

SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT 2019/20



MAKING SOUTH TARANAKI

THE MOST

liveable

DISTRICT IN NZ

Mihi

Ko Taranaki kei runga.
Ko Aotea, ko Kurahaupo e urunga mai ki uta.
Ko Turi, ko Ruatea ngā tūpuna,
Tihei mauri tū ki runga!

Mai i Okurukuru ki Rāwa o Turi,
Rāwa o Turi ki Waingongoro,
Waingōngoro ki Whenuakura,
Whenuakura ki Waitōtara.

Ko wai tērā, ko Taranaki ki te Tonga.

E ngā tini wairua, kua whetūrangihia, koutou e korowaitia ana te tauheke rā, ko Pukehaupapa, ko Pukeonaki, e moe. Haere I raro I te kahu kōrako ki tua whakarere. Ki te kāinga o tāua te tangata.

Hoki atu rā koutou ki Hawaiki nui, Hawaiki roa, Hawaiki pāmamao.

Ki a tātou ngā uri o Tiki, ki ngā kanohi kitea. Tātou mā e kawea nei ngā kete matauranga o te ao tūroa, o te ao hurihuri. Tihei mouri ora.

Ko te kaupapa e anga atu nei, ko te Hōtaka o te wā, hei tirohanga ki mua mā tātou ki te Tonga. Kia whai nei I ngā wawata kia pākari ai te rohe.

Kāti rā, ki a koutou, ki a tātou, rire, rire Hau Pai marire!

*So stands Taranaki above
Aotea and Kurahaupo are anchored ashore,
Turi and Ruatea are our ancestors.
So, we share the breath of life!*

*From Okurukuru to Rāwa o Turi,
From Rāwa o Turi to the Waingongoro River,
From the Waingōngoro to the Whenuakura River,
From the Whenuakura to the Waitōtara River.*

Who are we, South Taranaki.

To those spirits, who have passed beyond, you who cloak our mountain, Pukehaupapa, Pukeonaki, rest in peace. Go beyond the veil with the protection of peace. To the ancestral home of us, the people.

Return to Hawaiki nui, Hawaiki roa and Hawaiki pāmamao.

To those of us who remain, the descendants of Tiki, the living. We, the bearers of the baskets of knowledge from the past and present. So, the breath of life.

So, the focus for this is the Long Term Plan, to look forward for us the people of South Taranaki. To achieve the hopes and dreams to enhance our region.

In conclusion, to you and us all, Peace flow across us!



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MAYOR AND CHIEF EXECUTIVE'S MESSAGE

TE REO MAIOHA TĀ TE KOROMATUA ME TE TUMU PAETAKI

Welcome to the South Taranaki District Council's Annual Report 2019/2020. This Report shows how we performed against the objectives and priorities we set in our 2019/20 Annual Plan (Year 2 of our 2018-2028 Long Term Plan) while dealing with our response to the COVID-19 pandemic.

It has been an extraordinary period as we look back over the last financial year (1 July 2019 to 30 June 2020). It's hard to recall other events under the cloud of COVID-19, however significantly the District's triennial local body elections were held on 17 October 2019. The election saw former Deputy Mayor Phil Nixon secure the mayoralty along with six new representatives Aaron Langton, Chris Young, Diana Reid, Celine Filbee, Brian Rook and Mark Bellringer who joined incumbents Gary Brown, Andy Beccard, Jack Rangiwahia, Steffy Mackay, Rob Northcott and Bryan Roach on the Council.

Across the District ten new members were elected to the Community Boards, with voter turnout in South Taranaki almost 10% higher than last election.

The Council's vision is to make South Taranaki the most liveable District in New Zealand with an attractive and affordable lifestyle, connected people in sustainable and vibrant communities. The 12 months to the end of June 2020 saw good progress made on a number of priorities and projects we undertook in order to achieve our vision.

However, COVID-19 and the associated 'lockdowns' (from March 2020) had a major impact on the Council's service delivery, work programmes and revenue streams and meant we needed to quickly change our focus to respond to the crisis.

We are proud of the way Council staff worked, in very challenging circumstances, to keep our essential services operating – such as ensuring our households had safe drinking water, the wastewater system kept operating, rubbish was collected and essential roading and safety repairs were made. We also played an active role in the emergency management response (Civil Defence).

During this time the Council developed a range of measures aimed at bringing relief to residents and businesses, some of which were able to be actioned immediately while others required additional planning before being introduced. One of the key initiatives introduced was a zero % rate increase for the 2020/2021 financial year as well as a freeze on fees and charges and payment plans and remission of rate penalties for financial hardship.

The implementation of the Hāwera Town Centre Strategy continued with the purchase of two properties – one (26 Union Street) for future development to link the Napier Street carpark to Union Street and the other, a property on the corner of Victoria and Little Regent Streets, to extend of the Little Regent Street carpark. The new Nelson Street one way (between Victoria and Union Streets), was also completed in December 2019.

Development of Te Ramanui o Ruapūtahanga the District's new Heritage, Arts, Library, Culture and Information Centre (on the corner of High Street and Regent Street, Hāwera) continued with its Resource Consent being heard by an Independent Commissioner on 30 June 2020. The Commissioner later approved the resource consent and planning for development has begun.

The Town Centre Revitalisation Plans for Eltham, Manaia, Ōpunakē, Pātea and Waverley were adopted by the Council in October 2019 so implementation of the plans and associated costs can be considered as part of the 2021-31 Long Term Plan.

Initial designs were completed on the replacement of the Manaia Town Hall, however the scope of this project changed when the Manaia Sports Complex was identified as earthquake prone and closed. Further community consultation was undertaken during the year and new plans will be presented in 2020/2021. Plans will be finalised once the community engagement process has finished.

Notable three waters infrastructure projects undertaken during the year included completion of the stormwater infrastructure upgrade at Wilson Road, Fox Street and Dieffenbach Street, Ōpunakē. The new Waiinu Wastewater Treatment Plant (\$1,465,000) arrived on site in September 2019 and was fully completed and operational by February 2020. Construction of the Waverley Water Treatment Plant (\$2,100,000) was completed and the plant commissioned in June 2020. The Eltham Water Treatment Plant trunk main replacement programme was started and will be finished in 2020/2021.

The Eltham Water Supply experienced issues with taste and odour over the summer period in 2020. Due to the severity of the issue water filter jugs were offered to all residences on the Eltham water supply which were much appreciated by the community.

Over the last 12 months the newly formed Environment and Sustainability team completed baseline audits and analyses of our organisational carbon emissions for the 2017/2018 and 2018/2019 financial years. These audits showed that to reduce our emissions, the Council will need to transition our highest emitting facilities to renewable energy sources and offset what we cannot reduce via native reforestation on Council-owned land throughout the District. An Environment and Sustainability Strategy is currently in development, which will build a range of complex, inter-linked environmental sustainability work programmes into the 2021-2031 Long Term Plan

Other notable achievements during the year included:

Pātea's Hunter Shaw building was re-opened in September 2019 after \$650,000 worth of earthquake strengthening work and some internal refurbishments.

In July 2019 the District's Dog Control Bylaw and Policy was reviewed. The amended Bylaw now allows dog owners to walk their dogs through the town centres on short leads with some exceptions.

The 2019 District Industrial/Business Park Feasibility Study identified the Waihi Road mixed use area in Hāwera as the most suitable place for development. Structure planning is now underway to examine the infrastructure requirements.

According to our annual independent survey, satisfaction with Council services is high. 93% of residents happy with the overall service the Council provides and 85% felt the Council was moving in the right direction.

The Council finished the year with a \$2,000 operational deficit (before accounting adjustments - unrealised losses which have no impact on rates). After taking these unrealised losses into account the Council finished the year with a deficit of \$3,943,000. Total revenue was \$7.2 million less than budgeted. This included (\$4.4 million) reduced income from the Long-Term Investment Fund (LTIF) primarily because of Covid-19. The impact of the reduced income is not significant when considered within the long-term context of the LTIF, which has performed well over the last 10 years and has a healthy inflation fluctuation reserve.

We cannot overemphasise the effect COVID-19 had and will continue to have for some time on our community. The road ahead will not be easy, however, with a strong balance sheet, stable leadership and clear direction and work programmes, the Council is well placed to support the long-term economic recovery and welfare of our residents.



PHIL NIXON
Mayor



WAID CROCKETT
Chief Executive

MISSION

COUNCIL WILL LEAD WITH FAIRNESS AND INTEGRITY, AND WORK TO INSPIRE A VIBRANT AND CARING SPIRIT OF COMMUNITY, WHILE REMAINING AN EFFICIENT AND SENSITIVE PROVIDER OF SERVICES AND FACILITIES.

VISION

SOUTH TARANAKI IS THE MOST LIVEABLE DISTRICT IN NZ; WITH AN ATTRACTIVE AND AFFORDABLE LIFESTYLE, CONNECTED PEOPLE, IN SUSTAINABLE AND VIBRANT COMMUNITIES

YOUR COUNCILLORS Ō KOUTOU KAİKAUNIHERA



MAYOR PHIL NIXON
South Taranaki District



ANDY BECCARD



MARK BELLRINGER



GARY BROWN



CELINE FILBEE



AARUN LANGTON



STEFFY MACKAY



ROBERT NORTHCOTT



JACK RANGIWAHIA



DIANA REID



BRYAN ROACH

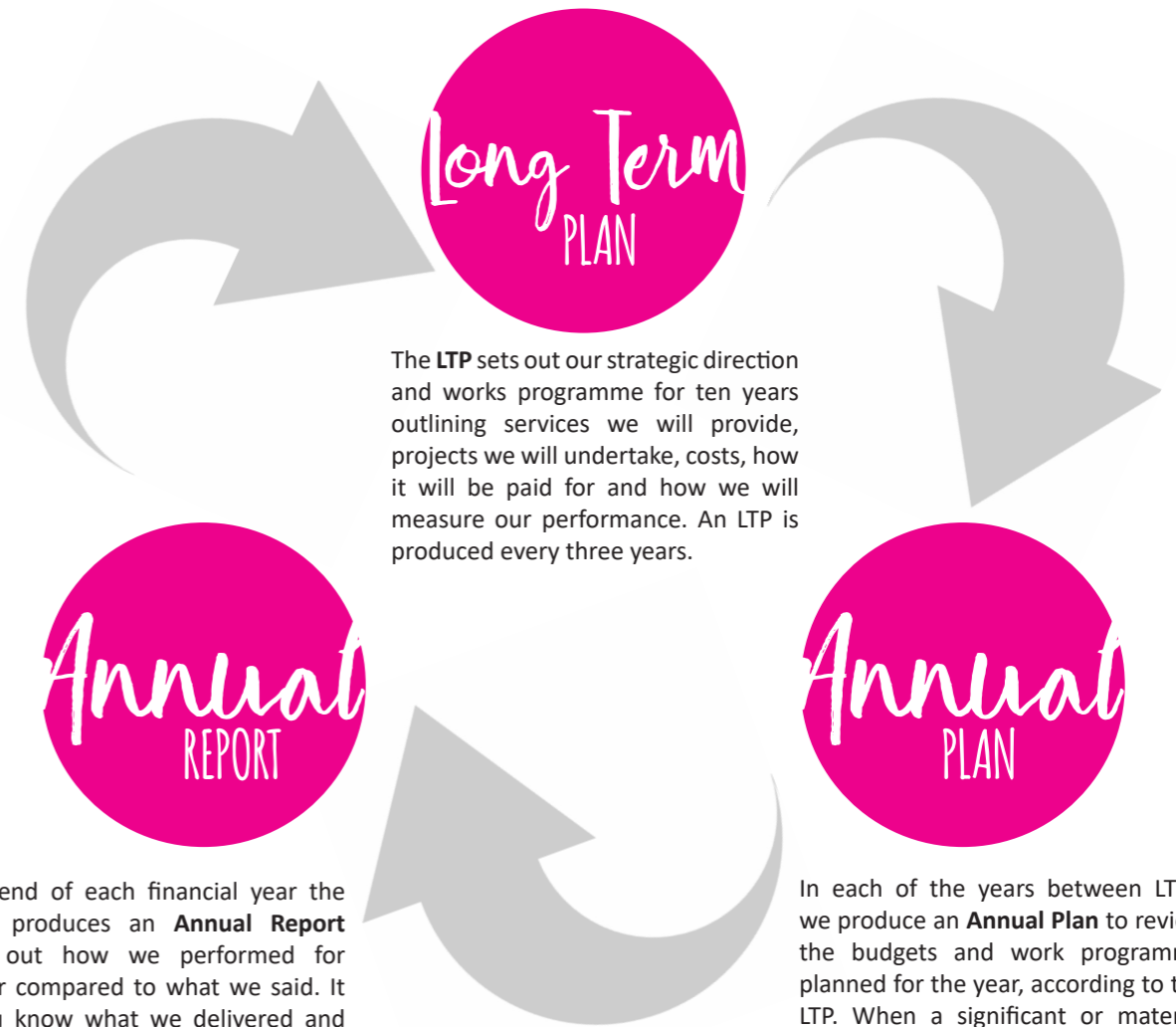


BRIAN ROOK



CHRIS YOUNG

ABOUT THE LTP, ANNUAL PLAN AND ANNUAL REPORT CYCLE



COMMUNITY OUTCOMES

The purpose of local government as outlined in the Local Government Act 2002 is to meet the current and future needs of communities for good quality local infrastructure, local public services and the performance of regulatory functions in a way that is most cost effective for households and businesses.

The South Taranaki District Council works towards this purpose through our Mission Statement and Community Outcomes and use these to guide us when making decisions, developing policies, strategies or determining priorities regarding the activities and services we provide.

These outcomes fall under four main headings:



COMMUNITY OUTCOMES

ACHIEVING OUR COUNCIL OUTCOMES

| Activity | Outcomes | Prosperous | Vibrant | Together | Sustainable |
|------------------------------|----------|------------|---------|----------|-------------|
| Democracy & Leadership | | ✓ | ✓ | ✓ | ✓ |
| Water Supply | | ✓ | | | ✓ |
| Stormwater | | ✓ | | | ✓ |
| Wastewater | | ✓ | | | ✓ |
| Solid Waste | | ✓ | | | ✓ |
| Roading & Footpaths | | ✓ | ✓ | | |
| Community Facilities | | ✓ | ✓ | ✓ | ✓ |
| Arts & Culture | | ✓ | ✓ | ✓ | ✓ |
| District Economy | | ✓ | ✓ | | |
| Community Development | | | ✓ | ✓ | ✓ |
| Environmental Sustainability | | ✓ | | ✓ | ✓ |
| Regulatory Services | | | | | ✓ |
| Coastal Structures | | ✓ | ✓ | | ✓ |



THE YEAR IN REVIEW HE AROTAKENGA O TE TAU



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

THE YEAR IN REVIEW

There have been some impacts from the COVID-19 global pandemic on our Council, however, the financial impact was not significant. The impacts are well captured in the Council's service performance and financial performance reporting. The main areas of impact related to a reduction in the ability to use facilities, such as the Aquatic Centre, the TSB Hub, the inability to complete routine building and environmental health inspections and some work being delayed and carried over to the following year.

The Council's vision is to make South Taranaki the most liveable District in New Zealand with an attractive and affordable lifestyle, connected people in sustainable and vibrant communities. In our 2018 – 2028 Long Term Plan, the Council identified a number of key projects and priorities that we wanted to implement to support the achievement of our vision. In this section we report on the progress of those key priorities.

ATTRACTIVE LIFESTYLE

| Project/Priority | Progress |
|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Complete the District Pathways Programme outlined in our last Long Term Plan (2015) and put an additional (\$500,000) aside for further development. | <p>Work to develop a pathway along the Normanby to Hāwera rail corridor proved difficult, due to Kiwirail requirements. An alternative proposal that does not cross the railway line is now under consideration.</p> <p>Work has been continuing on obtaining permission to install pathways in Soldiers Park, Eltham, a stage of the Pātea Loop track and a mountain bike loop track near Hāwera.</p> <p>In March the footbridge across the Otahi stream, below the Te Namu Pa in Ōpunakē, was completed ahead of schedule. This project is part of the Ōpunakē Loop Track and had been scheduled for some time and it was exciting to see it come to fruition.</p> |
| Support the Rotokare Scenic Reserve Trust (\$60,000) | The Rotokare Scenic Reserve Trust as part of our Long-Term Plan was granted funds to assist with further developing a sustainable asset with indigenous ecosystems. |
| Purchase four mobile, fully contained ablution pods to be sited at Freedom Camping and Visitor Spots in South Taranaki. | <p>An ablution pod was installed at Waihi Beach, Hāwera in October 2019 at a cost of just over \$73,000. A second ablution pod is planned to be installed near the Cape Egmont Boat Club on Bayly Road in early 2020/2021. We are investigating the possibility of installing an ablution pod in Ōpunakē.</p> <p>The Pods were partially funded through a government grant from the Tourism Infrastructure Fund.</p> |

HE AROTAKENGA O TE TAU

VIBRANT COMMUNITIES

| Project/Priority | Progress |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Continue to work on the Hāwera Town Centre Strategy. | <p>We purchased the building at 26 Union Street, Hāwera. The future plan is to demolish the building and re-develop the area, which will include pedestrian access to link the Napier Street carpark to Union street and the Countdown precinct.</p> <p>We purchased a residential property on the corner of Victoria and Little Regent Streets. The house has been demolished and plans include the extension of the Little Regent Street carpark area and signage that will direct people to the availability of free carparking.</p> <p>The Hāwera Town Square was refurbished which included re-roofing of the covered walkways and repainting of the supporting structures.</p> <p>The road and parking area along Nelson Street (between Victoria to Union Streets) Hāwera, was completed in December 2019.</p> |
| Design and build Te Ramanui o Ruapūtahanga (Centre for Heritage, Arts, Library, Culture and Information). | In December we applied for resource consent to develop the new multi-purpose civic centre and associated civic plaza on the corner of High Street and Regent Street, Hāwera (Te Ramanui o Ruapūtahanga). Two submissions were made to the Consent application, which were considered by an Independent Commissioner at a hearing held on 30 June. The Commissioner later approved the resource consent and planning for development has begun. |
| Develop Town Centre Strategies for Eltham, Manaia, Ōpunakē, Pātea and Waverley over the next five years (\$100,000). | The five town centre masterplans, which provide a basis for future development and enhancement of these towns, were adopted by the Council in October 2019 so that the implementation of the plans and associated costs can be considered as part of the 2021-31 LTP. |
| Earthquake strengthen the Hunter Shaw Building in Pātea. | Pātea's Hunter Shaw building was re-opened in September 2019 after \$650,000 worth of earthquake strengthening work and some internal refurbishments were completed. |
| Upgrade the Pātea Pool with tiered seating and sunshade. | Designs were completed and consents obtained in 2019/2020. The physical works are scheduled to start in September 2020. |
| Design a new community facility to replace the Manaia Town Hall | Initial designs were completed on the replacement of the Manaia Town Hall, however the scope changed when the Manaia Sports Complex was identified as earthquake prone and closed. Further community consultation was undertaken in 2019/2020 and will be concluded in 2020/2021. |
| Continue to upgrade the Manaia Pool. | There were no plans developed in 2019/20, however targeted community engagement has been undertaken and building consent has been approved. Contractors to be sought and physical work is expected to be completed in 2020/2021. |
| Review the Earthquake-prone Buildings Assistance Package after hearing from owners of potential earthquake-prone buildings during a public consultation process. | A review of the Earthquake-prone Buildings Assistance Package has been initiated and expected to be completed in 2021. |

THE YEAR IN REVIEW

HE AROTAKENGA O TE TAU

SUSTAINABLE RESOURCES

| Project/Priority | Progress |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Implement Council's Waste Management and Minimisation Plan. | The total waste diversion from landfill, inclusive of recycling and green waste has dropped from 33.13% in the previous year to 25.14% for the past year. This is largely due to additional waste being delivered to the Hāwera transfer station, from commercial contractors that previously disposed of waste directly to Colson Road landfill, reducing the diversion figure (commercial waste was not previously captured in STDC figures). During COVID-19 Alert Level 4 recycling facilities (including green waste) were closed and we could not process recycling and had to stop collecting it. This further decreased the diversion figure. |
| Transport solid waste to Bonny Glen Landfill. | The Council started transporting solid waste to Bonny Glen Landfill in August 2019 and continue to do so. |
| Install new Automated Remote Water Reading Equipment for rural water connections to allow better management of water consumption and to minimise waste. | The Automated Remote Water Reading equipment installation for rural water connections has largely been installed for Inaha, Waimate West and Ōpunakē water schemes. We are planning to continue deploying the technology throughout our remaining water networks. Leak detection has been completed on the water supplies for Pātea, Manaia, Kaponga and Rāhotu. Council engaged a contractor (AD Riley) who used listening equipment to detect unusually high-water flow, indicating leakage. In total, they found 15 leaks on Council's networks and 24 leaks on private properties. Our maintenance contractor, Veolia, was advised of the leaks on our networks and fixed them. We have begun smoke testing for the central and northern parts of Hāwera. We are in the process of following up on repairs to faults identified during smoke testing in Waverley, Ōpunakē, Waiinu, Pātea and outer suburbs of Hāwera. Smoke testing of the wastewater networks has been carried out, the purpose of this is to identify where there are faults and illegal connections which are causing rainwater to enter the wastewater network. |
| Capital Works spending of just over \$1 million on District Water Infrastructure improvements as well as improvement of \$480,000 on Stormwater and \$1.3 million on Wastewater. | The Ōpunakē Stormwater infrastructure upgrade was undertaken at three different sites including Wilson Road, Fox Street and Dieffenbach Street. Work on all of these sites is complete. The design for the Waimate West Water infrastructure has been completed and work will commence in the 2020/21 financial year. |
| Continue with carry-over projects including the Waiinu Beach Wastewater Treatment Plan, the Waverley Water Treatment Plant and pipe replacements for the Eltham Water Treatment Plant. | The new wastewater treatment plant for Waiinu (\$1,465,000) arrived on site on 23 September 2019 and was fully completed and operational in February. The Waverley Water Treatment Plant (\$2,100,000) construction has been completed and the plant was recently commissioned. The Eltham Water Treatment Plant trunk main replacement has commenced and will be completed in the 2020/21 financial year. |

CONNECTED PEOPLE

| Project/Priority | Progress |
|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Development of a Digital Strategy with the goal of supporting initiatives that improve broadband accessibility and cellphone coverage. | The first of six new cellphone towers installed by the Rural Connectivity Group (RCG) went live above Waitōtara village in March 2020 and this has been followed by one at Manutahi with four more to be installed at Te Kiri, Pungarehu, Waverley Beach and Waiinu Beach. The Digital Transformation Strategy is being developed in 2020/21 and will be implemented in the 2021-2031 Long Term Plan, with budgets allocated between years one to five. |
| Spend approximately \$24 million (operational and capital expenditure) on our District's Road Network, including \$655,000 on footpaths. | Council undertakes to seal approximately 6% of its sealed network every year. This year we undertook 76km of reseals for a budgeted cost of \$2.2m. The footpath and kerb and channel renewal work consisted of the replacement of 1500 metres of footpath and kerb and channel. The estimated value of the work was \$570,000. Streets included in the contract works were Cornwall, London and York Streets in Eltham, Dives Avenue, Glover Road, Pacey Avenue, South Road and Waihi Road in Hāwera, Tuke Street and Waihi Road in Normanby and Hickey Place and King Street in Ōpunakē. Inframax started work on this in May and work should be completed by the end of August. |
| Undertake a feasibility study to investigate the need for a location of a District Industrial/Business Park. | The 2019 feasibility study identified the Waihi Road mixed use area as the most suitable place for development. Structure planning is now underway to examine the infrastructure requirements. |
| Continue with land acquisition in order to complete the tender process and appoint a contractor for the Nukumarū Station Road extension. | Negotiations for land acquisition for the Nukumarū Station Road extension have continued and to date \$1,651,730.45 has been spent on the project. |
| Continue to update our Pensioner Housing stock (\$220,000 approx). | One interior upgrade was completed at Camellia Court, Hāwera and also construction of off-street carparking, associated footpaths and security lighting at Tauhuri, Manaia. Total cost \$45,000. Scheduled re-roof at Norfolk, Pātea has been deferred to August 2020/21 due to lockdown. |

THE YEAR IN REVIEW

HE AROTAKENGA O TE TAU

AFFORDABLE DEVELOPMENT

| Project/Priority | Progress |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Have an average rate increase limit of 3.65%. | The average rate increase for the year was 3.02% |
| Use debt to fund key infrastructural projects. | Council's total borrowing increased from \$128.18 million (2019) to \$133.99 million. This included \$15.99 million of internal borrowing (\$14.91 million in 2019). |
| Maintain or improve our credit rating. | S&P Global have reviewed our credit rating and re-affirmed as 'AA-/A-1+ with positive outlook.' A positive outlook reflects a one-in-three chance that S&P could raise the long-term ratings within the next two years. |
| Subsidise rates on average by \$6.5 million per annum using earnings from the Long Term Investment Fund. | During the year the Council withdrew \$5.8 million from the LTIF to provide \$3.87 million to subsidise general rates and a further \$1.97 million to service interest and loan repayments for specific community projects. The full amount of the subsidy was not drawn due to timing of the projects. |
| Fund key projects (e.g. Hāwera Town Centre upgrade) by taking out a loan which is paid back over a number of years using annual drawdowns from Council's Long Term Investment Fund. | See above |

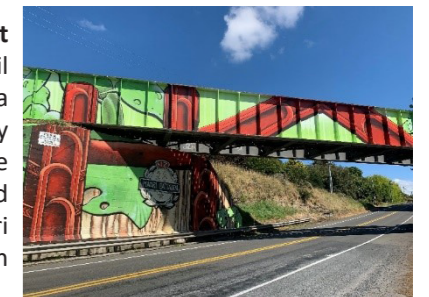
INDIVIDUAL GROUP HIGHLIGHTS:

Community and Infrastructure Services



'Elektra' was a new lighting event created to replace the previous Fireworks Spectacular. **Elektra saw King Edward Park light up with many amazing lighting effects.** These included the launch of 1000 lanterns on the boating lake and students working with businesses to create their own lighting features. Entertainment group Highly Flammable enthralled the crowds with a Circus Play Zone for the kids, LED glowing butterflies walked through the park and then the daring Circus of Flames and Ignite the Light fire shows completed the evening's entertainment. It was a great family event where people brought picnics or purchased from food carts which helped to make an enjoyable evening.

After several years of planning and design, a **mural was completed on the rail bridge at the southern entrance to Hāwera.** Dan Mills, Artist from Whanganui, worked with Council and received advice and guidance for much of the Māori design from local Ngāti Hāmua and Ngāti Hāpōtiki hapū representatives. The red waharoa is indicative of a pā entranceway or gateway, and the kawakawa is of course abundant in South Taranaki. The green triangle under the peak of the waharoa represents the Maunga and its significance to our Region and our history. A large feature on the left abutment of the bridge going north, is the 28th Māori Battalion motif - an acknowledgement to the Māori soldiers, particularly the brave South Taranaki men who served in D Company. The mural was completed in February.



During Lockdown the **LibraryPlus came up with a range of innovative ways of keeping our community engaged.** In April they hosted their first Zoom book club for 5-8-year olds and had as a special guest award winning author Kyle Mewburn. They also re-invented their children's book clubs from meeting in physical spaces to meeting in the online environment. Virtual programming for adult events was set up during Level 3 and these **attracted attendees from as far away as Brisbane, Australia,** as members were finding they were able to connect beyond the limitations of the four walls of the building.

In July this year we continued to improve the **Beech Place Dog Reserve by adding two new seats, paving and shade trees,** funds for a drinking fountain were agreed upon by the Community Board in March with installation being completed in June.

Libraries were also involved with the **SPARK Jump programme** which became very popular across the District during Lockdown, enabling people to remain connected. Spark Jump is a low-cost, pre-pay internet service for families with children under the age of 18. The service is subsidised by the Spark Foundation and offered through local partners in Spark Jump coverage areas.

In November the South Taranaki's parks and gardens team were kept busy with **the Taranaki Garden and Fringe Festivals** both on at the same time. There were perfect garden visitor conditions and the visitor numbers to the events showed it had a great turnout. The Floral Festival marquee on the King Edward Park tennis court, which was manned from 10am-4pm daily by the Friends of Hāwera Parks, allowed the parks team, for the first time, to get an appreciation of the visitor numbers coming through the Park and where they had come from.



In September the Road Safe Taranaki team hosted a **Taranaki Road Safety Workplace Charter workshop in New Plymouth.** The aim of the Workplace Charter is for businesses to demonstrate their commitment to the safety of their workforce on the road. There are three levels companies can sign up to - Advocacy (to create awareness), Commitment (to encourage) and Excellence (fully engaged). Road safety specialists delivered presentations about managing vehicle fleet, driver education, behaviour change and some cost-effective easy wins in relation to promoting safe driving habits and behaviour.

Every year Council carries out a resealing programme over summer as part of a **planned road pavement preventative maintenance programme.** The ideal time to reseal is just before any damage occurs, so your road may still look to be in good condition before the reseal is undertaken. The newly sealed surface can be expected to last about 14 years before requiring a further reseal. Council undertakes to seal approximately 6% of its sealed network every year. This year we undertook **76km of reseals for a budgeted cost of \$2.2m.**

THE YEAR IN REVIEW

HE AROTAKENGA O TE TAU

The **Eltham Water Supply** experienced issues with taste and odour in January. ‘Earthy’ taste and odour compounds are typically found in some streams and rivers around Taranaki and other parts of New Zealand during summer. Typically, these are noticed as an earthy taste and dryness effect in drinking water, with a similar odour. Unfortunately, the water treatment plant is unable to remove all the taste and odour. Due to the severity of the issue this year and the number of complaints and comments we received, **water filter jugs were offered to all residences on the Eltham water supply.**

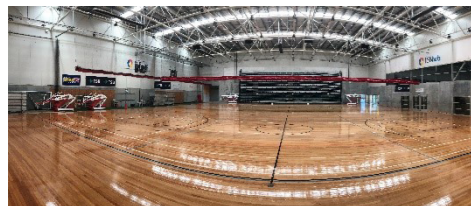


The new treatment plant for Waiinu Beach arrived on site on 23 September 2019 and was fully completed and operational in February 2020. The “**Submerged Aerated Filter Plant**” was purchased through Hynds Pipe Systems, New Plymouth, who also supplied the technical advice and supervision on the installation. The plant is comprised of 25 different tanks, all manufactured by Eloy Water in Belgium. The Waiinu Beach community had struggled for many years with bad odours from the old plant especially over the summer holiday period. **The new plant was commissioned during the last summer and there have been no reports of offensive odours since.**

Work was completed on a **new shed for Southern Rugby Club at Hicks Park** in Hāwera in late January. The building is owned by the rugby club and will be used to store their field and team equipment. It is more centrally located in the park to make it easier for their volunteers to set up and dismantle the equipment on training nights and game days. The shed is designed and finished to match and blend in with the designs of the adjacent netball court buildings.



Rāwhitiroa Pool underwent a **complete plant replacement in February** resulting in fantastic new circulation and water quality. The initial plant start-up was a bit touchy with the newly increased water pressures causing rust to come loose in the pipes which in turn turned the pool brown! It was all cleaned up and ready for the season opening day. The cost of the work was just under \$100,000.



The three indoor courts at **TSB Hub** were closed for a couple of weeks in February in order to have the floors sanded and re-surfaced. It is a maintenance item that we have undertaken every 3-5 years to keep the surfaces in good condition. The work is done by specialist sports floor contractors at a cost of just under \$27,000. Next time the courts need doing, we have been advised that our floors may require being fully stripped to bare timber, re-surfaced and the sports code lines remarked at a cost estimated in the vicinity of \$120,000.

The new Waverley Water Treatment Plant went ‘live’ in late June. The new treatment **plant uses several processes to remove both organic and inorganic matter (like iron and manganese compounds) and bacteria from the water**, including using ultraviolet light to kill organisms such as protozoa and any residual bugs. Chlorination and fluoridation are also part of the treatment process.

Our work to reduce stormwater inflow and groundwater infiltration into the wastewater network continued throughout the year, with areas in **Hāwera, Normanby, Eltham, Waverley, Ōpunakē, Waiinu Beach and Pātea** having some or all catchment areas tested. ‘**Smoke testing**’ involves blowing innocuous white vapour into the wastewater network and seeing where it comes out. This can show where there are downpipes connected to the wastewater network, broken connection pipes, or other faults. Council then worked with our maintenance contractor, and private property owners to address these issues. This helps to reduce wastewater flows, meaning we save money on pumping and can more effectively treat wastewater before it is discharged to the environment.



The installation of the Sound Mirrors was completed in late June. The **Sound Mirrors were donated to South Taranaki by Global Stainless Artworks** and installation costs were covered by funding from the Te Hāwera Community Board plus generous donations from the Rodie and Lysaght Watt Trusts, Pelorus Trust and Hāwera Bizlink. The pair of dishes stand parallel to each other across the **Kind Edward Park lake** and work by reflecting and focusing sound so conversation can be heard at each dish even though it originates from 50 metres away.

Environmental Services



District Plan Review – only one appeal on the Proposed District Plan remains unresolved. The hearing for this appeal began in March 2018. The matters traversed by this appeal relate to the oil and gas sector and the management of risk. We are hoping to have a decision from the Environment Court before the end of 2020. This will enable the Proposed District Plan 2015 to be made fully operative.

This year the **Planning team processed 177 resource consents**, 101 for land uses and 76 for subdivision. Compliance with the conditions of 40 granted consents were also monitored during the year.

The **Building Control team processed 616 building consents** during the year. Over the last 12 months the focus has been on complying with statutory timeframes and processing applications within 20 working days. Timeframes had slipped beyond 20 days in the previous year but we were able to get back on track and improve our performance by the end of this year and through the COVID-19 lockdown period. Building work has not appeared to have slowed down in South Taranaki with demand for inspections and consents increasing since the Level 4 lockdown restrictions ended at the end of April 2020.

We are continuing towards becoming a **fully digital team and by the end of 2020** we will be able to accept and issue building consent applications via an online portal, enabling a simpler and more transparent process of applying for a building consent for our customers.

The **Environmental Health team processed 109 health premises registrations, 97 alcohol licences and 101 Manager Certificates during the year.** The Food Act continues to put a lot of emphasis on managers of food businesses to show how they prepare and sell safe and suitable food. Especially during the COVID-19 pandemic period, extra pressure was put onto businesses to ensure that COVID-19 protocols were adhered to. Food Control Plan requirements were emphasised to ensure compliance and this is anticipated to continue for the next few months.



The Food Act Quality Management System got approved by MPI during an acceptable assessment. This will allow the Council to operate as a **Verifying Agency** allowing all businesses registered under a National Programme 3, 2 or 1 to be verified by one of the Council employed EHOs.

| Type of Complaint received | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|----------------------------|---------|---------|---------|---------|---------|
| Dog Attack | 63 | 65 | 67 | 49 | 56 |
| Rushing/Threatening | 18 | 32 | 49 | 46 | 26 |
| Roaming | 540 | 563 | 615 | 643 | 570 |
| Barking | 204 | 506 | 595 | 403 | 431 |
| Welfare | 34 | 12 | 16 | 3 | 2 |
| General Dog Complaints | 442 | 473 | 348 | 210 | 160 |
| Total | 1,301 | 1,651 | 1,690 | 1,354 | 1,245 |

A total of 1,245 **Animal Control related complaints** were received during the 2019/20 year and compares to previous years as follows:

The trend for reported incidents reflects improved recording into the Council’s Customer Request Management system which then assisted in the management of the response (actions and response times). While the number of dog attacks have fluctuated over the previous years, it shows a **slight increase this year**. The number of roaming dog complaints shows a **slight decrease from last year**. This is mainly due to the increase in animal officer monitoring implemented over the last few months following a slight increase on dog attacks in certain areas. Responding to roaming dogs across the District remains a focus for the Council and more work and monitoring is to be implemented. The Council continues to be committed to reuniting lost dogs with their owners and re-homing suitable dogs. Of the 189 dogs which were impounded, 124 dogs were either returned to their owners or re-homed.

THE YEAR IN REVIEW

Over the last 12 months the newly-formed **Environment and Sustainability** team have:

- completed baseline audits and analyses of our organisational carbon emissions for the 2017/18 and 2018/19 financial years. These audits clearly show that in order to reduce our emissions, Council need to strategically focus our efforts on transitioning our highest emitting facilities to renewable energy sources and offset what we cannot reduce via native reforestation on Council-owned land throughout the District;
- reviewed the strategic gaps across our environmental sustainability, biodiversity, climate change and waste management programmes, and assessed what is required to bring us in line with best-practice standards and upcoming environmental legislative reform.

An **Environment and Sustainability Strategy** is currently in development, which will build a range of complex, inter-linked environmental sustainability work programmes into the 2021-2031 Long Term Plan to address the above issues. This Strategy will focus on increasing our environmental sustainability, reducing our organisational emissions, improving the infrastructure for management of our waste and adapting to climate change, which will involve working strategically and collaboratively with others across the District.

Corporate Services



In July 2019 the **Dog Control Bylaw and Policy** review received 112 submissions where ten submitters requested to speak at the Extraordinary Council meeting. In August the amended Bylaw was adopted and dog owners are now allowed to walk their dogs through the town centres on short leads with some exceptions. This also included amendments to allow dog owners to walk their dogs on leads for the entire length of the Denby Road walkway (excluding the Waihi Reserve).

The Livestock Control Bylaw was adopted on 22 July 2019 with one change to remove the need for a permit to be obtained from the Council for stock crossing bridges.

In September 2019 the **operating systems were upgraded to Windows 10**, in 2020 we will concentrate on actually using more features within Windows 10. This change of technology will not only position our Council for the new digital age, but also save a considerable amount of money. Savings include \$50,000 per year for licences, an anticipated \$90,000 in infrastructure replacements and an annual saving of around \$20,000 in network management to connect our remote sites.

During July and August 2019, maintenance was undertaken at the **Ōpunakē Beach Holiday Park which included** exterior painting, interior painting, resealing driveways, an upgrade of the electrical switchboards and caravan power supplies and the concrete floors throughout the block were ground back and resurfaced. The facility is now looking great for the 2020/21 summer season.



Work was completed on **improving parking in December 2019 at the pensioner housing units at Camellia Court in Hāwera and at Tauhuri in Manaia**, where five of the six tenants have vehicles. On the Manaia site, an old garage was removed, the rear fence moved back and the existing driveway widened to create parking spaces. Existing footpaths were extended to reach the carpark and wheel barriers and security lighting installed for safety. The site is now much tidier, and tenants are very happy with the results.

The **Tenant Support Service provided to our older people's housing tenants was extended during COVID-19** to assist tenants who were unable to access their usual support networks. Groceries and medical supplies were collected and delivered and assistance provided to access health services.

FINANCIAL COMMENTARY HE WHAKAMĀRAMATANGA PŪTEA



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

HIGHLIGHTS

| | |
|-----------------------|-----------------|
| Net surplus/(deficit) | (\$3,943,000) |
| Total assets | \$1,066 million |
| Total liabilities | \$146 million |
| Total equity | \$920 million |

Statement of Financial Performance

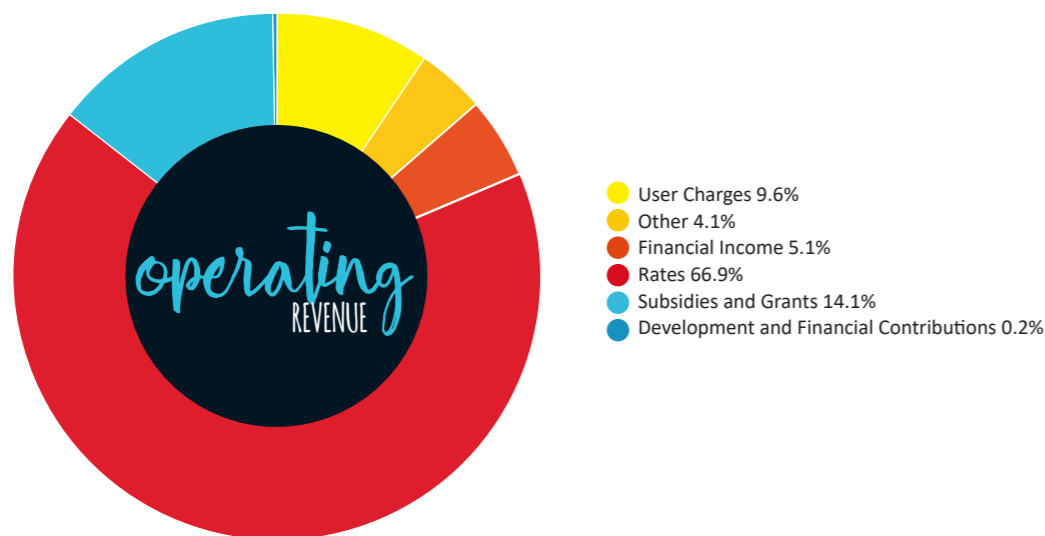
The Council finished the year with a \$2,000 operational deficit before unbudgeted adjustments (loss on derivative contracts \$3,586,000 and disposal of assets \$355,000). After taking these unrealised losses into account the Council finished the year with a deficit of \$3,943,000 against a budgeted surplus of \$6,894,000. The main contributors to the variance (\$11.2 million) are as follows:

Revenue

Total revenue was \$7.2 million less than budgeted. This included reduced income of \$4.4 million from the Long Term Investment Fund (LTIF) due to weak market conditions mainly because of COVID-19. The subsidies and grants income from the NZTA was under budget due to delays in completing some roading projects and also delay in receiving grants from TSB Community Trust for Te Ramanui o Ruapūtahanga project (\$4m).

Expenditure

- An accounting adjustment for the \$0.4 million book loss on infrastructure asset disposals (no impact on rates).
- \$3.6 million accounting adjustment for the loss on derivative contract (Swaps).



STATEMENT OF FINANCIAL POSITION

Net assets as at 30 June 2020

| \$ Million | Actual 2019/20 | Budget 2019/20 | Actual 2018/19 |
|------------------------|----------------|----------------|----------------|
| Total assets | 1,066 | 1,060 | 989 |
| Less total liabilities | 146 | 144 | 139 |
| Net assets | 920 | 916 | 850 |

Long Term Investment Fund (LTIF)

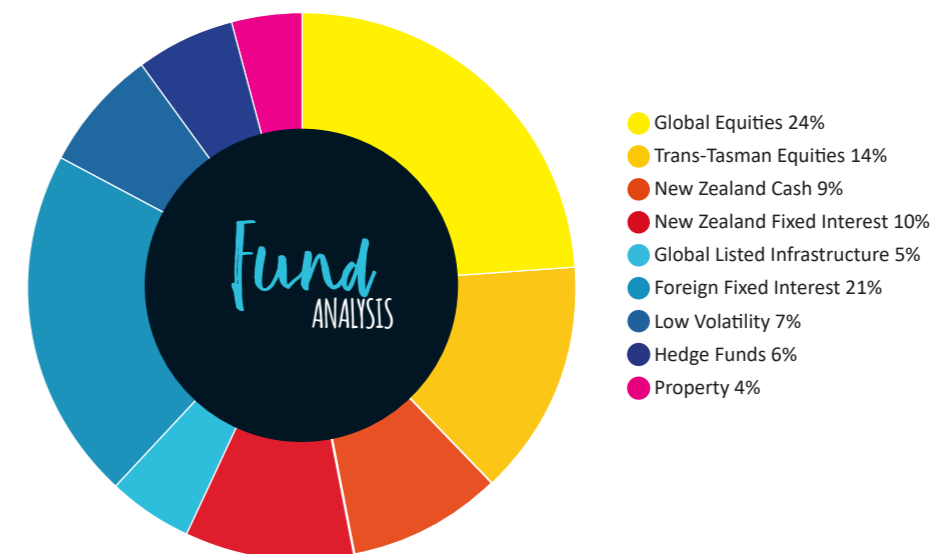
The value of the LTIF at 30 June 2020 decreased to \$144.65 million (\$147.09 million in 2019) which included internal borrowing of \$15.99 million (\$14.91 million in 2019) after allowing for the withdrawal of the annual rates subsidy. The balance reduced mainly as a result of weak market conditions due to COVID-19.

Term Debt

The total borrowing of the Council increased to \$133.99 million (\$128.51 million in 2019) which included \$15.99 million of internal borrowing (\$14.91 million in 2019). The borrowing includes \$6m of prefunding for upcoming maturities in May 2021, which is invested in term deposit.

External Funds

The budgeted return was \$8.40 million (\$0.90 million of interest revenue from internal borrowings) but the LTIF received a net return of \$3.80 million (\$0.83 million of interest revenue from internal borrowings) in the 2019/20 year as a result of weak market conditions due to COVID-19. During the year the Council withdrew \$5.84 million for the annual rates subsidy and received \$1.15 million for internal loan repayments and \$0.83 million for the interest on internal loans.

