



The Council adopted its Annual Report for the 2020/21 financial year on Monday 1 November 2021. The Annual Report, which reflects the period from 1 July 2020 – 30 June 2021 shows how well the District's assets are being looked after and how well the Council is performing as an organisation.

Today's Southlink presents a brief overview of the 2020/21 Annual Report. For the full Annual Report or the Summary go to our website www.southtaranaki.com or phone us toll free 0800 111 323 to arrange for a copy to be sent to you.

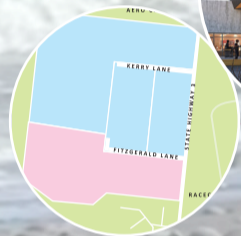


KEY HIGHLIGHTS

As part of a relief package to help residents and businesses cope with the financial impact of COVID-19, the Council implemented a zero-rates increase, froze increases on fees and charges and provided payment plans and remission of rates penalties.



Te Ramanui o Ruapūtahanga the District's new Library, Culture and Arts Centre took a step closer with its resource consent being granted and demolition contract signed.



In September 2020 the Council budgeted \$3 million to begin stage one of our District Business Park.



In November 2020, the Council unanimously decided to establish Māori wards for the 2022 and 2025 Local Body Elections.

Notable three waters infrastructure projects undertaken during the year included the replacement of the water clarifier at the Rāhotu treatment plant, installation of the Kāpuni duplication main, treatment plant enhancements at Waimate West, along with several water pipe replacements which included Skeet Road, Auroa Road, Manaia Road, Kōkiri Road and Taikatu Road. The partial desludging of the Hāwera Wastewater Treatment Plant's anaerobic lagoon was completed.



The contract was awarded and construction started, on the southern section of the Nukumaru Station Road extension project.



Construction started on the Normanby to Hāwera pathway along Ketemarae and Glover Roads and the Soldiers Park pathway in Eltham was completed.



Three weather events during November and December 2020 resulted in substantial damage to our roads in the Waitōtara and Tāngāhoe Valley areas costing \$700,000 to repair.

In June 2021, S&P Global upgraded the Council's credit rating to 'AA/A-1+' with Stable Outlook.

The Council's Long Term Investment Fund performed strongly, returning \$19,960,000 (excluding Internal borrowing interest) against a budgeted return of \$8,491,000.



The Council adopted its Long Term Plan for the next ten years (2021-2031). The plan focusses on upgrading our water and wastewater infrastructure, implementing our environment and sustainability strategy and creating the conditions that encourage sustainable economic growth in the right places, with projects such as the South Taranaki Business Park and town centre upgrades in Eltham, Manaia, Ōpunakē, Pātea and Waverley.

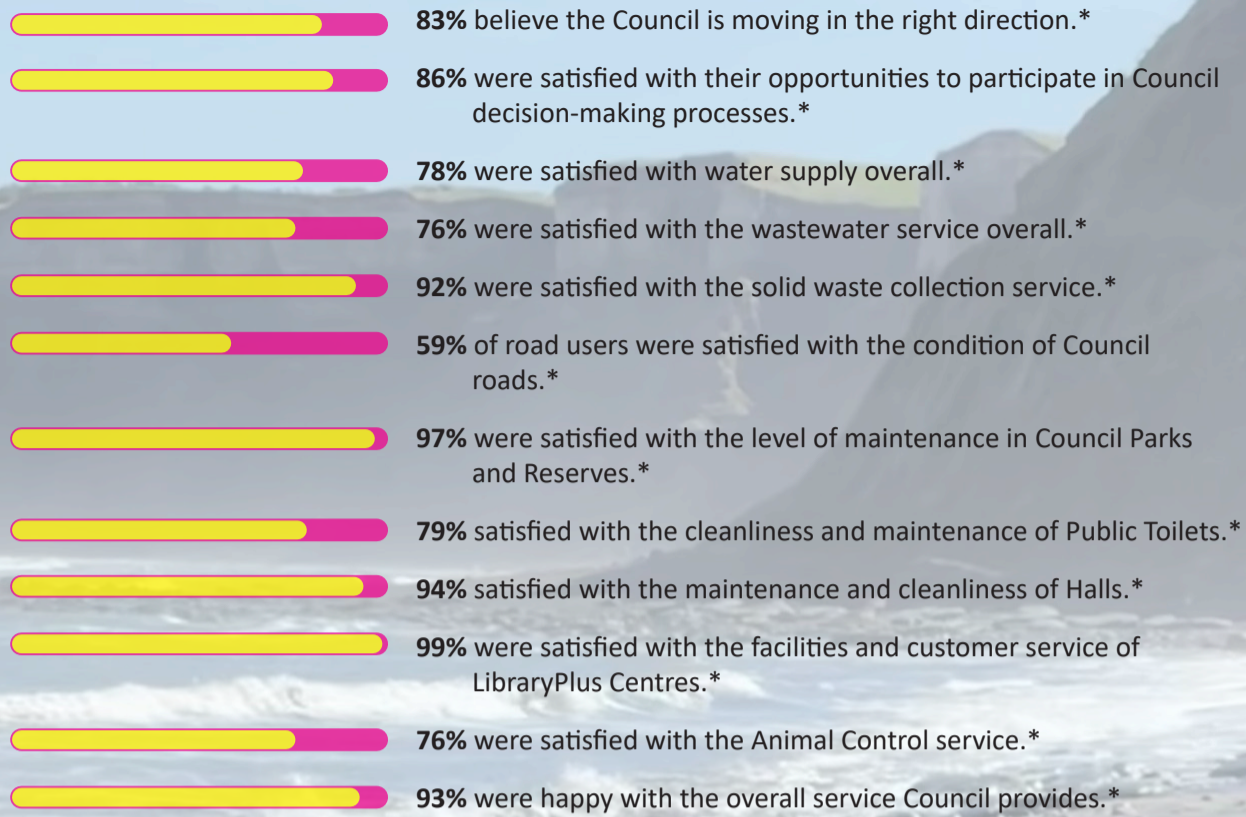
Innovating Streets projects were undertaken in Eltham and Waverley, to provide safer options for pedestrians crossing the road and to slow traffic using streetscaping and road markings. The project was jointly funded by Waka Kotahi the NZ Transport Agency (90%) and the Council (10%).



