

Annual Report

For the year ended 30 June 2024



Contents

	Page
From the Mayor and Chief Executive	4
Your Mayor and Councillors	6
Statement of compliance and responsibility	9
What is the Whanganui District Council?	10
Our Strategy	11
Our vision	12
Our communities' wellbeing	13
Council's performance and planning	15
Building community with tangata whenua	18
Highlights and achievements	20
Groups of activities	24
Water supply	25
Stormwater drainage	34
Sewerage and the treatment and disposal of sewage	41
Provision of roads and footpaths	48
Parks and recreation	56
Community and cultural	65
Economic development	79
Community facilities and services	83
Transportation	97
Investments	102
Corporate	107
Council Controlled Organisations	116
Exempt Council Controlled Organisations	154
Annual report disclosure statement	155
Statement of comprehensive revenue and expense	163
Statement of changes in equity	164
Statement of financial position	165
Statement of cash flows	166
Funding Impact Statement	167
Statement of accounting policies	168
Notes to the financial statements	181
Equal employment opportunities report	227
Audit Report	228

From the Mayor and Chief Executive

Tēnā koutou katoa

We're pleased to present Whanganui District Council's Annual Report for 2023/24. This report summarises our financial performance and sets out the council's activities over the past year, including how we've progressed key projects and strategies.

Challenging times

The 2023/24 financial year saw our council, like others, navigating through rough waters as we faced arguably the most difficult time in local government history in a generation. In addition to understanding and adapting to the coalition government's reform packages that impact on our business and communities, the period has been characterised by intensified financial pressures for councils around New Zealand, and indeed around the world. Like households, interest on borrowing is becoming more expensive, and we have experienced considerable price increases due to inflation pushing up costs.

Despite these challenges, Whanganui District Council is in good shape relative to many other councils. In past years we have invested well in infrastructure and our prudent management of debt and cash flows were recently acknowledged by global credit rating agency, Standard and Poor's. Our district is growing too – an increase in the number of people choosing to live here saw our population continue to rise in 2023.

The work programme

While the tough economic times have called for fiscal restraint and the deferral of some projects, the council team has accomplished a substantial amount of work in the 2023/24 financial year.

Work continued on upgrading our waters infrastructure (water supply, wastewater and stormwater) to make our district more resilient in the future. We also focused on our short and long-term transport connectivity. Our roading work programme included a significant project along a key transport route that involved repairing the dropout or slip along Somme Parade caused by the Cyclone Dovi weather event in 2022. To ensure our direct link to Auckland for business and travel is maintained, we resurfaced the airport runway laying a total of 11,000 tonnes of asphalt at night to enable the continued operation of the airport for all users during the project.

We made a number of improvements to recreation facilities for our community to enjoy. As well as playground upgrades at Castlecliff Domain, we laid a concrete basketball pad at Williams Domain in Whanganui East, undertook a refresh of Splash Centre facilities, and we worked on a combined project alongside multiple contributors at Lorendale Park in Gonville to add new play equipment that has a strong focus on accessibility.

Significant preparatory work was carried out behind the scenes to get ready for the launch of kerbside recycling in July 2024 – this service will reduce our district's environmental impact and provide a more convenient way to recycle. The council also provided grant funding to enhance heritage buildings and Guyton Street was revitalised in a project 90 percent funded by Waka Kotahi NZ Transport Agency.

A significant focus for our council during the year was in preparing the draft Long-Term Plan 2024-34. As always, our efforts were aimed at how we can deliver services in a considered and cost-effective way while ensuring that we're investing in Whanganui so people here can flourish now and into the future. As part of this preparation, we implemented a new business case approach to ensure our work fits with the council's key objectives and initiated a six-point plan to keep costs down. We received a record number of more than 1600 submissions through our consultation with a wide range of views and ideas put forward from the community.

Successful collaboration

We are grateful to the many groups and organisations that have been key in delivering a number of projects of benefit to the community. These collaborative efforts not only result in enhancing wellbeing but also help to spread the costs and workload.

We also wish to take the opportunity to thank our elected members, staff and contractors for their hard work during the financial year.

We know the year ahead will present challenges and we'll keep the economic circumstances top of mind as we make decisions around delivering the services our community relies on. Although times are tough, Whanganui is a fantastic district with a lot going for it and we are optimistic about the future.



Andrew Tripe
Mayor of Whanganui



David Langford
Chief Executive



Your Mayor and Councillors

Whanganui District Council is a territorial authority (local government) servicing the Whanganui District. Twelve elected members (Councillors) and a Mayor are elected every three years in the local body elections by voters in the Whanganui District. The Deputy Mayor is appointed by the Mayor.



Cr Jenny Duncan, Mayor Andrew Tripe, Cr Peter Oskam, Cr Glenda Brown, Cr Charlotte Melser, Cr Rob Vinsen, Cr Josh Chandulal-Mackay, Cr Michael Law.

For further information

Visit the Democracy page on Council's website <https://www.whanganui.govt.nz/Your-Council/Democracy>

How decisions are made

Council

Chair: Mayor Andrew Tripe

Purpose: To enable democratic and effective decision-making and action by, and on behalf of, communities. Council also has a role to promote community wellbeing for the district and has specific powers.

Risk & Assurance

Independent Chair: Susan Komala

Purpose: To provide advice to Council on the management of Council's risks, assurance framework and external reporting.

Strategy & Policy

Chair: Cr Kate Joblin

Purpose: To set and deliver upon the broad vision and direction of the District.

Operations & Performance

Chair: Cr Jenny Duncan

Purpose: To oversee and monitor Council's operational delivery of services and performance.

Council-controlled organisations (CCOs)

Chair: Cr Josh Chandulal-Mackay

Purpose: Governance oversight and performance of the Council's CCOs.

Aspirations & Projects

Chair: Cr Rob Vinsen

Purpose: To consider and review potential capital projects or programmes of work for the district.

Chief Executive's Performance Review

Chair: Cr Jenny Duncan

Purpose: Conduct the reviews of Council's Chief Executive and make recommendations to Council.

Emergency Committee

Chair: Mayor Tripe

Purpose: To make decisions within Council's authority and under urgency when required.

District Licensing Committee

Commissioner (Chair): Stuart Hylton

Purpose: Administers Council's alcohol licensing obligations and responsibilities as determined by the Sale and Supply of Alcohol Act 2012.

Regulatory Hearings

Chair: Crs Glenda Brown and Charlotte Melser

Purpose: Conduct hearings and make recommendations on Council's regulatory functions under relevant legislation

Community Funding Grants Subcommittee

Chair: Cr Philippa Baker-Hogan

Purpose: Responsible for the allocation of community funding from specific funds of Council.

Reports to the Operations & Performance Committee

Safer Whanganui Advisory Group

Chair: Cr Kate Joblin

Purpose: Advocate for a safer community through the work of seven reference groups.

Reports to the Operations & Performance Committee

Sport & Recreation Advisory Group (Advisory Group disestablished March 2024)

Chair: Cr Philippa Baker-Hogan

Purpose: Advise on matters relating to sport and recreation.

Reports to the Operations & Performance Committee and Community Funding Grants Subcommittee

Town Centre Regeneration Advisory Group

Chair: Deputy Mayor Cr Helen Craig

Purpose: Advise on matters relating to the development of the town centre.

Reports to the Operations & Performance Committee and Community Funding Grants Subcommittee

Sustainability & Waste Advisory Group (Advisory Group disestablished March 2024)

Chair: Cr Rob Vinsen

Purpose: Advise on matters relating to sustainability and waste.

Reports to the Operations & Performance Committee and Community Funding Grants Subcommittee

Iwi Working Parties and Co-Governance Bodies

Tūpoho
Tamaupoko Link
Te Kōpuka
Te Karewao
Ngā Wai Tōtā o Te Waiū

Whanganui Rural Community Board

The Whanganui Rural Community Board represents and advocates for our rural community. The board is a body established by statute and serves as a bridge between the rural community and the council. It carries out functions, and exercises those powers delegated to it by Whanganui District Council.

The board consists of three subdivisions (Kai Iwi, Whanganui and Kaitoke) with its members elected by the eligible voters of the subdivisions of the community. Two councillors are also appointed to the board.

To support information sharing and engagement with the rural community, a board representative is appointed with speaking rights to the Council, the Strategy and Policy Committee, and the Operations and Performance Committee.

Kai Iwi subdivision

- Member Grant Skilton
- Member Michael Dick
- Member Brian Doughty

Whanganui subdivision

- Member David Wells (Chair)
- Member Jenny Tamakehu

Kaitoke subdivision

- Judd Bailey (Deputy Chair)
- Bill Ashworth

Council representatives

- Cr Charlie Anderson
- Cr Peter Oskam

Statement of compliance and responsibility

For the year ended 30 June 2024

Compliance

The council and management of Whanganui District Council confirm that all the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

Responsibility

The council and management accept responsibility for the preparation of the annual financial statements and non-financial information and the judgements used in them.

They also accept responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the council and management, the annual financial statements for the year ended 30 June 2024 fairly reflect the financial position, results of operations and service performance achievements of Whanganui District Council.



Mayor
Andrew Tripe



David Langford
Chief Executive

10 December 2024

What is the Whanganui District Council

The role of council

Whanganui District Council is the local government territorial authority for the Whanganui district. The purpose of the council is to enable democratic local decision-making and action by, and on behalf of, our community; and to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future – as per the Local Government Act 2002.

In the Whanganui district, twelve elected members (councillors) and a mayor are elected every three years by voters in the Whanganui district to represent them. Elected members are known as the “governance” part of the council. They make high-level decisions and provide strategic direction about the way we should operate in the district informed by the views of the community. Council meetings and council committees, enable elected members to receive updates and make decisions in a more targeted format.

The elected members employ a chief executive to run the everyday business of the council. The chief executive employs the council staff who manage the day-to-day running of the organisation and the practical aspects of achieving the elected members’ visions.

The council provides facilities, infrastructure and services for the district, including but not limited to:

- Parks, open spaces, and playgrounds
- Recreational and sporting facilities, and swimming pools
- Libraries
- Housing units for older people
- Roads, footpaths, and water pipes
- Cultural facilities
- Cemeteries and crematoria
- Emergency management and mitigation of natural hazards
- Water services and solid waste disposal
- Resource and building consents
- Property services and rates
- Dog and animal control
- Street cleaning and maintenance.

The council provides a 10-year plan (Long-Term Plan) every three years that outlines the council’s direction and establishes the work we will deliver, as well as setting out how that work will be funded, such as the setting of rates.

The LTP shows the whole picture of how the activities are managed, delivered and funded.

Our Strategy

The Leading Edge Strategy is the council's overarching strategic document. It's an umbrella document which sets the vision for the district and outlines high level objectives supported by a series of actions.

The vision from the Leading Edge Strategy is: *"an energised, united and thriving district offering abundant opportunities for everyone."*

The Leading Edge Strategy is divided into five categories (community outcomes):

1. Community – a deeply united community
2. Connectivity – a connected district
3. Creativity – innovative and creative
4. Environment – safeguarding our place
5. Economy – works for everyone.

Each category provides a strategic intention and goal. These are influenced by our community and guide our activity in that area. The strategy also includes a list of more concrete aims, followed by a set of strategic targets and actions needed to fulfil them.

Our 2021-2031 Long-Term Plan outlines how we are delivering on the five community outcomes for

each activity group: [long-term-plan-2021-2031-amended-volume-2.pdf \(whanganui.govt.nz\)](#)
[Review of the Leading Edge Strategy](#)

This financial year, we started a comprehensive review of the Leading Edge Strategy and are working closely with the community and Whanganui Hapū to develop a new strategy and vision for the next 10 years. This will include an increased focus on the wellbeing of our district and community – the things we can build-on or change to make a positive difference to everyone's experience of living in Whanganui.

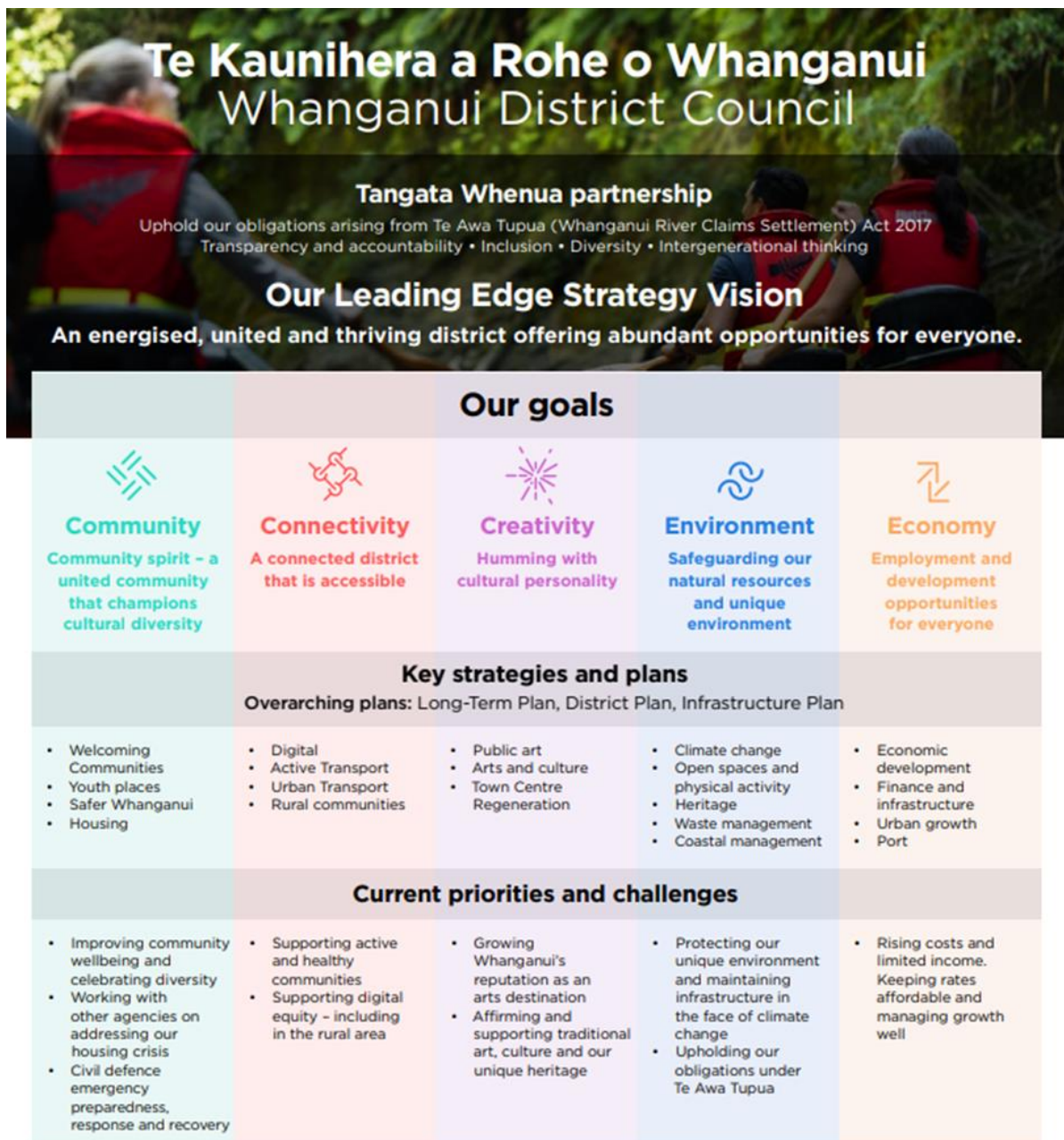
As part of this process we reviewed the Leading Edge Strategy to see what it had achieved and what actions were still outstanding. This document outlines our review: [Leading edge refresh \(whanganui.govt.nz\)](#)

Future focus

Our new vision and strategy is still in development and is scheduled to be adopted in the 2024/25 financial year. More information about this work can be found on our website: [Vision for Whanganui](#)

Our vision

The following diagram outlines the Whanganui District Council’s Leading Edge Strategy vision and goals; supporting plans and strategies to achieve the goals in broad terms over the medium to long term; our current priorities and challenges, and how we will deliver on our work for the community.¹



¹ At the time of writing this report it is expected that the Leading Edge Strategy will be retired in the 2024/25 year.

Our communities' wellbeing

Improving our communities' quality of life is at the core of our organisation's purpose. Whether we are providing platforms for community 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.

Section 3 of the Local Government (Community Well-being) Amendment Act 2019 provides that local authorities should play a broad role in promoting the social, economic, environmental, and cultural well-being of their communities, taking a sustainable development approach.



What does wellbeing mean to our communities?

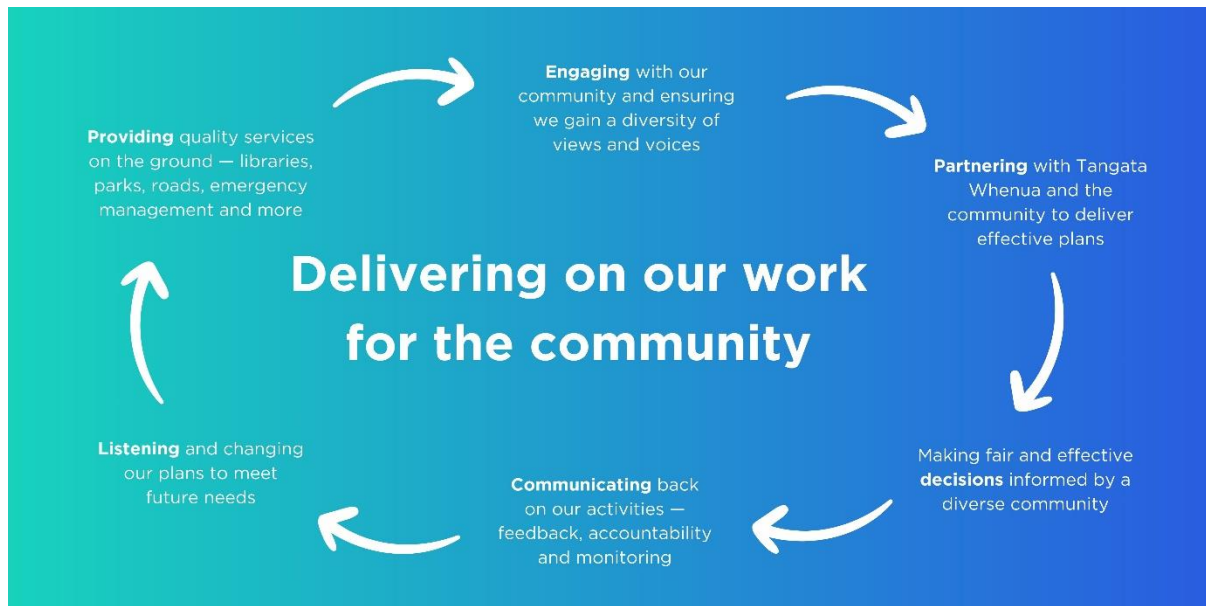
In the 2023/24 year, we worked in collaboration with Hapū from the Whanganui district and the community, met with a range of community leaders and organisations, and conducted a wellbeing survey to better understand what wellbeing means to our communities. The survey attracted 661 responses, predominantly from local residents.

From the survey we heard that:

- **Environmental wellbeing** was ranked as the most important of the four wellbeings for the community and was underscored by the importance of Te Awa Tupua Whanganui, parks, open spaces, fresh air, fresh water and the coast. 82% of respondents said that parks and open spaces have a positive impact on their wellbeing. This reflects a community that values the natural environment and is committed to its stewardship.
- **Social wellbeing** was as an area where respondents felt there were challenges, especially with social cohesion and inequity. This is reflected not just in Whanganui but across the country. The most important elements of peoples' social wellbeing were friendships, whānau, housing, recreation time and the quality of local neighbourhoods.
- **Cultural wellbeing** was tied to health and wellness activities, events, music, arts, heritage and sports, with more than 60% citing events, arts and music as crucial to their wellbeing. This suggests a community that values cultural expression and activities in many different forms. The importance of accessibility and providing opportunities and events for different ages and abilities is also key.
- **Economic wellbeing** was centred on housing, the strength of the local economy, income, and education and training opportunities, with 68% highlighting housing as a major concern. This indicates the need to focus on ensuring that residents have access to affordable housing and a stable but growing local economy supported by high-quality infrastructure.

The full survey results can be viewed on the council's website: www.whanganui.govt.nz/Vision-for-Whanganui

How we deliver for the community



Along with delivering or providing services and facilities, the council may carry out its work through various roles and functions, including:

- partnering and collaborating
- supporting community-led initiatives
- providing support, funding or grants
- advocating for the district
- planning
- protecting
- maintaining and upgrading
- regulating
- investing
- promoting the district.

Council's performance and planning

The council's performance framework is critical to ensure transparency and accountability back to the community on progress against the Long-Term Plan. It also allows council to seek feedback on its services and make changes to its levels of service over time.

The council's performance and planning framework is made up of several parts:

Long-Term Plan (LTP)

The 2021-31 Long-Term Plan (LTP) outlines the services and projects we planned to deliver for the district for that 10-year period and incorporates this 2023/24 reporting period. Volume 2 of our LTP provides a meaningful performance framework for our activities and includes service levels, performance measures and targets for each group of activities. We review the LTP every three years. Our Long-Term Plan was also amended in June 2022 to allow council to introduce a new kerbside recycling service and food waste collection in the future. The amended version can be found at the following link: [Long-Term Plan 2021-2031 \(Amended\) Whanganui District Council](#)

Our most recent Long-Term Plan 2024-34 was adopted by council on 16 July 2024 and will guide future Annual Reports.

Business cases

This financial year (2023/24) we launched a business case approach to project evaluation, which begins with a Point of Entry (PoE) Business Case. This approach provides consistency in how projects are established and ensures all the required information is brought together in a logical way to allow for sound decision-making.

The POE provides a high-level description of the problem or opportunity prior to resources being assigned to a project. All POE business cases were evaluated, scored and ranked in the 2023/24 year

to establish which projects would be included in the 2024-34 LTP. This included a Community Initiatives process which invited community members and groups to submit their proposals for consideration in the LTP.

Annual Plan

To ensure that our commitments are manageable, or that we have the resources to achieve them, our planning cycle also includes our Annual Plan which we produce in years two and three of the Long-Term Plan. The Annual Plan sets out how we will deliver on our LTP, highlights our key issues and projects, and how much these will cost. It also outlines any significant changes that the council has made to the work programme. If required, council will consult with the community on its Annual Plan.

Annual Report

At the end of each financial year we produce an Annual Report which provides details of our activities and financial performance. The Annual Report compares what we achieved against what we planned to do through our LTP. The Annual Report details whether we have achieved the performance measures and targets we set out in our LTP. Our Annual Report is audited by Audit New Zealand.

The planning cycle



Council's performance and planning

Performance framework

In developing any Long-Term Plan (LTP) we are required, through the Local Government Act 2002 (the Act), to include statements of intended levels of services for each group of activities. These help our community to understand what sort of services and levels of service they can expect to receive from Council. The performance measure framework covers Council's objectives, aims, operating intentions, activities and service levels, and performance measures and targets that actual levels of service can be meaningfully assessed against.

We regularly monitor our performance to ensure we know how well we're doing and take corrective action where necessary. More importantly, our performance monitoring and reporting informs the public on Council's use of public resources and regulatory powers, and provides a basis for assessing efficiency and effectiveness.

Council publicly reports on a number of the LTP performance measures through its quarterly non-financial reporting to the Operations and Performance Committee with all performance measures being reported on in the Annual Report under 'Groups of Activities'. The Annual Report is audited annually.

Service performance judgements

When developing the performance measure framework, Council made a number of judgements in the selection of the performance measures and targets to be used to ensure that they would sufficiently measure progress towards delivering outcomes in the LTP and were a fair representation of the services provided across Council. Judgements were also applied to how these would be measured, aggregated and presented in order to find a balance between practicality, feasibility, community feedback, and risk of survey fatigue.

The Department of Internal Affairs (DIA) sets some mandatory KPIs that all councils need to include in their Long-Term Plans with regard to 3 Waters and

Roading activities. The remaining KPIs were set to align with Council Plans, statutory obligations, and our long-term aspirations in our 'Leading Edge' strategy that was our guiding document when the LTP 2021-31 was developed.

Measurability is a critical issue in determining KPIs. Each activity in the LTP was adopted with a number of measures and targets that best reflected how each level of service statement would be attained. There are a mix of quantitative and qualitative measures and qualitative descriptions and measure compliance, resident and user satisfaction, responsiveness, participation, and effectiveness. Data is sourced from resident surveying, external data, internal council records and our Customer Request Management (CRM) system.

To be clear and meaningful in our non-financial performance reporting, the annual report's statement of service performance by activity includes explanatory narrative and/or remedial action for those measures that did not achieve target. Comparative results are provided from the previous year to show trends. This trend data can be useful in informing council's actions and strategic decisions.

Council's Statement of Service Performance for the 2023-2024 reporting year is covered in pages 25 – 115 of the Annual Report and also includes a reconciliation of financial statements to funding impact statements for each group of activities.

During the 2023/24 year we undertook a full review of the performance measures as part of the next Long-Term Plan 2024 - 2034.

Surveys

Feedback from the community is a very important measure of our performance. One way we encourage this is through our annual community views survey. This survey is carried out by Versus research and measures satisfaction with our facilities, services, elected member and staff performance. The survey also looks at general perceptions of the standard of living in our district,

wellbeing and feelings of safety as well as identifying long-term trends for the council's consideration. The final sample size for the 2024 Community Views Survey was 510 and weighted to match the Whanganui district demographic structure. The margin of error for the survey was +/- 4.34%.

Our annual community views survey results are published on our website at:
www.whanganui.govt.nz/research

We conduct other more frequent surveys too, for example, 'intercept' surveys with people who have recently used our services or facilities to see how they rated their experience, or more targeted surveys on a particular community-wide issue. These surveys aim to inform us so that we can make continuous improvements.

Other key judgements and external implications

The adopted performance measures and targets for the term of the long-term plan were based upon on a number of assumptions for each activity. Variations from the forecasted results are sometimes out of Council's control. Examples of this, but are not limited to, include changes in government policy in New Zealand, global and domestic economic conditions, and other unforeseen considerations.

For the performance measure 'the percentage of real water loss from the network reticulation system', the methodology used is referenced on page 28.

For the performance measure 'number of urban floor-levels at risk, during the flood design-event', an explanation of the measure is referenced on page 37.

For the performance measure 'there is adequate capacity to meet 5 years capacity for future burial and cremation needs' (page 86), assessment is based upon adequate space available for burials and cremations as well as forecasting of annual demand but does not take into account plots bought ahead of time or on behalf of other family members.

Statement of compliance

The service performance information in this report is compliant with New Zealand's generally accepted accounting practice (NZ GAAP). Service performance information in the Annual Report 2024 has been informed by, and presented, in accordance with requirements under the Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS) 48.

Building community with Tangata Whenua.

We partner with Tangata Whenua, Hapū and Crown-legislated Iwi to build community and promote wellbeing in a shared partnership approach. This approach is especially important in infrastructure planning, environmental management and community development. The council's policy direction and planning processes support effective engagement with Hapū and Iwi entities, as well as with Marae and Whānau.

Hapū have indicated to the council that they wish to be specifically engaged in relation to activities within their rohe, rather than just through engagement with the Iwi or Rūnanga body at large. This will ensure the voice of Hapū is heard at the decision-making table and the values and effects are considered at the source. Hapū hold their own Mana Motuhake within their rohe and legislated Iwi and Crown entities will not impede or interfere in this Hapū sovereign right.

Partnerships

The formal partnership agreement between the council and Te Rūnanga o Tūpoho is guided by the relationship document Te Whakarauhitanga o te Tangata. At the time of writing, this document is currently under review. The Tamaūpoko Relationship Document Framework guides the formal partnership agreement between the council and Te Rūnanga o Tamaūpoko. This document is due for review in 2025.

The council meets with both Rūnanga throughout the year, with a focus on all levels – political, social, economic, environmental, cultural – for the benefit of the whole district.

Council also has a memorandum of partnership (MOP) with Ngā Paerangi Iwi (NPI). Council has a responsive, issue-focused, working relationship with the collective Hapū of Tamaupoko and Tupoho, claimants, and with post settlement governance entities. At the same time, to maintain consistency to work together, regular meetings are scheduled throughout the year with Iwi, Hapū and statutory Iwi authorities.

Te Awa Tupua Act

Te Awa Tupua o Whanganui is a Tupuna and a vital Taonga to Whanganui, recognised and protected in Te Awa Tupua (Whanganui River Claims Settlement) Act 2017. The enactment of the Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 has provided legislative responsibilities for the council, including an appointment to the strategy group, Te Kōpuka. The council also attends regular hui of the Te Awa Tupua Technical Advisory Group (TAG) that contributes to the provision of support to Te Kōpuka.

There is an ongoing commitment towards an organisational understanding of Te Awa Tupua Act, the intrinsic values Tupua te Kawa, and the relationships being built with Iwi.

Te Tomokanga ki te Matapihi

Of equal significance is the treaty settlement being negotiated between the Whanganui Land Settlement Negotiations Trust (WLSNT) and the Crown. While the council is not directly involved in the negotiation, it has provided council the opportunity to support WLSNT in some of their settlement aspirations as well as continuing to build on our relational trust. Te Tomokanga ki te Matapihi guides our commitment to each other and establishes meaningful ways for Hapū / Iwi to better connect to local decision-making.

Post settlement government entities

The council has endeavoured to strengthen and develop its strategic relationships with Māori through Māori statutory entities including Ngā Tāngata Tiaki o Whanganui, Te Kaahui o Rauru, Te Rūnanga o Ngā Wairiki Ngāti Apa, and Ngāti Rangī.

Relationships and activities

The council engages with Hapū and Iwi across the district. This includes (but is not limited to) the following relationships and activities:

- Partnering with Te Kaahui o Rauru and other Hapū at place as major stakeholders for the existing water supply for Whanganui city.
- A formal relationship with Hapū and Iwi through the Te Matapihi ki Tangaroa Accord with a focus on protecting the marine environment.
- The Rōpū Kaitiaki group that was formed to work on matters of importance to Whanganui Iwi relating to the Sarjeant Gallery Redevelopment. Likewise a Pukenga Toi was appointed to manage and facilitate the Iwi design component with the gallery's new wing, which is named in honour of Sir Te Atawhai Archie John Tairaoa.
- The Port Revitalisation Project – Te Mata Pūau, the face of Hapū leading community engagement alongside Te Pūwaha, Ngā

Tāngata Tiaki and the Whanganui Land Settlement Trust. They are guiding the project partners to a greater understanding of the obligations to Te Awa Tupua and instructing an abundance framework of Mouri Ora Mouri Awa Mouri Tangata.

- The Pākaitore Historic Reserve Board administers Pākaitore (Moutoa Gardens).
- The Council also allocates resources, such as funding, to support key Māori celebrations / commemorations including Pūanga and Whakawhanake (Waitangi Day).

A 'Vision for Whanganui' Rōpū has been established which includes a delegated group of Iwi/Hapū representatives to ensure the voice of Iwi/Hapū is at the decision-making table in forming the replacement to the Leading Edge Strategy.

Incorporated within Council's Naming and Numbering Policy is a Road Naming Panel – the panel's membership includes Iwi/Hapū members, alongside community and developers.

HIGHLIGHTS AND ACHIEVEMENTS

The following pages outline key highlights and achievements for the reporting period 1 July 2023 – 30 June 2024. These activities contribute towards the council achieving its high-level goals and objectives.

Three Waters

Water Quality

Alongside the existing chlorination and robust testing we have in place, we undertook scoping and design work during the year to have ultraviolet (UV) treatment installed by the end of 2025. This work will protect our community and provide extra protection for our drinking water supply against bacteria and viruses.

Stormwater

We completed a project to replace a stormwater outfall from Talbot Street to the Whanganui River in June 2024. The site is awaiting landscaping with the design developed in collaboration with Hāpu and allows for native riparian planting to complement the riverbank environment. The design gave specific consideration to viewing lines for rowing on the Whanganui River as it coincides with the rowing race 1,000 metre milestone.

Wastewater

We continued work on the \$3.8M Nixon Street wastewater renewal project. Stage 1 of the project to renew 549 metres of sewer main from Anzac Parade to Moana Street using micro-tunnelling was 99% complete at the end of the financial year. In November 2023 we commenced Stage 2 of the project involving 326 metres renewal work from Moana Street to Raine Street. This work was 80% complete at the end of the financial year.

Roading

We repaired a drop-out in Somme Parade that had initially occurred during the Cyclone Dovi weather event in 2022 and deteriorated in subsequent weather events. We also stabilised the gas main that supplies a significant number of properties in Aramoho and Whanganui East. The \$6.6M project was completed in July 2024.

In collaboration with Horizons Regional Council, we secured \$1.1M from NZ Transport Agency Waka Kotahi through the Transport Choices programme to improve the local bus network. As well as constructing 15 new bus shelters at key locations across the city, the upgraded bus stops feature bike racks, digital information boards and improved accessibility and lighting.



Parks and Recreation

We supported a community project to upgrade Lorendale Park in Swiss Avenue with a strong focus on accessibility. The upgrade was truly a collaborative project between multiple contributors including Stone Soup Community, the council, Sport Whanganui, Whanganui Community Foundation, Te Ora Hou, Department of Internal Affairs and the Playground Centre.

We also made improvements at Castlecliff Domain's playground including the installation of a new tunnel slide, a shelter, picnic tables that feature wheelchair access and a new drinking fountain.

We completed the new track at the Cooks Gardens velodrome with the replacement wooden track having a 50-year warranty.

We completed a refresh of the Splash Centre in the second half of the financial year with maintenance works and a number of improvements to the pools, sauna, changing areas and the gym.

Community and Cultural

We supported community groups to develop play programmes such as the Play Lab at Hakeke Community Centre and Library and more opportunities were created for families and tamariki at public events such as Artists Open Studios and Streets for People launch. The Play Trailer continues to be a highly utilised resource in our community and was booked on 240 days throughout 2023/24.

Artist in Residence, Vicki Fanning, spent July 2024 working with the local glass community, including younger practitioners who gained invaluable experience and exposure to a professional artist. Her residency exhibition ran from 14 March - 19 May 2024 with NZG receiving approximately 7,000 visitors over this period.

The Castlecliff Library and Hakeke Community Centre and Library celebrated their fifth anniversaries and continue to thrive as essential community-run hubs.

Economic Development

Our UNESCO City of Design tohu was designed in collaboration with Iwi and the wider community. The tohu, launched in May 2024, will become the region's dominant brand for use as a quality mark for Whanganui-made products that meet guidelines and agree to tohu principles.

Whanganui's consumer spend in the twelve months to 30 June 2024 was up 5.1% on the previous year. While it has been a challenging time for businesses, this figure compared favourably to the Manawatu-Whanganui region (2.1%) and New Zealand (2.0%) over the same period.

Our work as the Regional Tourism Organisation saw us attend TRENZ for the first time in May 2024, selling the Whanganui experience to international travel operators at the biggest tourism trade event on New Zealand's calendar.



Community Facilities and Services

We revitalised two blocks of central Guyton Street and improved the public transport hub on St Hill Street under the Streets for People programme. The project was 90% funded by NZ Transport Agency Waka Kotahi and is aimed at trialling streetscape improvements to make them more vibrant and people-friendly.

The council formally took over the operations of the Whanganui Resource Recovery Centre from the centre's trust from June 2024, coinciding with the new kerbside recycling service that launched in the first week of July 2024.

Along with Horizons Regional Council, we delivered information packs to Anzac Parade residents on how they can be informed, prepared and ready to act in the event of a large flood. The information packs were part of the recommended actions in a strategy prepared by Massey University, alongside residents and both councils, to improve community resilience and build awareness in an area that has a history of flooding.

We maintained our 100% legislative compliance for food audits and verifications under the Ministry for Primary Industries' Quality Management System (QMS).

We provided financial assistance to building owners to undertake heritage enhancement work. Twelve successful applicants received funding for heritage enhancement projects.



Transportation

We resurfaced the airport runway as part of its ongoing maintenance. The project, carried out at night between October to December 2023, was undertaken in successive stages to enable approximately 600 tonnes of asphalt to be laid each night over 130 metres of the 1,270m runway without disrupting the Air Chathams passenger flight schedule. With a total of 11,000 tonnes of asphalt laid the new surface will ensure the continued operation of the airport for all users for the next 15 years.

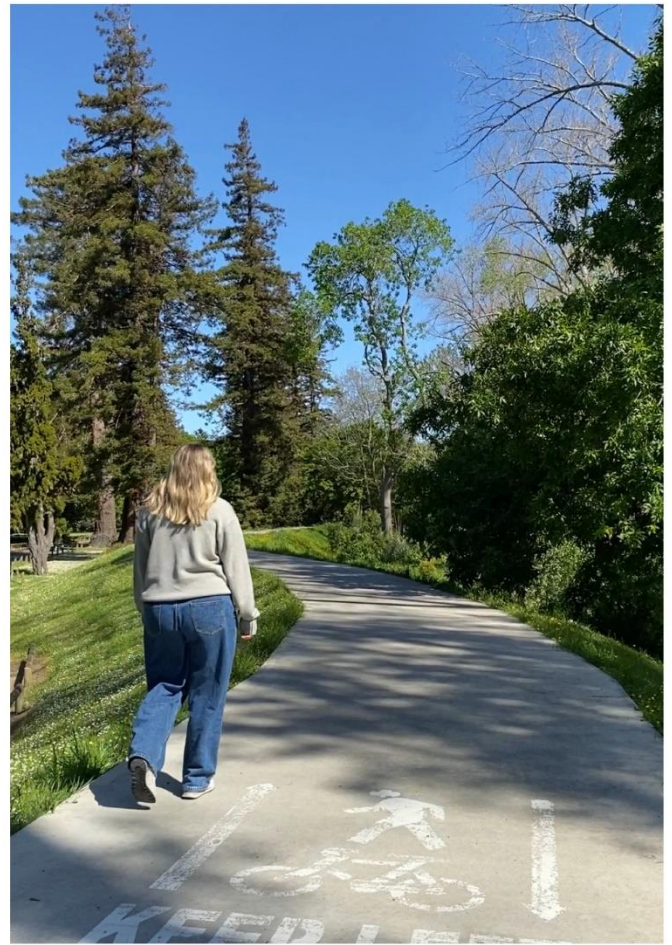
The Te Pūwaha Stage One Whanganui Port civil construction works commenced in September 2023. Stage One involves the construction of a heavy-pavement vessel hardstand and concrete structures out over the water capable of carrying Q-West Boat Builder's 380 tonne-capacity mobile boat hoist. A specialist water treatment plant to service the vessel maintenance heavy pavement is also to be built.

In anticipation of its 105th birthday in August 2024, we collaborated with Whanganui Connection to make improvements to the Durie Hill elevator and entrance. As well as new design throughout the physical spaces of the elevator, there is now new signage and wayfinding, an underground plant wall, innovative projection-based displays and new, wirelessly controlled lighting throughout the length of the tunnel.

Corporate

Our Call Centre team received 46,380 calls over the reporting period including the after-hours service.

A key focus during the year was the preparatory work on the Long-Term Plan (LTP) 2024-2034 and its associated strategies and policies. We received an unprecedented 1608 submissions, an increase of 163% compared to the previous LTP, and heard from 111 submitters who presented in person at the hearings held in May.



Groups of activities

The council’s work is structured around 11 areas (groups of activities) with levels of service statements being set for each activity as outlined in Volume 2 of our Long-Term Plan (LTP) 2021-2031. This annual report highlights our progress towards delivering on our outcomes in each of these areas against Year 3 of the LTP. The groups of activities are:

1. Water supply
2. Stormwater drainage
3. Sewerage and the treatment and disposal of sewage
4. Provision of roads and footpaths
5. Parks and recreation
6. Community and cultural
7. Economic development
8. Community facilities and services
9. Transportation
10. Investments
11. Corporate.

Volume 2 of our Long-Term Plan links each group of activity and performance measure back to the community outcomes and is summarised in the table below. While there has been no specific measurement undertaken during the year of progress towards the achievement of outcomes, we have completed a snapshot report of the outcomes of Leading Edge Strategy which can be found on our website here: [Leading edge refresh \(whanganui.govt.nz\)](https://whanganui.govt.nz)

The Statement of Service Performance is formally presented from pages 25 to 115 of the 2024 annual report.

The larger the tick in the table below, the larger the contribution to the community outcome.

Leading Edge Strategy Community Outcomes	Community 	Connectivity 	Creativity 	Environment 	Economy 
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	✓				

Water supply

What we do

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.

We are responsible for the provision and management of five water supply systems:

- Whanganui urban water supply scheme
- Fordell rural water supply scheme (now partially connected to the city water supply)
- Pākaraka (Maxwell) rural water supply scheme
- Mowhanau rural water scheme
- Westmere rural water supply scheme.

The systems comprise of service lines, pipe networks, pump stations, treatment plants and reservoirs.

What we did in 2023/24

Water upgrades

- We completed the installation of 254 metres of new 180mm polyethylene pipe (PE) watermain along Heads Road from Cavell Place to the Whanganui Hospital entrance.
- We replaced 520 metres of 180mm PE watermain on Eastown Road from Rangitikei Street to Lenihan Street.
- We completed watermain upgrades of 196 metres along Collingwood Street from Rangitikei Street to Tipai Street.
- We completed an upgrade to the trunk water main from Symes Road to State Highway 3 (Stage 1) in May 2024.

3 Waters and Roothing

A joint project contract was awarded to Fulton Hogan in February 2024 to commence enabling works for the Carson Street extension. This work was successfully completed in June 2024 and will facilitate future development in the area.

Hapū Engagement

We remain committed to maintaining strong relationships and collaboration with Hapū, adhering to Te Awa Tupua and Te Tiriti o Waitangi principles. We are working with Iwi / Hapū to develop appropriate ways to build relationships and carry out mahi together. This approach allows us to build trust, meaningful exchange and the partnerships that are essential and core to any Kaupapa within the Te Ao Māori framework.

We have continued throughout 2023/24 to progress the global water take consent with Horizons Regional Council and continue ongoing partnership with Hapū and Iwi, recognising the interconnectedness of the groundwater system and the wider environment.

Emergency works

In April 2024, we made network improvements by eliminating the watermain running from Iwiroa Terrace / Moray Place to Burtts Road. This ran through private property and required the installation of a new main, connecting the existing main in Burtts Road to the Portal / N^o2 Line main. Resident feedback was positive with noted improvements in water pressure and quality.

Water Quality

We took the initiative to put in extra protection for our drinking water supply to protect the community against bacteria and viruses, alongside the existing chlorination and robust testing

regimes that we currently have in place. Accordingly, we undertook scoping and design work during the year in order to have ultraviolet (UV) treatment installed by 31 December 2025.

Kai Iwi Bore 4 had a positive total coliform result in April 2024 which means that it is now a Class 2 bore and requires a protozoa (i.e. UV) barrier. Taumata Arowai were satisfied that UV treatment is planned, but will be monitoring the risk in the interim.

The Pākaraka bore is currently interim Class 1 due to a positive E.coli result in February 2024. We will be required to undertake significantly more sampling for the next 1-2 years, and have no positive results, before the bore can be reclassified as Class 2. UV treatment and minor chlorine system upgrades are planned to reduce risk for this water source.

Projects that were not completed in 2023/24

Symes Road to State Highway 3 watermain upgrade: Initially planned to be undertaken as one project, it was decided to implement this project in stages due to budgetary constraints and coordination requirements with other utilities such as Chorus. Stage one was completed in 2023/24 with stage two scheduled for the 2024/25 financial year.

Somme Parade watermain replacement: Scheduled for the 2023/24 fiscal year, this project was postponed to the 2024/25 year due to budgetary limitations.

Surrey Road watermain replacement stage two: This project was postponed from the 2023/24 year

to the 2024/25 year due to budgetary constraints, groundwater level considerations and resource availability.

Fox Road to Fitzherbert Avenue link road: As part of the Springvale Structure Plan that enables new housing in this area, a project to construct a new link road between Fox Road and Fitzherbert Avenue had been scheduled to start in the 2023/24 fiscal year. Stage one – installation of utilities (stormwater, wastewater and drinking water) has been deferred to 2024/25 and also includes an upgrade to the Fox Road watermain due to housing growth in this area.

Effects on community wellbeing




These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Playing a vital role in ensuring the health and safety of our community, contributing to a productive economy and a healthy environment.

How did we perform?