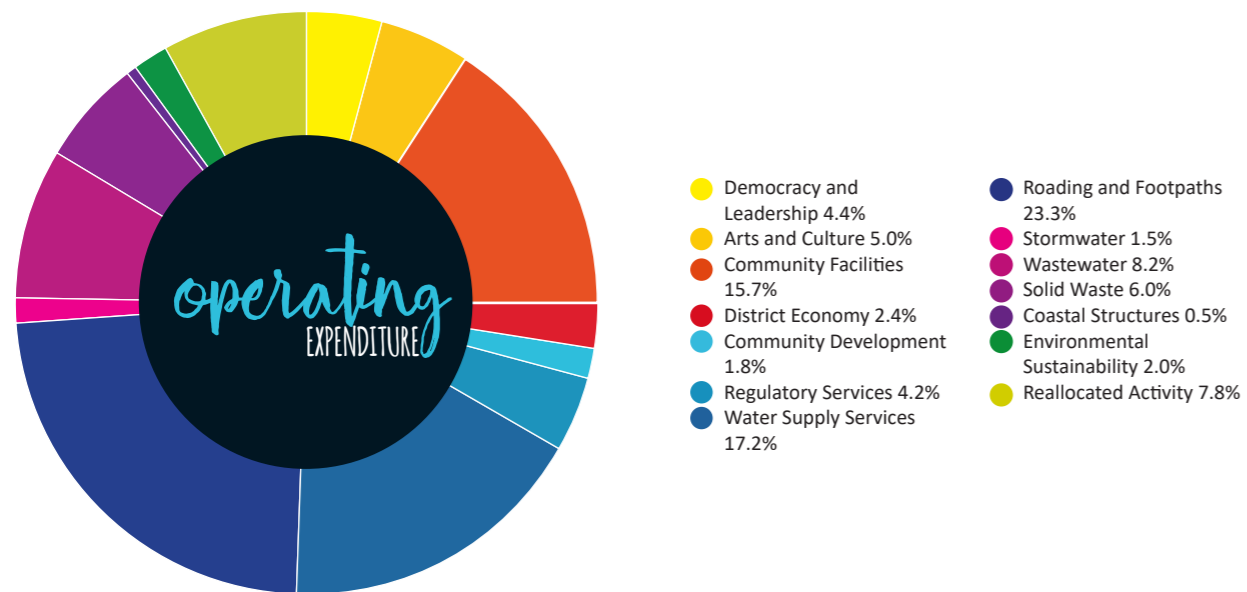
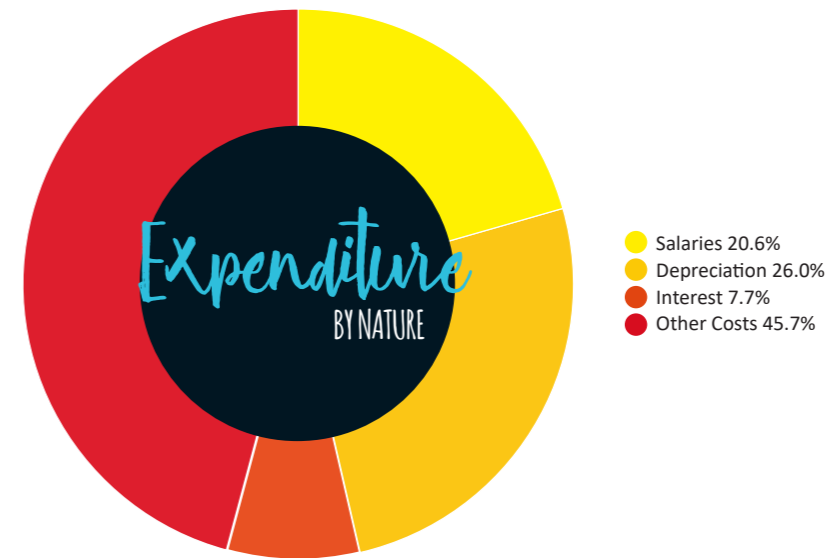


FINANCIAL COMMENTARY

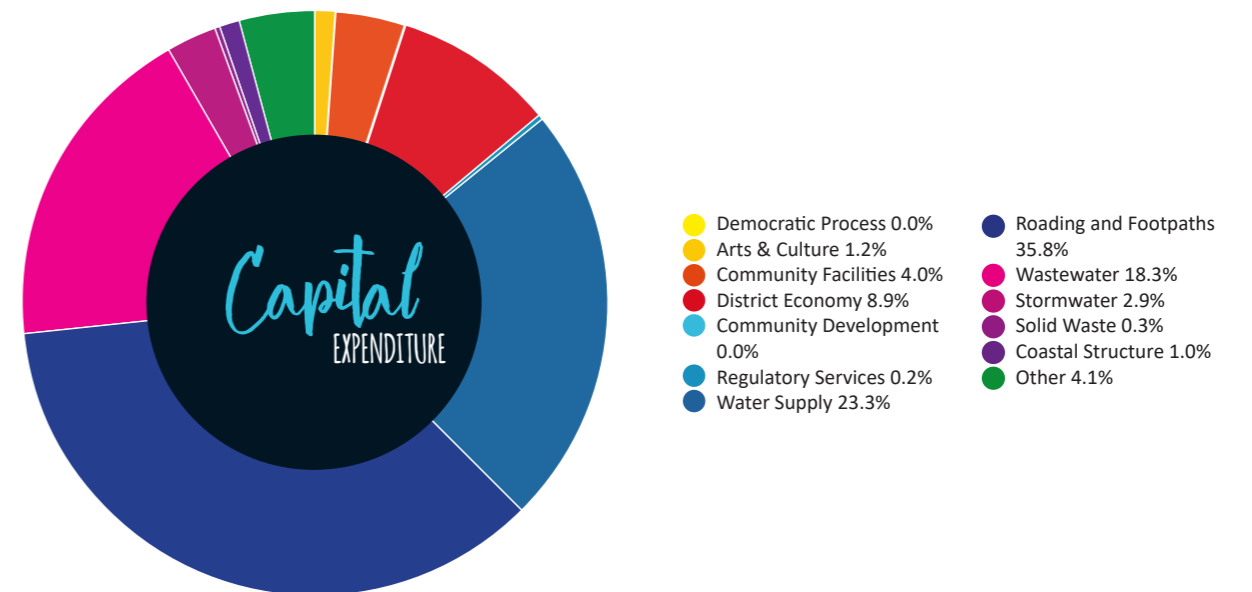
HE WHAKAMĀRAMATANGA PŪTEA

FINANCIAL PERFORMANCE AND MOVEMENTS IN EQUITY

| (\$ millions) | Actual 2019/20 | Budget 2019/20 | Actual 2018/19 |
|--------------------------------------------|----------------|----------------|----------------|
| Operating revenue | 63.42 | 70.60 | 68.32 |
| Operating expenditure | 67.37 | 63.71 | 71.53 |
| Net operating surplus/(deficit) | (3.94) | 6.89 | (3.21) |
| Net Increase/(Decrease) in value of assets | 77 | 49.70 | (2.66) |
| Total Movements in Equity | 70 | 63.02 | (3.37) |



Other Costs include: Roothing Operational Projects, Repairs and Maintenance, Insurance, Elected Members' Remuneration, Grants, Loss on Disposal of Assets, Loss on Derivatives, LTIF Management Fees etc.



STATEMENT OF COMPLIANCE AND RESPONSIBILITY

COMPLIANCE

1. The Council and Management of the South Taranaki District Council confirm that all the statutory requirements in relation to the Annual Report as required by the Local Government Act 2002 have been complied with.

RESPONSIBILITY

2. The Council and Management of the South Taranaki District Council accept responsibility for the preparation of the annual financial statements and the judgements used in them.
3. The Council and Management of the South Taranaki District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.
4. In the opinion of the Council and Management of the South Taranaki District Council, the annual financial statements for the year ended 30 June 2020 fairly reflect the financial position and operations of the South Taranaki District Council.



PHIL NIXON
Mayor
30 November 2020



WAID CROCKETT
Chief Executive
30 November 2020

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

TO THE READERS OF SOUTH TARANAKI DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

The Auditor-General is the auditor of South Taranaki District Council (the District Council) and its subsidiary (the Group). The Auditor-General has appointed me, Chris Webby, 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 30 November 2020. This is the date on which we give our report.

OPINION

Unmodified opinion on the audited information, excluding the activity statements

In our opinion:

- the financial statements on pages 127 to 178:
 - ⊙ present fairly, in all material respects:
 - the District Council and Group's financial position as at 30 June 2020;
 - the results of its operations and cash flows for the year ended on that date; and
 - ⊙ comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 124, 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 about capital expenditure for each group of activities on pages 110 to 123, 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 110 to 123, 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.

Qualified opinion on the activity statements – our work was limited with respect to the verification of the number of complaints for some services

In our opinion, except for the possible effects of the matter described in the Basis for our qualified opinion section of our report, the activity statements on pages 30 to 106:

- ⊙ presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2020, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- ⊙ complies with generally accepted accounting practice in New Zealand

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 179 to 185, 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.

BASIS FOR OUR QUALIFIED OPINION

The District Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2013 (the Rules) made by the Secretary for Local Government.

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

These mandatory performance measures include the number of complaints (per 1,000 properties connected) received about the following:

- drinking water clarity, taste, odour, pressure or flow, continuity of supply, and the District Council's response to any of these issues; and
- sewage odour, sewerage system faults and blockages, and the District Council's response to issues with the sewerage system.

These measures are important because the number of complaints is indicative of the quality of services received by ratepayers.

The Department of Internal Affairs has issued guidance to assist local authorities in applying the Rules, including on how to count complaints. Our audit testing found that the District Council has not been counting after-hour complaints in accordance with this guidance and that the District Council's method of counting was likely to have understated the actual number of complaints received in the current year and in the comparative year to 30 June 2019. Complete records for all after-hour complaints made to the District Council were not available and we were unable to determine whether the District Council's reported results for these performance measures were materially correct.

As a result, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the number of complaints reported against these performance measures.

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 qualified opinion on the audited information.

EMPHASIS OF MATTER – IMPACT OF COVID-19

Without further modifying our opinion, we draw attention to

the disclosures about the impact of Covid-19 on the District Council as set out in note 8, note 21 and note 26 to the financial statements and pages 41, 64, 75, 77, 79, 80, 87, 88, 100, 101, 102, 104 and 106 of the activity statements.

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 annual plan.

We did not evaluate the security and controls over the electronic

INDEPENDENT AUDITOR'S REPORT

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

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 activity statements, 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 audit 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 entities or business activities within the Group to express an opinion on the consolidated audited information.

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.

OTHER INFORMATION

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 2 to 26, 126 and 188 to 192, but does not include the audited information and the disclosure requirements.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information.

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 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 a limited assurance engagement related to the District Council's debenture trust deed, which is compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in the District Council or its subsidiary.



Chris Webby
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand

ABOUT THIS REPORT

Our reporting is comprehensive, for each activity group you will find:

- What we do
- Why we do it
- Whether we met our performance targets
- Whether we met budget

All of our work aims to contribute to the long term vision and the community outcomes we want for the District.

PERFORMANCE MEASURES

The performance measures within this Annual Report were adopted by the Council as part of the 2018-28 Long Term Plan. We get performance information from a wide variety of sources including Council systems such as; the complaints records management system, the finance system, databases for quality tests, satisfaction surveys and reports from external organisations (Taranaki Regional Council and District Health Board).

Satisfaction Surveys

The Council commissions an independent resident satisfaction survey every year to find out what South Taranaki residents think of our District and the Council's services and facilities. The survey for 2019/20 was conducted by Research First using a sample of 400 residents over the age of 18 years and representative of the population in terms of ward and gender. The maximum margin of error is +/- 4.9%.

The survey is mainly conducted by phone (sample of 400) however an additional online channel was also available of which 40 were completed. However, the results focus on the telephone sample, as the sample from the online survey should not be viewed as representative of the District's population as they are self-selecting and fundamentally different from that provided through the telephone approach, which was based on random sampling, where respondents are invited to take part. Self-selecting respondents are likely to have characteristics and opinions that are not consistent with the general population. However, the detailed results of the online survey are available on request.

The following scale was used for residents to rank their level of satisfaction:

- Very satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very dissatisfied; and
- Don't know/unable to say.

The performance measure results in this Annual Report that use Research First survey results to gauge satisfaction utilise the combined responses "very satisfied", "satisfied" and "neutral" unless otherwise stated.

In-house surveys are also conducted by various Groups in Council.

NON-FINANCIAL PERFORMANCE MEASURES

| | |
|-------------------------------------------------------------------------------------|----------------------------------------------|
|  | Achieved |
|  | At Risk |
|  | Not Achieved |
| N/A | This measure is not applicable for this year |

DEMOCRACY & LEADERSHIP TE POUMANUKURA

vibrant together prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

DEMOCRACY & LEADERSHIP

TE POUMANUKURA

WHAT WE DO

The Council has a Mayor elected across the District and 12 Councillors elected from four wards (Hāwera-Tangahoe, Egmont Plains, Eltham and Pātea). There are 16 Community Board members on four Community Boards – Hāwera-Tangahoe, Egmont Plains, Eltham and Pātea.

The Council undertook a representation review in 2018 and from October 2019 the four wards and Community Boards were changed to Eltham-Kāponga, Pātea, Te Hāwera and Taranaki Coastal.

Councillors are the governing body for the Council and make decisions relating to the level and standard of the services; determine policies for its activities, investments, borrowings, identify partnerships with other agencies and capacity building for Māori, set the rates and charges each year and approve the Long Term Plan and subsequent annual plans.

Community Board members are elected to ensure local people have a voice on local issues and provide a direct link between the community and the Council. Another forum for representation is the Iwi Liaison Committee. This Committee provides an opportunity for four members from each Iwi within South Taranaki to discuss issues with the Mayor, Deputy Mayor, Chair of the Environment and Hearings Committee and Council staff and can make recommendations to the Council. The four Community Boards and the Iwi Liaison Committee all have discretionary funding for community projects and assistance, the amount determined by the Council.


The Environment and Hearings Committee hears all notified resource consent applications on behalf of the Council.

WHY WE DO IT


Councils are statutory bodies given powers to exercise under legislation from Central Government. As outlined in the Local Government Act 2002 one of the main purposes of councils is to enable democratic local decision-making and action by, and on behalf of local communities in an open and transparent manner. This means the Council has a responsibility to consider how we are meeting the needs of our community and how we provide opportunities for all residents to participate in the decision-making process. To do this well the Council needs to actively keep residents informed about what is happening at the Council, how decisions will affect them and clearly explain how they can be involved in decision-making.

HOW WE PERFORMED


Performance Measure 1 – Council is moving in the right direction

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| We make well informed decisions that support the current and future needs of the community, in an open and transparent manner. | % of residents who feel that the Council is moving in the right direction. | Achieved 90%. | ≥ 80% |  85%. The Annual Resident's Survey showed that 85% of residents feel that the Council is moving in the right direction. |


Performance Measure 2 – Council decisions in best interest of the community

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| We make well informed decisions that support the current and future needs of the community, in an open and transparent manner. | % of residents who agree decisions made by Council represent the best interests of the District. | Achieved. 77% | ≥ 70% |  72%. The Annual Resident's Survey showed that 72% of residents thought that decisions made by the Council represent the best interests of the District. |

Performance Measure 3 – Satisfaction with the opportunity to participate in Council decision-making processes

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| We engage with our community and provide opportunities for the community to participate in decision-making. | % of residents who are satisfied or neutral with their opportunity to participate in Council decision-making processes. | Achieved. 86% | ≥ 80% |  82%. The Annual Resident's Survey showed that 82% of residents were satisfied with their opportunities to participate in Council decision-making processes. |

Performance Measure 4 – Residents who know where to access Council information

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| We keep residents informed of Council activities through a variety of media. | % of residents who know where to access Council information when they want it (eg website, newspaper, Libraries, Contact Centre). | Achieved. 90% | ≥ 85% |  86%. The Annual Resident's Survey showed that 86% of residents know how to get Council information if they want it. |

Performance Measure 5 – Iwi representatives appointed to Iwi Liaison Committee/Council's Standing Committees

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| We have strong relationships with local Iwi and work together in a range of ways so that their perspectives inform our decisions. | Iwi representatives are appointed to the Iwi Liaison Committee (ILC) and the Council's standing committees. | Achieved. Iwi representatives have been appointed to the ILC by the relevant Iwi. | Achieved |  Iwi representatives have been appointed to the Iwi Liaison Committee by the relevant Iwi. |
| | | Not achieved. The appointment of Iwi representatives onto Standing Committees is still a work in progress. | |  The appointment of Iwi representatives have been made to the Audit and Risk Committee, Environment and Hearings Committee and the Infrastructure Services Portfolio Group. There is still an Iwi representative to be appointed to the Community Services Portfolio Group. |

DEMOCRACY & LEADERSHIP

TE POUMANUKURA

BUILDING MĀORI CAPACITY TO CONTRIBUTE TO COUNCIL DECISION-MAKING POLICY

The Council is committed to upholding the mana of Māori by building strong relationships with Iwi and to provide opportunities for Māori to contribute effectively and actively in decision-making processes that will affect the wider community.

The Iwi Liaison Committee is one forum the Council uses for sharing information, discussing and gaining an individual and collective perspective on matters affecting Māori and seeking recommendations on Iwi-related issues requiring a Council decision. Throughout the year the Committee receive updates on the Council activities, discussion documents on requested items and briefings for the Long Term Plan consultation.

NGĀ KAWENGA Ā TE KAUNIHERA - COUNCIL'S ROLE AND RESPONSIBILITY

- To build and maintain opportunities for Māori to contribute to decision-making processes within the South Taranaki District.
- To consider ways in which the South Taranaki District Council (Council) will develop this process in the future.

TE KORONGA Ā TE KAUPAPA HERE - PURPOSE OF THE POLICY

- To provide more opportunities for Māori to contribute to decision-making within the South Taranaki District Council. To assist Iwi and the Council to work collaboratively to meet the needs of Māori, by developing strong relationships through te reo Māori, Māori representation on Committees and a Bilingual Policy.

NGĀ WHAINGA PAETAETAE - OBJECTIVES

- To have direct appointments of Māori delegates to Committees and Portfolio Groups which allow Māori to have a voice in Committee decisions.
- To employ an Iwi Liaison Advisor (ILA) who will be the liaison between Council and Iwi.
- To develop a Te Reo Māori Policy that ensures the Council acknowledges and promotes the use of te reo Māori in everyday use throughout the organisation.
- To introduce a Bi-lingual Policy to the organisation.
- To provide a Te Reo Māori and Cultural workshop for all Councillors about the local rohe and the importance of Iwi engagement with the Council.
- To actively promote and participate in Māori activities within the region.
- To develop a Mana Whakahono-a-Rohe Agreement between local Iwi.
- To have biannual Iwi forums to present and discuss upcoming activities of importance to Iwi.
- To consult with Iwi in relation to Reserve Management Plans.
- To develop better communication by working with Iwi to produce articles and information to inform the Māori community.

KAUPAPA HERE - POLICY

The Policy looks at building capacity for Māori to contribute to decision-making with the introduction of the following policies and initiatives:

HERENGA TŪTURU - DIRECT APPOINTMENTS

- Appointment of Māori representatives to Committees and Portfolio Groups. For example, the Environment and Hearings Committee. There will be one or two appointees depending on the Group.

KAITAKAWAENGA Ā-IWI – APPOINT AN IWI LIAISON ADVISOR

- Provide direction, advice and support to the Council, Chief Executive and staff of the South Taranaki District Council on issues of significance to Iwi/Māori.
- Develop and maintain good relationships with Iwi/hapū.
- Provide advice and support for the development of Council policy and strategic partnerships with Iwi/hapū.
- Encourage Iwi/hapū participation by providing a point of contact, support and advice for the Iwi Liaison Committee members.

TE KAUPAPA HERE O TE REO MĀORI - TE REO MĀORI POLICY

The introduction of a Te Reo Māori Policy to encourage and promote te reo Māori within the Council organisation and over time the District. The use of te reo Māori within the main administration building. To promote active use of te reo Māori in conversations and acknowledgements.

TE TOHU REORUA – BILINGUAL SIGNS

- The development of bilingual signage around the community and the Council organisation for the promotion and encouragement of the language to be used within South Taranaki.
- This will be a long term programme that will involve utilising Kaumatua and language experts of Taranaki to provide appropriate signage for the Iwi location.
- Replacement of old signs with new bilingual signs.

MAHI-A-IWI - ACTIVE PARTICIPATION IN MĀORI EVENTS

- The development of Iwi activities with Council support. By providing advice and/or resources, such as Taranaki Tū Mai or Ngā Manu Kōrero-ā-Rohe Speech Competitions.
- To encourage Council to be actively participating in Iwi led activities. To promote positive relationships at Iwi events and give support.

AWHEAWHE-A-IWI KI NGĀ KAIKAUNIHERA - ELECTED MEMBERS CULTURAL WORKSHOP

- Workshop to assist elected members to have a basic and informative introduction to working and engaging with Iwi in a positive environment. This will be run at the beginning of each triennium following the Local Government Elections and will focus on assisting elected members with pronunciation, local history, Iwi information and tikanga.

MANA WHAKAHONO-A-ROHE

- To develop a Mana Whakahono-a-Rohe (MWR) agreement with local Iwi. This will encourage positive engagement with Iwi under the Resource Management Act 1991 and the 2017 amendments.

HUI TŌPŪ-A-MĀRAMARUA - BIENNIAL IWI FORUMS

- Meet biannually with Iwi leaders for the discussion and recommendation of current issues pertinent to Māori. For example, the Iwi Chairs Forum. Presentation at Rūnanga hui by Iwi Liaison Advisor to deliver current activities being carried out by the Council which involve Iwi.
- Parihaka 18th and 19th Forum – Iwi Liaison Advisor to attend biennially to give feedback and information on activities relevant to Taranaki Iwi.
- Kaumatua Kaunihera Hui – Iwi Liaison Advisor to deliver information to Iwi Kaumatua on current actions undertaken by the Council within the District that impact upon Iwi. For example, Kaumatua Kaunihera o Ngāruahine.

MAHERE KAITIAKI WHENUA - RESERVE MANAGEMENT PLAN

- Iwi hui to discuss activities of importance to Iwi in relation to specific reserves within their rohe.

PARI KARANGARANGA – IWI COMMUNICATIONS

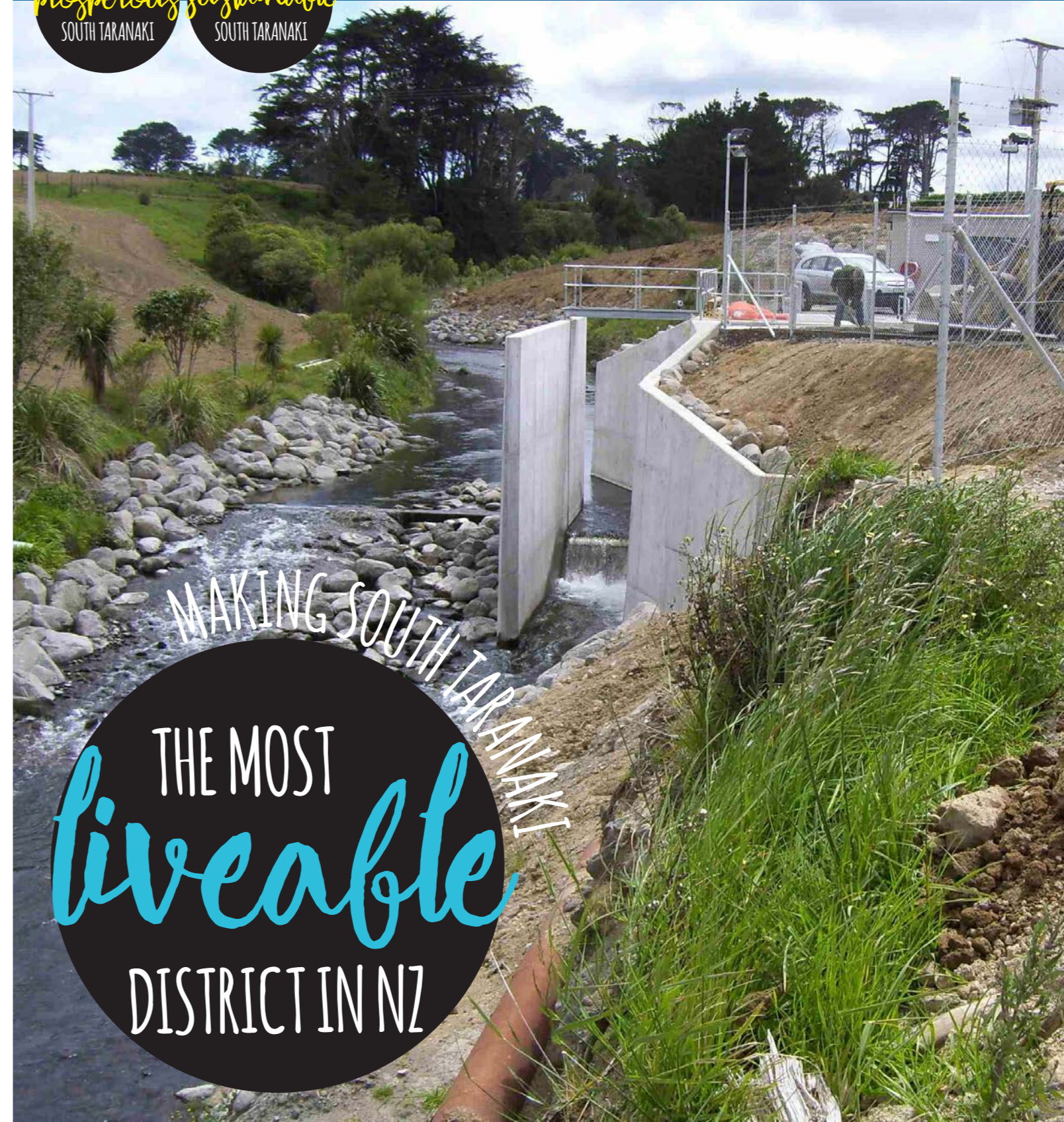
- The Iwi Liaison Advisor will work with Iwi to produce articles and information of activities the Council are involved in which affect relevant Iwi to be shared with the Māori community.

DEMOCRACY & LEADERSHIP

PROGRESS ON THESE OBJECTIVES:

- To have direct appointments of Māori delegates to Committees and Portfolio Groups which allow Māori to have a voice in Committee decisions. **Two iwi representatives were appointed to the Portfolio Groups during 2018/19. The two appointments to the Committees will be made during 2020/21.**
- To employ an Iwi Liaison Advisor who will be the liaison between Council and Iwi. **This role was established many years ago and the ILA has an ongoing commitment to liaising between Council and Iwi.**
- To develop a Te Reo Māori Policy that ensures the Council acknowledges and promotes the use of te reo Māori in everyday use throughout the organisation. **This Policy was adopted during 2018/19.**
- To introduce a Bi-lingual Policy to the organisation. **This was incorporated into the Te Reo Māori Policy.**
- To provide a Te Reo Māori and Cultural workshop for all Councillors about the local rohe and the importance of Iwi engagement with the Council. **This Workshop was held during 2019/20 and will be continued in future years.**
- To actively promote and participate in Māori activities within the Region. **Various activities have been attended and supported by the ILA, staff and elected members and this will continue to be an ongoing focus.**
- To develop a Mana Whakahono-ā-Rohe Agreement between local Iwi. **This work has progressed during the year with all councils involved and the majority of Iwi.**
- To have biannual Iwi forums to present and discuss upcoming activities of importance to Iwi. **Three forums have been held between Iwi and the Chief Executive during 2019/20.**
- To consult with Iwi in relation to Reserve Management Plans (RMPs). **Iwi has been consulted on the work done to date on RMPs and this consultation will continue as they are developed further.**
- To develop better communication by working with Iwi to produce articles and information to inform the Māori community. **Council officers meet with Iwi after every second ILC meeting to discuss Council activities and projects and any potential issues which Iwi would like to discuss.**

WATER SUPPLY NGĀ PUNA WAI



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

WATER SUPPLY

WHAT WE DO

The Council owns and manages 10 water production facilities, 37 reservoirs and 642km of water mains delivering this service. The water supplies provide an average of over 30 million litres of drinking water each day to meet the demand of residential, agricultural and industrial customers. Water is available 24 hours a day, seven days a week and requires treatment to meet the quality standards as defined by the Health Act.

WHY WE DO IT

Water is sourced from the many streams that flow from Mount Taranaki and bores to ensure there is sufficient quantity and quality of water. Streams supply most of the water supply, but boreholes are preferred as they are more reliable in a drought, have less impact on the environment and compliance with drinking water standards generally costs less. Boreholes are used in the following areas; Pātea, Waverley, Waverley Beach and Waiinu with boreholes being used to supplement the supplies at the Kāpuni and Waimate West Water Treatment Plants.

Water supply is the most critical infrastructure service provided by the Council. It is essential for the health and wellbeing of the population and is required in large volumes to sustain existing domestic, agricultural and industrial customers. Having the ability to access additional water is also required to facilitate economic development in the District. The Local Government Act requires that we continue to provide water supply services and maintain their capacity. The Council needs to manage water resources in an environmentally sustainable way, and this is achieved by reducing waste/water loss and encouraging appropriate water use.

The quantity of water taken from streams is regulated by the Taranaki Regional Council, who administers consents issued under the Resource Management Act, to sustain and protect the environment. With the use of Water Outlook, a data management software, Council is able to monitor water demand daily ensuring water is not leaking from our pipes, or on customers' properties so the Council are able to account for what is abstracted under the condition of resource consents.

In order to adequately operate the reticulation systems, a minimum storage capacity of 24 hours is desirable and all plants except Waimate West provide more than 24 hours storage capacity. Waimate West has a minimum storage capacity of 18 hours. High levels of storage capacity allow water treatment plants to reduce water production when there is heavy rainfall where water can become more difficult to treat. Storage also provides resilience in the event of natural disasters or emergencies which affect water supply.

SIGNIFICANT NEGATIVE EFFECTS

Most of our drinking water is taken from river sources. Reducing river flow can have a negative effect on the ecosystem of rivers, however the Resource Management Act resource consent process recognises this and the Taranaki Regional Council apply principles set out in the Regional Fresh Water Plan when considering permission to abstract water from streams and bores.


HOW WE PERFORMED

Performance Measure 2 – Duration of water outage to comply with the Health Drinking Water Amendment Act


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------|----------------|---------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Duration of water outage to comply with the Health Drinking Water Amendment Act. | Not achieved. One shutdown exceeded 8 hours. | ≤ 8 hrs |  |

NGĀ PUNA WAI


Performance Measure 3 – Median response time for service personnel to attend urgent call-out - DIA Performance Measure 3a

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to attend urgent call-out. <i>DIA Performance Measure 3a</i> | Achieved. 31m | ≤ 2 hrs |  The median response time for service personnel to attend urgent call-outs for the year was 49 minutes. |

Performance Measure 4 – Median response time for service personnel to resolve urgent call-out (P1 < 250 mm diameter main) - DIA Performance Measure 3b


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to resolve urgent call-out (P1 < 250 mm diameter main). <i>DIA Performance Measure 3b</i> | Achieved. 2h/24m | ≤ 5 hrs |  The median response time for service personnel to resolve urgent call-outs for the year was 2 hours 27 minutes. |

Performance Measure 5 – Median response time for service personnel to resolve urgent call-out (P1 ≥ 250 mm diameter main) - DIA Performance Measure 3b


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to resolve urgent call-out (P1 ≥ 250 mm diameter main). <i>DIA Performance Measure 3b</i> | Achieved. | ≤ 9 hrs |  There have been no urgent call-outs recorded for the year. |

WATER SUPPLY


Performance Measure 6 – Median response time for service personnel to attend non-urgent call-out (P2) - DIA Performance Measure 3c

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to attend non-urgent call-out (P2). <i>DIA Performance Measure 3c</i> | Achieved. 1d/1h/51m | ≤ 2 days |  The median response time for service personnel to attend non-urgent call-outs (P2) for the year was 1 day, 23 hours and 31 minutes. |

Performance Measure 7 – Median response time for service personnel to attend non-urgent call-out (P3) - DIA Performance Measure 3c


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to attend non-urgent call-out (P3). <i>DIA Performance Measure 3c</i> | Achieved. 2d/16h/22m | ≤ 5 days |  The median response time for service personnel to attend non-urgent call-outs (P3) for the year was 2 days 23 hours and 52 minutes. |

Performance Measure 8 – Median response time for service personnel to resolve non-urgent call-out (P2) - DIA Performance Measure 3d


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to resolve non-urgent call-out (P2). <i>DIA Performance Measure 3d</i> | Achieved. 1d/6h/25m | ≤ 2 days |  The median response time for service personnel to fully complete non-urgent call-outs (P2) for the year was 2 days, 21 hours and 18 minutes. The target was not achieved due to late contractor job closures and completions in the first two quarters as well as DIA measure calculations that reflect weekdays (7 days) whereas the performance measurement in the contract is based on working days (5 days). |

NGĀ PUNA WAI


Performance Measure 9 – Median response time for service personnel to resolve non-urgent call-out (P3) - DIA Performance Measure 3d

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Median response time for service personnel to resolve non-urgent call-out (P3). <i>DIA Performance Measure 3d</i> | Achieved. 2d/19h/15m | ≤ 5 days |  The median response time for service personnel to fully complete non-urgent call-outs (P3) for the year was 5 days and 10 hours. The target was not achieved due to late contractor job closures and completions in the second and fourth quarters as well as COVID-19 interruptions and DIA measure calculations that reflect weekdays (7 days) whereas the performance measurement in the contract is based on working days (5 days). |

Performance Measure 10 – Extent of compliance with current NZ Drinking Water Standards (for bacteria) - DIA Performance Measure 1a


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Water supplied is clean and healthy. | Extent of compliance with current NZ Drinking Water Standards (for bacteria). <i>DIA Performance Measure 1a</i> | Achieved. 10/10 | 10/10 |  (10/10) - provisional result. 10 plants and reticulated networks complied with Drinking Water Standards. Waverley had E.coli event in December 2019. |

Performance Measure 11 – Extent of compliance with NZ Drinking Water Standards (for protozoa) - DIA Performance Measure 1b


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Water supplied is clean and healthy. | Extent of compliance with NZ Drinking Water Standards (for protozoa). <i>DIA Performance Measure 1b</i> | Not achieved. 8/10 | 10/10 |  (8/10) - provisional result. For the year only 8 out of 10 supplies attained compliance. Two supplies (Waverley Beach and Waiinu) do not have the Protozoa removal as yet. DWA Annual Audit confirms. |

WATER SUPPLY


Performance Measure 12 – Water Safety Plans approved by DHB

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------|-------------------------------------|--------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Water supplied is clean and healthy. | Water Safety Plans approved by DHB. | Not achieved. 7/10 | 10/10 |  (6/10). 'Large and medium' supplies have approved Plans as required by the Health Act. Plans for the 'small supplies'; Waverley Beach and Waiinu are currently in draft, Rāhotu is to be updated and Inaha's was approved. Small supplies plans are not a requirement of the Health Act, although desirable. The Pātea Plan expired and will now be reviewed. |

Performance Measure 13 – Real water losses over all supplies - DIA Performance Measure 2


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------|--------------------------------------------------------|-------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is managed sustainably. | (T) % Water Losses <i>DIA Performance Measure 2</i> | Not achieved. 13% (target ≤ 11%) | ≤ 10.5% |  (13.39%). Overall this measure is similar to previous years. Eltham losses are the highest in the District. However, the new trunk main will be commissioned within a few months. Few other loss reduction and non-revenue water reduction projects are in progress. |

Performance Measure 14 – Average consumption of drinking water per day per resident - DIA Performance Measure 5


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is managed sustainably. | Average consumption of drinking water per day per resident. <i>DIA Performance Measure 5</i> | Not achieved. 394 L/c/d (target 360) | ≤ 350 L/c/d |  The report to determine average water consumption per day incorrectly included all residential and non-residential connections. The calculation is being modified to ensure that future reporting correctly identifies residential versus non-residential properties. |

NGĀ PUNA WAI


Performance Measure 15 – Compliance with resource consents for abstraction

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is managed sustainably. | Compliance with resource consents for abstraction. | No reporting has been received for 2018/19 set. There were minor WTP discharge variances at Kāpunī, Ōpunakē and Waimate West plants, however, the annual compliance from TRC is anticipated to be compliant. | 100% |  100% compliance for the full year. The 2018/19 TRC Water Supply Monitoring Report was received. The report stated that "During the monitoring period STDC demonstrated an overall high level of environmental performance." |

Performance Measure 16 – Number of complaints received about drinking water clarity (per 1,000 connections) - DIA Performance Measure 4a


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | Number of complaints received about drinking water clarity (per 1,000 connections). <i>DIA Performance Measure 4a</i> | Achieved. 1.87 (target ≤ 3) | ≤ 3 |  4.11 complaints about drinking water clarity per 1,000 connections were received for the year. |

Performance Measure 17 – Number of complaints received about drinking water taste (per 1,000 connections) - DIA Performance Measure 4a


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | Number of complaints received about drinking water taste (per 1,000 connections). <i>DIA Performance Measure 4a</i> | Achieved. 1.12 (target ≤ 3) | ≤ 3 |  1.59 complaints about drinking water taste per 1,000 connections were received for the year. |

WATER SUPPLY


Performance Measure 18 – Number of complaints received about drinking water odour (per 1,000 connections) - DIA Performance Measure 4b

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | Number of complaints received about drinking water odour (per 1,000 connections). <i>DIA Performance Measure 4b</i> | Achieved. 0.56 (target ≤ 3) | ≤ 3 |  1.22 complaints about drinking water odour per 1,000 connections were received for the year. |

Performance Measure 19 – Number of complaints received about drinking water pressure or flow (per 1,000 connections) - DIA Performance Measure 4c


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | Number of complaints received about drinking water pressure or flow (per 1,000 connections). <i>DIA Performance Measure 4c</i> | Not achieved. 4.39 (target ≤ 3) | ≤ 3 |  4.11 complaints about drinking water pressure per 1,000 connections were received for the year. |

Performance Measure 1 – Number of complaints received about continuity of supply (per 1,000 connections) – DIA Performance Measure 4d


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The water supply is accessible and reliable. | Number of complaints received about continuity of supply (per 1,000 connections). <i>DIA Performance Measure 4d</i> | Achieved. 7.2 complaints | ≤ 10 |  5.98 complaints per 1,000 connections were received for the year. |

NGĀ PUNA WAI


Performance Measure 20 – Number of complaints received about response to the issues as per performance measures 4a-4d (per 1,000 connections) - DIA Performance Measure 4e

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | Number of complaints received about response to the above (per 1,000 connections). <i>DIA Performance Measure 4e</i> | Achieved. 0 (target ≤ 2) | ≤ 2 |  No reported complaints were received about response to the issues as per performance measure 4a-4d. |

Total of Performance Measures 16-20 – Total number of customer complaints received (per 1,000 connections) - DIA Performance Measures 4a-4e

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | Number of complaints received (per 1,000 connections). <i>DIA Performance Measures 4a-4e</i> | Achieved. 15.14 (target ≤ 24) | ≤ 24 |  17.69 complaints per 1,000 connections were received for the year. Some complaints were regarding the same events or issues. |

Performance Measure 21 – Consumers are satisfied with the Water Supply overall

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|---------------------------------------------------------|------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consumers are satisfied with the Water Supply service. | % of consumers satisfied with the Water Supply overall. | Achieved. 82% | ≥ 80% |  (83%). 83% of residents surveyed were satisfied with the Water Supply overall. |

* 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 Council periodically monitors these timelines to verify accuracy on a sample basis.

* The number of complaints may not include all complaints received through Council after-hours service. The issue is now being resolved.



STORMWATER TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA

prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

STORMWATER

TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA

WHAT WE DO

The Council manages and maintains stormwater assets made up of culverts, channels, collectors and outfalls. Our 106 kilometres of stormwater reticulation network comprises of manholes to effectively divert stormwater from roads to natural water courses, with all stormwater eventually exiting to the sea. The Council uses the Stormwater Asset Management Plan to assess the changes in demand, levels of service and how the maintenance, renewal and replacement of assets will be undertaken.

The Council encourages residential properties to control stormwater internally via soakage and not through the Council's stormwater system.

WHY WE DO IT

Stormwater reticulation infrastructure is provided to avoid flooding of property and to avoid or reduce ponding on roads (except in extreme rainfall events) that could create safety hazards. The use of detention areas and diversion such as Allison Street in Ōpunakē assist in the management of stormwater especially in a heavy rainfall event. The Council is also actively involved in the management of existing open drains.

With increasing development more demand will be placed on stormwater services and some extra stormwater assets may be needed if additional kerb and channel is constructed as part of the roading programme. Due to changing climatic conditions, increased rainfall events are occurring more often, again placing more demand on stormwater assets.


SIGNIFICANT NEGATIVE EFFECTS

The discharge of stormwater into watercourses can lead to flooding and/or erosion at points further downstream. Suitable designs incorporating detention ponds and/or diversion paths can mitigate these risks. Unmanaged and blocked open drains have the potential to cause upstream ponding and delayed releases of larger volumes of water.


Climate change effects are expected to result in more periods of intense rainfall and flooding, as our stormwater systems are not designed to cope with extreme events.

HOW WE PERFORMED


Performance Measure 1 – Number of reported flooding incidents of habitable properties - DIA Performance Measure 1a

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council provides a reliable stormwater system which prevents houses from flooding. | Number of reported flooding incidents of habitable properties. <i>DIA Performance Measure 1a</i> | Achieved. 0 | ≤ 10 |  No flooding incidents of habitable properties were received for the year. |


Performance Measure 2 – Number of habitable floors affected per 1,000 properties rated for stormwater for each flooding event - DIA Performance Measure 1b

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council provides a reliable stormwater system which prevents houses from flooding. | (T) For each flooding event, the number of habitable floors affected per 1000 properties rated for stormwater. <i>DIA Performance Measure 1b</i> | Achieved. 0 | ≤ 1.0 |  No flooding incidents of habitable properties were received for the year. |

Performance Measure 3 – Number of abatement notices received by STDC for Stormwater discharges – DIA Performance Measure 2a

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| The stormwater system is managed sustainably. | (T) Number of abatement notices received for stormwater discharges. <i>DIA Performance Measure 2a</i> | Achieved. 0 | 0 |  No abatement notices were received for the year. |


Performance Measure 4 – Number of infringement notices received by STDC for stormwater discharges - DIA Performance Measure 2b

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| The stormwater system is managed sustainably. | (T) Number of infringement notices received for stormwater discharges. <i>DIA Performance Measure 2b</i> | Achieved. 0 | 0 |  No infringement notices were received for the year. |


STORMWATER

TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA

Performance Measure 5 – Number of enforcement orders received by STDC for stormwater discharges - DIA Performance Measure 2c

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------|
| The stormwater system is managed sustainably. | (T) Number of enforcement orders received for stormwater discharges. <i>DIA Performance Measure 2c</i> | Achieved. 0 | 0 |  No enforcement orders were received for the year. |


Performance Measure 6 – Number of successful prosecutions made against STDC for stormwater discharges - DIA Performance Measure 2d

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------|
| The stormwater system is managed sustainably. | (T) Number of successful prosecutions made against the Council for stormwater discharges. <i>DIA Performance Measure 2d</i> | Achieved. 0 | 0 |  No prosecutions were made for the year. |


Performance Measure 7 – Response time for service personnel to attend flooding event - DIA Performance Measure 3

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Council will respond to reports of flooding and customer requests. | Median response time for service personnel to attend flooding event. <i>DIA Performance Measure 3</i> | Achieved. | ≤ 2 hrs |  No flooding events were reported for the year. |

Performance Measure 8 – Number of complaints received about stormwater system and response to issues (per 1,000 connections) - DIA Performance Measure 4

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council will respond to reports of flooding and customer requests. | Number of complaints received about stormwater system and response to issues (per 1,000 connections). <i>DIA Performance Measure 4</i> | Achieved. 0 | ≤ 1 |  No complaints were received about the stormwater system and response to issues for the year. |

Performance Measure 9 – Residents are satisfied with the Stormwater system

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------|------------------------------------------------------|----------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Residents are satisfied with the Stormwater system. | % of residents satisfied with the Stormwater system. | Not achieved. 79% | ≥ 80% |  (83%). 83% of residents surveyed were satisfied with the stormwater system overall. |

* 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 Council periodically monitors these timelines to verify accuracy on a sample basis.



connected
PEOPLE

WASTEWATER NGĀ PARAPARA

prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

WASTEWATER

WHAT WE DO

Wastewater services include the collection, piping, treatment and disposal of all wastewater from residences and businesses within the Council's eight wastewater systems located in Hāwera (includes Normanby), Eltham, Pātea, Waverley, Ōpunakē, Manaia, Kaponga and Waiinu Beach. The treated wastewater is discharged to natural waters (streams, rivers or the ocean) or onto land, in accordance with resource consent conditions, to ensure public health standards are met. The treatment systems are via oxidation ponds (including anaerobic, two with wetlands) and septic tanks/sand filters.

The Council is presently conducting work to minimise storm water inflow and infiltration into the wastewater reticulation system. Smoke testing programmes are underway across urban parts of the District to detect points where stormwater inflows are occurring. Manholes inspections are programmed to ensure the integrity of the lids and chambers.

CCTV investigation is also undertaken inside wastewater pipes to assess the condition of the pipes and identify areas which require repairs. This programme helps to identify where there are structural defects and show where cracks are allowing groundwater to infiltrate into the pipework. Repair works include trenchless "pipe relining" and the traditional "dig-up" pipe repairs and replacements. These capital programmes will continue to reduce the amount of inflow and infiltration which in turn will increase the capacity of the wastewater system for new connections and compliance with resource consents.

The preventative maintenance of the sewer reticulation includes routine flushing of flat sections of sewer mains, pump station inspections and the monitoring of trunk main flows. The Council uses the Wastewater Asset Management Plan to assess changes to demand, level of service and how maintenance, renewal and replacement of assets will be undertaken.

The implementation of the Trade Waste Bylaw has allowed for a mechanism to ensure the quality control of wastewater from industrial and commercial operations.

WHY WE DO IT

The safe management of waste is a core activity of the Council. By undertaking this activity the Council ensures that sewage is managed and treated to minimise risk to public health and without affecting the quality of the environment and, in particular, our waterways. Ensuring the quality and adequacy of all existing wastewater services in the District is also a requirement under the Local Government Act 2002.


