

Pūrongo ā-Tau Annual Report 2020/21



RANGITIKEI
DISTRICT COUNCIL

making this place home



Mihi

E ngā mana, e ngā reo, e ngā rau
rangatira mā o te rohe o Rangitīkei,
tēnā koutou katoa.

Mihi mahana tēnei o te Kaunihera
o Rangitīkei kia tātou katoa e noho
ana ki roto i te rohe nei, nau mai,
whakatau mai rā.

Whakataka te hau ki te uru,
Whakataka te hau ki te tonga,
Kia mākinakina ki uta,
Kia mātaratara ki tai,
E hī ake ana te atakura,
He tio, he huka, he hau hū,
Tihei Mauriora!

The Rangitīkei District Council
acknowledges all those
who live within our District.

We send a warm welcome to
you all.

Cease the winds from the west
Cease the winds from the south
Let the breeze blow over the land
Let the breeze blow over the ocean
Let the red-tipped dawn come with
a sharpened air
A touch of frost, a promise of a
glorious day!



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Section 1:

Introduction



Executive Summary

The Annual Report

The Annual Report is an essential accountability document.

It sets out to explain the Council's performance in year three of the 2018-28 Long Term Plan and against the various legislative and accounting requirements under which the Council is required to operate.

This Annual Report is prepared according to Sections 98 and 99 and Part 3 of Schedule 10 of the Local Government Act 2002. The Annual Report measures the Council's performance for the period 1 July 2020 to 30 June 2021.

As well as financial results, the Annual Report includes results of the performance measures set out in the 2018-28 Long Term Plan.

Financial Performance

The statement of comprehensive revenue and expense shows operating expenditure was \$2.48 million more than budget and operating revenue was above budget by \$6.25 million, resulting in an operating profit before gains and losses on PPE and investments of \$6.19 million against a budget of \$2.15 million. The profit after tax was \$6.19 million.

More detailed analysis of variances is presented in note 27 of the financial statements and in the commentary on the various groups of activities.

Financial Position

Council had net assets of \$613 million, largely represented by property, plant and equipment.

Council has a strong cash position of \$6.99 million as at 30 June 2021. This is mainly as a result of a significant underspend in capital works this year.

Opportunities for Māori to contribute to Council decision-making

Council continues to have our iwi advisory board, Te Roopuu Ahi Kaa, as an integral part of the organisation.

The role and responsibilities of Te Roopuu Ahi Kaa are set out in Council's delegations register. Members of Te Roopuu Ahi Kaa sit on Council's Standing Committees, with voting and speaking rights, which is another opportunity for Māori and iwi to contribute to the decision making of Council.

A budget is allocated for the Māori Community Development Programme and is to be distributed by Te Roopuu Ahi Kaa in accordance with its own processes. This programme is designed to increase the capacity of Māori to contribute to local decision-making and strengthen relationships between iwi organisations/marae and Council. As a result, Council developed a policy for unlocking Māori landlocked land and a policy to recognise iwi/hapū interests in Council-owned land that is declared surplus.

Council has decided to introduce Māori Wards for the next Local Government Elections. Te Roopuu Ahi Kaa and the Rātana Community Board both supported the introduction of Māori wards with the boundaries aligned with the concept of 'fair' representation. Māori wards are a mechanism through which councils can ensure that Māori communities are represented on council and, in doing so, both achieve better representation of Māori in council decision-making and improve the visibility of Māori issues within council thinking and processes.



2020/2021 Highlights

- **Strategic Vision to 2050** – The Executive Leadership team has developed further detail based on the four well-beings in the Local Government Act – social, economic, environmental and cultural.
- **Long Term Plan 2021-2031** – Council adopted the Long Term Plan for 2021-2031 on 8 July 2021.
- **Mangaweka Bridge** – The contract to construct the new bridge was awarded in September 2020. At the end of June 2021 the project was 50% complete.
- **Marton Water Strategy** – Council approved the creation of a new Marton Water Strategy that will use groundwater as an alternative raw water source in place of the current Marton Dams.
- **Taihape Memorial Park Facilities** – A site for the new facility building has been finalised and detailed design plans are being prepared for a single-storey facility, following engagement with Park users.
- **Historic landfill on Pūtōrino** – Council is remediating the historic landfill on Pūtōrino Road with work mostly done (in conjunction with Horizons Regional Council and relevant iwi).
- Planning for online electronic building consent applications.
- **District Plan Change** – The process for a Council initiated District Plan Change to rezone rural land south of Marton to an industrial zone is underway.
- **Marton Rail Hub** – Council's application to the Provincial Growth Fund has been successful, in August, the Minister of Infrastructure announced that the facility will receive \$9.1 million from the Government's COVID-19 Response and Recovery Fund.

Audit Report

Who Are We?

District Profile

The Rangitikei District comprises 4,500 square kilometres of mainly lush, rural land. It is a diverse district, ranging from the sand plains on the south coast – which stretch inland almost as far as Bulls – to the magnificent hill country of the upper Rangitikei. The District is characterised by its hills, which comprise 50% of the land.

The Rangitikei River is one of New Zealand's longest rivers, starting in the Kaimanawa Ranges and flowing out to the Tasman Sea.

Demographic and Social Features

The 2018 Census showed a usually resident population of 15,027 (compared to 14,019 at the 2013 Census). This showed an increasing population reversing the trend for a declining population since 1996. There were 3,936 Māori recorded in the 2018 Census (compared with 3,270 in 2013).

However, the most recent estimated population for the District, as at June 2019, is 15,750 up 250 from the estimated population as at June 2018.

The number of occupied private dwellings at the 2018 Census was 5778 compared with 5773 in the 2013 Census. The number of unoccupied private dwellings was 933 compared with 912 in 2013. The 2018 Census recorded 12 dwellings under construction.

Rangitikei District Council

The Rangitikei District Council is a territorial authority governed by the Local Government Act 2002. The Council was formed in 1989 by the amalgamation of the Rangitikei County Council, Marton Borough Council and Taihape Borough Council, along with parts of the Kiwitea and Taupō County Councils.



Mission Statement

Council's Role

The Rangitikei District Council undertakes services for the residents and ratepayers of the Rangitikei. In everything it does, the Council has regard for the principles of equity and the principles of the Treaty of Waitangi.

The Local Government Act 2002 defines the purpose of local government is to:

“... enable democratic local decision-making and action by, and on behalf of communities and;

... promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

The role of a local authority is to:

- give effect, in relation to its district or region, to the purpose of local government and;
- perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment”

(Sections 10 and 11 of the Local Government Act 2002)

To give effect to this role, the Council has allocated its services between nine Groups of Activities, which describe the services (and levels of service) the Council provides:



Community Leadership



Roading and Footpaths



Water Supply



Wastewater and Sewage Disposal²



Stormwater Drainage



Community and Leisure Assets



Rubbish and Recycling



Environmental and Regulatory



Community Well-being

All of the Council's day-to-day business and long-term planning is centred on these activities and the budget requirements to keep them operational. Often sub-activities will fall out from the main activity and complement, in one way or another, the central activity.

The newly elected Council has reflected the renewed focus of the Act on community well-being in the development of its strategic vision to 2050. This has a detailed focus on each of the four well-beings.

Council Operations

The Council appoints a Chief Executive to be in charge of the Council operations and delegates certain powers of management to him as required under Section 42 of the Local Government Act 2002.

The Chief Executive appoints staff to carry out all of the Council's significant activities.

Division of Responsibility between the Council and Management

A key to the efficient running of the Council is that there is a clear division between the role of the Council and that of Management. The Council of the Rangitikei District concentrates on setting policy and strategy, and then reviews progress. Management is concerned with implementing the Council policy and strategy.

The Council's most recent Representation Review was completed in April 2019, following hearing of appeals and objections by the Local Government Commission. This has changed the number of wards from five to three, essentially merging the Turakina and Bulls Wards as the Southern Ward (3 Councillors), Hunterville and Marton to be the Central Ward (5 Councillors), and a slightly enlarged Taihape Ward to be the Northern Ward (3 Councillors). The number of Councillors and the two Community Boards (Rātana and Taihape) were unchanged, except that the boundary of the Taihape Ward was adjusted to coincide with the boundary of the new Northern Ward. These changes are included in the 2019 local government elections.

While many of the Council's functions have been delegated, the overall responsibility for achieving the mission statement of the Council and the purposes of local government rests with the Council. The Council maintains effective systems of internal control, which includes the policies, systems and procedures established to provide measurable assurance that specific objectives of the Council will be achieved. This structure is shown in Figure 2.

Statement of Compliance and Responsibility

Compliance

The Council and Management of the Rangitikei District Council confirm that all 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 of the Rangitikei District Council accept responsibility for the preparation of the annual Financial Statements and of the Statement of Service Performance, and the judgements used in them.

The Council and Management of the Rangitikei District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

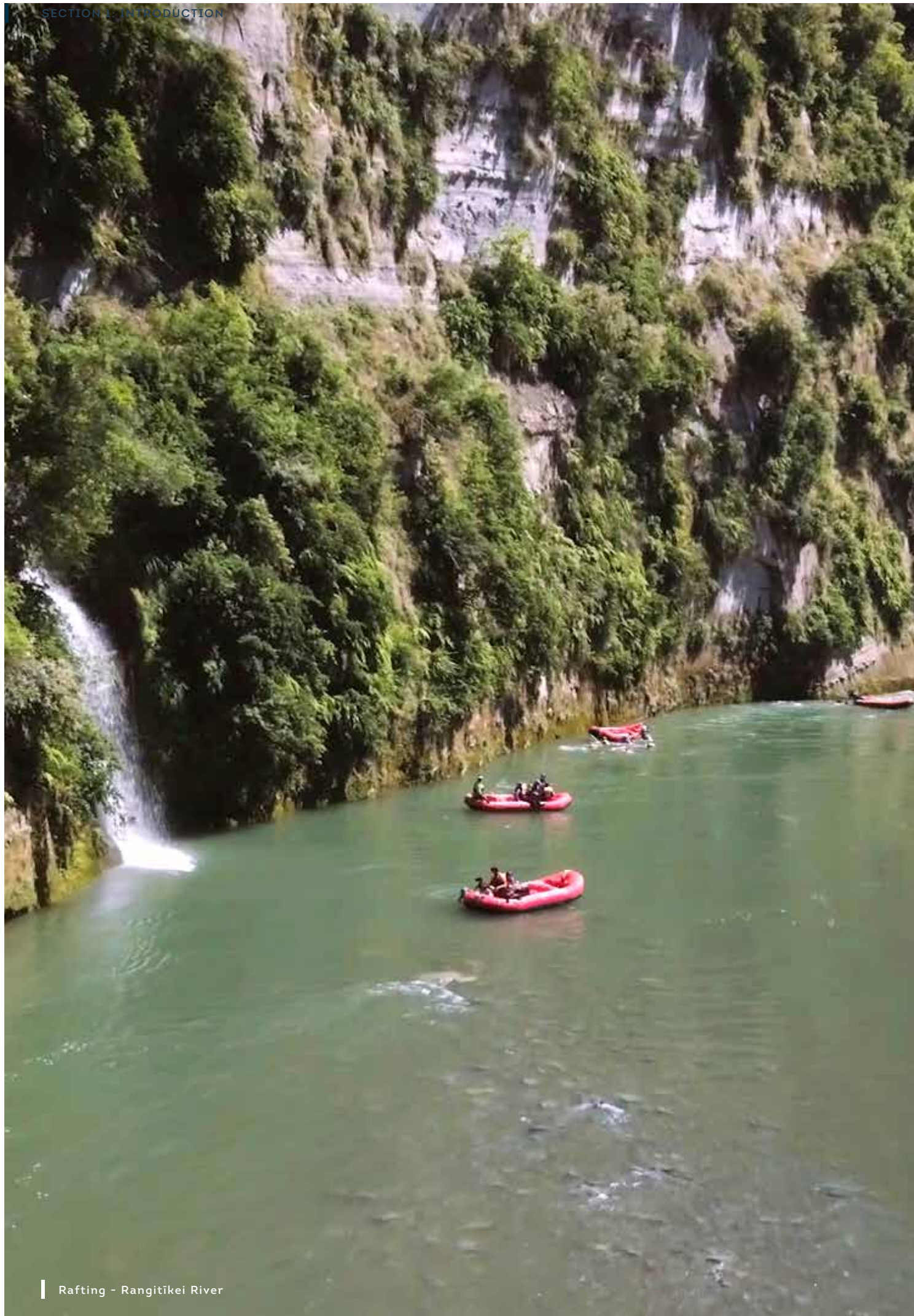
In the opinion of the Council and Management of the Rangitikei District Council, the annual Financial Statements for the year ended 30 June 2021 fairly reflect the financial position and operations of the Rangitikei District Council.

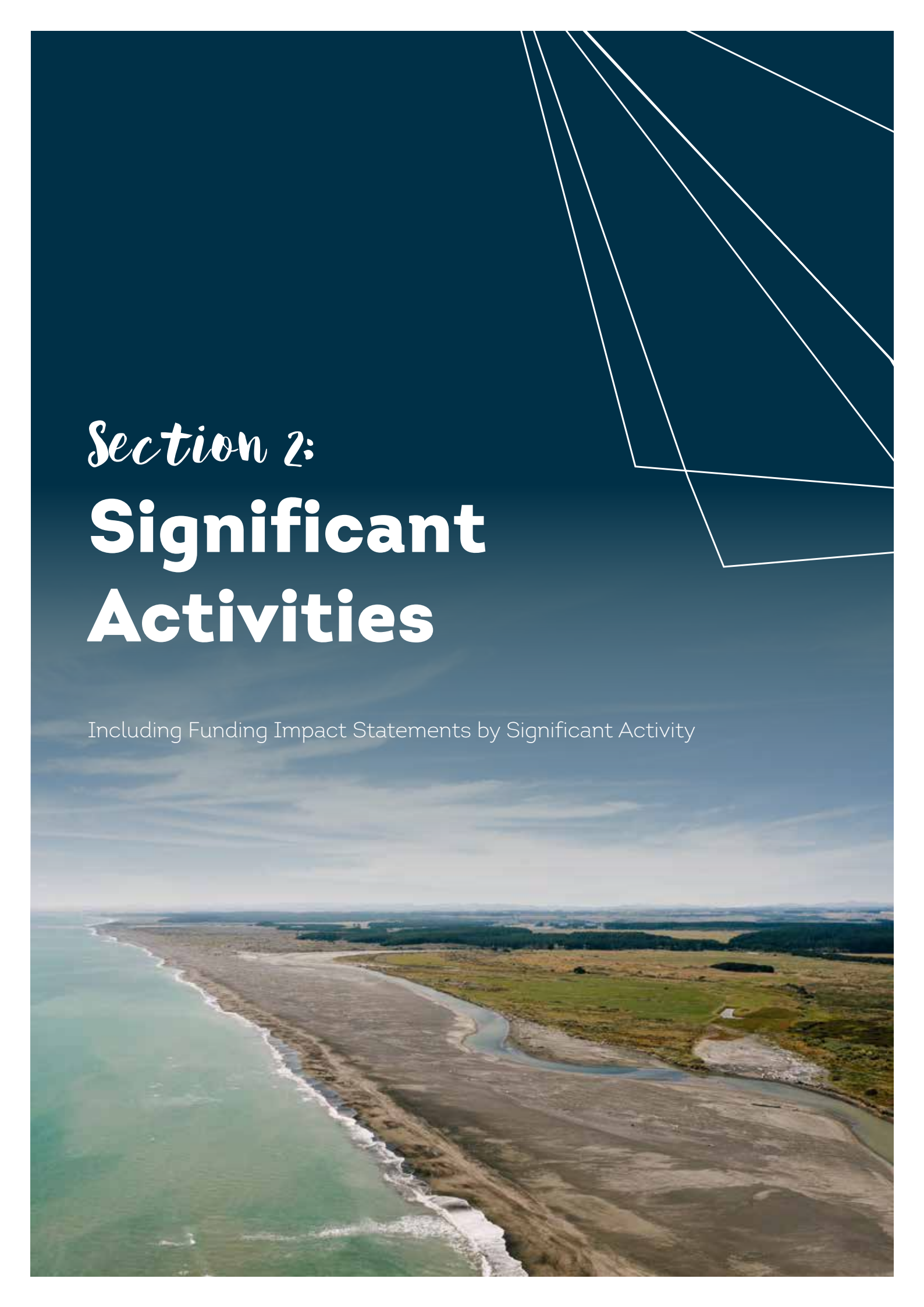
Andy Watson

Mayor
xx month 2021

Peter Beggs

Chief Executive
xx month 2021



An aerial photograph of a coastal landscape. On the left, a body of water with a greenish tint meets a sandy beach. A river or stream flows from the right towards the beach, creating a delta-like pattern. The surrounding land is a mix of green marshes and brown, exposed mudflats. In the distance, a line of trees and low hills are visible under a cloudy sky. The top half of the image is overlaid with a dark blue gradient and white geometric lines forming a series of parallel, slightly curved shapes that point towards the right.

Section 2: **Significant Activities**

Including Funding Impact Statements by Significant Activity

Community Outcomes

Community outcomes are the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

As part of developing the 2018-28 Long Term Plan, Council reviewed its outcomes; they are described below.

- 1 **Infrastructural service levels** - Ensuring services meet appropriate standards and are affordable.
- 2 **Economic development** - Facilitating growth through infrastructure investment, an enabling regulatory framework and collaboration.
- 3 **Future-looking community facilities** - Ensuring community facilities are future-fit and appropriately managed.
- 4 **Earthquake-prone buildings** - Reducing the people-risk from Council-owned earthquake-prone buildings and providing a leadership/support role for other earthquake-prone buildings.
- 5 **Communication/engagement and collaboration** - Ensuring communities are well-informed and engaged in decision-making, and productive partnerships are established/maintained.
- 6 **Rates level/affordability/value** - Ensuring rate levels are prudent and value to ratepayers demonstrated.
- 7 **Environment/climate change** - Responsiveness to expectations from the community and Government for more sustainable use of resources, a reduced carbon footprint, and planning for projected impacts in weather and sea-level changes.
- 8 **Regulatory performance** - Implementing an enabling regulatory framework which is explicit on whether (and how) Council will exercise any statutory discretion available to it.
- 9 **Community resilience** - Advocating for, working in partnership and supporting groups which are concerned with the well-being of the District's communities.

The table below illustrates how each of the community outcomes relates to the groups of activities.

Group of activities	Community outcomes								
	1	2	3	4	5	6	7	8	9
Community Leadership		●			●	●	●		
Roading and Footpaths	●	●							
Water supply	●	●							
Sewerage and the treatment and Disposal of Sewage	●	●							
Stormwater Drainage	●	●							
Community and Leisure Assets			●	●					
Rubbish and Recycling							●		
Environmental and Regulatory Services		●		●				●	
Community Well-being		●			●		●		●

Council has not undertaken any specific measurement during the year of progress towards the achievement of those outcomes.

Identified effects of activities on the social, economic, environmental or cultural well-being of the community

The provision of a safe, convenient and well-maintained network of roads and footpaths contributes to (particularly) economic well-being by facilitating access by those conducting business within the District; it also contributes to social well-being by allowing people to connect easily with one another.

However, road deaths, noise, vibrations and emissions to air from road traffic are negative impacts on social and environmental well-being.

The provision of a reliable, safe water supply contributes particularly to social well-being; the ability to provide commercial quantities of water and stock water contribute to the community's economic well-being. Malfunctioning plants impact negatively on these well-beings.

Treatment and disposal of wastewater contributes to environmental well-being by minimising impacts on aquatic life and social well-being by ensuring disposal does not impact on residents' health. Malfunctioning treatment plants and broken or blocked reticulation impact negatively on social and environmental well-being,

Parks and reserves, libraries, and swimming pools contribute to the community's social well-being by providing recreational and educational opportunities.

Well-managed and accessible waste transfer stations reduce the likelihood of fly-tipping and this contributes to environmental well-being.

Animal control, building control and planning control contribute to personal and public health and safety, i.e. social well-being.

The youth development activity contributes to social well-being by providing opportunities for youth to collaborate with others and engage in meaningful dialogue with the Council.

The hui in Te Roopuu Ahi Kaa and representation from that Komiti on Council's standing committees contribute to the community's cultural well-being by promoting dialogue and understanding.