We measure our effectiveness by monitoring responsiveness for service requests, compliance with New Zealand Drinking Water Quality Assurance Rules and Taumata Arowai standards, flow modelling and ensuring we meet any consent conditions. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Water supply																									
Community Outcomes	Performance Measure	Target	Result																						
Economy, Community	The total number of complaints received about the water (per 1000 connections to the networked reticulation system)	< 90	83.9 																						
	<p><i>Comment: Target was met. There were 1468 complaints (17,501 connections) for the year which equated to 83.9 per 1000 connections. Complaints may include: drinking water clarity, drinking water taste, drinking water odour, drinking water pressure or flow, continuity of supply, or Council's response to any of these issues. This is a Department of Internal Affairs (DIA) mandatory measure. (Source: Council CRM) A breakdown of the complaints over the reporting year are as follows:</i></p>																								
	<table border="1"> <tr> <td>Clarity</td> <td>209</td> </tr> <tr> <td>Gritty</td> <td>15</td> </tr> <tr> <td>High or low water pressure</td> <td>36</td> </tr> <tr> <td>No water supply</td> <td>156</td> </tr> <tr> <td>Taste</td> <td>8</td> </tr> <tr> <td>Toby general</td> <td>17</td> </tr> <tr> <td>Toby damage</td> <td>203</td> </tr> <tr> <td>Toby leak</td> <td>262</td> </tr> <tr> <td>Water leaks</td> <td>556</td> </tr> <tr> <td>Water quality general</td> <td>6</td> </tr> <tr> <td>Total complaints 23/24</td> <td>1468</td> </tr> </table>			Clarity	209	Gritty	15	High or low water pressure	36	No water supply	156	Taste	8	Toby general	17	Toby damage	203	Toby leak	262	Water leaks	556	Water quality general	6	Total complaints 23/24	1468
	Clarity	209																							
	Gritty	15																							
	High or low water pressure	36																							
	No water supply	156																							
	Taste	8																							
	Toby general	17																							
	Toby damage	203																							
Toby leak	262																								
Water leaks	556																								
Water quality general	6																								
Total complaints 23/24	1468																								
<p><i>2022/23: Target was met (Target: <100, Result: 55.1)</i></p>																									
Economy, Community	The percentage of time Horizons Regional Council consent conditions are complied with (or mitigation undertaken if issues occur)	100 %	100 % 																						
	<p><i>Comment: Target was met. Work has continued towards implementing a global consent for all water-take and discharge consents from Horizons Regional Council which will promote efficiency in consenting and monitoring procedures. Consent conditions have been met for all those supplied during the application for a global consent. (Source: Council infrastructure team)</i></p> <p><i>2022/23: Target was met (Target: 100%, Result: 100%)</i></p>																								
Economy, Community	The percentage of hydrants tested by Fire and Emergency New Zealand that comply with the New Zealand Fire Service's code of practice for water supply and pressure	> 95 %	100 % 																						
	<p><i>Comment: Target was met. The testing, flushing of mains and the inspection of 143 hydrants was undertaken throughout the city by contractors and Fire and Emergency New Zealand (FENZ). The inspected hydrants complied with the NZFS code of practice for water supply and pressure, with any defects reported back to be remedied. Specific checks on hydrants are completed by FENZ during an emergency with additional checks carried out by the maintenance contractor as part of operational duties. A full annual distribution flushing and hydrant maintenance programme has been scheduled for the upcoming year. (Source: Council infrastructure team)</i></p> <p><i>2022/23: Target was met (Target >95%, Result: 100%)</i></p>																								

Economy, Community	Median response time for attending urgent call-outs (measured from the time that notification is received to the time that the service personnel reach the site)	< 1 hrs	1.786 hrs	X
	<p><i>Comment: Target was not met. The median response time for attending urgent call-outs (water supply) was 1 hour and 47 minutes. 46% of urgent requests were responded to within an hour. Work has been undertaken to improve the accuracy of reporting times however where no response time has been entered, the resolution time has been used. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i></p> <p><i>2022/23: Target was met (Target <1 hr, Result: 0.977 hrs)</i></p>			
Economy, Community	Median response time for resolution of urgent call outs (measured from the time that notification is received to the time that the service personnel confirm resolution of the fault or interruption)	< 22 hrs	21.676 hrs	✓
	<p><i>Comment: Target was met. The median response time for resolving urgent call-outs was 21 hours and 40 minutes. 50% of urgent requests were resolved within the target of 22 hours. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i></p> <p><i>2022/23: Target was met (Target: <22hrs, Result: 19.893hrs)</i></p>			
Economy, Community	Median response time for attending non-urgent call-outs (measured from the time that notification is received to the time that the service personnel reach the site)	< 24 hrs	145.252 hrs	X
	<p><i>Comment: Target was not met. The median response time for attending non-urgent call-outs was 145 hours 15 minutes. Priority is given to addressing urgent call-outs promptly and effectively. When urgent calls exceed expectations, it can strain the available resources and impact the ability to respond to non-urgent requests as quickly as desired. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i></p> <p><i>2022/23: Target was not met (Target <24hrs, Result: 200.52 hrs)</i></p>			
Economy, Community	Median response time for resolution of non-urgent call-outs (measured from the time that notification is received to the time that the service personnel confirm resolution of the fault or interruption)	< 4 Days	8 Days	X
	<p><i>Comment: Target not met. The median response time for resolving non-urgent call outs was 8 (business) days. Median response times have increased due to a significant rise in complaints this year. This rise, coupled with increased customer communication and the prioritisation of high-priority work over non-urgent tasks has further impacted response times. Continued efforts are underway to analyse incoming complaints and leverage CRM data to improve network understanding and operational reporting which will inform strategies to reduce response times. Work is also being undertaken on improvements to proactive communications to the public when the water distribution network is interrupted or for planned maintenance. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i></p> <p><i>2022/23: Target was not met (Target: < 4 days, Result: 12.72 days)</i></p>			
Economy, Community	The percentage of real water loss from the network reticulation system	< 40 %	25 %	✓
	<p><i>Comment: Target was met. In the absence of water meters in the reticulation system, the result is calculated by comparing minimum night flows to the average water consumption in combination with the water model. This is a Department of Internal Affairs mandatory measure. (Source: Council infrastructure team)</i></p> <p><i>2022/23: Target was met (Target: <40%, Result: 30.5%)</i></p>			
Economy, Community	The average amount of water consumed per resident per day	< 350 L	286 L	✓
	<p><i>Comment: Target was met. This is calculated through the total consumption from the reservoir, excluding industrial consumption, divided by 365 days, divided by the total population. This is a Department of Affairs mandatory measure. (Source: Council infrastructure team)</i></p> <p><i>2022/23: Target was met (Target: <350L, Result: 294L)</i></p>			

Economy, Community	<p>The extent to which the water supply will comply with part 4 of the New Zealand drinking water standards (bacteria compliance criteria)</p>	100 %	Not Met X
	<p><i>Comment: Target was not met. This measure was set before the introduction of new drinking water quality assurance rules (DWQAR) in January 2023 by the water regulator Taumata Arowai. These requirements measure compliance against the following criteria: bacterial, protozoal, chemicals and cyanotoxin for treatment plants and microbiological, disinfection (residual and by-products) and plumbosolvent metal rules for distribution networks. Compliance is monitored and reported through on-line monitoring along with a sampling regime, with minimum samples specified for Mowhanau, Westmere/Brunswick, City, Airport, Whanganui East, Aramoho, Fordell, Pākaraka, Rangitatau East Rd and Trunk-mains. We adhered to the minimum sampling requirements and in some zones, exceeded the sampling requirements. Each individual treatment plant was evaluated based on the DWQAR to give a weighted score.</i></p> <p><i>The safety of our water has not changed. During the period there were no exceedances of the maximum acceptable values as set in the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 in our treated water. The annual weighted score of 94.68 is reflective of the higher standard of treatment and monitoring that is now required to meet the DWQAR. Work is underway to install ultraviolet treatment on all water supply sources to provide an operational protozoa barrier. Together with the existing chlorination systems, these solutions will mean water will be fully compliant with the DWQAR bacterial and protozoa treatment rules as it leaves each plant. Compliance results have been independently reviewed by Wai Comply who have not made any additional recommendations. This is a Department of Affairs mandatory measure. (Source: Council infrastructure team)</i></p> <p><i>Reporting period 1 July 2022 - 31 December 2022: Target was met for compliance with part 4 of the New Zealand drinking water standards (bacterial compliance criteria (Target: 100% compliance, Result: 100% compliance)</i></p> <p><i>Reporting period 1 January 2023 - 30 June 2023: Target was not met for compliance with the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and Drinking Water Quality Assurance Rules 2022 - bacterial water quality (Target: 100% compliance, Result: Not met)</i></p>		
Economy, Community	<p>The extent to which the water supply will comply with part 5 of the New Zealand drinking-water standards (protozoal compliance criteria)</p>	100 %	Not Met X
	<p><i>Comment: Target was not met. This measure was set before the introduction of new drinking water quality assurance rules (DWQAR) in January 2023 by the water regulator Taumata Arowai. These requirements measure compliance against the following criteria: bacterial, protozoal, chemicals and cyanotoxin for treatment plants and microbiological, disinfection (residual and by-products) and plumbosolvent metal rules for distribution networks. Compliance is monitored and reported through on-line monitoring along with a sampling regime, with minimum samples specified for Westmere, Kai iwi/Mowhanau, Aramoho, Fordell and Pākaraka. We adhered to the minimum sampling requirements and in some zones, exceeded the sampling requirements. Each individual treatment plant was evaluated based on the DWQAR to give a weighted score.</i></p> <p><i>The safety of our water has not changed. During the period there were no exceedances of the maximum acceptable values as set in the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 in our treated water. The annual weighted score of 75.6 is reflective of the higher standard of treatment and monitoring that is now required to meet the DWQAR. Work is underway to install ultraviolet treatment on all water supply sources to provide an operational protozoa barrier. Together with the existing chlorination systems, these solutions will mean water will be fully compliant with the DWQAR bacterial and protozoa treatment rules as it leaves each plant. Compliance results have been independently reviewed by Wai Comply who have not made any additional recommendations. This is a Department of Affairs mandatory measure. (Source: Council infrastructure team)</i></p> <p><i>Reporting period 1 July 2022 - 31 December 2022: Target was met for compliance with part 5 of the New Zealand drinking water standards (protozoal compliance criteria (Target: 100% compliance, Result: 100% compliance)</i></p> <p><i>Reporting period 1 January 2023 - 30 June 2023: Target was met for compliance with the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and Drinking Water Quality Assurance Rules 2022 - protozoal water quality (Target: 100% compliance, Result: Met)</i></p>		

Water supply group

Capital expenditure

The following table shows the expenditure on capital work for the water supply group. Significant variations to the Annual Plan are discussed below where necessary.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to meet additional demand :					
Water Supply					
150mm Reticulation with Rider main Parrallel Rd o Fox-Fitz	150	105	255	-	-
Mannington Rd pump station upgrade	80	-	80	49	-
	230	105	335	49	-
Capital expenditure to improve the level of service :					
Water Supply					
Fordell Connections	5	-	5	4	-
Maxwell rural scheme - Infrastructure additions	1	-	1	1	-
Communications Scada	2	-	2	-	-
Westmere Connections	3	-	3	16	-
Comms and Scada upgrades	3	-	3	-	-
Mains Additions	25	-	25	46	-
Meters & backflows	100	-	100	42	-
Connections	100	-	100	67	-
Zone 'Remote metering	50	-	50	20	-
Westmere reservoirs	20	-	20	15	-
Flow meters ABB/Promag	20	-	20	-	-
Valves and Meters	19	-	19	1	-
Westmere reservoirs easements	5	-	5	34	-
Kai Iwi bore, pumps and pipework	-	-	-	28	-
Sundry Projects	-	-	-	6	-
	352	-	352	279	-

Capital expenditure to replace existing assets :

Water Supply

Roading coordinated projects	18	-	18	20	-
Fordell rural scheme - Infrastructure replacement	5	-	5	9	-
Fordell Meters & backflows	4	-	4	-	-
Electrical upgrade Communications	6	-	6	34	-
Timber tank replacement and repairs	150	-	150	-	-
Westmere Mains	10	-	10	62	-
Pressure pump renewals	20	-	20	3	-
Upgrade 50mm to 100mm mains	20	-	20	39	-
Mains investigation	5	-	5	3	-
Valves & hydrants	150	-	150	75	-
Mains Renewal	55	-	55	179	-
Meters & backflows	55	-	55	-	-
Valves & hydrants renewals	55	-	55	-	-
Connections	200	-	200	299	-
City Water Pump Stations	10	-	10	5	-
Urban Roding coordinated projects	200	-	200	237	-
Spiral Weilded Replacement	195	-	195	92	-
Kai-iwi Bore No 1 - Bore Development	25	-	25	8	-
Kai iwi Bridge x 2 strengthening	50	-	50	1	-
Realignment Castlecliff main Reservoir to Erin Rd	130	-	130	24	-
State Highway 3 renewals	-	-	-	74	-
Sundry Projects	-	-	-	7	-
	1,363	-	1,363	1,171	-
Total Capital Expenditure for the Group	1,945	105	2,050	1,499	-

Work was planned to maintain the service capacity of council facilities and to deal with expected demands on the service.

Water supply

Growth projects have been deferred to coincide with other infrastructure growth work in the Fitzherbert Avenue development. This has been rebudgeted in the LTP 2024-34.

The total capital acquisitions spend was slightly lower than budget, with lower meters, backflow prevention and flow meters than planned. Partially offset by unplanned work on Kai Iwi bore and at Westmere reservoir. The total capital replacements spend was slightly lower than budget, driven by deferral of timber tank replacement. This is partially offset by higher connections and unplanned work on SH3 renewals.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	795,193	503,659
Borrowings raised	0	247,257
Borrowings repaid	(483,940)	0
Interest paid	45,162	44,277
Carried forward	<u>356,415</u>	<u>795,193</u>

Water supply group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	7,183	7,310	7,046	6,839
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	110	151	82	66
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	1
Total operating funding (A)	7,294	7,461	7,128	6,906
Application of operating funding				
Payments to staff and suppliers	3,715	3,839	4,263	5,326
Finance costs	381	386	587	768
Internal charges and overheads applied	717	724	921	966
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	4,813	4,950	5,771	7,060
Surplus (deficit) of operating funding (A - B)	2,480	2,511	1,357	(154)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	33	32	33	-
Increase (decrease) in debt	37	(12)	528	1,653
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	27	27	27	-
Total sources of capital funding (C)	97	47	588	1,653
Application of capital funding				
Capital expenditure				
-to meet additional demand	108	195	230	49
-to improve the level of service	443	411	351	279
-to replace existing assets	2,026	1,952	1,363	1,171
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	2,577	2,558	1,945	1,499
Surplus (deficit) of capital funding (C - D)	(2,480)	(2,511)	(1,357)	154
Funding balance ((A - B) + (C - D))	-	-	-	-

Stormwater drainage

What we do

The stormwater system is the piped network which services the Whanganui urban area. The stormwater activity operates in conjunction with the waterways and natural drainage activity which is responsible for the non-piped stormwater assets such as open drains, streams, attenuation areas and storm flow paths. Together these activities form the council's urban stormwater drainage system.

Stormwater

Stormwater collection and its disposal are necessary within urban areas in order to protect people, their land, and their property from wet weather inundation, land instability and public health issues. The system also assists to provide access and safe navigation to properties and across the city during periods of wet weather and reduces maintenance on the roading network.

Waterways and natural drainage

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. Natural water systems must be managed to meet environmental and amenity standards for the district's wellbeing.

What we did in 2023/24

Stormwater upgrades

Our \$1.4M stormwater upgrade of Raupo Street to Puriri Street saw 108 metres of pipe installed in Raupo Street from Hinau to Matipo Street. An additional 583 metres was laid from Matipo Street up to Kowhai Street and along Raupo Street. This work was 95% completed by the end of the financial year.

We also completed an upgrade project in Sandcroft Drive that included the installation of check valves, air emittance valves, control valves, along with a siphon charging point and manholes.

Talbot Street Stormwater Outfalls

A project to replace a 600mm and a 450mm stormwater outfall from Talbot Street to the Whanganui River was completed in June 2024. The site is awaiting landscaping with the design developed in collaboration with Hāpu and allows for a native riparian planting pallet to complement the riverbank environment. The design gave specific consideration to viewing lines for rowing on the Whanganui River as it coincides with the rowing race 1000 metre milestone.

3 Waters and Roothing

A joint project contract was awarded to Fulton Hogan in February 2024 to commence enabling works for the Carson Street extension. This work was successfully completed in June 2024 to facilitate future development in the area.

Stormwater drainage

Work commenced on a \$2.5M drainage project to upgrade Smithfield Road from N^o 23 Smithfield Road up Moore Avenue to London Street and up to Konini Street. This involved upgrading the existing 475 metres of stormwater pipe to 900mm and 200 metres of sewer main to 225mm. The project is 75% completed with the remainder on hold until the new financial year.

Community and Iwi/Hapū engagement

We have been focusing on community engagement to ensure good outcomes in relation to our waterways with a number of smaller catchment groups starting to emerge such as Kokohuia/Titoki, Putiki/Durie Hill, Turoa Road and Aramoho.

We remain committed to maintaining strong relationships and collaboration with Hapū, adhering to Te Awa Tupua and Te Tiriti o Waitangi principles.

Wetland projects

The formation of the Mokoia Catchment Roopu (MCR) in late 2023 presented an opportunity to lead the way globally with a Hapū-led approach in wetland development. MCR will be guided by Hapū and the community they represent, with involvement from council and other Hapū and community stakeholders, in accordance with Te Awa Tupua Settlement Act 2017. This is to support the development of the Kokohuia and Titoki wetlands in Castlecliff.

As well as positive ecological, recreational and cultural outcomes, the wetland developments will help to reduce flooding in the Heads Road area and provide robust treatment of stormwater run-off before it discharges into the tidal reaches of the Whanganui River. This project is contained in a programme of works in the council's long-term plan 2024-34.

Waterways and natural drainage

Stream restoration and riparian planting projects were delivered in partnership with Hapū, community groups, Horizons Regional Council and the Department of Conservation. This work included fish passage surveys and whitebait spawning.

Projects that were not completed in 2023/24

Fox Road to Fitzherbert Avenue link road: As part of the Springvale Structure Plan that enables new housing in this area, a project to construct a new link road between Fox Road and Fitzherbert Avenue had been scheduled to start in the 2023/24 fiscal year. Stage one – installation of utilities (stormwater, wastewater and drinking water) has been deferred to 2024/25.

Emerson Street stormwater upgrade: A new stormwater main and outfall structure will be installed on Emerson Street, extending from Brunswick Road to Kaikokopu Stream and will be undertaken in two stages. Stage 1 includes the construction of the outfall structure and new stormwater pipe from the outfall structure to the kerb at N^o 7 Emerson Street and is planned for the 2024/25 fiscal year. Stage 2 will commence within the upcoming 3-year block of work. The new stormwater pipe aims to mitigate the flooding

issues on Emerson Street and downstream of Brunswick Road.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:












The protection of people, land and property from adverse effects of ponding and flooding without compromising the environment.


The active and responsive management of our waterways and natural drainage activity to provide effective warnings and/or protect people and property from flood waters.

How did we perform?

We measure our effectiveness by monitoring the instances of flooding, response times for service repairs and by ensuring we meet any consent conditions. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Stormwater			
Community Outcomes	Performance Measure	Target	Result
Environment	The median response time to attend a flooding event (measured from the time notification is received to the time the service personnel reach the site)	< 4 hrs	0 hrs 
	<i>Comment: Target was met. There were no flooding events recorded in the reporting period. A flooding event is an overflow of stormwater from council's stormwater system that enters a habitable floor. A habitable floor refers to a floor of a building (including a basement) but does not include structures such as standalone garden sheds or garages. This is a Department of Internal Affairs mandatory measure. (Source: Council infrastructure team) 2022/23: Target was met (Target <4 hrs, Result: 0 hrs - there were no flooding events recorded)</i>		
Environment	Number of flooding events	< 5	0 
	<i>Comment: Target was met. There were no flooding events recorded in the reporting period. A flooding event is an overflow of stormwater from council's stormwater system that enters a habitable floor. A habitable floor refers to a floor of a building (including a basement) but does not include structures such as standalone garden sheds or garages. This is a Department of Internal Affairs mandatory measure. (Source: Council infrastructure team) 2022/23: Target was met (Target <5, Result: 0)</i>		
Environment	The number of complaints received about the performance of the stormwater system (expressed per 1000 properties connected to the stormwater system)	< 5.5	3.3 
	<i>Comment: Target was met. There were a total of 58 complaints (17,508 connections) received during the year. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: <5.5, Result: 2.5)</i>		
Environment	For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the stormwater system)	< 0.5	0 
	<i>Comment: Target was met. No flooding events have occurred within the reporting period. A flooding event is an overflow of stormwater from council's stormwater system that enters a habitable floor. A habitable floor refers to a floor of a building (including a basement) but does not include structures such as standalone garden sheds or garages. This is a Department of Internal Affairs mandatory measure. (Source: Council infrastructure team) 2022/23: Target was met (Target: <0.5, Result: 0 - no flooding events occurred)</i>		
Environment	Compliance with all resource consents for discharge from the stormwater system, measured by the number of a) abatement notices received by Council in relation to those resource consents	0	0 
	<i>Comment: Target was met. No abatement notices were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		

Stormwater			
Community Outcomes	Performance Measure	Target	Result
Environment	Compliance with all resource consents for discharge from the stormwater system, measured by the number of b) infringement notices received by Council in relation to those resource consents	0	0 
	<i>Comment: Target was met. No infringement notices were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		
Environment	Compliance with all resource consents for discharge from the stormwater system, measured by the number of c) enforcement orders received by Council in relation to those resource consents	0	0 
	<i>Comment: Target was met. No enforcement orders were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		
Environment	Compliance with all resource consents for discharge from the stormwater system, measured by the number of d) convictions received by Council in relation to those resource consents	0	0 
	<i>Comment: Target was met. No convictions were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		
Environment	Number of urban floor-levels at risk, during the flood design-event	< 2040	1675 
	<i>Comment: Target was met. Stormwater network upgrades have been implemented as projected by the Long-term Plan. As defined by the Horizons One Plan, the Building Act and Council's District Plan rules, a flood design-event is a prediction of the future risk of extreme floods. For our district this is based upon an annual exceedance probability (AEP) of a 0.5% rain event, inclusive of an allowance towards the projected long-term climate change. For clarity, a 0.5% EAP means there is a 0.5% (i.e. 1 in 200) chance in any given year of an extreme flood event occurring. This measure provides a quantitative assessment of the potential impact of flooding in an unusually large rain event of urban buildings, enabling better planning and mitigation strategies for continuous improvement. (Source: Whanganui District Council Infrastructure-modelled upgrades) 2022/23: Target was met (Target: <2120, Result: 1697)</i>		

Waterways and natural drainage			
Community Outcomes	Performance Measure	Target	Result
Environment	Compliance with the Whanganui River Flood Action Plan	100 %	100 % 
	<i>Comment: Target was met. The Whanganui River Flood action plan was not activated within the reporting period. (Source: Council CRM) 2022/23: Target was met (Target: 100%, Result: 100%)</i>		

Stormwater group

Capital expenditure

The following table shows the expenditure on capital works for the stormwater group.

Work was planned to maintain the service capacity of council facilities and to deal with the expected demands on the service.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to meet additional demand :					
Stormwater					
Land Acquisition	200	-	200	41	-
Swale Construction	150	-	150	5	-
Wetland Expansion	200	-	200	16	-
Fox to Fitzherbert extension	-	998	998	978	-
Attenuation and retention	-	450	450	25	-
Integrated catchment management infrastructure	-	-	-	2	-
	550	1,448	1,998	1,068	-
Capital expenditure to improve the level of service :					
Stormwater					
Stormwater Attenuation	518	752	1,270	1,913	-
Connections	2	-	2	-	-
Integrated catchment management infrastructure	150	127	277	84	-
City Wide stormwater hotspots	100	-	100	429	-
Separation Completion	500	445	945	1,159	-
Inflow & Infiltration Investigations	100	100	200	122	-
Watercourse enhancements	50	-	50	-	-
Watercourse Condition Assessment	10	-	10	16	-
Easements	-	-	-	4	-
	1,430	1,424	2,854	3,728	-
Capital expenditure to replace existing assets :					
Stormwater					
Replace inlet structures	10	-	10	-	-
Reactive replacement - non-critical assets	50	-	50	-	-
Network Replacements	-	362	362	130	-
Integrated catchment management infrastructure	-	-	-	16	-
	60	362	422	146	-
Total Capital Expenditure for the Group	2,040	3,234	5,274	4,942	-

Stormwater, waterways and natural drainage

The capital growth and acquisition programmes made good progress, with total expenditure marginally lower than budget. The main projects are the Fox to Fitzherbert extension, attenuation, separation completion and addressing stormwater hotspots. Work is expected to continue in 2024/25 on growth projects.

The capital replacements were significantly lower than budget, with the focus on the growth and development projects. The main item is lower network replacements.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	1,768,641	1,353,162
Borrowings raised	0	317,000
Borrowings repaid	(1,046,014)	0
Interest paid	104,852	98,479
Carried forward	<u>827,479</u>	<u>1,768,641</u>

Stormwater drainage group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	441	450	330	329
Targeted rates	5,771	5,914	5,159	5,158
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	1
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	12	29	-	-
Total operating funding (A)	6,224	6,394	5,490	5,488
Application of operating funding				
Payments to staff and suppliers	1,658	1,716	1,625	3,165
Finance costs	1,059	1,067	1,495	1,713
Internal charges and overheads applied	367	370	400	419
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	3,084	3,154	3,520	5,297
Surplus (deficit) of operating funding (A - B)	3,140	3,240	1,970	191
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	400	527	527	-
Increase (decrease) in debt	442	(757)	(459)	4,751
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	2	2	2	-
Total sources of capital funding (C)	844	(228)	70	4,751
Application of capital funding				
Capital expenditure				
-to meet additional demand	2,109	1,064	550	1,068
-to improve the level of service	1,453	1,489	1,430	3,728
-to replace existing assets	422	459	60	146
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	3,984	3,012	2,040	4,942
Surplus (deficit) of capital funding (C - D)	(3,140)	(3,240)	(1,970)	(191)
Funding balance ((A - B) + (C - D))	-	-	-	-

Sewerage and the treatment and disposal of sewage

What we do

We provide and manage two wastewater systems that comprise of service lines, pipe networks, pump stations, treatment plants and outfalls.

The urban service transfers domestic and trade wastewater through its network of wastewater pipes and pumping stations before being treated to public health and environmental standards and then discharged to sea through the ocean outfall.

A separate scheme serves the Mowhanau community where wastewater is collected and treated using a sand filtration system before being discharged to land.

What we did in 2023/24

Wastewater renewals

Work continued on the \$3.8M Nixon Street wastewater renewal project. Stage 1 of the project to renew 549 metres of sewer main from Anzac Parade to Moana Street using micro-tunnelling was 99% completed as at the end of the financial year. In November 2023 we commenced Stage 2 of the project involving 326 metres renewal work from Moana Street to Raine Street. This work was 80% completed as at the end of the financial year.

A contract for the Eastown Road wastewater renewal was awarded to Downers NZ Ltd with work commencing in May 2024 and completed by financial year-end.

Also commencing in May 2024, and 75% completed at financial year-end, was the upgrade of an existing 250 metres of wastewater main on Karamu Street from Attrill Place to Totara Street with depths between two and five metres.

Wastewater Treatment Plant

We replaced the biological-filter media. This filtration material helps to increase the surface area for biological processes and enhances the efficiency of the water treatment process. Maintenance on the dryer was carried out in early 2024 to make it fully operational.

Pump Stations

The power generator feed to the Beach Road pump station failed in early 2024 requiring the plant to run on a generator for three days. We successfully rebuilt one of the screens at the plant with the other screen being scheduled for similar maintenance to ensure the continued functionality of the plant.

3 Waters and Rooding

A joint project contract was awarded to Fulton Hogan in February 2024 to commence enabling works for the Carson Street extension. This work was successfully completed in June 2024 and will facilitate future development in this area.

Hapū Engagement

We remain committed to maintaining strong relationships and collaboration with Hapū, adhering to Te Awa Tupua and Te Tiriti o Waitangi principles.

Discharge consent

The team made good progress and meaningful engagement with Hapū/Iwi towards a collaborative approach on assessing options for the renewal of our discharge consent to sea which expires in mid-2026.

Discharges during the 2023/24 reporting period were compliant with consent limits.

Projects that were not completed in 2023/24

Fox Road to Fitzherbert Avenue link road: As part of the Springvale Structure Plan that enables new housing in this area, a project to construct a new link road between Fox Road and Fitzherbert Avenue had been scheduled to start in the 2023/24 fiscal year. Stage one – installation of utilities (stormwater, wastewater and drinking water) has been deferred to 2024/25.

Effects on community wellbeing








These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Maintaining public health and safety as well as protecting the environment with clean waterways. We contribute to community (and ultimately environmental) wellbeing through our wastewater treatment plant's disinfectant and discharge process.

How did we perform?

We measure our effectiveness by monitoring the response times for service requests, the impact of the wastewater system on the environment, and ensuring we meet any consent conditions. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Wastewater			
Community Outcomes	Performance Measure	Target	Result
Environment	The number of dry weather sewerage overflows from the system (expressed per 1000 sewerage connections)	< 3	0.99 
	<i>Comment: Target was met. There were 16 dry weather overflows (16,069 connections) reported in the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target <4, Result: 1.07)</i>		
Environment	Median response time for attending sewerage overflows resulting from blockages or other faults (measured from the time that notification is received to the time that the service personnel reach the site)	< 6 hrs	4.2 hrs 
	<i>Comment: Target was met. The median response time for attending sewerage overflows resulting from blockages or other faults was 4 hours and 12 minutes. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: <6 hrs, Result: 1.13 hrs)</i>		
Environment	Median response time for resolution of blockages or other faults (measured from the time that notification is received to the time that the service personnel confirm resolution of the blockage or fault)	< 5 Days	2.73 Days 
	<i>Comment: Target was met. The median resolution time for sewerage overflows resulting from blockages or other faults was 2 days 17 hours and 31 minutes. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: <5 days, Result: 0.97 days)</i>		
Environment	Compliance with all resource consents for discharge from the wastewater system, measured by a) abatement notices in relation to the resource consents	0	0 
	<i>Comment: Target was met. No abatement notices were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		
Environment	Compliance with all resource consents for discharge from the wastewater system, measured by b) infringement notices in relation to the resource consents	0	0 
	<i>Comment: Target was met. No infringement notices were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		
Environment	Compliance with all resource consents for discharge from the wastewater system, measured by c) enforcement orders in relation to the resource consents	0	0 
	<i>Comment: Target was met. No enforcement orders were received during the period. This is a mandatory Department of Internal Affairs measure. (Source: Council CRM) 2022/23: Target was met (Target: 0, Result: 0)</i>		
Environment	Compliance with all resource consents for discharge from the wastewater system, measured by d) convictions in relation to the resource consents	0	0 

Wastewater												
Community Outcomes	Performance Measure	Target	Result									
	<p><i>Comment: Target was met. No convictions were received during the period. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i> 2022/23: Target was met (Target: 0, Result: 0)</p>											
Environment	<p>The total number of complaints received (expressed per 1000 connections), complaints may include sewage odour; sewerage system faults; sewerage system blockages; and Council's response to any of these issues</p>	< 5	11 X									
	<p><i>Comment: Target was not met. There were 188 complaints (16,069 rateable connections) received during the reporting year which equates to 11 per 1000 connections. While the annual target for customer complaints related to the sewerage system was not met, it is encouraging to note an improvement compared to the previous year. Ongoing analysis of complaint data, coupled with additional analysis of results will be essential to further reduce complaint numbers and enhance overall customer satisfaction. This is a Department of Internal Affairs mandatory measure. A breakdown of the complaints over the reporting year are as follows (Source: Council CRM):</i></p> <table border="1"> <tbody> <tr> <td><i>Blockage sewer</i></td> <td><i>138</i></td> </tr> <tr> <td><i>Odour</i></td> <td><i>15</i></td> </tr> <tr> <td><i>Overflow</i></td> <td><i>34</i></td> </tr> <tr> <td><i>Blowback</i></td> <td><i>1</i></td> </tr> <tr> <td><i>Total complaints 23/24</i></td> <td><i>188</i></td> </tr> </tbody> </table> <p>2022/23: Target was not met (Target: < 5, Result: 12.01)</p>			<i>Blockage sewer</i>	<i>138</i>	<i>Odour</i>	<i>15</i>	<i>Overflow</i>	<i>34</i>	<i>Blowback</i>	<i>1</i>	<i>Total complaints 23/24</i>
<i>Blockage sewer</i>	<i>138</i>											
<i>Odour</i>	<i>15</i>											
<i>Overflow</i>	<i>34</i>											
<i>Blowback</i>	<i>1</i>											
<i>Total complaints 23/24</i>	<i>188</i>											

Sewerage and the treatment and disposal of sewage group

Capital expenditure

The following table shows the expenditure on capital works for the wastewater group.

Work was planned to maintain the service capacity of council facilities and to deal with the expected demands on the service.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to meet additional demand :					
Wastewater					
Parallel Road wastewater extension 150mm <3m deep	316	-	316	-	-
Mill Rd industrial area	-	1,960	1,960	5	-
	316	1,960	2,276	5	-
Capital expenditure to improve the level of service :					
Wastewater					
Connections	10	-	10	337	-
Inflow & Infiltration Investigations	50	-	50	172	-
CCTV of critical assets	50	-	50	1	-
Mains	-	-	-	50	-
Beach Road WWPS	-	-	-	16	-
Mowhanau Treatment system renewal	-	200	200	99	-
Cogeneration plant	-	200	200	-	-
Sludge Disposal Feasibility study	-	250	250	-	-
Sundry Projects	-	-	-	22	-
	110	650	760	696	-
Capital expenditure to replace existing assets :					
Wastewater					
Wastewater - urban reticulation - Infrastructure replacement	809	1,138	1,947	2,800	-
Reactive replacement - non-critical assets	150	-	150	12	-
Replace pumps at small pump stations	20	-	20	6	-
Small pump station upgrades	20	-	20	20	-
Treatment Plant renewals	-	-	-	70	-
Beach Road WWPS	-	-	-	89	-
Wastewater Treatment Plant - Vehicle replacement	32	-	32	-	-
	1,031	1,138	2,169	2,997	-
Total Capital Expenditure for the Group	1,457	3,748	5,205	3,698	-

Wastewater

The capital growth budget of \$2M for the Mill Road industrial area had near no spend, due to deferment to coincide with other infrastructure growth projects in the same area.

Capital acquisitions was slightly lower than planned, driven by the focus on the Nixon street renewal project. The total capital replacements expenditure is higher than budget due to work on the Nixon St main renewal project. Further minor work was completed at the Beach Rd pump station and other minor renewals at the Wastewater Treatment plant.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	3,202,348	2,340,896
Borrowings raised	0	683,144
Borrowings repaid	(2,020,650)	0
Interest paid	171,463	178,308
Carried forward	<u>1,353,160</u>	<u>3,202,348</u>

Sewerage and the treatment and disposal of sewage group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	9,670	9,866	11,639	11,636
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,000	1,025	1,000	976
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	107	615	-	326
Total operating funding (A)	10,777	11,506	12,639	12,938
Application of operating funding				
Payments to staff and suppliers	6,833	7,023	7,291	8,538
Finance costs	1,330	1,336	2,414	3,060
Internal charges and overheads applied	840	856	1,041	1,092
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	9,004	9,215	10,745	12,690
Surplus (deficit) of operating funding (A - B)	1,773	2,291	1,894	248
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	135	137	137	-
Increase (decrease) in debt	1,327	(692)	(574)	3,450
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	1,463	(555)	(438)	3,450
Application of capital funding				
Capital expenditure				
-to meet additional demand	1,029	333	316	5
-to improve the level of service	833	380	110	696
-to replace existing assets	1,374	1,023	1,031	2,997
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	3,236	1,736	1,457	3,698
Surplus (deficit) of capital funding (C - D)	(1,773)	(2,291)	(1,894)	(248)
Funding balance ((A - B) + (C - D))	-	-	-	-

Provision of roads and footpaths

What we do

Roading

The roading activity manages the district's roads, bridges, traffic management and control systems, and streetlights, and contributes to our economic and social enhancement.

Footpaths and berms

The footpaths and berms activity provides a network of urban and rural footpaths and walkways, berms and street furniture (seats / benches, bus shelters, rubbish bins).

What we did in 2023/24

Maintenance and Renewals

Forestry activities ramped up in 2023/24, particularly up Tokomaru West Road, Koatanui Road, Thompson Road, Longacre Road, Rangitatau East Road, and Kaurapaoa Road. These areas have at least 8 months to 2 years of harvesting still to be completed. Maintenance attention was focussed onto these roads with the metalling of Tokomaru West Road, Koatanui Road, Kaurapaoa Road and completion of over 4000 square metres of stabilisation and road repair prior to a first-coat seal of Longacre Road.

We undertook a risk-based assessment of roading pavement faults to ensure that we could maximise the delivery of our work within the significantly restricted budget available.

Our road resealing programme was completed with 3.98 % of the network completed. The reseal programme was completed in April 2024.

Somme Parade drop-out

We repaired a drop-out in Somme Parade that had initially occurred during the Cyclone Dovi weather event in 2022 and deteriorated in subsequent weather events. We also stabilised the gas main that supplies a significant number of properties in Aramoho and Whanganui East. The \$6.6M project was completed in July 2024. Works included

enclosing the slip site with sheet pile walling and reinstatement of the road, kerb and channel, and replacing the footpath with a walking and cycling pathway. The project was 60/40 split funded by New Zealand Transport Agency (NZTA) Waka Kotahi (\$3.96M) and Council (\$2.64M). Managing the traffic diversion around the site was challenging with over 100,000 vehicles a week using the detour. We also mitigated the noise and vibration generated from the site using sound absorbent screens around the noisy machinery units and a high-frequency driving head for the sheet pile work which reduced the noise outside of the site to under guideline levels.

Roading improvements

Modifications were made to optimise the Victoria Avenue / Guyton Street traffic lights and the Guyton Street / Wicksteed Street roundabout was installed as part of the Streets for People project. A temporary roundabout was also installed at the Ingestre Street / Wicksteed Street intersection to test how it impacts on safety.

Mountains to Sea trails

Progress was made on a number of shared pathways. The extension from Gilbert Street to Wharf Street was 80% completed as at 30 June 2024. The Somme Parade shared pathway from the Dublin Street Bridge to Spier Street was completed as well as the section at the cemetery. New walking and cycling counters were installed at the Dublin Street / Somme Parade pathway and at Aramoho Rail Bridge / Anzac Parade.

Erni's Bridge / Wakefield Street Bridge

The contract for Erni's Bridge (Bridge 15) was awarded with detailed design being worked through. The contractor began the bridge renewal in early July 2024 and is programmed to complete by 30 October 2024. A design contract was awarded for the Wakefield Street Bridge and geotechnical investigations completed.

A new bridge at the 1 kilometre mark was completed in early July 2024 on Creek Road and is now open to the public. Substantial forestry

activity is expected to use that bridge immediately to boost GDP in the region.

Footpaths

The footpath renewal programme was constrained by budget with any renewals being prioritised based on condition. Maintenance work was completed on the eastern side of the river.

Road Safety Promotion

A total of 23 schools (3,054 students) took part in the Mā Ake Let's Go Cycle Skills programme during the year. The programme is targeted at cycle and scooter skills with multi-level training levels and has been delivered by Whanganui Multisport Club Ltd trading as GrowZone.

We delivered a number of small-scale traffic calming and safety improvement projects during the year. This included the installation of speed cushions around identified school sites and on Harper Street / Swiss Street in an accident hotspot. A number of central splitter islands and raised pedestrian platforms were installed under the Road to Zero programme and a guardrail was installed on Virginia Road (Christies Hill). A temporary roundabout is also being trialled at the Dublin Street / Bell Street intersection to improve traffic safety and improve across-town traffic flow.

Flood damage recovery

During 2023/24 approximately \$7.5M was spent rectifying damage following emergency events. We have applied to NZTA Waka Kotahi to have funding carried forward and the remaining work will be completed during 2024/25.

Bus shelters

In collaboration with Horizons Regional Council, we secured \$1.1M from NZTA Waka Kotahi through the Transport Choices programme to improve the local bus network. As well as constructing 15 new bus shelters at key locations across the city, the upgraded bus stops feature bike racks, digital information boards and improved accessibility and lighting.

Progress on Dublin Street Bridge Replacement

The Strategic Transport Model has been calibrated and verified and the first of the model output

reports produced for the assessment of the Dublin Street Bridge replacement business case. Preliminary discussions with Iwi have started as part of the development of the Dublin Street Bridge business case preparation.

Projects that were not completed in 2023/24

Renewal construction of the Aramoho pedestrian bridge will be delayed until appropriate funding is secured. Tender prices exceeded the funding cap of the NZTA Waka Kotahi Low Cost Low Risk category and require a business case to be submitted to NZTA as a result. Temporary repairs to the surface and handrails of the bridge were undertaken as a priority.

Design has now been finalised to consenting drawings for Culvert #49 Kauarapaoa Road. Resource consent has been lodged with Horizons Regional Council with the design and consenting teams responding to questions and working to confirm the culvert sizing so that production of the box culvert sections can commence. Hapū engagement is continuing with work on the landscaping plan due to commence shortly. This project will be delivered in the 2024/25 financial year.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Effective stakeholder collaboration and inter-generational planning so our roading network remains relevant, sustainable and safe.

How did we perform?

We assess our performance by recording the rate of road casualties, and by measuring service provision, and asset condition. These measures are to ensure that we maintain a safe and healthy community and to meet environmental standards. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Roading			
Community Outcomes	Performance Measure	Target	Result
Economy, Connectivity, Community	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network	-1	No change X
	<p><i>Comment: The target [of reducing the previous reporting year's result by 1] was not met. During the 2023/24 period, the total number of Death and Serious Injuries (DSI) recorded in the Whanganui District was 18. This was comprised of one fatality and 17 serious injury crashes (compared to zero fatal crashes and 18 serious injury crashes in the 2022/23 reporting period). This is a Department of Internal Affairs mandatory measure. (Source: Crash Analysis System (CAS) database administered by the Ministry of Transport from New Zealand Police records).</i></p> <p><i>The Government Policy Statement on Land Transport has significantly changed direction with the new coalition government. The previous Road to Zero projects that were developed to reduce deaths and serious injuries by 2030 are being defunded and reprioritised to redirect money back into core maintenance and renewal activities for roading. It is expected that there will be significantly less targeted funding in our 2024-27 funding allocation to implement improvements in road safety for the district.</i></p> <p><i>2022/23: Target was met (Target: Reduction from 24, Result: 18 - a reduction of 6)</i></p>		
Economy, Connectivity, Community	The average quality of ride on a sealed local road network, measured by smooth travel exposure	88-92 %	76 % X
	<p><i>Comment: Target was not met. Ride quality on the urban road network remained constant at 76% when compared to the previous reporting year. Ride quality on the rural road network reduced to 85% compared to 94% in the previous reporting year. This gave a calculated score of 76% for smooth travel exposure, i.e. ride quality, across both rural and urban. This was a reduction on the previous year, reported at 79%.</i></p> <p><i>Cost escalations, and ongoing resource limitations due to the priorities placed on walking and cycling by New Zealand Transport Agency Waka Kotahi in recent years, has put pressure on the investment made in pavement maintenance, and the smooth travel exposure reading has dropped accordingly.</i></p> <p><i>Council is focusing on the improvement of ride quality and in particular preventing its decline. Some innovations in the use of micro-surfacing and fabric seals is being used in the next 3-year National Land Transport Programme period to improve on current results.</i></p> <p><i>This measure is based on surveys of road roughness and estimated traffic volumes. The roughness survey is completed every two years. The last survey was completed between 26 February 2024 and 12 April 2024. The majority of estimates of traffic volumes have not been updated within the last two financial years. As a result, they may not reflect current traffic volumes. This means the actual average quality of ride on the sealed local road network may differ materially from the result reported</i></p> <p><i>We have put a plan in place to update all traffic counts on our Arterial and Primary Collector routes by 30 June 2025. We will then implement a rolling programme whereby each year 33% of the Arterial & Primary Collector routes will be counted along with 20% of other remaining roads. These percentages will enable us to meet the guidelines established by the Road Efficiency Group (REG) – a partnership group that supports all road controlling authorities in aspects of activity management and transport investment decisions.</i></p> <p><i>This is a Department of Internal Affairs mandatory measure. (Source: NZ Transport Agency Waka Kotahi)</i></p> <p><i>2022/23: Target was not met (Target: 88<>92%, Result: 79%)</i></p>		

Economy, Connectivity, Community	The percentage of the sealed local road network that is resurfaced	> 4 %	3.98 %	X
	<i>Comment: Target was not met. Reseals were undertaken to meet the requirements of the network with 23.1km of the 580km sealed network (rounded figures) having been resurfaced during the 2023/24 financial year.</i>			
	<i>More expensive treatments such as asphalt was used in several sections resulting in a lower number of kilometres achieved compared to previous years.</i>			
	<i>Changes have been made to ensure the 4% target is achieved in coming years. This includes the selection of more cost-effective treatments that may have shorter life spans and decreasing the widths sealed. In some areas the parking bays of the carriageway will not be sealed which, in turn, will extend the number of kilometres sealed.</i>			
<i>This is a Department of Internal Affairs mandatory measure. (Source: Downer New Zealand records - RAMM database)</i>				
<i>2022/23: Target was met (Target >4%, Result: 5.45%)</i>				
Economy, Connectivity, Community	The percentage of customer service requests that are actioned within five working days	> 90 %	92.7 %	✓
	<i>Comment: Target was met. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i>			
	<i>2022/23: Target was met (Target: >90%, Result: 92.1%)</i>			

Footpaths and berms				
Community Outcomes	Performance Measure	Target	Result	
Economy, Connectivity, Community	The percentage of footpath requests actioned within five working days of notification	> 90 %	93 %	✓
	<i>Comment: Target was met. This is a Department of Internal Affairs mandatory measure. (Source: Council CRM)</i>			
	<i>2022/23: Target was met (Target: >90%, Result: 94.1%)</i>			
Economy, Connectivity, Community	The percentage of footpaths that meet Council's standard of a defect score of <50	> 90 %	81 %	X
	<i>Comment: The target was not met. Council conducted its detailed inspection of footpath faults in February 2023, superseding the previous 2019 footpath condition rating survey. The condition rating assessment used in previous reporting years (defect scores) was replaced in July 2023 by a condition rating on a scale of 1-5 (with 5 being very bad). 81% of the district's urban footpaths met Council's standard of being in excellent to fair condition. 19% of footpaths were rated as priority 4 (poor condition). No footpaths were rated as priority 5 (very poor condition). The footpath repair programme was reviewed during the reporting period to focus on the most serious faults and to prioritise the less significant faults. This is a Department of Internal Affairs mandatory measure. (Source: 2023 footpath condition rating survey).</i>			
	<i>2022/23: Target was met (Target: >90%, Result: 99%)</i>			
Economy, Connectivity, Community	The total number of footpath faults (includes berms)	< 30000	1153	✓
	<i>Comment: Target was met. A detailed inspection of footpath faults was undertaken through the footpath condition rating survey in February 2023. The footpath repair programme was reviewed during the reporting period to focus on the most serious faults and to prioritise the less significant faults. (Source: 2023 footpath condition rating survey undertaken every five years)</i>			
	<i>2022/23: Target was met (Target <30,000, Result: 26,206)</i>			

Roads, footpaths and pathways group

Capital expenditure

The following table shows the expenditure on capital works for the roads, footpaths and pathways group.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to meet additional demand :					
Roading					
Fitzherbert to Fox Road Extension	1,372	-	1,372	-	1,372
Mosston Road Parallel Road	1,509	-	1,509	-	-
Springvale Swale Shared Pathway	195	-	195	-	-
	3,076	-	3,076	-	1,372
Capital expenditure to improve the level of service :					
Roading					
Whanganui River Shared Pathway (Gilbert St to North Mole)	799	-	799	783	-
Mill Road Shared Pathway	587	-	587	787	-
Virginia Road Safety Barrier	40	-	40	155	-
Portal Street Traffic Calming	120	-	120	111	-
Speed Management Guide Projects	75	-	75	55	-
Somme Parade Cycle Lane Markings Upgrade	160	-	160	86	-
Safety Improvements Around Schools	50	-	50	29	-
Whanganui City Bridge - Pedestrian walkway	250	-	250	-	-
Bridge Scour Resilience - Portal St half bridge	100	-	100	222	-
Drainage Climate Change Resilience Programme	100	-	100	203	-
Somme Parade Shared Pathway	-	-	-	539	-
Mosston Road Footpath Extension (School safety)	-	-	-	166	-
Wakefield Street Bridge Renewal	-	-	-	327	-
	2,280	-	2,280	3,464	-

Capital expenditure to replace existing assets :

Roading

Aramoho Rail Bridge - Pedestrian walkway	1,000	-	1,000	276	-
Dublin Street Bridge - Infrastructure replacement	100	-	100	247	-
Environmental Maintenance - Infrastructure replacement	385	-	385	1	-
Unsealed road metalling - Infrastructure replacement	520	-	520	528	-
Sealed road resurfacing - Infrastructure replacement	2,100	-	2,100	2,968	-
Forestry internal affected Mtc	300	-	300	-	-
Forestry external affected Mtc	60	-	60	-	-
Drainage renewals - Infrastructure replacement	960	-	960	600	-
Pavement rehabilitation - Infrastructure replacement	1,200	-	1,200	396	-
Structures components replacements - Infrastructure replacement	325	-	325	26	-
Traffic services renewals - Infrastructure replacement	490	-	490	851	-
Lets Go Programme	-	-	-	11	-
Erni's Bridge Renewal, Kauarapoua	-	-	-	833	-
Bridge Replacements	-	-	-	752	-
	7,440	-	7,440	7,489	-
Footpaths and Berms					
Footpaths and berms - Infrastructure replacement	420	-	420	428	-
	7,860	-	7,860	7,918	-
Total Capital Expenditure for the Group	13,216	-	13,216	11,382	1,372

Work was planned to maintain the service capacity of council facilities and to deal with the expected demands on the service.

Roading

No Capital growth spend as the focus has been on emergency works and meeting the renewal programme. These projects have been deferred to 2024/25 to coincide with other infrastructure growth projects, mainly around Mill Rd and Fox/Fitzherbert Rd extension.

Capital acquisitions is higher than budgeted, driven by unplanned spend on the Somme Parade shared pathway and Wakefield St bridge renewal. Other projects include higher spend on Mill rd shared pathway, safety barriers and resilience programmes.

Capital replacements are slightly lower than planned, with some reallocation of projects through the year. Higher expenditure on sealed road resurfacing and bridge replacements has been offset by lower spend on the Aramoho bridge walkway and pavement rehabilitation.

Footpaths and berms

Footpath capital expenditure for the year matches budget.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	555,035	277,545
Borrowings raised	0	246,585
Borrowings repaid	(317,230)	0
Interest paid	34,505	30,905
Carried forward	<u>272,310</u>	<u>555,035</u>

Provision of roads and footpaths group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	9,097	9,764	10,177	10,201
Subsidies and grants for operating purposes	4,445	4,537	4,327	11,377
Fees and charges	32	34	35	30
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	559	589	519	475
Total operating funding (A)	14,134	14,924	15,058	22,083
Application of operating funding				
Payments to staff and suppliers	8,756	8,981	8,529	18,408
Finance costs	197	233	276	475
Internal charges and overheads applied	811	817	885	930
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	9,764	10,032	9,691	19,813
Surplus (deficit) of operating funding (A - B)	4,370	4,892	5,367	2,270
Sources of capital funding				
Subsidies and grants for capital expenditure	4,750	5,912	5,605	7,038
Development and financial contributions	426	306	306	-
Increase (decrease) in debt	(817)	3,136	1,938	2,093
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	4,359	9,354	7,849	9,131
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	3,560	3,076	-
-to improve the level of service	406	3,451	2,280	3,464
-to replace existing assets	8,323	7,235	7,860	7,918
Increase (decrease) in reserves	-	-	-	19
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	8,729	14,246	13,216	11,401
Surplus (deficit) of capital funding (C - D)	(4,370)	(4,892)	(5,367)	(2,270)
Funding balance ((A - B) + (C - D))	-	-	-	-

Parks and recreation

What we do

This group of activities includes services and facilities that underpin the maintenance of a district that works for everyone. It ranges from the provision of parks, open spaces, reserves and sportsgrounds, which contribute to the health and social fabric of the community, to swimming pools which, although not essential services, are important facilities for the social connectivity and wellbeing of our district.

Parks and reserves

The parks and reserves activity comprises a considerable percentage of the assets that we own and manage. The parks are managed under the following categories – premier parks, passive parks, pathway parks and conservation parks. Services also contained within this activity include the boat ramps on the Whanganui River, playgrounds, public toilets and streetscape beautification, including the urban forest.

We aim to provide sufficient grounds (active parks) for the purpose of major organised sports where individual sporting codes do not provide this service themselves. Active parks also support economic activity within the district by providing venues for events which attract large numbers of visitors to our district.

Cooks Gardens

Cooks Gardens is our premier sportsground facility and is capable of hosting a multitude of local, national and international sporting events.

Swimming pools

We administer two public swimming pools – the Splash Centre and Whanganui East outdoor pool complexes.

The Splash Centre offers facilities that are open year-round. The Whanganui East outdoor swimming pool is uncovered and unheated and only opened during summer months.

What we did in 2023/24

Parks and reserves

We supported an upgrade of Lorenzdale Park in Gonville with a strong focus on accessibility. The playground was formally opened for use in April. The upgrade was truly a combined project between multiple contributors including Stone Soup Community, council, Sport Whanganui, Whanganui Community Foundation, Te Ora Hou, Department of Internal Affairs and the Playground Centre.

We made improvements at the aviary with enrichment and activity promotion for the birds and made changes to the feeding regime. This was to address concerns raised in an independent zoologist report regarding the health and wellbeing of the birds.

We installed core boards at Kowhai Park to help people with verbal communication and encourage active and inclusive participation in play.

Improvements were made at Castlecliff Domain's playground including the installation of a new tunnel slide, a shelter, picnic tables that feature wheelchair access and a new drinking fountain. As part of a larger project designed to revitalise the Domain, the Painting up the Park! project received partial funding from council's Public Art Fund to transform the local basketball court into a colourful and vibrant canvas.

A tender process was undertaken to replace the flying fox at Mowhanau. This work is intended to be undertaken before the end of September 2024.