The Council digitised its building application process in December 2020 and the uptake has been rapid, with no hard copy consents lodged since January 2021.



BY THE NUMBERS



* According to annual Resident Survey conducted by Research First using a sample of 400 residents 18 years + and representative of the population in terms of ward, age and gender.

25.1% - 27.2%
Increase of total waste diverted from landfill, including recycling and greenwaste for the past year.

85,392 visits were made to the Hāwera Aquatic Centre. Numbers were affected by COVID-19 alert level changes and scheduled painting of the indoor complex in January.

95% (386) serious dog or wandering stock incidents reported, were responded to within 4 hours.

35,347 visits were made to our rural pools. **91.8%** (average) of customers agreed that the pools and facilities were well maintained.

100% of our water plants and reticulated networks complied with Drinking Water Standards for bacteria and protozoa.

2,084 client interactions were made with our Business Advisory Service - a 54% increase on the previous year.

62.5% of the 637 building consents issued were processed within statutory timeframes.

161,848 visits were recorded at the TSB Hub.

100% of the 2,219 building inspections undertaken were done within two days of request.

92% of the 804 of noise complaints received were responded to within one hour.

99% of the 208 resource consents issued, were processed within the statutory timeframe.

FINANCIAL OVERVIEW

	Council
Net surplus/(deficit)	\$26,495,000
Total assets	\$1,083 million
Total liabilities	\$137 million
Total equity	\$946 million

STATEMENT OF FINANCIAL PERFORMANCE

The Council finished the year with a \$26,495,000 surplus after unbudgeted adjustments (\$7,364,000 gains on derivative contracts and \$1,186,000 disposal of assets) against a budgeted surplus of \$2,159,000. The main contributors to the \$24.3 million variance were as follows:

Revenue

Total revenue was \$27.3 million more than budgeted. This included additional income of \$11.5 million from the Council's Long Term Investment Fund (LTIF) and \$15.8 million in other revenue came from gains on derivative contracts, Three Waters tranche 1 funding, funding from the Government for our 'shovel ready' projects and TSB Community Trust grant of \$2.8 million for Te Ramanui o Ruapūtahanga.

Expenditure

An accounting adjustment for the \$1.19 million book loss on infrastructure asset disposals (no impact on rates) and \$700,000 for the weather damage during November and December 2020.

The Long Term Investment Fund (LTIF)

After allowing for withdrawal of the annual rates subsidy and interest repayments for specific community projects the value of the Fund at 30 June 2021 increased to \$159 million (\$144.65 million in 2020). The balance increased mainly because of strong market conditions due to COVID-19 recovery.

Debt

The Council's total borrowing decreased from \$133.99 million in 2020 to \$129.11 million (which included \$16.91 million of internal borrowing).

Operating expenditure



- Democracy and Leadership 4.7%
- Arts and Culture 4.9%
- Community Facilities 16.2%
- District Economy 3.0%
- Community Development 2.2%
- Regulatory Services 4.7%
- Water Supply Services 17.6%
- Roading and Footpaths 24.1%
- Stormwater 1.8%
- Wastewater 8.6%
- Solid Waste 7.0%
- Coastal Structures 0.5%
- Environmental Sustainability 1.7%
- Reallocated Activity 3.0%