

Summary Annual Report

For the year ended 30 June 2021

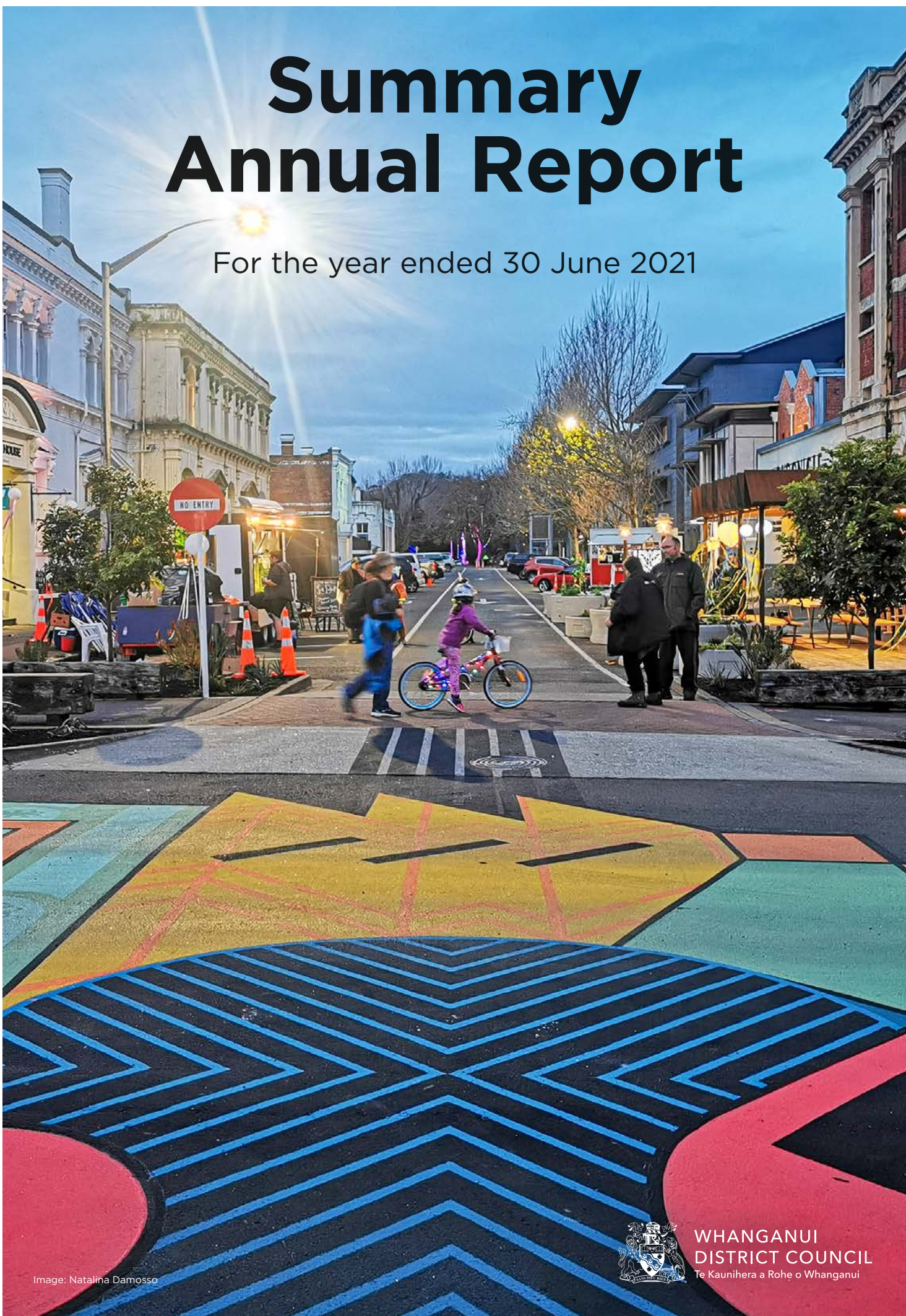


Image: Natalina Damosso



WHANGANUI
DISTRICT COUNCIL
Te Kaunihera a Rohe o Whanganui

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Message from the Mayor and Chief Executive

Welcome to our 2020/21 Annual Report summary.

Whanganui District Council's annual report is summarised in this document, which provides an overview of our achievements and performance between 1 July 2020 and 30 June 2021 period. It confirms that we have managed our finances and debts levels responsibly and maintained our credit rating.

For the most part the past year, spent almost entirely in the relative freedom of Alert Level 1, saw an impressive and heartening buzz in Whanganui. The city surged ahead in recovery from the COVID-19 lockdowns and the council was equally driven to make the most of every opportunity.

New innovative library services were launched and rich experiences offered by New Zealand Glassworks and the Sarjeant Gallery. We adopted the Te Tautaki Huringa Āhurangi/Climate Change Strategy after consultation with our community, continued with our active transport network of shared pathways and created an exciting pedestrian-friendly space in Drews Avenue.

Over summer we felt we were the envy of the world; extremely lucky to be working, socialising and celebrating in such a beautiful place. Whanganui is increasingly a tourist destination and we welcomed many New Zealand visitors to

our vibrant and artistic city. Our region's tourism grew by three percent in 2020/21 – the highest growth in New Zealand.

With growth also comes new pressures and we recognised that urgent action is needed to address housing issues in our district. Our planning, building and infrastructure activities helped to expedite development and building to increase the number of available homes and we worked with other agencies and organisations to progress social housing initiatives.

Te Awa Tupua o Whanganui, the mighty river that bisects our city, and is a legal entity under the Te Awa Tupua (Whanganui River Claims Settlement) Act 2017, has always exerted its natural influence on the shaping of our district. Over the past year we saw this in a very positive way as we made significant progress towards the realisation of Whanganui's port revitalisation project, Te Pūwaha. This work has been ground-breaking and we look forward to this becoming a model for future projects.

Always striving to be leading edge, we were delighted to receive a number of awards, accreditations and recognitions throughout the year.

We won a Best Local Government Award from Sister Cities New Zealand and were re-accredited as a Pan-Pacific Safe Community.

After success in 2019, Whanganui was again crowned Most Beautiful Small City in the 2020 Keep New Zealand Beautiful Awards. This recognised community efforts in environmental sustainability and beautification as well as the beauty of our architecture and outdoor spaces.



Hamish McDouall
Mayor of Whanganui

Kym Fell
Chief Executive

STATEMENT OF COMPLIANCE AND RESPONSIBILITY

This Annual Report Summary provides an overview of Council’s activities, services and finances for the year 1 July 2020 to 30 June 2021.

The information is taken from Council’s audited Annual Report 2020/21 that was adopted by the Council on 7 December 2021.

Detailed information on Council’s financial position and performance is provided in the full Annual Report 2020/21.

The Summary Annual Report was authorised by the Mayor, Hamish McDouall, and Interim Chief Executive, Lance Kennedy, on 23 December 2021.

Hamish McDouall
Mayor of Whanganui

Lance Kennedy
Interim Chief Executive

Welcome to our Annual Report Summary for 2020/21

Our planning and reporting framework

Long Term Plan (LTP)

In 2018, the Council adopted a Long Term Plan (LTP) for the period 2018-2028 which outlined the services and projects we planned to deliver for the district for that 10-year period. We review the LTP every three years.

Annual Plan

In Years 2 and 3 of the Long Term Plan, we produce an Annual Plan. It 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 Council has made to the LTP.

Annual Report

At the end of each financial year we produce an Annual Report that provides details of our activities and financial performance. It compares what we did against what we planned to do in our LTP.

Summary Annual Report

This document provides a summary of information contained in the Annual Report.

The planning cycle



Ongoing impact of the COVID-19 pandemic

The ongoing pandemic of coronavirus disease being experienced across the world continued to impact all sectors of New Zealand to varying degrees.

