

Summary Annual Report

For the year ended 30 June 2020



WHANGANUI
DISTRICT COUNCIL
Te Kaunihera a Rohe o Whanganui

Message from the Mayor and Chief Executive

Welcome to our 2019/20 Annual Report summary.

Whanganui District Council prepares an Annual Report at the end of each financial year. This document summarises the report and provides a high level overview of our achievements and performance over the 1 July 2019 to 30 June 2020 period. It confirms that we have managed our finances responsibly, maintained our Standards and Poors' AA credit rating, and operated within prudent debt levels.

This past year has presented particularly unusual challenges as New Zealand responded to the global COVID-19 pandemic. This tested us thoroughly in terms of our preparedness, our community relationships, our resourcing and our resilience in adversity.

In this summary you will see that Whanganui District Council was not found wanting. As an organisation we were well-prepared to deliver essential services and maintain our key council functions and emergency management responsibilities.

Fortunately, by virtue of our size and location, Whanganui had only four confirmed cases of COVID-19. Now, as we collectively recover, we are seeing the positive results of what was an extraordinary and ambitious pre-COVID work programme. This included major building projects such as the Sarjeant Gallery Redevelopment, which is well underway; promotion and investment in the arts, town centre regeneration, heritage restoration and beautification - and a significant push to roll out infrastructure upgrades in areas such as roading and stormwater.

At the time of publication, we are well and truly back on track. Post-COVID visitor numbers, house sales and consumer spending all look extremely positive in Whanganui, while we watch from afar as the pandemic continues to disrupt lives and economies around the globe.

We have learned that things can change very quickly, but that Whanganui has what it takes to survive in tough times – and that our hard work in times of prosperity has set us up well to recover and thrive.



A handwritten signature in blue ink, appearing to read 'Hamish McDouall'.

Hamish McDouall
Mayor of Whanganui



A handwritten signature in blue ink, appearing to read 'Kym Fell'.

Kym Fell
Chief Executive

Impact of the COVID-19 pandemic

Overview

The COVID-19 pandemic in New Zealand has been part of an ongoing pandemic of coronavirus disease being experienced across the world and has had unprecedented impacts upon all sectors of New Zealand.

Whanganui District Council, as an organisation, has not been immune to the COVID-19 crisis, and has had its operations significantly disrupted and impacted. With approximately seven weeks of enforced lockdown and its resultant slowing of the economy's recovery in the following months, there has been challenges to meeting output performance, financial targets and key deliverables set for the reporting year. This has been particularly evident in Council's activities that are customer-facing, however can also be evidenced, to varying degrees, across all areas of Council.

Council officers throughout, and following, the lockdown restrictions have undertaken considerable work to adapt their business programmes and plans to effectively address the particular challenges facing the organisation as it heads into the next financial reporting period.

Response

What we did

Significant planning had been undertaken by the Council prior to the Prime Minister's announcement to the nation introducing measures to manage the spread of COVID-19 in our communities. This ensured that we were well prepared as we entered the four-week lockdown across New Zealand to try to limit the impacts of the pandemic.

Following the national announcement, a number of Council facilities were closed to the public from Monday, 23 March 2020. The provision of essential services: drinking and waste water; solid waste; waste management, essential roading services; and crematorium and cemetery services, animal management, was maintained.

Members of our Civil Defence and Emergency Management (CDEM) team formally joined with the health-led emergency response in order to provide a collaborative and community-wide response alongside its partners. Council's Emergency Management welfare team also established its call centre to co-ordinate local requests for assistance during the lockdown period.

Council services largely resumed on 14 May 2020 as we moved into Alert Level 2. New Zealand moved to Alert Level 1 at 11.59pm on Monday, 8 June 2020 and all remaining restrictions were removed except border controls.

Recovery

What we are planning

New Zealand formally entered into Recovery on 13 May 2020 and the state of national emergency expired. Council has operated the recovery activity under the CDEM structure but has included a wider community partnership group and operated as an Integrated Recovery Team.

Three key elements of Recovery have been identified – Economic, Social and Health. Our cultural and environmental foundations are also considered as part of a holistic approach to Recovery. A key part of Recovery activity has been providing welfare, psychosocial and business support, aiming to maximise uptake of central government funding opportunities, and developing intelligence from the collection and monitoring of data. The Integrated Recovery Team is also undertaking planning and preparedness in the event of a possible resurgence and the need for further lockdowns and changes to alert levels.

The Redesign phase of the Recovery Strategy is about identifying opportunities to deliver services and systems differently. It is about working closely with our communities to identify their social, economic and health/wellness goals and aspirations, and supporting and enabling us to thrive together.

Financial

The impact of COVID-19 has been varied, with some activities being significantly more affected than others.

As expected, those activities that were required to shut to the public during the lockdown, such as Venues & Events, the Sarjeant Gallery and the New Zealand Glassworks, experienced reductions in income. Council also experienced a reduction in rental income from its commercial properties due to tenants being unable to access these properties during lockdown. In addition to a drop in income, Council also incurred additional information technology costs to enable staff to continue working remotely.

Council's infrastructure (Roading and 3xWaters) physical works programme was largely unaffected as lockdown occurred at the end of the construction season. In addition, some other activities, such as Building Control and Planning, experienced a surge in demand, with significant numbers of applications received at the start of the lockdown.

Council has provided a rates relief package for those property owners significantly affected by COVID-19. To-date there has not been a significant number of property owners applying for rates relief under this package.

Our Vision

To be an energised, united and thriving district offering abundant opportunities for everyone

Whanganui: Leading Edge



COMMUNITY

A deeply united community

Goal: Working in partnership – shaping a district that celebrates and champions its cultural and social diversity as well as its community spirit.



CONNECTIVITY

Connected

Goal: A dynamic, broadly connected district that is accessible, linked in and known for it.



CREATIVITY

Innovative and creative

Goal: A knowledge economy driven by innovation and humming with cultural personality.



ENVIRONMENT

Safeguarding our place

Goal: A district that safeguards its natural resources and provides an environment with a sense of place, identity and vitality.



ECONOMY

Works for everyone

Goal: An easy-living place of choice of all - flourishing with employment and development opportunities.

In essence this is about being confident leaders and influential trailblazers. It means we are comfortable with being a 'bit different' because this sets the scene for the types of innovative approaches that we continue to front-foot. It's about Whanganui being seen as positive and exciting – a community that is united, connected, creative, environmentally rich and economically prosperous.

Our Communities' Well-being

Improving our communities' quality of life is at the very essence of our organisation. Whether we are providing multiple platforms for communities' participation, implementing initiatives to improve business success, providing valuable infrastructure and services or showcasing Whanganui on the national and international map – all facets of what we do, we do to promote healthy and resilient communities' now and into the future.



Our work

This report provides a high level overview of our performance outcomes which are delivered through the following work structure: -

- Water supply
- Stormwater drainage
- Sewerage and the treatment and disposal of sewage
- Provision of roads and footpaths
- Parks and recreation
- Community and cultural
- Economic development
- Community facilities and services
- Transportation
- Investments
- Corporate

Our work structure ensures there is clear methodology to Council’s services and functions which align to the needs of the Whanganui district. We recognise that we have a duty to Whanganui by meeting the objectives we set out to achieve and by reporting on those objectives so the public are kept informed.

In 2018, the Council adopted a Long-term Plan for the period 2018-2028. This document is the summary of our performance for the second year of that Long-term Plan and highlights what we have achieved for each of our activity areas and how we performed for Year Two of that Plan against the targets we set.

