997.

The Council's Investment Policy guides decisions around its investments. The goal is to grow the LTIF so that each year returns from it are used (in order of priority) to:

1. **Subsidise rates** (by $3.87m)
2. Service interest and loan repayments for specific community projects (by $1.73m)
3. Fund the Hāwera Town Centre Upgrade and Earthquake Prone Building Projects expenses and to service loans (by $0.86m)
4. Maintain the **real value of the LTIF**
5. Build an **investment fluctuation reserve**

Did you know?

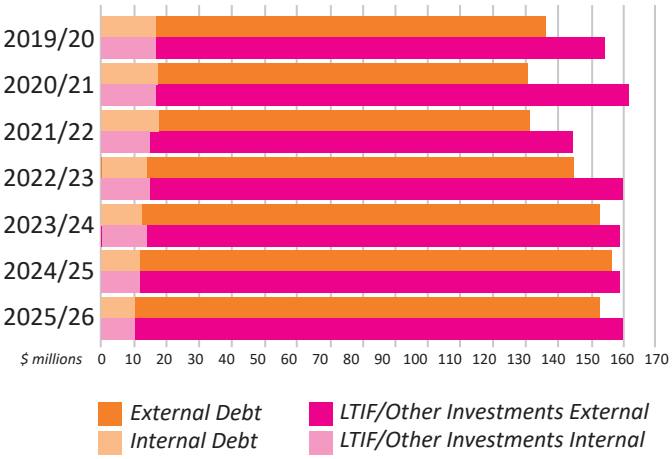
The LTIF has returned over $115 million to the South Taranaki community since it was started in 1997.

Over the next nine years the annual drawdown for the rates subsidy and specified community projects ranges from $6 to $6.7 million (average of $6.4 million).

To meet these commitments the LTIF needs to provide an average annual return of 4.5%. Since it began in 1997 to June 2022 it has achieved an average gross return of 6.79% and over the next nine years we project it will return between 6.35% – 6.81%.

The LTIF is invested across a diversified portfolio including cash, fixed interest, property and equities and we employ highly qualified independent advisors (Mercer) to ensure we achieve the optimum balance between risk and return. Our Audit and Risk Committee oversees the LTIF and the performance of its advisors.

Council's Debt Profile over the next 10 years compared to our Investment Fund



Note: The figures in the graph have been calculated including internal borrowing and after withdrawal of the annual drawdown for the rates subsidy and specified community projects.

Long Term Investment Fund Quick Facts

- Current Value $143.5million (30 June 2022)
- Projected Value in 2025 $155.43 million
- Average gross return 6.79%
- $115 million returned to the community through rate subsidies and community projects

Kia tau ai ngā Reiti

Keeping Rates Affordable

Shared Services and Partnerships

A key strategy our Council employs is a commitment to 'Shared Services' and partnerships with external organisations – collaborative initiatives designed to share knowledge and produce operational savings and efficiencies.

We are involved in over 50 collaborations with the other Taranaki councils ranging from shared library services to insurance, to emergency management. A good example that has resulted in cost savings to ratepayers is the Taranaki Regional Waste Collection Contract.

Establishing effective partnerships with Iwi, the private sector, central government, charitable and community organisations and getting external funds to support Council projects, will continue to be an important part of the way we work in the future.

Read more about how we manage our finances in our Financial Strategy, in our Long Term Plan 2021-31
www.southtaranaki.com/longtermplan

Find out more!

Taiao me te Toitū

Environment and Sustainability

Our Challenge: Minimise the impacts of climate change and manage our environmental sustainability requirements, including how we pay for the rising costs related to meeting new environmental legislation

Environmental sustainability and adapting to and minimising the impacts of climate change are important challenges that will affect the way we live, work and play in South Taranaki, both now and into the future.

Climate change poses a significant risk to New Zealand's natural and built environment. In South Taranaki, this means an increased risk of coastal erosion and more extreme weather events resulting in more frequent flooding and damage to our road network, properties and our three waters infrastructure, more droughts and invasive pests affecting our natural ecosystems and agricultural systems.

In the Ministry for the Environment's guidance document "Preparing for Climate Change" the impacts on the South Taranaki District are predicted to be:

- An increase of 1 degree Celsius in the mean temperature by 2050
- Up to 2.5% increase in mean annual rainfall and more intense rainfall events
- An estimated increase in sea level of up to 15cm within 30 years

Environmental Protection

South Taranaki's indigenous biodiversity and natural ecosystems are also in decline. Along with other agencies we have a role to play in preserving and enhancing our biodiversity.

Waste Minimisation

New Zealand has one of the highest rates of waste production (per person) across the developed nations, and one of the lowest rates of reuse and recycling. Currently, approximately 40% of the District's waste going to landfill is organic and compostable. Government and our communities want to see reductions in the amount of waste we produce and send to landfill.

Transition to Low Carbon Emissions Economy

In 2016, New Zealand ratified the Paris Agreement and agreed to reduce carbon emissions to 30% below 2005 levels by 2030. More recently, changes to the Climate Change Response Act 2002 set a target of zero carbon emissions by 2050. New Zealand's two largest contributing sectors for emissions are agriculture and energy, including transport. These sectors are a key part of Taranaki's economy, and while forestry has considerable growth potential, a significant transition to a low-emissions economy will be required. As Taranaki could be significantly affected by the move to a low-emissions economy, the transition must be carefully planned and managed, in order to retain the flourishing, vibrant and economic diversity we have today.

Taiao me te Toitū

Environment and Sustainability

We have developed an Environment and Sustainability Strategy that focuses on the areas where we believe we can have the greatest impact on our journey to become more environmentally sustainable in terms of environmental protection, climate change and waste minimisation.

Environment and Sustainability Strategy

To meet these challenges, the legal requirements set by Government, and our vision of being the most liveable District, we have developed an Environment and Sustainability Strategy that focuses on the areas where we believe we can have the greatest impact on our journey to become more environmentally sustainable in terms of **environmental protection, climate change and waste minimisation.** More specifically the Strategy includes the following actions:

1. Undertake a **Biodiversity Restoration Project** that supports planting and restoring native species on Council properties and reserves.
2. Identify, map and protect the District's remaining indigenous vegetation and ecosystems through a network of **Significant Natural Areas**.
3. Develop and implement an **energy and carbon reduction plan**, so we are a carbon neutral organisation by 2035.
4. Plant more trees on Council-owned land to **offset our carbon emissions.**
5. Develop a **District Climate Change Adaptation Plan** to minimise the impacts that climate change related events will have on South Taranaki.
6. In partnership with Stratford and New Plymouth District Councils, investigate building a **commercial composting facility** or facilities that will provide alternative local disposal options to reduce the amount of organic waste going to landfill.