The commencement of the 2020/21 reporting year saw the New Zealand community sitting at Alert Level 1, limited only by border controls and requirements for travelling on public transport.

A number of incursions of the virus during the year, however, led to all regions outside of Auckland, including the Whanganui District, moving into Alert Level 2 during the following periods:

- 12 August 2020 to 21 September 2020
- 14 February 2021 to 17 February 2021
- 28 February 2021 to 7 March 2021

Under Alert Level 2, all facilities, including those that were customer-facing, were able to remain open. To ensure the safety and wellbeing of its community and staff, Council was required to meet public health requirements such as contact tracing (of its contractors, customers, and general public), physical distancing, and reducing the number of shared surfaces.

During the year, Council continued to plan for the resurgence of COVID-19 taking into consideration the impact upon council operations, service delivery, personnel, and the community. We were guided by the regular updates from the Whanganui District Health Board, as lead agency in a pandemic, the Society of Local Government Managers (SOLGM) and the Manawatū-Whanganui Civil Defence and Emergency Management (CDEM) Group.

Following the comprehensive engagement conducted by the Integrated Recovery Team in the previous reporting year, a number of opportunities identified to address community needs and to enhance well-being and equity have been undertaken by relevant teams within the Council as part of 'business-as usual' activity.

Our vision

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

Whanganui: Leading Edge

	<p>COMMUNITY A deeply united community</p>	<p>Goal: Working in partnership – shaping a district that celebrates and champions its cultural and social diversity as well as its community spirit.</p>
	<p>CONNECTIVITY Connected</p>	<p>Goal: A dynamic, broadly connected district that is accessible, linked in and known for it.</p>
	<p>CREATIVITY Innovative and creative</p>	<p>Goal: A knowledge economy driven by innovation and humming with cultural personality.</p>
	<p>ENVIRONMENT Safeguarding our place</p>	<p>Goal: A district that safeguards its natural resources and provides an environment with a sense of place, identity and vitality.</p>
	<p>ECONOMY Works for everyone</p>	<p>Goal: An easy-living place of choice of all – flourishing with employment and development opportunities.</p>

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

Our Communities' wellbeing

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



Our activities and performance

Our projects and work programmes are structured around 11 groups of activities. Each activity contributes to community outcomes through our Leading Edge strategic aspirations; and promote the social, economic, environmental and cultural well-being of the Whanganui community.

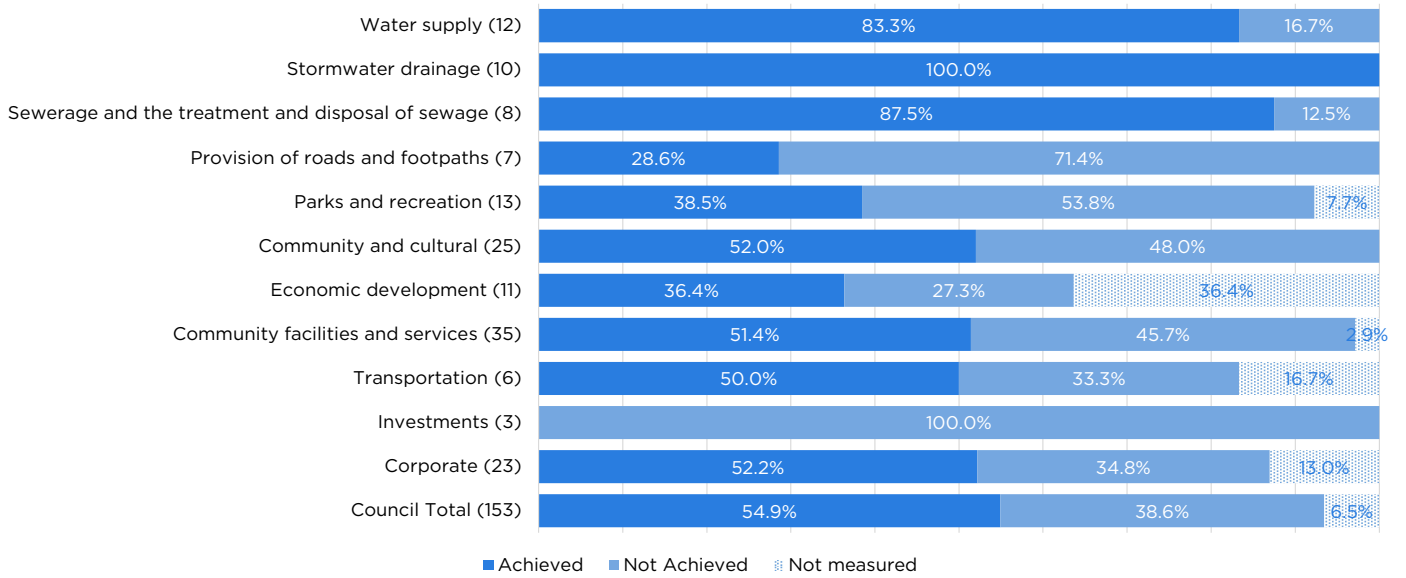
Using a variety of sources, including an independent survey of residents, and internal data, Council measures its performance to ensure we have delivered our services to an excellent level.

Under the Long Term Plan 2018-2028, Council reports on 153 non-financial performance measures across its 11 activity groups. The summary charts below summarise the results as a percentage of total measures per activity:

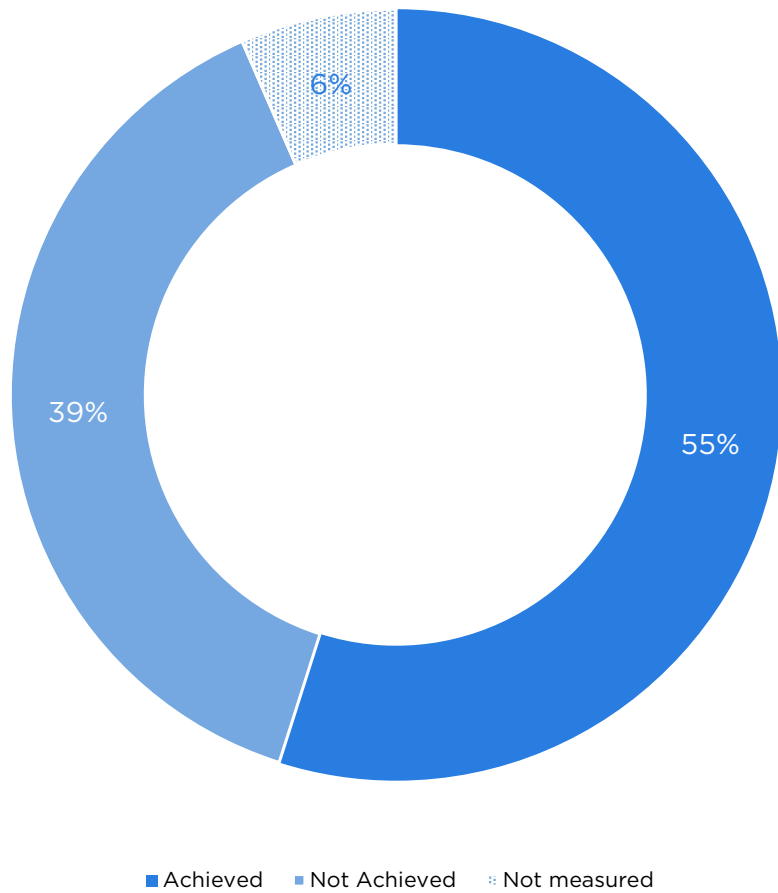
Of the 153 measures that we use to track performance, the graph shows that:

- We have achieved the target for 84 measures.
- We have not achieved the target for 59 measures.
- We did not have data available for 10 measures.