SIGNIFICANT NEGATIVE EFFECTS

Overflows of untreated or partially treated wastewater from the wastewater network and treatment plants are a potential serious risk to the health, social and cultural wellbeing of the community and environment. The risk of harmful discharges from the wastewater systems are minimised through meeting resource consent conditions, regular monitoring and implementation of the Inflow and Infiltration Management Plan described above.

Odours produced from trade waste and domestic sewage can also create significant negative effects.


HOW WE PERFORMED

Performance Measure 1 – Sewage overflows into occupied buildings due to faults in the public wastewater system


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------|---------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage is managed without risk to public health. | Number of sewage overflows into occupied buildings due to faults in the public wastewater system. | Achieved. 0 | 0 |  No sewage overflows occurred into occupied buildings due to faults in the public wastewater system for the year. |

NGĀ PARAPARA


Performance Measure 2 – Response time for service personnel to attend overflow – DIA Performance Measure 3a

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage is managed without risk to public health. | Median response time for service personnel to attend overflow. <i>DIA Performance Measure 3a</i> | Achieved. 23m | ≤ 2 hrs |  The median response time for service personnel to attend overflows for the year was 46 minutes. |

Performance Measure 3 – Response time for service personnel to resolve overflow – DIA Performance Measure 3b


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage is managed without risk to public health.* | Median response time for service personnel to resolve overflow. <i>DIA Performance Measure 3b</i> | Achieved. 3h | ≤ 5 hrs |  The median response time for service personnel to resolve overflows for the year was 3 hours 21 minutes. |

Performance Measure 4 – Number of customer complaints per year relating to odours from wastewater pump stations or treatment facilities (per 1,000 connections) - DIA Performance Measure 4a


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of customer complaints per year relating to odours from wastewater pump stations or treatment facilities (per 1,000 connections). <i>DIA Performance Measure 4a</i> | Achieved. 0.51 | ≤ 1 |  0.63 complaints per 1,000 connections were received about odours from wastewater pump stations and/or treatment facilities for the year. |

WASTEWATER


Performance Measure 5 – Number of customer complaints received about sewerage system faults (per 1,000 connections) - DIA Performance Measure 4b

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of complaints received about sewerage system faults (per 1,000 connections). <i>DIA Performance Measure 4b</i> | Not achieved. 38.03 (target ≤ 26) | ≤ 25 |  7.73 complaints per 1,000 connections were received about sewerage system faults for the year. |

Performance Measure 6 – Number of customer complaints received about sewerage system blockages (per 1,000 connections) - DIA Performance Measure 4c


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of complaints received about sewerage system blockages (per 1,000 connections). <i>DIA Performance Measure 4c</i> | Not achieved. 12.68 (target ≤ 11) | ≤ 11 |  8.37 complaints per 1,000 connections were received for the year about sewerage system blockages. |

Performance Measure 7 – Number of customer complaints received about response to issues (per 1,000 connections) - DIA Performance Measure 4d


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of complaints received about response to issues (per 1,000 connections). <i>DIA Performance Measure 4d</i> | Achieved. 0 (target ≤ 3) | ≤ 3 |  No reported complaints were received about response to issues for the year (as per complaints register). |

NGĀ PARAPARA


Total of Performance Measures 4-7 – Total number of customer complaints received (per 1,000 connections) - DIA Performance Measures 4a-4d

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of complaints received (per 1,000 connections). <i>DIA Performance Measures 4a-4d</i> | Not achieved. 51.21 (target ≤ 41) | ≤ 40 |  16.73 complaints per 1,000 connections were received for the year. |

Performance Measure 8 – Number of dry weather overflows per 1,000 connections - DIA Performance Measure 1

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------|-------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of dry weather overflows per 1,000 connections. <i>DIA Performance Measure 1</i> | Achieved. 0.76 | ≤ 1 |  0.25 dry weather overflows per 1,000 connections were reported for the year. |

Performance Measure 9 – Compliance with discharge standards

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | % of compliance with discharge standards. | Achieved. | 100% |  98.45% compliance with discharge standards has been achieved for the year. 2 of 193 consent conditions were not met – high outlet flows at Pātea WWTP and unionized ammonia levels in Waverley WWTP discharge. |


* The number of complaints may not include all complaints received through Council after-hours service. The issue is now being resolved.

WASTEWATER


Performance Measure 10 – Number of abatement notices received for discharges - DIA Performance Measure 2a

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of abatement notices received for discharges. <i>DIA Performance Measure 2a</i> | Achieved. 0 | 0 |  No abatement notices were received for the year. |


Performance Measure 11 – Number of infringement notices received for discharges - DIA Performance Measure 2b

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of infringement notices received for discharges. <i>DIA Performance Measure 2b</i> | Achieved. 0 | 0 |  No infringement notices were received for the year. |

Performance Measure 12 – Number of enforcement orders received for discharges - DIA Performance Measure 2c


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of enforcement orders received for discharges. <i>DIA Performance Measure 2c</i> | Achieved. 0 | 0 |  No enforcement orders were received for the year. |

Performance Measure 13 – Number of convictions received for discharges - DIA Performance Measure 2d


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Number of convictions received for discharges. <i>DIA Performance Measure 2d</i> | Achieved. 0 | 0 |  No convictions were received for the year. |

NGĀ PARAPARA

Performance Measure 14 – Annual rainfall – derived inflow and infiltration

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|----------------------------------------------------|--------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | Annual rainfall – derived inflow and infiltration. | Not achieved. 7.5% (target 6%) | 5% |  (6.3%). Inflow and infiltration has decreased from 7.5% in the previous financial year and sits at 6.3% for this financial year. Although there was an improvement from the 2018/19 year the target was moved from 6% to 5%. |

Performance Measure 15 – Consumers satisfied with the Wastewater services

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|--------------------------------------------------------------------|------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sewage does not affect the quality of the environment. | (C) % of residents satisfied with the Wastewater services overall. | Achieved. 84% | ≥ 80% |  (86%). 86% of consumers surveyed were satisfied with the Wastewater Services overall. |

* 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 Council periodically monitors these timelines to verify accuracy on a sample basis.

attractive
LIFESTYLE



SOLID WASTE TE TUKUHANGA O NGĀ PARAPARA

prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI

MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ



SOLID WASTE

TE TUKUHANGA O NGĀ PARAPARA

WHAT WE DO

Solid Waste management involves providing a refuse and recycling kerbside collection to urban residents and residences along the main collection routes. Collections also include a voluntary green waste collection service (fortnightly), on a user pays basis. Residents are serviced by seven transfer stations throughout the district (Hāwera, Eltham, Manaia, Ōpunakē, Pātea, Waverley and Waitōtara) providing facilities to take refuse and recycling with a 24-hour free recycling service at Ōpunakē, Eltham, Manaia and Waverley transfer stations. The Council also manages seven closed landfills.

The Council offers a weekly refuse and recycling kerbside collection service and has no current operational landfills. The Council is now involved in a joint contract with other Taranaki councils, transporting refuse to the Bonny Glen landfill. A key role for the Council is minimising the amount of refuse destined for landfills through better separation of reusable or recyclable refuse.

WHY WE DO IT

The Council has a responsibility to protect the public health of the District and maintain environmental standards for the Region. The Health Act 1956 obliges the Council to deliver this activity to protect the environment and public health of its residents. The Council contributes to the health and wellbeing of the community and the environment by providing waste management infrastructure and services. The council is involved in the collection of waste data region wide to assist in formulating methods of waste reduction via the Waste Management and Minimisation Plan (WMMP). The WMMP makes provision for the collection of waste produced within the District and the reduction, reuse, recycling and disposal of waste.


SIGNIFICANT NEGATIVE EFFECTS

The Council has seven consented closed landfill and the effects of gas emissions and leachate from the closed landfills are a potential serious contaminant to the environment. The risk of contamination is minimised through meeting resource consent conditions and regular monitoring.


Fly-tipping or illegal dumping of waste has detrimental effects on the environment and potentially on public health. It also attracts associated clean-up and disposal costs. The illegal dumping of waste is reduced by regular monitoring of known sites and areas, by erecting signage and through public education.

HOW WE PERFORMED


Performance Measure 1 – Complaints received for missed street collection that are not resolved.

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A reliable weekly kerbside recycling and rubbish collection service is provided. | (T) Number of complaints received for missed street collection that are not resolved (average per month). | Achieved. 1 (target 2) | 2 |  An average of 0.9 complaints per month were received during the year for a missed collection that was not resolved within 48 hours. |


Performance Measure 2 – Customers satisfied with the solid waste collection service

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A reliable weekly kerbside recycling and rubbish collection service is provided. | % of customers satisfied with the solid waste collection service. | Achieved. 93% | ≥ 90% |  (94%). 94% of customers surveyed were satisfied with the Solid Waste collection service. |

Performance Measure 3 – Complaints received for genuine missed greenwaste bins (excluding non-compliant bins) per collection

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| A reliable, well managed (user pays) fortnightly kerbside greenwaste collection service is provided. | Average number of complaints received for genuine missed greenwaste bins (excluding non-compliant bins) per collection. | Achieved. 1.9 (target ≤ 6) | ≤ 6 |  The average number of missed bins was 1.6 for the year. |

Performance Measure 4 – Complaints received about poor maintenance, noise or smell for Transfer Stations.

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transfer stations are safe and well maintained. | Number of complaints received about poor maintenance, noise or smell for Transfer Stations. | Achieved. 0 | ≤ 5 |  3 complaints were received about poor maintenance, noise or smell for Transfer Stations for the year. All three were for overfull recycling bins at the 24-hour recycling area at Ōpunakē transfer station. |

SOLID WASTE

Performance Measure 5 – Waste diverted from the landfill each year

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recycling is encouraged and less waste is sent to the regional landfill. | (T) % of Council controlled waste diverted from the landfill each year. | Achieved. 33.13% (target ≥ 30%) | 30% | (26.39%). The total waste diversion from landfill, inclusive of recycling and green waste was 26.39% for the year. This includes some estimated residual waste figures from recycling. Since the closure of the Colson Road landfill in New Plymouth, additional volumes of general waste have been taken by contractors to the Hāwera transfer station, reducing the diversion figure. Q4 includes a period during COVID-19 Alert Level 4 when recycling facilities (including green waste) were closed. During this period, we could not process recycling and stopped collecting it. General waste continued to be collected, further decreasing the diversion figure. |

ROADING AND FOOTPATHS NGĀ HUARAHI ARA RAU



INCLUDES ROAD SAFETY & PATHWAYS



ROADING AND FOOTPATHS

NGĀ HUARAHI ARA RAU

WHAT WE DO

The Council is a Road Controlling Authority and is legally responsible for control of the District's roading network. The daily management, operation and maintenance of the network was returned to in-house professional services model, with capital expenditure projects competitively tendered to ensure best value for money. Through the maintenance and annual improvement programme the Council aims to provide a sustainable roading system which allows for safe and efficient travel throughout the District at reasonable cost.

The Council aims through its stormwater infrastructure to avoid flooding of buildings, except in extreme rainfall events, and to ensure ponding on roads does not create safety hazards. The Council delivers the Regional Community Road Safety Programme on behalf of the region with funding share from New Plymouth District Council and Stratford District Council and subsidy from New Zealand Transport Agency.

Development of walkways and cycleways is an important factor in attracting and retaining skilled people in our District. That is why we have embarked on a Pathways Programme which will provide a network of walkways and cycleways that link recreational spaces within urban centres and outlying attractions, improve walking and cycling access for employment and other regular travel needs, which are accessible by a variety of means and through multiple access points and are safe and attractive to families and a wide range of users.

Annual programmes for renewing the District roading network and footpaths include:

- Area wide pavement treatment (\$1.57m) - sections of roads (completed 6.2km) are re-metalled and sealed, resulting in a smoother more durable surface; widening and minor safety improvements are included where appropriate. Carried over amount of \$667k.
- Resealing of 77.5 kilometres road for the year (\$2.2m).
- Renewing of footpaths, kerb and channel (completed 802m costing \$239,000, with \$660,000 carried over to 2020/21).
- Bridge strengthening on Weraweraonga Road Bridge #273 (\$208,000).
- Glover Road pathway and road widening (\$453,000) with a carried over amount of \$75,000.
- Whenuku Road widening (\$73,000).
- Gabion wall installations on Skeet and Hastings Roads (\$76,000).
- Fish passage work identified by Taranaki Regional Council at two locations (\$134,000).

WHY WE DO IT

Ownership and control of the District's roads are vested in Council through the Local Government Act 1974 and 2002. The Council is a "Road Controlling Authority" and is legally responsible for control of its road network. A safe and accessible roading infrastructure supports the District's and Region's community outcomes by allowing access to health services, a gateway for new and existing businesses and the opportunity to travel for education and training. The Council maintains and develops a substantial roading network to meet the needs of residents, and road users within the South Taranaki District.

SIGNIFICANT NEGATIVE EFFECTS


The provision of roads can have a negative effect on the environment such as air, noise and water pollution through air and noise emissions from motor vehicles. The environmental effects of road construction and maintenance are minimised through conditions set by the Taranaki Regional Council Plans for Freshwater Quality and Air Quality. Dust generated by traffic on unsealed roads is mitigated through regular gravelling or sealing of the roads (the latter is subject to available funds).

Vehicle accidents have a significant effect on the social and economic wellbeing of the community. Road safety management is an on-going focus for the Council and minor improvement works are carried out at high risk areas to reduce crash incidents.


The Council's Roading Bylaws support the protection of its roading infrastructure by regulating the behaviour of road users who would otherwise pose a risk of negative impacts for other road users.

HOW WE PERFORMED


Performance Measure 1 – Roads meeting the roughness standard remains stable or improves - DIA Performance Measure 2

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council provides roads which are safe and comfortable to drive on. | (T) % of the quality of the Council's sealed local roads to provide smooth and comfortable ride for motorists measured by Smooth Travel Exposure. "Smooth Travel Exposure" measures the average ride quality experienced by motorists travelling on smooth, sealed roads. <i>DIA Performance Measure 2</i> | Achieved. 92% (target 92%) | 92% |  (91%). 91% achieved over all roads. The average roughness for urban roads has dropped to 79% while the rural roads remain stable at 96%. Our focus in the future is to identify and upgrade rough streets in the urban area. |

Performance Measure 2 – Road users satisfied with the condition of Council roads

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council provides roads which are safe and comfortable to drive on. | % of road users satisfied with the condition of Council roads. | Not achieved. 65% (target 75%) | ≥ 75% |  (69%). The Annual Resident's Survey showed that 69% of road users are satisfied with the condition of Council roads. A lot of the dissatisfaction was related to potholes. Therefore, we intend to focus on pothole issues in the future. (Some of the dissatisfaction is related to State Highways which are not in our control). |

Performance Measure 3 – Annual change in number of fatalities and serious injury crashes on local road network. DIA Performance Measure 1


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council provides roads which are safe and comfortable to drive on. | Annual change in number of fatalities and serious injury crashes on local road network. <i>DIA Performance Measure 1</i> | Not achieved. 15 | Decrease by 1 or zero |  (14). The overall reported crashes for the year is 14. There were 12 serious and 2 fatal compared to 15 last year with 11 serious and 4 fatal. |

ROADING AND FOOTPATHS


Performance Measure 4 – Sealed local road network resurfaced annually - DIA Performance Measure 3

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The roading network is maintained in good condition. | % of sealed local road network resurfaced annually. <i>DIA Performance Measure 3</i> | Achieved. | 6% |  (5.89%). Only 5.89% of the sealed local road network programme was completed due to the costs being more than anticipated. |


Performance Measure 5 – Footpaths with condition rating 1-4 - DIA Performance Measure 4

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Footpaths are maintained in good condition and are fit for purpose. | % of footpaths with condition rating 1-4. <i>DIA Performance Measure 4</i> | Achieved. | 92% |  (99%). 99% rating was achieved for the year. |

Performance Measure 6 – Urgent customer service requests relating to roads and footpaths responded to within 2 working days - DIA Performance Measure 5

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council will respond promptly to customer service requests for roads and footpaths. | % of urgent customer service requests relating to roads and footpaths responded to within 2 working days. <i>DIA Performance Measure 5</i> | Not achieved. 90% (target 95%) | ≥ 95% |  (100%). All 11 urgent requests were responded to within 2 days for the year. |

Performance Measure 7 – Non-urgent customer service requests relating to roads and footpaths responded to within 5 working days - DIA Performance Measure 5

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council will respond promptly to customer service requests for roads and footpaths. | % of non-urgent customer service requests relating to roads and footpaths responded to within 5 working days. <i>DIA Performance Measure 5</i> | Not achieved. 88% (target 90%) | ≥ 90% |  (91%). Overall for the year 1066 out of 1173 non-urgent customer requests were responded to within 5 days. |

COMMUNITY FACILITIES

TE WHARE TĀPERE O TĀNERORE ME NGĀ
HUA KA PUTA MĀ TE HĀPORI

vibrant together prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

COMMUNITY FACILITIES

TE WHARE TĀPERE O TĀNERORE ME NGĀ HUA KA PUTA MĀ TE HĀPORI

WHAT WE DO

Community Facilities include the following Council activities – Parks & Reserves, Public Spaces, Halls, Swimming Pools, Public Toilets, Holiday Parks, Cemeteries, Pensioner Housing, TSB Hub, Hāwera Cinemas and Corporate Property.

PARKS AND RESERVES

The Council owns and maintains (approximately 168) parks and reserves across the entire District varying in size from neighbourhood ‘pocket parks’ and playgrounds, small roadside gardens and main street gardens to sports fields, premier parks and large scenic reserves such as Lake Rotokare (457ha in total). Of these, there are 60 Council-owned parks and reserves across the South Taranaki District that can be considered parks in their own right. South Taranaki has 2.45 hectares of actively maintained park land per 1,000 residents, the lowest of 33 peer local authorities. While many are owned in ‘fee simple’ by the Council, some are gazetted as reserves under the Reserves Act 1977 which have specific legal responsibilities (e.g. Crown owned land with management vested in the Council). In addition, the Council owns and maintains 38 playgrounds across the District.

Further details on how the Council manages its open space to ensure the communities’ needs, concerns and aspirations are considered, are described in the District Open Space Strategy which was adopted in 2014.

PUBLIC SPACES

The Council has a wide range of active and passive open spaces that make this District unique and which are not necessarily formal parks or reserve areas. Examples of these are, places for quiet reflection, public gathering spaces, walkways, informal recreational areas and places set aside for the protection of flora, fauna and cultural heritage and some of the designated freedom camping areas. These open spaces are areas of land to which the public has a relatively free right of access. They can serve a variety of purposes from recreation, amenity and preservation to providing and being part of views, protecting significant landscapes, sites and community identities, and providing a focal point for a local area. The different types of open space and the combination of these spaces make up the Public Spaces network.

The Council is not the sole provider of the open space in the District, but we play the main role to create, protect and improve accessibility to these special places that are valued by our communities and visitors.

HALLS

Council-owned halls are provided in Ōpunakē, Manaia, Kaponga, Eltham, Normanby, Hāwera, Pātea and Waverley. Bookings are made through the Council Offices and LibraryPlus locations. We also assist rural halls throughout the District with an annual grant. The Eltham Town Hall has a “Friends of” community group, and they are a primary stakeholder in the running of this facility. The Council also owns the Sports Complex in Manaia, but the day-to-day operations of this Hall, like the sports bookings, minor maintenance and applications for grants is managed by the Manaia Sports Hall Society. Both these facilities are currently closed due to not meeting 34% of New Building Standards (NBS). Strengthening and restoration of New Zealand Heritage listed Hunter Shaw Hall in Pātea was completed.

The Council has a partnership and works closely with the Hāwera Memorial Theatre Trust. Formed in 2011, the Trust is able to seek external funding for specified projects including funding to allow school students the opportunity to be involved in experiencing the theatre environment through the school curriculum.

In Waverley, the community hall is a facility, jointly owned and operated by the Council and Border Rugby Club. The Council makes an annual grant to the Ōpunakē Sports and Recreation Trust towards the cost of programmed renewals at the Sandford Events Centre.

SWIMMING POOLS – RURAL POOLS AND AQUATIC CENTRE, HĀWERA

The Council owns and operates rural swimming pools in Kaponga, Manaia, Eltham, Rāwhitiroa, Pātea and Waverley which are open to the public from mid-December through to Taranaki Anniversary Weekend in March. These pools have free access for the public and are staffed by qualified lifeguards. The Council also makes an annual contribution to the operation of the Ōpunakē Community Baths. The Aquatic Centre in Hāwera has an indoor complex which operates all year round featuring a thermal pool, 25 metre pool, hydro-slide, learner’s pool and children’s splash park. The outdoor complex, which includes a 50 metre pool and children’s pool, is open from early December to the end of March. Swim and survive programmes for children are offered both privately and through the school’s programme year-round at the Aquatic Centre. The Aquatic Centre is Poolsafe™ accredited and is a Gold Level AUSTSWIM recognised Swim Centre.

PUBLIC TOILETS

The Council owns and maintains 37 public toilets at locations across the District. There are 8 in Hāwera, 11 in and north of Ōpunakē (including a toilet at Rāhotu which is privately owned but is managed by the Council so public access is guaranteed), 6 in Eltham, 1 in Kaponga, 4 in Manaia and 7 in the towns of Pātea, Waverley and Waiinu. Some toilets are cleaned by contractors while others are cleaned by Council staff. Toilets are generally serviced daily with the exception of coastal or remote toilets where use is limited during the winter season.

The Council also provides six dump stations (for motorhomes to dispose of waste) at Waverley (Dallison Park and Aotea Park), Normanby, Ōpunakē, Ōpunakē Beach and Waiinu Beach.

HOLIDAY PARKS

The Council provides seven holiday parks across the District: Ōpunakē Beach Holiday Park, Te Ngutu o Te Manu (Ahipaipa Road, Ōkaiawa), Hāwera Holiday Park, Pātea Beach Holiday Park, Waverley Beach, Waiinu Beach and Lake Rotorangi (Pātea Dam).

The management and operation of these holiday parks varies throughout the District. Ōpunakē Beach Holiday Park and Pātea Holiday Park are leased to private operators; Hāwera Holiday Park is managed by contractors and Te Ngutu o Te Manu, Waverley Beach and Waiinu Beach are managed in-house. Lake Rotorangi (Pātea Dam) is managed by a voluntary Trust in partnership with the Council.

CEMETERIES

The Council actively manages ten cemeteries across the District; Eltham, Hāwera, Kaponga, Manaia, Ōhawe Beach, Ōkaiawa, Ōpunakē, Otakeho, Pātea and Waihi (Normanby). The Council also owns the Armed Constabulary Cemetery on the banks of the Ōpunakē Lake, and the land at Rāhotu Cemetery which is managed by a Trust and provides an annual grant to the Waverley Cemetery Trust. As well as the land for cemeteries the Council also manages the roading, car parks, toilet blocks, rubbish bins, concrete berms and lowering devices associated with the Cemetery activity.

More detailed information on the operations, maintenance, renewal and development of the cemeteries’ assets can be found in the Cemeteries Asset Management Plan.

PENSIONER HOUSING

The Council has pensioner housing units in Ōpunakē, Eltham, Manaia, Kaponga, Hāwera, Pātea and Waverley. In addition to normal rental management services, the Council provides a support service which includes regular fortnightly visits to the residents and a first point of contact for all maintenance requests.

TSB HUB

TSB Hub is the District’s premier sports, leisure and recreation facility based in Hāwera. TSB Hub includes three indoor courts, a small-bore rifle range, ten changing rooms, three large high-quality function areas and a modern fitness centre. The expansive outdoor area includes sealed netball/tennis courts and provides for a range of turf based seasonal sports on Taranaki’s largest field sports complex. A netball pavilion, public toilets and a cricket pavilion complement the stadium. TSB Hub is capable of hosting conferences, expos, concerts and sports events that bring visitors to the District.

HĀWERA CINEMA

The Council owns the Cinema 2 land, building and some chattels but the Cinema is managed by a charitable trust (Hāwera Cinema 2 Trust). The building is partly leased to the Trust for the Cinema and partly to The Local Sports Bar. The Council provides an annual operating grant (\$40,000) to the Cinema Trust to ensure that it is able to continue operating as well as having a representative on the Cinema Trust to provide support and accountability.

COMMUNITY FACILITIES

TE WHARE TĀPERE O TĀNERORE ME NGĀ HUA KA PUTA MĀ TE HĀPORI

CORPORATE PROPERTY

The Council owns or administers approximately 550 properties and the role of the Corporate Property Unit includes the provision of legal services and advice relating to those properties. The unit is responsible for compliance and safety for all Council buildings, ensuring Building Warrants of Fitness are current, appropriate Asbestos Management Plans are in place and co-ordinating the completion of Seismic Assessments and remedial work. The Unit manages approximately 100 leases and licences to generate an income stream for the Council and approximately 40 concessional agreements with not-for-profit groups located on Council owned land and public reserves. The Unit also oversees the management of Domains and Reserves administered by Domain Boards and Committees.

The Unit is responsible for the preparation and review of Asset Management Plans for the Sundry Property Portfolio and Pensioner Housing and capital work and maintenance plans for Councils Parks and Facilities.


WHY WE DO IT

The vision of our Open Space Strategy is to have accessible Open Spaces that are enjoyed by our people, support the health and wellbeing of our communities and enhance our environment. Provision of the activities and associated infrastructure within the Community Facilities grouping contribute to this Strategy and provide recreation and leisure opportunities for residents and visitors to the District.


HOW WE PERFORMED

PARKS AND RESERVES


Performance Measure 1 – Satisfaction with level of maintenance in Council Parks and Reserves

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------|---------------------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Parks and reserves are tidy and well maintained. | % of customers satisfied with the level of maintenance in Council parks and reserves. | Achieved. 97% | ≥ 90% |  (97%). The Annual Resident's Survey results show that 97% of respondents are satisfied with the level of maintenance in Council Parks and Reserves. |

Performance Measure 2 – Number of incidents recorded due to poor maintenance or design


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------------------|---------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Visitors feel safe and enjoy visiting our parks and reserves. | Number of incidents recorded per annum due to poor maintenance or design. | Achieved. 0 | ≤ 6 |  (2). There been two reports of incidents at Council Parks and Reserves in the last year: scratch on little girl's leg due to rough bit of splashed concrete on a slide at King Edward Park; and child cut finger while swinging on an unsecured gate at Lake Rotokare. |

Performance Measure 3 – Customer complaints/requests for Parks and Properties managed within specified timeframe

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Visitors feel safe and enjoy visiting our parks and reserves. | % of customers satisfied that the provided playgrounds meet the needs of users. | Achieved. 97% | ≥ 80% |  (97%). The Annual Resident's Survey showed that 97% of residents were satisfied that Council playgrounds met their needs. |


PUBLIC SPACES

Performance Measure 4 – Number of incidents reported due to poor maintenance or design.

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------|---------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Visitors feel safe and enjoy visiting our public spaces. | Number of incidents reported per annum due to poor maintenance or design. | Achieved. 1 | ≤ 6 |  There were no reported incidents at Council Public Spaces due to poor maintenance and design for the year. |

HALLS

Performance Measure 5 – Satisfaction with maintenance and cleanliness of Halls


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------|-------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Halls are well maintained and serviced. | % of customers satisfied with the maintenance and cleanliness of Halls. | Achieved. 94% | ≥ 90% |  (93%). The Annual Resident's Survey showed that 93% of residents were satisfied with the maintenance and cleanliness of Halls. |

COMMUNITY FACILITIES


TE WHARE TĀPERE O TĀNERORE ME NGĀ HUA KA PUTA MĀ TE HĀPORI

SWIMMING POOLS – RURAL POOLS


Performance Measure 6 – Number of Rural Pool users is greater than 30,000

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 | | | | | | | | | | | | | | |
|------------------------------------------|--------------------------------------------------------------|------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|-------|------------|-------|---------|-------|--------|-------|-------|-------|----------|-------|-------|--------|
| Rural Pools are attractive environments. | Total number of users of rural pools is greater than 30,000. | Achieved. 42,844 | ≥ 30,000 |  <table border="1"> <tr> <td>Eltham</td> <td>6,947</td> </tr> <tr> <td>Rāwhitiroa</td> <td>7,777</td> </tr> <tr> <td>Kaponga</td> <td>4,331</td> </tr> <tr> <td>Manaia</td> <td>8,133</td> </tr> <tr> <td>Pātea</td> <td>6,438</td> </tr> <tr> <td>Waverley</td> <td>4,203</td> </tr> <tr> <td>Total</td> <td>37,829</td> </tr> </table> | Eltham | 6,947 | Rāwhitiroa | 7,777 | Kaponga | 4,331 | Manaia | 8,133 | Pātea | 6,438 | Waverley | 4,203 | Total | 37,829 |
| Eltham | 6,947 | | | | | | | | | | | | | | | | | |
| Rāwhitiroa | 7,777 | | | | | | | | | | | | | | | | | |
| Kaponga | 4,331 | | | | | | | | | | | | | | | | | |
| Manaia | 8,133 | | | | | | | | | | | | | | | | | |
| Pātea | 6,438 | | | | | | | | | | | | | | | | | |
| Waverley | 4,203 | | | | | | | | | | | | | | | | | |
| Total | 37,829 | | | | | | | | | | | | | | | | | |


Performance Measure 7 – Satisfaction with Rural Pool venues being well maintained

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------|-------------------------------------------------------------|--------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rural Pools are well maintained. | % of customers satisfied with venues being well maintained. | Not achieved. 86% (target 90%) | ≥ 90% |  (91%). On average, 91% of customers agree that the pools and facilities were well maintained, a 5% increase on the previous year. |


Performance Measure 8 – Satisfaction with services provided by Rural Pool staff

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------|-------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers are satisfied with services. | % of users satisfied with services provided by staff. | Achieved. 95% | ≥ 90% |  (98%). Survey results indicated that 98% of customers were satisfied with services provided, a 3% increase on last year. |

Performance Measure 9 – Number of accidents at Rural Pools reported due to poor maintenance or design


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------|---------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rural Pools are safe environments. | Number of accidents reported per annum due to poor maintenance or design. | Achieved. 0 | ≤ 5 |  <p>No accidents were reported which have resulted from poor design or maintenance for the year.</p> |

Performance Measure 10 – Compliance with NZ5826 through regular water quality tests at Rural Pools

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------|------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rural Pools water quality is safe. | % of compliance with NZ5826 through regular water quality tests. | Achieved. 93.7% | ≥ 90% |  <p>Overall the end of season results showed a 93.7% compliant average across all pools for the season.</p> |

SWIMMING POOLS - AQUATIC CENTRE, HĀWERA


Performance Measure 11 – Number of users of the Aquatic Centre is greater than 90,000 per annum

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Aquatic Centre is an attractive environment. | (C) Number of users of the Aquatic Centre is greater than 90,000 per annum. | Achieved. 100,798 (target 90,000) | ≥ 90,000 |  <p>The number of users of the Aquatic Centre was 81,056 recorded for the year. The facility was closed for 51 days and restricted for a further 26 days following lockdown related to COVID-19.</p> |


COMMUNITY FACILITIES

TE WHARE TĀPERE O TĀNERORE ME NGĀ HUA KA PUTA MĀ TE HĀPORI


Performance Measure 12 – Satisfaction with the Aquatic Centre venue being well maintained

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------|------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Aquatic Centre is well maintained. | % of users satisfied with the venue being well maintained. | Achieved. 95% | ≥ 90% |  (91.5%). According to the User Survey results 91.5% of users were satisfied with the venue being well maintained. |


Performance Measure 13 – Satisfaction with the Aquatic Centre services provided by staff

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------|-------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers are satisfied with services. | % of users satisfied with services provided by staff. | Achieved. 95% | ≥ 90% |  (91.5%). According to the User Survey 91.5% of users were satisfied with services provided by staff. |

Performance Measure 14 – Aquatic Centre holds a current national Poolsafe accreditation

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------|----------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------|
| The Aquatic Centre is a safe environment. | The Aquatic Centre holds a current national Poolsafe™ accreditation. | Held | Held |  Current accreditation held. |

Performance Measure 15 – Number of accidents reported at the Aquatic Centre due to poor design or maintenance


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------|---------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Aquatic Centre is a safe environment. | Number of accidents reported per annum due to poor maintenance or design. | Achieved. 0 | ≤ 5 |  (7). Five incidences due to broken pool tiles, which have since been repaired. Two due to 50m pool grating – to be replaced before reopening December 2020. |

Performance Measure 16 – Number of Learn to Swim enrolments are no less than 1,400 per annum


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------|----------------------------------------------------------------------------------|--------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Aquatic Centre actively promotes swim programmes. | Number of Aqua School Learn to Swim enrolments are no less than 1,400 per annum. | Achieved. 1,578 (target 1,400) | ≥ 1,400 |  There were a total 1293 enrolments recorded in Aqua school for the year. Numbers are down due to closure and restrictions following lockdown related to COVID-19. |

PUBLIC TOILETS

Performance Measure 17 – Satisfaction with cleanliness and maintenance of Public Toilets

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------|------------------------------------------------------------------------------|--------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Toilets are safe, accessible and well maintained. | % of residents satisfied with cleanliness and maintenance of Public Toilets. | Not achieved. 78% (target 80%) | ≥ 80% |  (84%). The Annual Resident's Survey results showed 84% of respondents were satisfied with the level of cleanliness and maintenance of public toilets. |

Performance Measure 18 – Satisfaction with Public Toilet opening hours


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------|------------------------------------------------------------|-------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Toilets are safe, accessible and well maintained. | % of residents satisfied with Public Toilet opening hours. | Not achieved. 88% | ≥ 85% |  (89%). The Annual Resident's Survey showed that 89% of residents were satisfied with Public Toilet opening hours. |

COMMUNITY FACILITIES


TE WHARE TĀPERE O TĀNERORE ME NGĀ HUA KA PUTA MĀ TE HĀPORI

CEMETERIES

Performance Measure 19 – Satisfaction with tidiness and level of cemeteries maintenance


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------|---------------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cemeteries are tidy and well maintained. | (C) % of visitors satisfied with the tidiness and level of maintenance at Cemeteries. | Achieved. 99% | ≥ 95% |  (97%). The Annual Resident's Survey showed that 97% of residents were satisfied with the level of maintenance at Cemeteries. |

Performance Measure 20 – Number of complaints regarding interment processes


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------|--------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Interments are managed with respect and sensitivity. | (C) Number of reported issues regarding interment processes. | Achieved. 1 | ≤ 3 |  There were no reported complaints or issues for the year. |

PENSIONER HOUSING


Performance Measure 21 – Pensioner Housing Units are rated good to very good

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council will provide well maintained and affordable Pensioner Housing. | % of Pensioner Housing units are rated good to very good using the minimum standards included in the Pensioner Housing Policy. | Achieved. 67% | 71% |  One refit has been completed at Camellia Court, Hāwera and interior painting and flooring of Unit 7 Tainui, Hāwera. 44 Units are now rated good to very good. A further 10 units with inaccessible ceiling cavities will meet the criteria when ceiling insulation is installed in conjunction with roof replacements, bringing the total to 86%. |

Performance Measure 22 – Tenants satisfied with the standard of maintenance of their accommodation

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------|------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council will provide well maintained and affordable Pensioner Housing. | % of tenants satisfied with the standard of their accommodation. | Achieved. 95% | ≥ 95% |  (97%). The Annual Tenant's Survey was completed in March 2020 and 34 of the 63 tenants responded to this question. 33 of those tenants (97%) were satisfied with the condition of their units. |

Performance Measure 23 – Tenants satisfied with the social support service provided

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tenants are supported to remain independent in their communities of choice for as long as they are able. | % of tenants satisfied with the social support service provided (or who rate the social support service good or above). | Achieved. 97% | ≥ 90% |  (97%). 33 Tenants responded to this question in the Annual Tenant Survey. 27 rated the service excellent, 4 very good and 1 good. |


TSB HUB

Performance Measure 24 – Number of users of TSB Hub is greater than 150,000 per annum


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------|------------------------------------|-------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TSB Hub is an attractive, well maintained and well used venue. | (C) Number of visitors to TSB Hub. | Achieved. 158,677 | ≥ 150,000 |  A total of 129,256 visits were recorded for the year. The facility was closed due to COVID-19 Level 4 lockdown, and subsequent Level 3 and Level 2 restrictions saw reduced visitors to the facility. |

COMMUNITY FACILITIES

Performance Measure 25 – Satisfaction of TSB Hub standard of service provided

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------|-------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TSB Hub is an attractive, well maintained and well used venue. | % of users satisfied with the standard of service provided. | Achieved. 97% | ≥ 90% |  (100%). Results showed that 100% of respondents were either satisfied or very satisfied with the standard of service they received in previous surveys. The Annual User Survey was sent out Q2 and Q3, however no survey was sent out Q4 due to COVID-19 as the facility was closed for a large period of Q4. |

Performance Measure 26 – Number of accidents reported due to poor design or maintenance of TSB Hub

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------|---------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| TSB Hub provides a safe environment. | Number of accidents reported per annum due to poor design or maintenance. | Achieved. 0 | ≤ 3 |  No accidents were reported for the year that are attributed to poor maintenance or design. |

ARTS AND CULTURE NGĀ MAHI Ā-TOI ME RĒHIA



ARTS AND CULTURE

NGĀ MAHI Ā-TOI ME RĒHIA

WHAT WE DO

Cultural services include the following Council activities – Arts, Heritage and Library services.

ARTS

The Council's Arts, Culture and Heritage Policy, adopted in 2006, provides the direction for this sub-activity. An Arts Co-ordinator facilitates and promotes community participation in creative activities by providing a point of coordination for the creative community, facilitating the increased visibility of the arts within the District and supporting creative activities and organisations.

HERITAGE

The Council, in partnership with the South Taranaki District Museum Trust, provides District heritage services through the management of Aotea Utanganui – Museum of South Taranaki, providing support and advice to individuals and communities that wish to preserve their tāonga, objects and archives, as well as the promotion of the District's heritage, the Museum and its activities.

LIBRARYPLUS

The Council provides an extensive combined library and council service throughout the District, known as LibraryPlus facilities, in Ōpunakē, Eltham, Hāwera, Kāponga, Manaia, Pātea and Waverley. LibraryPlus users have access to the entire District library stock and can also interloan items from throughout New Zealand. We provide a free lending service to the community and books are delivered free of charge to those people who are housebound.

The libraries are committed to developing children's literacy by providing a range of activities that promote children's reading and story writing. Youth services have been developed to encourage their on-going use of the libraries. Access is provided to information technology with online databases, social media sites and eBooks plus free WiFi and public internet services available at each facility.

South Taranaki LibraryPlus provides a library management software solution for Stratford Library through a shared services agreement. Stratford and South Taranaki Libraries share a combined catalogue; patrons from both libraries are able to request and borrow books from each library's collection.

The Council services available at LibraryPlus facilities include payment of rates and accounts, enquiries about pensioner housing, burials, building consent applications, property file requests and community facility bookings. Six of the libraries act as agencies for the dissemination of visitor information and Eltham LibraryPlus provides New Zealand Postal Centre Services.


WHY WE DO IT

We provide these services to honour and protect the past and invest in the cultural development of our communities.

HOW WE PERFORMED


ARTS

Performance Measure 1 – Number of programmes or projects facilitated or supported per annum


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------------------|----------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Opportunities are provided to participate in arts activities. | Number of programmes or projects facilitated or supported per annum. | Achieved. 10 | 10 |  (10). Ten programmes or events were facilitated or supported for the year. |

HERITAGE – AOTEA UTANGANUI – MUSEUM OF SOUTH TARANAKI

Performance Measure 2 – Customers satisfied with their visit

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------|------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Visitors feel welcome and enjoy the facility. | % of customers are satisfied with their visit. | Achieved. 100% | ≥ 95% |  (99%). The overall satisfaction rate of customer visits is 99% for the year. |


Performance Measure 3 – Number of collection items re-housed to Museum standards

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------|-----------------------------------------------------------|-----------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The collection of artefacts and archives is protected for future generations. | Number of collection items re-housed to Museum standards. | Achieved. | Social History 400 objects archived 20 Linear metres |  704 Social History objects have been archived (exceeding target), however only 11 linear meters of archival materials have been rehoused for the year. |


ARTS AND CULTURE

LIBRARYPLUS

Performance Measure 4 – Satisfaction with facilities and customer service

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------|----------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LibraryPlus facilities are well resourced and have friendly, helpful staff. | % of customers satisfied with facilities and customer service. | Achieved. 100% | ≥ 95% |  (98%). The Annual Resident's Survey showed that 98% of residents were satisfied with the facilities and customer service of LibraryPlus Centres. |

Performance Measure 5 – Satisfaction with materials, resources and information provided

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LibraryPlus materials and resources are relevant to current information and leisure needs of the community. | % of customers satisfied with materials, resources and information provided. | Achieved. 99% | ≥ 95% |  (97%). The Annual Resident's Survey showed that 97% of residents were satisfied with materials, resources and information provided by the LibraryPlus Centres. |

DISTRICT ECONOMY WHAKATIPURANGA O TE ROHE



MAKING SOUTH TARANAKI
 THE MOST
liveable
 DISTRICT IN NZ

DISTRICT ECONOMY

WHAT WE DO

District Economy includes the following Council activities – Economic Development, Tourism and Events.

The Council supports the delivery of Tapuae Roa Make Way for Taranaki Regional Economic Development Strategy. This is a collaborative effort between South Taranaki, Stratford and New Plymouth District Councils, Taranaki Regional Council, Venture Taranaki, local business leaders, iwi and central government (MBIE). The strategy takes a whole-of-region approach focusing on unlocking the best opportunities for regional economic growth and the on-going success of the region. The Tapuae Roa Action Plan which the Council has adopted was released in April 2018.

The Council, in partnership with Venture Taranaki (the regional economic development and tourism agency), offers a business advisory service to assist both new and existing businesses wishing to expand or improve their competitiveness and businesses wishing to relocate to South Taranaki. This includes a support service to assist businesses to access Government agency funding for research and development, export and growth incentives and to act as a link to further professional services.

The Mayor's Task Force for Jobs projects are actions in the Council's Economic Development Strategy. The projects include the biennial Youth To Work Awards which celebrate young people who are achieving in their workplace or training environment, as well as the businesses, education and training providers who support them.

The Council also has a contract with Venture Taranaki to provide tourism development and promotion services.

There is a Council-operated centralised i-SITE visitor centre in the Hāwera Central Business District near the Water Tower which has Qualmark accreditation and satellite information services from six of the LibraryPlus facilities around the District to promote tourism within the area. The i-SITE is open seven days per week including every public holiday except Christmas Day.

Events are undertaken and supported by the Council to provide the community with a range of recreational and cultural activities that bring communities together and add to the character and spirit of the community. The Council is involved in a range of events throughout the District and supports them in a variety of different ways. This may be financially through sponsorship, ticketing and bookings, facilitation of a local element of a regional/national event, promotions and marketing or complete organisation of an event.


WHY WE DO IT

The Council adopted an Economic Development Strategy in 2014 with a vision for a vibrant and thriving community that appeals to industry, business, entrepreneurs, visitors and our residents. The activities within the District Economy Activity all contribute to this goal.

HOW WE PERFORMED


ECONOMIC DEVELOPMENT

Performance Measure 1 – Number of client interactions with the Business Advisory Service


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------|-------------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| Existing or new businesses are supported and assisted to grow. | Number of client interactions with the Business Advisory Service. | Achieved. 1,076 | ≥ 475 |  A total of 818 client interactions were made for the year. |

WHAKATIPURANGA O TE ROHE

Performance Measure 2 – Dollar value of Capability Development vouchers distributed in South Taranaki


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Existing or new businesses are supported and assisted to grow. | Dollar value of Capability Development vouchers distributed in South Taranaki. | Achieved. \$91,489 | ≥ 75,000 |  The dollar value of the Capability Development Vouchers distributed in South Taranaki for the year was \$86,089. |

Performance Measure 3 – Number of South Taranaki promotions per annum

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------|------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| South Taranaki is promoted as a great place to live, work and visit. | Number of South Taranaki promotions per annum. | Achieved. 10 | ≥ 10 |  (4). Four promotions for South Taranaki have been undertaken for the year to date: 1. Work began on updating the South Taranaki Lifestyle Booklet. 2. The Council also launched a new website. 3. Advertisements were taken in the AA Must Dos NZ Walks and Must Dos Regional Guides. 4. MTFJ Youth to Work Awards held in August acknowledged youth, business, iwi and educators doing good things in South Taranaki with a full page advertisement in the South Taranaki Star. The visit from the agricultural students and tutors from the Council's sister city Harbin, China did not take place as planned in February. Our focus is on working through the uncertainties caused by COVID-19 and leading and supporting initiatives that assist with response and recovery. |

TOURISM


Performance Measure 4 – Qualmark Accreditation is maintained

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------------------|-------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers are satisfied with the level of service they received at the i-SITE. | (T) Qualmark accreditation is maintained. | Held | Held |  Due to COVID-19 all Qualmark licenses have been extended for 12 months (so are valid for 2 years). |


DISTRICT ECONOMY

EVENTS


Performance Measure 5 – Number of events Council has provided or supported per annum

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council will provide, encourage and/or support events within the District. | Minimum number of events Council has provided or supported per annum. | Achieved. 18 | ≥ 10 |  (23). Twenty three events were provided or supported during the year. Five Lockdown Local concerts were held online during Q4 showcasing local talent during the Alert Level 4 COVID-19 lockdown. This brings the total for the year to 23. |

Performance Measure 6 – Attendees satisfied with selected Council events

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------|--------------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Council events are well organised, safe and well attended. | % of attendees satisfied with selected Council events. | Achieved. 98% | ≥ 90% |  No customer surveys were completed during the 2019/2020 year for events due to staff changes and some events not happening due to COVID-19. |

Performance Measure 7 – Number of serious accidents due to poor event management

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------|-------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Council events are well organised, safe and well attended. | (C) Number of incidents due to poor event management. | Achieved. 0 | ≤ 3 |  No incidents were recorded for the year. |

COMMUNITY DEVELOPMENT WHAKAWHANAKE HAPORI



COMMUNITY DEVELOPMENT

WHAKAWHANAKE HAPORI

WHAT WE DO

The Community Development activity is made up of services aimed at developing the partnership between the Council and the community, enabling the community to participate in the Council's planning, development and implementation of initiatives. The activity also supports communities to undertake projects and achieve outcomes they desire for themselves.