Performance Reporting

In the Activities that follow, performance reporting against the **Target (or Intended Level of Service)** is detailed as follows:

- **Achieved** Required actions have been completed
Or where a long-term level of service is targeted, the results for the year are in keeping with the required trend to achieve the intended level of service
- **Partly achieved** Some outputs contributing to the intended level of service have been achieved (e.g. 3 workshops held of the 4 initially proposed)
Or the result for the year is between 60% and 75% of the intended level of service
- **Achieved/ongoing** A particular level of service has been achieved. But it is multi-faceted and not totally time related in that there are constant actions continuously adding to it.
- **In progress** No actual output has been achieved but pre-requisite processes have commenced
- **Not commenced** No actions to achieve the stated level of service have begun
- **Not achieved** None of the required actions have been undertaken
Or the result for the year is less than half of the intended level of service
Or where a long-term level of service is targeted, the results for the year are contrary to the required trend to achieve the intended level of service
- **Not yet available** Timing of the relevant data set has been delayed or will occur in a subsequent year
- **Not applicable** The scope of the [mandatory] measure does not apply to the Council

* In the levels of service statements which follow, denotes a mandatory measure prescribed by the Secretary of Internal Affairs under section 261B of the Local Government Act 2002.

Annual Residents' Survey 2021

Background and objectives

In 2012 Rangitikei District Council established a benchmark for performance monitoring in key service areas through an Annual Residents Survey. The aim of this Survey is to capture residents perceptions of Council services. Results from this 2021 resident survey are compared with 2020, 2019, 2018, 2017, 2016, and 2015 results, for the purposes of monitoring and tracking progress over time.

Sample

This year saw a sample with a total of 267 responses. The Survey was advertised in the District Monitor (14,000 plus distributions) twice, Feilding-Rangitikei Herald, a flyer was developed and distributed through the District Monitor, advertised in the Talk Up Taihape Newsletter, Bulls Bulletin, Council Website and Facebook page. The Survey was distributed to Council Community Committees and Boards concurrently with Councils business contact list and newsletter distribution list. The Survey was also advertised in Council buildings. The Survey opened on 18 June 2021 and ran for 6 weeks closing on 31 July 2021.

Margin of Error

Margin of Error (MOE) is a statistic used to express the amount of random sampling error there is in a survey's results. The MOE is particularly relevant when analysing a subset of the data as smaller samples sizes incur a greater MOE. The final sample size, $n = 267$, gives an overall MOE of 6% at the 95% confidence interval. These terms simply mean that if the survey were conducted 100 times, the data would be within $\pm 6\%$ of the reported percentage most of the time (95 times out of 100).

Questionnaire

The questionnaire focused on engaging resident perceptions of Council core services, such as roading, parks and community buildings, and remained the same as the previous year with the aim of keeping respondents engaged with the survey. Questions involving being asked if something was "better than last year", "about the same as last year", "worse than last year", or "don't know" was not asked in 2019. Comparisons for parts of the survey involving these questions have been drawn against 2020, 2019, 2018, 2017, 2016 and 2015. A new question was added this year to gauge residents' perceptions with the effectiveness of Councils communication.

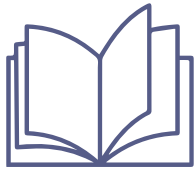
Display of data

The findings of the survey have been analysed and commented at the total level. Differences between answers between demographics (area and age) are displayed and commented on, though the reader should note the samples sizes of some areas are not representative. Charts are used to display the results data with tracking made available to compare previous year's results. For each chart, the question has been footnoted along with along with the total number of people who responded to the question. Please note that not all percentages shown add up to 100% due to rounding.

Community Leadership

This activity focuses on the governance functions of Council, in particular leadership and planning and is concerned with local democratic decision-making.

A major focus is getting the 'right' information to the community, clearly and concisely, so that people have an opportunity to understand the Council's view on the critical issues and decisions for the District.



Council adopted the Long Term Plan for 2021-2031 on 8 July 2021



Council is a member of a Horizons working group on Climate Change



Work has begun on a spatial plan Pae Tawhiti Rangitikei Beyond

Highlights for 2020/21

- **Elections** – The October 2019 elections, conducted on the basis of three wards (Northern, Central and Southern), resulted in six first-time Councillors. The next elections will be held in October 2022.
- **Strategic Vision to 2050** – The newly elected Council had a strategic planning day on 20 November 2020. The outcome from this is a statement on Council's strategic vision to 2050. The Executive Leadership team has subsequently developed further detail based on the four well-beings in the Local Government Act – social, economic, environmental and cultural.
- **Long Term Plan 2021-2031** – Council adopted the Long Term Plan for 2021-2031 on 8 July 2021. At that meeting the rates resolution for 2021/22 was also adopted. The 2021-2031 Long Term Plan projected a rate increase of 7.07% for the 2021/22 year; followed by 7.29% for year two and 6.54% for year three.
- **Regional collaboration** – Council has been a member of the Horizons working group on Climate Change and will continue its involvement through 2021/22.
- **Spatial Plan** – Work has begun on a spatial plan for the District to provide a blueprint for future land use and growth over the next 30 years. It will examine how much and where additional land should be provided for residential, industrial or commercial land to meet future growth. And it will also identify key transformational projects related to future land use across our activities, linking in with other strategies we are developing, such as for parks. The spatial plan sets the strategic direction for the review of the District Plan (think zoning and rules) that will follow and will help to guide infrastructure investment decisions. This project has been named Pae Tawhiti Rangitikei Beyond to represent the future-focused nature of the project.
- **Preparation of Order Papers** – Order Papers for Council, Committees, Boards, Community Committees and other meetings have continued to be delivered to ensure that decision-making was compliant and useful.

Level of Service

Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community and followed through:

Measure	Target for 2020/21	Actual July 2020 – June 2021																						
On-time completion of, or substantially undertaken annual plan actions	94% of Annual Plan actions substantially undertaken or completed. All groups of activities to achieve at least 88% of identified actions.	<div><div></div><div><p>Not achieved</p><p>59% of Annual Plan Actions were completed by 30 June 2021. This includes projects that span over more than one year.</p><p>Whilst the measure was not achieved there was a 12% increase on the 2019/20 result (47%).</p><p>A further 26% of Annual Plan Actions were either underway or nearing completion. Some actions were deferred to future years or require other work before they can begin..</p></div></div> <table><tr><th>Council Activity</th><th>%</th></tr><tr><td>Community Leadership</td><td>82%</td></tr><tr><td>Roading and Footpaths</td><td>75%</td></tr><tr><td>Water Supply</td><td>75%</td></tr><tr><td>Sewerage and Treatment and Disposal of Sewerage</td><td>75%</td></tr><tr><td>Stormwater</td><td>100%</td></tr><tr><td>Community and Leisure Assets</td><td>46%</td></tr><tr><td>Rubbish and Recycling</td><td>50%</td></tr><tr><td>Environmental and Regulatory Services</td><td>20%</td></tr><tr><td>Community Well-being</td><td>56%</td></tr><tr><td>Overall</td><td>59%</td></tr></table>	Council Activity	%	Community Leadership	82%	Roading and Footpaths	75%	Water Supply	75%	Sewerage and Treatment and Disposal of Sewerage	75%	Stormwater	100%	Community and Leisure Assets	46%	Rubbish and Recycling	50%	Environmental and Regulatory Services	20%	Community Well-being	56%	Overall	59%
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Completion of capital programme	85% of planned capital programme expended; all network utilities groups of activities to achieve at least 70% of planned capital expenditure. Note:This analysis excludes approved expenditure on emergency repairs to the roading network.	<div><div></div><div><p>Not achieved</p><p>The total capital programme spend at the end of June 2021 was 47.43%.</p><p>The capital budget included \$2.3M for land purchase that was not spent as suitable land did not become available. Three further projects were integrated into the 3 Waters reform funding with the planned completion date being March 2022. These three projects accounted for a further \$4M that now has a delayed completion date of March 2022.</p><p>Other large capital projects such as the Marton Civic Centre and the Taihape amenities block were delayed due to further requests for changes from the community and Council.</p><p>The Mangaweka Bridge and the Bulls Bus Lane and Town Square projects were delayed due to consenting requirements before construction could start.</p></div></div>																						

Measure	Target for 2020/21	Actual July 2020 – June 2021																																																												
Satisfaction	<p>Increase in percentage of Very satisfied' and decrease in percentage of 'neutral' compared with the benchmark.</p> <p>2016/17 results:</p> <table> <tr> <th></th><th>Very satisfied</th><th>Neutral</th></tr> <tr> <td>Roading</td><td>6%</td><td>30%</td></tr> <tr> <td>Water</td><td>11%</td><td>19%</td></tr> <tr> <td>Wastewater</td><td>15%</td><td>19%</td></tr> <tr> <td>Parks/sports fields</td><td>12%</td><td>29%</td></tr> <tr> <td>Community buildings</td><td>5%</td><td>41%</td></tr> <tr> <td>Halls</td><td>6%</td><td>37%</td></tr> <tr> <td>Pools</td><td>15%</td><td>29%</td></tr> <tr> <td>Libraries</td><td>23%</td><td>20%</td></tr> <tr> <td>Mean</td><td>12%</td><td>28%</td></tr> </table>		Very satisfied	Neutral	Roading	6%	30%	Water	11%	19%	Wastewater	15%	19%	Parks/sports fields	12%	29%	Community buildings	5%	41%	Halls	6%	37%	Pools	15%	29%	Libraries	23%	20%	Mean	12%	28%	<p>Not Achieved</p> <p>The methodology for the 2020/21 survey means it is not feasible to make a direct comparison with the 2016/17 survey results. The 2020/21 survey provided options for 'don't know' and 'other' which allowed for feedback. Providing these two extra options means a further spread in response. However, there is still a lower percentage from the benchmark of very satisfied in each area.</p> <table> <tr> <th></th><th>Very satisfied</th><th>Neutral</th></tr> <tr> <td>Roading</td><td>2%</td><td>35%</td></tr> <tr> <td>Water</td><td>5%</td><td>6%</td></tr> <tr> <td>Wastewater</td><td>2%</td><td>19%</td></tr> <tr> <td>Parks/sports fields</td><td>7%</td><td>30%</td></tr> <tr> <td>Community buildings</td><td>4%</td><td>33%</td></tr> <tr> <td>Halls</td><td colspan="2">Halls are considered as community buildings</td></tr> <tr> <td>Pools</td><td>7%</td><td>21%</td></tr> <tr> <td>Libraries</td><td>21%</td><td>19%</td></tr> <tr> <td>Mean</td><td>7%</td><td>23%</td></tr> </table>		Very satisfied	Neutral	Roading	2%	35%	Water	5%	6%	Wastewater	2%	19%	Parks/sports fields	7%	30%	Community buildings	4%	33%	Halls	Halls are considered as community buildings		Pools	7%	21%	Libraries	21%	19%	Mean	7%	23%
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Libraries	21%	19%																																																												
Mean	7%	23%																																																												
#Value for money – residents' perceptions in annual survey (new)	<p>Higher rating than previous year.</p> <p>a) In thinking about what you know about other local councils in New Zealand, is Rangitikei Better than other councils? 2019/20: 13% better than other councils, 35% about the same as other councils, 27% worse than other councils, 20% don't know and 5% other.</p> <p>b) Do you consider Council delivers value for money? 2019/20 results: 4% yes definitely, 18% yes satisfactory, 33% unsure/neutral, 34% no, not really and; 12% no, definitely not.</p>	<p>Achieved</p> <p>The survey was completed by each TRAK member. The survey has not previously been undertaken therefore improved satisfaction cannot be measured. Culture and Identity, Culture and Identity and Resources and Infrastructure did not receive 100% of respondents being satisfied or very satisfied, however those respondents were neither satisfied nor dissatisfied. Only one respondent answered dissatisfied once, which was to Resources and Infrastructure.</p>																																																												
#Effectiveness of communication (new)	<p>Improved satisfaction from the previous year. Satisfaction ratings from each member of Te Roopuu Ahi Kaa (TRAK) about the effectiveness of the framework. 2020/21 will be the first year of measuring satisfaction.</p>	<p>Not commenced</p> <p>Not asked in the 2020 residents' survey as likely to be highly influenced by Council's communications about COVID-19 and support services being made available.</p>																																																												

Measure	Target for 2020/21	Actual July 2020 – June 2021										
Māori responsiveness framework	<p>Improved satisfaction from the previous year.</p> <p>2019/20 was to be the first year of measuring satisfaction.</p>	<div><div></div><div>Not commenced<p>While the responsiveness framework has been developed (and discussed with both Te Roopuu Ahi Kaa and the Council) a survey was not undertaken during the year.</p><table><tr><td><i>Governance and Relationships</i></td><td><i>100% Satisfied or Very satisfied</i></td></tr><tr><td><i>Culture and Identity</i></td><td><i>80% Satisfied or Very satisfied</i></td></tr><tr><td><i>Prosperity and Well-Being</i></td><td><i>70% Satisfied or Very satisfied</i></td></tr><tr><td><i>Resources and Infrastructure</i></td><td><i>53% Satisfied or Very satisfied</i></td></tr><tr><td><i>Community buildings</i></td><td><i>41%</i></td></tr></table></div></div>	<i>Governance and Relationships</i>	<i>100% Satisfied or Very satisfied</i>	<i>Culture and Identity</i>	<i>80% Satisfied or Very satisfied</i>	<i>Prosperity and Well-Being</i>	<i>70% Satisfied or Very satisfied</i>	<i>Resources and Infrastructure</i>	<i>53% Satisfied or Very satisfied</i>	<i>Community buildings</i>	<i>41%</i>
<i>Governance and Relationships</i>	<i>100% Satisfied or Very satisfied</i>											
<i>Culture and Identity</i>	<i>80% Satisfied or Very satisfied</i>											
<i>Prosperity and Well-Being</i>	<i>70% Satisfied or Very satisfied</i>											
<i>Resources and Infrastructure</i>	<i>53% Satisfied or Very satisfied</i>											
<i>Community buildings</i>	<i>41%</i>											
#Engagement with sector excellence programmes (new)	<p>Improved survey ratings.</p> <p>Percentage of suggested improvements completed under action.</p>	<div><div></div><div>In progress<p>Council is again taking part in the CouncilMARK assessment programme.</p><p>Council agreed to postpone the assessment until August 2021 in order to allow staff to focus on the Long Term Plan.</p><p>Due to Covid-19 restrictions the assessment scheduled for August 2021 could not be undertaken, this has been rescheduled to 30 November / 1 December.</p><p>This measure will not be met in 2021/22 reporting year.</p><p>This was previously done in 2017.</p></div></div>										

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021

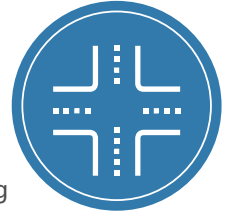
Community Leadership

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,397	1,342	797
Targeted rates	72	73	73
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	1
Total operating funding (A)	1,469	1,415	871
Applications of operating funding			
Payment to staff and suppliers	881	815	656
Finance costs	1	-	-
Internal charges and overheads applied	587	598	601
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,468	1,413	1,257
Surplus (deficit) of operating funding (A - B)	1	2	(386)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(2)	(2)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	(2)	(2)	-
Total sources of capital funding (C)	(4)	(4)	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	(386)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	-	-	(386)
Surplus (deficit) of capital funding (C - D)	(2)	(2)	386
Funding balance ((A - B) + (C - D))	(1)	-	-
<i>Note: Depreciation expense not included above</i>	2	2	2

Roading and Footpaths

This activity covers Council's roading network (including bridges), footpaths and street lighting.

A safe roading network for users (including cyclists, pedestrians and mobility scooter users) traveling throughout the District is important for the transport of goods and people. This activity is the most significant for rates expenditure. It also receives a subsidy from central government, with a Financial Assistance Rate (FAR) of 63%.



50km of road were sealed and rehabilitation works on Parewanui and Tūtaenui Roads were completed.



The new Mangaweka Bridge construction began in September



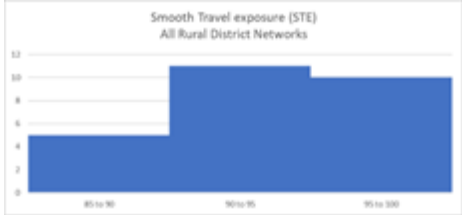
Emergency works Turakina Valley Road completed in June



Highlights for 2020/21:

- **COVID-19** – The alert level responses delayed the scheduled work programme. However, 50km of road were sealed and rehabilitation works on Parewānui Rd (Length 1700m) and Tūtaenui Rd (Length 240m) were completed.
- **Mangaweka Bridge** – The contract to construct the new bridge was awarded in September 2020. At the end of June 2021 the project was 50% complete. The completion date for the project is August 2022. There is a 'Memorandum of Understanding between Mangaweka Heritage Inc., Rangitikei, and Manawātū District Councils for the ongoing maintenance of the historic bridge.
- **Emergency works 2019/20** – The repair of two sites on Turakina Valley Road were delayed by consenting issues. However, both sites, Turakina-3 south of Drysdale, and Turakina-2 north of Macleays were completed by June 2021.
- **Taihape-Napier Road** – Rangitikei and Hasting District Council jointly undertook a strategic transport study of the Taihape – Napier Road to further assess the scale of the issues and opportunities,. The intension was to develop a vision and long-term strategy for the corridor. Given funding for the 2021-24 National Land Transport Programme was constrained, Waka Kotahi did not declare the Taihape – Napier Road a state highway or a special purpose road. The improvements that were identified in the study have been included in the 2021-31 Long Term Plan.

Level of Service

Provide a sustainable network which is maintained in accordance with each road's significance for local communications and the local economy, taking into account the One Roding Network Classification and funding subsidies.

Measure	Target for 2020/21	Actual July 2020 – June 2021
*Road condition The average quality of ride on a sealed local road network, measured by smooth travel exposure	97%	<div> <div></div> Achieved 95% - Categorising roads to the One Network Road Classification in 2020/21 has meant that there was a shift in the roads between the categories. This means that the target of 97% is now the equivalent of 95%. Trends have been compared with all rural districts in New Zealand and the median range is 90-95%. Waka Kotahi (NZTA) has no target for Smooth Travel Exposure.  </div>
*Road maintenance The percentage of the sealed road network that is resurfaced	8% (i.e. 55km of resealing and 8.8 km of road rehabilitation). The network was assessed in the Long Term Plan as being 796 km of sealed road. Note: a review of the RAMM database during 2018/19 has shown that the total extent of the local road network is 1,243.0 km, of which 809.7 km is sealed and 433.3 km is unsealed.	<div> <div></div> Not achieved 5.3% made up of: 38.3km length achieved in reseals. 3.9km length achieved in road rehabilitation. The 8% target was set at the start of the current road maintenance contract (2015), and was calculated according to the level of funding Council received from Waka Kotahi (NZTA) at the time and the cost per unit measure for completing the work. Council did not receive sufficient funding at present-day unit measure costs to be able to achieve the same quantum of annual reseals. This measure has changed from the next financial year to more accurately reflect achievable targets. </div>
The percentage of the unsealed road network which is re-metalled during the year	At least 75% of [the unsealed] network re-metalled each year – 12,000m ³ . Note: The percentage figure is incorrect. It should have been stated as between 25% and 30%. In addition, a review of the results has shown that the figure reported previously over-stated the amount of metal placed on unsealed roads.	<div> <div></div> Achieved 95.6% of the unsealed network was re-metalled this year. This measure is now expressed in m³ to avoid confusion with the measure of % (explanation in Target column). A total of 11,466m³ was placed on the unsealed network for the year against the target of 12,000m³. </div>

Measure	Target for 2020/21	Actual July 2020 – June 2021
*Footpaths The percentage of footpaths within the District that fall within the level of service or service standard for the condition of footpaths that is set out in the Council's relevant document (such as its annual plan, activity management plan, asset management plan, annual works programme or long term plan)	<p>At least 80% of footpath lengths in CBD areas in Bulls, Marton, Hunterville and Taihape are at grade 3 or higher</p> <p>At least 75% of sampled footpaths lengths outside CBD areas are at grade 3 or higher</p> <p>At least 90% of sampled footpaths assessed at grade 5 are included in upgrade programme during the following two years.</p> <p>Note: A five point grading system to rate footpath condition based on visual inspections</p> <ol style="list-style-type: none"> 1 Excellent 2 Good 3 Fair 4 Poor 5 Very Poor <p>Footpaths will be assessed in approximately 100-metre lengths. The sample of non-CBD footpaths will include ten lengths in each of Bulls, Marton and Taihape, and four lengths in Mangaweka, Hunterville and Rātana.</p>	<p> Achieved</p> <ol style="list-style-type: none"> a) 95.3% of CBD footpaths are grade 3 or higher. b) 93% of non-CBD footpaths are grade 3 or higher. c) The sections identified as a grade 5 are programmed to be addressed in 2021/22 and 2022/23.
*Road safety The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number	<p>No change or a reduction from the previous year.</p> <p>In 2019/20 there were –</p> <ul style="list-style-type: none"> • 0 fatal crashes • 4 serious injury accidents 	<p> Not achieved</p> <p>There was one fatal and four serious accidents during this period.</p> <p>According to the police reports;</p> <ul style="list-style-type: none"> • three were alcohol suspected • one was a suspected suicide • one was caused by driver fatigue.

