Pūrongo ā-Tau
Annual Report
2021/22



RANGITĪKEI
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.

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

We send a warm welcome to you all.

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,

Tīhei Mauriora!

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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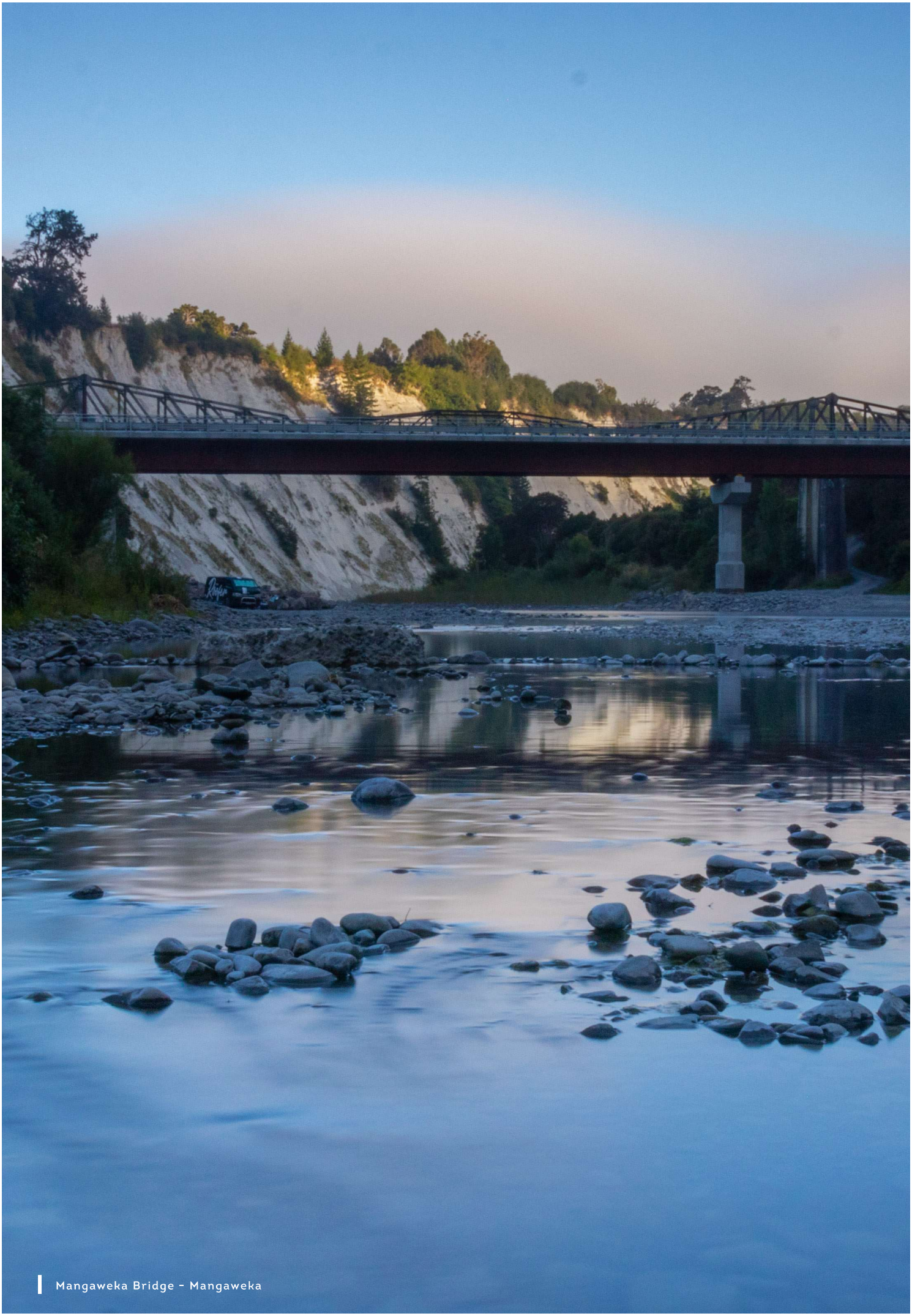
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TO BE UPDATED



Mangaweka Bridge - Mangaweka

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 2021 to 30 June 2022. As well as financial results, the Annual Report includes results of the performance measures set out in the 2021-31 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 $4.36 million, resulting in an operating profit before gains and losses on PPE and investments of $4.02 million against a budget of $2.15 million. The profit after tax was $4.02 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 $611 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 Councils 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.

Council introduced two Māori Wards for 2022 Local Government Elections which will be represented by one councillor for the Tiikeitia ki Uta (Inland) Māori Ward and one councillor for the Tiikeitia ki Tai (Coastal) Māori ward. 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.



Tūtaenui Reservoir - Marton

2021/2022 Highlights

- **Introduction of Māori Wards** – In April 2021 Council resolved to establish Māori Wards.
- **Mangaweka Bridge** – This new bridge was completed.
- **Marton Water Strategy** – All planned work progressed well with the completion of potential ground water investigations and analysis.
- **Bredins Line storm water outfall** – Detailed design completed. Consent application submitted and consent obtained. Construction of the outfall to happen in the next financial year.
- **Rangitīkei District Council Solid Waste Roadmap** – Council commissioned and completed a district wide solid waste roadmap to create a 30-year strategic direction for all our communities.
- **Building Accreditation** – The Council Building Control Authority (BCA) remains accredited.
- **Ngā Awa Block** – Construction for Taihape Memorial Park amenities building commenced in March 2022.
- **Te Matapihi: Bulls Community Centre** – Creation of the bus lane and the town square adjacent to Te Matapihi commenced in October 2021, and were completed in March and April 2022.
- **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, development of the Hautapu River Parks in Taihape, Tutaenui Reservoir Dams Restoration project, and renovations at the Koitiata Hall.
- **Marton Rail Hub** – Environment Court process has been underway for over a year to resolve District Plan Change. To minimise programme delay, design in support of Resource Consent submissions (assuming a positive Court outcome) is progressing in parallel.
- **Welcoming Communities** – Rangitīkei District Council was successful in applying to join the Welcoming Communities programme in July 2021.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Who Are We?

District Profile

The Rangitīkei 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 Rangitīkei. The District is characterised by its hills, which comprise 50% of the land.

The Rangitīkei 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.

Rangitīkei District Council

The Rangitīkei District Council is a territorial authority governed by the Local Government Act 2002. The Council was formed in 1989 by the amalgamation of the Rangitīkei 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 Rangitīkei District Council undertakes services for the residents and ratepayers of the Rangitīkei. 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 Disposal[2]


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 Rangitīkei 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.

Statement of Compliance and Responsibility

Compliance

The Council and Management of the Rangitīkei 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 Rangitīkei 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 Rangitīkei 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 Rangitīkei District Council, the annual Financial Statements for the year ended 30 June 2022 fairly reflect the financial position and operations of the Rangitīkei District Council.

Andy Watson

Mayor
xx December 2022

Peter Beggs

Chief Executive
xx December 2022



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 2021-31 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.

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 resolved to establish Māori Wards.



Council has been a member of the Regional Working Group on Climate Change and will continue its involvement through 2022/23



Background research and community engagement was completed as part of the development of Pae Tawhiti Rangitīkei Beyond,

Highlights for 2021/22

- **Introduction of Māori Wards** – In April 2021 Council resolved to establish Māori Wards. The relevant public consultation took place and on 4 April 2022 the Local Government Commission issued their determination which upheld Council's proposal to establish two Māori Wards. The final make up of the Council now comprises the mayor and 11 councillors elected as follows:

  (i) 1 councillor elected by the electors of Tiikeitia ki Uta (Inland) Māori Ward
  (ii) 1 councillor elected by the electors of Tiikeitia ki Tai (Coastal) Māori Ward
  (iii) 2 councillors elected by the electors of Northern General Ward
  (iv) 5 councillors elected by the electors of Central General Ward
  (v) 2 councillors elected by the electors of Southern General Ward

  The determination takes effect for the 8 October 2022 elections.

- **2022/23 Annual Plan** – Following a special consultation process Council adopted its 2022/23 Annual Plan on 30 June 2022. At that meeting the rates resolution for 2022/23 was also adopted.
- **Regional collaboration** – Council has been a member of the Regional Working Group on Climate Change and will continue its involvement through 2022/23; our Mayor also attends the Regional Transport Committee; and is part of the Accessing Central NZ meetings.
- **Spatial Plan** – During 2021/22 background research and community engagement was completed as part of the development of Pae Tawhiti Rangitīkei Beyond, the Rangitīkei Spatial Plan. The Spatial Plan will 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.
- **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. During the year staff made initial improvements in the way that they could work with the Community Committees, this includes the Community Services team taking ownership of these committees and regularly attending the meetings. Key staff will also be a conduit for the Chairs of the Community Committees so they can provide timely responses to questions.

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.

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Make decisions that are robust, fair, timely, legally compliant and address critical issues, and that are communicated to the community					
On-time completion of, or substantially undertaken annual plan actions		90% or more Annual Plan Actions completed	67.9%	64%	While our targets often cover "how" we carry out a service, action completion refers to the projects outlined in the Long-Term Plan or Annual Plan for the year. These projects can be delayed for various reasons. In many cases, variation is based on community feedback, changes in resource availability, or limitations such as COVID-19 restrictions. In these cases, consideration has been given to alternative options or adjusted timeframes. The action is still measured as incomplete when compared to the work plan established for the year. 15% of projects were delayed to improve alignment with other works or ensure strategic alignment with Council, Horizons, or national projects. 17% of projects were delayed due to restrictions or resource limitations caused by adverse events, including COVID-19 and weather events. Many of the incomplete projects are underway or are planned to commence in the coming year.

Activity	Project completion
Community and Leisure Assets	75%
Community Leadership	84%
Community Well-being	93%
Environment and Regulatory	66%
Roading	46%
Rubbish and Recycling	-
Stormwater and Drainage	50%
Wastewater	70%
Water Supply	59%

Achieved Not achieved Not measured

PERFORMANCE MEASURE		OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Completion of capital programme			85% or more of the planned capital programme	49.08%	47.4%	Across a range of construction projects, it remains difficult to secure materials and contractor availability. A significant portion of Council's unspent funds are due to the budget set aside for the Marton Rail Hub, which is awaiting the decision of the Environment Court. Difficulties in completing programmed works were compounded in the roading activity as higher levels of repairs were required due to weather events, taking away from availability for programmed works.
Māori responsiveness framework: Satisfaction ratings from each member of Te Roopuu Ahi Kaa about the effectiveness of each framework outcome area.	Governance and relationships		80% or more overall satisfaction	100%	100%	Two of the outcome areas surpassed the target, with the other outcome areas similar or improving compared to previous scores. Those members who did not indicate they were satisfied answered "neither satisfied or dissatisfied" or "don't know". The comments from the survey indicate that TRAK members are positive about the effectiveness of the framework, as well as Council's interaction and response to advice, while noting that further improvements can be made.
	Culture and identity			92%	80%	
	Prosperity and well-being			67%	70%	
	Resources and infrastructure			75%	53%	
Councils intended level of service is to: Provide a high customer experience that satisfies the needs of the community						
Customer views of their experience (both the customer service and service provided) with Council. HappyOrNot system			Year 1 baseline	83% very happy across all results on all units.	New measure.	Happy Or Not units are available for customers to give feedback at the High Street office in Marton as well as the libraries in Marton and Taihape and Te Matapihi in Bulls. Over the year over 2000 pieces of feedback have been received. Reporting is available in real-time allowing Council to better understand trends including identifying some periods where buttons have been pushed randomly or repeatedly, affecting results.

** Mandatory*

Achieved Not achieved Not measured

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022

Community Leadership

	2021 Long Term Plan ($000)	2022 Long Term Plan ($000)	2022 Actual ($000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,342	1,143	913
Targeted rates	73	78	78
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	**1,415**	**1,221**	**991**
Applications of operating funding			
Payment to staff and suppliers	815	688	687
Finance costs	-	-	-
Internal charges and overheads applied	598	532	522
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**1,413**	**1,219**	**1,209**
Surplus (deficit) of operating funding (A - B)	**2**	**2**	**(218)**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(2)	(2)	(218)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**(2)**	**(2)**	**-**
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**-**	**-**	**-**
Surplus (deficit) of capital funding (C - D)	**(2)**	**(2)**	**218**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**
Note: Depreciation expense not included above	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%.

NEW

Investigations and designs were completed for the implementation of electronic signage at four schools.

45km of road was resealed.

