



Annual Report

Te Pūrongo ā-Tau

2023-2024



Mihi

**Ki ngā atua, ngā tūpuna me ngā Iwi o te rohe
nei kei te mihi, kei te mihi, kei te mihi**

**Ko te rohe tēnei e hora ai te whenua mai i ngā
pae maunga o Tararua ki Te Tai o Rehua.**

**He kanohi rau o ngā pae maunga o Tararua, arā,
he hukarere, he kāpuapua, te whitinga o te rā
me to rongu hoki i te kō a ngā manu.**

**Kei te take o ngā maunga te wāhi e nōho ai ngā
patupaiarehe i te Riu o Makahika.**

**He maringa nui nō tātou kia whai wāhi ki te
taha uru o Te Tai o Rehua, pēnā i te takutai o
Waitārere, te wāhi takoto o Okatia, te taniwha.**

**Ko ngā moana te wāhi e kitea ai te rātō hei
whakatau i te whatumanawa, ko ngā hua hoki
o te moana hei whāngai i ngā whānau.**

**Toro atu ki ngā tauārai o te rohe, ki te awa o
Ōhau, ki te awa o Manawatū, ki te wahapū o
Manawatū anō, te kohanga o ngā tini manu.**

**Piua ngā mata ki te rangi, ki ngā whetū ārahi
i a tātou, ki te wāhi i topa atu ai te Hōkioi ki
ngā rangi.**

**Hoki mai ki te whenua haumako, ki ngā wai
rērere, kei reira ngā kai hei orange mō tātou.**

**Ko Mangaore te wāhi tākaro, te waioranga me
te tūhonotanga ki te whenua me ngā awa.**

**Mai i Tokomaru ki Te Awahou, ki Levin, ki
Manakau rā anō, e karapotitia ana tātou e ngā
pae maunga o Tararua ki te rāwhiti, ko tēnei
whenua, tōku kāinga.**

**I whakatipu ai tātou i te ahurea rangatira, te
manaakitanga me te ngākau mahana o ngā
tāngata o Horowhenua, koia nei tō tātou rohe.**

**Toitū te marae a Tāne
Toitū te marae a Tangaroa
Toitū te tangata**

Tīhei mauri ora!

To the gods, the ancestors and the people of
the district

Thank you, thank you, thank you

Boasting the shortest distance from mountain to sea,
the land flows all the way from the majestic Tararua
Ranges to the Tasman Sea.

The Tararua Ranges show us many faces, from snow
kissed, to cloud cloaked, to sun drenched, to filled
with bird song.

In the foothills, the Patupaiarehe or fairy people were
said to have inhabited the Makahika Valley.

We are blessed by the spacious sandy west coast of
the Tasman Sea, such as Waitārere Beach where the
mighty taniwha, Okatia is said to rest.

Beaches with stunning sunsets to soothe the soul,
and plentiful kaimoana to feed the whānau.

Bordered by our treasured Ōhau and Manawatū
rivers, the latter of which features the Manawatū
estuary that beckons numerous species of birds
home to its abundant shores.

Wide open spaces to see the stars that guide us, and
where the powerful Hōkioi bird soared to the heavens.

Our unique rich fertile soil, along with our waterways,
boasts a plethora of foods nourishing all.

Mangaore area bestows a range of outdoor
recreational activities, strengthening our wellbeing,
and connection to the whenua and awa.

From Tokomaru, to Foxton, to Levin, to Manakau,
and surrounded by the Tararua Ranges to the east,
ko tēnei whenua, tōku kaingā (this land my home).

Built on the rich culture and natural hospitality
and warmth of the Horowhenua people, this is
our beloved rohe.

If the land is well
And the sea is well
The people will thrive

I sneeze the breath of life

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Introduction from the Mayor and Councillors

He Whakataki nā te Koromatua me ngā Kaikaunihera

Horowhenua District Council had many successes and challenges during the 2023/24 financial year, with the confirmation of funding for Ō2NL, continued strong growth and development of the Long Term Plan 2024-2044: Challenging Times, Challenging Choices reflecting the current environment. We've responded to the pressures the current financial situation brings for us and through us to our community.

Throughout 2023/24 our teams continued to produce impressive results. We've delivered our capital programme, continued our winning ways receiving 6 Green Flags and celebrating the redevelopment of Foxton Pools and the opening of the Waitāreere Beach Surf Lifesaving Club.

What you'll see in this Annual Report is a record of delivery and all of it aimed to support our community today and in the future, as our existing residents move through their lives, and as our population grows.

Consulted on in the LTP 2021-41, the refreshed Foxton Pools reopened to the community in January 2024, delivering this significant project. The facility now features a new inbuilt spa pool reception area, improved building and new ventilation systems, with a better-suited design and insulation. The reopening celebration saw over 500 people attending, making a splash and enjoying the new environment. Since opening, over 24,000 people have made their way into Foxton Pools.

We progressed a number of key projects in our capital programme. The Levin Wastewater Discharge Site, known as The Pot, underwent its most significant upgrade in 38 years to meet demands of our growing population. Key achievements were:

- **Infrastructure Enhancement:** Upgrades were completed to meet new consent conditions, enhancing hydraulic and nutrient loading capabilities.
- **Pump Station Upgrade:** A refurbished 110kW pump and motor were installed, improving capacity and energy efficiency to meet increased wastewater demands and weather challenges.
- **Irrigation System Modernisation:** The irrigation system across 42 hectares underwent upgrades to comply with new regulations and improve operational efficiency.

North-East Levin Development made significant strides with Coley Pond. Designed to manage increased stormwater discharge due to residential growth and we saw earthworks, inlet construction, and

stormwater pipe installation work completed. After consulting with Iwi, the final design was confirmed, and a planting plan focusing on native and local species was successfully implemented.

The wetland area around Coley Pond is now fully planted, enhancing its ecological value. Extensive downstream wastewater upgrades have also been delivered to provide capacity for growth and in doing so replaced existing aged pipes.

In March 2024, we began replacing analogue water meters with digital ones in various properties across the district. These new meters detect leaks within 14 days, compared to up to nine months with the old analogue meters. The success of the water meter project has been immediate. By May 2024, 500 smart meters were installed in Shannon and 120 in Foxton, detecting 65 properties with leaks and saving up to 85,000 litres of water daily. The project aims to equip all properties with new meters by the end of 2025.

Prompted by past bursts along the Mangahao Road access track to the plant, we replaced aging AC pipes (from 1985) at the Shannon Water Treatment Plant with new polyethylene pipes. These pipes are known for their durability and resistance to leaks and environmental damage, with an expected lifespan of up to 100 years. The project upgraded the water main supplying the Shannon water treatment plant, ensuring improved reliability and efficiency for the

community. The Team is particularly proud of this work as it required all of Shannon to be without water while it was done – and the work was done overnight to minimise disruption.

For the first stage of Tara-Ika off Queen Street East, we collaborated with the landowner to develop a stormwater management system for the Queen Street Stage 1 Subdivision, which encompasses 200 lots. We constructed a wetland and soakage basin to manage stormwater for the initial stages of development.

The Tara-Ika Stage 2 Wastewater project reached a major milestone with the installation of 770 metres of new wastewater pipe along Tararua Road East, enhancing the infrastructure from the intersection of Tararua Road and Arapaepae Road (State Highway 57). This is a busy intersection which we managed efficiently, ensuring safety was paramount with minimal disruption during the extension of the wastewater pipe.

We've continued preparation for Ōtaki to North Levin (Ō2NL), and also ensuring that in addition to that North-South connection, Levin remains connected from East to West, through design of the East-West Arterial. We've been engaged with NZTA to agree responsibilities and commitments for delivery alongside the Ō2NL project and with Iwi/hapū and landowners, and are doing work on the consents and other material needed for this.

We've supported our community throughout the year, with a common theme being supporting community groups to deliver great outcomes across our district.

Whether it be community clean ups, supporting the development of a walking or biking track or enabling a high-profile sporting event, there are some great activities on offer to our community which assists in positioning Horowhenua as a great place to "Come find yourself".

The Horowhenua Company ran the fifth annual Get-Go Futures Day in March 2024. Futures Day provided 400 Horowhenua Year 10 students and their teachers the opportunity to visit some of nine different local employers involved, to understand more about the world of work and explore future local employment options.

Over the year Council sought to increase engagement and interaction with the community. The Long Term Plan (LTP) was a particular wide-reaching opportunity to try some new things and build on earlier successes. Given the complex topics surrounding this LTP, this provided an excellent chance to explore new methods of reaching out to our community. Of particular focus were youth and other minority groups, whose feedback was under-represented in the Long Term Plan 2021-2041 Amendment (LTPA) consultation. Our goal was to remove barriers to community involvement in Local Government processes. All our ways of sharing information were aimed at meeting the community where they are, at times convenient for them, and in ways that fostered active participation and dialogue. We also launched the "Because of you" brand campaign to run concurrently with the LTP discussions, underscoring the community benefits derived from their contributions and reinforcing the importance of participation in these civic discussions. From this we saw a 40% increase in submitters aged 25-35 years compared to the LTPA.

We worked with our community to deliver the refreshed Community Wellbeing Strategy, which Council adopted in June. Community wellbeing is one of the most crucial aspects to our people's success and it requires the active participation and commitment of each and every one of us. The goal is to create a community where every individual feels a sense of belonging in a community that is safe, vibrant, inclusive, and connected.

We'd like to think our record of delivery and working more closely with our community are contributing to increased satisfaction within our community.

At the end of 2023/24 our residents' satisfaction survey results showed our satisfaction rate is significantly higher than national average: 62% vs 27%. Our 62% is up from 49% in 2022 and we also saw a positive shift in almost all survey results. Our residents gave a 75% satisfaction rating when asked if "Horowhenua is a great place to live."

We firmly believe that it is! And we are proud of the efforts of our Councillors and staff that contributed to making our district a great place to live, work and visit. We look forward to building on that next year.



Bernie Wanden
Mayor Bernie Wanden

Statement of compliance and responsibility as at 30 June 2024

He Tuhinga Mō ngā Tūtohunga me ngā Haepapa i te 30 o Pipiri 2024

Statement of compliance

The Horowhenua District Council confirms that all statutory requirements in relation to the Annual Report as outlined in the Local Government Act 2002, have been complied with.



Bernie Wanden

Mayor Bernie Wanden



Monique Davidson

Chief Executive Monique Davidson

About this report

Mō tēnei pūrongo



Foxton Pool

The Annual Report 2023/24 tells the story of Horowhenua District Council's performance between 1 July 2023 and 30 June 2024, reporting against the LTPA 2021-2041 and Annual Plan 2023/24. As it is Year 3 of our LTP/LTPA we also look back at our key goals and what we've delivered. Infographic on pages 10-11.

We are committed to being transparent and accountable to our community, and this Annual Report provides detailed information on the financial performance of the organisation as a whole, and for each individual activity. It also sets out how we are tracking our performance measures and fulfils our obligations under the Local Government Act 2002 to report on our past year's highlights, performance results and budget. A separate summary of the Annual Report 2023/24 is also available.

We also produce an Organisation Performance Report (OPR) that is presented at each Council meeting throughout the year. These reports share our stories, our successes, our concerns and where we need to improve.

You can find all our OPRs on our website www.horowhenua.govt.nz/Council/Documents/Organisation-Performance-Reports.

Our performance and position at a glance

He tirohanga ki ā tātou mahi me tō mātou tūnga





Our Goals

Planning for growth by delivering robust infrastructure, high-quality drinking water and responding to growth, including looking at funding and how to fairly distribute costs, so that "growth pays for growth".

The effects of these challenges, had Council looking hard at what and how we can deliver, whilst still make it affordable for our communities. Tough decisions had to be made.

What we faced

This period included Covid pandemic lockdowns during the 2021/22 financial year which affected our whole community, created material shortages affecting contractors and our own staff, immediately and in the years following.

- We saw higher inflation and interest rates and increased building materials costs. There have been ongoing Government Reforms for Three Waters/ Local Waters Done Well, Resource Management and Local Government.
- We amended our LTP in 2022/23, bringing spending forward to start some projects earlier and reducing the capital programme which has delayed other work.

A snapshot of what we delivered



Partnership with tangata whenua

June 2022: Proudly collaborated Muaūpoko and hapū of Ngāti Raukawa ki Te Tonga to organise and host an amazing variety of events for the first recognised Matariki holiday.

Late 2021: After consultation on the Representation Review introduced a Māori Ward with two seats.



Foxton

Foxton Pools upgrade was agreed in LTP 2021-2041: Replacing the building covering the pools, upgrading change rooms, restoring the outdoor area to grass. The redeveloped facility opened with a community party in January 2024.

Council and community created a development plan for Foxton Courthouse Museum.

2023/24 Foxton Transfer Station Renewal works completed.

120 water meters installed by May 2024 to reduce water loss through leaks.



Waitārere Beach Surf Lifesaving Club

Build of new club agreed in LTP 2021-2041 to be closer to beach. Opened in Dec 2023.

2023/24: 3W Better Off Funding for Waitārere Beach Carpark.

LTP 2024-2044: Waitārere Beach Surf Lifesaving Club and Waitārere Beach Progressive & Ratepayers Association funding continued.

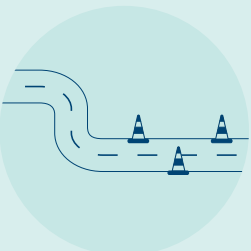


Shannon

2022/23: Te Maire Park received Better Off funding for shared paths to Shannon town centre, and new recreational spaces.

2023/24: District water meter rollout began in Shannon. 500 installed by May 2024, reducing water lost through leaks.

Shannon Water Treatment Plant: Aging AC pipes (from 1985) replaced with new pipes.

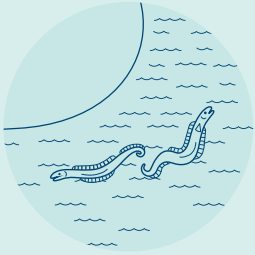


Ō2NL preparation

2021/22: Roading improvement for Ō2NL.

2022/23: Council endorsed the detailed business case for Ō2NL Expressway before it went to cabinet.

June 2024: NZTA approved two alliances to build the road.



Water improvements across the district

Poads Road Water Supply Reservoir: Consent for additional water approved, preliminary design and cost estimates; Iwi engagement is ongoing; and in June 2024 got approval to lodge consent application.

Upgraded The Pot, made significant strides Coley Pond to manage stormwater, set up stormwater management systems for stages 1 and 2 of Tara-Ika.

Tokomaru Water Treatment Plant: On-site water storage capacity Expanded; Pipework upgrade completed significantly reducing the need for water tankers.



More housing

The Tara-Ika Plan Change (PC4) progressed and is now live. Council adopted the Master Plan in June 2022 and adopted PC4 in March 2024, enabling up to 3,500 more homes.

Dec 2021: Streamlined Housing Process (SHP) approved to make building new homes simpler.



Parks and Places

LTP 2021: Jubilee Park Splash Pad approved. Opened in December 2023.

2023/24: Playford Park received renewed toilets and a new storage facility which includes a covered BBQ area.

Youth Space Te Takeretanga o Kura-hau-pō revitalised and opened in June 2023.



Emergency Management

Building our toolkit, now includes a new portable generator.

Starlink satellite internet kits.

Also upgraded VHF radios, replaced vehicle VHF base radios, and replaced analogue radios in CD centres and schools.

Financial performance

OPERATING DEFICIT FOR THE YEAR

\$5.1m

This deficit is \$0.5m higher than budgeted and is mainly due to \$2m of non-cash fair value changes including, a loss on our derivative financial instruments (\$0.5m), and an increase in our landfill provision \$1.5m which represents the future cost of the best practicable option for remedying the old landfill site in Hōkio.

The Council set a savings target of \$1m for the year and we were successfully able to achieve \$1.9m. This target excludes the impact of rates, interest, capital items and fair value adjustments.

66%

66% of our total income comes from rates.

\$2m

Capital projects carried over to 2024/25.

REVENUE FOR THE YEAR

\$79.7m

We received \$7m more revenue compared to budget due to higher rates following higher than planned growth in our rateable properties at the end of 2022/23 (\$1.1m), additional grants and subsidies of \$1.5m, and vested assets which are signed over to Council as part of the development processes (\$1.9m processed for the year). They include roads, pipes and community assets.

7%

Council agreed to a rates increase of 7% for 2023/2024, lower than the 7.9% rates increase Council consulted on.

Targeted capital spend reduced from \$40 million to \$35 million.

EXPENSE FOR THE YEAR

\$84.8m

We did also need to incur \$7.6m more in costs than budgeted. This was largely due to higher interest costs (\$9.1m offset by higher interest income of \$1.6m), we incurred \$1m in asset disposal losses as a result of renewing some assets and selling some land. We also had \$0.7m less staff time being charged to capital projects as a result of vacancies during the year. These additional costs were offset by \$1.3m lower spending in the District Plan and Growth area driven by changes in the timing of the programme.

\$35.5m

Council's capital spending was \$36m compared to budgeted funding level of \$35m set as part of the LTPA. The original capital budget of \$61.7m was further revised to an approved funding envelope of \$40m following Council's direction as part of the long term planning process and further Council meetings. \$1.9m worth of projects currently underway was approved in July by Council to be carried over to 2024/25 financial year with the corresponding grants/subsidies.

Financial position

\$801m

Council's net value as at 30 June 2024.

A+

Credit rating from S & P Global. This was reduced from AA- following increased borrowings and capital spending planned.

\$164m

Net debt at 30 June 2024.

COUNCIL'S ASSETS AS AT 30 JUNE 2024

\$1,033m

Property, plant and equipment (PPE) of \$978m made up 95% of the total asset value. PPE ended the year \$108m higher than budget mainly due to higher than expected increases in the value of Council's roading and three waters assets.

NET DEBT IS

214%

of operating income.

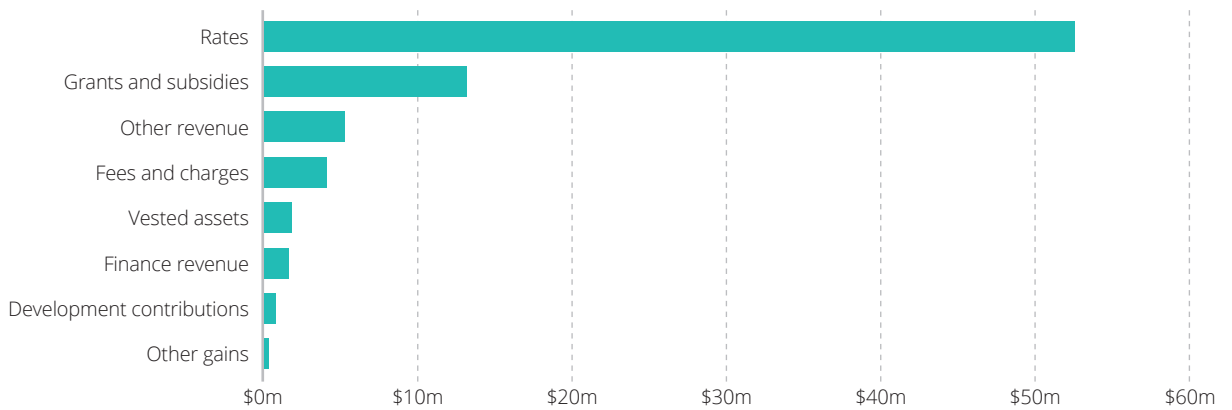
COUNCIL'S LIABILITIES AS AT 30 JUNE 2024

\$232m

The majority of our liabilities is \$202m of medium to long term borrowings from the Local Government Funding Agency, and the remainder mainly trade creditors and accruals.

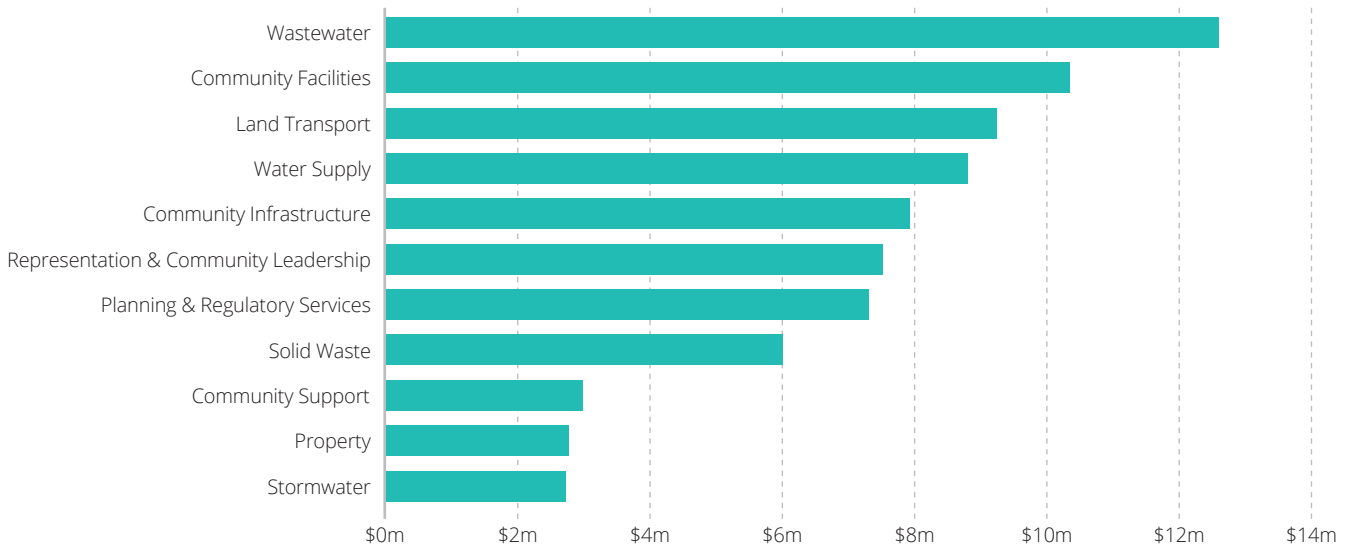
The graph below shows Council's revenue for the 2023/24 financial year.

Revenue

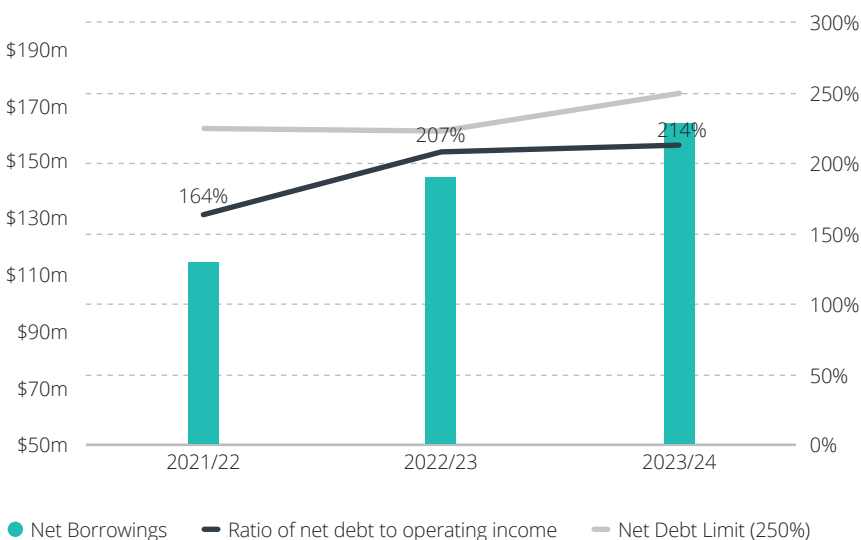


The graph below shows Council's operating expenditure by activity for the 2023/24 financial year.

Operating Expenditure



Net Debt














Net Debt (total borrowings less term deposits, borrower notes and cash) is below the limit of 250% set out in the LTPA 2021-2041 for 2023/24. The increased net debt to operating income ratio is planned for as part of the adoption of the LTPA 2021-2041 due to increased investment in three waters infrastructure.

* 2022/23 Net debt to operating income ratio restated to 207% due to restatement to 2023 Cashflow balance as detailed in Note 39. Prior Period Correction.

We budgeted to borrow an additional \$12m as part of the LTPA 2021-2041 for 2023/24 year. For the year our net borrowings increased by \$25m. This contributed to a higher than planned Net Debt to Operating Revenue ratio of 214% at 30 June 2024. The table below shows the main reasons for the higher net borrowing requirements in 2023/24:

	Increase/ (decrease) in net borrowings
Higher opening net debt (mainly due to less asset sale and capital grants than expected in 2022/23)	\$13.8m
Proceeds from sale of assets (originally budgeted for \$11.874m but reduced by \$5m for borrowing purpose)	\$6.6m
Lower borrower notes than budgeted	\$2.2m
Lower Development Contributions than expected	\$0.7m
Higher than budgeted Capital Spend	\$0.5m
Other movements in debt (Debt funded operation costs)	\$1.3m
Increase in Net Debt for 2023/24	\$25m

Non-Financial Performance Measure Results

Activity	Achieved	Not Achieved	Total
 Water Supply	6 (60%)	4 (40%)	10 (100%)
 Wastewater	6 (100%)	0 (0%)	6 (100%)
 Stormwater	5 (83%)	1 (17%)	6 (100%)
 Land Transport	3 (60%)	2 (40%)	5 (100%)
 Solid Waste	7 (70%)	3 (30%)	10 (100%)
 Community Facilities	8 (62%)	5 (38%)	13 (100%)
 Community Infrastructure	7 (100%)	0 (0%)	7 (100%)
 Property	2 (67%)	1 (33%)	3 (100%)
 Representation and Community Leadership	5 (63%)	3 (37%)	8 (100%)
 Community Support	19 (79%)	5 (21%)	24 (100%)
 Regulatory Services	12 (75%)	4 (25%)	16 (100%)
TOTAL	80 (74%)	28 (26%)	108 (100%)

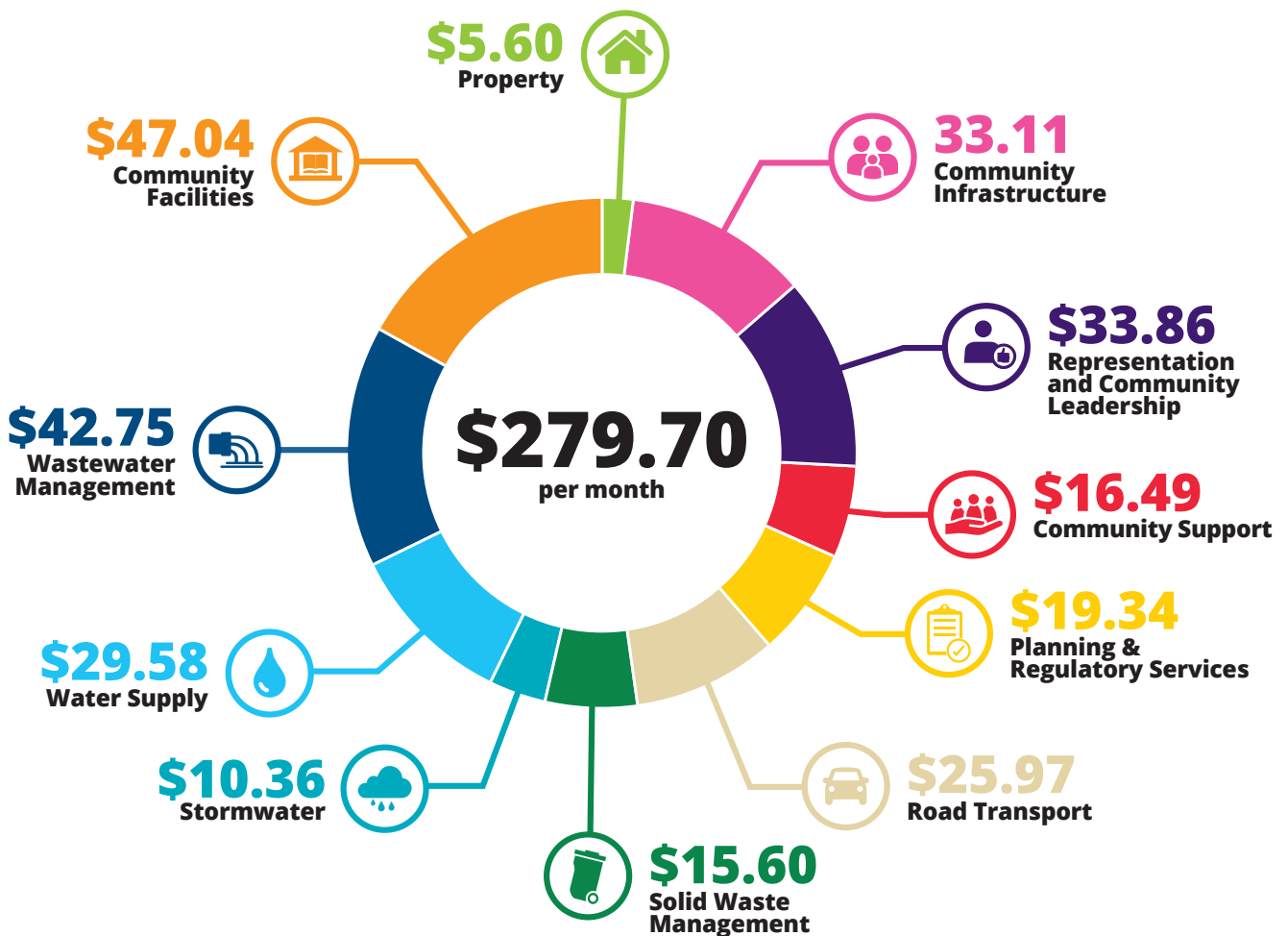
Where my rates are spent

Ngā wāhi i whakapaua ai ngā rēti

Based on a residential property with a Capital Value of \$700k and a Land Value of \$350k.

\$700k CAPITAL VALUE

\$350k LAND VALUE



Council Plan on a Page

Te Mahere Kaunihera i te Whārangī

2023/24 saw Council remain focused on delivering on the Plan on a Page. You'll remember that following the October 2022 election, the newly formed Council took the time to discuss the key issues and opportunities facing Horowhenua District Council and to set its direction.

Council recognised that the platform built by Horowhenua 2040 and the Horowhenua Blueprint has provided building blocks for success. The context of growth, reform and change, means that they wanted to put a focus on the future through tackling the hard issues, lifting organisation performance and ultimately shifting the dial on how the communities we serve see value in Horowhenua District Council.

From these discussions they developed the Plan on a Page which confirmed the general direction Council wishes to take our rohe.

The Plan and its priorities were guided by our Community Outcomes, and it put a deliberate focus on 10 top priorities and 9 other areas that were considered important to focus on.

The Plan also sought to align the organisation's vision, values and pillars with governance to demonstrate a commitment for both the governance and operational parts of Council to work together to achieve the priorities.

Council adopted their Plan on a Page at the February 2023 Council Meeting. Like all priority setting documents the Plan will be reviewed on a regular basis.

Since then both the operational and governance side of Council have been looking at ways it can use the Plan on a Page to provide the focus, prioritisation and resources needed to achieve the best results for our community through the Plan.

As in 2022/23, a large component of the Chief Executive's Key Performance Indicator (KPIs) measures for 2023/24 were structured around the Top Ten Priorities. This was to ensure the organisation has the focus it needs in its strategic direction, organisational planning and prioritisation of work.

To help elected members monitor our progress on how we are achieving the priorities of the Plan, the Organisation Performance Report (OPR) highlights how we are tracking.

The Full OPR provides detailed updates from the organisation on how it has progressed both the Top Ten Priorities and Other Areas of Focus. The Interim OPR provides a shorter update on just the Top Ten Priorities until a fuller update is provided in the next Full OPR.

Discussions have started on how to ensure all decision making on both the operational and governance side of the organisation includes consideration of the Plan on a Page.

The Outcomes we want to achieve



We uphold Te Tiriti o Waitangi and its principles and recognise the role of Mana Whenua as kaitiaki of their rohe. We support them to maintain and enhance tikanga with their ancestral lands and waterways, wāhi tapu and other taonga, and build mutually respectful partnerships with tangata whenua, supporting whanau, marae, hapū and Iwi in achieving their aspirations.



We contribute to improving our natural environment for current and future generations to enjoy, and protect the important natural features in our district. We ensure our built environment supports the wellbeing of our people and manage competing pressures on resources sustainably.



We provide efficient, reliable and affordable infrastructure, developing and maintaining facilities and infrastructure to meet the needs of current and future generations. Our community facilities and infrastructure are resilient, helping us to respond to climate change and natural hazards, working with partners to develop infrastructure that enables growth.



We are business friendly, supporting diversity and resilience in our local economy and work with others to make our economy grow. We aspire for economic security for all of our people and seize growth opportunities for our district.



We value the diversity of our people, and how our districts heritage shapes our communities sense of identity and pride. We provide infrastructure, services, facilities and places to build resilient and connected communities where people of all ages and backgrounds feel included and safe. We are building collaborative relationships with service providers to enable all people to live positive and healthy lifestyles, encouraging our people to participate in local decision making.

Our values – what we stand for

Mahi Tahi

We are one team, stronger together as we work with and for our community to deliver outcomes that matter.

#arohatōmahi

We love our work and know that our work matters. That is why we do what we say we will do and apply energy and enthusiasm across our mahi.

Manaakitanga

We put our people first by showing them that they matter, through a focus on whānau needs and aspirations.

Tiakitanga

We proudly and professionally contribute every day to the care of our community and whenua with courage, positivity and mana – leaving a legacy which future generations will embrace.

Our top 10 priorities



Enabling affordable **housing** that meets the needs of a growing population through the implementation of the Housing Action Plan



Get the basics right and support the customer focused delivery of **core services**



Achieve the best outcome for Horowhenua in the face of **Three Waters Reform** Transition



Deliver the **capital infrastructure programme**, and achieve an increase in the percentage of completed works



Enable the **rebuilding** of the Horowhenua District Council organisation, with a focus to empower a culture of excellence, service and continuous improvement



Reset our **engagement and partnership** approach, and work more with and for the community



Complete a **Rates review** as part of the Long Term Plan Amendment, to ensure a rating system that is fair and equitable



Deliver on the Levin **Town Centre Transformation** Strategy



Provide advocacy and leadership to **Ōtaki to North Levin** expressway project



Make a decision on the **Future of the Levin Landfill** and follow through on the review of our WMMP

He rau ringa e pakari ai ngā taura whiri I o tātou hapori – mai te pae maunga o Tararua ki te moana

With many hands the threads which weave our neighbourhood and communities together will be strengthened from the Tararua ranges to the sea.

Our other areas of focus



Undertake a review of Council policies



Undertake a review of Council Bylaws



Monitor the implementation of CouncilMARK recommendations and progress



Review and approve Section 17a Reviews, to ensure we are reviewing the way we deliver services



Implement zero based budgeting across the organisation



Increase resiliency to weather events by dealing with longstanding stormwater issues



Develop a Māori Engagement Framework



Develop the Horowhenua Blueprint Implementation Plan



Continue to foster our community wellbeing networks, preparing ourselves for a new future for Local Government

Our four pillars



'You' Matter



Work Matters



Performance Matters



Partnerships Matter

Our committee structure – how we work



Risk and Assurance Committee

The purpose of the Risk and Assurance Committee is to contribute to improving the governance, performance, and accountability of Horowhenua District Council by ensuring that Council has appropriate financial, health and safety, risk management and internal control systems in place. The committee seek reasonable assurance as to the integrity and reliability of Council's financial and non-financial reporting while providing a communications link between management, Council and the external and internal auditors and ensuring their independence and adequacy.



Chief Executive Employment and Performance Committee

The Chief Executive Employment and Performance Committee will have responsibility for the effective monitoring of the Chief Executive Officer's performance and has the authority to undertake the annual remuneration review.



Delivery of Capital Projects Steering Group

Monitor the delivery of the Capital Projects Programme, and guide scope and direction of the programme achieving an increase of % of works completed.



Review of District Plan Steering Group

Monitor the delivery of the District Plan project, and guide scope and direction of the project.



Rating and Financing Review Taskforce

Lead and monitor Rates Reviews, and a review of associated Rates and Revenue and Financing Policies as part of the Long Term Plan Amendment and Long Term Plan 2024 – 2034.



Three Waters Transition and Planning Taskforce

Lead and monitor the transition of Three Waters Assets to the new Water Entity, and provide direction to the organisation throughout transition.



Community Funding and Recognition Committee

The Community Funding and Recognition Committee is responsible for the effective allocation and monitoring of Council's grants. In addition, the committee is responsible for considering applications and making recommendations for Civic Honours and Youth Excellence Scholarships.



Community Wellbeing Committee

The Community Wellbeing Committee brings together representatives from Council, government and non-government organisations, and community forums.



Hearings and Regulatory Committee

The Hearings and Regulatory Committee will consider and determine matters under the Resource Management Act 1991 and Dog Control Act 1996.



District Licensing Committee

The Sale and Supply of Alcohol Act 2012 (the Act) requires Council to appoint a District Licensing Committee to deal with licensing matters. The District Licensing Committee is appointed to administer Council's alcohol licensing framework, as determined by the Act.



Ō2NL and Town Centre Taskforce

Lead and monitor key inputs required by Council for the Ōtaki to North Levin Project with a key focus on delivering Levin Town Centre Transformation.



Waste and Landfill Taskforce

Lead and monitor the development and implementation of the WMMP and Section 17a Review of Solid Waste for Horowhenua.

Working with Māori

Te Mahi tahi me te Iwi Māori

Te Kaunihera ā rohe o Horowhenua/Horowhenua District Council is committed to continually enhancing our relationship with Māori. Council recognises the unique position of Tangata Whenua in our rohe and we are dedicated to fostering the development of Māori capacity to contribute to the decision making processes of the Council. While it is a requirement in Schedule 10 of the Local Government Act 2002, Council aims to extend beyond the legislative framework, to build and maintain strong and meaningful relationships with the Māori hapori (community). This is acknowledged through Council's community outcomes, specifically the outcome "Partnership with Tangata Whenua"

The Local Government Act 2002 acknowledges the Crown's obligations under Te Tiriti o Waitangi by requiring councils to facilitate Māori participation in decision making. Key obligations include:

- Providing opportunities for Māori to contribute.
- Establishing processes for Māori input.
- Fostering Māori capacity to engage in decision making.
- Sharing relevant information.
- Considering Māori relationships with land, water, and other taonga.

Councils must understand the impact of decisions on Māori wellbeing, considering the unique challenges of both pre- and post-settlement Iwi. The goal is to ensure Māori are actively involved beyond environmental and cultural matters, becoming integral to decision making.

Partnerships

Council continues to foster our partnerships across all Iwi partners and has active Memorandum of Partnerships in place with:

- Muaūpoko Tribal Authority.
- Te Iwi o Ngāti Tukorehe Trust – representing Ngāti Tukorehe, Te Mateawa, Ngāti Te Rangitawhia and Ngāti Kapu (Ngāti Raukawa).
- Te Kotahitanga o Te Iwi o Ngāti Wehi (Ngāti Raukawa).
- Rangitāne o Manawatū.

Whilst an active Memorandum of Partnership is not currently in place with Te Runanga o Raukawa Inc, Council values the partnership and understands the key role they have in the rohe. Council is working closely with Te Tūmatakahuki to navigate a wide range of common interests. Te Tūmatakahuki is made up of membership from 12 of the 13 Raukawa hapū who reside in Horowhenua, and are named as follows – Ngāti Turanga, Ngāti Rakau, Ngāti Te Au, Ngāti Takihiku, Ngāti Ngārongo, Ngāti Whakatere,

Ngāti Pareraukawa, Ngāti Huia ki Poroutawhao, Ngāti Huia ki Matau, Ngāti Kikopiri, Ngāti Hikitunga and Ngāti Wehi Wehi. Additionally, it is important to note that Ngāti Apa have a statutory acknowledgement within Horowhenua and although there is no Memorandum of Partnership, we recognise their standing in the rohe.

The following are examples of some of the more significant engagements with Māori.

Māori Engagement Framework

The Framework, being developed in partnership with Iwi, will guide how Council engages with Iwi, hapū, marae, and the wider Māori community, ensuring fair and consistent processes. A Project Advisory Group, including Councillors, staff, and Iwi representatives, meets monthly to advance this work.

First Rights of Refusal for Mana Whenua

Officers have been asked to do work to present an option to Council to consider including a Right of First Refusal for Mana Whenua in the Property Disposal Strategy. Discussions with Iwi are ongoing. This work is expected to be presented to Council for consideration during the next financial year.

Puanga Matariki Events

Council partnered with Iwi and hapū to co-create the Puanga Matariki events, recognising the importance of this time for Māori. The working group includes Council staff and representatives from Muaūpoko and Ngāti Raukawa.

Marae CDEM Preparedness

Civil Defence training was offered to all Horowhenua Marae, with representatives from several marae attending. Ongoing sessions are planned to build preparedness for natural disasters.

Waitārere Beach Surf Lifesaving Club

Ngāti Huia ki Matau, Ngāti Huia ki Poroutawhao, and Muaūpoko contributed to the development of the new surf lifesaving facility at Waitārere Beach.

Levin Town Centre Project

Cultural representation is a priority in the Town Centre Transformation Programme, with Māori Ward Councillors and Iwi partners involved in governance and project planning.

Looking forward

The examples above are not exhaustive but provide a sample of the types of mahi (work) we complete alongside Māori.

Council is steadily building cultural capacity and supporting Iwi partners. Iwi perspectives were included in our Fast Track Consents submission, and 20 staff are completing the Te Ao Māori for Professionals course. Weekly workshops and a Cultural Proficiency Framework are also in progress.

Council is committed to involving Iwi partners in key processes, from government proposals to the Long Term Plan, guided by values of Tiakitanga, Manaakitanga, Mahi Tahi, and Arohatōmahi. We remain dedicated to strengthening relationships and creating meaningful opportunities for Māori to contribute to decision making.

Mā te kotahitanga e whai kaha ai tātau – In unity, we have strength.

Our role

Ko ā mātou haepapa

With many hands, the threads which weave our neighbourhoods and communities together will be strengthened from the Tararua Ranges to the sea.

He rau ringa e pakari ai ngā taura whiri i ō tātou kāinga noho me ō tātou hapori – mai te pae maunga o Tararua ki te moana.

Horowhenua District Council enables democratic local decision making to promote the social, economic, environmental and cultural wellbeing of our district in the present and for the future.

Under the Local Government Act, we are required to promote these four wellbeings. The wellbeings and our Community Outcomes are at the heart of decisions made by Council.

Our current Community Outcomes were decided upon after consultation with the community during the Long Term Plan 2021-2041 and updated in the Long Term Plan 2024-2044.

Council is made up of the Mayor and 12 Councillors (elected members) who represent five wards including the newly introduced Māori ward. They are responsible for governance, and ultimately setting the direction for the future of our community. Representing the community, they make decisions on behalf of our ratepayers and residents to determine local policy and legislation and defining the overall vision for the Horowhenua district.

As well as the Council, we have the Te Awahou Foxton Community Board which represents the Foxton area. It has five elected members who work with one member appointed from the Kere Kere general ward by the Council. The Board advocates for the community and makes recommendations to the Council about the Foxton area.

At the beginning of each term, elected members are selected to support special interest groups and community orientated bodies within the community, by joining statutory bodies, community associations and other organisations for the elected term.

Horowhenua District Council Chief Executive Monique Davidson, and 277 staff oversee the day-to-day running of the Council and district, taking responsibility for everything from strategy to operations and project delivery. They also advise the elected members and implement their decisions. The areas council is responsible for are called “council activities”. Rates help pay for these services delivered to the community.

Council works with many organisations and performs many roles. We fund and lead projects that benefit the community and solve local needs, regulate local bylaws and plans and advocate for Horowhenua to central government, other local authorities and other agencies through:

- Facilitating solutions to local needs.
- Management of local infrastructure including network infrastructure (e.g. roading, water supply, waste disposal, libraries, parks and recreational facilities).
- Environmental management planning for the current and future needs of the local district.
- Preparing and adopting the 20-year budget (LTP), annual budget (annual plan) and annual report.
- Setting rates and bylaws.
- Decision making on regulatory matters and on Horowhenua-wide non-regulatory matters.
- Setting strategies, policies and plans.
- Consulting with and considering the views of Te Awahou Foxton Community Board before making a decision which affects the communities in the area.
- Monitoring and reviewing the performance of the organisation.



- We will uphold Te Tiriti o Waitangi and its principles.
- We build mutually respectful partnerships with tangata whenua.
- We support Mana Whenua to maintain and enhance tikanga with their ancestral lands and waterways, wāhi tapu and other taonga.
- We support whanau, marae, hapū and Iwi in achieving their aspirations
- We recognise the role of Mana Whenua as kaitiaki of their rohe.



- We are business friendly.
- We will work with others to enable our economy to grow.
- We support diversity and resilience in our local economy.
- We aspire for economic security for all our people.



- We contribute to improving our natural environment for current and future generations to enjoy.
- We protect the important natural features in our district.
- We ensure our built environment supports the wellbeing of our people.
- We manage competing pressures on resources sustainably.



- We develop and maintain facilities and infrastructure to meet the needs of current and future generations.
- We provide efficient, reliable and affordable infrastructure.
- We work with partners to develop infrastructure that enables growth.
- Our community facilities and infrastructure are resilient, helping us to respond to climate change and natural hazards.



- We value the diversity of our people.
 - We recognise the value of our district's heritage and its contribution to our communities' sense of identity and pride.
 - We take an inclusive approach and encourage our people to participate in local decision making.
 - We provide infrastructure and services as a foundation for resilient and connected communities.
 - We build collaborative relationships with service providers to help enable all of our people to live positive and healthy lifestyles.
 - We help create facilities and places where people of all ages and backgrounds.
-

Resident Satisfaction Survey

Te Uiui Whakarata i te Hapori



One of the ways we measure the public perception of how we are performing is through our resident satisfaction survey.

The survey was emailed out in March 2024 and was available online throughout the year. A total of 5,602 surveys were completed, a 7% decrease in collective responses compared to 2023.

Thank you to everyone who took the time to answer the survey questions and provide feedback on how we're progressing. Your input will help us determine which areas we need to focus on most.

Rubbish and Recycling



88%
satisfied
Kerbside
rubbish



61%
satisfied
Recycling
stations



82%
satisfied
Kerbside
recycling



67%
satisfied
Shannon
and
Foxton
transfer
stations
service

Council facilities



95%
satisfied
Library
services



86%
satisfied
Sports
grounds



72%
satisfied
Drinking
water



86%
satisfied
Wastewater
services



88%
satisfied
Cemeteries



81%
satisfied
Parks and
reserves



64%
satisfied
Swimming
pools



49%
satisfied
Stormwater

Water services

Roads



67%
satisfied
Parking



58%
satisfied
Street lights

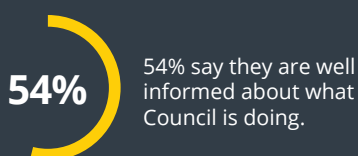
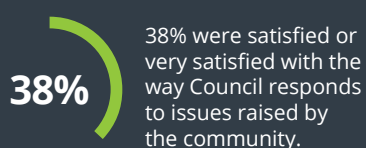


39%
satisfied
District road
maintenance



39%
satisfied
Footpath
maintenance

Leadership



Consulting with our community

We asked how satisfied you were with processes to provide feedback on Council plans or strategies.



Alongside customer satisfaction measurements, for the last two years, we've also been measuring Net Promoter Score (NPS) - a customer loyalty and satisfaction metric. NPS can range from -100 to 100. Council's NPS improved by 5.7 points to -4.2 compared to 2023 which was -9.9.

Method used

The 2024 survey was conducted solely via Ask Nicely, an online Voice of Customer survey tool. 10 surveys (broken down by different Council services and facilities) were sent to our emailable ratepayer base, via social media channels to a broader Horowhenua target audience and distributed throughout the year via the Community Connection.

We received 5,602 collective survey responses (those people who completed more than one survey) and 3,066 individual responses.

The surveys had a margin of error ranging from 3% to 6% with a 95% confidence level, meaning the sample size is robust and reflective of a cross section of our community and results are statistically significant.



Customer service at Aquatics Horowhenua, Te Takeretanga o Kura-hau-pō, Horowhenua District Council Main Office and Te Awahou Nieuwe Stroom achieved 74% satisfaction, with the Library services scoring an overall 95% satisfaction rate.