Performance measure targets



Performance measure targets



Summarising our performance

The following section provides a summary of our performance against the measures. Detailed information on the performance targets and results can be found in the full Annual Report 2020/21.

Water supply

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

Key highlights for 2020/21

- > Five water supply upgrade projects were completed with over 1,500 metres of new water main installed in Sedgebrook Street, Parkes Avenue, Lincoln Road, Ngatarua Road and Mosston Road areas.
- > Tendering has been completed for two other water projects in the Fordell and Cobham Bridge areas with work to commence in the next financial year.
- > Reticulation services were installed as part of the Fitzherbert Avenue Growth Project. The extension of Fitzherbert Avenue to Mosston Road has been identified as a requirement for the future growth of Whanganui to enable the residential expansion in Springvale and the industrial development on Mill Road.
- > As part of the critical asset renewals programme, over 420 metres of water-main was replaced on Hillside Terrace.

- > We met all of our water quality standards and maintained our 100% compliance record on New Zealand drinking water standards for the urban area. This included ensuring Aa grade water supply was provided to the urban area at all times.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	1,857	3,346
Operating Expenditure	4,522	4,412

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Stormwater drainage

Stormwater

Stormwater collection and its disposal are necessary in order to protect the health and safety of people, land and property.

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.

Key highlights for 2020/21

Stormwater

- > The Gloucester Street Stormwater Upgrade was completed. This is the first project in a comprehensive capital works programme designed to improve levels of service and give us a degree of resilience to the projected effects of climate change.
- > Construction was started on the underground services needed for the Fitzherbert Avenue extension which forms part of the Springvale Structure Plan.
- > Using innovative internal repair methods, we reduced the risk and avoided the need for complete reconstruction work to the Glasgow Street stormwater main, realising substantial capital savings in the process. This is a critical asset which showed signs of early failure due to poor ground conditions.
- > Construction work for the Wilson Street stormwater main was undertaken (Stage 2). This was a renewal of an older pipeline in very poor condition in the area that hosts the annual cemetery circuit.
- > Two new wetland-storage facilities are under design and investigation at Montgomery Road and Mill Road. These will provide for growth in the Otamatea and Mill Road industrial areas.
- > We refined our computer modelling of large rain events. This now includes the effects of intensified rainfall of long term climate change, as well as projected long term sea-level rise.

Waterways and natural drainage

- > Working with Iwi, Department of Conservation and Horizons Regional Council, we completed more stream enhancement work with the Healthy Streams Initiative. This initiative focuses on erosion and vegetation control, removal of obstructions, improved fish passage, enhanced habitat and uplifting the general health of urban streams which flow to Te Awa o Whanganui.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	2,562	3,472
Operating Expenditure	3,310	2,762

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Sewerage and the treatment and disposal of sewage

Council provides and operates three wastewater systems that manage the collection, treatment and disposal of wastewater. These include the Whanganui urban system servicing the city, and two rural systems for Mowhanau and Marybank. The systems are comprised of service lines, pipe networks, pump stations, treatment plants and outfalls.

Key highlights for 2020/21

- > Replacement of the gantrys in the pre-treatment area at Beach Road was completed. This work had been well overdue and is the first phase of multiple renewals at this facility.
- > The Beach Road screens renewal project commenced with the installation of the first step screen. Although the contract was awarded at the start of the financial year, COVID-related delays meant the manufacturer and delivery to site has taken significantly longer than what would normally be expected. The second screen is to be installed in July 2022.
- > Work was undertaken in conjunction with the roading extension in Fitzherbert Avenue to install a new pump station and network to service the sections of the new road.
- > The capital purchase of Wastewater Treatment Plant generators was awarded in the 2020/21 financial year however delivery is not expected until August 2021.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	1,940	2,336
Operating Expenditure	9,025	9,512

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Provision of roads and footpaths

Roading transportation is a core essential service for the Council. This group includes the management of the district's roads, bridges, traffic management and control systems and streetlights and contributes to our economic and social enhancement. 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).

Key highlights for 2020/21

Roading

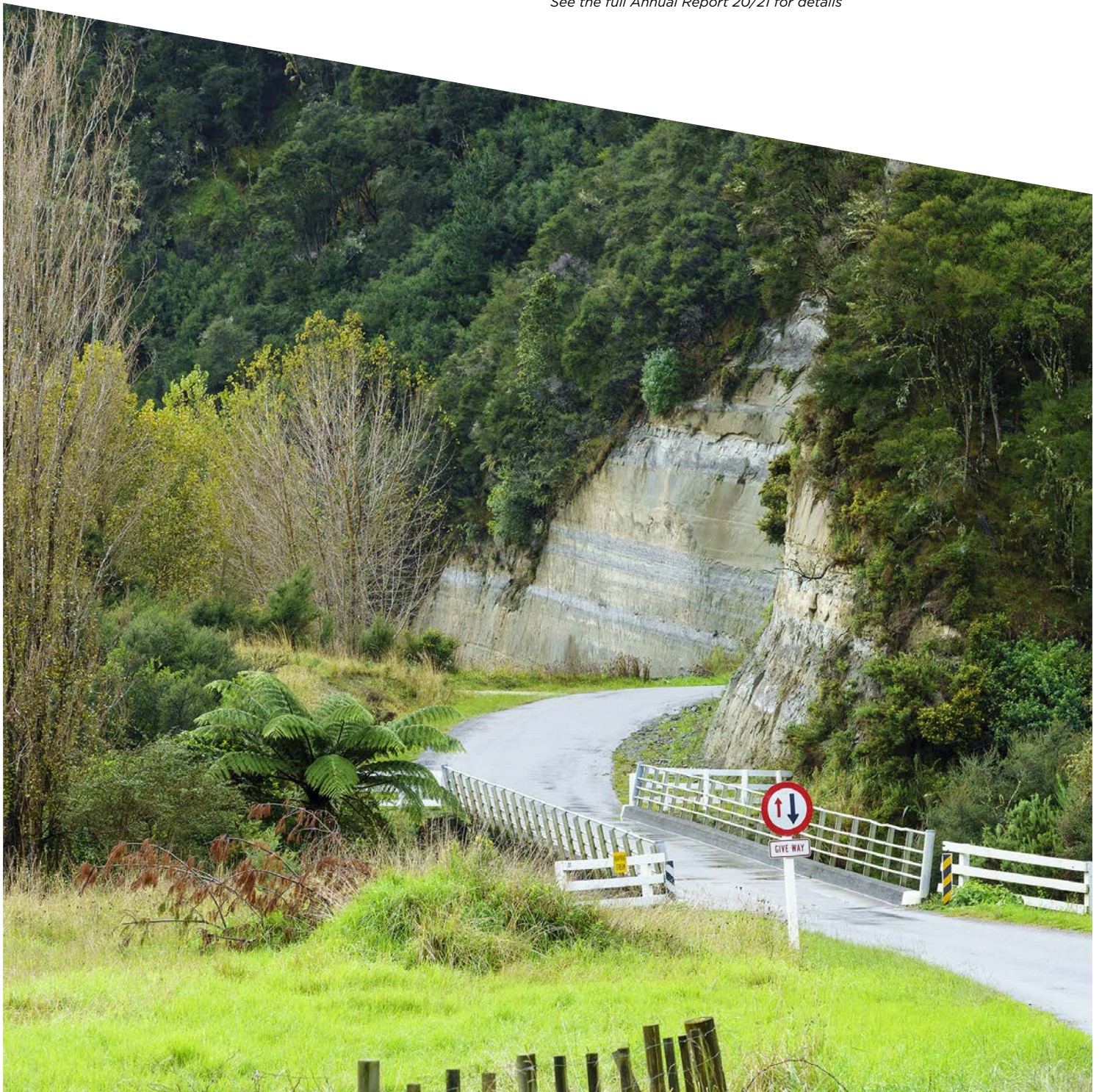
- > The traffic signals upgrade to the Victoria Avenue and Dublin Street intersection was completed. This included safety enhancement of pedestrian and cyclist facilities.
- > A structural pavement rehabilitation of Heads Road between Abbott Street and the Beach Road rail crossing was completed.
- > Work continued on the Urban Shared Pathways (Urban Cycleways Programme). The shared pathway network is part of Council's Active Transport Activity which aims to create a cycle-friendly district. Work on both the London Street shared pathway upgrade, and the section between Georgetti Road and Kowhai Park along the river stopbank, was completed. Shared pathway lighting work continued along the river pathways to ensure all-hours accessibility.
- > With the 3 Waters and utilities work projects substantially completed for the Fitzherbert Avenue and Mosston Road extension, the roading works also commenced. Once finished, the extension will open up residential and commercial development transport links.
- > The safety improvement work programme saw work around high-risk Whanganui Schools continue. This included enhanced pedestrian facilities to Whanganui Intermediate School, plus further signage and roadmarking to a number of other schools.
- > Improvements were made to user safety on the Whanganui River Road by installing guardrails on its critical one lane bridges. A safety rail was also installed on the City Bridge for the protection of its pedestrians and vulnerable users.
- > A new carpark facility was provided for the recently opened Whanganui East library.