In conjunction with Sport Whanganui who are procuring a basketball hoop, we laid a concrete pad for basketball at Williams Domain.

We undertook drainage works on field 2 at Wembley Park which helped to improve playing conditions during the 2024 season.

Construction was completed on the new track at the Cooks Gardens velodrome with the replacement wooden track having a 50-year

warranty. The track has been formally certified as a category 3 venue for cycling and is designed for use by local community members, local, regional and national elite cyclists and future NZ Masters Games participants. Along with track cycling, we actively promoted the inner circle of the Velodrome as a venue for bookings such as car shows, concerts, fairs and markets.

With concerns raised over the cost of the Pukenuamu Queens Park landscaping project, steps were taken to revise the scope and look at how the project could be staged over time. Landscaping to the immediate surrounds of the redeveloped Sarjeant Gallery building will be undertaken ahead of the gallery's opening in November 2024.

Cooks Gardens

Alongside regular users of the facility, we hosted a number of sporting events and bookings throughout the year including Heartland Rugby, Tough Kids, Cooks Classic, Relay for Life and a number of school athletics during Term 4 (2023) and Term 1 (2024).

Swimming pools

We have continued to make a number of improvements to service delivery since bringing the swimming pool operations back in-house in September 2022. Following an initial large recruitment drive for qualified lifeguards and instructors, the Splash Centre was fully staffed at year-end with adequate staffing levels to run the facility in full from February 2023.

A number of technical improvements have been made during 2023/24. We implemented Envibe – a leisure centre point of sale system that includes an online booking system for Learn to Swim and fitness classes, shows live lane availability, and can manage memberships and concessions.

Alongside the earlier introduction of Esidebit for direct debit payment functionality, these systems have proven successful in streamlining bookings, payments, and can show real-time information of users and financials.

A recreational refresh was undertaken in the second half of the financial year with planned maintenance works and a number of improvements made. These included making spaces such as the hydrotherapy pool more accessible with larger entry gaps and fire egress

doors being on automatic releases. We also installed lockable lockers, privacy cubicles in the men's changing rooms, repainted the pools and walls, and made improvements to the sauna and to the flooring and balustrade in the recreational side of the facility to open up the space for use and birthday bookings.

Projects that were not completed in 2023/24

Tiered seating and shelter at Springvale Park – this concept was proposed following feedback from user surveys however was not developed in time to proceed within the reporting period.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:







Social connectedness and a sense of belonging by providing access to a variety of recreational activities and sports facilities across the district.
Enhancing our natural environment using beautification and waste management strategies.

How did we perform?

We assess our performance by measuring use of, and user satisfaction with our parks and facilities. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Parks and reserves			
Community Outcomes	Performance Measure	Target	Result
Economy, Connectivity, Creativity	The percentage of the community satisfied with the maintenance and presentation of our open spaces	> 85 %	64 % X
	<i>Comment: Target was not met. Audits on contractors indicate that the contract specifications are being met however this is not reflected in the public perception. Community satisfaction results with regard to the maintenance and presentation of open spaces increased by 3% from the previous period. (Source: Community Views Survey 2024) 2022/23: Target was not met (Target: >80%, Result: 61%)</i>		
Economy, Connectivity, Creativity	Percentage increase in users of river shared pathway and Te Tuaiwi shared pathway	> 5 % Increase on previous year	6.7 % ✓
	<i>Comment: Target was met. Users of the river shared pathway and Te Tuaiwi shared pathway increased to a collective total of 271,282 for the reporting period. User counts were once again higher than the previous year with increases in use on the river shared pathway of +4.4% (159,151 cyclists and pedestrians) and on Te Tuaiwi shared pathway of +9.8% (112,131 cyclists and pedestrians). (Source: Council pedestrian counter) 2022/23: Target was met (Target: >5% increase on previous year, Result: 12.4%)</i>		
Economy, Connectivity, Creativity	The percentage of households within 800m walking distance of an open space area (premier or passive park)	> 90 %	74 % X
	<i>Comment: Target was not met. 16,457 of the 22,171 properties capable of containing dwellings are within 800m of a premier or passive park open space area. The provision of open space remains a significant part of the actions included in the Open Spaces and Physical Activity Strategy adopted in 2022. (Source: GIS mapping) 2022/23: Target was not met (Target: >90%, Result: 74%)</i>		
Community, Economy, Environment	The percentage of people who are satisfied that there are adequate toilet facilities to meet user needs	> 70 %	62 % X
	<i>Comment: Target was not met. Community satisfaction that there are adequate toilet facilities to meet user needs remained similar to the results of 2022/23. Respondents over the age of 80 years and who have a walking disability were more likely to state that the toilets do not meet user needs. There are significant upgrades and replacements to a number of public toilets scheduled to start in Year 4 of the Long-Term Plan 2024-34. (Source: Community Views Survey 2024) 2022/23: Target was not met (Target: >70%, Result: 64%)</i>		
Community, Economy, Environment	The percentage of people who are satisfied with the standard of toilet facilities	> 70 %	61 % X
	<i>Comment: Target was not met. Satisfaction results with the standard of toilet facilities has declined by 2% from the previous period. (Source: Community Views Survey 2024) There are significant upgrades and replacements to a number of public toilets that are scheduled to start in Year 4 of the Long-Term Plan 2024-34. This includes an upgrade to the Orient toilets in Victoria Avenue which is one of the busiest toilets within the portfolio. 2022/23: Target was not met (Target: >70%, Result: 63%)</i>		
Community, Economy	The percentage of the community satisfied with the district's sportsgrounds	> 80 %	71 % X
	<i>Comment: Target was not met. While the target was not met, community satisfaction with the district's sportsgrounds increased by 8% from the previous reporting year. Generally the sportsgrounds held up well and there were few closures due to wet weather. Several parks that have been previously underutilised are now becoming more activated including Gonville Domain, Williams Domain and Lndon Park. Williams Domain, in particular, is being used by football for practice and games, and a concrete basketball court has been installed, providing opportunities for the community to get involved in sport. The completion of the new club rooms at Wembley Park</i>		

Parks and reserves			
Community Outcomes	Performance Measure	Target	Result
	<i>will provide a higher standard of facilities in this area. (Source: Community Views Survey 2024)</i> 2022/23: Target was not met (Target: >80%, Result: 63%)		

Cooks Gardens			
Community Outcomes	Performance Measure	Target	Result
Economy	The number of functions held each year at Cooks Gardens Function Centre	> 80	94 
	<i>Comment: Target was met and exceeded. Cooks Gardens Function Centre has been well utilised throughout the year. In addition to some multi-day bookings, there has also been new clients discovering the venue. (Source: Council records)</i> 2022/23: Target was met (Target: >75, Result: 80)		
Economy	The number of days each year that Cooks Gardens track and grounds are used	> 120 Days	92 Days 
	<i>Comment: Target was not met. Track and field bookings made through Whanganui Venues and Events has been consistent throughout the year. As expected, there were increases in usage when rugby and athletics were in the peak of their season however a number of rugby training bookings were cancelled in order to preserve ground conditions for their games in the first quarter. There were also a number of athletic events cancelled as a result of poor weather which affected the second quarter results. It is noted that the results only record usage made through the Venues and Events booking system and do not capture informal use. (Source: Council records)</i> 2022/23: Target was met (Target: >115 days, Result: 138 days)		
Economy	The percentage of the community who have used, visited, or attended an event at Cooks Gardens	> 50	36 
	<i>Comment: Target was not met. While the target was not met, survey results indicate that the percentage of the community who have used, visited, or attended an event at Cooks Gardens increased by 12%. This performance measure is being reviewed as it is not considered to be reflective of total usage of the venue. (Source: Community Views Survey 2024)</i> 2022/23: Target was not met (Target: >45%, Result: 24%)		
Economy	The percentage of hirers that are satisfied with their experience at Cooks Gardens	> 90 %	100 % 
	<i>Comment: Target was met. A total of eight hirer surveys were completed during the reporting period with all surveys providing either satisfied or very satisfied responses. (Source: Hirer satisfaction survey)</i> 2022/23: Target was met (Target: >90%, Result: 100%)		

Swimming pools			
Community Outcomes	Performance Measure	Target	Result
Economy, Community, Environment, Connectivity	The percentage of users satisfied with the Splash Centre	> 90 %	80 % X
	<p><i>Comment: Target was not met. Survey data indicates that 80% of Splash Centre users (9,535 total responses) were positively satisfied with their experience during 2023/24. As an hourly distribution, the most satisfied customers leave the facility between 7-8am with 95% of these customers posting positive feedback. Feedback responses are reviewed on a weekly basis and remedial or solution-based actions are taken where appropriate so improvements to service can be continued. (Source: Splash Centre 'Happy or Not' customer satisfaction records)</i></p> <p><i>2022/23: Target was not met (Target: > 90%, Result: 0% - survey data was unavailable)</i></p>		
Economy, Community, Environment, Connectivity	The percentage of users satisfied with the Whanganui East Pool	> 90 %	Data unavailable -
	<p><i>Comment: Target is deemed not to have been met. User satisfaction for the Whanganui East pool was not captured this season. There was an increase in overall patronage from the previous reporting year coinciding with the season opening three weeks earlier.</i></p> <p><i>2022/23: Target was deemed not to have been met (Target: >90%, Result: 0% - survey data was unavailable)</i></p>		
Economy, Community, Environment, Connectivity	The percentage of pool users satisfied that aquatic facilities provide value for money	> 80 %	59 % X
	<p><i>Comment: Target was not met. Of those who chose to provide further feedback on their experience at the Splash Centre, a total of 560 (out of 9,535 total responses) provided responses on value for money, Of the 560 responses, 59% of customers were satisfied that the aquatic services provide value for money. Value for money is one of seven options when users provide feedback on their experience with the other selections being customer service, staff friendliness, facility availability, facilities - pools, change room and product selection. (Source: Splash Centre Happy or Not satisfaction records)</i></p> <p><i>2022/23: Target was deemed not to have been met (Target: >80%, Result: 0%) - data not collected</i></p>		

Parks and recreation group

Capital expenditure

The following table shows the expenditure on capital works for the parks and recreation group.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to improve the level of service :					
<i>Parks and Reserves</i>					
Parks general - Buildings and improvements additions	12	-	12	-	-
Queens Park	779	730	1,509	717	1,000
Virginia Lake - Aviary enhancements	50	-	50	-	-
Springvale Park	80	-	80	-	-
Accessible Playground	-	288	288	221	-
Virginia Lake general	-	-	-	5	-
Durie Hill Viewing Areas	-	80	80	-	-
Sundry Acquisition Projects	-	-	-	11	-
	921	1,098	2,019	954	1,000
<i>Swimming Pools</i>					
Floor Scrubber - Splash centre	5	-	5	-	-
Pool Vac	5	-	5	3	-
Slide Replacements	3	-	3	-	-
Online booking system	10	-	10	-	-
Pump	10	-	10	12	-
Recreation Refresh	-	-	-	43	-
	33	-	33	58	-
<i>Cooks Gardens</i>					
Velodrome resurfacing	-	555	555	631	-
Sundry Renewals	-	-	-	-	-
	-	555	555	631	-
	954	1,653	2,607	1,643	1,000

Capital expenditure to replace existing assets :

Parks and Reserves

Parks general - Buildings and improvements replacement	84	-	84	12	-
Memorial Tower	4	-	4	-	-
Otamatea Park Buildings	2	-	2	-	-
O TANGI ST	28	-	28	-	-
O SHWAY 3	3	-	3	-	-
Coastal Plan	206	-	206	-	-
Mowhanau Beach Flying Fox	180	-	180	-	84
Parks general - Vehicle replacement	19	-	19	-	-
Parks general - Furniture and fittings replacement	17	-	17	8	-
Bason Reserve	17	-	17	99	-
Bason Reserve Furniture & fitting renewal	8	-	8	-	-
Premier parks - Buildings and improvements replacement	17	-	17	10	-
Kowhai Park	64	-	64	-	-
Queens Park	64	50	115	261	105
120 GREAT NORTH RD (Virginia Lake)	124	-	124	21	-
Kowhai Park Furniture & fitting renewal	8	-	8	-	-
Queens Park Furniture & fitting renewal	9	-	9	-	-
120 GREAT NORTH RD (Virginia Lake) Furniture & fitting renewal	12	-	12	-	-
Other Trusts	3	-	3	-	-
Springvale Park	3	-	3	-	-
Wembley Park	14	-	14	-	-
KAITOKE RD/Lake Wiritoa	6	-	6	-	-
Capitalised Labour	16	-	16	-	-
Upokongaro Jetty - Replace Dolphin	-	48	48	-	48
Winter Gardens	-	-	-	-	-
Castlecliff Playground upgrade	-	70	70	65	-
	907	168	1,075	476	237

Swimming Pools

Splash Centre	115	65	179	13	9
Equipment - Acquatic	8	-	8	-	8
Training Mannequin	3	-	3	-	-
Freezer replacement	4	-	4	-	-
Upgrade filtration plant	-	118	118	-	118
Replace Air Handling Unit - Old Side	-	120	120	-	120
Accessibility Projects - Splash Centre	-	450	450	-	330
Recreation Refresh	-	-	-	48	-
Whanganui East	-	-	-	7	-
	129	753	881	68	585

Cooks Gardens

Cooks Gardens	4	12	16	15	-
Cooks Gardens - Old Grandstand	21	-	21	-	-
Velodrome resurfacing	-	-	-	54	-
	25	12	37	70	-

	1,061	933	1,993	614	821
--	--------------	------------	--------------	------------	------------

Total Capital Expenditure for the Group

	2,015	2,586	4,600	2,257	1,821
--	--------------	--------------	--------------	--------------	--------------

Work was planned to maintain the service capacity of council facilities and to deal with the expected demands on the service.

Parks and reserves

Capital acquisitions and renewals are lower than planned, driven by carrying over the remainder of the Pukenuamu Queens Park refresh in preparation for the Sarjeant Gallery completion.

The Velodrome resurfacing project has been completed, with various other minor projects at Cooks Garden completed.

Minor works at the Splash Centre has been completed to date, however the majority of budget has been carried over to complete the recreation refresh and various plant renewals planned for 2024/25.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	308,069	224,444
Borrowings raised	0	66,472
Borrowings repaid	(179,937)	0
Interest paid	18,592	17,153
Carried forward	<u>146,724</u>	<u>308,069</u>

Parks and recreation group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	9,286	9,518	11,501	11,475
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	175	175	175	121
Fees and charges	246	270	1,542	1,570
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	124	136	(306)	209
Total operating funding (A)	9,832	10,099	12,911	13,375
Application of operating funding				
Payments to staff and suppliers	7,118	7,368	9,349	9,718
Finance costs	255	313	388	255
Internal charges and overheads applied	1,269	1,287	2,050	2,152
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	8,642	8,968	11,788	12,125
Surplus (deficit) of operating funding (A - B)	1,190	1,131	1,123	1,250
Sources of capital funding				
Subsidies and grants for capital expenditure	150	480	450	-
Development and financial contributions	8	12	12	-
Increase (decrease) in debt	2,426	894	430	898
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	2,583	1,385	893	898
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	2,131	829	954	1,643
-to replace existing assets	1,642	1,687	1,061	614
Increase (decrease) in reserves	-	-	-	(109)
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	3,773	2,516	2,016	2,148
Surplus (deficit) of capital funding (C - D)	(1,190)	(1,131)	(1,123)	(1,250)
Funding balance ((A - B) + (C - D))	-	-	-	-

Community and cultural

What we do

Supporting community services and facilities as well as promoting cultural enrichment encourages a tolerant and strong community. The council oversees the management of key cultural facilities, ensures appropriate stewardship of nationally important collections, works closely with central government departments, and focuses on collaboration to achieve shared objectives for improving outcomes and wellbeing across a culturally and socially diverse community. Activities that are included in this group are:

Community

The community activity is broad-reaching and focused on collaboration to achieve shared objectives for improving outcomes and wellbeing across a culturally and socially diverse community. The activity includes iwi engagement, community grants, positive ageing, arts and culture, Safer Whanganui, youth, housing, climate change, welcoming communities, and digital connectivity.

New Zealand Glassworks Te Whare Tūhuna o Te Ao

The New Zealand Glassworks activity operates the hot glass studio and gallery in Rutland Street.

Libraries

The Libraries activity includes the District libraries (Davis Library, Alexander Heritage & Research Library Te Rerenga mai o te Kāuru, Gonville Library, two Mobile Library Vans, Suzanne Aubert Library at Jerusalem and three community library hubs in Whanganui East, Castlecliff and Aramoho).

Te Whare o Rehua Sarjeant Gallery

Te Whare o Rehua Sarjeant Gallery is an iconic Whanganui cultural institution. A redevelopment programme is underway for its landmark building with Category I heritage status in Pukenua Queen's Park. The Gallery provides access to a locally, nationally and internationally renowned collection and exhibition programmes. All services were delivered from an interim location at 38 Taupo Quay, Whanganui during the reporting period.

Royal Whanganui Opera House

The Royal Whanganui Opera House is a landmark cultural icon and the last remaining working Victorian theatre in the southern hemisphere. The Category I heritage status building provides the community with an opulent venue for a range of social, cultural, recreational and educational uses.

War Memorial Centre

The War Memorial Centre is an architectural award-winning building and living memorial. It is considered to be the community's civic centre and is a major iconic landmark building in Whanganui.

Whanganui Regional Museum

The Whanganui Regional Museum has an extensive collection of over 300,000 objects and artefacts. The emphasis is on items which tell the story of the Whanganui region; its landforms, its flora and fauna and its people as well as reflecting its place in the wider world. The museum is operated by an independent charitable trust.

What we did in 2023/24

Community

Community Grants

Council allocates \$150,000 annually for community contracts with \$50,000 set aside for projects of significance that deliver or support long-term plan outcomes. The remaining \$100,000 funded saw 26 of the 31 applications successfully receive funding that will benefit the community and are linked to Safer Whanganui's strategic direction. Safer Whanganui is a community-led coalition of agencies and groups working in partnership to provide leadership and direction for the promotion of community safety in Whanganui.

Arts and culture

We saw a number of events delivered from the 2023 funding round of the Creative Communities Scheme and another ten successful applicants for the 2024 funding round. The scheme is a partnership with Creative New Zealand to promote local arts projects. One-off festival funding was

made available during the year by Creative NZ to help alleviate the impact of COVID-19 on the arts sector.

We funded four applications to the public art fund. Artworks already delivered in 2023/24 include murals for the Toy Museum and Castlecliff playground.

We worked closely with Tamaupoko and Tupoho arts representatives to co-design our public spaces and integrate artworks. This work included the Streets for People upgrade of Guyton Street and the bus shelter designs at the new transport hub on St Hill Street.

Our annual joint initiative with Chorus saw four local artists funded to beautify telecommunication cabinets with their small-scale murals.

The town centre played host to a free community event marking the Matariki and Puanga season. This was a collaborative effort with Mainstreet Whanganui and Whanganui Māori Regional Tourism Organisation and supported by Manatū Taonga Ministry for Culture and Heritage.

Safer Whanganui

We continued to advocate for a Safer Community through the work of the seven reference groups. Our safety & wellbeing annual Family Fun Day at Springvale Stadium enabled the community to have a day of free fun along with engaging with services and learning how to keep safe at home and in the community.

With support from council, Safer Whanganui ran a water safety promotion in November at Castlecliff Beach with fun activities and information from supporting agencies. This was in conjunction with a video competition for local students about safe swimming practices.

Play

Community groups have been supported to develop play programmes such as the Play Lab at Hakeke Community Centre and Library. More opportunities were created for families and tamariki at public events such as Artists Open Studios and the Streets for People launch. The Play Trailer continues to be a highly utilised resource in our community and was booked on 240 days throughout 2023/24.

Youth

The Youth Council continued to meet and look for opportunities to increase youth voice. They supported the Youth Services Trust consultation on a name change (Whatever), conducted their own survey and volunteered at their Street Party / open day.

The Youth Council funded six projects as part of their 600ships. These included a range of projects supporting professional development and leadership, and increasing youth access to sport and arts.

Housing

Work was undertaken in the initial months of the financial year to seek resource consent to establish an interim homeless hub at 83 Taupo Quay and the fit-out of two containers for an ablution block and kitchenette. As a result of the collaborative efforts by a number of agencies to provide wrap-around support services, the number of homeless living within the freedom camping sites, and at the homeless hub, reduced significantly.

Council then changed its approach and resolved to halt further spending on the Taupo Quay homeless hub and instead reinvest towards ongoing support services. We continued to work with Tupoho and Kainga Ora to support the delivery of new social housing to Whanganui.

Climate Change

With the energy efficiency audits of council facilities completed, we worked on a plan to prioritise efficiency savings.

The Community Climate Action Fund saw 8 of the 13 applications receive funding from a total funding round pool of \$100,000. The initiative is designed to empower local residents to turn their climate action ideas into reality.

Work was undertaken on the climate change risk and threats analysis for the district to inform the upcoming long-term plan.

The Office of the Auditor General selected us as one of four councils nationwide to complete an audit of our climate change response.

Welcoming Communities

We provided support to the annual 'Welcoming Week' in September and continued to support

initiatives for making Whanganui more welcoming for newcomers with the Welcoming Activities Fund.

New Zealand Glassworks (NZG) Te Whare Tūhuna o Te Ao

Our Artist in Residence, Vicki Fanning, spent July 2024 working with the local glass community, including younger practitioners who gained invaluable experience and exposure to a professional artist. Her residency exhibition ran from 14 March – 19 May 2024 with NZG receiving approximately 7,000 visitors over this period.

One of the highlights of the NZG calendar was Art Glass 2023. Opening in August 2023, the exhibition featured the largest number of exhibiting artists to date. Fifteen of New Zealand's leading glass artists, including those based in Australia, showcased their exceptional works.

Our one-year long internship programme commenced in April 2024 with two successful applicants. Supported by Creative NZ, the educational work-placement is an opportunity to gain experience in glassmaking and glass education and skills to pursue a career in glass.

Following a planned maintenance shut-down, two unplanned furnace outages had a significant impact on hiring income between January – April 2024 with the furnace/studio unavailable for use over a 3½ week period. Appropriate measures have been put in place to minimise the likelihood of a similar event happening again.

Libraries

A number of events and activities were run at library venues throughout the year, often in conjunction with community groups and organisations. Amongst others, these included:

Festival of Adult Learning (Sep 2023) – 8 events including sewing and exercise classes, poetry group, craftwork, and sessions promoting library online resources.

La Fiesta (Feb-Mar 2024) – 17 events including exercise classes, craft activities, creative writing and talks by library staff.

Fern Fever month – a combination of talks from well-known local botanists and exhibition items from the Alexander Heritage & Research Library.

Pohutukawa Project – information on Gonville services and businesses in co-operation with Stone Soup, Kainga Ora, Council and Gonville Library.

Lego Club – a newly introduced after-school activity at the Davis Library held once a week.

Appy Seniors, Cyber Smart and *Tech Week* – digital training sessions and events continue to attract strong demand.

Justice of the Peace – JP services were made available at the Alexander Library on a weekly basis.

As well as regular groups using the library venues for activities such as scrabble, chess, knitting, arts and craft, writing, genealogy, and waiata, the Davis library hosted 12 school librarians from St Johns Hill School to learn about the resources available and St Mary's School invited their whole school community to a night tour of the library with more than 70 people attending.

Castlecliff Library and the Hakeke Community Centre and Library celebrated their fifth anniversaries and continue to thrive as essential community-run hubs.

We undertook a public engagement programme in August 2023 surveying the entire adult membership. The near-900 responses informed library activity and the proposed library extension.

Te Whare o Rehua Sarjeant Gallery

Work continued on the Sarjeant Gallery redevelopment project throughout the year with most interior building works for Te Pātaka o Tā Te Atawhai Archie John Taiaroa wing, the heritage building and the link between the two, completed on 30 June 2024. From 1 July 2024, the gallery team will commence their fit-out of the new and restored facilities and install the inaugural exhibition in readiness for the opening on 9 November 2024.

Completion of deferred works, including the external facades of both buildings, the café fit-out and the exterior landscape works will continue into the next financial year.

The Sarjeant Gallery's temporary location on Taupo Quay closed to the public on 30 June 2023 after nine years of operation. We used the gallery spaces for storage, processing, packing and

preparation of the 9000+ collection items move back to Pukenui Queen's Park.

Despite the closure of Sarjeant on the Quay, most of the gallery's back-of-house functions continued as usual. Collection cataloguing, research and enquiries continued and some exhibitions were made available online.

Special events, talks and other activities took place in a range of community locations to maintain interest and continuity. These included monthly talks at the Backhouse with visiting artists, collaborating with the NZ Opera School on performances, collaborating with libraries' Fern Fever project for an online exhibition, hosting three Literary Festival events, and supporting the Awa Rere Roa Whanganui Māori visual arts collective to present a Puanga programme.

As well as continuing our Tylee Residency programme, we continued to build on our partnerships and collaborations with other institutions including a partnership with the Dowse Art Museum in Lower Hutt on an exhibition by Paul Maseyk.

Royal Whanganui Opera House (RWOH)

We hosted a number of performances and events throughout the year including *Performing Arts Festival*, *Alice the Musical* (Mosston School production), *Credence Clearwater Revival*, *Great Opera Moments*, comedians *Bill Bailey* and *Russell Howard*, *Sweeney Todd* and *Six60* with the latter event selling out within minutes of tickets going on sale. Many of these bookings are for multiple days with several hirers using the facility for 7-16 days.

A number of risks identified in an earlier CHASNZ health and safety report continued to be a major focus during the year with lighting changes and the testing and tagging of equipment. The fly floor and rigging system have been decommissioned with options identified in the Long-Term Plan 2024-34 for a suitable replacement subject to a satisfactory business case and confirmed external funding.

We were licenced to operate a bar during the year with its revenue tracking well.

Whanganui War Memorial Centre

Event highlights included *Māori Business Awards*, *NZ Choral Federation*, *Literary Festival*, *Diwali Festival*, *The Harmonic Resonators*, *The Warratahs*,

3 Days Deep (music festival), *Pride Ball*, *UCOL Graduation*, *International Traumatic Brain Injury Conference*, *Chamber Music (Liam Wooding)* and the *ANZAC Day* ceremony.

These events were in addition to a multitude of other events such as citizenship ceremonies, meetings, workshops, and the *Operatunity* daytime variety concerts held every 2-3 months for seniors that are near sell-outs every time.

Whanganui Regional Museum

Event highlights included the *Spring Lecture Series 2023*, two sessions of *Ngā Hakinakina Outdoor Games* held at Pākaitore Moutoa Gardens featuring traditional Māori games, School holiday programmes included *Night at the Museum* and craft activities such as making lanterns and traditional Chinese drums. Exhibitions included *Between skin & shirt* (portrait photographs by William Harding), *Fortune* (a knitted yum cha banquet exhibit), and our popular *Outfit of the Month* exhibits and talks. Our atrium has been used for musical performances such as *Music in the Museum* (piano with Rick Baum), and a recital by NZ opera school artists during Whanganui Opera Week. We were also a New Zealand host Museum for the premiere of *The War to End All Wars – The Movie* that coincided with Armistice Day, and hosted a crew from TVNZ filming for an episode of *Country House Hunters*.

We collaborated with the Dowse Art Museum to loan some taxidermied animals for an exhibition and we repatriated some Egyptian remains that have been in our care for over 100 years to the Embassy of the Arab Republic of Egypt in Wellington.

Our unique exhibition *He Awa Ora – Living River* that tells the story of Te Awa Tupua, the Whanganui River and its people, was recognised as the winning project in the Community Impact category at the Architecture Now Interior Awards 2024.

Council, as a primary funder of the Museum (that is operated by an independent Trust) provided a one-off funding grant of up to \$250,000 to address a forecast deficit that arose during the financial year. A review is to be undertaken to ensure the Museum's sustainability into the future.

Projects that were not completed in 2023/24

Design work on the Davis Library extension has not yet been completed and construction has been postponed until 2027.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Bringing people to our district to experience our cultural diversity in conjunction with supporting a wide range of community services and facilities, arts and cultural festivals.

Supporting the health and safety of our district through the facilitation of Safer Whanganui.

How did we perform?

To assess our contribution we measure attendance and satisfaction with facilities, services and events. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Community			
Community Outcomes	Performance Measure	Target	Result
Community, Connectivity	The percentage of resource consent applications received by Council are provided to mana whenua within seven working days	100 %	100 % ✓
	<i>Comment: Target was met. The council provides a weekly report to mana whenua of all resource consent applications received. (Source: Council records) 2022/23: Target was met (Target: 100%, Result: 100%)</i>		
Creativity, Economy	Perception of Whanganui to be a creative place	> 80 %	75 % ✗
	<i>Comment: Target was not met. The percentage of survey respondents that think Whanganui is very creative (35%) or creative (40%) showed a slight decrease from the last reporting period. 14% of the respondents considered Whanganui to be slightly creative (on par with the 2022/23 results) however these responses have consistently not been included in previous annual reporting. It is possible that the closure of the Sarjeant on the Quay during the reporting year and the discontinuation of CBD public art events such as Whanganui Walls and reduction of town centre regeneration activity may have contributed to a lowered perception of creativity. It is expected that result will increase next year with the opening of Te Whare o Rehua Sarjeant Gallery. (Source: Community Views Survey 2024) 2022/23: Target was met (Target: >75%, Result: 80%)</i>		
Creativity, Economy	The percentage of residents participating in creative activities	> 85 %	32 % ✗
	<i>Comment: Target was not met. Residents are asked if they, or anyone else in their household, has participated in, performed or just attended, any arts events or cultural activities, or performances. The percentage of residents participating in these creative activities was 32%, an increase of 7% from the previous period. (Source: Community Views Survey 2024) It is noted that the 'New Zealanders and the Arts' survey, previously run by Colmar Brunton now run by Varian, in its most recent report (2023) found the Whanganui-Manawatu region to have an arts attendance of 79%, slightly above the national average of 78%. 2022/23: Target was not met (Target: >77%, Result: 25%)</i>		
Creativity, Economy	Contribution that creative arts and industries makes to the Whanganui District economy	> previous year	Data unavailable -
	<i>Comment: Target is deemed not to have been met as relevant data is unavailable for the reporting period. It is noted however, that the contribution made by creative industries to Whanganui district's economy for the 2023 calendar year (January to December) was \$66.1 million. This was an increase of \$8.76 million from the 2022 calendar year result of \$41.4 million. (Source: Infometrics) 2022/23: Target was deemed not to have been met as data was unavailable for the reporting period (Target: >previous year, Result: \$0)</i>		

New Zealand Glassworks Te Whare Tuhua o Te Ao			
Community Outcomes	Performance Measure	Target	Result
Community, Connectivity	The percentage of Glassworks customers satisfied with their experience	> 90 %	Data unavailable -
	<p><i>Comment: Target is deemed not to have been met. Visitor satisfaction with New Zealand Glassworks (NZG) has not been consistently recorded and is unavailable for the reporting period. All reports from customers and clients are positive, with our sell-out beginner workshops attributing to this. (Source: NZG)</i></p> <p><i>2022/23: Target was met (Target: >90%, Result: 90%)</i></p>		
Community, Connectivity	The percentage of Glassworks users satisfied with the services and facilities provided	> 85 %	Data unavailable -
	<p><i>Comment: Target is deemed not to have been met. User satisfaction with New Zealand Glassworks' (NZG) services and facilities has not been consistently recorded and is unavailable for the reporting period. (Source: NZG)</i></p> <p><i>2022/23: Target was met (Target: >85%, Result: 85%)</i></p>		
Community, Connectivity	Number of hours booked by working glass artists per annum.	> 1326 hrs	1089 hrs X
	<p><i>Comment: Target was not met. The NZG hire facility was booked for 1,089 hours by practicing glass artists in the reporting period. Session availability was significantly impacted due to unplanned furnace maintenance and crucible change in quarters two and three which led to the studio being unavailable to hire for a significant period of time. (Source: NZG)</i></p> <p><i>2022/23: Target was not met (Target: >1288 hrs, Result: 1270 hrs)</i></p>		
Creativity, Economy	The number of visitors to NZ Glassworks	> 29280	31607 ✓
	<p><i>Comment: Target was met. Visitor numbers to New Zealand Glassworks (NZG) exceeded target numbers by 7% for 2023/24 with the total number of visitors being 31,607. (Source: NZG)</i></p> <p><i>2022/23: Target was met (Target: >28,700, Result: 36,929)</i></p>		



Libraries			
Community Outcomes	Performance Measure	Target	Result
Economy, Community, Environment	The number of items issued per annum	> 540,000	582,018 ✓
	<p><i>Comment: The target was met and exceeded. In the reporting year, the total number of items issued reached 582,018. This marks a 6% increase compared to the previous year's total of 548,739 items issued. It is noted that annual issues were recorded at 511,402 in the 2022/23 annual report with digital activity being under-reported for that period. This anomaly in reporting has since been rectified for the 2023/24 financial year.</i></p> <p><i>There was a significant reduction in Davis Library activity due to public access restrictions as part of the final phase of the Sarjeant Gallery Redevelopment which has had a corresponding direct impact on total items issued.</i></p> <p><i>The increase in collection checkouts underscores the growing utilisation of library resources and enhancements in the accuracy of reporting digital collections. Specifically, digital collections saw 136,901 items issued in 2023/24, up from 105,890 in 2022/23. (Source: Council libraries)</i></p> <p><i>2022/23: Target was not met (Target: >520,000, Result: 511,402)</i></p>		





Libraries			
Community Outcomes	Performance Measure	Target	Result
Economy, Community, Environment	The rate of collection 'turn over' each year	> 6.5	5.2 X
	<p><i>Comment: Target was not met. This performance indicator is reflective of total collection size and collection checkouts, which did not meet target for the full reporting year. There was a significant reduction in Davis Library activity due to public access restrictions as part of the final phase of the Sarjeant Gallery Redevelopment which directly impacted on collection checkouts. (Source: Council libraries)</i></p> <p>2022/23: Target was not met (Target: >6.5, Result: 5.5)</p>		
Economy, Community, Environment	The number of people visiting our libraries measured by physical visits	> 360,000	307,491 X
	<p><i>Comment: Target was not met. There has been an upward trend and return to consistent visits of our libraries throughout the year with a 6.5% increase in physical visits compared to the 2022/23 reporting year. The Davis Library saw a significant decline in activity in June 2024 (42% decline in physical visits) due to public access restrictions associated with the final phase of the Sarjeant Gallery Redevelopment which had a notable impact on the cumulative annual outcome. (Source: Council libraries)</i></p> <p>2022/23: Target was not met (Target: >340,000, Result: 288,722)</p>		
Economy, Community, Environment	The percentage of library users satisfied with the service provided	> 90 %	85 % X
	<p><i>Comment: Target was not met. Of the library users surveyed in the annual community views survey, 85% were satisfied with the services provided, an increase of 1% from the last reporting period. (Source: Community Views Survey 2024)</i></p> <p><i>It is noted that the customer radar year-round survey of library customers (1,137 responses) indicate a 99% satisfaction rate (4-star and 5-star ratings out of 5) with 94% of these responses being 5-star ratings. (Source: Library customer radar survey)</i></p> <p>2022/23: Target not met (Target: >90%, Result: 84%)</p>		
Economy, Community, Environment	The percentage of the Whanganui population that uses the library	> 66 %	53 % X
	<p><i>Comment: Target was not met. Library use responses through the annual community views survey have remained consistent over the past five years. (Source: Community Views Survey 2024)</i></p> <p>2022/23: Target was not met (Target: >63%, Result: 52%)</p>		
Creativity	The number of public internet sessions	> 90,000	64,588 X
	<p><i>Comment: Target was not met. The library has reduced the total number of access points, reflecting the trend of library patrons shifting to alternative access methods. In June 2024, there was a notable decrease in visitation to the Davis Library, which serves as the primary provider of public internet services, due to public access restrictions as part of the final phase of the Sarjeant Gallery redevelopment. Despite this, there has been a 2.1% increase in the number of public internet sessions when compared against the same period of the previous year. Although this trend suggests that there has been some recovery in the number of public internet sessions since the lows of 2021, usage has not returned to pre-COVID-19 levels. (Source: Council libraries)</i></p> <p>2022/23: Target was not met (Target: >90,000, Result: 63,228)</p>		

Sarjeant Gallery Te Whare o Rehua Whanganui			
Community Outcomes	Performance Measure	Target	Result
Creativity, Economy, Community, Connectivity, Environment	The number of users of the Gallery	> 88,900	15,134 -
	<p><i>Comment: Sarjeant on the Quay closed permanently to the public at the end of June 2023. A programme of special events, talks and other activities continued to take place in a range of locations around the city and the gallery's collection was available online with 15,134 users either attending events and classes held offsite or visiting the website during the reporting year. (Source: Sarjeant Gallery records)</i></p> <p><i>The redeveloped Te Whare o Rehua Sarjeant Gallery Whanganui will open on Pukemamu Queen's</i></p>		

Sarjeant Gallery Te Whare o Rehua Whanganui			
Community Outcomes	Performance Measure	Target	Result
	<i>Park in November 2024. 2022/23: Target was met (Target: >57,000, Result: 57,310)</i>		
Creativity, Economy, Community, Connectivity, Environment	The percentage of the Whanganui population that uses the Gallery	> 35 %	N/A -
	<i>Comment: Sarjeant on the Quay closed permanently to the public at the end of June 2023. The redeveloped Sarjeant Gallery Te Whare o Rehua Whanganui will open on Pukemaru Queen's Park in November 2024. 2022/23: Target was not met (Target: >30%, Result: 26%)</i>		
Creativity, Economy, Community, Connectivity, Environment	The percentage of visitors satisfied with the Gallery's exhibitions	> 90 %	N/A -
	<i>Comment: Sarjeant on the Quay closed permanently to the public at the end of June 2023. The redeveloped Sarjeant Gallery Te Whare o Rehua Whanganui will open on Pukemaru Queen's Park in November 2024. 2022/23: Target was met (Target: >90%, Result: 96.25%)</i>		
Creativity, Economy, Community, Connectivity, Environment	The percentage of visitors satisfied with their Gallery experience	> 90 %	N/A -
	<i>Comment: Sarjeant on the Quay closed permanently to the public at the end of June 2023. The redeveloped Sarjeant Gallery Te Whare o Rehua Whanganui will open on Pukemaru Queen's Park in November 2024. 2022/23: Target was met (Target: >90%, Result: 93.67%)</i>		
Creativity, Economy, Community, Connectivity, Environment	The total number of items in the collection catalogued to best practice international standards	> 4250	5013 ✓
	<i>Comment: Target was met and exceeded. (Source: Sarjeant Gallery Vernon database) 2022/23: Target was met (Target: >4,000, Result: 4,996)</i>		

Royal Whanganui Opera House			
Community Outcomes	Performance Measure	Target	Result
Creativity, Connectivity, Environment, Economy	The number of events each year that the Royal Whanganui Opera House hosts	> 90	46 ✗
	<i>Comment: Target was not met. The total number of days that the venue was hired during the year was consistent with the last reporting year however the number of hirers was higher in 2023/24. Users continue to be on site for multiple days per event (3+ days on average). The limited operation within the stagehouse continues to be challenging and also adds to the setup timeframe required by users. (Source: Royal Whanganui Opera House) 2022/23: Target was not met (Target: >90, Result: 41)</i>		
Creativity, Connectivity, Environment, Economy	The number of locally produced, community events at the Royal Whanganui Opera House	> 35	26 ✗
	<i>Comment: Target was not met. It is noted that the majority of community bookings were for a minimum of 3 days with venue hire anywhere between 3-16 days. This has resulted in the Royal Whanganui Opera House having solid and consistent utilisation across the reporting year. (Source: Royal Whanganui Opera House) 2022/23: Target was not met (Target: >35, Result: 34)</i>		
Creativity, Connectivity, Environment, Economy	The percentage of the Whanganui population that attends one or more events at the Royal Whanganui Opera House	> 35 %	35 % ✓
	<i>Comment: Target was met. The community had a range of shows to enjoy throughout the reporting year and the result indicates they made the most of the opportunities. (Source:</i>		

	<i>Community Views Survey 2024</i> 2022/23: Target was met (Target: >35%, Result: 35%)		
Creativity, Connectivity, Environment, Economy	The percentage of the community satisfied with their experience at the Royal Whanganui Opera House	> 65 %	75 % 
	<i>Comment: Target was met. A pleasing result that reflects that community users are satisfied with the Royal Whanganui Opera House facilities when attending an event. Results for this measure have remained constant over the last four years. (Source: Community Views Survey 2024)</i> 2022/23: Target was met (Target: >65%, Result: 76%)		
Creativity, Connectivity, Environment, Economy	The percentage of hirers that are satisfied with the Royal Whanganui Opera House	> 90 %	100 % 
	<i>Comment: Target was met. Hirer satisfaction responses have been positive across the year with 20 surveys having been completed and all providing a 'very satisfied' or 'satisfied' result. (Source: Royal Whanganui Opera House Hirers Survey)</i> 2022/23: Target was met (Target: 90%, Result: 100%)		

War Memorial Centre			
Community Outcomes	Performance Measure	Target	Result
Economy	The number of days each year that the Whanganui War Memorial Centre hosts events	> 140 Days	141 Days 
	<i>Comment: Target was met. The Whanganui War Memorial Centre has been well utilised during the year with some large scale and key events being held at the venue. (Source: Whanganui War Memorial Centre)</i> 2022/23: Target was met (Target: >130 days, Result: 159 days)		
Economy	The number of locally produced, community events at the Whanganui War Memorial Centre	> 40	65 
	<i>Comment: Target was met and exceeded. The Whanganui War Memorial Centre has been consistently well utilised over the year by community groups. (Source: Whanganui War Memorial Centre)</i> 2022/23: Target was not met (Target: >35, Result: 33)		
Economy	The percentage of the community satisfied with the Whanganui War Memorial Centre	> 65 %	74 % 
	<i>Comment: Target was met. Community user satisfaction with the Whanganui War Memorial Centre facilities have remained constant over the last four years and reflect feedback received over the year with clients and community groups happy with the experience they have had at the venue. (Source: Community Views Survey 2024)</i> 2022/23: Target was met (Target: >60%, Result: 74%)		
Economy	The percentage of hirers that are satisfied with their experience at the War memorial Centre.	> 90 %	100 % 
	<i>Comment: Target was met. Hirer satisfaction responses have been positive across the year with 49 surveys having been completed and all providing a 'very satisfied' or 'satisfied' result. (Source: Whanganui War Memorial Centre Hirers Survey)</i> 2022/23: Target was met (Target: 90%, Result: 100%)		

Community and cultural group

Capital expenditure

The following table shows the expenditure on capital works for the community and culture group.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to improve the level of service :					
Libraries					
Whanganui District Library - Office equipment acquisition	20	-	20	2	-
Whanganui District Library - Furniture and fittings additions	20	-	20	7	-
Buildings and improvements additions	-	273	273	80	-
Eltems acquisition	-	-	-	-	-
	40	273	313	89	-
War Memorial Centre					
War Memorial Centre	-	5	5	11	-
Digital signage board	-	15	15	10	-
Top Foyer heating improvements	-	100	100	-	-
	-	120	120	21	-
Whanganui Regional Museum					
Regional Museum	29	-	29	-	-
Opera House					
Feasibility study and replacement of rigging system	46	-	46	71	-
Sound & Lighting	10	-	10	2	-
LED lighting	-	138	138	96	-
Sundry Opera House projects	-	-	-	12	11
	56	138	194	181	11
Sarjeant Gallery					
Sarjeant gallery IT fitout	140	-	140	126	-
Collection transition - Buildings and improvements additions	28	-	28	9	-
Collection transition - Plant and equipment additions	17	-	17	-	639
Gallery shelving and Fittings	583	-	583	-	-
NZCT - Transition project	-	-	-	27	-
Collection transition - Furniture and fittings additions	7	-	7	-	-
Gallery Redevelopment Project	12,400	5,892	18,292	24,937	-
Sarjeant Public Programme	-	-	-	14	-
	13,175	5,892	19,067	25,113	639
	13,300	6,423	19,723	25,404	650

Capital expenditure to replace existing assets :

Libraries

Davis Library	39	178	216	-	-
Book vote	260	-	260	261	-
Eltems acquisition	50	-	50	8	-
Alexander Library	-	30	30	-	-
Intangible Media (audiobooks and ebooks)	-	-	-	33	-
	349	208	556	302	-

War Memorial Centre

War Memorial Centre	7	25	32	15	6
Mem Hall - Main Hall Seating Replacement	76	-	76	56	-
Toilet Partitions	-	38	38	-	-
War Memorial Hall - New Inverter	-	12	12	-	-
	83	75	158	71	6

Regional Museum

Regional Museum	94	-	94	23	46
HAVC Install into Basement storage area	261	-	261	-	-
	355	-	355	23	46

Opera House

Opera House	23	-	23	-	-
-------------	----	---	----	---	---

Sarjeant Gallery

Collection transition - Plant and equipment replacement	4	-	4	-	-
Tylee Cottage	-	-	-	12	13
	4	-	4	12	13

Earthquake Strengthening

Earthquake Strengthening - Buildings and improvements replacement	122	-	122	-	-
Cooks Gardens	232	-	232	-	-
Sarjeant Gallery	-	5,000	5,000	-	-
	353	5,000	5,353	-	-

	1,167	5,283	6,449	407	65
--	--------------	--------------	--------------	------------	-----------

Total Capital Expenditure for the Group

	14,467	11,706	26,172	25,811	714
--	---------------	---------------	---------------	---------------	------------

Work was planned to maintain the service capacity of council facilities and to deal with the expected demands on the service.

Libraries

Capital acquisitions remain lower than planned, with the budgeted fit-out and equipment purchases deferred to coincide with the Davis Library extension.

Whanganui War Memorial Centre

Heating improvements have been deferred, however other minor projects have been completed as planned.

Royal Whanganui Opera House

LED lighting upgrade programme and various minor upgrade and renewal projects have been completed.

Sarjeant Gallery

The Gallery Redevelopment project continues with physical works with a completion date of November 2024. Due to the delay from the original planned timeline, the transition programme and associated fit out has also been deferred to 2024/25.

Whanganui Regional Museum

Planned renewals at the museum is lower than planned, driven by internal capacity constraints and prioritization of critical projects. A number of minor components will be carried over to 2024/25.

Earthquake strengthening

All earthquake strengthening physical works has been placed on hold to priorities critical projects and ascertain what work is needed. A portion has been reallocated to the Sarjeant Gallery Redevelopment.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	361,309	326,532
Borrowings raised	118,760	14,659
Borrowings repaid	0	0
Interest paid	69,657	20,118
Carried forward	549,726	361,309

Community and cultural group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	11,682	11,914	13,226	13,196
Targeted rates	937	949	996	995
Subsidies and grants for operating purposes	360	754	124	325
Fees and charges	840	1,102	833	713
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	53	61	52	116
Total operating funding (A)	13,873	14,780	15,231	15,345
Application of operating funding				
Payments to staff and suppliers	10,242	10,701	10,469	9,275
Finance costs	454	614	981	421
Internal charges and overheads applied	1,897	1,933	2,133	2,238
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	12,593	13,248	13,582	11,934
Surplus (deficit) of operating funding (A - B)	1,280	1,532	1,648	3,411
Sources of capital funding				
Subsidies and grants for capital expenditure	2,000	-	2,000	5,339
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	7,387	2,058	10,819	14,430
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	2,646
Total sources of capital funding (C)	9,387	2,058	12,819	22,415
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	4,851	2,697	13,300	25,404
-to replace existing assets	5,816	892	1,167	407
Increase (decrease) in reserves	-	-	-	15
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	10,667	3,590	14,467	25,826
Surplus (deficit) of capital funding (C - D)	(1,280)	(1,532)	(1,648)	(3,411)
Funding balance ((A - B) + (C - D))	-	-	-	-

Economic development

What we do

Whanganui & Partners is the council's dedicated economic development unit. While its funding and strategic direction is decided on by the council, its operation as a council-controlled organisation (CCO) was reviewed during the year and a decision was made to bring it in-house. The transition was completed by 30 June 2024.

Whanganui & Partners' mission is to lead and drive opportunity through business, education and lifestyle. They promote Whanganui as a destination to live, visit, work, study and invest. Their activities include supporting new and existing businesses, bringing events to Whanganui and providing the latest economic data, analysis and commentary on the Whanganui district. Whanganui & Partners ensure visitors are informed, impressed and ready to return. The activities included in the group are:

- Whanganui & Partners – economic development
- Whanganui i-SITE Visitor Information Centre

What we did in 2023/24

For detail on the activities and financial performance reporting for economic development and the Whanganui i-SITE Visitor Information Centre, please refer to Whanganui & Partners' statement of service performance on pages 131-151.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



The promotion of our district as a tourism destination and facilitate growth and development in our economy.

Focusing on innovation, business and employment opportunities by working collaboratively within the district and across the region.

How did we perform?