Who we are Ko wai mātou





Elected Members



**Bernie Wanden,
Mayor**

Chair – Community Wellbeing Committee
Chair – Chief Executive Employment and Performance Committee
Risk and Assurance Committee
Community Funding and Recognition Committee



**David Allan,
Deputy Mayor**

KERE KERE WARD
Chair – Hearings and Regulatory Committee
Deputy Chair – Chief Executive Employment and Performance Committee
Community Funding and Recognition Committee



Ross Brannigan

KERE KERE WARD
Chair – District Licensing Committee
Chair – Capital Projects Delivery Steering Group



Mike Barker

LEVIN WARD
District Plan Steering Group
Capital Projects Delivery Steering Group



Rogan Boyle

WAIOPEHU WARD
Community Funding and Recognition Committee
Capital Projects Delivery Steering Group



Clint Grimstone

LEVIN WARD
Risk and Assurance Committee
Community Wellbeing Committee
District Plan Steering Group
Levin Town Centre Steering Group



Nina Hori Te Pa

HOROWHENUA (MĀORI WARD)
Community Wellbeing Committee
Community Funding and Recognition Committee



Sam Jennings

LEVIN WARD
Chair – Risk and Assurance Committee
Chair – District Plan Steering Group
Chief Executive Employment and Performance Committee
Hearings and Regulatory Committee
Capital Projects Delivery Steering Group



Paul Olsen

MIRANUI WARD

Deputy Chair – Risk and Assurance Committee
Chief Executive Employment and Performance Committee
Capital Projects Delivery Steering Group



Jonathon Procter

WAIOPEHU WARD

Risk and Assurance Committee



Justin Tamihana

HOROWHENUA (MĀORI) WARD

Deputy Chair – District Licensing Committee
Hearings and Regulatory Committee
District Plan Steering Group



Piri-Hira Tukapua

LEVIN WARD

Chair – Community Funding and Recognition Committee
Chief Executive Employment and Performance Committee
Hearings and Regulatory Committee
District Plan Steering Group
Levin Town Centre Steering Group



Alan Young

LEVIN WARD

Risk and Assurance Committee
Community Funding and Recognition Committee

Executive Leadership Team



Monique Davidson

CHIEF EXECUTIVE



Daniel Haigh

GROUP MANAGER
COMMUNITY
INFRASTRUCTURE



Brent Harvey

GROUP MANAGER
COMMUNITY EXPERIENCE
AND SERVICES



David McCorkindale

GROUP MANAGER
COMMUNITY VISION
AND DELIVERY



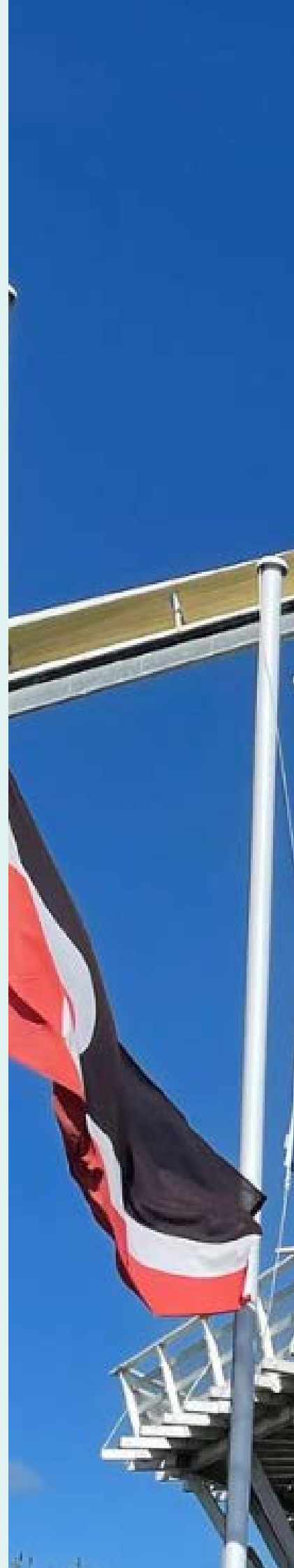
Blair Spencer

GROUP MANAGER
HOUSING AND BUSINESS
DEVELOPMENT



Jacinta Straker

GROUP MANAGER
ORGANISATION
PERFORMANCE





ACTIVITY UPDATES



HE PĀRONGO MŌ Ā MĀTOU MAHI

Activity Updates

He pārongo mō ā mātou mahi

Activity Performance

This section contains comprehensive information on the performance of each activity, carried out by Council in furthering Community Outcomes, for the financial year. It includes updates, financial information and non-financial performance measure information for each of the activities. The Local Government Act 2002 requires all councils to report on a set of non-financial performance measures for roading, water, wastewater, and stormwater and flood protection. Councils also develop other performance measures in consultation with their community during the Long Term Plan process.

Performance measures provide valuable information on how Council is performing in the wide range of Council activities. This section contains the full set of performance measures, outcomes and commentary.

A high level summary can be found in the “Our performance and position at a glance” section of this report, and a briefer summarised version in the Summary Annual Report.

As set out in the Local Government Act 2002, community outcomes are what Council aims to achieve in meeting the purpose of local government.

The purpose of local government was amended as of 14 May 2019 from meeting the current and future needs of our communities for good quality infrastructure, public services and performance of regulatory functions to promoting the social, economic, environmental, and cultural wellbeing of its district or region in the present and for the future.

The community outcomes identified are those that were adopted as part of the LTPA 2021–2041.

Please note the outcomes and associated bullet points in the outcomes are not intended to be read as a hierarchal list ordered by importance.

This part is prepared according to the requirements of the Local Government Act 2002 and the financial reporting standards issued by the External Reporting Board. It reports on Council’s policies, objectives, activities, performance targets, indicative costs and sources of funds as outlined in the LTPA for the 2023/24 financial year. Activity Statements for each significant activity are contained on the following pages.

In doing so, the report is a reflection of Council’s accountability to the Horowhenua hapori and indicates the success (or otherwise) of Council in fulfilling its intended achievements as it had outlined in the LTPA for the 2023/24 financial year.

Council continues to strive to incorporate measures which are appropriate, which measure outcomes, and which can be supported by relevant evidential material. Each significant activity area as a whole incorporates elements of quality, quantity, timeliness, cost and location (where applicable). Quality processes that affect the quality of the outputs are also a standard feature of the internal management control systems.

In particular:

- Published planning documents including the District Plan, asset management plans, revenue and financing policy, investment policy, liability management policy, LTP, annual plans and annual reports are prepared in conjunction and consultation with the public and affected parties, internal peer review and in compliance with the requirements of relevant legislation.
- Internal reports are prepared by suitably qualified and experienced staff and significant reports are subject to peer review.
- Capital works are constructed to design specifications and are inspected by suitably qualified and experienced staff.
- Maintenance works are undertaken by employees or contractors under the supervision of suitably qualified and experienced engineers and are monitored in accordance with maintenance programmes.

The significant activities reported on are:



WATER SUPPLY

The Water Supply Activity provides a safe and reliable supply of water to urban (residential, industrial and commercial) and agreed rural properties.



WASTEWATER

The Wastewater Activity aims to protect human health and environment by treating wastewater from residential and industrial properties and discharging treated effluent back into the environment.



STORMWATER

As part of the Stormwater Activity, Council provides and maintains a stormwater system that aims to remove water from the roading corridor, and in some cases residential and commercial properties, to reduce the occurrence of flooding during rainfall events.



LAND TRANSPORT

Through the Land Transport Activity, Council provides and maintains roads, footpaths and shared pathways across our rohe that meet the needs of our hapori.



SOLID WASTE

The Solid Waste Activity aims to collect and safely dispose of residential and commercial rubbish, assist with waste minimisation and aims to deliver continued waste reduction.



COMMUNITY FACILITIES

The Community Facilities Group of Activities includes the following:

- Aquatic Centres and Recreation
- Community Centres and Libraries



COMMUNITY INFRASTRUCTURE

The Community Infrastructure Group of Activities is made up of a number of sub-activities, which aim to provide both passive and active amenities for our hapori to use.



PROPERTY

Council owns a substantial number of properties throughout the Horowhenua which support the delivery of Council's activities.

The Property Activity ensures that these assets are managed and maintained effectively.



REPRESENTATION AND COMMUNITY LEADERSHIP

This Activity relates to how Council meets its responsibility to represent and provide leadership for our hapori including how Council will involve the community in its strategic planning and decision making.



COMMUNITY SUPPORT

The Community Support Group of Activities is made up of a number of sub-activities which aim to provide for the social and economic wellbeing of our hapori. These Activities are:

- Emergency Management
- Community Engagement
- Visitor Information
- Destination Management
- Economic Development



REGULATORY SERVICES

The Regulatory Services Group of Activities provides advice, building and resource consenting services, assessment, education, compliance and enforcement. This Group of Activities aims to protect the health and safety of our hapori and the environment they live within.

Water Supply

Te Whakarato Wai Māori

WHAKATAUKĪ

Ko te wai te ora ngā mea katoa
Water is the life giver of all things.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Description of activity

The Water Supply Activity aims to provide a safe and reliable supply of water to urban (residential, industrial, and commercial) and agreed rural properties, which adjoin urban areas.

What the activity involves

- Providing safe drinking water to defined urban and rural areas for Levin, Foxton Beach, Foxton, Shannon, Mangaore and Tokomaru.
- Managing and maintaining river intakes, groundwater bores, water treatment plants and storage facilities, pump stations, underground pipe networks and associated infrastructure.
- Implementing water demand management using tools such as the SCADA (Supervisory Control and Data Acquisition) system and PRVs (pressure reducing valves).
- Investigating improvements and extensions to Council's water supply network.
- Providing water for firefighting capability in areas where a Council reticulated water supply is provided and ensuring compliance with firefighting requirements in areas not reticulated.
- Ensuring compliance with relevant legislation:
 - Meeting resource consent requirements for water takes and assets
 - Meeting the Water Services Act 2021
 - Meeting the Water Services (Drinking Water Standards for New Zealand) Regulations 2022
 - Meeting the Drinking Water Quality Assurance Rules (effective 14 November 2022)
- Responding to and resolving (if possible) complaints relating to the Water Supply Activity.

How our work delivers on community wellbeing

SOCIAL WELLBEING

Safe and aesthetically pleasing water throughout the district to promote good health and vitality.

ENVIRONMENTAL WELLBEING

Improve leak detection and lost water reduction meaning that less water is extracted from the natural environment, reducing our energy footprint.

ECONOMIC WELLBEING

Robust infrastructure to serve our current economy and provide for future growth.

Vastly improved resilience and reliability to supply water despite storms and power outages to ensure a positive future.

CULTURAL WELLBEING

Improved relationships with Iwi as a result of improved consultation, communication, and fostering of relationships.

LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned

What we did / did not do

REPLACEMENT OF EXISTING ASSETS

District wide Water Metering project rollout with new water meters being installed in Shannon, Foxton and Levin

This project commenced in March 2024, with new digital water meters being installed in Shannon, Foxton and Levin. 14.8% of the district's water connections had a smart meter installed between March and June 2024. This project will be completed by the end of the 2024/2025 financial year.

Levin reticulation - Water network renewal projects

We successfully completed significant upgrades to the water mains on York Street and Liverpool Street in Levin. 421 metres (of 675 metres – the remainder of which was already installed at the date of writing this report) of watermain was installed on York Street and 625 metres of watermain on Liverpool St. By addressing aging infrastructure, we reduced the risk of leaks and bursts, which helps prevent service disruptions and costly repairs.

Shannon Water Treatment Plant Pipe Renewal

We upgraded the water main supplying the Shannon Water Treatment Plant, ensuring improved reliability and efficiency for the community. Additionally, to maximise the benefits of these improvements, we extended the renewal work down Stafford Street, successfully installing an additional 850 metres of water main. This project was successfully completed in May 2024.

Tokomaru Water Treatment Plant – compliance upgrade

During the financial year we completed the expansion of the on-site water storage capacity at the plant and pipework upgrades. These works reduce the need for external water supply during adverse weather conditions. Ongoing upgrades aim to further optimise the plant's ability to handle high turbidity levels.

Fluoridation Project	Initiated by the central government mandate to install a fluoride dosing system at the Levin Water Treatment Plant (WTP). Fluoridation treatment to be completed by December 2024.
Levin Water Treatment Plant - Master Plan and Strategic Upgrade	The master planning for the upgrades at the Levin WTP is well underway, with ongoing workshops scheduled throughout the 2024/2025 financial year to refine the design. Initial upgrades identified this financial year will be undertaken in the 2024/2025 financial year.
PROJECTS RESULTING FROM GROWTH	
Tara-Ika - Tararua Road Watermain upgrade	In January 2023, we commenced the renewal and upgrade of 770 metres of the existing watermain network on Tararua. This initiative was essential as the Tara-Ika development plan requires the upgrading of all critical services, which include wastewater and water supply, to comply with the plan change requirements. The water pipe replaced was a 52-year-old Asbestos Cement pipe that had surpassed its theoretical lifespan of 40 years. The work was completed in February 2024 and was coordinated with future plans for power undergrounding and preliminary works for the proposed roundabout at the intersection of SH57 and Tararua Road.
Levin Water Supply Reservoir (Poads Reservoir) consent	The 2023/2024 financial year has seen the team focused on finalising the draft consent for lodgement. This has included ongoing engagement with our Iwi/hapū partners, and technical experts. In June 2024 Council approved for the consent application to be lodged through the RMA process in the first quarter of the 2024/2025 financial year.

Activity Insights

SUCSESSES

Districtwide Water Metering Project

As part of the LTPA 2021-2041, Council decided to implement universal water metering to detect and reduce water leaks. This decision followed community consultation and feedback, leading to the installation of digital water meters. Council is responsible for maintenance from the mains to point of supply at the back end of the toby, while property owners are responsible for leaks and maintenance on their private supply pipes.

In March 2024, the project started in Shannon, installing new meters to all properties including replacing analogue meters with the new digital ones. These new meters detect leaks within 14 days, compared to up to nine months with the old analogue meters, allowing residents to monitor and reduce their water consumption, promoting water-saving practices.

By June 2024, 2,031 of the district's 13,725 water connections (14.8%) had smart meters. 531 new smart meters were installed in Shannon, 1067 in Foxton and 83 in Levin. The success of the water meter project has been immediate. The April 2024 meter reading run for Shannon detected 65 properties with leaks which resulted in a saving of up to 85,000 litres of water daily. The project aims to install new smart meters to all properties by the end of 2025.

This initiative is more cost-effective than overhauling the pipe network and prepares us for potential changes in water billing, reinforcing our commitment to a sustainable water system. Alongside other major projects, such as the Poads Road Water Supply Reservoir, this project underscores our commitment to a resilient and sustainable water system.

WATER NETWORK RENEWAL PROJECTS

York Street and Liverpool Street, Levin - Water and Wastewater Infrastructure Renewal

We successfully completed significant upgrades to the water and wastewater mains on York Street and Liverpool Street in Levin. On York Street, we replaced 421 metres of aging water main pipe alongside renewing the wastewater pipe, enhancing the reliability of the water network.

The Liverpool Street project involved constructing a 625-meter new water main pipe, replacing a 41-year-old Asbestos Cement pipe that had reached the end of its theoretical life and was prone to bursting due to ground movement or vibration. This renewal improved the water supply network's performance, functionality, and reliability, reducing residents' risk of water service loss.

We undertook these projects to ensure a more reliable and efficient water network system. By addressing aging infrastructure, we reduced the risk of leaks and bursts, which helps prevent service disruptions and costly repairs. These upgrades demonstrate our commitment to maintaining infrastructure that meets current and future needs, significantly improving the reliability and safety of our water and wastewater networks, and providing better service for the community.

Water Infrastructure Renewal Projects: Enhancing Community Resilience

Our commitment to enhancing community resilience and ensuring reliable water and wastewater services is evident in our ongoing efforts in water infrastructure renewal. These projects upgrade critical infrastructure, safeguard public health, and support sustainable growth, minimising disruptions while enhancing community resilience and sustainability. We all have a right to clean drinking water and reliable water services, and these upgrades will benefit our community for many years to come.

Shannon – Mangaore Water Pipe Renewal

Prompted by past bursts along the Mangahao Road access track to the plant, we replaced aging AC pipes installed in 1985 with new polyethylene pipes. These pipes are known for their durability and resistance to leaks and environmental damage, with an expected lifespan of up to 100 years. The project upgraded the water main supplying the Shannon water treatment plant, ensuring improved reliability and efficiency for the community.

The works, which were scheduled overnight to minimise disruption to Shannon residents, were completed on 1 May 2024. The works mean that the water main supplying the Shannon water treatment plant is now fully upgraded.



Tokomaru Water Treatment Plant Upgrades

The Tokomaru Water Treatment Plant underwent significant upgrades between 2015 to 2017, including the installation of new filtration and disinfection units. Despite these improvements, heavy rainfall events continued to disrupt operations, prompting recent modifications to enhance water storage capacity and reduce reliance on water tanker deliveries.

Previously, Tokomaru was frequently issued boil water notices due to outdated infrastructure. A minimal upgrade five years ago provided temporary relief but didn't offer a lasting solution. Due to increasingly stringent water quality standards and more frequent heavy rains, the plant faced more shutdowns due to river turbidity, necessitating occasional water truck deliveries to maintain water storage levels.

Recent adjustments focused on expanding on-site water storage capacity at the plant, reducing the need for external water supply during adverse weather conditions. The Tokomaru pipework upgrade completed in October has been particularly effective, significantly reducing the need for water tankers, which are now only required during extreme weather

events. Ongoing upgrades aim to further optimise the plant's ability to handle high turbidity levels effectively and sustainably.

CHALLENGES

Fluoridation Project

Horowhenua District Council is one of 14 local authorities that received a directive from the Director-General of Health under the Health (Fluoridation of Drinking Water) Amendment Act 2021 to start fluoridating the drinking water supply for Levin and Ōhau.

Managing the fluoridation project for the water supply for Levin and Ōhau has been quite challenging. Initially mandated by the Ministry of Health, the project aims to install fluoride dosing systems at the Levin Water Treatment Plant. By September 2023, we had progressed to awarding a contract for design and construction to Filtec Ltd., with detailed planning nearing 60% completion.

The directive has been legally challenged several times during the 2023/24 year, with our own work initially paused after a November High Court decision questioning the lawfulness of the directive. However, following the series of challenges, the directive and the legislation supporting it are still valid.



As such, Council is required to comply and in June 2024 Council signed a funding agreement with the Ministry of Health to comply with mandate and recover costs. The project was expected to restart in early July 2024, with fluoride dosing of water to begin in November 2024.

Sustainable Water Supply over Summer Months

Our district faces significant challenges managing water supply during summer due to increased demand and limited capacity. Most of our water comes from rivers and a stream from the Tararua Range, while Foxton, Foxton Beach, and Shannon rely on bores. We have four water treatment systems in Shannon, Tokomaru, Foxton, and Levin.

The amount of water we can extract is determined by Resource Consents. The Ōhau River consent allows up to 15,000m³ per day, but this reduces to 13,000m³ when river flow is low. The average daily take is 9,600m³, peaking at around 14,000m³.

Challenges During Dry Weather

During dry weather, reduced river flow limits water extraction, and we must introduce water restrictions to manage supply. High summer usage, especially by Foxton and Foxton Beach visitors, further strains resources. Aging infrastructure and limited storage capacity contribute to shortages, affecting community health and the environment.

Water Supply Management Framework

Our Water Services team developed a Water Supply Management Framework to address these issues. This includes water management education, conservation levels, and restrictions. We've also installed a monitoring system and launched a water metering program to reduce wastage.

Maintaining a sustainable water supply remains challenging despite these efforts, particularly during drier-than-average weather. Proactive measures are crucial to ensuring a stable water supply and protecting our community and environment.

LOOKING FORWARD

Council is Investing in a Safe and Reliable Water Supply

Conserving water is a team effort, and Council is doing its part to ensure our community and visitors have enough water to meet their needs. We are committed to finding and fixing leaks as we work together to save water in Horowhenua.

New state-of-the-art monitoring systems were adopted in 2018, and we have improved our pipe installation and quality control standards, pressure testing new networks and connectors to ensure no leaks. Prior to the start of the water meters project, 40% of Horowhenua properties already had meters, and new digital leak

detectors will be installed throughout the district within the next two years to identify and remedy leaks and save water.

Levin Water Supply Reservoir (Poads Reservoir)

Council has also been working towards the most significant and aspirational water infrastructure project in our recent history – the Poads Road Water Supply Reservoir. This project focuses on constructing a large water supply reservoir on Council-owned land between Poads Road and the Ōhau River. The reservoir will be built outside of the river's corridor and above the flood level. A new subsurface intake in the Ōhau River will supply the reservoir.

In early 2022, Council sought and obtained a resource consent for an additional 409 m³/day from the Ōhau River adjacent to the proposed reservoir site, being the remaining core allocation available in the Horizons Regional Council's One Plan water allocation framework. This was sought to secure the remaining core allocation for purposes of community supply and as the first step in the consenting process for the WSR.

An options assessment has been undertaken and has been independently peer reviewed; preliminary design and cost estimates have been completed; iwi engagement is ongoing; and draft RMA applications have been completed.

In June 2024 Council approved for the consent application to be lodged through the RMA process in the second quarter of the 2024/2025 financial year.

Future Upgrades and Optimisation at Levin Water Treatment Plant

We need more storage for raw water (reservoir) and treated water (tanks) at the Levin WTP. As our population in Levin grows, our water storage will no longer be sustainable. Currently, the plant has capacity for only one day of treated water storage. The water treatment plant is nearing capacity and requires planned investment to service new growth areas.

A strategic upgrade of the Levin WTP is planned alongside the Water Supply Reservoir project. This initiative aims to increase the capacity of clarifiers, filters, and the chemical dosing plant while also enhancing treated water storage capacity and improving the backwash water process for reuse. Addressing water loss through leaks and increasing storage capacity are crucial priorities.

The master planning for these upgrades at the Levin WTP is well underway, with ongoing workshops scheduled to refine the design. Initial upgrades identified for the 2024/25 financial year are currently in the design stage. Significant optimisation of the Actiflo clarifier has already proven successful, reducing sand usage and operational costs, thereby enhancing overall efficiency.

We are dedicated to providing efficient, reliable, and affordable infrastructure. Our goal is to develop and maintain facilities that meet the needs of both current and future generations, ensuring that our infrastructure is fit for purpose and sustainable.

Local Water Done Well Programme Highlights

With the recent government change and coalition formation, the 3 Waters Reforms programme was paused as its legislation was being repealed. We are responding to the requirements of the Local Water Done Well programme.

Regional Water Management Initiative

Council has signed a Memorandum of Understanding (MoU) with Wellington regional councils that sets out to develop a collaborative water management plan under the Local Water Done Well programme. This strategic partnership aims to enhance water service delivery through regional cooperation, aligning with regulatory and investment requirements by mid-2025. Key decisions on progression of this and timing for Iwi, public engagement are still in development.

In addition to this initiative, Council is also working with other councils across the Manawatū-Whanganui region to understand the benefits of a regional water services delivery organisation. This work will continue concurrently with the Wellington study. Council will need to decide on a preferred regional option moving forward. It is anticipated that a Council decision will be made toward the end of 2024.

Transition of Three Waters Service Delivery

To streamline operations and enhance cost-efficiency, Council has opted not to extend the Horowhenua Alliance Agreement. This decision brings the management of water service delivery back in-house, saving ratepayers \$250,000 in the first year and projected savings exceeding \$500,000 by year two of the Long Term Plan 2024-2044.

Council aims to consolidate its service delivery model and explore potential partnerships with neighbouring councils.

These initiatives underscore Council's commitment to proactive governance, sustainable infrastructure development, and fiscal responsibility in meeting the evolving needs of our community. We are committed to continuing every effort to find ways to deliver services to our community most efficiently and effectively.

We are grateful for the partnership we have had with Downer, and we are looking forward to working with current contracted staff who may be interested in joining the Horowhenua District Council team for this exciting new chapter. The existing contract will conclude in November 2024.



Proposed Poads Reservoir Intake Site

Measuring the Water Supply Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																																							
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Customer Satisfaction*	Percentage of customers not dissatisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 84%	<p>✘ NOT ACHIEVED</p> <p>The measure is obtained from the Annual Residents Satisfaction Survey. The rating achieved this year is 68%.</p>	<p>✘ NOT ACHIEVED</p> <p>The measure is obtained from the Annual Residents Satisfaction Survey. The rating achieved this year is 72%.</p>																																																
Drinking water that tastes and looks satisfactory*	The total number of complaints received about any of the following (expressed per 1000 connections): Drinking water clarity; Drinking water taste; Drinking water odour; Drinking water pressure or flow; Continuity of supply; and Council's response to any of these issues. Total:	<p>1 1 1 1 1 1</p> <p>≤ 6</p>	<p>✘ NOT ACHIEVED</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Per 1000 connections</th> <th>No. of Complaints</th> </tr> </thead> <tbody> <tr> <td>Clarity</td> <td>0.62</td> <td>8</td> </tr> <tr> <td>Taste</td> <td>0.62</td> <td>8</td> </tr> <tr> <td>Odour</td> <td>0</td> <td>0</td> </tr> <tr> <td>Pressure or flow</td> <td>0.23</td> <td>3</td> </tr> <tr> <td>Continuity of supply</td> <td>1.39</td> <td>18</td> </tr> <tr> <td>Council's response</td> <td>0</td> <td>0</td> </tr> <tr> <td>TOTAL</td> <td>2.87</td> <td>37</td> </tr> </tbody> </table> <p>Number of rated connections as of 1 July 2022 = 12,909</p> <p>The target was achieved in all measures except continuity of supply.</p>	Description	Per 1000 connections	No. of Complaints	Clarity	0.62	8	Taste	0.62	8	Odour	0	0	Pressure or flow	0.23	3	Continuity of supply	1.39	18	Council's response	0	0	TOTAL	2.87	37	<p>✘ NOT ACHIEVED</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Per 1000 connections</th> <th>No. of Complaints</th> </tr> </thead> <tbody> <tr> <td>Clarity</td> <td>0.38</td> <td>5</td> </tr> <tr> <td>Taste</td> <td>0.38</td> <td>5</td> </tr> <tr> <td>Odour</td> <td>0.15</td> <td>2</td> </tr> <tr> <td>Pressure or flow</td> <td>1.59</td> <td>21</td> </tr> <tr> <td>Continuity of supply</td> <td>3.7</td> <td>49</td> </tr> <tr> <td>Council's response</td> <td>0</td> <td>0</td> </tr> <tr> <td>TOTAL</td> <td>6.20</td> <td>82</td> </tr> </tbody> </table> <p>Number of rated connections and above stats are the state of play currently for June, as of 1 July 2023 = 13,230</p>	Description	Per 1000 connections	No. of Complaints	Clarity	0.38	5	Taste	0.38	5	Odour	0.15	2	Pressure or flow	1.59	21	Continuity of supply	3.7	49	Council's response	0	0	TOTAL	6.20	82
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Firefighting needs are met.	Percentage of sampled network where firefighting flows in urban residential areas meet the NZ Fire Service firefighting water supplies Code of Practice SZ 4509:2008.	≥ 80%	<p>✓ ACHIEVED</p> <p>50 hydrants were flow tested in early April and 47 had more than 12.5L/s, therefore 94% of hydrants tested passed.</p>	<p>✓ ACHIEVED</p> <p>All critical hydrants have been tested. Hydrants are tested routinely once a year; flow must meet firefighting standards from NZ Fire Service firefighting water supplies code of practice. SNZ PAS 4509: 2008. The minimal flow of 12.5L/s at one bar residual pressure, must be exceeded on a single hydrant classed as FW2 when sprinklers are not installed. Max flow is limited to 35l/s for safety reasons. G8 page 47 states that computer modelling has been assessed as accurate against some hydrant ground tests, the fire service may accept the outputs from modelling in place for some hydrants, however key hydrants are always tested yearly which are the 50 tested. If they do not meet requirements they are serviced to do so.</p>																														
Water supply has adequate flow and pressure.	Network supply pressure at all property boundaries visited during maintenance work is not less than 250kPa for on demand connections and 150kPa for restricted flow connections.	Achieve	<p>✓ ACHIEVED</p> <p>100% of water connections checked across the district were measured to be equal to or exceeded pressures of 250kPa at the property boundary for on demand supply and 150kPa for restricted connections. One connection in Foxton had a lower pressure which is suspected to be due to an internal leak. This is being investigated.</p>	<p>✓ ACHIEVED</p> <p>Only 1 of all water pressures measured during toby maintenance in November 2023, was below 250kPa at 225kPa which may be due to an internal leak.</p>																														
Water supply is sustainable*	Average consumption of drinking water per person per day (lpcd) within the water supply areas (target based on Horizons One Plan - Section 5.4.3.1). lpcd – litres per capita per day.	≤ 300 lpcd	<p>✓ ACHIEVED</p> <p>The average consumption across the district is 289L/person/day. The above average is calculated based on total water produced from all the treatment plants, minus commercial consumption, then divided by the calculated connected population. Please note that the figure above includes residential consumption, water taken from hydrants for firefighting/training and system leaks. Therefore, the actual residential consumption should be less.</p>	<p>✗ NOT ACHIEVED</p> <p>The calculated average consumption to date for the year was 309L/person/day.</p>																														
Response to faults*.	<p>The median time from the time that Council received notification, to the time that service personnel:</p> <p>Reach the site for urgent call-outs;</p> <p>Confirm resolution of the fault or interruption of urgent call-outs;</p> <p>Reach the site for non-urgent call-outs; and</p> <p>Confirm resolution of the fault or interruption of no-urgent call-outs.</p>	<p>✓ ACHIEVED</p> <p>< 1 hour</p> <p>< 8 hours</p> <p>< 3 days (72hrs)</p> <p>< 3 days (72hrs)</p>	<table border="1"> <thead> <tr> <th>Description</th> <th>Median Result</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Reach the site for urgent call-outs</td> <td>21 minutes</td> <td>Received 18 urgent call-outs and attended to 15 within 1 hour or less.</td> </tr> <tr> <td>Resolution of the fault or interruption of urgent call-outs</td> <td>2hrs 58 mins</td> <td>Received 18 urgent call-outs and resolved 18 within 8 hours or less.</td> </tr> <tr> <td>Reach the site for non-urgent call-outs</td> <td>15hrs 55 mins</td> <td>Received 417 non-urgent call-outs and attended to 387 within 3 days or less.</td> </tr> <tr> <td>Resolution of the fault or interruption of non-urgent call-outs</td> <td>21hrs 52 mins</td> <td>Received 417 non-urgent call-outs and resolved 361 in 3 days or less.</td> </tr> </tbody> </table>	Description	Median Result	Comment	Reach the site for urgent call-outs	21 minutes	Received 18 urgent call-outs and attended to 15 within 1 hour or less.	Resolution of the fault or interruption of urgent call-outs	2hrs 58 mins	Received 18 urgent call-outs and resolved 18 within 8 hours or less.	Reach the site for non-urgent call-outs	15hrs 55 mins	Received 417 non-urgent call-outs and attended to 387 within 3 days or less.	Resolution of the fault or interruption of non-urgent call-outs	21hrs 52 mins	Received 417 non-urgent call-outs and resolved 361 in 3 days or less.	<p>✓ ACHIEVED</p> <table border="1"> <thead> <tr> <th>Description</th> <th>Median Result</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>Reach the site for urgent call-outs</td> <td>33 minutes</td> <td>40 urgent call-outs received.</td> </tr> <tr> <td>Resolution of the fault or interruption of urgent call-outs</td> <td>2hrs, 0 minutes</td> <td></td> </tr> <tr> <td>Reach the site for non-urgent call-outs</td> <td>16 hrs, 25 minutes</td> <td>442 non-urgent call-outs received.</td> </tr> <tr> <td>Resolution of the fault or interruption of non-urgent call-outs</td> <td>19 hrs, 33 minutes</td> <td></td> </tr> </tbody> </table>	Description	Median Result	Comment	Reach the site for urgent call-outs	33 minutes	40 urgent call-outs received.	Resolution of the fault or interruption of urgent call-outs	2hrs, 0 minutes		Reach the site for non-urgent call-outs	16 hrs, 25 minutes	442 non-urgent call-outs received.	Resolution of the fault or interruption of non-urgent call-outs	19 hrs, 33 minutes	
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Service	How performance is measured	Target	2022/2023 Results			2023/2024 Results		
Minimal water losses*.	Real water loss performance of the network as measured by the standard World Bank Institute Band for Leakage.	Band "B"	✗ NOT ACHIEVED			✗ NOT ACHIEVED		
			Supply	"Snapshot" Infrastructure Leakage Index	Outcome	Supply	"Snapshot" Infrastructure Leakage Index	Outcome
			Levin	C	NOT ACHIEVED	Levin	C	NOT ACHIEVED
			Shannon & Mangaore	C	NOT ACHIEVED	Shannon & Mangaore	C	NOT ACHIEVED
			Foxtton	C	ACHIEVED	Foxtton	C	ACHIEVED
			Foxtton Beach	A	ACHIEVED	Foxtton Beach	A	ACHIEVED
			Tokomaru	B	ACHIEVED	Tokomaru	B	ACHIEVED
			Only Foxtton Beach and Tokomaru achieved the target WBI band for Leakage in April.					
Sustainable water supply management	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions received by Council in relation to Horizons Regional Council resource consents.	0 0 0 0	✓ ACHIEVED			✓ ACHIEVED		
			2022/2023			2023/2024		
			Abatement Notice		0	Abatement Notice		0
			Infringement Notice		0	Infringement Notice		0
			Enforcement Order		0	Enforcement Order		0
			Convictions		0	Convictions		0

* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.

Water Supply Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		-	-	-	-
Targeted rates		7,670	7,457	6,833	6,985
Subsidies and grants for operating purposes		-	-	-	-
Fees and charges		35	64	94	49
Local authorities fuel tax, fines, infringement fees, and other receipts		12	147	-	7
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		7,717	7,668	6,927	7,041
Applications of operating funding					
Payments to staff and suppliers		4,388	3,856	3,798	3,873
Finance costs		454	423	555	688
Internal charges and overheads applied		871	870	1,054	1,060
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		5,713	5,149	5,407	5,621
Surplus (deficit) of operating funding (A-B)		2,004	2,519	1,520	1,420
Sources of capital funding					
Subsidies and grants for capital expenditure		2,087	1,769	980	500
Development and financial contributions		279	296	296	185
Increase (decrease) in debt	1	1,662	2,014	(8,335)	4,188
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		4,028	4,079	(7,059)	4,873

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand	2	1,174	3,077	2,799	326
- to improve the level of service	2	685	188	-	1,675
- to replace existing assets	2	2,737	3,644	7,476	5,247
Increase (decrease) in reserves	3	1,436	(311)	(15,814)	(956)
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		6,032	6,598	(5,539)	6,293
Surplus (deficit) of capital funding (C-D)		(2,004)	(2,519)	(1,520)	(1,420)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation	4	4,238	4,035	4,078	2,904

Notes:

1. The increase in debt is due to capital projects mostly being funded by borrowings as well as some debt funded operational costs. The budgeted reduction in debt was not accurate.
2. The capital expenditure is lower than budget due to work being prioritised during the year to meet the reduced \$35m capital target.
3. The lower than budgeted decrease to reserve funds is due to the lower renewals capital expenditure due to work being prioritised during the year to meet the \$35m capital target, particularly to meet growth and level of service.
4. Depreciation is lower than budget due to the realignment of asset lives and assumptions for depreciation, following detailed improvement work on our asset management system and information.

Loans	Internal \$000
Loans as at 01/07/2023	15,334
Raised during year	7,249
Repaid during year	(3,061)
Loans as at 30/06/2024	19,522
Interest expense	688

Wastewater Te Wai Para

WHAKATAUKĪ

Tiakina te Wai para kia
Ora ai te Whenua

Look after the wastewater
so the land is healthy



Description of activity

The Wastewater Treatment Activity aims to protect human health by removing human effluent and trade waste from urban properties and treating it before discharging it back into the environment.

The Council owns and operates several schemes:

- **Levin:** Screening, sedimentation, biological filtration and oxidation - To land (kanuka and manuka plantation).
- **Waitārere:** Oxidation ponds - To land (pine plantation).
- **Shannon:** Oxidation ponds - To land (Velvaleen farm).
- **Foxton:** Oxidation ponds - To adjacent farm for irrigation.
- **Foxton Beach:** Oxidation ponds - To land (pasture).
- **Tokomaru:** Oxidation ponds - to land (wetland).

What the activity involves

- The collection, transportation, treatment and discharge of wastewater and trade waste from residential, commercial and industrial properties in Levin, Foxton, Foxton Beach, Shannon, Mangaore, Tokomaru and Waitārere Beach.

- Maintenance and extension to Council's wastewater systems including pipes, pumping stations, wastewater treatment plants and discharge facilities. Monitoring and control of Council's wastewater system using the SCADA (supervisory control and data acquisition) system.
- Seeking new and renewing resource consents when required.
- Meeting resource consent conditions for the discharge of treated wastewater or for the construction or upgrade of assets.
- Responding to and resolving (if possible) customer complaints relating to the Wastewater Disposal Activity.
- Incorporate new environmental requirements (national regulatory driver) in our new infrastructure plans

How our work delivers on community wellbeing

SOCIAL WELLBEING

Resilient and reliable wastewater collection and safe irrigation of treated wastewater effluent to agricultural blocks ensuring good community health.

ENVIRONMENTAL WELLBEING

Safe irrigation of treated wastewater to agricultural blocks which utilise the nitrogen and phosphorous as a valuable resource and minimise energy requirements and greenhouse gas emissions.

ECONOMIC WELLBEING

Robust infrastructure to serve our current economy and provide for future growth.

Well maintained and reliable wastewater collection, treatment and disposal to cater for the communities needs both now and, in the future.

CULTURAL WELLBEING

Improved relationships with Iwi as a result of improved consultation, communication, and fostering of relationships.

ENVIRONMENTAL WELLBEING

Safe irrigation of treated wastewater to agricultural blocks which utilise the nitrogen and phosphorous as a valuable resource and minimise energy requirements and greenhouse gas emissions.

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Improved relationships with Iwi as a result of improved consultation, communication, and fostering of relationships.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned	What we did / did not do
* The Capital projects budget was capped at \$40M for the 2023/24 financial year and following a significant prioritisation process undertaken in September 2023, some adjustments were made due to budget limitations, affecting the works to be undertaken on multiple projects.	
REPLACEMENT OF EXISTING ASSETS	
Districtwide Wastewater Treatment Plants planned renewals	Minor renewal works were complete across treatment plants.*
Levin - Reticulation renewals	We successfully installed a total of 626 metres of new wastewater main pipe on Kings Drive, 540.8 metres (of 582 metres – the remainder of which was already installed at the date of writing this report) on York Street and 97 metres along Weraroa Road.
Districtwide - Reticulation unplanned renewals	Minor works completed, which include an upgrade of the sewer main at Waitāreke and upgrades to districtwide wastewater pump station SCADA systems.*
ADDITIONS TO LEVELS OF SERVICE	
Districtwide pump stations - improvement & resilience	Works were not completed, \$2,115.05 of \$160,000 budgeted was spent on replacing a pump at Bryce Street PS in Shannon.*
Tokomaru wastewater - treated effluent disposal options & consents	There were minor consent costs. Further investigation to be undertaken. No further works were undertaken.*
Levin Treated Eff. Discharge - Strategic upgrade POT	The Levin Wastewater Discharge Site, known as “The Pot” underwent significant upgrades preparing it for future demands. This included the completion of upgrades across 19 irrigation zones on the western side of the POT property, automation improvements, valve replacements, and mainline extensions, enhancing operational efficiency and environmental compliance. The works were completed by June 2024.
Districtwide - WTP & WWTP structural improvements	Works were not completed.*
PROJECTS RESULTING FROM GROWTH	
Levin wastewater treatment plant - Strategic Upgrade	We engaged Lutra to assist with the development of a 30-year Masterplan for the Levin WWTP. This plan addresses both industrial and population growth while also considering the necessary upgrades to the aging plant. With guidance from elected members, we are collaborating with Lutra to produce a report evaluating the feasibility of relocating the Levin WWTP, in addition to exploring the option of upgrading certain components of the existing plant.
Levin NE Growth Wastewater reticulation	The Kings Drive and Cambridge Street North Wastewater Renewal projects were pivotal achievements in our commitment to infrastructure excellence and community service. This project ensured a reliable network for North East Levin, accommodating future growth and supporting sustainable development and community needs. This project was completed in February 2024.
Tara-Ika - Wastewater - Queen - North South to School Site	The delivery timeline for this project has been reforecast to FY 2025/26 in order to align it with the Ō2NL initiative. We are liaising with NZTA to ensure that the project is aligned with the Ō2NL schedule.
Tara-Ika - Wastewater Network Growth Upgrade	700m of new Wastewater main was installed on Tararua Road East. This provides wastewater connectivity for the South East of Tara-Ika and a wastewater main close to the treatment plant. This project was completed in August 2024. We have been collaborating with Lutra to develop a Masterplan for the Levin WWTP. To ensure alignment with the Masterplan, commencement of the inlet pipe project has been rescheduled to FY 2025/26.

Activity Insights

SUCCESSSES

Tara-Ika Stage 2 Wastewater

The Tara-Ika Stage 2 Wastewater project has been a significant success, contributing to the infrastructure development of our growing community and showcasing our commitment to sustainable growth.

A major milestone was achieved with the installation of 770 metres of new wastewater pipe along Tararua Road East, enhancing the infrastructure from the intersection of Tararua Road and Arapaepae Road (State Highway 57). We managed the intersection efficiently, ensuring minimal disruption while extending the wastewater pipe. To ensure the safety of our community, some road closures were necessary. We communicated clearly with affected businesses and residents to minimise inconvenience.

Levin Wastewater Discharge Site (The Pot)

The Levin Wastewater Discharge Site, known as “The Pot”, underwent its most significant upgrade in 38 years, preparing it for future demands. Operating since 1987, this 110 hectare site within the Walwiri Catchment handles all of Levin's treated wastewater. Half of the site is leased from Muaūpoko Land Trust, and the other half is Council-owned.

Key Achievements:

- **Infrastructure Enhancement:** Upgrades were completed to meet new consent conditions, enhancing hydraulic and nutrient loading capabilities.
- **Pump Station Upgrade:** A refurbished 110KW pump and motor were installed, improving capacity and energy efficiency to meet increased wastewater demands and weather challenges.
- **Irrigation System Modernisation:** The irrigation system across 42 hectares underwent upgrades to comply with new regulations and improve operational efficiency.

By June 2024, upgrades across 19 irrigation zones on the western side of the national gas transmission pipeline through The Pot property were completed. This included automation improvements, valve replacements, and mainline extensions, enhancing operational efficiency and environmental compliance.

Future plans include upgrading all 30 irrigation zones around The Pot Pond, known as Ring Main Zones, by the 2024/25 financial year. These upgrades will further strengthen the site's capacity to manage Levin's wastewater sustainably and efficiently.

The Pot will need to handle twice the current wastewater volume. Council, in collaboration with Iwi partners, plans to explore expansion options over the next few years. \$4 million is allocated for future projects including irrigation and pump upgrades, wetlands construction, and bio-reactor expansion.



Kings Drive / Cambridge Street North Wastewater Renewals

The Kings Drive and Cambridge Street North Wastewater Renewal projects were pivotal achievements in our commitment to infrastructure excellence and community service. The Kings Drive Wastewater main, part of our Council's water reticulation renewals programme, was renewed and upgraded to address critical issues. The existing 58-year-old reinforced concrete pipes were nearing the end of their life, with a remaining theoretical life of just 2 years, leading to spilling problems downstream in the gravity section of the network.

By replacing these pipes with 626 metres of new wastewater main, the project resolved these issues and ensured a reliable network for North East Levin, accommodating future growth and supporting sustainable development and community needs. Managed from May 2023 to February 2024 with minimal disruptions, effective communication with residents and businesses was maintained throughout, reflecting our commitment to community wellbeing and service reliability.

Simultaneously, the Cambridge Street North project achieved significant milestones, including laying sewer pipes and preparing for future infrastructure enhancements. Plans were also implemented to upgrade the pumping line from Kennedy Drive, optimising wastewater management capabilities at Kennedy Pump station. These initiatives exemplified our proactive approach to infrastructure renewal, ensuring reliability and readiness for future challenges and opportunities.

CHALLENGES

Foxton Wastewater Treatment Plant

The Foxton Wastewater Treatment Plant is a three-pond system constructed in 1976. It discharges treated wastewater into the western arm of the Foxton Loop. Recent efforts have focused on transitioning

to a land discharge system, with the first phase that started in May 2020. Despite these advancements, several challenges persist.

During extreme wet weather, the ponds can overflow due to high stormwater inflows. This happens because water infiltrates the wastewater network, causing the ponds to fill up quickly. To manage this, Council is investigating the problem areas to reduce stormwater entry, planning to stabilise and possibly raise the pond edges for extra capacity, and refining the irrigation plan to stay within the allowed limits. Council is also implementing a wet weather management plan to better handle the high water volumes that occur during storms.

The main challenge lies in managing the high volumes of stormwater that enter the wastewater system during heavy rain. This excess water can overwhelm the treatment plant, leading to potential breaches of our resource consent. Constant management is required to ensure the ponds do not overflow and that the irrigation area is used effectively.

Additionally, regular meetings are held to ensure compliance and to address the challenges. Collaboration with local Iwi ensures cultural sites on Matararapa Island are respected and monitored. Access agreements with landowners helps maintain clear access to the treatment plant.

Transportation of Levin Wastewater Treatment Plant Sludge

With the closure of Levin Landfill, our wastewater treatment sludge was transported to Bonny Glen Landfill, significantly increasing costs. A long term disposal solution was urgently needed.

Semi-dried sludge from the Levin Wastewater Treatment Plant (LWWTP) was transported to Bonny Glen Landfill up to three times a week using a specialised vehicle. This vehicle was aging and made trips of

up to 155km per trip. Its reliability was crucial, and finding a local replacement was challenging.

If the truck broke down or became unavailable, sludge transport would be interrupted, potentially halting the plant's operations and affecting the town's waste processing.

To address this risk, the Alliance Management team developed mitigation strategies, including alternative options for sludge transport, storage, or disposal. Discussions with our transport contractor led to the commissioning of a second, newer truck, providing a backup to ensure continuous operations.

By tackling these challenges, we aimed to ensure a sustainable wastewater treatment process that could adapt to future regulatory changes and operational demands.

LOOKING FORWARD

Levin Wastewater Treatment Plant Upgrades

The LWWTP, is set for substantial upgrades to boost its capacity and resilience, as part of Council's ongoing efforts. Future initiatives emphasise proactive master planning to align infrastructure development with Levin's expansion, focusing on sustainability and compliance with modern standards. Council's strategic approach aims to optimise operations, enhance resilience, and ensure sustainable wastewater management to effectively meet community needs. This commitment underscores Council's dedication to enhancing the effectiveness and longevity of wastewater treatment in Levin for current and future generations. By focusing on strategic upgrades and sustainable practices, Council aims to enhance the resilience and effectiveness of wastewater treatment in Levin for years to come.



Wastewater Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																						
Reliable wastewater collection and disposal*	The number of dry weather wastewater overflows from the wastewater system per 1000 connections.	≤ 2	✓ ACHIEVED	✓ ACHIEVED																						
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Safe disposal of wastewater	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions received by Council in relation to Horizons Regional Council resource consents.	0	✓ ACHIEVED	✓ ACHIEVED																						
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Council provides a good response to wastewater system faults reported*	The median time (hrs) from the time that Council receives a notification, to the time that services personnel reach the site in responding to an overflow resulting from a wastewater blockage or other fault.*	< 1 hour	✗ NOT ACHIEVED	✓ ACHIEVED																						
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Council provides a good response to wastewater system faults reported*	The median time (hrs) from the time that Council receives a notification, to the time that services personnel confirm a resolution of a blockage or other fault within the wastewater system causing the overflow.*	< 12 hours	✓ ACHIEVED	✓ ACHIEVED																						
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Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																								
The service is satisfactory*	The total number of complaints received (expressed per 1,000 connections to the wastewater system) regarding:		✓ ACHIEVED	✓ ACHIEVED																								
			<table border="1"> <thead> <tr> <th>Per 1000 Connections</th> <th>No. of Complaints</th> </tr> </thead> <tbody> <tr> <td>Odour</td> <td>0.48</td> </tr> <tr> <td>Faults</td> <td>1.12</td> </tr> <tr> <td>Blockages</td> <td>8.08</td> </tr> <tr> <td>Council's response</td> <td>0</td> </tr> <tr> <td>TOTAL</td> <td>9.68</td> </tr> </tbody> </table>	Per 1000 Connections	No. of Complaints	Odour	0.48	Faults	1.12	Blockages	8.08	Council's response	0	TOTAL	9.68	<table border="1"> <thead> <tr> <th>Per 1000 Connections</th> <th>No. of Complaints</th> </tr> </thead> <tbody> <tr> <td>Odour</td> <td>0.55</td> </tr> <tr> <td>Faults</td> <td>1.01</td> </tr> <tr> <td>Blockages</td> <td>8.11</td> </tr> <tr> <td>Council's response</td> <td>0.16</td> </tr> <tr> <td>TOTAL</td> <td>9.82</td> </tr> </tbody> </table>	Per 1000 Connections	No. of Complaints	Odour	0.55	Faults	1.01	Blockages	8.11	Council's response	0.16	TOTAL	9.82
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Wastewater systems faults;	<6																											
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and Council's response to issues with its wastewater system.	<4																											
Total number of complaints received about any of the above.	< 22																											
	Percentage of customers not dissatisfied with the service, based on the Annual Residents Satisfaction Survey.	≤ 84%	✗ NOT ACHIEVED The measure is obtained from the Annual Residents Satisfaction Survey. The rating achieved this year is 79%.	✓ ACHIEVED The 2024 Resident Satisfaction Survey reported 86% of customers were satisfied with wastewater services.																								

* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.

**Wastewater Funding Impact Statement
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		-	-	-	-
Targeted rates		7,797	7,737	7,494	7,686
Subsidies and grants for operating purposes		-	-	-	-
Fees and charges		1,600	1,233	1,309	1,430
Local authorities fuel tax, fines, infringement fees, and other receipts		82	134	120	114
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		9,479	9,104	8,923	9,230
Applications of operating funding					
Payments to staff and suppliers	1	4,334	3,988	4,572	4,940
Finance costs		1,034	1,260	1,663	1,754
Internal charges and overheads applied		838	875	1,012	998
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		6,206	6,123	7,247	7,692
Surplus (deficit) of operating funding (A-B)		3,273	2,981	1,676	1,538
Sources of capital funding					
Subsidies and grants for capital expenditure	2	120	7,814	-	1,609
Development and financial contributions	3	617	712	712	350
Increase (decrease) in debt	4	4,778	8,090	5,372	6,629
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		5,515	16,616	6,084	8,588

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand	5	3,821	7,691	5,919	1,285
- to improve the level of service	5	2,369	1,592	1,227	5
- to replace existing assets	5	1,303	4,242	8,885	7,134
Increase (decrease) in reserves	6	1,295	6,072	(8,271)	1,702
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		8,788	19,597	7,760	10,126
Surplus (deficit) of capital funding (C-D)		(3,273)	(2,981)	(1,676)	(1,538)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation	7	5,247	4,811	5,292	4,457

Notes:

1. The underspend relates to internal charges and overheads not being budgeted separately in the Annual Plan.
2. The Tara-Ika capital subsidy received this year was budgeted in the 2022/23 financial year.
3. Development contributions are lower than budgeted due to the contraction of the construction industry.
4. The lower increase in debt is due to lower spending on capital projects.
5. The capital expenditure is lower than budget due to work being prioritised during the year.
6. Lower spending on capital projects during the year which are reserve funded.
7. Depreciation is lower than budget due to less capital spending than budgeted and due to significant work to increase the quality of the asset management information that drives depreciation.