Footpaths and berms

- > The programme of footpath maintenance and replacements continued with a number of footpath and kerb renewals around the urban area.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	8,457	9,032
Operating Expenditure	9,324	9,504

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details



Parks and recreation

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

Key highlights for 2020/21

Parks and reserves

- > The Upokongaro Cycle Bridge was officially opened on 2 December 2020. Over 120,000 usage counts for pedestrians and cyclists were recorded up until 30 June 2021.
- > A new twin public toilet facility was installed near the Tram Shed, Taupo Quay. This facility provides 24/7 availability within the central business district. A unique fence added an artistic element.
- > The enhancement, upgrading, and replacement of park facilities continued with new park benches and landscaping work. Access to the Rotokawau Virginia Lake playground is now made possible with a new sealed pathway.
- > Two new drinking fountains were installed in the carpark and entrance to the beach at Long Beach Drive, and at the Durie Hill lookout area.
- > Following work with internationally-renowned sculptor, Hamish Horsley, a suitable space was identified and landscaped in the Davis Library courtyard, to display his Transient Being sculpture.

Cooks Gardens

- > A new ground sponsor was secured for Cooks Gardens and a marketing campaign was undertaken to increase perimeter signage with eight new businesses confirming their sites.

Swimming Pools

- > Our maintenance programme at the Splash Centre continued with the painting of the original main pool, hydrotherapy and learn to swim pools as well as refreshing the reception area at the Splash Centre.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	575	721
Operating Expenditure	7,759	8,478

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details



Community and cultural

Supporting community services and facilities as well as promoting cultural enrichment encourages a tolerant and strong community. We oversee the management of key cultural facilities; ensure appropriate stewardship of nationally important collections; work closely with central government departments; and focus on collaboration to achieve shared objectives for improving outcomes and wellbeing across a culturally and socially diverse community.

Key highlights for 2020/21

Community

- > We were reaccredited from Safe Communities Foundation NZ as a Pan-Pacific Safe Community. Accreditation is recognised as an effective and acceptable intervention to improve community safety. The award confirms Safer Whanganui's role in bringing its stakeholder groups together to make positive changes for the better in the community.
- > We also gained accreditation as an Established Welcoming Community (Stage 2 out of 4). The Welcoming Communities initiative supports councils and their communities to create an internationally welcoming and inclusive place to work, play and visit.
- > Two Safe as Houses events were held in Whanganui Central. This included 64 home safety assessments and two community barbeques. A 'Play Street' event was held at one of these barbeques – one of the first in New Zealand as part of Waka Kotahi and Sport New Zealand's pilot initiative.

- > A strategic housing advisory group was established. This group will support a collaborative approach to delivering on Whanganui housing challenges through the implementation of its Council-approved strategic housing investment plan.
- > The Creative Communities Scheme funded 22 projects (valued at over \$44,000) with 7 of these being submitted by first-time applicants bringing new diversity to our creative offerings.
- > Encouraging the delivery of high-quality and locally relevant public artworks, five large-scale projects were allocated a total of \$30,000 through the Public Art Fund. This included Whanganui Walls with participation from both local, and nationally significant, artists.

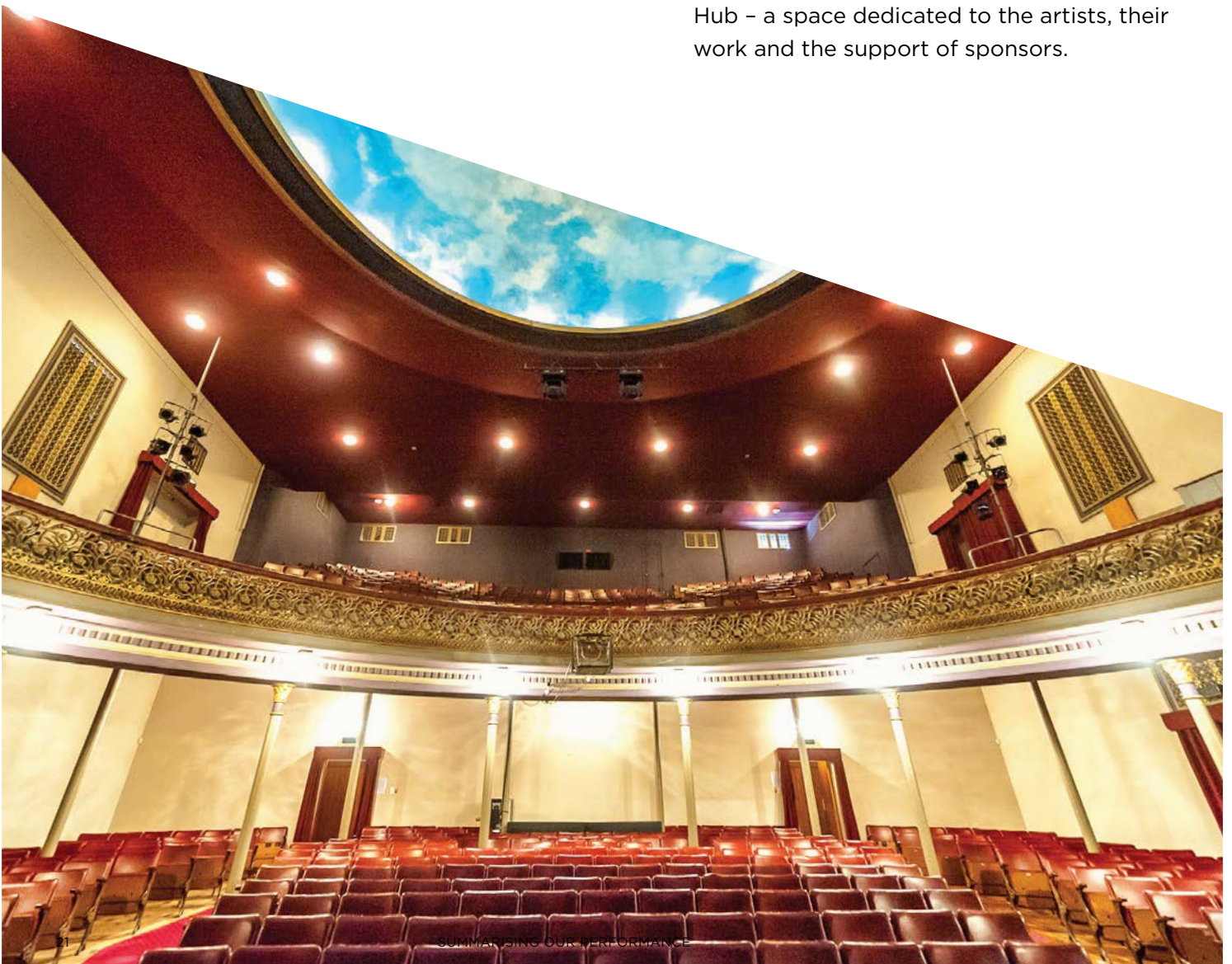
Libraries

- > Tahi and Rua, our two new mobile library vans, were officially launched and began operating in October 2020 delivering services to schools, rest homes and rural communities.