2018/19 Annual Report	2019/20 Annual Report	2020/21 Annual Plan	2021 Long Term Plan
Year 1 of the 2018-28 LTP = Complete	Year 2 of the 2018-28 LTP = Complete YOU ARE HERE!	Year 3	Year 4 The next LTP process is undertaken.

WATER SUPPLY

Every local authority has a general responsibility to improve, provide and protect public health. Good-quality water systems play a vital role in this. Our priority is to supply water that is safe to drink and to ensure the security of the city's water supply. The most successful approach to this is by regularly monitoring the water quality and maintaining the infrastructure that supports it.

This activity contributes to our Leading Edge strategic aspirations by –



Supporting our welfare

We protect the community from water related health issues, and provide firefighting capacity and hydrants to help protect property and lives.



Maximising opportunities

We provide a safe and reliable water supply with adequate quantities for our community and for industries and commercial ventures to establish.

Key highlights

- ❖ We replaced 500 metres of water-main on Peakes Road.
- ❖ We submitted on the first stage of our Global Water Take consent.
- ❖ We provided connectivity through the Mill Road Water Main Growth project.
- ❖ We installed new automated hydrant filling stations on Peat Street and Ridgway Street.
- ❖ We integrated remote meter reading of the urban and rural network.

Our performance

- ☑ We met our target for the percentage of real water loss from the network reticulation system¹ (Result: 35% Target: <40%).
- ☑ We met all our water quantity and quality measurements and maintained our 100% compliance record on New Zealand drinking water standards for the urban area. This included ensuring Aa grade water supply was provided to the urban area at all times.
- ☑ We met our targets for median response times for attending, and resolution of, urgent and non-urgent callouts. Median response times have continued to improve from previous periods.
- ☑ We also met our targets for the average amount of water consumed per resident per day, and our consent conditions from Horizons Regional Council.
- ☑ Although we did not meet our Long Term Plan 2018-2028 target of receiving less than 45 complaints per 1000 connections regarding water, we did meet our Annual Plan 2019/20 target with 63 complaints having been received for this reporting period (Target: <85).






¹ Due to absence of water meters in the reticulation system this is calculated by comparing minimum night flows to the average water consumption.

STORMWATER DRAINAGE

Stormwater collection and its disposal are necessary in order to protect the health and safety of people and their land and property. Stormwater Infrastructure is sized based on land development standards.

The main objective for Whanganui's waterways and natural drainage is to ensure they behave effectively and efficiently. These systems are critical to allow or mitigate flooding impacts within the urban area.

This activity contributes to our Leading Edge strategic aspirations by –

-  **Safeguarding**
We dispose of stormwater to meet environmental and public health standards. We aim to apply stormwater mitigation strategies that ensure the least impact on the ecological health of our urban streams and coastal waters.
-  **A view to the future**
We take a risk-based approach to asset management that forecasts the community's needs now and into the future.
-  **Urban Design**
We contribute to the creation of quality urban design through responsible collaboration with town planning and industry.
-  **Increasing our resilience to climate change**
We maintain drains and watercourses to reduce the risk of flooding during serviced events in the urban area. We protect the natural ecosystems in the district's waterways. We mitigate the impacts of the river and the ocean on some of our port-related infrastructure.
-  **Protecting our people from harm**
We manage the natural water systems to reduce public health risks and to reduce the risks of flooding in the urban area and to ensure public health and safety standards are protected by eliminating contamination of our natural watercourses.

Key highlights

- ❖ We completed the construction of the Mill Road stormwater upgrade that will enable development in the Westbourne industrial zone. We also secured land for the future stormwater attenuation of Mill Road.
- ❖ We commenced construction on the Gloucester Street stormwater upgrade.
- ❖ We finalised the design work of underground services in anticipation of construction of the Fitzherbert Avenue extension as part of the Springvale Structure Plan.
- ❖ We commenced construction work for the Wilson Street stormwater renewal (Stage 2).
- ❖ Along with Horizons Regional Council, we jointly allocated \$7.5M towards the repair works of the Lower Whanganui River Control structures. The remaining \$7.5M balance is coming from the Provincial Growth Fund. Work will commence in the 2020/21 year.




Our performance

- ☑ There were no flooding events this year therefore all measures regarding flood events and response times were met. The Whanganui River Flood Action plan did not require to be activated.
- ☑ We held and met all compliance for our stormwater activity resource consents.
- ☑ Although we did not meet the Long Term Plan target for the number of complaints received about the performance of the stormwater system per 1000 properties, we did meet the amended Annual Plan target (Result: 2.40 Target: 10).

SEWERAGE AND THE TREATMENT AND DISPOSAL OF SEWAGE

These activities are responsible for the operation and management of wastewater systems, including an urban system that services the city and two rural systems. As well as providing a convenience to households by enabling easy sewage disposal, the collection, treatment and disposal of wastewater is also important to maintain public and environmental health, as well as maintaining clean waterways for quality of our natural environment.

This activity contributes to our Leading Edge strategic aspirations by –

-  **Managing our infrastructure responsibly and sustainably**
Our wastewater scheme substantially reduces the risk of potential sewage overflows to the river thereby improving river water quality. It also reduces the risk of sewage flowing onto private properties and roadways.
-  **A view to the future**
We take a risk-based approach to asset management that forecasts the community's needs now and into the future.
-  **Urban Design**
We contribute to the creation of quality urban design through responsible collaboration with town planning and industry.

Key highlights

- ❖ The city's Waste Water Treatment Plant has been running in its entirety throughout the 2019/20 year.
- ❖ We completed upgrade works on our Beach Road and small pump stations.
- ❖ Relining of our existing underground pipelines was undertaken.

Our performance

- ☑ We met our target for the number of dry weather sewerage overflows² from the system (expressed per 1000 sewerage connections) (Result: 0.83 Target: <4)




² This relates to all overflows as we are unable to isolate only those relating to dry weather. We intend to improve our systems to enable better reporting in the future.

- ☑ We ensured Whanganui was maintained with a safe and reliable sewerage system and met our target median response times for attending and resolving blockages or other faults. The median response time for resolution was 18 hours and 15 minutes (Target: 5 days).
- ☑ We held and met all compliance for our discharge from the wastewater system resource consents.
- ☑ We met our amended Annual Plan target of receiving less than 29 complaints (per 1000 connections) (Result: 16.2). The Long Term Plan target of less than 5 complaints received was not met however.

PROVISION OF ROADS AND FOOTPATHS

This activity manages the district’s roads, bridges, traffic management and control systems and streetlights and contributes to our economic and social enhancement. Our network of urban and rural footpaths and pathways facilitate pedestrian safety as they move around our district.

This activity contributes to our Leading Edge strategic aspirations by –

-  **Community connectedness**
We support local suburbs and communities along the Whanganui River and provide and operate a safe local roading network. We aim to provide the core infrastructure that will allow access for all.
-  **Enhance roading and pathway connections**
We maintain well-connected pathways throughout the district and a safe interconnected roading network. We aim to provide the core infrastructure that will allow access to all gateways for Whanganui including the port and airport in order to develop it to its full potential.
-  **Contributing to our local growth aspirations**
We aim to provide the core access infrastructure that allows our district to become business friendly; continue to allow a strong rural economy; promote the sustainable development of cultural, sports and recreational activities and facilities for young people; and allow access to active recreational and sporting opportunities.