The Strategy describes how we can work with our communities, Iwi/hapū, businesses and central government to take action.

We currently support a number of private landowners and community groups who are undertaking restoration activities across the District and are gradually reforesting suitable areas of Council-owned land (over 10,000 native trees have been planted as part of this project). We are also involved in regional and national conversations around potential future renewable energy projects, such as developing offshore wind farms off the South Taranaki bight.

We are currently reviewing our 2018 Waste Management and Minimisation Plan. The new Plan will be complete in 2023 and will have ambitious targets for a low-caron, zero-waste future.

Find out more!

Read our full Environment and Sustainability Strategy
www.southtaranaki.com/ess

Taiao me te Toitū

Environment and Sustainability

A Regional Approach to a Low Emissions Economy

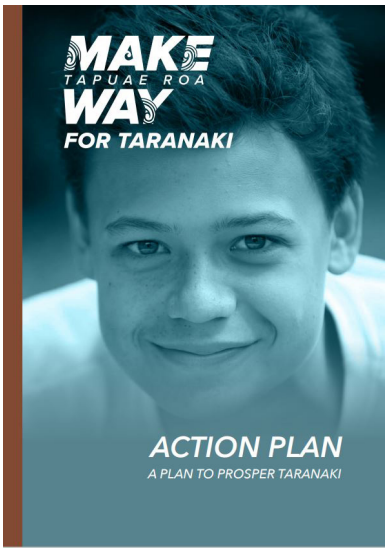
Tapuae Roa is Taranaki's 30-year economic development strategy and action plan, launched in 2018.

Its purpose is to identify and attract credible investment for future economic development. Tapuae Roa identified four focus areas to be developed and strengthened over time, to diversify Taranaki's economic base.

These are: energy, food, tourism and the Māori economy. Importantly, it lays some key platforms for shifting to a low emissions economy, as well as strengthening our economy.

Taranaki 2050 Roadmap is a programme to help our region's communities, enterprises, and residents navigate New Zealand's shift to the low-emissions economy of the future, while ensuring the important aspects of life can be shared by everyone.

The Roadmap was co-designed by thousands of people across the region and published in August 2019. Twelve transition pathway action plans were developed in 2019 and 2020. A prioritised suite of investment proposals has been provided to central government to support a just transition to a low-emissions future.



The Roadmap was co-designed by thousands of people across the region.

SCAN ME

Read more about Tapaue Roa and Taranaki 2050 Roadmap
www.makeway.co.nz

Find out more!

Whakahoutanga Kāwanatanga-ā-Kāinga

Local Government Reforms

Our challenge:

Work through the Government's local body reform programme

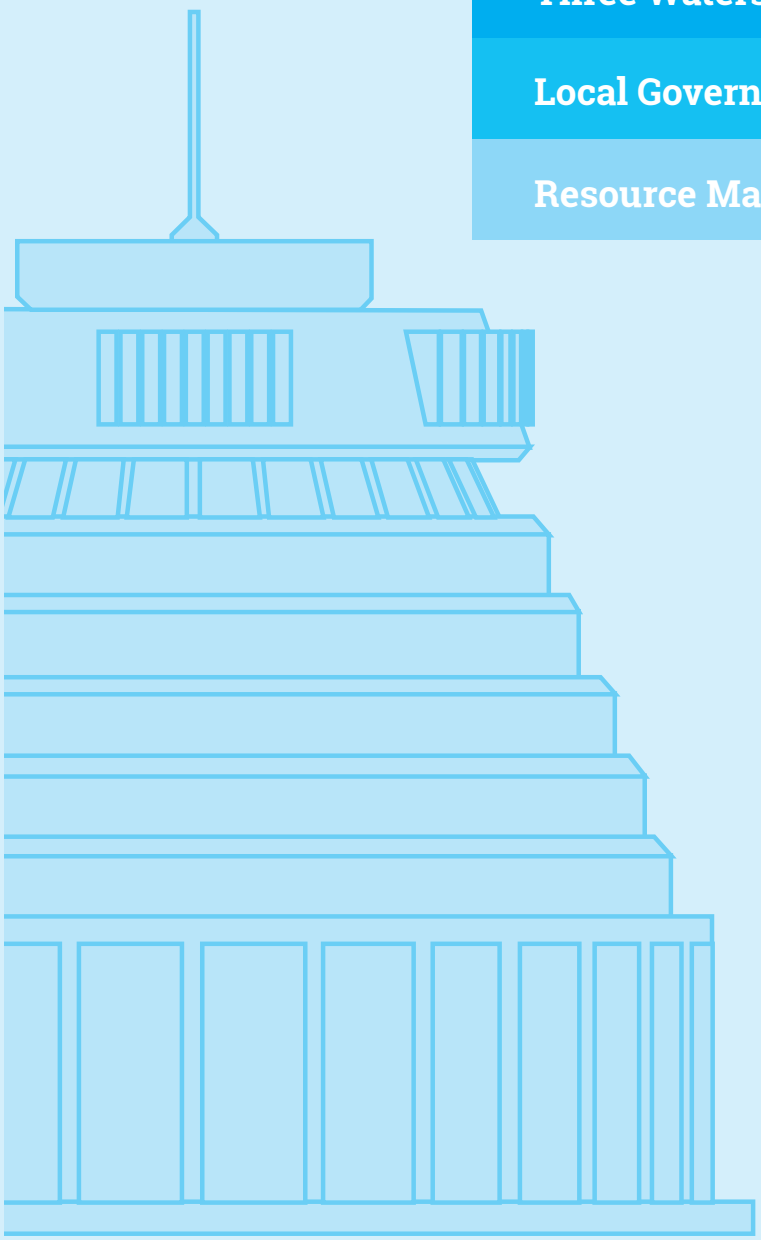
Central Government is currently undertaking three significant reform and review processes that will have a major impact on local government – Three Waters, Resource Management and the Future of Local Government. These reviews and reforms will fundamentally change the way local government operates, including how decisions are made and by whom, what local government does and how it does it.