- > A new self-service library was opened in Aramoho adding to the ones already established in Whanganui East and Castlecliff. The new library is a partnership with Pasifika Vision Forum Trust, which runs the Born & Raised Pasifika early learning centre on the site where the library is based.
- > Our digital services continue to expand with extra resources put into eBooks and eAudio. LinkedIn Learning online courses are now available to all library members, and new programmes aimed at both upskilling seniors and preparing children for the digital future were supported through a partnership with the National Library.

Sarjeant Gallery

- > The physical construction work on the Sarjeant Gallery redevelopment project at Pukenamu Queen's Park commenced in 2020. A hidden time capsule, placed in the Gallery walls in 1917, was discovered by workers and received nationwide coverage on television, in print, and online.
- > More than 64,000 people made use of the Sarjeant Gallery facility – either in person or online.
- > Although COVID alert level two restrictions on gatherings led to the cancellation of the physical event, the entire exhibition of the 2021 Pattillo Whanganui Arts Review Event, along with judge and sponsor video comments, was transferred to an online presentation. This resulted in the Arts Review Hub – a space dedicated to the artists, their work and the support of sponsors.



Royal Whanganui Opera House

- > Our 120-year-old grand lady of Whanganui entertainment gained a facelift. Weatherboard maintenance and painting of the Royal Whanganui Opera House was undertaken, and an “H” was added to the Whanganui name.

Whanganui War Memorial Centre

- > Over 5,500 competitors attended the NZ Masters Games in February 2021. The War Memorial Centre became the NZ Masters Games Hub with its forecourt a hive of activity over the ten days.
- > The memorial sculpture ‘Cone Piece’ was reinstated. This artwork had been in storage after being taken down for cleaning over 17 years ago. Following some tidy-up work, the ‘Cones’ were painted and reinstalled in the presence of its artist, Matt Pine.

Whanganui Regional Museum

- > The focus on bringing visitors and the local community through the Museum doors has continued. The animal show Teeth, Talons & Taxidermy was so successful that the exhibition run was extended for another year.

New Zealand Glassworks

- > Continuing to foster established and emerging glass artists, New Zealand Glassworks was successful in securing its inaugural Artist-in-Residence. During the month-long residency, artist Te Rongo Kirkwood engaged with local and national artisans which saw an exchange of cultural and creative concepts.
- > New Zealand Glassworks proudly hosted the inaugural Art Glass 20 exhibition of works by some of New Zealand’s foremost contemporary glass artists showcasing the diversity of the artists’ abilities.
- > Over 30,000 people visited New Zealand Glassworks during the year. Visitors have been impressed with the activities and artists using the hot shop, especially the artist-in-residence.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	19,788	11,856
Operating Expenditure	9,532	9,676

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Economic development

Economic development functions are provided by our council-controlled organisation, Whanganui & Partners, with support provided by the Council. Our goal is to foster economic growth and wellbeing in order to improve business success, employment opportunities and the wealth of the community.

Key highlights for 2020/21

Economic development

- > Whanganui experienced job growth (+1.3%), population growth (+2.1%), growth in average earnings (+3.7%) and in new businesses (+1.8%). Unemployment figures declined contrary to the nationwide trend in the aftermath of COVID-19.
- > Over \$422,000 was distributed to local businesses for COVID-19 support through the agency. 269 businesses were supported, and 50 people through business start-up workshops.
- > New initiatives were actively encouraged such as the entrepreneurial 'Innovate' competition and setting up 'The Backhouse' which is bringing businesses and institutions together in a multi-level working space on the corner of Drews Avenue and Taupō Quay.
- > As well as its continuing its support of well-known Whanganui events, the agency supported a number of newer events such as the Sound Valley music festival and the return of Hoop Nation. A 2% uplift in consumer spending was reported during Vintage Weekend compared to the previous year, and Cemetery Circuit recorded a 5.6% increase.

- > Whanganui & Partners has worked with its partners to ensure our workforce can adapt with skills and labour to meet the market. Six vocational road trips were undertaken to introduce young people to Whanganui businesses and forge mutually beneficial relationships and career pathways.

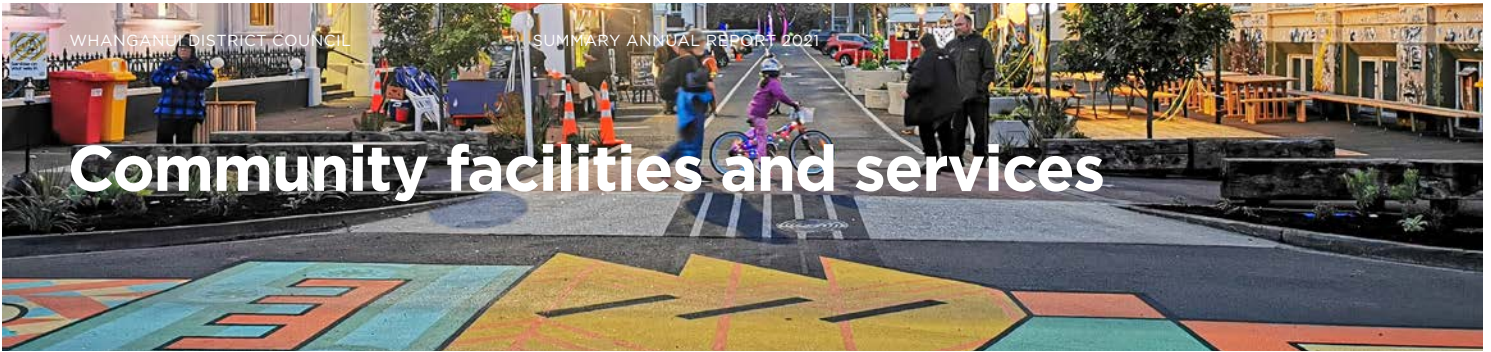
Tourism and visitor services

- > Whanganui & Partners measured a significant increase in web traffic to its visitor-dedicated website. Investing in its biggest ever tourism campaign, \$700,000 in central government funding was used to grow Whanganui's profile on a significant scale.
- > Despite losing 20% of its visitor market that internationals account for, the region's tourism grew 3% – the best growth in New Zealand.
- > Whanganui's i-SITE finished the year with 7% growth in total revenue. Over 21,000 visitors were served by the i-SITE.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	0	29
Operating Expenditure	3,127	3,504

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details





Community facilities and services

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.

Key highlights for 2020/21

Cemeteries

- > A new burial area has been developed in Aramoho Cemetery's 'Public Lawn D' providing approximately 400 plots for use.
- > The project to digitise historical burial and cremation records is nearly complete for the Aramoho Cemetery. This will enable online accessibility of records with search capability.

CBD maintenance

- > Partnering with the Tramways Trust, and using reclaimed timber from Whanganui Port's Red Shed, a unique fence was built around the tramshed storage area on Taupo Quay.
- > A new creative and vibrant streetscape was rolled out successfully in Drews Avenue. The project was majority-funded through Waka Kotahi's Innovating Street's initiative with the design directly informed by the community's ideas and talents following a series of workshops and surveys. The street was opened in conjunction with the Lights on Bikes street party event.