Loans	Internal \$000
Loans as at 01/07/2023	39,067
Raised during year	8,425
Repaid during year	(1,795)
Loans as at 30/06/2024	45,697
Interest expense	1,754

Stormwater Te Wai Ua

WHAKATAUKĪ

Matariki tāpuapua

The pooling waters of Matariki.
(Relating to Waipunarangi the star
that associates with rain.)

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Description of activity

As part of the Stormwater Activity, Council provides and maintains a stormwater system that aims to remove water from the roading corridor, and in some cases residential and commercial properties, to reduce the occurrence of flooding during rainfall events.

What the activity involves

The Stormwater Activity includes the following Activities:

- Providing and maintaining drainage systems (including pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) in settlements across the district to remove stormwater from the road corridor and some residential and commercial properties.

- Investigating improvements and extensions to the stormwater network.
- Meeting resource consent requirements for stormwater drainage systems.
- Responding to and resolving (if possible) customer complaints relating to the Stormwater Activity.

How our work delivers on community wellbeing

SOCIAL WELLBEING

Improvements to stormwater drainage and network to prevent flooding into people's homes and businesses.

ENVIRONMENTAL WELLBEING

Improvements to stormwater drainage contributed to the environment and safety of the people in the community.

ECONOMIC WELLBEING

Enabling for environment for the business community.

CULTURAL WELLBEING

Compliance with present and future resource consent conditions. Minimisation of any impacts on the natural environment, people and property.

LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned

What we did / did not do

REPLACEMENT OF EXISTING ASSETS

Levin Domain and Salisbury Street Stormwater upgrade and renewal.

This 2023/2024 financial year, we achieved significant progress with the Levin Domain and Salisbury Street Stormwater Upgrade Renewal project. The project included trenching, installing new pipes, backfilling, and reinstating the road and grass. We successfully installed 128 metres of Stormwater main along Salisbury Street. The project began in April 2024 and was completed by June 2024.

PROJECTS RESULTING FROM GROWTH

Levin Northeast Stormwater drainage

This 2023/2024 Financial year, the North-East Levin Development made significant strides with Coley Pond. Designed to manage increased stormwater discharge from residential growth, the pond saw the completion of earthworks, inlet construction, and stormwater pipe installation. The wetland area around Coley Pond is now fully planted, enhancing its ecological value.

Activity Insights

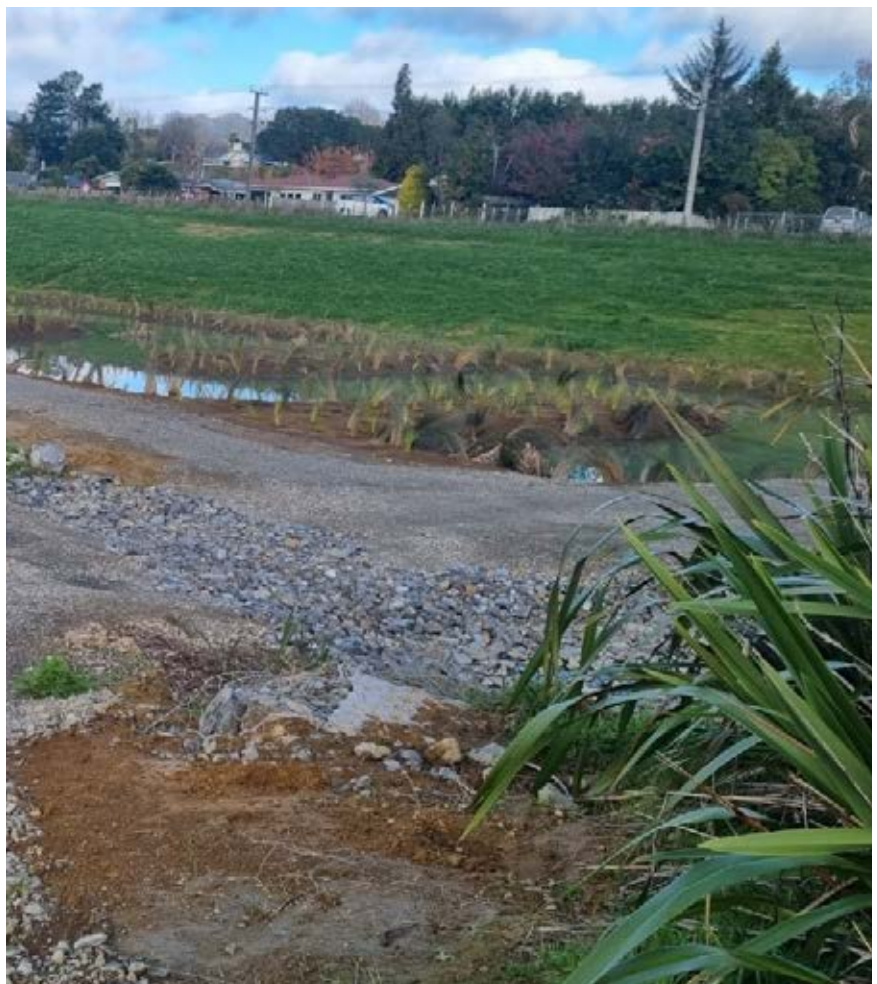
SUCCESSES

North East Levin Stormwater Scheme

This 2023/2024 Financial year, the North-East Levin Development made significant strides with Coley Pond. Designed to manage increased stormwater discharge from residential growth, the pond saw the completion of earthworks, inlet construction, and stormwater pipe installation. After consulting with Iwi, the final design was confirmed, and a planting plan focusing on native and local species was successfully implemented. The wetland area around Coley Pond is now fully planted, enhancing its ecological value.

Minor water service upgrades at Roslyn Road and Fairfield Road have been completed, with reinstatement work pending. With support from Good Earth Matters, Council staff are refining and resubmitting the Assessment of Environmental Effects for the resource consent application for the Levin Stormwater discharge. Budgeting and planning for short, medium, and long term investments in network treatment are also underway.

The next steps involve engaging with Iwi representatives to ensure the project aligns with community and environmental values. The Coley Stormwater Detention Pond Management Plan, submitted to Horizons Regional Council in October 2023 focuses on maintaining water flow, establishing planted areas, and utilising non-planted vegetation for erosion protection. This project demonstrates our commitment to providing efficient, reliable, and sustainable infrastructure.



Levin Domain & Salisbury Street Stormwater Upgrade Renewal

This 2023/24 financial year, we achieved significant progress with the Levin Domain and Salisbury Street Stormwater Upgrade Renewal project. As part of our stormwater upgrade programme, we installed a new stormwater main and renewed the existing one on Salisbury Street, Levin. The project included trenching, installing new pipes, backfilling, and reinstating the road and grass. Despite the complex nature of the work, we managed to minimise disruptions to residents and road users by completing the work in stages.

The project began in April 2024 and was completed by June 2024. During this period, sections of Gladys Taylor Park were closed to ensure safety while still allowing community access. Temporary closures of the playground and public toilets were necessary, but alternative facilities were provided. We kept the public informed through regular updates, clear signage, and daily changes in traffic management, ensuring everyone's safety and minimizing inconvenience.

Tatana Contracting Limited executed the project efficiently, and we appreciate the community's patience

and cooperation throughout the construction period. This upgrade significantly improved the stormwater infrastructure, enhancing the area's resilience to future weather events. The successful completion of this project demonstrates our commitment to maintaining and upgrading essential infrastructure to meet the needs of our growing community.



Tara-Ika Queen 1 wetland and soakage basin

This 2023/2024 financial year, the Tara-Ika Queen 1 wetland and soakage basin project reached a key milestone in our stormwater management efforts. For the first stage of Tara-Ika off Queen Street East, we collaborated with the landowner to develop a stormwater management system for the Queen Street Stage 1 Subdivision, which encompasses 200 lots. Goodman Contractors completed the bulk earthworks for the soakage basin and began constructing the wetland, with completion in September 2024. Throughout the project, we consulted with stakeholders to ensure the design met all required standards.

Effective communication was crucial, with regular updates and consultations keeping stakeholders and the community informed. This project highlighted our commitment to sustainable infrastructure and effective stormwater management, supporting the continued growth and resilience of our community.

CHALLENGES

Climate change presents a significant challenge for our stormwater activities, impacting weather patterns and leading to more frequent and intense heavy rainfall events. To address this, our stormwater catchment management plans must integrate climate change effects into stormwater models while incorporating historical flooding data. This approach ensures that asset renewals are both appropriate and fit-for-purpose.

Increasing customer expectations further complicate our efforts. As demands on our stormwater management systems rise, balancing these expectations with our available resources becomes a challenge. We must strive to meet these demands within the constraints of our budget and capacity.

Maintaining freshwater quality in streams, rivers, and water catchments remains an ongoing challenge. Water runoff, erosion, and contaminants – both chemical and solid waste – compromise water quality. Effective management of these contaminants requires a robust strategy, supported by adequate resourcing and investment. Ensuring we have the necessary resources and making strategic investments are crucial to addressing these challenges and achieving our stormwater management goals.

Our stormwater network faces significant challenges due to historically under-investment, compounded by climate change and rapid growth in beachside communities. Extreme weather events put immense pressure on the system, leading to localised flooding and impacting the wastewater network, particularly in Waitārere Beach and Foxton Beach. Additionally, the involvement of multiple agencies

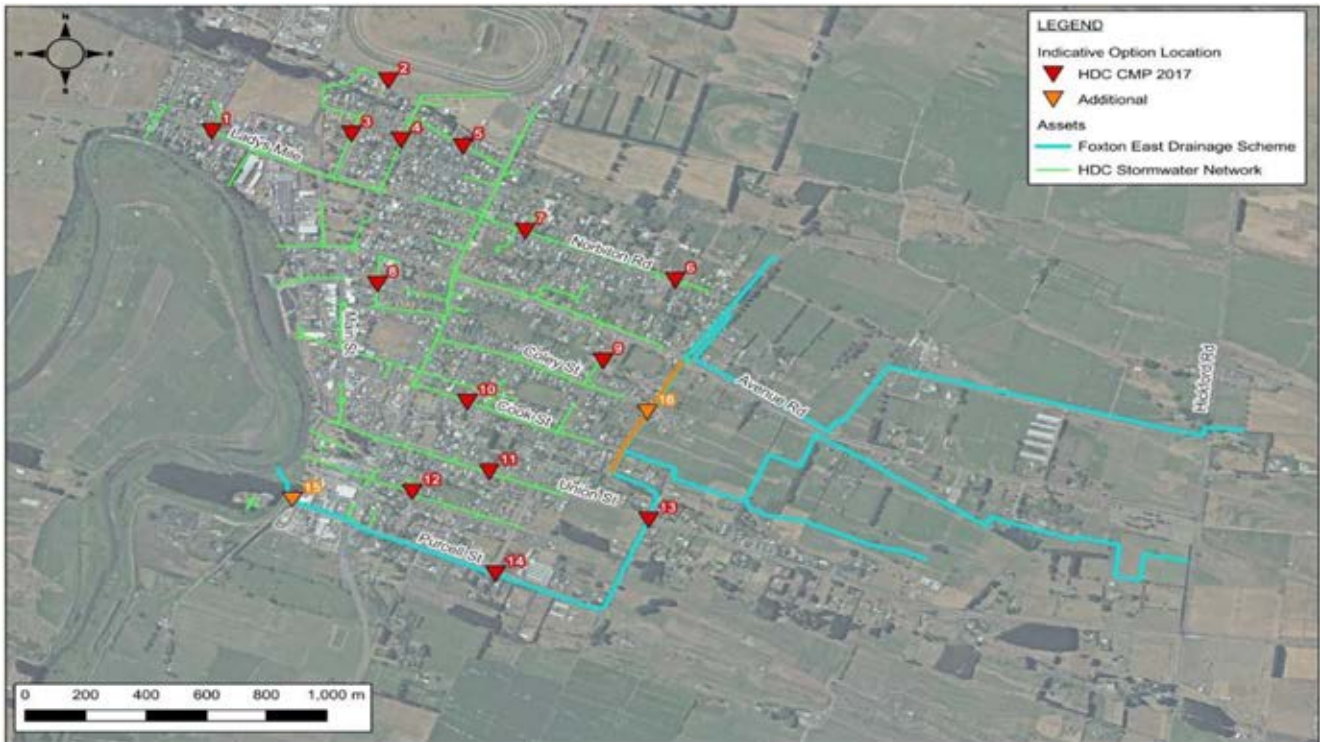
in managing different parts of the network further complicates the situation, increasing the risk of flooding and system failures. Addressing these issues requires strategic investment and improved coordination among agencies to enhance system resilience and performance.

LOOKING FORWARD

Levin Stormwater Consenting Project

Council staff worked diligently on the Levin stormwater consenting project, aiming to secure a new stormwater discharge consent valid until 2044. Progress hinged on reaching an agreement with Iwi partners on the improvement approach. However, pressure from Horizons Regional Council to respond to the section 92 (Resource Management Act 1991) request for further information regarding the Levin Stormwater Consent (discharge to Lake Horowhenua and its tributaries) has increased.





Key areas of focus included:

- Improvements and Iwi Engagement: Developing the Improvement Strategy and Implementation Plan, ideally in partnership with and with the support of Lake Trustees, Muaūpoko Tribal Authority and Ngāti Raukawa. This included undertaking cultural impact assessments if desired by the respective Iwi.
- Growth: Committing to stormwater management in growth areas, adopting sustainable urban design, and integral stormwater management practices.
- Assessment of Environmental Effects, Water Quality & Ecology: Implementing a routine monitoring programme to assess the effects of stormwater discharge within the lake.

Foxton Beach Global Stormwater Consent Application

In 2020, Horowhenua District Council applied for a global stormwater discharge consent for the Manawatū Estuary at Foxton Beach, covering discharges from Robbie Street, Holben Reserve, Whitebait Creek, and Linklater Avenue sub-catchments. The

Holben Reserve discharge includes attenuation and treatment through plantings and detention areas.

Council is working with Horizons Regional Council, Good Earth Matters, local Iwi, the Department of Conservation, and nine claimants under the Marine and Coastal Area Act 2011. The application has now been completed, and specialist consultants are addressing further information requested by Horizons Regional Council. Ongoing efforts include stormwater quality monitoring and engagement with Iwi and hapū. The next steps involve adopting an improvement strategy, confirming provisions for future growth, and creating an engagement plan with treaty partners.

Te Awahou Foxton Climate Resilience Project

In the past Horowhenua District Council has been working closely with Horizons Regional Council in focusing on key projects associated with the Foxton East Drainage Scheme. This focus has shifted in recent months with the establishment of the Te Awahou Foxton Climate Resilience Project and Governance Group. This group has been created to provide

a more holistic and collaborative approach between Horizons Regional Council, Horowhenua District Council, Iwi and relevant community groups.

The project and working group are working on scoping and prioritising sixteen key actions (shown above) as identified in the Foxton Stormwater Catchment Plan 2020. This approach also included Iwi and community groups in understanding the value and impacts of each action point on the community and the environment. Encompassing the Foxton stormwater network, drainage scheme, the Foxton Look and Manawatū River, the main objective is to ensure any investment in works is prioritised against impact value and available funding.

Stormwater Supply Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																				
An adequate stormwater system*.	Number of flooding events that occur in the district. For each flooding event the number of habitable floors affected per 1,000 connections to Council's stormwater networks.	< 5 per year	✓ ACHIEVED There was 0 flooding event that met the definition of a flooding event set by Department of Internal Affairs for this measure.	✓ ACHIEVED There was 0 flooding event that met the definition of a flooding event set by Department of Internal Affairs for this measure.																				
		2 or less	✓ ACHIEVED <table border="1"> <thead> <tr> <th>Flooding Event</th> <th>Per 1,000 Connections</th> <th>Habitable Floors Affected</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> Number of connections as at 1 July 2022 = 13,261	Flooding Event	Per 1,000 Connections	Habitable Floors Affected	0	0	0	✓ ACHIEVED <table border="1"> <thead> <tr> <th>Target</th> <th>Result</th> <th>Per 1,000 Connections</th> <th>Habitable Floors Affected</th> </tr> </thead> <tbody> <tr> <td>2 or less</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> Number of connections as at 1 July 2023 = 13,415	Target	Result	Per 1,000 Connections	Habitable Floors Affected	2 or less	0	0	0						
Flooding Event	Per 1,000 Connections	Habitable Floors Affected																						
0	0	0																						
Target	Result	Per 1,000 Connections	Habitable Floors Affected																					
2 or less	0	0	0																					
Response to faults*	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	< 1 hour	✓ ACHIEVED <table border="1"> <thead> <tr> <th>Target</th> <th>Result</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>< 1 hour</td> <td>0</td> <td>No flooding events</td> </tr> </tbody> </table>	Target	Result	Comment	< 1 hour	0	No flooding events	✓ ACHIEVED <table border="1"> <thead> <tr> <th>Target</th> <th>Result</th> <th>Comment</th> </tr> </thead> <tbody> <tr> <td>< 1 hour</td> <td>0</td> <td>No flooding events</td> </tr> </tbody> </table>	Target	Result	Comment	< 1 hour	0	No flooding events								
		Target	Result	Comment																				
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Target	Result	Comment																						
< 1 hour	0	No flooding events																						
Customer satisfaction*.	The number of complaints received by Council about the performance of its stormwater system expressed per 1,000 properties connected to the system.	< 10 per 1,000 connections per year	✓ ACHIEVED <table border="1"> <thead> <tr> <th>Per 1,000 Connections</th> <th>No. of Complaints</th> </tr> </thead> <tbody> <tr> <td>1.06</td> <td>14</td> </tr> </tbody> </table> Number of connections as at 1 July 2022 = 13,261	Per 1,000 Connections	No. of Complaints	1.06	14	✓ ACHIEVED <table border="1"> <thead> <tr> <th>Target (per 1000 connections)</th> <th>Per 1,000 Connections</th> <th>No. of Complaints</th> </tr> </thead> <tbody> <tr> <td>< 10 per year</td> <td>0.96</td> <td>13</td> </tr> </tbody> </table> Number of connections as at 1 July 2023 = 13,415	Target (per 1000 connections)	Per 1,000 Connections	No. of Complaints	< 10 per year	0.96	13										
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Target (per 1000 connections)	Per 1,000 Connections	No. of Complaints																						
< 10 per year	0.96	13																						
Customer satisfaction.	Percentage of customers satisfied with the stormwater service. As per the Annual Residents Satisfaction Survey.	≥ 80%	✗ NOT ACHIEVED The measure is obtained from the Annual Residents Satisfaction Survey. The rating achieved this year is 40%.	✗ NOT ACHIEVED Customer satisfaction was 48.6%																				
A sustainable stormwater service	The number of: Abatement Notices; 0 Infringement Notices; 0 Enforcement Orders; 0 and Convictions 0 received by Council in relation to Horizons Regional Council resource consents* for discharge from its stormwater system**		✓ ACHIEVED <table border="1"> <thead> <tr> <th></th> <th>2022/2023</th> </tr> </thead> <tbody> <tr> <td>Abatement Notice</td> <td>0</td> </tr> <tr> <td>Infringement Notice</td> <td>0</td> </tr> <tr> <td>Enforcement Order</td> <td>0</td> </tr> <tr> <td>Convictions</td> <td>0</td> </tr> </tbody> </table>		2022/2023	Abatement Notice	0	Infringement Notice	0	Enforcement Order	0	Convictions	0	✓ ACHIEVED <table border="1"> <thead> <tr> <th></th> <th>2023/2024</th> </tr> </thead> <tbody> <tr> <td>Abatement Notice</td> <td>0</td> </tr> <tr> <td>Infringement Notice</td> <td>0</td> </tr> <tr> <td>Enforcement Order</td> <td>0</td> </tr> <tr> <td>Convictions</td> <td>0</td> </tr> </tbody> </table>		2023/2024	Abatement Notice	0	Infringement Notice	0	Enforcement Order	0	Convictions	0
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* These performance measurements are provided by the Department of Internal Affairs and they are mandatory.

** Currently there is no discharge consent for Levin's stormwater.



Stormwater Supply Funding Impact Statement
FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		-	-	-	-
Targeted rates		2,108	2,092	1,816	1,863
Subsidies and grants for operating purposes		-	-	-	-
Fees and charges		-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	1	-	117	-	503
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		2,108	2,209	1,816	2,366
Applications of operating funding					
Payments to staff and suppliers		891	653	836	706
Finance costs		303	324	520	627
Internal charges and overheads applied		390	359	432	469
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		1,584	1,336	1,788	1,802
Surplus (deficit) of operating funding (A-B)		524	873	28	564
Sources of capital funding					
Subsidies and grants for capital expenditure		-	960	-	-
Development and financial contributions		77	105	105	40
Increase (decrease) in debt	2	3,406	3,502	2,751	5,345
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		3,483	4,567	2,856	5,385

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand	3	1,762	3,024	3,768	349
- to improve the level of service	4	2,071	1,426	1,546	(269)
- to replace existing assets	3	115	257	206	2,476
Increase (decrease) in reserves	5	59	733	(2,636)	3,392
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		4,007	5,440	2,884	5,949
Surplus (deficit) of capital funding (C-D)		(524)	(873)	(28)	(564)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation		878	856	818	919

Notes:

1. This relates to a reimbursement for a grant paid to Horizons Regional Council in the 2022/23 year.
2. The increased debt is due to a transfer of net debt from the depreciation reserves during the year.
3. The capital expenditure for meeting additional demand and replacement of existing assets is \$1.2m lower than budget due to work being prioritised during the year to meet our \$35m capital funding target.
4. The credit in the level of service capital spending is due to historic WIP being reclassified as an operating expense.
5. The increase to reserve funds is due to the higher renewal capital work being completed during the year.

Loans	Internal \$000
Loans as at 01/07/2023	13,962
Raised during year	6,202
Repaid during year	(857)
Loans as at 30/06/2024	19,307
Interest expense	627

Land Transport Ngā Ara Whenua



WHAKATAUKĪ

**Manaaki whenua
Manaaki tangata
Haere whakamua**

Care for the land
Care for the people
Go forward

Description of activity

The Land Transport Activity aims to provide and maintain roads, footpaths and cycle paths across the district that meet the community's needs.

What the activity involves

- Provides safe, convenient and efficient transit of people and goods through and within the district in a way that meets national standards.
- Provides a network of roads, footpaths, bridges, car parks, signs and markers, streetlights, and associated drainage systems in what is known as the "Transport Corridor".
- Maintains partnership with the New Zealand Transport Agency/ Waka Kotahi (NZTA), which is Council's co-investment partner for roading and the "Optimised Programme", which is approved on a three-year cycle in the Regional Land Transport Plan.
- Operates, maintains, renews and improves Land Transport assets.
- Meets requirements of relevant national legislation, strategies and plans.

How our work delivers on community wellbeing

SOCIAL WELLBEING

Access to safe and easy transport enables communities to access more opportunities for work, social and recreational activities. This helps grow thriving communities.

We're creating a safer, more attractive and efficient cycling network, prioritising getting people out of their cars and onto bikes. Building new footpaths, and making existing footpaths safer and easier to use, especially for people with mobility issues.

We're making our land transport network safer by focusing on areas we know have high risks of death and serious injury crashes, and building improvements.

Provide advocacy and leadership to Ōtaki to North Levin (Ō2NL) expressway project.

ENVIRONMENTAL WELLBEING

Sustainability is a large part of how Council maintains and improves its network. Almost all the material that is dug out of the network is reused in some way. Council

tries to incorporate sustainable construction methodologies whenever practicable in our projects and monitor contractors closely to ensure Council work causes minimal adverse environmental effects.

ECONOMIC WELLBEING

Providing the right infrastructure at the right time and cost enables our community to take advantage of the many opportunities coming in the near future. This includes the district's growth, the Ō2NL expressway and Levin town centre.

CULTURAL WELLBEING

Transport infrastructure allows our community to freely move across our district and engage in cultural activities of all kinds. Our physical works programme considers potential cultural impacts of our activity and we work with relevant community members to ensure cultural impacts are controlled and opportunities for betterment are realised.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned	What we did / did not do
REPLACEMENT OF EXISTING ASSETS	
Footpath Renewals - \$500,000	2,567m of footpaths renewed, for \$513,317 expenditure
Road Rehabilitations - \$1,300,500	4,181m of roads rehabilitated for \$1,248,501 expenditure
Road Resurfacing - \$1,600,000	203,000m ² of roads resurfaced for \$1,570,792 expenditure
ADDITIONS TO LEVELS OF SERVICE	
Road Improvements - \$1,075,000	Approximately 4km of road widening, pavement strengthening in several sites, and a programme of drainage improvement projects - \$1,126,279 expenditure.
Safety Improvements - \$600,000	Safety improvement projects focused around school roadsides, at St Joseph's School, Waiopahu College, Levin East School and the Liverpool and Bartholomew St intersection, for \$597,117 expenditure.
New Cycling Facilities - \$550,000	1.83km of shared paths, with an expenditure of \$503,174, with \$119,303 reimbursed by NZTA for the cancelled Transport Choices Project.
Footpath Improvements - \$250,000	1,369.5m of new footpaths constructed, with an expenditure of \$199,984, and additional \$54,559 of a \$50,000 budget was spent on other footpath improvements such as new pram crossings.

Activity Insights

SUCCESSSES

During this reporting period, the Land Transport Team successfully delivered the capital programme and maintained its reputation for efficiency by progressing critical projects. This demonstrated its commitment to enhancing the region's transport infrastructure and planning for future success.

Road Maintenance Contract

Following a robust, competitive procurement process, Higgins Contractors Ltd have been awarded the 2024 Road Maintenance Contract effective from 1 July 2024, to maintain, improve, and renew Horowhenua's transport infrastructure for the next three years. This \$9 million per year contract covers road construction, maintenance, renewal works, and a portion of the improvements outlined in the LTP. The rigorous selection process, involving three tender submissions and Council's Procurement Review Group, ensured the appointment of a highly competent contractor. Higgins' proven

track record and strong local presence promised better outcomes and added value for our ratepayers.

Council looks forward to strengthening our long term partnership with Higgins, who offer technical competence and experience, employing 68 local members with 420 years of combined experience. Their strong presence in Horowhenua and successful track record of delivering quality work ensure cost savings and efficiencies, elevating Horowhenua's infrastructure to the next level.

Road Safety Improvements

It is crucial that our road network remains safe for everyone. While road crashes can involve factors beyond our control, such as speed or driver behaviour, it is essential that we manage factors within our control to improve safety. These include the condition of roads and footpaths, the placement of pedestrian crossings, and traffic signs.

Several key road safety projects have been successfully completed over the past financial year, enhancing safety and infrastructure across the

Horowhenua district. Bartholomew Road saw the installation of raised safety platforms outside Levin East School and Waiopahu College. These improvements effectively reduced traffic speeds at pedestrian crossings, greatly enhancing safety for students and pedestrians.

Land transport Programme

Over the past financial year, the Land Transport Programme was successfully completed, with all key projects and milestones achieved by the end of June 2024. Highlights include:

- The annual reseal work for 2023-2024 saw resurfacing across various district locations, including Waikawa Beach, Levin, and Foxton. This year's reseal programme was completed by February 2024.
- Significant progress was made in footpath renewals and improvements. The programme saw 2,567 metres of footpaths replaced across 23 sites, including key areas such as Dudley Street and Edinburgh Street. New footpaths were

constructed on Spring Street and Edinburgh Terrace, enhancing accessibility and safety.

- Pavement rehabilitation efforts included successful completions on Ashlea Road and Bush Street, with additional sites like Mangahao Road and Hōkio Beach Road planned for future completion.

In addition to the successful completion of the Land Transport Programme, substantial strides were made in drainage improvements. A major upgrade commenced on Honi Taipua Street to address low curbs and water pooling issues. Sumps were renewed on Kings Drive and Salisbury Street, and drainage cleans were completed on Mako Mako Road, McLeavey Road, and Arapaepae Road. These enhancements in

stormwater management underscore our commitment to maintaining a safe and reliable road network and addressing key infrastructure needs throughout the Horowhenua district.

CHALLENGES

New Zealand Transport Agency/ Waka Kotahi (NZTA) Funding Uncertainty

This financial year's key challenge is the uncertainty surrounding New Zealand Transport Agency/ Waka Kotahi (NZTA) funding. The timing of NZTA's funding decisions, combined with potential changes in government priorities and constrained funding, creates a risk of misalignment between expected and approved funding. NZTA's funding, which covered 61% of our land transport programme in the 2024/2025 to 2026/2027

financial years, often differs from Council's application and proposed budgets. To address this, Council's funding applications are designed to align with NZTA's priorities and anticipated policy changes.

A response to Council's latest application for funding, covering July 2024 to June 2027, was received on 3 September 2024. NZTA approved a total funding allocation of \$14.18m for the 2024 to 2027 financial years, which is 31% less than the \$20.44m that we planned for. The implications of this will be worked through in the 2025/26 Annual Plan process.

Speed Management Plan Implementation

A Speed Management Plan (SMP) outlines how road controlling authorities set and manage speed limits to enhance road safety, aligning limits with community needs and road functions.

In the 2022/2023 financial year, the Council prepared and consulted on the draft SMP in line with the Land Transport Rule: Setting of Speed Limits 2022, incorporating community feedback. The plan has since been approved and certified by the New Zealand Transport Agency/ Waka Kotahi (NZTA) in June 2023 and is now part of the Land Transport Programme for 2024-2027.

The SMP includes speed limit changes around schools and in areas like Manakau and Waikawa Beach, aimed at improving safety and meeting community needs. The challenge now is the effective implementation of the SMP. This includes integrating new speed limits into our road network, coordinating with stakeholders, and ensuring changes are communicated and enforced effectively. While the certification of the plan is a significant achievement, its practical application will require careful management and ongoing community engagement to ensure success.





Transport Choices Project

This project was cancelled by central government, in October 2023. \$119,303 was spent primarily on investigation, survey and design, but these costs were 100% reimbursed by NZTA.

LOOKING FORWARD

As we look to the future, our focus remains on ensuring that targeted investments address growth demands while maintaining the required service levels for our community.

Ōtaki to North Levin Expressway (Ō2NL)

One of Council's top ten priorities is advocating for and providing leadership on the Ōtaki to North Levin (Ō2NL) expressway project. Comprehensive planning processes are in place to ensure that this major infrastructure development meets both current and future growth demands effectively. Construction of the new highway is set to begin in 2025, with completion expected by 2029. We are working closely with the New Zealand Transport Agency/Waka Kotahi (NZTA) to ensure cooperation and collaboration among all project partners, enhancing efficiency and effectiveness.

Tararua Road/SH57 Roundabout

The Tararua Road/SH57 roundabout project is a critical component of the initiative, aimed at preparing the road network for the new highway. Significant progress has been made, including the successful procurement of necessary land and the division of material procurement responsibilities between New Zealand Transport Agency/Waka Kotahi (NZTA) and Electra. Design, designation, and consenting tasks have been finalised with Horizons Regional Council, and consultation with Iwi partners have been conducted. Construction will begin in 2024/2025 and is advancing as planned.

We are committed to continuing our advocacy and leadership on these critical projects, ensuring they progress smoothly and contribute to the region's growth and development. Our partnership with NZTA and other stakeholders will remain a key focus to deliver these infrastructure improvements efficiently and effectively.

Land Transport Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results									
A safe road network*.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.	No (or Zero) change or a reduction from previous year	<p>✓ ACHIEVED</p> <table border="1"> <thead> <tr> <th>FINANCIAL YEAR</th> <th>FATAL CRASHES</th> <th>SERIOUS INJURY CRASHES</th> </tr> </thead> <tbody> <tr> <td>2021/2022</td> <td>3</td> <td>11</td> </tr> <tr> <td>2022/2023</td> <td>1</td> <td>6</td> </tr> </tbody> </table> <p>There has been 2 less fatalities and 5 less serious injury crashes in the financial year compared to the last financial year. The number of fatalities and serious injury crashes on the local road network is calculated utilising data from the crash analysis system (CAS) database.</p>	FINANCIAL YEAR	FATAL CRASHES	SERIOUS INJURY CRASHES	2021/2022	3	11	2022/2023	1	6	<p>✗ NOT ACHIEVED</p> <p>There have been 15 death or serious injury crashes in the local road network, exceeding the 9 crashes which occurred in 2022/23.</p>
FINANCIAL YEAR	FATAL CRASHES	SERIOUS INJURY CRASHES											
2021/2022	3	11											
2022/2023	1	6											
Roads in good condition*.	The average quality of ride on a sealed local road network measured by smooth travel exposure.	Minimum 85%	<p>✓ ACHIEVED</p> <p>The smooth travel exposure for this reporting period is 92%.</p>	<p>✓ ACHIEVED</p> <p>The Smooth Travel Exposure for this reporting period is 92%.</p>									
Roads that are maintained well*.	The percentage of the sealed local road network that is resurfaced annually.	Minimum of 5% of total area	<p>✓ ACHIEVED</p> <p>5.4% of the sealed local road network had been resurfaced.</p>	<p>✓ ACHIEVED</p> <p>5.7% of the sealed road network has been resurfaced.</p>									
Footpaths are in an acceptable condition*.	Target footpath condition rating (% compliant with Council's standards found in the Land Transport Activity Plan).	Minimum 30% in excellent condition. Maximum 10% in poor condition.	<p>✗ NOT ACHIEVED</p> <p>Poor or very poor condition footpaths make up 4% of our network, meeting the target, however only 12% of the network is in excellent condition.</p>	<p>✗ NOT ACHIEVED</p> <p>13% of the network is in excellent condition and 4% is in poor or very poor condition.</p>									
Good response to service requests*.	The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	> 95%	<p>✓ ACHIEVED</p> <p>1,674 CRMs were received and closed, 95% (1,598) were closed within 15 working days.</p>	<p>✓ ACHIEVED</p> <p>1,187 out of 1,248 requests were closed within the target timeframe, resulting in a 95.1% result.</p>									

* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.

Land Transport Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		-	-	-	-
Targeted rates		4,080	4,049	4,553	4,670
Subsidies and grants for operating purposes		1,740	1,883	1,932	1,786
Fees and charges		-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		352	398	285	340
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		6,172	6,330	6,770	6,796
Applications of operating funding					
Payments to staff and suppliers		3,618	3,209	3,282	3,141
Finance costs		147	245	290	211
Internal charges and overheads applied		879	1,051	1,392	1,140
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		4,644	4,505	4,964	4,492
Surplus (deficit) of operating funding (A-B)		1,528	1,825	1,806	2,304
Sources of capital funding					
Subsidies and grants for capital expenditure	1	5,550	6,041	6,320	3,822
Development and financial contributions		98	139	139	58
Increase (decrease) in debt	2	4,347	5,980	2,942	3,351
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		9,995	12,160	9,401	7,231

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand	3	1,559	2,603	2,222	467
- to improve the level of service	3	3,989	3,203	735	1,007
- to replace existing assets	3	3,139	3,770	8,251	5,714
Increase (decrease) in reserves	4	2,837	4,409	(1)	2,347
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		11,523	13,985	11,207	9,535
Surplus (deficit) of capital funding (C-D)		(1,528)	(1,825)	(1,806)	(2,304)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation		4,674	4,389	4,752	4,752

Notes:

1. The lower capital grants results reflect the delay in receiving the Crown Infrastructure Partners (CIP) grant funding related to the Tararua Road Intersection project.
2. The increase in debt is a further result in the delay in receiving the grant funding mentioned in (1) above.
3. The reduced capital reflects budget changes related to the reprioritisation of capital projects during the year.
4. The increase in reserves also reflects budget changes related to the reprioritisation of capital projects during the year, mainly due to less than budgeted renewal projects.

Loans	Internal \$000
Loans as at 01/07/2023	4,708
Raised during year	7,188
Repaid during year	(3,837)
Loans as at 30/06/2024	8,059
Interest expense	
	211

Solid Waste

Te Para Totoka

WHAKATAUKĪ

**Toitū te marae a Tāne Mahuta
Toitū te marae a Tangaroa
Toitū te tangata**

If the land is well and the sea is well,
the people will thrive



Description of activity

The Solid Waste Activity aims to collect and safely dispose of residential and commercial rubbish. The Council is also the main community lead for most of the waste minimisation activity for the Horowhenua district.

What the activity involves

- Educating the Community on waste minimisation.
- Providing kerbside recycling, community recycling stations, refuse bag collection, operation of waste transfer stations, provision of a waste disposal service, and monitoring closed landfills.
- Ensuring that the necessary resource consents for the Activity are obtained and that any conditions are complied with.
- Operating within other legislative requirements (e.g. the Health Act 1956, Health & Safety at Work Act 2015, and the Waste Minimisation Act 2008).

How our work delivers on community wellbeing

SOCIAL WELLBEING

Waste education is made available to all schools in the district, while various Council funded workshops and initiatives seek broader community engagement and educational opportunities.

ENVIRONMENTAL WELLBEING

The Council's recycling services encourage landfill diversion while our easily accessible kerbside rubbish collection waste service help reduce illegal dumping. The landfill and other sites are operated in line with approved consent conditions.

The Solid Waste Management Team is consulting with tangata whenua on various consenting topics. These include the landfill consents along with operational matters of particular focus such as Council approval to fund the removal of landfill leachate from the ground water down gradient of the Levin Old Dump. This is a \$1.8 million project whose purpose is the removal and future prevention of ground water landfill contaminants from continuing to enter the Hōkio Stream.

ECONOMIC WELLBEING

The Solid Waste Bylaw oversees the waste collectors' licence terms and conditions, ensuring health and safety standards are maintained and annual data is collected. The Solid Waste activity also manages and oversee a number of closed landfill discharges permits and consent conditions.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned	What we did
REPLACEMENT OF EXISTING ASSETS	
Replace old glass bottle recycling crates	Provided new blue coloured glass bottle recycling crates
Provide identity stickers to kerbside recycling bins	Introduced identity stickers for Council owned kerbside recycling bins

Activity Insights

SUCSESSES

The Long Term Plan 2024-2044

As part of the LTP process, Council engaged with the community to review various levels of kerbside service and how to fund the future care of the district closed landfills:

- The Landfill Legacy Rate, which addresses the Levin Landfill aftercare and associated debt.
- The delivery of both rural and urban kerbside recycling services.
- Remove loan funding of the district kerbside recycling service.
- District kerbside recycling now funded by a targeted rates model.

Review of the Waste Management and Minimisation Plan 2024 (WMMP)

As part of the LTP process, Council engaged with the community to review the Waste Management and Minimisation Plan (WMMP). Council consulted on broader waste management strategies, including:

- The draft Waste Management and Minimisation Plan.
- Eleven waste minimisation objectives.

By involving the community, Council aimed to ensure that waste management practices meet local needs and are sustainably funded. This engagement is crucial for creating effective and efficient waste management and minimisation practices for the future.

So that the WMMP and waste minimisation objectives could inform future work to ensure it is connected, the review of the Solid Waste Bylaw was deferred until

after adoption of the WMMP, to take place in the next financial year.

Levin Landfill capping

Through the LTPA Council decided to close the Levin (New) Landfill and to investigate alternative uses for revenue generation. The resolution passed on 31 May 2023. As part of the LTP 2024-2044, Council consulted with the community on options to fund the landfill debt and aftercare costs.

We contributed to improving our natural environment for current and future generations to enjoy. The final clay cap, including topsoil and grass seed, was applied to the closed New Levin Landfill. Most of the work, which aimed to protect the landfill's contents from water ingress and associated excess leachate production, was completed by early March 2024.

Assessment of Closed Foxton Landfill

After concerns raised by the community, Council staff engaged Earthtech Consulting Limited to assess the closed Foxton Landfill with the aim of providing specialist opinion on the current condition of the landfill. A detailed site inspection was carried out by a landfill specialist engineer, and specific attention was afforded to:

- potential seepage of landfill leachate.
- possible gaseous (landfill gas) emissions.
- the integrity of the capping system and material, and observation of possible areas of scour erosion and settlement.

- any notable stability concerns.
- any visible signs of environmental impacts; and assessment of available groundwater and surface water sampling analytical information.

No signs of leachate seepage were found throughout the site perimeter or across the landfill's surface. There were also no signs of any landfill gas emissions (visible or smell) either across the landfill or within the adjacent Foxton Waste Transfer Station area. Council is currently working with local groups to further enhance the area.

Foxton Transfer Station improvements

Funding for this new infrastructure was in part provided to the Council from a one-off payment via the Ministry for the Environment waste levy project funding.

CHALLENGES

Old Levin Landfill Leachate Remediation

The Old Levin Landfill leachate remediation project faced challenges as solutes from the old dump moved northward beyond the landfill's footprint towards the Hōkio Stream. These low-level leachate solutes presently pose no environmental harm, with concentrations lower than those typically found in drinking water bores.

Phase I of the remediation focused on understanding the ground geology and installing more bores and piezometers to collect and groundwater water samples. Even though the leachate solute plume moved towards the Hōkio Stream,

the leachate levels are relatively low. For example, NH4-N levels in the monitoring bores were lower than those found in some drinking water locations. The toxic form of NH4-N, NH3-N only appear under high pH and high temperature conditions, which were not currently present in the ground water leachate plume.

Remediation planning for the Old Dump (closed in 2004), progressed with Earthtech's recommended Best Practical Option (BPO). Out of eight options, BPO3 was chosen for Council approval. This plan involves a 200-meter intercept trench with a 360m³/day discharge to the sewer. The consent and build process was expected to take about two years, costing around \$1.8 million for physical works and an annual operating cost of \$46,000.

Rural Kerbside Recycling Service

Rural kerbside refuse and recycling collections often operate on narrow rural roads with speed limits exceeding 50km/hour and without the wide carriage ways of urban streets. The current rural collections can pose health and safety risks for both the kerbside collection contractor employees and also the road users when they are overtaking the stationary collection vehicles.

Council Officers continue to work with rubbish collect operators in addressing these challenges. Potential measures include but are not limited to:

- Ensuring staff are well trained and aware of the hazards.
- Assisting collection vehicles with pilot vehicles to warn oncoming traffic.
- Removing the service from roads that do not meet a safe standard for collection vehicles.
- Providing where possible designated collection points for rural properties where feasible.

The contractor associated with these services will need to incorporate strategies to mitigate or eliminate these risks as part of their Health and Safety Plans.

LOOKING FORWARD

Landfill Closed Management Plan and consent

With the Levin Landfill permanently closed, we are looking to coordinate with the Environment Court-appointed Project Management Group (PMG) to draft a new Closed Landfill Management (CLM) Plan. The PMG was established to ensure oversight of the closure of the Levin Landfill and the remediation of the Old Dump ground water leachate plume. The CLM Plan will need to be developed in conjunction with the review of the discharge consents, due in October 2024.

Additionally, remediation of the groundwater plume from the Old Dump is required to meet the current discharge to water consent conditions and restore the mauri of the whenua (land) and surrounding areas.

As of June 2023, the debt associated with closing the Levin Landfill is \$4.3 million. The ongoing operating costs to ensure the closed landfill property meets its post closure requirements average \$567,000 annually over the next 30 years.



Measuring the Solid Waste Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results												
Provision of landfill but minimising the amount that is sent there.	Quantity of waste going to the landfill per person per year.	≤ 400 kg per person per year	<p>✗ NOT ACHIEVED</p> <p>Unable to report accurately, best estimate with available data is 461kgs/person.</p> <p>Due to a number of different non – Council operators in the waste collection space it is difficult for Council to collect accurate data for this performance measure.</p>	<p>✗ NOT ACHIEVED</p> <p>It is estimated that total waste for the district is some 20,000 tonnes/annum. Note: The true figure is presently unknown due to waste via commercial operators from other districts coming to Horowhenua and Horowhenua waste going to neighbouring districts. Using 20,000 tonnes with the district population 37,522 we arrive at 533 kg/person per year. Note: The NZ average is 700kg/person/year.</p> <p>Our current contracts and invoicing expectations don't provide the opportunity to collect the required data to measure this SSP accurately. We are currently reviewing all existing solid waste agreements and key deliverables in providing the opportunity to capture the necessary data to accurately measure SSP expectations.</p>												
Recycling is encouraged	Level of recycling at: Kerbside Transfer stations.	<p>≥ 40% of total waste</p> <p>≥ 50% of total waste</p>	<p>✗ NOT ACHIEVED</p> <p>Unable to report accurately, best estimate with available data. 30% diversion from landfill.</p>	<p>✗ NOT ACHIEVED</p> <p>Due to being unable to accurately report on the total waste in the district, as per SW1, we are unable to report on the percentages of total waste.</p> <p>We can however report from council-controlled tonnages data, the following.</p> <p>District kerbside recycling waste diverted from landfill is 18%.</p> <p>Council controlled (Foxton and Shannon) transfer stations waste diverted from landfill is 8%.</p> <p>Levin transfer station (MidWest owned) waste diversion from landfill is 1%.</p>												
Waste transfer and recycling stations have a minimal impact on the immediate and surrounding environment.	<p>Number of odour complaints and minimal reports of solid waste in or around:</p> <p>Waste transfer stations;</p> <p>Recycling stations per month.</p>	<p>< 4 per month</p> <p>< 4 per month</p>	<p>✓ ACHIEVED</p> <p>No odour complaints were received</p> <table border="1"> <thead> <tr> <th></th> <th>2022/2023</th> </tr> </thead> <tbody> <tr> <td>Waste transfer stations</td> <td>0</td> </tr> <tr> <td>Recycling stations</td> <td>0</td> </tr> </tbody> </table>		2022/2023	Waste transfer stations	0	Recycling stations	0	<p>✓ ACHIEVED</p> <p>Number of odour complaints received:</p> <table border="1"> <thead> <tr> <th></th> <th>2023/2024</th> </tr> </thead> <tbody> <tr> <td>Waste transfer stations</td> <td>1</td> </tr> <tr> <td>Recycling stations</td> <td>5</td> </tr> </tbody> </table>		2023/2024	Waste transfer stations	1	Recycling stations	5
	2022/2023															
Waste transfer stations	0															
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	2023/2024															
Waste transfer stations	1															
Recycling stations	5															

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results												
Response to service requests regarding Council's Solid Waste Activities is timely.	Time all requests are responded to.	Within 3 working days	<p>✘ NOT ACHIEVED</p> <p>1,393 customer services requests were received, of which 1,390 of them are resolved and closed. Of the 1,393 that were received, 1,187 (85%) were resolved within three days.</p>	<p>✘ NOT ACHIEVED</p> <p>Total CRMs Received</p> <table border="1"> <thead> <tr> <th>2023/2024</th> </tr> </thead> <tbody> <tr> <td>976</td> </tr> </tbody> </table> <p>Responded within 3 working days:</p> <table border="1"> <thead> <tr> <th>2023/2024</th> <th>Not responded to with 3 working days</th> </tr> </thead> <tbody> <tr> <td>779</td> <td>104</td> </tr> </tbody> </table> <p>Note: Contractor KPIs for new recycling bin deliveries are not in place. Bin deliveries take up to 10 working days to deliver. Ten working days is acceptable but outside Council, performance measure of 3 working days.</p>	2023/2024	976	2023/2024	Not responded to with 3 working days	779	104						
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2023/2024	Not responded to with 3 working days															
779	104															
Recycling and refuse is collected on time and in a sanitary manner.	Number of complaints per-month about non-collection of:		<p>✘ NOT ACHIEVED</p> <table border="1"> <thead> <tr> <th></th> <th>2022/23</th> </tr> </thead> <tbody> <tr> <td>Kerbside recycling</td> <td>111</td> </tr> <tr> <td>Kerbside refuse</td> <td>32</td> </tr> </tbody> </table> <p>Please note: These numbers include all complaints of non-collection, including those where the bin was not collected for a legitimate reason. These reasons could include:</p> <ul style="list-style-type: none"> • Bin was put out on the wrong week • Bin was not out at time of collection • Bin was not collected due to contamination • Missed collection CRMs are actioned by Low-Cost Bins. 		2022/23	Kerbside recycling	111	Kerbside refuse	32	<p>✔ ACHIEVED</p> <p>Total CRMs Received</p> <table border="1"> <thead> <tr> <th></th> <th>2023/2024</th> </tr> </thead> <tbody> <tr> <td>Kerbside recycling</td> <td>71</td> </tr> <tr> <td>Kerbside refuse</td> <td>32</td> </tr> </tbody> </table> <p>Please note: These numbers include all complaints of non-collection, including those where the bin was not collected for a legitimate reason. These reasons could include:</p> <ul style="list-style-type: none"> • Bin was put out on the wrong week • Bin was not out at time of collection • Bin was not collected due to contamination • Missed collection CRMs are actioned by Low-Cost Bins. 		2023/2024	Kerbside recycling	71	Kerbside refuse	32
	2022/23															
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Kerbside recycling	71															
Kerbside refuse	32															
Recycling stations are available and accessible in urban centres in summer.	All recycling stations are available at the agreed locations on the agreed days and times outlined on Council's website.	Achieve	<p>✔ ACHIEVED</p> <p>Static recycling stations have been available as outlined on the Councils website. Stations may be removed temporarily in order to be emptied.</p>	<p>✔ ACHIEVED</p> <p>Static recycling stations have been available as outlined on the Councils website. Stations may be removed temporarily in order to be emptied.</p>												

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																				
Customers are content with Council's transfer stations, recycling collection, and refuse collection services offered	Percentage of customers satisfied with their solid waste services: Kerbside recycling Kerbside refuse	≥ 80% ≥ 80%	✗ NOT ACHIEVED Even though we were 1% from the target for kerbside recycling, the target was not met for kerbside recycling. Because the target for kerbside recycling was not met we did not achieve the performance measure overall. 79% satisfied with kerbside recycling 90% satisfied with kerbside rubbish	✓ ACHIEVED 82% satisfied with kerbside recycling 88% satisfied with kerbside rubbish The Infrastructure survey was emailed out on Tuesday 13 February 2024 to 8,870 recipients. Of these 132 emails bounced, leaving 8,738 which were successfully delivered. 946 Rubbish & Recycling surveys were started • a response rate of 946/8,738 = 10.83% 775 responses were received to the question "How satisfied were you with our Kerbside Recycling services?" • a response rate of 775/8,738 = 8.87% 558 responses were received to the question "How satisfied were you with private Kerbside Rubbish services?" • a response rate of 558/8,738 = 6.39%																				
Customers are educated on waste minimisation practices	Number of school aged students waste education is provided to each year	≥ 300 students per year	✓ ACHIEVED 1,924 students have been educated on waste minimisation practices.	✓ ACHIEVED 3,674 school aged students have been provided waste education.																				
Customers are educated on waste minimisation practices	Number of events Council attends to promote ways to minimise waste.	≥ 5 events per year	✗ NOT ACHIEVED Council attended 4 events to promote waste minimisation.	✓ ACHIEVED Council has attended 13 events to promote ways to minimise waste.																				
Sustainable solid waste management.	The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions Received by Council in relation to Horizons Regional Council resource consents.	0 0 0 0	✓ ACHIEVED No notices have been issued.	✓ ACHIEVED No notices have been issued.																				
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Solid Waste Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		-	-	-	-
Targeted rates		2,888	2,866	2,735	2,805
Subsidies and grants for operating purposes		-	-	-	-
Fees and charges		605	450	442	438
Local authorities fuel tax, fines, infringement fees, and other receipts		8	21	-	7
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		3,501	3,337	3,177	3,250
Applications of operating funding					
Payments to staff and suppliers		3,654	4,049	3,707	3,391
Finance costs		183	202	305	278
Internal charges and overheads applied		441	566	626	488
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		4,278	4,817	4,638	4,157
Surplus (deficit) of operating funding (A-B)		(777)	(1,480)	(1,461)	(907)
Sources of capital funding					
Subsidies and grants for capital expenditure		49	21	-	51
Development and financial contributions		-	-	-	-
Increase (decrease) in debt	1	(27)	1,822	2,592	217
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		22	1,843	2,592	268

		Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
	Note				
Applications of capital funding					
Capital expenditure					
- to meet additional demand	2	44	40	42	73
- to improve the level of service	2	179	375	410	(0)
- to replace existing assets	2	469	75	680	18
Increase (decrease) in reserves	3	(1,447)	(127)	(1)	(730)
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		(755)	363	1,131	(639)
Surplus (deficit) of capital funding (C-D)		777	1,480	1,461	907
Funding balance ((A-B)+(C-D))		-	-	-	-
Depreciation		529	392	388	390

Notes:

1. The lower borrowings is due to lower capital expenditure.
2. The lower capital expenditure is due to the work on the landfill post closure being charged through the provision, rather than through capex as originally planned.
3. Less spent on renewal projects which are reserve funded.