These reforms are also progressing along different timelines and add to the increasingly complex and uncertain environment for local government now and post the 2022 elections. But while there is no clear indication at this stage of what the future holds, one thing is certain – local government will look very different to what it does now.

Three Waters Reform

Local Government Reform

Resource Management Act Reform



Whakahoutanga Kāwanatanga-ā-Kāinga

Local Government Reforms

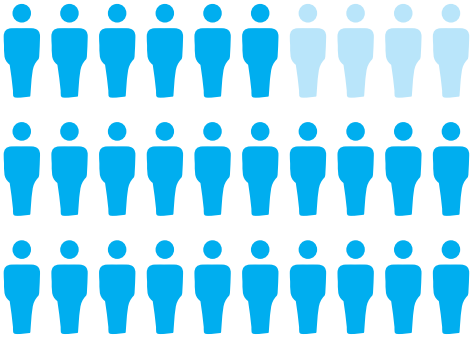
Three Waters Reform

The current replacement value of our three waters assets is

$463m

with about $77 million in liabilities (loans).

The Council employs between 26 – 30 staff



and contracts work to Veolia to manage and deliver the three waters services in our District.

Following the serious campylobacter outbreak in 2016 and the Government's Inquiry into Havelock North drinking water, central and local government have been considering the issues and opportunities facing regulation and management of the three waters (drinking water, wastewater and stormwater).

The focus has been on how to ensure safe drinking water for all, improve the environmental performance of wastewater and stormwater networks and deal with funding and affordability challenges, particularly for communities with small rating bases or high-growth areas that have reached their borrowing limits.

In 2021 the Government announced that it would proceed with proposals to change the way three waters are delivered.

The proposal is that three water assets would be removed from councils and all of their three water assets, and any liabilities (debt) related to three waters would transfer to a new body, (in our case) to be known as the Western – Central Entity. The proposed transfer is to happen on 1 July 2024, which would be within the term of the incoming council.

Parliament is currently considering the Water Services Entities Bill that creates the Western – Central Entity and three others around the country. Under the Bill these four entities will manage the future delivery of three waters services across the country.

The Government has said that later in the year a second bill will provide further details on the powers and duties of the four entities. That bill will allow the Government to regulate the amount and ways in which the entities charge for their services. We understand this bill will enter Parliament in or around September 2022 so the incoming Council will need to decide whether it wishes to submit on this bill and what it might say.

This is a significant issue for our Council. The current replacement value of our three waters assets is $463 million, with about $77 million in liabilities (loans). The Council employs between 26 – 30 staff and contracts work to Veolia to manage and deliver the three waters services in our District.

Since the reform was announced we have experienced staff shortages, and it has become increasingly difficult to recruit new staff into the three waters area. This will continue to affect our ability to deliver quality three waters services over the next two years as we transition to the new body.

The next Council will need to work with the Western – Central Entity to ensure South Taranaki gets the services it needs now and in the future. In particular we will need to work closely with the Government as the Western – Central Entity is set up, to make sure our community is represented on or through the regional representative group. The

Whakahoutanga Kāwanatanga-ā-Kāinga

Local Government Reforms

Three Waters Reform

Council will also need to work with me, as Chief Executive, to ensure my staff are supported through an incredibly challenging period of change management, both for those transitioning to the new entity and those that are not, while continuing to deliver the Council's work programmes.

In December 2021 the South Taranaki District Council unanimously agreed to join a group of 32 councils (Communities 4 Local Democracy) opposed to the Government's three waters reform model and to campaign in favour of other three waters options that meet the needs of community, councils and Government.

Find out more!

> Watch a short video explaining the Government's reasons for change
> ***www.youtube.com***
> *Search - 'Why reform is needed three waters'*

> Visit the Department of Internal Affairs three waters reform page
> ***www.dia.govt.nz***
> *Central and local govenment > Three Waters Reform Programme*

> Read more about that decision and the Council's submission against the Water Services Entities Bill on
> ***www.southtaranaki.com***
> *Our Services > Water > Three Waters Reform*

> Find out more about Communities for Local Democracy and its alternative proposal for three waters
> ***communities4localdemocracy.co.nz***

Whakahoutanga Kāwanatanga-ā-Kāinga

Local Government Reforms

The Resource Management Act Reforms

After many years of incremental changes, the Government is overhauling the resource management system to:

- protect and restore the environment and provide for intergenerational well-being
- better enable development within environmental limits
- better recognise Te Tiritri o Waitangi principles, te ao Māori and mātauranga Māori
- better prepare for adapting to climate change and risks from natural hazards, as well as mitigating greenhouse gas emissions
- make the system less complex and more efficient while retaining local democratic input.

The Government has said it will replace the Resource Management Act 1991 with three new pieces of legislation to achieve its objectives. These are:

1. The **Natural and Built Environments Bill** is expected to be introduced to Parliament at about the time of our Council elections and will require outcomes-based planning, development within environmental limits and create a single regional plan.
2. The **Strategic Planning Bill**, also to be introduced at about the same time, will introduce mandatory 30-year regional spatial strategies that set out, at high level, how regions and communities will develop integrating land use, major infrastructure and investment.
3. The **Climate Adaptation Bill** is likely to be introduced to Parliament in 2023, and will deal with the policy, economic and legal issues around adapting to the effects of climate change, including managed retreat.

The reform of the resource management system will have a significant impact on South Taranaki including future governance arrangements, functions, structure, decision making, operations, investment priorities (for example, some of our current planning and regulatory functions will be handled at a regional level).

The resource requirements and costs of transition cannot be underestimated, particularly as we transition to the new system while fulfilling essential requirements under the current one.

The reform of the resource management system will have a significant impact on South Taranaki including future governance arrangements, functions, structure, decision making, operations, investment priorities

Find out more!

Learn more abou the Resource Management Act Reforms
www.environment.govt.nz
Search 'Overview of the resource management reforms'

SCAN ME

Whakahoutanga Kāwanatanga-ā-Kāinga

Local Government Reforms

Future For Local Government

In April 2021 the Government established a review into the Future for Local Government to identify how our system of local democracy and governance needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment, and actively embody Te Tiritri o Waitangi partnership.