We monitor on actual performance against the deliverables set out in the Statement of Intent for Whanganui & Partners. We measure our effectiveness by measuring use of, and user satisfaction, with Whanganui i-SITE. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

i-site Visitor Information Centre			
Community Outcomes	Performance Measure	Target	Result
Connectivity	The number of visitors served by the i-SITE	> 25,500	17,260 ✗
	<p><i>Comment: Target was not met. There were 17,260 visitors during the reporting year, an increase of 1.77% from the 2022/23 reporting year. Local visitors totalled 6,604 (+5% increase from 2022/23), domestic visitors totalled 5,456 (-5.5% decline) and international visitors totalled 5,200 (+55% increase). Visitor numbers, both in-person and electronically monitored, are nearly identical to last year indicating a potential new reality in the tourism sector. Changes to consumer spending habits and a reduced budget for marketing has contributed to i-SITE visitor numbers not reaching pre-COVID levels. Work is underway to explore other opportunities to grow bookings and support reciprocal relationships for local businesses. (Source: Whanganui i-SITE)</i></p> <p><i>2022/23: Target was not met (Target: >25,250, Result: 16,960)</i></p>		
Connectivity	Customer satisfaction with service received at the i-SITE	> 4.5	4.9 ✓
	<p><i>Comment: Target was met. There were 53 reviews received during the reporting year with an average rating of 4.9 out of 5.(Source: Trip Advisor ratings: aggregate score)</i></p> <p><i>2022/23: Target was met (Target: >4.5, Result: 4.84)</i></p>		

Economic development group

Capital expenditure

There has been no budgeted or actual expenditure on capital works for the Economic Development Group.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	0	0
Borrowings raised	0	0
Borrowings repaid	0	0
Interest paid	0	0
Carried forward	<u>0</u>	<u>0</u>

Economic development group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	3,353	3,387	3,187	3,180
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	88	88	-	()
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	91	99	-	-
Total operating funding (A)	3,532	3,575	3,187	3,180
Application of operating funding				
Payments to staff and suppliers	2,941	2,988	2,599	2,911
Finance costs	(14)	(14)	(15)	(22)
Internal charges and overheads applied	604	601	603	633
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	3,532	3,575	3,187	3,522
Surplus (deficit) of operating funding (A - B)	-	-	-	(342)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	342
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	342
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	-	-	-	-
-to replace existing assets	-	-	-	-
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	-	-	-	-
Surplus (deficit) of capital funding (C - D)	-	-	-	342
Funding balance ((A - B) + (C - D))	-	-	-	-

Community facilities and services

What we do

The council provides services and facilities that help to sustain the safety and welfare of our community, preserve our exceptional heritage and infrastructure, and protect our environment and awa. The group of activities in this section are:

- Cemeteries
- Central Business District (CBD) maintenance
- Waste minimisation
- Older Persons' Housing (replaces Pensioner Housing)
- Community buildings
- Emergency management
- Animal control
- Building control
- Environmental health
- Parking services
- Resource management
- Environmental policy.

What we did in 2023/24

Cemeteries

With the current cemetery at Pākaraka having reached its capacity, we established a new fence line within the cemetery area and installed a new beam for burials.

As a requirement for resource consent we completed testing of the cremator stack in April.

We installed a new gas radiator heater system in the Crematorium Chapel.

CBD maintenance

We undertook a revitalisation project of two blocks of central Guyton Street and enhancement of the public transport hub in St Hill Street under the Streets for People programme. The project was 90% funded by NZ Transport Agency Waka Kotahi and is aimed at trialling streetscape improvements to make them more vibrant and people-friendly.

Changes to the two locations included seating, greenery, lighting and street art that reflect Whanganui's history and culture. Traffic calming

measures were also installed in Guyton Street to improve safety to pedestrians and cyclists.

As part of the project, Richard White, a local property owner, offered some of his land for use. Corwen Park, as it is now known, was able to be integrated into the project design for Guyton Street.

Waste minimisation

We undertook a rigorous tender process which saw us review 11 different options from businesses across New Zealand before confirming Low Cost Bins as the contractor for the new kerbside recycling service starting in the first week of July 2024. Three crates were delivered to each household within the collection zones alongside a successful communications and marketing campaign.

Our food scraps trial progressed well with over 200 households participating. We are planning to launch kerbside food waste collection in July 2025.

Council formally took over the operations of the Whanganui Resource Recovery Centre from the centre's trust from June 2024, coinciding with the new kerbside recycling service that will launch in the first week of July 2024.

We consulted on and adopted a new Solid Waste Bylaw that regulates waste services in our district.

A finalised report of the Territorial Authority Waste Levy Audit conducted in May 2023 was received in January 2024 and identified full compliance with our obligations under the Waste Minimisation Act 2008.

We held another popular Household Hazardous Waste Day in April. 76 people registered and 686 kilograms of disused products were collected and environmentally disposed of.

Older persons' council housing

We completed roof replacements at the Eugene Crotty complex and Insulflu insulation was installed in the Nixon Street/Kawakawa complex.

Community buildings

We maintained Building Warrant of Fitness requirements for all community buildings in accordance with current Building Compliance Schedules and carried out minor reactive maintenance as required.

Emergency management

As part of the national annual ShakeOut preparedness exercise, the Civil Defence and Emergency Management (CDEM) team supported students, staff and helpers at Te Kura Kaupapa Māori O te Atihaunui-A-Paparangi, Putiki Wharanui Te Kohanga Reo and Putiki Kindergarten through earthquake and tsunami drills.

Along with Horizons Regional Council, we delivered information packs to Anzac Parade residents on how they can be informed, prepared and ready to act in the event of a large flood. The information packs were part of the recommended actions in a strategy prepared by Massey University, alongside residents and both councils, to improve community resilience and build awareness in an area that has a history of flooding.

Animal management

Due to proactive work of the animal management team, the known dog population (as opposed to those registered) continued to rise during the year with 8609 known dogs compared with 8437 recorded in 2022/23.

Limited rental housing in the district and 'no pets' clauses in tenancy agreements has led to increased challenges for us to rehome animals.

Our animal education continued with the responsible dog owner programme and informal discussions with dog owners to improve barking and dog behaviour.

Building control

Our bi-annual International Accreditation New Zealand (IANZ) Audit was programmed for January and successfully achieved. This audit determines if Council can continue to certify under the Building Act 2004. We were considered a low-risk and high-performing organisation.

Consent applications remained high in the first part of the financial year and at a level higher than

resourced for. Nationally there was a drop in consent numbers.

As required by regulations under the Building (Earthquake-prone Buildings) Amendment Act 2016, we have been identifying potential earthquake-prone buildings within the city's priority building and thoroughfare group in advance of relevant notices being distributed to business owners by the end of 2024.

Environmental health

We maintained our 100% legislative compliance for food audits and verifications under the Ministry for Primary Industries' Quality Management System (QMS).

We implemented changes to the Sale and Supply of Alcohol Act 2012 objection timeframes, public notifications and changes around the rules for creating and administering local alcohol policies.

Resource management

Consent applications remained high during the financial year with some extremely complex applications. A consent monitoring officer joined us in May 2023 to actively manage these.

Environmental policy

As part of a regular review of the District Plan, we undertook consultation, and adopted, a number of proposed minor changes to Plan Change 60 – Miscellaneous 2.

We sought nominations for buildings, sites and structures that the community values for heritage significance. This work helped to inform our work when reviewing the District Plan's historic heritage chapter. Further feedback from the community was sought in May on our intended direction with regard to new rules that might apply to Plan Change 63 – Historic Heritage.

Council provides financial assistance to building owners to undertake heritage enhancement work. Twelve successful applications received funding for heritage enhancement projects.

Parking services

We undertook pre-engagement for the review of the parking bylaw and parking controls prior to

public consultation in March 2024. The revised parking bylaw and controls were adopted in June.

Projects that were not completed in 2023/24

Aramoho Crematorium – painting of the rear wall has been deferred to the 2024/25 year.

Repertory Theatre – stabilisation of the Queens Park slope behind the theatre was not completed. This work will be undertaken subject to sale of the building to a community group as resolved through the Long-Term Plan 2024-34 deliberations.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Effective planning and provision of services that encourages a strong, resilient and engaged community.

Strengthening our community by providing facilities that are integral to our “social infrastructure” and bring people together.

Assessing our effectiveness by measuring our older persons’ housing tenant satisfaction and occupancy rates and by monitoring the timeframes for providing services such as the issuing of building consents.

Ensuring any development is of high quality, and complies with the District Plan and resource consent conditions.

How did we perform?

To evaluate our performance, we monitor the rates of customer satisfaction with the service we provide, occupancy rates, and the timely issue of consents. We assess our effectiveness in waste minimisation by measuring resident use of waste management activities, number of educational visits, and the amount of product recycled. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Cemeteries			
Community Outcomes	Performance Measure	Target	Result
Community, Environment	There is adequate capacity to meet 5 years capacity for future burial and cremation needs	> 2500 plots	2500 plots ✔
	<p><i>Comment: Target was met. There is adequate capacity across all cemeteries for 2500 interments with 495 burial spaces and 1091 cremation plots available at financial year-end. (Source: Council cemetery records database)</i></p> <p><i>2022/23: Target was met (Target: >2500 plots, Result: 2500 plots)</i></p>		
Connectivity, Creativity	The percentage of people satisfied with cemetery facilities	> 90 %	Data unavailable -
	<p><i>Comment: Target is deemed not to have been met. A park survey was not undertaken this year and therefore no results are available to report. (Source: Council parks team)</i></p> <p><i>A number of improvements to cemetery facilities have been undertaken throughout the year including the installation of additional concrete edging to the rose gardens and a heating upgrade in the chapel. A specific area that will allow cultural observance for Hindu burials is to be constructed in the 2024/25 financial year. Satisfaction with cemetery facilities will be assessed through an annual community views survey in future years.</i></p> <p><i>2022/23: Target was deemed not to have been met (Target: >90%, Result: 0% - survey not undertaken)</i></p>		
Connectivity, Creativity	The number of official cemetery records available on the Council website	Complete	80 % ✘
	<p><i>Comment: Target was not met. All cemetery records since 2007 have been digitised and are available to the public online. The project to have the remainder of the historical burial and cremation records available online continues but other digitisation projects have taken priority during the reporting year. (Source: Council cemetery records database)</i></p> <p><i>2022/23: Target was not met (Target: >50,000 records, Result: 47,500 records)</i></p>		

CBD maintenance			
Community Outcomes	Performance Measure	Target	Result
Community, Economy, Environment	The percentage of residents satisfied with the contribution the town centre makes to the image of Whanganui	> 80 %	73 % ✘
	<p><i>Comment: Target was not met. Satisfaction with the CBD's contribution to the image of Whanganui increased by 3% from the previous year although results have remained similar for the past three years. (Source: Community Views Survey 2024)</i></p> <p><i>2022/23: Target was not met (Target: >80%, Result: 70%)</i></p>		
Community, Economy, Environment	The percentage of residents that feel safe in the CBD during the evening	> 70 %	58 % ✘
	<p><i>Comment: Target was not met. 58% of residents feel safe all or most of the time in the CBD during the evening. This was an increase of 5% from the previous period and a return to levels seen in 2022. Council continues to work with New Zealand Police and other partners to ensure our CBD is safer at night. We have CCTV cameras within the CBD, regular community patrols, and a CBD liquor ban which all contribute to keeping our community safe. The national crime trends are not</i></p>		

CBD maintenance			
Community Outcomes	Performance Measure	Target	Result
	<i>being seen in Whanganui as they are in the rest of the country. (Source: Community Views Survey 2024)</i> <i>2022/23: Target was not met (Target: >70%, Result: 53%)</i>		
Community, Environment	The percentage of residents satisfied with the standard of the presentation in the town centre	> 90 %	75 % X
	<i>Comment: Target was not met. Satisfaction with the standard of presentation in the town centre increased by 3% from the previous period. Subsequent to the annual resident survey which was conducted between March to April 2024, the Streets for People programme of work was being undertaken in Guyton Street and St Hill St areas with the revitalisation project not fully completed until May 2024 so we would expect to see improvement in satisfaction results going forward. (Source: Community Views Survey 2024)</i> <i>2022/23: Target was not met (Target: >90%, Result: 72%)</i>		
Community, Environment	The number of complaints about the cleanliness or hygiene of public toilets reported to Council	< 12	6 ✓
	<i>Comment: Target was met. There were six complaints regarding cleanliness (5) or lack of soap (1) recorded for the reporting year. All toilets were cleaned on a regular schedule and maintenance issues were addressed as promptly as possible. (Source: Council CRM system)</i> <i>2022/23: Target was met (Target: <12, Result: 12)</i>		





Waste minimisation			
Community Outcomes	Performance Measure	Target	Result
Environment	The percentage of users of the Resource Recovery Centre that are satisfied with the overall service provided	> 95 %	Data unavailable -
	<i>Comment: The target is deemed not to have been met. Data for the Whanganui Resource Recovery Centre (WRRC) is unavailable for this measure. There were four complaints received during the reporting year and an average number of 545 visitors to the WRRC per day (approximately 198,925 visitors each year).</i> <i>A fire in the OJI Fibre Solutions building at WRRC in early December 2023 had an impact on customer service expectations. The 18-day closure followed by a period with limited recycling services available occurred during a time that is normally the busiest of the year. Dissatisfaction was mitigated with council-led communication and WRRC provision of partial services. Council formally took over the operations of WRRC in June 2024 and will be conducting a more thorough survey later in the calendar year to understand user needs. (Source: Council waste minimisation team and Council CRM)</i> <i>2022/23: Target was met (Target: >95%, Result: 99%)</i>		
Environment	Iconic events held in public parks and reserves will have an appropriate waste minimisation plan	100 %	100 % ✓
	<i>Comment: Target was met. Fifteen iconic events, with appropriate waste minimisation plans, were held during the reporting year with a total attendance of 22,150 people and 25.5 cubic metres of waste diverted from landfill. (Source: Council waste minimisation team)</i> <i>2022/23: Target was met (Target: 100%, Result: 100%)</i>		
Environment	The amount of product recycled through the centre each year	> 2628	2384.4 X
	<i>Comment: Target was not met. A fire in the OJI Fibre Solutions building at the Whanganui Resource Recovery Centre impacted significantly on the amount of recycled product in the second quarter. The fire resulted in an 18-day full closure of the centre in the first two weeks of December, followed by a partial re-opening with limitations on the products being accepted during a period that is normally the busiest time of the year. Complete data for the fourth quarter was unavailable at the time of this report's compilation as some data will only become available when product is sent to its end point. Whanganui District Council took over operation of the recycling centre in Maria Place</i>		

Waste minimisation			
Community Outcomes	Performance Measure	Target	Result
	<i>on 24 June 2024 and a kerbside recycling collection service is scheduled to commence in the first week of July 2024. (Source: Whanganui Resource Recovery Centre records)</i> 2022/23: Target was not met (Target: Maintain or improve from previous year (>3157), Result: 2912.97)		
Environment	The number of educational visits to schools on waste minimisation	> 5	10
	<i>Comment: Target was met and exceeded. A total of 10 schools, involving 40 classes, had Zero Waste Education visits during the reporting year. (Source: Whanganui Resource Recovery Centre records)</i> 2022/23: Target was met (Target: >5, Result: 12)		

Older Persons' housing ²			
Community Outcomes	Performance Measure	Target	Result
Community	Tenants' overall satisfaction with Council's older persons' housing service	> 90 %	95.7 %
	<i>Comment: Target was met. A high level of satisfaction was reported from the annual survey with only one responder out of the 138 responses received expressing any level of dissatisfaction. (Source: Council older persons' housing survey 2024)</i> 2022/23: Target was met (Target >90%, Result: 96.09%)		
Community	The percentage of tenants who are satisfied with welfare services	> 70 %	91.8 %
	<i>Comment: Target was met and exceeded. A high level of satisfaction was reported from the annual survey with 134 responses to this question. (Source: Council older persons' housing survey 2024)</i> 2022/23: Target was met (Target: >70%, Result: 93.97%)		
Community	The percentage of older persons' housing units that are occupied	> 90 %	96.6 %
	<i>Comment: Target was met. Occupancy of council's older persons' housing units averaged 96.6% over the reporting year. (Source: Older persons' housing records)</i> 2022/23: Target was met (Target >90%, Result: 96.7%)		

Emergency management			
Community Outcomes	Performance Measure	Target	Result
Community	The percentage of the community indicating they are prepared to be self-sufficient for at least three days during an emergency event	> 80 %	90 %
	<i>Comment: Target was met. Overall preparedness for an emergency event is consistent with previous years. (Source: Community Views Survey 2024)</i> 2022/23: Target was met (Target >80%, Result: 91%)		
Community	The number of community engagement meetings or community focused exercises conducted	> 20	51
	<i>Comment: Target was met and exceeded. 51 total community engagement meetings or community focused exercises were conducted throughout the year. National weather events such as Cyclone Gabrielle has heightened public interest in emergency management as well as a focus on increased training in the community. Multiple engagement events were held with community groups, schools and resthomes. Outreach activities were also undertaken in those communities</i>		







² Formerly referred to as pensioner housing, the Older Persons' Council Housing Policy was adopted in 2022

Emergency management			
Community Outcomes	Performance Measure	Target	Result
	<i>prone to flooding such as Anzac Parade and Putiki. (Source: Council emergency management team)</i> <i>2022/23: Target was met (Target: >20, Result: 29)</i>		
Community	The percentage of emergency management calls responded to within 15 minutes	100 %	100 % 
	<i>Comment: Target was met. A duty roster shared amongst our most experienced Civil Defence Emergency Management staff ensures that on-call personnel remain able to respond 24/7 and within the 15 minute timeframe. (Source: Council emergency management team)</i> <i>2022/23: Target was met (Target: 100%, Result: 100%)</i>		
Community	Number of EOC activations, for events or exercises, with all function desks necessary for responding to the event or exercise appropriately staffed	> 2	7 
	<i>Comment: Target was met. A total of seven activations of the Emergency Operations Centre (EOC) occurred during the period. These comprised of three smaller activations and four exercises. The smaller activations of the emergency operations centre were managed well with minimal staff utilised. A number of large-scale exercises were held throughout the last 12 months resulting in several CIMS functions desks (including Operations and Planning) operating with insufficiently trained or staff unavailable. Regular upskilling and training is encouraged through scheduled sessions and online learning. (Source: Council emergency management team)</i> <i>2022/23: Target was met (Target: >2, Result: 7)</i>		
Community	Any fault identified through monthly testing of the tsunami sirens is rectified within 10 working days and any gaps are covered by alternate means	100 %	0 % 
	<i>Comment: Target was not met. Ongoing difficulties with technical siren providers delayed repairs throughout the year with some of the new sirens also requiring further specialist work. The mechanical siren at Kai Iwi was repaired and three urban sirens were awaiting upgrade completion as at the end of the reporting period. Operational staff have remained on call 24/7 and supported by continued coverage from four Stinger mobile systems. (Source: Council emergency management team)</i> <i>2022/23: Target was met (Target: 100%, Result: 100%)</i>		
Community	That Council's pandemic response resurgence plan is reviewed at least quarterly to maintain alignment with the Regional and National Pandemic Response Plan and the WDHB	100 %	100 % 
	<i>Comment: Target was met. A review of the pandemic and resurgence plans were undertaken quarterly and remain aligned to the national plan. Monitoring of ongoing and new threats continued throughout the reporting period. (Source: Council emergency management team)</i> <i>2022/23: Target was met (Target: 100%, Result: 100%)</i>		

Animal management			
Community Outcomes	Performance Measure	Target	Result
Community, Economy	The percentage of known dogs that are registered	> 97 %	91 % X
	<p><i>Comment: Target was not met. Due to proactive work being undertaken by the animal management officers, the number of known dogs increased over the reporting year and is the highest recorded. This has created an adverse impact in that it is more difficult to achieve a 97% registration rate when the amount of dogs is increasing however work continues to be undertaken to bridge this gap to ensure the necessary compliance with dog registrations. (Source: Council property and rating database)</i></p> <p>2022/23: Target was not met (Target: >98%, Result: 95%)</p>		
Community, Economy	Percentage of responsible dog owners	> 70 %	93 % ✓
	<p><i>Comment: Target was met and exceeded. This result indicates that 93% of dog owners are classified as responsible dog owners (RDO) and comply with the provisions of the RDO policy as well as benefitting from the reduced annual registration fee that it attracts. (Source: Council property and rating database)</i></p> <p>2022/23: Target was met (Target: >68%, Result: 99%)</p>		
Community, Economy	The percentage of the community satisfied with the animal control services provided	> 52 %	44 % X
	<p><i>Comment: Target was not met. Satisfaction with animal management services increased by 6% from the previous year. Animal management services, as with other regulatory services, generally tend to score low satisfaction ratings due to the nature of the work and the potential for action to be taken against dog owners. (Source: Community Views Survey 2024)</i></p> <p>2022/23: Target was not met (Target: >51%, Result: 38%)</p>		
Community, Economy	The percentage of Priority 1 (Urgent) call outs that are responded to within 1 hours	> 98 %	99 % ✓
	<p><i>Comment: Target was met. An average of 99% Priority 1 (urgent) callouts were attended within 60 minutes during the reporting year with 100% of callouts attended within the 60 minute timeframe in the last reporting quarter. Priority 1 callouts include dog attack (bite), dog rushing, policy/agency request, secured dog or wandering stock (if a state highway). (Source: Council CRM system)</i></p> <p>2022/23: Target was met (Target: >98%, Result: 98.87%)</p>		

Building control			
Community Outcomes	Performance Measure	Target	Result
Community, Economy, Environment	The maintenance of building consent authority accreditation status	Achieved	Achieved ✓
	<p><i>Comment: Target was met. Building consent authority accreditation was renewed in May 2024 and will remain current until January 2026. (Source: Council building control)</i></p> <p>2022/23: Target was met (Target: 100%, Result: 100%)</p>		
Community, Economy, Environment	The percentage of building consents processed within statutory timeframes	100 %	91 % X
	<p><i>Comment: Target was not met. 749 of 822 building consents and clause 2 territorial authority exemptions were processed within statutory timeframes. Although ongoing resourcing challenges remain, there has been a steady improvement each quarter in meeting the statutory timeframe for processing building consents. (Source: Council property and rating database)</i></p> <p>2022/23: Target was not met (Target: 100%, Result: 60%)</p>		
Community, Economy, Environment	The percentage of customers satisfied with the building consent services provided	> 90 %	86 % X

Building control			
Community Outcomes	Performance Measure	Target	Result
	<p><i>Comment: Target was not met. A total of seven surveys were completed in the reporting period with six responders indicating they were either very satisfied or satisfied with the building consent services provided. One responder indicated they were neither satisfied or dissatisfied. Surveys are digitally forwarded along with the completed code of compliance certificates. Recipients are generally an agent of the building owner. (Source: Council building consent satisfaction survey) 2022/23: Target was not met (Target: >90%, Result: 28.6%)</i></p>		

Environmental health			
Community Outcomes	Performance Measure	Target	Result
Community	The maintenance of Notice of Recognition pursuant to Section 135, Food Act 2014	Achieved	Achieved 
	<p><i>Comment: Target was met. The necessary requirements and warrants have been maintained in accordance with Council policy and Ministry of Primary Industry legislation. (Source: Council environmental health team) 2022/23: Target was met (Target: 100%, Result: 100%)</i></p>		
Community	Percentage of health licenced premises inspected at least once in the last 12 months	100 %	100 % 
	<p><i>Comment: Target was met. All premises, as legislatively required, were inspected within the period. (Source: Council property and rating database) 2022/23: Target was met (Target: 100%, Result: 100%)</i></p>		
Community	The percentage of Alcohol Licensing applications processed within 20 working days	100 %	62 % 
	<p><i>Comment: Target was not met. Processing times averaged 62% for the 350 alcohol licensing applications received during 2023/24 and were impacted by legislative changes that took effect earlier in the reporting period (increasing the objection period from 15 to 25 working days), requests for further information and approval delays by third parties. Internal process changes resulted in improvements to processing times throughout the year with the 100% target having been met in the last six weeks of the fourth quarter. (Source: Council property and rating database) 2022/23: Target was not met (Target: 100%, Result: 79.25%)</i></p>		
Community	Percentage of alcohol licenced premises inspected at least once in the last 12 months	100 %	100 % 
	<p><i>Comment: Target was met. Premises were inspected as legislatively required in regards to new applications, manager certificate applications and complaints. Education sessions were held with licensees on an ad-hoc basis. (Source: Council property and rating database) 2022/23: Target was met (Target: 100%, Result: 100%)</i></p>		
Community	The percentage of excessive noise complaints investigated within 30 minutes	> 95 %	80 % 
	<p><i>Comment: Target was not met. All complaints were attended however not always within 30 minutes. This can be attributed to external factors such as the number of complaints, internal resourcing and the availability of assistance from external organisations. (Source: Council property and rating database) 2022/23: Target was not met (Target: >95%, Result: 83%)</i></p>		
Community	The percentage of customers satisfied or very satisfied with the environmental health services delivered	> 70 %	100 % 
	<p><i>Comment: Target was met. No complaints were recorded within the reporting period with only compliments received for the service provided. (Source: Council environmental health team) 2022/23: Target was deemed not to have been met (Target: >70%, Result: 0%)</i></p>		

Parking services

Community Outcomes	Performance Measure	Target	Result
Economy, Environment	The percentage of the community satisfied with the availability of on-street parking	> 60 %	56 % X
	<i>Comment: Target was not met. The percentage of the community satisfied with the availability of on-street parking increased by 3% from the previous reporting year and remained consistent with 2021 and 2022 results. (Source: Community Views Survey 2024) 2022/23: Target was not met (Target: >55%, Result: 53%)</i>		

Resource management			
Community Outcomes	Performance Measure	Target	Result
Economy	The percentage of resource consents (non-notified) issued within statutory timeframes	100 %	57 % X
	<i>Comment: Target was not met. A total of 201 resource consents (land use) and subdivision consents were issued, with 115 approved within the statutory timeframe of 20 working days. Some large, complex and long-running applications increased the average consenting days across the third and fourth quarters however their approval will see significant additions to housing stock in Whanganui. (Source: Council property and rating database) 2022/23: Target was not met (Target: 100%, Result: 50.4%)</i>		
Economy	The percentage of customers satisfied with planning services provided	> 90 %	Data unavailable -
	<i>Comment: Target is deemed not to have been met. A satisfaction survey for planning services was not undertaken this year and therefore no results are available to report. (Source: Council resource management team) 2022/23: Target was not met (Target: >90%, Result: 0% - survey not undertaken)</i>		
Environment	The percentage of resource consents monitored within five years of being issued	100 %	100 % ✓
	<i>Comment: Target was met. 407 resource consents were being actively monitored as at the end of the financial year. All consents that are required to be monitored post-issuing are on a workflow list. Once triggered by a pre-loaded date, an inspection is undertaken. Significant progress has been made on last years' result since the appointment of a resource monitoring and enforcement officer and a backlog of historic resource consents having being worked through. (Source: Council resource management team) 2022/23: Target was not met (Target: >85%, Result: 23.3%)</i>		

Community facilities and services group

Capital expenditure

The following table shows the expenditure on capital works for the property and facilities group.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to improve the level of service :					
<i>Cemeteries</i>					
Cemeteries/Crem/Old Morgue/Lorce	-	51	51	24	-
<i>Environmental Health</i>					
Sundry Enviro Health projects	-	-	-	3	-
<i>Emergency Management</i>					
Tsunami Warning Sirens	-	-	-	3	-
<i>CBD Development</i>					
Guyton Streetscape	-	-	-	10	-
	-	51	51	41	-

Capital expenditure to replace existing					
Animal Control					
Animal Management - Vehicle replacement	75	-	75	148	-
Cemeteries					
1 PAPAITI RD	7	-	7	-	-
Sealing internal roads	6	-	6	-	-
221 GUYTON ST	2	-	2	-	-
Cemeteries/Crem/Old Morgue/Lorce	-	-	-	23	-
	15	-	15	23	-
Community Buildings					
Cooks Gardens - Art Society	14	-	14	-	-
Repertory Theatre	-	197	197	-	-
	14	197	211	-	-
CBD Development					
Reserves - City Freehold Land	9	-	9	-	-
Irrigation Replacement	17	30	47	-	-
	26	30	56	-	-
Emergency Management					
Tsunami Warning Sirens	-	-	-	5	-
Pensioner Housing					
Pensioner housing - Buildings and	142	-	142	126	-
CBD Parking					
CBD parking - Plant and equipment	50	-	50	142	-
Building Control					
Building control - Vehicle replacement	75	-	75	-	-
Resource management					
Resource management - Vehicle	35	-	35	-	-
	432	227	659	444	-
Total Capital Expenditure for the Group	432	278	709	485	-

Work was planned to maintain the service capacity of council facilities and to deal with the expected demands on the service.

Animal control

Minor upgrades were completed at the dog pound, with the majority of expenditure on vehicle renewals.

Cemeteries

Work on the crematorium has been completed, with various other minor renewals done.

CBD maintenance

Minor expenditure on the Guyton Streetscape programme, with no expenditure on the renewal programme as has been deferred.

Community buildings

Work on the Repertory theatre and Cooks Garden Art society has been deferred due to prioritisation.

Pensioner Housing

Capital replacement spend was slightly lower than planned. Note the majority of work on pensioner housing units is maintenance and operational in nature, to ensure the units meet legislative standards.

CBD parking

Expenditure is higher due to installing additional parking meters to expand the existing smart metering network.

Building Control and Resource Management

Vehicle replacement has been deferred, as the renewal schedule has been reassessed to extend vehicle usage.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	393,253	294,012
Borrowings raised	0	77,344
Borrowings repaid	(238,446)	0
Interest paid	22,462	21,897
Carried forward	177,269	393,253

Community facilities and services group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	5,939	6,183	6,751	6,736
Targeted rates	485	2,078	451	511
Subsidies and grants for operating purposes	-	-	-	992
Fees and charges	5,319	5,467	5,935	6,619
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1,176	1,374	1,281	1,769
Total operating funding (A)	12,918	15,102	14,418	16,627
Application of operating funding				
Payments to staff and suppliers	10,029	11,670	11,515	13,321
Finance costs	202	209	308	371
Internal charges and overheads applied	2,090	2,349	2,561	2,688
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	12,322	14,228	14,385	16,380
Surplus (deficit) of operating funding (A - B)	596	874	33	247
Sources of capital funding				
Subsidies and grants for capital expenditure	1	-	-	-
Development and financial contributions	-	-	-	279
Increase (decrease) in debt	(70)	294	(1)	758
Gross proceeds from asset sales	-	-	-	54
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(69)	294	(1)	1,091
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	360	949	-	34
-to replace existing assets	317	370	431	444
Increase (decrease) in reserves	(150)	(151)	(399)	860
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	527	1,168	32	1,338
Surplus (deficit) of capital funding (C - D)	(596)	(874)	(33)	(247)
Funding balance ((A - B) + (C - D))	-	-	-	-

Transportation

What we do

Transport provides and maintains connections both within the district and beyond. It is essential for economic prosperity and social connectedness. The transportation group includes:

- Whanganui Airport – The council has a joint venture with the Crown for the provision of a provincial airport. The airport provides sealed and grass runways and passenger terminal facilities for scheduled aircraft services and for commercial and private aircraft. It also provides property and infrastructure for aircraft storage and allied aviation service businesses. In addition, commercial leases are provided for non-aeronautical commercial activities.
- Whanganui Port and Whanganui River – We manage a commercial port and berthing facilities for shallow-draft coastal freight vessels, commercial vessels and pleasure boats. The port and associated river control structures offer a safe, navigable river bar harbour and confine the coastal portion of the Whanganui River to its existing alignment. Whanganui Port is operated by the Whanganui Port Operating Company Limited with council having transferred its port-related assets in 2022 to a Council-Controlled Organisation (CCO) called Whanganui Port Limited Partnership. The Port Operating Company manages day-to-day aspects of the port, along with the Whanganui Port infrastructure project under the Te Pūwaha revitalisation project.
- Durie Hill elevator – This provides access for pedestrians and cyclists (locals, particularly schoolchildren and tourists), linking the central business district to the suburb of Durie Hill and a city lookout area. It is New Zealand's only public underground elevator and a unique tourist attraction.

What we did in 2023/24

Airport terminal maintenance

As part of the ongoing maintenance of airport infrastructure, we replaced the airport's terminal

roof and gave the building an exterior repaint. The maintenance work was co-funded through the

Whanganui Airport joint venture between Council and Ministry of Transport Te Manatū Waka.

Airport runway resurfacing

We resurfaced the airport runway as part of its ongoing maintenance. The project, carried out at night between October to December 2023, was undertaken in successive stages to enable approximately 600 tonnes of asphalt to be laid each night over 130 metres of the 1,270 m runway without disrupting the Air Chathams passenger flight schedule. With a total of 11,000 tonnes of asphalt laid the new surface will ensure the continued operation of the airport for all users for the next 15 years.

Aeronautical charges

An increase in aeronautical fees – the first increase since 2009 – was approved by the Minister of Transport and came into effect 1 June 2024. A review of landing fees is required by the Airport Authorities Act every five years. The aeronautical charges contribute to the operating costs of the airport.

Whanganui Port Limited Partnership

Please refer to the Whanganui Port Limited Partnership's statement of service performance on pages 152-153 for more detail on the activities and financial performance reporting for the Whanganui Port.

Durie Hill elevator

In anticipation of its 105th birthday in August 2024, we collaborated with Whanganui Connection to make improvements to the Durie Hill elevator and entrance. As well as new design throughout the physical spaces of the elevator, there is now new signage and wayfinding, an underground plant wall, innovative projection-based displays and new, wirelessly controlled lighting throughout the length of the tunnel. The elevator remains a valued means of transport between Whanganui and Durie Hill for residents and visitors.

Effects on community wellbeing

Projects that were not completed in 2023/24

The construction of the parallel taxiway has been delayed due to funding constraints with the priority being the resurfacing of the main runway. Funding has been provided to allow the project to be completed in 2024/25 and is subject to confirmation that Ministry of Transport can fund its half-share.

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Building on opportunities that stimulate community growth and capability while ensuring our transportation activities are safe and sustainable

How did we perform?

We monitor resident satisfaction with the Durie Hill elevator and assets. We also monitor the actual performance against the deliverables set out in the Statement of Intent for Whanganui Airport Joint Venture and Whanganui District Council Holdings Limited. It is noted that the following target measures may include symbology (“<” or “>”) that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Durie Hill elevator			
Community Outcomes	Performance Measure	Target	Result
Connectivity, Community, Environment	The percentage of users satisfied with the Durie Hill elevator experience.	> 90 %	99 % ✓
	<i>Comment: Target was met and exceeded. Visitors and users of the Durie Hill elevator have been incredibly positive about their experience and complimentary of the service provided. (Source: Whanganui Connection's survey) 2022/23: Target was met (Target: >90%, Result: 95%)</i>		

Transportation group

Capital expenditure

The following table shows the expenditure on capital works for the transportation services group.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to improve the level of service :					
Port and River					
Port Revitalisation - Buildings and improvements additions	5,000	12,203	17,203	-	5,790
Airport (half-share)					
Parallel taxiway	-	-	-	11	-
	5,000	12,203	17,203	11	5,790
Capital expenditure to replace existing assets :					
Durie Hill Elevator					
Durie Hill Elevator renewals	-	23	23	-	-
Airport (half-share)					
Parallel taxiway	191	-	191	-	-
Runway Resurface	-	-	-	3,280	-
	191	-	191	3,280	-
	191	23	214	3,280	-
Total Capital Expenditure for the Group	5,191	12,226	17,417	3,291	5,790

Work was planned to maintain the service capacity of the council facilities and to deal with the expected demands on the service.

Whanganui Port and Whanganui River

The Whanganui Port redevelopment project is managed by the Port joint venture entity, with Council contributing as work progresses. This contribution has been budgeted as Capital Expenditure, however due to the nature of the agreement it is treated as an equity contribution to the Port entity. As such, the remaining budget has been carried over to 2024/25 to fund the continued work.

Durie Hill elevator

Replacement work on the elevator has not been required this year.

Whanganui Airport

This refers to Council's half-share of runway reseal and taxiway projects. The runway has been successfully resealed, with planning underway for the taxiway in 2024/25.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	12,946	66,098
Borrowings raised	288,222	0
Borrowings repaid	0	(53,873)
Interest paid	43,699	721
Carried forward	<u>344,867</u>	<u>12,946</u>

Transportation group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	2,245	2,234	3,033	3,026
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	60	60	60	73
Fees and charges	206	221	272	295
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	343	343	318	359
Total operating funding (A)	2,854	2,859	3,683	3,753
Application of operating funding				
Payments to staff and suppliers	1,193	1,236	1,588	2,276
Finance costs	522	539	966	89
Internal charges and overheads applied	302	305	359	377
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	2,017	2,080	2,913	2,742
Surplus (deficit) of operating funding (A - B)	837	779	770	1,011
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	1,245	(605)	4,421	13,888
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	1,245	(605)	4,421	13,888
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	-	-	5,000	207
-to replace existing assets	2,082	174	190	3,280
Increase (decrease) in reserves	-	-	-	-
Increase (decrease) of investments	-	-	-	11,412
Total application of capital funding (D)	2,082	174	5,190	14,899
Surplus (deficit) of capital funding (C - D)	(837)	(779)	(770)	(1,011)
Funding balance ((A - B) + (C - D))	-	-	-	-

Investments

What we do

The portfolio of investments provides income to support the work of the council. The Investments activity intends to enhance the development of our district and provide an acceptable financial return to the community. The activity has the following major components:

- Whanganui District Council Holdings Limited (WDCHL), which owns 100 percent of the shares in GasNet Limited, the New Zealand International Commercial Pilot Academy (NZICPA) and the Whanganui Port General Partner Limited.
- City Endowment property portfolio
- Waitahinga Quarry.

What we did in 2023/24

Council-controlled organisations

Following a review of our council-controlled organisations (CCOs) undertaken to identify cost and efficiency savings, the decision was made in March 2024 to close down Whanganui District Council Holdings Limited.

Work was undertaken in subsequent months to put this decision into effect and closure of WDCHL will be completed in the 2024/25 financial year.

Management, oversight and performance monitoring of council's commercial organisations including GasNet Limited, the New Zealand International Pilot Academy (NZICPA), and Whanganui Port General Partner Limited (WPGPL) will report directly to the council's CCO and Economic Development Committee.

Property purchases

We purchased 33 Victoria Avenue to add to our city endowment portfolio. This portfolio had funds available and is intended to generate non-rates revenue.

We commenced a feasibility assessment to demonstrate the business case for a hotel in Whanganui. This will assist in attracting potential private operators and hotel developers.

Waitahinga Quarry

The Waitahinga Quarry is currently inactive. Funding was approved in the Long-Term Plan 2024-33 to complete the resource consent necessary to operate this in the future.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



Diversifying our investment portfolio to encourage economic growth and provide greater opportunities to collaborate with key stakeholders, while spreading our investment risk for the best financial return.

How did we perform?

We monitor and report on actual performance of the council's investments managed by Whanganui District Council Holdings Limited through its Statement of Intent with the key objectives as outlined in the [Long-term Plan 2021-2031 - Amended - Volume 2](#)

We monitor our portfolio of investments to ensure it provides income to support the work of the council. It is noted that the following target measures may include symbology (" $<$ " or " $>$ ") that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Investments			
Community Outcomes	Performance Measure	Target	Result
Economy	The forecast net income from Council's City Endowment property portfolio	$> 5\%$	1.9% X
	<i>Comment: Target was not met. The result of the overall portfolio was largely affected by three underperforming properties at 101A Manuka Street, 125 Grey Street and 8 Gilmour Street. These properties represent 55% of the total portfolio value. (Source: Council financial reports) 2022/23: Target was not met (Target: $>5\%$, Result: 2.7%)</i>		

Investments group

Capital expenditure

The following table shows the expenditure on capital works for the investments group.

Work was planned to maintain the service capacity of the council facilities and to deal with the expected demands on the service.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to improve the level of service :					
<i>Investments</i>					
Community House	-	-	-	774	-
33 Victoria/35 St Hill	-	-	-	1,500	-
	-	-	-	2,274	-
Capital expenditure to replace existing assets :					
<i>Investments</i>					
309 Heads Rd	-	33	33	-	-
179 St Hill St	-	35	35	-	-
1 MORRISON ST	-	24	24	-	-
Services plumbing	-	8	8	-	-
31 Taupo Quay	28	-	28	42	6
Waitahinga Quarry	10	-	10	-	-
178 Ridgway Street	184	-	184	-	-
	222	100	322	42	6
Total Capital Expenditure for the Group	222	100	322	2,316	6

Significant unplanned expenditure on the purchase of hotel property on St Hill and Victoria Ave, as well as Community House.

None of the Harbour Endowment planned budget and part of City Endowment planned budget was spent, as most costs have been reclassified as operating expenditure or deferred to align with the Port Redevelopment Project.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	(597,636)	(436,113)
Borrowings raised	597,636	0
Borrowings repaid	0	(128,247)
Interest paid	0	(33,277)
Carried forward	<u>0</u>	<u>(597,636)</u>

Investments group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	268	239	(953)	(950)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	669	690	741	686
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	573	586	1,103	152
Total operating funding (A)	1,510	1,515	891	(112)
Application of operating funding				
Payments to staff and suppliers	531	557	574	989
Finance costs	246	234	(491)	(611)
Internal charges and overheads applied	158	161	180	189
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	936	951	263	567
Surplus (deficit) of operating funding (A - B)	574	564	629	(679)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(550)	(390)	(341)	679
Gross proceeds from asset sales	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(550)	(390)	(341)	679
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	-	-	-	2,274
-to replace existing assets	24	174	222	42
Increase (decrease) in reserves	-	-	66	(2,316)
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	24	174	288	-
Surplus (deficit) of capital funding (C - D)	(574)	(564)	(629)	679
Funding balance ((A - B) + (C - D))	-	-	-	-

Corporate

What we do

The council's group of corporate activities provides support for its staff and elected members to work together for the benefit of our community.

Governance

Governance is delivered by the Mayor and twelve councillors (elected at large) with support from staff. The Mayor and councillors make decisions for the district through formal meetings, considering issues of policy, strategy and budget. The decision-making process is guided by the Local Government Act, with a focus on the social, economic, environmental, and cultural well-being of communities today, and into the future.

The Whanganui district's rural community is represented by the Whanganui Rural Community Board consisting of seven members from three subdivisions (Kaitoke, Whanganui and Kai Iwi), and two councillors appointed by the Council. The board makes recommendations to the council on policy and services of particular interest to the rural community.

Corporate management

These activities are the internal running of the council:

- Office of the Chief Executive
- Finance
- Strategy and policy
- Legal
- Risk management and health, safety and wellbeing
- Information management and services
- Human resources
- Communications
- Customer services.

Community and operational property

The community and operational property portfolio contains property that the council holds for either a community use, such as parks, sportsgrounds, the art gallery, and the museum, or for operational use, such as the municipal building, the water reservoir site, Beach Road pump station and the water bore sites. These properties are managed to provide value to the community through their efficient use rather than an investment return.

Rentals are however charged to community organisations who occupy community land or buildings. This helps with the equitable allocation of properties and these rentals are discounted by 40%-90% to encourage the tenants to maximise the value they deliver to the community.

What we did in 2023/24

Governance

Māori Wards

In October a resolution was passed to establish Māori wards for the 2025 and 2028 local government elections. Since that decision, the Coalition Government announced that councils must either conduct a binding referendum during the 2025 local elections or reverse their decision to establish a Māori ward. Council was not able to make any decision under these provisions until the bill was enacted (the legislation passed in late July 2024).

Representation Review

We undertook community engagement on possible representation arrangements, including a district-wide survey, targeted survey of the rural community, a Facebook live event and a Community Kōrero information session. Following a council decision, public consultation on the future make-up of Whanganui District Council will commence in July 2024. Legislation requires us to review representation arrangements at least once every six years.

Corporate management

Customer service

Our Call Centre team received 46,380 calls over the reporting period including the after-hours service. In total, 4455 of these were related to animal management and 1273 for noise complaints. We continued to see a high demand for property information such as building and planning advice, and requests for scanned property files.

Long-Term Plan 2024-2034

A key focus during the year was the preparatory work on the Long-Term Plan (LTP) 2024-2034 and its associated strategies and policies including the Development Contributions Policy, Parking Bylaw and Controls, Revenue and Financing Policy, Infrastructure Strategy and the Financial Strategy amongst others. This project of work involved input from many staff across the organisation and over several months.

We received an unprecedented 1608 submissions, an increase of 163% compared to the previous LTP, and heard from 111 submitters who presented in person at the hearings held in May.

We implemented a business case process to bring consistency and transparency to how projects are evaluated and ensure all projects align with council objectives prior to resources being assigned.

Environmental Scan

We completed an environmental scan to provide an overview of potential trends and influences in the district over the next 10 years. The environmental scan is considered best practice to obtain statistics and information that help to ensure our planning is keeping current with any changes in the district.

Wellbeing survey

In commencing a refresh of our Leading Edge Strategy, people were asked about what they love and what is unique about Whanganui as well as identifying what they think are the big challenges coming up for Whanganui and where council should be focusing its efforts over the next few years. More than 660 people responded to our survey about wellbeing and hundreds more shared their ideas with the council at a number of engagement events held during September 2023. Some key themes emerged that will feed into the development of a new vision for Whanganui with this work to re-commence later in 2024.

Policies, strategies and bylaws

In addition to the Long-Term Plan's associated consultations, we reviewed a number of policies and bylaws throughout the year. Community feedback from stakeholder engagement helped to shape the Public Places Bylaw, Naming and Numbering Policy, the Solid Waste Bylaw and the

Traffic and Speed Limits Bylaw (currently on hold pending central government policy changes).

Submissions to Government consultations

Legislative changes and policy decisions, reviews and inquiries made by central government have required us to actively monitor policy changes and make a number of submissions throughout the year. These include, but are not limited to, the Water Services Entities Amendment Bill, inquiry into Climate Adaptation, Civil Defence and Emergency Management Bill, and the proposed National Policy Statement for Natural Hazard Decision-making.

Corporate and operational property

We continued to manage community and operational property in a responsible manner, incorporating good business practice into our decision-making, and taking into account the needs and wellbeing of our community.

Effects on community wellbeing

These activities promote the social, economic, environmental and cultural wellbeing of the Whanganui community now and into the future through:



The council's governance role as a steward and facilitator to realise its community goals. This includes closely aligning the decisions of the council with the community's broader aspirations.

How did we perform?

To assess our performance, we seek residents' views on information provision, decision-making, and consultation processes. We assess satisfaction with our customer services team, monitor access to our archives services, and levels of community organisation tenant subsidies. It is noted that the following target measures may include symbology (" $<$ " or " $>$ ") that is not reflected in the LTP. Their inclusion is to provide clarity on the meaning and intent of the targets set within the LTP.

Governance			
Community Outcomes	Performance Measure	Target	Result
Community	The percentage of people who consider that the Mayor and Councillors have responded well to community needs and issues	> 50 %	30 % X
	<p><i>Comment: Target was not met. Survey respondents were questioned on how well they thought council had responded to community needs and issues. There was a 3% decrease from the previous year's result and there has been a consistent decline in results since 2018. There has been continued community korero sessions throughout the year and a number of engagement activities attended or led by elected members. There has been a general trend across the country with decreasing satisfaction with the performance of local government. (Source: Community Views Survey 2024)</i></p> <p>2022/23: Target was not met (Target: >50%, Result: 33%)</p>		
Community	The percentage of rural people who consider that the Rural Community Board has responded well to rural community needs and issues	> 50 %	22 % X
	<p><i>Comment: Target was not met. Twenty-two percent of rural respondents rated the performance of the Whanganui Rural Community Board (WRCB) as being good or very good, an increase of 11% from the previous year. 62% of rural respondents were not familiar or had not heard of the WRCB. The Board has conducted its own engagement survey to gather insights including awareness of WRCB and its profile within the community and will use this information for the promotion of future rural initiatives. (Source: Community Views Survey 2024)</i></p> <p>2022/23: Target was not met (Target: >40%, Result: 11%)</p>		
Community	The percentage of Council and committee agendas made available to the public two working days before the meeting	100 %	100 % V
	<p><i>Comment: Target was met. All agendas were distributed in line with legislative requirements. (Source: Council democracy records)</i></p> <p>2022/23: Target was met (Target: 100%, Result: 100%)</p>		

Corporate management			
Community Outcomes	Performance Measure	Target	Result
Community, Economy	Overall satisfaction with experience visiting Council	> 90 %	90 % V
	<p><i>Comment: Target was met. Overall feedback on service and staff resulted in 90% of the 682 responses being positive. (Source: Council customer service HappyOrNot survey)</i></p> <p>2022/23: Target was met (Target >90%, Result: 90%)</p>		

Corporate management			
Community Outcomes	Performance Measure	Target	Result
Community, Economy	The percentage of the community rating the performance of Council staff as good or very good	> 75 %	66 % ✘
	<p><i>Comment: Target was not met. Satisfaction with the performance of Council staff increased by 9% from the last period. Performance ratings have increased significantly over the past three monitoring cycles, with positive ratings now 27% higher than in 2022. This is likely due to a number of continuous business improvements and a focus on organisational excellence as well as the easing of some pressures on staff during the peak of COVID-19. (Source: Community Views Survey 2024)</i></p> <p>2022/23: Target was not met (Target: >70%, Result: 57%)</p>		
Community	The number of reported workplace accidents for Council employees	< 100	7 ✔
	<p><i>Comment: Target was met. There were seven reported incidents during the reporting period where injury occurred to staff as per ACC definition. (Source: Council accident and injury register)</i></p> <p>2022/23: Target was met (Target <100, Result: 9)</p>		
Community, Economy	The percentage of users who agree that the Council website is easy to navigate and find what they are looking for	> 70 %	58 % ✘
	<p><i>Comment: Target was not met. The percentage of the community surveyed who agreed that the council website was easy to navigate and could find what they were looking for increased by 5% from the previous year. A survey of website users was undertaken in 2023/24 and a refresh of the website is underway. (Source: Community Views Survey 2024)</i></p> <p>2022/23: Target was not met (Target: >65%, Result: 53%)</p>		
Community	The documents we have audited receive an unmodified audit opinion	100 %	50 % ✘
	<p><i>Comment: Target was not met. The documents audited during the 2023/24 year included the 2024-34 Long-Term Plan which received an unmodified audit opinion. The 2023/24 Annual Report received a modified audit opinion. As in the previous year, qualification specifically related to performance reporting with the remainder of the annual report receiving an unqualified opinion. (Source: Council finance team)</i></p> <p>2022/23: Target was not met (Target: 100%, Result: 0%). It is noted that the result was recorded as 100%. The only document audited during this period was the 2022/23 Annual Report which received a modified audit opinion and was published without this change having been made.</p>		
Community	The percentage of archives requests responded to within 24 hours	100 %	100 % ✔
	<p><i>Comment: Target was met. All archive requests received by email, website, text or in person were acknowledged and responded to within 24 hours of receipt. (Source: Council archives team)</i></p> <p>2022/23: Target was met (Target: 100%, Result: 100%)</p>		
Community	The percentage of people satisfied that they have had opportunity to have their say	> 60 %	66.7 % ✔
	<p><i>Comment: Target was met. The percentage of people satisfied that they had an opportunity to have their say increased by 16.7% from the previous year. This increase is likely due to targeted engagement events to capture a diverse range of community groups and strong interest and participation with council's pre-engagement of its overarching wellbeing strategy and the long-term plan 2024-34 consultation process. (Source: Council survey monkey)</i></p> <p>2022/23: Target was met (Target: >50%, Result: 50%)</p>		

Corporate management			
Community Outcomes	Performance Measure	Target	Result
Community	The percentage of bylaws reviewed five years after they are made (and then 10 years after that)	100 %	66.7 % X
	<p><i>Comment: Target was not met. The Parking Bylaw and the Traffic and Speed Limits Bylaw were reviewed during the reporting year although the latter was not adopted due to ongoing changes from central government. This work was completed alongside the development and introduction of a new Bylaw - the Solid Waste Bylaw which was adopted in April 2024. The review of the Trade Waste 2018 Bylaw has been on hold due to the government's change in approach to the Three Waters legislation and pending policy changes. (Source: Council policy team)</i></p> <p><i>2022/23: Target was not met (Target: 100%, Result: 50%)</i></p>		

Community and operational property			
Community Outcomes	Performance Measure	Target	Result
Community, Creativity	The percentage of community organisation tenants on the maximum subsidy (this means that the services they deliver provide maximum benefit to the community)	> 75 %	84.1 % ✓
	<p><i>Comment: Target was met. 58 of the 69 community organisation leases are receiving the maximum subsidy. (Source: Council property team)</i></p> <p><i>2022/23: Target was met (Target: >75%, Result: 85.5%)</i></p>		

Corporate group

Capital expenditure

The following table shows the expenditure on capital works for the corporate group.