Loans	Internal \$000
Loans as at 01/07/2023	6,186
Raised during year	1,591
Repaid during year	(1,374)
Loans as at 30/06/2024	6,403
Interest expense	278



Community Facilities

Ngā Taiwhanga ā-Rēhia



WHAKATAUKĪ

**Ko ngā pae tawhiti, whaia kia tata.
Ko ngā pae tata, whakamaua kia tina**

The potential for tomorrow depends
on what we do today

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Strong
Communities



Vibrant
Economy



Outstanding
Environment



Fit for purpose
Infrastructure



Partnership
with
Tangata Whenua

Description of activity

The Community Facilities Group of Activities is made up of a number of sub-activities which aim to provide passive and active amenities for the community to utilise.

The Community Facilities and Services Group of Activities includes:

- Aquatic Facilities.
- Community Centres and Libraries.

What the activity involves

AQUATIC FACILITIES

The Aquatic Facilities and Recreation Activity aims to provide public access to swimming pools, splash pad, fitness, rehabilitation, and swimming programmes to enhance wellbeing through providing healthy recreational and social opportunities.

What it involves

- Providing swimming pools for general use including assisting clubs and organisations to host and run events on- and off-site.
- Providing a certified Swim School Programme in Levin and Foxton.
- Providing land- and water-based fitness and rehabilitation classes both on- and off-site.
- Managing Shannon School Swimming Pool during the summer school holidays.
- Providing the Jubilee Park Splash Pad for community use in the summer season.
- Planning and delivery of an engaging aquatics event programme, encouraging community participation.

COMMUNITY CENTRES AND LIBRARIES

This Activity aims to provide spaces where people can visit, spend time, and positively engage in activities and opportunities, whether that be through social interaction, personal development, education or recreation and leisure.

What it involves

- Delivery of the library services including online services.
- Delivering programmes that foster and enhance literacy and the love of reading for all ages.
- Providing events, exhibitions, and performances for all ages.
- Arranging room hire for meetings, functions and conventions.
- Providing social and community spaces including a café.
- Delivering IT resources including internet on demand and free Wi-Fi.
- Providing visitor information through two sites.
- Providing a space for young people in Te Takeretanga o Kura-hau-pō and holding events and activities for this age group.
- Delivery of certain Council services (e.g. payment of rates) in Foxton and Shannon.
- Providing AA (Automobile Association) services.
- Providing a space for Horowhenua Heritage resources and collections both online and in-house.
- Mahi Space – A dedicated shared workspace facility

How our work delivers on community wellbeing

SOCIAL WELLBEING

Te Takeretanga o Kura-hau-pō and Te Awahou Nieuwe Stroom are multifunctional facilities that provide a wide range of services and events that contribute to the wellbeing of the community and to visitors to the Horowhenua.

Horowhenua Aquatics provide public access to swimming pools, fitness, play, rehabilitation, and swimming programmes to enhance community wellbeing through providing healthy recreational and social opportunities.

Our facilities and the services they provide, create an environment for organic community development and connection.

ENVIRONMENTAL WELLBEING

Careful management of aquatic facility water quality and implementing water conservation measures contributes to improving environmental outcomes.

ECONOMIC WELLBEING

Community facilities contribute to the local economy through employment and financial sustainability. They also provide opportunities for people of all ages and all phases of life to enjoy quality of living.

Any development of community facilities are planned and developed for the district to meet current and future needs.

Council actively promotes its facilities as destinations to visit, enjoy and share their stories, welcoming even more visitors.

CULTURAL WELLBEING

Council acknowledges its partnership with tangata whenua and value the important role they play within our community facilities.

Additionally, partnerships have been undertaken to deliver programmes such as Matariki, Youth Development Programmes and Capacity Building.

LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned

What we did

REPLACEMENT OF EXISTING ASSETS

Foxton Pools Redevelopment

We completed this significant project in January 2024 and since then, the facility has been open year-round, welcoming many users. Additionally, the swim school now also operates year round and we've seen an increase in participants compared to before the redevelopment.

ADDITIONS TO LEVELS OF SERVICE

Purchase of Library Books

We did reduce our Library Book budget this year in order to find savings from our capital programme. Despite this, we were still able to purchase a number of books, renewing our collection and meeting the needs of our users.

PROJECTS RESULTING FROM GROWTH

Mobile Library

It was planned that a Mobile Library would be established and deliver Library services to remote and rural suburbs. Given the current financial demands and our ability to continue delivering these services at our facilities, the Mobile Library was deferred in the budget.

Activity Insights

SUCSESSES

Foxton Pools

The future of Foxton Pools was consulted on as part of the LTP. The existing pool was a seasonal facility, had condensation issues and was not fit for purpose. The Pool building was in need of some attention. Ultimately Council resolved to implement an option based on replacing the existing building, ensuring that it was fit for purpose, and retaining the existing pools with no modification while future proofing for future development. In January 2024, Foxton Pools reopened to the community, signalling the completion of this significant project. The refreshed facility features a new inbuilt spa pool, reception area, improved building and new ventilation systems, with a better-suited design and insulation. The reopening celebration on 23 January, saw over 500 people attending, making a splash and enjoying the new environment. Since opening, over 24,000 people have made their way into Foxton Pools resulting in not only year round access to an aquatic facility, but also better outcomes for community wellbeing. The swim

school operating year round is allowing children to learn this vital skill whilst keeping active. In a similar outcome, our regular Aqua Fitness classes encourage physical activity keeping those participating, active and healthy.

Library Outreach

The way that we engage with our community of readers and Library-goers doesn't need to be as simple as being issued a book. Instead, the way that we connect can fall outside of the four walls of one of our facilities. This is in a bid to connect and reach our wider community and over the last 12 months, has happened in a number of ways. For example, During Te Wiki Hauora Tāne Men's Health Week, we hosted a special edition of "Meet Street" where groups of people come together. We had a great response to this pop-up event with over 30 people attending to talk, eat healthy and learn about Sport Manawātū health initiatives and the support that they can offer to our community.

Another highlight was DORA (Digital On-Road Access) who did her rounds around Horowhenua. DORA is a very smart and speedy fully self-sufficient mobile learning centre/

classroom provided by "Stepping Up – Digital Skills for Life". We were fortunate to have DORA visit rural spots such as Waitārere, Manakau, Ōhau, Tokomaru, Foxton, Shannon and Koputaroa. DORA can seat up to 10 people and provides free digital classes to communities far and wide; and can operate in any location reachable by road, and all lessons are delivered aboard the bus.

Events Programme

Our events programme is extensive and over the last 12 months, work has been done to strengthen the programme to ensure we are delivering meaningful, engaging and exciting events that our community can take pride in as they take part, coming together as a community. This year, we have delivering on some exceptional events including Masterpiece and Mingle, Rocky Horror Dragaoke, Haunted Library, Candlelight Cinema, Christmas Carnival to name just a few. In addition to those standalone events, we also continued our recurring events such as Quiz Night, Pop Up Eats which featured district wide locations and Friday Concert. You could say, there's something for everyone when it comes to our extensive events programme.

Supporting the arts and our partners

The Māpuna Kabinet Arts Gallery has had a busy and exciting year, showcasing stunning and culturally significant pieces of art. Located at Te Awahou Nieuwe Stroom in Foxton, the Gallery operates with the support of three partners: The Council, Oranjehof – Dutch Connection Centre, and Te Taitoa Māori o Te Awahou Trust. Together, they bring remarkable works to the public. One notable feature, "Te Kura ā Rohe," curated by Te Taitoa Māori o Te Awahou Trust, highlighted taonga inspired by the local rohe. This exhibition brought together works from both established and emerging Māori artists, displaying precious materials like wood and stone. A major highlight for many visitors was witnessing the carvers create their art live in the gallery. Since January 2024, the Gallery has welcomed over 6,500 visitors, offering them a rich artistic and cultural experience.

CHALLENGES

- A major challenge facing Council for this Activity is the change in demand and community expectations as well as the ongoing increases in operational costs, coupled with the desire to make fees and charges affordable for our community. Council is continuing to actively investigate areas for increasing revenue to subsidise other areas of public access.
- Looking ahead, we are introducing a new cafe provider at Te Awahou Nieuwe Stroom and this poses the challenge to ensure that the new provider is sustainable and fit for purpose for the space. We'll be working closely with the provider to support them, the best we can.
- Injuries or drownings resulting from use of the aquatic facility. This is managed by ongoing training, qualification and provision of competent lifeguards and compliance with the Poolsafe accreditation.
- As costs increase to provide swimming pools it may become

unaffordable for some. This is managed by ensuring costs are kept to a minimum through ongoing review and efficiencies. Programmes and events are actively monitored and reviewed to maximise revenue opportunities to offset operational costs.

LOOKING FORWARD

- For the 2024/25 year, a significant project that is in the pipeline is the replacement of the Te Awahou Nieuwe Stroom roof. Through the Long Term Plan 2024-2044, Council has budgeted \$525,000 to fund the replacement. The roof has been leaking for some time, which has required staff to place buckets around the facility, protecting the important and significant taonga being housed inside. When Te Awahou Nieuwe Stroom was built and converted from its original building, the roof was not replaced and in-scope of the project. Procurement is underway and it is intended that the work will take place between December 2024 and March 2025.



Community Facilities and Services Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Safe aquatic facilities are operating in the District.	Compliance with relevant standards including PoolSafe Accreditation.	Achieve	<p>✔ ACHIEVED</p> <p>Levin pool have received the PoolSafe accreditation. This is valid until April 2024 when the next PoolSafe assessment is completed. Note, Foxton Pool is closed for redevelopment and will be assessed when it reopens.</p>	<p>✔ ACHIEVED</p> <p>Poolsafe reviews were conducted in February 2024 for both Levin Aquatic Centre and Foxton Pools. Both Pools are now accredited.</p>
Aquatics centres meet customer needs.	Percent of customers satisfied, based on the Annual Customer Satisfaction Survey.	≥ 90%	<p>✔ ACHIEVED</p> <p>The annual satisfaction survey results from Levin Aquatic Centre customers was 91%. Foxton Pool results are not included as the pool has been closed for half the financial year for a rebuild.</p>	<p>✘ NOT ACHIEVED</p> <p>The annual satisfaction survey results from Levin Aquatic Centre customers was 64% rating.</p>
A high quality Swim School operates at the Levin and Foxton Aquatic Centres.	Number of participants in Learn to Swim classes.	≥ 400 per term	<p>✔ ACHIEVED</p> <p>Term Three 2022 = 421 Term Four 2022 = 480 Term One 2023 = 497 Term Two 2023 = 515</p>	<p>✔ ACHIEVED</p> <p>Term 3 – 514 Term 4 – 527 Term 1 – 615 Term 2 – 614</p> <p>The increase in numbers is due to Foxton Pool starting lessons again in Term 1.</p>
Local clubs are supported to deliver their own events.	Number of events per year held by clubs.	≥ 5 per year	<p>✔ ACHIEVED</p> <ul style="list-style-type: none"> • Waiopēhu College Swimming Sports • Shannon Rugby Club Junior Rugby prize giving • College Old Boys Junior Rugby prize giving • Swim Meet – Levin Swim Club • Swim Meet – Special Olympics • Mandy's Swimming end of term party • Swim Meet – Waiopēhu College • Swim Meet – Levin masters 	<p>✔ ACHIEVED</p> <p>30 events have been held.</p>

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results															
Growing existing events and developing new ones for the following areas; children, general public, and retirees.	Growing existing events and developing new ones for the following areas; children, general public, and retirees. Number of events per year for: Children; General public; Retirees.	≥ 3 ≥ 3 ≥ 3	✓ ACHIEVED The following events have taken place and been delivered by HDC at aquatic facilities this year.	✓ ACHIEVED The following events have taken place and been delivered by HDC at aquatic facilities this year.															
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Council provides community facilities for residents, ratepayers, and visitors to access Community services including library services.	Communities with library and community facilities providing an integrated and District wide service.	Levin, Foxton, and Shannon	✓ ACHIEVED Library Services are delivered in Levin, Shannon and Foxton.	✓ ACHIEVED Library Services are delivered in Levin, Shannon and Foxton.															
	Number of visitors to our Community Hubs and Libraries: Te Takeretanga o Kura-hau-po Te Awahou Nieuwe Stroom Shannon Library	≥ 550,000 ≥ 375,000 ≥ 150,000 ≥ 25,000	✗ NOT ACHIEVED <table border="1"> <thead> <tr> <th></th> <th>2022/23</th> <th>RESULT</th> </tr> </thead> <tbody> <tr> <td>Te Takeretanga o Kura-hau-pō</td> <td>346,889</td> <td>NOT ACHIEVED</td> </tr> <tr> <td>Te Awahou Nieuwe Stroom</td> <td>102,323</td> <td>NOT ACHIEVED</td> </tr> <tr> <td>Shannon Library</td> <td>13,263</td> <td>NOT ACHIEVED</td> </tr> <tr> <td>TOTAL</td> <td>462,475</td> <td>NOT ACHIEVED</td> </tr> </tbody> </table>		2022/23	RESULT	Te Takeretanga o Kura-hau-pō	346,889	NOT ACHIEVED	Te Awahou Nieuwe Stroom	102,323	NOT ACHIEVED	Shannon Library	13,263	NOT ACHIEVED	TOTAL	462,475	NOT ACHIEVED	✗ NOT ACHIEVED Performance measure targets were not met at the end of the financial year for Te Awahou Nieuwe Stroom or Shannon Library.
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Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																								
Libraries and community facilities meet the public's needs	Percent of residents and non-residents satisfied with library and Community services based on the Annual Customer Satisfaction Survey.	> 90%	<p>✔ ACHIEVED</p> <p>Results from the Annual Satisfaction Survey was 94% for Library Services and 93% for Community Centres non-library services. The average score for both is 94%.</p>	<p>✔ ACHIEVED</p> <p>Customer satisfaction was 95% this financial year.</p>																								
Community facilities are available for public use.	Number of booking counts for community facilities: Te Takeretanga o Kura-hau-po Te Awahou Nieuwe Stroom	<p>≥ 1,400</p> <p>70%</p> <p>30%</p>	<p>✘ NOT ACHIEVED</p> <p>While Te Takeretanga o Kura-hau-pō achieved its target Te Awahou Nieuwe Stroom did not, therefore overall it is not achieved</p> <table border="1"> <thead> <tr> <th></th> <th>2022/23</th> <th>RESULT</th> </tr> </thead> <tbody> <tr> <td>Booking Counts</td> <td>1,681</td> <td>ACHIEVED</td> </tr> <tr> <td>Te Takeretanga o Kura-hau-pō</td> <td>1296-77%</td> <td>ACHIEVED</td> </tr> <tr> <td>Te Awahou Nieuwe Stroom</td> <td>385-23%</td> <td>NOT ACHIEVED</td> </tr> </tbody> </table>		2022/23	RESULT	Booking Counts	1,681	ACHIEVED	Te Takeretanga o Kura-hau-pō	1296-77%	ACHIEVED	Te Awahou Nieuwe Stroom	385-23%	NOT ACHIEVED	<p>✘ NOT ACHIEVED</p> <p>Performance measure targets were not met at the end of the financial year.</p> <p>Broken down as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2023/24</th> <th>RESULT</th> </tr> </thead> <tbody> <tr> <td>Booking Counts</td> <td>1,628</td> <td>ACHIEVED</td> </tr> <tr> <td>Te Takeretanga o Kura-hau-pō</td> <td>1,423-87%</td> <td>ACHIEVED</td> </tr> <tr> <td>Te Awahou Nieuwe Stroom</td> <td>205-13%</td> <td>NOT ACHIEVED</td> </tr> </tbody> </table> <p>Noting that the total number of bookings was achieved however, due to the split required between the facilities, this was not achieved.</p>		2023/24	RESULT	Booking Counts	1,628	ACHIEVED	Te Takeretanga o Kura-hau-pō	1,423-87%	ACHIEVED	Te Awahou Nieuwe Stroom	205-13%	NOT ACHIEVED
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Customers have access to a range of current information in both print and digital format.	Number of items loaned from the libraries across the district, including books, magazines etc.	≥ 270,000	<p>✘ NOT ACHIEVED</p> <table border="1"> <thead> <tr> <th>LIBRARY</th> <th>ISSUES</th> </tr> </thead> <tbody> <tr> <td>Levin</td> <td>177,785</td> </tr> <tr> <td>Foxtton</td> <td>21,287</td> </tr> <tr> <td>Shannon</td> <td>6,206</td> </tr> <tr> <td>Digital</td> <td>23729</td> </tr> <tr> <td>Total</td> <td>229,007</td> </tr> </tbody> </table>	LIBRARY	ISSUES	Levin	177,785	Foxtton	21,287	Shannon	6,206	Digital	23729	Total	229,007	<p>✘ NOT ACHIEVED</p> <p>Performance measure targets were not met at the end of the financial year.</p> <p>Broken down as follows:</p> <table border="1"> <thead> <tr> <th>LIBRARY</th> <th>ISSUES</th> </tr> </thead> <tbody> <tr> <td>Levin</td> <td>171,334</td> </tr> <tr> <td>Foxtton</td> <td>19,983</td> </tr> <tr> <td>Shannon</td> <td>4,532</td> </tr> <tr> <td>Digital</td> <td>41,979</td> </tr> <tr> <td>Total</td> <td>237,828</td> </tr> </tbody> </table>	LIBRARY	ISSUES	Levin	171,334	Foxtton	19,983	Shannon	4,532	Digital	41,979	Total	237,828
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	Collections are refreshed and meet the literacy and information needs of the community in accordance with the NZ Public Library Standards.	\$7 per capita spent on library resources	<p>✘ NOT ACHIEVED</p> <p>The total spend per capita on library resources was \$6.87 per capita (based off the population forecast assumptions used in the 2021-2041 Long Term Plan of 38,431)</p>	<p>✔ ACHIEVED</p> <p>The library has achieved the total spend of \$7 per capita on library resources for 2023/24. Of note this spend is based on guidelines set by Public Libraries of New Zealand and is the recommendation of size and spend for libraries of our size. We have based the per capita on the growth target of 38,159.</p> <table border="1"> <thead> <tr> <th>RESOURCE</th> <th>EOY SPENT</th> </tr> </thead> <tbody> <tr> <td>Books</td> <td>\$228,132.00</td> </tr> <tr> <td>Audio</td> <td>\$15,257.00</td> </tr> <tr> <td>DVDs</td> <td>\$8,348.00</td> </tr> <tr> <td>Ebooks</td> <td>\$21,269.00</td> </tr> <tr> <td>Eaudio</td> <td>\$3,020.00</td> </tr> <tr> <td>Magazines</td> <td>\$29,768.00</td> </tr> <tr> <td>Newspapers</td> <td>\$16,552.00</td> </tr> <tr> <td>Total</td> <td>\$322,346.00</td> </tr> <tr> <td>per capita (based on population of 38,159)</td> <td>\$8.45</td> </tr> </tbody> </table>	RESOURCE	EOY SPENT	Books	\$228,132.00	Audio	\$15,257.00	DVDs	\$8,348.00	Ebooks	\$21,269.00	Eaudio	\$3,020.00	Magazines	\$29,768.00	Newspapers	\$16,552.00	Total	\$322,346.00	per capita (based on population of 38,159)	\$8.45				
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Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																											
	<p>Percent increase in use of websites and online engagement.</p> <p>Note: These numbers include statistics for Te Takeretanga o Kurahau-po website, OPAC, and Kete Horowhenua.</p>	+> 1%	<p>✗ NOT ACHIEVED</p> <table border="1"> <thead> <tr> <th></th> <th>2021/22</th> <th>2022/23</th> <th>% CHANGE</th> </tr> </thead> <tbody> <tr> <td>Unique users</td> <td>80,824</td> <td>73,686</td> <td>-9%</td> </tr> <tr> <td>Sessions</td> <td>117,405</td> <td>102,671</td> <td>-13%</td> </tr> </tbody> </table> <p>The linkage between the Online Public Access Catalogue and our website was broken from December 2022 – June 2023. This means the numbers we can accurately report is considerably less than what we would have actually had.</p>		2021/22	2022/23	% CHANGE	Unique users	80,824	73,686	-9%	Sessions	117,405	102,671	-13%	<p>✓ ACHIEVED</p> <table border="1"> <thead> <tr> <th></th> <th>2022/23</th> <th>2023/24</th> <th>% CHANGE</th> </tr> </thead> <tbody> <tr> <td>Unique users</td> <td>73,686</td> <td>80,304</td> <td>+9%</td> </tr> <tr> <td>Sessions</td> <td>102,671</td> <td>111,651</td> <td>+9%</td> </tr> </tbody> </table>		2022/23	2023/24	% CHANGE	Unique users	73,686	80,304	+9%	Sessions	102,671	111,651	+9%			
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Customers have access to programmes and initiatives that enhance the wellbeing of the district.	<p>Number of programmes delivered:</p> <p>Levin</p> <p>Foxton</p> <p>Shannon</p>	<p>500</p> <p>≥ 50%</p> <p>≥ 30%</p> <p>≥ 20%</p>	<p>✗ NOT ACHIEVED</p> <p>While overall the number of programmes achieved met the target, the proportion of programmes amongst the centres did not. The programmes that have been delivered are broken down as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>NUMBER OF PROGRAMMES</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Levin</td> <td>742</td> <td>71%</td> </tr> <tr> <td>Foxton</td> <td>151</td> <td>14%</td> </tr> <tr> <td>Shannon</td> <td>150</td> <td>14%</td> </tr> </tbody> </table>		NUMBER OF PROGRAMMES	%	Levin	742	71%	Foxton	151	14%	Shannon	150	14%	<p>✗ NOT ACHIEVED</p> <p>The programmes that have been delivered are broken down as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>NUMBER OF PROGRAMMES</th> <th>YEAR TO DATE %</th> </tr> </thead> <tbody> <tr> <td>Levin</td> <td>808</td> <td>77</td> </tr> <tr> <td>Foxton</td> <td>106</td> <td>11</td> </tr> <tr> <td>Shannon</td> <td>118</td> <td>12</td> </tr> <tr> <td>Total</td> <td>1061</td> <td>100</td> </tr> </tbody> </table> <p>Well on track to deliver number of programmes but not on track for % across facilities.</p>		NUMBER OF PROGRAMMES	YEAR TO DATE %	Levin	808	77	Foxton	106	11	Shannon	118	12	Total	1061	100
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Total	1061	100																													

Community Facilities and Services Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		-	-	-	-
Targeted rates		7,030	6,976	8,247	8,459
Subsidies and grants for operating purposes		120	-	-	21
Fees and charges		1,037	1,076	1,002	1,060
Local authorities fuel tax, fines, infringement fees, and other receipts		17	5	5	5
Internal charges and overheads recovered		80	-	214	63
Total operating funding (A)		8,284	8,057	9,468	9,608
Applications of operating funding					
Payments to staff and suppliers	1	6,199	5,519	6,028	6,656
Finance costs		395	155	644	671
Internal charges and overheads applied		1,896	1,401	1,778	1,740
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		8,490	7,075	8,450	9,067
Surplus (deficit) of operating funding (A-B)		(206)	982	1,018	541
Sources of capital funding					
Subsidies and grants for capital expenditure		899	-	500	531
Development and financial contributions		-	-	-	-
Increase (decrease) in debt	2	2,694	2,584	2,269	705
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		3,593	2,584	2,769	1,236

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand		2,913	-	171	-
- to improve the level of service		555	2,891	500	-
- to replace existing assets	3	(81)	819	2,905	4,125
Increase (decrease) in reserves	4	-	(144)	211	(2,349)
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		3,387	3,566	3,787	1,777
Surplus (deficit) of capital funding (C-D)		206	(982)	(1,018)	(541)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation		1,134	982	962	1,192

Notes:

1. The additional spending is related to additional staffing and reactivate maintenance for libraries, community centres and aquatics during the year and additional staffing costs. A significant reason for these increased costs was the opening of the Foxton Pools.
2. The lower borrowings are due to the lower spending on growth capital project which are debt funded.
3. The higher capital spending is due to the increased cost to building the Foxton Pools.
4. The decrease in reserves is due to the increased capital spend which is reserve funded.

Loans	Internal \$000
Loans as at 01/07/2023	14,952
Raised during year	4,125
Repaid during year	(3,421)
Loans as at 30/06/2024	15,656
Interest expense	
	671

Community Infrastructure Tūāhanga Hapori

WHAKATAUKĪ

**Me mahi tahi tātou mo te
oranga o te katoa**

We should work together for
the wellbeing of everyone



Description of activity

The Community Infrastructure Group of Activities is made up of a number of sub-activities which aim to provide passive and active recreational amenities for the community to utilise.

The Community Infrastructure Group of Activities include:

- Reserves and Beautification.
- Urban cleansing.
- Public Halls.
- Public Toilets.
- Sports Grounds.
- Cemeteries.

What the activity involves

- Maintenance of neighbourhood reserves, riverside and lakeside picnic areas, public gardens, and sports grounds.
- Mowing of berms, rubbish bin emptying, and the urban roading weed spraying programme. Street tree maintenance and specifically line clearance of power lines.
- Providing Reserve Management Plans (RMP) for Council reserves.
- Maintaining public halls in Levin, Foxton and Shannon.
- Establishment and maintenance of public toilets for the purpose of tourism and public health.
- Establishment and maintenance of cemeteries under the Burial and Cremation Act 1964.
- Renewals and development of all the above

How our work delivers on community wellbeing

SOCIAL WELLBEING

Parks, reserves and other facilities provided under this activity facilitate significant opportunities to improve overall health of the community.

They provide good opportunities for personal interactions, mindfulness, and general wellness and as such, reduce negative impacts on the wellbeing of the community and nation at large. They are places for people to interact with each other and nature. The benefits of exercise in general and mental health are well-documented.

ENVIRONMENTAL WELLBEING

This activity is a significant contributor to environmental wellbeing, open spaces provide flexibility in dealing with the effects of global warming through carbon capture and assist in managing flooding issues in a highly engineered urban environment. Additionally, the activity protects and restores the indigenous biodiversity within our district and works with community to create positive environmental outcomes.

ECONOMIC WELLBEING

There is significant evidence to suggest that tree lined avenues increase property prices by 10-20% and that access to urban greenspace reduces the impacts of crime, vandalism and a range of other social ills. There is further evidence that green space is a

significant contributor to mental and physical wellness which will improve productivity across the board.

A well-landscaped commercial environment has also been proven to attract business at higher rates and increase foot traffic.

Horowhenua has a range of parks and playing fields that attract national first-class sport and that brings a direct improvement on local GDP.

CULTURAL WELLBEING

The preservation of woodlands and open space has a direct impact on cultural wellbeing given many of the landscapes and buildings within Horowhenua have value to the communities they serve, and natural landscapes (woodlands, dunes, and historic reserves) are of direct interest to Iwi.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned	What we did / did not do
REPLACEMENT OF EXISTING ASSETS	
<p>Levin Adventure Park Renewals – Council will continue to work with Muaūpoko Tribal Authority and other stakeholders to ensure the Levin Adventure Park remains a safe destination for play that develops social skills, encourages growth, and provides learning challenges in a positive constructive environment. It will do this by ensuring facilities and equipment is fit for purpose and relevant to its user base.</p>	<p>Officers reduced the budget this year in order to find savings from our capital programme. This meant some planned play equipment was not replaced.</p> <p>In 2023/2024 the carpark was resealed, linemarked and the safety of the area was improved.</p>
<p>Reserve Renewals (both buildings and non-buildings)</p>	<p>Officers reduced the budget this year in order to find savings from our capital programme.</p> <p>Works that were undertaken included renewal of pathways, the replacement of a bridge at Holben Reserve, cricket site screens at Donnelly Park and replacement of safety gates at Kowhai Park.</p>
<p>Manakau Domain</p>	<p>In 2023/2024 bollards have been installed to separate carpark area from playing fields, training fields have been established, existing floodlights (two poles) were relocated to the training fields. In 2024/2025 the Manakau District Community Association, the Manakau Football Club and HDC have agreed on the establishment of a new public toilet facility including related septic tank system and improving the playing fields.</p>
<p>Te Maire Park - Te Maire Park Development initiative is Better-Off funded to establish shared paths between Te Maire Park and the Shannon town centre, including creation of recreational spaces.</p>	<p>In 2023/2024 Council worked with tangata whenua and key stakeholders to finalise the concept plans and establish electricity to the site.</p> <p>In 2024/2025 a shared pathway connecting the open space with the town centre will be created, a stage and BBQ area for the community to enjoy will be established, as well as a harakeke garden.</p>
<p>Public Toilets</p>	<p>In 2023/2024 Weraroa Rd and Playford Park toilets were renewed.</p>
ADDITIONS TO LEVELS OF SERVICE	
<p>Playford Park Improvements – In this historic period of Growth, Council recognises there is a need to maintain and develop its sports facilities for the growing community. New storage facilities at Playford Park will ensure our spaces are meeting the future needs of our community.</p>	<p>The new storage facility was started in 2023/2024 and includes a covered BBQ area.</p>
<p>Trig Mountain Bike Track - Cycle tourism is one of the most popular ways to see the country “off the beaten track”. Boasting some of the best panoramic views of Horowhenua, Kohitere Trig is home to a mountain biking track on which the National Secondary School Downhill Mountain Biking Championships were formally held. However, the track was damaged during storms several years ago and requires extensive maintenance works to bring it back to its former glory. The Trig Mountain Bike Track Improvements initiative is made possible thanks to the Better Off Funding.</p>	<p>The Levin Mountain Bike Club are a trusted and skilled volunteer organisation that carry out countless hours of volunteer work for the love of cycling and mountain biking in Horowhenua. In 2023/2024 funding was awarded to the Club to carry out the Trig Mountain Bike Track Improvement works. The Trig Mountain Bike Track Improvements is a two-year project that is due to be completed by April 2025.</p>
<p>District fencing</p>	<p>In 2023/2024 fencing was added at Waikawa Beach to protect properties and the integrity of the sand dunes.</p>
<p>Foxton Cemetery</p>	<p>In 2023/2024 a development was created in conjunction with key stakeholders.</p> <p>In 2024/2025 the first stage outlined in the development plan will be carried out.</p>

Activity Insights

SUCCESSSES

There has been plenty of activity happening across the Community Infrastructure activity and we are proud of what we have been able to deliver for our community throughout the 2023/24 financial year. A common theme is how we are supporting community groups to deliver great outcomes across the Horowhenua district. Whether it be community clean ups, supporting the development of a walking or biking track or enabling a high-profile sporting event, there are some great activities on offer to our community which assists in positioning Horowhenua as a great place to come find yourself.

Fit for Purpose Infrastructure

Council continues to renew ageing and unsafe infrastructure to ensure it remains fit for purpose for our community. Additionally, any replacement or new assets need to take into account our growing population and future community needs.

In line with our commitment to maintaining safe and functional assets, Council replaced one of the pedestrian bridges at Holben Reserve. This initiative fell within our Reserve renewals budget and was crucial as the previous bridge served its useful life.

The Weraroa Domain hosted the Coastal Challenge Match, with Weraroa Cricket team facing Whanganui Marist. Three centuries were scored individually, with a total of 659 runs scored between the two teams. The club received excellent feedback on the pitch all season, with teams from across Kāpiti and Manawatū looking forward to playing at Weraroa. The quality and passion shown by our Open Spaces Maintenance contractor for our turf and pitches right across Horowhenua is a testament to our district.

And it wasn't just the summer sport pitches that have been highly valued. The Levin Domain hosted a Super Rugby Aupiki match, with the Hurricanes Poua playing the Blues Women's Team. The match was aired live on Sky TV and attracted thousands to "Dominate the Domain". Once again, the quality of our sports fields was commented upon.

Preparing for Growth

New Shelter and Flying Fox: Holben Reserve is continually evolving to cater to the diverse needs of our community. Alongside the recently installed Flying Fox, which has been a hit with residents and visitors, we've also introduced a brand-new shelter. This strategically positioned structure provides much-needed shade for parents and guardians as they supervise their children enjoying both the Pump Track and the Skatepark, making these popular park assets even more enjoyable for families. Our commitment to creating inclusive and inviting spaces remains unwavering, and we look forward to further enhancing Holben Reserve for all to enjoy.

Improving our natural environment for current and future generations to enjoy

In collaboration with the Waitāre Beach Progressive and Ratepayers Association (WBPRA), we embarked on a meaningful project to enhance the entrance area of the township with native plantings. Working together, along with Recreational Services, we led a planting day with the local community. It was an inspiring sight to see the community come together, and the good weather certainly added to the overall success of the event. Council even provided a delightful BBQ to conclude the day and the area is looking really sharp!

Throughout October/November 2023 the Parks & Property Team undertook a number of community planting days at various sites on our coast. This is to plant spinifex and pingao, foredune plants that markedly build resilience on our coastal townships by stabilising the interface between land and sea. These plantings at the tail end of spring are the culmination of the 2023 programme of planting, which included approximately 12,000 spinifex plants and 500 pingao plants. This programme is great news for our biodiversity, providing habitat for wildlife and it really is no wonder our ecologically minded groups and residents have embraced helping on this work.

Horowhenua District Council entered 2023 with five Green Flag awards throughout the district. The Parks & Property team were very motivated to add a sixth award to our tally, and subsequently applied for the busy and popular Jubilee Park to be considered for a Green Flag. On-site judging occurred in November, and when the results were released, Council was the proud recipients of six green flag awards, rivalling Auckland Council at the top in terms of the level of success across New Zealand. It has been a huge team effort between officers and contractors to achieve these results. It really puts our district on the map in terms of worldwide profile for high quality open spaces.

Target Reserve Mountain Bike Memorandum of Understanding (MoU)

A karakia opened the works at Target Reserve at the end of March 2024 with the Manawatū Mountain Biking Club. This volunteer group have signed an MoU with Council to build a mountain biking circuit within the Target Reserve using Three Waters Better off Funding from central government.

With this Reserve, which is just to the north of the Foxton township, being so central within the lower North Island, the potential for this to become a destination for mountain bikers in the region is high.

The club have started this work, with tracks being built. The club aims to have this completed by summer 2024/2025.

CHALLENGES














- Financial constraints was the main challenge the Community Infrastructure activity faced. As Council looked to make significant financial savings, particularly within the Capital funded projects, prioritisation was given to safety and urgent works.
- Waikawa Pedestrian Bridge works were deferred as Council considers the future of the bridge alongside potential vehicle access options at Waikawa.

LOOKING FORWARD

- The Open Spaces maintenance contract is due for renewal. Officers have been negotiating with a supplier to get the best result for the community not only financially but in terms of effectiveness and efficiency.
- As previously mentioned, the district's cemeteries need to be developed to allow for additional capacity and taking into account future needs of the district.



Community Infrastructure Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Reserves are available for Community use.	Residential dwellings in urban areas are within 400 metres to local reserves, either Council or privately provided.	≥ 80%	 ACHIEVED Council has 82% of residential dwellings in urban areas that are within 400 metres to local reserves, either Council or privately provided.	 ACHIEVED Council has 81.3% of residential dwellings in urban areas that are within 400 metres to local reserves, either Council or privately provided.
	Residential dwellings in urban areas are within 800 metres of playgrounds or destination reserves	≥ 80%	 ACHIEVED Council has 90% of residential dwellings in urban areas that are within 800 metres of playgrounds or destination reserves.	 ACHIEVED Council has 90.17% of residential dwellings in urban areas that are within 800 metres to local reserves, either Council or privately provided.
Reserves meet local needs.	Percentage of customers satisfied with the service, based on the Annual Customer Satisfaction Survey.	≥ 80%	 ACHIEVED Annual satisfaction survey results were 87%.	 ACHIEVED 81.3% of those surveyed in the Annual Customer Satisfaction Survey were satisfied with the district's parks and reserves.
Playgrounds are safe for users.	Playground facilities comply with relevant National Playground standards.	Achieve	 NOT ACHIEVED While the majority of our playgrounds complied with the standards some of our playgrounds did not. Therefore, we did not achieve 100% compliance. A plan is being developed to ensure closer monitoring of playground inspection results.	 ACHIEVED Playgrounds are assessed by ROSPA qualified contractors, any defects found on playground equipment are either isolated from the use by the public, or if required the whole playground closed to maintain public safety, until remediation is actioned.
Sports grounds are available for Community use.	Percent of time that sport grounds are available for use during their opening hours.	≥ 95%	 ACHIEVED 100% of sports fields were available for use during their opening hours	 ACHIEVED 100% of sports fields were available for use during their opening hours.
Sports grounds meet local needs.	Number of Customer Request Management complaints reporting of ground conditions per annum.	< 5	 ACHIEVED Zero complaints have been received.	 ACHIEVED Zero complaints have been received regarding sports ground conditions.
Community Halls are available for public use.	Number of uses per fortnight for Community Halls.	10	 ACHIEVED Levin Memorial Hall was used 233 times. Shannon Memorial Hall was used 9 times. Foxtan Memorial Hall was used 23 times. Total = 265 times (an average of 10 times per fortnight).	 ACHIEVED The number of uses per fortnight for Community halls was 16.

Community Infrastructure Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		5,699	5,655	5,805	5,954
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes		4	203	365	110
Fees and charges		372	296	290	618
Local authorities fuel tax, fines, infringement fees, and other receipts		33	85	(365)	158
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		6,108	6,239	6,095	6,840
Applications of operating funding					
Payments to staff and suppliers		4,124	3,954	4,385	4,354
Finance costs		236	249	287	419
Internal charges and overheads applied		1,056	1,051	1,041	1,170
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		5,416	5,254	5,713	5,943
Surplus (deficit) of operating funding (A-B)		692	985	382	897
Sources of capital funding					
Subsidies and grants for capital expenditure		2	-	-	732
Development and financial contributions		-	207	207	-
Increase (decrease) in debt	1	1,270	1,206	(3,355)	(1,771)
Gross proceeds from sale of assets	2	-	-	5,558	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		1,272	1,413	2,410	(1,039)

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand	3	502	410	261	23
- to improve the level of service	3	1,078	919	1,031	80
- to replace existing assets	3	1,630	1,437	2,743	1,491
Increase (decrease) in reserves	4	(1,246)	(368)	(1,243)	(1,736)
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		1,964	2,398	2,792	(142)
Surplus (deficit) of capital funding (C-D)		(692)	(985)	(382)	(897)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation	5	1,230	775	724	1,373

Notes:

1. The lower than budgeted debt repayments are due to asset sales not proceeding as planned and lower capital spending due to the prioritisation work on our capital budget.
2. Assumption for sale of assets did not eventuate in the 2023/24 financial year due to legislative restrictions and the associated processes that must be enacted to enable the ability to sell.
3. The capital expenditure is lower than budget due to work being prioritised during the year.
4. The higher reduction in reserve is due to lower renewals capital expenditure which is reserve funded.
5. Depreciation is higher than budgeted due to more work in progress being completed during the year than expected.

Loans	Internal \$000
Loans as at 01/07/2023	9,326
Raised during year	1,325
Repaid during year	(3,096)
Loans as at 30/06/2024	7,555
Interest expense	419

Property Ngā Rawa

WHAKATAUKĪ

Hei āwhina i te hapori, ka ora ai te hapori.

Helping the community
to thrive.

Description of activity

The Property activity supports all activities of Council that are dependent on physical land and buildings. Council holds a selection of property assets to support the delivery of Council's activities which also contribute to the wellbeing of the community. Council has developed a Property Strategy which was adopted by Council in 2015. This Strategy identifies and considers all property assets across the wider district by way of determining the relevance to core Council business. This process will inform decision making on future maintenance, investment and/or disposal of current assets. The Strategy looks at ten key criteria in evaluating Council's existing property portfolio that includes whether the property has a strategic or core purpose and the capital cost required to maintain the property including earthquake strengthening amongst other factors.

What the activity involves

The Council owns various properties throughout the district, and through the Property activity the Council ensures that these properties are managed and maintained in a fit for purpose state. Council owns the following properties:

- The Council Civic building in Levin.
- Commercial property which is leased to tenants.
- General Property including its operational depots.
- Two campgrounds.
- A number of Endowment properties in Foxton Beach.

The Endowment properties Council owns in Foxton Beach transferred from the Foxton Harbour Board when it was disestablished. This portfolio of properties extends from residential housing to bare land. The residential housing is primarily leased for that purpose and is subject to a right to Freehold resulting from the Reserves and Other Lands Disposals Act (ROLD 1968) which in addition to providing a right to Freehold, are 21 year perpetually renewing leases (ROLD 1956). Other community facilities include historic and cultural buildings, and carparks.

How our work delivers on community wellbeing

SOCIAL WELLBEING

The Property function is responsible for ensuring that Building Warrants of Fitness are achieved across its portfolio, Council completes an annual renewals programme on its property portfolio to ensure the portfolio is maintained in a fit for purpose state. However, this does



not include infrastructure buildings or Community Facilities (Te Awahou Nieuwe Stroom, Te Takeretanga o Kura-hau-pō or aquatics), where renewals budgets are generated by the relevant activity.

Council continues to facilitate a range of voluntary organisations through its community leases policy that contribute to developing community sustainability and community capacity. Officers have recently completed the construction of a replacement facility at Waitārere Beach for that Surf Life Saving Club that will provide additional meeting space for the community. Council is



THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



**Vibrant
Economy**



**Outstanding
Environment**



**Fit for purpose
Infrastructure**



**Partnership
with
Tangata Whenua**



**Strong
Communities**

also keen to facilitate an increase in affordable and social housing locally and is working with Kainga Ora to repurpose a number of underutilised open spaces for that purpose.

ENVIRONMENTAL WELLBEING

Council is in the process of upgrading a number of its buildings with LED lighting to reduce energy demand and lessen its carbon footprint. The main Council building utilises grey water for flushing its wastewater and considers sustainability matters in developing its property projects. Cleaning products utilised are organic and biodegradable reducing localised impacts of harsh chemicals on the

environment. Its contractors are qualified under ISO: 14001 which is an international quality standard for environmental management.

ECONOMIC WELLBEING

Council provides leases to a number of corporate clients in its commercial property portfolio. It has taken the view to dispose of non-core properties which has facilitated a number of its tenants becoming commercial property owners in the district. Council employs a number of local tradespeople in managing its assets and provides jobs for a range of locals via its contracted services portfolio.

CULTURAL WELLBEING

Iwi are our partners when working together within this activity. Officers also work with many of the local groups including Progressive Associations and special interest groups. Council looks to incorporate tikanga and ways to improve cultural connectedness within the property activity.

LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned

What we did / did not do

REPLACEMENT OF EXISTING ASSETS

Property Renewals programme – this project sees the replacement of property assets to ensure they are retained in a “fit for purpose” state.

We did reduce our renewal budget this year in order to find savings from our capital programme. Despite this, we were still able to create safety improvements to a number of our properties.

Waitārere Beach Surf Life Saving Club

Council partnered with the Levin-Waitārere Beach Surf Life Saving Club and others to construct a new building to support surf life saving patrol and rescue operations and training, as well as providing the community a facility that can host up to 200 people. This was opened in December 2023.

Levin Town Centre Development

The Levin Town Centre has used the allocated Better Off Funding (2M) to acquire four properties this financial year, and identify another two properties to be purchased early in the new financial year, that align with the Town Centre Property Acquisition Strategy.

Foxton Courthouse Redevelopment Initiative

Council worked with the Foxton Historical Society to commission a detailed seismic assessment and development plan.

ADDITIONS TO LEVELS OF SERVICE

Strategic land purchases – Continue purchasing land where strategically or operationally necessary.

This budget was not used to find savings within the capital works programme. Strategic purchases were funded through the Levin Town Centre Development Better Off funding.

Activity Insights

SUCCESSSES

- Elected members, Council Officers and contractors joined Iwi and the Horowhenua Kāpiti Rugby Football Union at the blessing and opening of their newly finished administration block. Officers support the club in the establishment of the new facility which is located within the Council-owned Levin Domain. While it provides a central location for the administrative staff, the new building also hosted attendees at the Blues v Poua Super Rugby Aupiki match.
- The Horowhenua Alliance moved out of the Levin Courthouse building, enabling for renewal and upgrades to the building to allow for a new cafe. A lease has been signed with a new provider which will contribute to the economic and cultural wellbeing of the district.

CHALLENGES

- Financial constraints was the main challenge the Property activity faced. As Council looked to make significant financial savings, particularly within the Capital funded projects, prioritisation was given to high profile community projects and safety works.

LOOKING FORWARD

- Officers will be further progressing with property disposal and ensuring the strategy is up to date with community needs.
- Asset Management data continues to be a priority in ensuring it is up to date as Officers and Council are challenged to spend the budget on the highest priority items.

Property Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Council operated facilities are available for public hire.	Number of hours and days Levin, Foxton and Shannon Memorial Halls are available for public hire outside of maintenance closedowns.	8 hrs per day	<p>✓ ACHIEVED</p> <p>Council's three (3) Memorial Hall facilities were available for hire for at least eight (8) hours per day 7 days per week outside of maintenance closedowns.</p>	<p>✓ ACHIEVED</p> <p>Council's three (3) Memorial Hall facilities were available for hire for at least eight (8) hours per day 7 days per week outside of maintenance closedowns.</p>
	Conduct an annual review of hire charges.	Achieve	<p>✓ ACHIEVED</p> <p>An annual review of hire charges was conducted as part of the Annual Plan 2023-2024 process and as a result hire charges were increased by on average 5% for this activity.</p>	<p>✓ ACHIEVED</p> <p>An annual review of the hire charges was conducted during the 2024 Long Term Plan Process (and annually thereafter).</p>
Council's properties will comply with relevant legislation.	All buildings with compliance schedules will have current building WOF.	Achieve	<p>✗ NOT ACHIEVED</p> <p>While 16 of the 17 buildings that require a current building WOF have a current one, the Foxton Coronation Hall does not. The Foxton Coronation Hall is currently having some ongoing remediation work taking place so it will meet the building WOF standards.</p> <p>All specified systems including fire alarms have been maintained and inspected in accordance with the compliance schedule.</p> <p>This meets the requirement of the Building Act 2004.</p>	<p>✗ NOT ACHIEVED</p> <p>15 of the 17 buildings that require a current building WOF have a current one. The Foxton Coronation Hall and Foxton Pool do not. The Foxton Coronation Hall is currently having some ongoing remediation work and does not currently hold a building WOF. The Foxton Pool is currently under Building Consent and does not currently hold a building WOF.</p>

Property Funding Impact Statement
FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		1,185	1,176	981	1,006
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes		-	-	-	-
Fees and charges		267	298	267	315
Local authorities fuel tax, fines, infringement fees, and other receipts		28	190	27	27
Internal charges and overheads recovered		465	411	452	276
Total operating funding (A)		1,945	2,075	1,727	1,624
Applications of operating funding					
Payments to staff and suppliers	1	917	1,381	625	1,149
Finance costs		314	375	424	407
Internal charges and overheads applied		365	370	357	386
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		1,596	2,126	1,406	1,942
Surplus (deficit) of operating funding (A-B)		349	(51)	321	(318)
Sources of capital funding					
Subsidies and grants for capital expenditure	2	800	-	1,233	2,201
Development and financial contributions		-	-	-	-
Increase (decrease) in debt	3	(855)	436	(3,288)	(5,248)
Gross proceeds from sale of assets	4	196	4,180	6,316	196
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		141	4,616	4,261	(2,851)

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand		-	-	-	-
- to improve the level of service	5	-	-	1,500	-
- to replace existing assets	5	3,324	3,040	4,709	3,687
Increase (decrease) in reserves	6	(2,834)	1,525	(1,627)	(6,856)
Increase (decrease) of investments		-	-	-	-
Total applications of operating funding (B)		490	4,565	4,582	(3,169)
Surplus (deficit) of capital funding (C-D)		(349)	51	(321)	318
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation		592	275	266	660

Notes:

1. The additional expenditure is due to losses on two property sales during the year.
2. The additional funding received was for Better Off Funding for Levin town centre project.
3. Decrease in debt is a result of lower than budgeted capital expenditure.
4. Planned property sales did not happen during the year.
5. Capital expenditure is lower than budget due to work being prioritised during the year.
6. Lower reserves are largely due to the lower than budgeted operating funding and lower level of spend on renewal projects.