Five key areas the review is considering are:

1. How should the system of local government governance be reshaped so it can adapt to future challenges and enable communities to thrive?
2. What are the future functions, roles and essential features of New Zealand's system of local government?
3. How might a system of local governance embody authentic partnership under Te Tiritri o Waitangi, creating conditions for shared prosperity and wellbeing?
4. What needs to change so local government and its leaders can best reflect and respond to the communities they serve?
5. What should change in local governance funding and financing to ensure viability and sustainability, fairness and equity, and maximum well-being?

The Review has wide implications for how we will operate in the future and what we will do. It is likely that activities focused on community wellbeing will become our core business. This may include social housing and greater involvement in community health and welfare and the cultural fabric of our District.

The Review has wide implications for how we will operate in the future and what we will do. It is likely that activities focused on community wellbeing will become our core business. This may include social housing and greater involvement in community health and welfare and the cultural fabric of our District.

A draft report and recommendations for public consultation will be released after this year's local elections and the final report will be presented to the Government by 30 April 2023.

The new Council will need to respond to the recommendations soon after being elected, as Government decisions may change the Council's role, functions and structure.

Āheitanga me te Hāpai i ngā Mahi Nunui

Capacity and Resourcing of Capital Works

Our challenge:

Complete our planned capital works programme with pressure on resources

Background

Another key challenge our Council, like all others in New Zealand are facing, is our ability to complete all the projects we have planned to do. Delays caused by COVID-19, interrupted supply of goods, limited contractor availability, and (because of upcoming Government three waters reforms) our ability to attract and retain skilled staff have reduced the volume of work we planned to undertake in the past year.

For example, our capital works programme in 2022/23 includes carry over funds of $29 million from 2021/22.

Our progress so far...

The Council has taken steps to assist with delivery on the capital works programme by doing things such as purchasing pipe ahead of key projects, increasing delivery team capacity and spreading funds over several years to cover design and build.

But, as most of the contributing factors are issues outside our control, this is likely to be an ongoing challenge in the short to medium term.

Another challenge for our District in the future is how building owners (including Council) might be affected by the earthquake prone buildings provisions in the Building Act.

Earthquake Prone Buildings

The amendments to the Act, introduced by the Government following the devastating Christchurch earthquakes, included major changes to the system for managing earthquake prone buildings. The changes aim to strike a balance between protecting people from harm in an earthquake, managing the costs of strengthening or removing buildings and any impact on heritage.

Timeframes for having buildings assessed and completing work on earthquake prone buildings are set by location, relative to the level of seismic risk in an area. Taranaki has been identified in a Medium Risk Zone which means we must identify potential earthquake prone buildings in the District by 30 June 2027, and subsequently building owners whose buildings have been identified as earthquake prone must strengthen or demolish them within 25 years.

Our progress so far...

Since 2015 we have been progressively assessing and strengthening our own earthquake prone buildings. We also have a contestable assistance package ($10,000 per building) to help owners of commercial buildings to strengthen or redevelop their properties.

Ngā Kaupapa Matua

Significant Projects

Completed or underway

The COVID-19 pandemic created sizeable challenges over the last three years and continuing to provide services to our communities despite restrictions has been a major achievement.

While the COVID-19 lockdowns and supply issues affected our ability to complete all our planned projects, we completed or made substantial progress on a number (pictured below).

Hāwera Town Centre Strategy
Campbell Lane, Korimako Lane and the Countdown carpark/Nelson Street precinct completed and Te Ramanui o Ruapūtahanga – construction underway

New Water Treatment Plant, Waverley
Completed

New Wastewater Treatment Plant, Waiinu Beach
Completed

Rāhotu Water Treatment Plant Clarifier Replacement
Completed

Ablution Pods Installed
Installed at Waihi Beach and Bayly Road. Nowell's Lake underway.

Ōpunakē Water Treatment Plant Intake
Protection/stabilisation work completed

Hunter Shaw Building Earthquake Strengthening
Completed

Ōpunakē Beach retaining wall
Completed

Nukumaru Station Road Extension
Underway approx. 60% completed

Town Centre Master Plans for Eltham, Ōpunakē, Manaia, Pātea and Waverley
Plans completed, projects underway in Eltham and Waverley

Environment and Sustainability Strategy
Adopted and being implemented

Kāpuni Water Supply Duplication Main
Completed

South Taranaki Business Park Infrastructure
Stage 1 of 3 underway

Normanby - Hāwera Pathway
Via Ketemare Road.
Completed

Soldier's Park Pathway, Eltham
Completed

Representation Review
Completed

Manaia Swimming Pool Upgrades
Completed

Business Enterprise Hub
Construction underway

For a more complete update on the progress we have made with our planned projects check out our Annual Reports on our website under Our Council > Plans, Strategies and Reports > Annual Reports

Rautaki Hanganga-ā-roto

Infrastructure Strategy

While the Government continues to push ahead with its three waters reform programme (see page 21) there remains a degree of uncertainty, and we know there will be a transition period from Council to the new entity.

While this is happening, we need to continue business as usual and plan for the future. As such we have an Infrastructure Strategy for managing our road, stormwater, water and wastewater assets over the next 30 years.

Thanks to the work we've done over the last 15 years, our infrastructure is in pretty good shape. However, as discussed earlier in this report, there are some challenges we face regarding meeting new environmental legislation requirements (for example the Government's freshwater reforms will introduce higher standards for doing things like taking water from our rivers and discharging wastewater to the environment), minimising the impacts of climate change, improving our resilience to more extreme weather events and reducing waste going to landfill.

Over the next ten years we've planned to maintain our current assets and service levels, improve our wastewater infrastructure, strengthen our resilience, and encourage sustainable growth in the right places.

We will do this by focusing on:

1. Reducing water loss (leakage) from our water networks and reducing water entering our wastewater networks (sewers). Doing this will also extend the lives of these assets and significantly delay the need for further, more costly, investment.
2. Upgrading our wastewater networks and budgeting for tertiary treatment at our wastewater treatment plants.
3. Finding new sources of water and building new reservoirs.
4. Building the South Taranaki Business Park infrastructure.
5. Installing water, wastewater and stormwater infrastructure for residential growth in the Hāwera western area.
6. Completing existing projects such as Te Ramanui o Ruapūtahanga and the Nukumaru Station Road extension.