Activity	Annual Plan Budget \$000	Opening Carry Over \$000	Approved Budget \$000	Actual For Year \$000	Closing Carry Over \$000
Capital expenditure to improve the level of service :					
<i>Community and Operational Buildings</i>					
Council Chambers	-	-	-	4	-
Furniture and fittings	-	-	-	27	-
	-	-	-	31	-
<i>Administration</i>					
Sundry Admin projects	-	-	-	4	-
<i>Information Services</i>					
CCTV cameras	-	-	-	11	-
IT Projects	75	-	75	16	-
	75	-	75	28	-
	75	-	75	62	-

Capital expenditure to replace existing assets :

Administration

Administration - Vehicle replacement	30	-	30	36	-
Information services					
Information services - Computer equipment replace	15	-	15	24	-
CCTV cameras	20	-	20	31	-
Telephone hardware	5	-	5	-	-
PCs	60	-	60	59	-
IT recabling	20	-	20	5	-
Wireless Broadband	10	-	10	14	-
Laptops	130	-	130	27	-
Monitors	30	-	30	17	-
Servers	30	-	30	3	-
IT Network	30	-	30	141	-
SAN Network	-	-	-	75	-
Uniterrupted power supply (UPS)	-	-	-	34	-
	350	-	350	429	-
Community and Operational Buildings					
Council Chambers	70	260	330	147	-
	450	260	710	612	-
Total Capital Expenditure for the Group	525	260	785	674	-

Work was planned to maintain the service capacity of the council facilities and to deal with the expected demands on the service.

Information Services

The Information Technology (IT) capital expenditure during the year is higher than budget, driven by cost pressure on IT equipment. The main project was the Storage Area Network upgrade and ongoing IT infrastructure renewal programme.

Community and operational buildings

The council made minor updates in renovating the municipal council building in Guyton Street and 179 St Hill, as well as various furniture and fitting purchases.

Administration

Planned vehicle replacement has been completed.

Internal borrowings

	2024	2023
	\$	\$
Brought forward	152,969	77,401
Borrowings raised	0	67,050
Borrowings repaid	(72,461)	0
Interest paid	11,682	8,517
Carried forward	<u>92,190</u>	<u>152,969</u>

Corporate group

Funding impact statement

For the year ended 30 June 2024

	Long Term Plan 2023 \$000	Long Term Plan 2024 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	4,120	4,166	4,124	4,231
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	2,585	548
Fees and charges	67	68	86	150
Internal charges and overheads recovered	9,732	10,027	11,353	12,394
Local authorities fuel tax, fines, infringement fees and other receipts	474	409	506	3,241
Total operating funding (A)	14,392	14,669	18,654	20,564
Application of operating funding				
Payments to staff and suppliers	12,963	13,131	17,452	17,871
Finance costs	28	77	153	2,242
Internal charges and overheads applied	676	624	219	710
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	13,667	13,831	17,824	20,823
Surplus (deficit) of operating funding (A - B)	725	838	830	(259)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	2,282	685	(305)	487
Gross proceeds from asset sales	-	-	-	53
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	2,282	685	(305)	540
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	1,466	1,107	75	62
-to replace existing assets	1,491	366	450	612
Increase (decrease) in reserves	50	50	-	(393)
Increase (decrease) of investments	-	-	-	-
Total application of capital funding (D)	3,007	1,523	525	281
Surplus (deficit) of capital funding (C - D)	(725)	(838)	(830)	259
Funding balance ((A - B) + (C - D))	-	-	-	-

Council Controlled Organisations

Whanganui District Council Holdings Limited

Objectives

1.1. The Board intends to operate as a successful business in relation to its investments.

The directors have closely monitored the performance of both its own investments and those assigned to it by the council. The Board has worked with council staff to monitor current investment and develop new investment opportunities, with regular feedback being provided to its shareholder.

1.2. The company aims to improve the long-term value and financial return that the council receives from its commercial entities by:

1.2.1. Optimising financial and physical resources through close scrutiny of potential areas of inefficiency, waste or under-utilisation of capital.

The Directors all have extensive and varied commercial and other relevant experience which when combined provides a wide set of skills that can provide solutions to issues of inefficiency or under-utilisation of capital.

1.2.2. Providing prudent management of investments and timely, constructive professional advice regarding its position as shareholder in WGL, NZ International Commercial Pilot Academy Ltd, and any other subsidiary companies or undertakings.

The WDCHL Directors during the financial year ending 30 June 2024 were independent from the subsidiaries' Boards. Declan Millin was a Board member of Whanganui Port Operating Company Limited (ultimately a subsidiary of WDCHL), until his resignation in Sept 2023. WDCHL's directors were actively involved in managing the residual impact of COVID-19 on WDCHL and its subsidiaries, in particular NZICPA.

1.2.3. Meeting the expectations of the council for quality, cost-effective strategic planning advice on investments and trading undertakings.

The Board meets six-weekly to discuss its portfolio performance and the Chair has reported to the council at almost every meeting to update the council on matters. Additional meetings were held with the Mayor and council Chief Executive to inform and discuss the impact of Covid-19 on WDCHL and NZICPA.

1.2.4. Reviewing and advising on the strategies and plans of any subsidiary company, business unit or asset when requested by the council.

Board meetings are held on a six-weekly basis and include reports from the subsidiaries with in person reporting as required. Additional meetings were held with the Mayor and council Chief Executive when required to discuss the company strategies and plans. Board papers include reports on each area under WDCHL's governance portfolio.

1.2.5. Being a good corporate citizen and exercising the appropriate level of social responsibility toward the community and the environment, consistent with the conduct of a sustainable and profitable business.

WDCHL's Directors are experienced directors who have had significant training and experience in the operations of a Board and the concept of governance. The directors are aware of the responsibilities of local government as defined by the Local Government Act 2002 and carry out

their decision-making with the benefits to the ratepayers of the Whanganui District in the forefront in addition to ensuring the sustainability and profitability of the business.

Performance targets

Objective	Performance metric	Outcome
Health & Safety		
1. Provide and maintain a safe environment for employees and persons using WDCHL facilities	<ul style="list-style-type: none"> • Zero-harm workplace and facilities. • Health & safety plans, training and contractual mechanisms are in place. 	<ul style="list-style-type: none"> • No injury incidents reported during the year • Documentation of WDCHL’s health & safety system is ongoing.
2. Ensure the ongoing preparedness of the WDCHL Group to manage the threat of pandemics on the business operations, consumers and the community.	<ul style="list-style-type: none"> • Plans are in place and businesses effectively manage the impact of pandemics on their operations. 	<ul style="list-style-type: none"> • The WDCHL Group has well established protocols as a result of COVID-19 in compliance with the NZ Government’s rules. • GasNet and NZICPA provided regular updates to WDCHL through their Chairs’ Reports to the WDCHL Board.
National Simulator Centre		
3. Ensure that any renewed interest by the key stakeholders in the construction of a National Simulator Centre in Whanganui is considered.	<ul style="list-style-type: none"> • Respond appropriately to any interest shown. 	<ul style="list-style-type: none"> • Kānoa (formerly MBIE Provincial Growth Fund) has redeployed the capital funds previously assigned to the potential National Simulator Centre. As a case may exist in future for a regionally-based national simulator centre, WDCHL will continue to monitor any potential development opportunities.
NZICPA		
4. Achieve an acceptable rate of return on WDCHL’s investment in NZICPA, monitor NZICPA’s performance through regular reporting and take appropriate action when adverse events occur.	<ul style="list-style-type: none"> • Regular reporting by NZICPA on: <ul style="list-style-type: none"> • financial and operational KPI’s that demonstrate achievement of objectives. • its provision and maintenance of a work environment that is safe for workers and all other persons using facilities, striving to achieve a zero-harm workplace. • its commitment to the principle of equal employment opportunity in the recruitment, 	<ul style="list-style-type: none"> • NZICPA Chair reported to all WDCHL Board meetings and responded to all additional information requests during the year. • NZICPA’s business continues to recover from the impact of COVID-19 on the company. This has resulted in increased reporting and contact between NZICPA and WDCHL as NZICPA manages its way to profitability. • NZICPA has plans for further intakes of

Objective	Performance metric	Outcome
	<p>employment, training and promotion of its employees.</p> <ul style="list-style-type: none"> • how it is meeting WDC’s preference that ways to reduce the carbon footprint of its activities are explored. 	<p>students in FY25 and the associated resourcing requirements.</p>
<p>5. Provide suitable accommodation and aviation assets for NZICPA that meets its requirements and WDCHL’s investment expectations.</p>	<ul style="list-style-type: none"> • Review WDCHL accommodation investment position explicitly setting out investment decisions given COVID-19 impacts and the longer-term WDCHL investment strategy for NZICPA. • Aircraft, hangar, and other infrastructure meets NZICPA’s needs. 	<ul style="list-style-type: none"> • All requirements were met during the year.
GasNet		
<p>6. Achieve an acceptable rate of return on WDCHL’s investment in GasNet, monitor GasNet’s performance through regular reporting and take appropriate action when adverse events occur.</p>	<ul style="list-style-type: none"> • Regular reporting by GasNet on: <ul style="list-style-type: none"> • financial and operational KPI’s that demonstrate achievement of objectives. • its provision and maintenance of a work environment that is safe for workers and all other persons using facilities, striving to achieve a zero-harm work place. • its commitment to the principle of equal employment opportunity in the recruitment, employment, training and promotion of its employees. • how it is meeting WDC’s preference that ways to reduce the carbon footprint of its activities are explored. 	<ul style="list-style-type: none"> • GasNet’s Chair reported to all WDCHL Board meetings and responded to all additional information requests during the year. • Total dividend payments of \$1,600,000 and Subvention payment of \$440,669 were paid by GasNet to WDCHL during the year.
<p>7. Develop and implement a Strategic Plan to manage the impact of central and local government legislation and policy in respect of climate change.</p>	<ul style="list-style-type: none"> • Climate Change Strategic Plan completed, along with recommended short, medium and long-term actions and objectives. 	<ul style="list-style-type: none"> • A Climate Change Strategic Plan is now expected to be completed in FY25.
<p>8. Complete a review of the recommendations on divestment in the 2017 GasNet PWC Strategic Options report.</p>	<ul style="list-style-type: none"> • Review complete with appropriate recommendation to WDC 	<ul style="list-style-type: none"> • This was put on hold pending the outcome of the WDC-led review of its CCOs and finalisation of the Government’s energy policy position.

Objective	Performance metric	Outcome
Port GP (including Port GP's subsidiary Port Op Co)		
9. Ensure that enduring governance arrangements are in place.	<ul style="list-style-type: none"> Governance arrangements in place. 	<ul style="list-style-type: none"> Governance arrangements are in place and well established.
10. Comply with all transaction documentation, operational requirements and legislation supported by appropriate assurance on how this is provided.	<ul style="list-style-type: none"> No instances of non-compliance with legislation or its contractual obligations 	<ul style="list-style-type: none"> There were no reported instances of non-compliance.
11. Monitor Port GP's performance through regular reporting and take appropriate action when adverse events occur.	<ul style="list-style-type: none"> Regular reporting by Port GP on: <ul style="list-style-type: none"> financial and operational KPIs that demonstrate achievement of objectives its provision and maintenance of a work environment that is safe for workers and all other persons using facilities, striving to achieve a zero-harm work place its commitment to the principle of equal employment opportunity in the recruitment, employment, training and promotion of its employees how it is meeting WDC's preference that ways to reduce the carbon footprint of its activities are explored 	<ul style="list-style-type: none"> Port GP's Chair reported to WDCHL Board meetings and responded to all additional information requests during the year.
Financial		
12. Review the WDCHL Group's capital and governance structure to ensure it is prudent and suitable for the groups strategic path.	<ul style="list-style-type: none"> Review completed and changes (if any) agreed with WDC. 	<ul style="list-style-type: none"> This was put on hold pending the outcome of the WDC-led review of its CCOs.
13. There is a shareholder expectation of a return of 6% on its paid up share investment in WDCHL.	<ul style="list-style-type: none"> Manage financial challenges within available cashflow. 	<ul style="list-style-type: none"> No dividend payment was made during the year as the company's cashflow position and forecast did not meet the criteria necessary for a dividend to be declared.
Other		

Objective	Performance metric	Outcome
14. Monitor the performance of the GasNet and NZICPA Boards of Directors.	<ul style="list-style-type: none"> Regular reporting, in person, by the Chairs of both GasNet and NZICPA at scheduled meetings of the WDCHL Board. Periodic reviews of the GasNet and NZICPA Boards and the appointed Directors by WDCHL. 	<ul style="list-style-type: none"> The Chairs of both Boards have provided reports for all scheduled WDCHL Board meetings. When required they also attend board meetings in person and presented relevant results to the WDCHL board.
15. Complete the recruitment of directors for the GasNet and NZICPA Boards (commenced in 2022).	<ul style="list-style-type: none"> Directors appointed to the GasNet and NZICPA Boards. 	<ul style="list-style-type: none"> A formal recruitment process of Directors for GasNet and NZICPA commenced in 2022 but was put on hold pending the outcome of the WDC-led review of its CCOs.
16. Complete the recruitment of directors for the Port GP and Port Op Co Boards.	<ul style="list-style-type: none"> Directors appointed to the Port GP and Port Op Co Boards. 	<ul style="list-style-type: none"> This was completed in September 2023.
17. Ensure maximum safe utilisation of WDCHL-owned assets and identify opportunities to safely and appropriately repurpose vacant or underutilised buildings.	<ul style="list-style-type: none"> Acceptable commercial return on each investment property. 	<ul style="list-style-type: none"> WDCHL assets were not utilised to their maximum as NZICPA continues to recover and rebuild its business from the impact of COVID-19.
18. Complete the comprehensive review of the WDCHL Constitution and consult with WDC as appropriate on any proposed changes (commenced in 2022).	<ul style="list-style-type: none"> Review completed and proposed amendments recommended to WDC as shareholder. 	<ul style="list-style-type: none"> Review of the WDCHL Constitution commenced in FY23 but was put on hold pending the outcome of the WDC-led review of its CCO's in late 2022.
19. Establish how the activities of WDCHL and its subsidiaries will be informed by Tupua te.Kawa, the guiding values of the Te Awa Tupua (Whanganui River Claims Settlement) Act 2017	<ul style="list-style-type: none"> WDC has been advised how the activities of WDCHL and its subsidiaries will be informed by Tupua te Kawa. 	<ul style="list-style-type: none"> This has not been completed.
20. Provide commercial and strategic advice to WDC on an 'as required basis'.	<ul style="list-style-type: none"> Advice provided as requested. 	<ul style="list-style-type: none"> WDCHL Directors and management met with WDC personnel on numerous occasions during the year to provide WDC with commercial and strategic advice.

2 *To meet the dividend expectations of its shareholder while still maintaining sufficient cashflow to meet its own working capital needs*

	Budget	Actual	Actual
	2023/24	2023/24	2022/23
Dividend paid	\$488,742*	\$0	\$500,000

*Shareholders request for a return of 6% on its paid up share investment in WDCHL ie 6% of \$8,145,700

WDCHL was unable to pay a dividend in 2023/24 due to the ongoing impact of COVID-19 on NZICPA and the financial support that was required to maintain it during its recovery.

GasNet Limited

Statement of Intent

The Company is an energy company formed in accordance with and registered under the Companies Act 1993. The Company is incorporated in New Zealand and is domiciled in Whanganui, New Zealand. The Company's parent entity is Whanganui District Council Holdings Limited.

The Statement of Corporate Intent (SoCI) sets out the overall intentions and objectives of the Company for the year beginning 1 July 2023.

Objectives

The Directors intend that the Company operate as a successful energy business and be at least as profitable and efficient as other gas distribution network companies and gas measurement system (GMS) companies. The Company aims to provide a reasonable rate of return to its Shareholder after retaining adequate earnings for future business requirements.

Activities

The Company's core business is that of network infrastructure utility with interests in natural gas distribution networks and GMS.

Performance targets

The performance of the Company will be judged against the following measures aligned to that provided in its SoCI:

Key Performance Indicators (KPIs)

	SoCI Target 2023/24	Actual 2023/24	Actual 2022/23
<u>Health and Safety</u>			
Incidents Reported (No)	5	13	11
Lost Time Incidents	0	0	2
Lost Time Rate	0	0	7.25
<u>Financial Performance</u>			
EBITDA (before Subvention payment)	\$3.2m	\$3.23m	\$2.83m
Rate of Return (minimum)	9.1%	8.34%	8.39%
Accumulated profits & capital reserves distributed to shareholders	\$1.0m	\$1.60m	\$1.21m
<u>Network Throughput</u>			
Total Throughput	1.2 PJ	1.18 PJ	1.20 PJ
Non-Tou Throughput (PJ)	0.38 PJ	0.31 PJ	0.37 PJ
UFG (Unaccounted For Gas)	1.0%	1.0%	1.13%
<u>Operational Financial Performance</u>			
Direct & Indirect Costs per consumer	\$307	\$326	\$226
Direct & Indirect Costs per GJ conveyed	\$2.59	\$2.74	\$2.51
<u>Network Reliability</u>			
<i>Planned Interruptions (Class B)</i>			
Consumer Hours Lost	580	106	184

	SoCI Target 2023/24	Actual 2023/24	Actual 2022/23
<i>Unplanned Interruptions (Class C)</i>			
Consumer Hours Lost	80	33	58
<i>Unplanned Third Party Interruptions (Class I)</i>			
Consumer Hours Lost	90	38	25
<i>Total Interruptions</i>			
Consumer Hours Lost	750	177	267
Third Party Interference Damage (No)	30	21	19
Public Reported Gas Escapes (No)	50	31	39
Metering			
Total on-network (000)	10.1	10.65	10.67
Total off-network (000)	0.20	0.25	0.25

Assessment

The performance of the Company is measured against the above KPI's aligned to those provided in the SoCI. The Company has achieved the above performance targets within acceptable margins and continues to exercise tight cost controls on the financial KPI's. Significant variations are discussed below.

The company paid a dividend of \$1,600,000 to its parent company, Whanganui District Council Holdings Limited as part of a budgeted dividend payment of \$1,000,000 and additional payments totalling of \$600,000 as extraordinary dividends. GasNet Limited made an unbudgeted subvention payment to Whanganui District Council Holdings Limited of \$440,669.

Health and safety performance KPI indicates that there were thirteen incidents reported against a target of five. One incident occurred on site before starting work and another twelve near miss incidents that included vehicle close calls, slips and trips, public abuse, dog threats and tool or equipment failure.

The Public Safety Management system review visit was successfully completed in March this year by Telarc.

Throughput of gas in the networks was slightly lower than the previous year and slightly lower than target, and connection numbers were slightly lower than the prior year and higher than SoCI.

Network reliability performance was consistent with the number of third party damage incidents similar to the numbers experienced in the previous two years.

Public reported gas escapes were below prior year levels. The number and duration of Interruptions is reflective of the type of work being undertaken during the year. Planned interruptions were typically related to either new mains installation or the work programme to locate service pipes that have no record of their exact location. Unplanned interruptions are typically due to events requiring urgent remediation such as leak repairs.

The Government has also set up the Gas Security Response Group to bring together upstream gas producers, downstream sellers, and principal consumers. The Group will coordinate the industry response to the tight gas supply which may include the importation of Liquefied Natural Gas (LNG).

The Board has met on six occasions during the financial year and have monitored the Company's progress, using a substantial range of financial and non-financial measures.

New Zealand International Commercial Pilot Academy Limited (NZICPA)

Description of entity's outcomes

The New Zealand International Commercial Pilot Academy (NZICPA) trains professional pilots for the global aviation industry. The business is a wholly owned subsidiary of Whanganui District Council Holdings Limited (WDCHL).

Aero Care Limited provides aircraft maintenance services for NZICPA. As a subsidiary it aligns with NZICPA Business objectives.

The business was established under a regional economic development mandate and accordingly seeks to enable spend from New Zealand and international students within the district.

NZICPA Group acts in alignment with corporate social responsibility best practice, and this is particularly focused on a community approach to youth development. This is facilitated through our pastoral care operations at the Hato Hohepa and Collegiate Estate accommodation sites.

Description and quantification of the entity's outputs

The Group provides professional flight training programmes for New Zealand and international students. New Zealand students typically complete training a Private Pilot Licence, or a Level 5 or 6 New Zealand Diploma in Aviation qualification. Flight training and education is delivered under New Zealand rules and regulations for both education and aviation, including those established by the Tertiary Education Commission (TEC), the New Zealand Qualifications Authority (NZQA) and Civil Aviation Authority (CAA).

NZICPA delivers the following programmes and or qualifications:

- Private Pilot Licence (Aeroplane)
- Commercial Pilot Licence (Aeroplane)
- New Zealand Multi-engine Instrument Rating
- Category C Flight Instructor Rating
- New Zealand Diploma in Aviation (Aeroplane) General Aviation Strand (Level 5)
- New Zealand Diploma in Aviation (Aeroplane) Flight Instruction Strand (Level 6)
- New Zealand Diploma in Aviation (Aeroplane) Airline Preparation Strand (Level 6).

Generally, in New Zealand the minimum pilot hours requirement for employment by a passenger airline exceeds the hours attained during flight training. Accordingly many young pilots are employed as flight instructors following their training courses to gain experience. NZICPA employs a high number of graduates who have completed the initial flight instructor qualification.

Performance results

The Group is regularly assessed through detailed independent audits of our aviation training provision, our education quality, and as a council controlled organisation.

- NZICPA has maintained the highest education organisation ranking against the NZQA External Evaluation and Review (EER) assessment criteria, being Highly Confident in Educational Performance (1), and Highly Confident in Capability in Self-Assessment
- The Group has completed the CAA audits for both certificates, including the Part 141 approved training organisation (ATO). The detailed and comprehensive audit was completed with no findings.
- The Group is also a signatory to the New Zealand Code of Practice for Tertiary-and-International-Learners-Code-2021..

Description and Quantification of the Entity's Outputs

Recognising the extraordinary impact that Covid-19 is having on the business, the Board has set two financial target for 2023-2025

1. To be cash positive. The company made a cash loss from operating of (\$170,632 in the 2024 year (2023:(\$81,168)).

2. Generate an operating profit, after depreciation. The company made a loss of (\$1,928,106) in the 2024 year (2023:(\$823,498)).

NZICPA Group have set target success rates for each of the next 3 years:

Measure	2024 Result	2023 Result	Success rate for each of the next 3 financial years 2024-2026
CPL flight test pass rate	67%	80%	85%
CPL theory test pass rate	82%	92%	75%
Overseas Students in study or employed	76%	50%	60%

Whanganui Airport Joint Venture (WAJV)

The primary objectives of the airport operation are to:

- Provide high-quality facilities and service commensurate with existing levels of aviation activity and in accordance with all the appropriate acts, regulations and rules pertaining to airport and aviation operations in line with the size of Whanganui Airport
- Operate the airport in a sound and business-like manner
- Improve the long-term value and financial performance of the airport while improving the economic value of the airport to Whanganui.

The objectives of the Whanganui Airport Joint Venture for this financial year and the following two financial years are clearly specified in the statement of intent which was approved by the joint partners.

These objectives are listed below with the relevant targets and measure(s) of performance, and the performance achieved during the financial year.

Objective

Operate the airport in a sound and business-like manner.

Performance measure

Reduction of the current loss position to “break even” or to a level acceptable to the council in light of the CCO's economic value to Whanganui.

Achievement

	2020	2021	2022	2023	2024
Net Profit/(Loss)	-202,000	-454,000	-413,000	-429,000	1,117,000

The 2024 figure includes a \$2,145,000 gain on revaluation.

The airport was operated in a business-like manner. Cost control was a focus again this year, although costs did increase on the previous year. This was mainly due to an increase in consultancy costs, as there was a need for an air space risk assessment due to the increased activity by NZICPA. Revenue was lower than expected due to the airport having little to no activity during the level four (4) and level three (3) lockdowns enforced by the covid-19 outbreak.

The result is acceptable to the Joint Venture Partners.

Objective

Provide high-quality facilities and service commensurate with existing levels of aviation activity and in accordance with all the appropriate Acts, Regulations and Rules pertaining to airport and aviation operations of the size of Whanganui Airport.

Performance measure

Compliance with all aspects of Part 139 of Civil Aviation Rules with a minimum of one requirement per inspection.

Achievement

Full compliance with Civil Aviation Rules Part 139 was achieved. The CAA audit in February 2019 had no findings.

Objective

Improve the long-term value and financial performance of the airport along with improving the economic value of the airport to Whanganui.

Performance measure

Delivery of an activity plan and subsequent achievement of the individual targets outlined within that plan.

Achievement

The Joint Partners continue to investigate ways of improving revenue streams as well as controlling costs. The airport manager and CE meet on a two weekly basis. Positive development continues with the direction being taken by the airport aimed at increasing user satisfaction. Work was undertaken during the year on the viability of the café, with discussions being had with possible external parties to lease the space. Post covid level four (4) and level three (3) lock downs the café never reopened under the airports control and a new leasee took over the space 01 October 2020

Whanganui and Partners Limited

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

Our mission is to lead and drive opportunity through business, education, and lifestyle.

We promote Whanganui as a destination to live, visit, work, study and invest. Our activities include supporting new and existing businesses, bringing events to Whanganui and providing the latest economic data, analysis and commentary on the Whanganui district.

We ensure visitors are informed, impressed and ready to return.

Whanganui & Partners measures their outcomes across 8 priority areas:

1. Advanced Manufacturing
2. Capability
3. Primary Industries
4. Creative Industries
5. Visitor Industries
6. Business Development
7. Maori Business/ Economy
8. Marketing

The outcomes aimed for in each priority are:

Advanced Manufacturing

A thriving Whanganui advanced manufacturing sector of world-class creators, innovators and makers delivering quality products, sustainable solutions, and intergenerational well-being, contributing to the success of Aotearoa New Zealand's Advanced Manufacturing Sector. .

Capability

Whanganui's workforce is skilled and engaged, young people are choosing to learn, expand and apply their skills here, providing the capability crucial business to thrive.

Primary Industries

Long-term sustainability of Whanganui's primary sector with enablers for sustainable food and fibre, technology, agri-tourism and Māori agribusiness.

Creative Industries

A strong and vibrant creative sector forming the heart of an identity that attracts visitors, residents, students and businesses, generating employment and growing innovation.

Visitor Industries

Lead the delivery of the Whanganui Destination Management Plan to enable sustainable tourism growth and employment with strong community connections and benefits.

Business Development

Whanganui is a location of choice for new and existing businesses, with innovative potential and sustainable growth.

Maori Business/ Economy

The Whanganui economy is a path for prosperity maximising potential for Māori through regional economic development.

Marketing

A distinguished, differentiated brand contributes to a strong reputation and experience across our destination brand and the work of Whanganui & Partners itself.

Whanganui & Partners sets out a number of outcomes for each of these priorities in their Statement of Intent these are listed below along with their status at 30 June 2024. The following tables cover the period 1 July 2023 through to 30 June 2024.

Surge Sector: **ADVANCED MANUFACTURING**

Vision: A thriving Whanganui advanced manufacturing sector of world-class creators, innovators and makers delivering quality products, sustainable solutions, and intergenerational well-being, contributing to the success of Aotearoa New Zealand’s Advanced Manufacturing Sector.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2023-2024	SSP Update
Increased investment in advanced technologies and processes which lift productivity and wages in Whanganui	Identify opportunities to attract investment of advanced technologies into the Advanced Manufacturing sector	5 x Number of engagements related to attracting investment into the Whanganui Manufacturing sector	<p>One engagement to support an Auckland manufacturing business expansion into Whanganui.</p> <p>Explored Biogas and Sustainable Aviation Fuel potential for Whanganui.</p> <p>Three meetings were held regarding developing capital funding initiatives into Whanganui Manufacturing Sector.</p>	Achieved
		1 x Number of manufacturers who invest in technology and processes to lift productivity (contributed to support given by W&P)	Five manufacturing businesses were supported to implement Industry 4.0 systems.	Achieved
Improved advanced manufacturing in Whanganui through innovation, R&D and science	Champion innovation, science and sustainability for manufacturing in Whanganui	2 x Number of initiatives targeting supporting innovation, science and/or sustainability	<p>LEAN group was reinvigorated around Lean and Industry 4.0 developments.</p> <p>Lean Group Programme Pilot was launched.</p> <p>Series of Industry 4.0 workshops were held in Whanganui</p>	Achieved

			2 successful applications for 100% funded SIRI assessments.	
Robust, coordinated logistics and distribution plan for Whanganui that connects to logistics hubs regionally, nationally and internationally	Uphold a robust and coordinated logistics plan for Whanganui that considers our land, rail and sea ports and their connection to regional and national logistic ports	1 x Development of a Whanganui Logistics Plan	Desktop review of relevant infrastructure plans conducted. Draft plan was under development but incomplete.	Not Achieved

Key Driver CAPABILITY

Vision: Whanganui's workforce is skilled and engaged, young people are choosing to learn, expand and apply their skills here, providing the capability crucial for business to thrive.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2023-2024	SSP Update
Whanganui has a diverse, highly- skilled and high- wage workforce	Facilitating talent attraction and retention Improvements made to workforce supply chain and pipelines to sustainable, high- wage employment in Whanganui are determined	4 x Number of different support initiatives	Whanganui Education and Workforce Development Report completed. Talent Connect app was supported STAG hui was held every 2 months Workshops in 3D printing (tech and prototyping) were delivered with TCLT and Ngāti Apa. MSD workshop included talk on entrepreneurship opportunities for their clients.	Achieved

	<p>Facilitation of activities that strengthen international relationships and perceptions of Whanganui</p>	<p>2 x Number of inward delegations hosted, or outward delegations supported</p>	<p>Outward delegation returned from Japan, South Korea and Vietnam. Tracking well for increased enrolments in Whanganui schools. Currently 7.5EFTS as a direct result of this trip.</p> <p>Nagaizumi inward delegation Aug 23.</p> <p>Tokyo Agri student study tour delegation and Tokyo board of education inspection trip completed.</p> <p>We were invited to host an agent webinar by Education NZ in Feb to highlight our region.</p> <p>Agent Famil for 3 international agents completed April – funded by Education NZ</p> <p>Famil for 8 reps from Japan came to Whanganui to look at Girls College and WHS on March 26th – Funded by Education NZ</p>	<p>Achieved</p>
<p>There is ongoing business capability development and workforce development across all key sectors in Whanganui</p>	<p>Facilitation of business capability and workforce development opportunities that are sector-specific</p>	<p>4 x Facilitation of business capability and workforce development opportunities that are sector-specific</p>	<p>2 Science learning kits sponsored for use solely by our Kura Kaupapa via House of Science.</p> <p>Partnered with Sport Whanganui and WG Community Education on</p>	<p>Achieved</p>

			Supported Whanganui Pakihi Māori to run a business startup roopu. WG Community Education supported in skills development for horticulture.	
		15 x sector-specific workshops delivered or supported (across all priority areas)	<p>1 “Show me the money” financial workshop successfully delivered</p> <p>2 “Stacking your paper” financial workshop successfully delivered</p> <p>3 “Creative practice warrant of fitness” business planning workshop successfully delivered</p> <p>4 Unleashing the Potential of Gen Z workshop completed.</p> <p>5 Frame your Fame photography for social media workshop</p> <p>6-9 3D printing workshops</p> <p>10-15 LEAN group workshops</p>	Achieved
		4 x Number of	No operators achieved the accreditation in the year. A number of	Partially Achieved

		tourism operators to achieve QM accreditation	operators were engaged with to deliver the target but are at various stages in the process – Sarjeant, Museum, Glasswork, Waimarie. In total, there are 7 QM registered businesses in Whanganui.	
		5 x Number of operators to join Tourism Sustainability Commitment	15 registered – increase of 6 on last year	Achieved
Rangatahi/young people are engaging in higher education for increased employment outcomes	Facilitate and support of partners as they provide higher education opportunities for rangatahi in Whanganui	3 x Number of different support initiatives	100% SWEET contract signed and KPIs agreed Conversations started with Whitecliff and AcademyEX on delivery of higher education programmes in Whanganui including tech – W&P to offer scholarships to the AcademyEX micro creds. Vic University Museum internship programme supported for Whanganui. Completed.	Achieved

Surge Sector

PRIMARY INDUSTRIES

Vision: Long-term sustainability of Whanganui’s primary sector with enablers for sustainable food and fibre, technology, agri-tourism and Māori agribusiness.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2023-2024	SSP Update
---------	--	---	--------------------	------------

<p>Whanganui is a place of primary sector innovation and research</p>	<p>Investment into Whanganui’s science and technology to build capability and entrepreneurship</p>	<p>3 x Number of secondary and tertiary-level research and projects conducted in Whanganui</p>	<p>AgResearch alternative protein project</p> <p>Capability and entrepreneurship partnership with Massey Business School started 26 March in Whanganui</p> <p>Research projects started through support of Earlham College students in Whanganui</p>	<p>Achieved</p>
<p>A diversified, sustainable and growing Whanganui primary sector</p>	<p>Identify the key risks to the future sustainability of the primary sector</p>	<p>5 x Number of Māori landowner engagements or support initiatives that assist in their agribusiness development</p>	<p>Support given in connecting funds and relationships with other organisations, research or crops to higher value products and connecting with local iwi and hapū.</p>	<p>Achieved</p>
	<p>Identify and facilitate ways to support and inform agribusiness in Whanganui</p>	<p>1 x Number of investments made that leverage agribusiness diversification or sustainability</p>	<p>Nutritional analysis of new high protein food products carried out</p> <p>Toowoomba Study Tour and Protein Conference in June – 7 delegates</p> <p>Pet food business – gone to Hawke’s Bay. Broker grateful for W&P input.</p> <p>Production facility with overseas investment potential, now working through Council planning process</p>	<p>Partially Achieved</p>

	Attract investment into Whanganui agribusiness diversification or sustainability		Toowoomba Study Tour and Protein Conference in June – 7 delegates Pet food business – gone to Hawke’s Bay. Broker grateful for W&P input. Production facility with overseas investment potential, now working through Council planning process	Achieved
A strong national and international reputation for Whanganui’s primary sector and its products	Promote Whanganui’s reputation for quality produce, food and fibre products, and cosmetics	2 x Number of clusters supported	Agritourism Cluster meetings x 2. Tokyo Agricultural School visit to Whanganui agri/hort businesses	Achieved
		10 x Number of businesses/products identified and supported to be export- ready	Businesses identified and steps taken to connect or analyse product opportunities	Partially achieved

Surge Sector **CREATIVE INDUSTRIES**

Vision: A strong and vibrant creative sector forming the heart of an identity that attracts visitors, residents, students and businesses, generating employment and growing innovation.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2023-2024	SSP Update
---------	--	---	--------------------	------------

<p>Whanganui is an esteemed national and international arts hub</p>	<p>Support Whanganui’s infrastructure, production and clear pathways for creative sector businesses to grow</p> <p>Increased creative sector offerings for visitors and locals</p>	<p>3 x Number of creative industry initiatives delivered</p>	<p>1 Music Venue Guide completed with positive media coverage. Guide was an outcome of the Whanganui Music Action Plan of the year before, which identified perceived compliance barriers for new venues. The Guide provides easy to access first steps for achieving building and licensing compliance, links to appropriate council staff, and additional marketing, industry and business tips. Note: no budget spend for this, just SL Cl’s time.</p> <p>2 Informal creative education inventory An inventory which maps all existing Whanganui creative education offered outside of NZQA frameworks. This work provides baseline data which supports the School of Design project.</p> <p>3 Coastal Arts Trail ongoing support Additional marketing tools for the Coastal Arts Trail, signage and other support.</p>	<p>Achieved</p>
<p>Whanganui UNESCO City of Design is embedded into the identity of</p>	<p>Put design and the principles of the UNESCO City of Design designation are</p>	<p>2 x Number of City of Design initiatives delivered or supported</p>	<p>1 “Future Heritage” award sponsored at the Whanganui Heritage Awards. A City of Design</p>	<p>Achieved</p>

<p>the region, locally, nationally, and internationally</p>	<p>at the heart of Whanganui businesses and organisations</p>	<p>2 x Number of inward delegations or projects delivered under the “City of Design”</p>	<p>promotional piece. As well as sponsoring the award we worked with the UNESCO NZ National Commission to secure funding for the Awards.</p> <p>2 Whitecliffe Scholarships in Masters of Creative Enterprise and Innovation launched in partnership with Whitecliff College. Development opportunity for two local entrepreneurs and partnership development with Whitecliff.</p> <p>3 Bringing a Whanganui design trade display to the 7th Wuhan Design Biennale and speaking at accompanying symposium.</p> <p>4 Design Cluster Ecosystem Mapping. Globally experienced UK Professor Anna Winchor delivered design ecosystem mapping workshop for Whanganui stakeholders. This has provided us with a City</p>	
--	---	--	---	--

			<p>of Design Action Plan.</p> <p>5 Contribution to the Climate Change Symposium Alaska / Whanganui connection through support for a climate change wayfinding marker (part of larger Interpretive Signage project). – a) supporting Jaqueline Brand Holt to research the structures that support creative content start-ups in South Korea and b) supporting two gallerists to gain experience of the art market at a professional and commercial level. Additional mentoring support was provided to a gallery start-up and individual artists through the Making It programme (larger Making It workshops acquitted through capability building section).</p>	
	<p>Incorporate City of Design in the Whanganui brand strategy</p>	<p>1x Project to refine the brand proposition</p>	<p>Plans to incorporate UNESCO City of Design brand have been developed and agreed up on with WDC. The visual representation (tohu) of the UNESCO brand appeared alongside Whanganui’s brand from May.</p>	<p>Achieved</p>

	Build Whanganui's recognition as a UNESCO City of Design locally, nationally and internationally	3 x Number of national media stories	One story was featured in the Business Central publication. Two additional stories were scheduled across Stuff platforms (Dominion Post, Waikato Times, The Press, + online) - one was published and another filed for publishing	Partially achieved
Film Whanganui is the workforce and service hub for screen production in the lower central North Island	Build Whanganui's reputation as the destination of choice for film producers locally, nationally, and internationally	2 x Number of Film Whanganui support initiatives delivered	<p>1 Scholarship provided to the Big Screen Symposium for a local emerging filmmaker. This was taken up by Abby Kingi who made significant industry connections.</p> <p>2 FilmApp implemented. We're now using the industry standard permitting system in line with the bigger NZ film offices with all relevant council staff incorporated.</p> <p>3 General support for productions: catering provided for a Whanganui Recce for a feature film. And AWA Films support for Below-the-Line Trainee Intern Programme.</p> <p>4 Core Business running costs of Regional Film Office including Film Whanganui directory costs, and shared costs of RFONZ administrator and shared attraction campaign (booth at the Big Screen Symposium).</p>	Achieved

Surge Sector VISITOR INDUSTRIES

Vision : Lead the delivery of the Whanganui Destination Management Plan to enable sustainable tourism growth and employment with strong community connections and benefits.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2022-2024	SSP Update
Destination businesses operate sustainably because tourism product is well developed	Ensure Whanganui has high-quality, sustainable tourism product offerings that centre around its strengths, most importantly the river	1 x Number of initiatives that support data and information demand analysis	Monthly tourism dashboard in place utilising MBIE, Air DNA & Accommodation Data Programme information.	Achieved
		3 x Number of initiatives supported (or led) that enable product development	<p>Coastal Arts Trail – establishing 1 – 3 year strategy.</p> <p>Interpretive Signage – project continued that is planned to see waterfront signage installed in Sep/Oct 2024 and a walking tour app</p> <p>Wellbeing experiences – A \$4K amplify grant was awarded to That Place to assist in developing accommodation for the wellness retreat. Dome accommodation under construction, trial retreat programmes have been implemented.</p>	Achieved

	Support Māori tourism to grow the number of Māori-owned tourism operators	1 x Number of initiatives supported that enable Māori tourism growth	Supporting the eco-cultural hub to final business case. A meeting of interested parties was held in Aug. The concept was paused through discussion with project partners	Partially achieved
Core infrastructure projects are well developed and tourism grows sustainably	Develop Whanganui core infrastructure that enables sustainable growth of tourism and events	2 x Number of initiatives supported (or led) that enable infrastructure development and improvement	M2S cycle trail promoted. Mountain to Sea cycle Trail fund Trail Champion & Marketer contracted to advocate for and promote the M2S cycle trail. Encouraged growth of boutique/peer-to-peer accommodation. Worked with 'Upstaged' to create and run a workshop around setting up peer to peer (Air BnB) accommodation to encourage more BnB's to be listed. Workshop ran 13 June 2024 (approximately 140 people attended).	Achieved
isite is a key front of house for visitors to Whanganui	Support isite as a key resource for first-time visitors	4.5 / 5 isite customer satisfaction	53 ratings/reviews 4.87/5 average.	Achieved
	isite supports the function of W&P as the Regional Tourism Office	25,000 Annual visitors to isite	Total visitors engaged: 17,260	Not achieved

Key Driver

BUSINESS DEVELOPMENT

Vision: Whanganui is a location of choice for new and existing businesses, with innovative potential and sustainable growth.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2022-2024	SSP Update
A supported and growing business sector	Support and connect businesses	80 x Number of Regional Business Partners referrals	85	Achieved
		300 x Number of engagements and connections with Whanganui business	825	Achieved
		3 x Breadth of business support undertaken (number of different support initiatives)	Final amplify grant allocated Oct '23. 1:1 business support to businesses experiencing difficulties.	Partially Achieved
		+50 or greater Net Promoter Score on support experience	76.92	Achieved
Innovation and sustainability are the foundations for Whanganui business	Champion innovation and sustainability as at the heart of Whanganui businesses (existing and new)	3 x Number of innovation and sustainability initiatives delivered/supported	Support given to The Backhouse for FY23/24 activities Engagement with RETA regarding energy transition of large power consumers	Partially Achieved

Key Driver

MĀORI BUSINESS/ ECONOMY

Vision: The Whanganui economy is a path for prosperity maximising potential for Māori through regional economic development.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2022-2024	SSP Update
Kaitiakitanga – whānau are working with and on the whenua	Partnerships with Māori are established and develop and implement economic projects for the benefit of Whanganui whenua and whānau	2 x Number of whenua-based initiatives in Whanganui	Food security project: A local group has started working solely with MPI towards lighter plan.	Partially Achieved
	A pathway to explore maara kai, wild kai, Rongoa is created	1 x Number of projects that enable puanga and indigenous provenance	Connected an indigenous chef with a “Plate of Provenance” concept, working with other chefs and locals. Worked with Māori charity to advance their food security project (as mentioned in above box) Connected landowner to scientists to advance opportunities on land through understanding climate resilience. Connected a local hapū with wetland scientist and māra kai specialists to advance their land offerings.	Achieved

<p>Kotahitanga - whānau have economic well-being – with capacity, excellent collaboration, innovation, and businesses</p>	<p>Māori in Whanganui are supported to thrive in the areas of business growth, capability (employment opportunities), education and specifically the creative sector</p>	<p>50 x Number of engagements with Māori businesses</p>	<p>21</p>	<p>Partially Achieved</p>
		<p>4 x Number of initiatives that build capability of Māori through employment (higher-wage, higher-skilled jobs)</p>	<p>100% SWEET contract signed and in place. Te Rangitāmiro programme Whanganui Pakihi Māori roopu</p>	<p>Partially Achieved</p>
		<p>3 x Number of engagements/initiatives with research institutes in Whanganui</p>	<p>Ohu Rangahau engagements complete. Evolved into monthly gatherings with support from Te Manu Atatū.</p>	<p>Achieved</p>
<p>Manaakitanga – rangatahi are reaching their full potential empowering whānau capacity</p>	<p>Strong partnerships with iwi, hapū, marae, and the Māori community advance their aspirations in economic development</p>	<p>25% x Percentage of Māori business recipients of W&P funding or other investment through W&P support</p>	<p>17%</p>	<p>Partially Achieved</p>
		<p>2 x Number of special events stimulating Māori supported</p>	<p>Amotai meet the buyer's event. Hosted a 2-day wānanga for Te Rangitāmiro programme, targeted at year 10 Māori students.</p>	<p>Achieved</p>

	Collaboration with existing marae, iwi, and hapū infrastructure	1 x Number of initiatives that Increase Māori participation in regional economic development through STEM, innovation and tech industries	Tahuti mai ki te whakanui I ngā herenga kaupapa o Ngā Hononga-ā-Kiwa. Students from Whanganui High School attended this event.	Achieved
Whanaungatanga - strong, meaningful, and authentic relationships are developed and the traditional value of whanaungatanga is respected	Collaboration with marae, iwi, and hapū	2 x Number of projects that support iwi/hapu/marae (but give them autonomy)	Supporting Te Ao Hou Marae with publishing a marae and housing development plan Supported the inaugural Climate Change Symposium	Achieved

	<p>Social capital is mobilised within different communities There is investment in success Co-partnering projects are developed</p>	<p>8 x Number of engagements that help W&P to understand multiple iwi structures and relationships</p>	<ul style="list-style-type: none"> • Mihi whakataua and whakawhanaunga tanga at Te Ao Hou Marae. • Te Puni Kōkiri, KPMG alongside Te Manu Atatū procurement workshop. • Ngā Tangata Tiaki – Iwi/Hapū consents with businesses. • Tupua o te kawa training through Port Employment Precinct. • Established relationship with Horizons Policy Advisor for Iwi and Hapū. • Established relationship with Te Taumata (voice for Māori on trade between New Zealand and the rest of the world). Helped to host the Wāhine in tech workshop. • Fostered a relationship with Waikato University, attending the recent Te Hui-ā-Kiwa symposium. 	<p>Achieved</p>
--	---	--	--	------------------------

Key Driver **MARKETING**

Vision: A distinguished, differentiated brand contributes to a strong reputation and experience across our destination brand and the work of Whanganui & Partners itself.