The new Mangaweka Bridge was completed

Highlights for 2021/22:

- **Road Surfacing** – 45km of road was resealed. Hereford St between Wellington Road and Tutaenui Stream Bridge was hot mixed, length 275m.
- **Bridge and structural renewals** – This is a new work category for 2021-24, providing for the renewal of bridges and structures on a 'like for like' basis, as opposed to provision of new or upgrading of existing assets. Work was completed on seven bridges. Network bridge corrosion assessments, and special inspections were also carried out to inform the Forward Works Program.
- **Road to Zero** – This work category provides for the construction / implementation of high priority low-cost, low-risk improvements to the transport system. Investigations and designs were completed for the implementation of electronic signage at four schools. Work also commenced on the 'Speed Management Plan' to ensure strategic alignment with the Government Policy Statement (GPS) on Land Transport, and Rangitikei District Council's strategic direction. This will require an area wide approach to speed limits, rather than a 'corridor-by-corridor' approach. This is essential to ensure that the whole regional network is considered.
- **Low cost, low risk roading improvements:** – This work category provides for the construction / implementation of low-cost, low-risk improvements to the transport system. Work was completed on three new guard rail projects, widening the seal on Parewanui Road, and sealing the approaches to a bridge on Gleesons Road - Ben Nevis. Designs were also prepared for a number of projects that were deferred to 2022-23.
- **Resilience improvements** – This work category provides for non-routine work to protect the asset from damage. Seven sites were completed. Designs were also prepared for a number of projects that were deferred to 2022-23.
- **Footpaths:** New footpaths and kerb and channel were constructed at Toia Street and Hair Street.
- **Mangaweka Bridge** – This new bridge was completed. Planting, guardrail, and ancillary work are programmed to be completed by October 2022.
- **Emergency Work** – Storm events occurred in December 2021, February, May and June 2022. The total cost to restore the storm damage is estimated to be $3.6 million.

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 Roading Network Classification and funding subsidies.

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Provide a sustainable roading network that is maintained in accordance with each road's significance for local communications and the local economy, taking into account the One Roading Network Classification and funding subsidies					
*Road condition The average quality of ride on a sealed local road network measured by smooth travel exposure	●	90% or more	95%	95%	
*Road maintenance The percentage of the sealed road network that is resurfaced	●	6% or more	5.6%	5.3%	This target was not met due to increased demand on contractors caused by weather damage as well as the impacts from COVID.
The percentage of the unsealed road network which is re-metalled during the year	●	12,000m3 or more	76% (9186m^3)	95.6% (11,466m^3)	This target was not met due to increased demand on contractors caused by weather damage as well as the impacts from COVID.
*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 e.g. Annual Plan, Asset Management Plan.	●	90% of footpaths make up category 1 or 2[1]	CBD 95.3% 93% non-CBD (the measurement was for grade 1, 2 and 3)	CBD 95.3% 93% non-CBD (the measurement was for grade 1, 2 and 3)	Footpath rating surveys are carried out every 3 years as the footpaths wouldn't deteriorate in a way that would require the survey to be carried out annually. The last survey was completed in October 2020.
*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	●	No fatal crashes on the Council roading network	0	0	
	●	10 or less serious injury crashes on the Council roading network	6	4	

1 *1. Excellent, 2. Good, 3. Fair, 4. Poor, 5. Very Poor*

● Achieved ● Not achieved ● Not measured

PERFORMANCE MEASURE		OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Be responsive to community expectations over the roading network and requests for service						
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. Results will be presented as the median.	After hours callouts	●	95% responded to in 12 hours	98%	58%	
	Working hours callouts	●	95% responded to in 6 hours	97%	45%	
	Resolution	●	85% of callouts resolved within one month	97%	46%	
	Requests concerning potholes (Target: 95% responded to in 6 hours)	●	Specified reference to callouts relating to potholes	92%	25%	Council received 51 requests relating to potholes, of which 92% were responded to on time. This is only slightly lower than the target for 95% of responses to be on time. However this is showing significant improvement on the figures in 2020/21, in part due to corrections in the way data is captured.

** Mandatory*

● Achieved ● Not achieved ● Not measured

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022

Roading and Footpaths

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	168	129	103
Targeted rates	6,788	7,318	7,364
Subsidies and grants for operating purposes	3,485	4,260	4,257
Fees and charges	31	7	23
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	120	140	115
Total operating funding (A)	**10,592**	**11,854**	**11,862**
Applications of operating funding			
Payment to staff and suppliers	6,202	6,697	11,092
Finance costs	97	93	104
Internal charges and overheads applied	798	4,129	4,034
Other operating funding applications			-
Total applications of operating funding (B)	**7,097**	**10,919**	**15,230**
Surplus (deficit) of operating funding (A - B)	**3,495**	**935**	**(3,368)**
Sources of capital funding			
Subsidies and grants for capital expenditure	3,915	11,682	4,550
Development and financial contributions	-	-	-
Increase (decrease) in debt	(51)	6,840	7,039
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**3,864**	**18,522**	**11,589**
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	8,325	-
- to improve the level of service	-	5,923	1,213
- to replace existing assets	6,304	5,209	7,009
Increase (decrease) in reserves	1,055	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**7,359**	**19,457**	**8,222**
Surplus (deficit) of capital funding (C - D)	**(3,495)**	**(935)**	**3,368**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**
Note: Depreciation expense not included above	*6,996*	*8,176*	*8,126*

The Council does not fully fund depreciation on roading. This is because a subsidy is received on capital renewals from New Zealand Transport Agency which is used to reduce the cost to the Council.

Rangitīkei District Council - Capital Works
Roading and Footpaths

Category	*Designated projects for 2021/22*	*2022 LTP Y1 ($000)*	*2022 Actual ($000)*
RENEWALS	**(to replace existing assets)**		
Unsealed road metalling	Programmed renewals	444	318
Drainage	Programmed renewals	735	604
Structure components	Programmed renewals	454	473
Replacement of bridges and structures	Programmed renewals	2,430	1,733
Asset management planning	Programmed renewals	-	67
Road improvements	Programmed renewals	-	2
Road safety improvements	Programmed renewals	-	29
Minor improvements	Programmed renewals	5,157	987
Traffic services	Programmed renewals	292	186
Sealed road surfacing	Programmed renewals	2,914	2,410
Footpaths	Programmed renewals	252	201
Total renewals		**12,677**	**7,009**
CAPITAL	**(to improve the level of service)**		
Marton Rail Hub		7,800	1,213
Total capital		**7,800**	**1,213**
Borrowing			
For the year ended 30 June 2022			
Balance of borrowing at start of year		-	4,077
Funds borrowed during the year		-	7,039
Funds repaid during the year		-	-
Balance of borrowing at end of year		**-**	**11,116**
Proportion of internal borrowing to all borrowing at 30 June		**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

NEW

Investigations completed to identify solutions for the reduction of raw water take from the Hautapo river

New bore site identified for the Marton Water Strategy

NEW

A new rising main for Bulls has been constructed

Highlights for 2021/22:

- **Marton Water Strategy** – All planned work progressed well with the completion of potential ground water investigations and analysis. The new bore site identified, and the bore construction contract tendered to the open market. A preferred contractor was engaged, and construction of the new bore will commence early in the new financial year.
- **Taihape Raw Water supply** – Detailed engineering investigations completed to identify solutions for the reduction of raw water take from the Hautapo river. The preferred solution has been identified and parts and materials purchased for installation during the dryer summer months in the new financial year.
- **Bulls Drinking water rising main** – A new rising main for Bulls has been constructed as one of the projects funded by the Three Waters stimulus funding. This form part of the new Bulls reservoir project with the construction of the new water supply pump station to follow in the new financial year.
- **Taihape falling main replacement** – A new route for the last portion of the Taihape falling main has been identified after detailed investigations. The detailed design started and the new section of the falling main will be constructed in the new financial year.

Level of Service

Provide a safe and compliant supply of drinking water

PERFORMANCE MEASURE		OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Provide a safe and compliant supply of drinking water						
*Safety of drinking water The extent to which the Council's drinking water supply complies with:	• part 4 of the drinking water standards (bacteria compliance criteria)		No Incidents of non-compliance with bacteria compliance criteria (6/6)	Compliant (6/6)	Compliant (6/6)	All plants and supply networks compliant
	• part 5 of the drinking water standards (protozoa compliance criteria)		No Incidents of non-compliance with protozoa compliance criteria (6/6)	Non-compliant (2/6)	Non-compliant (2/6)	Compliance with this measure is challenging as a single short-term incident will render a treatment plant non-compliant for the year. Non-compliance is often caused by data collection issues such as spikes in electricity, and does not indicate that public health was ever at risk. Rātana and Marton treatment plants were compliant.
Councils intended level of service is to: Provide reliable and efficient urban water supplies						
*Maintenance of the reticulation network The percentage of real water loss from Council's networked urban reticulation system			Less than 40%	37%	42%	
*Demand Management The average consumption of drinking water per day per resident within the District			600 litres per resident per day	559 litres per resident per day	524 litres	
*Councils intended level of service is to: Be responsive to reported faults and complaints**						
*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.	Attendance for urgent call outs		0.5 hours	0.1 hours	0.25 hours	
	Resolution of urgent call outs		24 hours	1.4 hours	2.08 hours	
	Attendance for non-urgent call outs		24 hours	0.2 hours	2.05 hours	
	Resolution of non-urgent call outs		96 hours	3.4 hours	2.77 hours	

Achieved Not achieved Not measured

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
*Customer satisfaction The total number of complaints (expressed per 1000 connections to the reticulated networks) received by the Council[1]		≤20 complaints per 1000 connections	67.6/1000	19.21/1000	Complaints about the water supply were high in November through March. These relate to seasonal variations in the surface water intake that make it more difficult to treat to aesthetic standards. Council is aware of ongoing concerns about the water supply, particularly in Marton, and therefore has planned a range of upgrades to improve this. A change has been made to the capture of water-related calls. In previous years, when officers could resolve a call immediately, particularly by providing information such as planned water shut-downs, this was not entered in the system as a complaint or request for service. However, Audit NZ and the Department of Internal Affairs have advised Council that all water-related calls are to be included in this measure. This change was in place for the 2020/21 financial year, and results demonstrate the increased number of calls recorded due to this change to process.

1 *a. drinking water clarity, b. drinking water taste , c. drinking water odour, d. drinking water pressure or flow , e. continuity of supply, and f. The Council's response to any of these issues*

Achieved Not achieved Not measured

PERFORMANCE MEASURE		OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Maintain compliant, reliable and efficient rural water supplies						
Where the Council attends a call out in response to a fault or unplanned interruption to its water supply for rural water schemes, the following median times are measured:	Attendance time: from the time that the Council receives notification to the time that service personnel reach the site		48 hours	0.2 hours (urgent) 0.1 hours (normal)	0.25 hours	
	Resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault of interruption		96 hours	21.6 hours (urgent) 1.9 hours (normal)	2.08 hours	

** Mandatory*

Achieved Not achieved Not measured

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022

Water Supply

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
SSources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	8
Targeted rates	5,183	5,731	5,768
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	58	47
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	**5,183**	**5,789**	**5,824**
Applications of operating funding			
Payment to staff and suppliers	2,133	2,483	2,910
Finance costs	900	309	7
Internal charges and overheads applied	999	1,152	1,093
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**4,032**	**3,944**	**4,010**
Surplus (deficit) of operating funding (A - B)	**1,151**	**1,845**	**1,814**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	2,410	2,139
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,908	(1,069)	(3,072)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding ©	**1,908**	**1,341**	**(933)**
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	844	2,080	434
- to replace existing assets	2,215	1,106	446
Increase (decrease) in reserves	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**3,059**	**3,186**	**880**
Surplus (deficit) of capital funding (C - D)	**(1,151)**	**(1,845)**	**(1,813)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**
Note: Depreciation expense not included above	*1,514*	*1,847*	*1,751*

Rangitīkei District Council - Capital Works
Water Supply

Category	*Designated projects for 2021/22*	*2022 LTP Y1 ($000)*	*2022 Actual ($000)*
RENEWALS	**(to replace existing assets)**		
Water District	Treatment and reticulation	410	343
Hunterville urban	Treatment and reticulation	25	50
Erewhon	Treatment and reticulation	120	-
Hunterville rural	Treatment and reticulation	45	3
Omatane	Treatment and reticulation	6	1
Taihape	Treatment and reticulation	200	48
Total renewals		**806**	**446**
CAPITAL	**(to improve level of service)**		
Water District	Treatment Upgrade	2,050	304
Hunterville urban	Treatment Upgrade	300	7
Hunterville rural	Treatment Upgrade	-	49
Taihape	Treatment Upgrade	-	74
Total capital		**2,350**	**434**
Borrowing			
For the year ended 30 June 2022			
Balance of borrowing at start of year		-	17,309
Funds borrowed during the year		-	-
Funds repaid during the year		-	(3,072)
Balance of borrowing at end of year		**-**	**14,237**

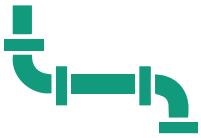
All borrowing is managed through the Council's treasury function which borrows externally to maintain sufficient liquidity for day to day operations. Therefore, the loans to activities from the Council's treasury function, are funded by a mix of internal and external funds.