Key highlights

- ❖ We were allocated \$2 million from the Provincial Growth Fund for Whanganui roading projects.
- ❖ We completed the Mill Road Extension to Manuka Street.
- ❖ Traffic signal upgrades to the Victoria Avenue to Ingestre Street and Glasgow Street intersections were completed.
- ❖ Work continued on the Urban Shared Pathways (Urban Cycleways Programme) including the completion of the 2.3 kilometre-long Te Tuaiwi shared pathway.
- ❖ We completed the land acquisition and draft design plans for roading and 3 water services for the Fitzherbert Avenue to Mosston Road extension.

- ❖ We undertook safety improvements around a number of Whanganui schools including signage and roadmarking.
- ❖ We installed a raised platform on Somme Parade to improve safety.

Our performance

- ☑ 26.3km of the 585.3km sealed road network was resurfaced (Result: 4.49% Target: >4%).
- ☑ We met target for the percentage of footpaths that meet Council’s standard of a defect score of <50 (Result: 99% Target: >90%).
- ⊖ The 2019 Footpath Condition Rating Survey identified 26,945 footpath faults. The increase in overall faults is largely due to a requirement to record tree root damage as a new footpath fault type (Target <20,000).
- ⊖ 79.9% of the sealed local roads in the district were considered ‘smooth’ as per the smooth travel exposure measurement (Target: 88-92%). This result is partly attributable to the increased impact of logging trucks on the local roading network.
- ⊖ We did not meet the target to reduce the number of fatalities or serious injury crashes from the previous year with 20 of these occurring on the local road network. This was an increase of 4 from the previous year.
- ⊖ 710 of the 846 customer service roading requests were actioned within 5 working days (Result: 83.9% Target: >90%); Of the 137 footpath requests received, 101 were actioned within 5 working days (Result: 74% Target: >90%). These results were adversely affected by COVID-19 with only urgent requests being actioned and a changeover of the customer request management system.

PARKS AND RECREATION

We provide a range of services and facilities that offer access to sports and recreation opportunities for residents. This includes parks, open spaces, reserves, sports grounds and swimming pools. These facilities encourage quality of life and healthy lifestyles, and are important for the wellbeing of the district.

This activity contributes to our Leading Edge strategic aspirations by –

-  **Delivering services to our community**
Our parks and recreation activities are delivered to improve the health and social wellbeing of the community. This includes removing barriers to improve access to assist all people of all abilities in having an opportunity to enjoy them.
-  **Improving open space linkages throughout the district**
We provide well-connected accessible pathways throughout the district. These are found in and around parks, along the river, in neighbourhood areas and throughout the district’s green belt.
-  **Enhancing our uniqueness**

We promote our district as an arts and culture hub through community art and sculpture many of which are displayed and maintained in parks and reserves.



Being environmentally responsible

Environmental sustainability remains a key aspect that drives our processes. We have introduced recycling options in many of our parks and open spaces – with particular emphasis for local events.



Maximising our diversity

Access to open space is part of our commitment to deliver a diverse range of activities and facilities to meet the varied needs of our community.

Key highlights

- ❖ We installed a new public toilet facility in the Guyton-Ingestre Street block; we also installed two drinking fountains in new locations.
- ❖ Bason Botanic Gardens regained its status as a New Zealand Gardens Trust ‘Garden of Significance’ with a four-star rating.
- ❖ We undertook improvements, enhancements, and upgrades to a number of park facilities.
- ❖ We refurbished our 161-year-old Ward Observatory telescope.
- ❖ With public health and safety uppermost in our mind, the Mosquito Point swing was fully decommissioned and not replaced.
- ❖ We launched the 130 metre-long suspension bridge across the Whanganui River at Upokongaro that will service foot and cycle traffic. The bridge will be opened once further work on the bridge and its entrances has been completed.
- ❖ We took advantage of an enforced closure due to COVID-19 to complete planned maintenance works at the Splash Centre including painting the 25 metre, Learn to Swim, and Hydrotherapy pools.

Our performance

- ☑ Despite an enforced closure due to COVID-19, the Cooks Gardens premier sporting facility hosted events 72 days of the year with a target of 62 days. It also hired out its track and grounds on 61 days (Target: 31 days).
- ⊖ Community satisfaction with the maintenance and presentation of open spaces remained unchanged from the previous period at 73% (Target: 85%).
- ⊖ Reported use of the walkways reduced by 6% compared with the previous period. We are undertaking work to improve the conditions of some walkways (Result: 67% Target: 90%).
- ⊖ Whilst we did not meet the target for community satisfaction with the standard of toilet facilities (Result: 54% Target: 70%) we did improve our result by 4% from the previous year.
- ⊖ Satisfaction with the district’s sportsgrounds decreased by 8% from the previous year (Result: 63% Target: 85%).
- ⊖ We did not meet our targets for the number of locally produced community events at Cooks Gardens (Result: 23 Target: 40); or for the percentage of the community who have used, visited, or attended an event at Cooks Gardens (Result: 30% Target: 46%).
- ⊖ 35 of the 40 users surveyed were either satisfied or very satisfied with the Splash Centre aquatic facility however we did not meet our target of 90% (Result: 87%). Identical results were received for the Whanganui East Pool with 20 of the 23 users surveyed either satisfied or very satisfied (Result: 87% Target: 90%).

COMMUNITY AND CULTURAL

Supporting community services and facilities as well as promoting cultural enrichment encourages a tolerant and strong community. We work together with hapu, the arts and other community groups. This provides facilitation and support as we relate with relevant public sector agencies to strengthen the achievement of shared objectives and to ensure services are in place to support a thriving, resilient, safe and cohesive District. We oversee the management of key cultural facilities; ensure appropriate stewardship of nationally important collections; and collaborate with community agencies and organisations to successfully deliver Council's key outcomes. Activities that are included in this group include –

- District libraries
- Sarjeant Gallery Te Whare o Rehua Whanganui
- New Zealand Glassworks Te Whare Tūhuna o Te Ao
- Royal Wanganui Opera House
- Whanganui Regional Museum
- Community/hapu/marae development
- Whanganui War Memorial Centre

These activities contribute to our Leading Edge strategic aspirations by –



Committed to a partnership approach

We develop collaboration frameworks to implement our key strategies. We work closely with our Iwi partners.



Lifting our profile

We work to develop and sustain national and international partnerships. We actively seek and achieve appropriate global benchmarking frameworks.



Using our talent and creativity to attract interest

We support a programme of iconic arts and cultural events. We ensure all strategies we lead and implement have a powerful digital component.



Making a positive impact

Our work leads the Safer Whanganui Safe Community Accreditation, and through our cultural venues we aim to grow the level of commercial use to reduce the burden on ratepayers.

Key highlights

- ❖ We adopted our Housing Strategy.
- ❖ Although the COVID-19 lockdown presented some challenges, we applied additional resource to eBooks, eAudio, and the Kanopy streaming service for our library users – all of which saw significant increases in uptake.
- ❖ We achieved full funding for the Sarjeant Gallery Redevelopment Project with the Provincial Growth Fund providing two significant tranches of \$12M each. A contract was awarded for the required strengthening work on the Sarjeant Gallery building, and construction of its new wing honouring Sir Archie Tairaroa.