- > Council worked with local, and New Zealand-based, artists to revitalise the town centre. This included the design and painting of a mural at the Maria Place Pop-up site; the symbolic street art for Drews Avenue (that also serves a practical function for slowing traffic); and original artwork pieces for the Whanganui Walls street art festival.
- > Collaborative initiatives continued with Mainstreet Whanganui to ensure that the town centre is well presented at all times. As well as the ongoing beautification projects, additional planter boxes were added to the CBD, power outlets were updated at Majestic Square for food carts, and regular maintenance was undertaken on the gas lights and arches.

Waste minimisation

- > Recycling material was collected from 349 schools/preschools as part of the Paper4trees programme. This resulted in 488 native trees being distributed to local schools for planting.
- > Two successful hazardous substance drop-off days for the public resulted in 3.2 tonnes of hazardous waste being environmentally disposed of.

- > The number of waste minimisation education programmes and forums has continued to grow with involvement from 11 schools, along with workshops, waste-free parenting seminars, and an e3 environmental education expo for all teachers and students in the District. The Pare Kore (zero waste) programme was introduced to 13 community organisations, 17 memorandum of understandings were signed, and an 'A to Z Resource' directory was implemented.
- > The Whanganui Waste Minimisation Fund approved \$195,000 of its waste levy fund on waste minimisation initiatives, grants and projects in the 2020/21 year.

Pensioner housing

- > Council partners with Age Concern to focus on our tenant's wellbeing. Work has continued towards our obligations as a landlord in terms of Healthy Homes requirements well before the legislative timeframes.

Community buildings

- > A review of our portfolio of community buildings has been started. Heritage and cultural values to the community are considered over and above the small monetary returns and work will be undertaken on the opportunities and needs that have arisen. The Arts Society Hall now presents well with further internal works planned, whilst changes lie ahead for the Repertory Theatre and the Upokongaro Hall.

Emergency management

- > Council has a responsibility to plan and provide for Civil Defence Emergency Management (CDEM) within the district. This involves continual training for staff, partner organisations and volunteers; building capability in difficult-to-access areas; enhancing mapping and information capability; and public education. Over 90% of the community surveyed indicated that they would be self-sufficient for at least three days in an emergency event - an increase of 5% since last year.

Animal management

- > Dog registration compliance remained at 98% of the 8,179 known active dogs in the district.
- > The newly-built animal pound in Airport Road became fully operational in February 2021 and opened to the public by appointment only via an online booking system. As well as the core functions of temporarily housing, rehoming and microchipping of dogs, the new pound will provide community education programmes on responsible dog ownership.
- > A pro-active campaign to target wandering dogs resulted in dog impounds increasing 96% with 930 dogs having been impounded during the reporting year. During the final reporting quarter of 2021, the number of call requests to service wandering dogs had reduced by 22%.

Building control

- > The transfer to online services for building control-related matters has been ongoing and continues to be a beneficial service for both our community and the building sector generally.

Environmental health

- > Major work on the digitisation of forms is underway that will enable efficiencies for health, food and alcohol applications.

Resource management

- > Over the reporting year we received and assessed over 350 applications for use of land, subdivisions of land, minor variations to plan standards, certificates of compliance, and variations to rights-of-way. We also received 1,141 customer service requests by way of logged calls and queries.

Environmental policy

- > The District Plan review programme continued with Plan Change 54 – Industrial being publicly notified. This plan change incorporates the review and update of provisions regulating industrial activities in the Manufacturing Zone. The review of the Commercial Zone is on hold until the implications of the resource management reform process are more clearly understood, including timelines for transition.
- > Work progressed on the rezoning of land around Castlecliff Golf Club. This followed additional ecological assessment as recommended in the original ecological report and as requested in Cultural Impact Assessments of the proposed plan change.
- > Work commenced on the residential growth plan. This strategic project incorporates analysis that will guide future residential development in Whanganui. The last growth analysis was completed in 2015.

- > The Heritage Grants Scheme approved over \$109,000 in grants towards six heritage initiatives in the 2020/21 year, with six projects having now been completed over the same period. A draft Heritage Strategy was also developed with public consultation to be undertaken later in 2021.

Parking services

- > A project to replace our ageing parking meters was progressed. This will dramatically reduce the need for meter maintenance and allow parking officers to focus on their compliance and ambassadorial roles.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	479	1,793
Operating Expenditure	11,281	11,892

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Transportation

Transport provides and maintains connections both within the district and beyond. It is essential for economic prosperity and social connectedness.

The transportation group includes:

- **Airport:** Council has a joint venture with the Crown for the provision of a provincial airport. Operations from the airport include scheduled air services, airline charter and air ambulance, commercial and private aircraft. Whanganui Airport is also home to the New Zealand International Commercial Pilot Academy (NZICPA).
- **Sea port:** Whanganui Port provides berthing facilities for shallow draft coastal freight vessels, commercial vessels and pleasure boats. Structures are managed to confine the coastal portion of the Whanganui River to its existing alignment.
- **Durie Hill elevator:** This provides access for pedestrians and cyclists and links the CBD to the suburb of Durie Hill. It is New Zealand's only public underground elevator and a unique tourist attraction.

- > All compliance requirements were fulfilled to enable air logistics and transportation services.

Sea port

- > Work commenced on Te Pūwaha (the Whanganui Port Revitalisation Project) as a result of significant government funding being allocated across four applicants for the port's rejuvenation. Port infrastructure improvements began, including the repair of wharves and deconstructing the Red Shed.

Durie Hill elevator

- > Supported by Council, a project initiated by the Whanganui Regional Heritage Trust to upgrade and modernise the Durie Hill elevator entranceway, was completed in May 2021. During the public closure for the upgrade work, vital maintenance work to the lift car, along with the motor, was undertaken to ensure it met all critical compliance and health and safety requirements.

Key highlights for 2020/21

Airport

- > Our airport operations continued to operate during changes to COVID alert levels. Pilot training and scheduled air transport operations resumed under Alert Levels 1 & 2. Air ambulance and agricultural operations continued throughout the pandemic in support of essential services. The airport remained open at all times as an essential 'Lifeline' utility.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	2,278	1,161
Operating Expenditure	2,037	1,796

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details



Investments

The portfolio of investments provides income to support the work of 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 which owns 100% of the shares in GasNet Limited, New Zealand International Commercial Pilot Academy (NZICPA)
- Harbour Endowment property portfolio
- City Endowment property portfolio
- Quarry

Key highlights for 2020/21

- > Funds from Harbour Endowment and City Endowment investments supported community objectives and helped to subsidise costs that would otherwise have to be met by ratepayers.
- > A successful application to the Provincial Growth Fund (PGF) has resulted in the commencement of Te Pūwaha (the Port Revitalisation Project) for all funded partners. Council undertook its first stage of infrastructure improvements including the relocation of Port Operations and clearing construction sites along Wharves 2 and 3.
- > During another challenging year COVID-19 continued to impact on the New Zealand International Commercial Pilot Academy (NZICPA) due to the closure of the NZ borders. Despite this, NZICPA trained the highest number of pilot students in flight

training since the company was formed.

- > GasNet reported on another successful year. In partnership with GasNet, Whanganui District Holdings Limited will continue to monitor developments as the Government develops its plans for a low carbon future and how that might impact on Council's investment in the gas industry.
- > Opportunities at Waitahinga Quarry continue to be explored. Consultation with affected parties is being undertaken and Council is hopeful of having consent lodged and approved in 2021 to commence quarry operations through a commercial partner following an open tender process.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	154	71
Operating Expenditure	2,377	1,826

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Corporate

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

The group includes:

- Governance – delivered by the Mayor and 12 councillors with support from staff.
 - Corporate management – financial management and advice, strategy and policy, legal services, risk management and health, safety and wellbeing, information management and services, human resources, communications and customer services.
 - Community and operational property – this portfolio of properties are held for either community or operational use.
- > For a second consecutive year in a row, Whanganui was crowned Most Beautiful Small City in the national Keep New Zealand Beautiful Awards.
 - > Council introduced Antenno – a free mobile application that sends notifications and alerts and offers more options for interacting with Council.
 - > Our international sister city relationships were supported throughout the varying stages of COVID-19. New and innovative online ways to stay in touch were sought, resulting in a Best Local Government Award from Sister Cities New Zealand.