Loans	Internal \$000
Loans as at 01/07/2023	9,055
Raised during year	3,956
Repaid during year	(9,204)
Loans as at 30/06/2024	3,807
Interest expense	407

Representation and Community Leadership

Te Whakakanohi me te Hautū i te Hapori

WHAKATAUKĪ

Mā pango, mā whero ka oti ai te mahi.

If the leaders work together with the community, the job will get done.



Description of activity

This group of activities relates to how Council meets its responsibility to represent the community as well as provide leadership to the community and how Council will involve the community in decision making processes and long term strategic planning.

What the activity involves

- Employing the Chief Executive who is empowered to implement decisions of Council.
- Hosting Local Body elections.
- Encouraging Horowhenua residents to become involved in Council activity and communicating Council decisions.
- Council, Committee and Community Board meetings.
- Setting the strategic and policy direction of Council. This includes preparing the key strategic policy and planning documents such as the Long Term Plan and Annual Plans.
- Reviewing the District Plan and preparing plan changes.
- Monitoring the district's State of the Environment and efficiency and effectiveness of the District Plan.
- Representing the views and interests of residents.

How our work delivers on community wellbeing

SOCIAL WELLBEING

Focused engagement with key stakeholders when developing Community Plans, Master Plans, LTPA 2021-2041 and the Annual Plan 2023/24 ensured community input into local decisions and priority projects. The development of Community Plans provided opportunity for local communities to identify the "sense of place" that is important to not only the community at the centre of the plan, but also the wider community. Awarding of Civic Honours ensures recognition of those who have contributed to community outcomes and who have longstanding volunteer roles within the various groups, clubs and organisations across the district.

ENVIRONMENTAL WELLBEING

The preparation of Master Plans has ensured that there are well planned and developed environments in the future while sustainably managing the district's natural resources for the enjoyment of future generations. The Manawatū River Loop at Foxton and Lake Horowhenua remain a focus of Council.

ECONOMIC WELLBEING

Timely and efficient delivery of services within statutory time limits ensures that regulatory processes

are not an impediment to economic progress whilst at the same time ensuring that due process is applied correctly. Economic development is delivered in collaboration with The Horowhenua Company Limited who work with local enterprise to realise local opportunities, source economic data for informed decision making and facilitate access to capability and funding mechanisms.

The preparation of Master Plans has ensured that infrastructure planning can occur in an integrated manner that can meet the current and future needs of each area. Applications to the Provincial Growth Fund and Crown Infrastructure Projects funding have resulted in earlier progression of infrastructure projects such as Gladstone Road, Queen Street upgrade and Tara-Ika.

CULTURAL WELLBEING

Engaging and consulting with tangata whenua has continued to be a priority. Resourcing Agreements have been developed as one way of supporting participation, growth and capacity of our Iwi partners. Regular hui take place with Te Tūmatakahuki (a Ngāti Raukawa hapū collective) as well as representatives from Muaūpoko where discussion takes place regarding projects, review of strategies and plans, and Council's work programme.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



LONG TERM PLAN AMENDMENT / ANNUAL PLAN KEY PROJECTS

What we planned

What we did / did not do

LEVIN TOWN CENTRE STRATEGY ACTIVATION PROJECTS

Annual Plan 2023/24 identified Levin Town Centre Strategy activation projects as the key projects for this year.

We Are Horowhenua is a placemaking project that celebrates the regenerative power of art in fostering community engagement and connection within our town. It connected to the recently refreshed Horowhenua brand "Huraina tō mata | Come find yourself" for people who don't live here, and "Ko tēnei whenua, tōku kāinga | This land, my home" for those who do.

19 black and white portraits captured the essence of art, culture and sport, showcasing the diverse talent and vibrancy of our young people: What do they love, and why do they love Horowhenua.

The adoption by Council in December 2023 of the implementation plan for the Levin Town Centre Transformation provided the direction for Council to start working towards the intended transformation. Priority focus has been on Council acquiring several strategically located properties in the Levin Town Centre to support future development opportunities. These purchases were funded through the Better Off Funding that Council received.

Council commenced an expression of interest process for the reimagining of the Levin War Memorial Hall, Village Green and Levin Skatepark with 10 expressions of interest received. Two were successful in proceeding to the request for proposal stage of this process.

Activity insights

SUCCESSSES

District Plan

- Plan Change 4 – Tara-Ika became operative. This is one of the most significant and transformational urban development projects in our history. Tara-Ika, a 420 hectare block of land to the east of Levin, enables the development of more than 3,500 homes of different sizes, a commercial area, new parks and reserves and education opportunities.
- Developed and launched the e-Plan, an interactive and user-friendly online version of the District Plan in May 2024. Alongside launching the e-Plan, Council has implemented the mandatory directions of the National Planning Standards.

Long Term Plan 2024-2044

- Development and adoption of the Long Term Plan 2024-2044.

Policy and Strategic reviews

- Delivered stocktakes of Council's Strategies, Policies and Bylaws to inform the review programme, and reviewed the following:

- Community Wellbeing Strategy 2024-2027
- Dangerous and Insanitary Buildings Policy
- Developed the Horowhenua District Draft Speed Management Plan 2024-2034 and submitted it to Horizons Regional Council for inclusion in the Regional Speed Management Plan
- Endorsed Wellington Regional Leadership Committee's Future Development Strategy
- Sensitive Expenditure Policy 2023
- Compliance Strategy 2023
- Compliance Enforcement Response Guidelines & Prosecution Policy 2023
- Delegations Register
- Development Contributions Policy

Council Advocacy

- Advocated for Horowhenua to Parliament, central government Agencies and other councils through the following submissions:

LEGISLATION

- Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Bill
- Fast Track Consents Bill
- Water Services Economic Efficiency and Consumer Protection Bill
- Water Services Amendment Bill
- Local Government Water Services Preliminary Arrangements Bill
- Resource Management (Freshwater and Other Matters) Amendment Bill

CENTRAL GOVERNMENT AGENCIES

- Ō2NL Notice of Requirement
- NPS-Highly Productive Land - Amendments
- Proposed National Policy Statement for Natural Hazard
- Monitoring Climate Change Adaptation call for information
- Draft Land Transport GPS 2024

OTHER COUNCILS

- Horizons Regional Council: Submission and Evidence presented in support of Submission on Proposed Plan Change 3 to the One Plan
- Horizons Regional Council Long Term Plan 2024-2034 re Arawhata wetland
- Greater Wellington Regional Council: Regional Land Transport Plan mid-term review

Ombudsman review of meetings and workshops

- In August 2022 the Ombudsman commenced an investigation on eight councils following concerns raised that councils were using workshops and other informal meetings to make decisions. In October 2023 the Ombudsman issued his final report in which the original concerns were not founded, but there were a number of areas where the Ombudsman saw room for improvement across the local government sector. The full report can be found here: [Open for Business - A report on the Chief Ombudsman's investigation into local council](#)

meetings and workshops. Following the Ombudsman's report, officers completed a desk top exercise to assess Council's current practices against the Ombudsman's requirements. That assessment identified some areas of good practice and also some areas for improvement. A series of actions have been identified which officers are working on.

CHALLENGES









- The amount of reform in key areas such as waters and resource management was a challenge we foresaw and were prepared for. In an election year, a change of government is always a possibility, which if it took place – and it did – would likely add to the reform programme.
- Following the LTPA 2021-2041, we set ourselves a challenge to increase our community engagement and to make it easier for our community to have their say in the LTP. We met this challenge, notably with a 40% increase in submitters aged 25-35 years compared to the LTPA.

Looking Forward

The next year will include preparation for local government elections in October 2025. The reform programme remains busy and Council will continue to advocate in our community's interests. Council will continue to seek to make it easier for people to be involved with Council and to have their voices heard through meetings, our review programme and other opportunities.



Representation and Community Leadership Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Council provides open, accessible information and processes to local government and the Community.	Number of successful challenges to Council's decision making processes.	< 2	 ACHIEVED There have been no successful challenges	 ACHIEVED There have been no successful challenges
	Official Information requests are processed in accordance with the LGOIMA.	100% compliance rate	 NOT ACHIEVED 124 LGOIMA requests had been received 106 were processed on time 2 were sent late 12 remain open on time 1 were withdrawn 3 were transferred	 NOT ACHIEVED Received – 132 Responded within time – 117 Overdue – 3 Transfers/Withdrawn - 3 Partial Transfer - 1
Council supports residents and ratepayers to have their views heard and considered in Council decision making.	Percent of residential and non-residential ratepayers who are satisfied with the way Council involves the public in its decision making, based on the Annual Customer Satisfaction Survey.	> 50%	 NOT ACHIEVED The measure is obtained from the Annual Residents Satisfaction Survey. The rating achieved this year is 43%. Though this result means not achieved this is a significant increase from the previous year. Note: An error in the recording of the annual satisfaction survey results resulted in the previous year's results being noted as 21% when in fact it was 25%.	 NOT ACHIEVED Customer satisfaction was 49.5%
	Council will pre-engage on all significant decisions as outlined in the Significance and Engagement Strategy found on Council's website.	Achieve	 ACHIEVED The Long Term Plan Amendment was the only significant decision, as outlined in the Significance and Engagement Strategy that was made by Council. Pre-engagement was conducted by way of workshops.	 ACHIEVED Early Engagement on the LTP (significant decision) ran from 17 October to 10 November.

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Council's planning documents meet statutory requirements and have unqualified audit opinions	The LTP is completed within the statutory timeframe, including a Financial and Infrastructure Strategies which meets the requirements of the Local Government Act.	Adopted before 30 June (every 3 years)	<p>✓ ACHIEVED</p> <p>LTP Amendment was adopted on 28 June 2023</p> <p>LTP Amendment was adopted on 28 June 2023 but received an adverse opinion due to the decision to include three waters spending.</p>	<p>✓ ACHIEVED</p> <p>Meeting project milestones: Early engagement complete, Activity Workshops complete; LTP Content and preferred rates option agreed to enable drafting of consultation material.</p>
	The Annual Plan will be adopted before 30 June annually.	Achieve	<p>✓ ACHIEVED</p> <p>Annual Plan 2023/24 was adopted on 28 June 2023.</p>	<p>✓ ACHIEVED</p> <p>This specific measure is not applicable this year as it is Year 1 of the LTP planning cycle so there will not be an Annual Plan developed.</p>
	The Annual Report will include an unqualified audit opinion.	Achieve	<p>✗ NOT ACHIEVED</p> <p>The 2021 – 2022 Annual Report was adopted on 10 May 2023. It received a qualified audit opinion due to the ongoing issues related to being unable to verify the completeness of customer complaints data, which was collected by Palmerston North City Council. This issue was resolved in January 2022.</p>	<p>✓ ACHIEVED</p> <p>The 2022-2023 Annual Report was adopted on 25 October 2023 in line with the statutory requirement and included an unqualified audit opinion.</p>
The District Plan provides for a balanced regulatory framework that protects important community and environmental values.	Council will process non-complying consents in a robust way. When the percentage of non-complying consents approved exceed 5% we will undertake an investigation of the District Plan rules that have triggered the non-complying consents	< 5%	<p>✓ ACHIEVED</p> <p>Eight non-complying resource consent has been approved, which represents less than four percent (4%) of applications approved.</p>	<p>✗ NOT ACHIEVED</p> <p>Eleven (11) non-complying resource consents have been approved 2023/24, which represents approximately 9% of all land use and subdivision consents approved. An investigation has identified the rules triggering the non-complying status. A change to the most frequent of these rules identified (medium density) is being explored as part of a broader growth plan change.</p>

Representation and Community Leadership Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		430	427	146	149
Targeted rates		4,599	4,564	5,791	5,940
Subsidies and grants for operating purposes	1	-	-	-	735
Fees and charges		-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		733	1	-	4
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		5,762	4,992	5,937	6,828
Applications of operating funding					
Payments to staff and suppliers	2	3,144	2,213	3,383	2,051
Finance costs		99	212	259	137
Internal charges and overheads applied		4,773	4,064	5,090	5,281
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		8,016	6,489	8,732	7,469
Surplus (deficit) of operating funding (A-B)		(2,254)	(1,497)	(2,795)	(641)
Sources of capital funding					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt	3	(329)	1,998	5,596	3,000
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		(329)	1,998	5,596	3,000

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand		-	-	-	-
- to improve the level of service		8	500	-	-
- to replace existing assets	4	-	-	2,875	277
Increase (decrease) in reserves	5	(2,591)	1	(74)	2,081
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		(2,583)	501	2,801	2,359
Surplus (deficit) of capital funding (C-D)		2,254	1,497	2,795	641
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation					
		-	-	-	-

Notes:

1. The unplanned income received is from Waka Kotahi for Ōtaki to North Levin roading project.
2. This relates to the lower spending on professional services for the District Plan.
3. This relates to lower than budgeted capital expenditure during the year.
4. Capital expenditure is lower than budget due to work being prioritised during the year.
5. Lower than budgeted capital expenditure in renewal during the year, which is reserve funded.

	Internal \$000
Loans	
Loans as at 01/07/2023	3,047
Raised during year	3,000
Repaid during year	(0)
Loans as at 30/06/2024	6,047
Interest expense	
	137

Community Support

Te Tautāwhi i te Hapori

WHAKATAUKĪ

Mahia i runga i te rangimārie me te ngākau māhaki

With a peaceful mind and respectful heart, we will always get the best results

Description of activity

These activities provide for the community's social and economic wellbeing. Combined, they support the community, to drive positive social and economic development outcomes, ensure the community can respond to and recover from an emergency event, access community grants and funding, and visitor information within the district.

The Community Support Group of Activities includes the following Activities:

- Emergency management
- Community Engagement
- Visitor Information
- Destination Management
- Economic Development

What the activity involves

EMERGENCY MANAGEMENT

As part of this activity Council is an active member of the Manawātū-Whanganui Civil Defence Emergency Management Group and is responsible for facilitating the Horowhenua Emergency Management Committee and the Horowhenua Local Welfare Group.

The Emergency Management activity ensures the district is ready for, and able to respond to, emergencies or natural hazards that may cause loss of life, injury, or illness, and that Council fulfils its obligations pursuant to the Civil Defence and Emergency Management Act 2002.

What it involves

- Facilitating community resilience and emergency preparedness planning with a range of external agencies and community groups through the Horowhenua Emergency Management Committee and Horowhenua Local Welfare Group. This includes identifying potential hazards, and developing and implementing measures to minimise impacts (i.e. reduction).
- Ensuring plans are in place and that the community is aware of the "hazardscape" and is prepared. Engaging with and educating our community about "Being Prepared" (i.e. readiness).

- Preparing for the provision of a fully functional Emergency Operating Centre (EOC) to coordinate response activities during an emergency. Ensuring critical services can be provided during and after an emergency (i.e. response).
- Coordination of recovery activities (i.e. recovery).

COMMUNITY ENGAGEMENT

The Community Engagement Activity provides a platform for community engagement and social wellbeing within the Horowhenua district. This includes the implementation of Council's Community Wellbeing Strategy; community network action plans; grants and funding programmes; public communications; media engagement; and district marketing.

What it involves:

- Council leading the development and implementation of He Hapori Pakari, Strong Communities, our Community Wellbeing Strategy and associated action plan.
- Providing an opportunity for community representatives to meet and discuss opportunities, challenges and solutions through our community networks which include: Education Horowhenua; Youth Services; Access and Inclusion; Older Persons and Youth Voice.

- Council taking a lead role in advocating, facilitating and coordinating on behalf of the community to assist community groups to find solutions that respond to local needs.
- Through the Community Wellbeing Committee, advocating for and monitoring our community wellbeing priorities of Culture; Connected Community; Health and Wellbeing; Sense of Place and Belonging; Housing; Environment, Community Resilience and Preparedness; and Community Safety.
- Providing contract funding to support surf lifesaving, beach and community patrol, crime prevention services, volunteer opportunities, community engagement and neighbourhood support services.
- Funding and operating grant programmes which support community kaupapa including: Community Events and Programmes Grant; Operations and Small Assets Grant; Rural Halls Grant; Youth Development Grant; Urupā Grant; Horowhenua Major Events Grant.
- Adminstrating externally funded contestable grant programmes including: Horowhenua Creative Communities Scheme; and Shannon Community Development Trust.
- Funding and administrating Civic and Youth Awards that recognise and celebrate our people's contribution to our community.

- Facilitating a community capacity building programme, providing free or subsidised training to the not-for-profit sector with the aim of increasing capability at a governance and operational level.
- Producing and distributing Council publications.
- Producing sector-specific publications, such as resource consent guides.
- Monitoring and updating social and traditional media.
- Providing communications support to internal staff and departments.
- Maintaining and updating Council's website presence, namely <https://www.horowhenuanz.co.nz/>.
- Responding and providing information to media outlets as required.
- Council provides a 24-hour, 7 day a week service to the public including an afterhours emergency telephone response service, and an afterhours Animal Control response function.

VISITOR INFORMATION

We manage the provision of visitor information services in Levin, Foxton, and Shannon.

What it involves

As part of this activity Council manages contracts which provide the following services:

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



- Domestic travel ticketing.
- Horowhenua attraction, activity and accommodation bookings.
- Local and regional visitor information, travel maps and resources; and integrated communications and working partnerships with local service providers.
- Development and promotion of “day trips” outside of the region, such as regional bus trips to significant events such as WOW (World of Wearable Arts) in Wellington.

DESTINATION MANAGEMENT

Responsible for driving sustainable visitor growth to the district and evolve the Horowhenua NZ brand to achieve favourable economic, social and cultural outcomes.

What it involves

- Council leading the development and implementation of an effective destination marketing strategy and media plan.
- Build tourism industry capability.
- Analyse and report on industry benchmarks and effectiveness of work programme.

ECONOMIC DEVELOPMENT

The purpose of this activity is to facilitate economic growth and improved social and economic wellbeing in the Horowhenua District. This is through the support and implementation of strategies targeting increased investment, job growth, skill growth, income growth and an enhanced reputation for the district. The district is poised for significant change off the back of the pending significant investment in transport infrastructure projects and if prepared and ready there is opportunity to considerably advance the district’s economic wellbeing and prosperity.

What it involves

Economic development advocacy, support and facilitation across the following service areas:

- Business sector growth and performance.
- Sustainable natural resource utilisation.
- Infrastructure and policy development/implementation.
- Workforce skill development, training and education.
- Horowhenua as a vibrant and sustainable place to live and do business.

How our work delivers on community wellbeing

SOCIAL WELLBEING

Council continues to engage and connect with its community through a range of campaigns and channels, including the introduction of Let’s Kōrero our community engagement platform, Citizens Panels, refreshed Voice of Customer reporting and digitising the delivery of Community Connection and Puāwai to grow reach and engagement.

Council launched its refreshed destination brand in 2022, which included the website <https://www.horowhenuanz.co.nz/>, a refreshed visitor guide, development and execution of a marketing strategy, and new boundary signage. From June 2023 to June 2024, the website had 95,823 views, 36,124 sessions, from 52,106 active users, with an engagement rate of 59.69%.

Horowhenua’s average monthly domestic visitor population in June was 6,069 and international visitor population was 198. Domestic tourism electronic card transactions have increased to \$84.5m by 30 June 2023. up 6.29% since launch on 5 October 2022. International tourism electronic card transactions increased to \$5.9m by 30 June 2023 up 110% since launch.

The main Council website continues to be a key source of truth for the community, with 321,771 sessions for the year end June 2024.

We’ve seen an increase in total traffic referrals to the site of 85% indicating the continued digitisation of our publications and our increase in social media presence are both working to drive traffic to the site.

Council year-on-year (YoY) comparison for Facebook saw a 59.1% increase in visits to 152,600. Instagram profile visits increased 31% to 991 and we gained 85 new Instagram followers YoY. Facebook reach was up by 196.2% to 827,400 and Instagram reach was up 57.5% to 26,100.

Horowhenua NZ Facebook visits were up 90.3% YoY to 10,200, Instagram profile visits were down 34.7% to 584 and we gained 50 new Instagram followers. Horowhenua NZ Facebook reach was up 64.4% to 584,200, Instagram reach was down 72.3% to 28,600.

Council’s aim is to continue to listen to its community, understand them and their needs, and engage with them in channels that resonate. With several initiatives underway to make sure Council delivers on this objective, the future is bright.

Council’s strong support for community has a positive impact on building robust communities and improving community wellbeing.

Sector network meetings coordinated and facilitated by Council continue to attract good membership and participation. The networks are effective as the conduit for information between members and Council.

Council facilities, community hubs and online platforms provide a place for Council to undertake Community Capacity Building Programmes that build resilience and capability for not for profit organisations, and community groups ensures we have a community with a diversity of skills and experience and helps provide extra support to organisations in the governance and operational challenges they are facing.

ECONOMIC WELLBEING

Horowhenua's economic development agency has actively engaged with businesses and other community partners to solve business problems and to support business growth and development, ultimately improving economic wellbeing.

This includes a comprehensive set of investment attraction activity, which has resulted in the relocation and establishment of a range of new businesses, creating exciting new jobs and opportunities for local suppliers. In addition, regular business networking and local initiatives to improve labour market outcomes have continued throughout the year, ensuring the Horowhenua business community is connected to the latest data, insights and economic analysis.

Council has delivered programmes, forums and provided support that has impacted positively across Horowhenua's economic wellbeing.

This has included but is not limited to development forums, destination management workshops, promoting Horowhenua at exhibitions, and supporting community-driven initiatives and events.

CULTURAL WELLBEING

To support cultural wellbeing, Council provides a Community Events and Programmes Grant and administers a Central Government fund, Creative Communities NZ. These funds enable a wide range of art, culture and heritage projects and programmes that contribute to a rich vibrant community growing

a sense of pride by the creators, artists and community. Council actively encourages people to uptake the grants and supports community participation in diverse outcomes. Funded by Chorus, Council also administers a Chorus Cabinet beautification programme where artists are selected to bring their art to the streets by painting a Chorus cabinet in the rohe.

Council supports a wide range of community-led events by encouraging shared local visions, offering event management advice, introducing collaborations and providing event support up to the event and on the day. This has proven to be extremely effective in growing strong relationships between community groups and Council.

Long Term Plan Amendment / Annual Plan key projects

There were no key projects contained in the 2023/24 Annual Plan for this group of activities.

Activity Insights

SUCSESSES

Emergency Management:

- Funding in the LTP 2024-44 was allocated for Starlink satellite internet kits to increase connectivity in remote areas and during power outages. Additional water bladders and tanks are funded to increase emergency water supply options along with additional Laptops and Tablets to increase EOC capability.

Community Engagement:

- Refreshed Community Wellbeing Strategy He Hapori Pakari, Strong Communities adopted by Council in June.
- LTP 2024-2044 saw funding contracted services continue with an adjustment for CPI. These services are continued for Levin Waitāreere Surf Life Saving Club, Surf Life Saving New Zealand (on behalf of Foxton Beach Surf Life Saving Club), Whatunga Tūao Volunteer Central, Horowhenua

District Neighbourhood Support, Save Our River Trust (SORT), Horowhenua Community Camera Trust, Waitāreere Beach Progressive & Ratepayers Association and Levin Community Patrol.

- Significant changes were made to our grants and funding programme including the establishment of two new funds – Youth Development Grant and Urupā Grant – and the merging of other funds to make the process user friendly and meet the needs of our community.
- Voice of the Customer showed Resident Satisfaction is at 62% (2023 61%, 2022 49%; Rest of NZ in 2024 27%). Our Public Sector NPS has improved from 31.4 to 35.8.

Destination Management:

- In May 2024 Council established a Major Events Fund, making \$50,000 funding available to support major events in the district. The Fund includes a framework that Major Event organisers can apply to, for support to run their event. The fund also provides for events that may not qualify as a Major Event but have the potential to transition into a major event over time.

Economic Development:

- The Horowhenua Company ran the fifth annual Get-Go Futures Day in March 2024. Futures Day provided 400 Horowhenua Year 10 students and their teachers the opportunity to visit a range of nine different local employers (including Council) to understand more about the world of work and explore future local employment options.

CHALLENGES

Emergency Management:

- Balancing Capital Expenditure for EOC Improvement – Navigating the need to increase capital expenditure to enhance the functionality and resilience of the Emergency Operations Centre (EOC) during emergency events, despite tight financial constraints.
- Allowing for Increased resourcing on the completion of the current contract in order to adapt to a changing environment and evolving emergency management needs. Proposing the establishment of an Emergency Event Recovery fund, to be utilised in response to emergency events, ensuring a rapid and efficient recovery process.
- Securing accurate and up-to-date information on potential hazards, such as liquefaction and sea level rise, and assessing their potential impact on the district in the context of climate change and the increasing likelihood of more frequent and intense weather events.

Community Engagement:

- Voice of the Customer showed healthcare is our community's biggest concern followed by Population Growth and Rooding.
- It also showed we have more work to do, with a particular focus on making it easy to do business with Council, and our continued responsiveness.

Visitor information:

- Maintaining the current levels of funding support in the absence of receiving income generated from this activity.
- Balancing the requirements of visitor and local customers as this blurs the line between economic and community wellbeing outcomes and funding mechanisms.

Economic Development:

- During a tough year Council remained committed to facilitating economic development and retained funding for Economic Development in the LTP 2024-2044 but changing who pays for what. Council asked our community how this should be shared e.g. by all ratepayers equally or a proportion paid for by businesses and a smaller amount by all ratepayers. A majority of the community supported the second option and was agreed by Council.

LOOKING FORWARD

Emergency Management:

- The district is vulnerable to natural hazards such as flooding, earthquakes, and storms, which can strike unexpectedly. The Council is committed to ensuring staff are well-trained to respond to emergencies, while also advancing business continuity plans (BCPs) to ensure the Council and the EOC can effectively manage extreme events, even if critical systems or infrastructure are compromised. Additionally, there will be a strong focus on fostering community preparedness, ensuring residents are equipped and informed to handle emergencies alongside the Council's efforts.

Community Engagement:

- Finalise the Māori Engagement Framework.
- We will continue to focus on making it easy to do business with Council, and our continued responsiveness.







Destination Management:

- We look forward to receiving applications to the Major Events Fund.

Economic Development:

- The section 17A review of Economic Development is due to be completed in December 2024 which will inform Council's future approach to the delivery of economic development services beyond 1 July 2025.















Community Support Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Community awareness is promoted and encouraged.	12 media messages promoting preparedness for an emergency will be made to residents and ratepayers annually.	Achieved	 ACHIEVED 15 media messages promoting preparedness for an emergency were made to residents and ratepayers.	 ACHIEVED 43 media messages promoting preparedness and informing our community of emergency events had been distributed.
Council maintains a functional EOC and trained staff.	Civil defence and emergency management assessment of readiness and capability.	Council's EOC (and alternates) are fully functional and meet the requirements of the CDEM Act 2002.	 ACHIEVED Appropriate levels of Council Staff have been trained to the CDEM Integrated Training Framework (ITF) Standards with Incident Management Team (IMT) members trained to the minimum intermediate level but with an expectation that they will go on and achieve the relevant functional training qualification. A number of IMT personnel have completed the higher level of training to the functional level within this reporting year. Further training and exercising is planned throughout the 2023/2024 year to continue to increase capability and understanding of all the facets of emergency management across the local, regional and national hazard-scape within the organisation.	 ACHIEVED EOC arrangements will be independently audited bi-annually to ensure they remain fit for purpose. The next audit will be undertaken in 2025.
Council provides effective leadership in advocating, coordinating and facilitating on behalf of community needs.	Number of Community Wellbeing Committee meetings per year.	≥ 4	 NOT ACHIEVED Three Community Wellbeing Committee meetings held. One Community Wellbeing Committee meeting was cancelled, and meetings were put on hold, during the change of Council and confirmation of new (Elected member) Chairperson.	 ACHIEVED Four meetings were held in 2023-24. Minutes are provided for meetings held on: <ul style="list-style-type: none"> • 20 September 2023 • 13 December 2023 • 27 March 2024 • 22 May 2024

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Young people in the Horowhenua live in a safe and supportive environment, which empowers them to make positive life choices	Number of Youth Empowerment Project meetings per year.	≥ 8	<p>✘ NOT ACHIEVED</p> <p>Four yEP meetings held. Meetings put on hold late 2022 due to school holidays and amending our approach to the yEP model.</p>	<p>✘ NOT ACHIEVED</p> <p>The Youth Council has undergone a refresh in 2024 with a new name "Youth Voice" and 13 new members selected from our three Colleges and from training institutions UCOL and HCL to increase diversity and representation. Youth Voice have met twice since the Committee was established in May and Council Officers are working with them to develop a programme that includes training, delivering projects and programmes, providing feedback on different Council kaupapa including the Levin Town Centre and Futures Foxton, and contributing to the new Youth Development Fund name and decision making.</p>
	Number of programmes or projects implemented by Youth Empowerment Project.	≥ 4	<p>✘ NOT ACHIEVED</p> <p>Two programmes/projects implemented by yEP</p>	<p>✘ NOT ACHIEVED</p> <p>There have been two projects implemented by the Youth Empowerment Project in the last year:</p> <ul style="list-style-type: none"> • Visit to Parliament to tour the buildings and experience Question Time • Climate Change Action Workshop <p>As mentioned above, yEP underwent a refresh this year in 2024 with the recruitment of a whole new Youth Council. This has contributed to the lack of achievement in this area.</p>
	Number of Youth Services Network meetings per year.	≥ 6	<p>✔ ACHIEVED</p> <p>Six Youth Services Network meetings held.</p>	<p>✔ ACHIEVED</p> <p>Seven Youth Service Network meetings were held in 2023-24. Minutes are provided for meetings held on:</p> <ul style="list-style-type: none"> • 27 July 2023 • 7 September 2023 • 19 October 2023 • 30 November 2023 • 22 February 2024 • 14 March 2024 • 30 May 2024

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Horowhenua residents are empowered to make choices enabling them to Horowhenua residents are empowered to make choices enabling them to live a satisfying and healthy lifestyle.	Number of Older Person's Network meetings per year.	≥ 6	<p>✓ ACHIEVED</p> <p>Six Older Persons' Network meetings held.</p>	<p>✓ ACHIEVED</p> <p>Eight Older Person's Network meetings have been held. Minutes are provided for meetings held on:</p> <ul style="list-style-type: none"> • 3 August 2023 • 21 September 2023 • 26 October 2023 • 7 December 2023 • 15 February 2024 • 28 March 2024 • 16 May 2024 • 20 June 2024
	Number of Puāwai magazine publications annually.	≥ 4	<p>✓ ACHIEVED</p> <p>Four Puāwai magazines have been published.</p>	<p>✓ ACHIEVED</p> <p>Four Puāwai magazines have been distributed</p>
Horowhenua is a vibrant, creative and friendly community with an abundance of art, rich cultures and a strong sense of heritage.	Number of Creative Communities funding rounds per year.	≥ 2	<p>✓ ACHIEVED</p> <p>Two Creative Communities funding rounds.</p>	<p>✓ ACHIEVED</p> <p>Two funding rounds were completed for the year. Round one opened 1 August 2023 and closed 10 September. We received 14 applications in this round. Round two was opened 1 February 2024 and closed 10 March 2024. We received 28 applications in this round.</p>
Horowhenua is New Zealand's foremost District in taking joint responsibility for the success of our community through education.	Number of Education Horowhenua meetings per year	≥ 4	<p>✓ ACHIEVED</p> <p>Four Education Horowhenua meetings held.</p>	<p>✓ ACHIEVED</p> <p>Six Education Horowhenua meetings were held this year. Minutes are provided for meetings held on:</p> <ul style="list-style-type: none"> • 27 July 2023 • 26 October 2023 • 23 November 2023 • 15 February 2024 • 28 March 2024 • 23 May 2024
Horowhenua is fully accessible to all people	Number of Access and Inclusion Leadership forums per year	≥ 4	<p>✓ ACHIEVED</p> <p>Five Access and Inclusion Leadership forum held.</p>	<p>✓ ACHIEVED</p> <p>Seven Access and Inclusion Network Meetings were held this year. Minutes are provided for meetings held on:</p> <ul style="list-style-type: none"> • 1 August 2023 • 24 October 2023 • 5 December 2023 • 13 February 2024 • 26 March 2024 • 7 May 2024 • 25 June 2024

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Council promotes community group empowerment and provides opportunities for community driven initiatives and projects, and to grow and develop.	Number of Community Capacity and Capability Building Programme workshops or trainings offered.	≥ 10	✘ NOT ACHIEVED While a number of events were held during the financial year insufficient records were kept to be able to provide confirmation of the workshops. Improved processes have been implemented for future record keeping.	✔ ACHIEVED The following 11 workshops and training opportunities were delivered in 2023-24: 1. Community First Aid – Te Whare Mahana Levin – 30 November 2023 2. The Teen Brain – Nathan Wallis – Youth Session – Levin – 17 August 2023 3. The Teen Brain – Nathan Wallis – Community Afternoon Session – Levin – 17 August 2023 4. The Teen Brain – Nathan Wallis – Community Evening Session – Levin – 17 August 2023 5. Mental Health First Aid – Shannon – 14-15 March 2024 6. Governance Training – Afternoon Session – Levin – 15 May 2023 7. Governance Training – Evening Session – Levin – 15 May 2024 8. Strengthening Whānau - Pio Terei – Levin – 2 May 2024 9. Mau Rākau - Karanama Peita – 10 week programme – 2 May-4 July 2024 10. First Aid Training – Levin – 15 June 2024 11. Mental Health First Aid – Shannon – 17-18 June 2024
	Percent of satisfaction with Capacity and Capability Building Programme workshops or training.	≥ 85%	✘ NOT ACHIEVED While a number of events were held during the financial year insufficient records were kept to be able to provide confirmation of the satisfaction of participants. Improved processes have been implemented for future record keeping.	✘ NOT ACHIEVED Due to the nature of our larger events, we were unable to obtain feedback from our participants to measure satisfaction overall. However, across our smaller workshops and trainings, participants have expressed a 90% average satisfaction rating.
	Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	≥ 200	✘ NOT ACHIEVED While a number of events were held during the financial year insufficient records were kept to be able to provide confirmation of the numbers attended. Improved processes have been implemented for future record keeping.	✔ ACHIEVED Well over 300 people have attended trainings and workshops in our Capacity and Capability Building programme in 2023-24.
Council supports beach safety initiatives within communities by providing financial support.	Number of weeks Council funded surf lifesaving service is provided at Foxton and Waitāreke beaches.	≥ 6	✔ ACHIEVED Six (6) weeks have been funded.	✔ ACHIEVED Levin Waitāreke Surf Lifesaving Club and Foxton Surf Lifesaving Club are two of our Contracted Services who receive funding from Council. This funding goes towards lifesaving services for a minimum of 6 weeks over summer.

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Council effectively communicates with its ratepayers and residents.	Percent of media releases feature in media within 21 days of release to inform residents about what Council is doing.	≥ 60	 ACHIEVED There have been 72 media releases and 100% featured in media	 ACHIEVED 74 media releases have been distributed and featured in media.
Council provides a variety of ways to access information.	Number of Council Community Connections newsletters published annually.	≥ 10	 ACHIEVED 15 Community Connection newsletters have been published	 ACHIEVED Eighteen community connections had been published
	Number of new digital services are delivered online annually.	≥ 2	 ACHIEVED 12 new digital services were delivered ranging from expression of interest forms, Long Term Plan Amendment submission forms, swim school enrolments and online forms.	 ACHIEVED 28 new digital services have been delivered.
Council provides a 24/7 telephone contact centre operation.	Telephone contact is continually provided 24/7.	Achieve	 ACHIEVED Council's 06 366 0999 telephone number is operational 24/7. After hour's service and continuous phone supply under Contract with Palmerston North City Council.	 ACHIEVED Telephone services were provided by staff rostered in the contact centre during Councils open hours, and telephone services afterhours were provided by contracted services with PNCC.
Council staff are knowledgeable in tikanga māori and the principles of Te Tiriti o Waitangi.	Percent of staff who have undertaken training (Partnership with Tangata Whenua).	60% of Council staff	 ACHIEVED 154 Council kaimahi have attended Te Tiriti o Waitangi & Cultural Competence training with Engaging Well which is 72% of staff (excl. aquatics staff) Weekly training sessions based on sections within the Tūhono ki Te Ao Māori toolkit, are also provided to kaimahi. These sessions are delivered by the Cultural Outcomes Team.	 ACHIEVED Four rounds of weekly Tūhono workshops, covering 9 topics each have been carried out, with 279 attendees in total. There are 20 staff currently registered and undergoing Education Perfect Te Ao Māori for Professionals 12-month training. The development of a cultural capability framework is underway, in conjunction with the Māori Engagement Framework.
Council supports the promotion of Horowhenua as a tourism destination.	i-Site accreditation is maintained at Te Awahou Nieuwe Stroom and Te Takeretanga o Kura-hau-pō facilities.	Achieve	 ACHIEVED i-Site accreditation is maintained.	 ACHIEVED We continue to be accredited.
	Annual number of visitor information enquiries conducted from Horowhenua i-Sites.	≥ 10,000	 NOT ACHIEVED Manually collated statistics on Visitor Information enquiries are: 9,888.	 NOT ACHIEVED 8,739 enquiries in 2023/2024

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Council provides opportunities for businesses to collaborate and network resulting in a stronger business sector.	Number of business networking meetings organised per year.	≥ 10	<p>✔ ACHIEVED</p> <p>There have been 13 Business Networking events held. This includes 2 Women in Business networking lunches, 2 Foxton Business Breakfasts and 9 Business After 5 events.</p>	<p>✔ ACHIEVED</p> <p>There have been 17 Business Networking Events held. This includes 4 Women in Business Lunch, 9 Business After 5 events, 1 Business networking event focused on the Levin Town Centre; 1 Foxton Business Breakfast; 1 business information evening on O2NL and 1 Business Networking event hosting Minister Chris Bishop at TSP Construction.</p>
Council advocates for and facilitates business development and new business investment in the Horowhenua District.	Percent of the District's Business Community that are satisfied or more than satisfied with Council's overall performance in the Economic Development Activity.	> 75%	<p>✘ NOT ACHIEVED</p> <p>The Annual Satisfaction survey results is 40%.</p> <p>The significant difference in results reflects a change in survey methodology for this financial year. Previously a separate survey campaign specifically targeting The Horowhenua Company business customers specifically was used for the performance measure result. For this financial year we are using the organisation wide survey campaign which contacts a wider audience through a new single platform. The results for this financial year are a new baseline going forward.</p>	<p>✘ NOT ACHIEVED</p> <p>The Annual Satisfaction survey results is 42%.</p>

Community Support Funding Impact Statement FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		2,985	2,962	2,891	2,965
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes	1	558	34	35	577
Fees and charges		-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		72	53	(35)	6
Internal charges and overheads recovered		-	-	-	(54)
Total operating funding (A)		3,615	3,049	2,891	3,494
Applications of operating funding					
Payments to staff and suppliers		2,203	1,828	1,808	1,798
Finance costs		-	2	-	(2)
Internal charges and overheads applied		1,230	1,206	1,363	1,310
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		3,433	3,036	3,171	3,106
Surplus (deficit) of operating funding (A-B)		182	13	(280)	388
Sources of capital funding					
Subsidies and grants for capital expenditure		37	-	-	(5)
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		-	(2)	18	72
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		37	(2)	18	67

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding					
Capital expenditure					
- to meet additional demand		-	-	-	27
- to improve the level of service		12	-	-	-
- to replace existing assets		15	10	26	5
Increase (decrease) in reserves	2	191	1	(288)	423
Increase (decrease) of investments		-	-	-	-
Total applications of capital funding (D)		219	11	(262)	455
Surplus (deficit) of capital funding (C-D)		(182)	(13)	280	(388)
Funding balance ((A-B)+(C-D))					
		-	-	-	-
Depreciation		2	12	9	3

Notes:

1. Additional revenue for The Mayor's Taskforce for Jobs was carried forward from the 2022/23 year.
2. The increase in reserves is due to the operating surplus.

Loans	Internal \$000
Loans as at 01/07/2023	(37)
Raised during year	81
Repaid during year	(9)
Loans as at 30/06/2024	34
Interest expense	
	(2)

Regulatory Services

Ngā Ratonga Whakariterite ā-Ture

WHAKATAUKĪ

I orea te tuatara ka patu ki waho

A problem is solved
by continuing to find
solutions.



Description of activity

The Regulatory Services group of activities provides advice, consenting services, assessment, education, compliance and enforcement. This group of activities aims to protect the health and safety of our community and the environment they live within.

The Regulatory Services group of activities includes the following activities:

- Resource Consenting
- Building Consenting
- Environmental Health

- Food and Alcohol Licensing
- Parking Enforcement
- Building Compliance
- Resource Management Compliance
- Animal Control
- General Regulatory Services

What the activity involves

RESOURCE CONSENTING

The Resource Consenting Activity is undertaken to ensure Council is meeting its obligations under the Resource Management Act 1991.

What it involves

- Processing resource consents and other applications made under the Resource Management Act 1991.
- Providing advice to the public on the District Plan and Resource Management Act 1991.
- Processing section 223 and 224 applications to certify approved subdivision applications.
- Engagement with the planning industry to stay informed about best practice and relevant issues.
- Provision of planning information relating to building consent applications.

BUILDING CONSENTING

The Building Consenting Activity aims to ensure that buildings are constructed and/or altered in a manner which means they are safe to use.

What it involves

- Processing building consent applications by assessing their compliance with the Building Code.
- Undertaking inspections of the consented building work to ensure compliance with the approved building consent.
- Providing advice to the public on building consent applications and the Building Act 2004.
- Maintaining accreditation requirements in accordance with the Building (Accreditation of Building Authorities) Regulations 2006.
- Engagement with the building industry to stay informed about best practice, relevant issues and changes to processes.
- Processing code compliance certificate applications and subsequent approval where Council is satisfied the building work complies with the Building Code.

ENVIRONMENT HEALTH

Environmental Health and Food Safety ensures to promote and protect public health in the district and that food services used by the community are healthy and safe.

What it involves

- Registration and verification of food businesses in accordance with the Food Act 2014 and premises required under the Health Act 1956 and associated regulations and legislation.
- Responding to complaints relating to non-compliances with the Health Act 1956 and associated codes and regulations, and taking appropriate action when non-compliance is observed.

FOOD AND ALCOHOL LICENSING

The Alcohol Licensing Activity aims to ensure that the sale and supply of alcohol is conducted in a manner which complies with the Sale and Supply of Alcohol Act 2012.

What it involves

- Processing applications for licences and managers' certificates.
- Monitoring and inspection of all licensed premises to ensure compliance with both legislation and licence conditions.
- Undertaking "Controlled Purchase Operations" with partner agencies.
- Providing information and advice to customers on licensing requirements.

PARKING ENFORCEMENT

The Parking Enforcement Activity aims to ensure that people can easily access car parks for on and off-street parking.

What it involves

- Enforcing the parking requirements for mobility car parks, metered parking, and time restricted parking, and illegal parking, including issuing infringement notices for non-compliance.
- Monitoring and enforcement of expired vehicle registrations, certificates of fitness and warrants of fitness.
- Monitoring of unauthorised parking on taxi stands, loading zones, broken yellow lines, double parking, parking on the footpath, bus stops, or inconsiderate parking.
- Monitoring and enforcement of the parking control measures specified in Council's Land Transport Bylaw 2017 and relevant legislation.

BUILDING COMPLIANCE

The Building Compliance Activity aims to protect health and safety by ensuring the community is complying with building requirements, and our buildings and residential swimming pools are safe.

What it involves

- Responding to complaints relating to non-compliances with the Building Act 2004 and associated codes and regulations, and taking appropriate action when non-compliance is observed.
- Monitoring and enforcement of the Building (Pools) Amendment Act 2016, primarily, undertaking inspections of swimming pool fencing.
- Monitoring, enforcement and actions related to the Building (Earthquake-prone Buildings) Amendment Act 2016.
- Ensuring Building Warrants of Fitness (BWOs) are renewed and are accurate.

RESOURCE MANAGEMENT COMPLIANCE

The Resource Management Compliance Activity aims to support the sustainable management of the environment by ensuring compliance with the Resource Management Act 1991, the Operative District Plan and resource consent conditions.

What it involves

- Responding to complaints and queries relating to the Resource Management Act 1991, Operative District Plan or conditions of resource consents, and taking

appropriate action when a non-compliance is observed.

- Monitoring of compliance with resource consent conditions and taking appropriate enforcement measures in respect of non-compliance.

ANIMAL CONTROL

The Animal Control Activity includes the Dog Control activity and aims to implement and enforce legislation and Council bylaws related to dogs and animals to improve public safety by mitigating the risk of harm, injury, or nuisance in our community.

What it involves

- Maintaining a register of dogs in the district.
- Patrolling the district for animal nuisances.
- Responding to complaints about dogs and livestock.
- Providing impounding facilities for dogs and livestock.
- Educating the public on the responsibilities of dog ownership.
- Re-homing or euthanising unclaimed animals.
- Enforcement of Council's bylaws related to Animal Control – Dog Control Bylaw 2015, Animal Nuisance and the Keeping of Pigs, Poultry and Bees Bylaw 2014 and Land Transport Bylaw 2017 (Part 2 – Stock Control and Movement).
- Enforcement of relevant legislation – Dog Control Act 1996 and Impounding Act 1955.

GENERAL REGULATORY SERVICES

The General Regulatory Services Activity consists of a number of sub-activities undertaken as part of Council's general regulatory functions, with the aim of dealing with statutory nuisance-related matters, registration, permitting and inspection of appropriate activities.

What it involves

- Review or develop relevant bylaws e.g. Council's Public Places Bylaw.
- Respond to general noise

complaints and take appropriate action.

- Respond to complaints regarding vehicles reported as being abandoned in public places and take appropriate action.
- Respond to general bylaw complaints.

How our work delivers on community wellbeing

SOCIAL WELLBEING

Continued delivery of all relevant services in relation to legislation, policies and bylaws contributes to the health and safety of the community.

Close engagement with key stakeholders when reviewing bylaws and policies ensures community input into local decisions.

ENVIRONMENTAL WELLBEING

Continued delivery of all relevant services in relation to legislation, policies and bylaws contributes to the health and safety of the community.

Close engagement with key stakeholders when reviewing bylaws and policies ensures community input into local decisions.

ECONOMIC WELLBEING

Timely and efficient delivery of services within statutory time limits ensures that regulatory processes are not an impediment to economic progress whilst at the same time ensuring that due process is applied correctly.

CULTURAL WELLBEING

Consenting processes ensure that community facilities and infrastructure are built resiliently to combat climate change and natural hazards.

This activity contributed to the following Community Outcomes



**Strong
Communities**



**Vibrant
Economy**



**Fit for purpose
Infrastructure**



**Outstanding
Environment**

Long Term Plan Amendment / Annual Plan Key Projects

There were no key projects for the Regulatory Services Activity. Council's focus was on continuing to provide the promised level of service for this activity.

Activity insights

SUCCESSSES

- Approximately 65% of all resource consent applications were issued within statutory timeframes, increasing throughout the year from a starting point of 33% in July 2023. Both the building and resource consent processing sub activities are driven by responding to growth. Demand for new dwelling building consents have been dropping in New Zealand and Horowhenua is not immune to this, with demand starting to drop off during the 2023/24 financial year
- Eighteen food businesses registered during the financial year, with another two businesses registering an "additional site" to their existing business.
- New animal shelters installed in the three exercise yards at the Dog Pound. These provide shelter for the dogs from sun and rain when they're out in the exercise yard.

CHALLENGES

- Ensuring regulated parties are advised of the impending increases in fees and charges for the upcoming 2024/25 financial year.
- Vacancies in the Animal Control team meaning the Team were operating a temporary roster with reduced hours (8am to 5pm) to ensure staff safety.

- The decline in global, national, and local economy/housing markets has seen consumer, developer and building confidence weakened. The cost-of-living crisis has also seen people become more conservative with spending, waiting for the economy and interest rates to improve. This has impacted building and resource consent numbers. Noting there are some indications of a recovery in the building area but the resource consents space remaining quiet.

LOOKING FORWARD

Continue to focus on housing growth, noting forecasts indicate consenting numbers and demand likely to remain lower for the first quarter of 2024/25, then increasing through 2025 and 2026.