- ❖ We focussed on attracting new events and maximising use of our community facilities including hosting the New Zealand Labour Party annual conference, kiwi band Six60, and other longer-term Whanganui-based exhibitions.
- ❖ New Zealand Glassworks hosted the 40th anniversary exhibition of the New Zealand Society of Artists in Glass, and was also successful in gaining Creative New Zealand funding for its first Artist in Residence.

Our performance

- ☑ We continued to keep our commitment to ensure mana whenua were notified of resource consents received by Council within seven working days. We provide a weekly email to mana whenua of all resource consent applications received.
- ☑ Customer satisfaction with their New Zealand Glassworks experience increased by over 16% from the previous period (Result: 97% Target 80%). Visitors were impressed by new works on display in the gallery and the glass blowing demonstrations that are delivered throughout the week and weekend.
- ☑ Notwithstanding the closure of New Zealand Glassworks during the fourth quarter due to COVID-19, there were still 27,592 visitors to the facility. This was an increase of 1,144 visitors from the previous period (Target: 22,061).
- ☑ Visitors were satisfied or very satisfied with exhibitions (Result: 96% Target 90%) and their experience (Result: 96.08% Target: 90%) at the Sarjeant Gallery. We also exceeded the number of collection items catalogued to best practice international standards (Result: 3460 Target: 3000).
- ☑ Satisfaction with public art in Whanganui exceeded target (Result: 66% Target: 65%) although this has decreased by 1% from the previous period.
- ⊖ The impact of enforced closures from 23 March until 14 May 2020 due to COVID-19 was evident in our customer-facing facilities with targets not being met for visitors and users of the Libraries and Sarjeant Gallery. Also impacted was the number of Library items issued, the rate of collection 'turn over', and the number of public internet sessions at the Libraries. Excluding the period of closures, the number of Library items issued were tracking just below the target. The percentage of Sarjeant Gallery users was on track to meet or exceed the target.
- ⊖ We did not meet the targeted number of hours booked by working glass artists per annum at New Zealand Glassworks. Despite the enforced closure during the fourth quarter however, the number of hours booked has increased from the previous period (Result: 1167 hrs Target: 1288 hrs).
- ⊖ COVID-19 related closures to the Royal Wanganui Opera House and War Memorial Centre was a contributing factor to not meeting targets for the number of events being hosted at each of the facilities. Excluding the period that the Opera House was closed, the number of locally produced community events was on track to meet or exceed the target (Result: 20 Target: 22).
- ⊖ We did not meet customer satisfaction targets for the Royal Wanganui Opera House, Whanganui War Memorial Centre, or for the New Zealand Glassworks with respect to services and facilities.

- ⦿ The target was not met for the percentage of residents participating in creative industries (Result: 34% Target: 75%). This measure is designed to establish who is an active maker or presenter (not just an audience member or attendee) as per the Creative New Zealand definition of a participant.

ECONOMIC DEVELOPMENT

Economic development is the process which influences growth and development of the district's economy to enhance the economic and social interests of the community. Our goal is to foster economic growth and wellbeing in order to improve business success, employment opportunities and the wealth of the community. The service delivery has been separated out into Economic development and Tourism and visitor services and is driven by our Council-controlled organisation, Whanganui and Partners with support provided by the Council.

This activity contributes to our Leading Edge strategic aspirations by –

-  **Strengthening partnerships**
We facilitate working collaboratively with other organisations across the region to promote economic growth and social wellbeing.
-  **Making use of our assets**
National and international recognition programmes help to create a positive reputation and ultimately to increase investment and employment in the district. We promote and market the district to attract visitors and to improve our image as a tourism destination.
-  **Increasing our capability as an attractive place to live or do business**
Leveraging opportunities including ultrafast broadband to support entrepreneurial activity, investment and improved productivity. Marketing and promoting positive messages to create a great impression of our district.
-  **Being an effective facilitator**
We support initiatives around youth training and employment. We aim to provide a business friendly environment in order to create the right platform for business investment so that we can grow our economy. We support events and conferences to attract visitors and, in turn, creating a vibrant community for residents.

Key highlights

- ❖ We were awarded the digital performance destination marketing award 2019/20 by Regional Tourism New Zealand. The prize focussed on improvement in digital performance over the last three years.
- ❖ We received the Whanganui & Partners Statement of Intent for 2020/21.
- ❖ We saw continued growth improvements across all metrics including job growth and 'Not in Education, Employment, or Training' (NEET) figures.
- ❖ In collaboration with 100% SWEET, we were the first North Island location to adopt the 'Youth Employment Success' digital platform that connects young talent with employment opportunities.

- ❖ We partnered with the Central Economic Development Agency (CEDA) to better support business growth in the local area and establish a role that provides Regional Business Partner services.
- ❖ We ran several digital marketing campaigns to promote our tourism and visitor services. A 'Winter 2020' campaign reached over 300,000 people.
- ❖ We added to our tourism footprint by adding the i-SITE visitor centre to the Whanganui & Partners organisation.

Our performance

- ☑ The target was met for increasing the number of jobs available (Result: 401). This was an increase of 42 from the previous year. There was also a net increase of 30 businesses from the previous year.
- ☑ 350 students chose Whanganui as a study destination, an increase from the previous period.
- ☑ While it is noted that the full year tourism spend within Whanganui reduced by 7%, the New Zealand average was a reduction of 12%. This result placed Whanganui second out of the 31 Regional Tourism Organisations around New Zealand. Over the summer months (Dec-Feb) Whanganui's tourism spend increased by 11.6% on the previous period.
- ⊖ The number of visitors served by the i-Site decreased from the previous period (Result: 20,536 Target: 27,380). In addition to the enforced closure of i-Site due to COVID-19 lockdown, there is also an increasing trend of visitors booking directly with tour operators. We did, however, meet target for customer satisfaction with the i-Site service received (Result: 4.53 Target: 4.5).
- ☑ During and post COVID-19, Whanganui & Partners actively worked with its partners to achieve its annual plan objectives on attracting, retaining and growing business; and attracting new events. As well as increasing the number of students studying in Whanganui, applications were made to increase education and training offerings, and 97 students were successfully supported through 100% SWEET to transition from education to employment.
- ⊖ Although we did not increase the attraction of residents and visitors to Whanganui, the delivery of tourism packages was delayed by the COVID-19 lockdown and will be continuing in the coming year. Online media reach increased by 14.2% during the reporting period.





COMMUNITY FACILITIES AND SERVICES

Services and facilities within this group of activities underpin the maintenance of our district. Some of these are required by legislation and others respond to our community needs and demands. For example, our regulatory services include the provision of advice, consent and licence management, monitoring and compliance. We provide social housing for elderly people

with low to moderate financial means. We also work with our community in the effective management and minimisation of waste in our district to protect the health and sustainability of our community and natural environment. Activities included in this section are –

- Cemeteries
- CBD maintenance
- Waste minimisation
- Pensioner housing
- Community buildings
- Emergency management
- Animal control
- Building control
- Environmental health
- Parking services
- Resource management
- Environmental policy

These activities contribute to our Leading Edge strategic aspirations by –

-  **Supporting the welfare of our community**
We provide services and facilities that help to sustain the safety and welfare of our community.
-  **Enhancing our reputation**
We work in collaboration as a region to leverage opportunities. We continually improve the way we do business to enhance our reputation as a great place to come, stay and invest.
-  **Facilitating the use of digital technologies**
We seek new and innovative technology that will enhance our customer experience and access to enable global connectivity.
-  **Sustainably manage our resources**
We protect our environment and Awa. We work to foster our district's unique identity and image in a positive way.