Some key infrastructure projects the Council is working on over the next three years

Water Supply

Infrastructure Project	Est. Cost
Pātea, treatment and pressure improvements	$3.2m
South Taranaki Business Park water main	$1.8m
Ōpunakē water treatment plant upgrade	$1.5m
Second Ōpunakē reservoir	$1.9m
Second reservoir for Waverley	$600,000
Hāwera western residential growth/ development	$600,000
Waverley replacement bore	$1.4m
Renew District urban water pipes	$7.95m
Renewals in urban water treatment plants	$900,000
Waimate West trunk main duplication	$2.4m
Waimate West and Inaha water pipe renewals	$4.59m
Ōhawe water supply trunk main renewal	$2m
Footpaths	$2.4m
Nukumaru Station Road extension	$10.1m
South Taranaki Business Park roading	$4m
Total road renewals, resurfacing, upgrades and minor improvements	$30m
Road resealing	$7.8m
Road rehabiliation	$8m

Wastewater

Infrastructure Project	Est. Cost
South Taranaki Business Park wastewater	$2.8m
Tertiary treatment Waverley WWTP	$2.2m
Reticulation renewals	$4m
Wastewater network upgrades and treatment renewals including inflow and infiltration improvements	$3.81m

Stormwater

Infrastructure Project	Est. Cost
South Taranaki Business Park	$3.9m
Matangarara landfill stormwater improvements	$500,000

Coastal Structures

Infrastructure Project	Est. Cost
Repairs to Pātea moles	$800,000

Rautaki Hanganga-ā-roto

Infrastructure Strategy

The Council owns and maintains a network of

1,634 km of roads (84% sealed)

299 bridges

83 major culverts

2,252 streetlights

63km of footpaths

more than 75km of stormwater pipes to minimise flooding

District Roading

The roading activity accounts for around 24.19% of all operational expenditure and represents our largest operational expenditure.

The condition of Council roads has seen the lowest satisfaction rating in the last two resident surveys (see page 36). In response we increased the roading and footpath budget in the 2021 -31 Long Term Plan.

We also budget $800,000 each year to go into an emergency works reserve to account for the increase in extreme weather/ flooding events.

Over the next nine years our projected capital expenditure on roading is $91 million and operational expenditure is $203 million.

Find out more!

Read Council's full Infrastructure Strategy
www.southtaranaki.com
Our Council > Plans Strategies and Reports > Long Term Plans

Ngā Tahua Kaunihera

Council Finances

The Council is in a sound financial position.

As previously described, net debt at 1 July 2022 was zero as the Council has more investments than debt.

In June 2021, S&P Global upgraded our credit rating to 'AA/A-1+' with a Stable Outlook due to our very strong internal liquidity, budgetary flexibility and large holdings of financial assets in the Long Term Investment Fund.

Council's Financial Strategy describes how we plan to pay for our services and activities over the next nine years. The five key themes in the Strategy are:

- Encouraging sustainable growth.
- Ensuring environmental sustainability.
- Managing our resources effectively.
- Keeping rates affordable.
- Effective management of debt.

The main ways we will achieve these priorities are through:

1. Prudent borrowing and management of our debt.
2. Effective management of our Long Term Investment Fund including using earnings from the Fund to subsidise rates and pay for specific projects.
3. Efficiency and cost savings through shared services with other Taranaki councils.
4. Partnerships with external organisations to access funding where it is available.

Rate Caps and Borrowing Limits

The Council understands that continual, large rate increases are neither desirable nor sustainable. In 2012 it introduced a number of limits, or caps on rate increases and debt ratios as part of its Financial Strategy.

Rate Caps

We aim to limit average rate increases to no more than the forecast percentage increases in the Local Government Cost Index plus 2%.

This limit is applied to the District Rate (made up of the General Rate, the Roading Rate and the Uniform Annual General Charge), Targeted Rates (including water, wastewater and kerbside collection rates) and overall Total Rates (District and Targeted Rates combined).

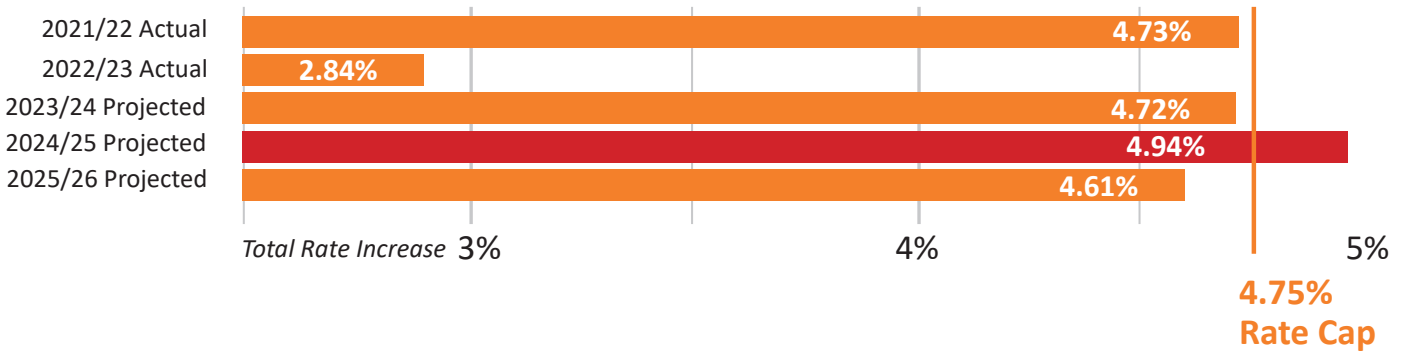
Did you know?

Our Total Rates Cap each year for the ten years from 2021 – 31 is 4.75%.

Our (average) projected Total Rates Increase each year for the ten years from 2021 – 2031 is 3.99%

The graph below highlights our total rates cap for the years 2021-2026 and identifies the actual and projected increases from the 2021-31 Long Term Plan.