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

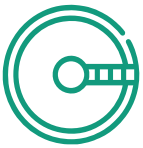
Sewerage and the Treatment and Disposal of Sewage

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.



The construction of the Marton to Bulls pipeline completed in June 2022



We purchased land suitable for land disposal of treated wastewater from Rātana



Papakai Pump Station Taihape detailed design completed

Highlights for 2021/22:

- **Marton to Bulls pipeline** – The construction of the Marton to Bulls pipeline was funded by the Three Waters stimulus funding and completed in June 2022. The new pipeline connects the Marton and Bulls wastewater treatment plants and forms part of the first phase of the long-term Marton to Bulls centralisation project. Lowe Environmental Impact has been engaged as project manager across all project activities through to conclusion of the multi-year project.
- **Lake Waipu Wastewater upgrade (Rātana)** – RDC identified and purchased land suitable for land disposal of treated wastewater from Rātana. All associated consent work and investigations started to supply the required information for a consent application in the next financial year. All treatment plant upgrade investigations and ground water testing were also completed.
- **Papakai Pump Station Taihape** – Detailed design completed and with contractors for pricing. Construction of the new pump station is planned for the new financial year.

Level of Service

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

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Provide a reliable, reticulated disposal system that does not cause harm or create pollution within existing urban areas					
*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	●	No abatement notices	Achieved	Not achieved	
	●	No infringement notices	Achieved	Not achieved	
	●	No enforcement orders	Achieved	Achieved	
	●	No convictions	Achieved	Achieved	
*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 3 per 1000 connections	1.41	1.66	
Councils intended level of service is to: Be responsive to reported faults and complaints					
* Fault response time Where the Council attends to sewage overflows resulting from a blockage or other fault in the Council's sewerage system, the following median times are measured: a. attendance time: from the time that the Council receives notification to the time that service personnel reach the site, and b. resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption	●	Attendance urgent 0.5 hours	0.1 hours	0.38 hours	
	●	Attendance non-urgent 24 hours	0.2 hours	1.36 hours	
	●	Resolution urgent 24 hours	1.9 hours	3.65 hours	
	●	Resolution non-urgent 96 hours	0.9 hours	3.2 hours	

● Achieved ● Not achieved ● Not measured

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
*Customer satisfaction The total number of complaints received by the Council about any of the following: a. sewage odour b. sewerage system faults c. sewerage system blockages, and d. the Council's response to issues with its sewerage system Expressed per 1000 connections to the Councils sewerage system.	●	Fewer requests than 6 per 1000 connections	10.2	6.86	A change has been made to the capture of water-related calls. In previous years, when officers could resolve a call immediately, particularly by providing information such as planned water shut-downs, this was not entered in the system as a complaint or request for service. However, Audit NZ and the Department of Internal Affairs have advised Council that all water-related calls are to be included in this measure. This change was in place for the 2020/21 financial year, and results demonstrate the increased number of calls recorded due to this change to process.

** Mandatory*

● Achieved ● Not achieved ● Not measured

Rangitīkei District Council -
Funding Impact Statement For the Year Ended 30 June 2022
Sewerage and the Treatment and Disposal of Sewage

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	(300)	-
Targeted rates	2,778	2,704	2,456
Subsidies and grants for operating purposes	-	-	-
Fees and charges	210	100	40
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	**2,988**	**2,504**	**2,495**
Applications of operating funding			
Payment to staff and suppliers	1,176	782	960
Finance costs	663	137	101
Internal charges and overheads applied	379	473	438
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**2,218**	**1,393**	**1,499**
Surplus (deficit) of operating funding (A - B)	**770**	**1,112**	**996**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	1,928
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,010	9,578	4,636
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**1,010**	**9,578**	**6,564**
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	7,200	540
- to replace existing assets	1,781	3,490	7,020
Increase (decrease) in reserves	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**1,781**	**10,690**	**7,560**
Surplus (deficit) of capital funding (C - D)	**(771)**	**(1,112)**	**(966)**
Funding balance ((A - B) + (C - D))	**(1)**	**-**	**-**
Note: Depreciation expense not included above	*771*	*1,112*	*983*

Rangitīkei District Council - Capital Works

Sewerage and the Treatment and Disposal of Sewage

Category	*Designated projects for 2021/22*	*2022 LTP Y1 ($000)*	*2022 Actual ($000)*
RENEWALS	**(to replace existing assets)**		
Sewerage District	Treatment and reticulation	7,590	7,020
Total renewals		**7,590**	**7,020**
CAPITAL	**(to improve level of service)**		
Sewerage District	Treatment plant upgrade	3,315	540
Total capital		**3,315**	**540**
Borrowing			
For the year ended 30 June 2022			
Balance of borrowing at start of year		-	3,913
Funds borrowed during the year		-	4,636
Funds repaid during the year		-	-
Balance of borrowing at end of year		**-**	**8,549**

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%**
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.

The networks performed well during the 2021/22 wet winter season

Bredins line storm water outfall – Detailed design completed

Highlights for 2021/22:

- **Bredins Line storm water outfall** – Detailed design completed. Consent application submitted and consent obtained. Construction of the outfall to happen in the next financial year.
- **Maintenance of existing open drain networks** – Storm water open drains maintained and cleared as needed across the district. The networks performed well during the 2021/22 wet winter season, with only a small number of storm water request for service received.

Level of Service

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

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Provide a reliable collection and disposal system to each property during normal rainfall					
*Discharge compliance Compliance with the Council's resource consents for discharge from its stormwater 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 notices	Not measured	Not measured	Discharge compliance is a mandatory measure set by the Department of Internal Affairs therefore must be reported on. However as Council has no stormwater consents the measurement in essence can not be measured.
	●	No infringement notices	Not measured	Not measured	
	●	No enforcement orders	Not measured	Not measured	
	●	No convictions	Not measured	Not measured	
*System adequacy The number of flooding events[1] that occurred in the District. For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to the Council's stormwater system). Note: This is a District-wide assessment	●	Fewer requests than 5 per 1000 connected properties	0	0	There were no flooding events therefore no habitable floors have been affected.

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*

● Achieved ● Not achieved ● Not measured

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Be responsive to reported faults and complaints					
*Customer satisfaction The number of complaints received by the Council about the performance of its stormwater system, expressed per 1000 properties connected to the Council's stormwater system.		Fewer requests than 5 per 1000 connected properties	6/1000	4.36/1000	A change has been made to the capture of water-related calls. In previous years, when officers could resolve a call immediately, particularly by providing information such as planned water shut-downs, this was not entered in the system as a complaint or request for service. However, Audit NZ and the Department of Internal Affairs have advised Council that all water-related calls are to be included in this measure. This change was in place for the 2020/21 financial year, and results demonstrate the increased number of calls recorded due to this change to process.
*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.		Two hours or less	0 (there were no flooding events for the reporting period)	0 (there were no flooding events)	

* *Mandatory*

Achieved Not achieved Not measured

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022 **Stormwater Drainage**

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding			
General rates, uniform annual general charge, rates penalties			-
Targeted rates	774	634	646
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2	15	8
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	**776**	**649**	**654**
Applications of operating funding			
Payment to staff and suppliers	215	95	138
Finance costs	115	23	396
Internal charges and overheads applied	118	149	139
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**448**	**267**	**673**
Surplus (deficit) of operating funding (A - B)	**328**	**382**	**(19)**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	820	418	215
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**820**	**418**	**215**
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	786	700	163
- to replace existing assets	363	100	33
Increase (decrease) in reserves	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**1,149**	**800**	**196**
Surplus (deficit) of capital funding (C - D)	**(329)**	**(382)**	**19**
Funding balance ((A - B) + (C - D))	**(1)**	**-**	**-**
Note: Depreciation expense not included above	*330*	*382*	*348*

Rangitīkei District Council - Capital Works
Stormwater Drainage

Category	*Designated projects for 2021/22*	*2022 LTP Y1 ($000)*	*2022 Actual ($000)*
RENEWALS	**(to replace existing assets)**		
District	Reticulation	100	33
Total renewals		**100**	**33**
CAPITAL	**(to improve level of service)**		
District	Culverts, drains and inlet protection	700	163
Total capital		**700**	**163**

Borrowing		
For the year ended 30 June 2022		
Balance of borrowing at start of year	-	892
Funds borrowed during the year	-	215
Funds repaid during the year	-	-
Balance of borrowing at end of year	**-**	**1,107**

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%**
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 Rangitīkei District.

NEW



The bus lane and the town square adjacent to Te Matapihi were completed in March and April 2022

NEW



Construction for Ngā Awa Block, amenities building at Taihape Memorial Park commenced in March 2022



Four Kaumātua flats in Rātana were refurbished

Highlights for 2021/22:

- **Te Matapihi: Bulls Community Centre** – Creation of the bus lane and the town square adjacent to Te Matapihi commenced in October 2021, and were completed in March and April 2022. Ngāti Parewahawaha is working on finalising artwork for these spaces.
- **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, development of the Hautapu River Parks in Taihape, Tutaenui Reservoir Dams Restoration project, and renovations at the Koitiata Hall.
- **Ngā Awa Block** – Construction for Taihape Memorial Park amenities building commenced in March 2022. Due to material supply challenges completion is now expected in early 2023. Detailed design for the endorsed strengthening of the Taihape Grandstand is presently underway.
- **Libraries** – The 2021/22 year saw the continuation of impacts of COVID-19 restrictions on our libraries which caused closures, and impacts on levels of service. While physical book issues were down, eResource issues went up markedly. The Taihape Library and Service Centre was closed suddenly in December 2021 due to the building's earthquake status being assessed as a high risk to life, but was re-opened in a reduced capacity in a leased premises the same month. This year saw the completion of RFID implementation with new self-service checkouts available in all three libraries. The NZLPP resourced staff members contracts ended at June 2021. At the same time Council was successful in applying for $40,000 from the wind up of the NZLPP scheme. This funding will go towards enhancing community engagement and programme delivery.
- **Public toilets** – New dry-vault toilets are programmed for Turakina township, and Tutaenui Reservoir Dams. Due to supply challenges installation is expected in the final quarter of 2022.
- **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. The majority of work was completed by June 2022, with heating and accessible bathrooms still to be completed in 2022/23.
- **Swim Centres** – In Marton the shower facilities were renovated, and additional lighting was installed along with iron roofing replacement over the main pool, and in the portion of building occupied by the Gym.
- **Community Housing** – Re-roofing programmed commenced at a block of flats in Marton, and the four Rātana flats were refurbished with new flooring, kitchen, and bathroom units.

Level of Service

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

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Compliance with relevant standards					
All swimming pools have poolsafe accreditation		Maintain accreditation	Poolsafe accreditation received May 2022	Poolsafe accreditation received May 2021.	Next accreditation to be applied for in 2023.
Council complies with criteria in rental warrant of fitness programme for community housing		All units achieve at least 95% Compliance	3 units did not meet compliance criteria.	68 of the 72 community housing units achieved 95% or more compliance.	Council has 72 housing units. 3 units did not meet compliance due to hot water temperatures exceeding 60 degrees. 59 units that were inspected twice passed their inspections. The remaining units did not have two inspections due to staff and tenant availability.
New public toilet buildings are well designed, safe and visible and Compliance with SNZ4241:1999 and CPTED (safer design guidelines) for new or refurbished toilets		100% compliance	100% compliance	100% compliance	While no public toilet buildings construction was undertaken, those planned during this year for future construction meet these principles.
Playground compliance with NZ Standards		80% compliance	Council undertake safety audits every 2 months and inspections twice a week. Urgent issues are resolved immediately, while non-urgent needs are scheduled for maintenance.	Not measured	Independent audit will be undertaken during the 2022/23 financial year.

Achieved Not achieved Not measured

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Library services are welcoming and provide a space for social interaction and learning					
Customer rating of library facilitates	●	Customer Satisfaction Index (provided via the HappyOrNot system): • 90%	95.2% overall. This consists of: 84 % of 153 responses at Te Matapihi 87% of 193 responses at Taihape 92% 0f 1,294 responses at Marton Library	Not measured	The earlier half of the year showed some lower scores, some of which were identified as the result of misuse of the Happy Or Not system and bad behaviour at Council facilities. These scores have improved in the second half of the year. Real-time scoring allows Council to identify possible opportunities to improve customer satisfaction.
The number of library outreach activities and events delivered	●	5 per year for each library	Marton Library: 10+ Bulls Library: 10+ Taihape Library: 5+ Plus online story-times.	Not measured	Despite COVID restrictions and precautions resulting in an inability to hold larger events and a reduction in services, outreach activities have continued. These have been delivered in person, online, and via "take home" activity packs, and covered a wide variety of topics. Hundreds of residents were assisted to obtain and print their Vaccine Passes. The Taihape Library was closed in December and moved to another building, halting on-site delivery of programmes, but continued to provide click and collect services.
Councils intended level of service is to: Provide parks and sports fields that are fit for purpose					
Number of complaints about Council owned parks and sports fields	●	10 or less per year	3	Not measured	Maintenance of the regions Parks and Sports Fields has continued at a very high standard. Improvements have been undertaken at a number of sites, which has further enhanced the aesthetic and recreational value of our venues.