Key highlights

- ❖ We have digitised 100% of all Aramoho cemetery burial records and approximately 95% of the cremation records. This will enable online accessibility of records with search capability.
- ❖ We continued implementing initiatives from our Town Centre Regeneration Strategy. We installed solar lighting on the street art murals and activated the Maria Pop Up street space. In a combined effort with Mainstreet Whanganui, we lit up the trees along Victoria Avenue with fairy lights and bespoke lanterns.
- ❖ The Whanganui Waste Minimisation fund approved \$204,000 of the waste levy fund to be spent on waste minimisation initiatives, grants and projects.
- ❖ We joined with the health-led emergency operations centre for a co-ordinated response to the COVID-19 pandemic.

- ❖ Our dog registration compliance hit another high at 98% of the 8,492 known dogs in the district. We also commenced construction work on the new Animal Pound building.
- ❖ We retained our Building Control Authority accreditation – the next assessment is due in 2022.
- ❖ We successfully implemented the Whanganui Local Alcohol Policy.
- ❖ We are an officially recognised agency with the Ministry of Primary Industries to undertake Food Control verifications. Through the external audit, we were also recognised as having 3 of the top 5 food verifiers in New Zealand.
- ❖ We approved the Springvale Structure Plan, extending the city’s urban boundary and releasing residential-zoned greenfield land for urban development.
- ❖ Our Heritage Grants Scheme approved \$143,291 in grants towards 9 heritage initiatives – 3 of the projects have now been completed.
- ❖ 250 resource consents were approved for the 2019/20 year – this is 15 more than the previous year.

Our performance

- ☑ Satisfaction with the contribution the town centre makes to the image of Whanganui increased by 9% on the previous year (Result: 71% Target: 70%).
- ☑ 99% of users of the Whanganui Resource Recovery Centre were satisfied with the overall service provided (Target: 95%). The amount of product recycled through the centre continued to increase from the previous year.
- ☑ We met target for the percentage of Pensioner housing units that are occupied (Result: 97% Target: 90%). Tenant's overall satisfaction with the service remained consistent with the previous period at 92% (Target: 90%).
- ☑ Animal management met target with 98% of known dogs having being registered. Satisfaction with the animal control services provided is expected to increase (Result: 52% Target: 49%) with a focus on animal management education.
- ☑ 96% of Priority 1 call outs for animal management were responded to within 1 hour, a significant increase of 76% from the previous year. This increase is largely attributable to improvements in the reporting system and training in its use.
- ☑ We met target for the percentage of excessive noise complaints investigated within 30 minutes having attended 1,203 of the 1,302 noise calls within the 30 minute timeframe.
- ☑ 100% of our customers were satisfied with the resource management services provided.
- ⊖ The percentage of residents that feel safe in the CBD during the evening has remained consistent from the previous period (Result: 58% Target: 70%).
- ⊖ Satisfaction with the standard of the presentation in the town centre did not meet target (Result: 78% Target: 90%). Work is being undertaken to address this. We did, however, meet target regarding the number of complaints about the cleanliness or hygiene of public toilets reported to Council (Result: 3 Target: <12).
- ⊖ We did not meet target for the percentage of building consents processed within 20 working days. The result (93%) was heavily impacted by the COVID-19 lockdown within the 4th quarter. Results from the 1st, 2nd and 3rd quarters was 100%.
- ⊖ Customer satisfaction with the environmental health service decreased by 25%. A change in methodology of how the feedback is collected occurred during the reporting period.

TRANSPORTATION

Transport provides and maintains connections both within the district and beyond and is essential for economic prosperity and social connectedness. Activities included within this group include the Airport, Sea Port and Durie Hill elevator.

These activities contribute to our Leading Edge strategic aspirations by –



Delivering services to the community

Enabling an air ambulance service to be based in Whanganui. The Whanganui River offers a safe harbour for recreational and shallow draft commercial vessels and there is the potential to nurture the facility over time to become a valued resource for users and the travelling public.



Getting our district noticed

Building on our gateways into Whanganui to attract further business and people to our district.



Building on the value of our coastal location

Safeguarding the health and wellbeing of the River through responsible decision-making. Managing our assets and infrastructure responsibly and sustainably.



Capitalising on opportunities

Our airport and surrounding land provides aviation connections and forms a key component of many community services such as the development of the rural sector through the provision of agricultural aviation services, training through the provision of pilot training and recreation through the provision of services to recreational aviation. The port and harbour are available to a large range of business and recreational users with aspirations to grow capability with the assistance of the Provincial Growth Fund.

Key highlights

- ❖ We continued our airport operations through the COVID-19 lockdown period with air ambulance and agricultural aircraft maintaining essential services.
- ❖ As well as receiving Civil Aviation Authority (CAA) certification of our Safety Management System, we renewed our CAA Part 139 certification to enable air logistics and transportation services.
- ❖ We supported the development of the successful application to the Provincial Growth Fund for the Whanganui Port Revitalisation Project (Te Puwaha).
- ❖ Although work was delayed due to COVID-19, a project to upgrade and modernise the Durie Hill elevator is underway.

Our performance

- ☑ The Airport continued to meet its compliance with CAA Part 139 certification. This was supported by continued satisfaction in the terminal facilities and other passenger services provided (Result: 95% Target: 84%).
- ☑ We had no workplace accidents at the Sea Port (Target: <55).
- ☑ We achieved target for the number of commercial vessel visits to the Sea Port per year (Result: 27 Target: 25). This was an increase of 8 visits from the previous period.

- ⊖ We did not meet the target for increasing the airport’s overall income to provide a commercial return on its activities. The Whanganui Airport Joint Venture is working towards increasing the commercial revenue received.

INVESTMENTS

Our investments portfolio provides income to support the work of Council. This activity intends to enhance the development of our community and provide an acceptable financial return for our benefit. This group of activities include –

- Whanganui District Council Holdings Limited (WDCHL)
- Harbour Endowment property portfolio (HE)
- City Endowment property portfolio (CE)
- Quarry

These activities contribute to our Leading Edge strategic aspirations by –

- ↗ **Focusing on investment opportunities and diversification**
We work to provide a reliable and acceptable financial return on our investments to enable development of projects and reduce reliance on rating as a source of funding for debt repayment.
- ↗ **Capitalising on opportunities**
We use the expertise of Directors on our Investment Boards to guide us in our decision-making on investment decisions. This includes advising us on opportunities to purchase, retain or sell key investment assets.

Key highlights

- ❖ We continue to subsidise community costs through the effective management of our Investment portfolios (HE/CE).
- ❖ We were successful in an application to the Provincial Growth Fund as part of the Port Revitalisation Project.
- ❖ WDCHL purchased property and student facilities to accommodate aviation students training at the New Zealand International Commercial Pilot Academy
- ❖ WDCHL has continued to investigate the feasibility of an Advanced Aviation Hub initiative to complement their existing Flight School. This has recently been put on hold until the long-term impacts of COVID-19 on the aviation industry becomes clear.



Our performance

- ⊖ The forecast return for Whanganui District Council Holdings Limited was not met (Target: \$800k dividend and \$200k loan repayment).
- ⊖ The forecast net income from Council’s Harbour Endowment and City Endowment property portfolios were not met. The results are in keeping with recent valuation advice.

CORPORATE

These group of activities work together to ensure there is effective and considered decision-making for the benefit of our community. Our Council is elected to ensure local people are making decisions about local issues – combined, these activities ensure an authentic democratic process is administered.