Rate Caps for the years 2021 - 2026



Ngā Tahua Kaunihera
Council Finances

Borrowing Limits

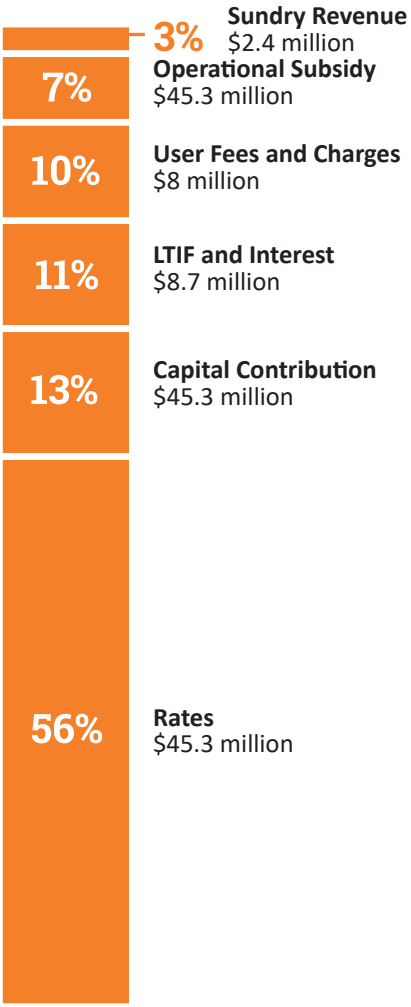
In managing our borrowing, the Council has set a total debt cap of $168 million as well as the following limits which are outlined in our Liability Management Policy.

	Target Limit	Actual 2019/20	Actual 2020/21	Forecast 2021/22	Projected 2022/23	Projected	Projected 2024/25	Projected 2025/26
Net Debt as Percentage of Total Income	<150%	(47%)	(51%)	(39%)	(24%)	(9%)	(7%)	(11%)
Net Interest Expense as a percentage of total annual income	<15%	2%	(16%)	(7%)	3%	3%	2%	2%
Net Interest Expense as a percentage of total annual rates income	<25%	3%	(37%)	(11%)	6%	4%	4%	3%
Net Debt per Capita	<$2000	($1,069)	($1,756)	($906)	($676)	($260)	($191)	($333)
Liquidity Ratio over existing external debt	>110%	146%	148%	140%	Council will maintain the >110% ratio			

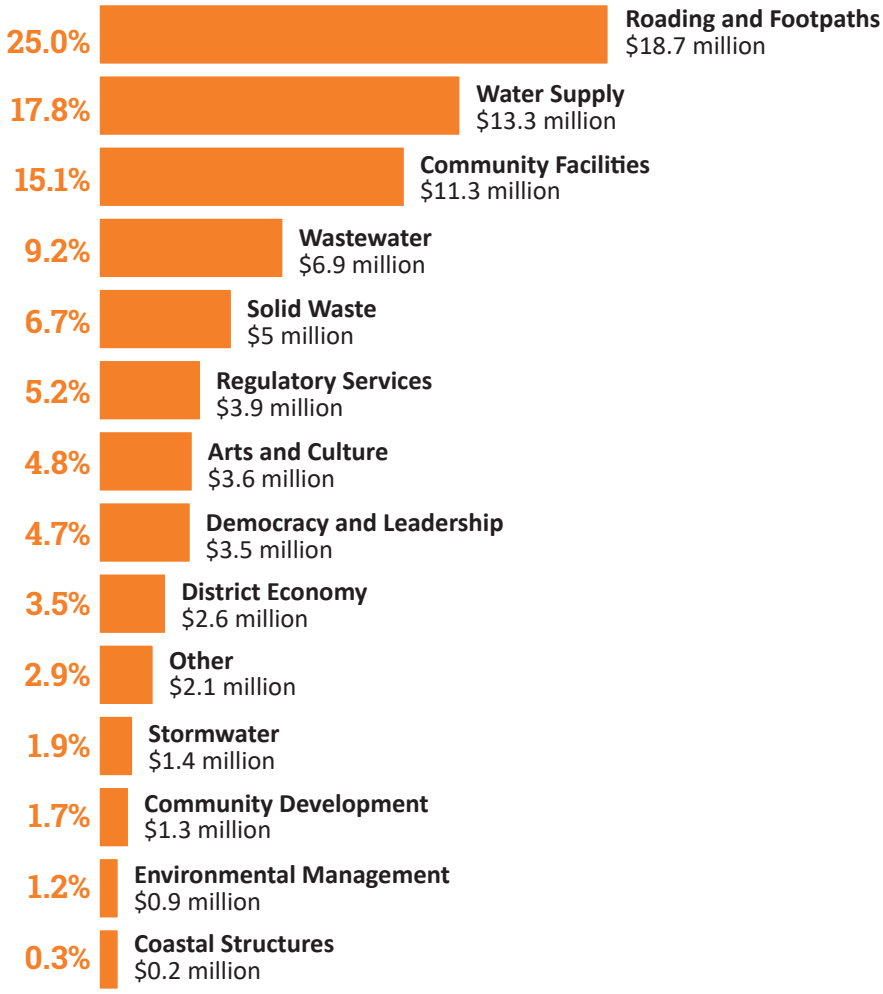
**Projections come from Council's audited 2021-31 Long Term Plan*

The Council remains well within all borrowing limits, both actual and projected.