* *Mandatory*

● Achieved ● Not achieved ● Not measured

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022

Community and Leisure Assets

	2021 Long Term Plan ($000)	2022 Long Term Plan ($000)	2022 Actual ($000)
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,362	4,409	3,738
Targeted rates	-	-	-
Subsidies and grants for operating purposes	199	119	(17)
Fees and charges	509	130	760
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	657	-
Total operating funding (A)	**5,070**	**5,316**	**4,481**
Applications of operating funding			
Payment to staff and suppliers	2,279	2,413	2,060
Finance costs	206	217	176
Internal charges and overheads applied	1,677	809	840
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**4,162**	**3,439**	**3,076**
Surplus (deficit) of operating funding (A - B)	**908**	**1,876**	**1,405**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	253
Development and financial contributions	-	-	-
Increase (decrease) in debt	3,864	6,589	2,943
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**3,864**	**6,589**	**3,196**
Application of capital funding			
Capital expenditure			
- to meet additional demand	4,046	300	-
- to improve the level of service	141	2,400	1,601
- to replace existing assets	292	5,766	3,000
Increase (decrease) in reserves	294	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**4,773**	**8,466**	**4,601**
Surplus (deficit) of capital funding (C - D)	**(909)**	**(1,876)**	**(1,405)**
Funding balance ((A - B) + (C - D))	**(1)**	**-**	**-**
Note: Depreciation expense not included above	*1,251*	*1,876*	*1,414*

Rangitīkei District Council - Capital Works
Community and Leisure Assets

Category	*Designated projects for 2021/22*	*2022 LTP Y1 ($000)*	*2022 Actual ($000)*
RENEWALS	**(to replace existing assets)**		
Swimming pools	Pool Covers, Painting, Reroofing, Boilers	500	304
Libraries	Books, furniture and Refurbishment	313	259
Community housing	Flat refurbishment	264	179
Domains	Ammenities upgrades	2,844	1,407
Toilets	Renewals	-	1
Cemeteries	Renewals	-	58
Halls	Refurbishment	1,172	793
Total renewals		**5,093**	**3,000**
CAPITAL	**(to improve level of service)**		
Swimming pools		-	-
Libraries	Marton Admin and Library centre	-	-
Cemeteries	Berms/Re- surfacing & Fencing	-	-
Domains	Parks Upgrades	-	-
Toilets	New Buildings	595	598
Forestry	Marton Dam Planting	-	6
Halls	Community Centres	1,764	996
Total capital		**2,359**	**1,601**
Borrowing			
For the year ended 30 June 2022			
Balance of borrowing at start of year		-	4,605
Funds borrowed during the year		-	2,943
Funds repaid during the year		-	-
Balance of borrowing at end of year		**-**	**7,548**
Proportion of internal borrowing to all borrowing at 30 June		**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.



Council employed a dedicated solid waste officer



Completed a district wide solid waste roadmap to create a 30-year strategic direction for all our communities

Highlights for 2021/22:

- **Rangitīkei District Council Solid Waste Roadmap** – Council commissioned and completed a district wide solid waste roadmap to create a 30-year strategic direction for all our communities. This work was followed by a Section 17A review of our current service contract, with recommendations for future contract to be able to deliver the outcomes identified in the Road Map.
- **Solid Waste Management** – Solid Waste management will be supplied by making use of in-house resources rather than being outsourced to an external service provider. RDC employed a dedicated solid waste officer and will align all actions with the district wide Road Map document.

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.

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Make recycling facilities available at waste transfer stations for glass, paper, metal, plastics, textiles and green waste. 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.					
Waste to landfill (tonnage)	●	Less than 5,500 tonnes to landfill	5,898 tonnes	5,430 tonnes	Waste to landfill has trended upwards due to higher economic activity and population growth. Additionally, there have been ongoing disruptions due to COVID-19 restrictions where recycling has been sent to landfill.
Recycling available at Waste Transfer Stations throughout the District.	●	Bulls, Marton, Taihape, Hunterville, Rātana provide for recycling of; glass, metal, paper, plastics (1-5), cans/tins.	Outcome met	Not measured	A recycling drop-off service continues to be available at the Transfer Stations.

** Mandatory*

● Achieved ● Not achieved ● Not measured

Rangitīkei District Council -
Funding Impact Statement For the Year Ended 30 June 2022
Rubbish and Recycling

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	136	141	143
Targeted rates	1,572	932	946
Subsidies and grants for operating purposes			-
Fees and charges	525	649	790
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding (A)	**2,233**	**1,723**	**1,880**
Applications of operating funding			
Payment to staff and suppliers	1,948	1,463	2,924
Finance costs	30	1	18
Internal charges and overheads applied	125	195	191
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**2,103**	**1,659**	**3,151**
Surplus (deficit) of operating funding (A - B)	**130**	**64**	**(1,271)**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(35)	(64)	1,271
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**(35)**	**(64)**	**-**
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	96	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**96**	**-**	**-**
Surplus (deficit) of capital funding (C - D)	**(131)**	**(64)**	**1,271**
Funding balance ((A - B) + (C - D))	**(1)**	**-**	**-**
Note: Depreciation expense not included above	*130*	*64*	*24*

Rangitīkei District Council - Capital Works
Rubbish and Recycling

Category	*Designated projects for 2020/21*	*2021 LTP Y1 ($000)*	*2022 Actual ($000)*
RENEWALS	**(to replace existing assets)**		
Total renewals		**-**	**-**
CAPITAL	**(to improve level of service)**		
Total capital		**-**	**-**

Borrowing		
For the year ended 30 June 2022		
Balance of borrowing at start of year	-	61
Funds borrowed during the year	-	1,271
Funds repaid during the year	-	-
Balance of borrowing at end of year	**-**	**1,332**

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%**
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 Employment [1]) 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 Manawatū Districts.



Officers have completed all assessments of potential earthquake prone buildings



Online building applications went live in December 2021

Highlights for 2021/22:

- **Building Accreditation** – The Council Building Control Authority (BCA) remains accredited and the next audit is due February 2023. Planning for online electronic building consent applications Online applications went live in December 2021 and the process is well embedded and is working well.
- **Rural to Industrial Plan Change** – The District Plan Change to rezone land south-east of Marton from Rural to Industrial for the Marton Rail Hub project remains subject to appeal. The Environment Court hearing is scheduled to occur and decision expected to be released in late 2022.
- **Implementation of the Building (earthquake-prone buildings) Amendment Act** – Officers have completed all assessments of potential earthquake prone buildings 218 in total, of which 105 had been identified as potentially earthquake prone, 9 of these have been either remediated or the engineering report has indicated they above the 34% NBS. Officers are now continuing final decision on the remaining 90 buildings. A total of six buildings have been issued with final earthquake prone notices.
- **Animal Control** – Council continued to provide animal control services for both Rangitīkei and Manawatū districts under a shared services arrangement.
- **Food Act and Health Act** – Council continuous to provide this service under contract from Manawatū District Council, as Whanganui Council could no longer provide this service.

Level of Service

Provide a legally compliant service.

PERFORMANCE MEASURE		OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Provide a legally compliant service						
Timeliness of processing building consents and resource consents	Building consents		100% processed within statutory timeframes	91.52%	81.4%	Workload pressures due to increased building activity led to consents going overdue earlier in the year with staff shortages.
	Resource consents		100% processed within statutory timeframes	Land use consents: 100% Subdivision consents: 95.4%	Subdivision 56.8% Land use 75.6%	The processing timeframes have significantly improved since 20/21. Only two subdivision consents were not processed within statutory timeframes. While staff endeavour to complete all consents within timeframes, delays can be caused due to processing and communication issues.
Animal Control -Timeliness of response (i.e the Request for Service has been acknowledged) and completion (i.e the Request for Service has been signed off by officers). Results will be presented as the median • Priority 1's = Any Dog Attack / Found Dog / Rushing Dog / Wandering Stock • Priority 2's = Animal Welfare Concern / Barking Dog / Property Inspection / General Enquiry / Lost Animal / Microchip Dog / Multi-dog Inspection / Roaming Dog / Animal Control Bylaw Matter	Response to Priority 1 call outs		90% responded within 0.5 hours	98%	96% responded to in time	
	Completion of Priority 1 call outs		90% completed within 20 working days	90%	78% completed on time	
	Response to Priority 2 call outs		90% responded within 24 hours	87%	91% responded to in time	Due to the differing urgency of priority 1 and priority 2 callouts, there are times when officers are required to prioritise their time to complete a priority 1 callout. At times, this can mean staff are not available to respond to a priority 2 callout within the time specified. Additionally, officers do not respond to a priority 2 callout outside of working hours, so where this 24-hour window falls over a weekend, the target timeframe will not be met. Rostering changes will improve this measure during business hours.
	Completion of Priority 2 call outs		90% completed within 20 working days	72%	78% completed on time	The time taken to resolve an issue is not always within Council's control, with reliance on factors such as the owner's situation or witness availability. Council seeks to meet the expected resolution times wherever possible. Rostering changes will improve this measure during business hours.

Achieved Not achieved Not measured

PERFORMANCE MEASURE		OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Environmental health Timeliness of response (i.e the site has been attended) and completion (i.e the Request for Service has been signed off by officers). Results will be presented as the median.	Response to Noise Control call outs	●	90% responded to in 1.5 hours	98%	Not measured	
	Completion of Noise Control call outs	●	90% completed in 2 hours	98%	Not measured	
	Response to Food Premises call outs	●	90% responded to in 24 hours	100%	Not measured	
	Completion of Food Premises call outs	●	90% completed in 72 hours	100%	Not measured	

** Mandatory*

● Achieved ● Not achieved ● Not measured

Rangitīkei District Council -
Funding Impact Statement For the Year Ended 30 June 2022
Environmental and Regulatory Services

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,222	1,207	1,059
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	700	1,374	1,383
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	319	355	365
Total operating funding (A)	**2,241**	**2,936**	**2,807**
Applications of operating funding			
Payment to staff and suppliers	423	1,382	1,305
Finance costs	-	-	-
Internal charges and overheads applied	1,818	1,554	1,534
Other operating funding applications			-
Total applications of operating funding (B)	**2,241**	**2,936**	**2,839**
Surplus (deficit) of operating funding (A - B)	**-**	**-**	**(32)**
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	-	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**-**	**-**	**-**
Surplus (deficit) of capital funding (C - D)	**-**	**-**	**32**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**
Note: Depreciation expense not included above	-	-	-

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. .



Council's application for Marton Rail Hub to the Provincial Growth Fund was successful



Council developed and regularly reviewed it's Pandemic Response Plan and Covid-19 Resurgence Plan

NEW



Work has been undertaken to finalise new signage with icons to reflect towns' identity throughout the District.

Highlights for 2021/22:

- **Pandemic response** – Council developed and regularly reviewed it's 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 it's internal Emergency Operations Centre Team (Pandemic Response Team), and enhancing local welfare response arrangements within the District.
- **Marton Rail Hub** – Environment Court process has been underway for over a year to resolve District Plan Change. The timeline for the Court decision is unknown but expected within October 2022. To minimise programme delay, design in support of Resource Consent submissions (assuming a positive Court outcome) is progressing in parallel. A new Project Director has been appointed to lead the project.
- **Community Organisations** – Council has continued to work with local organisations for community development.
- **Youth Development** – The Youth Council has continued to function, meeting monthly Officers have continued with youth engagement including some very successful programmes and partnerships such as Forge Boxing in Marton, and vocational road trips.
- **Mahi Tahi** – In 2021–2022, the Rangitīkei District Council again successfully secured $500,000 for 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. The Mahi Tahi programme filled a total of 120 jobs.
- **Welcoming Communities** – Rangitīkei District Council was successful in applying to join the Welcoming Communities programme in July 2021. This programme is co-ordinated by Immigration New Zealand and is based on the recognition that communities that make new- comers welcome are likely to enjoy better social outcomes, and stronger economic growth. Council achieved Stage 1 accreditation in May 2022.
- 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 economic development strategy was developed. A key component of the past 12 months was facilitating conversations around the provision of housing.
- **Emergency management** – Council achieved enhanced internal capability within it's 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 re-established it's 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.