Outcome	What we will do to achieve it – key activities	How we will demonstrate success in achieving it	Progress 2022-2024	SSP Update
Whanganui is recognised as a sought-after destination and visitors are attracted here	Promotion of Whanganui as a destination of choice, inspiring visitors, attracting newcomers and offering a distinct experience	1 x Number of destination promotion and attraction initiatives	One visitor campaign as been completed.	Achieved
	Production of visitor collateral to inform visitors of district attractions	3 x Number of visitor collateral produced or updated	Redesigned Visitor Guide produced. An illustrative map of the district has been produced for the guide. Updated version of city centre map has been produced.	Achieved
New businesses, residents, students and visitors chose Whanganui as a high- quality option	Enhancement of Whanganui’s commercial story, including its Advanced Manufacturing and Primary Industries	1 x Number of Business attraction campaigns	Filming took place for 3 promotional videos featuring 3 local businesses with the campaign live in the 24/25 FY	Partially achieved
	Attraction of a high-skilled and high-wage workforce	3 x Number of National media stories (sector-specific)	Four national media stories have run featuring creative industries, City of Design, manufacturing strengths, and tourism.	Achieved
	Maintaining a	1 x Number of talent	Two x international	Partially

	strong proposition for Whanganui as a visitor destination	attraction campaigns delivered	student attraction videos in production with campaign live in 24/25 FY	achieved
	Enhancement of users' Discover Whanganui website experience when they consider visiting, doing business, or studying in Whanganui	5% web traffic increase to discoverwhanganui.nz	We have had <1% growth on the period from July 2022 – June 2023. The reduction came from lower investment in marketing campaigns driving traffic to the Discover site	Not achieved
		1 x Projects to enhance the discoverwhanganui.nz website	Merging of digital estates took place with The Official Discovery site converted to be integrated into the DiscoverWhanganui.nz website, web designers developed wire frames with final delivery in 24/25.	Partially achieved
Local businesses utilise and value the services and initiatives Whanganui & Partners offers and supports	Promotion of W&P initiatives across all focus areas	5 x Number of business-related marketing campaigns	Final Amplify promotion completed. Massey SME business course Lean Group + Industry 4.0 programmes. Toowoomba study programme. Airbnb workshop	Achieved
	Building business awareness of grants and other opportunities for support	1 x Number of marketing collateral initiatives developed to support business' access to opportunities	We have promoted two creative business scholarships, which have been awarded. We have developed collateral and promoted TechWeek jointly with the Whanganui Tech Network.	Achieved

			We have developed collateral and promoted a Gen Z workshop.	
	Proactive and positive engagement with and visibility of Whanganui & Partners	120 x Number of W&P media mentions	57 media mentions. 0 negative, 20 neutral, 36 positive. 10 national stories.	Not achieved
		7.5% x Percentage increase to social media following	Total = 7% From July 1 W&P FB +5%, W&P LinkedIn +24.7%	Partially achieved
		Q x Economic dashboard updated	Dashboard has been updated.	Achieved
Whanganui hosts nationally significant events for the benefit of the local economy	Delivery of the Event Action Plan	1 x Annual events summary report produced	Report produced and presented to councilors in December workshop.	Achieved
		1 x One contestable funding process introduced and delivered	Funding process launched in April ahead of confirmed funding decision in the new FY	Achieved
		5+ Number of events supported that develop approved marketing plans	11 events have been funded and delivered.	Achieved

Whanganui Port Limited Partnership

Objectives

1.1 The WPLP Primary objectives are to manage and operate the Whanganui Port, including upgrades and developments as part of the larger Whanganui Port Infrastructure Project (Te Puwaha).

The board has closely monitored the performance of all the activities that form part of WPLP. During Board meetings stakeholders report back to directors on various activities.

1.1.1 Te Puwaha project has been developed in terms of both economic development for the region, as well as increasing recreational and commercial activity of the port.

The Board has closely monitored the Te Puwaha project. This include updates during board meeting as well as a regular catch-up between directors and project director.

1.1.2 Harbour Endowment portfolio is about managing the Endowment Land in accordance with the Whanganui Harbour Act 1988.

The Board has closely monitored the performance of the investment portfolio. WPLP has worked with WDC staff to monitor current investment and develop new investment opportunities, with regular feedback being provided to its shareholder.

1.1.3 Sea Port Operations are about managing and operating the Whanganui Port.

The Board has closely monitored Port Operation activities. WPLP has worked with WDC staff to monitor current activities. This include capital investment in Port Operations to help building a sustainable future proof business.

Performance targets

Objective	Performance metric	Outcome
The forecast performance targets for the next three years are:		
1. <i>Ensure</i> compliance with all agreements including those with Crown and the Whanganui Port Limited Partnership including the Security holders agreements, Partnership Agreement and Operating Agreement.	<ul style="list-style-type: none"> Compliance with all agreements. Maintain a legal overview of all terms and agreements. WPLP will produce reports in accordance with the Local Government Act 2002 and generally accepted accounting practice. The financial statements will be prepared and audited by 30 September. WPLP will produce monthly management reports in accordance with WDC management reporting systems. 	<ul style="list-style-type: none"> Fully compliant, no issues. 30 June'23 Annual report was signed off by statutory deadline. Board and WDC Finance team will ensure 30 June'24 financials are signed off by auditors prior to 30 Sep'24. External legal team reviewed documents with all being compliant.
2. Deliver the port revitalization as specified by the Security holders agreement	<ul style="list-style-type: none"> Project delivery underway as per Security holders agreement. Condition precedents all being met with Kānoa. 	<ul style="list-style-type: none"> Compliant with the objective.
3. Manage port operations and property endowment	<ul style="list-style-type: none"> Professional Property services used. 	<ul style="list-style-type: none"> Property being managed as per objective with

Objective	Performance metric	Outcome
<p>portfolio as set out in the Partnership Agreement.</p>	<ul style="list-style-type: none"> • Property and Facilities Management: Management of the Whanganui Port property portfolio (including the Endowment Land) as per Service Level Agreement. • Port Operations: Undertake all day-to-day matters relating to the operation of the Whanganui Port as per Service Level Agreement. 	<p>regular reporting to directors.</p> <ul style="list-style-type: none"> • Port Operations being managed as per objective with regular reporting to directors.
<p>4. Manage revenue and cost lines to enable the partnership to be at least break even</p>	<ul style="list-style-type: none"> • Board and staff managing revenue as per objective. • Monthly reporting to board meetings which include actuals to budget variance as well as cash flow reporting. Major proposed capital reported to Directors for their approval. 	<ul style="list-style-type: none"> • Revenue being managed as per objective. • Directors ensure enough funds are available before committing to major expenses.

Exempt Council Controlled Organisations

Whanganui River Enhancement Charitable Trust

The purposes of the Whanganui River Enhancement Charitable Trust are to promote the enhancement of the quality of the waters and catchment of the Whanganui River, to encourage other parties to promote the enhancement of the quality of the waters and catchment of the Whanganui River, to make funds available to allow river enhancement projects (social, economic and environmental) to be undertaken, to contribute to public education about the health and wellbeing of the Whanganui River, and to assist in the education of students engaged in full-time tertiary study where that study is relevant to the Whanganui River.

Although the council appoints two of the six trustees (two also appointed by Ruapehu District Council) they do not exercise significant influence over the Trust. Genesis contributes all revenue, and provides management and accounting personnel. The life of the Trust is linked to the resource consents of Genesis's Tongariro Power Development.

The Whanganui River Enhancement Charitable Trust has been exempted according to section 7 of the Local Government Act 2002 (the Act). It is therefore not a Council Controlled Organisation for the purposes of the Act.

Sarjeant Gallery Trust Board

The purpose of the Sarjeant Gallery Trust Board is to promote and foster the interests of the Sarjeant Gallery Te Whare o Rehua Whanganui and the interests of Whanganui's art and artists.

The Sarjeant Gallery provides a nationally recognised art experience for both residents of Whanganui and visitors. In addition to providing up-to-date exhibitions, it facilitates educational talks and forums, as well as providing artists a platform for displaying local art.

The Sarjeant Gallery Trust Board has been exempted according to section 7 of the Local Government Act 2002 (the Act). It is therefore not a Council Controlled Organisation for the purposes of the Act.

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

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

Such services will be initiated under the umbrella of MW LASS Ltd where a business case shows that they provide benefits to council users by either improved levels of service, reduced costs, improved efficiency and/or increased value through innovation. Current work is being undertaken on establishing a common debt collection unit, enabling participating councils to benefit from the use of specialised debt collection resources.

Annual report disclosure statement

For the year ending 30 June 2024

What is the purpose of this statement?

The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

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

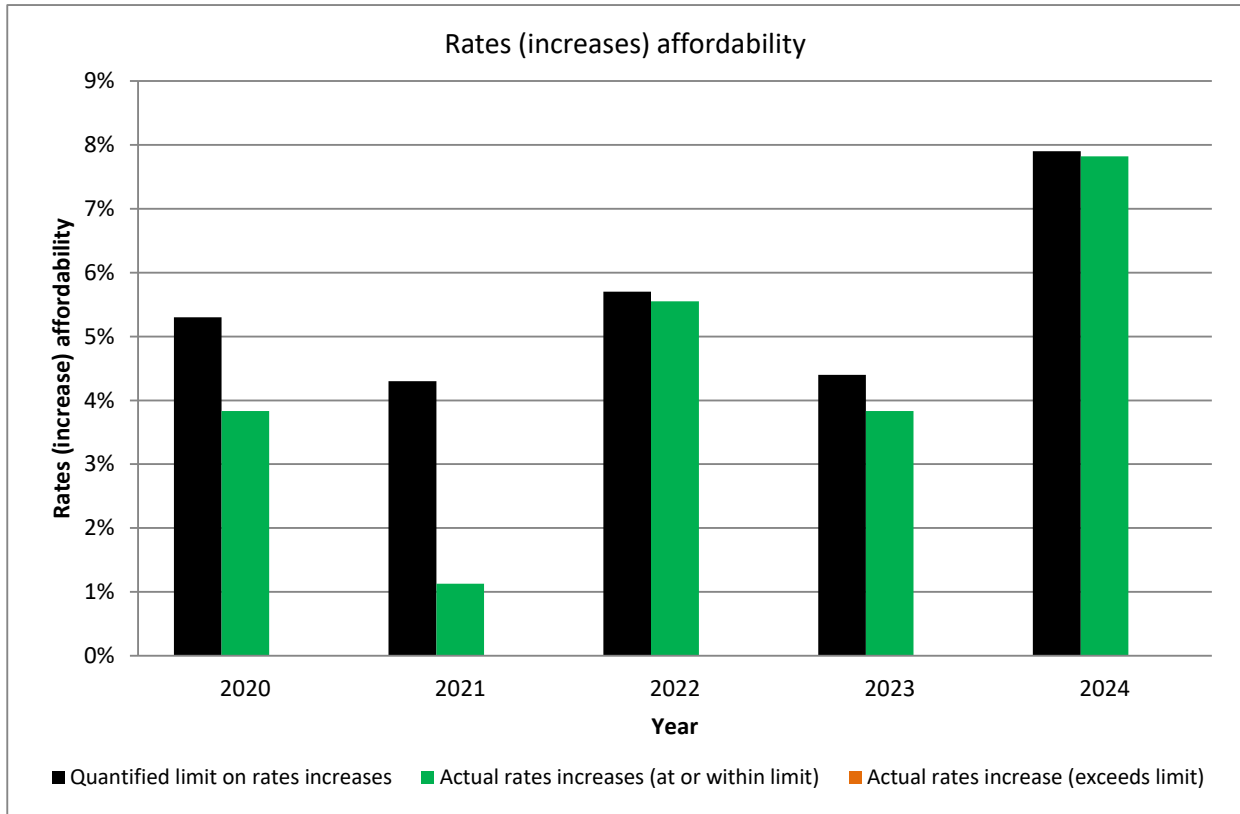
The council meets the rates affordability benchmark if—

- its actual rates increases equal or are less than each quantified limit on rates increases.

Following an amendment to the Local Government Act 2002 in 2019, the council has not included a quantified limit on rates in the financial strategy for the 10-year Budget 2021-31.

Rates (increases) affordability

The following graph compares the Council's actual rates increases (excluding water by meter, trade waste targeted rates and penalties) with a quantified limit on rates increases included in the financial strategy included in the Council's long-term plan. The quantified limit is based on the Local Government Consumer Index plus 3% in 2018/19, and the Local Government inflation rate plus 2% in all other years (after accounting for growth).



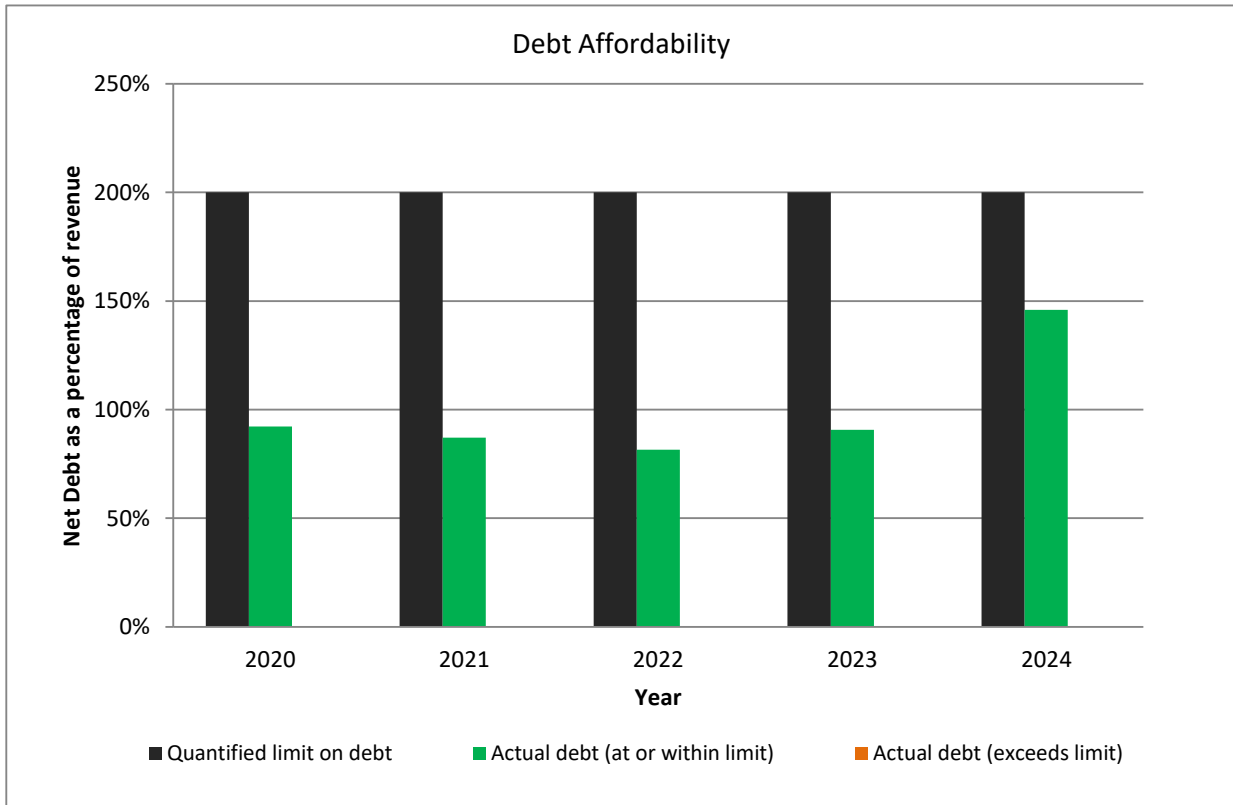
Debt affordability benchmark

The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing as detailed below.

The following graph compares the council's actual debt with a quantified limit on borrowing contained in the financial strategy included in this long-term plan.

The quantified limit is that net borrowing will not exceed 200% of total revenue (net borrowing is defined as total debt less cash or near cash financial investments)

The council meets the debt affordability benchmark if planned net borrowing is less than 200% of total revenue.



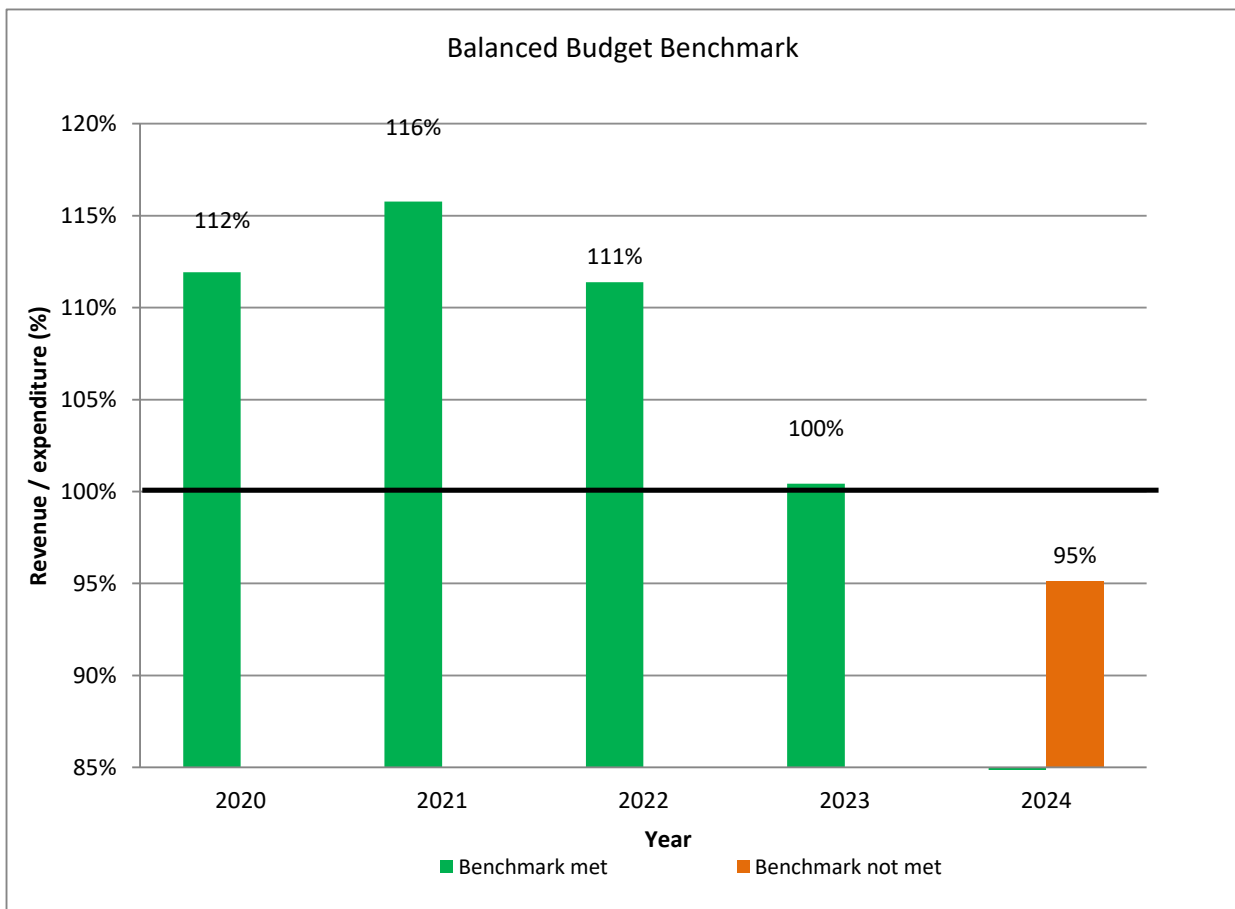
SUSTAINABILITY BENCHMARKS

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.

The council had an unbalanced budget for the 2023/24 year. This was consistent with the forecast in the Annual Plan for 2023/24. This was a result of high inflation and increased depreciation on our infrastructure assets. Depreciation is a non-cash item which the council does not specifically fund; rather we fund asset replacement and loan repayments.



SUSTAINABILITY BENCHMARKS

Essential Services Benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

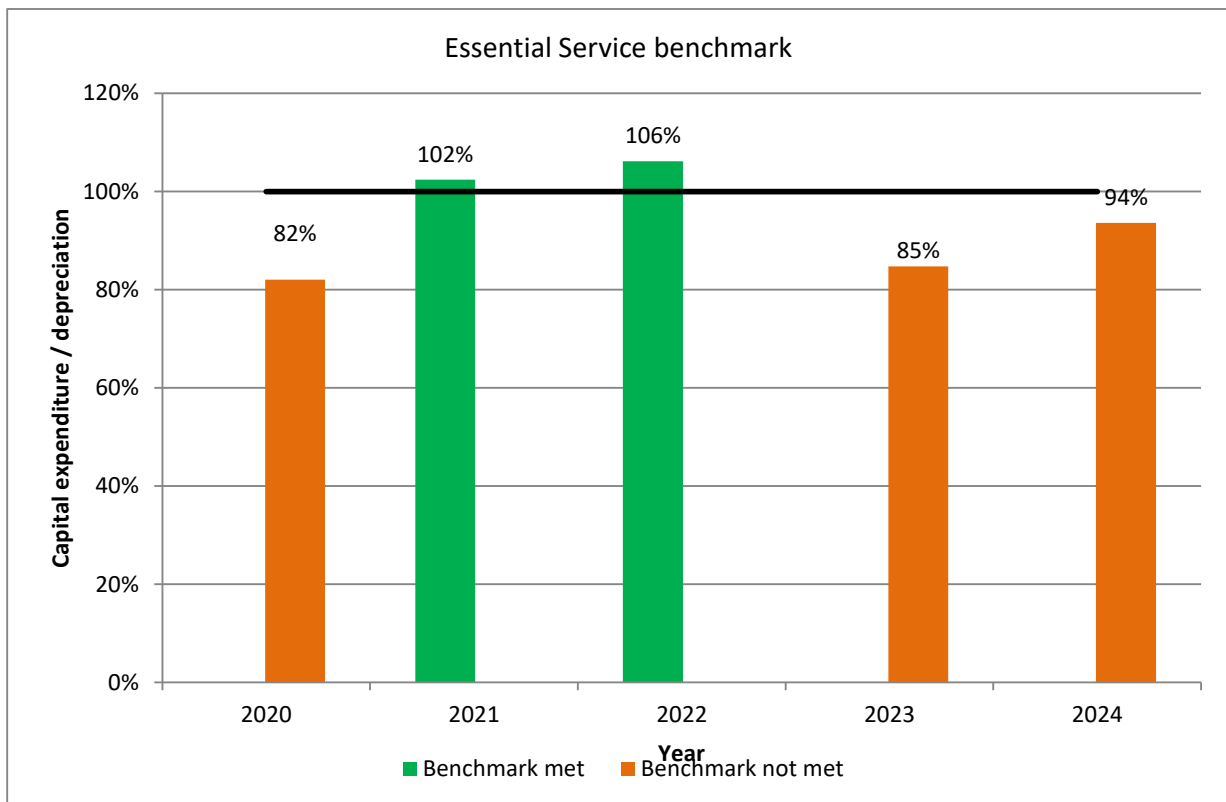
The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

Council did not meet the essential services benchmark in 2019/20. There are a number of factors that contribute towards capital expenditure being less than depreciation including:

- The \$41.2M upgrade to our Wastewater Treatment Plant carried out from 2016-2018 results in a higher depreciation charge and a lower requirement to spend large amounts on this asset.
- We have adopted a risk-based approach to asset management, meaning that we have prioritised capital expenditure towards critical assets, non-critical assets will be run to failure, and then replaced/renewed. Over a number of years we have been gathering reliable data on the condition of our critical assets to ensure money is spent prudently, and in the area of most need.
- Our Roding asset management are prepared in full compliance with the “One Network Road Classification” (ONRC) outlined by the New Zealand Transport Agency (NZTA), these plans are audited by NZTA who funds 61% of our Roding expenditure.

Council did not meet the essential services benchmark in the years ended June 2023 or June 2024 due to significant increases depreciation as a result of the 2021/22 infrastructure revaluations.

We plan our capital expenditure on network services based on asset information, criticality and condition. Although we do not meet the requirements of this benchmark, we believe that our capital expenditure is set at a sustainable and prudent level.

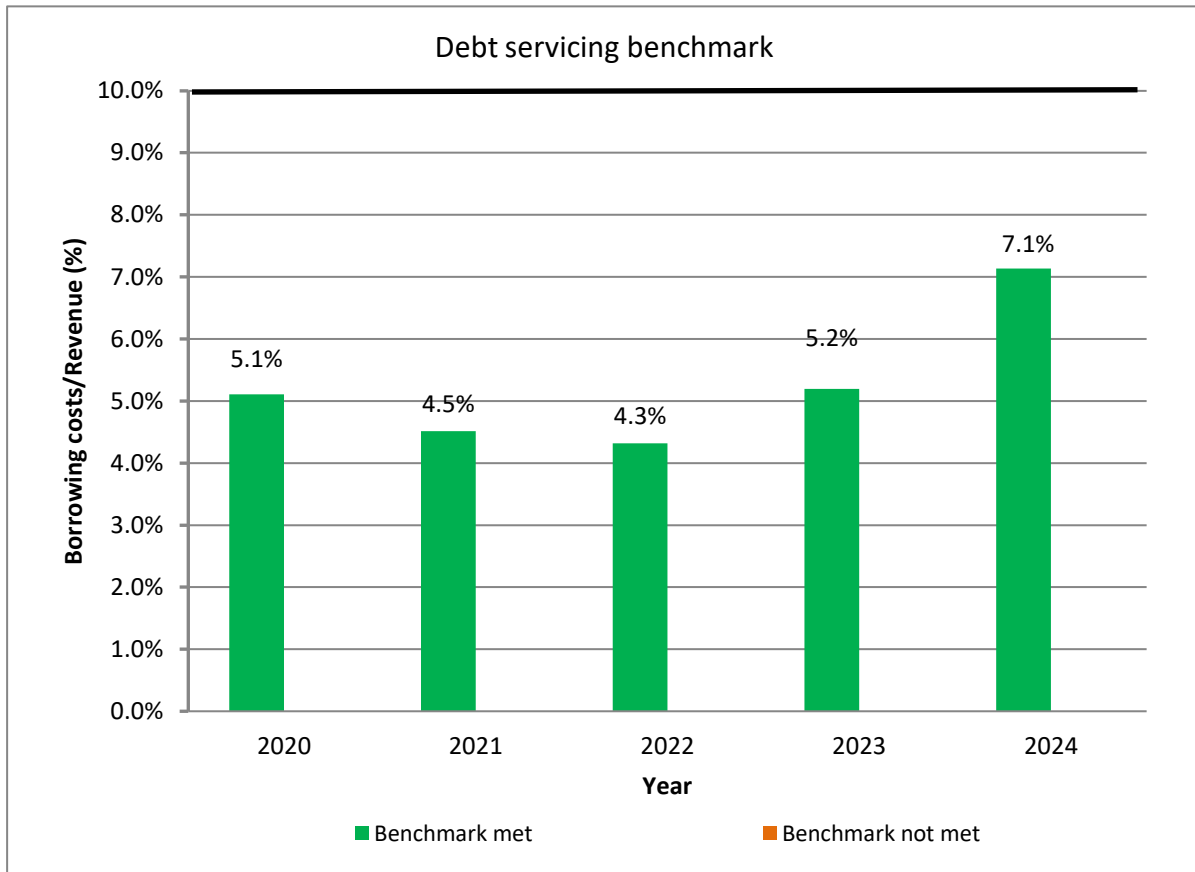


SUSTAINABILITY BENCHMARKS

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 as fast as the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



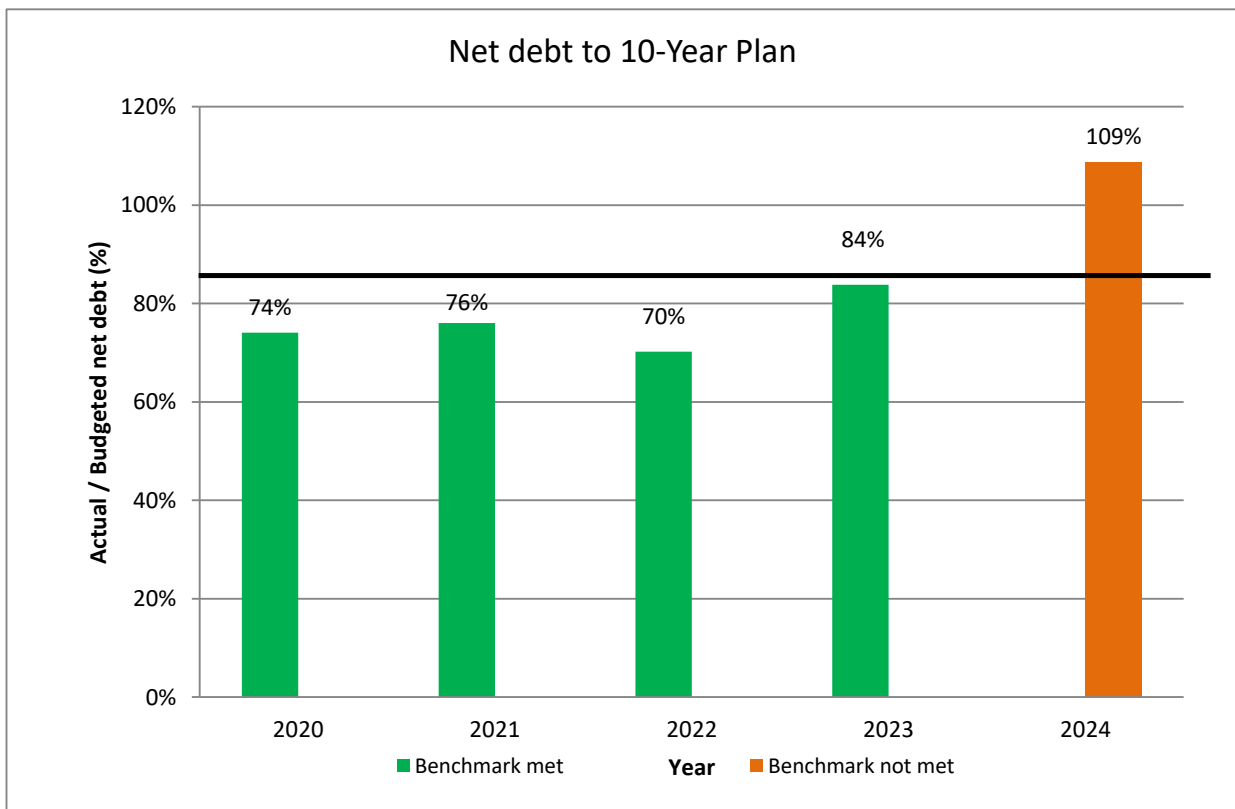
PREDICTABILITY BENCHMARKS

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.

The council has not met this benchmark in 2024 following the refinancing of subsidiary debt which was not budgeted in the 2021-31 Long Term Plan.



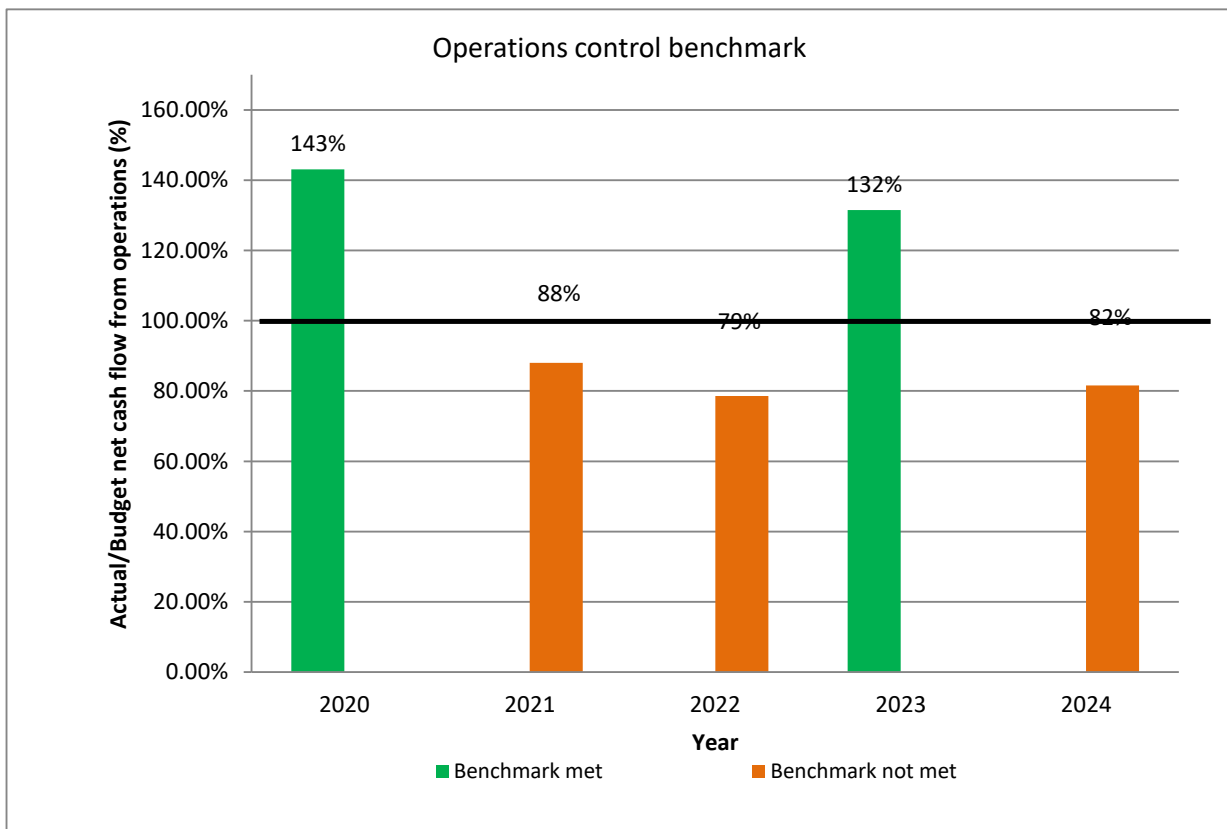
PREDICTABILITY BENCHMARKS

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.

Planned cash flows include large Grants and Donations to offset the capital expenditure for the redevelopment of the Sarjeant Gallery. The timing of when these grants and donations are received has cause us to not meet this benchmark in 2021, 2022, and 2024 but also to exceed the benchmark in 2020 and 2023.



Statement of comprehensive revenue and expense

For the year ended 30 June 2024

	Note	Council		Group		
		Budget	Actual	Actual	Actual	Actual
		2024	2024	2023	2024	2023
Revenue		\$000	\$000	\$000	\$000	\$000
Rates revenue (including metered water, trade waste and penalties) split as below:						
Rates (excluding water supply and trade waste)	1	73,766	73,768	67,507	73,768	67,507
Rates from metered water supply and trade waste	1	2,903	2,795	2,802	2,795	2,802
Total Rates		76,669	76,562	70,309	76,562	70,309
Finance revenue	2	1,105	2,809	1,607	2,705	1,216
Development and financial contributions		1,015	279	19	279	19
Other revenue:	3				-	-
Subsidies and grants		12,876	28,499	20,903	28,495	17,801
User fees and other revenue		15,371	16,883	17,568	31,694	27,878
Gains/(Losses)	4	259	(421)	2,472	(108)	8,877
Total revenue		107,295	124,611	112,878	139,628	126,100
Expenses						
Personnel costs	5	24,135	24,933	21,464	30,058	26,208
Depreciation and amortisation expense	6	27,297	28,482	26,545	31,046	29,013
Finance costs	2	7,063	8,760	5,597	9,636	6,450
Other expenses	7	51,119	67,173	53,634	76,464	55,954
Total expenses		109,614	129,348	107,240	147,204	117,624
Share of associate surplus/(deficit)		-	(2)	(5)	(2)	(5)
Surplus/(deficit) before tax		(2,319)	(4,738)	5,633	(7,577)	8,471
Income tax expense	8	-	(5)	-	(32)	833
Surplus/(deficit) after tax		(2,319)	(4,734)	5,633	(7,545)	7,638
Surplus/deficit attributable to:						
Whanganui District Council		(2,319)	(4,734)	5,633	(7,545)	7,638
Other comprehensive revenue and expense						
Gain/(loss) on property plant & equipment revaluations		12,992	76,903	27,867	81,213	23,988
Gain/(loss) on carbon credits revaluation		-	323	(1,221)	323	(1,221)
Financial assets at fair value through other comprehensive revenue and expense		-	35	(22)	66	(22)
Adjustments from CCO through retained earnings		-	(292)	(57)	(292)	(57)
Income tax re components of other comprehensive income		-	-	-	(1,207)	1,086
Total other comprehensive revenue and expense		12,992	76,969	26,567	80,103	23,774
Total comprehensive revenue and expense		10,672	72,236	32,200	72,559	31,412
Total comprehensive revenue and expense attributable to:						
Whanganui District Council		10,672	72,236	32,200	72,559	31,677
Non-controlling interest		-	-	-	-	(265)
		10,672	72,236	32,200	72,559	31,412

Explanations of major variances against budget are detailed in note 38.

Some of the long Term Plan budgets have been restated, to better align to the categories shown in the Annual Report.

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2024

	Council		Group		Group
	Budget	Actual	Actual	Actual	Actual
	2024	2024	2023	2024	2023
Note	\$000	\$000	\$000	\$000	\$000
Balance at 1 July	1,246,327	1,275,949	1,243,749	1,314,169	1,284,257
Net surplus / (deficit)	(2,319)	(4,734)	5,633	(7,545)	7,638
Other comprehensive revenue and expense	12,992	76,969	26,567	80,103	23,774
Adjustments from CCO through equity	-	-	-	-	-
Total comprehensive revenue and expense for the year	10,672	72,236	32,200	72,559	31,412
Non-Controlling interest - funds introduced	-	-	-	-	(1,500)
Balance at 30 June	24	1,256,999	1,348,185	1,275,949	1,386,727
<i>Total comprehensive revenue and expense attributable to:</i>					
Whanganui District Council	10,672	72,236	32,200	72,559	31,677
Non-controlling interest	-	-	-	-	(265)

Explanations of major variances against budget are detailed in note 38.

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2024

	Note	Council		Group		
		Budget 2024 \$000	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Assets						
Current assets						
Cash and cash equivalents	9	7,350	1,334	14,834	15,142	21,872
Receivables	10	6,200	14,399	8,203	18,179	12,180
Other financial assets	11	-	40,360	10,728	20,850	3,358
Inventories	12	-	-	1	800	811
Non-current assets held for sale	13	-	-	-	-	-
Taxation		-	-	-	22	8
Total current assets		13,550	56,093	33,766	54,993	38,229
Non-current assets						
Derivative financial instruments	14	-	965	1,257	965	1,257
Investments in associates	15	-	150	152	150	152
Other financial assets	11	50,943	55,944	42,554	9,305	5,426
Property, plant and equipment	16	1,338,541	1,417,107	1,313,037	1,491,150	1,373,414
Intangible assets	17	3,027	2,240	1,804	10,487	10,033
Investment property	18	17,171	21,105	18,925	50,420	48,740
Total non-current assets		1,409,682	1,497,511	1,377,729	1,562,477	1,439,022
Total assets		1,423,232	1,553,604	1,411,495	1,617,470	1,477,251
Liabilities						
Current liabilities						
Payables and deferred revenue	20	11,400	18,937	15,590	24,292	20,753
Derivative financial instruments	14	-	6	30	6	30
Borrowings & other financial liabilities	21	14,000	19,500	25,250	20,360	25,276
Employee entitlements	22	2,612	2,991	2,451	3,488	2,953
Provisions	23	-	-	-	-	-
Total current liabilities		28,012	41,433	43,321	48,146	49,012
Non-current liabilities						
Payables and deferred revenue	20	-	-	-	-	-
Derivative financial instruments	14	-	66	25	66	25
Borrowings & other financial liabilities	21	138,021	163,750	92,000	176,716	108,079
Employee entitlements	22	150	169	152	169	152
Deferred tax liability	8	50	-	48	5,646	5,813
Total non-current liabilities		138,221	163,986	92,225	182,597	114,070
Total liabilities		166,233	205,419	135,546	230,742	163,081
Net assets		1,256,999	1,348,185	1,275,949	1,386,727	1,314,169
Equity						
Retained earnings	24	611,373	612,246	617,662	642,135	650,333
Restricted reserves		66,722	68,719	68,328	68,719	68,328
Revaluation reserves		576,064	665,265	588,362	673,918	593,911
Other reserves		2,840	1,955	1,597	1,955	1,597
Total equity attributable to WDC		1,256,999	1,348,185	1,275,949	1,386,727	1,314,169
Non-controlling interest		-	-	-	-	-
Total equity		1,256,999	1,348,185	1,275,949	1,386,727	1,314,169
Investments in CCOs and similar entities	36	50,160	49,566	38,117		

Explanations of major variances against budget are detailed in note 38.

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2024

	Note	Council		Group	Group	
		Budget 2024 \$000	Actual 2024 \$000	Actual 2023 \$000	Actual 2024 \$000	Actual 2023 \$000
Cash flows from operating activities						
Receipts from rates revenue		76,669	75,730	69,966	75,730	69,966
Interest received		600	2,643	1,127	2,410	1,147
Dividends received		505	7	505	7	5
Subvention receipt		-	-	-	-	(32)
Receipts from other revenue		29,263	39,482	36,198	57,201	50,326
Payments to suppliers		(51,833)	(64,995)	(50,814)	(80,253)	(62,348)
Payments to employees		(23,421)	(24,376)	(21,355)	(26,350)	(24,316)
Goods and services tax (net)		-	(226)	213	(128)	371
Interest paid		(7,063)	(8,060)	(5,126)	(9,129)	(5,889)
Income tax paid		-	(43)	-	(55)	203
Net cash from operating activities	25	24,720	20,162	30,714	19,433	29,433
Cash flows from investing activities						
Receipts from sale of property, plant and equipment		-	107	23	921	23
Purchase of property, plant and equipment		(41,434)	(56,265)	(40,562)	(67,759)	(42,792)
Acquisition of investments		-	(25,676)	(1,828)	(45,079)	(8,759)
Loans to subsidiaries		-	(17,632)	-	-	-
Receipts for sale and maturity of investments		-	-	8,000	12,582	15,174
Purchase of intangible assets		(75)	(196)	(79)	(196)	(169)
Net cash from investing activities		(41,509)	(99,662)	(34,446)	(99,531)	(36,523)
Cash flows from financing activities						
Proceeds from borrowings		26,680	78,000	20,000	75,775	21,657
Dividends paid		-	-	-	-	-
Non-Controlling interest - funds introduced		-	-	-	11,412	-
Repayment of borrowings		(10,224)	(12,000)	(10,000)	(13,819)	(11,080)
Net cash from financing activities		16,456	66,000	10,000	73,368	10,577
Net (decrease)/increase in cash and cash equivalents		(333)	(13,500)	6,268	(6,730)	3,487
<i>Cash and cash equivalents at the beginning of the year</i>		<i>7,683</i>	<i>14,834</i>	<i>8,566</i>	<i>21,872</i>	<i>18,385</i>
Cash and cash equivalents at the end of the year	9	7,350	1,334	14,834	15,142	21,872

Explanations of major variances against budget are detailed in note 38.

The accompanying notes form part of these financial statements.

Funding Impact Statement for the Whole of Council

For the year ended 30 June 2024

	Annual Plan 2024 \$000	Annual Report 2024 \$000	Annual Plan 2023 \$000	Annual Report 2023 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	41,201	41,223	40,190	40,183
Targeted rates	35,468	35,340	30,346	30,126
Subsidies and grants for operating purposes	7,271	13,436	4,941	6,705
Fees and charges	10,526	11,104	8,749	10,312
Interest and dividends from investments	1,105	2,809	690	1,607
Local authorities fuel tax, fines, infringement fees and other receipts	2,817	3,840	2,558	4,693
Total operating funding (A)	98,388	107,752	87,474	93,626
Application of operating funding				
Payments to staff and suppliers	75,254	91,797	67,619	75,097
Finance costs	7,063	8,760	4,720	5,597
Other operating funding applications	-	-	-	-
Total application of operating funding (B)	82,317	100,557	72,339	80,694
Surplus (deficit) of operating funding (A - B)	16,071	7,195	15,135	12,932
Sources of capital funding				
Subsidies and grants for capital expenditure	7,605	12,375	7,066	10,876
Development and financial contributions	1,015	279	1,003	19
Increase (decrease) in debt	16,456	66,000	15,745	10,000
Gross proceeds from asset sales	-	107	-	23
Lump sum contributions	-	-	-	-
Other dedicated capital funding	28	2,646	28	3,200
Total sources of capital funding (C)	25,104	81,407	23,843	24,118
Application of capital funding				
Capital expenditure				
-to meet additional demand	4,172	1,122	3,155	508
-to improve the level of service	23,502	37,791	12,217	24,426
-to replace existing assets	13,835	17,631	23,705	15,809
Increase (decrease) in reserves	(334)	20,646	(100)	(3,694)
Increase (decrease) of investments	-	11,412	-	-
Total application of capital funding (D)	41,175	88,602	38,977	37,049
Surplus (deficit) of capital funding (C - D)	(16,071)	(7,195)	(15,135)	(12,931)
Funding balance ((A - B) + (C - D))	-	-	-	-

Explanations of major variances against budget are detailed in note 38.

Statement of accounting policies

For the year ended 30 June 2024

Reporting entity

Whanganui District Council is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation that governs the operations of the council includes the LGA and the Local Government (Rating) Act 2002.

The Whanganui District Council group (WDCG) consists of the ultimate parent Whanganui District Council (the council) and its subsidiaries, Whanganui and Partners Limited (100% owned), Whanganui Port Limited Partnership (95% owned), 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.

The primary objective of the council is to provide local infrastructure, regulatory functions and goods or services to the community for social benefit.

Accordingly, the council has designated itself and the group as public benefit entities (PBEs) for financial reporting purposes.

The financial statements of the council are for the year ended 30 June 2024. The financial statements were authorised for issue by the council on 10 December 2024.

Basis of preparation

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

Statement of compliance

The financial statements and service performance information of the council have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards. These financial statements comply with PBE standards.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets, certain intangible assets and certain financial instruments (including derivative instruments).

Functional and presentation currency

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

Standards adopted

No new standards adopted.

Standards issued and not yet effective and not early adopted.

Nil.

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

Nil.

SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The purchase method is used to prepare the consolidated financial statements, which involves adding together like items of assets, liabilities, equity, revenue and expenses on a line-by-line basis. All significant intragroup balances, transactions, revenue and expenses are eliminated on consolidation.

Subsidiaries

The council consolidates as subsidiaries in the group financial statements all entities where the council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where the council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by the council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The consideration transferred in an acquisition of a subsidiary reflects the fair value of the assets transferred by the acquirer and liabilities incurred by the acquirer to the former owner.

Any excess of the cost of the business combination over the council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the council's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the cost of the business combination, the difference will be recognised immediately in the surplus or deficit.

Investments in subsidiaries are carried at cost in the council's own "parent entity" financial statements.

Associates

The council accounts for investments in associates in the group financial statements using the equity method. An associate is an entity over which the council has significant influence and that is neither a subsidiary nor an interest in a joint venture of the council. The investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the council's share of the surplus or deficit of the associate after the date of acquisition. The council's share of the surplus or deficit of the associate is recognised in the council's statement of comprehensive income. Distributions received from an associate reduce the carrying amount of the investment.

If the council's share of deficits of an associate equals or exceeds its interest in the associate, the council discontinues recognising its share of further deficits. After the council's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the council transacts with an associate, surplus or deficits are eliminated to the extent of the council's interest in the relevant associate.

Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

Investments in associates are carried at cost in the council's own "parent entity" financial statements.

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an activity that is subject to joint control. For jointly controlled assets, the council recognises in its financial statements its share of jointly

controlled assets, the liabilities and expenses it incurs, its share of liabilities and expenses incurred jointly, and revenue from the sale or use of its share of the output of the joint venture.

Revenue

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

Exchange transactions

Exchange transactions are transactions where the council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

Non-exchange transactions

In a non-exchange transaction the council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange. An inflow of resources from a 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. As the council satisfies a present obligation (recognised as a liability) in respect of an inflow of resources from a non-exchange transaction (recognised as an asset), it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Accounting policies for significant revenue items are explained below:

Rates revenue

The following policies for rates have been applied:

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

Gas

Revenue is derived from gas network distribution services. Such revenue is recognised when earned and is reported in the financial period to which it relates.

Government grants

The council receives central government grants from Waka Kotahi NZ Transport Agency which subsidises part of the council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants are recognised as revenue when receivable unless there is a condition return the funds if they are not used as specified by the grant. If there is such an obligation when the grant is received it is recorded as a grants received in advance and revenue is only recognised when conditions of the grant are satisfied.

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income. Assets vested in the council are recognised as income when control over the asset is obtained, unless there is a use or return condition attached to the asset.

Sale of goods

Revenue from sales of goods is recognised when a product is sold to the customer.

Traffic and parking infringements

Traffic and parking infringements are recognised when tickets are issued. The fair value of this revenue is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding two-year period.

Interest and dividends

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

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

Development contributions

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

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Grant expenditure

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

Discretionary grants are those grants where the council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the council's decision.

Income tax

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax. Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect to prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

Leases

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash and cash equivalents

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

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

Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are “written-off”:

- when remitted in accordance with the Council’s rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

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

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

Other Financial Assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Initial recognition of concessionary loans.

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit.⁴⁴ Debt instruments in this category are the Council and group's listed bonds.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Other than for derivatives, the Council and group has no instruments in this category

Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information. The Council and group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Council measure ECLs on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the financial asset, the ECL is recognised as a provision.
Shares in subsidiaries (at cost)

The investment in subsidiaries is carried at cost in the Council's parent entity financial statements.

Derivative financial instruments

The council uses derivative financial instruments to manage exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value at each balance date.

The associated gains or losses of derivatives that are not hedge accounted are recognised in the surplus or deficit.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost (using the FIFO method), adjusted when applicable, for any loss of service potential. Where inventories are acquired at no cost or for nominal consideration, the cost is the fair value at the date of acquisition.

GasNet Limited inventories, comprising the network, is valued at the lower of cost or net realisable value after making provision for damaged or obsolete items. Cost is determined by the weighted average method of valuation.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

Non-current assets held for sale

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

Any impairment losses for write-downs of non-current assets held for sale are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

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

Property, plant and equipment

Property, plant and equipment consists of:

Operational assets – these include land, buildings, motor vehicles, plant and equipment and library books.

Restricted assets – these include land and buildings in the City Endowment and Harbour Endowment portfolios. These assets provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets – these include the fixed utility systems comprising the roading, airport runway, water reticulation and drainage systems, and infrastructure land (including land under roads). Each asset type includes all items that are required for the network to function.