Our Income 2022/23
$80.7 million



Our Expenditure 2022/23
$74.7 million



Ngā Tahua Kaunihera

Council Finances

Funding Impact Statement for Whole of Council

For the years ended 30th June	Audited Actual 2019/20 *($000)*	Audited Actual 2020/21 *($000)*	Audited LTP Budget 2021/22 *($000)*	Forecast 2021/22 *($000)*	AP Budget 2022/23 *($000)*	Audited LTP Budget 2023/24 *($000)*	Audited LTP Budget 2024/25 *($000)*	Audited LTP Budget 2025/26 *($000)*
Sources of Operating Funding								
General Rates, uniform annual general charges, rates penalties	15,454	15,780	16,931	17,139	17,847	18,609	19,388	20,200
Targeted Rates	27,151	26,882	27,117	27,093	27,461	29,646	31,226	32,731
Subsidies and grants for operating purposes	5,283	6,526	6,246	7,175	5,860	6,356	6,537	6,978
Fees and Charges	5,966	6,820	7,329	7,652	8,037	8,195	8,498	8,766
Interest and dividends from investments	3,261	19,960	8,457	(9,766)	8,665	8,834	8,775	9,280
Local authorities fuel tax, fines, infringement fees and other receipts	2,474	2,509	1,707	2,690	2,426	2,084	2,154	2,234
Total operating funding (A)	**59,588**	**78,477**	**67,787**	**51,983**	**70,295**	**73,724**	**76,578**	**80,189**
Applications of operating funding								
Payments to staff and suppliers	40,149	44,271	45,001	47,642	47,525	47,472	48,825	50,929
Finance costs	5,217	4,789	4,286	4,664	4,542	4,435	4,054	3,968
Operating funding applications	739	922	975	841	1,073	970	910	915
Total applications of operating funding (B)	**46,105**	**49,982**	**50,262**	**53,147**	**53,139**	**52,877**	**53,789**	**55,813**
Surplus (deficit) of operation funding (A-B)	**13,483**	**28,495**	**17,525**	**(1,164)**	**17,156**	**20,847**	**22,789**	**24,376**
Sources of capital funding								
Subsidies and grants for capital expenditure	3,590	10,045	7,591	5,036	8,191	5,646	5,803	5,972
Development and financial contributions	92	168	1,310	0	2,160	1,774	1,890	2,004
Increase (decrease) in debt	4,400	(5,800)	20,773	2,695	11,430	4,163	3,728	(2,026)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0
Lump sum contributions	82	0	0	9,107	8	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	**8,164**	**4,413**	**29,673**	**16,838**	**21,789**	**11,583**	**11,421**	**5,950**
Applications of capital funding								
- To meet additional demand	1,542	180	8,948	2,851	6,682	2,737	2,473	2,546
- To improve the level of service	8,244	7,555	25,201	14,651	28,864	13,349	12,468	9,825
- To replace existing assets	10,760	15,433	22,513	15,286	18,519	14,030	17,206	15,619
Increase (decrease) in reserves	1,100	9,741	(9,108)	(17,114)	(8,775)	4,655	4,431	3,636
Increase (decrease) in investments	0	0	(357)	0	(6,344)	(2,342)	(2,367)	(1,299)
Total applications of capital funding (D)	**21,647**	**32,908**	**47,198**	**15,674**	**38,946**	**32,429**	**34,211**	**30,326**
Surplus (deficit) of capital funding (C-D)	**(13,483)**	**(28,495)**	**(17,525)**	**1,164**	**(17,156)**	**(20,847)**	**(22,789)**	**(24,376)**
Funding Balance ((A-B) + (C-D))	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Excludes Depreciation of:	**17,498**	**19,279**	**20,292**	**19,044**	**21,578**	**22,477**	**22,827**	**24,448**

Ngā Tahua Kaunihera

Council Finances

Statement of Cash Flow

For the years ended 30th June	Audited Actual 2019/20 *($000)*	Audited Actual 2020/21 *($000)*	Audited LTP Budget 2021/22 *($000)*	Forecast 2021/22 *($000)*	AP Budget 2022/23 *($000)*	Audited LTP Budget 2023/24 *($000)*	Audited LTP Budget 2024/25 *($000)*	Audited LTP Budget 2025/26 *($000)*
Cash Flow from Operating Activities								
Cash was provided from:								
Rates	42,567	42,743	46,457	43,262	46,041	47,973	50,034	52,356
Dividends	118	4	0	20	0	0	0	0
Interest on Investments	2,907	3,605	1,897	1,923	2,012	1,989	1,981	2,096
Other Revenue	17,780	25,936	24,183	34,652	27,367	24,055	24,882	25,955
Regional Council Rates	3,085	3,109	2,200	2,100	3,200	2,300	2,350	2,400
Cash was applied to:								
Payments to Suppliers and Employees	(38,823)	(41,997)	(45,535)	(48,032)	(48,881)	(47,763)	(48,838)	(50,983)
Interest paid on Term Debt	(5,534)	(4,789)	(4,286)	(5,294)	(4,542)	(4,435)	(4,054)	(3,968)
Net GST paidt to/from IRD	211	303	0	0	0	0	0	0
Provision for Landfill Aftercare	0	0	(40)	0	0	(45)	(47)	(48)
Rates paid to Regional Council	(3,085)	(3,109)	(2,200)	(2,100)	(3,200)	(2,300)	(2,350)	(2,400)
Net Cash from Operating Activities	**19,226**	**25,805**	**22,676**	**26,531**	**21,997**	**21,775**	**23,958**	**25,407**
Cashflows from Investing Activities								
Cash was provided from:								
Proceeds from Sale of property, plant and equipment	23	0	0	0	0	0	0	0
Net cash inflow from Investments	3,206	9,110	2,984	159	8,994	5,053	5,169	4,045
Cash will be applied to:								
Net cash outflow to investments	(6,000)	0	0	0	0	0	0	0
Miscellaneous - Prepayment for Landfill	0	0	0		0	0	0	0
Equipment and Intangible	(20,554)	(22,954)	(56,663)	(32,985)	(54,064)	(30,116)	(32,146)	(27,989)
Net Cash from Investing Activities	(23,325)	(13,844)	(53,680)	(32,826)	(45,070)	(25,064)	(26,977)	(23,943)
Cash Flows from Financing Activities								
Cash was provided from:								
Loans Raised	13,246	6,550	26,855	8,554	15,443	8,910	8,720	3,150
Loans Raised - Current Portion	25,000	0	0	17,000	10,000	0	0	0
Cash was applied to:								
Repayment of Debt	(9,011)	(6,435)	(6,083)	(5,984)	(4,013)	(4,747)	(4,991)	(5,176)
Repayment of Debt- Current Portion	(25,000)	(6,000)	0	(17,000)	(10,000)	0	0	0
Net Cash from Investing Activities	**4,235**	**(5,886)**	**20,773**	**2,570**	**11,430**	**4,163**	**3,729**	**(2,026)**
Net Increase/(Decrease) in Cash Held	136	6,075	(10,231)	(3,725)	(11,642)	874	709	(563)
Total Opening Cash Resources	10,567	10,703	12,528	16,703	14,910	843	1,717	2,426
Total Closing Cash Resources	**10,703**	**16,778**	**2,297**	**12,978**	**3,268**	**1,717**	**2,426**	**1,863**
Made up of:								
Cash and Cash Equivalents	10,703	16,778	2,297	12,978	3,268	1,717	2,426	1,863