Level of Service

Be responsive to community expectations over the roading network and requests for service

Measure	Target for 2020/21	Actual July 2020 – June 2021
<p>Adequacy of provision and maintenance of footpaths, street-lighting and local roads (annual survey).</p> <p>Report card” qualitative statements.</p> <p>Groups targeted for consultation:</p> <ul style="list-style-type: none"> • Residents where programmed renewal has taken place, • Community Boards/ Committees, • Community group database, • Business sector database. 	<p>A greater proportion (than in the benchmark) or more than 10% of the sample believe that Council's service is getting better</p> <p>Benchmark: Annual Resident survey 2016/17 results: Better than last year – 22%, About the same as last year – 65%, Worse than last year – 13.5%</p>	<p>Not Achieved</p> <p>4% believed Council's service was better than last year, 55% about the same, 32% worse than last year (5% didn't know, 5% other).</p> <p>Feedback on this made reference to some roads/footpaths being great and others not. There were also a number of respondents commenting on poor work from contractors.</p>
<p>*Responses to service requests</p> <p>The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan</p> <p>Note: Council measures resolution as well as initial attendance in response to such requests.</p>	<p>(a) 95% callouts during working hours responded to within 6 hours and</p> <p>(b) 95% callouts during after-hours responded to within 12 hours.</p> <p>(c) 85% of all callouts resolved (i.e. completed) within one month of the request.¹</p> <p>(d) Specific reference to callouts relating to potholes</p> <p>In 2019/20</p> <p>(a) There were 352 footpath and road requests during working hours of which 214 (or 61%) were responded to within time</p> <p>(b) There were 102 footpath and road requests outside working hours, of which 86 (or 84%) were responded to within time.</p> <p>(c) Of the total 454 footpath and road requests, 300 were completed on time (66%)</p> <p>(d) 26 requests concerned potholes 22 responded to in time (or 85%)</p>	<p>Not achieved</p> <p>(a) There were 446 footpath and road requests during working hours of which 202 (or 45%) were responded to within time</p> <p>(b) There were 141 footpath and road requests outside working hours, of which 82 (or 58%) were responded to within time</p> <p>(c) Of the total 576 footpath and road requests, 267 were completed on time (46%)</p> <p>(d) 24 requests concerned potholes 7 responded on time (25%)</p> <p>The low performance recorded above was caused by the way the data was captured for the majority of the year on the Request For Service (RFS) system rather than the works being completed late. Where the system captured the date of data entry as the completion date rather than correctly reflecting the actual completion date of the work. Staff have now corrected the way they capture the data and this measure should improve in the next financial year (2021/22)</p>

¹ There is a wide range of requests meaning resolution times will range from hours to several weeks or months, depending on urgency and work programming.

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021

Roading and Footpaths

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	152	168	90
Targeted rates	6,574	6,788	6,892
Subsidies and grants for operating purposes	3,410	3,485	4,857
Fees and charges	31	31	32
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	118	120	135
Total operating funding (A)	10,265	10,592	12,006
Applications of operating funding			
Payment to staff and suppliers	6,070	6,202	6,986
Finance costs	99	97	-
Internal charges and overheads applied	784	798	1,036
Other operating funding applications	-	-	-
Total applications of operating funding (B)	6,953	7,097	8,022
Surplus (deficit) of operating funding (A - B)	3,332	3,495	3,983
Sources of capital funding			
Subsidies and grants for capital expenditure	6,322	3,915	6,319
Development and financial contributions	-	-	-
Increase (decrease) in debt	(31)	(51)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	6,291	3,864	6,319
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	880
- to replace existing assets	10,137	6,304	8,530
Increase (decrease) in reserves	(514)	1,055	892
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	9,623	7,359	10,303
Surplus (deficit) of capital funding (C - D)	(3,332)	(3,495)	(3,983)
Funding balance ((A - B) + (C - D))	-	-	-
<i>Note: Depreciation expense not included above</i>	6,689	6,996	8,036

The Council does not fully fund depreciation on roading. This is because a subsidy is received on capital renewals from Waka Kotahi (NZ Transport Agency) which is used to reduce the cost to the Council.

Rangitikei District Council - Capital Works Roading and Footpaths

Category	Designated projects for 2020/21	2018 LTP Y3 (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
RENEWALS	(to replace existing assets)			
Unsealed road metalling	Programmed renewals	480	482	433
Pavement rehabilitation	Programmed renewals	1,024	1,027	-
Drainage	Programmed renewals	627	629	570
Structure components	Programmed renewals	221	222	227
Replacement of bridges and structures	Programmed renewals	752	5,384	2,656
Asset management planning	Programmed renewals	52	52	241
Programme business case development	Programmed renewals	52	52	-
Road improvements	Programmed renewals	799	801	21
Resilience improvements	Programmed renewals	107	107	-
Minor improvements	Programmed renewals	212	212	1,611
Cycling facilities	Programmed renewals	3	3	-
Public transport facilities	Programmed renewals	6	6	-
Traffic services	Programmed renewals	157	157	225
Sealed road surfacing	Programmed renewals	1,445	1,449	2,545
Footpaths	Programmed renewals	-	-	-
Minor Improvements/Facilities	Programmed renewals	369	900	-
Turakina Valley Road slip	Emergency Works	-	1,069	-
Total renewals		6,306	12,552	8,530
CAPITAL	(to improve the level of service)			
Total capital		-	-	-
Borrowing				
For the year ended 30 June 2021				
Balance of borrowing at start of year		-	-	4,077
Funds borrowed during the year		-	-	-
Funds repaid during the year		-	-	-
Balance of borrowing at end of year		-	-	4,077
Proportion of internal borrowing to all borrowing at 30 June		0%	0%	0%
Portion of finance costs attributable to internal borrowing		-	-	-

Water Supply

This activity ensures the District's towns of Taihape, Mangaweka, Hunterville, Marton, Bulls and Rātana have a reticulated drinking water supply. .

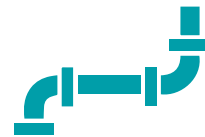
Council also administers rural water schemes on behalf of subscriber/owner committees in Hunterville, Erewhon, Omatane and Pūtōrino



Spillway repairs to Marton dams completed



Construction of a new Drink Water Reservoir in Bulls completed






A substantial portion of the Erewhon Rural Water supply network was replaced

Highlights for 2020/21:

- **Marton Dam repairs** – All spillway repairs to both dams have been completed. The operating levels of both dams will have to managed at a lower level to reduce the number of spillway events during the year.
- **Marton Water Strategy** – Council approved the creation of a new Marton Water Strategy that will use groundwater as an alternative raw water source in place of the current Marton Dams. The strategy includes the construction of an additional new production water bore and a new water treatment plant constructed on the existing treatment plant site. Funding has been included in the first three years of the 2021 – 2031 LTP.
- **Improved water supply resilience in Bulls** – The completed Bulls Water Strategy identified the appropriate size and position for the new Bulls drinking water reservoir. Construction of the new reservoir has been completed. The new drinking water pump station and rising main will be constructed in the 2021/22 financial year.
- **Taihape Network Upgrade** – A new pressure reducing valve (PRV) and associated pipework has been installed and completed. The Taihape water supply is pressure sensitive due to the hilly topography, and this new equipment will reduce the risk of breaks and leaks in a substantial portion of the network.
- **Watermain renewals** – The Tūtaenui Trunk Main between Jeffersons Line and Somersal Lane has been replaced.
- **Erewhon Rural Water Scheme** – A substantial portion of the rural supply network was replaced during the 2020/21 financial year. This portion of the network is located in an area that is not easily accessible and failure of this part of the network posed a serious risk to the water supply. Further renewals of other critical portions of the rural scheme will follow.

Level of Service

Provide a safe and compliant supply of drinking water

Measure	Target for 2020/21	Actual July 2020 – June 2021
*Safety of drinking water		 a) Achieved
The extent to which the Council's drinking water supply complies with		No E.coli has been detected in any of the supplies.
(a) part 4 of the drinking water standards (bacteria compliance criteria) ¹	a) No incidents of non-compliance	
(b) part 5 of the drinking water standards (protozoa compliance criteria) ²	b) No incidents of non-compliance	 b) Not Achieved
		Protozoa compliance was not achieved at the following treatment plants: Bulls Mangaweka Huntermville Urban Taihape Reasons for non-compliance were UV disinfection interruptions and increased turbidity levels in the Rangitikei River making it unable to achieve required turbidity levels through the filters. Marton and Rātana are fully compliant
Compliance with resource consents	No incidents of non-compliance with resource consents	 Not Achieved
		The Taihape Water abstraction exceeds daily limits regardless of flows. We are working with Horizons Regional Council to investigate solutions and have engaged an independent assessment of the abstraction infrastructure.

The daily limit for the Rātana groundwater abstraction has been exceeded on occasions during the year.




All other plants were compliant.

¹ Currently measured by weekly sampling and testing through Environmental Laboratory Services in Gracefield.

² Measured through Water Outlook.

Level of Service

Provide reliable and efficient urban water supplies


Measure	Target for 2020/21	Actual July 2020 – June 2021																								
Number of unplanned water supply disruptions affecting multiple properties	No unplanned water supply disruptions affecting multiple properties.	 Not achieved There were 13 unplanned water supply disruptions, with the median response time of 15 minutes.																								
*Maintenance of the reticulation network The percentage of real water loss from the Council's networked reticulation system³	Less than 40%.	 Not achieved Average is 42%																								
*Demand management The average consumption of drinking water per day per resident within the District Note: This includes all water released from the urban treatment plants, irrespective of whether it is used for residential, agricultural, commercial or industrial purposes.	600 litres per person per day	 Achieved <table border="1"> <thead> <tr> <th>Supply</th><th>Population</th><th>Consumption Litres/person/day</th></tr> </thead> <tbody> <tr> <td>Bulls</td><td>1,935</td><td>547</td></tr> <tr> <td>Hunterville Urban</td><td>420</td><td>501</td></tr> <tr> <td>Mangaweka</td><td>180</td><td>483</td></tr> <tr> <td>Marton</td><td>5,270</td><td>454</td></tr> <tr> <td>Rātana</td><td>345</td><td>585</td></tr> <tr> <td>Taihape</td><td>1,720</td><td>572</td></tr> <tr> <td>All urban</td><td>9,870</td><td>524</td></tr> </tbody> </table>	Supply	Population	Consumption Litres/person/day	Bulls	1,935	547	Hunterville Urban	420	501	Mangaweka	180	483	Marton	5,270	454	Rātana	345	585	Taihape	1,720	572	All urban	9,870	524
Supply	Population	Consumption Litres/person/day																								
Bulls	1,935	547																								
Hunterville Urban	420	501																								
Mangaweka	180	483																								
Marton	5,270	454																								
Rātana	345	585																								
Taihape	1,720	572																								
All urban	9,870	524																								

³ The methodology used is based on the International Water Association methodology.
https://12240-console.memberconnex.com/Folder?Action=View%20File&Folder_id=101&File=100503_waterloss_guidelines.pdf

Level of Service



Be responsive to reported faults and complaints

Measure	Target for 2020/21	Actual July 2020 – June 2021
<p>*Fault response time</p> <p>Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median times are measured</p> <p>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p> <p>(c) attendance for non-urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(d) resolution of non-urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>	<p>Improved timeliness compared with the previous year.</p> <p>2019/20:</p> <p>(a) 26 minutes</p> <p>(b) 1 hour 25 minutes</p> <p>(c) 50 minutes</p> <p>(d) 1 hour 52 minutes</p> <p>(when recalculated as median times)</p> <p>Request for service system specified standard:</p> <p>(a) 0.5 hour (attendance – urgent)</p> <p>(b) 24 hours (resolution – urgent)</p> <p>(c) 24 hours (attendance – non-urgent)</p> <p>(d) 96 hours (resolution – non-urgent)</p>	<p>Not Achieved</p> <p>The median times for the reporting period are:</p> <p>(a) 15 minutes</p> <p>(b) 2 hours 5 minutes</p> <p>(c) 2 hours 3 minutes</p> <p>(d) 2 hours 46 minutes</p> <p>Whilst the measure was not achieved it did meet the specified standard.</p>

Measure	Target for 2020/21	Actual July 2020 – June 2021
*Customer satisfaction The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council about (a) drinking water clarity (b) drinking water taste (c) drinking water pressure or flow (d) continuity of supply, and (e) The Council's response to any of these issues There are 4,268 connections	Total number of complaints is less than the previous year or no more than 13 complaints per 1,000 connections. In 2019/20 total complaints were 10.9 per 1,000 connections.	 Achieved 17.80/1000 a) 6.56 b) 13.58 c) 5.15 d) 5.15 e) nil The majority of customer complaints were for bad tasting, and dirty drinking water.


Level of Service

Maintain compliant, reliable and efficient rural water supplies

Measure	Target for 2020/21	Actual July 2020 – June 2021
Compliance with resource consents No incidents of non-compliance with resource consents. Achieved	No incidents of non-compliance with resource consents.	 Achieved
Fault response time Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median times are measured (a) attendance for urgent call-outs: from the time that the Council receives notification to the time that service personnel reach the site, and (b) resolution of urgent call-outs from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption	Fewer requests (per 1000 connections) than previous year (when recalculated as median times) Specified standard: (a) 24 hours (b) 96 hours 2019/20 results: (a) 1 hours 24 minutes (b) 4 hours 10 minutes	 Not Achieved Information from only the Hunterville scheme is provided, as this is the only scheme where servicing is directly managed by council (a) 15 minutes (b) 2 hours 5 minutes Whilst the measure was not achieved it did meet the specified standard.

Level of Service

Ensure fire-fighting capacity in urban areas

Measure	Target for 2020/21		Actual July 2020 – June 2021
Random flow checks at the different supplies	99% of checked fire hydrant installations are in compliance		Achieved Staff completed sufficient hydrant testing which resulted in compliance with the target.

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021

Water Supply

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	7
Targeted rates	4,920	5,183	5,404
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	45
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	4,920	5,183	5,457
Applications of operating funding			
Payment to staff and suppliers	2,086	2,133	2,509
Finance costs	794	900	-
Internal charges and overheads applied	982	999	1,293
Other operating funding applications	-	-	-
Total applications of operating funding (B)	3,862	4,032	3,802
Surplus (deficit) of operating funding (A - B)	1,058	1,151	1,655
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	2,760
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,241	1,908	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding ©	2,241	1,908	2,760
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	570	844	165
- to replace existing assets	2,729	2,215	3,203
Increase (decrease) in reserves	-	-	1,046
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	3,299	3,059	4,414
Surplus (deficit) of capital funding (C - D)	(1,058)	(1,151)	(1,654)
Funding balance ((A - B) + (C - D))	-	-	-
<i>Note: Depreciation expense not included above</i>	<i>1,398</i>	<i>1,514</i>	<i>1,726</i>

Rangitikei District Council - Capital Works

Water Supply

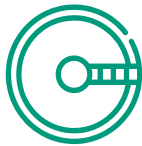
Category	Designated projects for 2020/21	2018 LTP Y3 (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
RENEWALS	(to replace existing assets)			
Water District	Treatment and reticulation	1,973	4,061	2,907
Hunternville urban	Treatment and reticulation	63	25	2
Erewhon	Treatment and reticulation	126	286	279
Hunternville rural	Treatment and reticulation	47	47	15
Omatane	Treatment and reticulation	6	6	-
Total renewals		2,215	4,425	3,203
CAPITAL	(to improve level of service)			
Water District	Treatment upgrade	844	1,137	132
Hunternville urban	Treatment upgrade	-	320	34
Total capital		844	1,457	165
Borrowing				
For the year ended 30 June 2021				
Balance of borrowing at start of year		-	-	16,217
Funds borrowed during the year		-	-	-
Funds repaid during the year		-	-	-
Balance of borrowing at end of year		-	-	16,217
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.				
Proportion of internal borrowing to all borrowing at 30 June		0%	0%	0%
Portion of finance costs attributable to internal borrowing		-	-	-

Sewerage and the Treatment and Disposal of Sewage



This activity provides a reticulated wastewater disposal service for the towns of Taihape, Mangaweka, Hunterville, Marton Bulls, Rātana and Koitiata.

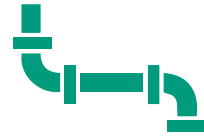
It includes the reticulation, treatment and disposal of wastewater.



Funding was secured for a new Rātana Wastewater Treatment Plant



Design of a new wastewater pump station in Taihape started



A concept and detailed design of the Marton to Bulls pipeline was completed.

Highlights for 2020/21:

- **Rātana Wastewater Treatment Plant** – Funding has been secured through the Freshwater Improvement Fund to enable the disposal of treated wastewater to go to land. However, this is dependent on suitable land being identified. Land identified for a potential lease agreement became unavailable after it was identified as rare and endangered habitat. Two new land parcels have now been identified as potential solutions and negotiations for this continue.
- **Wastewater Reticulation Renewals** – A portion of the Taihape wastewater network along Hautapu Street has been replaced.
- **Papakai Pump Station** – The current wastewater pump station on Papakai Road can no longer supply the level of service required to ensure improved environmental outcomes. A detailed options study to identify the best location for a new pump station has been completed. Work on the detailed design of a new wastewater pump station in the identified location has started.
- **Bulls and Marton Wastewater Treatment Plants** – The current consent application for the Bulls Wastewater Treatment Plant lodged with Horizons Regional Council in 2015 was put on hold pending the outcome of a business case process for a combined wastewater discharge for Marton and Bulls. Council agreed to this recommendation in August 2018. During the 2020/21 financial year a wastewater loads and flows analysis and a wastewater characterisation study of the Bulls and Marton influent and treatment plants was completed. A wastewater treatment performance study as well as a detailed sludge survey has been completed for the Bulls and Marton plants. A concept and detailed design of the Marton to Bulls pipeline as well as the first phase of a two-phase procurement strategy has been completed. Construction of the Marton to Bulls pipeline is expected to be completed by June 2022.

Level of Service

Provide a reliable reticulated disposal system that does not cause harm or create pollution within existing urban areas.

Measure	Target for 2020/21		Actual July 2020 – June 2021
*Discharge compliance Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of (a) abatement notices (b) infringement notices (c) enforcement orders, and (d) convictions received by the Council in relation to those resource consents	No abatement or infringement notices, no enforcement orders and no convictions.	●	Not Achieved Abatement notices Marton wastewater treatment plant (WWTP) -AN1151 Bulls WWTP – AN1150 Marton WWTP – IN820 Bulls WWTP – IN822 Hunterville WWTP – IN843 No Enforcement Orders Papakai Pump Station Conviction
Routine compliance monitoring of discharge consents	6 out of 7 systems comply	●	Not Achieved 6 out of 7 wastewater treatment plants non-compliant. This is a measure of all Council owned wastewater treatment plants' performances over the year. The treatment plants have a variety of consent limits for a large number of measurement parameters, and 6 of the 7 plants have exceeded one or more of the site specific limits on 1 or more occasions during the year. 1 recorded non-compliance will render any of the plants as non-compliant for the year.
*System and adequacy The number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	Fewer overflows than 0.4/1000 connections.	●	Not Achieved 1.41/1000

Level of Service

Be responsive to reported faults and complaints.

Measure	Target for 2020/21	Actual July 2020 – June 2021
<p>*Fault response time</p> <p>Where the Council attends to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median times are measured</p> <p>(a) attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and</p> <p>(b) resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption</p>	<p>Improved timeliness compared with the previous year.</p> <p>2019/20</p> <p>(a) 23 minutes</p> <p>(b) 3 hours 30 minutes</p> <p>Specified standard:</p> <p>Attendance:</p> <p>(a) 0.5 hour urgent</p> <p>(b) 24 hours non-urgent</p> <p>Resolution:</p> <p>(a) 24 hours urgent</p> <p>(b) 96 hours non-urgent</p> <p>Urgent callouts are where sewage is evident</p> <p>Note: this mandatory measure does not distinguish between urgent and non-urgent callouts.</p>	<p>Achieved</p> <p>Attendance:</p> <p>(a) 23 minutes urgent</p> <p>(b) 1 hour 22 minutes</p> <p>Resolution:</p> <p>(a) 3 hours 39 minutes urgent</p> <p>(b) 3 hour 12 minutes</p>
<p>*Customer satisfaction</p> <p>The total number of complaints received by the Council about any of the following:</p> <p>(a) sewage odour</p> <p>(b) sewerage system faults</p> <p>(c) sewerage system blockages, and</p> <p>(d) the Council's response to issues with its sewerage systems¹</p> <p>Expressed per 1,000 connections to the Council's sewerage system.</p> <p>There are 4,226 sewerage connections in the District.</p>	<p>Fewer requests (per 1000) connections than previous year or no more than 5 requests per 1,000 connections.</p> <p>2019/20 results: 3.75/1000</p>	<p>Achieved</p> <p>4.25/1000</p> <p>Consisting of:</p> <p>(a) 1.65/1000</p> <p>(b) 0/1000</p> <p>(c) 3.54/1000</p> <p>(d) 2.83/1000</p> <p>The result was not an improvement from 2019/20. It was however below 5 requests per 1000.</p>

¹ These are matters relating to the Council's wastewater systems recorded in the request for service system other than in (a), (b) or (c) such as complaints about wastewater overflows.