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
Councils intended level of service is to: Ensure competency in discharging Civil Defence responsibilities					
Timing of self-assessment when the Emergency Operations Centre is activated and of continued civil defence training exercises	●	Self-assessment undertaken and responded to within four months of Emergency Operations Centre activation	Achieved	Achieved	Debriefs undertaken with internal Incident Management Team and external agencies following response to August 2021 Covid-19 lockdown. Improvement actions identified and implemented.
	●	At least one exercise undertaken each year	Achieved	Achieved (three scenario based exercises)	Two Scenario Based exercises held over the past calendar year, comprising of a full day two-part EOC exercise for flood response.
Councils intended level of service is to: Identify and promote opportunities for economic development in the District.					
Implementing actions each year from the Economic Development Strategy and Housing Strategy Action Plans (Annual Work Plans).	●	Greater than 80% of the actions completed for each relevant year.	75% Housing Strategy actions 34.9% Economic Development Strategy	Not measured	Three out of four housing actions were completed in full. For the fourth, a housing survey, a housing survey for seniors and the elderly was completed in Taihape and surrounding communities. A district-wide housing survey was designed, agreement was reached to collaborate on its delivery with a key iwi partner and then implementation was delayed for nine months due to Covid-19. In the final three months of the year the survey was postponed to 2022/23 to prevent conflict with and consultation fatigue caused by other Council consultations. Under the five Economic Development Strategy priority areas described in the LTP, work plans included seven actions with 43 KPIs. Of the 43 KPIs, 20 were not able to be pursued in 2021/22 for reasons including Covid-19 restrictions and unavailability of partners. Of the remaining 23 KPIs, 15 were accomplished in full, and 8 are multi-year activities that will achieve measurable results during the end of the 3-year LTP period. An additional eleven KPIs have also been initiated in response to opportunities arising during the year – these are not included in the 2021/22 result.

● Achieved ● Not achieved ● Not measured

PERFORMANCE MEASURE	OUTCOME	2021/22 TARGET	2021/22 RESULT	2020/21 RESULT	NARRATIVE
District GDP growth compared to national GDP growth.		GDP growth for the Rangitīkei District is within +/-1% of national GDP growth, or better.	Achieved	Achieved	Rangitikei District GDP growth information is updated annually. In 2021, GDP growth was 2.3%, which compared favourably to national GDP growth of -1.2%.

** Mandatory*

 Achieved  Not achieved  Not measured

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022

Community Well-being

	2021 Long Term Plan ($000)	*2022 Long Term Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,562	1,360	912
Targeted rates	-	-	-
Subsidies and grants for operating purposes	53	125	594
Fees and charges	14	5	5
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	33	19	2
Total operating funding (A)	**1,662**	**1,509**	**1,513**
Applications of operating funding			
Payment to staff and suppliers	989	1,123	1,327
Finance costs	1	-	-
Internal charges and overheads applied	670	377	373
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**1,660**	**1,499**	**1,701**
Surplus (deficit) of operating funding (A - B)	**2**	**10**	**(188)**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(1)	(10)	188
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**(1)**	**(10)**	**188**
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	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**3**	**-**	**-**
Surplus (deficit) of capital funding (C - D)	**(4)**	**(10)**	**188**
Funding balance ((A - B) + (C - D))	**(2)**	**-**	**-**
Note: Depreciation expense not included above	*6*	*10*	*5*

Section 3:

Financial Statements and Policy Reports

Rangitīkei District Council - Funding Impact Statement For the Year Ended 30 June 2022 - Whole of Council

	2021 Annual Plan ($000)	*2021 Actual ($000)*	*2022 Annual Plan ($000)*	*2022 Actual ($000)*
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	7,314	6,441	7,104	6,924
Targeted rates	16,034	16,115	17,398	17,258
Subsidies and grants for operating purposes	3,585	5,529	4,688	5,005
Fees and charges	2,469	3,110	2,348	3,065
Interest and dividends from investments	121	62	13	71
Local authorities fuel tax, fines, infringement fees, and other receipts	478	495	1,196	501
Total operating funding (A)	**30,001**	**31,753**	**32,746**	**32,825**
Applications of operating funding				
Payment to staff and suppliers	22,822	24,999	26,164	32,665
Finance costs	138	87	496	293
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	**22,960**	**25,086**	**26,660**	**32,958**
Surplus (deficit) of operating funding (A - B)	**7,041**	**6,667**	**6,086**	**(133)**
Sources of capital funding				
Subsidies and grants for capital expenditure	7,540	7,310	14,092	8,870
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	22,577	(16)	26,310	15,984
Gross proceeds from sale of assets	107	452	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	**30,224**	**7,746**	**40,402**	**24,854**
Application of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	-
- to improve the level of service	8,794	2,006	8,625	4,208
- to replace existing assets	28,472	16,123	18,484	18,098
Increase (decrease) in reserves	-	(3,717)	16,379	2,024
Increase (decrease) in investments	-	-	3,000	400
Total applications of capital funding (D)	**37,266**	**14,412**	**46,488**	**24,720**
Surplus (deficit) of capital funding (C - D)	**(7,042)**	**(6,666)**	**(6,086)**	**134**
Funding balance ((A - B) + (C - D))	**(1)**	**-**	**-**	**-**
Note: Depreciation expense not included above	*-*	*12,661*	*14,042*	*13,094*

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 2022

	Notes	2022 Actual ($000)	2022 Budget ($000)	2021 Actual ($000)
Revenue				
Rates	3	24,110	24,503	22,556
Subsidies and Grants	4A	13,874	18,780	12,838
Other revenue	4B	3,566	3,544	3,606
Finance revenue		71	13	62
Vested and discovered assets		4,975	-	2,785
Gains		126	-	51
Total operating revenue		**46,722**	**46,840**	**41,898**
Expenditure				
Depreciation and amortisation expense	11,12	13,094	14,042	12,661
Personnel costs	5	7,121	6,632	5,542
Finance costs		293	496	87
Losses		24	-	139
Other expenses	6	21,498	19,532	19,445
Total operating expenditure		**42,029**	**40,702**	**37,874**
Operating surplus (deficit) before tax		**4,693**	**6,138**	**4,024**
Income tax expense	7	-	-	-
Operating surplus (deficit) after tax		**4,693**	**6,138**	**4,024**
Other comprehensive revenue and expense				
Items that could be reclassified to surplus(deficit)				
Financial assets at fair value through other comprehensive revenue and expense		-	-	-
Items that will not be reclassified to surplus(deficit)		-	-	-
Gain on revaluation of infrastructure assets	11	-	31,589	-
Gain on revaluation of property, plant and equipment	11	-		
Total other comprehensive revenue and expense		**-**	**31,589**	**-**
Total comprehensive revenue and expense		**4,693**	**37,727**	**4,024**

Explanations of major variances against budget are provided in Note 27.
The accompanying notes form part of these financial statements.

Statement of Changes in Net Assets/Equity

For the year ending 30 June 2022

	Notes	2022 Actual ($000)	2022 Budget ($000)	2021 Actual ($000)
Balance as at 1 July		**610,708**	**611,422**	**606,684**
Total comprehensive revenue and expense for the year		4,693	37,727	4,024
Balance as at 30 June	**17**	**615,401**	**649,149**	**610,708**

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 2022

	Notes	2022 Actual ($000)	2022 Budget ($000)	2021 Actual ($000)
Cash flows from operating activities				
Receipts from rates revenue		24,836	24,381	22,845
Receipts from other revenue		14,662	22,213	19,704
Interest received		71	13	62
Payments to suppliers and employees		(26,676)	(26,033)	(26,133)
Interest paid		(293)	(496)	(87)
Goods and services tax (net)		-	-	-
Net cash inflows (outflows) from operating activities	**18**	**12,601**	**20,078**	**16,391**
Cash flows from investing activities				
Receipts from sale of property, plant and equipment		340	-	362
Receipts from sale of investments		-	-	-
Acquisition of investments		-	-	-
Purchases of property, plant and equipment		(22,300)	(43,271)	(18,079)
Purchases of intangible assets		(445)	-	(74)
Purchase of Biological Assets		-	-	-
Net cash inflows (outflows) from investing activities		**(22,405)**	**(43,271)**	**(17,791)**
Cash flows from financing activities				
Proceeds from borrowings		15,984	26,308	-
Repayment of borrowings			-	(16)
Net cash inflows (outflows) from financing activities		**15,984**	**26,308**	**(16)**
Net increase (decrease) in cash, and cash equivalents		6,179	3,114	(1,416)
Cash and cash equivalents at the beginning of the year		6,991	4,767	8,407
Cash and cash equivalents at the end of the year	**8**	**13,171**	**7,881**	**6,991**

The accompanying notes form part of these financial statements

Statement of Financial Position

For the year ending 30 June 2022

	Notes	2022 Actual ($000)	2022 Budget ($000)	2021 Actual ($000)
Assets				
Current Assets				
Cash and cash equivalents	8	13,171	7,881	6,991
Debtors and Other Receivables	9	3,221	4,556	3,088
Prepayments		297	219	213
Other financial assets	10	-	-	-
Total current assets		**16,689**	**12,656**	**10,292**
Non-current assets				
Plant, property and equipment	11	625,362	677,609	611,353
Intangible assets	12	629	145	275
Forestry assets		61	71	69
Other financial assets				
Corporate bonds	10	477	79	78
Investment in CCOs and other similar entities	10	51	49	50
Total non-current assets		**626,580**	**677,953**	**611,825**
Total assets		**643,269**	**690,609**	**622,117**
Liabilities				
Current Liabilities				
Creditors and other payables	13	6,250	5,357	4,315
Employee entitlements	15	568	720	467
Income in advance	13A	1,412	166	2,938
Borrowings	14	16	16	16
Other Financial Liabilities		-	-	-
Total current liabilities		**8,246**	**6,259**	**7,736**
Non-current liabilities				
Employee entitlements	15	7	5	7
Provisions	16	551	792	586
Borrowings.	14	19,064	34,404	3,080
Total non-current liabilities		**19,622**	**35,201**	**3,673**
Total liabilities		**27,868**	**41,460**	**11,409**
Net Assets		**615,401**	**649,149**	**610,708**
Equity				
Accumulated funds	17	471,461	473,593	466,754
Special and restricted reserves	17	4,503	4,517	4,504
Other reserves	17	139,437	171,039	139,450
Total equity		**615,401**	**649,149**	**610,708**

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

The accompanying notes form part of these financial statements

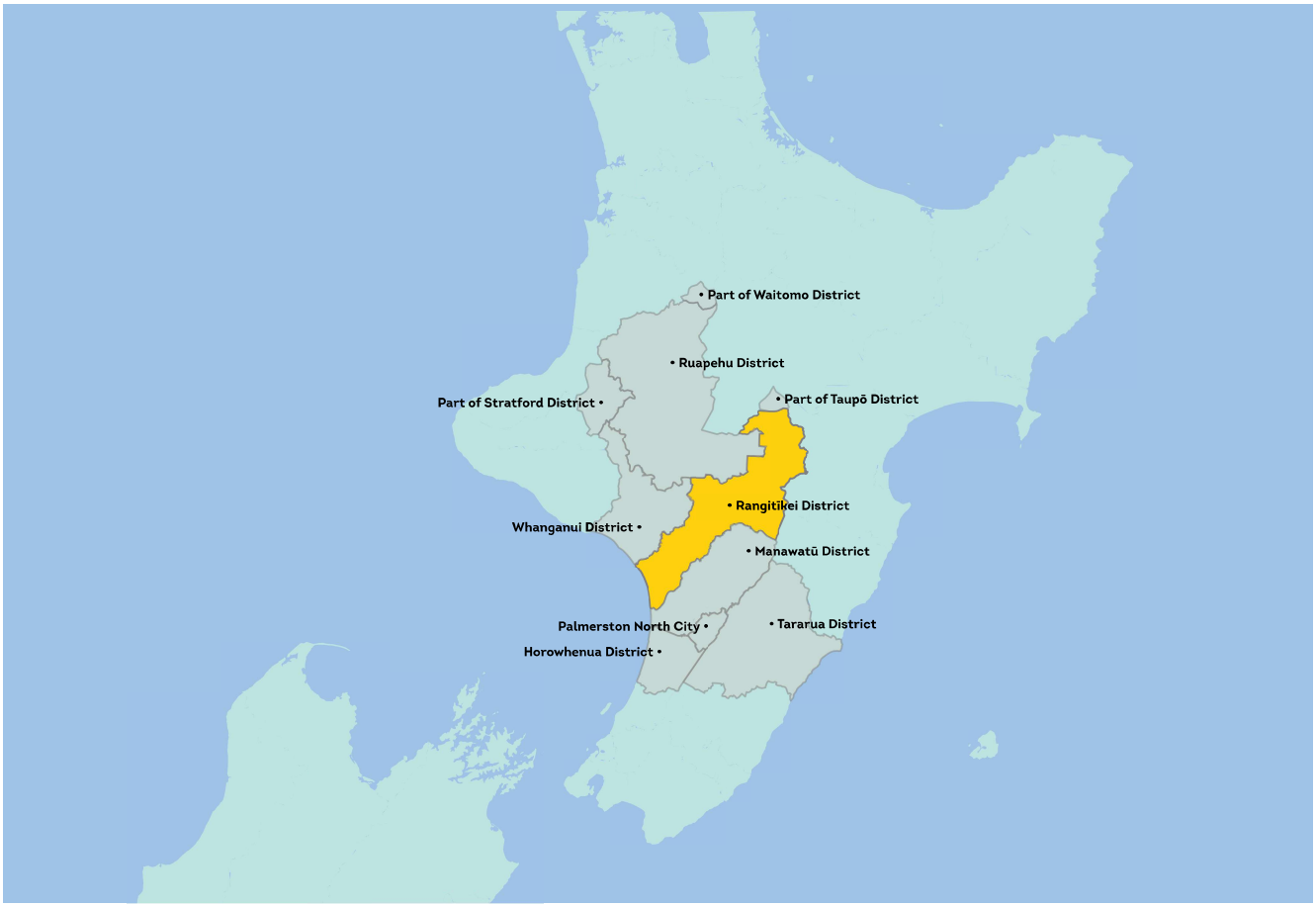
Council-Controlled Organisations (CCO)

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.