Regulatory Services Activity Performance

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Processing of applications under the Resource Management Act (RMA) 1991.	Applications under the RMA will be processed within statutory timeframes.	95%	<p>✗ NOT ACHIEVED</p> <p>268 consents have been approved for Land Use, Subdivision, Boundary Activities and “other”, approximately 51% of consents were approved within statutory timeframes.</p> <p>This has been due to high volume of applications received and the increasing complexity of applications, recruiting staff in this discipline has been and continues to prove difficult. More contractors are however coming available to process applications. Internal capacity and performance review will seek to improve performance in this space.</p>	<p>✗ NOT ACHIEVED</p> <p>197 consents have been approved for Land Use, Subdivision, Boundary Activities and “other”. Approximately 65% of consents were approved within statutory timeframes. This has been due to the imbalance between resourcing and workloads, recruiting staff in this discipline has been, and continues to prove difficult. Daily reviews in place until resolved.</p>
Carry out Building Consent Authority functions including enforcement of legislation relating to construction of buildings and structures.	Percentage of building consent applications that are processed with in statutory timeframes.	98%	<p>✗ NOT ACHIEVED</p> <p>609 building consents were granted for the year, 74% within statutory timeframes.</p> <p>One hundred and sixty (160) consents have been processed outside the statutory timeframe for the year. This was due to the high number of consents in progress and the number of staff who have been off periodically with Covid and on other leave. The level of statutory compliance improved throughout the year and over 98% of consents issued in June were processed within statutory timeframes.</p>	<p>✗ NOT ACHIEVED</p> <p>514 building consents were granted for this year, 77% within statutory timeframes. One hundred and sixteen consents have been processed outside the statutory timeframe for this year. Exception reports have been completed for overdue consents and the reasons for going over timeframes were due to difficulties in resourcing, increased complexity of consents, and the timeframes required to seek and receive advice from external experts. Additionally, several process bottlenecks have been identified and solutions have been put in place to resolve these. Daily reviews are in place until resolved.</p>
	Council will maintain its accredited status as a Building Consent Authority.	Achieve	<p>✓ ACHIEVED</p> <p>The bi-annual IANZ accreditation re-assessment took place from 17-20 April 2023. The BCA received 7 general non-compliances (GNCs), which are required to resolved by 4 August 2023. Once the GNCs are resolved, ongoing accreditation will be re-confirmed.</p>	<p>✓ ACHIEVED</p> <p>The bi-annual IANZ accreditation re-assessment took place from 17-20 April 2023. The BCA received 7 general non-compliances (GNCs), which the BCA received clearance for on 7 November 2023. Accreditation has been reconfirmed.</p>

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Food safety – Food businesses are monitored to ensure compliance with legislation.	Food businesses operating under the Food Act 2014 are verified at the frequency determined by the Food Regulations 2015.	Achieve	✗ NOT ACHIEVED 153 Food businesses operating a MPI template food control plan were verified and in general accordance with the frequency specified in the Food Regulations. Of the 153, 25 verifications due to be completed within the financial year were not completed within frequency determined by the Food Regulations 2015.	✗ NOT ACHIEVED 150 food business verifications were due to be completed, of which 20 were not completed on time. Overdue verifications were due to a mixture of customer circumstances and poor resourcing allocation where Council relied on contractors to deliver food verifications.
Monitoring of licensed premises to ensure compliance with relevant* legislation.	Premises are inspected annually to check for compliance with their licence conditions.	Achieve	✓ ACHIEVED 68 licensed premises holding an operative licence exist, and all 68 premises were inspected during the year.	✓ ACHIEVED There are 65 licensed premises of which 65 compliance inspections have taken place; representing 90.100% of premises holding a current licence.
All parking restricted areas in Levin will be enforced under the provisions of Council's Bylaw and the Land Transport Regulations.	Parking infringement explanations are responded to within 5 business days of receipt.	Achieve	✗ NOT ACHIEVED 553 parking infringement explanations were received and responded to. 19 explanations were not responded to within 5 business days.	✗ NOT ACHIEVED 404 parking infringement explanations were received. 388 were processed within 5 working days being 96% of the explanations received. 16 explanations took longer than 5 working days to respond to.
Carry out territorial authority functions including enforcement of legislation.	All reported cases of illegal building work will be responded to within five working days	Achieve	✓ ACHIEVED Compliance officers received 3 reports of illegal building work. 100% were responded to within 5 working days.	✓ ACHIEVED 7 reports of illegal building work have been received and the customer contacted within 5 working days.
	Percentage of private swimming pools on register inspected annually for compliance.	> 33%	✓ ACHIEVED 336 pools are on the register, and 176 swimming pool barrier inspections were completed during the year.	✓ ACHIEVED 133 swimming pool barrier inspections have been completed.
Carry out territorial authority functions including enforcement of legislation.	100% of BWOs are renewed or Notices to Fix are issued.	Achieve	✓ ACHIEVED 327 BWOs are on the register and compliant. No 'notice to fix' issued for the year.	✓ ACHIEVED 298 BWOs were due for renewal. 265 BWOs were renewed on time and 33 BWOs were not, of which 26 Notices to fix have been issued and the remaining 7 are moving through our enforcement model.

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results
Monitoring of District Plan requirements, resource consent compliance and complaints.	All known and reported instances of non-compliances with the District Plan and any resource consents will be responded to within five working days.	Achieve	✗ NOT ACHIEVED 101 reported complaints regarding non-compliance with the District Plan, 23 of the 101 complaints were not responded to within 5 working days.	✓ ACHIEVED 18 reports of non-compliance were received and responded to within 5 working days
	All resource consents that are required to be monitored for the year are monitored for compliance with conditions.	Achieve	✓ ACHIEVED The requirement for monitoring is triggered if a complaint is made that relates to a consent. There were two complaints that related to consent and therefore triggered consent monitoring.	✓ ACHIEVED 49 consent monitoring inspections have been completed to check compliance with consent conditions.
Reported instances of non-compliances and dog nuisances will be responded to.	Percent of reported instances of non-compliances and dog nuisances will be responded to.	100%	✓ ACHIEVED 1112 complaints have been received; 100% were responded to.	✓ ACHIEVED 1191 (100%) reports of dog nuisances were received and responded to by animal control.
	An after-hours emergency response will be continuously provided.	Achieve	✓ ACHIEVED The service is provided by staff on a weekly roster or via availability for consult via phone as necessary.	✓ ACHIEVED The animal control afterhours roster was maintained.
Registration and classification of all known dogs within the District.	Percent of known dogs that will be registered or accounted for annually by 31 October.	100%	✓ ACHIEVED There are 6,082 known dogs. 130 dog owners have been infringed for failing to register their dog as at by 31 October. A further 17 dog owners were infringed between 1 November and 30 June 2023 for failing to register a dog. All known dogs in the district are accounted for either by registration, registration notice or infringement.	✓ ACHIEVED Property checks were carried out by animal control in October 2023 of all addresses where dogs were recorded as unregistered on the database.
Noise complaints response service will be provided.	Noise complaints services are provided all year round and 90% of complaints will be responded to within 60 minutes.	Achieve	✓ ACHIEVED 1,500 complaints were received. The response time to 123 complaints was more than 60 minutes - 92% were responded to within 60 minutes.	✓ ACHIEVED 1,529 noise complaints were received and responded to by our contractor; 1,350 were responded to within 60mins and 129 were not. Resulting in 91.6% being responded within 60mins.

Service	How performance is measured	Target	2022/2023 Results	2023/2024 Results																																
Public safety bylaws and other legislation will be enforced.	Percent of reported non-compliances and complaints that are responded to within five working days.	100%	<p>✘ NOT ACHIEVED</p> <p>138 complaints received have been responded to, however only 62% of complaints were responded to within 5 working days.</p> <p>The complaints responded to comprise of:</p> <table border="1"> <thead> <tr> <th></th> <th>2022/2023</th> </tr> </thead> <tbody> <tr> <td>Smoke</td> <td>32</td> </tr> <tr> <td>Health Act</td> <td>30</td> </tr> <tr> <td>Local Government Act</td> <td>50</td> </tr> <tr> <td>Council Bylaws</td> <td>23</td> </tr> <tr> <td>Litter Act</td> <td>2</td> </tr> <tr> <td>Drainage</td> <td>1</td> </tr> <tr> <td>TOTAL</td> <td>138</td> </tr> </tbody> </table>		2022/2023	Smoke	32	Health Act	30	Local Government Act	50	Council Bylaws	23	Litter Act	2	Drainage	1	TOTAL	138	<p>✔ ACHIEVED</p> <p>There were 64 complaints received. 100% of complaints received were responded to within 5 working days.</p> <p>The complaints responded to comprise of:</p> <table border="1"> <thead> <tr> <th></th> <th>2023/2024</th> </tr> </thead> <tbody> <tr> <td>Smoke</td> <td>2</td> </tr> <tr> <td>Health Act</td> <td>19</td> </tr> <tr> <td>Local Government Act</td> <td>34</td> </tr> <tr> <td>Council Bylaws</td> <td>7</td> </tr> <tr> <td>Litter Act</td> <td>2</td> </tr> <tr> <td>Drainage</td> <td>0</td> </tr> <tr> <td>TOTAL</td> <td>64</td> </tr> </tbody> </table>		2023/2024	Smoke	2	Health Act	19	Local Government Act	34	Council Bylaws	7	Litter Act	2	Drainage	0	TOTAL	64
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**Regulatory Services Funding Impact Statement
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties		1,999	1,984	3,390	3,477
Targeted rates		-	-	-	-
Subsidies and grants for operating purposes		-	-	-	-
Fees and charges		287	275	225	220
Local authorities fuel tax, fines, infringement fees, and other receipts		3,115	4,329	3,691	3,457
Internal charges and overheads recovered		-	-	-	-
Total operating funding (A)		5,401	6,588	7,306	7,154
Applications of operating funding					
Payments to staff and suppliers	1	1,151	926	860	1,396
Finance costs		1	1	1	2
Internal charges and overheads applied	2	6,243	6,037	6,375	5,865
Other operating funding applications		-	-	-	-
Total applications of operating funding (B)		7,395	6,964	7,236	7,263
Surplus (deficit) of operating funding (A-B)		(1,994)	(376)	70	(109)
Sources of capital funding					
Subsidies and grants for capital expenditure		-	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		3	419	(70)	59
Gross proceeds from sale of assets		29	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
Total sources of capital funding (C)		32	419	(70)	59

Note	Actual 2023 \$000	LTP 2021-2041 Y2 \$000	LTPA 2021-2041 Y3 \$000	Actual 2024 \$000
Applications of capital funding				
Capital expenditure				
- to meet additional demand	-	-	-	0
- to improve the level of service	4	34	-	-
- to replace existing assets	38	45	-	19
Increase (decrease) in reserves	(2,005)	(36)	-	(69)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(1,963)	43	-	(50)
Surplus (deficit) of capital funding (C-D)	1,995	376	(70)	109
Funding balance ((A-B)+(C-D))				
	-	-	-	-
Depreciation	89	76	70	50

Notes:

1. Additional spending on contractors for consents processing during the year due to vacancies in the regulatory space.
2. The lower overhead costs are due to the lower than budgeted revenue.

Loans	Internal \$000
Loans as at 01/07/2023	39
Raised during year	129
Repaid during year	(70)
Loans as at 30/06/2024	98
Interest expense	
	2

FINANCIAL INFORMATION



NGĀ PĀRONGO PŪTEA



Statement of Comprehensive Revenue and Expense

	Note	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Revenue						
Rates	1	52,533	51,430	47,815	52,533	47,815
Finance revenue	2a	1,602	-	513	1,624	528
Grants and subsidies	2b	13,218	11,715	12,515	13,218	12,515
Fees and charges	2c	4,131	3,629	4,203	4,131	4,203
Other revenue	2d	5,279	4,428	4,926	5,279	4,926
Vested assets	2e	1,869	-	2,313	1,869	2,313
Development contributions	2f	776	1,461	1,266	776	1,266
Gain on derivative financial instruments	19	-	-	728	-	728
Other gains	3	329	28	604	329	604
Total revenue		79,737	72,691	74,884	79,759	74,898
Expenditure						
Employee benefit expenses	4	21,277	21,370	20,129	21,277	20,129
Depreciation and amortisation	11, 12, 33	17,215	17,879	19,265	17,215	19,265
Finance costs	6	9,056	5,082	5,508	9,056	5,508
Loss on derivative financial instruments	19	469	-	-	469	-
Other losses	3	2,053	-	1,075	2,053	1,075
Increase / (decrease) in landfill provision	16	1,468	-	1,443	1,468	1,443
Other expenses	5	33,288	32,916	33,741	33,294	33,750
Total expenses		84,826	77,247	81,162	84,832	81,170
Operating surplus / (deficit) before tax		(5,089)	(4,556)	(6,278)	(5,073)	(6,273)
Income tax expense	36	-	-	-	-	-
Operating surplus / (deficit) after tax		(5,089)	(4,556)	(6,278)	(5,073)	(6,273)
Surplus/ (Deficit) attributable to: Horowhenua District Council		(5,089)	(4,556)	(6,278)	(5,073)	(6,273)

	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Note					
Other comprehensive revenue and expense					
Gain / (loss) on infrastructural assets revaluations	112,925	29,105	(15)	112,925	(15)
Gain / (loss) on operational assets revaluation	-	-	-	-	-
Gain / (loss) on restricted assets revaluation	-	-	-	-	-
Gain / (loss) on changes in fair value of carbon credits	115	-	(463)	115	(463)
Total other comprehensive revenue and expense for the year	113,040	29,105	(478)	113,040	(478)
Total comprehensive revenue and expense (deficit) for the year	107,951	24,548	(6,756)	107,967	(6,751)
Total comprehensive revenue and expense attributable to Horowhenua District Council	107,951	24,548	(6,756)	107,967	(6,751)

Explanations of major variances against budget are provided on page 146.

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts.

Explanations of Significant Variances between the Council's Actual Results and the Council's Budget for 2023/24

REVENUE

Rates

The higher rates are due to higher growth than budgeted, which resulted in higher general rates levied. This is slightly offset by higher remissions under the Council's rates remission policy.

Finance revenue

The higher income of \$1.6m is due to us holding a \$22m term deposit for pre-funding purposes. This is offset by increased finance costs. Pre-funding is when we borrow money earlier than required to renew our borrowings becoming due and place it on term deposit.

Grants and subsidies

Capital grants is \$2m higher than budgeted due to the timing of the capital programme changing from what was originally planned. This is largely due to 2022/23 work being completed in the 2023/24 year.

Other revenue

The additional revenue of \$851k is due to historic income being released from prior years.

Vested assets

The vested assets income of \$1.9m relates to infrastructure assets vested to the Council as part of the subdivision process due to growth.

Development Contributions

Lower development contributions revenue correlates with less building and planning activities than planned.

EXPENDITURE

Finance costs

The higher finance costs of \$9m relates to increased borrowing interest rates and higher borrowings compared to original budget due to less asset sales. Council is carefully monitoring the interest rate changes and ensuring we have an appropriate level of fixed interest rates cover. This is partly offset by increased finance income through prefunding loans maturity in 2024.

Other losses

This largely resulted from the disposal of the old Waitārere Surf Lifesaving Club, Endowment property sales and disposal of old library lending stock.

Increase in landfill provision

This movement reflects the reassessment of the landfill provision. The increase is mainly due to the cost of the best practicable option for remedying the old landfill site in Hōkio.

Statement of Changes in Ratepayers' Equity

	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Note					
Balance at 01 July	693,653	691,555	704,682	694,035	705,058
Total comprehensive revenue and expense for the year	107,951	24,548	(6,756)	107,967	(6,750)
Opening adjustment on adoption of NZ IPSAS 41	-	-	131	-	131
Asset revaluation reserve on disposals	(689)	-	(4,404)	(689)	(4,404)
Balance at 30 June	20	800,915	716,103	693,653	801,313
		694,035			

Explanations of major variances against budget are provided on page 150

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts.

Statement of Financial Position

	Note	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
Assets						
Current assets						
Cash and cash equivalents	7	11,482	6,621	4,265	11,514	4,297
Debtors and other receivables	8	9,286	4,958	12,514	9,286	12,515
Prepayments		1,399	–	1,359	1,399	1,359
Inventories		32	–	34	32	34
Derivative financial instruments	19	707	–	655	707	655
Other financial assets	9	22,764	3,749	15,350	22,764	15,350
Non-current assets held for sale	10	–	–	1,180	–	1,180
Total Current assets		45,670	15,328	35,357	45,702	35,389
Non-current assets						
Plant, property and equipment						
– Operational assets	11	82,075	77,824	79,940	82,075	79,940
– Infrastructural assets	11	797,608	726,889	670,354	797,608	670,354
– Restricted assets	11	97,962	64,491	96,858	97,962	96,858
Intangible assets	12	1,196	2,258	1,071	1,196	1,071
Forestry assets	13	1,411	1,110	1,166	1,411	1,166
Commercial property	14	2,500	1,078	1,300	2,500	1,300
Derivative financial instruments	19	618	–	997	618	997
Other financial assets:						
– Investments CCOs & similar entities	9	204	–	204	204	204
– Investments in associates	9	51	–	52	51	52
– Other	9	3,748	2,647	3,250	3,748	3,250
Total Non-current assets		987,374	876,297	855,192	987,374	855,192
Total Assets		1,033,043	891,625	890,549	1,033,075	890,581

	Note	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
Liabilities						
Current liabilities						
Payables and deferred revenue	15	16,900	15,469	16,490	16,532	16,138
Provisions	16	1,498	1,614	1,516	1,498	1,516
Employee benefit liabilities	17	1,946	1,593	1,791	1,946	1,791
Derivative financial instruments	19	–	175	6	–	6
Borrowings and other financial liabilities	18	43,000	22,493	33,000	43,000	33,000
Total Current liabilities		63,344	41,344	52,803	62,976	52,451
Non-current liabilities						
Provisions	16	9,099	6,379	8,638	9,099	8,638
Employee benefit liabilities	17	537	340	456	537	456
Borrowings and other financial liabilities	18	159,000	127,459	135,000	159,000	135,000
Derivative financial instruments	19	148	–	–	148	–
Total non-current liabilities		168,784	134,178	144,094	168,784	144,094
Total Liabilities		232,128	175,522	196,897	231,760	196,545
Net Assets		800,915	716,103	693,652	801,315	694,036
Equity						
Retained earnings	20	241,740	287,117	246,484	242,140	246,868
Revaluation reserves	20	549,773	418,978	437,423	549,773	437,423
Other reserves	20	9,402	10,008	9,746	9,402	9,746
Total Equity		800,915	716,103	693,562	801,315	694,036

Explanations of significant variances between the Council's actual results and the Council's budget for 2023/24

ASSETS

Debtors and other receivables

The higher balance relates to higher than budgeted outstanding property rates because of rate payers struggling with the cost-of-living increases.

Other Financial Assets

Term deposits totalling \$22m with maturity in 2025 were held for prefunding purposes. Prefunding allows the council to have funds available to repay current loans as they fall due.

Plant, property and equipment assets

A full financial valuation was undertaken for Council's three waters assets resulting in a valuation uplift of 35% since 2022. This is mainly due to construction cost increase of 32.4%, 2022 – 2024 net additions and disposals of \$4.1m, and 2 years' depreciation at \$20.5m.

Commercial property

There has been 4 additional commercial properties purchased during the year which have been purchased as part of the Levin Town Centre project.

Derivative financial instruments

The Council uses derivative financial instruments in the form of interest rate swaps to manage interest rate risks arising from borrowing activities. The positive value in assets reflects a higher potential benefit from the swaps we hold.

LIABILITIES

Payables and deferred revenue

The increase is due a higher level of capital work and operational work occurring in the last two months of the year and not being paid until August 2024.

Total borrowings

The overall higher borrowings are due to major projects progressing during the 2023/24 year, no assets sale as planned, and prefunding activity.

Derivative financial instruments

The Council uses derivative financial instruments in the form of interest rate swaps to manage interest rate risks arising from borrowing activities. The lower derivative liability reflects a lower potential obligation or loss from the swaps we hold.

Provisions

This reflects the cost of the best practicable option for remedying the old landfill site in Hōkio.

Statement of Cash Flows

	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
Note					
Cashflow from operating activities					
Cash was provided from:					
Revenue from rates	52,049	51,430	47,552	52,049	47,552
Other revenue	27,228	21,233	18,481	27,228	18,481
Interest received	1,602	-	468	1,624	474
Net GST movement	-	-	-	-	-
Total cash provided	80,879	72,663	66,501	80,901	66,501
Cash was disbursed to:					
Suppliers, services and employees	55,275	53,964	55,455	55,253	55,455
Interest paid	8,595	5,082	5,417	8,595	5,417
Net GST movement	278	-	812	278	812
Total cash disbursed	64,148	59,046	61,684	64,126	61,684
Net cashflow from operating activity	31	16,731	4,817	16,731	4,823
Cashflows from investing activities					
Cash was provided from:					
Proceeds from asset sales	217	11,874	1,987	217	1,987
Proceeds from investments	-	-	-	-	-
Total cash provided	217	11,874	1,987	217	1,987
Cash was disbursed to:					
Purchases of investments	7,829	3,271	16,012	7,829	16,012
Purchase of assets	35,902	34,987	36,525	35,902	36,525
Total cash disbursed	43,731	38,258	52,537	43,731	52,537
Net cashflow from investing activity	(43,514)	(26,384)	(50,550)	(43,514)	(50,550)
Cashflows from financing activities					
Cash was provided from:					
Loans raised	67,000	32,869	103,975	67,000	103,975
Total cash provided	67,000	32,869	103,975	67,000	103,975

	Council Actual \$ 30 June 2024 \$000	Council Budget \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
Note					
Cash was disbursed to:					
Repayment of public debt	33,000	21,000	59,975	33,000	59,975
Total cash disbursed	33,000	21,000	59,975	33,000	59,975
Net cashflow from financing activity	34,000	11,869	44,000	34,000	44,000
Net increase (decrease) in cash held	7,217	(898)	(1,733)	7,217	(1,727)
Add opening cash bought forward	4,265	7,519	5,998	4,297	6,024
Closing cash balance	11,482	6,621	4,265	11,514	4,297
Closing balance made up of cash and cash equivalents	7	11,482	6,621	11,514	4,297

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts.

Funding Impact Statement for Whole of Council

	Annual Plan 2023 \$000	Actual 2023 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	11,487	11,593	14,001	14,494
Targeted rates	35,741	36,221	37,430	38,038
Subsidies and grants for operating purposes	2,120	2,968	2,682	3,750
Fees and charges	3,693	4,203	3,629	4,131
Interest and dividends from investments	211	513	5	1,609
Local authorities fuel tax, fines, infringement fees, and other receipts	4,662	4,926	4,423	5,272
Total operating funding (A)	57,913	60,424	62,170	67,294
Applications of operating funding				
Payments to staff and suppliers	48,240	53,868	54,078	54,566
Finance costs	3,467	5,508	5,082	9,056
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	51,707	59,376	59,160	63,622
Surplus /(deficit) of operating funding (A-B)	6,206	1,048	3,010	3,672
Sources of capital funding				
Subsidies and grants for capital expenditure	16,605	9,547	9,033	9,468
Development and financial contributions	1,461	1,266	1,461	776
Increase (decrease) in debt	12,586	44,000	11,869	34,000
Gross proceeds from sale of assets	4,180	1,066	11,874	339
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	34,832	55,879	34,237	44,583

	Annual Plan 2023 \$000	Actual 2023 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Applications of capital funding				
Capital expenditure				
- to meet additional demand	10,349	8,862	8,607	2,551
- to improve the level of service	7,005	13,616	4,264	2,500
- to replace existing assets	17,646	13,786	22,116	30,436
Increase (decrease) in reserves	6,038	4,075	(1,011)	7,857
Increase (decrease) of investments	-	16,585	3,271	4,912
Total applications of capital funding (D)	41,308	56,927	37,247	48,255
Surplus/ (deficit) of capital funding (C-D)	(6,206)	(1,048)	(3,010)	(3,672)
Funding balance ((A-B)+(C-D))	-	-	-	-
Depreciation	17,196	19,265	17,879	17,215

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts.

Reconciliation between the Funding Impact Statement for the Whole of Council and the Statement of Comprehensive Revenue and Expense

	Annual Report Actual 2023 \$000	Annual Plan 2024 \$000	Actual 2024 \$000
Revenue			
Statement of comprehensive revenue and expense			
Total operating revenue	74,884	72,691	79,737
Summary funding impact statement			
Sources of operating funding			
Total operating funding	60,424	62,170	67,294
Add sources of capital funding			
Subsidies and grants for capital expenditure	9,547	9,033	9,468
Development and financial contributions	1,266	1,461	776
Gain on derivative financial instruments	728	-	-
Other gains	603	28	329
Vested assets	2,313	-	1,869
Total revenue	74,881	72,692	79,737
Expenditure			
Statement of comprehensive revenue and expense			
Total operating expenditure	81,162	77,247	84,826
Add application of operating funding:			
Total application of operating funding	59,376	59,160	63,622
Loss on derivative financial instruments	-	-	469
Other losses	1,076	-	2,053
Increase / (decrease) in landfill provision	1,444	152	1,468
Increase/(decrease) in Employee benefit movement	-	56	-
Depreciation and amortisation expense	19,266	17,879	17,215
Total expenditure	81,162	77,247	84,826

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts.

Statement of Reserve Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose, and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserve are credited with interest. Council holds 16 reserves, with four being restricted reserves. Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council-created reserves are discretionary reserves which Council has established for the fair and transparent use of monies. Reserve balances are not separately held in cash, and the funds are managed as part of Council's treasury management.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the year of the annual report:

2024 RESERVE FUNDS	Opening Balance 1 July 2023 \$000s	Deposits for the year \$000s	Withdrawals For the year \$000s	Closing Balance 30 June 2024 \$000s
Restricted reserves – purpose of the fund				
FOXTON BEACH FREEHOLDING FUND (PROPERTY)*				
Accumulated cash reserves from the Foxton Beach Endowment land sales under the separate Act gifting the land for the benefit of Foxton Beach inhabitants.	5,570	262	(796)	5,036
RESERVE LAND RESERVE (PARKS AND RECREATION)				
To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserves Act.	212	10	–	222
ROAD UPGRADE RESERVE (ROADING ACTIVITY)				
To fund transport network improvements as approved by Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.	900	42	–	942
WAIRARAWA STREAM WALKWAY				
To hold funds for the construction of a walkway along the Wairarawa stream.	63	3	–	66
Total restricted reserves	6,745	317	(796)	6,266
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR ROADING (ROADING ACTIVITY)				
To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	99	4	–	103
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WATER SUPPLIES (WATER SUPPLY ACTIVITY)				
To fund water supply improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	654	30	–	684
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WASTEWATER SCHEMES (WASTEWATER ACTIVITY)				
To fund Wastewater Scheme improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	160	8	–	168
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR PARKS AND RESERVES (PARKS AND RECREATION ACTIVITY)				
To fund Parks and Reserves improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	754	35	–	789

	Opening Balance 1 July 2023 \$000s	Deposits for the year \$000s	Withdrawals For the year \$000s	Closing Balance 30 June 2024 \$000s
2024 RESERVE FUNDS				
ELECTION FUND (REPRESENTATION AND GOVERNANCE ACTIVITY)				
To smooth the rating impact of election costs and to fund any by-election.	27	2	-	29
CAPITAL PROJECTS FUND (ALL ACTIVITIES)				
To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.	997	47	-	1,044
FOXTON CITIZENS FUND (COMMUNITY SUPPORT ACTIVITY)				
To provide a fund for awards in recognition of community service in Foxton.	5	0	-	5
HOCKEY TURF REPLACEMENT FUND (PARKS AND RECREATION – SPORTS GROUNDS)				
To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust.	2	0	-	2
ESPLANADE FUND (PARKS AND RECREATION)				
To provide a fund to construct or provide for possible public accessways to esplanade reserves created under the Resource Management Act.	153	7	-	160
SHANNON RAILWAY STATION FUND (PROPERTY ACTIVITY)				
Set aside from grants to preserve the historic Shannon Railway Station.	30	1	-	31
MAYORAL RELIEF FUND				
Set aside for use in a future disaster event	121	5	(19)	107
LEVIN TOWN CENTRE PROJECT				
To fund identified projects within the Levin Town Centre Transformation programme of work	-	17	-	17
Total Council-created reserves	3,001	156	(19)	3,138
Total all reserve funds	9,746	473	(815)	9,402

	Opening Balance 1 July 2022 \$000s	Deposits for the period of the year \$000s	Withdrawals for the period of the year \$000s	Closing balance 30 June 2023 \$000s
2023 RESERVE FUNDS				
Restricted reserves – purpose of the fund				
FOXTON BEACH FREEHOLDING FUND (PROPERTY)				
Accumulated cash reserves from the Foxton Beach Endowment land sales under the separate Act gifting the land for the benefit of Foxton Beach inhabitants.	5,281	858	(569)	5,570
RESERVE LAND RESERVE (PARKS AND RECREATION)				
To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserves Act.	203	9	-	212
ROAD UPGRADE RESERVE (ROADING ACTIVITY)				
To fund transport network improvements as approved by Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.	861	39	-	900
WAIRARAWA STREAM WALKWAY				
To hold funds for the construction of a walkway along the Wairarawa stream.	60	3	-	63
Total restricted reserves	6,405	909	(569)	6,745

Statement of Reserve Funds

2023 RESERVE FUNDS	Opening Balance 1 July 2022 \$000s	Deposits for the period of the year \$000s	Withdrawals for the period of the year \$000s	Closing balance 30 June 2023 \$000s
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR ROADING (ROADING ACTIVITY)				
To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	95	4	–	99
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WATER SUPPLIES (WATER SUPPLY ACTIVITY)				
To fund water supply improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	625	28	–	653
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WASTEWATER SCHEMES (WASTEWATER ACTIVITY)				
To fund Wastewater Scheme improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	153	9	–	162
FINANCIAL AND CAPITAL CONTRIBUTIONS FOR PARKS AND RESERVES (PARKS AND RECREATION ACTIVITY)				
To fund Parks and Reserves improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	722	32	–	754
ELECTION FUND (REPRESENTATION AND GOVERNANCE ACTIVITY)				
To smooth the rating impact of election costs and to fund any by-election.	26	1	–	27
CAPITAL PROJECTS FUND (ALL ACTIVITIES)				
To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.	954	43	–	997
FOXTON CITIZENS FUND (COMMUNITY SUPPORT ACTIVITY)				
To provide a fund for awards in recognition of community service in Foxton.	4	0	–	4
HOCKEY TURF REPLACEMENT FUND (PARKS AND RECREATION – SPORTS GROUNDS)				
To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust.	34	52	(84)	2
ESPLANADE FUND (PARKS AND RECREATION)				
To provide a fund to construct or provide for possible public accessways to esplanade reserves created under the Resource Management Act.	146	7	–	153
SHANNON RAILWAY STATION FUND (PROPERTY ACTIVITY)				
Set aside from grants to preserve the historic Shannon Railway Station.	28	1	–	29
MAYORAL RELIEF FUND				
Set aside for use in a future disaster event.	–	121	–	121
Total Council-created reserves	2,787	298	(84)	3,001
Total all reserve funds	9,192	1,270	(653)	9,746

Council's Interest in Other Entities

The Local Government Act 2002, Schedule 10 (28) requires Council to provide information with regard to organisations under the control of the Council.

SHANNON COMMUNITY DEVELOPMENT TRUST

Nature and scope of activities provided

The Shannon Community Development Trust has been set up for the benefit of residents of the Shannon Township. The purpose of the Trust is, but not limited to, education activities, including scholarships for education purposes, the alleviation of hardship, the provision of training and equipment for the protection of the community, and the provision of financial assistance for events recognising the involvement of community members.

Policies and objectives on ownership and control

The Trust was established on 02 August 2012. The Trust has five Trustees (excluding Advisory Trustees). The current Councillor for Miranui Ward will automatically be one of the five.

The Trust is an exempt Council Controlled Organisation (CCO), as it has not been established for the purposes of making a profit and is not intended to be a CCO under the Local Government Act 2002. The Trust is exempt from reporting its performance under the Local Government Act 2002, schedule 10 (7) as approved by Council on 10 November 2021.

The Council receives the Trust's annual report. The annual accounts are included in the Group financials for 30 June 2024.

MANAWATŪ-WHANGANUI LOCAL AUTHORITY SHARED SERVICES LIMITED (MW LASS)

Nature and scope of activities provided

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

Policies and objectives on ownership and control

The company comprises of a Board of eight directors, seven CEOs of the shareholding councils and one Independent Director. The Board oversees the governance of MW LASS.

To date there has been one call on share capital and MW LASS is now trading. Horowhenua District Council owns one seventh or 14% of this company and has a \$16,000 share capital.

The company is exempt from reporting its performance under the Local Government Act 2002, schedule 10 (7) as approved by Council on 10 November 2021.

Notes to the Financial Statements

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1. RATES REVENUE	Council and Group Actual \$ 30 June 2024 \$000	Council and Group Budget \$ 30 June 2024 \$000	Council and Group Actual \$ 30 June 2023 \$000
General rates			
Uniform annual general charge	-	-	-
Differential general rates	14,566	13,931	11,500
Penalties	588	410	482
Total general-purpose rates	15,154	14,341	11,982
Targeted rates			
Solid waste rates	2,725	2,735	2,871
Roading rate	4,684	4,512	4,060
Library services and Community Centres rate	5,442	5,456	4,581
Representation and Community Leadership rate	5,775	5,791	4,577
Aquatic centre (Swimming pool) rate	2,783	2,791	2,414
Stormwater rate	1,851	1,816	2,123
Wastewater Disposal rate	7,491	7,494	7,748
Total targeted rates excluding water rates	30,751	30,595	28,374
Water rates			
District wide	5,173	4,772	5,563
Foxton Beach	448	413	512
Metered water supply	1,667	1,647	1,773
Total targeted water rates	7,288	6,832	7,848
Total rates revenue (gross of remissions)	53,193	51,768	48,204

1. RATES REVENUE	Council and Group Actual \$ 30 June 2024 \$000	Council and Group Budget \$ 30 June 2024 \$000	Council and Group Actual \$ 30 June 2023 \$000
Net Rates			
Total rates revenue (gross)	53,193	51,768	48,204
Remissions under the Council remission policy	(660)	(338)	(389)
Total rate remissions	(660)	(338)	(389)
Total rates revenue net of remissions	52,533	51,430	47,815
Exchange transaction	-	-	-
Non-exchange transaction	52,533	51,430	47,815
Total transactions	52,533	51,430	47,815
Total rates revenue includes \$279,611 (2023 \$223,944) for rates paid by Horowhenua District Council on properties owned by Council.			

Rateable properties	30 June 2024	30 June 2023
Total properties	18,856	18,563
Total land value	\$8,819,555,050	\$8,625,595,400
Total capital value	\$15,361,076,650	\$14,861,408,500

Horowhenua district property revaluation occurred during 2022/2023 financial year, capital and land values were updated following approval by the valuer-general in late 2022.

Horowhenua District Council's rates remissions policies allow Horowhenua District Council to remit rates on community groups, voluntary protected land, penalties, excessive water charges, remnant land, rating units in industrial and commercial areas used for residential purposes, small rate balances, targeted rates on non-rateable land, properties affected by disasters, unsold subdivision lots, bare land, contiguous rating units not in common ownership and Māori land.

In accordance with the Local Government (Rating) Act 2002, certain properties cannot be rated for general rates. These include schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute remission under Horowhenua District Council's Rates Remission Policy.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
2. FINANCE REVENUE AND OTHER REVENUE				
2a. Finance revenue				
Interest revenue for financial assets not at fair value through profit and loss				
Bank deposits	1,075	234	1,097	249
Interest rate swaps (presented net)	402	223	402	223
Borrower notes	126	56	126	56
Total finance revenue	1,602	513	1,624	528
Exchange transactions	1,602	513	1,624	528
Non-exchange transactions	-	-	-	-
Total finance revenue transactions	1,602	513	1,624	528
2b. Subsidies and grants				
Waka Kotahi/NZTA government grants	5,608	6,290	5,608	6,290
Three Waters Stimulus fund	2,699	515	2,699	515
Private sector grants	39	20	39	20
Provincial Growth Fund	1,375	1,739	1,375	1,739
Other government grants	3,497	3,951	3,497	3,951
Total subsidies and grants	13,218	12,515	13,218	12,515
Exchange transactions	-	-	-	-
Non-exchange transactions	13,218	12,515	13,218	12,515
Total subsidies and grants transactions	13,218	12,515	13,218	12,515
2c. Fees and charges				
User charges	4,016	4,100	4,016	4,100
Rental revenue from commercial properties	115	103	115	103
Total fees and charges	4,131	4,203	4,131	4,203
Exchange transactions	234	221	234	221
Non-exchange transactions	3,897	3,982	3,897	3,982
Total fees and charges transactions	4,131	4,203	4,131	4,203

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
2. FINANCE REVENUE AND OTHER REVENUE				
2d. Other revenue				
Infringements and fines	338	378	338	378
Rendering of services	1,624	1,627	1,624	1,627
Petrol tax	234	230	234	230
Dividend revenue	7	5	7	5
Insurance recoveries:				
– Buildings	37	–	37	–
Regulatory revenue	3,035	2,678	3,035	2,678
Donations	4	10	4	10
Total other revenue	5,279	4,928	5,279	4,928
2e. Vested assets				
Exchange transactions	425	451	425	451
Non-exchange transactions	4,853	4,477	4,853	4,477
Total other revenue transactions	5,279	4,928	5,279	4,928
2f. Development contributions				
Exchange transactions	–	–	–	–
Non-exchange transactions	2,645	3,579	2,645	3,579
Total vested assets and development contributions transactions	2,645	3,579	2,645	3,579

There are no unfulfilled conditions and other contingencies attached to government grants recognised other than that relating to the government grant for housing discussed in Note 22.

The vested assets income relates to infrastructure assets vested to Council as part of the subdivision process.

		Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
3. OTHER GAINS/(LOSSES)					
	Note				
Non-financial instruments					
Gain/(loss) on changes in fair value of forestry assets	13	245	100	245	100
Gain on disposal of property, plant and equipment		1	87	1	87
Loss on disposal of property, plant and equipment		(1,853)	(921)	(1,853)	(921)
Gain/(loss) on changes in fair value of investment property	14	(200)	416	(200)	416
Total non-financial instruments		(1,807)	(318)	(1,807)	(318)
Financial instruments					
Gain/(loss) on revaluation of financial assets		83	(154)	83	(154)
Total financial instruments		83	(154)	83	(154)
Total gains/(losses)		(1,724)	(472)	(1,724)	(472)
4. EMPLOYEE BENEFIT EXPENSES					
Salaries and wages		20,160	18,854	20,160	18,854
Increase/(decrease) in employee entitlements		133	369	133	369
Other employee benefit expenses		438	410	438	410
Employer contributions to superannuation schemes		546	496	546	496
Total employee benefit expenses		21,277	20,129	21,277	20,129

5. OTHER OPERATING EXPENSES	Note	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Fees to auditors					
Fees to Audit NZ for audit of the financial statements and performance information		291	220	291	220
Fees to Audit NZ for audit of the Long-Term Plan		119	45	119	45
Fees to Audit NZ for other services		5	5	5	5
Total fees to auditors		415	270	415	270
Other operating expenses					
Debtors written off	8	–	28	–	28
Impairment of receivables	8	191	131	191	131
Minimum lease payments under operating leases		124	140	124	140
Professional services		5,760	7,334	5,760	7,334
Asset maintenance contract expenditure		18,154	18,795	18,154	18,795
General grants		823	694	823	694
Expenditure on utilities		1,480	1,262	1,480	1,262
Other		6,341	5,087	6,347	5,096
Total other operating expenses		33,288	33,741	33,294	33,750
6. FINANCE COSTS					
Interest on borrowings		9,187	5,417	9,187	5,417
Interest rate swaps (presented net)		(131)	91	(131)	91
Total finance costs		9,056	5,508	9,056	5,508

7. CASH AND CASH EQUIVALENTS	Note	Council Actual \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
Cash at bank and in hand		11,482	4,265	11,514	4,297
Total cash and cash equivalents		11,482	4,265	11,514	4,297
Cash and cash equivalents for the purpose of the statement of cash flows					
Cash at bank and in hand		11,482	4,265	11,514	4,297
Term deposits with maturities less than three months		-	-	-	-
Bank overdrafts		-	-	-	-
Total cash and cash equivalents for the purpose of the statement of cash flows		11,482	4,265	11,514	4,297

Refer to note 39 for further information for the restatement of 30 June 2023 results for council and group.

8. DEBTORS AND OTHER RECEIVABLES	Note	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Gross debtors and other receivables					
Rates receivables		4,090	3,455	4,090	3,455
Related party receivables	23	-	-	-	-
GST receivable		1,172	995	1,172	995
Other receivables		4,832	8,629	4,832	8,629
Total gross debtors and other receivables		10,094	13,079	10,094	13,079
Less provision for impairment of receivables					
Less provision for impairment of receivables		(808)	(565)	(808)	(565)
Net debtors and other receivables		9,286	12,514	9,286	12,514
Less non-current portion:					
Less non-current portion:		-	-	-	-
Total current portion debtors and other receivables		9,286	12,514	9,286	12,514
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges for activities that are partly subsidised by rates.					
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges for activities that are partly subsidised by rates.		9,230	12,458	9,230	12,458
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates.					
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates.		56	56	56	56
Total debtors and other receivables transactions		9,286	12,514	9,286	12,514

Fair value

The carrying value of debtors and other receivables approximates their fair value.

Impairment

There is no significant concentration of credit risk with respect to receivables outside the Group, as the Group has a large number of customers.

Horowhenua District Council does not provide for any impairment on rates receivable other than those likely to qualify under Horowhenua District Council's Rates Remissions Policy as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place, debts are discounted to the present value of future repayments.

These powers allow Horowhenua District 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 judgment, then Horowhenua District Council can apply to the Registrar of the High Court to have the judgment enforced by sale or lease of the rating unit.

No receivables that would otherwise be past due or impaired and whose terms have been renegotiated.

As of 30 June 2024 and 2023 all overdue receivables, except for rates receivables, have been assessed for impairment and appropriate provisions applied. Horowhenua District Council holds no collateral as security or other enhancements over receivables that are either past due or impaired.

Movements in the provision for impairment of receivables are as follows:

Allowance for Expected Credit loss of trade and other receivables	2023/24	2022/23
Opening balance adjustment due to adoption of PBE IPSAS 41	565	(134)
Individual Impairment	-	696
Collective Impairment	-	3
Provision	243	-
Allowance for doubtful debts for trade receivable at 30 June	808	565
Movement in the allowance for credit losses	2023/24	2022/23
Balance at 1 July measured under PBE IPSAS 29	-	724
ECL adjustment due to adoption of PBE IPSAS 41	-	(134)
Opening balance for expected credit losses at 1 July	565	590
Provision Utilised	28	(115)
Increased Provision	215	90
Released unused provision	-	-
Closing balance for expected credit losses at 30 June	808	565

The aging profile of receivables excluding property rates, for the year ended 30 June:

Trade and other receivables (excluding property rates)	2023/24				2022/23			
	Gross \$000	Expected Credit Loss %	Provision for impairment \$000	Net \$000	Gross \$000	Expected Credit Loss %	Provision for Impairment \$000	Net \$000
Not past due	77	0%	-	77	2,729	0%	-	2,729
1-30 days	1,101	0.71%	8	1,093	4,901	0.71%	494	4,407
31-60 days	216	9.56%	21	196	266	9.56%	25	240
61-90 days	-	25.63%	-	-	33	25.63%	8	24
> 90 days	895	87.05%	779	116	735	5.12%	38	697
Total	2,290	-	808	1,482	8,662	-	565	8,097

	Council Actual \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
9. OTHER FINANCIAL ASSETS				
Short-term deposits with maturities of 4–12 months	22,350	15,350	22,350	15,350
LGFA borrower note	414	–	414	–
Total current portion	22,764	15,350	22,764	15,350
Non-current portion				
Investment in CCOs and similar entities				
Unlisted shares in NZLGIC Limited	104	104	104	104
Unlisted shares in LGFA	100	100	100	100
Total investment in CCOs and similar entities	204	204	204	204
Investment in associates				
MW LASS	51	52	51	52
Total investment in associates	51	52	51	52
Other				
LGFA borrower notes	3,748	3,250	3,748	3,250
Community loans	–	–	–	–
Total other	3,748	3,250	3,748	3,250
Total non-current portion	4,003	3,506	4,003	3,506
Total other financial assets	26,767	18,856	26,767	18,856

Refer to note 39 for further information for the restatement of 30 June 2023 results for council and group.

Fair value

All unlisted shares have been valued at cost and not fair value. The carrying amount of term deposits and LGFA borrower notes approximates their fair value.

	Council Actual \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
MATURITY ANALYSIS AND EFFECTIVE INTEREST RATES:				
Short-term deposits with maturities 3 months or less	-	-	-	-
Average maturity	-	-	-	-
Weighted average effective interest rate	-	-	-	-
Short-term deposits with maturities of 4-12 months	22,350	15,350	22,350	15,350
Average maturity	365 Days	365 Days	365 Days	365 Days
Weighted average effective interest rate	6.25%	5.63%	6.25%	5.63%

Refer to note 39 for further information for the restatement of 30 June 2023 results.

Impairment

There were no impairment provisions for other financial assets. None of the financial assets are past due date or impaired.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
10. NON-CURRENT ASSETS HELD FOR SALE				
Land & Buildings	-	1,180	-	1,180
Total assets held for sale	-	1,180	-	1,180

There are no assets held for sale at 30 June 2024

258 Gladstone Road is no longer on the market and 260 Gladstone Road was sold during the 2023/24 year.

11. PROPERTY, PLANT AND EQUIPMENT (PPE) – COUNCIL & GROUP 2024	Cost / revaluation 1-Jul-23 \$000	Accumulated depreciation and impairment charges 1-Jul-23 \$000	Carrying amount 1-Jul-23 \$000	Additions \$000	Vested assets \$000	Found assets \$000	Disposals at cost \$000	Depreciation on disposals \$000	Depreciation \$000	Revaluation \$000	Impairment \$000	Cost transfers \$000	Cost / revaluation 30-Jun-24 \$000	Accumulated depreciation & impairment charges 30-Jun-24 \$000	Carrying amount 30-Jun-24 \$000
Council operational assets															
Land	24,856	-	24,856	-	-	-	-	-	-	-	-	-	24,856	-	24,856
Buildings	47,839	(894)	46,945	2,326	-	-	(35)	(3)	(960)	-	-	-	50,130	(1,857)	48,273
Library books and other lending stock	2,254	(1,137)	1,117	323	-	-	(168)	(18)	(112)	-	-	-	2,410	(1,267)	1,143
Plant and equipment	12,673	(5,652)	7,022	4,112	-	-	(10)	(21)	(802)	-	-	(2,496)	14,279	(6,475)	7,803
Total operational assets	87,622	(7,683)	79,940	6,760	-	-	(213)	(42)	(1,874)	-	-	(2,496)	91,674	(9,599)	82,075
Council infrastructural assets															
Wastewater total	185,098	(4,705)	180,393	8,447	951	494	(489)	-	(4,457)	43,622	-	-	228,960	-	228,960
Water total	142,760	(3,485)	139,275	7,249	750	391	(759)	-	(2,904)	23,721	-	290	168,013	-	168,013
Stormwater drainage	60,400	(891)	59,509	2,549	168	88	(10)	-	(919)	36,561	-	-	98,307	-	98,307
Solid waste	8,889	(1,348)	7,541	91	-	-	-	-	(389)	-	-	360	8,980	(1,737)	7,243
Roads	218,915	(3,767)	215,149	7,027	-	-	-	-	(3,847)	3,166	-	-	221,493	-	221,493
Footpaths	43,762	(906)	42,856	-	-	-	-	-	(905)	5,855	-	-	47,806	-	47,806
Land under roads	25,623	-	25,624	161	-	-	-	-	-	-	-	-	25,784	-	25,784
Total infrastructural assets	685,447	(15,102)	670,344	25,523	1,869	973	(1,258)	-	(13,421)	112,925	-	650	799,345	(1,737)	797,608
Council restricted assets															
Cemeteries	2,382	(17)	2,366	3	-	-	-	-	(23)	-	-	-	2,385	(40)	2,345
Parks and reserves	76,541	(1,367)	75,175	1,730	-	-	(280)	(119)	(1,445)	-	-	2,071	80,063	(2,931)	77,132
Endowment properties	19,632	(316)	19,316	0	-	-	(217)	-	(313)	-	-	(300)	19,115	(629)	18,486
Total restricted assets	98,555	(1,701)	96,858	1,733	-	-	(497)	(119)	(1,781)	-	-	1,771	101,562	(3,600)	97,962
Total Council PPE	865,692	(18,554)	847,138	34,017	1,869	973	(1,967)	(161)	(17,076)	112,925	-	(75)	992,580	(14,936)	977,644

WORK IN PROGRESS	30 June 2024	30 June 2023
Buildings	\$947,369	\$3,606,174
Wastewater	\$11,194,759	\$6,182,575
Water	\$9,885,082	4,431,273
Parks	\$635,962	\$3,036,965
Plant & Equipment	\$36,243	\$161,560
Stormwater	\$5,817,840	\$3,771,713
Cemeteries	\$83,426	\$29,643
Roading	\$2,241,322	\$2,035,425
Books	\$0.00	\$1,056
Total	\$30,842,002	\$23,256,384

The Work in Progress in the table is included in the above asset schedule.

The increase in Work in Progress reflects the more precise monitoring of project completion at an asset level during the 2023/24 year. Multiple large infrastructure projects spanning financial years including Tara-Ika additions, and pending resource consent applications contribute to these costs.

Restrictions on Title

There are no pledges or restrictions on titles for any properties, plant or equipment as per the accounting policies for restricted assets.