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021

Sewerage and the Treatment and Disposal of Sewage

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	2,589	2,778	2,274
Subsidies and grants for operating purposes	-	-	-
Fees and charges	205	210	83
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	2,794	2,988	2,358
Applications of operating funding			
Payment to staff and suppliers	1,150	1,176	1,036
Finance costs	555	663	-
Internal charges and overheads applied	372	379	473
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,077	2,218	1,509
Surplus (deficit) of operating funding (A - B)	717	717	848
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,287	1,010	(30)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,287	1,010	(30)
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	348
- to replace existing assets	3,005	1,781	470
Increase (decrease) in reserves	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	3,005	1,781	818
Surplus (deficit) of capital funding (C - D)	(718)	(771)	(848)
Funding balance ((A - B) + (C - D))	(1)	(54)	-
<i>Note: Depreciation expense not included above</i>	<i>718</i>	<i>771</i>	<i>970</i>

Rangitikei District Council - Capital Works

Sewerage and the Treatment and Disposal of Sewage

Category	Designated projects for 2020/21	2018 LTP Y3 (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
RENEWALS	(to replace existing assets)			
Sewerage District	Treatment and reticulation	1,781	4,445	470
Total renewals		1,781	4,445	470
CAPITAL	(to improve level of service)			
Sewerage District	Treatment plant upgrade	-	2,211	348
Total capital		-	2,211	348
Borrowing				
For the year ended 30 June 2021				
Balance of borrowing at start of year		-	-	3,943
Funds borrowed during the year		-	-	-
Funds repaid during the year		-	-	(30)
Balance of borrowing at end of year		-	-	3,913
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.				
Proportion of internal borrowing to all borrowing at 30 June		0%	0%	0%
Portion of finance costs attributable to internal borrowing		-	-	-

Stormwater Drainage

This activity provides for the disposal of storm water in Taihape, Mangaweka, Hunterville, Marton, Bulls, and Rātana.



Continuing Stormwater reticulation renewals and improvements schedule.



Scotts Ferry Stormwater system upgraded.



Upgrade to Wellington Road, Marton stormwater drainage completed.

Highlights for 2020/21:

- **Stormwater reticulation renewals and improvements** – scheduled works.
- **Scotts Ferry** – A detailed study of the Scotts Ferry stormwater system was completed and identified improvements to the open drains and subsoil drains in and around Scotts Ferry. The construction of all the identified upgrades has been completed. The last item to complete for Scotts Ferry is the installation of an automated pump system to be used during heavy rain events when the river levels are too high to allow gravity to drain the system. The pump automation is planned for the 2021/22 financial year.
- **Wellington Road, Marton** – The upgrade of the Wellington Road stormwater drainage at the Rail overpass has been completed.

Level of Service

Provide a reliable collection and disposal system to each property during normal rainfall.

Measure	Target for 2020/21		Actual July 2020 – June 2021
*System adequacy	Fewer requests (per 1000 properties) than previous year.	●	Achieved
(a) The number of flooding events ¹ that occurred in the District	2019/20 results: 0/1000		0/1000 (a) 0 (b) 0
(b) For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system)			There were no flooding events in the District.
*Discharge compliance	Not yet applicable	●	Achieved
Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of			Rangitikei District Council do not currently have stormwater consents.
(a) abatement notices			
(b) infringement notices			
(c) enforcement orders, and			
(d) convictions received by the Council in relation to those resource consents.			

¹ The rules for the mandatory measures define a 'flooding event' as an overflow from a territorial authority's stormwater system that enters a habitable floor

Level of Service

Be responsive to reported faults and complaints

Measure	Target for 2020/21		Actual July 2020 – June 2021
*Response time The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.	Timeliness noting the severity of the incident(s)	●	Achieved 0.0 hours There were no flooding events in the District.
*Customer satisfaction The number of complaints received by the Council about the performance of its stormwater system, expressed per 1,000 properties connected to the Council's stormwater system. 4,122 connections	Fewer requests (per 1000 connections) than previous year or no more than in 2016/17. 2019/20 results: 0.24/1000 2016/17 results: 4.12/1000	●	Not Achieved 4.36/1000 There were less requests in both 2016/17 and 2019/20.

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021

Stormwater Drainage

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	694	774	594
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2	2	9
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	6	-	278
Total operating funding (A)	696	776	881
Applications of operating funding			
Payment to staff and suppliers	211	215	111
Finance costs	71	115	-
Internal charges and overheads applied	135	118	143
Other operating funding applications	-	-	-
Total applications of operating funding (B)	397	448	254
Surplus (deficit) of operating funding (A - B)	299	328	627
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	928	820	(96)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	928	820	(96)
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	769	786	321
- to replace existing assets	460	363	210
Increase (decrease) in reserves	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	1,229	1,149	531
Surplus (deficit) of capital funding (C - D)	(301)	(329)	(627)
Funding balance ((A - B) + (C - D))	(2)	(1)	-
<i>Note: Depreciation expense not included above</i>	300	330	342

Rangitikei District Council - Capital Works Stormwater Drainage

Category	Designated projects for 2020/21	2018 LTP Y3 (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
RENEWALS	(to replace existing assets)			
District	Reticulation	363	550	210
Total renewals		363	550	210
CAPITAL	(to improve level of service)			
District	Culverts, drains and inlet protection	786	905	321
Total capital		786	905	321

Borrowing

For the year ended 30 June 2021

Balance of borrowing at start of year	-	-	710
Funds borrowed during the year	-	-	-
Funds repaid during the year	-	-	(96)
Balance of borrowing at end of year	-	-	614

All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.

Proportion of internal borrowing to all borrowing at 30 June	0%	0%	0%
Portion of finance costs attributable to internal borrowing	-	-	-

Community and Leisure Assets



This activity includes Council's community assets – halls, community buildings, public toilets, swimming pools, property, parks and reserves, libraries, cemeteries and community housing.

This group of activities provides opportunities for recreational, leisure and cultural pursuits and for social participation and interaction within the Rangitikei District.



Te Matapihi - Bulls Community Centre was opened in September 2020



Community-led Project Te Āhuru Mōwai Playground in Marton opened in April 2021



Four new Public Toilets facilities were opened in Marton.

Highlights for 2020/21:

- **Te Matapihi: Bulls Community Centre** – Construction commenced in January 2019 but completion was delayed, primarily due to the COVID-19 alert responses at levels 4 and 3 which prevented site works. A cultural design for the interior and exterior of the building was produced by artist Len Hetet, in partnership with iwi. The building had its formal opening on 25 September 2020 (at which the Minister of Local Government attended and spoke) and provided library and visitor information services from 28 September 2020. Te Matapihi, designed by Architecture Workshop Ltd was one of three winners in the Public Architecture category, with judges describing the building as a confident public community centre that fulfills the key project aspiration: to create a community centre located around a soon-to-be developed urban space. Tenders for the town square and extended carpark (to allow for buses) have been approved, with work to commence in October 2021.
- **Community-led Projects** – There have been a range of on-going projects occurring throughout the District which have been led by the local community including, planting, playgrounds, halls and other initiatives. These include the new Te Āhuru Mōwai Playground in Marton, the development of the Hautapu River Parks in Taihape, and renovations at a number of Rural Halls around the district.
- **Taihape Memorial Park Facilities** – A site for the new facility building has been finalised and detailed design plans are being prepared for a single-storey facility, following engagement with Park users. Construction for this building is planned for February 2022. The Grandstand is currently being investigated for options to strengthen it.
- **Tūtaenui Reservoir: Marton B and C Dams** – Work is ongoing at the Dams with the management plan being implemented, weed control being undertaken across the site and number of planting has been completed. The formal opening to the public occurred on 10 October 2020.
- **Libraries** - During COVID-19 Level 3, a stock take and weeding of material was undertaken at all three libraries, with the older stock being sold and the rest rotated. External funding was received from the JBS Dudding Trust for \$20,000.00 for purchasing books and educational resources and refreshing the Bulls Centre collection. The Libraries were also successful in applying to the New Zealand Libraries Partnership Fund securing funding for two full-time staff to drive Community and Digital Engagement in our District. The funding covers the costs of the two fixed term positions until June 2022. We also secured approximately \$16,000.00 from the same fund for resources for our libraries. This included purchasing Tablets, a Projector and Portable Screen, Te Reo Māori and Samoan language resources and Lego sets for our Libraries.
- **Public toilets** – New toilets have been installed at Te Āhuru Mōwai Playground, Marton, Centennial Park, Marton, and (on a 24/7 basis) at Follett Street, Marton.
- **Marton Memorial Hall upgrade** – Council's application to the Provincial Growth Fund was successful. On 9 October 2020, the Minister of Regional Development announced 97 grants to town halls and war memorials halls, including \$500,000 for renovation works at the Marton Memorial Hall including the removal of asbestos, creating an additional emergency exit, electrical and heating works, installing a fire alarm, painting and enabling the ablution blocks to be wheel chair accessible.

Level of Service



Provide a fit for purpose range of community and leisure assets.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Progressive improvement based on the Annual Resident Survey.	<ul style="list-style-type: none"> (a) Libraries - more than 10% of the sample believes that Council's service is 'better than last year'. (b) Public swimming pools – a greater proportion (than the benchmark – 16%) or more than 10% of the sample believe that Council's service is getting better. (c) Sports fields and parks - a greater proportion (than the benchmark – 18%) or more than 10% of the sample believe that Council's service is getting better. (d) Public toilets - a greater proportion (than the benchmark – 7%) or more than 10% of the sample believe that Council's service is getting better. (e) Community buildings - a greater proportion (than the benchmark – 4%) or more than 10% of the sample believe that Council's service is getting better. (f) #Camping grounds - a greater proportion (than the benchmark – 10%) or more than 10% of the sample believe that Council's service is getting better. 	<p>Partly Achieved</p> <ul style="list-style-type: none"> (a) Libraries 15% better than last year (15% in 2019/20) (b) Pools 8% Pools better than last year (17% in 2019/20) (c) Sports fields and parks 21% better than last year (5% in 2019/20) (d) Public toilets 34% better than last year (19% in 2019/20) (e) Community buildings 10% better than last year (4% in 2019/20) (f) Campgrounds 2% better than last year (2% in 2019/20) <p>Council achieved in 4 of the 6 areas. Noteworthy is the high increase in public toilets and sports fields and parks.</p>

Level of Service



Compliance with relevant standards.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Swim Centres	All swim centres to have Poolsafe accreditation.	<p>Achieved</p> <p>PoolSafe accreditation received May 2021.</p>
Community housing Council records compliance with the 29 criteria in the rental warrant of fitness programme	Maintaining or improving compliance with Healthy Homes Standards 2019/20: 62 of the 72 units achieved 95% or more compliance.	<p>Achieved</p> <p>68 of the 72 community housing units achieved 95% or more compliance. Factors contributing to a lower percentage were due to tenants not adhering to suggested ventilation measures resulting in surface mould.</p>
Occupancy of community housing	95-100% occupancy (of whom 72% are super annuitants)	<p>Partly achieved</p> <p>94% occupancy due to four units having interior works undertaken before tenants moved in. (All units were assigned and there is a waiting list).</p> <p>73% tenants 65 years and over</p>

Measure	Target for 2020/21	Actual July 2020 – June 2021
Toilet buildings are well designed, safe and visible – Compliance with SNZ4241:1999 and CPTED¹ (safer design guidelines) for new or refurbished toilets	Meeting the benchmark. Compliance – 95%	 Achieved There was one new toilet (at Te Āhuru Mōwai Playground) which meets requirements.
Levels of service for parks throughout the District consistent with the New Zealand Recreation Association parks Categories and Levels of Service guideline	Increased % compliance with Levels of Service Guideline for all parks (benchmark).	 Achieved Parks and cemeteries throughout the District have been consistently maintained to the agreed levels of service with the exception of the spring growth period.

Level of Service

Provide a fit for purpose range of community and leisure assets.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Number of users of libraries and nature of use	An increase in the use compared with previous year In 2019/20: Bulls: 12,458 (84 days unrecorded) Marton: 35,398 36 days unrecorded) Taihape: 35,680 (54 days unrecorded)	 Not Achieved Marton: 33,359 (8 days unrecorded) Taihape: 33,536 (2 day unrecorded) *Bulls: 1618 (144 days unrecorded – this building did not operate under Covid levels 2,3 &4). It also did not open in Level 1 as it closed permanently in September 2020. A new learning centre (including library) has opened in Te Matapihi. Due to the multiple entry points on the first floor, foot-traffic is no longer identified.
Number of users of pools	An increase in use compared with the previous year: 2019/20 season totals Marton: 19997 Taihape: 9649	 Partly achieved Marton: 21358 (achieved) Taihape: 9086 (less than previous year)

¹ Crime prevention through environmental design

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021 Community and Leisure Assets

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,151	4,362	3,520
Targeted rates	-	-	-
Subsidies and grants for operating purposes	195	199	133
Fees and charges	498	509	117
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	623
Total operating funding (A)	4,844	5,070	4,393
Applications of operating funding			
Payment to staff and suppliers	2,232	2,279	1,836
Finance costs	153	206	-
Internal charges and overheads applied	1,648	1,677	1,929
Other operating funding applications	-	-	-
Total applications of operating funding (B)	4,033	4,162	3,764
Surplus (deficit) of operating funding (A - B)	811	908	629
Sources of capital funding			
Subsidies and grants for capital expenditure	1,323	-	398
Development and financial contributions	-	-	-
Increase (decrease) in debt	995	3,864	1,898
Gross proceeds from sale of assets	532	-	452
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2,850	3,864	2,748
Application of capital funding			
Capital expenditure			
- to meet additional demand	2,948	4,046	-
- to improve the level of service	102	141	210
- to replace existing assets	429	292	3,167
Increase (decrease) in reserves	286	294	-
Increase (decrease) in investments	(102)	-	-
Total applications of capital funding (D)	3,663	4,773	3,377
Surplus (deficit) of capital funding (C - D)	(813)	(909)	(629)
Funding balance ((A - B) + (C - D))	(2)	(1)	-
<i>Note: Depreciation expense not included above</i>	<i>1,149</i>	<i>1,251</i>	<i>1,153</i>

Rangitikei District Council - Capital Works Community and Leisure Assets

Category	Designated projects for 2020/21	2018 LTP Y3 (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
RENEWALS	(to replace existing assets)			
Swimming pools	Pool Covers, Painting, Reroofing, Boilers	78	624	5
Libraries	Books, furniture and computers	36	2,120	117
Community housing	Flat refurbishment	104	168	85
Parks and reserves	Landscaping and playgrounds	73	2,374	498
Toilets	Building refurbishment	-	25	221
Cemeteries	Renewals	-	206	93
Halls	Refurbishment	-	173	2,133
Total renewals		291	5,690	3,151
CAPITAL	(to improve level of service)			
Swimming pools	Space heating	37	-	-
Libraries	Marton Admin and Library centre	3,749	-	-
Cemeteries	Berms/Re- surfacing & Fencing	36	-	73
Parks and reserves	Parks Upgrades	156	125	-
Toilets	New Buildings	-	150	8
Forestry	Marton Dam Plan	-	105	81
Halls	Bulls Community Centre	208	3,685	48
Total capital		4,186	4,065	210
Borrowing				
For the year ended 30 June 2021				
Balance of borrowing at start of year		-	-	2,707
Funds borrowed during the year		-	-	1,898
Funds repaid during the year		-	-	-
Balance of borrowing at end of year		-	-	4,605
Proportion of internal borrowing to all borrowing at 30 June		0%	0%	0%
Portion of finance costs attributable to internal borrowing		-	-	54

Rubbish and Recycling

This group of activities is focused on the appropriate disposal of refuse in the District, an activity where central government is increasingly determining national standards that Council must meet.

Council does not collect – other than from public litter bins – or dispose of rubbish within the District: this is handled by independent businesses. Council owns a network of waste transfer stations, whose operation is contracted out.



Remediation of the exposed historic landfill on Pūtōrino Road into the Rangitikei river began





Six Waste Transfer stations continued operating throughout the District.

Highlights for 2020/21:

- **Waste Transfer Stations** - Council continued to operate its waste transfer stations in Rātana, Bulls, Marton, Hunterville, Mangaweka, and Taihape.
- **Historic landfills** – Council is fixing the issue with work mostly done (in conjunction with Horizons Regional Council and relevant iwi) to address the historic landfill on Pūtōrino Road exposed in August 2018 by a substantial change of course by the Rangitikei River. There has been a review of Council files (including those in Archives Central) to identify other sites which were operated by Council (or its predecessors).

Level of Service

Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics, textiles and greenwaste. Special occasions for electronics (e-waste). Council intends to continue the operation (under contract) of existing urban waste transfer stations – Rātana, Bulls, Marton, Hunterville, Mangaweka and Taihape.

Measure	Target for 2020/21		Actual July 2020 – June 2021
Waste to landfill (tonnage) ¹	Less tonnage to landfill than previous year In 2019/20, 4,878 tonnes went to the landfill.		Not Achieved 5,430 tonnes Tonnage volume has increased from last year, factors such as population growth will be contributing to the greater volumes in waste to landfill.
Waste diverted from landfill (tonnage and (percentage of total waste) ²	Percentage of waste diverted from landfill 25%. In 2017/18 21% of waste was diverted.		Not Achieved 18.8% The percentage of waste diverted was less than last year, as recycling needs to be physically taken to the transfer station by the consumer, this would contribute to less waste diverted from landfill.

¹ Calibrated records maintained at Bonny Glen landfill.

² Records maintained at waste transfer stations

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021 Rubbish and Recycling

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	133	136	133
Targeted rates	1,538	1,572	878
Subsidies and grants for operating purposes	-	-	-
Fees and charges	514	525	697
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	2,185	2,233	1,708
Applications of operating funding			
Payment to staff and suppliers	1,909	1,948	1,711
Finance costs	32	30	-
Internal charges and overheads applied	123	125	155
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,064	2,103	1,867
Surplus (deficit) of operating funding (A - B)	121	130	(159)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(36)	(35)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(36)	(35)	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	87	96	(159)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	87	96	(159)
Surplus (deficit) of capital funding (C - D)	(123)	(131)	159
Funding balance ((A - B) + (C - D))	(2)	(1)	-
<i>Note: Depreciation expense not included above</i>	124	130	24

Rangitikei District Council - Capital Works Rubbish and Recycling

Category	Designated projects for 2020/21	2018 LTP Y3 (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
RENEWALS	(to replace existing assets)			
Total renewals		-	-	-
CAPITAL	(to improve level of service)			
Total capital		-	-	-
Borrowing				
For the year ended 30 June 2021				
Balance of borrowing at start of year		-	-	61
Funds borrowed during the year		-	-	-
Funds repaid during the year		-	-	-
Balance of borrowing at end of year		-	-	61
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.				
Proportion of internal borrowing to all borrowing at 30 June		0%	0%	0%
Portion of finance costs attributable to internal borrowing		-	-	-

Environmental and Regulatory Services



This group of activities covers the areas where Council ensures compliance with statutory requirements in the areas of planning, development and building, liquor and other licensing, animal control and environmental health.

During the year, there has been continued collaboration with neighbouring councils (both at a regional level and within a central New Zealand cluster associated with the Ministry of Business, Innovation and Employment¹) over common approaches in managing Building Control Authority functions.

¹ This Ministry includes the former Department of Building and Housing.



Animal Control Services continues under a shared services arrangement with Manawātū Districts.



A budget has been approved to introduce online building consent applications.





Our Council Building Control Authority (BCA) remains accredited after its two yearly audit.

Highlights for 2020/21:

- **Building Accreditation** – The Council Building Control Authority (BCA) underwent its two yearly audit conducted by International Accreditation New Zealand (IANZ) in February 2021, the BCA remains accredited with the next audit assessment date of February 2023.
- **Planning for online electronic building consent applications** – A budget allocation for this has been made in 2020/21, as part of the implementation of the Information Services Strategic Plan.
- **District Plan Change** – The process for a Council initiated District Plan Change to rezone rural land south of Marton to an industrial zone was delayed due to COVID-19 response restrictions in March 2020. The hearing was conducted by an independent commissioner who issued his report in August 2020, approving the rezoning of 40 ha. One appeal has been made to the Environment Court, which is expected to be resolved by December 2021.
- **Implementation of the Building (earthquake-prone buildings) Amendment Act** – Officers have continued issuing assessment notices for potentially earthquake-prone buildings. So far 178 inspections have been carried out. (60 were assessed during 2019/20.) There are 29 to be assessed and 6 buildings have been issued with final earthquake-prone notices.
- **Animal Control** – Council continued to provide animal control services for both Rangitikei and Manawātū districts under a shared services arrangement.
- **Food Act and Health Act** – Council has continued to use Whanganui District Council to provide the inspections and verifications required under this legislation.