This activity contributes to our Leading Edge strategic aspirations by –

-  **Demonstrating strong, positive and empowering leadership**
Governance and Council staff collaborate to drive our district forward and deliver services.
-  **Effective engagement with our community**
Embracing the diverse voices of our community, enabling them to be part of the decision-making process.

Key highlights

- ❖ We implemented new technological solutions to produce and deliver meeting documents and trialed new ways to encourage democratic participation in the local body elections.
- ❖ We declared a Climate Emergency and commenced work on developing a Climate Change Strategy.
- ❖ We welcomed 106 new citizens who chose Whanganui as their home.
- ❖ We entered a number of national awards to celebrate our achievements and improve our image and reputation nationally. Whanganui was crowned Most Beautiful City in the Keep New Zealand Beautiful awards and Ridgway Street won the Most Beautiful Street category. We also won the award for Best Digital Transformation at the ALGIM Annual Conference ICT awards 2019.
- ❖ We implemented a new online payment method (Real Time Direct Debit) and extended our range of online services available.
- ❖ We introduced a new website. The new Open Cities site has increased functionality, is more accessible and can be updated much faster.
- ❖ Over 80,000 cubic metres of waste product was collected and recycled from Council-associated buildings and complexes. We also introduced recycling trial services to our Pensioner Housing units and public place bins.

Our performance

- Overall, customers are satisfied with the service they receive from the frontline team at Council (Result: 92% Target: 90%); this was further endorsed with 72% of the community rating the performance of Council staff as good or very good (Target: 70%).
- We continued to meet the target of 100% for audits on our key documents receiving an unmodified audit opinion. We also achieved 100% for providing submission decisions within 10 working days of the adoption of the Annual Plan.
- 77% of our community organisation tenants are on the maximum subsidy (Target: 70%). This means that the services they deliver provide maximum benefit to the community.

- ⊙ 45% of Whanganui district residents surveyed considered that Council responded to community needs well (36%) or very well (9%). This has reduced from 49% in 2018/19. We will continue to identify new ways to engage with the community and respond to emerging needs. It is expected that a more engaging and interactive website will improve satisfaction with the Council's responsiveness.
- ⊙ The percentage of people who rate the performance of the Mayor and Councillors as good or very good reduced by 7% from the previous period (Result: 47% Target: 60%).
- ⊙ While we did not meet target for the percentage of rural people who rated the performance of the Rural Community Board as good or very good (Result: 24% Target: 60%), we did see a 25% increase in rural residents' awareness of the Rural Community Board.
- ⊙ Resident satisfaction with ease of access to Council information and the percentage of users who find the Council website easy to navigate reduced from the previous period and did not meet target this year. We expect to see these percentages increasing with the continued improvements to the Council's new website.

Financial summary

The following pages provide a summary of Council's financial performance for 2020.

Whanganui District Council

Summary statement of comprehensive revenue and expense

For the year ended 30 June 2020

	Council		Group		
	Budget 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Actual 2020 \$000	Actual 2019 \$000
Rates	62,852	63,259	60,129	63,259	60,129
Other revenue	24,758	40,437	29,817	51,420	37,265
Total revenue	87,610	103,696	89,946	114,679	97,394
Finance costs	(5,756)	(5,088)	(5,316)	(5,719)	(6,013)
Other operating expenses	(77,904)	(85,277)	(85,390)	(95,081)	(92,299)
Total operating expenses	83,660	90,365	90,706	100,800	98,312
Surplus/(deficit) before tax	3,950	13,331	(760)	13,879	(918)
Share of associate surplus/(deficit)	-	9	(6)	9	(6)
Income tax (expense)/benefit	-	54	30	(36)	(402)
Surplus/(deficit) after tax	3,950	13,395	(735)	13,851	(1,325)
Surplus/deficit attributable to:					
Whanganui District Council	3,950	13,395	(735)	13,851	(1,325)
Other comprehensive revenue and expense					
Gain on property plant & equipment revaluations*	55,006	64,854	3,440	64,994	3,439
Gain on carbon credits revaluation	-	314	70	314	70
Financial assets at fair value through other comprehensive revenue and expense	-	(150)	67	(150)	67
<i>Total other comprehensive revenue and expense</i>	<i>55,006</i>	<i>65,018</i>	<i>3,576</i>	<i>65,157</i>	<i>3,577</i>
Total comprehensive revenue and expense attributable to:					
Whanganui District Council	58,956	78,413	2,842	79,010	2,250
	58,956	78,413	2,842	79,010	2,250

*Gains on property plant & equipment revaluations are presented net of taxation.

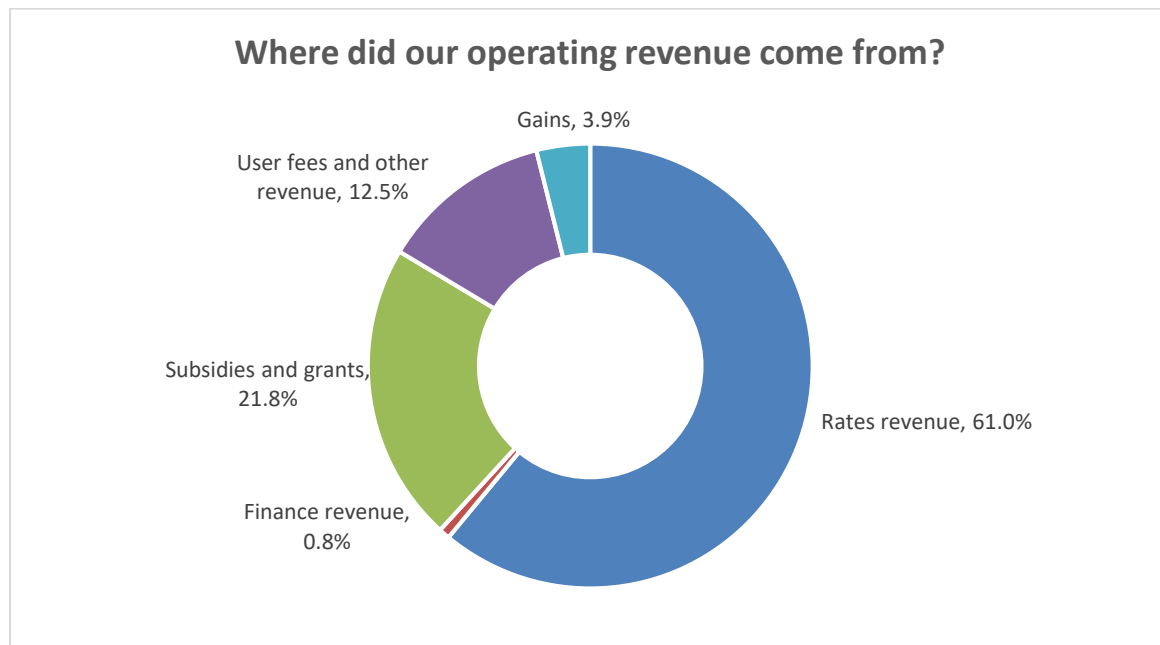
Explanation of major variances:

Other revenue

Grants are \$11.6M higher than planned (105%), driven by timing of Sarjeant Gallery redevelopment funding (\$12m) originally budgeted for 2018/19. This is partially offset by lower roading subsidies as capital works did not progress as planned.