Rangitīkei 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 Rangitīkei 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 .



MW Regional Disaster Relief Fund Trust

After the Manawatu Whanganui Regional Disaster Relief Fund Trust was established in March 2004, each of the eight local authorities appointing trustees passed a resolution exempting the Trust for the status as a council-controlled organisation.

In 2015, the administration of the Trust was transferred to Horizons Regional Council, and resolutions passed by participating councils to exempt it for the purposes of section 6(4)(i) of the Local Government Act 2002. At its meeting on 30 August 2018, Rangitīkei District Council resolved that this exemption continue for a further three years, i.e. to 30 June 2021.

Notes to the Financial Statements

Note 1: **Summary of Significant Accounting Policies**

Reporting Entity

The Rangitīkei 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 2022. 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.

Salary and wages

Salaries and wages are recognised as an expense as employees provide services.

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	5-35 years
Plant	30 years
Motor vehicles	5-6 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

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

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 assets 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 2021/22 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 activates 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 2022.

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 2022 ($000)	*Actual 2021 ($000)*
Revenue		
Operating funding from funding impact statement	32,753	31,753
Operating revenue from statement of comprehensive revenue and expense	46,722	41,898
Difference	**13,970**	**10,145**
Reconciling items:		
Subsidies and grants for capital expenditure	8,870	7,310
Gains	126	51
Vested assets	4,975	2,785
Total reconciling items	**13,970**	**10,145**
Expenditure		
Application of operating funding from funding impact statement	32,886	25,086
Total operating expenditure from statement of comprehensive revenue and expense	46,003	37,874
Difference	**13,117**	**12,788**
Reconciling items:		
Depreciation and amortisation expense	13,094	12,661
Losses	24	139
Movement in provisions		(12)
Total reconciling items	**13,117**	**12,788**

Note 3: **Rates revenue**

	Actual 2022 ($000)	*Actual 2021 ($000)*
General rates	**4,266**	**3,052**
Uniform annual general charge	3,417	4,110
Targeted rates attributable to activities		
roading	7,364	6,892
community services	78	73
solid waste disposal	946	878
wastewater	2,729	2,541
water	4,340	4,037
stormwater drainage	646	594
Targeted rates for water supply (water by volume)	1,429	1,367
Rates Penalties	534	511
Rates	**25,749**	**24,055**
Less rates charged on Council properties	554	474
Less rates remissions	1,085	1,025
Total rates	**24,110**	**22,556**
Rates remissions		
Multiple toilet pans	274	267
Penalties and other remissions	811	758
Total remissions	**1,085**	**1,025**

Note 4A: **Subsidies & Grants**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Waka Kotahi (NZTA) - Operational Subsidy	4,257	4,857
Waka Kotahi (NZTA) - Capital Subsidy	4,294	5,409
Other grants	5,324	2,572
Total subsidies and grants	**13,874**	**12,838**

Note 4B: **Other revenue**

Residential rents (community housing)	632	623
Regulatory revenue	1,378	1,484
Petrol tax	115	135
Other	1,441	1,364
Total other revenue	**3,566**	**3,606**

Note 5: **Personnel costs**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Salary and wages	6,895	5,385
Defined contribution plan employer contributions (KiwiSaver)	188	138
ACC levies	37	19
Total personnel costs	**7,121**	**5,542**

Note 6: **Other expenses**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Fees to auditors		
financial statements	146	135
fees to Audit New Zealand for the audit of the Long-term plan for 2021-31	-	111
fees to Audit New Zealand for other services*	10	24
Emergency works	5,593	1,006
Maintenance	893	5,499
Contractors and Professional Services	8,105	6,625
Grants	1,083	936
Insurance premiums	746	615
Other operating expenses	4,922	4,495
Total other expenses	**21,498**	**19,445**

* During the period Audit New Zealand provided other services to the Council, namely assurance services relating to Council's debenture trust deed compliance.

Note 7: **Tax**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Relationship between tax expense and accounting surplus		
Surplus (deficit) before tax	719	4,024
Tax at 28%	201	1,127
Plus (less) tax effect of:		
Non-taxable revenue	(201)	(1,127)
Tax expense	-	-

Note 8: **Cash and cash equivalents**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Cash at bank and on hand	10,171	6,991
Term deposits	3,000	-
Total cash and cash equivalents	**13,171**	**6,991**

The Council holds unspent funds, included in Cash and cash equivalents, of $1,387,000 (2021 $3,119,000) that are subject to restrictions. These unspent funds relate to funds received from various sources to be used for specific purposes. They include the Council's restricted reserves, and grants from agencies that have been unspent at balance date.

Note 9: **Receivables**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Non-exchange receivables		
Rates receivables	1,201	1,313
Related party receivables	-	-
Other receivables	2,156	2,099
Community Loan	183	-
Gross debtors and other receivables	**3,540**	**3,412**
Less provision for impairment0	(319)	(324)
Total non-exchange receivables	**3,221**	**3,088**
Exchange receivables		
Other receivables	-	-
Less provision for impairment	-	-
Total exchange receivables	**-**	**-**
Total Receivables	**3,221**	**3,088**

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 2022 ($000)	*Actual 2021 ($000)*
Not past due	1,658	1,569
Past due 31-60 days	500	243
Past due > 60 days	1,051	1,276
Total	**3,209**	**3,088**

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 2022 ($000)	*Actual 2021 ($000)*
Movements in the provision for impairment of receivables are as follows:		
At 1 July	324	417
Additional provisions made during the year	-	50
Provision increased (reversed) during the year Per note 2 & note 8	(5)	-
Receivables written off during the period	-	(143)
As at 30 June	**319**	**324**

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: nil: (2021: $143,476) - * Section 90 (B): Nil (2021: Nil)"

Note 10: **Other financial assets**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Non-current portion		
Corporate bonds	477	78
Investments in CCOs and similar entities		
Unlisted shares in New Zealand Local Government Insurance Corporation Limited	35	34
Unlisted shares in Manawatu Wanganui LASS Limited	16	16
Total non-current portion	**528**	**128**

Note 11: **Property, Plant and equipment**

2021

	Balances at 1 July 2020			*Additional*
	Cost/ valuation $000	*Accum depn $000*	*Carrying amount $000*	*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				
Roading 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	6,665	2,452
Wastewater	362	433
Water	1,328	915
Stormwater	125	178
Total estimated replacement cost	**8,480**	**3,978**

We have changed the way work in progress is disclosed in the financial statements this year to have better oversight on what we have in work in progress each year which enables better reporting.

Current year additions $000	*Current year disposals $000*	*Revaluation surp(def) $000*	*Current year depn $000*	*Balances at 30 June 2021 Cost/ valuation $000*	*Accum depn $000*	*Carrying amount $000*
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)**	**0**	**(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**

Included in the above current year additions Council was also 'vested assets' these relate to subdivisions completed by a developer and then vested into Council, the amounts included in the above are listed below:

Asset Class

	2021 ($000)
Roading network	1,480
Land under Roads	893
Water systems 'other assets'	61
Wastewater systems 'other assets'	73
Stormwater systems	278
Total vested assets	**2,785**

Note 11: **Property, Plant and equipment**

2022	*Balances at 1 July 2021*			*Additional*
	Cost/ valuation $000	*Accum depn $000*	*Carrying amount $000*	*assets re-cognised $000*
Movements for each class of property, plant and equipment are as follows:				
Operational assets				
Land	5,510	(12)	5,498	-
Buildings	22,534	(1,700)	20,834	-
Plant and vehicles	3,209	(2,440)	769	-
Office equipment	973	(766)	207	-
Computer hardware	944	(786)	158	-
Library books	2,611	(2,101)	510	-
Total operational assets	**35,780**	**(7,805)**	**27,976**	**-**
Infrastructural assets				
Roading network	431,129	(15,886)	415,242	
Land under roads	43,331	-	43,331	
Water systems				
treatment plants and facilities	22,771	(1,209)	21,562	
other assets	38,421	(2,164)	36,257	
Wastewater systems				
treatment plants and facilities	13,411	(797)	12,614	
other assets	21,088	(1,201)	19,886	
Stormwater network	17,357	(674)	16,683	
Waste transfer stations	1,066	(48)	1,018	
Total infrastructural assets	**588,574**	**(21,980)**	**566,593**	**-**
Restricted assets				
Land	7,237	(2)	7,235	
Buildings	3,280	(357)	2,923	
Total restricted assets	**10,517**	**(359)**	**10,158**	**-**
Total property, plant and equipment	**634,873**	**(30,142)**	**604,731**	**-**
Total WIP	6,622		6,622	
Total All Assets	**641,495**	**(30,142)**	**611,353**	**-**

Work In Progress

	2022 ($000)	*2021 ($000)*
Buildings	1,269	802
Roading and Footpaths	3,113	3,538
Wastewater	7,872	569
Water	1,691	1,363
Computer Hardware	149	79
Stormwater	136	271
Total Work in progress	**16,599**	**6,622**

Current year additions $000	*Current year disposals $000*	*Revaluation surp(def) $000*	*Current year depn $000*	*Balances at 30 June 2022 Cost/ valuation $000*	*Accum depn $000*	*Carrying amount $000*
846	-	-	(6)	6,355	(18)	6,338
556	(22)	-	(994)	23,068	(2,694)	20,374
1,739	(286)	-	(426)	4,661	(2,582)	2,080
61	-	-	(42)	1,034	(808)	226
170	-	-	(62)	1,114	(849)	266
82	-	-	(105)	2,693	(2,207)	486
3,453	**(308)**	**-**	**(1,635)**	**38,925**	**(9,156)**	**29,769**
10,519	-	-	(8,126)	441,648	(24,013)	417,635
1,636	-	-	-	44,968	-	44,968
-	-	-	-	-	-	-
193	-	-	(633)	22,964	(1,842)	21,122
371	-	-	(1,117)	38,793	(3,281)	35,512
-	-	-	-	-	-	-
150	-	-	(360)	13,561	(1,157)	12,404
180	-	-	(624)	21,267	(1,825)	19,442
536	-	-	(348)	17,893	(1,022)	16,871
-	-	-	(24)	1,066	(71)	995
13,586	**-**	**-**	**(11,231)**	**602,160**	**(33,211)**	**568,948**
58	(2)	-	(1)	7,293	(3)	7,290
-	-	-	(198)	3,280	(555)	2,725
58	**(2)**	**-**	**(200)**	**10,574**	**(559)**	**10,015**
17,096	**(309)**	**0**	**(13,066)**	**651,659**	**(42,926)**	**608,732**
9,977	-	-	-	-	-	16,599
27,073	**(309)**	**-**	**(13,066)**	**651,659**	**(42,926)**	**625,331**

Included in the above current year additions Council was also 'vested assets' these relate to subdivisions completed by a developer and then vested into Council, the amounts included in the above are listed below:

Asset Class

	2022 ($000)	*2021 ($000)*
Roading network	3,492	1,480
Land under Roads	-	893
Water systems 'other assets'	-	61
Wastewater systems 'other assets'	-	73
Stormwater systems	349	278
Community and Leisure Assets	1,133	
Total vested assets	**4,975**	**2,785**