Level of Service

Provide a legally compliant service.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Timeliness of processing building consents and resource consents	Building consents – 98% Resource consents – 98%	<p> Not Achieved</p> <p>Building consents – 81.38% Not Achieved Resource consents – subdivision - 56.82% and Land use - 75.61%</p> <p>Due to an increase in workload resulting from an increase in the number of building consents, resource consents and general enquiries the need for more resource in this area has been identified. This has been addressed as a part of the Long Term Plan process for more staff to be employed in this area of Council.</p>
Possession of relevant authorisations from central government ¹	<p>Accreditation as a building consent authority maintained</p> <p>Functions of a registration authority and role of a recognised agency under the Food Act not subject to Ministerial Review.</p>	<p> Achieved</p> <p>Council's accreditation was confirmed for two years from February 2019.</p> <p>Functions undertaken by Whanganui District Council on behalf of Rangitikei District Council.</p>

¹ Excluding general authorisation through legislation where no further formal accreditation is specified

Level of Service

Provide regulatory compliance officers.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Timeliness of response to requests for service for enforcement call-outs - animal control and environmental health	<p>% timeliness of response – this will be the benchmark for subsequent years.</p> <p>Responded in time: 92%</p> <p>Completed in time: 83%</p> <p>In 2019/20, 83.8% were responded to in time and 74.4% were completed in time.</p> <p>For animal control, priority 1 (urgent) callouts (dog attack, threatening dog or stock on road) require response within 30 minutes and resolution within 24 hours; priority 2 (i.e. non-urgent) callouts require response within 24 hours and resolution within 96 hours. For environmental health, there are varying times – for noise complaints, a response is required within one hour, for food issues, it is within 24 hours.</p>	<p>Not Achieved</p> <p>78% of callouts responded to in time; 68% were resolved in time.</p> <p>There are two activities which contribute to this measure. Animal control (which has exceeded both targets) is managed directly by Council; environmental health (primarily noise control) is contracted out. There is a lag in reporting times for the latter for weekend work, which is the major explanation for the different results.</p> <p>There were 330 urgent callouts for animal control of which 317 were responded to in time (96%)</p> <p>There were 681 non-urgent call-outs for animal control of which 621 were responded to in time (91%)</p> <p>There were 253 urgent call-outs for environmental health of which 59 were responded to in time (23%)</p> <p>There were 314 non-urgent call-outs for environmental health of which 237 were responded to in time (75%)</p> <p>Of the 1011 callouts for animal control, 789 were resolved in time (78%)</p> <p>Of the 561 callouts for environmental health, 284 were resolved in time (50%)</p>

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021 Environmental and Regulatory Services

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,204	1,222	948
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	(1)
Fees and charges	686	700	1,500
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	312	319	340
Total operating funding (A)	2,202	2,241	2,786
Applications of operating funding			
Payment to staff and suppliers	416	423	1,281
Finance costs	-	-	-
Internal charges and overheads applied	1,786	1,818	1,369
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2,202	2,241	2,650
Surplus (deficit) of operating funding (A - B)	-	-	136
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	-	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	136
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	-	-	136
Surplus (deficit) of capital funding (C - D)	-	-	(136)
Funding balance ((A - B) + (C - D))	-	-	-
<i>Note: Depreciation expense not included above</i>	-	-	-

Community Well-being

This activity includes a range of programmes which contribute to community well-being – economic development, district promotion, information centres, community partnerships, and emergency management. .



143 job placements were made through Mahi Tahi.



New Town signage has been approved for installation throughout the District.




Marton Rail Hub successfully received funding from the Provincial Growth Fund.

Highlights for 2020/21:

- **Pandemic response** – Council developed and regularly reviewed its Pandemic Response Plan and Covid-19 Resurgence Plan. Following the first lockdown debrief, Council implemented an improvement action plan which included increasing the capability and capacity of its internal Emergency Operations Centre Team (Pandemic Response Team), and enhancing local welfare response arrangements within the District.
- **Marton Rail Hub** – Council's application to the Provincial Growth Fund has been successful: in August, the Minister of Infrastructure announced that the facility, to be built at the key freight hub of Marton, will receive \$9.1 million from the \$3 billion set aside in the Government's COVID-19 Response and Recovery Fund. Council estimates that this build, which will include a debarker facility, will create up to 83 jobs. When up and running it will enable more efficient log transportation in the lower North Island, as well as creating 22 fulltime jobs.
- **Community Organisations** - Council has continued to work with the four local organisations with whom it has established Memorandum of Understanding which sets out the partnering arrangements.
- **Youth Development** – The Youth Council has continued to function, although proceedings were interrupted by the COVID-19 alert responses. Youth Awards were successfully conducted, with generous sponsorship from local businesses. Officers have continued with the ongoing facilitation of the youth zones in Taihape and Marton.
- **Mahi Tahi** – In 2020–2021, the Rangitikei District Council was one of twenty-three rural councils that successfully secured \$500,000 each from the Mayor's Task Force for Jobs (MTJF) Community Recovery Programme, supported by the Ministry of Social Development (MSD), and tasked with getting a minimum of 50 people into employment in the fiscal year. Council branded this initiative Mahi Tahi – Rangitikei Employment Programme and it was run in conjunction with Te Rūnanga o Ngā Wairiki Ngāti Apa, working closely with MSD, and operating from Te Poho o Tuariki. This pilot was successful and with a total job placement of 143. Further funding was approved for 2021/22.
- **Town Signage** – Further work has been undertaken to finalise new signage with icons to reflect towns' identity throughout the District.
- **www.rangitikei.com** – Council has continued to manage www.rangitikei.com which is now a secondary domain to www.visitrangitikei.nz; it now has a closer alignment in design with the Council site and a heavier focus on exploring and discovering the district for increased public awareness and value addition to visitor focused business, district promotion and community wellbeing.
- **Economic development** – As part of adding detail to the Council's strategic vision an outline economic development strategy was developed and there has been discussion with regional partners on the approach to be taken to assist with post-COVID recovery.
- **Emergency management** - Council achieved enhanced internal capability within its emergency operations centre (EOC) team with approximately 50% of employees being trained members of the EOC team and 98% of employees completing foundational emergency response training. Three scenario-based exercises were undertaken throughout the year and Council has reestablished its district-based Emergency Response and Local Welfare Committees. Council's emergency management function has been brought in-house from 2021/22.




Level of Service

Provide opportunities to be actively involved in partnerships that provide community and ratepayer wins.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Partners' view of how useful Council's initiatives and support has been (annual survey)¹	Increased % satisfaction compared with previous year Not measured in 2019/20	 Not commenced A survey conducted this year could not be compared to the previous year, due to the survey not being undertaken in 2019-2020 reasoning that it would have been influenced by the COVID-19 alert settings and Council's provision of information and liaison about that. As part of Council's community engagement to develop a Wellbeing Plan in the coming year a comprehensive survey will be circulated to our partners to collate their views on Council's initiatives, partnerships, and collaborations as well as seek feedback on opportunities for improvement.

Level of Service

Identify and promote opportunities for economic growth in the District.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Rangitikei Districts GDP growth compared to the average of similar district economies. (Ruapehu, Taranaki, Manawatu and Otago)	Greater than 1.5% against last financial year compared to the mean of similar district economies. 2019/20 results Rangitikei: 3.3% Similar districts: 2.55%	 Not Achieved 2020/21 results:* Rangitikei 0.7% Similar districts: 0.6% (Lower GDP figures reflect the dampening effect of Covid-19 lockdowns and reduced exports vs. 2019/20). *Until 31st March 2021. At the time of publishing the 12 month data is unavailable.
Rangitikei District's earnings data growth compared to the average of similar districts (Ruapehu, Taranaki, Manawatu and Otago)	Greater than or equal to 1% range from the last financial year compared to the mean of similar district economies. 2019/20 results Rangitikei 4.7% Similar district economies 2.55%	 Achieved 2020/21 results:* Rangitikei 4.5% Similar districts: 3.8% Although Rangitikei earnings data growth is marginally lower than 2019/20, its robust result, despite the dampening effect of Covid-19, is due to high primary product commodity prices (milk, milk solids, beef, mutton, logs). *Until 31st March 2021. At the time of publishing the 12 month data is unavailable.
The number of visits and unique visits to Rangitikei.com	An increase in the number of visits and unique visits to Rangitikei.com compared to the benchmark. 2019/20 results Visits 82,631 Unique visits 46,873	 Not commenced Council no longer monitors this, as the district promotions page has been changed to www.visitRangitikei.nz and the business and community organisation directory to www.supportlocalrangitikei.nz

¹ Groups which are targeted for consultation:

- Participants in Path to Well-being Theme Groups
- Public sector agency database
- Participants in other partnership programmes that involve Council

Measure	Target for 2020/21	Actual July 2020 – June 2021
A greater proportion of young people living in the district are attending local schools.	<p>An increase in the number of enrolments compared with the previous year</p> <p>Benchmark 2016/17 results:</p> <ul style="list-style-type: none"> • School Enrolments – Years 9 – 13 = 653 • Total number of High School Youth = 1054 <p>2018/19 results: year 9-13 = 606</p> <p>2019/2020 results: year 9-13 = 581</p> <p>Information obtained from www.educationcounts.govt.nz</p> <p>2019/20 results: year 9-13 = 581</p>	<p>Not yet available</p> <p>Information to measure this performance is obtained from http://www.educationcounts.govt.nz which did not have the 2021 data available at the time of publishing.</p>

Level of Service

Provide a safe and relevant community space, acting as a gateway for skills and social development, improving educational, training or employment access, and improving access for youth related social services.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Partners view of how useful Councils activity in youth space facilitation and advocacy has been	Very satisfied – 70%	<p>Not commenced</p> <p>Four anonymous responses were received from a total of 16 individual partners invited to give feedback (two from Marton, two from Taihape).</p> <p>Q1: How would you rank Councils levels of service in providing safe and relevant Community Spaces for Youth, this could include Youth Spaces, Parks, Library's, Skateparks. 75% Satisfied 25% Very unsatisfied</p> <p>Q2: How would you rank Councils levels of service in improving access for youth related social services 50% Satisfied, 50% Unsatisfied</p>

Level of Service

Ensure competency in discharging Civil Defence responsibilities.

Measure	Target for 2020/21	Actual July 2020 – June 2021
Timing of self-assessment when the emergency Operations Centre is activated and of continued civil defense training exercises.	<p>(a) Self-assessment of responsiveness and recovery following activation of the Emergency Operations Centre.</p> <p>(b) Number of civil defence exercises undertaken</p>	<p>(a) Achieved: Completed debrief and implemented improvement action plan following the Covid-19 Incident Management Team response.</p> <p>(b) Achieved: Delivered two Integrated Training Framework programmes (intermediate level) and three scenario-based exercises.</p>

Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021

Community Well-being

	2020 Long Term Plan (\$000)	2021 Long Term Plan (\$000)	2021 Actual (\$000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,532	1,562	946
Targeted rates	-	-	-
Subsidies and grants for operating purposes	53	53	540
Fees and charges	13	14	4
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	32	33	17
Total operating funding (A)	1,629	1,662	1,507
Applications of operating funding			
Payment to staff and suppliers	968	989	1,225
Finance costs	1	1	-
Internal charges and overheads applied	659	670	584
Other operating funding applications	-	-	-
Total applications of operating funding (B)	1,628	1,660	1,809
Surplus (deficit) of operating funding (A - B)	1	2	(302)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(1)	(1)	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(1)	(1)	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	3	3	(302)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	3	3	(302)
Surplus (deficit) of capital funding (C - D)	(4)	(4)	302
Funding balance ((A - B) + (C - D))	(3)	(2)	-
<i>Note: Depreciation expense not included above</i>	6	6	5

Section 3:

Financial Statements and Policy Reports



Rangitikei District Council - Funding Impact Statement For the Year Ended 30 June 2021 - Whole of Council

	2020 Annual Plan (\$000)	2020 Actual (\$000)	2021 Annual Plan (\$000)	2021 Actual (\$000)
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	7,345	6,767	7,314	6,441
Targeted rates	15,186	15,048	16,034	16,115
Subsidies and grants for operating purposes	3,486	5,552	3,585	5,529
Fees and charges	2,339	2,556	2,469	2,487
Interest and dividends from investments	225	106	121	62
Local authorities fuel tax, fines, infringement fees, and other receipts	466	892	478	1,397
Total operating funding (A)	29,047	30,921	30,001	32,031
Applications of operating funding				
Payment to staff and suppliers	22,181	22,504	22,822	24,999
Finance costs	117	96	138	87
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	22,298	22,600	22,960	25,086
Surplus (deficit) of operating funding (A - B)	6,749	8,321	7,041	6,945
Sources of capital funding				
Subsidies and grants for capital expenditure	9,428	3,798	7,540	9,478
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	13,011	(16)	22,577	(16)
Gross proceeds from sale of assets	1,221	(440)	107	452
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	23,660	3,342	30,224	9,914
Application of capital funding				
Capital expenditure				
- to meet additional demand	4,714	-	-	-
- to improve the level of service	4,631	5,558	8,794	2,006
- to replace existing assets	21,064	9,291	28,472	16,123
Increase (decrease) in reserves	-	(3,164)	-	(1,271)
Increase (decrease) in investments	-	(22)	-	-
Total applications of capital funding (D)	30,409	11,663	37,266	16,858
Surplus (deficit) of capital funding (C - D)	(6,749)	(8,321)	(7,042)	(6,944)
Funding balance ((A - B) + (C - D))	-	-	(1)	0
<i>Note: Depreciation expense not included above</i>	-	13,141	-	12,661

This statement complies with the Local Government (Financial Reporting and Prudence) Regulations 2014

Statement of Comprehensive Revenue and Expense

For the year ending 30 June 2021

	Notes	2021 Actual (\$000)	2021 Budget (\$000)	2020 Actual (\$000)
Revenue				
Rates	3	22,556	23,349	21,815
Subsidies and grants	4A	15,007	11,125	9,351
Other revenue	4B	3,884	2,947	3,449
Finance revenue		62	121	104
Vested and discovered assets		2,507	-	-
Gains		51	-	147
Total operating revenue		44,066	37,542	34,866
Expenditure				
Depreciation and amortisation expense	11,12	12,661	12,430	13,141
Personnel costs	5	5,542	4,801	4,895
Finance costs		87	138	96
Losses		139	-	12
Other expenses	6	19,445	18,020	17,620
Total operating expenditure		37,874	35,389	35,764
Operating surplus (deficit) before tax		6,192	2,153	(898)
Income tax expense	7	-	-	-
Operating surplus (deficit) after tax		6,192	2,153	(898)
Other comprehensive revenue and expense				
Items that could be reclassified to surplus(deficit)		-	-	-
Financial assets at fair value through other comprehensive revenue and expense		-	-	18
Items that will not be reclassified to surplus(deficit)		-	-	-
Gain on revaluation of property, plant and equipment	11	-	-	7,994
Total other comprehensive revenue and expense		-	-	8,012
Total comprehensive revenue and expense		6,192	2,153	7,114

Explanations of major variances against budget are provided in Note 27.

Note: The accompanying accounting policies and notes form part of these financial statements.

Statement of Changes in Net Assets/Equity

For the year ending 30 June 2021

	Notes	2021 Actual (\$000)	2021 Budget (\$000)	2020 Actual (\$000)
Balance as at 1 July		606,684	603,628	599,570
Total comprehensive revenue and expense for the year		6,192	2,153	7,114
Balance as at 30 June	17	612,876	605,781	606,684

Explanations of major variances against budget are provided in Note 27.

The accompanying notes form part of these financial statements

Statement of Cash Flows

For the year ending 30 June 2021

	Notes	2021 Actual (\$000)	2021 Budget (\$000)	2020 Actual (\$000)
Cash flows from operating activities				
Receipts from rates revenue		23,936	23,348	21,965
Receipts from other revenue		18,896	14,072	11,889
Interest received		62	121	104
Payments to suppliers and employees		(26,133)	(22,821)	(20,110)
Interest paid		(87)	(138)	(96)
Goods and services tax (net)		-	-	111
Net cash inflows (outflows) from operating activities	18	16,674	14,582	13,863
Cash flows from investing activities				
Receipts from sale of property, plant and equipment		362	107	440
Receipts from sale of investments		-	-	-
Acquisition of investments		-	-	40
Purchases of property, plant and equipment		(18,362)	(37,266)	(15,424)
Purchases of intangible assets		(74)	-	-
Purchase of Biological Assets		-	-	-
Net cash inflows (outflows) from investing activities		(18,074)	(37,159)	(14,944)
Cash flows from financing activities				
Proceeds from borrowings		-	22,577	-
Repayment of borrowings		(16)	-	(16)
Net cash inflows (outflows) from financing activities		(16)	22,577	(16)
Net increase (decrease) in cash, and cash equivalents		(1,416)	-	(1,097)
Cash and cash equivalents at the beginning of the year		8,407	9,504	9,504
Cash and cash equivalents at the end of the year	8	6,991	9,504	8,407

Note: The accompanying accounting policies and notes form part of these financial statements.

Statement of Financial Position

For the year ending 30 June 2021

	Notes	2021 Actual (\$000)	2021 Budget (\$000)	2020 Actual (\$000)
Assets				
Current Assets				
Cash and cash equivalents	8	6,991	9,504	8,407
Debtors and Other Receivables	9	3,088	3,413	4,272
Prepayments		213	133	217
Other financial assets	10	-	-	-
Total current assets		10,292	13,050	12,896
Non-current assets				
Plant, property and equipment	11	611,353	620,899	603,662
Intangible assets	12	275	105	145
Forestry assets		69	63	67
Other financial assets				
Corporate bonds	10	78	79	79
Investment in CCOs and other similar entities	10	50	71	49
Total non-current assets		611,825	621,217	604,002
Total assets		622,117	634,267	616,898
Liabilities				
Current Liabilities				
Creditors and other payables	13	4,315	3,639	5,009
Employee entitlements	15	467	333	645
Income in advance		770	127	666
Borrowings	14	16	16	16
Other Financial Liabilities		-	-	-
Total current liabilities		5,568	4,115	6,336
Non-current liabilities				
Employee entitlements	15	7	13	5
Provisions	16	586	290	777
Borrowings.	14	3,080	24,068	3,096
Total non-current liabilities		3,673	24,371	3,878
Total liabilities		9,241	28,486	10,214
Net Assets		612,876	605,781	606,684
Equity				
Accumulated funds	17	468,922	451,935	462,942
Special and restricted reserves	17	4,504	149,553	4,292
Other reserves	17	139,450	4,293	139,450
Total equity		612,876	605,781	606,684

Explanations of major variances against budget are provided in Note 27.

