



Annual Report Pūrongo ā-Tau

2022/23

www.mdc.govt.nz

Himatangi Beach, Manawatū



Role of the Annual Report Te Wāhi ki te Pūrongo ā-Tau

The Annual Report for the 2022/23 financial year compares Manawātū District Council's (Council) actual performance against the Annual Plan 2022/23. This report has been prepared under section 98 of the Local Government Act 2002 (and includes the provisions of schedule 10, section 3).

The Annual Report:

- reports against the Council's key activities, performance indicators, and budgets outlined in the Annual Plan 2022/23
- reports against Council policies, such as the Funding Policy and Borrowing Management and Investment Policies
- outlines how Council has spent money collected from ratepayers, residents, financial institutions and government agencies

The Annual Report includes both financial and non-financial information.

The report is broken into four sections:

Section One: Introduction & Audit

Provides an overview of the 2022/23 year, including key highlights.

Section Two: Activity Summaries

Summarises what Council has achieved in each activity group, including performance indicators.

Section Three: Financial Information

Provides a financial overview, including financial statements, notes to the accounts and reports against the Revenue and Financing Policy and the Liability Management and Investment Policies.

Section Four: Other Information

Provides other information, including summary information about the Council, elected representatives, staff and grants.

Contents

Section 1: Introduction & Audit	4
A Joint Message from Mayor Helen Worboys and Chief Executive Shayne Harris.....	6
Key Numbers.....	8
The Manawatū District at a glance.....	10
Your Council - who are we?.....	12
Council Priorities.....	13
Independent Auditor's Report	14
Section 2: Activity Summaries	20
Where did Council get money?.....	22
How did Council spend money?	23
Performance overview	24
Statement of Compliance and Responsibility	28
Our work this year	30
Guide to Section Two	46
Overview of Activity Statements.....	48
Community Facilities Group.....	49
District Development Group.....	58
Regulatory Group.....	62
Emergency Management Group.....	71
Governance and Strategy Group.....	74
Roading Group.....	78
Water Supply Group.....	82
Wastewater Group.....	88
Stormwater Group.....	92
Solid Waste Group.....	97
Section 3: Financial Information.....	104
Financial Statements.....	106
Notes to Financial Statements.....	110
Summary of Significant Policies.....	169
Section 4: Other Information.....	184
Manawatū District Council Executive Team.....	186
Elected Members' Responsibilities.....	187
Diversity, Inclusion, Equal Employment Opportunity Statement.....	188
Processes and activities in which Māori contributed to Council's decision making processes in 2022/23 ..	189
Grants 2022/23.....	190
Glossary.....	198



Section 1:

Introduction & Audit

Wāhanga 1:

Te whakatakinga me te tātari kaute





Te Apiti Wind Farm, Manawatū

Annual Report joint message

He karere nā te Kahika me te Tumu Whakarae



Tēnā koutou,

Looking back on the past year, we feel incredibly proud of the mahi that has taken place around our district, and our teams' achievements in delivering vital community projects.

Of course, like the rest of the country, we've had challenges. Navigating changing demands from Central Government, extreme weather events, rising costs and inflation has impacted Council's operations. We are aware of the pressures our communities are under, too. This has been a period of doing as much as we can while tightening our belts and making prudent decisions in order to minimise the financial burden on our ratepayers.

We'd like to take this opportunity to acknowledge the members of our community and to our friends, colleagues and whānau across New Zealand who were impacted by the cyclones earlier this year. Our teams across Council worked hard to repair roads and bridges damaged by these events and we continue to work closely with impacted residents to try and mitigate the risk of future events.

Despite these challenges, we have many successes to celebrate this year. Our Council teams have been busy over the past year bringing our visions to life.

- Following the local government elections in October 2022, a mixture of new and familiar faces came together in the Council Chamber and as a team, we are looking forward to the year ahead.
- In August 2022 we saw the commencement of the redevelopment work on the Feilding Library, now referred to as the Manawatū Community Hub. This new multi-use facility will provide experiences, events, school holiday programmes, education and services for the benefit of our community.
- Two new streets were opened within Feilding. Turoa Street and Echo Place were both opened as part of the residential development where approximately 1700 homes will be built between now and 2027.
- Stage One of the Turners Road Extension has begun, which will create more land for industrial use in the future.
- As part of the Wastewater Centralisation Programme, construction of the pump stations for the pipeline between Ōhakea/Sanson and Feilding have been completed. Significant progress has also been made on the Rongotea to Feilding pipeline.
- A wetland at the site of the Manawatū Wastewater Treatment Plant has been developed to filter approximately six million litres of treated water and deposit it back into our river systems. Through this project with the wetlands, we have worked in collaboration with local iwi, Ngāti Kauwhata, providing significant cultural and environmental benefits for the community.
- The Ōhakea Rural Water Scheme was officially opened this year following two years of construction. This will provide safe, clean drinking water to residents located around RNZAF Base Ōhakea.