Ngā Tahua Kaunihera

Council Finances

Financial Position Statement - Whole of Council

For the years ended 30th June	Audited Actual 2019/20 *($000)*	Audited Actual 2020/21 *($000)*	Audited LTP Budget 2021/22 *($000)*	Forecast 2021/22 *($000)*	Unaudited AP Budget 2022/23 *($000)*	Audited LTP Budget 2023/24 *($000)*	Audited LTP Budget 2024/25 *($000)*	Audited LTP Budget 2025/26 *($000)*
Current Assets	19,655	26,967	14,298	21,247	11,506	14,013	15,272	15,324
LTIF/Other Investments	138,459	145,700	138,543	128,900	146,394	146,162	147,232	149,802
Non Current Assets	907,697	911,075	987,385	999,865	994,612	999,442	1,102,152	1,105,693
Total Assets	**1,065,811**	**1,083,742**	**1,140,226**	**1,150,012**	**1,152,512**	**1,159,618**	**1,264,657**	**1,270,819**
Current Liabilities	8,934	13,944	10,357	10,354	15,488	10,996	w 11,306	11,639
Debt	119,221	113,308	132,396	115,878	130,665	140,474	144,203	142,177
Non Current Liabilities	17,716	10,051	17,636	2,179	4,953	17,548	17,501	17,453
Total Liabilities	**145,871**	**137,303**	**160,388**	**128,411**	**151,106**	**169,018**	**173,010**	**171,269**
Total Net Assets	**919,940**	**946,441**	**979,838**	**1,021,601**	**1,001,406**	**990,600**	**1,091,648**	**1,099,551**
Total Equity	**919,940**	**946,441**	**979,838**	**1,021,601**	**1,001,406**	**990,600**	**1,091,648**	**1,099,551**

Ngā harikoa-a-Hapori ki te Mahi-ā-Kaunihera

Resident Satisfaction with Council Performance

Each year we commission an independent residents' satisfaction survey where 400 plus residents (randomly selected and meeting demographic ratios) throughout South Taranaki's four wards are interviewed by phone.

The results provide useful information on how the community sees the Council performing in terms of the services and facilities it provides and the decisions made.

The 2022 survey of 402 residents found:

92% were **happy** with the **overall service Council provides**

83% felt **Council is moving in the right direction**

81% were **satisfied with the way rates are spent** on Council services and facilities

Highest ranked facilities/services:

- **98%** LibraryPlus
- **96%** tidiness and maintence of Cemeteries
- **96%** Halls
- **95%** Parks and Reserves
- **95%** Rubbish and Recycling service
- **91%** Playgrounds

Lowest ranked facilities/services:

- **58%** condition of Roads
- **73%** Stormwater services
- **76%** control of Animals
- **78%** Water Supply

The results (below) summarise some of the key findings of the last two surveys.

	2021 Results	2022 Results	Target
Happy with the overall service Council provides	93%	92%	NA
Council is moving in the right direction	83%	83%	NA
The way rates are spent on services and facilities	81%	81%	NA
Facilities and service at Libraries	99%	98%	≥96%
Parks and Reserves	97%	95%	≥97%
Playgrounds	94%	91%	≥90%
Maintenance of Cemeteries	98%	96%	≥95%
Public halls	94%	96%	≥90%
Cleanliness and maintenance of public toilets	79%	80%	≥80%
Hāwera Aquatic Centre services	NA	97%	≥90%
Community Pools	NA	91%	≥80%
Rubbish and Recycling Kerbside collection	92%	95%	≥90%
Wastewater system	83%	84%	≥85%
Water supply	78%	83%	≥80%
Stormwater	76%	73%	≥80%
Footpaths	78%	81%	NA
Condition of Council roads	59%	58%	≥73%
Animal control	76%	76%	≥75%

2022 Nga Pōtitanga ā-rohe

2022 Local Elections

PŌTI 2022
NGA PŌTITANGA Ā-ROHE

VOTE 2022
LOCAL ELECTIONS

MAKE YOUR MARK

Following the decision to establish Māori wards in 2020, the Council undertook a representation arrangements review. As a result of this review, elections in October 2022 will be required for the following positions:

1 Mayor

> 1 Mayor - elected 'at large'

13 Councillors

> Eltham-Kaponga General Ward (2)
> Pātea General Ward (2)
> Taranaki Coastal General Ward (2)
> Te Hāwera General Ward (5)
> Te Kūrae Māori Ward (1)
> Te Tai Tonga Māori Ward (1)

16 Community Board Members

> Eltham-Kaponga Community Board (4)
> Pātea Community Board (4)
> Taranaki Coastal Community Board (4)
> Te Hāwera Community Board (4)

Find out more!

Candidate Information Handbooks are available from Council's Administration Building, Albion Street, Hāwera, any of our LibraryPlus centres or online at *www.southtaranaki.com/vote2022*

Āpitihanga Kōrero

Further Reading

2021-31 Hōtaka Anga Whakamua
2021-31 Long Term Plan

Our Hōtaka Anga Whakamua/Long Term Plan (LTP) sets out our vision, key projects, initiatives and budgets for the next 10 years. It sets out a detailed plan for the first three years, and an outline for the remaining seven years.

With input from our community, we develop a new LTP every three years.

Read more at ***www.southtaranaki.com/longtermplan***

2022/23 Ngā Mahere ā tau
2022/23 Annual Plan

Council's Ngā Mahere ā tau/Annual Plan contains information about:

- Budget and funding impacts of Council activities
- Variations from the Long Term Plan
- A statement of service provision across all activities carried out by Council

Read more at ***www.southtaranaki.com/annualplan***

2020/21 Pūrongorongo ā tau
2020/21 Annual Report

The 2020/21 Pūrongorongo ā tau/Annual Report was adopted by Council on 1 November 2021 and provides an overview of the Council's activity during that year. Our 2021/22 Pūrongorongo ā tau/Annual Report will be developed and adopted later this year.

Read more at ***www.southtaranaki.com/annualreport***

2021-31 Te Rautaki Toitū te taiao
2021-31 Environment and Sustainability Strategy

The 2021-31 Te Rautaki Toitū te taiao/Environment and Sustainability Strategy guides decision-making for Council across four priority areas: sustainable resource management, environmental protection, climate change and waste minimisation.

Read more at ***www.southtaranaki.com/ess***

www.southtaranaki.com