Partnerships with regional stakeholders on initiatives of benefit to the District are also developed and maintained. The Council manages Roadsafe Taranaki on behalf of the three District Councils. The Council is a partner in initiatives including the Regional Disability Strategy, Regional Public Transport Service and Regional Capacity Building Incubator, The Wheelhouse.

The Council has a nominated budget within the Long Term Plan for grants and discretionary funding for the four Community Boards and the Iwi Liaison Committee. We administer the Rural Travel Fund on behalf of Sport and Recreation New Zealand and the Creative Communities Scheme on behalf of Creative New Zealand.


WHY WE DO IT

This group of activities supports the community's well-beings by helping to build their capacity and to implement projects and initiatives they have identified as priorities to enhance their communities, making them attractive places to live, do business, work and visit.


HOW WE PERFORMED

COMMUNITY DEVELOPMENT


Performance Measure 1 – Participants in workshops and training sessions find the training useful

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Communities and Groups are provided with the skills they need to support them to achieve their own goals. | % of participants in workshops and training sessions find the training useful. | Achieved. 100% | ≥ 80% |  (98%). 98% of participants for the year found the capacity building workshops and training useful. |

Performance Measure 2 – Cost of community led projects (supported by Council) funded from external sources

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Partnerships with community groups are developed to make the best use of resources. | % of the cost of community led projects (supported by Council) funded from external sources. | Achieved. 63% | ≥ 50% |  (50%). Support was provided for the Paepae in the Park funding applications with 50% of their funding coming from non-Council sources. |

Performance Measure 3 – Total cost of Council led projects (in community partnership) funded externally

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Partnerships with community groups are developed to make the best use of resources. | % of the total cost of Council led projects (completed in partnership with the community) funded from external sources. | Achieved. 50% | ≥ 33.3% |  (86%). 86% of funding has been provided externally for Council-led projects for the year. The Youth to Work Awards are supported with sponsorship from a number of local businesses with 75% of the funding obtained from external sources. The Sound Mirror installation costs have been secured with 98% of this project externally funded. Staff assisted with the installation through existing budgets. The Sound Mirrors were donated to the community by a Hāwera company with fabrication costs covered by a number of supporters. The mirrors have been installed in King Edward Park. |



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COMMUNITIES

ENVIRONMENTAL SUSTAINABILITY TE PŪTAIAO



together prosperous sustainable
SOUTH TARANAKI SOUTH TARANAKI SOUTH TARANAKI



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

WHAT WE DO

Environmental Sustainability activities include the following:

- Promoting sustainable management of the environment through the District Plan
- Applying the provisions of the District Plan through the assessment and determination of land use and subdivision consents

PLANNING

Planning involves applying the provisions of the South Taranaki District Plan to meet the Council's obligations under the Resource Management Act 1991. As well as processing resource consents, this consists of providing advice to customers on subdivision and land use activities and monitoring compliance with the District Plan and resource consent conditions.

ENVIRONMENTAL POLICY

The Environmental Policy activity involves promoting the sustainable management of the environment through the District Plan and providing funding assistance to people protecting areas of indigenous vegetation or habitats of indigenous fauna. The Council began reviewing the District Plan in 2013 and decisions on submissions were released in December 2016. Nine appeals were lodged and eight of these have since been resolved, either through Court assisted mediation or Environment Court hearings. Due to its complexity, the final appeal has resulted in three Environment Court hearings and is still to be determined.


WHY WE DO IT

Environmental Sustainability contributes to protecting and managing the natural and built environment for the benefit of the whole community.


HOW WE PERFORMED

PLANNING

Performance Measure 1 – Resource consent applications processed within specified timeframes

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consents for subdivisions and development are processed in a timely manner. | (T) % of resource consent applications processed within statutory timeframes. | Achieved. 100% | 100% |  (98%). 146 applications have been processed for the year to date with 143 (98%) processed within the statutory timeframe. The most recent non-compliance appears to be an administration error but is still recorded as being over the timeframe. |

Performance Measure 2 – Consents monitored by their due date

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------|-------------------------------------------|-------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Consent compliance is monitored by the Council. | Consents are monitored by their due date. | Not achieved. 58% | ≥ 90% |  (58%). Of the 40 consents monitored for the year to date, 23 (58%) were monitored by their due date. |

ENVIRONMENTAL POLICY

Performance Measure 3 – Plan Changes and Variations to the District Plan are undertaken in accordance with legislative timeframes

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------|
| Growth and development is planned while our natural and physical resources are managed in a sustainable manner. | The Plan Changes and Variations to the District Plan are undertaken in accordance with legislative timeframes. | Not applicable. | Achieved | N/A This performance measure is not applicable whilst the proposed District Plan remains in appeal phase. |

Performance Measure 4 – Plan change projects that have dedicated periods of officer time set aside for consulting with Iwi

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Iwi are supported to contribute to local environmental issues. | % of Plan Change projects that have dedicated periods of officer time set aside for consulting with Iwi. | Not applicable. There were no Plan Change projects | 100% | N/A There have been no Plan Change projects for the year, primarily due to the proposed District Plan remaining in appeal phase. |

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COMMUNITIES



REGULATORY SERVICES RATONGA WHAKATURE



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DISTRICT IN NZ



REGULATORY SERVICES

WHAT WE DO

Regulatory Services includes the following Council activities – Building Control, Environmental Health, Licensing - Alcohol & Gambling, Noise Control, Parking Control, Animal Services, Regulation Monitoring, and Civil Defence & Emergency Management.

BUILDING CONTROL

The Building Control activity involves regulating construction to ensure that buildings are safe for people to use; are designed and built in a manner that promotes sustainable development; and fulfil the purposes of the Building Act 2004. In doing so, approximately 590 building consents each year are received and processed, and the building work inspected. In addition, Territorial Authority activities include maintaining a Building Warrant of Fitness register of buildings with specified safety systems, identifying, registering and monitoring Earthquake-prone buildings, and maintaining a register of properties with Swimming Pools.

ENVIRONMENTAL HEALTH

Part of Council's regulatory role is to promote, protect and improve public health in the district. There is a close relationship between people and the environment. What happens in the environment can have an adverse effect on our health. Council's Environmental Health Officers actively identify issues and assess the health risks related to food businesses, hairdressers, camping grounds, funeral parlours, stock sales yards and many issues relating to the management of private properties and commercial activities to protect the health of the surrounding community.

LICENSING – ALCOHOL AND GAMBLING

Alcohol licensing law in New Zealand is set by the Sale and Supply of Alcohol Act 2012. Applications for alcohol licences and managers' certificates are determined by the South Taranaki District Licensing Committee (DLC), an independent committee appointed by Council. Council appointed alcohol licensing inspectors, who report on all applications and monitor licensed premises for compliance with the Act and provide support to the DLC.

The 3-yearly review of the Gaming Venues Policy commenced in the 2018/19 year and was completed in September 2019.

NOISE CONTROL

The Council deals with specific noise problems. Some kinds of noise - such as noisy cars and workplace noise - are controlled by other organisations under different regulations. The Environmental Health Officers of Council deal with excessive noise complaints from:

- Loud parties and stereos
- House and building alarms
- Construction activity
- Buskers and bars
- Industry or commercial uses affecting residents

RATONGA WHAKATURE

ANIMAL MANAGEMENT

Animal management activities cover the registration of dogs, administration of the Dog Control Act 1996, the Council's Dog Control Policy and Bylaws, plus the Impounding Act. The Council registers approximately 4,600 dogs each year. Considerable time is directed at dealing with dog control issues in the District, such as increasing owner awareness and education to reduce incidents of roaming and aggressive dogs.

The Animal management team responds to nearly 1,300 complaints each year. This includes:

- dogs attacking or threatening people, domestic animals, stock, poultry or property
- roaming dogs
- unregistered dogs
- dog nuisance, such as loud and excessive barking or howling
- wandering stock obstructing public roads
- keeping of goats, pigs and other stock within city boundaries

REGULATION MONITORING

This activity enforces several Council bylaws. Key duties include licensing of street stalls, removing obstructions in public places, removing abandoned vehicles and responding to illegal waste/rubbish dumping.

CIVIL DEFENCE & EMERGENCY

The Council is involved in Civil Defence and Emergency Management to provide for the safety of the public and also the protection of property in South Taranaki. The Council is a partner in the Taranaki Emergency Management Office (TEMO), which delivers Civil Defence and Emergency Management services throughout Taranaki on behalf of the councils in the region. The Council is obligated to plan and provide for Civil Defence and Emergency Management within South Taranaki and to ensure that it can function at the fullest possible extent during an emergency.


WHY WE DO IT

The regulatory services activity covers a broad range of tasks – in all cases Council performs a role because it is set by statute, and we do it because of our duty of care to the health and safety of the community and the environment, both natural and built.

HOW WE PERFORMED

BUILDING CONTROL


Performance Measure 1 – Building Consent applications processed within specified timeframe

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------|-------------------------------------------------------------------------------------------------|-------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Building consents are processed efficiently. | % of building consent applications processed within the statutory timeframe of 20 working days. | Not achieved. 74% | 100% |  (90%). 616 building consents have been processed for the year to date with 552 (90%) processed within the statutory timeframe. The result is not satisfactory but it demonstrates some improvement from the previous financial year, where only 74% of building consents were processed within 20 working days. This remains an area of focus. |


REGULATORY SERVICES

RATONGA WHAKATURE

Performance Measure 2 – Building inspections carried out within specified timeframe


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------|-------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customers receive industry recognised quality service. | % of building inspections carried out within 2 working days of request. | Achieved. 100% | ≥ 95% |  (100%). For the year, all 1791 inspections were inspected within the timeframes. Note that inspections were ceased on Monday 23 March 2020 when Alert Level 3 was enforced due to COVID-19 and resumed on Tuesday 28 April 2020 when the Alert Level was reduced to Level 3. |

Performance Measure 3 – Accreditation as a Building Consent Authority is retained


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------|------------------------------------------------------------|-----------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Council retains authority to issue building consents. | Accreditation as a Building Consent Authority is retained. | Retained | Retained |  Accreditation as a Building Consent Authority was retained from 19 July 2019 for a period of two years. |

ENVIRONMENTAL HEALTH


Performance Measure 4 – New/renewal premises applications processed within specified timeframe

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| New food premises can open to the public quickly and existing food premises can continue to trade. | % of New Premises Applications and Renewal Premises Applications processed within 10 working days. | Achieved. 100% | ≥ 95% |  100%. For the year, all 183 were processed within 10 working days. |


Performance Measure 5 – Licensed premises that are audited within one month of the due date

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Food premises are hygienic, and food sold to the public is safe to eat. | % of licensed premises that are audited within 1 month of the due date. | 100% | ≥ 95% |  (100%). For the year, all 88 were audited within 1 month for the year to date. Due to COVID-19, the majority of the scheduled verifications for this quarter were rescheduled for a later date in the year. Compliance inspections were more focussed on other health premises during this time. |

Performance Measure 6 – Number of complaints received from food premises operators about standard of service

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------|
| Food premises operators receive high quality service. | The number of complaints received from food premises operators about standard of service per annum. | Achieved. 0 | ≤ 5 |  No complaints were received for the year. |

Performance Measure 7 – Number of licensed premises that are inspected annually


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Hairdressers, camping grounds/holiday parks, funeral homes and offensive trade premises are hygienically safe. | % of licensed premises that are inspected annually. | 100% | ≥ 95% |  (100%). For the year, all 53 (100%) health premises were inspected. |

REGULATORY SERVICES


RATONGA WHAKATURE

LIQUOR LICENSING


Performance Measure 8 – Number of Council facilitated workshops to encourage host responsibility

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Premises selling liquor to the public are licensed and are running their business responsibly. | (C) Number of workshops to encourage host responsibility that the Council is involved in facilitating per annum. | Achieved. 2 | 2 |  No Council facilitated workshops have taken place this financial year due to workload, COVID-19 and staff vacancies. |

Performance Measure 9 – Licensed premises that are annually inspected


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Premises selling liquor to the public are licensed and are running their business responsibly. | (T) % of licensed premises that the Council has contact with or are inspected. | Achieved. 100% | 100% |  (100%). For the year, all 89 (100%) licensed premises have had a compliance visit for the financial year. |

Performance Measure 10 – Unopposed Liquor License applications processed within specified timeframe

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Unopposed Liquor Licence Applications are processed promptly. | (T) % of unopposed Alcohol Licence Applications processed within 10 working days of receipt of all reports. | Achieved. 97% | ≥ 95% |  (98%). For the year 57 (98%) out of 58 applications were processed within 10 days. |


NOISE CONTROL

Performance Measure 11 – Noise complaints responded to within specified timeframe


| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Provide a prompt and reliable noise control service 24 hours a day, 7 days a week. | % of noise complaints responded to within one hour. | Achieved. 91% | ≥ 90% |  (91%). 646 (91%) out of the 707 reported complaints received for the year were responded to within one hour. |

ANIMAL CONTROL


Performance Measure 12 – Residents satisfied with the Animal Control service

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|----------------------------------------------------------|-----------------------------------------------------------|-----------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Residents are satisfied with the Animal Control service. | % of residents satisfied with the Animal Control service. | Achieved. 78% | ≥ 75% |  (78%). The Annual Resident's Survey showed that 78% of residents were satisfied with the Animal Control service. |

Performance Measure 13 – Reported serious dog or wandering stock incidents responded to within specified timeframe

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A prompt and reliable animal control service will be provided 24 hours a day, 7 days a week for wandering stock and serious dog incidents*. | % of reported serious dog or wandering stock incidents responded to within 4 hours. | Achieved. 99% | ≥ 95% |  (95%). For the year 334 (95%) of 351 were responded to within 4 hours. |

Performance Measure 14 – Reported general dog incidents responded to within specified timeframe

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A reliable and responsive animal control service that investigates general dog incidents*. | % of reported general dog incidents responded to within 1 working day. | Achieved. 98% | ≥ 95% |  (98%). For the year, 1200 (98%) of the 1227 incidents were responded to within 1 working day. |


* serious dog incidents – dog attacks, threatening or rushing dogs or continual barking.

* general dog incidents – barking and roaming.


REGULATORY SERVICES

CIVIL DEFENCE AND EMERGENCY MANAGEMENT

Performance Measure 15 – Roles identified and staffed for 24 hour operations of the EOC and staff trained appropriately

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Council is ready to respond to a Civil Defence Emergency and is able to function for as long as required during an emergency. | Roles identified and staffed for 24 hour operations of the Emergency Operations Centre (EOC) and staff trained to the appropriate level agreed to by the Civil Defence and Emergency Management Group. | Achieved. | 100% of roles filled 50% of staff trained |  99% of roles were filled for the year and 45% of staff had undertaken appropriate training. The unassigned role will be filled in the very near future. Staff undertook Foundation Training online during Alert Level 4 which resulted in an 11% increase. |

Performance Measure 16 – Community Action Plans are prepared and in place by 2026 for all 8 principal towns

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The Council actively engages with the wider community to increase the level of awareness, and understanding of, and preparation and readiness for emergencies and strengthening community resilience. | Community Action Plans are prepared in conjunction with, and for, each town. By 2026 Community Action Plans are prepared and in place for all 8 principal towns in the South Taranaki District. | Not achieved. | One Community Action Plan prepared per year |  COVID-19 has not assisted, but nor has some confusion across the sector on what a Community Action Plan should comprise. The feasibility of this measure is under review as part of LTP 2021-2031 preparation. |

COASTAL STRUCTURES NGĀ MOMO HANGA KI TAI



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COASTAL STRUCTURES

WHAT WE DO

The Council provides access paths and steps to the sea and several boat ramps to allow recreational craft to access water bodies. The Council provides coastal protection in the form of revetments in a number of places and maintains a number of significant structures in the Pātea estuary such as the river moles. These concrete and stone walls guide the Pātea River out to sea. These and the associated structures in the Pātea estuary would cost over \$20 million to replace. Maintenance projects are in progress to ensure the levels of service for the moles and associated structures, so as to maintain the navigable channel of the river as long as possible.

WHY WE DO IT

The District has a beautiful marine and river environment. This activity ensures pedestrians can access the beaches and lakes, and boat users can access the water. To maintain these facilities means that the Council needs to protect erosion-prone areas close to existing infrastructure and maintain access to the sea. The Council does not have any Flood Protection and Coastal Works, as defined in the LGA 2012, so this activity is not a mandatory activity.


SIGNIFICANT NEGATIVE EFFECTS

Infrastructure built in the marine environment is subject to dynamic and significant on-going natural forces (tides, currents, wave action, erosion and corrosion). This infrastructure therefore requires significantly more robust engineering and relatively expensive maintenance, when compared to similar land-based construction. The future effects of climate change may only exacerbate this situation.

There are ongoing difficulties with meeting health and safety standards when inspecting, repairing or maintaining coastal structures.

HOW WE PERFORMED

Performance Measure 1 – Compliance with Resource Consent conditions

| Level of Service | Performance Measure | 2018/19 Actuals | Target 2019/20 | For the year ended 30 June 2020 |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Comply with the Taranaki Regional Council Resource Consent conditions for coastal structures. | % of compliance with Resource Consent conditions. | Achieved. | ≥ 100% |  (93%). In Q1 a letter from TRC highlighting three non-compliance issues with some coastal structures. Two of these have been resolved, with the remaining issue awaiting repair. This project was delayed due to supply issues for suitable rock and the lockdown. This issue was resolved in July 2020. |

CORPORATE ACTIVITIES NGĀ MAHINGA MATAKITE Ā ROHE

(REALLOCATED OVERHEADS)



CORPORATE ACTIVITIES

Corporate Activities are the supporting services which are an essential part of ensuring the Council operates in an effective and efficient manner, meeting its statutory obligations, and is able to work towards the achievement of our community outcomes.

These activities are internally focused and do not have a direct output to the community, rather they are internal support systems for those activities that do. As the Support Services activities are internal services there are no Long Term Plan levels of service or performance measures, however they have their own business plans.

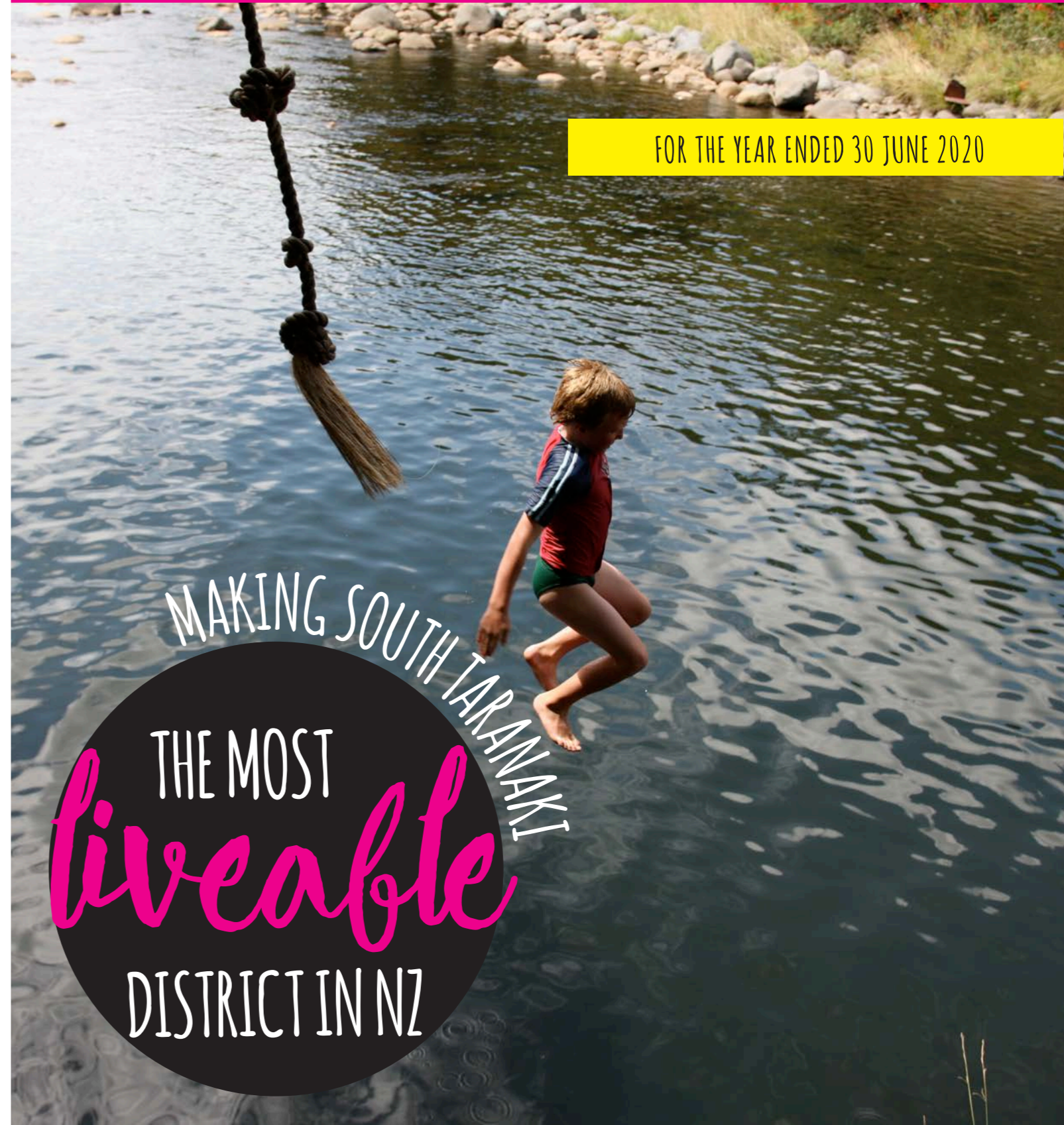
Examples of the functions included in this activity are:

- Contact Centre
- Corporate Property
- Policy and Governance
- Finance
- Information Management and Information Technology
- People and Capability
- Communications

FINANCIAL STATEMENTS TE TAUĀKI PŪTEA



FOR THE YEAR ENDED 30 JUNE 2020



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FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - DEMOCRACY and LEADERSHIP

TE POUMANUKURA for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 2,374 | 2,374 | General rates, uniform annual general charges, rates penalties | 2,582 | 2,453 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 3 | 0 | Fees and charges | 0 | 0 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 463 | 576 | Local authorities fuel tax, fines, infringement fees and other receipts | 537 | 519 |
| 2,840 | 2,950 | Total operating funding (A) | 3,119 | 2,972 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 1,061 | 1,009 | Payments to staff and suppliers | 1,216 | 1,016 |
| 2 | 0 | Finance costs | 2 | 0 |
| 1,960 | 1,935 | Internal charges and overheads applied | 1,946 | 1,949 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 3,024 | 2,943 | Total applications of operating funding (B) | 3,165 | 2,965 |
| (184) | 7 | Surplus (deficit) of operating funding (A-B) | (45) | 7 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 0 | 0 | Increase (decrease) in debt | 0 | 0 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 0 | 0 | Total sources of capital funding (C) | 0 | 0 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 0 | 0 | - To improve the level of service | 0 | 0 |
| 0 | 0 | - To replace existing assets | 0 | 0 |
| (184) | 7 | Increase (decrease) in reserves | (45) | 7 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| (184) | 7 | Total applications of capital funding (D) | (45) | 7 |
| 184 | (7) | Surplus (deficit) of capital funding (C - D) | 45 | (7) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 7 | 7 | Excludes depreciation of: | 10 | 7 |

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - WATER SUPPLY

NGĀ PUNA WAI for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 0 | 0 | General rates, uniform annual general charges, rates penalties | 0 | 0 |
| 13,131 | 12,832 | Targeted Rates | 13,732 | 13,150 |
| 0 | 0 | Subsidies and grants for operating purposes | 25 | 0 |
| 71 | 83 | Fees and charges | 83 | 85 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 673 | 375 | Local authorities fuel tax, fines, infringement fees and other receipts | 290 | 384 |
| 13,874 | 13,290 | Total operating funding (A) | 14,130 | 13,619 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 3,286 | 3,170 | Payments to staff and suppliers | 3,169 | 3,281 |
| 2,331 | 2,799 | Finance costs | 2,199 | 2,829 |
| 2,201 | 2,097 | Internal charges and overheads applied | 2,337 | 2,101 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 7,819 | 8,066 | Total applications of operating funding (B) | 7,705 | 8,211 |
| 6,056 | 5,224 | Surplus (deficit) of operating funding (A-B) | 6,425 | 5,408 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| (1,097) | 2,436 | Increase (decrease) in debt | 535 | (392) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| (13) | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| (1,110) | 2,436 | Total sources of capital funding (C) | 535 | (392) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 44 | 217 | - To meet additional demand | 87 | 2,311 |
| 1,443 | 3,055 | - To improve the level of service | 2,218 | 632 |
| 2,509 | 3,918 | - To replace existing assets | 2,487 | 3,591 |
| 949 | 470 | Increase (decrease) in reserves | 2,168 | (1,518) |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 4,945 | 7,660 | Total applications of capital funding (D) | 6,960 | 5,016 |
| (6,056) | (5,224) | Surplus (deficit) of capital funding (C - D) | (6,425) | (5,408) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 4,548 | 4,611 | Excludes depreciation of: | 4,566 | 4,699 |

The above Statement includes interest of \$280,063 and loan repayments of \$334,789 on internal borrowings. The outstanding balance of the internal loan is \$5,758,943.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - STORMWATER

TE WAI ĀWHIOWHIO ME ŌNA RĪTENGA for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 900 | 900 | General rates, uniform annual general charges, rates penalties | 890 | 945 |
| 8 | 8 | Targeted Rates | 9 | 8 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 0 | 0 | Fees and charges | 3 | 0 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 170 | 174 | Local authorities fuel tax, fines, infringement fees and other receipts | 168 | 179 |
| 1,079 | 1,081 | Total operating funding (A) | 1,069 | 1,132 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 246 | 218 | Payments to staff and suppliers | 208 | 232 |
| 171 | 196 | Finance costs | 173 | 208 |
| 312 | 388 | Internal charges and overheads applied | 304 | 391 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 729 | 803 | Total applications of operating funding (B) | 685 | 831 |
| 350 | 279 | Surplus (deficit) of operating funding (A-B) | 384 | 301 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| (125) | 302 | Increase (decrease) in debt | 287 | 186 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| (125) | 302 | Total sources of capital funding (C) | 287 | 186 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 83 | 248 | - To improve the level of service | 119 | 400 |
| 78 | 332 | - To replace existing assets | 478 | 87 |
| 64 | 1 | Increase (decrease) in reserves | 74 | 0 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 225 | 581 | Total applications of capital funding (D) | 671 | 487 |
| (350) | (279) | Surplus (deficit) of capital funding (C - D) | (384) | (301) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 429 | 463 | Excludes depreciation of: | 418 | 463 |

The above Statement includes interest of \$63,305 and loan repayments of \$117,375 on internal borrowings. The outstanding balance of the internal loan is \$1,096,145.

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - WASTEWATER

NGĀ PARAPARA for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 0 | 0 | General rates, uniform annual general charges, rates penalties | 0 | 0 |
| 4,596 | 4,595 | Targeted Rates | 4,773 | 4,877 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 580 | 903 | Fees and charges | 585 | 1,057 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 0 | 0 | Local authorities fuel tax, fines, infringement fees and other receipts | 4 | 0 |
| 5,176 | 5,498 | Total operating funding (A) | 5,362 | 5,934 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 2,633 | 2,428 | Payments to staff and suppliers | 2,731 | 2,647 |
| 1,346 | 1,554 | Finance costs | 1,294 | 1,614 |
| 511 | 623 | Internal charges and overheads applied | 636 | 627 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 4,490 | 4,605 | Total applications of operating funding (B) | 4,661 | 4,888 |
| 686 | 893 | Surplus (deficit) of operating funding (A-B) | 700 | 1,046 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 400 | 1,602 | Increase (decrease) in debt | 830 | 1,421 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 400 | 1,602 | Total sources of capital funding (C) | 830 | 1,421 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 46 | 143 | - To meet additional demand | 1,456 | 0 |
| 231 | 317 | - To improve the level of service | 436 | 916 |
| 1,350 | 2,323 | - To replace existing assets | 1,870 | 1,864 |
| (541) | (289) | Increase (decrease) in reserves | (2,231) | (313) |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 1,086 | 2,495 | Total applications of capital funding (D) | 1,531 | 2,467 |
| (686) | (893) | Surplus (deficit) of capital funding (C - D) | (700) | (1,046) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 1,360 | 1,355 | Excludes depreciation of: | 1,298 | 1,365 |

The above Statement includes interest of \$259,232 and loan repayments of \$361,216 on internal borrowings. The outstanding balance of the internal loan is \$4,952,697.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - SOLID WASTE

TE TUKUHANGA O NGĀ PARAPARA for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 729 | 729 | General rates, uniform annual general charges, rates penalties | 639 | 680 |
| 1,918 | 1,909 | Targeted Rates | 1,923 | 1,950 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 906 | 729 | Fees and charges | 1,162 | 776 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 676 | 671 | Local authorities fuel tax, fines, infringement fees and other receipts | 751 | 431 |
| 4,230 | 4,037 | Total operating funding (A) | 4,474 | 3,837 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 3,283 | 2,959 | Payments to staff and suppliers | 3,399 | 2,666 |
| 287 | 273 | Finance costs | 197 | 268 |
| 499 | 523 | Internal charges and overheads applied | 478 | 525 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 4,069 | 3,755 | Total applications of operating funding (B) | 4,074 | 3,460 |
| 162 | 283 | Surplus (deficit) of operating funding (A-B) | 400 | 377 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| (172) | (136) | Increase (decrease) in debt | (2,170) | (114) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| (172) | (136) | Total sources of capital funding (C) | (2,170) | (114) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 20 | 31 | - To improve the level of service | 2 | 32 |
| 4 | 51 | - To replace existing assets | 54 | 74 |
| (34) | 65 | Increase (decrease) in reserves | (1,826) | 158 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| (10) | 147 | Total applications of capital funding (D) | (1,771) | 263 |
| (162) | (283) | Surplus (deficit) of capital funding (C - D) | (400) | (377) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 50 | 45 | Excludes depreciation of: | 55 | 45 |

The above Statement includes interest of \$51,773 and loan repayments of \$114,016 on internal borrowings. The outstanding balance of the internal loan is \$783,692.

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - ROADING AND FOOTPATHS

(INCLUDES ROAD SAFETY & PATHWAYS)

NGĀ HUARAHI ARA RAU for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 46 | 43 | General rates, uniform annual general charges, rates penalties | 48 | 42 |
| 6,671 | 6,649 | Targeted Rates | 6,815 | 6,815 |
| 6,110 | 4,457 | Subsidies and grants for operating purposes | 5,167 | 4,596 |
| 144 | 108 | Fees and charges | 161 | 109 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 1,600 | 1,675 | Local authorities fuel tax, fines, infringement fees and other receipts | 1,887 | 1,658 |
| 14,571 | 12,932 | Total operating funding (A) | 14,078 | 13,220 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 9,365 | 8,699 | Payments to staff and suppliers | 8,346 | 8,910 |
| 265 | 278 | Finance costs | 267 | 270 |
| 317 | 300 | Internal charges and overheads applied | 265 | 299 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 9,947 | 9,277 | Total applications of operating funding (B) | 8,878 | 9,479 |
| 4,624 | 3,655 | Surplus (deficit) of operating funding (A-B) | 5,200 | 3,741 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 3,327 | 3,926 | Subsidies and grants for capital expenditure | 3,590 | 4,085 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| (166) | (70) | Increase (decrease) in debt | (171) | (172) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 3,161 | 3,856 | Total sources of capital funding (C) | 3,418 | 3,913 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 1,910 | 1,204 | - To improve the level of service | 2,607 | 1,376 |
| 4,774 | 6,424 | - To replace existing assets | 4,754 | 6,565 |
| 1,101 | (117) | Increase (decrease) in reserves | 1,258 | (287) |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 7,785 | 7,512 | Total applications of capital funding (D) | 8,618 | 7,654 |
| (4,624) | (3,655) | Surplus (deficit) of capital funding (C - D) | (5,200) | (3,741) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 6,726 | 6,515 | Excludes depreciation of: | 6,941 | 6,534 |

The above Statement includes interest of \$135,662 and loan repayments of \$103,137 on internal borrowings. The outstanding balance of the internal loan is \$2,309,508.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - COMMUNITY FACILITIES

NGĀ WHARE-Ā-HAPORI for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 5,237 | 5,233 | General rates, uniform annual general charges, rates penalties | 5,319 | 5,372 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 84 | 23 | Subsidies and grants for operating purposes | 23 | 23 |
| 2,141 | 1,956 | Fees and charges | 1,990 | 2,012 |
| 4 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 3,114 | 3,102 | Local authorities fuel tax, fines, infringement fees and other receipts | 3,124 | 3,101 |
| 10,580 | 10,313 | Total operating funding (A) | 10,455 | 10,508 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 5,264 | 5,894 | Payments to staff and suppliers | 5,772 | 5,805 |
| 1,396 | 1,578 | Finance costs | 1,263 | 1,595 |
| 1,142 | 1,195 | Internal charges and overheads applied | 1,289 | 1,200 |
| 40 | 0 | Other operating funding applications | 61 | 0 |
| 7,842 | 8,667 | Total applications of operating funding (B) | 8,385 | 8,600 |
| 2,738 | 1,647 | Surplus (deficit) of operating funding (A-B) | 2,071 | 1,908 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 125 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 56 | 464 | Increase (decrease) in debt | (667) | (44) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 34 | 43 | Lump sum contributions | 121 | 13 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 90 | 632 | Total sources of capital funding (C) | (545) | (31) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 635 | 929 | - To improve the level of service | 240 | 416 |
| 802 | 1,200 | - To replace existing assets | 572 | 1,389 |
| 1,391 | 150 | Increase (decrease) in reserves | 714 | 72 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 2,828 | 2,279 | Total applications of capital funding (D) | 1,525 | 1,877 |
| (2,738) | (1,647) | Surplus (deficit) of capital funding (C - D) | (2,071) | (1,908) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 2,737 | 2,840 | Excludes depreciation of: | 2,593 | 3,034 |

The above Statement includes interest of \$32,424 and loan repayments of \$42,448 on internal borrowings. The outstanding balance of the internal loan is \$368,808.

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - ARTS & CULTURE

NGĀ MAHI Ā-TOI ME RĒHIA for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 2,411 | 2,409 | General rates, uniform annual general charges, rates penalties | 2,555 | 2,505 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 40 | 41 | Subsidies and grants for operating purposes | 38 | 42 |
| 92 | 38 | Fees and charges | 84 | 39 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 481 | 535 | Local authorities fuel tax, fines, infringement fees and other receipts | 496 | 544 |
| 3,024 | 3,023 | Total operating funding (A) | 3,173 | 3,130 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 1,946 | 1,848 | Payments to staff and suppliers | 1,888 | 1,896 |
| 39 | 47 | Finance costs | 46 | 53 |
| 803 | 795 | Internal charges and overheads applied | 885 | 804 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 2,788 | 2,690 | Total applications of operating funding (B) | 2,819 | 2,753 |
| 236 | 332 | Surplus (deficit) of operating funding (A-B) | 354 | 376 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 407 | 266 | Increase (decrease) in debt | (45) | (49) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 407 | 266 | Total sources of capital funding (C) | (45) | (49) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 0 | 0 | - To improve the level of service | 0 | 0 |
| 710 | 572 | - To replace existing assets | 249 | 279 |
| (67) | 26 | Increase (decrease) in reserves | 60 | 48 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 643 | 598 | Total applications of capital funding (D) | 309 | 327 |
| (236) | (332) | Surplus (deficit) of capital funding (C - D) | (354) | (376) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 466 | 455 | Excludes depreciation of: | 522 | 484 |

The above Statement includes interest of \$14,931 and loan repayments of \$29,334 on internal borrowings. The outstanding balance of the internal loan is \$234,669.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - DISTRICT ECONOMY

WHAKATIPURANGA O TE ROHE for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 820 | 820 | General rates, uniform annual general charges, rates penalties | 930 | 843 |
| 165 | 164 | Targeted Rates | 169 | 167 |
| 56 | 63 | Subsidies and grants for operating purposes | 20 | 13 |
| 150 | 168 | Fees and charges | 86 | 208 |
| 43 | 0 | Internal charge and overheads recovered | 36 | 0 |
| 437 | 894 | Local authorities fuel tax, fines, infringement fees and other receipts | 473 | 985 |
| 1,671 | 2,109 | Total operating funding (A) | 1,715 | 2,216 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 907 | 1,053 | Payments to staff and suppliers | 933 | 1,012 |
| 214 | 355 | Finance costs | 210 | 462 |
| 282 | 224 | Internal charges and overheads applied | 312 | 225 |
| 168 | 284 | Other operating funding applications | 167 | 287 |
| 1,571 | 1,916 | Total applications of operating funding (B) | 1,623 | 1,986 |
| 100 | 192 | Surplus (deficit) of operating funding (A-B) | 92 | 230 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 1,325 | 389 | Increase (decrease) in debt | 1,633 | 3,644 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 227 | 3,334 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 1,325 | 389 | Total sources of capital funding (C) | 1,860 | 6,978 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 1,352 | 500 | - To improve the level of service | 1,821 | 7,016 |
| 0 | 0 | - To replace existing assets | 0 | 0 |
| 73 | 81 | Increase (decrease) in reserves | 132 | 193 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 1,425 | 581 | Total applications of capital funding (D) | 1,953 | 7,208 |
| (100) | (192) | Surplus (deficit) of capital funding (C - D) | (92) | (230) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 28 | 177 | Excludes depreciation of: | 52 | 188 |

The above Statement includes interest of \$3,963 and loan repayments of \$4,342 on internal borrowings. The outstanding balance of the internal loan is \$39,078.

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - COMMUNITY DEVELOPMENT

WHAKAWHANAKE HAPORI for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 873 | 872 | General rates, uniform annual general charges, rates penalties | 923 | 885 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 0 | 0 | Subsidies and grants for operating purposes | 10 | 0 |
| 0 | 0 | Fees and charges | 0 | 0 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 250 | 245 | Local authorities fuel tax, fines, infringement fees and other receipts | 247 | 245 |
| 1,123 | 1,117 | Total operating funding (A) | 1,180 | 1,129 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 257 | 361 | Payments to staff and suppliers | 397 | 367 |
| 65 | 64 | Finance costs | 60 | 63 |
| 253 | 208 | Internal charges and overheads applied | 262 | 211 |
| 548 | 525 | Other operating funding applications | 511 | 575 |
| 1,123 | 1,158 | Total applications of operating funding (B) | 1,230 | 1,216 |
| 0 | (41) | Surplus (deficit) of operating funding (A-B) | (49) | (87) |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| (24) | (22) | Increase (decrease) in debt | (24) | (25) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 20 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| (5) | (22) | Total sources of capital funding (C) | (24) | (25) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 13 | 0 | - To improve the level of service | 1 | 0 |
| 0 | 0 | - To replace existing assets | 0 | 0 |
| (17) | (64) | Increase (decrease) in reserves | (74) | (112) |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| (4) | (64) | Total applications of capital funding (D) | (73) | (112) |
| (0) | 41 | Surplus (deficit) of capital funding (C - D) | 49 | 87 |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 2 | 2 | Excludes depreciation of: | 2 | 2 |

The above Statement includes interest of \$461 on internal borrowings.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - ENVIRONMENTAL SUSTAINABILITY

TOITŪ TE TAIĀO for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 632 | 632 | General rates, uniform annual general charges, rates penalties | 728 | 790 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 128 | 162 | Fees and charges | 188 | 165 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 148 | 222 | Local authorities fuel tax, fines, infringement fees and other receipts | 218 | 254 |
| 908 | 1,016 | Total operating funding (A) | 1,134 | 1,209 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 816 | 635 | Payments to staff and suppliers | 1,049 | 725 |
| 0 | 0 | Finance costs | 0 | 0 |
| 253 | 281 | Internal charges and overheads applied | 288 | 283 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 1,069 | 916 | Total applications of operating funding (B) | 1,338 | 1,008 |
| (162) | 100 | Surplus (deficit) of operating funding (A-B) | (203) | 201 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 0 | 0 | Increase (decrease) in debt | 0 | 0 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 0 | 0 | Total sources of capital funding (C) | 0 | 0 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 0 | 0 | - To improve the level of service | 0 | 0 |
| 0 | 0 | - To replace existing assets | 0 | 0 |
| (162) | 100 | Increase (decrease) in reserves | (203) | 195 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| (162) | 100 | Total applications of capital funding (D) | (203) | 201 |
| 162 | (100) | Surplus (deficit) of capital funding (C - D) | 203 | (201) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 1 | 1 | Excludes depreciation of: | 1 | 1 |

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - REGULATORY SERVICES

RATONGA WHAKATURE
for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 798 | 797 | General rates, uniform annual general charges, rates penalties | 839 | 769 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 1,505 | 1,582 | Fees and charges | 1,584 | 1,617 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 162 | 162 | Local authorities fuel tax, fines, infringement fees and other receipts | 193 | 154 |
| 2,465 | 2,541 | Total operating funding (A) | 2,616 | 2,540 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 1,730 | 1,676 | Payments to staff and suppliers | 1,893 | 1,675 |
| 20 | 8 | Finance costs | 19 | 8 |
| 757 | 813 | Internal charges and overheads applied | 836 | 823 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 2,507 | 2,497 | Total applications of operating funding (B) | 2,749 | 2,506 |
| (43) | 44 | Surplus (deficit) of operating funding (A-B) | (133) | 34 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| (9) | (8) | Increase (decrease) in debt | 27 | 20 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| (9) | (8) | Total sources of capital funding (C) | 27 | 20 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 0 | 0 | - To improve the level of service | 14 | 6 |
| 4 | 6 | - To replace existing assets | 32 | 33 |
| (55) | 30 | Increase (decrease) in reserves | (152) | 15 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| (51) | 36 | Total applications of capital funding (D) | (106) | 54 |
| 43 | (44) | Surplus (deficit) of capital funding (C - D) | 133 | (34) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 62 | 56 | Excludes depreciation of: | 51 | 46 |

The above Statement includes interest of \$54 on internal borrowings.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - COASTAL STRUCTURES NGĀ MOMO HANGA KI TAI for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 96 | 96 | General rates, uniform annual general charges, rates penalties | 53 | 104 |
| 0 | 0 | Targeted Rates | 0 | 0 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 0 | 0 | Fees and charges | 0 | 0 |
| 0 | 0 | Internal charge and overheads recovered | 0 | 0 |
| 0 | 0 | Local authorities fuel tax, fines, infringement fees and other receipts | 10 | 0 |
| 96 | 96 | Total operating funding (A) | 63 | 104 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 9 | 22 | Payments to staff and suppliers | 18 | 22 |
| 4 | 26 | Finance costs | 8 | 28 |
| 19 | 32 | Internal charges and overheads applied | 36 | 32 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 32 | 79 | Total applications of operating funding (B) | 62 | 82 |
| 64 | 16 | Surplus (deficit) of operating funding (A-B) | 1 | 21 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 0 | 0 | Development and financial contributions | 0 | 0 |
| 9 | 124 | Increase (decrease) in debt | 176 | (16) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 0 | 0 | Lump sum contributions | 0 | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 9 | 124 | Total sources of capital funding (C) | 176 | (16) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 0 | 154 | - To improve the level of service | 51 | 158 |
| 25 | 140 | - To replace existing assets | 151 | 0 |
| 47 | (154) | Increase (decrease) in reserves | (25) | (152) |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 72 | 140 | Total applications of capital funding (D) | 177 | 5 |
| (64) | (16) | Surplus (deficit) of capital funding (C - D) | (1) | (21) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 273 | 283 | Excludes depreciation of: | 273 | 290 |

The above Statement includes interest of \$65 on internal borrowings.

SOUTH TARANAKI DISTRICT COUNCIL FUNDING IMPACT STATEMENT - CORPORATE ACTIVITIES (REALLOCATED ACTIVITY) NGĀ MAHINGA MATAKITE Ā ROHE for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 195 | 168 | General rates, uniform annual general charges, rates penalties | 177 | 298 |
| 217 | 209 | Targeted Rates | 256 | 209 |
| 0 | 0 | Subsidies and grants for operating purposes | 0 | 0 |
| 78 | 81 | Fees and charges | 40 | 87 |
| 12,765 | 13,507 | Internal charge and overheads recovered | 13,665 | 13,599 |
| 4,866 | 2,928 | Local authorities fuel tax, fines, infringement fees and other receipts | (1,501) | 2,667 |
| 18,121 | 16,893 | Total operating funding (A) | 12,637 | 16,859 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 10,411 | 10,505 | Payments to staff and suppliers | 11,463 | 10,506 |
| 342 | 399 | Finance costs | 351 | 387 |
| 2,819 | 3,218 | Internal charges and overheads applied | 2,537 | 3,321 |
| 0 | 0 | Other operating funding applications | 0 | 0 |
| 13,572 | 14,121 | Total applications of operating funding (B) | 14,351 | 14,214 |
| 4,549 | 2,771 | Surplus (deficit) of operating funding (A-B) | (1,714) | 2,645 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 0 | 0 | Subsidies and grants for capital expenditure | 0 | 0 |
| 56 | 0 | Development and financial contributions | 92 | 0 |
| (281) | (377) | Increase (decrease) in debt | 5,082 | (388) |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 453 | 0 | Lump sum contributions | (266) | 0 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 228 | (377) | Total sources of capital funding (C) | 4,908 | (388) |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 0 | 0 | - To meet additional demand | 0 | 0 |
| 405 | 53 | - To improve the level of service | 735 | 107 |
| 436 | 246 | - To replace existing assets | 114 | 171 |
| 3,936 | 2,095 | Increase (decrease) in reserves | 2,344 | 1,980 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 4,777 | 2,394 | Total applications of capital funding (D) | 3,194 | 2,258 |
| (4,549) | (2,771) | Surplus (deficit) of capital funding (C - D) | 1,714 | (2,645) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 545 | 566 | Excludes depreciation of: | 717 | 564 |

The above Statement includes interest of \$30,416 and loan repayments of \$50,608 on internal borrowings. The outstanding balance of the internal loan is \$455,468.