11. PROPERTY, PLANT AND EQUIPMENT (PPE) – COUNCIL & GROUP 2023	Cost / revaluation 1-Jul-22 \$000	Accumulated depreciation and impairment charges 1-Jul-22 \$000	Carrying amount 1-Jul-22 \$000	Additions \$000	Vested assets \$000	Disposals at cost \$000	Depreciation on disposals \$000	Depreciation \$000	Revaluation \$000	Impairment \$000	Cost transfers \$000	Cost / revaluation 30-Jun-23 \$000	Accumulated depreciation & impairment charges 30-Jun-23 \$000	Carrying amount 30-Jun-23 \$000
Council operational assets														
Land	26,823	–	26,823	(77)	–	(1,890)	–	–	–	–	–	24,856	–	24,856
Buildings	43,862	–	43,862	4,027	–	–	–	(894)	–	(50)	–	47,839	(894)	46,945
Library books and other lending stock	1,987	(1,045)	942	267	–	–	–	(92)	–	–	–	2,254	(1,137)	1,117
Plant and equipment	9,159	(5,107)	4,052	3,833	–	(318)	282	(827)	–	–	–	12,674	(5,652)	7,022
Total operational assets	81,831	(6,152)	75,679	8,050	–	(2,208)	282	(1,813)	–	(50)	–	87,623	(7,683)	79,940
Council infrastructural assets														
Wastewater Total	176,931	(8)	176,923	7,493	1,358	(684)	551	(5,247)	–	–	–	185,099	(4,705)	180,394
Water supply Total	138,582	–	138,569	5,019	690	(1,531)	752	(4,238)	–	–	–	142,746	(3,485)	139,261
Stormwater drainage	56,209	(13)	56,196	3,934	265	(8)	–	(878)	–	–	–	60,400	(891)	59,509
Solid waste	8,211	(863)	7,348	692	–	–	–	(485)	(15)	–	–	8,889	(1,348)	7,541
Roads	211,567	–	211,567	7,348	–	–	–	(3,767)	–	–	–	218,915	(3,767)	215,148
Footpaths	48,798	–	48,798	–	–	(10,968)	5,932	(906)	–	–	–	37,830	5,026	42,856
Land under roads	24,285	–	24,285	1,338	–	–	–	–	–	–	–	25,623	–	25,623
Total infrastructural assets	664,583	(884)	663,699	25,824	2,313	(13,191)	7,235	(15,521)	(15)	–	–	679,514	(9,170)	670,344
Council restricted assets														
Cemeteries	2,273	–	2,273	109	–	–	–	(17)	–	–	–	2,382	(17)	2,365
Parks and reserves	74,287	–	74,287	2,274	–	(20)	18	(1,385)	–	–	–	76,541	(1,367)	75,174
Endowment properties	19,632	–	19,632	–	–	–	–	(316)	–	–	–	19,632	(316)	19,316
Total restricted assets	96,192	–	96,192	2,383	–	(20)	18	(1,718)	–	–	–	98,555	(1,700)	96,855
Total Council PPE	842,606	(7,036)	835,570	36,257	2,313	(15,419)	7,535	(19,052)	(15)	(50)	–	865,692	(18,553)	847,139

Restrictions on Title

There are no pledges or restrictions on titles for any properties, plant or equipment as per the accounting policies for restricted assets.

No items of any properties, plant or equipment were impaired, lost or given up.

Revaluation Schedule

Description	Date of last full asset valuation	Valuation method used to assess fair value for 2023/24	Valuation performed by	Next full asset revaluation date
Operational assets				
Land and buildings	30 June 2022	At "fair value" was determined from market-based evidence by an internal assessment, and where the value of the asset is not able to be readily determined using market-based evidence, depreciated replacement cost has been used to determine fair value. The fair value assessment was performed internally, and peer reviewed by B D Lavender (ANZIV, SNZPI) of TelferYoung and the fair value assessment is effective as at 30 June 2024. The accounts have not been adjusted for the fair value movement as it was not deemed material to the accounts.	B D Lavender (ANZIV, SNZPI) of TelferYoung	30 June 2025
Infrastructural assets				
Water reticulation, sewerage reticulation and stormwater systems	30 June 2024	The fair value is measured using the optimised depreciated replacement cost method. Valuations are based on the physical attributes of the assets, their condition and their remaining lives based on Council's best information reflected in its asset management plans. The costs are based on current quotes from suppliers and as such they include ancillary cost such as breaking through seal, traffic control and rehabilitation. Unit rates are adjusted using the appropriate water and environmental management index. Infrastructural assets were revalued in two parts, one part made up of three waters reticulation and treatment plants the other Infrastructure land and buildings. The valuation of the three waters reticulation and treatment plants were independently valued with an effective date of 30 June 2024 by WSP New Zealand.	WSP New Zealand	30 June 2027
Land and building portion of treatment plants	30 June 2024	The most recent valuation was performed by B D Lavender (ANZIV, SNZPI) of Telfer Young and the valuation was effective as at 30 June 2024.	B D Lavender (ANZIV, SNZPI) of Telfer Young	30 June 2027
Solid Waste: Land and Building	30 June 2023	At "fair value" was determined from market-based evidence by an independent valuer, and where the value of the asset is not able to be readily determined using market-based evidence, depreciated replacement cost has been used to determine fair value. The fair value assessment was performed internally, and peer reviewed by B D Lavender (ANZIV, SNZPI) of Telfer Young and the fair value assessment is effective as at 30 June 2024. The accounts have not been adjusted for the fair value movement as it was not deemed material to the accounts.	Performed internally with external peer review B D Lavender (ANZIV, SNZPI) of Telfer Young	30 June 2026
Roading	30 June 2024	The rates for replacement costs of assets are based on current construction costs of similar works. Rates for major items are equivalent rates for similar roading work in other parts of the Wellington region. Unit rates have been adjusted using the appropriate roading construction index. The condition of Roading assets was not considered as part of the roading revaluation because the confidence levels in the condition data was not high enough to be relied upon. There was an assumption made that there has been no change to the fair value of useful life (UL)/Remaining useful life (RUL) due to the conditions of the assets. The valuation was performed internally with a peer review completed by WSP New Zealand with an effective date of 30 June 2024.	Performed internally with external peer review by WSP.	30 June 2027
Land Under Roads	NA	Land under Roads is carried at cost.		

Description	Date of last full asset valuation	Valuation method used to assess fair value for 2023/24	Valuation performed by	Next full asset revaluation date
Restricted assets				
Land and buildings: Parks, cemeteries and endowment land	30 June 2022	At "fair value" was determined from market-based evidence by an independent valuer, and where the value of the asset is not able to be readily determined using market-based evidence, depreciated replacement cost has been used to determine fair value. The fair value assessment was performed internally, and peer reviewed by B D Lavender (ANZIV, SNZPI) of Telfer Young and the valuation is effective as at 30 June 2024.	Performed internally with external peer review B D Lavender (ANZIV, SNZPI) of Telfer Young	30 June 2025
Others				
Forestry	30 June 2024	Independent registered valuers at Forme Consulting Ltd have valued the forestry assets as at 30 June 2024.	Forme Consulting Ltd	30 June 2025
Solid Waste: Landfill	30 June 2022	Independent registered valuers at Stantec have completed a fair value assessment for the solid waste landfill assets as at 30 June 2024.	Stantec	30 June 2026

12. INTANGIBLE ASSETS 2024 – COUNCIL & GROUP	Accumulated amortisation and impairment charges		Carrying amount 1-Jul-23 \$000	Additions 2023/24 \$000	Vested assets 2023/24 \$000	Disposals at Cost 2023/24 \$000	Amortisation on Disposals 2023/24 \$000	Amortisation 2023/24 \$000	Revaluation 2023/24 \$000	Accumulated depreciation transfers		Cost / revaluation 2023/24 \$000	Accumulated amortisation and impairment charges 30-Jun-24 \$000	Carrying amount 30-Jun-24 \$000
	Cost / revaluation 1-Jul-23 \$000	1-Jul-23 \$000								Cost transfers 2023/24 \$000	2023/24 \$000			
Council intangible assets														
Easements	296	–	296	–	–	(12)	–	–	–	–	–	284	–	284
Carbon credits	565	–	565	–	–	–	–	–	115	–	–	680	–	680
Computer software	4,941	(4,729)	212	85	–	–	–	(139)	–	75	–	5,101	(4,868)	233
Total council intangible assets	5,802	(4,729)	1,073	85	–	(12)	–	(139)	115	75	–	6,065	(4,868)	1,197

12. INTANGIBLE ASSETS 2023 – COUNCIL & GROUP	Accumulated amortisation and impairment charges		Carrying amount 1-Jul-22 \$000	Additions 2022/23 \$000	Vested assets 2022/23 \$000	Disposals at Cost 2022/23 \$000	Amortisation on Disposals 2022/23 \$000	Amortisation 2022/23 \$000	Revaluation 2022/23 \$000	Accumulated depreciation transfers		Cost / revaluation 2022/23 \$000	Accumulated amortisation and impairment charges 30-Jun-23 \$000	Carrying amount 30-Jun-23 \$000
	Cost / revaluation 1-Jul-22 \$000	1-Jul-22 \$000								Cost transfers 2022/23 \$000	2022/23 \$000			
Council intangible assets														
Easements	296	–	296	–	–	–	–	–	–	–	–	296	–	296
Carbon credits	1,028	–	1,028	–	–	–	–	–	(463)	–	–	565	–	565
Computer software	4,932	(4,517)	415	9	–	–	–	(212)	–	–	–	4,941	(4,729)	212
Total council intangible assets	6,256	(4,517)	1,739	9	–	–	–	(212)	(463)	–	–	5,803	(4,729)	1,073

Life of easements

Easements have been assessed as having an indefinite useful life because they provide Horowhenua District Council with access to infrastructural assets for an indefinite time period.

13. FORESTRY ASSETS	Note	Council and Group Actual \$ 30 June 2024 \$000	Council and Group Actual \$ 30 June 2023 \$000
Balance at 01 July		1,166	1,110
Gains / (losses) arising from changes in fair value less estimated point of sale costs attributable to price changes	3	245	100
Purchase of trees		-	-
Harvest of trees at the POT		-	(44)
Total Forestry assets		1,411	1,166

Council owns 143.7 ha of pinus radiata forest and other harvestable trees, which are at varying stages of maturity ranging from one to 28 years. This consists of the Ferry Reserve 11.9 ha, Hōkio Landfill 38.2 ha and Target Reserve 25.6 ha, The Pot forest has 68 ha.

Independent registered valuers, Forme Consulting Ltd, have valued the forestry assets as at 30 June 2024. Valuation assumptions adopted in determining the fair value of the forestry assets include:

- a pre-tax discount rate of 7.8% (2023: 7.8%) has been used in discounting the present value of expected cash returns;
- the value of the land and the cost of owning the land are not allowed for in the valuation;
- the estimated net stocked forest area is based on aerial mapping records;
- trend log prices are based on an average of the last six quarters; and
- costs are current average costs.

Financial Risk Management Strategies

Horowhenua District Council is exposed to financial risks arising from changes in timber prices. Horowhenua District Council is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices. Horowhenua District Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

There are no restrictions on titles and liabilities for forestry.

14. COMMERCIAL PROPERTY	Note	Council and Group Actual \$ 30 June 2024 \$000	Council and Group Actual \$ 30 June 2023 \$000
Balance at 01 July		1,300	844
Additions from acquisitions		1,400	–
Additions from subsequent expenditure		–	–
Disposals		–	–
Transfer from / (to) assets held for sale		–	–
Fair value gains / (losses) on valuation	3	(200)	416
Total Commercial property		2,500	1,300

Horowhenua District Council's commercial properties are valued annually at fair value effective 30 June 2024 under PBE IPSAS 16. All commercial properties were valued based on open market evidence. The valuation was performed by Bruce Lavender ANZIV, an independent valuer from CBRE, experienced valuers with extensive market knowledge in the types of investment properties owned by Horowhenua District Council.

The market value at 30 June 2024 was \$2,500,000 which has taken into account all the improvements made to that time. Assumptions vary depending on the item being valued. Land is based on current sales; Leasehold Land is based on recent market sales evidence and commercial properties is determined by rental achieved or achievable with appropriate capitalisation return indicating property worth.

REVENUE AND EXPENSE FROM COMMERCIAL PROPERTY	Note	Council and Group Actual \$ 30 June 2024 \$000	Council and Group Actual \$ 30 June 2023 \$000
Rental revenue		115	103
Direct operating expenses from commercial property generating revenue		(14)	(40)
Direct operating expenses from commercial property not generating revenue		–	–
Contractual obligations for capital expenditure		–	–
Contractual obligations for operating expenditure		–	–
Surplus / (deficit) from investment property		101	63

15. PAYABLES AND DEFERRED REVENUE	Note	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Trade payables		8,266	8,402	8,266	8,402
Deposits and bonds		1,178	1,395	1,178	1,395
Accrued expenses		3,177	2,431	3,177	2,431
Rates and other revenue in advance		2,236	2,168	2,236	2,168
Other		1,693	1,743	1,675	1,743
Term deposit held for Shannon Community Trust		350	350	–	–
Total payables and deferred revenue		16,900	16,489	16,532	16,139
Exchange transactions		15,416	14,378	15,048	14,028
Non-exchange transactions		1,484	2,111	1,484	2,111
Total payables and deferred revenue transactions		16,900	16,489	16,532	16,139

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

16. PROVISIONS	Council and Group Actual \$ 30 June 2024 \$000	Council and Group Actual \$ 30 June 2023 \$000
Current provisions are represented by:		
Landfill aftercare	1,498	1,516
Total current provisions	1,498	1,516
Non-current provisions are represented by:		
Landfill aftercare	9,099	8,638
Total non-current provisions	9,099	8,638
Total provisions	10,597	10,154
Landfill aftercare		
Opening balance	10,154	8,711
Additional provisions made during the year	1,468	1,443
Amounts used during the year	(1,025)	–
Closing landfill aftercare balance	10,597	10,154

Provision for financial guarantees

Horowhenua District Council is listed as sole guarantor to a community organisation's bank loan. Under this guarantee Horowhenua District Council is obligated to make loan payments in the event the organisation defaults on a loan arrangement. The exercising of guarantees will be dependent upon the financial stability of the community organisation, which will vary over time; it is not considered to be necessary to make any provision as at 30 June 2024 (30 June 2023: \$Nil). Refer to Note 22.

Provision for landfill aftercare costs

Horowhenua District Council gained resource consent in 2002 to operate a landfill near Levin. Horowhenua District Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed.

Cash outflows for landfill post-closure costs are now being incurred for closed cells, (a cell is a set area of the landfill), since the landfill has been fully closed since October 2021. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

The provision has been estimated taking into account existing technology and using discount rates ranging from 3.98% to 5.25% (2023: 4.19% to 5.43%). The inflation factor is the Treasury's CPI assumption with rates ranging from 1.85% to 2.64% (2023: 1.39% to 3.26%). The gross provision before discounting was \$17m (2023: \$18.2m).

The provision was estimated by P Landmark of Stantec New Zealand as at 30 June 2024 (2023: P Landmark of Stantec New Zealand). P Landmark of Stantec New Zealand is an independent engineer and valuer.

Assumptions have been made that additional remediation, including repairs to the clay capping, is required and that environmental monitoring will be altered. It has also been assumed that pumping operations will need to continue for a period of at least 30 years after the closure of the landfill and post-closure costs have been assumed from information presented in the Ministry for the Environment (MfE) Closed Landfills Guideline.

During the 2022/2023 the decision was made that the Levin Landfill will remain closed and alternative uses will be investigated for the site. As the site is now permanently closed there is no remaining capacity and there is no remaining useful life.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
17. EMPLOYMENT BENEFIT LIABILITIES				
Accrued pay	462	358	462	358
Annual leave	1,484	1,432	1,484	1,432
Long service leave	537	456	537	456
Retirement gratuities	-	-	-	-
Total employee benefit liabilities	2,483	2,246	2,483	2,246
Comprising:				
Current	1,946	1,790	1,946	1,790
Non-current	537	456	537	456
Total employee benefit liabilities	2,483	2,246	2,483	2,246

Long service leave assumptions

Long service leave is calculated based on estimate of individual staff members reaching the long service leave milestones based on current salaries. Non-current employee benefit liabilities of \$537k relates to Long service leave.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
18. BORROWINGS				
Current				
Bank overdraft	-	-	-	-
Secured loans	43,000	33,000	43,000	33,000
Total current borrowings	43,000	33,000	43,000	33,000
Non-current				
Secured loans	159,000	135,000	159,000	135,000
Total non-current borrowings	159,000	135,000	159,000	135,000
Total borrowings	202,000	168,000	202,000	168,000

Horowhenua District Council manages its borrowings in accordance with its funding and financial policies, including a liability management policy, which has been adopted as part of Horowhenua District Council's Long Term Plan (LTP).

Fixed rate debt

Horowhenua District Council's secured debt of \$57,000,000 (2023: \$68,000,000) is issued at rates of interest fixed at time of issue.

Floating rate debt

Horowhenua District Council has \$124,000,000 of secured debt on current floating rate (2023: \$97,000,000). The interest rate is reset quarterly based on the 90-day bill rate plus a margin for credit risk. \$21,000,000 of secured debt is on Commercial Paper issued on a discount to par basis.

Customised Average Rate Loan Facility

Horowhenua District Council has a CARL (Customised Average Rate Loan) of \$7m with BNZ. Of the \$7m BNZ CARL facility, \$0 was drawn down as at 30 June 2024, \$3m was drawn down as at 30 June 2023.

Horowhenua District Council has a standby credit facility of \$20m with LGFA (New Zealand Local Government Funding Agency Limited) which has not been included in the financial statements.

Credit card

Horowhenua District Council has a total Mastercard facility of \$50,000 with BNZ. There are five credit cards on issue with a total limit of \$40,000. The current balances of the cards on issue are recorded in the financial statements but the remaining balance of the total facility are not recorded in the financial statements.

Security

All Horowhenua District Council's secured loans are secured under the terms of the Debenture Trust Deed between Horowhenua District Council and Covenant Trustee Services Ltd as Trustee. Security is by a charge over Council's ability to levy rates in favour of the Trustee. Pursuant to the Debenture Trust Deed, Horowhenua District Council has issued to its bankers security certificates totalling \$252.5m to secure the various bank loan facilities and guarantees issued on behalf of Horowhenua District Council and other general banking facilities. An additional \$23,841m of security certificates have been issued as part of the Local Government Funding Agency agreement to jointly secure debt issues with other shareholding Councils.

The following is a maturity analysis of Horowhenua District Council's borrowings. There are no early repayment options.

Council and Group	Secured Loans	Secured Loans	Bank Overdraft	Bank Overdraft
	Actual \$ 30 June 2024 \$000	Actual \$ 30 June 2023 \$000	Actual \$ 30 June 2024 \$000	Actual \$ 30 June 2023 \$000
Less than one year	43,000	33,000	-	-
Effective weighted average interest rate	4.31%	3.20%	0.00%	0.00%
Later than one year but not more than five years	159,000	104,000	-	-
Effective weighted average interest rate	4.82%	4.35%	0.00%	0.00%
Later than five years	-	31,000	-	-
Effective weighted average interest rate	-	5.83%	0.00%	0.00%
Total borrowings	202,000	168,000	-	-

Fair value of borrowings

The carrying amounts and the fair values of borrowings are as follows:

Council and Group	CARRYING AMOUNTS		FAIR VALUES	
	Actual \$ 30 June 2024 \$000	Actual \$ 30 June 2023 \$000	Actual \$ 30 June 2024 \$000	Actual \$ 30 June 2023 \$000
Secured Loans	202,000	168,000	202,000	168,000
Total borrowings	202,000	168,000	202,000	168,000

The carrying amounts of borrowings repayable within one year approximate their fair value. The fair values are based on cash flow using a rate based on the weighted borrowing rates ranging from 1.0700% to 6.4600% (2023: 1.6500% to 6.8500%).

Internal borrowings

Information about internal borrowings per activity is provided on the activity funding impact statements on pages 46, 47, 56, 57, 66, 67, 74, 75, 83, 84, 94, 95, 102, 103, 108, 109, 116, 117, 129, 130, 140 and 141.

LGFA Covenant Compliance	Council Limits	LGFA Lending Policy	Actual 30 June 2024	Actual 30 June 2023
Net debt to total operating revenue	< 250%	< 250%	214%	207%
Net interest to total operating revenue	< 20%	< 20%	10%	7%
Net interest to annual rates revenue	< 25%	< 25%	14%	11%
Available financial accommodation to external indebtedness	> 110%	> 110%	130%	117%

The net debt to total operating revenue Council limit and LGFA lending policy limit are different. Council limit of the net debt to total operating revenue was a self-imposed limit at 225% but was proposed to raise to 250% in the Long-Term Plan Amendment 2021-41 as a temporary limit to account for the additional spending planned for our three waters activities.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
19. DERIVATIVE FINANCIAL INSTRUMENTS				
Asset				
Current asset				
Interest rate swaps	707	655	707	655
Non-current asset				
Interest rate swaps	618	997	618	997
Total derivative financial instrument asset	1,325	1,652	1,325	1,652
Liability				
Current liability				
Interest rate swaps	-	6	-	6
Non-current liability				
Interest rate swaps	148	-	148	-
Total derivative financial instrument Liability	148	6	148	6
Gain or loss on derivative financial instruments				
Opening balance	(1,646)	(918)	(1,646)	(918)
Closing balance	(1,177)	(1,646)	(1,177)	(1,646)
Derivative gain/(loss)	(469)	728	(469)	728

Fair value

The fair value of interest rate swaps have been derived using a discounted cash flows valuation technique based on quoted market prices.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for HDC were \$105.0m (2023: \$55m) and for the HDC group were \$105m (2023: \$55m). At 30 June 2024, the fixed interest rate of the cash flow interest rate swaps varied from 2.150% and 4.750% (2023 2.150% and 4.750%).

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
20. EQUITY				
Retained earnings				
As at 01 July	246,484	252,590	246,868	252,965
Transfers to:				
Special funds	(473)	(562)	(473)	(562)
Changes in PBE IPSAS standards	-	131	-	131
Transfers from:				
Special funds	815	604	815	604
Surplus / (deficit) for the year	(5,089)	(6,278)	(5,073)	(6,273)
As at 30 June	241,740	246,484	242,140	246,868
Other reserve funds (refer to separate schedule on page 156 to 158)				
As at 01 July	9,746	9,788	9,746	9,788
Transfers to:				
Retained earnings	(815)	(604)	(815)	(604)
Transfers from:				
Retained earnings	473	562	473	562
As at 30 June	9,402	9,746	9,402	9,746
Asset revaluation reserves				
As at 01 July	437,422	442,305	437,422	442,305
Revaluation gains / (losses)	113,040	(478)	113,040	(478)
Adjustments				
Transfers to:				
Asset revaluation reserve on disposals	(689)	(4,404)	(689)	(4,404)
As at 30 June	549,773	437,422	549,773	437,422
Asset revaluation reserves consist of				
Operational assets				
Land & Buildings and Carbon Credits	35,098	31,976	35,098	31,976
Infrastructural assets				
Sewerage system	145,083	100,988	145,083	100,988
Water system	114,844	92,181	114,844	92,181
Stormwater drainage system	71,880	34,879	71,880	34,879
Solid waste	1,830	1,830	1,830	1,830
Roading network	124,718	115,698	124,718	115,698
Restricted assets				
Cemeteries	820	869	820	869
Parks and reserves	40,205	43,787	40,205	43,787
Endowment property	15,296	15,213	15,296	15,213
Total asset revaluation reserves	549,773	437,422	549,773	437,422
Total equity	800,915	693,652	801,315	694,036

Refer to reserve funds statement, pages 156 to 158.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
21. CAPITAL COMMITMENTS AND OPERATING LEASES				
PPE capital commitments				
Wastewater treatment	-	-	-	-
Water treatment	-	-	-	-
Wastewater other	1,052	4,292	1,052	4,292
Water other	472	-	472	-
Stormwater	558	-	558	-
Roading	258	-	258	-
Buildings	-	4,473	-	4,473
Parks	-	-	-	-
Total PPE capital commitments	2,340	8,765	2,340	8,765

Council has entered into an agreement with Alliance for the provision of service to carry out the capital programme as per the Annual Plan. Refer to Note 14 for Capital commitments for investment properties.

Operating leases as lessee

Horowhenua District Council leases Property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Operating Leases as Lessee				
Non-cancellable operating leases as lessee				
Less than one year	124	140	124	140
Later than one year but not more than five years	1	85	1	85
Later than five years	-	-	-	-
Total non-cancellable operating leases	125	225	125	225

Leases can be renewed at Horowhenua District Council's option, with rents set by reference to current market rates of equivalent age and condition. Horowhenua District Council does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on Horowhenua District Council by any of the leasing arrangements.

Operating leases as lessor

Horowhenua District Council leases its investment properties, Foxton Beach endowment land and other property under operating leases. The majority of the investment and endowment property leases are leases in perpetuity and therefore non-cancellable; the majority of the other leases are cancellable. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Operating Leases as Lessee				
Non-cancellable operating leases as lessor				
Less than one year	758	359	758	359
Later than one year but not more than five years	1,383	1,166	1,383	1,166
Later than five years	453	912	453	912
Total non-cancellable operating leases	2,594	2,438	2,594	2,438

Figures for later than five years are impracticable because most of the leases are in perpetuity. The total annual lease amounts are expected to be at least those indicated above.

No contingent rents have been recognised in the statement of financial performance during the period.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
22. CONTINGENCIES				
Guarantees	5,219	5,219	5,219	5,219
Government grant	-	-	-	-
Total contingencies	5,219	5,219	5,219	5,219

Guarantees

The value of guarantees disclosed as contingent liabilities reflects Horowhenua District Council's assessment of the undiscounted portion of financial guarantees that are not recognised in the statement of financial position. See Note 16 Provisions, for information on recognised financial guarantees.

A condition of the sale of residential housing to Compassion Horowhenua was that the suspensory loan from Housing NZ to build the Cambridge St flats will transfer to Sisters of Compassion, but Council will issue security stock as guarantee for the loan. The maximum financial exposure Council is open to of \$5,219k.

Contingent liability

Horowhenua District Council obtained public liability and professional indemnity insurance cover from New Zealand Mutual Liability Risk Pool. Council has now withdrawn from the Risk Pool but still has insurance cover via an insurance broker. Risk Pool operates as a mutual fund where each member makes an annual contribution to obtain cover; however, should claims exceed contributions then calls can be made on the members of that fund year for the shortfall amount. Risk Pool has advised that further calls may be made to Council for past pool periods. Horowhenua District Council has budgeted monies in its current Long-Term Plan (LTP) to cover these calls.

Horowhenua District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call-in respect of historical claims diminishes with each year as limitation periods expire. As a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight defects). In November 2023, the Board of New Zealand Mutual Liability Riskpool has resolved to make a call on Members to pay a contribution to fund the deficits for Fund years 7, 10, 11 and 12, being:

- Fund Year 7 - \$6.166m
- Fund Year 10 - \$3.051m
- Fund Year 11 - \$1.126m
- Fund Year 12 - \$2.541m

Total \$12.884m

The amount of the call for Horowhenua District Council was \$66,182.00 (excl. GST) and this was paid in December 2023. By way of background, cover under the Riskpool Scheme was arranged on a Fund Year basis from 1 July to 30 June. Members made an initial contribution to cover estimated claims and expenses arising from the Fund Year, with any deficits to be funded by further calls upon Members in proportion to their initial contribution. Any surplus can either be returned to Members or rolled into a future Fund Year.

In aggregate, over all Fund years, Riskpool has incurred more in claims and expenses (before allowing for claims provisions) than has been received as contributions and calls from Members. This has been funded by a loan from Civic Financial Services. In addition, there is more to be paid in respect of currently open claims (including the Napier Waterfront Apartments claim) spread across a few different Fund Years.

Once Riskpool has met the short-term needs noted above there will be a process of finalising each Fund Year. This will entail:

- Continuing to operate Riskpool until all claims are settled.
- Issuing further calls upon members for Fund Years still in deficit. The quantum of future calls will depend on the outcome of the late notification issues in respect of outstanding mixed defect claims and reinsurers' position.
- For Fund Years in surplus either:
 1. Returning funds to members, or
 2. Offsetting against later Fund Years in deficit.

Council has several ongoing legal proceedings. The outcome of these remains uncertain at the end of the reporting period. The maximum financial exposure is anticipated to be \$50,000 (2023 \$207,000).

Horowhenua District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (LGFA). The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AA+ for foreign currency and AAA local currency.

Horowhenua District Council is one of 30 local authority shareholders and 72 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$100k. When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Horowhenua District Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2024, NZLGFA had borrowings totalling \$23,030m (2023: \$18,570m).

Financial reporting standards require Horowhenua District Council to recognise the guarantee liability at fair value. However, Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- Council is not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

The leases for Waitāre Beach Motor Camp and Levin Holiday Park include provisions for Council to buy back the lessee's fixtures and improvements in certain circumstances totalling \$1,480,000. This estimate has been based on district rating valuations.

Personal grievances claims represent amounts claimed by employees for personal grievances cases. There are no open personal grievances claims as at 30 June 2024 (2023: 0 personal grievances claims).

Building Act claims

The Building Act of 2004 imposes certain obligation and liabilities on local authorities in respect to the issue of building consents and inspections of work done.

Horowhenua District Council has one claim in progress relating to the Building Act 2004. Council's liability, potential costs and insurance cover in relation to this claim have not yet been established.

Horowhenua District Council is also exposed to claims which have not been advised. The amount of these claims and any potential liability are not able to be reliably measured and are therefore not quantifiable.

Contingent assets

Third parties including sports clubs and community groups are able to construct facilities (e.g. club rooms) on Horowhenua District Council-owned land. The third parties control the use of these facilities and Horowhenua District Council will only gain control of the asset if the third party vacates the facility. Unless, and until, such event occurs these assets are not recognised as assets in the statement of financial position. As at 30 June 2024 there were 15 facilities having an approximate value of \$23.92m (2023: 15 facilities, \$23.67m). This estimate has been based on district rating valuations.

Horowhenua District Council also has a contingent asset in the land sold to the Foxton Medical Trust, which, should the Foxton Medical Trust sell the land, Council will receive the market value at the time of transfer.

23. RELATED PARTY TRANSACTIONS

Manawatū/Whanganui Local Authorities Shared Services Limited (MW LASS)

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

To date there has been one call on share capital and the company is now trading. Horowhenua District Council owns one-seventh or 14% of this company and has a \$16,000 share capital.

The company is considered to be a Council Controlled Organisation under the Local Government Act 2002 but the member councils have resolved that it is exempt for the purposes of section 6(4)(i) of that Act for 2023/2024, 2022/23 and 2021/22.

Related Party Transactions	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000
Total MW LASS related party transactions	103	103

Shannon Community Development Trust

The Council holds \$350,000 (2023: \$350,000) on deposit on behalf of the Shannon Community Development Trust.

Key management personnel

During the year key management personnel (the Mayor, Councillors and senior managers) were involved in minor transactions with Horowhenua District Council (e.g., payment of rates, purchase of rubbish bags, and registration of dogs) as part of a normal customer relationship. In addition, the following transactions were conducted with key management personnel that are approved by the Office of the Auditor General:

Transactions with Key Management Personnel	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000
EM SERVICES (2020) LIMITED - in which Cr Ross Brannigan is a director / shareholder	161	132
Taitoko Limited- in which Cr Piri-Hira Takapua is a director / shareholder	6	1
McLeods Book Centre (1965) Limited - in which Mayor Bernie Wanden is a director / shareholder	10	11
Total transactions with key management personnel	177	144

No provision has been required, nor any expense recognised, for impairment of receivables for any related party (2023: \$Nil).

Te Awahou Foxton Community Board members

There were no transactions carried out with related parties for the year ending 30 June 2023 and 30 June 2024.

	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000
Key Management Personnel Compensation		
Remuneration		
Councillors	696,049	638,839
Senior management team, including the Chief Executive	1,627,134	1,902,516
Total key management personnel remuneration	2,323,182	2,541,355
Full-time equivalent key management personnel		
Councillors*	13	13
Senior management team, including the Chief Executive**	6	8
Total full-time equivalent key management personnel	19	21

* Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors. For the 2023 triennium, there were 2 additional Councillors for Maori ward

** There were two outgoing senior executives in the year ending 30 June 2023. 6 is the total number of current senior management team, including the Chief Executive.

For the purposes of this table key management personnel comprise the Chief Executive Officer and other senior executives, and the mayor and councillors.

24. REMUNERATION	Council Actual \$ 30 June 2024	Council Actual \$ 30 June 2023
Chief Executives		
Monique Davidson		
Salary	367,539	329,600
Vehicle (FBT value)	15,000	15,000
Final holiday pay	-	-
Total Chief Executive remuneration	382,539	344,600

Remuneration of Elected Members

Elected representatives	2024		2023	
	Remuneration	Other Allowances	Remuneration	Other Allowances
Mayor:				
B Wanden	141,395	3,705	138,150	3,428
Councillors:				
D Allen	65,806	4,703	55,289	5,314
R Brannigan	43,750	1,300	42,941	1,300
S Jennings	50,322	1,300	45,939	1,300
P H Tukapua	46,451	1,300	45,997	1,300
M Barker	38,709	1,300	28,215	955
R Boyle	38,709	1,300	26,927	905
C Grimstone	38,709	1,300	26,927	905
N Hori Te Pa	38,709	1,300	26,927	905
P Olsen	38,709	1,300	26,927	905
J Procter	38,709	1,300	28,215	955
J Tamihana	38,709	3,024	26,927	1,828
A Young	38,709	1,300	26,927	905
Total elected representatives' remuneration	657,399	24,433	546,309	20,905

Remuneration of Elected Members

Foxton Beach Community Board

J Girling (Chair)	12,884	1,805	10,306	1,608
D Roache	6,442	1,553	8,397	1,300
T Chambers	6,442	1,553	6,441	1,300
P Metcalf	-	-	1,956	395
B Russell	6,442	1,553	4,485	905
N Fox	6,442	1,778	4,485	1,166
Total Te Awahou Foxton Community Board	38,650	8,241	36,068	6,674

During the year ending 30 June 2024, there were payments totalling \$19,245.90 made to two independent members of the Risk and Assurance Committee. There were also payments totalling \$408 made to two independent members of the Licensing Committee.

Council Actual \$ 30 June 2024	Council Actual \$ 30 June 2023
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Council employees Total annual remuneration by band

<\$60,000	114	102
\$60,000 – \$79,999	59	71
\$80,000 – \$99,999	42	44
\$100,000 – \$119,999	23	32
\$120,000 – \$139,999	19	12
\$140,000 – \$159,999	10	9
\$160,000 – \$389,999	10	8
Total Council employees	277	278

Total remuneration includes any non-financial benefits provided to employees.

At balance date, Council employed 159 (2023: 167) full-time employees, with the balance of staff representing 48 (2023: 45) full-time equivalent employees. A full-time employee is determined on the basis of a 40-hour working week.

25. SEVERANCE PAYMENTS

For the year ended 30 June 2024 Horowhenua District Council made the following severance payments (2023: \$257,232.56). The amount stated is gross pay before taxes, benefits and other payroll deductions.

Payment 1	\$23,324.16
Payment 2	\$23,042.35
Payment 3	\$29,023.98
Payment 4	\$28,745.00
Payment 5	\$18,750.00
Payment 6	\$14,471.61
Total severance payment	\$137,357.10

26. EVENTS AFTER THE BALANCE SHEET DATE

There have been no events after 30 June 2024 that have impacted the accounts.

27. FINANCIAL INSTRUMENTS

			Council Actual \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
27a. Financial Instrument Categories		Note				
Financial assets						
Cash and cash equivalents	Amortised Costs	7	11,482	4,265	11,514	4,297
LGFA borrower notes	FVTSD	9	4,162	3,250	4,162	3,250
Receivables (excluding GST receivables, prepayment and rates debtors)	Amortised Costs	8	9,286	8,554	9,286	8,554
Term deposits	Amortised Costs	9	22,350	15,350	22,350	15,350
Interest rate Swap	FVTSD		1,325	655	1,325	655
Share investement	FVTOCRE		204	204	204	204
Total financial assets			48,809	32,278	48,841	32,310
Financial Liabilities						
Creditors and other payables	Amortised Costs	15	16,900	16,489	16,532	16,139
Borrowings:	Amortised Costs	18	202,000	168,000	202,000	168,000
Interest rate swap	FVTSD		148	6	148	6
Total financial liabilities at amortised cost			218,900	184,489	218,532	184,139
Total financial liabilities			219,048	184,495	218,680	184,145

Refer to note 39 for further information for the restatement of 30 June 2023 results.

Council 2024	Total \$000	Quoted market price \$000	Observable inputs \$000	Significant non-observable inputs \$000
Financial assets				
Shares	204	-	-	204
Swap derivatives	1,325	-	1,325	-
Financial liabilities				
Swap derivatives	148	-	148	-
Group 2024				
Financial assets				
Shares	204	-	-	204
Swap derivatives	1,325	-	1,325	-
Financial liabilities				
Swap derivatives	148	-	148	-
Council 2023				
Financial assets				
Financial assets	204	-	-	204
Shares	1,652	-	1,625	-
Financial liabilities				
Swap derivatives	6	-	6	-
Group 2023				
Financial assets				
Financial assets	204	-	-	204
Shares	1,652	-	1,625	-
Financial liabilities				
Swap derivatives	6	-	6	-

Market Risk

PRICE RISK

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. Horowhenua District Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to movements in fair value of unlisted securities. This price risk is managed by a prohibition of further share investment in Horowhenua District Council's Investment Policy.

Horowhenua District Council holds unlisted equity instruments in Civic Financial Services Limited, which are not publicly traded. If the fair value of the shares had moved plus or minus 5%, the effect would have been to increase/decrease the fair value through equity reserve by \$5,200 (2023: \$5,200).

CURRENCY RISK

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Horowhenua District Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

INTEREST RATE RISK

The interest rates on Horowhenua District Council's investments are disclosed in Note 9 and on Horowhenua District Council's borrowings in Note 18.

FAIR VALUE INTEREST RATE RISK

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates exposes the Horowhenua District Council to fair value interest rate risk. Horowhenua District Council's liability management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where Horowhenua District Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose the Horowhenua District Council to fair value interest rate risk.

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 Horowhenua District Council to cash flow interest rate risk.

Horowhenua District Council manages its cash flow interest rate risk on borrowings by borrowing primarily at fixed rates and taking out swap contracts.

CREDIT RISK

Credit risk is the risk that a third party will default on its obligation to Horowhenua District Council, causing Horowhenua District Council to incur a loss. Debtors and other receivables mainly arise from Horowhenua District Council's statutory functions, therefore there are no procedures in place to monitor or report the quality of debtors and other receivables with reference to internal or external credit ratings. Horowhenua District Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Horowhenua District Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

The Council is exposed to credit risk as a guarantor of all of LGFA's borrowings. Information about this exposure is explained in Note 22.

Horowhenua District Council invests funds only in government-guaranteed instruments, deposits with registered banks and local authority stock and its Investment Policy limits the amount of credit exposure to any one institution or organisation. Investments in other local authorities are secured by charges over rates. Accordingly, the Council does not require any collateral or security to support these financial instruments.

Maximum exposure to credit risk

Horowhenua District Council's maximum credit exposure for each class of financial instrument is as follows:

Maximum Exposure to Credit Risk	Note	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Cash at bank and term deposits	7	33,832	19,615	33,864	19,647
Debtors and other receivables	8	9,286	12,514	9,286	12,514
Total credit risk		43,118	32,129	43,150	32,161

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (or similar, if available) or to historical information about contemporary default rates:

Counterparties with Credit Ratings	Note	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2023 \$000
Cash at bank and term deposits:					
A+	7	33,832	19,615	33,864	19,647
Total cash at bank and term deposits		33,832	19,615	33,864	19,647

Liquidity Risk

MANAGEMENT OF LIQUIDITY RISK

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

In meeting its liquidity requirements, Horowhenua District Council maintains a target level of investments that must mature within the next 12 months.

Horowhenua District Council manages its borrowings in accordance with its funding and financial policies, which includes a liability management policy. These policies have been adopted as part of Horowhenua District Council's LTP.

The maturity profiles of Horowhenua District Council's interest-bearing investments and borrowings are disclosed in Notes 9 and 18 respectively.

Council is exposed to liquidity risk as a guarantor of all LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in Note 22.

CONTRACTUAL MATURITY ANALYSIS OF FINANCIAL LIABILITIES

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

Council 2024	Note	Carrying Amount \$000	Contractual Cash Flow \$000	<1 Year \$000	1-2 Years \$000	2-5 Years \$000	>5 Years \$000
Creditors and other payables	15	16,900	16,900	16,900	-	-	-
Secured loans	18	202,000	211,511	44,852	40,081	126,579	-
Swap derivatives	19	148	148	-	148	-	-
Total		219,048	228,559	61,752	40,229	126,579	-

Group 2024

Creditors and other payables	15	16,532	16,532	16,532	-	-	-
Secured loans	18	202,000	211,511	44,852	40,081	126,579	-
Swap derivatives	19	148	148	-	148	-	-
Total		218,680	228,191	61,384	40,229	126,579	-

Council 2023

Creditors and other payables	15	16,490	16,490	16,490	-	-	-
Secured loans	18	168,000	172,892	31,470	23,299	85,243	32,881
Swap derivatives	19	6	6	-	6	-	-
Total		184,496	189,388	47,960	23,305	85,243	32,881

Group 2023

Creditors and other payables	15	16,140	16,140	16,140	-	-	-
Secured loans	18	168,000	172,892	31,470	23,299	85,243	32,881
Swap derivatives	19	6	6	-	6	-	-
Total		184,145	189,388	47,960	23,305	85,243	32,881

CONTRACTUAL MATURITY ANALYSIS OF FINANCIAL ASSETS

The table below analyses Horowhenua District Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

Council 2024	Note	Carrying Amount \$000	Contractual Cash Flow \$000	<1 Year \$000	1-2 Years \$000	2-5 Years \$000	>5 Years \$000
Cash and cash equivalents	7	11,482	11,482	11,482	-	-	-
Debtors and other receivables	8	9,286	9,286	9,286	-	-	-
Other financial assets:							
Term deposits	9	22,350	22,365	22,365	-	-	-
Community loan	9	-	-	-	-	-	-
Total		43,118	43,133	43,133	-	-	-
Group 2024							
Cash and cash equivalents	7	11,514	11,514	11,514	-	-	-
Debtors and other receivables	8	9,286	9,286	9,286	-	-	-
Other financial assets:							
Term deposits	9	22,350	22,365	22,365	-	-	-
Community loan	9	-	-	-	-	-	-
Total		43,150	43,165	43,165	-	-	-
Council 2023							
Cash and cash equivalents	7	4,265	4,265	4,265	-	-	-
Debtors and other receivables	8	12,514	12,514	12,514	-	-	-
Other financial assets:							
Term deposits	9	15,350	15,365	15,365	-	-	-
Community loan	9	-	-	-	-	-	-
Total		32,129	32,144	32,144	-	-	-
Group 2023							
Cash and cash equivalents	7	4,297	4,297	4,297	-	-	-
Debtors and other receivables	8	12,514	12,514	12,514	-	-	-
Other financial assets:							
Term deposits	9	15,350	15,365	15,365	-	-	-
Community loan	9	-	-	-	-	-	-
Total		32,161	32,176	32,176	-	-	-

Refer to note 39 for further information for the restatement of 30 June 2023 results.

Sensitivity analysis

The tables below illustrate the potential profit and loss (excluding retained earnings) for reasonably possible market movements, with all other variables held constant, based on Horowhenua District Council's financial instrument exposures at the balance date.

Interest rate risk	Council & Group 30 June 2024 -100bps	Council & Group 30 June 2024 +100bps	Council & Group 30 June 2023 -100bps	Council & Group 30 June 2023 +100bps
Financial assets				
Cash and cash equivalents	(115)	115	(42)	42
Financial liabilities				
Borrowings	1,240	(1,240)	970	(970)

Cash and cash equivalents include deposits at call totalling \$11,482,000 (2023: \$1,265,000) which are at floating rates. A movement of interest rates of plus or minus 1% has an effect on interest income of \$114,820 (2023: \$12,650).

Borrowings include total debt of \$124,000,000 (2023: \$97,000,000) on current floating rates.

28. BUDGETS FOR YEAR ENDED 30 JUNE 2024

Budgets are as per the 2023/24 Annual Plan– amendment to the 2021 Long term plan for year three 2023/24.

29. EXPLANATIONS OF MAJOR VARIANCES AGAINST BUDGET

Explanations on major variances against budget are disclosed on the face of the financial statements and Funding Impact statements within each activity statement.

30. FINANCE LEASES

Council does not have any finance leases (30 June 2023: nil).

	Council Actual \$ 30 June 2024 \$000	Restated Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$000	Restated Group Actual \$ 30 June 2023 \$000
31. RECONCILIATION OF SURPLUS WITH CASH FLOWS FROM OPERATING ACTIVITIES				
Surplus (deficit)	(5,089)	(6,279)	(5,073)	(6,273)
Add/(less) non-cash items:				
Depreciation and amortisation	17,215	19,265	17,215	19,265
Other including vested and donated assets	(1,869)	(2,313)	(1,869)	(2,313)
(Gain)/Losses in Fair value of forestry assets	(245)	–	(245)	–
(Gain)/Losses in value of commercial property	200	–	200	(416)
(Gain)/Losses on Landfill provision	1,468	1,443	1,468	1,443
(Gain)/Losses on derivative financial instruments	469	(728)	469	(728)
(Gain)/Losses on other investment	(83)	361	(83)	361
Add / (less) items classified as investing or financing activities:				
(Gain)/Losses on disposal of property, plant & equipment	1,852	–	1,852	(834)
Add/(less) movements in working capital:				
(Increase)/decrease in accounts receivable	3,228	(10,528)	3,228	(10,528)
(Increase)/decrease in prepayments	(40)	–	(40)	–
(Increase)/decrease in stock on hand	2	2	2	2
Increase/ (decrease) in accounts payable	410	(3,000)	410	(3,000)
Increase/ (decrease) in employee entitlements	236	593	236	593
Increase/ (decrease) in provisions	(1,025)	–	(1,025)	–
Net cash flows from operating activities	16,731	4,817	16,731	4,823

Refer to note 39 for further information for the restatement of 30 June 2023 results for council and group.

32. CAPITAL MANAGEMENT

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted by the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its LTP and its annual plan (where applicable) to meet the expenditure needs identified in those plans and the Act 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 financial policies in the Council's LTP.

HDC has the following Council-created reserves:

- Reserves for different types of rates;
- Reserves for the repayment of loans;
- Depreciation funds.

33. DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000
Community support	3	2
Regulatory services	50	89
Community facilities	1,192	1,134
Community infrastructure	1,373	1,230
Property	660	592
Roading	4,752	4,674
Solid waste	390	529
Stormwater	919	878
Wastewater	4,457	5,247
Water supply	2,904	4,238
Council operating assets	516	652
Total	17,216	19,265

34. INSURANCE OF ASSETS	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000
Total value of assets covered by insurance contracts	163,445	80,813
Maximum amount of insurance	347,788	291,665
Total value of assets covered by financial risk sharing arrangements	677,094	295,059
Maximum amount available under those arrangements	270,838	516,348
Total value of assets that are self-insured	82,723	366,749
The value of funds maintained for that purpose	-	-

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.

35. REPLACEMENT COST OF CORE INFRASTRUCTURAL ASSETS	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2024 \$000
Water	269,428	265,576
Wastewater	426,615	354,191
Stormwater	147,898	97,949
Solid Waste	14,419	12,850
Roading and footpaths	390,600	469,069
Total replacement cost of core infrastructure assets	1,248,960	1,199,635

Refer to Note 11 for vested assets and additions.

36. TAX	Council Actual \$ 30 June 2024 \$000	Council Actual \$ 30 June 2023 \$000	Group Actual \$ 30 June 2024 \$00	Group Actual \$ 30 June 2023 \$000
Components of tax expense				
Current tax	-	-	-	-
Tax expense	-	-	-	-
Relationship between tax expense and accounting surplus				
Surplus / (deficit) before tax	(5,089)	(6,279)	(5,073)	(6,832)
Tax at 28%	(1,425)	(1,758)	(1,421)	(1,913)
Plus / (less) tax effect of:				
Non-deductible expense	1,425	1,758	1,421	1,913
Non-assessable revenue	-	-	-	-
Tax expense	-	-	-	-

37. RECONCILIATION OF MOVEMENTS IN LIABILITIES ARISING FROM FINANCIAL ACTIVITIES	Borrowing	Derivative (Mark to market movements)	Other
Balance at 1 July 2023	168,000	(1,647)	-
Cash inflows	67,000	-	-
Cash outflows	(33,000)	-	-
Non-cash changes	-	-	-
Balance at 30 June 2024	202,000	(1,647)	-
Balance at 1 July 2022	124,000	(918)	-
Cash inflows	103,975	-	-
Cash outflows	(59,975)	-	-
Non-cash changes	-	(729)	-
Balance at 30 June 2023	168,000	(1,647)	-

38. WATER SERVICES REFORM PROGRAMME

The New Zealand Government is implementing a water services reform programme that is intended to ensure all New Zealanders have safe, clean and affordable water services. The Government believes this will be achieved by keeping water infrastructure in local ownership and control, but also provides a pathway for significant infrastructure upgrades. Government are committed to supporting councils to deliver high-quality, financially sustainable water service to take on the delivery of drinking water, wastewater and stormwater services across New Zealand. The reform will be enacted by three pieces of legislation:

- The Water Services Entities Act 2022, which (as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023) establishes ten publicly owned water services entities and sets out their ownership, governance and accountability arrangements. A water services entity is established (for transitional purposes) on the date on which the appointment of the entity's establishment board takes effect, and its establishment date (operational date) will be a date between 1 July 2024 and 1 July 2026.
- The Water Services Legislation Act 2023, which amended the Water Services Entities Act 2022 on 31 August 2023 to provide for the transfer of water services assets and liabilities to the water services entities.
- The Water Services Economic Efficiency and Consumer Protection Act 2023, which provides the economic regulation and consumer protection framework for water services. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023.

39. PRIOR PERIOD CORRECTION

The Council and group has adjusted its comparative year financial statements for the year ended 30 June 2023 for the correction of a prior period error.

The Council determined that \$3m was incorrectly classified as Other Financial Assets on the Statement of Financial Position and should have been treated as Cash and cash equivalents. The Council also determined that \$15m in Term deposits and the \$3m cash on call account described above were not appropriately recorded in the Statement of Cash Flows.

The financial statements for 2023, which are presented as comparative information in the 30 June 2024 financial statements, have been restated to correct the errors mentioned above. The adjustments to financial statements for 30 June 2023 are show in the table on page 204.