Key highlights for 2020/21

Governance

- > Council's meetings have been made more publicly accessible with live-streaming having been brought in-house. This has allowed the broadcasting of Council's three major committee meetings as well as that of Council.
- > The Youth Committee ran a series of young voter engagement events with Ngā Tai o Te Awa and the Electoral Commission in an endeavour to increase representation for our youth.
- > The Te Rautaki Huringa Āhuarangi / Climate Change Strategy was adopted. This was a significant piece of work and will guide Council's action to both mitigate and adapt to climate change, as well as providing a framework for collaboration across the district.
- > Work has commenced on driving digital innovation and opportunity in Whanganui through implementing our Digital Strategy: Digital by Design in partnership with the community.

Corporate management

- > Council's commitment to continuous improvement resulted in the introduction of online capability and electronic streamlining of applications, forms and processes.
- > Aiming to minimise waste and eliminate single-use plastics, Council ran zero waste recycling at its venues for 12 major events in Whanganui diverting over 120 cubic metres of waste from landfill in the process.

Community and operational property

- > Taking into account the needs and well-being of the community, Council continues to incorporate good business practices into our decision-making for community and operational property.

	Budgeted for 2020/21 (\$000)	Actual spend 2020/21 (\$000)
Capital Expenditure	763	947
Operating Expenditure	12,279	12,739

These are summary figures from the group Funding Impact Statement. See the full Annual Report 20/21 for details

Financial summary

The following pages provide a summary of Council's financial performance for 2021.

Whanganui District Council – Summary statement of comprehensive revenue and expense

For the year ended 30 June 2021

	COUNCIL			GROUP	
	Budget 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Actual 2021 \$000	Actual 2020 \$000
Rates	63,967	63,855	63,259	63,855	63,259
Other revenue	43,306	47,339	40,437	58,839	51,420
Total revenue	107,273	111,194	103,696	122,694	114,679
Finance costs	(5,705)	(4,629)	(5,088)	(5,116)	(5,719)
Other operating expenses	(82,419)	(84,023)	(85,277)	(93,422)	(95,081)
Total operating expenses	88,124	88,651	90,365	98,537	100,800
Surplus/(deficit) before tax	19,149	22,543	13,332	24,157	13,879
Share of associate surplus/(deficit)	-	6	9	6	9
Income tax (expense)/benefit	-	80	54	233	(36)
Surplus/(deficit) after tax	19,149	22,629	13,394	24,396	13,851
Surplus/deficit attributable to: Whanganui District Council	19,149	22,629	13,394	24,396	13,851
Other comprehensive revenue and expense					
Gain on property plant & equipment revaluations*	7,184	82,325	64,854	82,326	64,994
Gain on carbon credits revaluation	-	396	314	396	314
Financial assets at fair value through other comprehensive revenue and expense	-	58	(150)	58	(150)
Total other comprehensive revenue and expense	7,184	82,780	65,018	82,781	65,157
Total comprehensive revenue and expense attributable to: Whanganui District Council	26,333	105,409	78,412	107,177	79,010
	26,333	105,409	78,412	107,177	79,010

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

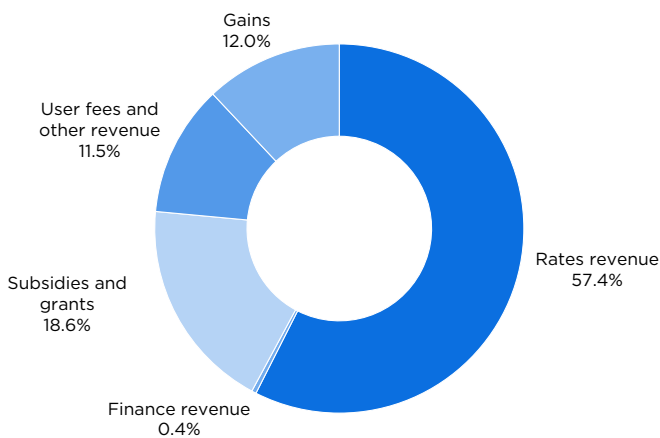
Explanation of major variances:

Other revenue

Subsidies and grants are \$8.8 million lower than planned (30%), driven by timing of Sarjeant Gallery Redevelopment grants. These grants were originally budgeted to coincide with the progress of the physical works, so delays to the physical works have delayed the associated subsidies. This is partially offset by significant unplanned subsidy revenue for 3 water stimulus projects, Economic Development and Central Business Development.

Gains are \$ 12.8M higher than budgeted, driven by significant valuation increase in derivative financial instruments and investment properties held by Council.

Where did our operating revenue come from?



Council receives revenue from a number of different sources, as shown on the graph above. Rates are the primary source of revenue for the Council accounting for 57% (\$63.9M) of the total.

Other operating expenses

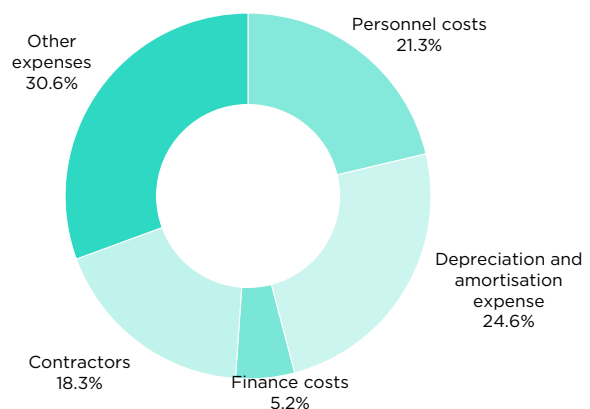
Other operating expenses are \$1.6 million higher than budget. This is driven by:

1. Higher than budgeted maintenance costs on pensioner housing by \$640k to meet new legislative requirements.
2. Insurance premiums are \$344k higher than budgeted.
3. Writing off \$339k of sunk costs for the Velodrome Roof investigation and assessment.
4. Unplanned expenditure on the Economic Development STAPP project of \$328k, and the Lets go cycling project of \$270k. Both projects were fully funded by external subsidies.
5. Depreciation is \$758k lower than budgeted as a result of lower depreciation on infrastructure assets after the infrastructure revaluation in late 2019/20

Finance Costs

Finance costs are \$1.1 million lower than budget, driven by significantly lower interest rates and holding less debt than planned.

What were our operating expenses?



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

Whanganui District Council – Summary statement of changes in equity

For the year ended 30 June 2021

	COUNCIL			GROUP	
	Budget	Actual	Actual	Actual	Actual
	2021	2021	2020	2021	2020
	\$000	\$000	\$000	\$000	\$000
Balance at 1 July	896,788	933,724	855,313	960,756	881,749
Total comprehensive revenue and expense for the year	26,333	105,409	78,413	107,176	79,009
Balance at 30 June	923,121	1,039,132	933,724	1,067,932	960,757
Components of equity					
Retained earnings	561,749	584,070	558,612	604,529	577,304
Restricted reserves	63,816	76,081	78,912	76,081	78,911
Revaluation reserves	296,522	377,329	295,004	385,671	303,345
Other reserves	1,034	1,652	1,197	1,651	1,196
Balance at 30 June	923,121	1,039,132	933,725	1,067,932	960,757

Whanganui District Council – Summary statement of financial position

As at 30 June 2021

	Council			Group	
	Budget 2021 \$000	Actual 2021 \$000	Actual 2020 \$000	Actual 2021 \$000	Actual 2020 \$000
Total current assets	10,794	63,841	33,925	69,322	35,341
Total non-current assets	1,057,661	1,101,422	1,028,667	1,149,870	1,080,889
Total current liabilities	(20,325)	(29,911)	(31,216)	(37,620)	(36,689)
Total non-current liabilities	(125,009)	(96,219)	(97,651)	(113,639)	(118,784)
Net assets	923,121	1,039,132	933,724	1,067,932	960,757
Total equity	923,121	1,039,132	933,724	1,067,932	960,757

Explanation of major variances:

Assets

Current assets are significantly higher than budgeted as a result of a reclassification of Port investment assets worth \$31.8 million to non-current assets held for sale, in preparation for transfer to the Port Special Purpose Vehicle.