FUNDING IMPACT STATEMENTS

TE TAUĀKI PŪTEA WHAKAPĀNGA

SOUTH TARANAKI DISTRICT COUNCIL

FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL for the year ended 30 June 2020

| Actual 2019 (\$,000) | 2018-28 LTP 2019 (\$,000) | | Actual 2020 (\$,000) | 2018-28 LTP 2020 (\$,000) |
|------------------------------------------|---------------------------------|-------------------------------------------------------------------------|-------------------------|---------------------------------|
| SOURCES OF OPERATING FUNDING | | | | |
| 14,882 | 14,836 | General rates, uniform annual general charges, rates penalties | 15,454 | 15,423 |
| 26,223 | 25,493 | Targeted Rates | 27,151 | 26,204 |
| 6,291 | 4,584 | Subsidies and grants for operating purposes | 5,283 | 4,984 |
| 5,799 | 5,811 | Fees and charges | 5,966 | 6,150 |
| 9,464 | 8,436 | Interest and dividends from investments | 3,261 | 7,692 |
| 1,979 | 2,491 | Local authorities fuel tax, fines, infringement fees and other receipts | 2,474 | 2,200 |
| 64,638 | 61,651 | Total operating funding (A)*** | 59,588 | 62,653 |
| APPLICATIONS OF OPERATING FUNDING | | | | |
| 39,169 | 38,496 | Payments to staff and suppliers | 40,149 | 38,998 |
| 5,537 | 6,943 | Finance costs* | 5,217 | 6,072 |
| 756 | 809 | Other operating funding applications | 739 | 901 |
| 45,462 | 46,249 | Total applications of operating funding (B)*** | 46,105 | 45,971 |
| 19,176 | 15,403 | Surplus (deficit) of operating funding (A-B) | 13,483 | 16,682 |
| SOURCES OF CAPITAL FUNDING | | | | |
| 3,327 | 4,051 | Subsidies and grants for capital expenditure | 3,590 | 4,599 |
| 56 | 0 | Development and financial contributions | 92 | 0 |
| (3,200) | 5,948 | Increase (decrease) in debt** | 4,400 | 471 |
| 0 | 0 | Gross proceeds from sale of assets | 0 | 0 |
| 493 | 43 | Lump sum contributions | 82 | 3,349 |
| 0 | 0 | Other dedicated capital funding | 0 | 0 |
| 676 | 10,042 | Total sources of capital funding (C) | 8,164 | 8,419 |
| APPLICATIONS OF CAPITAL FUNDING | | | | |
| 90 | 360 | - To meet additional demand | 1,542 | 45 |
| 6,093 | 6,490 | - To improve the level of service | 8,244 | 7,253 |
| 10,691 | 15,213 | - To replace existing assets | 10,760 | 10,564 |
| 2,978 | 3,381 | Increase (decrease) in reserves | 1,100 | 7,239 |
| 0 | 0 | Increase (decrease) in investments | 0 | 0 |
| 19,852 | 25,444 | Total applications of capital funding (D) | 21,647 | 25,101 |
| (19,176) | (15,403) | Surplus (deficit) of capital funding (C - D) | (13,483) | (16,682) |
| 0 | 0 | Funding Balance ((A - B) + (C - D)) | 0 | 0 |
| 17,236 | 17,375 | Excludes depreciation of: | 17,498 | 17,738 |

* The finance costs exclude interest of \$872,349 on internal borrowings.

** The increase/decrease in debt excludes a loan repayment of \$1,157,265 on internal borrowings. The outstanding balance of the internal loan is \$15,999,010.

***2019/20 Revenue and Expenditure amounts exclude internal charges of \$1.05 million such as Rates and Water by Meter (which the Council charges to itself).

SOUTH TARANAKI DISTRICT COUNCIL

FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL for the year ended 30 June 2020

| | Actual 2020 (\$,000) | Actual 2019 (\$,000) |
|------------------------------------------------------------|-------------------------|-------------------------|
| RECONCILIATION TO SURPLUS/(DEFICIT) BEFORE TAXATION | | |
| Surplus (deficit) of operating funding (A-B) | 13,483 | 19,176 |
| Subsidies and grants for capital expenditure | 3,590 | 3,327 |
| Development and financial contributions | 92 | 56 |
| Loss on disposal of assets | (355) | (3,903) |
| Vested assets | 249 | 0 |
| Lump sum Contributions | 82 | 493 |
| Gain/(Loss) on derivatives | (3,586) | (5,121) |
| Depreciation | (17,498) | (17,236) |
| Surplus (Deficit) before taxation | (3,943) | (3,208) |

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 30 June 2020

The Statement of Financial Performance details the revenue and expenditure relating to all activities of the Council. The supporting operating statements for each significant activity provide further detail as to the costs and revenue of each activity.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Note | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|-----------------------------------------------|----------|---------------------------|--------------------------|--------------------------------|
| INCOME | | | | | | |
| 1 | | | | | | |
| 40,909 | 40,909 | Rates Income | | 42,426 | 41,627 | 42,426 |
| 17,945 | 17,945 | Other Income | | 17,736 | 21,283 | 17,736 |
| 9,464 | 9,464 | Financial Income | | 3,260 | 7,692 | 3,260 |
| 0 | 0 | Other Gains | | 0 | 0 | 0 |
| 68,318 | 68,318 | Total Income** | | 63,422 | 70,602 | 63,422 |
| EXPENDITURE | | | | | | |
| 2 | | | | | | |
| 3,031 | 3,031 | Democracy and Leadership | | 2,995 | 3,128 | 2,995 |
| 3,233 | 3,233 | Arts and Culture | | 3,339 | 3,268 | 3,339 |
| 10,087 | 10,087 | Community Facilities | | 10,577 | 11,072 | 10,577 |
| 1,535 | 1,535 | District Economy | | 1,623 | 2,002 | 1,623 |
| 1,117 | 1,117 | Community Development | | 1,231 | 1,151 | 1,231 |
| 2,569 | 2,569 | Regulatory Services | | 2,800 | 2,660 | 2,800 |
| 11,401 | 11,401 | Water Supply Service | | 11,616 | 11,795 | 11,616 |
| 16,526 | 16,526 | Roading and Footpaths | | 15,683 | 15,464 | 15,683 |
| 1,028 | 1,028 | Stormwater | | 982 | 1,097 | 982 |
| 5,464 | 5,464 | Waste Water | | 5,550 | 5,927 | 5,550 |
| 4,034 | 4,034 | Solid Waste | | 4,060 | 3,605 | 4,060 |
| 306 | 306 | Coastal Structure | | 335 | 344 | 335 |
| 1,070 | 1,070 | Environmental Sustainability | | 1,338 | 956 | 1,338 |
| 10,125 | 10,125 | Reallocated Activity* | | 5,236 | 1,239 | 5,236 |
| 71,526 | 71,526 | Total Expenditure** | | 67,365 | 63,708 | 67,365 |
| (3,208) | (3,208) | Surplus Operating (Deficit) before Tax | | (3,943) | 6,894 | (3,943) |
| 0 | 0 | Taxation | 3 | 0 | 0 | 0 |
| (3,208) | (3,208) | Surplus Operating (Deficit) after Tax | | (3,943) | 6,894 | (3,943) |

Explanation of Net Surplus

The Council made a net operating deficit of \$3,943,000 against a budgeted surplus of \$6,894,000. An explanation of this variance is detailed in the financial commentary.

*Other expenses include loss on disposal of assets (\$355k) and loss on derivative contracts (\$3.59m).

**2019/20 Revenue and Expenditure amounts exclude internal charges of \$1.05 million such as Rates and Water by Meter (which the Council charges to itself).

The financial statements should be read in conjunction with the notes and policies and the financial commentary within this document.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

| Council Actual 2019 \$,000 | Consolidated Actual 2019 \$,000 | Description | Note | Council Actual 2020 \$,000 | Council Budget 2020 \$,000 | Consolidated Actual 2020 \$,000 |
|-------------------------------------|---------------------------------------|------------------------------------------|------|-------------------------------------|-------------------------------------|---------------------------------------|
| CURRENT ASSETS | | | | | | |
| 10,567 | 10,567 | Cash and Cash Equivalents | 4 | 10,703 | 6,957 | 10,703 |
| 8,782 | 8,782 | Accounts Receivable | 5 | 7,930 | 12,000 | 7,930 |
| 103,977 | 103,977 | Current Portion of Investments | 6 | 107,790 | 101,100 | 107,790 |
| 2,460 | 2,460 | Prepayments | | 906 | 3,318 | 906 |
| 157 | 157 | Stocks | 7 | 116 | 160 | 116 |
| 125,943 | 125,943 | Total Current Assets | | 127,445 | 123,535 | 127,445 |
| Non-Current Assets | | | | | | |
| 31,780 | 31,780 | Investments | 6 | 30,669 | 25,275 | 30,669 |
| 829,934 | 829,934 | Property, Plant and Equipment | 8 | 906,429 | 910,882 | 906,429 |
| 1,242 | 1,242 | Intangible Assets | 9 | 1,268 | 511 | 1,268 |
| 862,956 | 862,956 | Total Non-Current Assets | | 938,366 | 936,668 | 938,366 |
| 988,899 | 988,899 | Total Assets | | 1,065,811 | 1,060,203 | 1,065,811 |
| CURRENT LIABILITIES | | | | | | |
| 7,699 | 7,699 | Accounts Payable | 10 | 7,435 | 9,729 | 7,435 |
| 763 | 763 | Employee Entitlements | 11 | 910 | 1,111 | 910 |
| 758 | 758 | Income Received in Advance | | 379 | 864 | 379 |
| 102 | 102 | Derivative Financial Instruments | 23 | 163 | 0 | 163 |
| 25,105 | 25,105 | Current Portion of Term Liabilities | 13 | 12,112 | 20,098 | 12,112 |
| 45 | 45 | Current Landfill Aftercare Provision | 12 | 47 | 0 | 47 |
| 34,472 | 34,472 | Total Current Liabilities | | 21,046 | 31,802 | 21,046 |
| Non-Current Liabilities | | | | | | |
| 89,820 | 89,820 | Term Liabilities | 13 | 107,109 | 101,481 | 107,109 |
| 13,870 | 13,870 | Derivative Financial Instruments | 23 | 17,395 | 10,002 | 17,395 |
| 352 | 352 | Non-Current Landfill Aftercare Provision | 12 | 321 | 312 | 321 |
| 104,042 | 104,042 | Total Non-Current Liabilities | | 124,825 | 111,795 | 124,825 |
| 850,384 | 850,384 | Total Assets Less Liabilities | | 919,940 | 916,606 | 919,940 |
| 394,779 | 394,779 | Accumulated Balances | 14 | 458,545 | 425,737 | 458,545 |
| 2,006 | 2,006 | Restricted and Statutory Reserves | 14 | 2,276 | 1,617 | 2,276 |
| 36 | 36 | Investment Revaluation Reserves | 14 | 0 | 196 | 0 |
| 9,023 | 9,023 | Separate Operating Reserves | 14 | 10,357 | 8,682 | 10,357 |
| 345 | 345 | Capital Replacement Reserves | 14 | 642 | 622 | 642 |
| 147,882 | 147,882 | Council Created Reserves | 14 | 145,728 | 126,867 | 145,728 |
| 296,313 | 296,313 | Asset Revaluation Reserves | 14 | 302,391 | 352,885 | 302,391 |
| 850,384 | 850,384 | Total Equity | | 919,940 | 916,606 | 919,940 |

The Annual Report and associated Audit Report were considered and adopted at a meeting of the South Taranaki District Council on **30 November 2020**.



PHIL NIXON
Mayor



WAIDE CROCKETT
Chief Executive

The financial statements should be read in conjunction with the notes and policies and the financial commentary within this document.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|----------------------------------------------------|---------------------------|--------------------------|--------------------------------|
| 853,752 | 853,752 | Opening Equity as at 1 July | 850,384 | 853,140 | 850,384 |
| (3,208) | (3,208) | Total comprehensive income | (3,943) | 6,894 | (3,943) |
| (160) | (160) | Total other comprehensive income | 73,499 | 56,572 | 73,499 |
| 850,384 | 850,384 | Balance at 30 June | 919,940 | 916,606 | 919,940 |
| | | Total comprehensive income attributable to: | | | |
| (3,368) | (3,368) | South Taranaki District Council | 69,556 | 63,466 | 69,556 |
| (3,368) | (3,368) | Total comprehensive income | 69,556 | 63,466 | 69,556 |

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

For the year ended 30 June 2020

| Council Actual 2019 \$,000 | Consolidated Actual 2019 \$,000 | | Council Actual 2020 \$,000 | Council Budget 2020 \$,000 | Consolidated Actual 2020 \$,000 |
|-------------------------------------|------------------------------------------|-------------------------------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------|
| | | REVENUE | | | |
| | | REVENUE BY EXCHANGE TRANSACTIONS | | | |
| 8,654 | 8,654 | Rates - Water by Meter | 9,133 | 8,207 | 9,133 |
| 9,464 | 9,464 | Financial Revenue | 3,260 | 7,692 | 3,260 |
| | | Revenue from Non-Exchange Transactions | | | |
| 32,255 | 32,255 | Rates | 33,293 | 33,420 | 33,293 |
| 5,799 | 5,799 | Fees & Charges | 6,078 | 6,150 | 6,078 |
| 10,112 | 10,112 | Subsidies & Grants | 8,955 | 12,933 | 8,955 |
| 56 | 56 | Development and Financial Contributions | 92 | 0 | 92 |
| 1,979 | 1,979 | Other Revenue | 2,610 | 2,200 | 2,610 |
| 68,318 | 68,318 | Total Income* | 63,422 | 70,602 | 63,422 |
| | | EXPENDITURE | | | |
| 12,927 | 12,927 | Personnel Costs | 13,893 | 13,899 | 13,893 |
| 17,236 | 17,236 | Depreciation & Amortisation Expense | 17,498 | 17,738 | 17,498 |
| 5,537 | 5,537 | Finance Costs | 5,217 | 6,072 | 5,217 |
| 35,826 | 35,826 | Other Expenses | 30,757 | 25,999 | 30,757 |
| 71,526 | 71,526 | Total Expenditure* | 67,365 | 63,708 | 67,365 |
| (3,208) | (3,208) | Surplus/(Deficit) Before Tax | (3,943) | 6,894 | (3,943) |
| 0 | 0 | Tax | 0 | 0 | 0 |
| (3,208) | (3,208) | Surplus/(Deficit) After Tax | (3,943) | 6,894 | (3,943) |
| (160) | (160) | Increase/Decrease in Revaluation Reserves | (92) | 0 | (92) |
| 0 | 0 | Gain on Asset Revaluation | 73,591 | 56,572 | 73,591 |
| (3,368) | (3,368) | Total Comprehensive Revenue and Expense for the Year | 69,556 | 63,466 | 69,556 |

The financial statements should be read in conjunction with the notes and policies and the financial commentary within this document.

*2019/20 Revenue and Expenditure amounts exclude internal charges of \$1.05 million such as Rates and Water by Meter (which the Council charges to itself).

STATEMENT OF CASHFLOW

NOTES TO FINANCIAL STATEMENTS
PITO KŌRERO KI TE TAUĀKI PŪTEA

For the year ended 30 June 2020

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Note | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------------------------|--------------------------------|-----------------------------------------------------|-----------|---------------------------|--------------------------|--------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| CASH WAS PROVIDED FROM: | | | | | | |
| 42,170 | 42,170 | Rates | | 42,567 | 40,673 | 42,567 |
| 7 | 7 | Dividends | | 118 | 0 | 118 |
| 98 | 98 | Interest on Investments | | 2,907 | 1,841 | 2,907 |
| 26,012 | 26,012 | Other Revenue | | 17,780 | 21,283 | 17,780 |
| 2,395 | 2,395 | Regional Council Rates | | 3,085 | 2,250 | 3,085 |
| Cash was applied to: | | | | | | |
| (40,220) | (40,220) | Payments to Suppliers & Employees | | (38,823) | (39,622) | (38,823) |
| (5,537) | (5,537) | Interest paid on Term Debt | | (5,534) | (6,072) | (5,534) |
| 299 | 299 | Net GST paid to/from IRD | | 211 | 0 | 211 |
| (2,395) | (2,395) | Rates paid to Regional Council | | (3,085) | (2,250) | (3,085) |
| 22,829 | 22,829 | Net Cash from Operating Activities | 15 | 19,226 | 18,103 | 19,226 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| CASH WAS PROVIDED FROM: | | | | | | |
| 69 | 69 | Proceeds from Sale of Property, Plant and Equipment | | 23 | 0 | 23 |
| 15,918 | 15,918 | Net cash inflow from investment | | 3,206 | 6,891 | 3,206 |
| Cash was applied to: | | | | | | |
| (14,745) | (14,745) | Net cash outflow to investments | | 0 | 0 | 0 |
| 0 | 0 | Net cash outflow to short term investment | | (6,000) | 0 | (6,000) |
| (17,161) | (17,161) | Purchase of Property, Plant and Equipment | | (20,554) | (17,862) | (20,554) |
| 0 | 0 | Miscellaneous – Prepayment for Landfill | | 0 | 0 | 0 |
| (15,919) | (15,919) | Net Cash from Investing Activities | | (23,325) | (10,971) | (23,325) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | |
| CASH WAS PROVIDED FROM: | | | | | | |
| 4,756 | 4,756 | Loans Raised | | 13,246 | 3,849 | 13,246 |
| 0 | 0 | Loan Raised - Current Portion | | 25,000 | 25,000 | 25,000 |
| Cash was applied to: | | | | | | |
| (8,055) | (8,055) | Repayment of Debt | | (9,011) | (7,878) | (9,011) |
| 0 | 0 | Repayment Loans - Current Portion | | (25,000) | (25,000) | (25,000) |
| (3,299) | (3,299) | Net Cash from Financing Activities | | 4,235 | (4,029) | 4,235 |
| 3,611 | 3,611 | Net Increase/(Decrease) In Cash Held | | 136 | 3,102 | 136 |
| 6,956 | 6,956 | Total Cash Resources at 1 July | | 10,567 | 3,855 | 10,567 |
| 10,567 | 10,567 | Total Cash Resources at 30 June | | 10,703 | 6,957 | 10,703 |
| Made Up Of: | | | | | | |
| 10,567 | 10,567 | Cash and Cash Equivalents | | 10,703 | 6,957 | 10,703 |

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The financial statements should be read in conjunction with the notes and policies and the financial commentary within this document.



STATEMENT OF ACCOUNTING POLICIES

TE KAUPAPA HERE O NGĀ TAUĀKI PŪTEA

ENTITY STATEMENT

The South Taranaki District Council (the Council) is a territorial local authority governed by the Local Government Act 2002. The primary objective of the South Taranaki District Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself and the group as a public benefit entity. The consolidated financial statements are for the Council and its subsidiary, Novus Contracting Limited (100% owned). The Council and all related entities are domiciled and incorporated, where applicable, in New Zealand. The financial statements are for the year ended 30 June 2020. The financial statements were authorised by the Council on 30 November 2020.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The financial statements have been prepared to comply with the requirements of Section 95 of the Local Government Act 2002 and Local Government Rating Act 2002. The Council is a public benefit entity (PBE) and complies with the PBE Accounting Standards Tier 1 issued by the External Reporting Board.

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

MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, and certain financial instruments (including derivative instruments) except for assets and liabilities which are recorded at fair value. These are detailed in the specific policies below.

FUNCTIONAL AND PRESENTATION CURRENCY

The Financial Statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000) and as a result there may be some rounding errors. The functional currency of the Council and group is New Zealand dollars.

CHANGES IN ACCOUNTING POLICIES

Land under roads was valued based on fair value provided by previous valuations in 2017. The valuation was carried out by Beca Projects NZ Limited. The Council has elected to use the fair value of Land under roads as at 30 June 2017 as the deemed cost. Land under roads are no longer revalued.

Amendments to PBE IPSAS 34-38

In January 2017, the XRB issued new standards for interests in other entities (PBE IPSAS 34-38). These new standards replace the existing standards for interests in other entities (PBE IPSAS 6-8). The new standards are effective for annual periods beginning on or after 1 January 2019, with early application permitted.

Amendments to PBE IPSASs 21 and 26

In April 2017, the XRB issued Impairment of Revalued Assets, which now scopes in revalued property, plant and equipment into the impairment accounting standards PBE IPSASs 21 and 26, which will require Council to assess at each reporting date whether there is any indication that an asset may be impaired. However, where an impairment loss is recognised for an asset, or group of assets, that is revalued, an entity is not necessarily required to revalue the entire class of assets to which that impaired asset, or group of assets, belongs. This amendment is effective for periods beginning on or after 1 January 2019.

The Council has applied the new standards and has no impact on the financial statements as at 30 June 2020.

STANDARDS ISSUED AND NOT YET EFFECTIVE AND NOT EARLY ADOPTED

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council and group are:

Amendment to PBE IFRS 9

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replace PBE IPSAS 29 Financial Instruments: Recognition and Measurement, PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted.

The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost.
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses.
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council has not yet assessed the effects of the new standard.

Amendment to PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Council does not intend to early adopt the amendment.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2021. The Council has not yet determined how application of PBE FRS 48 will affect its statement of performance.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Note 1: Revenue Accounting policy

Revenue comprises rates, revenue from operating activities (fees and charges), investment revenue, grants and subsidies, capital contributions, gains, bequests and other revenue and is measured at the fair value of consideration received or receivable. Revenue may be derived from exchange and non-exchange transactions.

Exchange Transactions

An exchange transaction is where the Council receives assets or services, or has liabilities extinguished, and directly gives approximately equal value to the other party in exchange.

Non-Exchange Transactions

A non-exchange transaction is where the Council receives value from another party without giving approximately equal value in exchange.

An inflow of resources from non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

Rates

Rates are set annually by a resolution from the Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised at the start of the financial year to which the rates resolution relates.

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 satisfied its rates remission policy.

Rates collected on behalf of the Taranaki Regional Council (TRC) are not recognised in the financial statement (except for statement of cashflow), as the Council is acting as an agent for the TRC.

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

Rate revenue is classified as non-exchange except for metered water rates which are classed as exchange revenue.

Government grants and subsidies

Government grants and subsidies are recognised upon entitlement at their fair value, which is when conditions pertaining to eligible expenditure have been fulfilled. The Council receives government grants from the New Zealand Transport Agency, which subsidises part of the costs in maintaining the local roading infrastructure. Grants and Subsidies are classified as non-exchange revenue.

Fees and charges and sale of goods

Revenue from fees and charges is recognised from the rendering of services (eg building consent fees) where the transaction is based on the actual service provided as a percentage of the total services to be provided. Under this method, revenue is recognised in the accounting periods in which the services are provided. Within rendering of services most activities are partially funded by rates and therefore classified as non-exchange revenue. Sale of goods is recognised when goods are delivered and is classified as exchange revenue.

Investment revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable. Interest revenue is classified as exchange revenue.

Dividends are recognised when the shareholders' rights to receive payment have been established and are recognised, net of imputation credits. Dividends are classified as exchange revenue.

Other grants, bequests and vested assets

Other grants, bequests and assets vested in the Council are recognised when control over the asset is obtained. Vested assets are recognised as revenue at the fair value of the assets at the time of vesting. The above revenue is classified as non-exchange revenue.

Capital contributions

Capital contributions for assets are recognised as revenue when received and is classified as non-exchange revenue.

Gains

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities. Gains are classified as exchange revenue.

Foreign currency - exchange differences

Foreign currency transactions have been converted into New Zealand dollars at the rate of exchange at the date of the transaction. Gains or losses on exchange have been recognised in the Surplus/Deficit. Gains on foreign currency exchange are classified as exchange revenue.

For the year ended 30 June 2020

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|--------------------------|---------------------------|--------------------------|--------------------------------|
| RATES | | | | | |
| 14,703 | 14,703 | General Rates | 15,267 | 15,258 | 15,267 |
| 6,548 | 6,548 | Targeted - Roading | 6,694 | 6,661 | 6,694 |
| 4,212 | 4,212 | Other Water Rates | 4,317 | 4,313 | 4,317 |
| 8,677 | 8,677 | Metered Water Rates | 9,132 | 8,207 | 9,132 |
| 1,900 | 1,900 | Targeted - Refuse | 1,904 | 1,902 | 1,904 |
| 4,501 | 4,501 | Targeted - Wastewater | 4,674 | 4,671 | 4,674 |
| 217 | 217 | Warmer Homes Scheme Rate | 256 | 280 | 256 |
| 8 | 8 | Eltham Drainage Board | 9 | 8 | 9 |
| 160 | 160 | Hāwera Business Rate | 165 | 161 | 165 |
| 179 | 179 | Rate Penalties | 187 | 165 | 187 |
| (196) | (196) | Remissions | (179) | (174) | (179) |
| 40,909 | 40,909 | Total Rates | 42,426 | 41,454* | 42,426 |
| 5,799 | 5,799 | Fees and Charges | 6,078 | 6,150 | 6,078 |

*The total budget for rates is different to the statement of financial performance due to the rates remission budget included in this note.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|--------------------------------------------|---------------------------|--------------------------|--------------------------------|
| FINANCIAL REVENUE | | | | | |
| 7 | 7 | Dividends - General | 118 | 0 | 118 |
| 98 | 98 | Interest - General | 235 | 190 | 235 |
| 0 | 0 | Dividends - Long Term Investment Fund | 0 | 0 | 0 |
| 0 | 0 | Earnings - Long Term Investment Fund | 0 | 0 | 0 |
| 9,497 | 9,497 | Capital Gains on Long Term Investment Fund | 3,870 | 7,502 | 3,870 |
| (138) | (138) | Foreign Exchange Gains (Losses) on LTIF | (963) | 0 | (963) |
| 9,464 | 9,464 | Total Financial Revenue | 3,260 | 7,692 | 3,260 |
| 56 | 56 | Developmental Contributions | 92 | 0 | 92 |
| 10,112 | 10,112 | Subsidies & Grants | 8,955 | 12,933 | 8,955 |
| 1,979 | 1,979 | Other Revenue | 2,610 | 2,200 | 2,610 |
| 68,318 | 68,318 | Total Revenue | 63,422 | 70,428 | 63,422 |

Rates Remissions

Rates Remissions have been netted off rates revenue above.

Councils Rate Remission Policy provides for rates to be remitted for the following purposes:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|---------------------------------------------------------------------------------------------|---------------------------|--------------------------|--------------------------------|
| 20 | 20 | Rates on community halls | 22 | | 22 |
| 84 | 84 | Rates for sporting, games, branches of the arts, community care and volunteer organisations | 77 | | 77 |
| 20 | 20 | Rates on land protected for natural, historical or cultural conservation purposes | 20 | | 20 |
| 46 | 46 | Uniform annual general charges on non-contiguous units owned by the same owner | 42 | | 42 |
| 3 | 3 | Remissions of rates for miscellaneous purposes | 12 | | 12 |
| 23 | 23 | Water by meter rates remissions | 6 | | 6 |
| 212 | 212 | Rates Penalties* | 187 | | 187 |
| 408 | 408 | Total Rates Remitted | 366 | | 366 |

* Rates penalty remissions include penalties remitted for those that have arranged to repay their outstanding rate debts through regular payments.

Note 2: Expenditure by Nature

Accounting policy

Specific accounting policies for major categories of expenditures are outlined below:

Grants and sponsorships

Expenditure is classified as a grant or sponsorship if it results in a transfer of resources to another party in return for compliance with certain conditions relating to the operating activities of that party. It includes any expenditure arising from a funding arrangement with another party that has been entered into to achieve the objectives of the Council. Grants and sponsorships are distinct from donations which are discretionary or charitable gifts. Where grants and sponsorships are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specific criteria have been fulfilled.

Finance expenses - interest

Interest expense is recognised using the effective interest rate method. All borrowing costs are expensed in the period in which they are incurred. The Council has not capitalised borrowing costs associated with funding capital works in progress.

Depreciation and amortisation

Depreciation of property, plant and equipment and amortisation of intangible assets are charged on a straight-line basis over the estimated useful life of the associated assets.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------------|--------------------------------|----------------------------------------------|---------------------------|--------------------------|--------------------------------|
| 12,938 | 12,938 | Salary and Wages* | 13,746 | 13,899 | 13,746 |
| (12) | (12) | Increase/(decrease) in employee entitlements | 147 | 0 | 147 |
| 12,927 | 12,927 | | 13,893 | 13,899 | 13,893 |
| OTHER OPERATING EXPENSES | | | | | |
| 604 | 604 | Remuneration to Elected Representatives** | 679 | 616 | 679 |
| 132 | 132 | Audit Fees for Annual Report | 134 | 141 | 134 |
| 5 | 5 | Audit Fees for Debenture Trust Deed | 5 | 0 | 5 |
| 756 | 756 | Grants | 739 | 913 | 739 |
| 29 | 29 | Impairment of receivables | 33 | 0 | 33 |
| 17,236 | 17,236 | Depreciation and amortisation expense | 17,498 | 17,738 | 17,498 |
| 422 | 422 | Fund Manager Fees | 399 | 410 | 399 |
| 5,121 | 5,121 | Loss on Derivatives | 3,586 | 0 | 3,586 |
| 3,903 | 3,903 | Loss on Disposal of Asset | 355 | 0 | 355 |
| 31 | 31 | Operating Lease payments | 64 | 66 | 64 |
| 24,823 | 24,823 | Other Operating Expenses | 24,763 | 23,855 | 24,763 |
| 53,062 | 53,062 | | 48,255 | 43,737 | 48,255 |
| FINANCE COSTS | | | | | |
| 5,537 | 5,537 | Interest Expense | 5,217 | 6,072 | 5,217 |
| 5,537 | 5,537 | | 5,217 | 6,072 | 5,217 |
| 71,526 | 71,526 | Total Expenditure | 67,365 | 63,708 | 67,365 |

*Salary and Wages include Council's contribution to Kiwisaver of \$340k (2019 \$306k).

**Remuneration paid to the Elected Representatives include payments to the Community Board Members.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Note 3: Tax Accounting policy

Income tax

Income tax expense includes components relating to current tax and deferred tax. Current tax is the amount of income tax payable based on the taxable profit for the current year and any adjustments in respect of prior years.

Deferred tax

Deferred taxation is the amount of taxes payable (or receivable) in future years in respect of temporary differences (ie where the accounting treatment differs from the Inland Revenue Department's requirements). Deferred taxation is determined using the full provision method. Deferred tax assets are only recognised when recovery is probable.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------|-----------------------------|---------------------------------------|------------------------|-----------------------|-----------------------------|
| (3,208) | (3,208) | Net Surplus/(Deficit) before Taxation | (3,943) | 6,894 | (3,943) |
| (898) | (898) | Tax at 28% | (1,104) | 1,930 | (1,104) |
| | | Plus/ (Less) Tax Effect of: | | | |
| 898 | 898 | Non-taxable income/expenditure | 1,104 | (1,930) | 1,104 |
| 0 | 0 | Tax Loss not recognised | 0 | 0 | 0 |
| 0 | 0 | Share of Associates Retained Surplus | 0 | 0 | 0 |
| 0 | 0 | Tax Expense for the Year | 0 | 0 | 0 |

COMPRISING:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------|-----------------------------|--------------|------------------------|-----------------------|-----------------------------|
| 0 | 0 | Current Tax | 0 | 0 | 0 |
| 0 | 0 | Deferred tax | 0 | 0 | 0 |
| 0 | 0 | Deferred tax | 0 | 0 | 0 |

The Council has unrecognised tax losses of \$715,602 (2019 \$711,327) with a tax effect of \$200,369 at 28% (2019 \$199,712 at 28%) available to carry forward to future years.

The Group has unrecognised tax losses of \$2,535,938 (2019 \$2,531,663) with a tax effect of \$710,063 at 28% (2019 \$708,866 at 28%) available to carry forward to future years.

Note 4: Cash and Cash Equivalents Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with the original maturities of three months or less. It includes all funds held for the day-to-day management of the Council and does not include funds set aside for specific purposes (e.g. Reserve Funds).

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------|-----------------------------|---------------------------------------|------------------------|-----------------------------|
| 5 | 5 | Cash at bank and on hand | 5 | 5 |
| 12,635 | 12,635 | Westpac Current Account | 12,832 | 12,832 |
| (2,074) | (2,074) | Transfer to Long Term Investment Fund | (2,134) | (2,134) |
| 10,567 | 10,567 | | 10,703 | 10,703 |

The carrying value of cash at bank short-term deposits with maturity dates of three months or less approximates their fair value.

Note 5: Accounts Receivable Accounting policy

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of accounts receivable is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the agreement. The amount of the provision is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------|-----------------------------|-------------------------------|------------------------|-----------------------------|
| 1,058 | 1,058 | Accruals and Sundries | 832 | 832 |
| 4,216 | 4,216 | General Debtors (Incl. Water) | 4,313 | 4,313 |
| 1,562 | 1,562 | Rate Arrears | 1,324 | 1,324 |
| 1,344 | 1,344 | NZTA | 1,111 | 1,111 |
| 894 | 894 | Goods and Services Tax | 675 | 675 |
| (292) | (292) | Provision for Doubtful Debts | (325) | (325) |
| 8,782 | 8,782 | | 7,930 | 7,930 |

The above amount for accounts receivable includes exchange transactions of \$2.66m (2019 - \$2.15m) for water by meter charges and interest receivable.

Fair Value

Debtors and other receivables are non-interest bearing and receipt is normally on 30-day terms, therefore the carrying value of debtors and other receivables approximate their fair value.

Impairment

The Council regularly reviews all debts to identify any areas of impairment, making provision as necessary. The Council utilises a number of options to assist slow-paying debtors to fulfil their obligations and debts are only written off when all avenues are exhausted.

The status of receivables as at 30 June 2019 and 2020 are detailed below:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------|-----------------------------|-----------------------|------------------------|-----------------------------|
| 5,369 | 5,369 | Not past due | 5,050 | 5,050 |
| 235 | 235 | Past due 1-60 days | 518 | 518 |
| 334 | 334 | Past due 61 - 90 days | 221 | 221 |
| 2,844 | 2,844 | Past due > 90 days | 2,140 | 2,140 |
| 8,782 | 8,782 | | 7,930 | 7,930 |

Details of the Impairment Provision

The impairment provision has been calculated based on expected losses for the Council's pool of debtors.

Expected losses have been determined based on an analysis of the Council's losses in previous periods and the current provision has been estimated accordingly.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------|-----------------------------|---------------------------------------|------------------------|-----------------------------|
| 0 | 0 | Individual Impairment | 0 | 0 |
| (292) | (292) | Collective Impairment | (325) | (325) |
| (292) | (292) | Total provision for Impairment | (325) | (325) |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Movements in the provision for impairment of receivables are as follows:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|---------------------------------------------------------|---------------------------|--------------------------------|
| (263) | (263) | At 1 July | (292) | (292) |
| (70) | (70) | (Addition)/Reduction in provisions made during the year | (90) | (90) |
| 0 | 0 | Provisions reversed during the year | 0 | 0 |
| 41 | 41 | Receivables written-off during the period | 57 | 57 |
| (292) | (292) | At 30 June | (325) | (325) |

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

Note 6: Investments

Accounting policy

Financial assets

Financial Assets are initially measured at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the Surplus/Deficit.

Purchases and sales of investments are recognised on trade-date, the date on which there is a commitment to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the transfer of substantial risks and rewards is completed.

Fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. A variety of methods and assumptions are used based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as discounted cash flows, are used to determine fair value for the remaining financial instruments.

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that the Council and group will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivable or liquidation and default in payments are indicators that the asset is impaired.

For shares, a significant or prolonged decline in the fair value of the shares below its cost is considered to be objective evidence of impairment. For listed bonds, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments is considered to be objective evidence of impairment.

Financial assets are classified into four categories:

Financial assets at fair value through surplus or deficit:

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Surplus/Deficit.

Loans and receivables:

These are non-derivative financial assets with fixed or determined payments that are not quoted in an active market. After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Surplus/Deficit. Loans and receivables are classified as "trade and other receivables" in the Statement of Financial Position.

Held to maturity investments:

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that the Council has the positive intention and ability to hold to maturity. After initial recognition they are measured at amortised cost using the effective interest rate method. Gains and losses when the asset is impaired or derecognised are recognised in the Surplus/Deficit.

Investments in this category include term deposits, investments in local authority and government stock.

Financial assets at fair value through other comprehensive revenue and expense:

Financial asset at fair value through equity are those that are designated as fair value through equity or are not classified in any of the other three categories above. This category includes investments that are held long term but which may be realised before maturity; and shareholdings that are held for strategic purposes. Investments in its subsidiary are not included in this category as they are held at cost. Gains and losses are recognised directly in equity except for impairment, which are recognised in the Surplus/Deficit. In the event of impairment, any cumulative losses previously recognised in other comprehensive revenue and expense will be recognised in the Surplus/Deficit even though the asset has not been derecognised. On de-recognition the cumulative gain or loss previously recognised in other comprehensive revenue and expense is recognised in the Surplus/Deficit.

Investments in bank deposits are recognised at cost plus accrued interest. This is considered fair value. Long term receivables and advances are recognised at cost plus accrued interest. Investments in associates are recognised at cost.

Investments and other shares are valued at fair value. Where there is an active market, fair value is determined by reference to published prices. Otherwise fair value is determined by using a variety of valuation techniques. Movements in fair value will be taken through equity.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------------------------|--------------------------------|-------------------------------------------------------------|---------------------------|--------------------------------|
| FINANCIAL ASSETS CURRENT PORTION | | | | |
| 2,206 | 2,206 | Bonds with Maturities of less than 1 year | 1,712 | 1,712 |
| 9,903 | 9,903 | Cash and cash equivalents | 10,229 | 10,229 |
| 2,074 | 2,074 | Cash Balance Transferred from Current/Call Account for LTIF | 2,134 | 2,134 |
| 0 | 0 | Term Deposit | 6,000 | 6,000 |
| 7,261 | 7,261 | Property | 6,250 | 6,250 |
| 7,338 | 7,338 | Global Infrastructure | 6,874 | 6,874 |
| 66,241 | 66,241 | Equities | 66,343 | 66,343 |
| 8,741 | 8,741 | Hedge Fund | 8,034 | 8,034 |
| 213 | 213 | Warmer Home Scheme Loans and Nukumarū Loan | 214 | 214 |
| 103,977 | 103,977 | Total Current Portion | 107,790 | 107,790 |
| NON-CURRENT PORTION | | | | |
| 27,252 | 27,252 | Bonds with Maturities of greater than 1 year | 26,247 | 26,247 |
| 1,176 | 1,176 | Cash and cash equivalents | 832 | 832 |
| 1,362 | 1,362 | Warmer Home Scheme Loans and Nukumarū Loan | 1,356 | 1,356 |
| 1,990 | 1,990 | Other Shares and Notes | 2,234 | 2,234 |
| 31,780 | 31,780 | Total Non-Current Portion | 30,669 | 30,669 |
| 135,757 | 135,757 | Total Financial Assets | 138,459 | 138,459 |

Maturity of Financial Assets

The cash and cash equivalents portion of Council's investments are available immediately and represent funds held for liquidity or funds awaiting reinvestment in other asset classes. The carrying value approximates their fair value.

Property and equities are invested through units in investment funds and can be readily liquidated and are thus classified as current. These funds are invested for the longer term. The carrying value approximates their fair value and is determined as per current market rate.

Bonds with maturities of less than one year represent direct holdings of bonds which are to mature in this financial year and a portion of the global bond portfolio. The carrying value approximates their fair value and is determined as per current market rate.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

LTIF ALLOCATION

The total Long Term Investment Fund sector allocation at 30 June 2020 was as follows:

| 2019 | | 2020 |
|-------------|------------------------------|-------------|
| 12% | Trans-Tasman Equities | 14% |
| 26% | Global Equities | 24% |
| 5% | Global Listed Infrastructure | 5% |
| 9% | New Zealand Cash | 9% |
| 9% | New Zealand Fixed Interest | 10% |
| 6% | Hedge Funds | 6% |
| 21% | Foreign Fixed Interest* | 21% |
| 7% | Low Volatility | 7% |
| 5% | Property | 4% |
| 100% | | 100% |

* Includes internal borrowing.

RECONCILIATION OF INVESTMENTS

| 2019 | | 2020 |
|----------------|---------------------------------|----------------|
| 131,828 | Opening Balance | 132,191 |
| | Income | |
| 0 | Interest | 60 |
| 0 | Dividends | 0 |
| 3,509 | Unrealised Gains/(Losses) | (622) |
| 5,989 | Realised Gains/(Losses) | 4,492 |
| (138) | Foreign Exchange Gains/(Losses) | (963) |
| | Less | |
| (4,075) | Subsidy Withdrawal | (3,854) |
| (422) | Management Fees | (399) |
| (4,500) | Other Transfers/adjustments | (2,250) |
| 132,191 | Closing Balance | 128,655 |
| 3,565 | Other Investments | 9,804 |
| 135,757 | Total Investments | 138,459 |

*The net subsidy withdrawal amount is calculated using all LTIF subsidies \$5.84m (2019 \$5.78m) less internal interest received of \$832k (2019 \$731k) and loan repayments of \$1,157k (2019 \$977k) from Internal Borrowings to the LTIF.

Note 7: Stocks

Accounting policy

Inventories are valued at the lower of cost (determined on a first-in first-out basis) and net realisable value. This valuation includes allowances for slow moving and obsolete inventories.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|--------------------------------------|--------------------------------|-------------------------------|---------------------------|--------------------------------|
| HELD FOR RESALE | | | | |
| 19 | 19 | Information Centre Stock | 16 | 16 |
| 7 | 7 | Aquatic Centre Stock | 6 | 6 |
| 7 | 7 | New Zealand Post Stock | 6 | 6 |
| 33 | 33 | | 28 | 28 |
| HELD FOR BUSINESS CONTINGENCY | | | | |
| 124 | 124 | Infrastructure Stock | 88 | 88 |
| 157 | 157 | Total Financial Assets | 116 | 116 |

No stocks are pledged as security for liabilities (2019 \$nil). However, some stocks are subject to retention of title clause.

The value of stocks that was written-down was \$25k (2019 \$nil). Stocks held for resale turnover frequently while stocks held for business contingency are regularly assessed to ensure they are still fit and available for intended use should the need arise. Stocks are written down to fair value in the event of impairment.

Note 8: Property, Plant and Equipment

Accounting policy

Property, plant and equipment consist of operational assets, restricted assets and infrastructure assets.

All assets are recorded at cost/valuation less accumulated depreciation (with the exception of land which is not depreciated).

All property, plant and equipment is classified as non-cash generating as these assets are not held with a primary objective of generating commercial return.

For those assets that are re-valued, the change in valuation is credited or debited to the asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Financial Performance. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset. Additions subsequent to revaluations are recorded at cost.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal.

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net 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.

Operational assets

These include land, building, motor vehicles, plant and equipment and library books.

Land and buildings are valued at fair value, as determined from market based evidence, by Beca Projects NZ Limited, Registered Valuers, as at 30 June 2020. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise. Motor vehicles, library books and plant and equipment are valued at cost less accumulated depreciation.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Restricted assets

These are assets owned by the Council that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community.

Land and buildings are valued at fair value, as determined from market based evidence, by Beca Projects NZ Limited, Registered Valuers, as at 30 June 2020. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise.

Parks and Recreation Assets were valued at fair value by Beca Projects NZ Limited, Registered Valuers, as at 30 June 2020. Valuations are carried out on a three-yearly cycle.

Heritage and Cultural Assets were valued at fair value by Registered Valuer, Quotable Value New Zealand Limited, as at 1 July 2001. This is considered deemed cost.

Infrastructural assets

These are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function.

Sewerage, water, drainage, and roading infrastructural assets are valued using the depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the 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.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over-or-under-estimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural assets useful lives have been determined with reference to the New Zealand 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.

Infrastructural assets (excluding land) have all been valued at optimised depreciated replacement cost by Beca Projects NZ Limited, Registered Valuers as at 30 June 2020. Valuations are generally carried out on a three-yearly cycle unless market conditions require otherwise. Infrastructural land under Roads are no longer revalued.

Certain infrastructural assets and land have been vested in the Council as part of the sub-divisional consent process. The vested asset has been valued at the latest appropriately certified government valuation or at a mutually agreed market value or at a value determined through arbitration. Vested infrastructural assets have been based on the actual quantities of infrastructural components vested and current "in the ground" cost of providing identical services. All other assets are valued at historical cost less accumulated depreciation.

Impact of Covid-19 on Asset Revaluations

The outbreak of the Novel Coronavirus (COVID-19) was declared as a 'Global Pandemic' by the World Health Organisation on 11 March 2020. The restrictions imposed by the New Zealand government in response to the COVID-19 pandemic have resulted in uncertainty in many markets including the construction market. Knock on impacts from the imposed restrictions include increased financial pressures on many businesses, rising unemployment rates, a drop in consumer sentiment and continued uncertainty of future restrictions both nationally and internationally.