Gain on investment property revaluation is \$3.49M higher than originally budgeted, as a number of Council properties were rezoned.

Finance revenue is \$175k lower than budget (18%), driven by lower interest rates and no dividend being received from Whanganui. District Council Holdings Limited. This is partially offset by an unplanned dividend of \$242k from a historic investment in Civic Assurance. Comparable Finance revenue in 2018/19 was significantly higher, as cash from forestry sale earned interest.



Council receives revenue from a number of different sources, as shown on the graph above. Rates are the primary source of revenue for the Council accounting for 61% (\$63.3M) of the total.

Other operating expenses

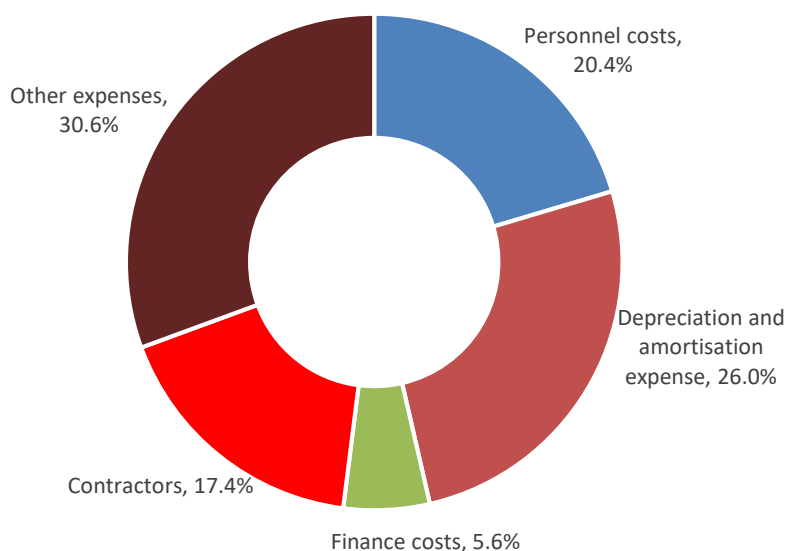
Other operating expenses are \$7.4 million higher than budget.

- Depreciation is \$3.22M higher than planned, driven from a higher revaluation and associated depreciation charge for infrastructure assets
- Unplanned loss on revaluation of interest rate swaps (\$1.4M) reflecting reductions in interest rates
- Higher operating expenditure while optimising the wastewater treatment plant (\$798k)
- Higher maintenance costs in property (\$518k) and pensioner housing (\$318k) portfolios to meet legislative requirements
- Higher water treatment costs (\$138k) from higher consumption

Finance Costs

Finance costs \$668k lower than budgeted (11.6%), driven by lower interest rates and holding less debt than planned.

What were our operating expenses?



In order to provide the services for the community Council incurs costs as illustrated above.

Whanganui District Council Summary statement of changes in equity

For the year ended 30 June 2020

	Council		Group		
	Budget 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Actual 2020 \$000	Actual 2019 \$000
Balance at 1 July	858,642	855,313	852,472	881,749	879,498
Total comprehensive revenue and expense for the year	58,956	78,413	2,841	79,009	2,251
Balance at 30 June	917,597	933,724	855,313	960,757	881,749
Components of equity					
Retained earnings	575,786	558,612	560,121	577,304	578,215
Restricted reserves	60,027	78,912	63,986	78,911	63,986
Revaluation reserves	281,518	295,004	230,172	303,345	238,514
Other reserves	267	1,197	1,034	1,196	1,034
Balance at 30 June	917,597	933,724	855,313	960,757	881,749

Whanganui District Council

Summary statement of Financial Position

As at 30 June 2020

	Council		Group		
	Budget 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Actual 2020 \$000	Actual 2019 \$000
Total current assets	11,838	33,925	14,702	35,341	22,616
Total non-current assets	1,050,564	1,028,667	961,714	1,080,889	1,003,423
Total current liabilities	(20,325)	(31,216)	(35,869)	(36,689)	(39,370)
Total non-current liabilities	(124,480)	(97,651)	(85,235)	(118,784)	(104,920)
Net assets	917,597	933,724	855,312	960,757	881,749
Total equity	917,597	933,724	855,313	960,757	881,749

Explanation of major variances:

Assets

Cash held is \$1.95M higher than budget (42%), driven by pre funding loans. This pre-funding strategy works to increase Council's liquidity and secure loans on favourable terms, in preparation to fund significant capital works.

Receivables are \$1.9M higher than planned (26%). Receivables fluctuates regularly due to timing of invoicing and workloads.

Total non-current assets were \$21.9M lower than budget (2.1%). This variance is mainly the result of a number of budgeted capital projects being deferred or delayed, such as roading projects, stormwater projects, water supply projects, the Gallery Redevelopment project, wastewater projects, and the Port Revitalisation project. This is partially offset by gains on revaluation. Significant capital projects are detailed in the 'Summary of Capital Expenditure' section of this Summary Annual Report.

Liabilities

Payables fluctuate regularly due to the timing of invoicing and workloads.

Total borrowings are \$22.1M lower than budget (18%), mainly due to lower capital expenditure. This is partially offset by pre-funded loans as mentioned above.

Employee entitlements are \$594k higher than budget (41%), as accrued leave balances grew over COVID-19 lockdown. Accrued leave balances tend to fluctuate every year as staff earn and take leave.

The unfavourable variance to budget of \$3.8M (43%) in derivative financial instruments is due to changing market conditions affecting the revaluation of these instruments.

Whanganui District Council

Summary statement of cash flows

For the year ended 30 June 2020

	Council		Group		
	Budget 2020 \$000	Actual 2020 \$000	Actual 2019 \$000	Actual 2020 \$000	
Cash and cash equivalents at the beginning of the year	4,822	7,447	8,788	8,978	13,685
Net cash from operating activities	23,748	33,967	23,749	36,175	24,709
Net cash from investing activities	(35,046)	(37,355)	(20,090)	(49,147)	(21,745)
Net cash financing activities	11,088	2,500	(5,000)	12,761	(7,671)
Cash and cash equivalents at the end of the year	4,612	6,559	7,446	8,767	8,979

Explanation of major variances are:

Operating Activities

Cash flows from operating activities is an indication of whether an entity is able to finance its normal operations from short- term funds. Council generated a \$34M cash surplus from operating activities. This is a positive variance to budget of \$10.25M (43%), mainly due to subsidy for the Sarjeant Gallery redevelopment that was planned for 2018/19.

Investing Activities

Cash flows from investing activities show net asset purchases to be \$37.4M, which is \$2.34M (6.7%) more than budget. The main reason for this relates to capital deferrals. Capital variances to budget are discussed in more detail in the 'Summary of Capital Expenditure' section of this report.

Financing Activities

Cash flows from financing activities shows net borrowing of \$2.5M, which is \$8.6M less than budgeted. This is driven by significant cash subsidy for the Sarjeant Gallery redevelopment received this year. Borrowings are made on the basis of projected capital spending, some of which did not happen as in the 'Summary of Capital Expenditure' section of this report. Additional funds was held in Cash at the year end to reflect this.