The accompanying notes form part of these financial statements

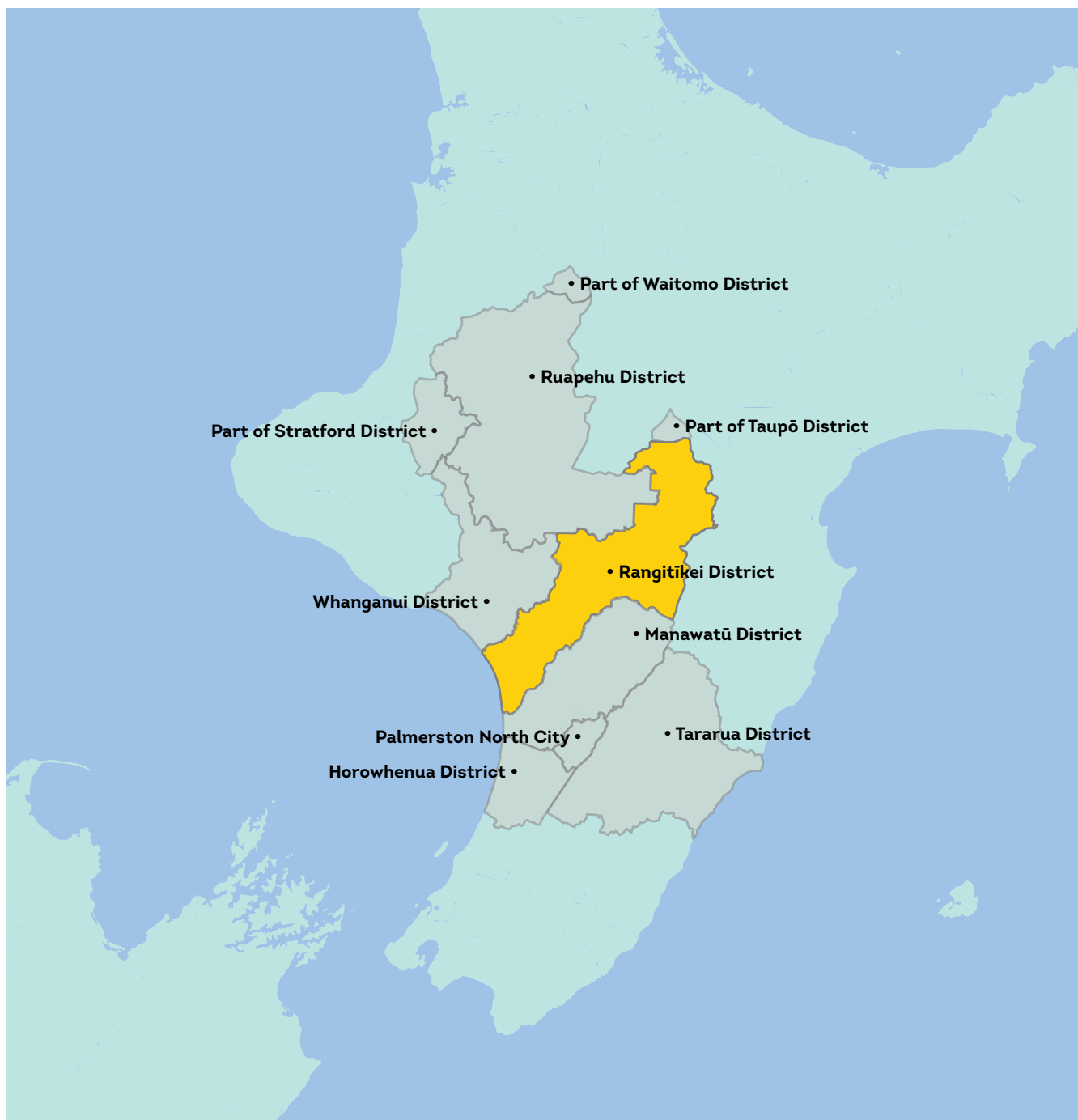
Council-Controlled Organisations (CCO)

Manawatū-Whanganui LASS Limited

This company was set up in 2008 by seven local councils to investigate the possibilities of economies of scale by joint procurement.

Rangitikei District Council owns one seventh or 14% of this company and has a \$16,000 share capital.

The company is treated as a CCO under the Local Government Act 2002 but in March 2013 Rangitikei District Council resolved that it is exempt for the purposes of section 6(4)(i) of that Act until 30 June 2019. Other member councils passed similar resolutions. That has been extended a further three years, until 30 June 2022 .



Notes to the Financial Statements

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The Rangitikei District Council (the Council) is a territorial authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity for financial reporting purposes.

The financial statements of the Council are for the year ended 30 June 2021. The financial statements were authorised for issue by the Council on (TBC)

Basis of Preparation

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

Statement of compliance

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

The financial statements have been prepared in accordance with Tier 1 Public Benefit Entity (PBE) accounting standards.

These financial statements comply with PBE standards.

Presentation currency and rounding

The financial report is presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000) unless otherwise stated.

Standards issued and not yet effective that have been early adopted

There are currently no standards that have been issued which are not yet effective.

Standards issued and not yet effective and not early adopted

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

PBE IPSAS 41 Financial instruments

PBE IPSAS 41 Financial instruments replaces PBE IPSAS29 Financial Instruments: Recognition and Measurement and PBE IFRS 9 Financial Instruments and is effective for Financial Periods beginning on or after 1 January 2022, with earlier adoption permitted.

The main changes compared to PBE IPAS 29 that are relevant to the Council are:

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

The Council intends to adopt PBE IPAS 41 for the 30th of June 2022 financial year. The Council has not yet assessed in detail the impact of the new standard.

Amendment to PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 requires entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendment is effective for the year ending 30 June 2022, with early application permitted. This amendment will result in additional disclosures. The Council will not early adopt this amendment.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 *Presentation of Financial Statements* and is effective for the year ending 30 June 2023, with early application permitted. The Council has not yet determined how application of PBE FRS 48 will affect its statement of service performance. It does not plan to adopt the standard early.

Summary of Significant Accounting Policies

Revenue

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific accounting policies for significant revenue items are explained below:

Revenue from non-exchange transactions

General and targeted rates

General and targeted rates are set annually and invoiced within the year. The Council recognises revenue from rates when the Council has set the rates and provided the rates assessment. The Council considers the 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.

Rates remissions are recognised as a reduction in rates revenue when the Council has received an application that satisfies its rates remission policy.

Waka Kotahi (NZ Transport Agency) roading subsidies

The Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on 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 they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income unless there is a use or return condition attached to the asset.

Direct charges – subsidised

Rendering of services – subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where

the price does not allow the Council to fully recover the cost of providing the service (such as building consents, dog licensing etc.), and where the shortfall is subsidised by income from other activities, such as rates. Generally there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised when the Council issues the invoice or bill for the service. Revenue is recognised as the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council) if the service is not completed.

Sale of goods – subsidised

A sale of goods at a price that is not approximately equal to the value of the goods provided by the Council is considered a non-exchange transaction. This includes sales of goods where the price does not allow the Council to fully recover the cost of producing the goods (such as the supply of bulk water), and where the shortfall is subsidised by income from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

Revenue from exchange transactions

Direct charges – full cost recovery

Sale of goods – full cost recovery

Revenue from the sale of goods (such as recyclable materials) is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Council.

Interest and dividends

Interest revenue is recognised using the effective interest method. Interest revenue 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. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the costs of the investment.

Expenses

Expenses are measured at the fair value of the consideration paid or payable, taking into account

contractually defined terms of payment and excluding taxes or duty.

The specific accounting policies for significant expense items are explained below.

Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Council incurs in connection with the borrowing of funds. The Council has chosen not to capitalise borrowing costs directly attributable to the acquisition, construction, or production of assets.

Grants

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 approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

Income tax

Income tax expense includes current and deferred tax.

Current tax is the income tax payable on the taxable surplus for the year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates (and tax laws) that have been enacted or substantively enacted by 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 corresponding tax bases used in the computation of the taxable surplus.

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 Council 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 or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting surplus nor the taxable surplus.

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.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of the asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Cash and cash equivalents

Cash and cash equivalents include 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 their face value, less any provision for impairment.

Other financial assets

Financial assets are initially recognised at fair value plus transaction costs, unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, and the Council has substantially transferred the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held to maturity investments; and
- fair value through other comprehensive revenue and expense.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit taking.

Financial assets acquired principally for the purpose of selling in the short-term or part of a portfolio classified as held for trading are classified current assets.

After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Held-to-maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities and there is the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. Council includes in this category:

- a) investments that it intends to hold long term but which may be realised before maturity; and
- b) shareholdings that it holds for strategic purposes

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and other receivables, and held-to-maturity investments

Impairment is established when there is objective evidence that the Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds, and community loans, are recognised directly against the instrument's carrying amount.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial

asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If in a subsequent period the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

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 for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate distribution in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the sale will be withdrawn. The Council must be committed to the distribution expected within one year from the date of classification.

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 consist of:

Operational assets – These include land, buildings, library books, plant and equipment, motor vehicles, office equipment and computer hardware.

Infrastructural assets – Infrastructural assets are the fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, wastewater and other assets includes reticulation piping and sewer pumps.

Restricted assets – Restricted assets are parks and reserves that provide benefit to the community and cannot be disposed of because of legal or other restrictions.

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Revaluation

Land and buildings (operational and restricted) and infrastructural assets (except land under roads) 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 carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the asset's fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense 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 revenue and expense.

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 initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains or losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

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.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and road formation, 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 of major classes of assets have been estimated as follows:

Operational and restricted assets

Buildings

Structure	50-170 years
Roof	40 years
Services	40-65 years
Internal fit out	25-35 years

Plant	30 years
Motor vehicles	6 years
Office equipment	10 years
Computer hardware	5 years
Library books	10 years

Infrastructural assets

Roading network

Top surface (seal)	3-20 years
Pavement sealed (base course)	60-67 years
Pavement unsealed (base course)	50-60 years
Formation	Not depreciated
Culverts	8-100 years
Footpaths	25-75 years
Drainage facilities	80-100 years
Traffic facilities and miscellaneous items	10-80 years
Street lights	25-70 years
Bridges	50-120 years

Water

Pipes	30-90 years
Pump stations	5-60 years
Pipe fittings	25-100 years

Wastewater

Pipes	20-100 years
Manholes	100 years
Treatment plant	5-100 years

Stormwater

Pipes	50-90 years
Manholes, cesspits	90 years

Waste transfer stations	50 years
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Service concession arrangements

The Council may acquire infrastructural assets by entering into a service concession arrangement (SCA) with a private operator to build, finance, and operate an asset over a specified period.

Assets acquired through a SCA are initially recognised at their fair value, with a corresponding liability. The asset is subsequently measured following the accounting policies above for property, plant, and equipment.

The Council currently has not entered into any such SCA where a private operator has built and financed an asset.

The Council has only entered into SCAs where the Council itself owns the asset and any charges for services provided by the operator are recognised as an expense in the year to which it relates.

Intangible assets

Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use the specific software.

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.

Easements

Easements are not considered material and any costs incurred are recognised in the surplus or deficit in the year in which they are incurred.

Carbon credits

Carbon credit purchases are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment

annually. They are derecognised when they are used to satisfy carbon emission obligations.

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:

Computer software	3-5 years
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Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets subsequently measured at cost that have a finite useful life, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 cost to sell and value in use.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in the surplus or deficit.

For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit. The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit a reversal of the impairment loss is also recognised in the surplus or deficit.

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.

For non-cash-generating assets, value in use is determined by using the approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value

in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value for cash-generating assets and cash-generating units is the present value of expected future cash flows.

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 rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs, and silviculture costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

Payables

Short-term payables are recorded at their face value.

Borrowings

Borrowings are initially recognised at their fair value plus transaction costs. 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 balance date.

Employee benefits

Short-term employee entitlements

Employee benefits expected 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 salary and wages, and holiday pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date.

Long-term employee entitlements

Long-term employee entitlements consists of long service leave that is payable beyond 12 months and have been calculated on the likely future entitlements

accruing to staff, based on the years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and current salary. As there are few staff members that are actually entitled to long service leave, the total accrual is not considered to be material and no actuarial basis has been used.

Presentation of employee entitlements

Annual leave, vested long service leave, and non-vested long service leave 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

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

Provisions

A provision is recognised for future expenditure of uncertain amount and timing where there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate base that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included under "finance costs".

Landfill aftercare

The Council has a legal obligation to provide on-going maintenance and monitoring service of its closed landfills.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

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 the following components:

- accumulated surplus/(deficit);
- special and restricted reserve funds;
- property revaluation reserves; and
- fair value through other comprehensive revenue and expense reserve.

Special reserve funds

Special reserve funds are reserves created by the Council for special purposes. The Council may alter them without reference to any third party or the Courts, and transfers to and from these reserves are at the discretion of the Council.

Restricted reserve funds

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which it may not revise without reference to the Courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Property revaluation reserves

These reserves relate to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserves

This reserve comprises the cumulative net change of financial assets classified as fair value through other comprehensive revenue and expense.

Goods and services tax (GST)

All items in the financial statement are exclusive of goods and services tax (GST) except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as an input tax credit then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the 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 which reflect the 2020/21 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

Cost allocation

The Council has determined the cost of significant activities 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 activity.
- Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage based on time, staff number and floor area.

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 risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Infrastructural assets

- The actual condition of an asset may not reflect the condition estimated in determining the carrying amount of the asset. This is particularly so for assets which are underground and difficult to assess the actual condition of, such as water, wastewater and stormwater assets.
- Estimates of any obsolescence or surplus capacity of an asset are based on judgements made with the best knowledge available at the time.
- Estimates of the useful remaining lives of an asset may vary with such things as soil type, rainfall, amount of traffic, natural disaster and other occurrences. The Council could be over- or under-estimating these, but assumptions are made based on the best knowledge available at the time.

Critical judgements in applying accounting policies

Management has exercised the following critical judgement in applying its accounting policies for the year ended 30 June 2021.

Classification of property

The Council owns a number of properties held to provide community housing. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives of the Council. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Note 2: Reconciliation of funding impact statement to statement of comprehensive revenue and expense

	Actual 2021 (\$000)	Actual 2020 (\$000)
Revenue		
Operating funding from funding impact statement	32,031	30,921
Operating revenue from statement of comprehensive revenue and expense	44,066	34,866
Difference	12,035	3,945
Reconciling items:		
Subsidies and grants for capital expenditure	9,478	3,798
Gains	51	147
Vested assets	2,507	-
Total reconciling items	12,035	3,945
Expenditure		
Application of operating funding from funding impact statement	25,086	22,600
Total operating expenditure from statement of comprehensive revenue and expense	37,874	35,764
Difference	12,788	13,164
Reconciling items:		
Depreciation and amortisation expense	12,661	13,141
Losses	139	12
Movement in provisions	(12)	11
Total reconciling items	12,788	13,165

Note 3: Rates revenue

	<i>Actual 2021 (\$000)</i>	<i>Actual 2020 (\$000)</i>
General rates	3,052	3,056
Uniform annual general charge	4,110	4,146
Targeted rates attributable to activities		
roading	6,892	6,488
community services	73	74
solid waste disposal	582	591
wastewater	2,697	2,672
water	4,177	3,797
stormwater drainage	594	672
Targeted rates for water supply (water by volume)	1,367	1,392
Rate Penalties	511	560
Total rates	24,055	23,448
Less rates charged on Council properties	474	504
Less rates remissions	1,025	1,129
Total rates	22,556	21,815
Rates remissions		
Multiple toilet pans	267	283
Penalties and other remissions	758	846
Total remissions	1,025	1,129

Note 4A: Subsidies & Grants

	Actual 2021 (\$000)	Actual 2020 (\$000)
New Zealand Transport Agency - Operational Subsidy	4,857	5,268
New Zealand Transport Agency - Capital Subsidy	5,409	2,963
Other grants	4,740	1,120
Total subsidies and grants	15,007	9,351

Note 4B: Other revenue

<i>Non-exchange revenue</i>		
Residential rents (community housing)	623	653
Regulatory revenue	1,484	1,371
Petrol tax	135	136
Other	1,642	1,289
Total other revenue	3,884	3,449

Note 5: Personnel costs

	Actual 2021 (\$000)	Actual 2020 (\$000)
Salaries and wages	5,385	4,757
Defined contribution plan employer contributions (KiwiSaver)	138	119
ACC levies	19	19
Total personnel costs	5,542	4,895

Note 6: Other expenses

	Actual 2021 (\$000)	Actual 2020 (\$000)
Fees to auditors		
financial statements	135	124
fees to Audit New Zealand for other services	149	-
Emergency works	1,006	775
Maintenance	5,499	4,656
Contractors & Professional Services	6,625	4,820
Grants	936	749
Insurance premiums	615	522
Other operating expenses	4,481	5,974
Total other expenses	19,445	17,620

Note 7: Tax

	<i>Actual 2021 (\$000)</i>	<i>Actual 2020 (\$000)</i>
Relationship between tax expense and accounting surplus		
Surplus (deficit) before tax	6,192	(898)
Tax at 28%	1,734	(251)
Plus (less) tax effect of:		
Non-taxable revenue	(1,734)	(251)
Tax expense	-	-

Note 8: Cash and cash equivalents

	<i>Actual 2021 (\$000)</i>	<i>Actual 2020 (\$000)</i>
Cash at bank and on hand	6,991	4,407
Term deposits	-	4,000
Total cash and cash equivalents	6,991	8,407

Note 9: Receivables

	Actual 2021 (\$000)	Actual 2020 (\$000)
Non-exchange receivables		
Rates receivables	1,313	1,495
Related party receivables	-	-
Other receivables	2,099	3,190
Gross debtors and other receivables	3,412	4,685
Less provision for impairment	(324)	(415)
Total non-exchange receivables	3,088	4,270
Exchange receivables		
Other receivables	-	2
Less provision for impairment	-	-
Total exchange receivables	-	2
Total Receivables	3,088	4,272

Fair value

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

Impairment

The Council has various powers under the Local Government (Rating) Act 2002 to recover any outstanding rates. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then the Council can, in most cases, apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit. Accordingly, the Council only provides for impairment of rates in those circumstances where an enforced sale or lease is not possible. 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 effect of discounting is material. Repayment plans do not alter the ageing profile of the debt in the Council's records.

The ageing profile of receivables at year end is detailed below:

	Actual 2021 (\$000)	Actual 2020 (\$000)
Not past due	1,569	3,678
Past due 31-60 days	243	517
Past due > 60 days	1,276	77
Total	3,088	4,272

The impairment provision has been calculated based on a review of overdue receivables and an analysis of the Council's past collection history and debt write-offs. All receivables greater than 30 days in age are considered past due.

	Actual 2021 (\$000)	Actual 2020 (\$000)
Movements in the provision for impairment of receivables are as follows:		
At 1 July	417	430
Additional provisions made during the year	50	-
Provision increased (reversed) during the year Per note 2 & note 8	-	(2)
Receivables written off during the period	(143)	(11)
As at 30 June	324	417

The Council 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 as follows:

* Section 90A: \$143,476 - * Section 90 (B): Nil (2020: Nil)

Note 10: Other financial assets

	Actual 2021 (\$000)	Actual 2020 (\$000)
Non-current portion		
Corporate bonds	78	79
<i>Investments in CCOs and similar entities</i>		
Unlisted shares in New Zealand Local Government Insurance Corporation Limited	34	33
Unlisted shares in Manawatū Whanganui LASS Limited	16	16
Total non-current portion	128	128

Note 11: Property, Plant and equipment

2021

	Balances at 1 July 2020			
	Cost/ valuation \$000	Accum depn \$000	Carrying amount \$000	Additional assets re- cognised \$000
Movements for each class of property, plant and equipment are as follows:				
Operational assets				
Land	5,862	(6)	5,856	-
Buildings	20,385	(797)	19,588	-
Plant and vehicles	3,092	(2,162)	930	-
Office equipment	920	(727)	193	-
Computer hardware	775	(751)	24	-
Library books	2,517	(2,006)	511	-
Total operational assets	33,551	(6,448)	27,103	-
Infrastructural assets				
Road network	423,796	(7,850)	415,946	-
Land under roads	42,438	-	42,438	-
Water systems				
treatment plants and facilities	22,567	(580)	21,987	-
other assets	37,197	(1,067)	36,130	-
Wastewater systems				
treatment plants and facilities	13,360	(439)	12,921	-
other assets	20,091	(590)	19,501	-
Stormwater network	16,868	(332)	16,536	-
Waste transfer stations	1,066	(24)	1,042	-
Total infrastructural assets	577,383	(10,882)	566,501	-
Restricted assets				
Land	6,956	(1)	6,955	-
Buildings	3,262	(159)	3,103	-
Total restricted assets	10,218	(160)	10,058	-
Total property, plant and equipment	621,152	(17,490)	603,662	-
Work In progress	-	-	-	-
Total property, plant and equipment including WIP	621,152	(17,490)	603,662	-

Work In Progress

	2021 (\$000)	2020 (\$000)
Buildings	802	6,665
Roading and Footpaths	3,538	-
Wastewater	569	362
Water	1,363	1,328
Computer Hardware	79	-
Stormwater	271	125
Total Work in progress	6,622	8,480

<i>Current year additions \$000</i>	<i>Current year disposals \$000</i>	<i>Revaluation surp(def) \$000</i>	<i>Current year depn \$000</i>	<i>Balances at 30 June 2021</i>		<i>Carrying amount \$000</i>
				<i>Cost/ valuation \$000</i>	<i>Accum depn \$000</i>	
100	(452)	-	(6)	5,510	(12)	5,498
2,149	-	-	(903)	22,534	(1,700)	20,834
117	-	-	(278)	3,209	(2,440)	769
53	-	-	(39)	973	(766)	207
169	-	-	(35)	944	(786)	158
94	-	-	(95)	2,611	(2,101)	510
2,681	(452)	-	(1,356)	35,780	(7,805)	27,976
7,333	-	-	(8,036)	431,129	(15,886)	415,242
893	-	-	-	43,331	-	43,331
-	-	-	-	-	-	-
204	-	-	(629)	22,771	(1,209)	21,562
1,224	-	-	(1,097)	38,421	(2,164)	36,257
-	-	-	-	-	-	-
51	-	-	(358)	13,411	(797)	12,614
997	-	-	(611)	21,088	(1,201)	19,886
489	-	-	(342)	17,357	(674)	16,683
-	-	-	(24)	1,066	(48)	1,018
11,191	-	-	(11,098)	588,574	(21,980)	566,593
281	-	-	(1)	7,237	(2)	7,235
18	-	-	(198)	3,280	(357)	2,923
299	-	-	(199)	10,517	(359)	10,158
14,171	(452)	-	(12,653)	634,873	(30,142)	604,731
6,622	-	-	-	6,622	-	6,622
20,793	(452)	-	(12,653)	641,495	(30,142)	611,353