The construction costs are expected to be impacted differently depending on the forms of construction. It is expected that due to the impacts on businesses and decrease in consumer sentiment, increased competition from construction businesses will result in reductions of construction costs or residential and non-specified commercial assets. The opposite is expected in the complex and specialised construction projects including multi-level construction where costs are expected to increase due to the lack of materials and specialised labour forces. The timeframe and extent of these changes will be largely dependant on international responses to the pandemic and associated recovery time for increasing economic activity and trade.

While the valuation is current at the date of valuation, the value assessed by BECA may change significantly and unexpectedly over a relative short period of time as a result of factors that are outside of the valuers' and the Council's control.

Depreciation

Depreciation rates for fixed assets are as follows:

Operational assets

Depreciation rates for operational assets are based on a straight line basis.

| | | | |
|-------------------------------------|--------|---|--------|
| Buildings | 3.33% | - | 20.00% |
| Motor Vehicles | 4.00% | - | 20.00% |
| Plant and Equipment | 3.33% | - | 33.33% |
| Information Systems Equipment | 10.00% | - | 33.00% |
| Library Books | 1.71% | - | 33.33% |
| Furniture and Fittings | 5.00% | - | 33.33% |
| Office Equipment | 10.00% | - | 33.33% |

Infrastructural assets

Roading

Provision has been made for depreciation of those significant components of the roading asset, based on their remaining lives.

The significant component depreciation rates are as follows:

| | | | | |
|-----------------------------------------------|-----------------|-------|---|--------|
| Traffic Facilities, Signs and Markings | 10 - 50 years | 2.00% | - | 10.00% |
| Bridges | 50 - 100 years | 1.00% | - | 2.00% |
| Footpaths | 25 - 60 years | 1.67% | - | 4.00% |
| Pavement Surfacing | 2 - 16 years | 6.25% | - | 50.00% |
| Drainage and Culverts | 45 - 80 years | 1.25% | - | 2.22% |
| Roading Base-course | 40 - 80 years | 1.25% | - | 2.50% |
| Berms, Markings, Shoulder and Formation | Not depreciated | | | |

Water, Sewerage and Stormwater Reticulation Systems

Provision has been made for depreciation of components of the assets based on their remaining life.

| | | | | |
|---------------------------------|----------------|-------|---|--------|
| Water Reticulation | 4 - 143 years | 0.70% | - | 25.00% |
| Water Treatment Plants | 5 - 100 years | 1.00% | - | 20.00% |
| Water Point | 4 - 123 years | 0.81% | - | 25.00% |
| Sewerage Reticulation | 10 - 178 years | 0.57% | - | 10.00% |
| Sewerage Treatment Plants | 14 - 100 years | 1.00% | - | 7.14% |
| Waste Water Point | 10 - 124 years | 0.81% | - | 10.00% |
| Waste Water Station | 15 - 80 years | 1.25% | - | 6.67% |
| Stormwater Pipes | 20 - 150 years | 0.67% | - | 5.00% |
| Stormwater Point | 20 - 110 years | 0.91% | - | 5.00% |

Restricted assets

Heritage and Cultural Assets

Provision has been made for depreciation of components of the assets based on their remaining life.

| | | | |
|---------------|-------|---|--------|
| 6 - 250 years | 0.40% | - | 16.67% |
|---------------|-------|---|--------|

Parks and Recreation Assets

Provision has been made for depreciation of components of the assets based on their remaining life.

| | | | |
|---------------|-------|---|--------|
| 6 - 150 years | 0.67% | - | 16.67% |
|---------------|-------|---|--------|

Assets under construction

Assets under construction are not depreciated. All costs are initially capitalised as work in progress. On completion, the cost is transferred to the relevant asset class and is then depreciated.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Note 8: Property, Plant and Equipment

| Council * | Cost/ Valuation 30/6/20 \$,000 | Accumulated Depreciation 30/6/20 \$,000 | Carrying Value 30/6/20 \$,000 | Cost/ Valuation 30/6/19 \$,000 | Accumulated Depreciation 30/6/19 \$,000 | Carrying Value 30/6/19 \$,000 |
|---------------------------------------------------|-----------------------------------------|--------------------------------------------------|----------------------------------------|-----------------------------------------|--------------------------------------------------|----------------------------------------|
| OPERATIONAL ASSETS | | | | | | |
| Buildings | 62,879 | 0 | 62,879 | 52,327 | (4,259) | 48,068 |
| Land | 9,433 | 0 | 9,433 | 9,733 | 0 | 9,733 |
| Furniture & Fittings | 1,156 | (605) | 511 | 1,104 | (516) | 588 |
| Information Systems | 3,124 | (2,415) | 710 | 2,590 | (2,060) | 530 |
| Library Books | 1,584 | (887) | 697 | 1,508 | (790) | 719 |
| Office Equipment | 302 | (277) | 26 | 292 | (264) | 29 |
| Leased Office Equipment | 323 | (227) | 96 | 323 | (162) | 161 |
| Motor Vehicles | 1,310 | (565) | 745 | 1,310 | (404) | 906 |
| Plant & Equipment | 2,505 | (1,635) | 870 | 2,295 | (1,500) | 795 |
| Restricted Assets | | | | | | |
| Parks & Recreation | 11,716 | 0 | 11,716 | 14,082 | (1,933) | 12,149 |
| Heritage & Cultural | 1,592 | (733) | 859 | 1,547 | (692) | 855 |
| Land | 45,535 | 0 | 45,535 | 48,543 | 0 | 48,543 |
| Work in Progress | 3,712 | 0 | 3,712 | 3,920 | 0 | 3,920 |
| Total Operational & Restricted Assets | 145,171 | (7,343) | 137,829 | 139,578 | (12,583) | 126,995 |
| INFRASTRUCTURAL ASSETS | | | | | | |
| Land Under Roads | 104,141 | 0 | 104,141 | 104,151 | 0 | 104,151 |
| Network Assets | | | | | | |
| Roading | 395,935 | 0 | 395,935 | 388,681 | (13,196) | 375,485 |
| Wastewater - treatment plants | 24,984 | 0 | 24,984 | 18,794 | (652) | 18,142 |
| Wastewater - other assets | 45,453 | 0 | 45,453 | 42,703 | (2,071) | 40,632 |
| Water - treatment plants | 47,299 | 0 | 47,299 | 44,928 | (4,185) | 40,743 |
| Water - other assets | 109,667 | 0 | 109,667 | 101,597 | (4,917) | 96,680 |
| Stormwater | 31,891 | 0 | 31,891 | 22,905 | (845) | 22,060 |
| Total Infrastructural & Network Assets | 759,370 | 0 | 759,370 | 723,759 | (25,866) | 697,893 |
| Work in progress | 9,230 | 0 | 9,230 | 5,046 | 0 | 5,046 |
| Total Fixed Assets | 913,771 | (7,343) | 906,429 | 868,383 | (38,449) | 829,934 |

* Note: Consolidated figures same as for Council.

As per the most recent revaluations at 30 June 2020 by Beca Limited, the replacement cost of the Council's network assets are as follows:

| | |
|------------------------------------------------|-----------------|
| Water Supply – treatment plants and facilities | \$ 76.3 million |
| Water Supply – other assets | \$206.3 million |
| Wastewater – treatment plants and facilities | \$ 26.5 million |
| Wastewater – other assets | \$ 93.3 million |
| Stormwater | \$ 60.1 million |
| Roading and Footpaths | \$596.7 million |

Movements 2020

| | Carrying Value 1/7/19 \$,000 | Additions \$,000 | Disposal \$,000 | Accumulated Depreciation on Disposal | Vested Assets | Other Adj \$,000 | Depreciation \$,000 | Carrying Value 30/6/20 \$,000 |
|---------------------------------------------------|---------------------------------------|---------------------|--------------------|--------------------------------------------|------------------|---------------------|------------------------|----------------------------------------|
| OPERATIONAL ASSETS | | | | | | | | |
| Buildings | 48,068 | 2,284 | (77) | 16 | - | 14,939 | (2,351) | 62,879 |
| Land | 9,733 | - | - | - | - | (300) | - | 9,433 |
| Furniture & Fittings | 588 | 75 | (24) | 21 | - | - | (110) | 551 |
| Information Systems | 530 | 534 | - | - | - | - | (355) | 710 |
| Library Books | 719 | 212 | (136) | 135 | - | - | (232) | 697 |
| Office Equipment | 29 | 10 | - | - | - | - | (13) | 26 |
| Leased Office Equipment | 161 | - | - | - | - | - | (65) | 96 |
| Motor Vehicles | 906 | 43 | (43) | 23 | - | - | (184) | 745 |
| Plant & Equipment | 795 | 214 | (4) | 2 | - | - | (137) | 870 |
| Restricted Assets | | | | | | | | |
| Parks & Recreation | 12,149 | 360 | - | - | - | (74) | (718) | 11,716 |
| Heritage & Cultural | 855 | 55 | (10) | 4 | - | - | (46) | 855 |
| Land | 48,543 | 2 | - | - | - | (3,010) | - | 45,535 |
| Work in Progress | 3,920 | - | - | - | - | (208) | - | 3,712 |
| Total Operational & Restricted Assets | 126,994 | 3,790 | (293) | 200 | 0 | 11,347 | (4,211) | 137,829 |
| INFRASTRUCTURAL ASSETS | | | | | | | | |
| Land Under Roads | 104,151 | - | (10) | - | - | - | - | 104,141 |
| Network Assets | | | | | | | | |
| Roading | 375,485 | 7,225 | - | - | 249 | 19,917 | (6,941) | 395,935 |
| Wastewater - treatment plants | 18,142 | 2,948 | (27) | - | - | 4,236 | (316) | 24,984 |
| Wastewater - other assets | 40,632 | 598 | (81) | - | - | 5,286 | (982) | 45,453 |
| Water - treatment plants | 40,742 | 740 | (1) | - | - | 7,960 | (2,142) | 47,299 |
| Water - other assets | 96,680 | 1,053 | (123) | - | - | 14,482 | (2,425) | 109,667 |
| Stormwater | 22,060 | 190 | - | - | - | 10,059 | (418) | 31,891 |
| Total Infrastructural & Network Assets | 697,894 | 12,754 | (242) | 0 | 249 | 61,940 | (13,224) | 759,370 |
| Work in progress | 5,046 | 0 | 0 | 0 | 0 | 4,184 | 0 | 9,230 |
| Total Fixed Assets | 829,934 | 16,544 | (535) | 200 | 249 | 77,471 | (17,435) | 906,429 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Movements 2019

| | Carrying Value 1/7/18 \$,000 | Additions \$,000 | Disposal \$,000 | Accumulated Depreciation on Disposal | Vested Assets | Other Adj \$,000 | Depreciation \$,000 | Carrying Value 30/6/19 \$,000 |
|--------------------------------------------------|------------------------------------|---------------------|--------------------|--------------------------------------------|------------------|---------------------|------------------------|----------------------------------------|
| OPERATIONAL ASSETS | | | | | | | | |
| Buildings | 47,852 | 3,061 | (730) | 85 | - | (5) | (2,195) | 48,068 |
| Land | 9,733 | - | - | - | - | - | - | 9,733 |
| Furniture & Fittings | 694 | 4 | - | - | - | - | (110) | 588 |
| Information Systems | 182 | 428 | - | - | - | - | (80) | 530 |
| Library Books | 741 | 211 | (231) | 221 | - | - | (223) | 719 |
| Office Equipment | 53 | - | (49) | 48 | - | - | (23) | 29 |
| Leased Office Equipment | 226 | - | - | - | - | - | (65) | 161 |
| Motor Vehicles | 805 | 338 | (157) | 88 | - | - | (168) | 906 |
| Plant & Equipment | 692 | 210 | - | - | - | - | (107) | 795 |
| Restricted Assets | | | | | | | | |
| Parks & Recreation | 12,735 | 387 | - | - | - | - | (973) | 12,149 |
| Heritage & Cultural | 901 | - | - | - | - | - | (46) | 855 |
| Land | 48,482 | 61 | - | - | - | - | - | 48,543 |
| Work in Progress | 6,326 | - | - | - | - | (2,406) | - | 3,920 |
| Total Operational & Restricted Assets | 129,420 | 4,700 | (1,167) | 442 | 0 | (2,411) | (3,990) | 126,995 |

INFRASTRUCTURAL ASSETS

| | | | | | | | | |
|---------------------------------------------------|----------------|---------------|----------------|------------|----------|----------------|-----------------|----------------|
| Land Under Roads | 104,151 | - | - | - | - | - | - | 104,151 |
| Network Assets | | | | | | | | |
| Roading | 375,825 | 6,386 | - | - | - | - | (6,726) | 375,485 |
| Wastewater - treatment plants | 17,745 | 739 | (7) | - | - | - | (335) | 18,142 |
| Wastewater - other assets | 40,760 | 999 | (102) | - | - | - | (1,025) | 40,632 |
| Water - treatment plants | 39,748 | 3,159 | - | - | - | - | (2,165) | 40,742 |
| Water - other assets | 96,347 | 3,474 | (758) | - | - | - | (2,383) | 96,680 |
| Stormwater | 22,475 | - | (2) | - | - | 18 | (429) | 22,060 |
| Total Infrastructural & Network Assets | 697,051 | 14,757 | (869) | 0 | 0 | 18 | (13,063) | 697,893 |
| Work in progress | 7,359 | 0 | 0 | 0 | 0 | (2,313) | 0 | 5,046 |
| Total Fixed Assets | 833,830 | 19,457 | (2,036) | 442 | - | (4,706) | (17,053) | 829,934 |

Work in Progress*

Property, plant and equipment in the course of construction by class of asset is detailed below.

| | 2020 \$,000 | 2019 \$,000 |
|-------------------------------|----------------|----------------|
| Buildings | 3,176 | 3,325 |
| Land | 20 | 9 |
| Information Systems | 253 | 122 |
| Motor Vehicles | - | - |
| Plant & Equipment | 26 | 177 |
| Furniture & Fittings | 2 | 56 |
| Parks & Reserves | 235 | 207 |
| Stormwater | 790 | 371 |
| Solid Waste - Landfill | - | 24 |
| Water Supply | 4,983 | 1,936 |
| Wastewater | 1,730 | 1,504 |
| Roading | 1,727 | 1,235 |
| Total work in progress | 12,943 | 8,966 |

Note 9: Intangible Assets

Accounting policy

Software licences are recognised at cost and amortised on a straight line basis over the life of the licence (3 to 10 five years) A range of 10.00% to 33.33% per annum.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|------------------------------------------------------|---------------------------|--------------------------------|
| | | ACQUIRED COMPUTER SOFTWARE BALANCE 1 JULY | | |
| 3,677 | 3,677 | Cost | 3,710 | 3,710 |
| (2,285) | (2,285) | Accumulated amortisation and impairment | (2,468) | (2,468) |
| 1,392 | 1,392 | Carrying value 1 July | 1,242 | 1,242 |
| 172 | 172 | Additions | 89 | 89 |
| (139) | (139) | Disposals | 0 | 0 |
| 0 | 0 | Other Adjustments | 0 | 0 |
| (183) | (183) | Amortisation charge | (63) | (63) |
| | | CLOSING BALANCE | | |
| 3,710 | 3,710 | Cost | 3,799 | 3,799 |
| (2,468) | (2,468) | Accumulated amortisation and impairment | (2,531) | (2,531) |
| 1,242 | 1,242 | Carrying value 30 June | 1,268 | 1,268 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|---------------------------------------------------------|---------------------------|--------------------------------|
| | | FONTERRA OUTFALL - USE RIGHTS BALANCE 1 JULY | | |
| 0 | 0 | Cost | 0 | 0 |
| 0 | 0 | Accumulated amortisation and impairment | 0 | 0 |
| 0 | 0 | Carrying value 1 July | 0 | 0 |
| 0 | 0 | Additions | 0 | 0 |
| 0 | 0 | Amortisation charge | 0 | 0 |
| | | CLOSING BALANCE | | |
| 0 | 0 | Cost | 0 | 0 |
| 0 | 0 | Accumulated amortisation and impairment | 0 | 0 |
| 0 | 0 | Carrying value 30 June | 0 | 0 |
| 1,242 | 1,242 | Total Intangible Assets | 1,268 | 1,268 |

Note 10: Accounts Payable

Accounting policy

Trade liabilities are non-interest bearing and are generally settled within a 30-day term. Therefore, the carrying value of trade liabilities approximates their fair value. Accrued expenses and other payables are amounts due as of year-end but not yet invoiced. Bonds and Deposits are amounts which the Council holds on behalf of third parties through various negotiated agency agreements. Bonds are generally classified as refundable and deposits are generally classified as non-refundable.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|-------------------------------------|---------------------------|--------------------------------|
| 4,857 | 4,857 | Trade Liabilities | 4,620 | 4,620 |
| 1,156 | 1,156 | Accrued expenses and other payables | 885 | 885 |
| 346 | 346 | Payable salaries and wages | 493 | 493 |
| 1,340 | 1,340 | Bonds and Deposits | 1,437 | 1,437 |
| 7,699 | 7,699 | | 7,435 | 7,435 |

The above amounts for accounts payable are all exchange transactions.

Note 11: Employee Entitlements

Accounting policy

Provision is made for employee benefits accumulating as a result of services rendered.

Provision is made in respect of the Council's liability for annual leave and sick leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay, while other provisions have been calculated on an actuarial basis at current rates of pay.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|--------------|---------------------------|--------------------------------|
| 721 | 721 | Annual leave | 859 | 859 |
| 42 | 42 | Sick leave | 51 | 51 |
| 763 | 763 | | 910 | 910 |

Note 12: Landfill Aftercare

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|------------------------|---------------------------|--------------------------------|
| 356 | 356 | Open Balance | 397 | 397 |
| 41 | 41 | Provision reassessed | (30) | (30) |
| 0 | 0 | Unwinding of discount | 0 | 0 |
| 397 | 397 | Closing Balance | 367 | 367 |
| | | BEING: | | |
| 45 | 45 | Current Portion | 46 | 46 |
| 352 | 352 | Term Portion | 321 | 321 |
| 397 | 397 | | 367 | 367 |

The South Taranaki District Council holds resource consents to operate landfills within the District. The Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill sites after closure. There is an external liability where the landfill is not situated on Council-owned land.

There are closure and post-closure responsibilities such as the following:

Closure responsibilities:

- * final cover application and vegetation
- * incremental drainage control features
- * completing facilities for leachate collection and monitoring
- * completing facilities for water quality monitoring
- * completing facilities for monitoring and recovery of gas

Post-closure responsibilities:

- * treatment and monitoring of leachate
- * ground water and surface monitoring
- * gas monitoring and recovery
- * implementation of remedial measures such as needed for cover and control systems
- * ongoing site maintenance for drainage systems

The cash outflows for landfill post-closure are expected to occur over the next 8 years and are based on current costs.

The provision has been estimated taking into account existing technology and is discounted using a discount rate of 2.14%.

The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

All landfills are now closed.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Note 13: Term Liabilities

Accounting policy

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities (creditors, revenue in advance, loans, bonds and deposits) are initially recognised at fair value. Financial liabilities with duration of more than 12 months are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Amortisation is recognised within surplus or deficit. Financial liabilities with duration of less than 12 months are recognised at their nominal value. On disposal any gains or losses are recognised within surplus or deficit.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | Financial Liabilities | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|--------------------------------|--------------------------------|-------------------------------------------|---------------------------|--------------------------------|
| 0 | 0 | Debt Securities - Commercial Paper | 0 | 0 |
| 112,000 | 112,000 | Debt Securities - Local Authority Stock | 118,000 | 118,000 |
| 1,600 | 1,600 | Bank Facilities - Line of Credit Facility | 0 | 0 |
| 0 | 0 | Water Consent | 0 | 0 |
| 181 | 181 | Finance Leases | 114 | 114 |
| 1,144 | 1,144 | Income in advance from MOE | 1,107 | 1,107 |
| 114,925 | 114,925 | Total Financial Liabilities | 119,221 | 119,221 |
| CURRENT LIABILITIES | | | | |
| 0 | 0 | Debt Securities - Commercial Paper | 0 | 0 |
| 25,000 | 25,000 | Debt Securities - Local Authority Stock | 12,000 | 12,000 |
| 0 | 0 | Bank Facilities - Line of Credit Facility | 0 | 0 |
| 0 | 0 | Water Consent | 0 | 0 |
| 67 | 67 | Finance Leases | 74 | 74 |
| 38 | 38 | Income in advance from MOE | 38 | 38 |
| 25,105 | 25,105 | Total Current Liabilities | 12,112 | 12,112 |
| NON-CURRENT LIABILITIES | | | | |
| 87,000 | 87,000 | Debt Securities - Local Authority Stock | 106,000 | 106,000 |
| 1,600 | 1,600 | Bank Facilities - Line of Credit Facility | 0 | 0 |
| 0 | 0 | Water Consent | 0 | 0 |
| 114 | 114 | Finance Leases | 40 | 40 |
| 1,106 | 1,106 | Income in advance from MOE | 1,069 | 1,069 |
| 89,820 | 89,820 | Total Non-Current Liabilities | 107,109 | 107,109 |

Secured loans

The Council currently has \$30m (2019 \$30m) of committed lines of credit. The facility remains unused resulting in full amount being available at balance date (2019 \$28.4m). The lines of credit are subject to daily floating interest rates.

Debt securities – local authority stock

The following is a summary of interest costs incurred in respect of Council's local authority stock, as well as a maturity analysis. Contractual maturity analysis of financial liabilities:

| Reference Rate | Maturity | Amount \$,000 |
|-----------------------------|------------|------------------|
| Floating BKBM FRA + 89.25bp | 15/05/2021 | 5,000 |
| Floating BKBM FRA + 65.25bp | 15/05/2021 | 7,000 |
| Floating BKBM FRA + 74bp | 15/04/2023 | 5,000 |
| Floating BKBM FRA + 73.25bp | 17/04/2023 | 5,000 |
| Floating BKBM FRA + 53bp | 22/04/2022 | 10,000 |

| Reference Rate | Maturity | Amount \$,000 |
|-----------------------------|------------|------------------|
| Floating BKBM FRA + 55.25bp | 15/04/2027 | 5,000 |
| Floating BKBM FRA + 64bp | 28/06/2022 | 7,000 |
| Floating BKBM FRA + 73bp | 15/04/2025 | 10,000 |
| Floating BKBM FRA + 81.7bp | 15/04/2027 | 5,000 |
| Floating BKBM FRA + 60.25bp | 15/04/2024 | 5,000 |
| Floating BKBM FRA + 69.5bp | 15/04/2026 | 5,000 |
| Floating BKBM FRA + 77bp | 15/04/2028 | 5,000 |
| Floating BKBM FRA + 80bp | 15/04/2029 | 5,000 |
| Floating BKBM FRA + 83.5bp | 15/04/2030 | 4,000 |
| Floating BKBM FRA + 86.25bp | 15/04/2030 | 4,000 |
| Floating BKBM FRA + 68.25bp | 15/04/2026 | 5,000 |
| Floating BKBM FRA + 53bp | 15/04/2024 | 5,000 |
| Floating BKBM FRA + 64bp | 20/04/2029 | 10,000 |
| Floating BKBM FRA + 76bp | 15/04/2028 | 5,000 |
| Floating BKBM FRA + 98.6bp | 15/04/2028 | 6,000 |
| | | 118,000 |

Security

Finance Lease is secured by a charge over the specific asset being financed. Loans are secured by pledging targeted rates on various parts of the District or the District as a whole through a deed of charge.

In December 2007 Trustees Executors Ltd were appointed as Trustees of the Debenture Trust Deed. All of Council's secured loans including lines of credit are secured under the terms of the Debenture Trust Deed. Security is by charge over the Council's ability to levy rates in favour of the Trustee. Pursuant to the Debenture Trust Deed, Council has issued security certificates of \$101m to secure the various bank loans facilities, lines of credit, guarantees issued on behalf of Council and other general banking facilities. An additional \$12,438m of security certificates has been issued as part of the LGFA agreement to jointly secure debt issues with other shareholding Councils.

Line of credit expiration dates:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | Financial Institution - Expiry | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|--------------------------------|---------------------------|--------------------------------|
| 30,000 | 30,000 | TSB - 20 July 2023 | 30,000 | 30,000 |
| 30,000 | 30,000 | | 30,000 | 30,000 |

Interest rate swaps

The following is a summary of interest rate swaps as at the end of June 2020

| Fixed Rate | Start Date | Maturity | Amount |
|------------|------------|------------|-----------|
| 4.80% | 31/10/2011 | 29/10/2020 | 1,000,000 |
| 4.81% | 15/04/2014 | 15/07/2023 | 4,000,000 |
| 4.74% | 15/04/2014 | 15/01/2023 | 4,000,000 |
| 4.30% | 20/03/2014 | 20/12/2023 | 2,000,000 |
| 4.81% | 22/08/2014 | 22/08/2020 | 5,000,000 |
| 5.55% | 21/07/2014 | 21/10/2021 | 5,000,000 |
| 4.57% | 15/06/2015 | 15/06/2024 | 4,000,000 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Fixed Rate | Start Date | Maturity | Amount |
|------------|------------|------------|-------------|
| 4.76% | 22/12/2014 | 22/12/2022 | 2,000,000 |
| 4.79% | 23/12/2014 | 23/06/2022 | 5,000,000 |
| 4.82% | 15/12/2014 | 15/06/2024 | 4,000,000 |
| 4.82% | 15/08/2016 | 15/08/2024 | 3,000,000 |
| 4.90% | 29/04/2016 | 29/04/2024 | 4,000,000 |
| 5.19% | 20/02/2015 | 20/08/2024 | 5,000,000 |
| 3.65% | 23/10/2018 | 23/01/2025 | 4,000,000 |
| 3.96% | 20/06/2019 | 20/09/2025 | 2,000,000 |
| 3.80% | 20/10/2017 | 20/01/2028 | 2,000,000 |
| 3.05% | 15/03/2019 | 15/03/2021 | 3,000,000 |
| 3.75% | 21/10/2021 | 21/01/2028 | 5,000,000 |
| 4.21% | 20/07/2016 | 23/10/2020 | 1,000,000 |
| 3.34% | 21/10/2021 | 21/04/2026 | 5,000,000 |
| 4.41% | 20/02/2017 | 20/08/2021 | 5,000,000 |
| 4.14% | 20/04/2017 | 25/10/2022 | 4,000,000 |
| 4.45% | 22/05/2017 | 22/11/2021 | 1,000,000 |
| 4.20% | 22/12/2022 | 22/12/2026 | 2,000,000 |
| 4.20% | 15/01/2023 | 15/01/2027 | 4,000,000 |
| 4.18% | 25/10/2022 | 25/10/2026 | 4,000,000 |
| 3.46% | 17/09/2019 | 17/09/2021 | 4,000,000 |
| 3.41% | 22/02/2019 | 22/02/2022 | 3,000,000 |
| 3.81% | 23/10/2020 | 23/01/2029 | 1,000,000 |
| 3.81% | 29/10/2020 | 23/01/2029 | 1,000,000 |
| 3.99% | 17/07/2023 | 15/01/2029 | 4,000,000 |
| 3.98% | 29/04/2024 | 29/01/2029 | 4,000,000 |
| 3.95% | 15/06/2024 | 15/03/2029 | 4,000,000 |
| 3.89% | 15/06/2024 | 15/06/2029 | 4,000,000 |
| 2.79% | 23/10/2018 | 25/10/2022 | 2,000,000 |
| 2.75% | 30/07/2019 | 31/01/2023 | 4,000,000 |
| 4.44% | 20/08/2018 | 20/11/2029 | 4,000,000 |
| 1.93% | 15/04/2019 | 15/01/2024 | 1,000,000 |
| 1.96% | 22/08/2020 | 22/02/2024 | 5,000,000 |
| 1.99% | 20/12/2020 | 22/09/2022 | 4,000,000 |
| 2.75% | 29/04/2020 | 29/01/2025 | 4,000,000 |
| | | | 139,000,000 |

Marked to Market Valuation of Interest Rate Swaps

The fair value (marked to market valuation) of interest rate swaps as at the balance date was -\$17,394,830.06 (2019 -\$13,971,729.21).

Finance Leases

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|--------------------------------------------------------|---------------------------|--------------------------------|
| | | TOTAL MINIMUM LEASE PAYMENTS PAYABLE | | |
| 82 | 82 | Not later than one year | 82 | 82 |
| 123 | 123 | Later than one year and not later than five years | 41 | 41 |
| 0 | 0 | Later than five years | 0 | 0 |
| 206 | 206 | Total minimum lease payments | 123 | 123 |
| (24) | (24) | Future finance charges | (9) | (9) |
| 181 | 181 | Present value of minimum lease payments | 114 | 114 |
| | | PRESENT VALUE OF MINIMUM LEASE PAYMENTS PAYABLE | | |
| 67 | 67 | Not later than one year | 74 | 74 |
| 114 | 114 | Later than one year and not later than five years | 40 | 40 |
| 0 | 0 | Later than five years | 0 | 0 |
| 181 | 181 | Total present value of minimum lease payments | 114 | 114 |
| | | REPRESENTED BY: | | |
| 67 | 67 | Current | 74 | 74 |
| 114 | 114 | Non-Current | 40 | 40 |
| 181 | 181 | Total finance leases | 114 | 114 |

The Council has entered into a finance lease for office equipment. The net carrying amount of the leased item is shown in Note 8. There are no restrictions as a result of lease arrangements.

Income in Advance – Ministry of Education

The Ministry of Education have contributed \$1.5 million for the use of TSB Hub for the Hāwera High School for the 40 year period of which 30 years remain. The current portion represents the amount of the contribution that will be recognised as revenue over the next 12 months.

Other Borrowings

As at 30 June 2020, the Council had internally borrowed \$15,999,010 (2019 \$14,906,274) from its Special Fund Investments held with the Fund Managers.

Note 14: Equity Accounting policy

Public equity is the community's interest in the Council, as measured by the value of total assets less total liabilities. Equity is dis-aggregated and classified to enable a clearer identification of the various components. Accumulated balances comprise accumulated surpluses over the years.

Restricted and Statutory Reserves are those funds subject to external restrictions accepted as binding by the Council, which may not be revised by the Council without reference to the courts or a third party. Investment Revaluation Reserves comprise accumulated valuation increments.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------------|--------------------------------|--------------------------------------------------------|---------------------------|--------------------------------|
| PUBLIC EQUITY | | | | |
| 394,779 | 394,779 | Accumulated Balances | 458,545 | 458,545 |
| 2,006 | 2,006 | Restricted and Statutory Reserves | 2,276 | 2,276 |
| 36 | 36 | Investment Revaluation Reserves | 0 | 0 |
| 296,313 | 296,313 | Asset Revaluation Reserves | 302,391 | 302,391 |
| 9,023 | 9,023 | Separate Operating Reserves | 10,357 | 10,357 |
| 147,882 | 147,882 | Council Created Reserves | 145,728 | 145,728 |
| 345 | 345 | Capital Replacement Reserves | 642 | 642 |
| 850,384 | 850,384 | Total Closing Public Equity | 919,940 | 919,940 |
| ACCUMULATED BALANCES | | | | |
| 415,549 | 415,549 | Opening Balance 1 July | 394,779 | 394,779 |
| (3,208) | (3,208) | Net Surplus (Deficit) | (3,943) | (3,943) |
| 0 | 0 | Adjustment | 0 | 0 |
| LESS APPROPRIATION TO | | | | |
| (290) | (290) | Restricted Reserves | (166) | (166) |
| (5) | (5) | Statutory Reserves | (102) | (102) |
| (1,650) | (1,650) | Separate Operating Reserves | (1,333) | (1,333) |
| (15,577) | (15,577) | Council Created Reserves | 0 | 0 |
| (40) | (40) | Capital Replacement Reserves | (298) | (298) |
| FUNDS APPLIED FROM | | | | |
| 0 | 0 | Restricted Reserves | 0 | 0 |
| 0 | 0 | Statutory Reserves | 0 | 0 |
| | | Asset Revaluation Reverses | 67,455 | 67,455 |
| 0 | 0 | Separate Operating Reserves | 0 | 0 |
| 0 | 0 | Council Created Reserves | 2,154 | 2,154 |
| 0 | 0 | Capital Replacement Reserves | 0 | 0 |
| 394,779 | 394,779 | Closing Balance 30 June | 458,545 | 458,545 |
| RESTRICTED RESERVES | | | | |
| 858 | 858 | Opening Balance 1 July | 1,148 | 1,148 |
| 357 | 357 | Add Appropriation | 235 | 235 |
| (67) | (67) | Less Application of Funds | (68) | (68) |
| 1,148 | 1,148 | Closing Balance 30 June | 1,315 | 1,315 |
| STATUTORY RESERVES | | | | |
| 854 | 854 | Opening Balance 1 July | 858 | 858 |
| 80 | 80 | Add Appropriation | 118 | 118 |
| (76) | (76) | Less Application of Funds | (15) | (15) |
| 858 | 858 | Closing Balance 30 June | 961 | 961 |
| 2,006 | 2,006 | Total Closing Restricted and Statutory Reserves | 2,276 | 2,276 |

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|----------------------------------------|--------------------------------|--------------------------------------------------|---------------------------|--------------------------------|
| INVESTMENT REVALUATION RESERVES | | | | |
| 196 | 196 | Opening Balance 1 July | 36 | 36 |
| 0 | 0 | Gain/(Loss) on Long Term Investment Fund | 0 | 0 |
| (160) | (160) | Gain/(Loss) on Shares and Notes | (92) | (92) |
| 0 | 0 | Less Loss Transferred to income statement | 57 | 57 |
| 36 | 36 | Closing Balance 30 June | 0 | 0 |
| BEING: | | | | |
| 0 | 0 | Long Term Investment Fund | 0 | 0 |
| 36 | 36 | Shares and Notes | 0 | 0 |
| 0 | 0 | Transfers from Accumulated Balances | 0 | 0 |
| 36 | 36 | | 0 | 0 |
| ASSET REVALUATION RESERVES | | | | |
| 296,313 | 296,313 | Opening Balance 1 July | 296,313 | 296,313 |
| 0 | 0 | Revaluation of Infrastructural Assets | 61,898 | 61,898 |
| 0 | 0 | Revaluation of Operational Assets | 14,945 | 14,945 |
| 0 | 0 | Revaluation of Restricted Land | (3,010) | (3,010) |
| 0 | 0 | Revaluation of Operational Land | (300) | (300) |
| 0 | 0 | Less Revaluation Reserves Transferred to Equity* | (67,455) | (67,455) |
| 296,313 | 296,313 | Closing Balance 30 June | 302,391 | 302,391 |
| BEING: | | | | |
| 254,725 | 254,725 | Infrastructural Assets | 249,168 | 249,168 |
| 23,732 | 23,732 | Operational Assets | 38,677 | 38,677 |
| 12,978 | 12,978 | Restricted Land | 9,968 | 9,968 |
| 4,879 | 4,879 | Operational Land | 4,578 | 4,578 |
| 296,313 | 296,313 | | 302,391 | 302,391 |
| SEPARATE OPERATING RESERVES | | | | |
| 7,373 | 7,373 | Opening Balance 1 July | 9,023 | 9,023 |
| 17,394 | 17,394 | Add Appropriation | 22,845 | 22,845 |
| (15,744) | (15,744) | Less Application of Funds | (21,511) | (21,511) |
| 9,023 | 9,023 | Closing Balance 30 June | 10,357 | 10,357 |
| COUNCIL CREATED RESERVES | | | | |
| 132,305 | 132,305 | Opening Balance 1 July | 147,882 | 147,882 |
| 26,425 | 26,425 | Add Appropriation | 7,812 | 7,812 |
| (10,848) | (10,848) | Less Application of Funds | (9,966) | (9,966) |
| 147,882 | 147,882 | Closing Balance 30 June | 145,728 | 145,728 |
| CAPITAL REPLACEMENT RESERVES | | | | |
| 305 | 305 | Opening Balance 1 July | 345 | 345 |
| 6,637 | 6,637 | Add Appropriation | 9,026 | 9,026 |
| (6,597) | (6,597) | Less Application of Funds | (8,728) | (8,728) |
| 345 | 345 | Closing Balance 30 June | 642 | 642 |

*The transfer relates to the change in accounting policy (Land under Roads).

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Separate Operating Reserves

| Name | Activity to which the reserve relates | Balance 1 July 2019 \$,000 | Transfers into fund \$,000 | Transfers out of fund \$,000 | Balance 30 June 2020 \$,000 |
|---------------------------|---------------------------------------|----------------------------|----------------------------|------------------------------|-----------------------------|
| Roading | Roading and Footpaths | 2,172 | 8,390 | (8,069) | 2,493 |
| Regional Road Safety | Roading and Footpaths | 28 | 23 | 0 | 51 |
| Water Supply Urban | Water Supply Services | 1,484 | 5,926 | (5,958) | 1,452 |
| Waste Water | Waste Water | 226 | 4,576 | (5,925) | (1,123) |
| Water Supply Inaha | Water Supply Services | 0 | 0 | 0 | 0 |
| Eltham Drainage | Stormwater | 23 | 4 | 0 | 28 |
| Water Supply Pope | Water Supply Services | 0 | 0 | 0 | 0 |
| Water Supply Waimate West | Water Supply Services | 3,758 | 3,764 | (1,555) | 5,967 |
| Solid Waste Collection | Solid Waste | 1,333 | 154 | 0 | 1,487 |
| Nukumaru | Water Supply Services | (20) | 4 | (4) | (20) |
| Cold Creek | Water Supply Services | 0 | 0 | 0 | 0 |
| Hāwera Town Coordinator | District Economy | 19 | 4 | (0) | 23 |
| Total | | 9,023 | 22,845 | (21,511) | 10,357 |

Restricted Reserves

| Name | Activity to which the reserve relates | Balance 1 July 2019 \$,000 | Transfers into fund \$,000 | Transfers out of fund \$,000 | Balance 30 June 2020 \$,000 |
|-----------------------------|---------------------------------------|----------------------------|----------------------------|------------------------------|-----------------------------|
| Eltham Property | Community Facilities | 15 | 0 | 0 | 15 |
| Hāwera Property | Community Facilities | 0 | 0 | 0 | 0 |
| Pool Plant | Community Facilities | 35 | 1 | 0 | 36 |
| Larcom Beq - Turuturu Mokai | Community Facilities | 97 | 3 | 0 | 100 |
| Pātea Property | Community Facilities | 163 | 5 | 0 | 168 |
| Wairoa Recreation Res | Community Facilities | 507 | 62 | 0 | 569 |
| Harbour Endowment | Community Facilities | 218 | 140 | (36) | 322 |
| Centennial Bursary | Community Development | 67 | 2 | (3) | 66 |
| Kaūpokonui Beach | Community Facilities | 47 | 22 | (29) | 40 |
| Total | | 1,149 | 234 | (68) | 1,316 |

Statutory Reserves

| Name | Activity to which the reserve relates | Balance 1 July 2019 \$,000 | Transfers into fund \$,000 | Transfers out of fund \$,000 | Balance 30 June 2020 \$,000 |
|--------------------------------|---------------------------------------|----------------------------|----------------------------|------------------------------|-----------------------------|
| Eltham Reserve Contributions | Community Facilities | 43 | 1 | 0 | 43 |
| Hāwera Reserve Contributions | Community Facilities | 56 | 83 | 0 | 139 |
| Pātea Reserve Contributions | Community Facilities | 0 | 0 | 0 | 0 |
| District Reserve Contributions | Community Facilities | 408 | 12 | (15) | 405 |
| Waimate Development Levy | Democracy and Leadership | 287 | 8 | 0 | 295 |
| Waverley Reserve Contributions | Community Facilities | 0 | 0 | 0 | 0 |
| Ōpunakē Reserve Contributions | Community Facilities | 23 | 11 | 0 | 34 |
| Manaia Reserve Contributions | Community Facilities | 42 | 1 | 0 | 43 |
| Total | | 858 | 116 | (15) | 960 |

Council Created Reserves

| Name | Activity to which the reserve relates | Balance 1 July 2019 \$,000 | Transfers into fund \$,000 | Transfers out of fund \$,000 | Balance 30 June 2020 \$,000 |
|----------------------------------|---------------------------------------|----------------------------|----------------------------|------------------------------|-----------------------------|
| Safer Communities | Community Development | 5 | 0 | (3) | 2 |
| Economic Development Fund | Community Facilities | 135 | 0 | (72) | 63 |
| Tangata Whenua Grant Fund | Community Development | 0 | 54 | 0 | 54 |
| Forestry | Community Facilities | 124 | 71 | (18) | 117 |
| Ōkōtuku Domain | Community Facilities | 11 | 5 | 0 | 16 |
| Centennial Close 1% Contribution | Community Facilities | 3 | 3 | 0 | 6 |
| Long Term Investment Fund | All Activities | 132,191 | 4,956 | (8,491) | 128,656 |
| Riparian/Indigenous | Environmental Sustainability | 52 | 38 | (2) | 88 |
| Urban Redevelopment | All Activities | 1 | 0 | 0 | 1 |
| Painting Reserve | All Activities | 374 | 270 | (108) | 536 |
| LTIF – Loan to Southcare | All Activities | 14,906 | 2,250 | (1,157) | 15,999 |
| Tourism Reserves | District Economy | 80 | 80 | (33) | 127 |
| Community Board Funding | Community Development | 0 | 85 | (81) | 4 |
| Total | | 147,882 | 7,812 | (9,965) | 145,729 |

Purpose for Each Reserve

Separate Operating Reserves

All Separate Operating Reserves
To keep surpluses/deficits in each activity separate from other activities.

Restricted Reserves

Eltham Property

To hold funds from property sold in the Eltham ward for funding of various projects in the Eltham ward.

Hāwera Property

To hold funds from property sold in the Hāwera ward for funding of various projects in the Hāwera ward.

Pool Plant

To provide funds for District pools.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Larcom Bequest - Turuturu Mokai

To manage a bequest from Samuel Larcom to be used on Hāwera District parks.

Pātea Property

To hold funds from property sold in the Pātea ward for funding of various projects in the Pātea ward.

Wairoa Recreation Reserve

To manage revenue from the leasing of Crown land which has been vested in the Council and fees/charges from the campground for capital works on the Wairoa Recreation Reserve.

Pātea Pools

To manage funds vested in the Council by the Pātea Community Development Trust for the Pātea pool upgrade.

Harbour Endowment

To manage lease income from land formerly owned by the Pātea Harbour Board to be used for the following; maintenance and improvement of endowment properties, maintenance and improvement of Harbour facilities, including harbour walls, and on recreational and cultural facilities with the Pātea ward.

Centennial Bursary

To provide grants of up to \$400 towards tertiary education for eligible applicants. Only interest income from the fund may be used.

Kaūpokonui Beach

To manage lease income from Crown land vested in the Council for capital works requested by the Kaūpokonui Beach Society.

Statutory Reserves

Eltham Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the Eltham ward.

Hāwera Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the Hāwera ward.

Pātea Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the Pātea area.

District Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the District.

Waimate Development Levy

To hold funds derived from a levy on Kāpuni Petrochemical Development for the funding of projects on public assets which are located on council owned property or reserves located within the boundaries of the old Waimate Plains County Council. The principle fund to remain at no less than \$260,000.00.

Waverley Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the Waverley area.

Ōpunakē Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the Ōpunakē area.

Manaia Reserve Contributions

To manage reserve contributions collected under RMA to be used for acquisition or development of reserves in the Manaia area.

Council Created Reserves

Safer Communities

To manage the balance of funds from Safer Community grants to be used on youth programmes.

Economic Development Fund

The purpose of the reserve is to enable the Council to strategically intervene when required by practically supporting new business.

Sale of Assets

A fund for the replacement of assets with a similar purpose to the ones sold.

Forestry

To manage income and expenditure relating to the joint venture forestry investment.

Ōkōtuku Domain

To manage revenue from the leasing of Crown land which has been vested in the Council on behalf of the Ōkōtuku Domain Committee.

Centennial Close 1% Contribution

To manage the 1% contribution for the first 15 years from the deposit held for Centennial Close flats for the purpose of upgrading the units when they are vacated.

Long Term Investment Fund (LTIF)

To manage funds derived from the sale of the Council's shareholding in Egmont Electricity and to provide a rates subsidy.

LTIF – Internally Invested

Debt funding from LTIF.

Riparian/Indigenous

To fund Riparian planting throughout the District.

Urban Redevelopment

To fund various community projects throughout the District. Only Waverley has any allocation left.

Painting Reserve

To fund various painting projects.

Tourism Fund

To fund various tourism related projects.

Note 15: Reconciliation of Net Surplus to Cash Flow from Operating Activities

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|----------------------------------------------------------------|---------------------------|--------------------------------|
| (3,208) | (3,208) | Reported Surplus (Deficit) after Taxation | (3,943) | (3,943) |
| | | Add (Deduct) Non-Cash Items | | |
| 17,236 | 17,236 | Depreciation and Amortisation | 17,498 | 17,498 |
| 5,121 | 5,121 | Movement in swaps revaluations | 3,586 | 3,586 |
| 0 | 0 | Vested assets | (249) | (249) |
| | | ADD /(LESS) ITEMS CLASSIFIED AS INVESTING OR FINANCING: | | |
| 3,903 | 3,903 | (Gain)/Loss on Disposal of Property, Plant and Equipment | 352 | 352 |
| 0 | 0 | (Gain)/Loss on Sale/disposal of Investments | 0 | 0 |
| (1,834) | (1,834) | (Gain)/Loss in fair value of financial assets | 0 | 0 |
| 41 | 41 | Movement in Landfill Aftercare Provision | 29 | 29 |
| 0 | 0 | Interest and gains direct to investment | 0 | 0 |
| 21,259 | 21,259 | | 17,273 | 17,273 |
| | | ADD (LESS) MOVEMENTS IN OTHER WORKING CAPITAL ITEMS: | | |
| 2,255 | 2,255 | (Increase)/Decrease in Accounts Receivable | 854 | 854 |
| (1,148) | (1,148) | Increase/(Decrease) in Accounts Payable | (264) | (264) |
| (12) | (12) | Increase/(Decrease) in Employee Entitlements | 147 | 147 |
| (17) | (17) | (Increase)/Decrease in Inventory | 41 | 41 |
| 4 | 4 | Increase/(Decrease) Income Received in Advance | (379) | (379) |
| 488 | 488 | (Increase)/Decrease in Prepayments | 1,554 | 1,554 |
| 22,829 | 22,829 | Net Cash Inflow (Outflow) from Operating Activities | 19,226 | 19,226 |

Note 16: Related Parties

There are no transactions entered into between South Taranaki District Council, its 100% owned subsidiary Novus Contracting Limited.