The infrastructure networks are valued at optimised depreciated replacement cost, adjusted by additions (at cost), disposals and depreciation. Revaluations are carried out every three years and are independently reviewed. Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), and infrastructural assets are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Revaluation

Land, buildings (operational and restricted), infrastructural assets (except land under roads) and artworks are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

The council assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

The council accounts for revaluations of property, plant and equipment on a class of asset basis.

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

Additions

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

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

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Derecognition and disposals

An asset is derecognised on disposal or when no future economic benefits or service potential is expected from its use or disposal. Gains and losses on derecognition are determined by comparing the proceeds, or future economic benefits, with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. The revaluation surplus included in net assets / equity in respect of property, plant and equipment will be transferred directly to retained earnings when the assets are derecognised.

Subsequent costs

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

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and art works, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset type	Useful life	Depreciation rate
Land (including Restricted properties)		Not a Depreciable item
Buildings and leasehold improvements (including Restricted properties)	5 to 50 years	2-20%
Plant, vehicles and equipment	3 to 20 years	5-33%
Furniture & Fittings	5 to 10 years	10-20%
Library books	10 years	10%
Art Works		Not a Depreciable item
<i>Infrastructural assets</i>		
Roading network		Weighted average 4.58%
Pavement	4-18 years	

Basecourse	80-100 years	
Footpaths	8-50 years	
Bridges & large culverts	100 years	
Kerb and channel	20-100 years	
Retaining Walls	50-100 years	
Street lighting	15-50 years	
Culverts	80 years	
Traffic signals and under road assets	5-50 years	
Wastewater system	20 to 120 years	2.5%
Storm water system	20 to 120 years	1.7%
Water system	9 to 100 years	2.6%
Gas distribution network mains and services	7 to 100 years	1% - 15%
Gas distribution network condition renewals	50 years	2%
Gas measurement systems and distribution network customer stations	10 to 100 years	1% - 10%
Airport runway	10 years	10%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the council's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary / associate at the date of acquisition. Goodwill on acquisition of subsidiaries is included in "intangible assets". Goodwill on acquisition of associates is included in "investments in associates" and is tested for impairment as part of the overall balance. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed.

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination, in which the goodwill arose.

Carbon credits

Carbon credits are initially recognised at cost. After initial recognition they are not amortised but all carbon credits are measured, annually, at fair value.

The net revaluation result is credited or debited to other comprehensive revenue and expense and is accumulated to fair value through general reserve. Where this results in a debit balance in the reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase in revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense. They are derecognised when they are used to satisfy carbon emission obligations.

Software acquisition and development

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

Costs that are directly associated with the development of software for internal use by the council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the council's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Asset type	Useful life	Amortisation rate
Computer software	3-10 years	10%-33%

Impairment of property, plant and equipment and intangible assets

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

Assets that have a finite useful life are reviewed for indicators of impairment at each balance date and whenever events and circumstances indicate the carrying amount may not be recoverable. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use for non-cash generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those held for the primary purpose of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. Where an impairment loss is reversed this is recognised in the surplus or deficit.

Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of biological assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

The costs to maintain forestry assets are included in the surplus or deficit when incurred.

Investment property

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

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

After initial recognition, the council measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Payables

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

Borrowings

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

Borrowings are classified as current liabilities unless the council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are expected to be settled within 12 months of balance date.

Employee entitlements

Short-term employee entitlements

Employee benefits that the council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at, balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

The council recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the council anticipates it will be used by staff to cover those future absences.

The council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

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

Equity

Equity is the community's interest in the council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- retained earnings
- restricted reserves
- asset revaluation reserves
- other reserves

Restricted reserves

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

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

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

Revaluation reserves

These relate to the revaluation of land, buildings and infrastructural assets to fair value.

Other reserves

These relate to the revaluation of financial assets (shares and bonds) to fair value and the revaluation of carbon credits to fair value.

The council's objectives, policies and processes for managing capital are described in note 37.

Goods and Services Tax (GST)

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

The net amount of GST recoverable from, or payable to, Inland Revenue – Te Tari Taake (IRD) is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by the council in its 2021-31 Long-Term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the council for the preparation of the financial statements.

Cost allocation

The council has derived the cost of service for each significant activity of the council using the cost allocation system outlined below.

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

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such operating expenditure net of Waka Kotahi NZ Transport Agency subsidies.

Critical accounting estimates and assumptions

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

Council infrastructural assets

There are a number of assumptions and estimates used when performing DRC valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset – for example, the council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible – for example, stormwater, wastewater and water supply pipes that are underground. This risk is

minimised by the council performing a combination of physical inspections and condition modelling assessments of underground assets

- estimating any obsolescence or surplus capacity of an asset
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted 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 surplus or deficit. To minimise this risk, the council's infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructure 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 the council's asset management planning activities, which gives the council further assurance over its useful life estimates.

Valuations of infrastructural assets are performed externally by experienced independent experts.

GasNet Limited infrastructural assets

At each balance date GasNet Limited reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires GasNet Limited to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by GasNet Limited, and expected disposal proceeds from the sale of the asset. An incorrect estimate of the useful life or residual value will affect the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the surplus or deficit, and carrying amount of the asset in the statement of financial position. GasNet Limited minimises the risk of this estimation uncertainty to its infrastructure assets by:

- an annual review internally by experienced engineers of the value of the infrastructure assets to determine if any material changes exist.
- physical inspection of assets
- asset replacement programmes
- review of second-hand market prices for similar assets
- analysis of prior assets sales
- completing a revaluation of the infrastructure assets every third year.

GASNET LIMITED has not made significant changes to past assumptions concerning useful lives and residual values.

Critical judgements in applying the council's accounting policies

Management has exercised the following critical judgements in applying the council's accounting policies for the period ended 30 June 2024.

Classification of property

The council owns a number of properties, which are maintained primarily to provide housing to older persons. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the council's social housing policy. These properties are accounted for as property, plant and equipment.

Impairment of shares in subsidiary

Management reviews its share investment in its subsidiary and has made estimates and assumptions concerning the future. These estimates and assumptions include revenue growth, future cash flows and future economic and market conditions. These estimates are based on assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. The council minimises the risk of this estimation uncertainty by annually reviewing the value of its share investment.

Notes to the financial statements

For the year ended 30 June 2024

1. Rates (Other than a targeted rate for water supply)

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
CBD rate	511	448	511	448
General rate	41,253	40,240	41,253	40,240
Roading and footpath rates	9,134	7,832	9,134	7,832
Stormwater rate	5,155	4,443	5,155	4,443
Wastewater rate	10,077	7,738	10,077	7,738
Water charge (excluding metered water)	4,474	3,910	4,474	3,910
Storm damage rate	-	-	-	-
Roading Resilience rate	894	884	894	884
Fire capacity rate	1,120	978	1,120	978
Debt retirement rate	-	-	-	-
Earthquake strengthening rate	993	928	993	928
Exotic forestry rate	135	135	135	135
Rates Penalties	440	356	440	356
Rates discounts	(322)	(313)	(322)	(313)
Rates remissions	(96)	(72)	(96)	(72)
Total rates revenue (excluding metered water and trade waste)	73,768	67,507	73,768	67,507
Tradewaste fees	1,553	1,553	1,553	1,553
Metered water supply charges	1,241	1,249	1,241	1,249
Total rates revenue (including metered water and trade waste)	76,562	70,309	76,562	70,309

The total amount of rates charged on Council-owned properties that have not been eliminated from revenue and expenditure is \$1.8M (2023 \$1.5M).

WDC is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That Deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by the Council from other local authorities for services provided by the Council for which those other local authorities rate.

Non-rateable land

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

Rating base information

	The number of rating units	The total capital value of rating units \$000	The total land value of rating units \$000
At the end of the preceeding financial year (i.e. 30 June 2023)	22,079	15,636,339	7,953,338
Last year (i.e. 30 June 2022)	21,864	10,053,342	4,363,203

Notes to the financial statements

For the year ended 30 June 2024

2. Finance revenue and finance costs

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Finance revenue				
Interest revenue:				
- money market and term deposits	1,653	689	2,447	774
- related party loans	1,065	337	-	-
- other	84	76	251	437
Subvention receipt	-	-	-	-
Dividend revenue	7	505	7	5
Total finance revenue	2,809	1,607	2,705	1,216
Finance costs				
Interest expense:				
- interest on borrowings and swaps	8,760	5,597	9,636	6,450
- interest on finance leases	-	-	-	-
Total finance costs	8,760	5,597	9,636	6,450
Net finance costs	5,951	3,990	6,931	5,234

3. Other revenue

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Subsidies and Grants				
Waka Kotahi (New Zealand Transport Agency) subsidies	19,431	10,345	19,431	10,345
Gallery Redevelopment project	2,646	3,200	2,637	676
Three water grants (DIA)	-	890	-	890
Provincial Growth Fund (MBIE)	4,000	1,500	4,000	1,500
Ministry for Culture and Heritage	-	3,000	-	3,000
Three water transition (DIA)	-	459	-	459
Better off Funding (DIA)	1,559	598	1,559	598
Other grants	863	911	868	333
Subsidies and grants Total	28,499	20,903	28,495	17,801
User fees and other revenue				
Other user charges	3,230	3,094	8,422	6,167
Regulatory revenue	3,196	3,338	3,196	3,338
Rental from investment properties	901	584	901	584
Rental from other properties	3,089	2,980	3,089	2,980
Infringements and fines	586	483	586	483
Waste disposal levy	859	-	859	-
Rendering of services	583	695	583	695
Petrol tax	306	308	306	309
Trade waste user fees	975	1,106	975	1,106
Vested assets	1,878	2,662	1,878	2,662
Property, plant and equipment gain on disposal	102	23	102	23
Other (includes trading revenue from GasNet Limited)	1,178	2,295	10,797	9,531
Total User fees and other revenue	16,883	17,568	31,694	27,878
Total other revenue	45,382	38,471	60,189	45,679

There are no unfulfilled conditions and other contingencies attached to Waka Kotahi NZ Transport Agency subsidies or any government grant recognised (2023 nil).

Notes to the financial statements

For the year ended 30 June 2024

4. Gains

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Non-financial instruments				
Investment property revaluation gains/(losses) (note 18)	(421)	794	(105)	4,783
Investment property gains/(losses) on disposal	-	-	-	-
Change in fair value of property, plant and equipment (including reversal of previous year write-downs)	-	-	(3)	2,416
<i>Total non-financial instruments gains</i>	(421)	794	(108)	7,199
Financial instruments				
Gains/(losses) on derivative financial instruments	-	1,678	-	1,678
<i>Total financial instruments gains</i>	-	1,678	-	1,678
Total gains	(421)	2,472	(108)	8,877

5. Personnel costs

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Salaries and wages	23,730	20,897	28,806	25,566
Employer contributions to defined contribution plans	816	629	866	722
Increase/(decrease) in employee entitlements/liabilities	386	(62)	386	(80)
Total personnel costs	24,933	21,464	30,058	26,208

Council received employment subsidies of \$120,574 (2023 \$176,718)

Notes to the financial statements

For the year ended 30 June 2024

6. Depreciation and amortisation expense by group of activity

	Council	
	2024 \$000	2023 \$000
Water supply	2,866	2,831
Stormwater drainage	3,186	3,125
Sewerage and the treatment and disposal of sewage	4,234	4,186
Provision of roads and footpaths	12,572	11,202
Parks and recreation	1,451	1,314
Community and cultural	1,359	1,332
Economic development	7	7
Community facilities and services	1,576	1,594
Transportation	236	15
Investments	4	3
Corporate	992	936
Total depreciation and amortisation expense	28,482	26,545

7. Other expenses

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Fees to auditors:				
- Audit New Zealand for financial statement audit	273	253	451	426
- Audit New Zealand for 10-Year Plan audit & Consultation Document	133	-	133	-
- Audit New Zealand for audit related fees for disclosure regulations	-	-	56	55
- Audit New Zealand for audit related fees for Debenture Trust Deed	6	4	6	-
- joint venture financial statement audit	20	16	20	16
- Road Alliance Contract - Brian Smith Advisory Services	11	11	11	11
- Other financial auditors	-	-	-	-
Donations	3	4	3	4
General grants	964	1,045	959	1,040
Contractors	30,677	24,205	27,995	24,277
Maintenance	3,961	2,876	4,387	3,130
Electricity	3,840	3,627	3,840	3,627
Planned maintenance	2,667	2,499	2,667	2,499
Insurance premiums	4,149	2,622	4,428	2,858
Directors' fees	-	-	143	126
Consultancy	5,227	3,053	5,315	3,165
Legal fees	382	465	583	529
Rates Expense	2,118	1,731	2,324	1,910
Property, plant and equipment losses on disposal	-	-	-	-
Losses from derivative financial instruments	309	-	309	(26)
Loss on acquisition of port assets	-	-	-	-
Impairment of receivables (note 10)	93	56	93	56
Minimum lease payments under operating leases	101	39	101	275
Other operating expenses	12,240	11,128	22,640	11,976
Total other expenses	67,173	53,634	76,464	55,954

Notes to the financial statements

For the year ended 30 June 2024

8. Tax

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Components of tax expense				
Current tax expense	-	-	622	519
Deferred tax expense	(5)	-	(136)	1,218
Prior year adjustment	-	-	(519)	(904)
Income tax expense	(5)		(33)	833
impairment of receivables (note 10)				
Relationship between tax expense and accounting profit				
Surplus/(deficit) before tax	(4,738)	5,633	(7,577)	8,471
Tax at 28%	(1,327)	1,577	(2,122)	2,372
Non-deductible expenditure	1,098	(1,667)	1,321	(3,810)
Loss not recognised	181	91	84	-
Prior year adjustment to deferred tax	43	-	(384)	522
Deferred tax adjustment	-	-	1,068	1,749
Total tax expense	(5)		(33)	833

Council

Council has not recognised a deferred tax asset in relation to tax losses of \$646,000 (2023 \$1,244,000). However, the asset has been recognised at group level.

Deferred tax liability

	Property, plant and equipment	Financial instruments	Tax losses	Employee entitlements	Total
	\$000	\$000	\$000	\$000	\$000
Council					
Balance 30 June 2022	637	-	(525)	(68)	48
Charged to profit and loss	(1)	-	-	-	(1)
Charged to equity	-	-	-	-	-
Balance 30 June 2023	636	-	(525)	(68)	48
Charged to profit and loss	(48)	-	-	-	(48)
Charged to equity	-	-	-	-	-
Balance 30 June 2024	588	-	(525)	(68)	-
Group					
Balance 30 June 2022	8,256	(16)	(2,371)	(193)	5,681
Charge/(credit) to revenue	436	2	780	-	1,218
Charge/(credit) to equity	(1,086)	-	-	-	(1,086)
Balance 30 June 2023	7,606	(14)	(1,591)	(193)	5,813
Charged to profit and loss	(1,234)	46	(181)	-	(1,369)
Charge/(credit) to equity	1,202	-	-	-	1,202
Balance 30 June 2024	7,574	32	(1,772)	(193)	5,646

Notes to the financial statements

For the year ended 30 June 2024

9. Cash and cash equivalents

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Cash at bank and on hand	1,334	14,834	15,142	21,872
Term deposits with maturities less than 3 months at acquisition	-	-	-	-
Total cash and cash equivalents	1,334	14,834	15,142	21,872

The total value of cash and cash equivalents that can only be used for a specific purpose as outlined in the relevant trust deeds is \$nil (2023 \$nil).

10. Receivables

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Rates receivables	5,345	4,341	5,345	4,341
Other receivables:				
- related party receivables	-	-	-	-
- New Zealand Transport Agency subsidies	4,134	-	4,134	-
- interest receivable	160	-	160	-
- other	5,811	5,116	9,591	9,093
Gross Receivables	15,450	9,457	19,229	13,434
Allowance for credit losses	(1,050)	(1,254)	(1,050)	(1,254)
Total Receivables	14,399	8,203	18,179	12,180

Total receivables comprise:

Receivables from exchange transactions	1,185	972	4,779	4,763
Receivables from non exchange transactions	13,213	7,231	13,400	7,417
Gross Receivables	14,399	8,203	18,179	12,180

Expected Credit Loss

WDC does not provide for any expected credit loss on rates receivable (except Maori land) as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the impact of discounting is material.

These powers allow WDC to commence legal proceedings to recover any rates that remain unpaid 4 months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then WDC can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Notes to the financial statements

For the year ended 30 June 2024

The ageing profile of receivables as at 30 June 2023 and 2024 are detailed below:

	2024			Net \$000
	Gross \$000	Expected loss rate %	Expected credit loss \$000	
Council				
Not past due	8,698	0.00%	-	8,698
Past due 1-60 days	523	0.70%	(4)	520
Past due 61-120 days	200	0.00%	-	200
Past due > 120 days	6,028	17.37%	(1,047)	4,981
Total	15,450		(1,050)	14,399

	2023			Net \$000
	Gross \$000	Expected loss rate %	Expected credit loss \$000	
Council				
Not past due	4,598	0.00%	-	4,598
Past due 1-60 days	207	1.53%	(3)	204
Past due 61-120 days	199	0.00%	-	199
Past due > 120 days	4,453	28.09%	(1,251)	3,202
Total	9,457		(1,254)	8,203

	2024			Net \$000
	Gross \$000	Expected loss rate %	Expected credit loss \$000	
Group				
Not past due	11,392	0.00%	-	11,392
Past due 1-60 days	960	0.38%	(4)	956
Past due 61-120 days	569	0.00%	-	569
Past due > 120 days	6,308	16.59%	(1,047)	5,261
Total	19,229		(1,050)	18,179

	2023			Net \$000
	Gross \$000	Expected loss rate %	Expected credit loss \$000	
Group				
Not past due	7,769	0.00%	-	7,769
Past due 1-60 days	632	0.50%	(3)	629
Past due 61-120 days	201	0.00%	-	201
Past due > 120 days	4,832	25.89%	(1,251)	3,581
Total	13,434		(1,254)	12,180

Notes to the financial statements

For the year ended 30 June 2024

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

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
At 1 July	1,254	1,356	1,254	1,356
Additional provisions made during the year	202	177	(204)	(102)
Provisions reversed during the year	-	-	-	-
Receivables written-off during period	(406)	(279)	-	-
At 30 June	1,050	1,254	1,050	1,254

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

The Chief Executive approved the write-off of rates receivable during the year under the LG(R)A 2002 totalling \$0 in 2024 (2023 \$0)

Notes to the financial statements

For the year ended 30 June 2024

11. Other financial assets

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Current portion				
Loans to subsidiaries and associates	28,360	10,728	200	425
Term deposits with maturities greater than 3 months at acquisition	12,000	-	20,651	2,933
<i>Total current portion</i>	40,360	10,728	20,850	3,358
Non-current portion				
Community loans	2,175	2,182	2,175	2,182
Loans to subsidiaries and associates	-	-	-	-
Government Indexed Bonds	-	-	-	-
NZ Local Government Funding Agency borrower notes	4,243	2,306	4,243	2,306
Unlisted shares in NZ Local Government Insurance Corporation Limited	270	262	270	262
Unlisted shares in NZ Local Government Funding Agency Limited	496	469	496	469
Sarjeant Gallery (Craigs Investment Partners & Term Deposits)	-	-	1,484	207
Shares in subsidiary (at cost - WDCHL)	8,146	8,146	()	-
Units in Whanganui Port Limited Partnership	40,602	29,189	-	-
Other	14	-	638	-
<i>Total non-current portion</i>	55,944	42,554	9,305	5,426
Total other financial assets	96,304	53,282	30,155	8,784

Fair value

Community loans

The fair value of community loans is their carrying value of \$2,174,999 (2023 \$2,182,000), which is carried at face value. The terms of the loans may be discretionary as a result of a Council decision.

Loans to related parties

The fair value of loans to related parties is their carrying value of \$28,360,284 (2023 \$10,728,370).

Unlisted shares

Due to the immaterial size and nature, the unlisted shares in NZ Local Government Insurance Corporation Limited are valued using the net assets of the company. Council considers this to be fair value at 30 June 2024.

Due to the immaterial size and nature of the Council's investment in the NZ Local Government Funding Authority Limited ("LGFA"), WDC has estimated the fair value of this investment based on the LGFA's net asset backing as at 30 June.

Notes to the financial statements

For the year ended 30 June 2024

12. Inventories

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
<i>Held for distribution/Commercial inventories</i>				
Inventory	-	1	800	18
Network	-	-	-	793
Total inventories	-	1	800	811

Network Inventories are pledged as security for liabilities 2024 \$655,000 (2023 \$685,000). There has been no write-down of commercial inventories to net realisable value (2023 \$nil).

13. Non-current assets held for sale

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Land	-	-	-	-
Buildings	-	-	-	-
Total non-current assets held for sale	-	-	-	-

14. Derivative financial instruments

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Current asset portion				
Interest rate swaps - cash flow hedges	-	-	-	-
	-	-	-	-
Non-current asset portion				
Interest rate swaps - cash flow hedges	965	1,257	965	1,257
	965	1,257	965	1,257
Total derivative financial instrument assets	965	1,257	965	1,257
Current liability portion				
Interest rate swaps - cash flow hedges	6	30	6	30
	6	30	6	30
Non-current liability portion				
Interest rate swaps - cash flow hedges	66	25	66	25
	66	25	66	25
Total derivative financial instrument liabilities	72	55	72	55

Fair value

The fair values of interest rate swaps have been determined by calculating the expected cash flows under the terms of the swaps and discounting these values to present value. The inputs into the valuation model are from independently sources market parameters such as interest rate yeild curves. Most market parameters are implied from instrument prices.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for WDC were \$72,000,000 (2023 \$70,000,000) and for the WDC group were \$72,000,000 (2023 \$72,000,000). At 30 June 2024 the Fixed Interest rates on the swaps ranged from 2.23% to 6.15%.

Notes to the financial statements

For the year ended 30 June 2024

15. Investments in associates

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Whanganui River Enhancement Charitable Trust (WRET)	70	70	70	70
New Zealand Masters Games Limited (NZMGL)	26	30	26	30
Manawatu Wanganui Local Advisory Shared Services (MW LASS)	54	52	54	52
Total investments in associates	150	152	150	152

All associates are not listed companies and, accordingly, there are no published price quotations to determine the fair value of the investments.

Wanganui-Manawatu LASS Limited

This company was set up in 2008 by seven Local Councils to investigate the possibilities of economies of scale by joint procurement.

Notes to the financial statements

For the year ended 30 June 2024

16. Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

Council 2024	Accumulated depreciation and impairment charges		Carrying amount 30/6/2023	Current year additions	Current Years		Accumulated depreciation & Impairments eliminated on disposals / revaluations		Current year depreciation	Transfers	Depreciation Transfers	Revaluation surplus	Accumulated depreciation and impairment charges		Carrying amount 30/6/2024
	Cost/ revaluation 30/6/2023	30/6/2023			Vesting Additions	Current year disposals	Current year disposals	disposals / revaluations					Cost/ revaluation 30/6/2024	30/6/2024	
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operational assets															
Land	95,129	-	95,129	-	-	-	-	-	-	-	-	31,044	126,173	-	126,173
Buildings	90,886	(6,185)	84,701	1,268	-	-	9,521	(3,337)	1,953	-	27,372	121,479	(1)	121,478	
Leasehold Improvements	3,779	(1,098)	2,681	-	-	-	-	(136)	-	-	-	3,779	(1,234)	2,544	
Plant, equipment and motor vehicles	20,084	(16,683)	3,401	1,405	-	(309)	295	(1,369)	7	-	-	21,186	(17,757)	3,430	
Leased equipment	1,178	(1,178)	-	-	-	-	-	-	-	-	-	1,178	(1,178)	-	
Furniture and fittings	4,858	(3,438)	1,420	218	-	-	-	(207)	-	-	-	5,076	(3,645)	1,431	
Library books	4,979	(3,661)	1,318	252	-	-	-	(277)	-	-	-	5,231	(3,938)	1,293	
Artworks - Sarjeant Gallery	36,938	-	36,938	-	-	-	-	-	-	-	-	36,938	-	36,938	
Artworks - Sculptures/Monuments	381	-	381	-	-	-	-	-	-	-	-	381	-	381	
Capital work in progress (see breakdown below)	47,965	-	47,965	26,678	-	-	-	-	(1,960)	-	-	72,683	-	72,683	
Total operational assets	306,176	(32,242)	273,934	29,821	-	(309)	9,816	(5,326)	-	-	58,416	394,104	(27,752)	366,351	
Infrastructural assets															
Stormwater and Drainage	214,161	(3,125)	211,036	4,827	300	-	-	(3,185)	-	-	-	219,288	(6,310)	212,978	
Wastewater Other	140,833	(2,753)	138,080	3,320	155	-	-	(2,801)	-	-	-	144,308	(5,554)	138,754	
Waste Water Treatment Plants & Facilities	72,822	(1,417)	71,405	351	-	-	-	(1,423)	-	-	-	73,173	(2,840)	70,333	
Water Other	129,440	(2,408)	127,032	1,155	412	-	-	(2,451)	(461)	-	-	130,547	(4,859)	125,688	
Water Treatment Plants & Facilities	19,417	(372)	19,045	316	-	-	-	(378)	461	-	-	20,194	(750)	19,444	
Roading network	438,677	-	438,677	11,099	1,010	-	-	(12,562)	-	-	-	450,786	(12,562)	438,224	
Land under roads	8,386	-	8,386	-	-	-	-	-	-	-	-	8,386	-	8,386	
Airport runway	2,457	(195)	2,262	3,142	-	-	372	(178)	-	-	(323)	5,276	(1)	5,275	
Total infrastructural assets	1,026,192	(10,270)	1,015,922	24,211	1,878	-	372	(22,979)	-	-	(323)	1,051,958	(32,876)	1,019,082	
Restricted assets															
Land	20,932	-	20,932	-	-	-	-	-	(135)	-	8,187	28,983	-	28,983	
Buildings	2,671	(423)	2,248	-	-	-	517	(93)	(150)	-	168	2,688	-	2,688	
Total restricted assets	23,602	(423)	23,179	-	-	-	517	(93)	(285)	-	8,354	31,672	-	31,672	
Total property, plant and equipment	1,355,972	(42,935)	1,313,037	54,032	1,878	(309)	10,705	(28,399)	(285)	-	66,448	1,477,736	(60,628)	1,417,107	

Note: Vested assets to Whanganui District Council; \$1,878K (2023 \$2,662K).

Notes to the financial statements

For the year ended 30 June 2024

Group 2024	Cost/ revaluation	Accumulated depreciation and impairment charges	Carrying amount	Current year additions	Current Years Vesting Additions	Current year disposals	Accumulated depreciation & Impairments eliminated on disposals / revaluations	Current year depreciation	Transfers	Depreciation Transfers	Revaluation surplus	Cost/ revaluation	Accumulated depreciation and impairment charges	Carrying amount
	30/6/2023 \$000	30/6/2023 \$000	30/6/2023 \$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	30/6/2024 \$000	30/6/2024 \$000	30/6/2024 \$000
Operational assets														
Land	95,169	-	95,169	-	-	-	-	-	-	-	31,044	126,213	-	126,213
Buildings	102,296	(6,349)	95,946	1,284	-	-	9,521	(3,528)	1,953	-	27,384	132,917	(356)	132,560
Leasehold Improvements	3,779	(1,098)	2,681	8	-	(26)	-	(150)	-	-	-	3,760	(1,248)	2,512
Plant, equipment and motor vehicles	28,172	(20,407)	7,764	4,859	-	(436)	5	(2,583)	7	-	-	32,601	(22,859)	9,742
Leased equipment	1,178	(1,178)	-	-	-	-	-	-	-	-	-	1,178	(1,178)	-
Furniture and fittings	5,239	(3,624)	1,614	242	-	(10)	-	(258)	-	-	-	5,471	(3,883)	1,588
Library books	4,979	(3,661)	1,319	252	-	-	-	(277)	-	-	-	5,231	(3,938)	1,294
Art work	37,319	-	37,319	-	-	-	-	-	-	-	-	37,319	-	37,319
Whanganui Port Limited Partnership Assets	14,656	(462)	14,194	7,841	-	-	-	(289)	-	-	-	22,497	(752)	21,745
Capital work in progress	47,963	-	47,963	26,678	-	-	-	-	(1,960)	-	-	72,681	-	72,681
Total operational assets	340,749	(36,780)	303,969	41,163	-	(472)	9,526	(7,086)	-	-	58,428	439,867	(34,213)	405,654
Infrastructural assets														
Stormwater and Drainage	214,161	(3,125)	211,036	4,827	300	-	-	(3,185)	-	-	-	219,288	(6,310)	212,978
Wastewater Other	140,832	(2,753)	138,079	3,320	155	-	-	(2,801)	-	-	-	144,307	(5,554)	138,753
Waste Water Treatment Plants & Facilities	72,822	(1,417)	71,405	351	-	-	-	(1,423)	-	-	-	73,173	(2,840)	70,333
Water Other	129,440	(2,408)	127,032	1,155	412	-	-	(2,451)	(461)	-	-	130,547	(4,859)	125,688
Water Treatment Plants & Facilities	19,417	(372)	19,045	316	-	-	-	(378)	461	-	-	20,194	(750)	19,444
Roading network	438,676	-	438,676	11,099	1,010	-	-	(12,562)	-	-	-	450,785	(12,562)	438,223
Land under roads	8,386	-	8,386	-	-	-	-	-	-	-	-	8,386	-	8,386
Airport runway	2,457	(195)	2,262	3,142	-	-	372	(178)	-	-	(323)	5,276	(1)	5,275
Gas network infrastructure	30,343	-	30,343	1,166	-	(152)	-	(943)	-	-	4,310	35,667	(943)	34,725
Total infrastructural assets	1,056,534	(10,270)	1,046,264	25,377	1,878	(152)	372	(23,922)	-	-	3,987	1,087,624	(33,819)	1,053,806
Restricted assets														
Land	20,932	-	20,932	-	-	-	-	-	(87)	-	8,187	29,031	-	29,031
Buildings	2,671	(423)	2,248	-	-	-	517	(93)	(181)	-	168	2,658	-	2,658
Total restricted assets	23,602	(423)	23,179	-	-	-	517	(93)	(268)	-	8,354	31,689	-	31,690
Total property, plant and equipment	1,420,885	(47,473)	1,373,414	66,540	1,878	(624)	10,415	(31,101)	(268)	-	70,770	1,559,181	(68,031)	1,491,151

Notes to the financial statements

For the year ended 30 June 2024

Council 2023	Accumulated depreciation and impairment charges		Carrying amount 30/6/2022 \$000	Current Years		Accumulated depreciation & impairments eliminated on disposals / revaluations		Current year depreciation \$000	Transfers \$000	Depreciation Transfers \$000	Revaluation surplus \$000	Accumulated depreciation and impairment charges		Carrying amount 30/6/2023 \$000
	Cost/revaluation 30/6/2022 \$000	30/6/2022 \$000		Current year additions \$000	Vesting Additions \$000	Current year disposals \$000	Current year disposals / revaluations \$000					Cost/revaluation 30/6/2023 \$000	30/6/2023 \$000	
Operational assets														
Land	94,779	-	94,779	-	350	-	-	-	-	-	-	95,129	-	95,129
Buildings	90,347	(2,980)	87,367	520	-	-	-	(3,205)	18	-	-	90,886	(6,185)	84,701
Leasehold Improvements	3,684	(963)	2,721	95	-	-	-	(135)	-	-	-	3,779	(1,098)	2,681
Plant, equipment and motor vehicles	18,360	(15,511)	2,850	1,811	-	(90)	90	(1,262)	3	-	-	20,084	(16,683)	3,401
Leased equipment	1,178	(1,178)	-	-	-	-	-	-	-	-	-	1,178	(1,178)	-
Furniture and fittings	4,731	(3,243)	1,487	127	-	-	-	(194)	-	-	-	4,858	(3,438)	1,420
Library books	4,701	(3,382)	1,319	277	-	-	-	(279)	-	-	-	4,979	(3,661)	1,318
Artworks - Sarjeant Gallery	36,850	-	36,850	-	88	-	-	-	-	-	-	36,938	-	36,938
Artworks - Sculptures/Monuments	381	-	381	-	-	-	-	-	-	-	-	381	-	381
Capital work in progress (see breakdown below)	28,461	-	28,461	19,525	-	-	-	-	(21)	-	-	47,965	-	47,965
Total operational assets	283,473	(27,257)	256,216	22,356	438	(90)	90	(5,076)	-	-	-	306,176	(32,242)	273,934
Infrastructural assets														
Stormwater and Drainage	211,298	-	211,298	1,920	943	-	-	(3,125)	-	-	-	214,161	(3,125)	211,036
Wastewater Other	137,225	(18)	137,207	3,245	363	-	-	(2,735)	-	-	-	140,833	(2,753)	138,080
Waste Water Treatment Plants & Facilities	72,498	-	72,498	324	-	-	-	(1,417)	-	-	-	72,822	(1,417)	71,405
Water Other	126,747	-	126,747	2,556	138	-	-	(2,408)	-	-	-	129,440	(2,408)	127,032
Water Treatment Plants & Facilities	19,145	-	19,145	272	-	-	-	(372)	-	-	-	19,417	(372)	19,045
Roading network	412,464	-	412,464	8,759	780	-	11,193	(11,193)	-	-	16,674	438,677	-	438,677
Land under roads	8,386	-	8,386	-	-	-	-	-	-	-	-	8,386	-	8,386
Airport runway	2,457	(195)	2,262	-	-	-	-	-	-	-	-	2,457	(195)	2,262
Total infrastructural assets	990,219	(213)	990,006	17,076	2,224	-	11,193	(21,250)	-	-	16,674	1,026,192	(10,270)	1,015,922
Restricted assets														
Land	20,932	-	20,932	-	-	-	-	-	-	-	-	20,932	-	20,932
Buildings	2,656	(323)	2,333	15	-	-	-	(100)	-	-	-	2,671	(423)	2,248
Total restricted assets	23,587	(323)	23,265	15	-	-	-	(100)	-	-	-	23,602	(423)	23,179
Total property, plant and equipment	1,297,279	(27,793)	1,269,487	39,447	2,662	(90)	11,283	(26,426)	-	-	16,674	1,355,972	(42,935)	1,313,037

Notes to the financial statements

For the year ended 30 June 2024

Group 2023	Cost/ revaluation	Accumulated depreciation and impairment charges	Carrying amount	Current Years		Accumulated depreciation & Impairments eliminated on	Current year	Transfers	Depreciation	Revaluation	Cost/ revaluation	Accumulated depreciation and impairment charges	Carrying amount
	30/6/2022	30/6/2022	30/6/2022	Current year additions	Vesting Additions	disposals / revaluations	disposals		Transfers	surplus	30/6/2023	30/6/2023	30/6/2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operational assets													
Land	94,819	-	94,819	-	350	-	-	-	-	-	95,169	-	95,169
Buildings	101,772	(3,135)	98,637	754	-	(595)	-	(3,214)	364	-	102,296	(6,349)	95,946
Leasehold Improvements	3,684	(963)	2,721	95	-	-	-	(135)	-	-	3,779	(1,098)	2,681
Plant, equipment and motor vehicles	25,984	(18,424)	7,560	2,362	-	(177)	90	(2,074)	3	-	28,172	(20,407)	7,764
Leased equipment	1,178	(1,178)	(-)	-	-	-	-	-	-	-	1,178	(1,178)	(-)
Furniture and fittings	5,129	(3,395)	1,734	149	-	(40)	-	(229)	-	-	5,239	(3,624)	1,614
Library books	4,702	(3,382)	1,320	277	-	-	-	(279)	-	-	4,979	(3,661)	1,319
Art work	37,231	-	37,231	-	88	-	-	-	-	-	37,319	-	37,319
Whanganui Port Limited Partnership Assets	13,625	(106)	13,519	1,031	-	-	-	(356)	-	-	14,656	(462)	14,194
Capital work in progress	28,459	-	28,459	19,525	-	-	-	-	(21)	-	47,963	-	47,963
Total operational assets	316,584	(30,583)	286,000	24,194	438	(812)	90	(6,287)	346	-	340,749	(36,780)	303,969
Infrastructural assets													
Stormwater and Drainage	211,298	-	211,298	1,920	943	-	-	(3,125)	-	-	214,161	(3,125)	211,036
Wastewater Other	137,224	(18)	137,206	3,245	363	-	-	(2,735)	-	-	140,832	(2,753)	138,079
Waste Water Treatment Plants & Facilities	72,498	-	72,498	324	-	-	-	(1,417)	-	-	72,822	(1,417)	71,405
Water Other	126,747	-	126,747	2,556	138	-	-	(2,408)	-	-	129,440	(2,408)	127,032
Water Treatment Plants & Facilities	19,145	-	19,145	272	-	-	-	(372)	-	-	19,417	(372)	19,045
Roading network	412,463	-	412,463	8,759	780	-	11,193	(11,193)	-	16,674	438,676	-	438,676
Land under roads	8,386	-	8,386	-	-	-	-	-	-	-	8,386	-	8,386
Airport runway	2,457	(195)	2,262	-	-	-	-	-	-	-	2,457	(195)	2,262
Gas network infrastructure	38,760	(4,692)	34,068	2,034	-	-	5,895	(1,204)	(676)	(3,879)	30,343	-	30,343
Total infrastructural assets	1,028,977	(4,905)	1,024,072	19,110	2,224	-	17,088	(22,453)	(676)	-	1,056,534	(10,270)	1,046,264
Restricted assets													
Land	20,932	-	20,932	-	-	-	-	-	-	-	20,932	-	20,932
Buildings	2,656	(323)	2,333	15	-	-	-	(100)	-	-	2,671	(423)	2,248
Total restricted assets	23,587	(323)	23,265	15	-	-	-	(100)	-	-	23,602	(423)	23,179
Total property, plant and equipment	1,369,148	(35,811)	1,333,337	43,318	2,662	(812)	17,178	(28,840)	(330)	-	1,420,885	(47,473)	1,373,414

Notes to the financial statements

For the year ended 30 June 2024

16. Property, plant and equipment (continued)

Valuation

Operational and restricted land and buildings

Under NZ IFRS, this portfolio is being held for operational purposes, is valued and accounted for under the public Benefit Entity International Public Sector Accounting Standard 17 (PBE IPSAS 17) Property Plant and Equipment. The most recent valuation was performed by Mr KD Pawson (FNZIV, FPINZ, Bcom (VPM)), of Morgans Property Advisors, Valuers and the valuation is effective as at 30 June 2024.

Fair value of individual structures have been assessed assuming the continued "economic" use for each structure with same forming an integral part of the total operation of the various portfolios. This use is typically considered the highest and best use. The properties contain a range of improved and bareland operational assets with various different uses relating to the Council function.

Where there has been a definable market for the asset then market comparisons have been utilised to determine Fair Value. Where the asset is not one that has a defined market then Depreciated Cost method has been adopted to determine Fair Value.

Where Council only holds a land interest, then Fair Value has been determined by comparison with market based land sales. A proportion of the portfolio is subject to term ground leases. Where this is the case, only the lessors' (Councils) interest in the land has been assessed - i.e.. The freehold value of the land has been discounted (where applicable) to adequately reflect any rental detriment (through under-renting) and/or the (where perpetually renewable) the tenants 'right to occupy'.

Some of the portfolio is impacted by reserves status (zoned or gazetted) and designations. Where land is impacted by same, the approach has been to firstly assess market values as per underlying zoning/status and then discounted values by a percentage that appropriately reflects the 'percentage chance' of changing the zoning/status or uplifting the designation. The property has been valued as if free and clear of any mortgages, debenture or other charge against the property.

No allowance has been made for any liability for taxation which may arise on disposal of the property, nor any allowance for capital based Government grants investments allowances which may apply if the property was being built at the date of valuation.

Replacement cost has been based on known recent contract prices along with references to most recent QV Cost Builder Statistics.

Leasehold improvements are held at cost less depreciation.

Infrastructural asset classes: roads, airport runway, water system, sewerage reticulation, stormwater system.

These are valued at fair value determined on a depreciated replacement cost basis. The most recent valuation of water assets, as at 30 June 2022, was performed by Rawlinsons Limited (3 waters) with roading assets being valued as at 30 June 2023 by Downer, and peer reviewed by Brian Smith. Three water assets wherever possible were valued based on a "bottom up" rate build up, making suitable allowances for, labour, plant, materials and Preliminary and General costs as well as contractors Margin. Remaining three water assets were valued based on indices published by Stats NZ. Roading asset unit rates were updated using RCI index values. RCI index values were peer received and compared to current contracts to ensure reasonableness of the rates.

Land under Roads

Land under roads was valued at 30 June 2003 and this valuation is considered deemed cost. Under NZ IFRS WDC has elected to use the fair value of land under roads as at 30 June 2003 as deemed cost. Land under roads is no longer revalued. Subsequent additions are shown at cost.

Gas distribution network

The distribution network of WGL was valued using a discounted cash flow model. The network was revalued as at 30 June 2023 by David Morgan of Deloitte. The network is revalued on a five yearly cycle.

Art collection

The art collection of the Sarjeant Gallery has been valued by Mr Ben Plumbly the Director of Art at Art + Object on 30 June 2022. Subsequent additions are shown at cost. Sculptures/Monuments are held on the cost model basis.

Notes to the financial statements

For the year ended 30 June 2024

Impairment

There are no impairments to Property, plant and equipment for the year ending 30 June 2024 (2023 \$Nil).

Work in progress

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Operational Buildings & improvements	71,576	47,326	71,576	47,326
Plant & Equipment	-	-	-	-
Art Works	-	-	-	-
Waste Water Other	-	-	-	-
Storm Water	421	421	421	421
Water Other	-	-	-	-
Roading	387	114	387	114
Waterways & Natural Drainage	-	-	-	-
Gas distribution network	-	-	-	19
Restricted Buildings & improvements	-	-	-	-
Intangible	-	-	-	-
Airport runway	196	-	196	-
Land under Roads	104	104	104	-
Total work in progress	72,683	47,965	72,685	47,882

Nixon Street Wastewater Upgrade project is ongoing at 30 June 2024, with costs for 23/24 year being \$2,165K. Total cost to date is \$4 This is not reported as Work In Progress above, because the wastewater network has remained fully functional throughout the projec

Leasing

The net carrying amount of plant and equipment held under finance leases is \$Nil (2022 \$Nil).

Restrictions

Land and buildings in the "Restricted" category are subject to either restrictions in use, or disposal, or both. This includes restrictions from legislation (such as land declared a reserve under the Reserves Act 1977), or other restrictions (such as land and buildings under a bequest or donation that restricts the purpose for which the asset may be used).

Core infrastructure asset disclosures

Included within the Council infrastructure assets above are the following core Council assets:

	Closing book value	Additions constructed by Council	Additions transferred to Council	Most recent replacement cost
				estimate for revalued assets
	\$000	\$000	\$000	\$000
2024				
Stormwater & Drainage	212,978	4,827	300	339,168
Wastewater Other	138,754	3,320	155	294,155
Wastewater Treatment Plants & Facilities	70,333	351	-	137,763
Water Other	125,688	1,155	412	266,165
Water Treatment Plants & Facilities	19,444	316	-	23,729
Roading network	438,224	11,099	1,010	848,808
2023				
Stormwater & Drainage	210,615	1,920	943	310,883
Wastewater Other	138,080	3,245	363	270,990
Wastewater Treatment Plants & Facilities	71,405	324	-	98,108
Water Other	127,032	2,556	138	241,403
Water Treatment Plants & Facilities	19,045	272	-	19,056
Roading network	438,582	8,759	780	848,808

Notes to the financial statements

For the year ended 30 June 2024

17. Intangible assets

	Council computer software \$000	Council other \$000	Council total \$000	Group other \$000	Group goodwill \$000	Group \$000
Movements for each class of intangible asset are as follows:						
Balance at 1 July 2023						
Cost	3,635	1,651	5,286	1,391	9,496	16,173
Accumulated amortisation and impairment	(3,482)	-	(3,482)	(1,070)	(1,588)	(6,140)
Opening carrying amount	154	1,651	1,804	321	7,907	10,033
Year ended 30 June 2024						
Additions	54	142	196	73	-	269
Amortisation / Impairment charge	(83)	-	(83)	-	(53)	(136)
Disposals/Transfers	-	-	-	-	-	-
Amortisation charge eliminated on disposal	-	-	-	-	-	-
Revaluation increment	-	323	323	-	-	323
Closing carrying amount	124	2,115	2,240	394	7,854	10,489
Year ended 30 June 2024						
Cost	3,689	2,115	5,805	1,464	9,496	16,764
Accumulated amortisation and impairment	(3,565)	-	(3,565)	(1,070)	(1,641)	(6,277)
Closing carrying amount	124	2,115	2,240	394	7,855	10,487
Balance at 1 July 2022						
Cost	3,589	2,839	6,428	1,300	9,496	17,224
Accumulated amortisation and impairment	(3,363)	-	(3,363)	(1,070)	(1,535)	(5,968)
Opening carrying amount	227	2,839	3,065	230	7,960	11,256
Year ended 30 June 2023						
Additions	46	33	79	91	-	170
Amortisation / Impairment charge	(119)	-	(119)	-	(53)	(172)
Disposals/Transfers	-	-	-	-	-	-
Amortisation charge eliminated on disposal	-	-	-	-	-	-
Revaluation increment	-	(1,221)	(1,221)	-	-	(1,221)
Closing carrying amount	154	1,651	1,804	321	7,907	10,033
Year ended 30 June 2023						
Cost	3,635	1,651	5,286	1,391	9,496	16,173
Accumulated amortisation and impairment	(3,482)	-	(3,482)	(1,070)	(1,588)	(6,140)
Closing carrying amount	154	1,651	1,804	321	7,908	10,033

Council's other intangible assets relate to Whanganui District Councils holdings of Carbon Credits under the Emissions Trading Scheme. There are no restrictions over the title of WDC's intangible assets, nor are any intangible assets pledged as security for liabilities.

Notes to the financial statements

For the year ended 30 June 2024

Impairment

Goodwill

Goodwill arises on the consolidation of GasNet Limited in the books of Whanganui District Council Holdings Limited. Any excess of the cost of the business combination over WDC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If WDC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised exceeds the expense. There is no impairment of goodwill as the cost of the business combination, the difference will be recognised immediately in the statement of comprehensive revenue and net book value of of assets, cashflows all in line with the expectations contained in the Council's 10 year plan 2021-31.

Work in progress

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Software	-	-	-	-
Easements	-	-	-	-
	-	-	-	-

Notes to the financial statements

For the year ended 30 June 2024

18. Investment property

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Balance at 1 July	18,925	16,913	48,740	40,698
Additions from acquisitions	2,316	1,218	2,317	1,218
Disposals/Transfers	285	-	(531)	-
Fair value gains/(losses) on valuation	(421)	794	(105)	6,824
Balance at 30 June	21,105	18,925	50,420	48,740
Less Impairment of earthquake prone buildings	-	-	-	-
Balance at 30 June	21,105	18,925	50,420	48,740

WDC's investment properties are valued annually at fair value effective 30 June. All investment properties were valued independently based on open market evidence. The valuation was performed by Bruce David Mainwaring (ANZIV, SPINZ) and Garry Mark Dowse (FNZIV, FPINZ) of CBRE Limited t/a Telfer Young from CBRE. The Valuers have satisfied professional education requirements and are well experienced in the locations and categories of properties being valued.

Valuation reporting herein reflects market conditions and data available to current reporting date.

Property markets both nationally and globally are being heavily impacted by high interest rates instigated by central banks to combat high inflation. Markets are also impacted by ongoing disruption to global supply chains and geopolitical instability.

The Annual inflation rate for the 12 months to 30 June 2024 was 3.3%, with Housing and household utilities being the largest contributor to this rate. The most recent OCR review July 2024 remains at 5.5%, being the highest level since 2008.

Local Market transactional activity remains subdued into Q2 2024. Sales volumes are at long term lows, hence it is challenging to predict when sales activity might improve. The leasing sector has also slowed in the last six months with landlords more negotiable. The expectation is for property pricing values to remain soft through the remainder of 2024, due to the ongoing economic conditions and the negative gap between the cost of debt and property yields.

The valuers reiterate their conclusions in the Valuation report are based on data and market sentiment as at the date of valuation. Past experience has shown that consumer and investor behaviour can rapidly change during periods of volatility.

The fair value of the investment property has been determined using the capitalisation of actual/potential net revenues and direct comparison methods. The methods are also based on assumptions of 'highest and best use' and have regard for current lease arrangements. Where long term ground leases are in place only the lessors' (councils) interest in the land has been assessed.

Net revenue from the City Endowment properties is used to aid the people of Whanganui. For City Endowment Crown approval is required for any change to the make up or purpose of the endowment. Also all capital or divestment proceeds must remain within the Endowment.

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
<u>Revenue and expenses in relation to investment properties:</u>				
Rental revenue	901	585	1,990	585
Expenses from investment property generating revenue	(734)	(300)	(1,294)	(300)
Expenses from investment property not generating revenue	-	-	(38)	-
Contractual obligations for capital expenditure	-	-	-	-
Contractual obligations for operating expenditure	-	-	-	-

Notes to the financial statements

For the year ended 30 June 2024

19. Joint ventures

WDC has a 50/50 joint venture with the Crown to operate the Whanganui Airport. WDC's interest in the jointly controlled operation is as follows:

	Council and Group	
	2024	2023
	\$000	\$000
Current assets	157	76
Non-current assets	9,706	5,539
Current liabilities	534	455
Non-current liabilities	1	1
Revenue	255	249
Expenses	773	485

Joint venture commitments and contingencies

Details of any commitments and contingencies arising from the group's involvement in the joint ventures are disclosed separately in notes 26 and 27.