Note 11: Property, Plant and equipment

2020

	Balances at 1 July 2019			
	Cost/ valuation \$000	Accum depn \$000	Carrying amount \$000	Additional assets re- cognised \$000
Movements for each class of property, plant and equipment are as follows:				
Operational assets				
Land	4,398	(3)	4,395	-
Buildings	14,700	(2,393)	12,307	-
Plant and vehicles	3,049	(1,901)	1,149	-
Office equipment	886	(692)	194	-
Computer hardware	757	(714)	43	-
Library books	2,460	(1,916)	544	-
Total operational assets	25,883	(7,618)	18,632	-
Infrastructural assets				
Road network	417,028	-	417,028	-
Land under roads	42,438	-	42,438	-
Water systems				
treatment plants and facilities	21,662	-	21,662	-
other assets	35,472	-	35,472	-
Wastewater systems				
treatment plants and facilities	13,209	-	13,209	-
other assets	19,842	-	19,842	-
Stormwater network	16,569	-	16,569	-
Waste transfer stations	1,968	(9)	1,968	-
Total infrastructural assets	568,188	(9)	568,188	-
Restricted assets				
Land	4,726	-	4,726	-
Buildings	2,621	(437)	2,184	-
Total restricted assets	7,347	(437)	6,910	-
Total property, plant and equipment	601,795	(8,064)	593,730	-

Work In Progress

	2020 (\$000)	2019 (\$000)
Buildings	6,665	2,452
Wastewater	362	433
Water	1,328	915
Stormwater	125	178
Total estimated replacement cost	8,480	3,978

<i>Current year additions \$000</i>	<i>Current year disposals \$000</i>	<i>Revaluation surp(def) \$000</i>	<i>Current year deprn \$000</i>	<i>Balances at 30 June 2020</i>		<i>Carrying amount \$000</i>
				<i>Cost/ valuation \$000</i>	<i>Accum deprn \$000</i>	
59	(145)	1,556	(9)	5,862	(6)	5,856
4,673	(82)	4,155	(1,465)	20,385	(797)	19,588
150	(107)	-	(348)	3,092	(2,162)	930
34	-	-	(34)	920	(727)	193
18	-	-	(37)	775	(751)	24
58	-	-	(89)	2,517	(2,006)	511
4,992	(334)	5,711	(1,982)	33,551	(6,448)	27,103
6,768	-	-	(7,850)	423,796	(7,850)	415,946
-	-	-	-	42,438	-	42,438
906	-	-	(580)	22,567	(580)	21,987
1,724	-	-	(1,067)	37,197	(1,067)	36,130
151	-	-	(439)	13,360	(439)	12,921
249	-	-	(590)	20,091	(590)	19,501
299	-	-	(332)	16,868	(332)	16,536
-	-	(864)	(62)	1,066	(24)	1,042
10,097	-	(864)	(10,920)	577,383	(10,882)	566,501
32	-	2,198	(1)	6,956	(1)	6,955
202	-	952	(236)	3,262	(159)	3,103
234	-	3,150	(237)	10,218	(160)	10,058
15,323	(334)	7,997	(13,139)	621,152	(17,490)	603,662

Note 11: Property, Plant and equipment continued

Valuation

Land and buildings (operational, restricted and infrastructural)

The valuation of land and buildings was performed by independent registered valuers, Andrew Parkyn (BCom (VPM), PG Dip Com, SPINZ, ANZIV), Maria McHugh (BCom (VPM)MPINZ) and Ashley Pont (BLPM (APINZ), of Quotable Value Asset and Advisory. The valuation is effective at 1 July 2019. The total fair value of land and buildings valued was \$29,141,066 at that date.

Land and buildings are valued at fair value using market-based evidence where available. Where not available, depreciated replacement value has been used. All major buildings were also inspected and underwent a review of their condition rating when taking their fair value into consideration.

Infrastructural assets

Roading network

The valuation of the roading network was performed independently by Scott McIntyre (BBIM, CTech) of The Datastack. This was peer reviewed by Brian Smith (BCom CA) of Brian Smith Advisory. The valuation is effective at 30th June 2019. The total fair value of the roading network was \$456,828,797. at that date.

The roading network is valued at fair value based on the application of appropriate replacement costs and effective lives, and The Datastack experience of other local authorities' transport asset components. They are within the ranges specified in the New Zealand Infrastructural Valuation and Depreciation Guidelines. Land under roads is not re valued. On the transition to International Financial Reporting Standards on 01/07/2006 the council elected to use the FV of land under roads as at 30/06/2005 as deemed cost.

Water, wastewater and stormwater systems

The valuation of the water, wastewater and stormwater assets was performed by Lucy Riddle (BCom), John Vessey (BE Civil, BA Econs, CP Eng), Jamie Cable (BapleEcon Dip Eng Civil) of wsp Opus. The valuation was peer reviewed by Brian Smith (BCom CA) of Brian Smith Advisory. The valuation is effective at 30th June 2019. The total fair value of water, wastewater and stormwater was \$108,798,000 at that date.

Water, wastewater and stormwater assets are valued at fair value using a brown fields approach that assumes the surface above underground components will need to be removed and then replaced. Current contract costs have been used to determine the value of materials.

Estimated replacement cost of major infrastructure

	2021 (\$000)	2020 (\$000)
Water supply		
treatment plant and facilities	34,586	32,365
other assets	79,845	79,309
Sewerage		
treatment plant and facilities	19,900	19,648
other assets	50,654	49,152
Stormwater drainage	31,455	30,652
Roads and footpaths	671,752	699,021
Total estimated replacement cost	825,576	910,147

Note 12: Intangible assets

	Actual 2021 (\$000)	Actual 2020 (\$000)
Computer Software		
Cost/ Valuation Balance at 1 July	792	792
Accumulated depreciation & Impairment 1 July	(792)	(788)
Carrying amount 1 July	-	4
Additions	74	-
Amortisation	(9)	(4)
Cost/ Valuation 30 June	866	792
Accumulated amortisation & impairment 30 June	(801)	(792)
Balance at 30 June	65	-
Work in progress	64	-
Balance as at 30 June (including Work in progress)	129	-
Carbon credits		
Cost/ Valuation Balance at 1 July	145	105
Accumulated depreciation & Impairment 1 July	-	-
Carrying amount 1 July	145	105
Increase/ (decrease) due to valuation	-	40
Additions	-	-
Amortisation	-	-
Cost/ Valuation 30 June	145	145
Accumulated amortisation & impairment 30 June	-	-
Balance at 30 June	145	145
Total Intangible assets	275	145

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

Carbon credits

The Council holds carbon credits for the purpose of meeting its obligations under the Emissions Trading Scheme for carbon emissions from its forestry operations. The Council is required to forfeit carbon credits for emissions for any forests not replanted four years after deforestation. The carbon credits were revalued at 30 June 2020 using the spot market price for NZUs on the open market. Following the harvesting of the mature forest at Marton B & C Dams, Council has committed (by formal resolution in April 2017) to a programme of replanting, primarily natives. This has been discussed with the Ministry for Primary Industries, as the stocking and growth rates will be reviewed in four years time.

Impairment

There were no impairment expenses or provisions for intangible assets. At balance date, none of these intangible assets was impaired. Carbon credits are not impaired but recorded at current market value because the Council still has forests to be harvested in which case the credits may well be used to satisfy non-replanting requirements.

Note 13: Creditors and other payables

	Actual 2021 (\$000)	Actual 2020 (\$000)
<i>Payables under exchange transactions</i>		
Trade payables	2,485	3,188
Retentions	613	-
Accrued expenses	1,217	1,820
Total	4,315	5,008
<i>Payables under non-exchange transactions</i>		
Income tax payable	-	-
Other taxes (e.g. GST and FBT)	-	1
Total	-	1
Total creditors and other payables	4,315	5,009

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

Note 14: Borrowings

	Actual 2021 (\$000)	Actual 2020 (\$000)
Current portion		
Secured bank loans	-	-
Community loan	16	16
Total current portion	16	16
Non-current portion		
Secured bank loans	-	-
Community loan	80	96
Loan- New Zealand Local Government Funding Agency	3,000	3,000
Total non-current portion	3,080	3,096
Total borrowings	3,096	3,112

Security

The Council's bank loans, if any, are secured over the Council's rates.

Fair value

The carrying amounts of borrowings approximates their fair value as discounting is not considered significant..

Note 15: Employee entitlements

	Actual 2021 (\$000)	Actual 2020 (\$000)
Current Portion		
Accrued pay	82	218
Annual leave	385	386
Long service leave	-	41
Superannuation	-	-
Total current portion	467	645
Non-current portion		
Long service leave	7	5
Total non-current portion	7	5
Total employee entitlements	474	650

Sick leave

No provision is made for sick leave because absences in the coming years are not expected to exceed the annual entitlement of staff, and calculations show any amounts involved are likely to be immaterial.

Note 16: Provisions

	Actual 2021 (\$000)	Actual 2020 (\$000)
Landfill aftercare		
Balance at 1 July	777	290
Additional(reduction) in provisions made	365	475
Amounts used	(363)	(18)
Unused amount reversed	(145)	(18)
Discount unwind	(48)	48
Balance at 30 June	586	777

Note 17: Equity

	Actual 2021 (\$000)	Actual 2020 (\$000)
Accumulated funds		
Balance at 1 July	462,742	463,839
Other transfers	(12)	(199)
Surplus (deficit) for year	6,192	(898)
Balance at 30 June	468,922	462,742
Other reserves		
Property revaluation reserves		
Balance at 1 July	139,319	131,325
Net revaluation gains	-	7,994
Transfer to accumulated funds on disposal of property	-	-
Balance at 30 June	139,319	139,319
Property revaluation reserves for each class of assets consist of:		
Operational assets		
land	4,813	4,813
buildings	11,700	11,552
Infrastructural assets		
sewerage systems	12,260	12,260
water systems	17,626	17,627
stormwater drainage network	8,900	8,900
roading network	79,899	79,899
Restricted assets		
land	3,209	3,208
buildings	911	1,060
Total	139,319	139,319
Fair value through other comprehensive income reserve		
Balance at 1 July	131	113
Net revaluation gains (losses)	-	18
Transfer to net surplus/deficit		
Balance at 30 June	131	131
Total other reserves	139,450	139,450

Special and restricted reserves 2021

Name (* denotes restricted)	Associated activity	
Aquatic	Swimming pools	Capital works
Bulls courthouse*	Property	Maintenance of courthouse building
Flood damage	Roading	Road maintenance due to flooding
General purpose	Capital works	Capital works
Haylock park*	Parks and reserves	Additional reserve area at park
Huntermville rural water	Water	Future loop line
Keep Taihape beautiful*	Property	Enhancement of Taihape
Marton land subdivision*	Parks and reserves	Improvement to reserves land
Marton marae*	Property	Marton marae project
McIntyre recreation*	Parks and reserves	Maintenance or upgrades of park
Pūtōrino rural water	Water	Maintenance of scheme dam
Rātana sewer	Sewerage	Capital works
Revoked reserve land	Parks and reserves	Offset costs of other revoked land
Rural housing loan	Property	No longer required
Rural land subdivision*	Parks and reserves	Improvement to reserves land
Santoft domain*	Parks and reserves	Maintenance or upgrades of park

Total special and restricted reserves

Special and restricted reserves 2020

Name (* denotes restricted)	Associated Activity	Purpose
Aquatic	Swimming pools	Capital works
Bulls courthouse*	Property	Maintenance of courthouse building
Flood damage	Roading	Road maintenance due to flooding
General purpose	Capital works	Capital works
Haylock park*	Parks and reserves	Additional reserve area at park
Huntermville rural water	Water	Future loop line
Keep Taihape beautiful*	Property	Enhancement of Taihape
Marton land subdivision*	Parks and reserves	Improvement to reserves land
Marton marae*	Property	Marton marae project
McIntyre recreation*	Parks and reserves	Maintenance or upgrades of park
Pūtōrino rural water	Water	Maintenance of scheme dam
Rātana sewer	Sewerage	Capital works
Revoked reserve land	Parks and reserves	Offset costs of other revoked land
Rural housing loan	Property	No longer required
Rural land subdivision*	Parks and reserves	Improvement to reserves land
Santoft domain*	Parks and reserves	Maintenance or upgrades of park

Total special and restricted reserves

<i>Balance 1 Jul 20</i>	<i>Deposits</i>	<i>Withdrawals</i>	<i>Balance 30 Jun 21</i>
161	-	-	161
96	14	-	110
309	-	-	309
2,402	-	-	2,402
31	-	-	31
214	-	-	214
20	-	-	20
460	-	-	460
4	-	-	4
22	-	-	22
23	-	-	23
27	-	-	27
238	-	-	238
150	-	-	150
205	-	-	205
130	-	2	128
4,493	14	2	4,504

<i>Balance 1 Jul 19</i>	<i>Deposits</i>	<i>Withdrawals</i>	<i>Balance 30 Jun 20</i>
86	75	-	161
84	17	5	96
238	250	179	309
2,402	-	-	2,402
30	1	-	31
206	8	-	214
20	-	-	20
444	16	-	460
4	-	-	4
21	1	-	22
22	1	-	23
26	1	-	27
238	-	-	238
150	-	-	150
198	7	-	205
124	7	1	130
4,293	384	185	4,492

Note 18: Reconciliation of net surplus (deficit) to net cash flow from operating activities

	Actual 2021 (\$000)	Actual 2020 (\$000)
Surplus (deficit)	6,193	(898)
Add (less) non-cash items		
Depreciation and amortisation	12,661	13,141
Community loan repayment exchanged for accommodation	-	-
(Gains) losses in fair value on forestry assets	-	(4)
Reversal of previous losses on roading through operating surplus(deficit)	-	-
Movement in employee entitlements (non current)	2	2
Vested assets	(2,504)	-
	10,159	13,139
Add (less) items classified as investing or financing activities		
(Gains) losses on disposal of property, plant and equipment	88	(131)
(Gains) losses on fair value financial assets	-	(18)
(Gains) losses revaluation land & Buildings financial assets	-	-
(Gains) losses biological Assets	-	-
	88	(149)
Add (less) movements in working capital items		
(Increase) decrease in prepayments	4	(84)
(Increase) decrease in debtors and other receivables	1,186	(959)
Increase (decrease) in income in advance	104	49
Increase (decrease) in creditors and other payables	(883)	2,177
Increase (decrease) in provisions	-	487
Increase (decrease) in employee entitlements	(178)	101
	233	1,771
Net cash inflow (outflow) from operating activities	16,674	13,863

Note 19: Capital commitments and operating leases

	Actual 2021 (\$000)	Actual 2020 (\$000)
Capital commitments		
Property, plant and equipment		
Not later than one year	-	836
Later than one year and not later than five years	-	-
Total capital commitments	-	836
Operating leases as lessee		
The Council leases property, plant and equipment in the normal course of its business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:		
Not later than one year	26	59
Later than one year and not later than five years	47	73
Later than five years	-	-
Total non-cancellable operating leases	73	132
Operating leases as lessor		
Some property, including reserves land, is leased under operating leases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:		
Not later than one year	22	22
Later than one year and not later than five years	71	72
Later than five years	42	59
	135	153

No contingent rents have been recognised during the period.

Note 20: Contingencies

Contingent Assets

Private facilities

The Council has identified four facilities (for example, club rooms) on its reserves land owned by third parties that are not specified to be removed under the terms of their leases. The Council will gain control of these assets only if the various clubs vacate the facilities. Until this event occurs, the assets are not recognised as assets in the statement of financial position.

Contingent Liabilities

There are no known contingent liabilities at 30 June 2021.

Note 21: Related party transactions

	Actual 2021 (\$0)	Actual 2020 (\$0)
Key management personnel compensation		
<i>Councillors</i>		
Remuneration	421,027	416,817
Full-time equivalent members	12	12
<i>Senior management team, including the chief executive</i>		
Remuneration	1,017,396	837,466
Full-time equivalent members	6	4
Total key management personnel remuneration	1,438,423	1,254,283
Total full-time equivalent personnel	18	16

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

The Councillor remuneration includes annual salary, allowances for mileage and telephone/fax.

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 that is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

Note 22: Remuneration

	Actual 2021 (\$0)	Actual 2020 (\$0)
Chief Executive		
Peter Beggs		
Gross salary	260,000	173,077
Vehicle (market value plus FBT)	19,250	17,500
Superannuation contribution	7,800	5,192
Ross McNeil		
Gross salary	-	168,995
Vehicle (market value plus FBT)	-	3,091
Superannuation contribution	-	5,070
Total remuneration	287,050	372,925
Other Council employees		
Number of full-time employees	74	48
Number of full-time equivalents of part-time employees	16	21
A full-time employee is determined on the basis of a 40-hour working week		
Total annual remuneration by band for employees as at 30 June		
less than \$60,000 per annum	55	51
\$60,001 to \$79,999	22	17
\$80,000 to \$99,999	14	6
\$100,000 to 139,999	8	6
\$140,000 to 299,999	4	1
Total employees	103	81

Total remuneration includes the value of any non-financial benefit paid to an employee.

	Actual 2021 (\$0)	Actual 2020 (\$0)
Elected representatives		
Council		
<i>Mayor</i>		
A Watson	119,039	117,068
<i>Councillors</i>		
C Ash	23,820	23,129
R Aslett	-	7,946
N Belsham	41,317	40,081
A Gordon	29,820	31,427
D McManaway	-	6,720
S Peke-Mason	2,730	6,524
R Rainey	-	8,344
L Sheridan	-	7,115
D Wilson	29,820	29,632
G Platt	-	6,826
J Dunn	-	23,704
G Duncan	31,167	18,761
F Dalgety	21,276	17,212
W Panapa	25,553	17,914
B Carter	24,923	17,231
R Lambert	25,820	17,698
T Hiroa	34,557	19,486
C Raukawa	11,186	0
Total Council members remuneration	421,027	416,818
Community Boards		
<i>Taihape</i>		
M Fannin	4,580	6,050
A Abernathy	8,676	7,101
G Larsen	4,338	4,312
Y.Sicily	-	1,274
E Abernathy	4,338	3,037
<i>Rātana</i>		
C Mete	4,523	4,297
C Rourangi	2,126	2,126
T Tataurangi	-	637
M Thompson	-	760
L Meihana	2,126	1,489
J Nepia	2,126	1,489
Total Community Board members remuneration	32,832	32,572
Total elected representatives remuneration	453,859	449,390

The total remuneration for each elected member is made up of annual salary, non-salary benefits and mileage.

Note 23: Severance payments

For the year ended 30 June 2021, the Council made no (2020 Nil) severance payments to employees.

Note 24: Events after balance date

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

On 27 October 2021 the Local Government Minister announced that the 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 services 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.

Note 25A: Financial instrument risks

	Actual 2021 (\$000)	Actual 2020 (\$000)
Financial instrument categories		
<i>Financial assets</i>		
Loans and receivables		
Cash and cash equivalents	6,991	8,407
Debtors and other receivables	3,386	4,272
Total loans and receivables	10,377	12,679
<i>Fair value through other comprehensive revenue and expense</i>		
Other financial assets		
corporate bonds	78	79
unlisted shares	50	49
Total fair value through other comprehensive revenue and expense	128	128
<i>Financial liabilities</i>		
Financial liabilities at cost		
creditors and other payables	4,317	5,009
Loans	3,000	3,000
community loan	96	112
Total financial liabilities	7,413	8,121

Note 25B: 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.

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		
	Total (\$000)	Quoted market price (\$000)	Observable inputs (\$000)	Significant non-observable inputs (\$000)
2021				
Financial assets				
<i>Unlisted shares</i>				
New Zealand Local Government Insurance Corporation Limited	34	-	-	34
Manawatū Whanganui LASS Limited	16	-	-	16
Corporate bonds	78	79	-	-
2020				
Financial assets				
<i>Unlisted shares</i>				
New Zealand Local Government Insurance Corporation Limited	33	-	-	33
Manawatū Whanganui LASS Limited	16	-	-	16
Corporate bonds	79	79	-	-

There were no transfers between the different levels of the fair value hierarchy.

The table below provides a reconciliation from the opening balance to the closing balance for level 3 fair value measurements:

	Actual 2021 (\$000)	Actual 2020 (\$000)
Balance at 1 July	49	71
Gains (losses) recognised in the surplus or deficit	-	-
Gains (losses) recognised in other comprehensive income	-	(22)
Purchases	-	-
Balance at 30 June	49	49

Note 25C: Financial instrument risks

The Council has policies to manage the risks associated with financial instruments. The Council is risk averse and seeks to minimise exposure from its treasury activities. It has established 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. The Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through other comprehensive income. Equity security price risk is not managed as the only share investments are unlisted shares in New Zealand Local Government Insurance Corporation Limited, and, Manawātū Whanganui LASS Limited.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Council has no financial instruments with foreign currency components and is therefore not exposed to currency risk.