All transactions were conducted under normal commercial terms.

Councillors

During the year, the Council paid Beccard Motors \$9,607 (2019 \$25,746). Cr A Beccard owns 50% of Beccard Motors.

During the year, the Council paid Sport Taranaki \$70,909 (2019 \$43,390). Sport Taranaki purchased goods and services off the Council of \$819 (2019 \$1,055). Cr R Northcott is a Trustee.

During the year, the Council paid Cinema 2 Trust \$51,899 (2019 \$52,573). Hāwera Cinema 2 purchased goods and services off the Council of \$58,191 (2019 \$66,383). Cr K Bourke is the manager.

During the year, the Council paid Rangiwahia Architectural \$9,649 (2019 \$2,737). Cr J Rangiwahia is the Director.

During the year, the Council paid The Friends of Hāwera Parks Inc \$7,220 (2019 \$1,065). The Friends of Hāwera Parks Inc purchased goods and services off the Council of \$737 (2019 \$38). Cr I Wards is a member.

During the year, the Council paid the Egmont A&P Association \$24,860 (2019 \$26,592). Cr C Filbee is a member.

During the year, the Council paid The Friends of Hāwera Parks Inc \$1,065 (2019 nil). The Friends of Hāwera Parks Inc purchased goods and services off the Council of \$38 (2019 \$81). Councillor I Wards is a member.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Key Management Personnel | Council 2019 | Council 2019 | Council 2020 | Council 2020 |
|----------------------------------------------------|----------------|----------------|----------------|----------------|
| Salaries and other short-term benefits | 987,666 | 987,666 | 967,401 | 967,401 |
| Post-employment benefits | 0 | 0 | 0 | 0 |
| Other long-term benefits | 0 | 0 | 0 | 0 |
| Full-time equivalent members | 4 | 4 | 4 | 4 |
| Total key management personnel compensation | 987,666 | 987,666 | 967,401 | 967,401 |

Key management personnel include the Chief Executive and three senior management personnel.

Apart from the normal customer relationships involving such items as the payments of rates and water charges, there were no other significant transactions between Senior Management, Councillors and the Council during the financial year.

During the year, the Council paid Sport Taranaki \$70,909 (2019 \$43,390). Sport Taranaki purchased goods and services off the Council of \$819 (2019 \$1,055). Phillippa Wilson is a Trustee.

| Remuneration Paid - Elected Members | | Council 2019 | Council 2020 |
|-------------------------------------|----------------------------|----------------|----------------|
| Dunlop R J | Mayor (to Oct 2019) | 106,638 | 35,295 |
| Nixon P | Mayor (from Oct 2019) | | 89,474 |
| Nixon P | Councillor (to Oct 2019) | 35,521 | 12,094 |
| Beccard A | Councillor | 32,593 | 35,863 |
| Bellringer M | Councillor (from Oct 2019) | | 23,717 |
| Bigham B | Councillor (to Oct 2019) | 32,065 | 9,869 |
| Bourke K | Councillor (to Oct 2019) | 26,272 | 8,422 |
| Brown G | Councillor | 27,799 | 34,708 |
| Coxhead C | Councillor (to Oct 2019) | 30,550 | 10,165 |
| Filbee C | Councillor (from Oct 2019) | | 23,295 |
| Langton A | Councillor (from Oct 2019) | | 25,205 |
| Lawson G | Councillor (to Oct 2019) | 29,772 | 9,611 |
| Mackay S | Councillor | 31,022 | 35,748 |
| Northcott R | Councillor | 31,300 | 45,487 |
| Rangiwahia J | Councillor | 26,272 | 33,900 |
| Reid D | Councillor (from Oct 2019) | | 24,538 |
| Roach B | Councillor | 30,754 | 35,115 |
| Rook B | Councillor (from Oct 2019) | | 24,813 |
| Wards I | Councillor (to Oct 2019) | 30,204 | 10,218 |
| Young C | Councillor (from Oct 2019) | | 26,139 |
| Total | | 470,761 | 553,675 |

| | | |
|----------------------------------|----|----|
| Full-time equivalent Councillors | 13 | 13 |
|----------------------------------|----|----|

| Remuneration Paid - Elected Members | Council 2019 | Council 2020 |
|-------------------------------------|--------------|--------------|
| CAR ALLOWANCE FOR MAYOR | | |
| Car allowance for Ross Dunlop | 4,035 | 1,226 |
| Car allowance for Phil Nixon | 0 | 2,667 |
| | 4,035 | 3,893 |

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

| Chief Executive (Salary plus Kiwisaver) | Council 2019 | Council 2020 |
|-----------------------------------------|----------------|----------------|
| Waid Crockett | 321,978 | 326,259 |
| Total | 321,978 | 326,259 |

| Council employees | Council 2019 | Council 2020 |
|-----------------------------------------------------------------------|--------------|--------------|
| TOTAL ANNUAL REMUNERATION BY BAND FOR EMPLOYEES AS AT 30 JUNE: | | |
| < \$60,000 | 118 | 118 |
| \$60,000 - \$79,999 | 57 | 49 |
| \$80,000 - \$99,999 | 16 | 21 |
| \$100,000 - \$119,999 | 11 | 13 |
| \$120,000 - \$139,999 | 8 | 8 |
| \$140,000 - \$219,999 | 6 | 6 |
| \$220,000 - \$339,999 | 2 | 2 |
| Total | 218 | 217 |

At balance date, the Council employed 139 (2019 135) full-time employees, with the balance of staff representing 35 (2019 37) full-time equivalent employees. A full-time employee is determined on the basis of a 40 hour working week.

Note 17: Severance Payments

For the year ended 30 June 2020, the Council made one payment to an employee, being \$3,000.

Note 18: Contingent Liabilities

The Council has provided guarantees to a few organisations. There is no indication that the organisations are unable to meet their obligations and therefore require the Council to contribute toward their loan. No provision for these has been made on the Balance Sheet.

| Financial guarantees as at balance date: | Council 2019 | Consolidated 2019 | Council 2020 | Consolidated 2020 |
|------------------------------------------|--------------|-------------------|--------------|-------------------|
| Hāwera Cinema 2 Trust | 30,000 | 30,000 | 30,000 | 30,000 |
| | 30,000 | 30,000 | 30,000 | 30,000 |

OTHER CONTINGENT LIABILITIES:

| | | | | |
|-----------------------------------------|----------|----------|----------|----------|
| Estimate of legal financial settlements | 0 | 0 | 0 | 0 |
| Easement Dispute | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

The Council's Liability Management Policy limits the total amount of financial guarantees to community and sporting organisations to \$500,000, with no one organisation having more than 10% (\$50,000) of the potential total guarantees given.

Easement Dispute

The Council currently have no easement issues with private land owners relating to a water pipeline.

Carter Holt Harvey's Third Party Claim

In April 2013, the Ministry of Education (MoE) initiated High Court proceedings against Carter Holt Harvey (CHH) and others alleging inherent defects in the cladding sheets and cladding systems manufactured and prepared by CHH. Subsequently, in December 2016, CHH commenced third party proceedings against 48 councils, including the South Taranaki District Council alleging a breach of duty in the processing of building consents, undertaking building inspections and issuing Code Compliance Certificates. The councils have applied for orders setting aside and striking out CHH's claims against them. The MoE's claim against CHH is for 833 school buildings, seven of which are located within the South Taranaki District. At present there is insufficient information to conclude on potential liability or claim quantum, if any.

Note 19: Commitments Accounting policy

Leases

Leases where the lessor substantially retains all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses in the periods in which they are incurred.

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments. The leased assets and corresponding lease liabilities are recognised in the Statement of Financial Position. The leased assets are depreciated over the period the Council is expected to benefit from their use.

Operating Leases

The Council leases office equipment and vehicles in the normal course of business. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|------------------|---------------------------|--------------------------------|
| 11 | 11 | Within 12 months | 7 | 7 |
| 4 | 4 | 1 - 2 Years | 3 | 3 |
| 0 | 0 | 2 - 5 Years | 3 | 3 |
| 0 | 0 | Over 5 Years | 0 | 0 |
| 15 | 15 | | 13 | 13 |

Capital Commitments

The Council has the following capital commitments as at balance date:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|-----------------------|---------------------------|--------------------------------|
| 78 | 78 | Roading and Footpaths | 1,809 | 1,809 |
| 0 | 0 | Bridges | 363 | 363 |
| 187 | 187 | Community Facilities | 0 | 0 |
| 1,524 | 1,524 | Water | 1,700 | 1,700 |
| 41 | 41 | Wastewater | 727 | 727 |
| 0 | 0 | Stormwater | 228 | 228 |
| 0 | 0 | Solid Waste | 0 | 0 |
| 794 | 794 | District Economy | 475 | 475 |
| 2,624 | 2,624 | | 5,302 | 5,302 |

The above commitments represent expenditures on all contracts to which the Council is committed for at balance date for the future.

A breakdown of the commitments in terms of time periods is outlined below:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|------------------|---------------------------|--------------------------------|
| 2,624 | 2,624 | Within 12 months | 4,982 | 4,982 |
| 0 | 0 | 1 - 2 Years | 310 | 310 |
| 0 | 0 | 2 - 5 Years | 10 | 10 |
| 0 | 0 | Over 5 Years | 0 | 0 |
| 2,624 | 2,624 | | 5,302 | 5,302 |

Note 20: Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise accumulated balances and reserves. Equity is represented by net assets. (Total Assets less Total Liabilities).

The Local Government Act 2002 [the Act] requires the 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 these items.

The objective of managing them is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, the Council has in place Asset Management Plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

The Council's Accounting Policies detail the various components of Public Equity held and Note 14 shows movements during the year.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Note 21: Significant Acquisitions

The Local Government Act requires the Council to report on significant acquisitions or replacement of assets. This Note only refers to acquisitions and replacements valued at \$500,000 or more.

During the year the following works were planned, undertaken or completed. Further information regarding these projects can be found within the relevant activity pages within this Annual Report.

| Project # | Project | Activity | Actual | Budget | Comment on significant variances |
|-------------------------------------|----------------------------------------------|----------------------|-------------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13077 | Waiinu WWTP plant relocation | Wastewater | 1,455,570 | 0 | Project complete. The actuals were funded from carry-forward budget from previous years and Council approved additional funding during the year. |
| 13121 | Eltham Trunk Watermain Upgrade | Water | 1,156,673 | 0 | Project largely complete, to be completed in 20/21 - delayed due to COVID-19. The actuals were funded from carry-forward budget from previous years and Council approved additional funding during the year. |
| 74005 | Waverley WTP - Chlorination | Water | 1,694,906 | 0 | Work In progress. The actuals were funded from carry-forward budget from previous years and Council approved additional funding during the year. |
| 15903 to 15917 | Hāwera Town Centre Development | Economic Development | 1,551,294 | 3,150,000 | Budget under one project with separate projects created for specific expenditure, to enable ease of capitalisation when projects are completed. The actuals were partly funded from carry-forward budget from previous years. |
| 70004 to 70009 | Renewals - Water Supply - Reticulation Urban | Water | 501,954 | 149,999 | The budget under one project with separate projects created for specific expenditure, to enable ease of project management. The actuals were partly funded by budget brought forward from 2020/21 |
| 15410, 80003 to 80009, 86006, 87002 | Renewals - Wastewater Reticulation | Wastewater | 771,842 | 954,739 | The budget under one project with separate projects created for specific expenditure, to enable ease of project management, the remaining budget will be carried-forward. |
| 90001 to 90009 | Renewals - Stormwater Reticulation | Stormwater | 563,827 | 482,608 | Budget under one project with separate projects created for specific expenditure, to enable ease of project management. The actuals were partly funded from carry-forward budget from previous years. |
| 5212 | Sealed Road Resurfacing | Roading | 2,287,403 | 2,255,000 | Project complete |
| 5213 | Drainage Renewals | Roading | 335,082 | 636,746 | The work was committed but could not be completed due to COVID-19, the remaining budget will be carried-forward. |
| 5214 | Pavement Rehabilitation | Roading | 1,602,771 | 2,318,770 | The work was committed but could not be completed due to COVID-19, the remaining budget will be carried-forward. |
| 5215 | Structures Component Replacement | Roading | 286,638 | 723,333 | The work was committed but could not be completed due to COVID-19, the remaining budget will be carried-forward. |
| 5341 | Minor Improvements | Roading | 1,399,407 | 1,129,709 | Project complete. The actuals were partly funded from carry-forward budget from previous years. |
| 5225 | Subsidised Footpath | Roading | 267,985 | 666,250 | The work was committed but could not be completed due to COVID-19, the remaining budget will be carried-forward. |
| Total | | | 13,875,352 | 12,467,154 | |

Note 22: Financial Instruments

Accounting policy

South Taranaki undertakes financial instrument arrangements as part of normal operations. These financial instruments include cash and bank balances, investments, receivables, payables and borrowings. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Surplus/Deficit. Interest rate swaps are entered into to hedge against and manage its exposure to risk on debt.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | Financial Assets Fair Value through Comprehensive Revenue and Expenses | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------------------|---------------------|--------------------------|
| 0 | 0 | Derivative Financial Instrument Assets | 0 | 0 |
| 132,191 | 132,191 | Long Term Investment Fund | 128,655 | 128,655 |
| 132,191 | 132,191 | Total Fair Value through Comprehensive Revenue and Expenses | 128,655 | 128,655 |
| LOANS AND RECEIVABLES | | | | |
| 10,567 | 10,567 | Cash and Cash Equivalents | 10,703 | 10,703 |
| 0 | 0 | Short Term Deposit | 6,000 | 6,000 |
| 8,782 | 8,782 | Accounts Receivable | 7,930 | 7,930 |
| 1,280 | 1,280 | LGFA FRNs | 1,616 | 1,616 |
| 1,575 | 1,575 | Warmer Home Scheme Loans & Nukumarua Loans | 1,570 | 1,570 |
| 22,205 | 22,205 | Total Loans and Receivables | 27,819 | 27,819 |
| FAIR VALUE THROUGH OTHER COMPREHENSIVE REVENUE AND EXPENSES | | | | |
| 388 | 388 | Fonterra Shares | 377 | 377 |
| 15 | 15 | Ravensdown Shares | 15 | 15 |
| 0 | 0 | LIC Shares | 0 | 0 |
| 100 | 100 | LGFA Shares | 100 | 100 |
| 207 | 207 | The N.Z. Local Government Ins. Corporation Ltd. | 126 | 126 |
| 0 | 0 | Wanganui Forestry Committee | 0 | 0 |
| 710 | 710 | Total Fair Value through Other Comprehensive Revenue and Expenses | 618 | 618 |
| FINANCIAL LIABILITIES FAIR VALUE THROUGH COMPREHENSIVE REVENUE AND EXPENSES | | | | |
| 13,972 | 13,972 | Derivative Financial Instrument Liabilities | 17,558 | 17,558 |
| 13,972 | 13,972 | Total Fair Value through Comprehensive Revenue and Expenses | 17,558 | 17,558 |
| FINANCIAL LIABILITIES AT AMORTISED COST | | | | |
| 7,699 | 7,699 | Creditors and other payables | 7,435 | 7,435 |
| Borrowings | | | | |
| 1,600 | 1,600 | Secured Loans | 0 | 0 |
| 112,000 | 112,000 | Debentures | 118,000 | 118,000 |
| 121,299 | 121,299 | Total Financial Liabilities and Amortised Costs | 125,435 | 125,435 |

Liquidity Risk

Liquidity risk is the risk that the Council will not be able to raise funds to meet commitments as they fall due. Liquidity risk is managed by issuing debt when appropriate, use of uncommitted lines of credit facilities and the ability to liquidate investments.

In accordance with the Liability Management Policy, the Council is required to have enough borrowings and uncommitted facilities to meet its projected debt forecast for the following 12 months to manage liquidity risk.

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

As at 30 June 2020 the Council had committed Line of Credit arrangements totalling \$30 million (2019 \$30 million) in place with TSB Bank. A total of \$0 (2019 \$1,600,000) was drawn down as at balance date. Interest rates are related to the official 30-day bank bill mid-rate as quoted on Reuters Screen page BKBM at the time of draw down and are dependent on current market conditions and the term of the draw down. Drawdowns can be for a term ranging from overnight up to the length of the term remaining of the applicable facility.

Sensitivity Analysis

The following shows the impact of a 1% (100 basis point shift in interest rates) on the valuation of the swaps.

| | |
|--------------------------------------|--------------|
| Fair Value | (17,558,019) |
| Upwards Shift in Zero Rate (100bp) | (12,462,560) |
| Downwards Shift in Zero Rate (100bp) | (23,048,515) |

Interest Rate Risk

Both amounts available as a draw down under the lines of credit and debt facilities are subject to changes in market interest rates. This risk is actively managed in conjunction with Price WaterHouse Coopers by transacting interest rate swaps in accordance with the Liability Management Policy. Interest rates are therefore converted to an effective fixed rate for amounts between 55% and 95% of projected debt.

Currency Risk

The Council incurs currency risk for its overseas equities as a result of investment transactions entered into by the Fund Managers.

Interest Rate Risk

The following investments of the Council are sensitive to changes in interest rates: bank balances, current term investments and securities held by the Fund Managers. The Council adopts a conservative risk profile, while aiming to maximise its returns. Note 6 and Note 13 documents the interests for investments and borrowings.

The Council's Liability Management Policy limits financial guarantees to single organisations of no more than 10% of the total financial guarantees, which is capped at \$500,000. The Council departed from this policy for the Ōpunakē Sports Centre Trust as multiple sporting organisations are catered for by this facility.

Market Risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Council is exposed to price risk through its equity securities, which are classified as financial assets held at fair value through equity. This price risk arose due to market movements in listed securities. This price risk is managed by the diversification of the Council's investment portfolio and is managed by the Fund Managers in accordance with the agreed Statement of Investment Policy and Objectives and the Council's Investment Policy.

Liquidity Risk

Liquidity risk is the risk that the Council will encounter difficulty in raising enough funds to meet financial commitments as they fall due. The Council manages this risk by maintaining adequate funds available to meet projected needs. This is managed in conjunction with loans raised for capital projects. Funds are managed in conjunction with the funding and financial policies, which include the Liability Management Policy and the Investment Policy.

Credit Facilities

Other than day to day credit facilities with suppliers, the Council has credit facilities available through lines of credit and finance leases (see Note 13).

Fair Value Hierarchy Disclosures (IFRS 7)

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

* Quoted market price (level 1) – Financial instruments with quoted prices for identical instruments in active markets.

* Valuation technique using observable inputs (level 2) – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

* Valuation techniques with significant non-observable inputs (level 3) – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the Statement of Financial Position.

| Council 2019 \$,000 | Consolidated 2019 \$,000 | Financial Assets Fair Value through Comprehensive Revenue and Expenses | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|---------------------------------------------------------------------------|---------------------------|--------------------------------|
| | | FINANCIAL ASSETS DERIVATIVE FINANCIAL INSTRUMENTS | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 0 | 0 | - Observable Inputs | 0 | 0 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | CASH FUNDS | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 13,153 | 13,153 | - Observable Inputs | 13,195 | 13,195 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | SHORT TERM DEPOSIT | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 0 | 0 | - Observable Inputs | 0 | 0 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | NZ BONDS | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 13,788 | 13,788 | - Observable Inputs | 13,887 | 13,887 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | GLOBAL BONDS | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 15,670 | 15,670 | - Observable Inputs | 14,072 | 14,072 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | TRANS-TASMAN EQUITIES | | |
| 388 | 388 | - Quoted Market Price | 377 | 377 |
| 18,168 | 18,168 | - Observable Inputs | 19,668 | 19,668 |
| 322 | 322 | - Significant Non-Observable Inputs | 241 | 241 |
| | | GLOBAL EQUITIES | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 38,012 | 38,012 | - Observable Inputs | 36,607 | 36,607 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | LOW VOLATILITY EQUITIES | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 10,061 | 10,061 | - Observable Inputs | 10,049 | 10,049 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| | | GLOBAL PROPERTY FUNDS | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 7,338 | 7,338 | - Observable Inputs | 6,874 | 6,874 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Council 2019 \$,000 | Consolidated 2019 \$,000 | Financial Assets Fair Value through Comprehensive Revenue and Expenses | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|-------------------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------|---------------------------|--------------------------------|
| HEDGE FUND | | | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 8,741 | 8,741 | - Observable Inputs | 8,034 | 8,034 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| GLOBAL LIST INFRASTRUCTURE | | | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 7,261 | 7,261 | - Observable Inputs | 6,250 | 6,250 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |
| FINANCIAL LIABILITIES DERIVATIVE FINANCIAL INSTRUMENTS | | | | |
| 0 | 0 | - Quoted Market Price | 0 | 0 |
| 13,972 | 13,972 | - Observable Inputs | 17,558 | 17,558 |
| 0 | 0 | - Significant Non-Observable Inputs | 0 | 0 |

There were no transfers between the different levels of the fair value hierarchy.

Fair Value Hierarchy Disclosures

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|----------------------------------------------------|---------------------------|--------------------------------|
| 1,466 | 1,466 | Balance at 1 July | 1,602 | 1,602 |
| 136 | 136 | Purchase of New Investment | 337 | 337 |
| 0 | 0 | Gain and losses recognised in comprehensive income | (81) | (81) |
| 0 | 0 | Transfers out of level 3 | 0 | 0 |
| 1,602 | 1,602 | Balance at 30 June | 1,858 | 1,858 |

Financial Instrument Risk

The Council's maximum credit exposure for each class of financial asset (excluding equities) is as follows:

Credit Risks

To the extent another party has a payable to the Council, there is a credit risk in the event of non-performance by that counter party.

No collateral or other security is required to support financial instruments.

The Council has no significant concentrations of credit risk as it has many customers, mainly ratepayers.

Financial instruments which subject the Council to potential credit risk principally consist of the following bank balances, investments and receivables as at balance date:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | Financial Assets Fair Value through Comprehensive Revenue and Expenses | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|-------------------------------------------------------------|--------------------------------|---------------------------------------------------------------------------|---------------------------|--------------------------------|
| 11,079 | 11,079 | Cash and Cash equivalents | 11,061 | 11,061 |
| 0 | 0 | Short Term Deposit | 6,000 | 6,000 |
| 30,738 | 30,738 | Bonds | 29,576 | 29,576 |
| 1,575 | 1,575 | Loans and Receivables | 1,570 | 1,570 |
| 8,782 | 8,782 | Accounts Receivable | 7,930 | 7,930 |
| 52,174 | 52,174 | Total Financial Asset Credit Risk | 56,136 | 56,136 |
| BONDS | | | | |
| 13,906 | 13,906 | AAA, Government & Agency | 13,151 | 13,151 |
| 6,639 | 6,639 | AA+/AA/AA- | 7,157 | 7,157 |
| 6,016 | 6,016 | A+/A/A- | 5,525 | 5,525 |
| 3,463 | 3,463 | BBB+/BBB | 3,188 | 3,188 |
| 714 | 714 | Sub Prime Grade | 555 | 555 |
| 30,738 | 30,738 | | 29,576 | 29,576 |
| CASH & SHORT-TERM DEPOSIT | | | | |
| 0 | 0 | AAA, Government & Agency | 0 | 0 |
| 11,079 | 11,079 | AA+/AA/AA- | 11,061 | 11,061 |
| 0 | 0 | A+/A/A- | 0 | 0 |
| 0 | 0 | BBB+/BBB | 0 | 0 |
| 11,079 | 11,079 | | 11,061 | 11,061 |
| EXISTING COUNTERPARTIES WITH NO DEFAULTS IN THE PAST | | | | |
| 1,575 | 1,575 | Loans and Receivables | 1,570 | 1,570 |
| 38,012 | 38,012 | Global Equities | 36,607 | 36,607 |
| 7,338 | 7,338 | Global Property | 6,874 | 6,874 |
| 7,261 | 7,261 | Global Listed Infrastructure | 6,250 | 6,250 |
| 8,741 | 8,741 | Hedge Fund | 8,034 | 8,034 |
| 18,168 | 18,168 | Trans-Tasman Equities | 19,688 | 19,688 |
| 10,061 | 10,061 | Low Volatility | 10,049 | 10,049 |
| 710 | 710 | Other shares and notes | 618 | 618 |
| 91,867 | 91,867 | | 89,689 | 89,689 |
| 133,684 | 133,684 | Total Financial Assets | 130,326 | 130,326 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Financial assets sensitivity analysis

Cash and Cash Equivalents

As part of a diversified portfolio of investments the Council has an investment of \$11.06m in wholesale cash funds and \$2.13m in term deposits. The Council also has \$10.7m available in the Westpac cheque account.

Additionally the Council and its Investment managers maintain cash amounts (liquidity) to manage their day to day cash requirements. This ensures that sufficient funds are available for the Council and enables the Council to allocate funds between investment asset classes to maintain its risk profile. Accordingly amounts can fluctuate significantly and impact the potential level of financial income earned.

Interest Rate Risk

Both the wholesale cash fund and liquidity balances are subject to changes in market interest rates. This risk is actively managed by the fund managers and is spread across a range of investments and maturities. The amount of liquidity is managed between the Council and its investment managers and advisors. A 1% change in interest rates would have an impact of \$298,970 over a 1 year period if balances remained unchanged.

Credit Risk

Both the wholesale cash fund and liquidity balances are exposed to losses resulting from the failure of any bank or cash investment. This risk is managed by strict limits on the type and nature of permissible investments and investments are spread across a range of counterparties and maturities. It is not practical or possible to model the impact of a change in credit rating or default event.

Liquidity Risk

There is a risk that funds do not have enough cash funds to meet a drawdown by the Council. This risk is not significant as enough liquidity is maintained through lines of credit facilities and units can be sold in the funds on demand.

Bonds

As part of a diversified portfolio of investments the Council has an investment of \$29.58m in bonds.

This comprises an investment in Harbour Investments Bond Portfolio \$13.89m, PIMCO and Wellington portfolios managed by Fisher Funds \$14.07m and \$1.62m in LGFA FRNs.

Interest Rate Risk

Both the global bond fund and NZ bond holdings to changes in market interest rates. This risk is managed by the fund managers and is spread across a range of investments and maturities. A 1% change in interest rates would have an impact of \$295,760 over a 1 year period if balances remained unchanged.

Credit Risk

Both the wholesale cash fund and liquidity balances are exposed to losses resulting from the failure of any underlying investment. This risk is managed by strict limits on the type and nature of permissible investments and investments are spread across a range of counterparties and maturities. It is not practicable or possible to model the impact of a change in credit rating or default event.

Currency Risk

The global bond portfolio is subject to changes in foreign currency. The largest non NZD exposure is to the US dollar, a 10% change in currency would result in an impact of \$1,407,232.

Loans and Receivables

All loans and receivables due to the Council which are liable to earn interest are charged based on an agreed commercial schedule. Such items are intended to be held through to maturity with interest rates reviewed as required in the terms of the advance.

Interest Rate Risk

All loans and receivables due to the Council are subject to changes in market interest rate. A 1% change in interest rate would result in an impact of \$14,960.

Credit Risk

All loans and receivables are exposed to losses resulting from the failure of the entity to which a loan has been made. No formal credit monitoring procedures exist.

Accounts Receivables

All counterparties within the accounts receivable mainly arise from the Council's statutory functions or a community development decision made by the Council. The Council has no significant concentration of credit risk in relation to debtors. The Council has power under the Local Government Rating Act 2002 to recover money from ratepayers.

Credit Risk

Other than standard internal credit monitoring procedures there are no cost effective measures available to monitor the credit quality of such counterparties.

Equities

As part of a diversified portfolio of investments the Council has an investment of \$66.34m in equity funds, Global Property of \$6.87m, Global Listed Infrastructure of \$6.25m and Hedge Fund of \$8.03m.

Market Price Risk

Equity investments are subject to equity price risk. A 1% change in the value of equities would have a maximum unhedged impact of \$663,430.

Currency Risk

Trans-Tasman Equities are mainly held in New Zealand and Australian dollars. The currency risk of this portfolio is accepted as part of the overall investment strategy. The global equity portfolio is 64% hedged by foreign exchange contracts executed by the fund manager. Property investments are via New Zealand denominated indices.

Foreign Currency Exposure

Total foreign currency exposure before hedging is as follows:

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|----------------------|---------------------------|--------------------------------|
| 2,897 | 2,897 | Australian Dollar | 2,181 | 2,181 |
| 267 | 267 | Brazilian Real | 63 | 63 |
| 2,085 | 2,085 | Canadian Dollar | 1,460 | 1,460 |
| 2,456 | 2,456 | Swiss Franc | 2,617 | 2,617 |
| 15 | 15 | Chilean Peso | 17 | 17 |
| 1 | 1 | Czech Koruna | 1 | 1 |
| 13,107 | 13,107 | Euro | 12,105 | 12,105 |
| 9,127 | 9,127 | British Pound | 8,534 | 8,534 |
| 1,611 | 1,611 | Hong Kong Dollar | 1,517 | 1,517 |
| (0) | (0) | Hungarian Forient | 0 | 0 |
| 5,891 | 5,891 | Japanese Yen | 4,704 | 4,704 |
| 786 | 786 | Denmark Krona | 898 | 898 |
| 23 | 23 | Polish Zloty | 7 | 7 |
| 254 | 254 | Mexican Peso | 238 | 238 |
| 314 | 314 | Norwegian Krone | 208 | 208 |
| 45,080 | 45,080 | New Zealand Dollar | 46,842 | 46,842 |
| 893 | 893 | Swedish Krona | 650 | 650 |
| 190 | 190 | Singapore Dollar | 233 | 233 |
| 46,257 | 46,257 | United States Dollar | 45,299 | 45,299 |
| 2 | 2 | Chinese Yuan | 347 | 347 |
| 2 | 2 | Indian Rupee | 0 | 0 |
| 39 | 39 | Indonesian Rupiah | 24 | 24 |
| 252 | 252 | South Korean Won | 178 | 178 |
| 133 | 133 | Thai Baht | 79 | 79 |
| 52 | 52 | Malaysian Ringgit | 55 | 55 |
| 110 | 110 | Taiwanese Dollar | 131 | 131 |
| 9 | 9 | South African Rand | 4 | 4 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------|--------------------------|----------------|---------------------|--------------------------|
| 15 | 15 | Russian Ruble | 10 | 10 |
| 13 | 13 | Turkish Lira | 2 | 2 |
| 53 | 53 | Peruvian Sol | 69 | 69 |
| 257 | 257 | Israeli Shekel | 184 | 184 |
| 132,191 | 132,191 | | 128,655 | 128,655 |

Financial Instrument Risk

The table below analyses the Council and group's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

| Liabilities | Carrying Amount | Contractual Cash flows | Less than 1 Year | 1 - 2 Years | 2 - 5 Years | More than 5 Years |
|------------------------------------|-----------------|------------------------|------------------|---------------|---------------|-------------------|
| COUNCIL 2020 | | | | | | |
| Creditors and Other Payables | 7,435 | 7,435 | 7,435 | 0 | 0 | 0 |
| Secured Loans | 0 | 225 | 75 | 75 | 75 | 0 |
| Debentures | 118,000 | 136,682 | 13,288 | 18,164 | 32,683 | 72,546 |
| Finance Leases | 1,203 | 1,230 | 120 | 79 | 113 | 919 |
| Net Settled Derivative Liabilities | 17,558 | 17,438 | 3,560 | 3,157 | 6,752 | 3,969 |
| Total | 144,196 | 163,010 | 24,478 | 21,475 | 39,623 | 77,434 |
| CONSOLIDATED 2020 | | | | | | |
| Creditors and Other Payables | 7,435 | 7,435 | 7,435 | 0 | 0 | 0 |
| Secured Loans | 0 | 225 | 75 | 75 | 75 | 0 |
| Debentures | 118,000 | 136,682 | 13,288 | 18,164 | 32,683 | 72,546 |
| Finance Leases | 1,203 | 1,230 | 120 | 79 | 113 | 919 |
| Net Settled Derivative Liabilities | 17,558 | 17,438 | 3,560 | 3,157 | 6,752 | 3,969 |
| Total | 144,196 | 163,010 | 24,478 | 21,475 | 39,623 | 77,434 |
| COUNCIL 2019 | | | | | | |
| Creditors and Other Payables | 7,699 | 7,699 | 7,699 | 0 | 0 | 0 |
| Secured Loans | 1,600 | 3,666 | 116 | 116 | 1,834 | 1,600 |
| Debentures | 112,000 | 129,659 | 27,557 | 14,124 | 36,444 | 51,535 |
| Finance Leases | 1,325 | 1,514 | 120 | 120 | 318 | 956 |
| Net Settled Derivative Liabilities | 13,972 | 14,329 | 2,850 | 2,617 | 5,956 | 2,906 |
| Total | 136,596 | 156,867 | 38,342 | 16,977 | 44,552 | 56,997 |
| CONSOLIDATED 2019 | | | | | | |
| Creditors and Other Payables | 7,699 | 7,699 | 7,699 | 0 | 0 | 0 |
| Secured Loans | 1,600 | 3,666 | 116 | 116 | 1,834 | 1,600 |
| Debentures | 112,000 | 129,659 | 27,557 | 14,124 | 36,444 | 51,535 |
| Finance Leases | 1,325 | 1,514 | 120 | 120 | 318 | 956 |
| Net Settled Derivative Liabilities | 13,972 | 14,329 | 2,850 | 2,617 | 5,956 | 2,906 |
| Total | 136,596 | 156,867 | 38,342 | 16,977 | 44,552 | 56,997 |

The table below analyses the Council and group's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

| Assets | Carrying Amount | Contractual Cash flows | Less than 1 Year | 1 - 2 Years | 2 - 5 Years | More than 5 Years |
|------------------------------|-----------------|------------------------|------------------|-------------|-------------|-------------------|
| COUNCIL 2020 | | | | | | |
| Cash and Cash equivalents | 10,703 | 10,703 | 10,703 | 0 | 0 | 0 |
| Loans and Receivables | 1,570 | 2,096 | 404 | 295 | 764 | 633 |
| Accounts Receivable | 7,930 | 7,930 | 7,930 | 0 | 0 | 0 |
| Net Settled Derivative Asset | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 20,203 | 20,729 | 19,037 | 295 | 764 | 633 |
| CONSOLIDATED 2020 | | | | | | |
| Cash and Cash equivalents | 10,703 | 10,703 | 10,703 | 0 | 0 | 0 |
| Loans and Receivables | 1,570 | 2,096 | 404 | 295 | 764 | 633 |
| Accounts Receivable | 7,930 | 7,930 | 7,930 | 0 | 0 | 0 |
| Net Settled Derivative Asset | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 20,203 | 20,729 | 19,037 | 295 | 764 | 633 |
| COUNCIL 2019 | | | | | | |
| Cash and Cash equivalents | 10,567 | 10,567 | 10,567 | 0 | 0 | 0 |
| Loans and Receivables | 1,575 | 1,853 | 242 | 256 | 688 | 667 |
| Accounts Receivable | 8,782 | 8,782 | 8,782 | 0 | 0 | 0 |
| Net Settled Derivative Asset | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 20,924 | 21,202 | 19,591 | 256 | 688 | 667 |
| CONSOLIDATED 2019 | | | | | | |
| Cash and Cash equivalents | 10,567 | 10,567 | 10,567 | 0 | 0 | 0 |
| Loans and Receivables | 1,575 | 1,853 | 242 | 256 | 688 | 667 |
| Accounts Receivable | 8,782 | 8,782 | 8,782 | 0 | 0 | 0 |
| Net Settled Derivative Asset | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 20,924 | 21,202 | 19,591 | 256 | 688 | 667 |

Maturity term of LTIF Bonds

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------|--------------------------|-------------------------|---------------------|--------------------------|
| 2,206 | 2,206 | Less than one year | 1,712 | 1,712 |
| 10,292 | 10,292 | One to five years | 9,310 | 9,310 |
| 16,960 | 16,960 | Greater than five years | 16,937 | 16,937 |
| 29,458 | 29,458 | | 27,960 | 27,960 |

NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Note 23: Derivative Financial Instruments

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Consolidated 2020 \$,000 |
|--------------------------------------|--------------------------------|----------------------------------------------------------|---------------------------|--------------------------------|
| CURRENT ASSET PORTION | | | | |
| 0 | 0 | Interest rate swaps | 0 | 0 |
| 0 | 0 | Total current asset portion | 0 | 0 |
| NON-CURRENT ASSET PORTION | | | | |
| 0 | 0 | Interest rate swaps | 0 | 0 |
| 0 | 0 | Total non-current asset portion | 0 | 0 |
| 0 | 0 | Total derivative financial instrument assets | 0 | 0 |
| CURRENT LIABILITY PORTION | | | | |
| 102 | 102 | Interest rate swaps | 163 | 163 |
| 102 | 102 | Total current liability portion | 163 | 163 |
| NON-CURRENT LIABILITY PORTION | | | | |
| 13,870 | 13,870 | Interest rate swaps | 17,395 | 17,395 |
| 13,870 | 13,870 | Total non-current liability portion | 17,395 | 17,395 |
| 13,972 | 13,972 | Total derivative financial instrument liabilities | 17,558 | 17,558 |

Fair Value

Interest rate swaps

The fair value of interest rate swaps has been determined by calculating the expected cash flows under the terms of the swaps and discounting these values to present value.

Interest Rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$139 million (2019 \$152 million). As at 30 June 2020, the fixed interest rates for cash flow hedge interest rate swaps varied from 1.93% to 5.55% (2019 1.93% to 5.55%).

Interest rates have plummeted to record lows globally meaning that borrowers around the world have fixed interest rate positions which are significantly above prevailing rates. The Council does however, maintain an interest rate policy framework to protect against all potential interest rate scenarios (i.e. not simply a sharply declining environment), acting as a prudent financial manager which requires a minimum level of interest rate fixing. The Council enters into interest rate hedging contracts on a regular basis to lock in interest rates on the debt portfolio. This is to support statutory and financial objectives, seeking to achieve a level of certainty in interest costs over time. Having interest rate hedging contracts in place reduces the impact of changes in interest rates on interest expense, helping to provide certainty on rates and deliver to budgeted and planned expenditure.

Accounting standards require the reporting of the fair value (mark to market) of interest rate hedging contracts each financial year. Changes in fair values reflect movements in interest rates. As interest rates in New Zealand have fallen to historic lows over the past year, Council will be reflecting a mark to market loss as at 30 June 2020. This is a non-cash adjustment and these mark to market losses will not be realised as the interest rate hedging contracts are generally held to maturity. The mark to market position of these interest rate hedges is however, adjusted annually and were interest rates to increase over the coming financial year, a gain would be shown on next years' financial statements.

Note 24: New Zealand Local Government Funding Agency

The South Taranaki District Council (STDC) is a shareholder of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AA+

The Council is one of 31 shareholders and 24 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$100k. When aggregated with the uncalled capital of other shareholders, \$20m is available if an imminent default is identified. Also, together with the other shareholders, the Council is a guarantor of all NZLGFA's borrowings. At 30 June 2020, NZLGFA had borrowings totalling \$11.6375 billion (2019: \$9.531 billion).

Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

* We are not aware of any local authority debt default events in New Zealand; and

* Local Government legislation would enable local authorities to levy a rate to recover enough funds to meet any debt obligations if further funds were required.

Note 25: Depreciation and Amortisation expense by Group of Activity

| Council 2019 \$,000 | Consolidated 2019 \$,000 | | Council 2020 \$,000 | Budget 2020 \$,000 | Consolidated 2020 \$,000 |
|---------------------------|--------------------------------|------------------------------|---------------------------|--------------------------|--------------------------------|
| 546 | 546 | Corporate Activities | 717 | 630 | 717 |
| 7 | 7 | Democratic Process | 10 | 10 | 10 |
| 467 | 467 | Arts and Culture | 522 | 453 | 522 |
| 2,737 | 2,737 | Community Facilities | 2,593 | 2,902 | 2,593 |
| 28 | 28 | District Economy | 52 | 105 | 52 |
| 2 | 2 | Community Development | 2 | 2 | 2 |
| 62 | 62 | Regulatory Services | 51 | 46 | 51 |
| 1 | 1 | Environmental Sustainability | 1 | 1 | 1 |
| 4,548 | 4,548 | Water Supply Service | 4,566 | 4,935 | 4,566 |
| 6,726 | 6,726 | Roading and Footpaths | 6,941 | 6,438 | 6,941 |
| 429 | 429 | Stormwater | 418 | 440 | 418 |
| 1,360 | 1,360 | Waste Water | 1,298 | 1,429 | 1,298 |
| 50 | 50 | Solid Waste | 55 | 50 | 55 |
| 273 | 273 | Coastal Structure | 273 | 296 | 273 |
| 17,236 | 17,236 | | 17,498 | 17,738 | 17,498 |

Note 26: Explanations of Major Variances against budget

Explanations for major variations from the Council's budget figures in its 2019-20 Annual Plan are as follows:

Statement of Comprehensive Revenue and Expense

- Overall rates income is higher by \$799k mainly due to more than budgeted water by meter rates revenue.
- Financial Revenue is below budget by \$4.4 million mainly due to weak market conditions as a result of COVID-19.
- Subsidies and Grants are lower than budgeted by \$4 million due to delay in receiving contributions from TSB Community Trust for the Te Ramanui Project and delayed roading projects due to COVID-19.
- Loss on derivative contract valuations of \$3.59 million which was unbudgeted. A full explanation is given under note 23 with regards to unrealised mark to market losses.
- Loss on disposal of assets of \$355k which was unbudgeted.
- Finance costs and Depreciation are lower than budgeted by \$855k due to savings on Interest paid and delayed projects.

Statement of Financial Position

- The Current Assets are higher than budgeted by \$3.9m due to more cash in the bank and lower prepayments which include a refund received from NPDC for Council's Landfill share.
- Total Non-Current Assets are lower than budgeted by \$1.7m (no major variance).
- The Total Liabilities are \$2.2m higher than budgeted mainly due to prefunding of debt maturing coming up in 2021.

Note 27: Insurance Information

| | 2019 \$,000 | 2020 \$,000 |
|--------------------------------------------------------------------------|----------------|----------------|
| Total value of all assets covered by insurance contracts | 195,579 | 233,179 |
| Total value of all assets covered by financial risk sharing arrangements | 296,117 | 355,782 |
| Total assets covered by insurance | 491,697 | 588,961 |

Note 28: Rating Base Information

| | 30/06/2019 | 30/06/2020 |
|-----------------------------------------|------------------------|------------------------|
| Number of rating units | 14,231 | 14,174 |
| Total capital value of rating units | \$10,293,895,450 | \$10,983,424,200 |
| Total land value of rating units | \$7,255,359,100 | \$7,497,089,350 |

Note 29: Joint Committee – Central Landfill

During 2017/18 the Council agreed with the New Plymouth District Council (NPDC) and the Stratford District Council (SDC) to form a Joint Committee tasked with developing a new central landfill and operating it following the closure of the Colson Road Landfill.

Each council's share of capital contribution, distribution of any operating surplus or apportionment of any operating deficit has been agreed as NPDC 66.4%, STDC 27.1% and SDC 6.5%.

In November 2018, the Joint Committee made the decision to suspend further development of the Central Landfill. Waste will now be disposed of at Bonny Glen under a 35-year contract with Midwest Disposals Ltd who operate the landfill. As there is no alternative use for the landfill, all capital costs incurred have been written off to surplus or deficit in 2018/19. In October 2019, Council received \$2.03 million of unspent contributions.

Note 30: Items subsequent to Balance Date

We have no items subsequent to balance date currently.

Note 31: Financial Prudence Benchmarks

Annual Report Disclosure Statement for year ending 30 June 2020

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 revenue, expenses, assets, liabilities and general financial dealings.

The Council is required to include this statement in its Annual Report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

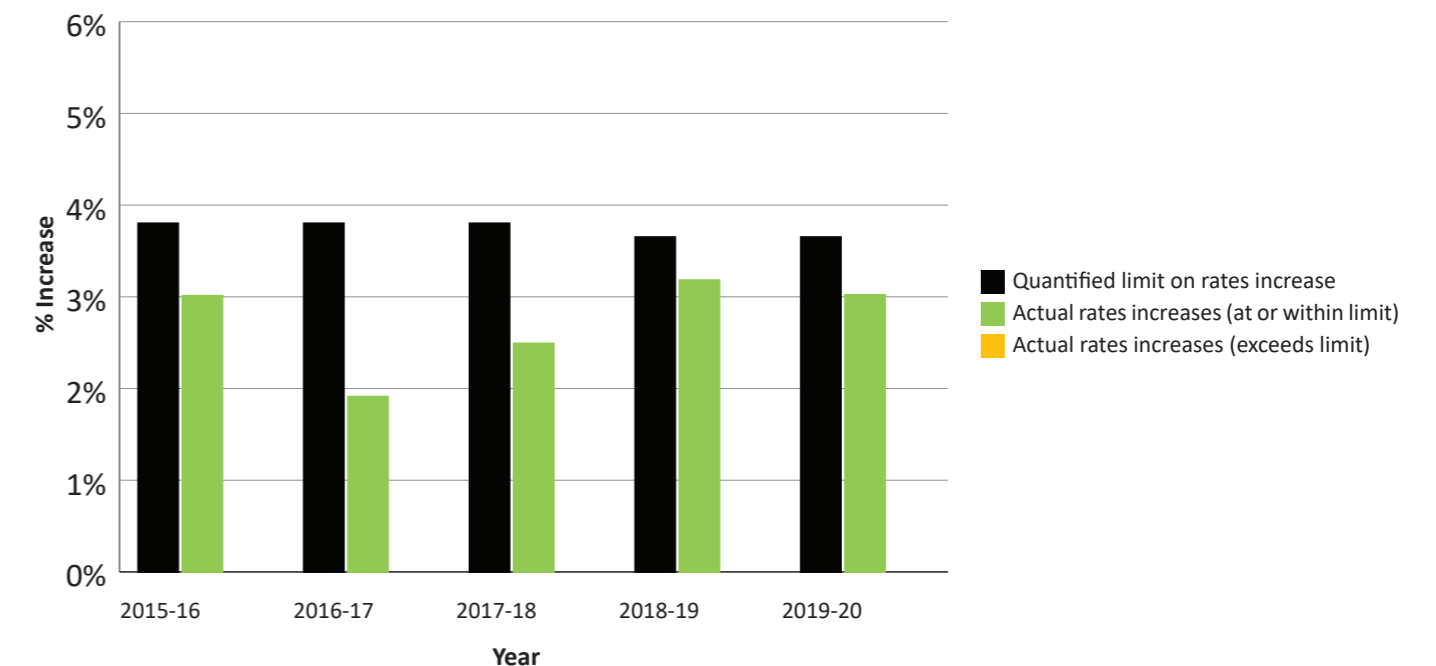
The Council meets the Rates Affordability Benchmark if –

- Its actual rates income equals or is less than each quantified limit on rates; and
- Its actual rate increases equal or are less than each quantified limit on rates increases.