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 (BapplEcon 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	*2022 ($000)*	*2021 ($000)*
Water supply		
treatment plant and facilities	34,586	34,586
other assets	79,845	79,845
Sewerage		
treatment plant and facilities	19,900	19,900
other assets	50,654	50,654
Stormwater drainage	31,455	31,455
Roads and footpaths	671,752	671,752
Total estimated replacement cost	**888,192**	**888,192**

Note 12: **Intangible assets**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Computer Software		
Cost/ Valuation Balance at 1 July	866	792
Accumulated depreciation & Impairment 1 July	(801)	(792)
Carrying amount 1 July	**65**	**-**
Additions	445	74
Amortisation	(27)	(9)
Cost/ Valuation 30 June	1,311	866
Accumulated amortisation & impairment 30 June	(828)	(801)
Balance at 30 June	**483**	**65**
Work in progress	-	64
Balance as at 30 June (including Work in progress)	**483**	**129**
Carbon credits		
Cost/ Valuation Balance at 1 July	145	145
Accumulated depreciation & Impairment 1 July	-	-
Carrying amount 1 July	**145**	**145**
Increase/ (decrease) due to valuation	-	-
Additions	-	-
Amortisation	-	-
Cost/ Valuation 30 June	**145**	**145**
Accumulated amortisation & impairment 30 June	-	-
Balance at 30 June	**145**	**145**
Total Intangiable assets	**629**	**275**

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 2022 ($000)	*Actual 2021 ($000)*
Payables under exchange transactions		
Trade payables	1,463	2,308
Retentions	785	613
Accrued expenses	4,002	1,393
Total	**6,250**	**4,315**
Payables under non-exchange transactions		
Income tax payable	(0)	-
Other taxes (e.g. GST and FBT)	0	-
Total	**(0)**	**-**
Total creditors and other payables	**6,250**	**4,315**

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 13A: **Income in advance**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Significant revenue in advance amounts as at 30 June are as follows:		
Rates	975	746
Department of Internal Affairs (Three Waters stimulus)		2,139
Other	437	53
Total	**1,412**	**2,938**

Note 14: **Borrowings**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Current portion		
Secured bank loans	-	-
Community loan	16	16
Total current portion	**16**	**16**
Non-current portion		
Secured bank loans	-	-
Community loan	64	80
Loan- New Zealnd Local Government Funding Agency	19,000	3,000
Total non-current portion	**19,064**	**3,080**
Total borrowings	**19,080**	**3,096**

Security
The Council's bank loans (Including LGFA 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 2022 ($000)	*Actual 2021 ($000)*
Current Portion		
Accrued pay	123	82
Annual leave	445	385
Long service leave	0	-
Superannuation	0	
Total current portion	**568**	**467**
Non-current portion		
Long service leave	7	7
Total non-current portion	**7**	**7**
Total employee entitlements	**575**	**474**

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 2022 ($000)	*Actual 2021 ($000)*
Landfill aftercare		
Balance at 1 July	586	777
Additional(reduction) in provisions made	150	365
Amounts used	(176)	(363)
Unused amount reversed	-	(145)
Discount unwind	(9)	(48)
Balance at 30 June	**551**	**586**

Note 17: **Equity**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Accumulated funds		
Balance at 1 July	466,754	462,742
Other transfers	11	(12)
Surplus (deficit) for year	5,153	4,024
Balance at 30 June	**471,918**	**466,754**
Other reserves		
Property revaluation reserves		
Balance at 1 July	139,319	139,319
Net revaluation gains	-	-
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	11,687	11,552
Infrastructural assets		
sewerage systems	12,260	12,260
water systems	17,626	17,626
stormwater drainage network	8,900	8,900
roading network	79,899	79,899
Restricted assets		
land	3,209	3,209
buildings	911	1,060
Total	**139,306**	**139,319**
Fair value through other comprehensive income reserve		
Balance at 1 July	131	131
Net revaluation gains (losses)	-	-
Transfer to net surplus/deficit		
Balance at 30 June	**131**	**131**
Total other reserves	**139,437**	**139,450**

Special and restricted reserves 2022

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
Hunterville 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
Putorino rural water	Water	Maintenance of scheme dam
Ratana 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 2021

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
Hunterville 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
Putorino rural water	Water	Maintenance of scheme dam
Ratana 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		

Balance 1 Jul 21	*Deposits*	*Withdrawals*	*Balance 30 Jun 22*
161	-	-	161
110	14	-	124
309	-	-	309
2,403	-	-	2,403
31	-	-	31
214	-	-	214
20	-	-	20
461	-	-	461
4	-	-	4
22	-	-	22
23	-	-	23
27	-	-	27
238	-	-	238
150	-	-	150
205	-	-	205
128	6	21	113
4,504	**20**	**21**	**4,504**

Balance 1 Jul 20	*Deposits*	*Withdrawals*	*Balance 30 Jun 21*
161	-	-	161
96	14	-	110
309	-	-	309
2,402	-	-	2,403
31	-	-	31
214	-	-	214
20	-	-	20
460	-	-	461
4	-	-	4
22	-	-	22
23	-	-	23
27	-	-	27
238	-	-	238
150	-	-	150
205	-	-	205
130		2	128
4,493	**14**	**2**	**4,504**

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

	Actual 2022 ($000)	*Actual 2021 ($000)*
Surplus (deficit)	**2,123**	**4,024**
Add (less) non-cash items		
Depreciation and amortisation	9,555	12,661
Community loan repayment exchanged for accommodation	-	-
(Gains) losses in fair value on forestry assets	-	-
Reversal of previous losses on roading through operating surplus(deficit)	-	-
Movement in employee entitlements (non current)	2	2
Vested assets	(2,785)	(2,785)
	6,772	9,878
Add (less) items classified as investing or financing activities		
(Gains) losses on disposal of property, plant and equipment	88	88
(Gains) losses on fair value financial assets	-	-
(Gains) losses revaluation land & Buildings financial assets	-	-
(Gains) losses biological Assets	-	-
	88	88
Add (less) movements in working capital items		
(Increase) decrease in prepayments	(339)	4
(Increase) decrease in debtors and other receivables	1,184	1,184
Increase (decrease) in income in advance	(938)	2,272
Increase (decrease) in creditors and other payables	(3,734)	(695)
Increase (decrease) in provisions	(191)	(191)
Increase (decrease) in employee entitlements	(239)	(178)
	(4,258)	2,396
Net cash inflow (outflow) from operating activities	**4,727**	**16,386**

Note 19: **Capital commitments and operating leases**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Capital commitments		
Property, plant and equipment		
Not later than one year	-	-
Later than one year and not later than five years	-	-
Total capital commitments	**-**	**-**

Operating leases as lessee

The Council leases property, plant and equipment in the normal course of it business. The future aggregate minimum lease payments payable under non-cancellable operating leases are as follows:

Not later than one year	26	26
Later than one year and not later than five years	21	47
Later than five years	-	-
Total non-cancellable operating leases	**47**	**73**

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	25	22
Later than one year and not later than five years	71	71
Later than five years	24	42
	120	**135**

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. As at 30 June 2018 these four facilities have an approximate value of $350,000.

Contingent Liabilities

There are no known contingent liabilities at 30 June 2022.

Note 21: **Related party transactions**

	Actual 2022 ($0)	*Actual 2021 ($0)*
Key management personnel compensation		
Councillors		
Remuneration	440,903	426,580
Full-time equivalent members	12	12
Senior management team, including the chief executive		
Remuneration	1,087,907	1,023,113
Full-time equivalent members	6	6
Total key management personnel remuneration	**1,528,810**	**1,449,693**
Total full-time equivalent personnel	**18**	**18**

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 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 2022 ($0)	*Actual 2021 ($0)*
Chief Executive		
Peter Beggs		
Gross salary	263,514	257,307
Vehicle (market value plus FBT)	20,306	19,250
Superannuation contribution	7,875	7,719
Total remuneration	**291,695**	**284,276**
Other Council employees		
Number of full-time employees	78	64
Number of full-time equivalents of part-time employees	19	24
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	50	62
$60,001 to $79,999	29	18
$80,000 to $99,999	14	12
$100,000 to 139,999	12	7
$140,000 to 299,999	5	4
Total employees	**110**	**103**

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

	Actual 2022 ($0)	*Actual 2021 ($0)*
Elected representatives		
Council		
Mayor		
A Watson	113,953	119,039
Councillors		
C Ash	24,162	23,820
R Aslett	-	-
N Belsham	41,922	41,317
A Gordon	31,855	29,820
D Wilson	30,252	29,820
J Dunn	-	8,284
G Duncan	26,446	31,167
F Dalgety	36,723	21,276
W Panapa	24,950	25,553
B Carter	25,177	24,923
R Lambert	26,192	25,820
T Hiroa	32,585	34,557
C Raukawa	26,687	11,186
Total Council members remuneration	**440,903**	**426,580**
Community Boards		
Taihape		
M Fannin	4,338	4,580
A Abernathy	8,676	8,676
G Larsen	4,338	4,338
S Peke-Mason	3,335	
E Abernathy	4,338	4,338
Ratana		
C Mete	4,523	4,523
C Rourangi	1,880	2,126
L Meihana	2,126	2,126
J Nepia	2,126	2,126
Total Community Board members remuneration	**35,680**	**32,832**
Total elected representatives remuneration	**476,583**	**459,413**

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

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Note 23: **Severance payments**

For the year ended 30 June 2022, the Council made no (2022 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 Disitrict still complies with. No significant impact of these level changes are anticipated.

On the 3 December 2021 all of New Zealand was put into the new traffic light framework for the response to Covid, the Rangitikei District was placed in the red alert setting.

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.

On the 13th and 15th of December parts of the district were hit with severe weather causing damage to our roading network the cost of repair has not been fully understood."

Note 25A: **Financial instrument risks**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Financial instrument categories		
Financial assets		
Loans and receivables		
Cash and cash equivalents	13,171	6,991
Debtors and other receivables	3,221	3,088
Total loans and receivables	**16,392**	**10,079**
Fair value through other comprehensive revenue and expense		
Other financial assets		
corporate bonds	477	78
unlisted shares	51	50
Total fair value through other comprehensive revenue and expense	**528**	**128**
Financial liabilities		
Financial liabilities at cost		
creditors and other payables	6,250	4,317
Loans	19,000	3,000
community loan	80	96
Total financial liabilities	**25,330**	**7,413**

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)*
2022				
Financial assets				
Unlisted shares				
New Zealand Local Government Insurance Corporation Limited	35	-	-	35
Manawatū Whanganui LASS Limited	16	-	-	16
Corporate bonds	477	477	-	-
2021				
Financial assets				
Unlisted shares				
New Zealand Local Government Insurance Corporation Limited	34	-	-	34
Manawatū Whanganui LASS Limited	16	-	-	16
Corporate bonds	78	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 2022 ($000)	*Actual 2021 ($000)*
Balance at 1 July	49	49
Gains (losses) recognised in the surplus or deficit	-	-
Gains (losses) recognised in other comprehensive income	-	-
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 polices. 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, Manawatu Wanganui 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 2022 ($000)	*Actual 2021 ($000)*
Maximum exposure to credit risk		
The Council's maximum credit risk exposure for each class of financial instruments is as follows:		
Cash at bank and term deposits	13,171	6,991
Debtors and other receivables	3,221	3,088
Corporate bonds	477	78
Total credit risk	**16,869**	**10,158**
Credit quality of financial assets		
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-		-
Total cash at bank and term deposits	**-**	**-**
Corporate bonds		
AA	448	48
A+	-	-
A	-	-
A-	29	30
BBB-	-	-
Total corporate bonds	**477**	**78**

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 it 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.

	Carrying amount $000	*Contractual cash flows $000*	*Less than 1 year $000*	*1 to 5 years $000*	*More than 5 years $000*
2022					
Creditors and other payables	6,250	6,250	6,250	-	-
Loans	19,000	19,000	-	11,000	8,000
Community loan	80	80	16	64	-
Total	**25,330**	**25,330**	**6,266**	**11,064**	**8,000**
2021					
Creditors and other payables	4,317	4,317	4,317	-	-
Secured loans	3,000	3,000	-	-	3,000
Community loan	96	96	16	64	16
Total	**7,413**	**7,413**	**4,333**	**64**	**3,016**

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.