20. Payables and deferred revenue

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Current portion				
<i>Payables and deferred revenue under exchange transactions</i>				
Trade payables	12,268	8,091	15,057	10,005
Deposits and bonds	1,805	1,681	1,805	1,681
Accrued expenses	365	1,847	373	1,864
Amounts due to related parties	-	-	-	-
Accrued interest payable	1,926	1,226	2,018	1,449
Revenue in advance	765	1,433	3,231	3,842
<i>Payables and deferred revenue under non exchange transactions</i>				
Income tax payable	-	-	598	760
Other taxes payable	750	296	152	137
Rates in advance	1,057	1,016	1,057	1,016
Grants and funding with conditions	-	-	-	-
	18,937	15,590	24,292	20,753
Total payables and deferred revenue	18,937	15,590	24,292	20,753

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

Notes to the financial statements

For the year ended 30 June 2024

21. Borrowings & other financial liabilities

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Current portion				
Secured loans	19,500	25,250	20,360	25,276
Finance leases	-	-	-	-
<i>Total current portion</i>	19,500	25,250	20,360	25,276
Non-current portion				
Secured loans	163,750	92,000	176,716	108,079
Finance leases	-	-	-	-
<i>Total non-current borrowings</i>	163,750	92,000	176,716	108,079
Total borrowings	183,250	117,250	197,076	133,356

Secured loans

WDC's secured debt of \$183,250,000 (2023 \$117,250,000) is mostly issued at floating rates of interest. For floating rate debt, the interest rate is reset quarterly based on the 90-day bill rate plus a margin of 0.15%-1.05% for credit risk.

There is a multi option credit facility of \$10,000,000 (2023 \$10,000,000) available with Westpac. At year end there had been drawdowns of \$750,000 (2023 \$750,000) on this facility. In addition WDC has a loan facility of \$15,000,000 available with ANZ. At year end there was no drawdown (2023 \$Nil).

WDC has debt raised with the New Zealand Local Government Funding Agency. At 30 June 2024, \$182,500,000 is outstanding (2023 \$116,500,000) with maturities from 2024 to 2030.

Security

Council loans are secured over rates revenue or property. Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

Fair values

Due to interest rates on debt resetting to the market rate every three months, the carrying amounts of secured loans approximates their fair value.

Notes to the financial statements

For the year ended 30 June 2024

22. Employee entitlements

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Current portion				
Accrued pay	1,026	855	1,348	1,020
Annual leave	1,793	1,471	1,956	1,796
Retirement and long service leave	159	113	171	125
Sick leave	12	12	12	12
<i>Total current portion</i>	2,991	2,451	3,488	2,953
Non-current portion				
Retirement and long service leave	169	152	169	152
<i>Total non-current portion</i>	169	152	169	152
Total employee entitlements	3,160	2,603	3,657	3,105

The present value of long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used are from 1 year, 5 year and 10 year bond yields. The salary inflation factor has been determined after considering historical salary inflation patterns. An average discount rate of 3.6% (2023 3.6%) and an inflation factor of 3.2% (2023 3.2%) were used.

23. Provisions

Council has not made any provisions during the 2023/24 or 2023/24 periods.

Notes to the financial statements

For the year ended 30 June 2024

24. Equity	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Retained earnings				
Balance at 1 July	617,662	608,008	650,333	638,408
Transfer from non-controlling interest	-	-	-	-
Transfers (to)/from restricted reserves	(391)	4,079	(360)	4,079
Adjustment to equity from CCO's	(292)	(57)	(292)	(57)
Transfers from property revaluation reserves on disposal	-	-	-	-
Transfers from other revaluation reserves on disposal	-	-	-	-
Surplus/(deficit) for the year	(4,734)	5,633	(7,545)	7,902
Balance at 30 June	612,246	617,662	642,135	650,333
Restricted reserves				
Balance at 1 July	68,328	72,407	68,328	72,407
Transfers (to)/from retained earnings	391	(4,079)	391	(4,079)
Balance at 30 June	68,719	68,328	68,719	68,328
Asset revaluation reserves				
Balance at 1 July	588,362	560,495	593,911	568,837
Revaluation gains/(losses)	76,903	27,867	81,214	23,988
Impairment of roading assets	-	-	-	-
Transfer to retained earnings on disposal of property	-	-	-	-
Tax on property revaluations	-	-	(1,207)	1,086
Balance at 30 June	665,265	588,362	673,918	593,911
Asset revaluation reserves consist of:				
Operational assets:				
- land	108,065	77,020	108,065	77,020
- buildings	73,378	36,448	73,378	36,448
- Artworks	12,159	12,159	12,159	12,159
Infrastructural assets:				
- wastewater system (including stormwater)	248,061	248,061	248,061	248,061
- water system	81,502	81,502	81,502	81,502
- roading network	101,200	101,200	101,200	101,200
- Airport runway	463	405	463	405
- gas network infrastructure	-	-	8,653	5,549
Restricted assets:				
- land	36,831	28,645	36,831	28,645
- buildings	3,606	2,922	3,606	2,922
665,265	588,362	673,918	593,911	
Other reserves				
Balance at 1 July	1,597	2,840	1,597	2,840
Valuation gains/(losses) taken to equity	35	(22)	35	(22)
Transfer to accumulated funds on disposal of carbon credits	-	-	-	-
Gain/(loss) on carbon credits revaluation	323	(1,221)	323	(1,221)
Balance at 30 June	1,955	1,597	1,955	1,597
Other reserves consist of:				
- Fair value through equity	202	167	202	167
- Carbon credit reserve	1,753	1,430	1,753	1,430
1,955	1,597	1,955	1,597	
Non-controlling interest				
Balance at 1 July	-	-	-	1,765
Share of surplus/(deficit)	-	-	-	(265)
Capital introduced	-	-	-	(1,500)
Transfer Non-Controlling interest to retained earnings	-	-	-	-
Balance at 30 June	-	-	-	-
Total Equity	1,348,185	1,275,949	1,386,727	1,314,169

Notes to the financial statements

For the year ended 30 June 2024

Restricted Reserves consists of:

Reserve	Activities to which the reserve relates	Purpose of the reserve	Balance at 1 July 2023 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance at 30 June 2024 \$000
Self funding insurance	All activities	To set aside funds to cover insurance excesses	2,230	126	(175)	2,180
City Endowment	Investments	To provide alternative income for funding of Council activities	26,357	2,517	(2,316)	26,557
Harbour Endowment	Investments	To provide funds for operation and maintenance of the Port	27,690	-	-	27,690
Henry Sarjeant Bequest	Community & cultural	To fund the purchase of artworks	752	77	(34)	794
Hutton Estate	Community & cultural	To fund Sarjeant Gallery expenditure	4	-	-	4
Robertson Art Prize Fund	Community & cultural	To fund art competitions and grants	13	1	-	14
Grave maintenance bequests	Community facilities and services	Maintenance of specific grave sites	22	1	-	23
Waste minimisation levy	Community facilities and services	To fund waste minimisations services	913	911	(279)	1,545
CBD parking fund	Community facilities and services	To fund CBD parking infrastructure	308	373	-	681
Heritage Building Preservation fund	Community facilities and services	To fund future IEP grants	179	10	(76)	112
De-sexing program	Community facilities and services	To fund future dog de-sexing program	1	-	-	1
MA Larsen Bequest	Parks and recreation	To finance improvements at the Bason Reserve	513	29	(80)	462
T Waight Park fund	Parks and recreation	For improvements at Thomas Waight Park	31	2	-	33
Fairbridge Bequest	Parks and recreation	For upgrading work at the Winter Gardens	11	1	(21)	(9)
Dovey Gazebo fund	Parks and recreation	For Bason Reserve maintenance	9	1	-	10
Birch Reserve Fund	Parks and recreation	To provide funds for maintenance of parks and reserves	114	6	-	120
Kai Iwi Trust	Parks and recreation	Council is trustee for Maori land at Kai Iwi	18	1	(2)	18
J McLean Bequest	Parks and recreation	Reserve created on historic bequest	13	1	-	13
Handley Park fund	Parks and recreation	To fund improvements at Handley Park	6	-	-	7
Mars Bequest	Parks and recreation	To fund improvements at Durie Hill	106	6	-	111
Nagaizumi Donation	Parks and recreation	For qualifying expenditure	10	1	-	10
Nicholson bequest	Parks and recreation	For qualifying expenditure	37	2	-	39
Tree Planting contribution	Parks and recreation	For qualifying expenditure	4	-	-	4
Reserve Management Plans	Parks and recreation	For qualifying expenditure	93	5	-	98
Crown and other trusts' properties	Parks and recreation	Properties administered on behalf of third parties	6,785	-	-	6,785
CJ Alexander Bequest	Parks and recreation	To fund maintenance of Glen Logie gardens	203	11	(7)	208
Rural road special rate - Whangaehu No 1	Roads, footpaths and pathways	Rural rates specifically collected for future works	101	16	-	117
Rural road special rate - Whangaehu No 2	Roads, footpaths and pathways	Rural rates specifically collected for future works	127	15	-	143
CUVL renewals fund	Economic development	To fund renewals of community under-veranda lighting	200	11	-	212
International Education	Economic development	To fund education initiatives	86	5	-	90
The Waitotara Centennial Fund	Corporate	To fund Outward Bound trips for approved people	41	2	-	44
Aged Citizens Benefit Trust	Corporate	To benefit aged citizens	6	-	-	6
Tram Fund	Community & cultural	To fund the Tram project	10	1	()	11
Welcoming Communities grant	Community & cultural	To administer the Welcoming Communities scheme	55	3	(6)	52
Creative NZ grants	Community & cultural	To administer the Creative N Grants	-	(56)	51	5
Community Development grants	Community & cultural	To fund Youth Committee projects	10	1	-	11
Tylee Cottage	Community & cultural	To fund the Artists in Residence scheme	120	82	(59)	143
Opera House Friends	Community & cultural	To fund future Friends projects	1	1	(2)	-
LI Smith Bequest	Community & cultural	To fund an arts award	78	4	-	82
3 Water transition fund	Corporate	To fund 3 water transition programme	567	-	(485)	83
AMOS working group fund	Corporate	To fund AMOS working group	130	78	-	208
Better off Funding	Corporate	To fund projects that enable Better Off principle	374	-	(374)	-
			68,328	4,245	(3,864)	68,719

Notes to the financial statements

For the year ended 30 June 2024

Reserve	Activities to which the reserve relates	Purpose of the reserve	Balance at 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance at 30 June 2023 \$000
Self funding insurance	All activities	To set aside funds to cover insurance excesses	2,182	88	(41)	2,230
City Endowment	Investments	To provide alternative income for funding of Council activities	26,218	139	-	26,357
Harbour Endowment	Investments	To provide funds for operation and maintenance of the Port	27,690	-	-	27,690
Henry Sarjeant Bequest	Community & cultural	To fund the purchase of artworks	723	47	(17)	752
Hutton Estate	Community & cultural	To fund Sarjeant Gallery expenditure	4	-	-	4
Robertson Art Prize Fund	Community & cultural	To fund art competitions and grants	13	1	-	13
Gallery Redevelopment project	Community & cultural	Lotteries Board funds to go towards Gallery project	6,129	9,828	(15,957)	-
Grave maintenance bequests	Community facilities and services	Maintenance of specific grave sites	21	1	-	22
Waste minimisation levy	Community facilities and services	To fund waste minimisations services	573	524	(184)	913
CBD parking fund	Community facilities and services	To fund CBD parking infrastructure	60	249	-	308
Heritage Building Preservation fund	Community facilities and services	To fund future IEP grants	12	167	-	179
De-sexing program	Community facilities and services	To fund future dog de-sexing program	1	-	-	1
MA Larsen Bequest	Parks and recreation	To finance improvements at the Bason Reserve	610	25	(122)	513
T Waight Park fund	Parks and recreation	For improvements at Thomas Waight Park	30	1	-	31
Fairbridge Bequest	Parks and recreation	For upgrading work at the Winter Gardens	11	-	-	11
Dovey Gazebo fund	Parks and recreation	For Bason Reserve maintenance	9	-	-	9
Birch Reserve Fund	Parks and recreation	To provide funds for maintenance of parks and reserves	110	4	-	114
Kai Iwi Trust	Parks and recreation	Council is trustee for Maori land at Kai Iwi	19	1	(1)	18
J McLean Bequest	Parks and recreation	Reserve created on historic bequest	12	-	-	13
Handley Park fund	Parks and recreation	To fund improvements at Handley Park	6	-	-	6
Mars Bequest	Parks and recreation	To fund improvements at Durie Hill	101	4	-	106
Nagaizumi Donation	Parks and recreation	For qualifying expenditure	9	-	-	10
Nicholson bequest	Parks and recreation	For qualifying expenditure	36	1	-	37
Tree Planting contribution	Parks and recreation	For qualifying expenditure	4	-	-	4
Reserve Management Plans	Parks and recreation	For qualifying expenditure	89	4	-	93
Crown and other trusts' properties	Parks and recreation	Properties administered on behalf of third parties	6,785	-	-	6,785
CJ Alexander Bequest	Parks and recreation	To fund maintenance of Glen Logie gardens	194	9	()	203
Rural road special rate - Whangaehu No 1	Roads, footpaths and pathways	Rural rates specifically collected for future works	87	14	-	101
Rural road special rate - Whangaehu No 2	Roads, footpaths and pathways	Rural rates specifically collected for future works	114	13	-	127
CUVL renewals fund	Economic development	To fund renewals of community under-veranda lighting	192	8	-	200
International Education	Economic development	To fund education initiatives	82	3	-	86
The Waitotara Centennial Fund	Corporate	To fund Outward Bound trips for approved people	40	2	-	41
Aged Citizens Benefit Trust	Corporate	To benefit aged citizens	6	-	-	6
Tram Fund	Community & cultural	To fund the Tram project	11	-	()	10
Welcoming Communities grant	Community & cultural	To administer the Welcoming Communities scheme	55	2	(3)	55
Community Development grants	Community & cultural	To fund Youth Committee projects	10	-	-	10
Tylee Cottage	Community & cultural	To fund the Artists in Residence scheme	83	84	(48)	120
Opera House Friends	Community & cultural	To fund future Friends projects	-	3	(2)	1
LI Smith Bequest	Community & cultural	To fund an arts award	75	3	-	78
3 Water transition fund	Corporate	To fund 3 water transition programme	-	567	-	567
AMOS working group fund	Corporate	To fund AMOS working group	-	130	-	130
Better off Funding	Corporate	To fund projects that enable Better Off principle	-	374	-	374
			72,407	12,299	(16,377)	68,328

Notes to the financial statements

For the year ended 30 June 2024

25. Cash flow reconciliations

Reconciliation of net surplus/(deficit) after tax to net cash flow from operating activities

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Surplus/(deficit) after tax	(4,734)	5,633	(7,545)	7,638
Add/(less) non-cash items				
Share of associate surplus/(deficit)	2	5	2	5
Interest credited directly to investments	-	-	-	243
Depreciation and amortisation expense	28,482	26,545	31,028	28,986
Vested assets	(1,878)	(2,662)	(1,878)	(2,662)
(Gains)/losses in fair value of biological assets	-	-	-	-
Movement in fair value of investment property	421	(794)	105	(6,824)
(Gains)/losses on derivative financial instruments	309	(1,678)	153	(1,705)
(Gains)/losses on shares held in WDC Holdings Ltd	-	-	-	-
(Gains)/losses in fair value of plant, property and equipment	(102)	(23)	(127)	(87)
Increase/(decrease) in deferred tax	(48)	-	(24)	805
(Gains)/losses on other investments	-	-	-	-
	27,186	21,393	29,259	18,761
Add/(less) items classified as investing or financing activities				
(Gains)/losses on disposal of property, plant and equipment	-	-	-	(243)
				(243)
Add/(less) movements in working capital items				
Accounts receivable	(6,196)	(44)	(5,999)	(580)
Inventories	-	-	51	(92)
Accounts payable	3,887	3,711	3,588	3,949
Employee benefits	18	21	78	-
	(2,291)	3,688	(2,282)	3,277
Net cash inflow/(outflow) from operating activities	20,162	30,714	19,433	29,433

Reconciliation of Liabilities Arising from Financing Activities

Borrowings:

	Council		Group	
	2024	2023	2024	2023
Balance at 1 July	117,250	107,250	115,862	115,862
Cash inflows	78,000	20,000	11,237	11,237
Cash outflows	(12,000)	(10,000)	(6,232)	(6,232)
Non-cash changes	-	-	76,209	12,489
Balance at 30 June	183,250	117,250	197,076	133,356

26. Capital commitments and operating leases

	Council		Group	
	2024 \$000	2023 \$000	2024 \$000	2023 \$000
Capital commitments				
Plant & Equipment	-	227	-	227
Software	-	-	-	-
Parks	-	-	-	-
Building & Improvements	1,873	24,380	1,873	24,380
Water System	210	13	210	13
Storm Water & Drainage System	1,599	32	1,599	32
Waste Water System	769	632	769	632
Roading Network	33,675	60,828	33,675	60,828
Wastewater Treatment Plant (see note 22)	-	-	-	-
Investment property	-	-	-	-
Library Stock	667	451	667	451
Other infrastructure	-	-	5,317	-
Total capital commitments	38,793	86,563	44,111	86,563

There are no capital commitments in relation to the WDC's interest in the Airport joint venture.

Roading network commitment is the alliance contract which includes both operating and capital. The total is included in the disclosure above.

Notes to the financial statements

For the year ended 30 June 2024

Operating leases as lessee

WDC leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 60 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Not later than one year	513	310	515	310
Later than one year and not later than five years	545	183	545	189
Later than five years	290	249	290	266
Total non-cancellable operating leases	1,348	742	1,351	765

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2023 \$nil).

Lease can be renewed at WDC's option, with rents set by reference to current market rates for items of equivalent age and condition. WDC does not have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on WDC by any of the leasing arrangements.

WDC's financial statements include lease expenditure of \$95,539 (2023 \$75,238). The lease expenditure is for photocopiers and Eftpos terminals.

Operating leases as lessor

WDC leases its investment property under operating leases. These leases have a varying non-cancellable terms.

The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Not later than one year	1,013	705	1,829	705
Later than one year and not later than five years	1,899	1,368	4,361	1,368
Later than five years	3,169	2,536	8,435	2,536
Total non-cancellable operating leases	6,081	4,609	14,625	4,609

No contingent rents have been recognised in the statement of financial performance during the period.

Notes to the financial statements

For the year ended 30 June 2024

27. Contingencies

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Litigation	-	-	-	-
Building Act claims	-	-	-	-
Total contingent liabilities	-	-	-	-

Building act claims

The Building Act (2004) imposes certain obligations and liabilities on local authorities relating to the issue of building consents and inspection of work done.

The Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call, in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Financial Assistance Package

Whanganui District Council will be a participating territorial authority to the Financial Assistance Package (FAP) scheme passed into legislation by the Weathertight Homes Resolutions Services (Financial Assistance Package) Amendment Act 2011. The scheme is optional to the homeowner. In signing up to the scheme, WDC is committing to funding 25 per cent of eligible claims. It is a five-year commitment. There are currently no properties which Whanganui District Council has agreed meets the requirements of the FAP.

New Zealand Local Government Funding Agency

WDC is a guarantor 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 AAA.

WDC is one of 72 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$100,000.

When aggregated with the uncalled capital of other shareholders, \$20M is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, WDC is a guarantor of all of NZLGFA's borrowings. At 30 June 2024, NZLGFA had borrowings totalling \$23,841M (2023: \$17,684M).

Financial reporting standards require WDC 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 WDC 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 sufficient funds to meet any debt obligations if further funds were required.

Unquantified Liabilities

There are a small number of claims Council are contesting. These have not been quantified due to the nature of the issues and uncertainty over the outcome of Council's liability.

Contingent Assets

As at 30 June there were no contingent assets.

Notes to the financial statements

For the year ended 30 June 2024

28. Related party transactions

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

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

Related party transactions required to be disclosed

Tax losses of \$286,000 were transferred to the Whanganui Gas Group by loss offset (2023 \$250,000)

The Council paid MWLASS for shared services \$63,771 (2023 \$65,454).

The Council made equity contributions to Whanganui Joint Venture Airport totalling \$3,920,987 (2023 \$280,019).

The Council provided Whanganui & Partners Limited funding of \$2,830,702 (2023: \$3,076,204).

The Council received from the Sarjeant Gallery Trust grants/donations totalling \$2,646,000 (2023 \$2,400,000). An amount of \$Nil was outstanding at 30 June 2024 (2023 \$Nil).

Key management personnel compensation

	2024	2023
	\$000	\$000
<i>Councillors</i>		
Remuneration	754	692
Full-time equivalent members	13	13
<i>Senior Management, including the Chief Executive</i>		
Remuneration	1,590	1,905
Full-time equivalent members	6	7
	2,344	2,597
Total full-time equivalent personnel	19	20

Key management personnel include the Mayor, Councillors, Chief Executive and other senior management personnel.

Notes to the financial statements

For the year ended 30 June 2024

29. Remuneration

Chief Executive

The total remuneration (including any non-financial benefits) paid or payable for the year to the Chief Executive was \$393,815 (2023 \$348,789)

Elected representatives

	Council	
	2024	2023
	\$000	\$000
Elected representatives received the following remuneration:		
<i>Whanganui District Council as elected on 8 October 2022</i>		
Mayor Andrew Tripe (includes car)	154	107
Councillor Charlie Anderson	42	40
Councillor Philippa Baker-Hogan	51	46
Councillor Glenda Brown	44	30
Councillor Josh Chandulal-Mackay	52	46
Councillor Helen Craig	62	53
Councillor Jenny Duncan	59	52
Councillor Ross Fallen	42	29
Councillor Kate Joblin	59	51
Councillor Michael Law	44	30
Councillor Charlotte Melser	44	30
Councillor Peter Oskam	44	28
Councillor Rob Vinsen	59	50
	754	592
<i>Not re-elected on 8 October 2022</i>		
Mayor Hamish McDouall (includes car)	-	40
Councillor James Barron	-	13
Councillor Brent Crossan	-	11
Councillor Hadleigh Reid	-	12
Councillor Alan Taylor	-	13
Councillor Graeme Young	-	11
	-	100
	754	692
<i>Whanganui Rural Community Board as elected on 8 October 2022</i>		
Chairperson David Wells	14	13
Bill Ashworth	6	6
Judd Bailey	6	4
Michael Dick	6	6
Sandra Falkner	2	6
Grant Skilton	6	6
Jenny Tamakehu	6	3
<i>As elected by byelection on 10 July 2023</i>		
Brian Doughty	6	-
	54	44
<i>Not re-elected on 8 October 2022</i>		
Chairperson Peter Oskam	-	5
Alastair Duff	-	2
	-	7
	54	51
Total	808	743

Notes to the financial statements

For the year ended 30 June 2024

Employee staffing levels and remuneration

As at 30 June, the number of employees (including casuals) receiving total annual remuneration and other benefits within specified bands were as follows:

	2024
	Number of employees
\$0 - \$59,999	173
\$60,000 - \$79,999	90
\$80,000 - \$99,999	60
\$100,000 - \$119,999	34
\$120,000 - \$139,999	18
\$140,000 - \$159,999	8
\$160,000 - \$179,999	10
\$180,000 - \$279,999	6
\$280,000 - \$399,999	1
Total number of employees as at 30 June 2024	<u>400</u>
	2023
	Number of employees
\$0 - \$59,999	163
\$60,000 - \$79,999	72
\$80,000 - \$99,999	48
\$100,000 - \$119,999	31
\$120,000 - \$139,999	11
\$140,000 - \$159,999	7
\$160,000 - \$219,999	6
\$220,000 - \$399,999	4
Total number of employees as at 30 June 2023	<u>342</u>

At 30 June, WDC employed 223 (2023 196) full time employees, with the balance of staff representing 69 (2023 59) full-time equivalent employees. A full-time equivalent employee is determined on the basis of a 40 hour working week. Employee numbers for 2024 include Whanganui & Partners and Recycling Centre employees who became direct employees of Council during the year.

30. Severance payments

Severance payments were made to five employees during the year. The payment amount totalled \$107,313 (2023 one payment totalling \$34,000).

The value of each of the severance payments was \$6,350, \$10,026, \$14,612, \$26,325 and \$50,000 (2023 \$34,000)

31. Events after the balance date

The water services legislation (namely the Water Services Entities Act 2022, the Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023), was repealed on 17 February 2024. The Government has recently enacted the Local Government (Water Services Preliminary Arrangements) Act 2024. The new legislation requires Council to deliver a Water Services Delivery Plan (WSDP) to the Secretary for Local Government by 3 September 2025. The plan must include the anticipated or proposed model or arrangements and implementation plan for delivering water services. Council will not know what the model or arrangements are likely to be until the WSDP is approved by the Secretary. The new legislation has not had an impact on the 30 June 2024 financial statements or performance information.

At its meeting on 26 March 2024 the Whanganui District Council resolved to disestablish Whanganui District Council Holdings Limited. The disestablishment process will include the transitioning of the Company's operations into Council. As a result, the WDCHL financial statements have been prepared on a disestablishment basis. Prior to 30 June 2025 we expect all rights, assets and liabilities will have been transferred to Whanganui District Council. The subsidiaries of WDCHL will continue to operate but will consolidate directly into Whanganui District Council group accounts.

Notes to the financial statements

For the year ended 30 June 2024

32. Financial instruments

Financial instrument categories

The accounting policies for financial instruments have been applied to the line items below:

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Financial assets				
Financial assets at amortised cost				
Cash and cash equivalents	1,334	14,834	15,142	21,872
Receivables	14,399	8,203	18,179	12,180
Loans to related parties	28,360	10,728	200	425
Community loans	2,175	2,182	2,175	2,182
Term Deposits	12,000	-	20,651	2,933
Fair value through other comprehensive revenue and expense				
Other financial assets:				
- unlisted shares	766	731	766	731
Fair value through surplus or deficit				
LGFA borrower notes	4,243	2,306	4,243	2,306
Derivatives	965	1,257	965	1,257
Financial liabilities				
Fair value through surplus or deficit				
Derivative financial instrument liabilities	72	56	72	56
Financial liabilities at amortised cost				
Payables	18,937	15,590	24,292	20,753
Borrowings:				
- secured loans	183,250	117,250	197,076	133,356

The measurement categories and carrying amounts for financial assets and liabilities have not changed on transition to PBE IPSAS 41

33. Fair value hierarchy disclosures

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

Notes to the financial statements

For the year ended 30 June 2024

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position

	Valuation technique			Significant non-observable inputs
	Total market price	Quoted market price	Observable inputs	
	\$000	\$000	\$000	\$000
30 June 2024 - Council				
Financial assets				
Unlisted shares	765		765	
LGFA borrower notes	4,243		4,243	
Derivatives	965	-	965	
Financial liabilities				
Derivatives	72		72	
30 June 2024 - Group				
Financial assets				
Shares unlisted	766		766	
LGFA borrower notes	4,243		4,243	
Derivatives	965	-	965	
Financial liabilities				
Derivatives	72		72	
30 June 2023 - Council				
Financial assets				
Shares unlisted	730		730	
LGFA borrower notes	2,306		2,306	
Government indexed bonds	1,257	-	1,257	
Financial liabilities				
Derivatives	56		56	
30 June 2023 - Group				
Financial assets				
Shares unlisted	731		731	
LGFA borrower notes	2,306		2,306	
Government indexed bonds	1,257	-	1,257	
Financial liabilities				
Derivatives	56		56	

There were no transfers between the different levels of the fair value hierarchy

Notes to the financial statements

For the year ended 30 June 2024

34. Financial instrument risks

WDC has a series of policies to manage the risks associated with financial instruments. WDC is risk averse and seeks to minimise exposure from its treasury activities. WDC has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. WDC is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to market movements in listed securities. This price risk is managed by diversification of WDC's investment portfolio in accordance with the limits set out in WDC's Investment Policy.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. WDC is not exposed to currency risk, as it does not enter into foreign currency transactions.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at floating rates exposes WDC to fair value interest rate risk. WDC's Liability Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments. Floating to fixed interest rate swaps are entered into to hedge the fair value interest rate risk arising where WDC has borrowed at floating rates. In addition, investments at fixed interest rates expose the WDC to fair value interest rate risk. If interest rates on investments at 30 June 2024 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus by \$Nil (2023 Nil). If interest rates on borrowings at 30 June 2024 had fluctuated by plus or minus 0.5%, the effect would have been to decrease/increase the surplus after tax by \$716,250 (2023 \$491,250) as a result of higher/lower interest expense on floating-rate borrowings.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose WDC to cash flow interest rate risk. WDC manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if WDC borrowed at fixed rates directly. Under the interest rate swaps, WDC agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to WDC, causing WDC to incur a loss. WDC has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and WDC has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers. WDC invests funds only in deposits with registered banks and local authority stock and its Investment Policy limits the amount of credit exposure to any one institution or organisation. Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the group only invests funds with those entities which have a Standard and Poor's credit rating of at least A2 for short term and A- for long term investments. Accordingly, the group does not require any collateral or security to support these financial instruments.

The Council and group holds no other collateral or credit enhancements for financial instruments that give rise to credit risk.

Notes to the financial statements

For the year ended 30 June 2024

Maximum exposure to credit risk

WDC's maximum credit exposure for each class of financial instrument is as follows:

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Cash at bank and term deposits	13,334	14,834	35,793	24,805
Receivables	14,399	8,203	18,179	12,180
LGFA borrower notes	5,208	2,306	5,208	2,306
Related party and community loans	30,535	12,911	2,375	2,608
Total credit risk	63,476	38,254	61,555	41,899

WDC is exposed to credit risk as a guarantor of all of the LGFA's borrowings. Information about this exposure is explained in note 27.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	Council		Group	
	2024	2023	2024	2023
	\$000	\$000	\$000	\$000
Counterparties with credit ratings				
Cash at bank, term deposits and sinking funds:				
AA	-	-	-	-
AA-	13,334	14,834	35,793	24,805
<i>Total cash at bank, term deposits and sinking fund</i>	13,334	14,834	35,793	24,805
LGFA borrower notes:				
AA+	5,208	2,306	5,208	2,306
AA-	-	-	-	-
<i>Total LGFA borrower notes:</i>	5,208	2,306	5,208	2,306
Counterparties without credit ratings				
Community and related party loans:				
Existing counterparty with no defaults in the past	30,535	12,911	2,375	2,608
Existing counterparty with defaults in the past	-	-	-	-
<i>Total long term receivables and related party loans</i>	30,535	12,911	2,375	2,608

Receivables mainly arise from WDC's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of receivables with reference to internal or external credit ratings. WDC has no significant concentrations of credit risk in relation to Receivables, as it has a large number of credit customers

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available. In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the next 12 months. Council manages its borrowings in accordance with its funding and financial policies, which includes a liability Management Policy. These policies have been adopted as part of the Council's 10-Year Plan.

Contractual maturity analysis of financial liabilities

The table below analyses WDC's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt is based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

Notes to the financial statements

For the year ended 30 June 2024

	Carrying amount cash flows	contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
Council 2024						
Payables	18,937	18,937	18,937	-	-	-
Secured loans	183,250	213,668	29,962	29,277	125,356	29,073
Total	202,187	232,605	48,899	29,277	125,356	29,073
Group 2024						
Payables	24,292	24,292	24,292	-	-	-
Secured loans	197,076	225,529	32,962	29,277	134,216	29,073
Total	221,369	249,821	57,254	29,277	134,216	29,073
Council 2023						
Payables	15,590	15,590	15,590	-	-	-
Secured loans	117,250	139,050	30,580	17,272	77,817	13,381
Total	132,840	154,640	46,170	17,272	77,817	13,381
Group 2023						
Payables	20,753	20,753	20,753	-	-	-
Secured loans	133,356	150,910	33,580	17,272	86,678	13,381
Total	154,109	171,663	54,333	17,272	86,678	13,381

The table below analyses WDC's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Liability carrying amount \$000	Contractual cash flows \$000	Less than 6 months \$000	6 months to 2 years \$000	More than 2 years \$000
Council and group 2024					
Contracts:					
Council	72	72	2	31	39
Group	72	72	2	31	39
Council and group 2023					
Contracts:					
Council	55	55	11	26	19
Group	55	55	11	26	19

WDC is exposed to liquidity risk as a guarantor of all of the LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 27.

Notes to the financial statements

For the year ended 30 June 2024

Contractual maturity analysis of financial assets

The table below analyses WDC's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying amount and contractual cash flows \$000	Less than 1 year \$000	1-2 years \$000	More than 2 years \$000
Council 2024				
Cash and cash equivalents	1,334	1,334		
Receivables	14,399	14,399		
Other financial assets:				
- term deposits	12,000	12,000		
- related party loans	28,360	28,360		-
- community loans	2,175	775	1,400	
Total	58,270	56,870	1,400	-
Group 2024				
Cash and cash equivalents	15,142	15,142		
Receivables	18,179	18,179		
Other financial assets:				
- term deposits	20,651	20,651		
- related party loans	200	200		
- community loans	2,175	775	1,400	
Total	56,346	54,946	1,400	-
Council 2023				
Cash and cash equivalents	14,834	14,834		
Receivables	8,203	8,203		
Other financial assets:				
- term deposits	-	-		
- related party loans	10,728	10,728		-
- community loans	2,182	782	1,400	
Total	35,948	34,548	1,400	-
Group 2023				
Cash and cash equivalents	21,872	21,872		
Receivables	12,180	12,180		
Other financial assets:				
- term deposits	2,933	2,933		
- related party loans	425	425		
- community loans	2,182	782	1,400	
Total	39,593	38,193	1,400	-

Notes to the financial statements

For the year ended 30 June 2024

Sensitivity analysis

The tables below illustrate the potential effect on the surplus or deficit and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on WDC's financial instrument exposures at the balance date.

Council

2024 \$'000

	- 50bps Other Equity	+ 100bps Other Equity	
Interest rate risk	Surplus	Surplus	
<i>Financial assets</i>			
Cash and cash equivalents	(7)	13	
Other financial assets:	(142)	284	
<i>Financial liabilities</i>			
Borrowings:			
- bank overdraft	-	-	
- term loans	(741)	1,483	
- Derivatives	(200)	400	
Total sensitivity to interest rate risk	(1,090)	2,178	

Council

2023 \$'000

	- 50bps Other Equity	+ 100bps Other Equity	
Interest rate risk	Surplus	Surplus	
<i>Financial assets</i>			
Cash and cash equivalents	(74)	148	
Other financial assets:	(54)	107	
<i>Financial liabilities</i>			
Borrowings:			
- bank overdraft	-	-	
- term loans	(536)	1,073	
- derivatives	(215)	430	
Total sensitivity to interest rate risk	(879)	1,757	

Notes to the financial statements

For the year ended 30 June 2024

Group

2024 \$000

Interest rate risk

Financial assets

Cash and cash equivalents
Other financial assets:

Financial liabilities

Borrowings:

- bank overdraft
- term loans
- derivatives

Total sensitivity to interest rate risk

	Surplus	- 50bps Other Equity	Surplus	+ 100bps Other Equity
Cash and cash equivalents	(76)		151	
Other financial assets:	(142)		2	
<i>Financial liabilities</i>				
<i>Borrowings:</i>				
- bank overdraft	-		-	
- term loans	(741)		1,483	
- derivatives	(210)		420	
Total sensitivity to interest rate risk	(1,169)	-	2,056	-

Group

2023 \$000

Interest rate risk

Financial assets

Cash and cash equivalents
Other financial assets:

Financial liabilities

Borrowings:

- bank overdraft
- term loans
- derivatives

Total sensitivity to interest rate risk

	Surplus	- 50bps Other Equity	Surplus	+ 100bps Other Equity
Cash and cash equivalents	(109)		219	
Other financial assets:	(54)		4	
<i>Financial liabilities</i>				
<i>Borrowings:</i>				
- bank overdraft	-		-	
- term loans	(548)		1,097	
- derivatives	(225)		450	
Total sensitivity to interest rate risk	(936)	-	1,770	-

Explanation of interest rate sensitivity

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease in 50 bps is equivalent to a decrease in interest rates of 0.5%.

The sensitivity for derivatives (interest rate swaps) has been calculated using a derivative valuation model based on a parallel shift in interest rates of -50bps/+100bps (2023 -50bps/+100bps).

Notes to the financial statements

For the year ended 30 June 2024

35. Insurance Contracts

Whanganui District Council (WDC) is part of a regional collective of local authorities (Manawatu Local Authority Shared Services - MWLASS) for insurance purposes. Through this collective economies of scale WDC has access to the best process and cover.

As at the end of the financial year, WDC had the following insurance cover in place.

Material Damage - full replacement value \$634,283,879

Council's Material Damage cover is based on a Maximum Probable Loss model (MPL) which means that its assets are insured for the value of the largest probable loss that could result from a disaster in Whanganui. The collective has insured up to \$300m combined limit for Material Damage/Business Interruption any one loss or series of losses .

Fine Arts - full replacement value \$42,831,345

This cover is for the total replacement value of art, artifacts owned or on loan to WDC, as follows;
\$37,968,595 for all WDC owned art.
\$1,500,000 for Whanganui Visitor Information Centre.
\$1,000,000 for art on temporary loan to WDC.
\$1,000,000 Trans/Other Locations
\$30,000 2 Rutland Street
\$1,332,750 for the Edith Collier collection, which is on long term custodial care with WDC.

Commercial Motor Vehicles - full replacement value \$2,779,834

Motor insurance up to the market value of each individual vehicle.

Infrastructure (3 Waters) -full replacement value \$1,546,110,328

Based on risk engineering and loss modelling for the Manawatu/Whanganui hazardscape a \$300m shared loss limit is in place with the MWLASS collective. Insurance is 40% in anticipation of a 60% contribution from central government in a disaster. WDC has a MPL of \$250M

Infrastructure (Roading) -full replacement value \$848,080,172

WDC currently receives a minimum subsidy of 62% from the NZTA for any roading works with this % increasing in the event of a disaster. In the event of a disaster the shortfall between repair costs and subsidy received is loan funded.

The Council carries a self insurance fund, currently valued at \$2,180,477. This fund covers excesses for the Material Damage and Commercial Motor Vehicle policies.

Notes to the financial statements

For the year ended 30 June 2024

36. Investments in CCOs and similar entities

Section 5(3) of the Local Government (Financial Reporting and Prudence) Regulations 2014 requires the Council to present a single Council Controlled Organisation (CCO) investment figure in the Statement of Financial Position. As Council is also required to comply with IAS 1, Presentation of Financial Statements, Council has decided to disclose the total CCO investment amount as a footnote to the Statement of Financial Position

	Council	
	2024	2023
	\$000	\$000
Shares in subsidiary (at cost - WDCHL)	8,146	8,146
Unlisted shares in NZ Local Government Funding Agency Limited	496	469
Unlisted shares in NZ Local Government Insurance Corporation Limited	270	262
Manawatu Wanganui Local Advisory Shared Services (MW LASS)	54	52
Units in Whanganui Port Limited Partnership	40,602	29,189
	<u>49,566</u>	<u>38,117</u>

37. Capital management

The Council's capital is its equity (or ratepayers' funds), which comprises retained earnings and reserves. Equity is represented by net assets. 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 revenues, expenses, assets, liabilities, investments and general financial dealings. The objective of managing these items 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. The Act also 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.

Council has the following Council created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and
- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves. Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Council. Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

Notes to the financial statements

For the year ended 30 June 2024

38. Explanation of major variances to budget

Statement of comprehensive revenue and expense

Revenue

Total rates revenue of \$76.6M is marginally lower than budget (0.14%), driven by slightly lower metered water charges.

Finance revenue is \$1.7M higher than budget (154%), driven by more cash held on term deposit and higher interest rates.

Development contributions are \$736k lower than budget (73%), driven by delays to the development contributions policy review and implementation.

Subsidies and grants are \$15.6M higher than planned (121%). The main drivers are additional Sarjeant Gallery redevelopment grants and additional Roothing emergency works subsidy from NZ Transport Agency.

User fees and other revenue is \$1.5M higher than budget (9.8%). The main drivers are the following transactions:

- unplanned tankered waste revenue at the wastewater treatment plant of \$326k.
- higher consent fees in Resource Management (\$174k) and Building Control (\$224k).
- higher rental income in pensioner housing (\$165k) and lane hire at Splash Centre (\$154k).
- higher waste minimisation levy revenue (\$350k)
- higher Parking fees and infringement revenue (\$275k).

Gains are \$679k lower than budgeted, as there has been no gains recognised this year. Both investment property and credit instruments (swaps) have lower valuations than budgeted.

Expenditure

Personnel costs are \$798k higher than budget (3.3%), driven by higher than planned uplift. This is partially offset by various savings throughout Council as some roles remain vacant.

Depreciation is \$1.2M higher than planned (4.3%), driven higher depreciation on infrastructure assets after the revaluation in late 2021/22.

Finance costs are \$1.7M higher than budgeted (24%), driven by higher interest rates.

Other expenses are \$16M higher than budget (31%). The main drivers are:

- higher maintenance and response costs (\$9.7M) on roading assets, driven by emergency works (\$9M) and additional drainage maintenance (\$526k).
- higher insurance premiums (\$1.5M) and unplanned excess deductions (\$166k).
- higher maintenance and contract costs on the water- (\$637k), wastewater reticulation (\$482k) and stormwater reticulation (\$375k) networks.
- additional contribution to the Port operations (\$450k)
- unplanned expenditure on the Mayors Task Force for Jobs (\$325k). This has associated subsidy funding.
- unplanned contracted consent processing in Resource Management (\$130k) and Building Control (\$270k) activities due to a lack of in-house staff.
- higher maintenance costs in pensioner housing (\$170k) to meet rental tenancy standards.
- unplanned Streets for People programme expenditure (\$1M). This is 90% subsidised by NZ Transport Agency.
- higher energy costs across Council activities (\$438k), driven by price increases.

Notes to the financial statements

For the year ended 30 June 2024

Statement of financial position

Assets

Cash and cash equivalents are \$6M lower than budget, driven by timing of significant payments.

Receivables is \$7.8M (126%) higher than planned, however fluctuates regularly due to timing of invoicing and workloads.

The current portion of other financial assets (\$40.4M) is made up of loans to subsidiaries and cash from subsidies and pre-funding held on term deposit.

Total non-current assets is \$87.8M higher than budget (6.2%), mainly due to a valuation increase (\$78M) for Council's infrastructure assets. Investment property is also higher than budget (\$4M), due to revaluation and the purchase of additional property.

Liabilities

Payables is \$7.1M (62%) higher than planned, however fluctuates regularly due to the timing of invoicing and workloads.

Total borrowings are \$31.2M higher than budget (20%), mainly due to higher capital expenditure and loans to subsidiaries.

Derivative financial instruments have a minor unfavourable balance of \$72k, driven by changing market conditions and higher interest rates affecting the revaluation of these instruments.

Statement of cash flows

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 \$20.2M cash surplus from operating activities. This is an unfavourable variance to budget of \$4.6M (18%), mainly due to higher payments to suppliers. This is partially offset by higher subsidies.

Investing activities

Cash flows from investing activities show net asset purchases to be \$99.7M, which is \$58.1M (140%) more than budget. The main reason for this relates to higher than planned Capital Expenditure. Capital variances to budget are discussed in detail in the 'Groups of Activities' section of this Annual Report.

Financing activities

Cash flows from financing activities shows a net debt increase of \$66M, with greater borrowings than repayments. This is \$49.5M higher than budgeted, driven by a combination of higher capital expenditure and on lending to

Notes to the financial statements

For the year ended 30 June 2024

Mayor's Relief Fund

	Actual	
	2024	2023
	\$000	\$000
Balance at 1 July	4	4
Money Received	-	-
Interest received	-	-
Payments made	-	-
Balance at 30 June	4	4

WDC administers the Mayor's Relief Fund which is held in a separate bank account from the Council's normal banking facilities. Transactions and balances are not recognised in the Group financial statements.

Additional information

For the year ended 30 June 2024

Reconciliation of Prospective statement of comprehensive revenue and expense to the Funding impact statement (FIS)

The Funding impact statements are prepared in accordance to with the Local Government (Financial Reporting and Prudence) Regulations 2014. They do not comply with Generally accepted accounting practices (GAAP). However, the Statement of comprehensive revenue and expense is prepared in compliance with GAAP. The following is a reconciliation between the and expense shown on the statement of comprehensive revenue and expense and the funding impact statement for the whole of Council

	Annual Plan 2024 \$000	Annual Report 2024 \$000	Annual Plan 2023 \$000	Annual Report 2023 \$000
Operating funding in the FIS	98,388	107,752	87,474	93,626
Subsidies and grants for capital expenditure	7,605	12,375	7,066	10,876
Development and financial contributions	1,015	279	1,003	19
Vested Assets	-	1,878	-	2,662
Property, plant and equipment gain on disposal	-	102	-	23
Other dedicated capital funding	28	2,646	29	3,200
Net gains not included in the FIS	259	(421)	292	2,472
Total Revenue in the Statement of Comprehensive revenue and expense	107,295	124,611	95,863	112,878
Application of operating funding in the FIS	82,317	100,557	72,339	80,694
Depreciation not included in the FIS	27,297	28,482	22,967	26,545
Losses from derivative financial instruments	-	309	-	-
Prior years Work in Progress transferred to Operating expense	-	-	-	-
Property, plant and equipment losses on disposal	-	-	-	-
Total expenditure in the statement of revenue and expense	109,614	129,348	95,307	107,240

Equal employment opportunities (EEO) report

Over the past year the attainment of Equal employment opportunities (EEO) goals have been continued and reviewed regularly through:

- Making EEO information more readily available on the intranet, policies, and through discussions on matters that impact on our EEO policy and goals at senior management meetings and the union / employer working party meetings. We continue to review our EEO policy regularly to ensure we are modern in our thinking and can be adaptable and flexible in understanding how we can best support our diversity as a workplace and community.
- Ensuring EEO principles are adhered to, and part of the council's recruitment and selection policy.
- Giving staff the opportunity to feed issues to senior management through operational leaders meetings and staff team meetings and our unions.
- We continued to progress the development of our Diversity, Equity and Inclusion Programme along with any additional supporting strategies, policies and staff training.
- Internally, our Te Reo working group have been developing our own Te Reo framework designed to encourage and promote Te Reo Māori within Council. Within the framework there will be a clear set of objectives and guidelines to promote further awareness and importance of Te Reo Māori and tikanga. Work is underway to provide a range of te reo training and learning resources monitor and report on te reo capability amongst council staff.
- Current and future programmes will also include waiata, te reo, tikanga, and cultural activities, which continue to be very valuable in providing staff with the tools to navigate two world-views, provide insight into the importance of Iwi / Hapū engagement and to develop knowledge so that we can become more responsive in a way that achieves a positive outcome for everyone.
- Further investment for staff and elected members is currently being planned and delivered for the remainder of 2024 to 2025.
- We continued to build culturally competent council staff with effective community engagement strategies and an increased understanding of Whanganuitanga, Te Tiriti o Waitangi and local Whānau, Hapū and Iwi.
- Having in place an Employees Assistance Programme that includes:
 - Staff support procedures that were adopted to assist employees to resolve concerns and difficulties before they became costly in terms of personal distress or work efficiency.
 - Access to an independent counselling service.

Independent Auditor's Report

To the readers of Whanganui District Council's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of Whanganui District Council (the District Council) and its subsidiaries and controlled entities (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 10 December 2024. This is the date on which we give our report.

Opinion on the audited information

Unmodified opinion on the audited information, excluding the statement of service performance

In our opinion:

- the financial statements on pages 163 to 166 and pages 168 to 225:
 - present fairly, in all material respects:
 - the District Council and Group's financial position as at 30 June 2024;
 - the results of the operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 167, 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 statements about capital expenditure for each group of activities on pages 33 to 115, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s annual plan and Long-term plan; and
- the funding impact statement for each group of activities on pages 33 to 115, 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 and Long-term plan.

Qualified opinion on the statement of service performance

In our opinion, except for the possible effects of the matter described in the “Basis for our opinion on the audited information” section of our report, the statement of service performance on pages 10 to 17, 24 to 115 and 226:

- presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2024, 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; and

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 155 to 162, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s audited information and, where applicable, the District Council’s long-term plan and annual plans.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

Statement of service performance: Our work was limited with respect to the response times for water supply and wastewater faults, and the average quality of ride on the sealed local road network

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. These include mandatory performance measures relating to:

- The time taken to attend and resolve water supply and wastewater faults.
- The average quality of ride on the sealed local road network, measured by smooth travel exposure.

These performance measures are important as they are indicative of the quality of service provided to the community.

We identified significant issues with these performance measures as described below. As a result of these issues, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the reported results for these performance measures.

Our opinion on the time taken to attend and resolve water supply and wastewater faults was also qualified in the 2023 performance year.

The time taken to attend and resolve water supply and wastewater faults

Our audit testing of these performance measures identified significant issues with the District Council's systems and processes for completely and accurately recording the time taken to attend and resolve faults.

The average quality of ride on the sealed local road network, measured by smooth travel exposure

We were unable to obtain assurance over the reliability of estimated traffic volumes used in the calculation of this performance measure. This is because the majority of these estimates are not sufficiently up to date, as described on page 50 of the annual report. The actual average quality of ride on the sealed local road network may therefore differ materially from the result reported.

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

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

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

Responsibilities of the Council for the audited information

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

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

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

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

Responsibilities of the auditor for the audited information

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

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

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

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

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

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service performance, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the District Council and the Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 4 to 8, 20 to 23 and 227, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

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

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

Independence

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

In addition to our audit and our report on the disclosure requirements we have performed an assurance engagement over the 2024-34 Long-term plan and limited assurance engagement related to the District Council's debenture trust deed. These engagements 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.



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