Total non-current assets is \$43.7M higher than budget (4%), mainly due to a significant valuation increase (\$74.3M) for land & buildings held by Council. This is partially offset by \$31.8 million of Port assets that have been deemed as held for sale and transferred to non-current assets held for sale.

Liabilities

Payables is \$4.1 million higher than planned, however this balance fluctuates regularly due to the timing of invoicing and workloads.

Total borrowings are \$20.2 million lower than budget, mainly due to lower capital expenditure and unplanned subsidy funding.

The favourable variance to budget of \$4.1M (36%) in derivative financial instruments is due to changing market conditions affecting the revaluation of these instruments, driven by growing interest rates.

Whanganui District Council – Summary statement of cash flows

For the year ended 30 June 2021

	Council			Group	
	Budget	Actual	Actual	Actual	Actual
	2021	2021	2020	2021	2020
	\$000	\$000	\$000	\$000	\$000
	2021	2021	2020	2021	2020
	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents at the beginning of the year	3,222	6,560	7,447	8,767	8,978
Net cash from operating activities	41,131	36,202	33,967	40,022	36,175
Net cash from investing activities	(38,852)	(37,374)	(37,355)	(39,156)	(49,147)
Net cash financing activities	(2,159)	-	2,500	(872)	12,761
Cash and cash equivalents at the end of the year	3,342	5,387	6,559	8,761	8,767

Explanation of major variances are:

Operating Activities

Cash flows from operating activities is an indication of whether an entity is able to finance its normal operations from short-term funds.

Council generated a \$36.2M cash surplus from operating activities. This is an unfavourable variance to budget of \$4.9M (12%), mainly due to timing of the Sarjeant Gallery redevelopment subsidies. See Subsidies and Grants above.

Investing Activities

Cash flows from investing activities show net asset purchases to be \$37.4M, which is \$1.48M (3.8%) less than budget. The main reason for this relates to lower 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 net zero movement, with debt repayments matching new borrowings. This is favourable variance of \$2.16M as less borrowing was required, driven by significant cash subsidies funding various capital projects. Borrowings are made on the basis of projected capital spending, some of which did not happen as detailed in the 'Groups of Activities' section.

Whanganui District Council – Summary funding impact statement

For the year ended 30 June 2021

	Annual Plan 2021 \$000	Annual Report 2021 \$000	Annual Plan 2020 \$000	Annual Report 2020 \$000
Sources of operating funding				
Rates	63,967	63,855	62,852	63,259
Other income	18,303	19,890	17,218	17,913
Total operating funding (A)	82,270	83,745	80,070	81,172
Application of operating funding				
Payments to staff and suppliers	59,882	62,244	57,643	60,402
Finance costs	5,705	4,629	5,756	5,088
Total application of operating funding (B)	65,587	66,873	63,399	65,490
Surplus (deficit) of operating funding (A - B)	16,683	16,872	16,671	15,682
Sources of capital funding				
Subsidies, grants and development contributions	5,420	13,705	6,968	17,168
Increase (decrease) in debt	(2,159)	-	11,088	2,500
Gross proceeds from asset sales	-	90	-	110
Lump sum contributions	-	-	-	-
Other dedicated capital funding	19,028	18	29	1,303
Total sources of capital funding (C)	22,289	13,813	18,085	21,081
Application of capital funding				
Capital expenditure				
• to meet additional demand	900	1,465	1,805	449
• to improve the level of service	22,841	20,832	19,965	10,672
• to replace existing assets	15,111	12,466	13,476	9,841
Increase (decrease) in reserves	120	(4,076)	(290)	15,801
Increase (decrease) in investments	-	-	(200)	-
Total application of capital funding (D)	38,971	30,686	34,756	36,763
Surplus (deficit) of capital funding (C - D)	(16,683)	(16,873)	(16,671)	(15,682)
Funding balance ((A - B) + (C - D))	-	(1)	-	-

Notes to the summary financial statements

Events after the balance date

On the 17th of August 2021 all of New Zealand moved to Covid Delta Alert Level 4. On the 31st of August 2021 all of New Zealand south of Auckland moved to Alert Level 3. On the 7th of September 2021 New Zealand except Auckland moved to Alert Level 2 on which the Whanganui District still complies with. No significant impact of these changes are anticipated

On 27 October 2021, the Local Government Minister announced that central government will proceed with the three waters service delivery reforms using a legislated “all in” approach. The three waters reform involves the creation of four statutory water services entities to be responsible for the service delivery and

infrastructure from local authorities from 1 July 2024. There is still a number of uncertainties associated with the new three waters delivery model including the mechanism for how assets will be transferred to the newly established entities and the control and governance of these entities. Notwithstanding the current uncertainty the announcement once legislated will mean Council is no longer responsible for the delivery and infrastructure of three water services from 1 July 2024.

Capital commitments

The Group capital commitments as at 30 June 2021 are \$128.4M (2020: \$128.3M)

Additional information about this summary

This Summary Annual Report has been prepared in accordance with PBE FRS 43: Summary Financial Statements. It has been extracted from the full Annual Report and is designed to give an overview of the Council and Group operations. This summary does not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as the full financial report of the Council. The full Annual Report contains detailed information on the finances and service performance and was adopted by the Council on 7 December 2021.

The Council has designated itself a Public Benefit Entity (PBE) for financial reporting purposes. The full financial statements were prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and comply with Tier 1 Public Benefit Entity (PBE) accounting standards. The financial statements are for the year ended 30 June 2021 and all figures are in New Zealand dollars and are rounded to the nearest thousand dollars.

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

The Summary Annual Report was authorised for issue on 23 December 2020 by the Mayor, Hamish McDouall, and Interim Chief Executive, Lance Kennedy.

Copies of the Whanganui District Council's Annual Report are available from the Council's website www.whanganui.govt.nz or the Council offices at 101 Guyton Street, Whanganui or by phoning 06 349 0001.

Independent Auditor's Report

To the readers of Whanganui District Council and group's summary of the annual report for the year ended 30 June 2021

The summary of the annual report was derived from the annual report of the Whanganui District Council and group (the District Council) for the year ended 30 June 2021.

The summary of the annual report comprises the following summary statements on pages 10 to 40:

- the summary statement of financial position as at 30 June 2021;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2021;
- the notes to the summary financial statements that include explanatory information; and
- the summary statement of service performance called "Our activities and performance".

Opinion

In our opinion:

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

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2021 in our auditor's report dated 7 December 2021. Our auditor's report on the full annual report also includes an emphasis of matter paragraph drawing attention to the

disclosures about the Government's three waters reform programme announcement as set out in the full annual report in note 31 to the financial statements. The Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the District Council will no longer deliver three waters services. These matters are addressed in page 39 of the summary financial statements.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to reporting on the summary and full annual reports, we have audited the District Council's 2021-2031 long-term plan and carried out a limited assurance engagement related to the District Council's Debenture Trust Deed. These engagements are compatible with those independence requirements.

Other than in our capacity as auditor, 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
23 December 2021