	Carrying amount $000	*Contractual cash flows $000*	*Less than 1 year $000*	*1 to 5 years $000*	*More than 5 years $000*
2022					
Cash and cash equivalents	13,171	13,171	-	-	-
Debtors and other receivables	2,128	2,128	-	-	-
Other financial assets	-	-	-	-	-
term deposits	-	-	-	-	-
corporate bonds	477	-	-	477	-
Total	**15,776**	**15,299**	**-**	**477**	**-**
2021					
Cash and cash equivalents	6,991	6,991	-	-	-
Debtors and other receivables	3,088	3,088	-	-	-
Other financial assets	-	-	-	-	-
term deposits	-	-	-	-	-
corporate bonds	78	-	-	78	-
Total	**10,158**	**10,079**	**-**	**78**	**-**

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	-100bps Other Equity $000	+100bps Surplus $000	+100bps Other Equity $000
2022					
Financial Assets					
Cash and cash equivalents		(132)	-	132	-
Corporate bonds		-	-	-	-
Total sensitivity to interest rate risk		**(132)**	**-**	**132**	**-**
2021					
Financial Assets					
Cash and cash equivalents		(70)	-	70	-
Corporate bonds		-	-	-	-
Total sensitivity to interest rate risk		**(70)**	**-**	**70**	**-**

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 $1.7 million (15%) above budget. This is the result of receiving unbudgeted amounts for the Three Waters Reform ($0.3m), 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 Roading 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**

	Actual 2022	*Actual 2021*
Number of rating units preceding year	8,658	8,546
	($000)	*($000)*
Total capital value of rating units preceding year	6,301,800	4,511,672
Total land value of rating units preceding year	4,108,045	2,854,323

Note: "preceding year" for 2022 is as at 30 June 2021 and "preceding year" for 2021 is as at 30 June 2020

Note 29: **Insurance of assets**

	Actual 2022 ($000)	*Actual 2021 ($000)*
Total value of assets covered by insurance contracts	56,797	56,797
Maximum amount of insurance	129,617	129,617
Total value of assets covered by financial risk sharing arrangements	50,859	50,859
Maximum amount available under those arrangements (40%)	74,060	74,060
Total value of assets that are self-insured	415,242	415,242
The value of funds maintained for that purpose	309	309

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 2022

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

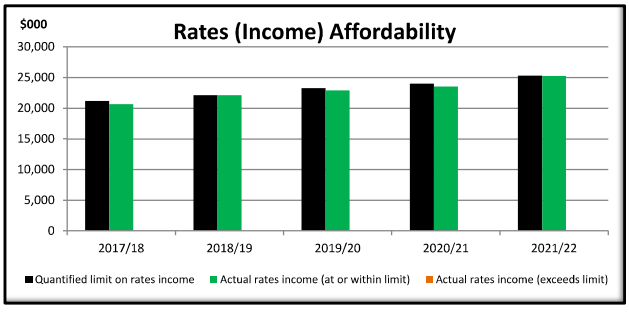
The Council meets the rates affordability benchmark if its —

- 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 2017/18 and 2018/19 years with the quantified limit on rates contained in the Council's 2015-2025 Long Term Plan, and for 2019/20, 2020/21 and 2021/22 years with the quantified limit on rates contained in the Councils 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 2017/18, and 2018/19 with the quantified limit on rates increase contained in the Council's 2015-2025 Long Term Plan and for 2019/20, 2020/21 and 2021/22 years with the limits contained in the Council's 2018-2028 long-term plan.

The quantified limits are as follows:

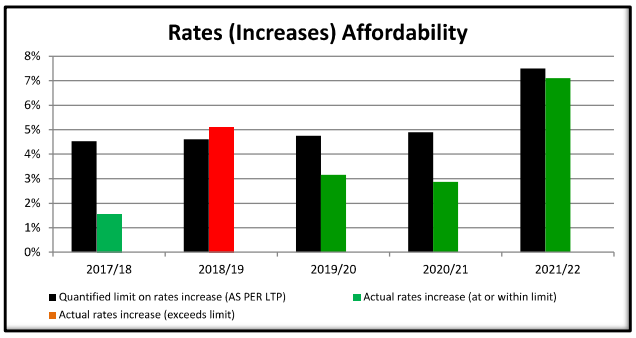
2017/18 _____ 4.53%

2018/19 _____ 4.61%

2019/20 _____ 4.75%

2020/21 _____ 4.90%

2021/22 _____ 7.50%

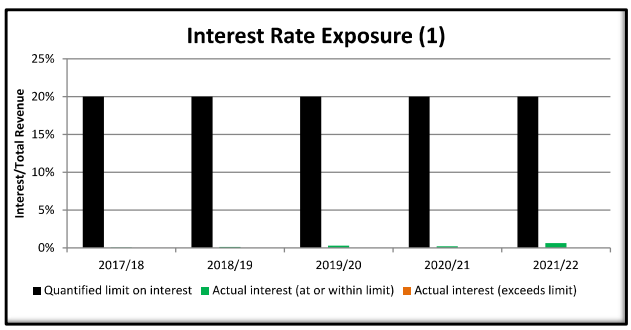


Debt affordability (interest expense to total revenue)

The following graph compares the Council's actual interest rates exposure for 2018-2028 Long Term Plan equals Net interest payments as a ratio of total revenue must be less than 20%

2021-2031 Long Term Plan equals Net interest payments as a ratio of annual rates revenue must be less than 25%

Interest Cover 1: Net planned interest expense will not exceed 20% of total revenue

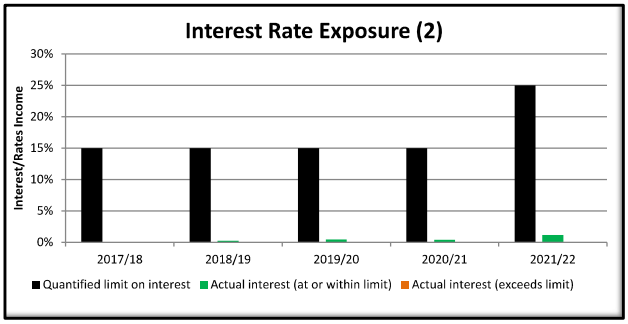


Debt affordability (interest expense to rates income)

The following graph compares the Council's actual interest rates exposure for 2018-2028 Long Term Plan equals total interest expense on net external debt will not exceed 15% of total rates income or 10% of total revenue.

2021-2031 Long Term Plan equals net interest payments as a ratio of annual rates revenue must be less than 25%.

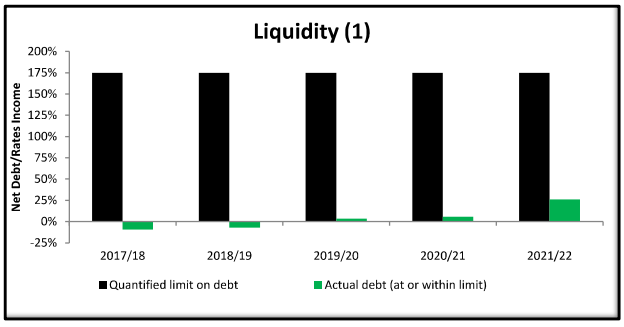
Interest Cover 2: Net planned interest expense will not exceed 25% of rates revenue.



Debt affordability (net debt to total income)

The following graph compares the Council's actual Liquidity exposure for 2018-28 Long Term plan and equals the ratio of net external debt to annual rates income will not exceed 150%.

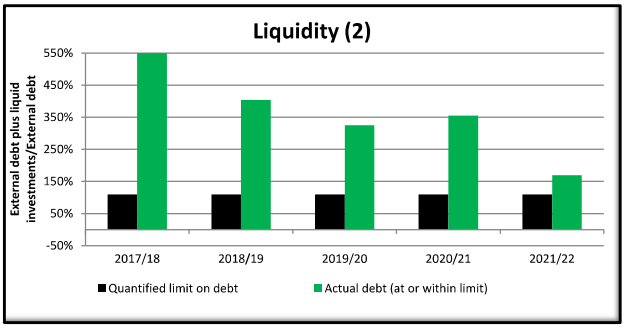
2021-2031 Long Term Plan equals Net debt as a ratio of total revenue must be less than 175%



Debt affordability (net debt to total income)

The following graph compares the Council's actual Liquidity exposure for 2018-2028 Long Term Plan and equals Net external debt per capita will not exceed $2,500 for the 10 years of the Long Term Plan

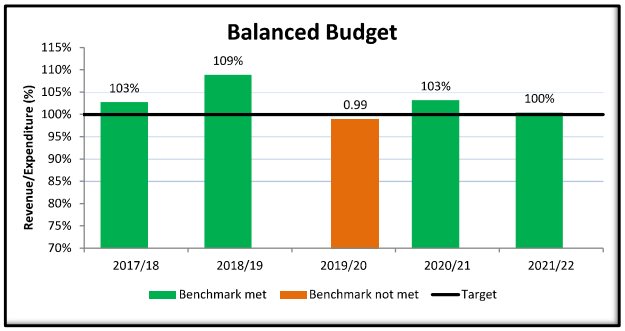
2021-2031 Long Term Plan equals External debt plus liquid investments divided by external debt must be more than 110%



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).

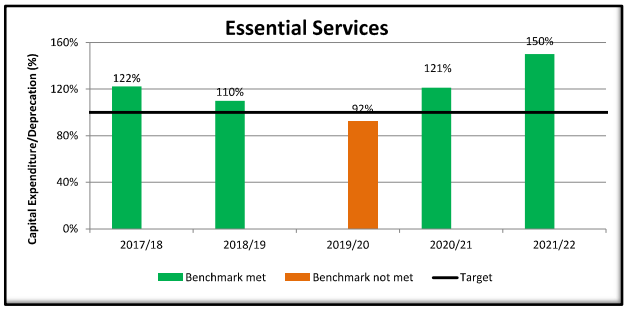
The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



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.)

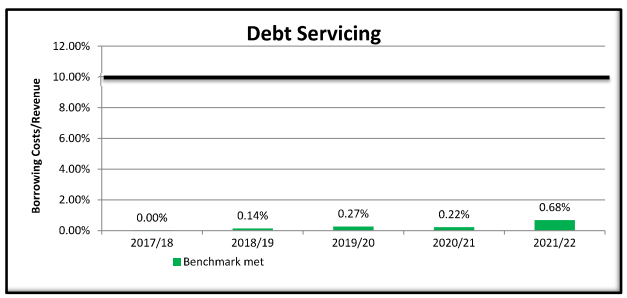
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services. Network services is defined in the regulations as infrastructure related to water supply, sewerage and the treatment and disposal of sewage, storm water drainage, 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.

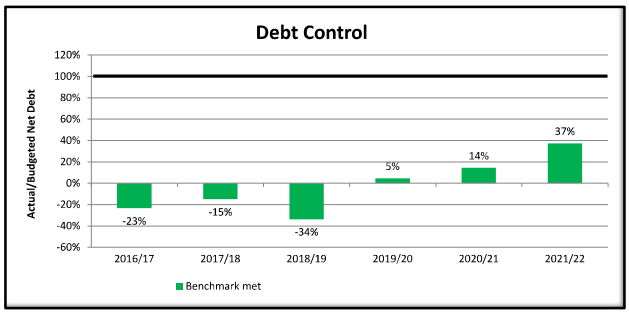


Debt control benchmark

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 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.

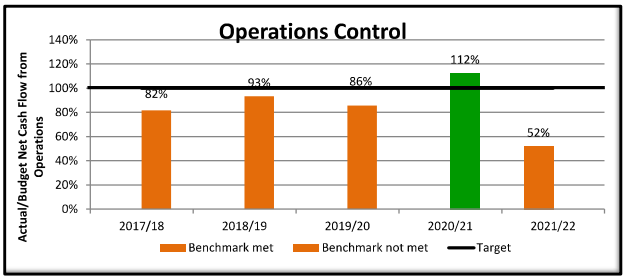
(The graph shows negative values when financial liabilities are less than financial assets, excluding trade and other receivables.)



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
nigel.belsham@rangitikei.govt.nz
027 419 1024



Cr Dave Wilson
dave.wilson@rangitikei.govt.nz
027 223 4279



Cr Angus Gordon
angus.gordon@rangitikei.govt.nz
021 111 4767



Cr Fiona (Fi) Dalgety
fi.dalgety@rangitīkei.govt.nz
021 222 8460



Cr Coral Raukawa
coral.raukawa@rangitikei.govt.nz
021 0235 2448



Cr Richard Lambert
richard.lambert@rangitikei.govt.nz
027 879 2221



Cr Cath Ash
cath.ash@rangitikei.govt.nz
021 524 585



Cr Gill Duncan
gill.duncan@rangitikei.govt.nz
027 255 1409



Cr Brian Carter
brian.carter@rangitikei.govt.nz
027 247 1812



Cr Waru Panapa
waru.panapa@rangitikei.govt.nz
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.*





Koitiata Beach



RANGITĪKEI
DISTRICT COUNCIL

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E info@rangitikei.govt.nz
46 High Street, Private Bag 1102, Marton 4741

Making this place home.