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. Borrowings and investments issued at fixed rates of interest expose the Council to fair value interest rate risk. The Council's investment policy requires a spread of investment maturity dates to limit exposure to short-term interest rate movements. The Council currently has no fixed interest rate debt or investments.

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 the Council to cash flow interest rate risk. The Council currently has no variable interest rate debt or investments.

Credit risk

Credit risk is the risk that a third party will default on its obligations to the Council, causing it to incur a loss. Due to the timing of its cash inflows and outflows, surplus cash is invested into term deposits and corporate bonds, which gives rise to credit risk. The Council only invests in deposits with registered banks and in high grade corporate bonds, and limits the amount of credit exposure to any one institution. Investments are made only in banks and companies with specified credit ratings.

	Actual 2021 (\$000)	Actual 2020 (\$000)
<i>Maximum exposure to credit risk</i>		
The Council's maximum credit risk exposure for each class of financial instruments is as follows:		
Cash at bank and term deposits	6,991	8,407
Debtors and other receivables	3,086	4,272
Corporate bonds	78	79
Total credit risk	10,156	12,758
<i>Credit quality of financial assets</i>		
The credit quality of financial assets that are neither past due nor impaired can be assessed by references to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.		
Counterparties with credit ratings		
Cash at bank and term deposits		
AA-	-	8,407
Total cash at bank and term deposits	-	8,407
Corporate bonds		
AA	48	48
A+	-	-
A	-	-
A-	30	-
BBB-	-	31
Total corporate bonds	78	79

Debtors and other receivables arise mainly from the Council's statutory functions. Therefore, there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. The Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and the Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

Liquidity risk is the risk that the 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. The Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a target level of investments that must mature within the next 12 months. The Council manages its borrowings in accordance with its funding and financial policies, which include a liability management policy.

Contractual maturity analysis of financial liabilities

The table below analyses the Council's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Further interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

	<i>Carrying amount \$000</i>	<i>Contractual cash flows \$000</i>	<i>Less than 1 year \$000</i>	<i>1 to 5 years \$000</i>	<i>More than 5 years \$000</i>
2021					
Creditors and other payables	4,317	4,317	4,317	-	-
Loans	3,000	3,000	-	-	3,000
Community loan	96	96	16	64	16
Total	7,413	7,413	4,333	64	3,016
2020					
Creditors and other payables	5,009	5,009	5,009	-	-
Secured loans	3,000	3,000	-	-	3,000
Community loan	112	112	16	64	32
Total	8,121	8,121	5,025	64	3,032

Contractual maturity analysis of financial assets

The table below analyses the Council's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	<i>Carrying amount \$000</i>	<i>Contractual cash flows \$000</i>	<i>Less than 1 year \$000</i>	<i>1 to 5 years \$000</i>	<i>More than 5 years \$000</i>
2021					
Cash and cash equivalents	6,991	6,991	-	-	-
Debtors and other receivables	3,086	3,086	-	-	-
Other financial assets	-	-	-	-	-
term deposits	-	-	-	-	-
corporate bonds	78	-	-	78	-
Total	12,758	12,758	12,679	79	-
2020					
Cash and cash equivalents	8,407	8,407	8,407	-	-
Debtors and other receivables	4,272	4,272	4,272	-	-
Other financial assets	-	-	-	-	-
term deposits	-	-	-	-	-
corporate bonds	79	79	-	79	-
Total	12,758	12,758	12,679	79	-

Sensitivity analysis

The tables below illustrate the potential effect on the surplus or deficit and equity (excluding accumulated funds) for reasonably possible market movements, with all other variables held constant, based on the Council's financial instrument exposures at balance date.

Interest rate risk

	Note	-100bps Surplus \$000	Other Equity \$000	+100bps Surplus \$000	Other Equity \$000
2021					
<i>Financial Assets</i>					
Cash and cash equivalents		(70)	-	70	-
Corporate bonds		-	-	-	-
Total sensitivity to interest rate risk		(70)	-	-	-
2020					
<i>Financial Assets</i>					
Cash and cash equivalents		(84)	-	84	-
Corporate bonds		-	-	-	-
Total sensitivity to interest rate risk		(84)	-	(84)	-

Explanation of interest rate sensitivity risk

The interest rate sensitivity is based on a reasonable possible movement in interest rates, with all other variables held constant, measured as a basis point (bps) movement. For example, a decrease in 100 bps is equivalent to a decrease in interest rates of 1%.

Note 26: Capital management

The Council's capital is its equity (or ratepayers' funds), which comprise accumulated funds 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 that 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 plans (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.

The Council has the following Council-created reserves:

Special Reserves

Special reserve funds are reserves created by the Council for special purposes. The Council may alter them without reference to any third party or the Courts, and transfers to and from these reserves are at the discretion of the Council.

Restricted Reserves

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which it may not revise without reference to the Courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Note 27: Explanation of major variances against budget

Revenue from Subsidies and grants is \$3.88 million (35%) above budget. This is the result of receiving unbudgeted amounts for the Three Waters Reform (\$2.41m), Community Recovery Grant (\$500k), PGF Capital Funding (\$250k), Hunterville Bore Subsidy (\$350k), a Public Toilet Grant (\$78k), and Hautapu River Parks Project (\$70k). This has been partially offset by budgeted \$200k for public fundraising in relation to the new Marton Playground. The Project Management Office has confirmed that this money has been put directly into the playground and will not be received by the Council.

Other revenue is \$0.937 million (32%) above budget. Other Revenue is above budget by \$655k. This is due to an increase in demand for resource consents (year to date revenue is above budget by \$290k including one transaction of \$185k), and an increase in building consents resulting in revenue \$246k above budget. There was also an increase in use of Waste Transfer Stations, with User Fees and Charges revenue being \$135k above budget.

Personnel costs are 0.741 million (15%) above budget due to five positions (HR Manager, ISSP Manager, second Executive Assistant, Spatial Planner and Team Leader of Customer Services) that were not budgeted for in 20/21.

Other expenses are 1.42 million (8%) above budget. This is mainly due to the roading repair work for Turakina Valley Road which is responsible for \$1 million of the overspend as the work has been classified as 'repairs' so is included in the Subsidised Roothing operating expenditure. The full year Capital Expenditure budget of \$1.069m for this project will remain unspent. In addition to this smaller amounts were overspent for Reticulation Staff costs in Water – District; Grants, Property Services, External Contractors and General Expenses in Domains: External Contractors and Te Matapihi Opening Ceremony in Halls and Nicholls Fees in Swim Centres

Cash and cash equivalents is \$2.513 million below budget (-26%). This is due to budgeted capital works not being completed with less borrowings required resulting in less cash reserves.

Plant, property and equipment is \$9.546 million below budget (-2%). This is due to budgeted capital works not being completed.

Creditors and other payables are \$0.676 million higher than budget (19%). This is due to budgeted capital works not being completed.

Borrowings is \$20.98 million less than budget (-87%) as no additional debt was required this year to fund capital expenditure.

Note 28: Rating base information

	<i>Actual 2021</i>	<i>Actual 2020</i>
Number of rating units preceeding year	7,971	7,977
	<i>(\$000)</i>	<i>(\$000)</i>
Total capital value of rating units preceeding year	4,329,510	4,310,339
Total land value of rating units preceeding year	2,781,320	2,779,455

Note: "preceeding year" for 2021 is as at 30 June 2020 and "preceeding year" for 2020 is as at 30 June 2019

Note 29: Insurance of assets

	<i>Actual 2021</i>	<i>Actual 2020</i>
	<i>(\$000)</i>	<i>(\$000)</i>
Total value of assets covered by insurance contracts	56,797	63,993
Maximum amount of insurance	129,617	82,409
Total value of assets covered by financial risk sharing arrangements	50,859	72,167
Maximum amount available under those arrangements (40%)	74,060	71,171
Total value of assets that are self-insured	415,242	423,796
The value of funds maintained for that purpose	309	308

It is anticipated (but cannot be guaranteed) that under the terms contained in the Guide to the Civil Defence Emergency Plan, central government may fund 60% of the qualifying cost of reinstating essential infrastructure assets in the event of a major disaster.

Benchmarks Disclosure Statement

For year ending 30 June 2021

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 benchmarks

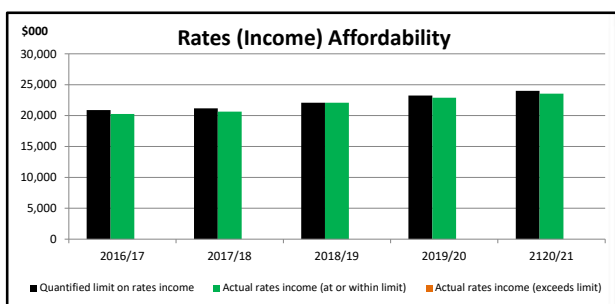
The Council meets the rates affordability benchmark if its —

- actual rates income equals or is less than each quantified limit on rates; and
- actual rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

The following graph compares the Council's actual rates income for 2016/17 and 2017/18 years with the quantified limit on rates contained in the Council's 2015-2025 Long Term Plan, and for 2018/19, 2019/20 and 2020/21 years with the quantified limit on rates contained in the Council's 2018-2028 long-term plan.

All limits are based on the previous year's actual rates income adjusted for the projected maximum rates increases noted in the next benchmark (rates increases affordability).

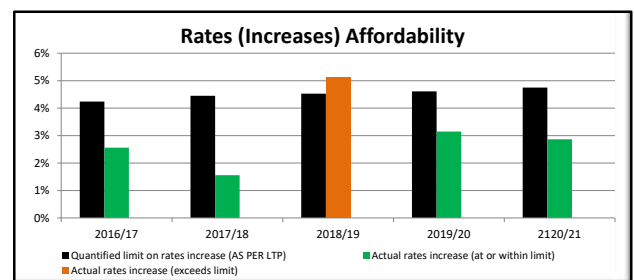


Rates (increases) affordability

The following graph compares the Council's actual rates increases for 2016/17, and 2017/18 with the quantified limit on rates increase contained in the Council's 2015-2025 long-term plan, and for 2018/19, 2019/20 and 2020/21 years with the limits contained in the Council's 2018-2028 long-term plan.

The quantified limits are as follows:

2016/17	4.45%
2017/18	4.53%
2018/19	4.61%
2019/20	4.75%
2020/21	4.90%



Debt affordability benchmark

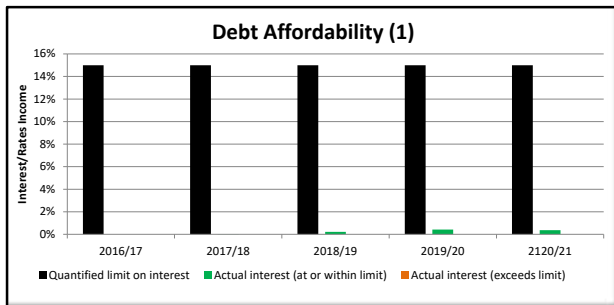
The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. For 2016/17 and 2017/18 years, the financial strategy included in the 2015-2025 long-term plan contains the quantified limits on borrowing. For 2018/19, 2019/20 and 2020/21 years it is the financial strategy included in the 2018-2028 long-term plan. Interest is defined in the current liability management policy slightly differently but for comparative purposes, the same definition has been used for 2020/21.

The limits are as follows:

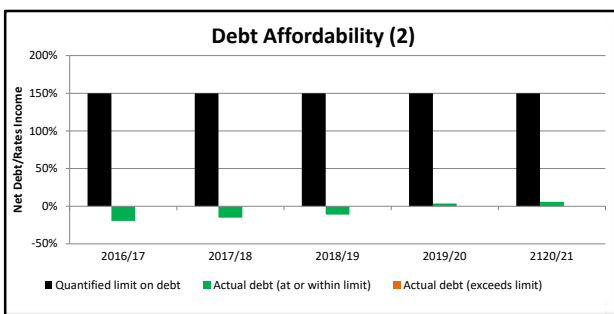
- interest expense on net external debt will not exceed 15% of total rates income; Debt Affordability (1)
- the ratio of net external debt to annual rates income will not exceed 150%; Debt Affordability (2) and,
- net external debt per capita will not exceed \$2,500 for the last ensuing five years. Debt Affordability. (3)

(Note: Council's current liability management policy defines "net debt", but the definition is slightly different to the definition laid down in the regulations. For the purposes of this benchmarking exercise, the same definition stated in the regulations has been used.)

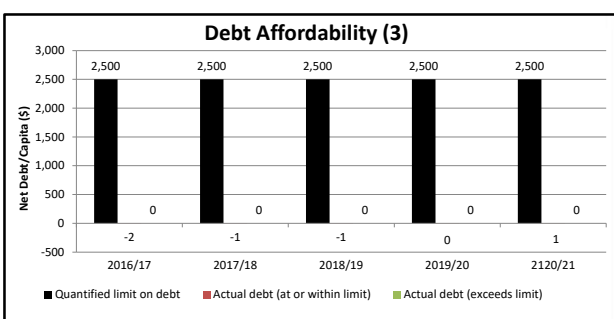
The following graph compares the Council's actual interest expense as a proportion of total rates income.



The following graph compares the Council's actual net debt as a proportion of annual rates income. (The graph shows negative values when financial liabilities are less than financial assets, excluding trade and other receivables.)



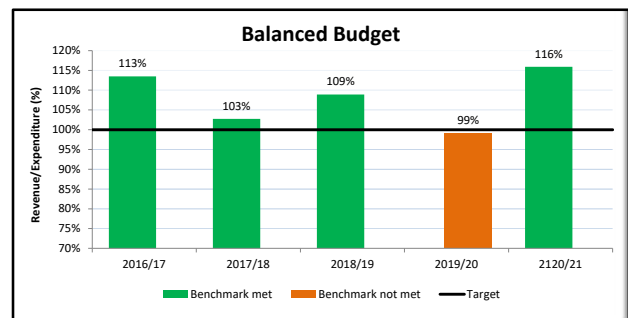
The following graph compares the Council's actual net debt divided by the total population of the district to provide a per capita outcome. (The graph shows negative values when financial liabilities are less than financial assets, excluding trade and other receivables.)



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).

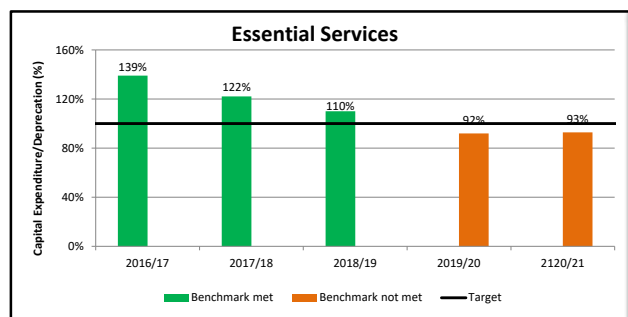
The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. (Capital work includes both renewals of existing infrastructure as well as new capital work undertaken.)

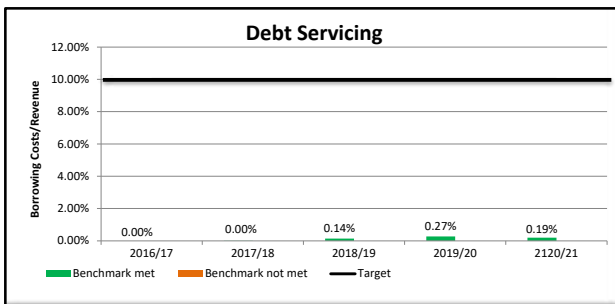
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Network services is defined in the regulations as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, storm water drainage, flood protection and control works, and the provision of roads and footpaths. The Council owns no infrastructure related to flood protection and control work.



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 decline over the next 15 years, the Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

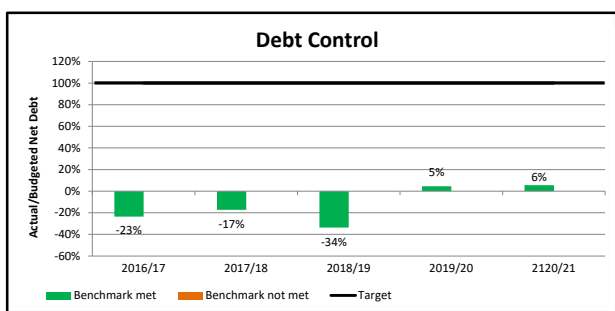


Debt control benchmark

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 graph shows negative values when financial liabilities are less than financial assets, excluding rate 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 regulations do not state what plans the Council should use when determining planned net debt. This benchmark has used the 2015-2025 long-term plan for the first two years, and the 2018-2028 long-term plan for the final three years.

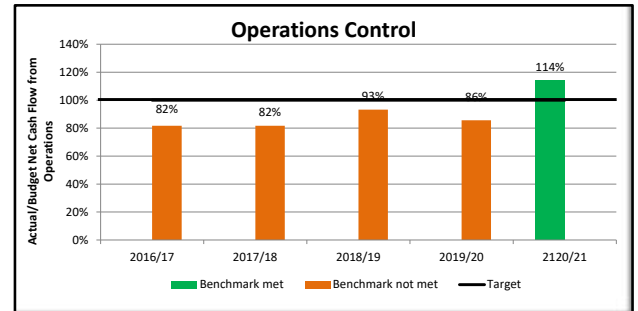
(The graph shows negative values when financial liabilities are less than financial assets, excluding trade and other receivables.)



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.



Section 4: **Other Information**



Your Elected Members



His Worship the Mayor

Andy Watson
andy.watson@rangitikei.govt.nz
027 617 7668



Deputy Mayor

Cr Nigel Belsham
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Cr Dave Wilson
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Cr Angus Gordon
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Cr Fiona (Fi) Dalgety
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Cr Coral Raukawa
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Cr Richard Lambert
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Cr Cath Ash
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Cr Gill Duncan
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027 255 1409




Cr Brian Carter
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027 247 1812



Cr Waru Panapa
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027 343 0405



Cr Tracey Hiroa
tracey.hiroa@rangitikei.govt.nz
021 0275 9983

 Northern Ward Representative

 Central Ward Representative

 Southern Ward Representative

Cr Jane Dunn resigned as Southern Ward Councillor late 2020. A By-Election was held and CR Coral Raukawa was elected in February 2021.

Your Representatives

Community Board Members

Taihape

Ms Ann Abernethy (Chair)	06 388 9220
Ms Emma Abernethy	06 388 0777
Ms Michelle Fannin	06 388 1129
Ms Gail Larsen	06 388 1161
Cr Gill Duncan	06 388 1409
Cr Angus Gordon (non-voting)	06 388 1571
Cr Tracey Hiroa	021 275 9983

Rātana

Mr Charlie Mete (Chair)	027 418 9108
Mr Lequan Meihana	027 209 1175
Mr Jamie Nepia	020 4109 6229
Mr Charlie Rourangi	021 827 705
Cr Waru Panapa	027 343 0405

Te Roopuu Ahi Kaa (Iwi Liaison Committee)*

Mr Pahia Turia (Chair)	06 344 8150	(Whangaehu)
Mr Thomas Curtis (Deputy Chair)	021 307 610	(Ngāti Hauiti)
Mr James Allen	021 261 1862	(Ngā Wairiki ki Uta)
Ms Hari Benevides	06 388 1908	(Ngāti Tamakōpiri)
Mr Robert Gray	06 388 7816	(Ngāti Rangituhia)
Ms Marj Heeney	021 065 2484	(Ngāi Te Ohuake)
Mr Coral Raukawa-Manuel	06 327 6087	(Ngā Ariki)
Ms Soraya Peke-Mason	027 270 7763	(Rātana Community)
Ms Kim Savage	06 323 1164	(Ngāti Parewahawaha)
Mr Chris Shenton	06 348 0558	(Ngāti Kauae/Ngāti Tauira)
Mr Terry Steedman	021 161 2350	(Ngāti Hinemanu/Ngāti Paki)
Cr Tracey Hiroa	02102759983	(Ngāti Whitikaupeka)
Cr Waru Panapa	027 343 0405	(Council representative)

Community Committee Chairs*

Ms Laurel Mauchline Campbell	06 327 8729	(Turakina)
Mr Tyrone Barker	06 322 1206	(Bulls)
Mr Blair Jamieson	021 908 476	(Marton)
Ms Karen Kennedy	06 327 8472	(Hunterville)

District Licensing Committee*

Mr Stuart Hylton (Commissioner)	027 446 5352
Mr Andy Watson (Deputy Chair)	027 617 7668
Mr Chalky Leary	06 322 8561
Ms Judy Klue	06 322 8475
Mr Colin Mower	021 130 3586
Mr Graeme Platt	06 322 1658

*His Worship the Mayor is a member, ex officio, of all Council Committees.

Section 5: **Index**



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Making this place home.