Rates (increase) Affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates included in the Financial Strategy included in the Council's Long Term Plan. The quantified limit is the Local Government Index plus 1%.

RATES (INCREASES) AFFORDABILITY BENCHMARK



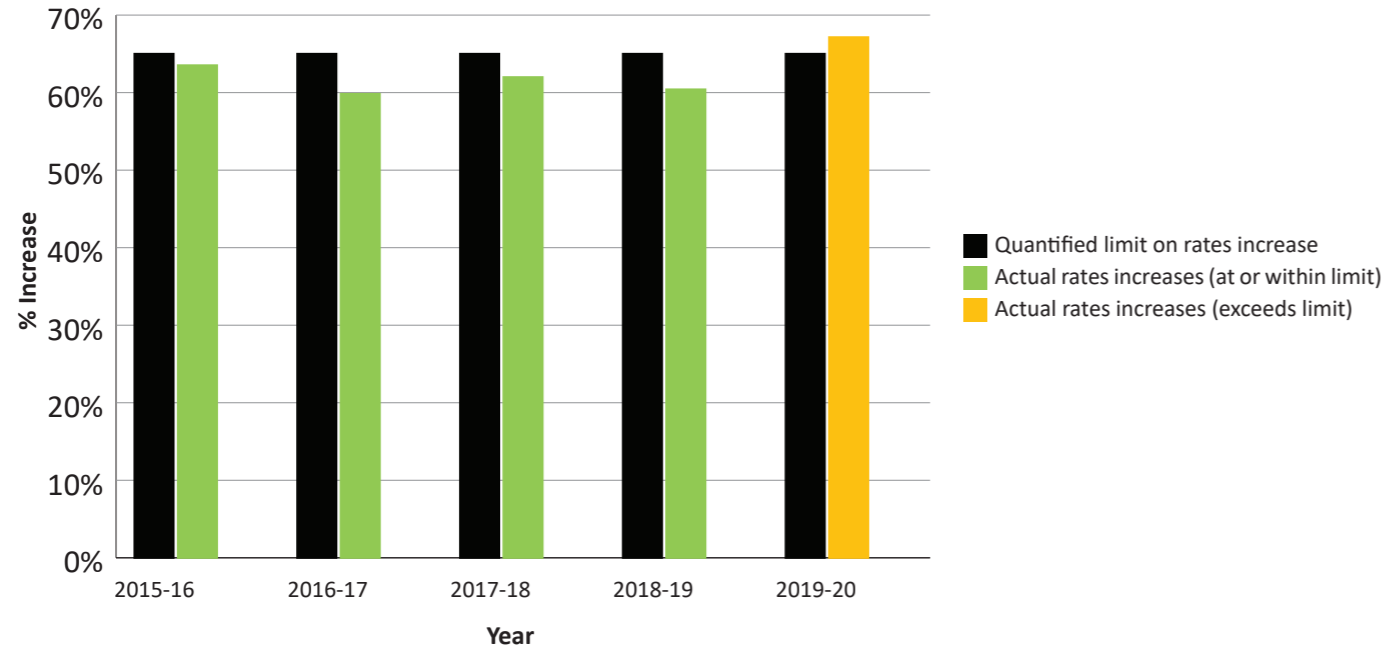
NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

Rates (Income) Affordability

The following graph compares the Council's actual rates income with a quantified limit on rates included in the Financial Strategy included in the Council's Long Term Plan. The quantified limit is rates income 60-65% of total projected revenue.

RATES (INCOME) AFFORDABILITY BENCHMARK

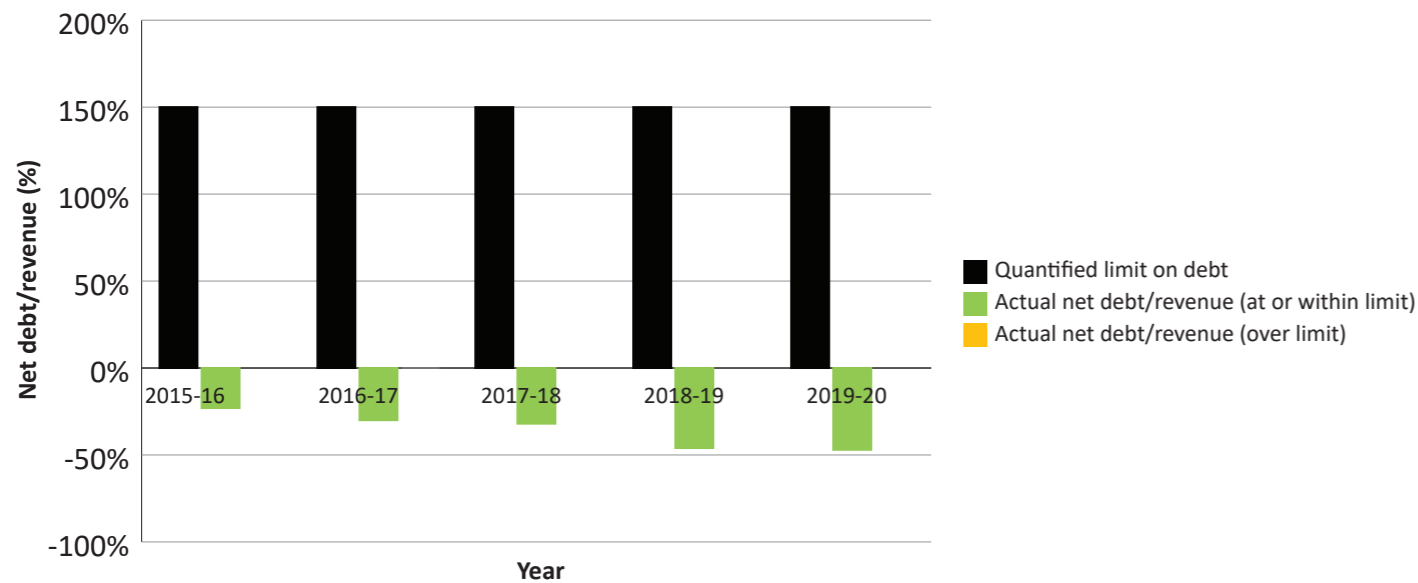


Debt Affordability

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The following 5 graphs compares the Council's actual borrowing stated in the Financial Strategy included in the Council's Long Term Plan. These 5 graphs are based on Council's definitions and not the legislation.

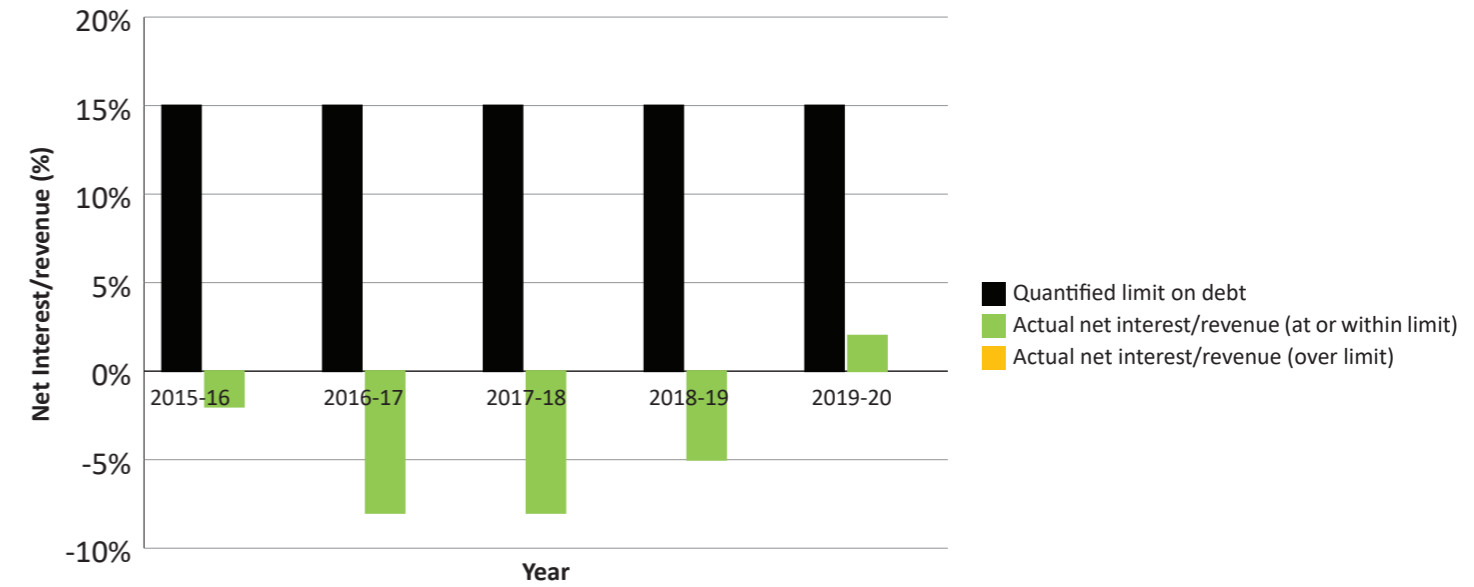
1 – The quantified limit is net debt less than 150% of revenue.

DEBT AFFORDABILITY BENCHMARK



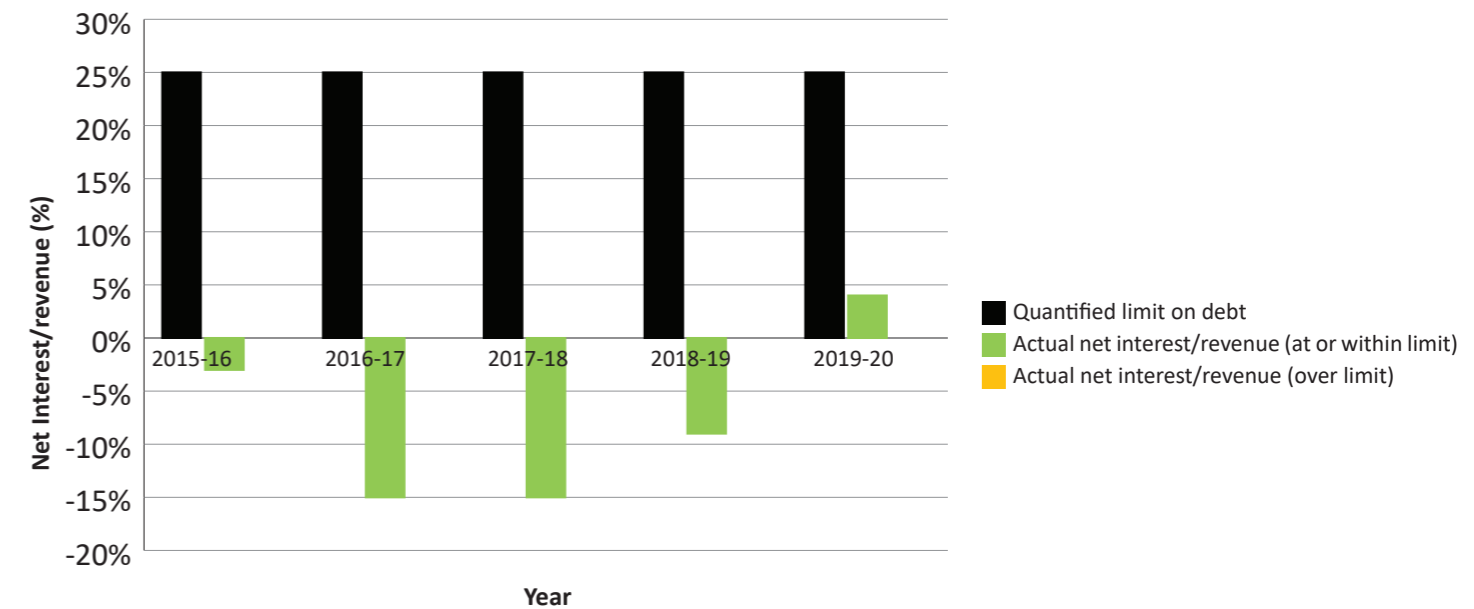
2 - Net interest expense as a percentage of total annual income of not more than 15%.

DEBT AFFORDABILITY BENCHMARK



3 - Net interest expense as a percentage of total annual rates income of not more than 25%.

DEBT AFFORDABILITY BENCHMARK

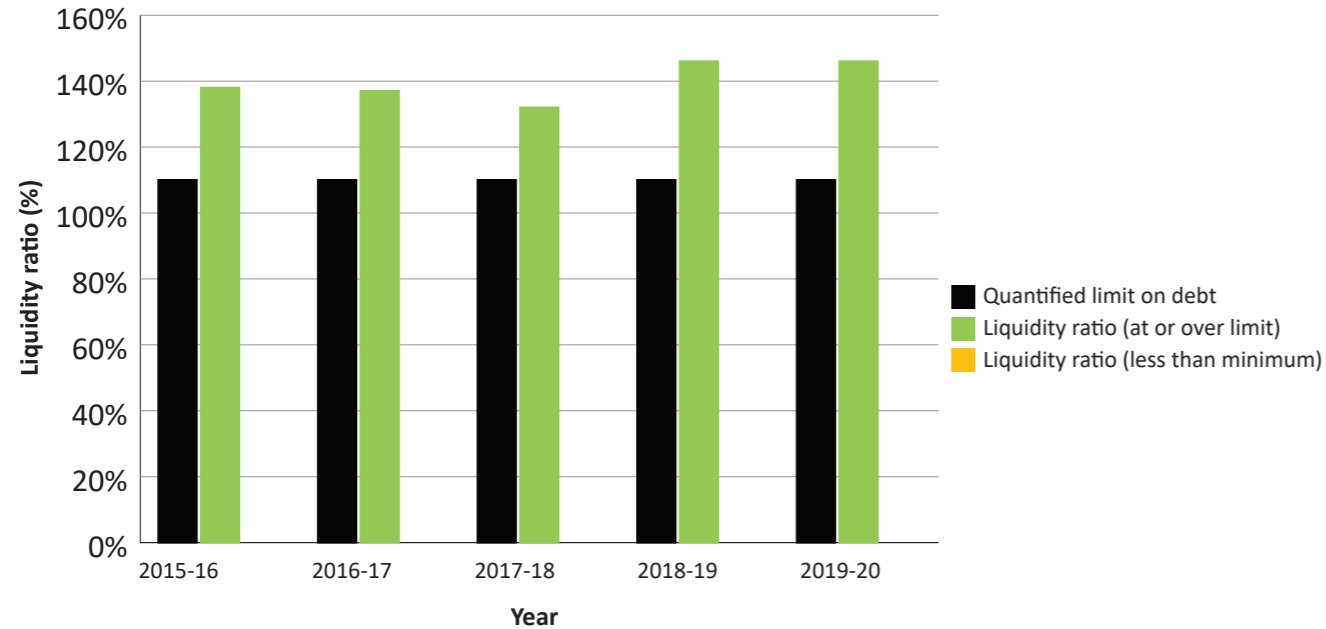


NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

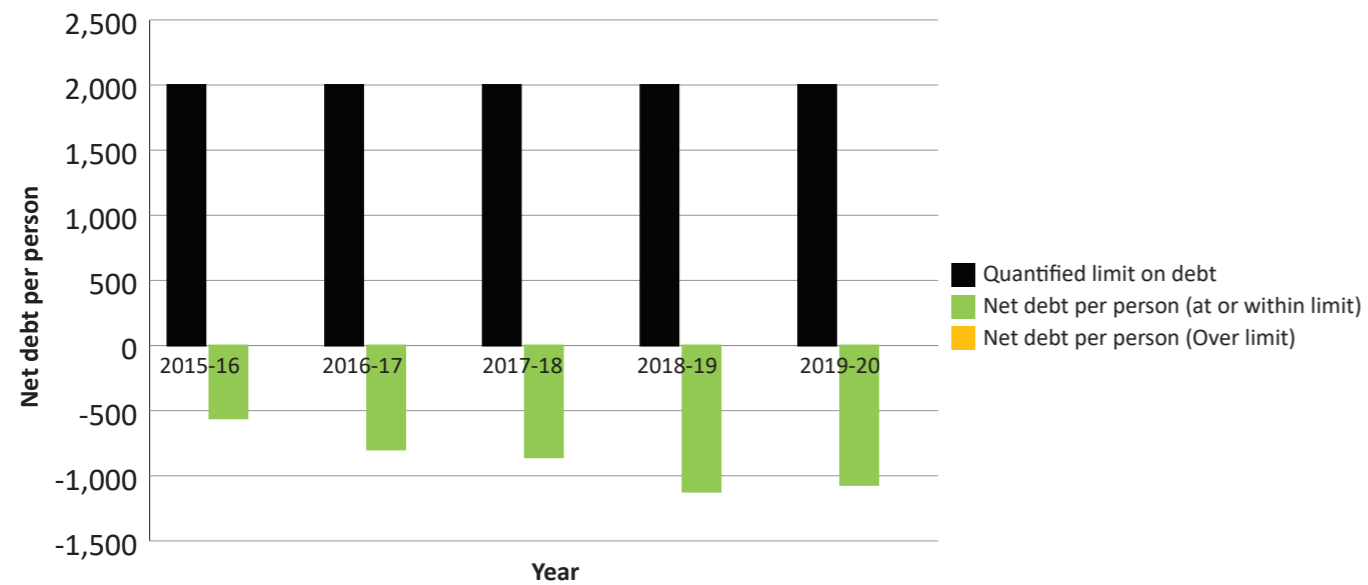
4 - Liquidity Ratio; external term debt plus committed bank loan facilities plus liquid assets/cash equivalents maintained at an amount of at least 110% over existing external debt.

DEBT AFFORDABILITY BENCHMARK



5 - Net debt per capita is less than \$2,000 per person.

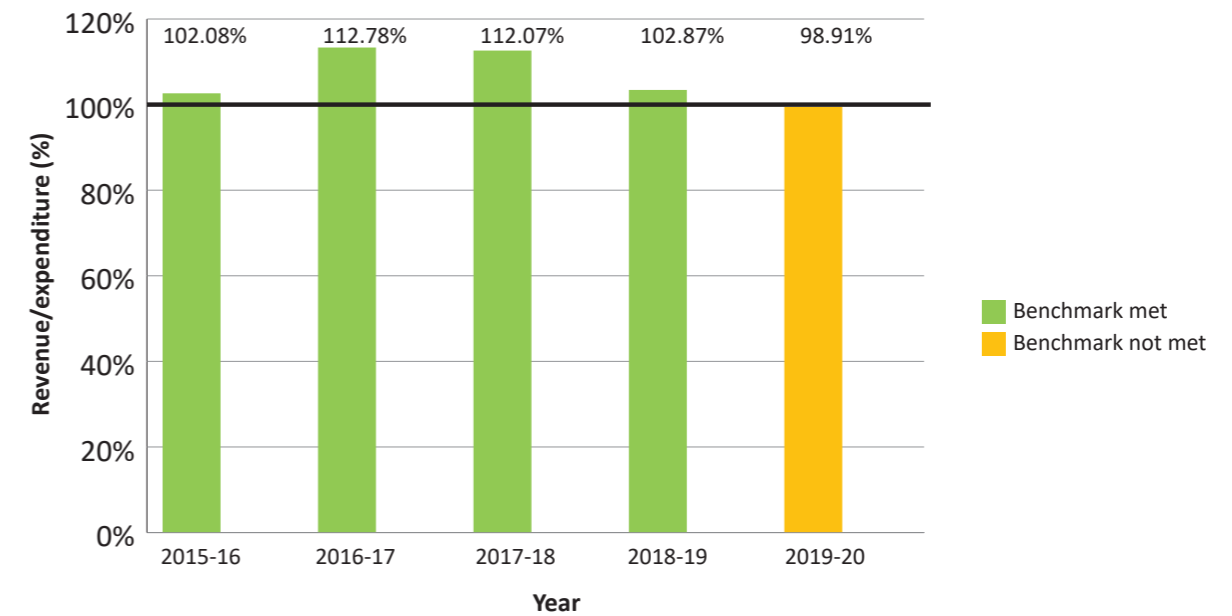
DEBT AFFORDABILITY BENCHMARK



Balanced Budget Benchmark

The following graph displays the Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

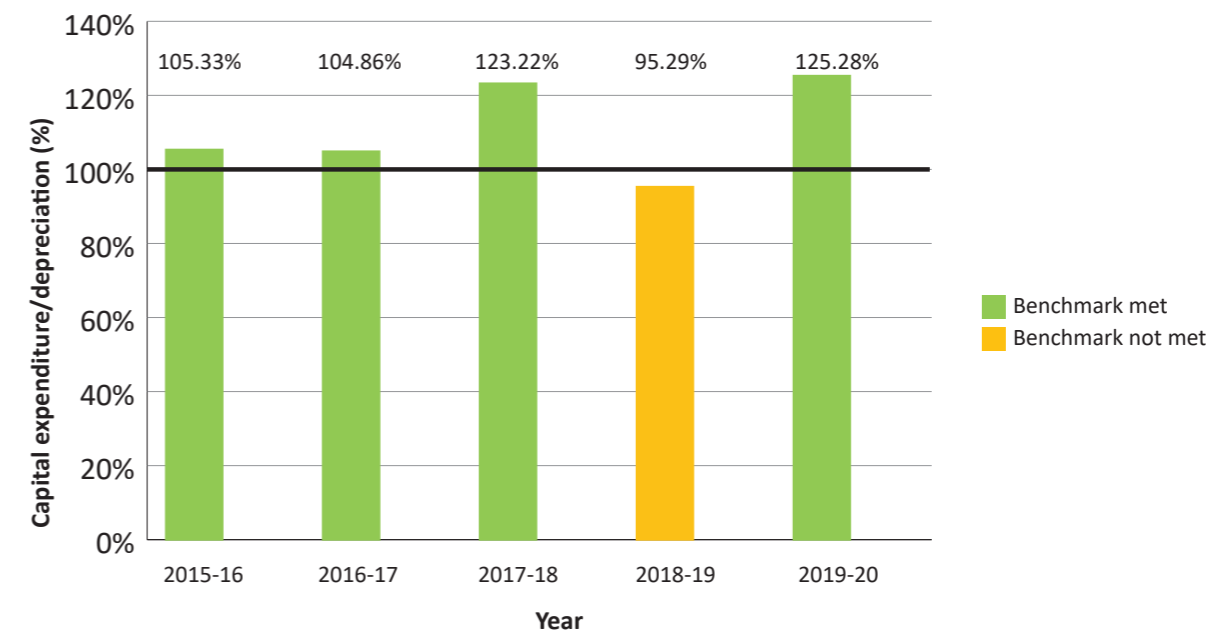
BALANCED BUDGET BENCHMARK



Essential Services Benchmark

The following graph displays the Council's Capital Expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if it's capital expenditure on network services equal or is greater than depreciation on network services.

ESSENTIAL SERVICES BENCHMARK



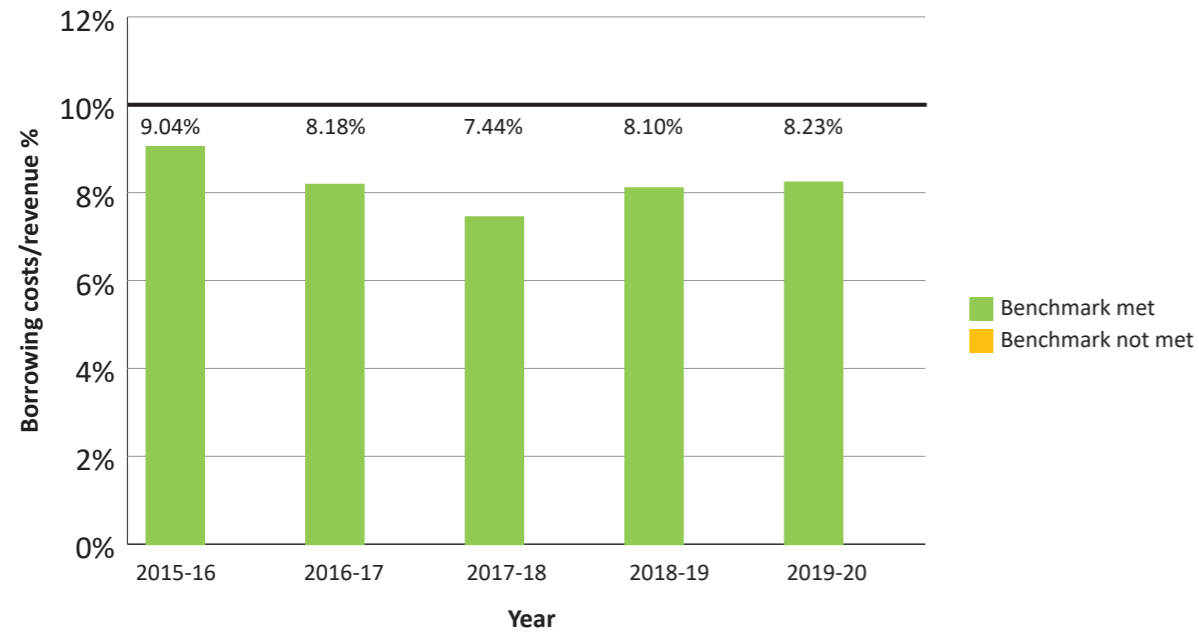
NOTES TO FINANCIAL STATEMENTS

PITO KŌRERO KI TE TAUĀKI PŪTEA

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, or 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 are equal or less than 10% of its revenue.

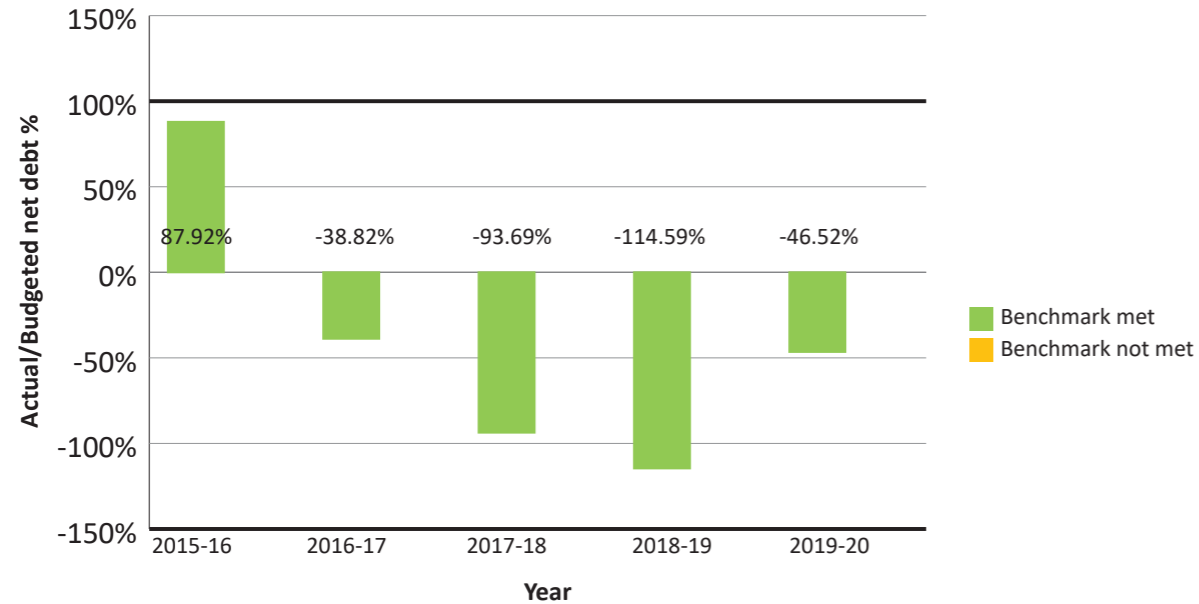
DEBT SERVICING BENCHMARK



Debt Control Benchmark

The following graph displays the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities, 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.

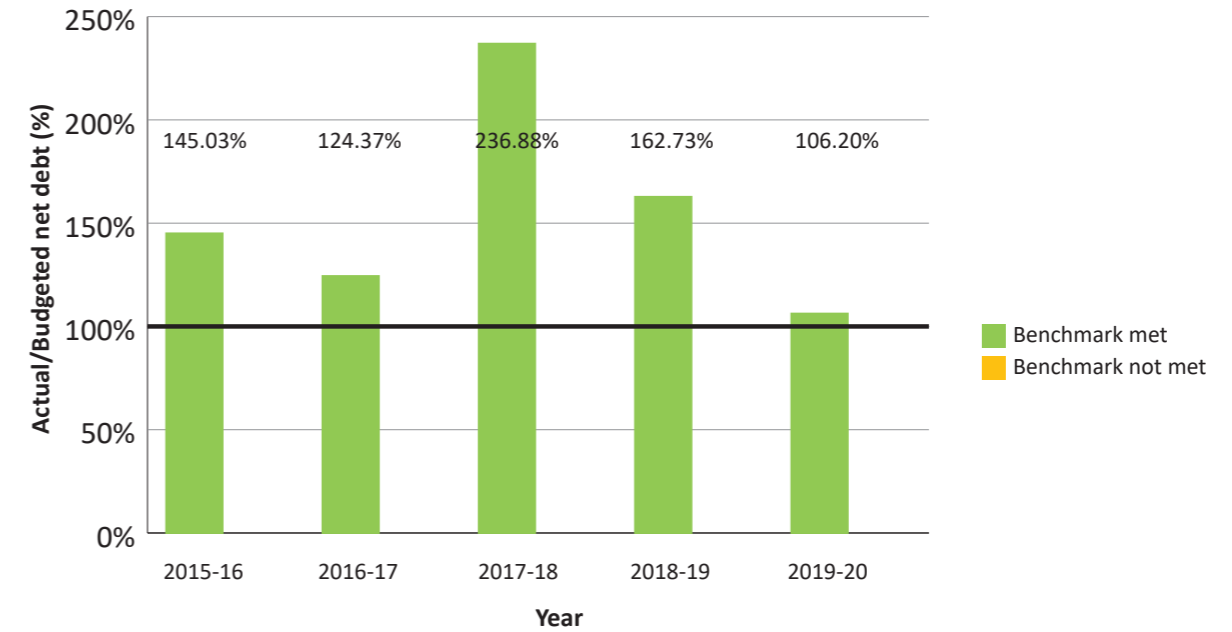
DEBT CONTROL BENCHMARK



Operations Control Benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.

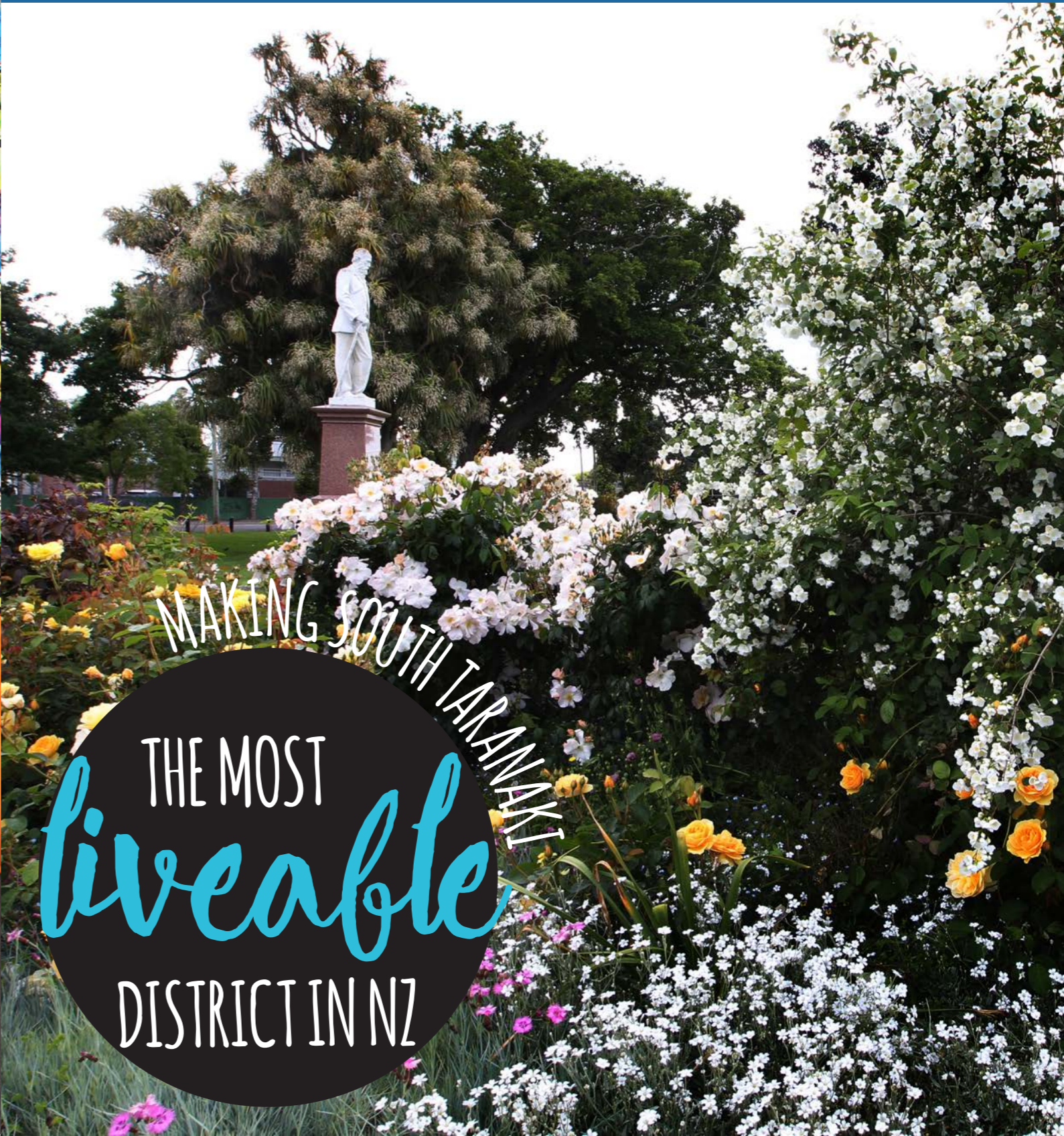
OPERATIONS CONTROL BENCHMARK



attractive
LIFESTYLE

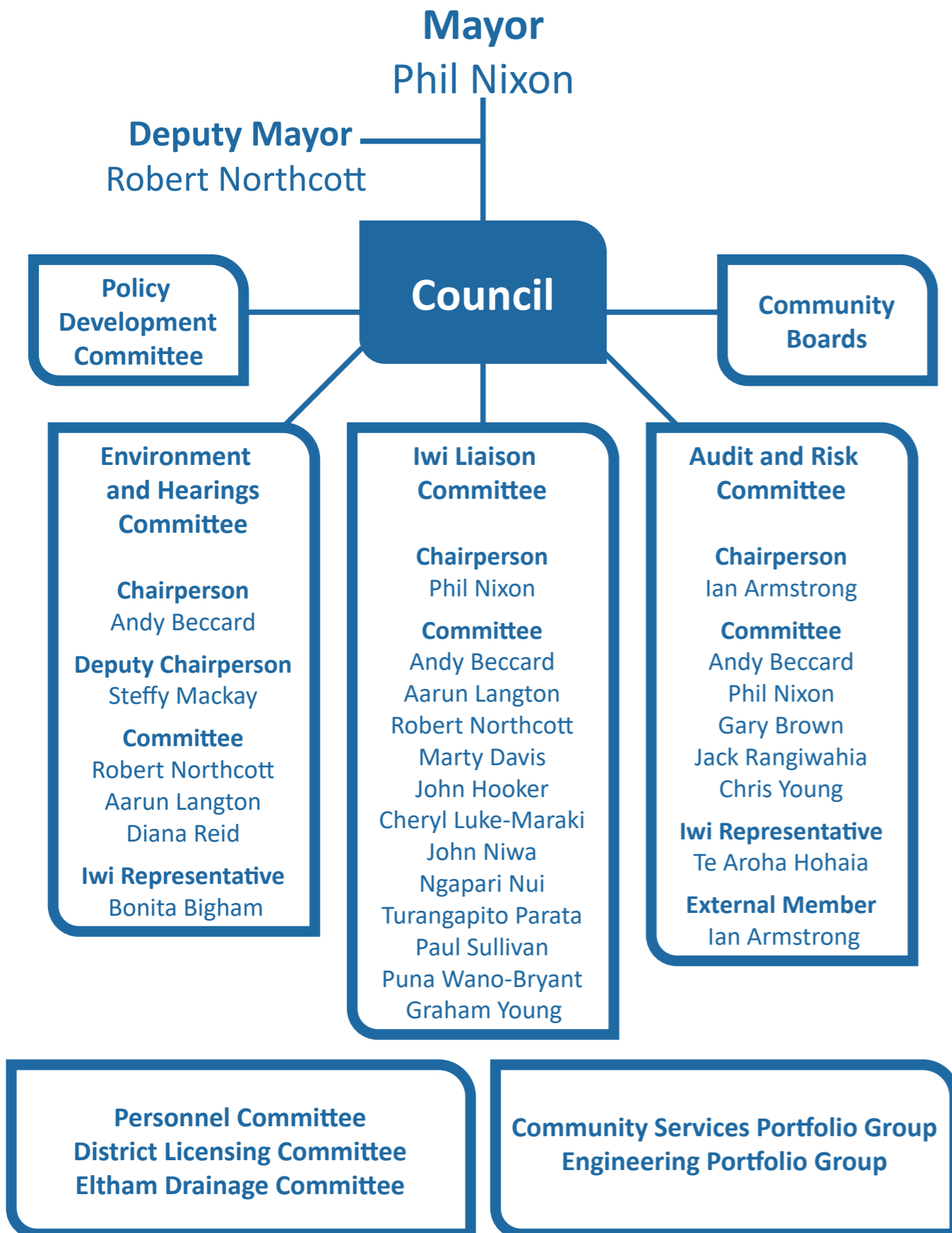


POLITICAL STRUCTURE PITO KŌRERO KI TE TAUĀKI PŪTEA



MAKING SOUTH TARANAKI
THE MOST
liveable
DISTRICT IN NZ

POLITICAL STRUCTURE



ELECTED MEMBERS

The Mayor, Councillors and Community Board members listed below were elected in October 2019 for a three year term.

| | |
|---------------------------------------|-----------------------------------------|
| Mayor | Mr Phil Nixon |
| Deputy Mayor | Mr Rob Northcott |
| Councillors | |
| Mr Andy Beccard | Mr Mark Bellringer |
| Mr Gary Brown | Ms Celine Filbee |
| Mr Aaron Langton | Mrs Steffy Mackay |
| Mr Jack Rangiwahia | Mrs Diana Reid |
| Mr Bryan Roach | Mr Brian Rook |
| Mr Chris Young | |
| Community Boards | |
| ELTHAM-KAPONGA COMMUNITY BOARD | TARANAKI COASTAL COMMUNITY BOARD |
| Mrs Karen Cave (Chair) | Mr Andy Whitehead (Chair) |
| Ms Sonya Douds (Deputy Chair) | Ms Sharlee Mareikura (Deputy Chair) |
| Mr Alan Hawkes | Ms Bonita Bigham |
| Lindsay Maindonald | Ms Liz Sinclair |
| Councillor Steffy Mackay | Councillor Aaron Langton |
| TE HĀWERA COMMUNITY BOARD | PĀTEA COMMUNITY BOARD |
| Mr Wayne Bigham (Chair) | Mrs Jacq Dwyer (Chair) |
| Mr Russell Hockley (Deputy Chair) | Ms Dianne Lance (Deputy Chair) |
| Mr Raymond Buckland | Ms Maria Ferris |
| Ms Nikki Watson | Ms Joanne Peacock |
| Councillor Diana Reid | Councillor Rob Northcott |

MANAGEMENT AND STAFF

THE CHIEF EXECUTIVE'S ROLE AND RESPONSIBILITIES

The Council's Governance Policies and legislation determine the role and responsibilities of the Chief Executive. At the Council all delegations are from the Council to the Chief Executive Officer except for certain provisions within the Resource Management Act where there is clear direction to delegate to the relevant staff member. The Chief Executive employs all staff and acts on the Council's behalf.

The Chief Executive has approval to expend or commit the Council to any approved expenditure contained in the Long Term Plan or Annual Plan or over-expenditure within the following thresholds:

- Up to 15% above a budgeted expenditure item greater than \$1 million;
- Up to 20% above a budgeted expenditure item greater than \$250,000 but less than \$1 million,
- Up to 20% (maximum \$50,000) for items less than \$250,000;
- Up to \$100,000 for net unbudgeted expenditure (gross unbudgeted amount not to exceed \$1million);
- To all works necessary in the case of an emergency (with no financial limit).

Monitoring of Chief Executive's performance

The Personnel Committee's primary function is to oversee the relationship between the Council and the Chief Executive (CE) and monitor his/her performance. The Committee comprises of the Mayor, the Deputy Mayor, the Chairman of the Environment and Hearings Committee and two councillors.

Senior Leadership Team

Mr Waid Crockett Chief Executive
 Ms Fiona Aitken Group Manager Community and Infrastructure Services
 Mr Liam Dagg Group Manager Environmental Services

Mrs Phillippa Wilson Group Manager Corporate Services (1 July 2019 to 31 December 2019)
 Mrs Marianne Archibald Group Manager Corporate Services (from 6 January 2020)

Our staff

The table below shows changes in staff numbers across departments.

| | 2019 | | | 2020 | | |
|-------------------------------|------------|-----------|------------|------------|-----------|------------|
| | Fulltime | Part-time | Fixed Term | Fulltime | Part-time | Fixed Term |
| Office of the Chief Executive | 8 | 0 | 1 | 8 | 0 | 0 |
| Community and Infrastructure | 70 | 44 | 3 | 78 | 45 | 3 |
| Environmental | 19 | 1 | 0 | 21 | 1 | 2 |
| Corporate | 32 | 9 | 5 | 32 | 11 | 2 |
| Totals | 129 | 54 | 9 | 139 | 57 | 7 |

COUNCIL CONTROLLED ORGANISATIONS

The South Taranaki District Council has 100% ownership of the Company – Novus Contracting Ltd. Novus Contracting Ltd is exempt of being a Council Controlled Organisation under Section 7 (3) of the Local Government Act 2002.

OFFICE LOCATIONS

The main Council Administration Building is in Albion Street, Hāwera and the Council provides an extensive combined library and council service throughout the District, known as LibraryPlus centres in Ōpunakē, Eltham, Hāwera, Kaponga, Manaia, Pātea and Waverley. The Council services include payment of rates and accounts, enquiries for pensioner housing, burials, building consent applications, property file requests and community facility bookings. Six of the LibraryPlus centres act as agencies for the dissemination of visitor information.

LOCATIONS/DIRECTORY

| | |
|-------------------------------------|-----------------------------------------------------------------------------------------------|
| Hāwera Administration Centre | 105-111 Albion Street Hāwera 4610 Telephone 06 278 0555/0800 111 323 Fax 06 278 8757 |
| | Postal Address South Taranaki District Council Private Bag 902 Hāwera 4640 |
| Hāwera LibraryPlus | High Street Hāwera Telephone 0800 111 323 Fax 06 278 9407 |
| Eltham LibraryPlus | High Street Eltham Telephone 0800 111 323 Fax 06 764 8857 |
| Kaponga LibraryPlus | Egmont Street Kaponga Telephone 0800 111 323 Fax 06 764 6088 |
| Manaia LibraryPlus | South Road Manaia Telephone 0800 111 323 Fax 06 274 8374 |
| Ōpunakē LibraryPlus | Napier Street Ōpunakē Telephone 0800 111 323 Fax 06 761 7039 |
| Pātea LibraryPlus | Egmont Street Pātea Telephone 0800 111 323 Fax 06 273 8340 |
| Waverley LibraryPlus | Weraroa Road Waverley Telephone 0800 111 323 Fax 06 346 6052 |

i-SITE High Street
Hāwera
Telephone 06 278 8599
Fax 06 278 6599

TSB HUB Camberwell Road
Hāwera 4610
Telephone 06 278 0646

Hāwera Aquatic Centre Waihi Road
Hāwera 4610
Telephone 06 278 0021
Fax 06 278 0022

GENERAL INFORMATION

Bankers Westpac Trust
PO Box 83
Hāwera 4640

Auditors Audit New Zealand, Palmerston North,
on behalf of the Auditor General

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C & M Legal – The Litigation Experts
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