Whanganui District Council

Summary funding impact statement

For the year ended 30 June 2020

	Annual Plan 2020 \$000	Annual Report 2020 \$000	Annual Plan 2019 \$000	Annual Report 2019 \$000
Sources of operating funding				
Rates	62,852	63,259	60,232	60,129
Other income	17,218	17,913	16,076	19,019
Total operating funding (A)	80,070	81,172	76,308	79,148
Application of operating funding				
Payments to staff and suppliers	57,643	60,402	55,464	57,819
Finance costs	5,756	5,088	6,100	5,316
Total application of operating funding (B)	63,399	65,490	61,564	63,135
Surplus (deficit) of operating funding (A - B)	16,671	15,682	14,744	16,013
Sources of capital funding				
Subsidies, grants and development contributions	6,968	17,168	7,826	7,912
Increase (decrease) in debt	11,088	2,500	4,870	(5,000)
Gross proceeds from asset sales	-	110	50	10,643
Lump sum contributions	-	-	-	-
Other dedicated capital funding	29	1,303	12,529	979
Total sources of capital funding (C)	18,085	21,081	25,275	14,534
Application of capital funding				
Capital expenditure				
-to meet additional demand	1,805	449	910	111
-to improve the level of service	19,965	10,672	22,514	13,264
-to replace existing assets	13,476	9,841	16,630	18,960
Increase (decrease) in reserves	(290)	15,801	165	562
Increase (decrease) in investments	(200)	-	(200)	(2,350)
Total application of capital funding (D)	34,756	36,763	40,019	30,547
Surplus (deficit) of capital funding (C - D)	(16,671)	(15,682)	(14,744)	(16,013)
Funding balance ((A - B) + (C - D))	-	-	-	-

Notes to the Summary Financial Statements

Events after the balance date

Council is in the process of establishing Whanganui Port Limited Partnership, with Council as the Limited Partner and Whanganui Port General Partner Limited as the General Partner. The Limited Partnership will own both Port and Harbour Endowment assets and be responsible for developing and maintaining the port operations (2019 Nil).

Capital commitments

The Group capital commitments as at 30 June 2020 are \$128.3M (2019: \$26.5M)

Summary of Capital Expenditure

The following table shows a summary of the expenditure on capital work for the Council.

Major variations to the approved budget are discussed below.

Activity	Annual Plan	Actual
	Budget	For Year
	2020	2020
	\$000	\$000
Water Supply	2,285	2,160
Stormwater	3,012	3,638
Sewerage and the treatment and disposal of sewage	1,935	3,321
Roads, footpaths and pathways	11,466	9,190
Parks and recreation	771	590
Community and cultural	1,131	3,285
Economic Development	-	44
Community facilities and services	1,119	491
Transportation	12,544	320
Investments	372	-
Corporate	610	583
Total	35,246	23,622

Explanation of major variances:

Sewerage and the treatment and disposal of sewage

The capital growth budget of \$410k was largely not required with the delay awaiting the completion of the Mill Road project. Funds of \$392k will be carried over to 2020/21 to continue with the project.

The new Treatment Plant became operational in 2018/19. The focus in 2019/20 has been in optimising the plant, hence progress on capital acquisitions has been slow. The new standby generator is still being planned, with \$487k being carried over to 2020/21 to fund the work.

The total capital replacements expenditure of \$598k is well under budget. The refurbishment of the master control cabinet at the Beach Road pumping station (\$800k), the hydraulic gate replacement (\$300k), and screen replacement (\$920k) projects have both been further delayed awaiting new designs, specifications, and contract documents. These funds will be carried over to 2020/21.

Roads, footpaths and pathways:

The bridge replacement budget of \$2.53M relating to the Wakefield Street bridge replacement, and has been carried over again to 2020/21 awaiting NZTA approval.

The Emergency Management budget of \$2.2M made some progress in work left from 2015 flood. However, there remains a significant portion of work to do which is delayed by consenting and negotiations with affected parties.

Excluding Emergency Management costs, the balance of Roading replacement expenditure was budgeted to be \$5.46M. Actual expenditure for the year was \$4.59M, with no carry overs required. Resources were concentrated on Low Cost/Low Risk and Sealed road resurfacing projects, with some delays 4th quarter from COVID-19.

Community and cultural:

The Gallery Redevelopment project has secured external funding, receiving the bulk of it in 2019/20. Physical works are underway, however there was some delay over the lockdown period. Work will continue over 2020/21 and 2021/22, with the remaining budget carried over to fund this.

Transportation:

The Port redevelopment project commenced this year, with significant planning and minor site-works done. The remaining budget of \$15.15M will be carried over to 2020/21 as works proceed.

The Seaport asset development budget is unspent and on hold to align with the port redevelopment. This budget will be carried over to 2020/21.

There was a significant spend on port building renewals. The remaining unspent budget has been carried over to finish remaining items.

Additional information about this Summary

This Summary Annual Report has been prepared in accordance with PBE FRS 43: Summary Financial Statements. It has been extracted from the full Annual Report and is designed to give an overview of the Council and Group³ operations. This summary does not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as the full financial report of the Council. The full Annual Report contains detailed information on the finances and service performance and was adopted by the Council on 8 December 2020.

The Council has designated itself a Public Benefit Entity (PBE) for financial reporting purposes. The full financial statements were prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and comply with Tier 1 Public Benefit Entity (PBE) accounting standards. The financial statements are for the year ended 30 June 2020 and all figures are in New Zealand dollars and are rounded to the nearest thousand dollars.

Audit New Zealand has audited the full financial statements and has issued an unmodified report. This summary has been examined by Audit New Zealand for consistency with the full Annual Report.

The Summary Annual Report was authorised for issue on 22 December 2020 by the Mayor, Hamish McDouall, and Chief Executive, Kym Fell.

To view the comprehensive version of the 2019/20 Annual Report please refer to our website: <https://www.whanganui.govt.nz/Your-Council/Official-Documents/Reports>

³ The Whanganui District Council group (WDCG) consists of the ultimate parent Whanganui District Council (WDC) and its subsidiaries, Whanganui District Council Holdings Limited (100% owned) which in turn owns 100% of GasNet Limited and the New Zealand International Commercial Pilot Academy (NZICPA), and Whanganui Airport Joint Venture (50%). Its 49% equity share of New Zealand Masters Games Limited, its 15% interest in the Manawatu Whanganui LASS Limited and its 33% interest in the Whanganui River Enhancement Trust are equity accounted. All WDC subsidiaries and associates are domiciled in New Zealand.

Independent Auditor's Report

To the readers of Whanganui District Council and group's summary of the annual report for the year ended 30 June 2020

The summary of the annual report was derived from the annual report of the Whanganui District Council and group (the District Council) for the year ended 30 June 2020.

The summary of the annual report comprises the following summary statements on pages 6 to 31:

- the summary statement of financial position as at 30 June 2020;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2020;
- the notes to the summary financial statements that include other explanatory information; and
- the summary statement of service performance called "Our Work".

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2020 in our auditor's report dated 8 December 2020. Our auditor's report

on the full annual report also includes an emphasis of matter paragraph drawing attention to the disclosures about the impact of Covid-19 on the District Council and group as set out in the full annual report in notes 16, 19 and 39 to the financial statements and pages 49 to 119 of the Activity Groups statement.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out 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.

In addition to our audit and our report on the disclosure requirements, we have carried out engagements in the areas of a limited assurance engagement related to the District Council's debenture trust deed, and an assurance engagements for a subsidiary pursuant to the Gas Distribution Information Disclosure Determination 2012 - (consolidated in 2018; and the Gas Distribution Services Default Price-Quality Path Determination 2017, which are compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in the District Council or its subsidiaries and controlled entities.



Debbie Perera,
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand
22 December 2020