Actual 2023						
	Council Before adjustments \$000	Council Correction of error \$000	Council After adjustments \$000	Group Before adjustments \$000	Group Correction of error \$000	Group After adjustments \$000
Statement of Financial Position						
Cash and cash equivalents	1,265	3,000	4,265	1,297	3,000	4,297
Other Financial Assets	18,350	(3,000)	15,350	18,350	(3,000)	15,350
Statement of Cash Flows						
Cashflow from operating activities						
Cash was provided from:						
Other Revenue	481	18,000	18,481	481	18,000	18,481
Total cash provided	48,501	18,000	66,501	48,507	18,000	66,507
Net cashflow from operating activity	(13,183)	18,000	4,817	(13,177)	18,000	4,823
Cashflows from investing activities						
Cash was disbursed to:						
Purchases of investments	1,012	15,000	16,012	1,012	15,000	16,012
Total cash disbursed	37,537	15,000	52,537	37,537	15,000	52,537
Net cashflow from investing activity	(35,550)	(15,000)	(50,550)	(35,550)	(15,000)	(50,550)
Net increase (decrease) in cash held	(4,733)	3,000	(1,733)	(4,727)	3,000	(1,727)
Closing cash balance	1,265	3,000	4,265	1,297	3,000	4,297
Closing balance made up of cash and cash equivalents	1,265	3,000	4,265	1,297	3,000	4,297

The operations control benchmark has also been restated due to the change in actual net cash flow from operations in the Statement of Cash Flows. This graph displays Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations. As a result, the -43.75% for 2022/23 results previously reported have been restated to -19.81%.

The adjustments to the notes to financial statements for 30 June 2024 are shown in the table on page 205.

Actual 2023						
	Council Before adjustments \$000	Council Correction of error \$000	Council After adjustments \$000	Group Before adjustments \$000	Group Correction of error \$000	Group After adjustments \$000
Note 7 Cash and Cash Equivalents						
Cash at bank and in hand	1,265	3,000	4,265	1,297	3,000	4,297
Total cash and cash equivalents	1,265	3,000	4,265	1,297	3,000	4,297
Cash and cash equivalents for the purpose of the statement of cash flows	1,265	3,000	4,265	1,297	3,000	4,297
Note 9 Other Financial Assets						
Short-term deposits with maturities of 4-12 months	18,350	(3,000)	15,350	18,350	(3,000)	15,350
Total current portion	18,350	(3,000)	15,350	18,350	(3,000)	15,350
Total other financial assets	21,856	(3,000)	18,856	21,856	(3,000)	18,856
Maturity Analysis and effective interest rates:						
Short-term deposits with maturities of 4-12 months	18,350	(3,000)	15,350	18,350	(3,000)	15,350
Note 27 Financial Instruments						
27a. Financial Instrument Categories						
Financial assets						
Cash and cash equivalents	1,265	3,000	4,265	1,297	3,000	4,297
Term deposits	18,450	(3,000)	15,350	18,450	(3,000)	15,350
Contractual maturity analysis of Financial Assets						
Cash and cash equivalents – carrying amount	1,265	3,000	4,265	1,297	3,000	4,297
Cash and cash equivalents – Contractual Cash Flow	1,265	3,000	4,265	1,297	3,000	4,297
Cash and cash equivalents – <1 Year	1,265	3,000	4,265	1,297	3,000	4,297
Term deposits – carrying amount	18,350	(3,000)	15,350	18,350	(3,000)	15,350
Term deposits – Contractual Cash Flow	365	15,000	15,365	365	15,000	15,365
Term deposits – <1 Year	365	15,000	15,365	365	15,000	15,365
Total	14,144	18,000	32,144	14,176	18,000	32,176
Note 31 Reconciliation of surplus with Cash flow from operating activities						
Add/(less) movements in working capital:						
Increase/ (decrease) in accounts receivable	(25,528)	15,000	(10,528)	(25,528)	15,000	(10,528)
Increase/ (decrease) in accounts payable	–	(3,000)	(3,000)	–	(3,000)	(3,000)
Net cash flows from operating activities	(13,183)	18,000	4,817	(13,177)	18,000	4,823

Benchmarks Disclosure Statement

For the year ended 30 June 2024

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

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

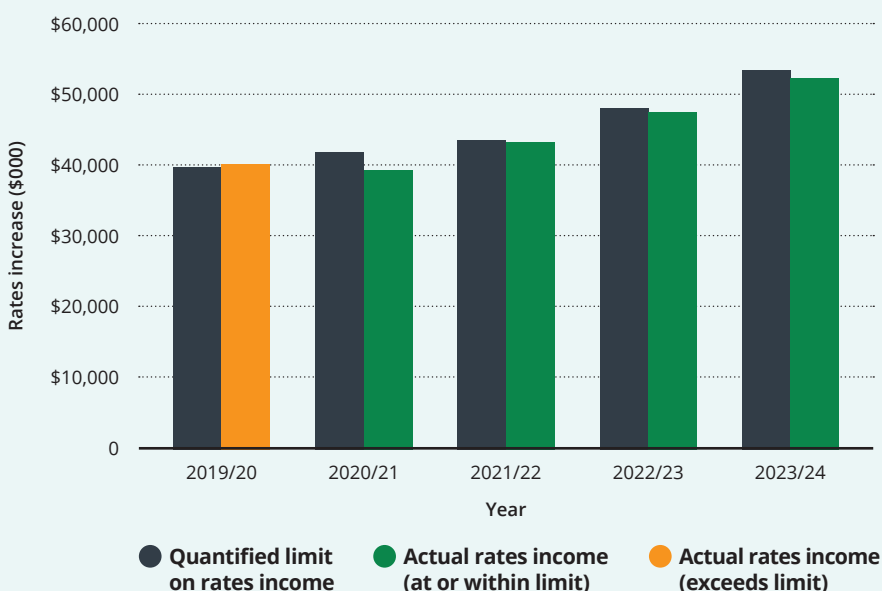
- Its actual rates income equals or is less than each qualified limit on rates; and
- Its actual increases equal or are less than each qualified limit on rates increases.

1. RATES (INCOME) AFFORDABILITY

The following graph compares Council's actual rates income with a quantified limit on rates contained in the financial strategy included in Council's Long-Term Plan (LTP). The quantified limit is \$39,686,000 (2019/20), \$41,886,000 (2020/21), \$43,514,000 (2021/22), \$48,104,000 (2022/23) and \$53,711,000 (2023/24).

Actual rates income is the total net rates income after rates penalties and remission, including water by meter rates revenue.

RATES (INCOME) AFFORDABILITY

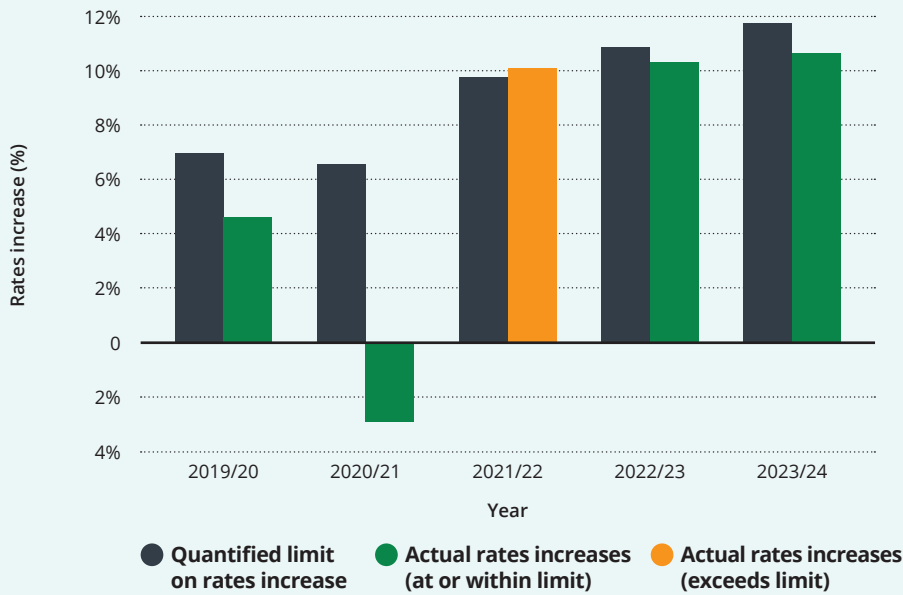


2. RATES (INCREASES) AFFORDABILITY

The following graph compares Council's actual rate increase with a quantified limit on rates increases included in the financial strategy in Council's LTP.

The quantified limits are 6.96% (2019/20), 6.54% (2020/21), 9.71% (2021/22), 10.76% (2022/2023) and 11.87% (2023/24) including growth.

RATES (INCREASE) AFFORDABILITY



When Council adopted the 2020/21 annual plan, the impacts of Covid-19 were very much unknown so a rate decrease was decided on to lessen the burden of rates on rate payers.

Whilst 2021/22 shows a rates increase exceeding limit, this is by a margin of 0.3% due to lower water by meter rates billed, which was based on water consumption.

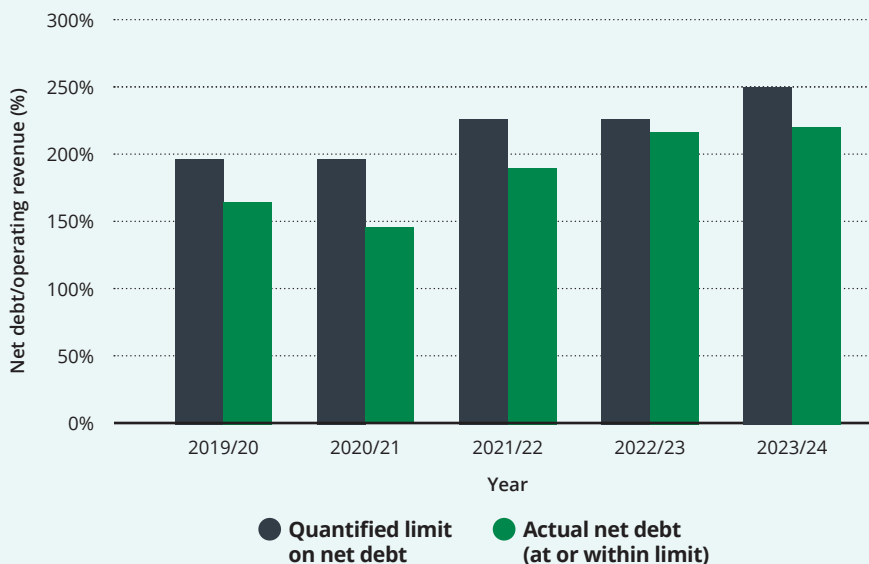
DEBT AFFORDABILITY BENCHMARK

Council meets the debt affordability benchmark for a year if actual borrowing is within each quantified limit on borrowing.

1. NET DEBT TO OPERATING REVENUE

The following graph compares Council's actual borrowing with quantified limit on borrowing stated in the financial strategy included in Council's LTP. The quantified limits are net debt to operating revenue should be below 225%, this was increased from 175% to 195% in the 2018/38 LTP then increased to 225% in the 2021/41 LTP and subsequently increased to 250% in the 2021/41 LTPA.

NET DEBT TO OPERATING REVENUE

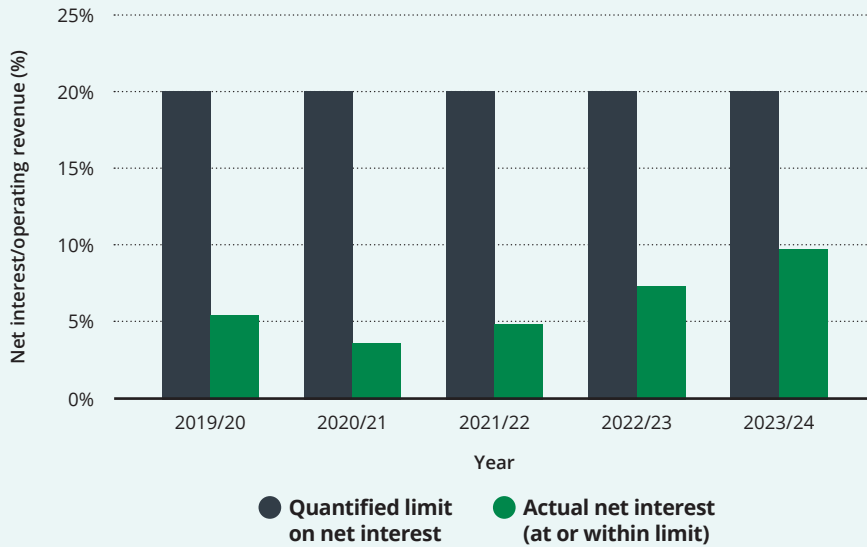


Total revenue is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets). Net debt is defined as total debt less liquid financial assets and investments.

2. NET INTEREST TO OPERATING REVENUE

The following graph compares Council's actual borrowing with quantified limit on borrowing stated in the financial strategy included in Council's LTP. The quantified limits are net interest to operating revenue should be below 20%.

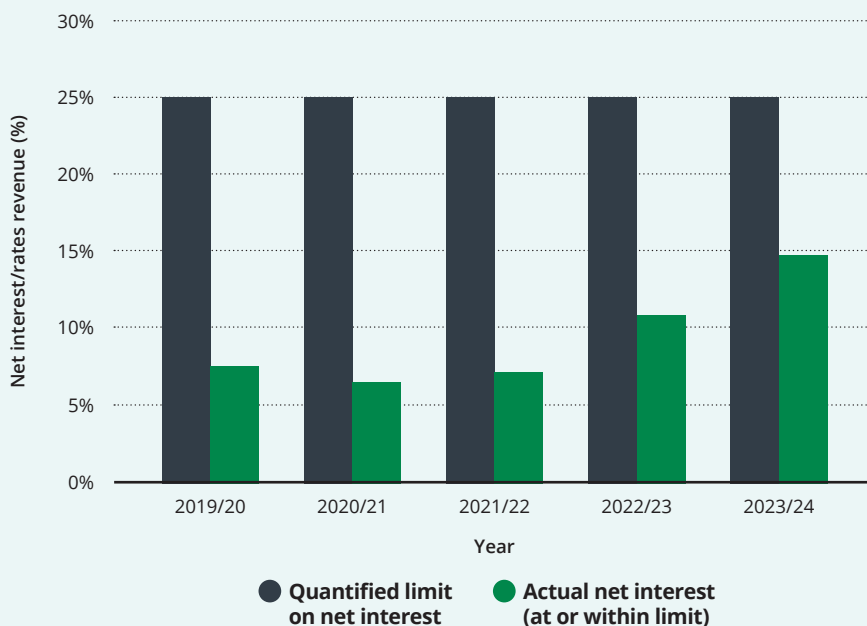
NET INTEREST TO OPERATING REVENUE



3. NET INTEREST TO RATES REVENUE

The following graph compares Council's actual borrowing with quantified limit on borrowing stated in the financial strategy included in Council's LTP. The quantified limits are net interest to annual rates revenue should be below 25%.

NET INTEREST TO RATES REVENUE

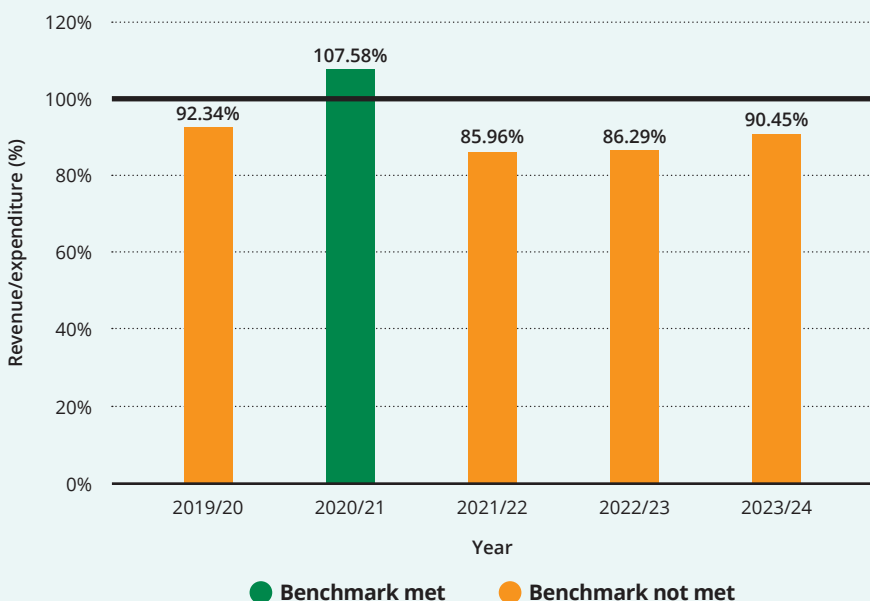


BALANCED BUDGET BENCHMARK

The following graph displays 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, plants or equipment.

Council meets this benchmark if its revenue equals, or is greater than, it's operating expenses.

BALANCED BUDGET



EXPLANATION ON BALANCED BUDGET BENCHMARK

In order to keep the level of rate increases to an affordable level, Council has, for some years, not been fully funding depreciation. Funding depreciation creates a reserve to cover the cost of replacing Council's assets, especially infrastructural assets. Underfunding this reserve is possible only in the short term. Council has been progressively increasing the funding of depreciation since the 2009/10 financial year. The major cause of Council's above inflation rate increases has been the need to increase depreciation funding. The underfunding of depreciation is the major reason for Council not meeting this benchmark exacerbated by the above budget expenditure variances described under the Comprehensive Revenue and Expenditure statement on pages 144 and 145. The benchmark was met in the 2020/21 year due to the significant increase in external capital funding from the Crown.

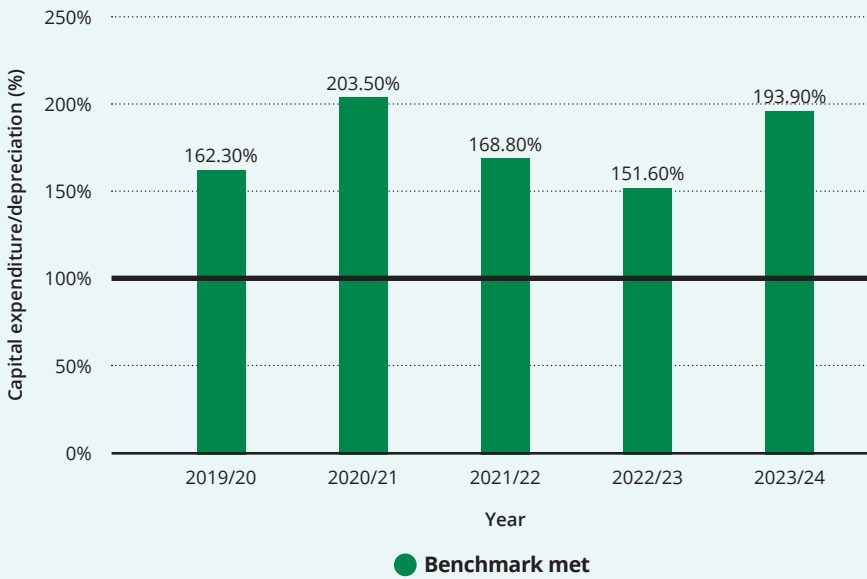
ESSENTIAL SERVICES BENCHMARK

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

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 relating to water supply, sewage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works and the provision of roads and footpaths. Council owns no infrastructure relating to flood protection and control work.

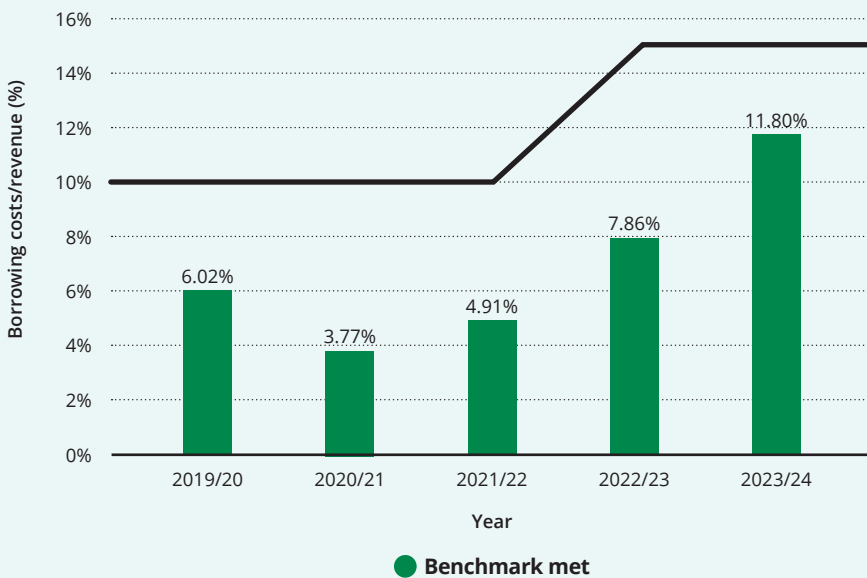
ESSENTIAL SERVICES



DEBT SERVICING BENCHMARK

The following graph displays 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.

DEBT SERVICING



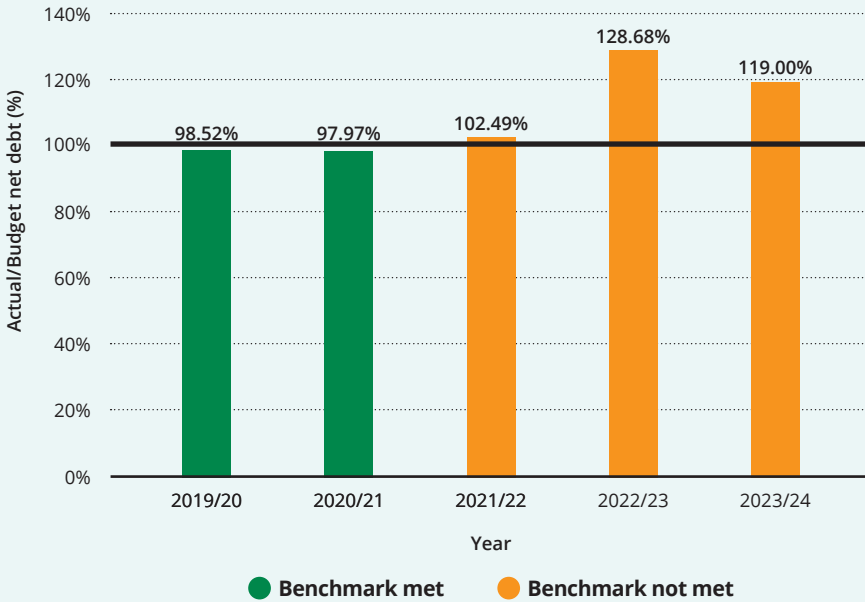
Because Statistics New Zealand projects the Horowhenua population will grow more quickly than the national population growth rate, it meets the debt control benchmark if its borrowing costs are equal or less than 15% of its revenue, (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment). During the 2021/22 financial year the rohe grew faster than the national population growth rate so a 15% limit has been used.

DEBT CONTROL BENCHMARK

The following graph displays Council’s actual net debt as a proportion of planned net debt. In this statement, net debt is financial liabilities less financial assets (excluding trade and other receivables).

Council meets the debt control benchmark if its actual net debt is less than or equal to the net debt planned for the year in its LTP.

DEBT CONTROL



EXPLANATION ON DEBT CONTROL BENCHMARK

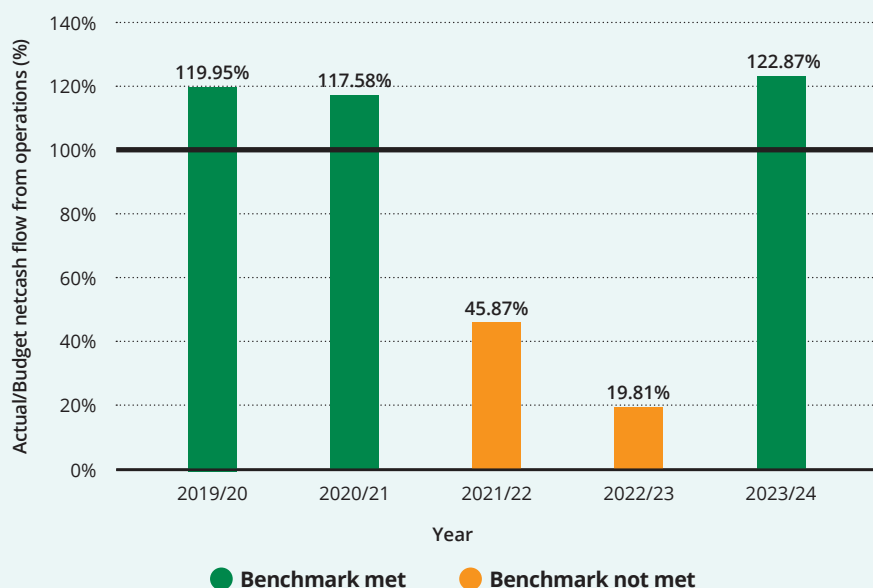
The benchmark was not met in the 2021/2022, 2022/23 and 2023/24 year as planned asset proceeds did not occur as planned.

OPERATIONS CONTROL BENCHMARK

This graph displays Council’s actual net cash flow from operations as a proportion of its planned net cash flow from operations.

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.

OPERATIONS CONTROL



EXPLANATION ON OPERATIONS CONTROL BENCHMARK

The reason for not meeting the benchmark in the 2021/22 financial year is due to not receiving capital grant funding for the Tara-Ika project as a result of it being moved out to future years.

The reason for not meeting the benchmark in the 2022/2023 financial year is due to not receiving capital grant funding for the Tara-Ika project and more expenditure than budget in professional services and asset maintenance contracts.

The 2022/23 results have been restated. They were reported as -43.75%. This restatement in benchmark graph is a result of the restatement of the 2022/23 cashflow statement.

Refer to note 39 for further information for the restatement of 30 June 2023 results.

Accounting Policies

REPORTING ENTITY

Horowhenua District Council is a territorial local authority constituted under and governed by the Local Government Act 2002 (LGA) and is domiciled in New Zealand. The relevant legislation governing Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Horowhenua District Council Group consists of Horowhenua District Council and Shannon Community Development Trust. All have been incorporated in New Zealand.

The primary objective of Horowhenua District Council is the provision of local authority services, including infrastructure, regulatory, resource management, recreation and cultural services.

The financial statements of Horowhenua District Council and its controlled entities (collectively the Group) are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 30 October 2024.

BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis, and the accounting policies which materially affect the measurement of results and financial position set out below have been applied consistently to all periods presented in these financial statements. Council has the plan and the resources to continue to operate into the foreseeable future.

STATEMENT OF COMPLIANCE

The financial statements of Horowhenua District Council have been prepared in accordance with the requirements of the Local Government Act 2002 and Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which requires compliance with generally accepted accounting practice in New Zealand (NZ GAAP).

As the primary objective of Horowhenua District Council is to provide local infrastructure, local public service, and performs regulatory functions for the community for social benefit rather than making a financial return. Accordingly, Council is a public benefit entity (PBE) for financial reporting purposes.

These financial statements and service performance information comply with PBE Standards and have been prepared in accordance with Tier 1 PBE accounting standards.

MEASUREMENT BASE

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets and liabilities as identified in this summary of significant accounting policies.

PRESENTATION CURRENCY AND ROUNDING

The financial statements are presented in New Zealand dollars. The functional currency of Horowhenua District Council is New Zealand Dollars. All values are rounded to the nearest thousand dollars (\$000), other than the remuneration and the severance payment disclosures in Note 24 & 25. The remuneration & severance payment disclosures are rounded to the nearest dollar.

JUDGEMENT

To comply with PBE accounting standards, the financial statements require certain judgements and assumptions. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in the following specific notes:

Note 10 Impairment of non-current assets held for sale

Note 14 Revaluation and impairment of investment properties

Note 11 Revaluation, impairment, useful lives and residual values of property, plant and equipment

Note 17 Employee entitlements

Note 16 Provisions

Changes in accounting policies and disclosures

There have been no changes in the accounting policies of the Group in the year ended 30 June 2023, other than the adoption of new PBE Standards and amendments to PBE Standards as disclosed below. Other than the changes disclosed below, all accounting policies and disclosures are consistent with those applied by the Group in the previous financial year.

- The 2022 Omnibus Amendments include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards. The revised PBE standards are effective from the year ending 30 June 2024. They are not expected to have any significant impact on the group financial statements.

PBE IFRS 17 INSURANCE CONTRACTS

PBE IFRS 17 Insurance Contracts for public sectors was issued in June 2023. This standard establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts. It is effective for reporting periods beginning on or after 1 January 2026 with early adoption permitted. The group has not assessed in detail the effect of the new standard.

SUBSIDIARIES

Horowhenua District Council consolidates as 'subsidiaries', in the Group financial statements, all entities where Horowhenua District Council has the power to govern the financial and operating policies so as to obtain benefits from their activities. This power exists where Horowhenua District Council controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by Horowhenua District Council, or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

Horowhenua District Council's investment in its subsidiary is carried at cost in the Horowhenua District Council's own 'parent entity' financial statements.

REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to Council and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable.

Revenue is from exchange and non-exchange transactions. Exchange transaction revenue arise when the group and the council provide goods or services directly to a third party and receive approximately equal value in return. Non-exchange transactions revenue arise when the group and the council receive value from another party without having to directly provide goods or services of equal value. Non-exchange revenue comprises rates and transfer revenue. Transfer revenue includes grants, subsidies, fees and user charges derived from activities that are partially funded by rates.

RATES

The following policies for rates have been applied:

- General rates, targeted rates (excluding water by meter), and uniform annual general charges are recognised as revenue when the assessments are issued to which the rates resolution relates. These are recognised as the amounts due. Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water by meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

Development contribution levies are recognised as revenue when the development in respect of which the contribution was received is completed, and it is no longer probable that the contributions will be refunded to the developer. Until that time, they are recognised as a liability.

Development contributions are disclosed separately.

INFRINGEMENT FEES REVENUE

Revenue from infringement fees and fines mostly relates to traffic and parking infringements and is recognised when tickets are issued. Council recognises revenue at an amount based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding two (2) year period.

SUBSIDISED REVENUE

Council receives revenue from Waka Kotahi NZTA, which subsidises part of the costs in maintaining the local roading infrastructure, and is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

GRANTS REVENUE

Revenue from other grants 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.

RENDERING OF SERVICES REVENUE

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

SALE OF GOODS – FULL COST RECOVERY

Revenue from the sale of goods (e.g. Council rubbish bags) is recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

VESTING OF ASSETS REVENUE

Revenue from vesting of physical assets is recognised for assets received for no or nominal consideration, the asset is recognised at fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if Council expects it will need to return or pass the asset to another party.

INTEREST AND DIVIDENDS REVENUE

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

Revenue from dividends is recognised when the right to receive payment has been established.

RENTAL REVENUE

Rental revenue from commercial property is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset are diminished.

BORROWING COSTS

All borrowing costs are recognised as an expense in the period in which they are incurred, except borrowing costs directly attributable to the construction of a qualifying asset which are capitalised as part of the cost of that asset

INCOME TAX

All Council's sources of income are exempt from Income Tax under the provisions of the Income tax Act 2007, and therefore no charge for income tax has been provided for.

GRANT EXPENDITURE

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

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision. The Council's grants awarded have no substantive conditions attached.

LEASES

Finance leases

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

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

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

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

Operating leases

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

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

PERSONNEL COSTS

Salaries and wages

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

FINANCIAL INSTRUMENTS

Council is party to financial instrument arrangements as part of its everyday operations. Revenue and expenses relating to financial instruments are recognised in the Statement of Comprehensive Income.

Financial instruments are comprised of:

- Financial assets – cash and cash equivalents, trade and other receivables, available for sale investments, derivative financial instruments
- Financial liabilities – trade creditors, borrowings, derivative financial instruments.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash in 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.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at face value less any provision for impairment.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to manage exposure to interest rate risks arising from Council's financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

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

The resulting gains or losses are recognised in the surplus or deficit as Council does not hedge accounts.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

FINANCIAL ASSETS

Refer to Note 27a on page 193.

INITIAL RECOGNITION AND MEASUREMENT

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through surplus or deficit (FVTSD).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of short-term receivables and payables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified

and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

The Group's financial assets include: cash and term deposits, receivables from exchange and non-exchange transactions, loans, investments in joint ventures and related parties, loans to related parties, unquoted financial instruments and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains or losses (debt instruments)
- Financial assets at fair value through surplus or deficit.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in surplus or deficit when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables from exchange transactions, receivables from non-exchange transactions, investments in related parties, term deposits and a loan to an associate included under other noncurrent financial assets.

Financial assets at FVOCI (debt instruments)

For debt instruments at FVOCI, interest income and impairment losses or reversals are recognised in the statement of financial performance and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income (OCI). Upon derecognition, the cumulative fair value change recognised in OCI is recycled to surplus or deficit.

The Group's debt instruments at FVOCI are derivative financial instruments.

FINANCIAL ASSETS AT FAIR VALUE THROUGH SURPLUS OR DEFICIT

A financial asset is measured at fair value through surplus or deficit unless it is measured at amortised cost or at fair value through other comprehensive revenue and expense. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of financial performance.

This category includes derivative instruments, investments in related parties, investment in joint ventures, and other investments which are held for trading and which the Group had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are recognised as revenue from exchange transactions in the statement of financial performance when the right of payment has been established.

DERECOGNITION

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

IMPAIRMENT

PBE IPSAS 41 requires the Group to record expected credit losses on all of its debt instruments classified at amortised cost or FVOCI. The Group recognises loss allowances for expected credit losses (ECLs) on financial assets at amortised cost, the allowances for receivables of exchange and non-exchange transactions are measured, using the simplified approach, at an amount equal to lifetime ECLs, while all other debt instruments classified at amortised cost are measured using the general approach.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on historical experience, informed credit assessments, and including forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group; or
- The financial asset is more than 90 days old.

The Group considers writing off a financial asset primarily when the debt is older than a year and there has been no response after six months of being sent to debt collectors, however this is treated on a case by case basis.

The Group considers fixed interest and term deposit financial instruments to have low credit risk when its credit rating is equivalent to a credit rating of A+ or higher.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to the credit risk.

Financial assets at fair value through surplus or deficit include investments in managed funds. Fair values of these units are determined by reference to published price quotations in an active market. Also included is investments in equity shares of unquoted companies, namely Liquium, Ferronova, and Medical Kiwi. The group holds non-controlling interests in these companies.

Debt instruments at amortised cost are held to maturity and may generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

FINANCIAL LIABILITIES

Refer to Note 27a on page 193.

INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities at amortised cost are classified, at initial recognition and include loans and borrowings, or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include payables under exchange transactions and loans and borrowings.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings or payables are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of financial performance.

DERECOGNITION

A financial liability is derecognised when the obligation under the liability is discharged, waived, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of financial performance.

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, not through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised through surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses (net of depreciation) 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 collections, plant and equipment and motor vehicles.

Restricted assets – Restricted assets are parks and reserves, cemeteries and endowment properties owned by Horowhenua District Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets – Infrastructure assets are the fixed utility systems owned by Horowhenua District Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping, sewer pump stations and infrastructure land and buildings.

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.

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 Horowhenua District Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

Work in progress is recognised at cost less impairment and is not depreciated.

DISPOSALS

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included through 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 Horowhenua District 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

Horowhenua District Council's depreciation is provided on a straight-line basis on all property, plant and equipment (other than land) at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

	Useful Life	Depreciation Rate
Operational assets		
Land	N/A	N/A
BUILDINGS:		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Plant, equipment and vehicles	4 to 25 years	4% to 25%
Library assets	10 years	10%
SOLID WASTE MANAGEMENT:		
Building structure	50 to 100 years	1% to 2%
Building roofing	40 years	2.5%
Roading	50 years	2%
Cell site works and earthworks	33 years	3%
Cell lining, drainage and irrigation	33 years	3%
Cell electricals	10 years	10%
Restricted assets		
Land	N/A	N/A
BUILDINGS:		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Improvements	4-25 years	4% to 25%

	Useful Life	Depreciation Rate
Infrastructural assets		
ROADING: (AVERAGE LIVES AND DEPRECIATION RATES OF MAJOR COMPONENTS)		
Land	N/A	N/A
Formation	N/A	N/A
Berms	100 years	1%
Surface water channels	50 to 100 years	1% to 2%
Bridges and culverts	40 to 100 years	1% to 2.5%
Drainage	80 years	1.25%
Sealed pavement	78 years	1.29%
Basecourse	60 years	1.66%
Footpaths – concrete	60 years	1.66%
Footpaths – metal	100 years	1.0%
Footpaths – other	20 to 45 years	2.22% to 5%
Crossings	50 years	2.0%
Streetlights – poles	30 to 50 years	2% to 3.33%
Streetlights – lights	25 years	4.0%
Signage	12 years	8.33%
Surfacing	1 to 25 years	4% to 100%
STORMWATER:		
Pump stations	100 years	1%
Manholes	80 years	1.25%
Sumps	60 years	1.67%
Pipes	20 to 100 years	1% to 5%
Pumps	15 years	6.67%
WATER:		
Land	N/A	N/A
BUILDINGS:		
Structure	50 to 100 years	1% to 2%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Treatment facilities	8 to 100 years	1% to 12.5%
Pipes	20 to 80 years	1.25% to 5%
Laterals	50 to 90 years	1.11% to 2%
Tobies	60 years	1.67%
Valves	60 years	1.67%
Hydrants	60 years	1.67%

	Useful Life	Depreciation Rate
Meters	20 years	5%
SEWER:		
Land	N/A	N/A
BUILDINGS:		
Structure	25 to 70 years	1.43% to 4%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Treatment and disposal facilities	10 to 100 years	1% to 10%
Pipes	60 to 80 years	1.25% to 1.67%
Laterals	60 to 100 years	1% to 1.67%
Pump stations	50 to 60 years	1.67% to 2%
Manholes	80years	1.25%
Pumps	10 to 25 years	4% to 10%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

REVALUATION

Land and buildings (operational and restricted) and infrastructure 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.

The carrying values of revalued assets are assessed annually to ensure that those values are not materially different from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Horowhenua District Council accounts for revaluations of property, plant and equipment on a 'class of asset' basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value is recognised in the surplus or deficit, it will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Those asset classes that are revalued are valued on a three-yearly valuation cycle on the basis described below. All other asset classes are carried at cost less accumulated depreciation and impairment losses.

ECONOMIC & REMAINING LIVES

The economic life of an asset is the period of time beyond which it is economically worthwhile to replace rather than to continue to repair or maintain. The economic life varies for each asset. These have been calculated in accordance with the New Zealand Institute of Asset Management (NZIAM) guidelines and then further modified if local knowledge and experience suggests this is appropriate.

There are assets within the asset register that have already exceeded their assumed useful life. Therefore, to account for these assets it has been assumed that each asset has a minimum remaining useful life of five years for long life assets and two years for short life span assets. Pipe assets have been given a minimum useful life of 10% of their expected useful life.

There have been no changes in useful lives for reticulation and non-reticulation assets. Useful lives for the treatment plant asset dataset are however revised and in line with the assets.

Resource consents are included and valued using the term of the consent. Where a consent has expired, we have assumed it has been rolled over.

INTANGIBLE ASSETS

Software acquisition and development

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

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs that are directly associated with the development of software for internal use by Horowhenua District Council are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised in the surplus or deficit when incurred. Costs associated with development and maintenance of Council's website are recognised as an expense when incurred.

SOFTWARE-AS-A-SERVICE (SAAS) ARRANGEMENTS

SaaS arrangements are service contracts providing the Council with the right to access the cloud provider's application software over the contract period.

Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives of these assets are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

EASEMENTS

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised but are instead tested for impairment annually.

CARBON CREDITS

Purchased carbon credits are recognised at cost on acquisition and revalued to the market value annually at 30 June. 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.

Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit for as long as the Emissions Trading Scheme is in place.

AMORTISATION

Horowhenua District Council's 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 de-recognised. The amortisation charge for each period is recognised through the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software: 10 years, 10%.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Kete Software – 4 years, 60%

Koha Software – 8 years, 30%

Other Software – 60% diminishing value

Forestry assets

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised through surplus or deficit.

The costs to maintain the forestry assets are included through surplus or deficit.

Commercial property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Commercial property is measured initially at its cost, including transaction costs.

After initial recognition, Horowhenua District Council measures all investment property at fair value as determined annually by an independent valuer under PBE IPSAS 16.

Gains or losses arising from a change in the fair value of investment property are recognised through surplus or deficit.

Impairment of property, plant, and equipment and intangible assets

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. 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. 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 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.

For assets not carried at a revalued amount, the reversal of an impairment loss is 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 the depreciated replacement cost.

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 in use for cash-generating assets is the present value of expected future cash flows.

EMPLOYEE BENEFITS

Employee benefit liabilities are calculated based on estimate of individual staff members reaching the long service leave milestones based on current salaries.

SHORT-TERM BENEFITS

Employee benefits, that Horowhenua District Council expects to be settled within 12 months after the end of period in which the employee renders the related service, are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months.

Horowhenua District Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

LONG-TERM BENEFITS

Entitlements that are payable beyond 12 months after the end of period in which the employee renders the related service, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

1. The likely future entitlements accruing to staff (based on years of service), years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
2. The present value of the estimated future cash flows.

SUPERANNUATION SCHEMES

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense through surplus or deficit when incurred.

DEFINED BENEFIT SCHEMES

Horowhenua District Council does not belong to any Defined Benefit Scheme.

CREDITORS AND OTHER PAYABLES

Short-term creditors and other payables are recorded at their face value.

PROVISIONS

Horowhenua District Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate 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.

FINANCIAL GUARANTEE CONTRACTS

A financial guarantee contract is a contract that requires Horowhenua District Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the

credit enhancement arising from the guarantee or the probability that Horowhenua District Council will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a guarantee cannot be reliably determined, liability is only recognised when it is probable there will be an outflow under the guarantee. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the higher of:

1. The estimated amount determined if it is probable there will be an outflow to settle the guarantee; and
2. The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

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 due to be settled within 12 months of balance date are treated as current liabilities. All other borrowing is classified as term liabilities.

EQUITY

Equity is the community's interest in Horowhenua District Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

1. Retained earnings;
2. Asset revaluation reserves; and
3. Other reserves.

RESTRICTED RESERVES

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Horowhenua District Council. The details of the reserve funds are on pages 156 to 158.

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

Also included in restricted reserves are reserves restricted by Council decision. Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

ASSET REVALUATION RESERVES

This reserve relates to the revaluation of property, plant and equipment to fair value.

GOODS AND SERVICES TAX

All items in the financial statements are stated exclusive of GST, except for receivables and payables which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense. Accrued income and expenses are stated exclusive of GST.

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 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 Council in the Annual Plan 2023/24 as part of the LTPA 2021-2041. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Horowhenua District Council for the preparation of the financial statements.

COST ALLOCATION

Horowhenua District Council has derived the cost of service for each significant activity of Horowhenua District Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as costs and revenues, actual usage, staff numbers and floor area.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these financial statements Horowhenua District Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that

have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

LAND (OPERATIONAL, RESTRICTED AND INFRASTRUCTURAL)

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.

Where there is a designation against the land or the use of the land is restricted because of reserve or endowment status, the valuation approach reflects the restriction in use. Such land is valued based on rural land value plus a location adjustment to reflect different zoning, which are based on the valuer's judgement.

Restrictions on the Council's ability to sell land would not normally impair the value of the land because the Council has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

BUILDINGS (OPERATIONAL AND RESTRICTED)

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions used in the 30 June 2024 valuation include:

- The replacement costs of the specific assets are adjusted where appropriate for optimisation due to over-design or surplus capacity. There have been no optimisation adjustments for the most recent valuations.
- The replacement cost is derived from recent construction contracts of modern equivalent assets and property institute of New Zealand cost information.
- There are no significant asbestos issues associated with the buildings.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Please refer to the revaluation schedule on page 175 and 176 for further information.

LANDFILL AFTERCARE PROVISION

Note 16 discloses an independent engineer's analysis of the exposure of Horowhenua District Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

INFRASTRUCTURAL ASSETS

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

1. The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets that are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets.
2. Estimating any obsolescence or surplus capacity of an asset.
3. Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Horowhenua District Council could be over or underestimating the annual depreciation charge recognised as an expense through surplus or deficit. To minimise this risk Horowhenua District Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Horowhenua District Council's asset management planning activities, which gives Horowhenua District Council further assurance over its useful life estimates.

ESTIMATING THE REPLACEMENT COST OF THE ASSET

The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location.

Refer to Note 11 for the carrying value of these assets.

Independent Auditor's Report

To the readers of Horowhenua District Council's annual report for the year ended 30 June 2024

The Auditor-General is the auditor of Horowhenua District Council (the District Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Clint Ramoo, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 30 October 2024. This is the date on which we give our report.

OPINION ON THE AUDITED INFORMATION

In our opinion:

- the financial statements on pages 142 to 152, pages 156 to 205 and pages 213 to 225:
 - present fairly, in all material respects:
 - the District Council and Group's financial position as at 30 June 2024;
 - the results of the operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 153 to 154 presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan
- the statement of service performance on pages 32 to 141:
 - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2024, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 47, 57, 67, 75, 84, 95, 103, 109, 117, 130 and 141, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's Long-term plan; and
- the funding impact statement for each group of activities on pages 46, 56, 66, 74, 83, 94, 102, 108, 116, 129 and 140, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.

REPORT ON THE DISCLOSURE REQUIREMENTS

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 206 to 212, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council and Group's audited information and, where applicable, the District Council's long-term plan and annual plans.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

BASIS FOR OUR OPINION ON THE AUDITED INFORMATION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "Responsibilities of the auditor for the audited information" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

RESPONSIBILITIES OF THE COUNCIL FOR THE AUDITED INFORMATION

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council and the Group or there is no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR FOR THE AUDITED INFORMATION

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists.

Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error.

Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service performance, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure, and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

OTHER INFORMATION

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 32, 155, and 229 to 230, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENCE

We are independent of the District Council and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit and our report on the disclosure requirements, we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.



Clint Ramoo

Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Glossary



Provides short definitions of the jargon that may appear in local authority documents.

Advocate	Council acts as an advocate when it represents the views and interests of the community to a range of organisations including Government Agencies and the Regional Council.
Asset	An asset is an item of value owned by Council on behalf of the people of Horowhenua. Examples are bank accounts, amounts owing by debtors, parks, roads, land, buildings, vehicles, computers and the water, wastewater and stormwater networks.
Asset Management Plan (AMP)	This is a long-term plan for managing an asset to ensure that capacity to provide a service is kept up, and that costs over the life of the asset are kept to a minimum. Council has such plans for all of its major assets including roading, water supply, wastewater disposal, parks and solid waste assets. The plans cover things like service standards, maintenance regimes and future developments.
Capital Expenditure	Money spent with effect on the Long-Term rather than the short term. Examples are to buy or build a new asset, or to improve the potential of an existing asset. Capital expenditure is generally expected to lead to a higher level of service to the community.
Community Outcomes	Statements of the community's vision and goals for the future of the district. It is intended that these outcomes inform and coordinate the activities and planning of all sectors of the community (including Council).
Council Controlled Organisation (CCO)	An organisation that manages facilities and/or provides services on behalf of the Horowhenua community, in which Council directly or indirectly controls more than 50% of either the votes or the appointments of directors or trustees.
Debt	The amount owed for borrowed funds.
Depreciation	The allocation of the cost of an asset over its estimated useful life.
District Plan	The plan prepared by Council under the Resource Management Act that manages, through rules, potential adverse impacts of subdivisions and land use on the environment.
Financial Year	Council's financial year starts on 01 July and ends on 30 June of the following year.
Projected Financial Statement	The 20-year plan for Council's revenue and expenditure, cash flows and borrowing.
Funding Impact Statement	An explanation of how Council's funding requirements are planned to be met through various mechanisms including rates.
Governance	The way in which Council engages with the community, how it makes decisions and the ways in which citizens can influence these processes.
Hapori	Community
Infrastructure	Assets that form inalienable physical links between or within communities. Examples are roading, water supply systems, wastewater disposal systems and stormwater drainage systems.

Land Value	The value of land, excluding any improvements. For rating purposes, Council contracts Quotable Value New Zealand to assess the land value of all properties every three years.
Liability	Present obligation arising from past events. Current liabilities are those due for payment within one financial year, and non-current liabilities are those due in the longer term.
Long Term Plan (LTP)	A Long-Term (20-year) plan (reviewed every three years) that describes community outcomes and the activities of Council and provides a Long-Term focus for the decisions and activities of Council.
Operating Costs	The costs of running Council in the short term. Examples are the costs of maintaining assets, employing staff and the interest costs of loans.
Performance Target	A measure that shows how well Council is doing in achieving the goals that it set for itself.
Rates	Property taxes collected by Council, which help fund the services that Council provides to the community.
Renewal Expenditure	The cost of replacing components of existing assets to restore them to their original condition. Examples are the replacement of old water mains and the resealing of roads.
Revenue	The amount earned from operations: Examples are rates, dog registration fees, building permit fees, subsidies, rental revenue and interest on investments.
Rohe	District
Significance	The degree of importance of an issue under consideration, as assessed by Council, in terms of its likely consequences for the current and future wellbeing of the community.
Stormwater	Rain that runs off properties and roads.
Sustainability	The use of natural, social and physical resources in such a way that takes care of current needs and allows for the ongoing use of those resources for future generations.
Targeted Rates	Any rate other than a general rate, targeted at users or beneficiaries of a particular service. Examples are rates for solid waste, water supply and wastewater.
Uniform Annual General Charge (UAGC)	A fixed-sum rate payable by all properties as part of their contribution to general rates. There are statutory rules whereby the UAGC is not payable on contiguous properties – where two or more properties are next to each other, owned by the same ratepayer, used for a common purpose.
Wastewater	The liquid waste from a property. Examples are sewage, grey water and trade waste.

Horowhenua

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