- Our consents and regulatory teams achieved significant numbers this year, with more than 600 building consents issued, 7200 building inspections completed and more than 1200 animal control incident responses.
- With the adoption of the Waste Management and Minimisation Plan 2022-2028, the team have progressed the roll-out of recycling services recycling services to the villages of Sanson, Rongotea, Himatangi Beach and Halcombe, set to be complete by 2024.
- Our parks and recreational spaces continue to be upgraded with a new shared pathway at Timona Park and refurbished walkways at Kōwhai Park and Mt Lees, including two new StoryWalks, which are proving popular with our younger residents.

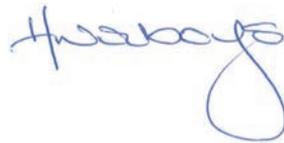
These are just a handful of the huge range of projects and initiatives our teams have been working on this year. Later in this report you can read more about some of our key achievements, big capital projects and community-based programmes from this year. We hope you enjoy finding out more about the role your Council plays in our District.

We are looking ahead to our next Long-term Plan 2024-2034 where we can pull together a range of essential and visionary projects that will help develop the District for future generations. It's important we hear voices from all communities in our District, so please keep an eye out for upcoming opportunities to have

your say on What Matters Manawatū? for the next decade and beyond.

Taking into consideration the challenges of the past year, when we look back on all that's been achieved, we can all be proud of the work we've put in to making Manawatū a wonderful place to call home.

Kia kaha Manawatū.



Helen Worboys, Mayor



Shayne Harris, Chief Executive

Key numbers

Ngā nama matua



569
building
consents
received



320,337
total in-person and
digital book, magazine
and resource checkouts



347
resource
consents
received



49,317
total e-services and
resources provided
by the Library



736
compliance
issues or
enquires



2,011.21 tonnes
of recycling processed



376
food and
alcohol
licenses
issued



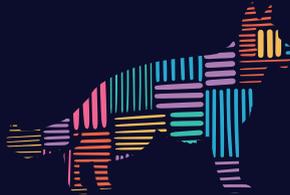
5,961.02 tonnes
of solid waste processed



416,990m²
of road resurfacing



116,317
people visiting and
using the Makino
Aquatic Centre



1,251
animal control
issues or enquiries



97,657
plants distributed
from our plant
nursery



71,988 calls
received by our
customer contact
centre



5,961
Customer requests
for services or
information
received



136,625
visits to our
website



195,486
visits to our social
media pages



The Manawatū District at A Glance

He kōrero whānui mō te rohe o Manawatū

Stretching from the Pacific Coast in the west to the Ruahine Ranges in the east, the mighty Manawatū is named after one of the two great awa (rivers) that run through this District - the Rangitikei and the Manawatū. Our name means 'heart standing still' and with the diverse geography of stunning landscapes, hills and ranges, extensive flood plains and the broadest band of dune fields anywhere in the country, it's not hard to see why.

Established on 01 November 1989, Manawatū District Council incorporates the five former authorities of Ōroua, Kiwitea, Pohangina, Manawatū and Feilding. We have a rich cultural past associated with the iwi that have ahi kā (a history of continuous occupation), Ngāti Kauwhata, Ngāti Raukawa, Ngāti Tūwharetoa, Ngāti Maniapoto and Rangitāne ki Manawatū, all of which have marae in Manawatū.

The town of Feilding sits in the centre of the District. Named 16 times as New Zealand's most beautiful town, Feilding is home to the iconic sales yards, the Coach House Museum, Manfeild Park and arguably the best farmer's market in New Zealand. The District has a highly productive farming and agricultural sector, enjoying a rural lifestyle and easy connectivity to the rest of the North Island.

For those living in Manawatū, you'll know how good we have it with access to a perfect mix of big city attractions in Palmerston North, and lots of smaller towns, villages and rural lifestyle opportunities throughout the District. We're a stone's throw from the sea, the mountain and Wellington is just a couple of hours to the south. We've got some of the best schools in the country, a thriving university and the region is, we think, one of the best places in New Zealand to raise a family.

Check out some of these facts and figures about our wonderful District.

Our industries



Agriculture, forestry and fishing



Manufacturing



Public administration and safety



Rental, hiring and real estate services



Construction



Professional, scientific and technical services



Retail trade



Wholesale trade



Health care and social assistance



Education and training

Our Population



34,300

people live in our district
(as at March 2023)



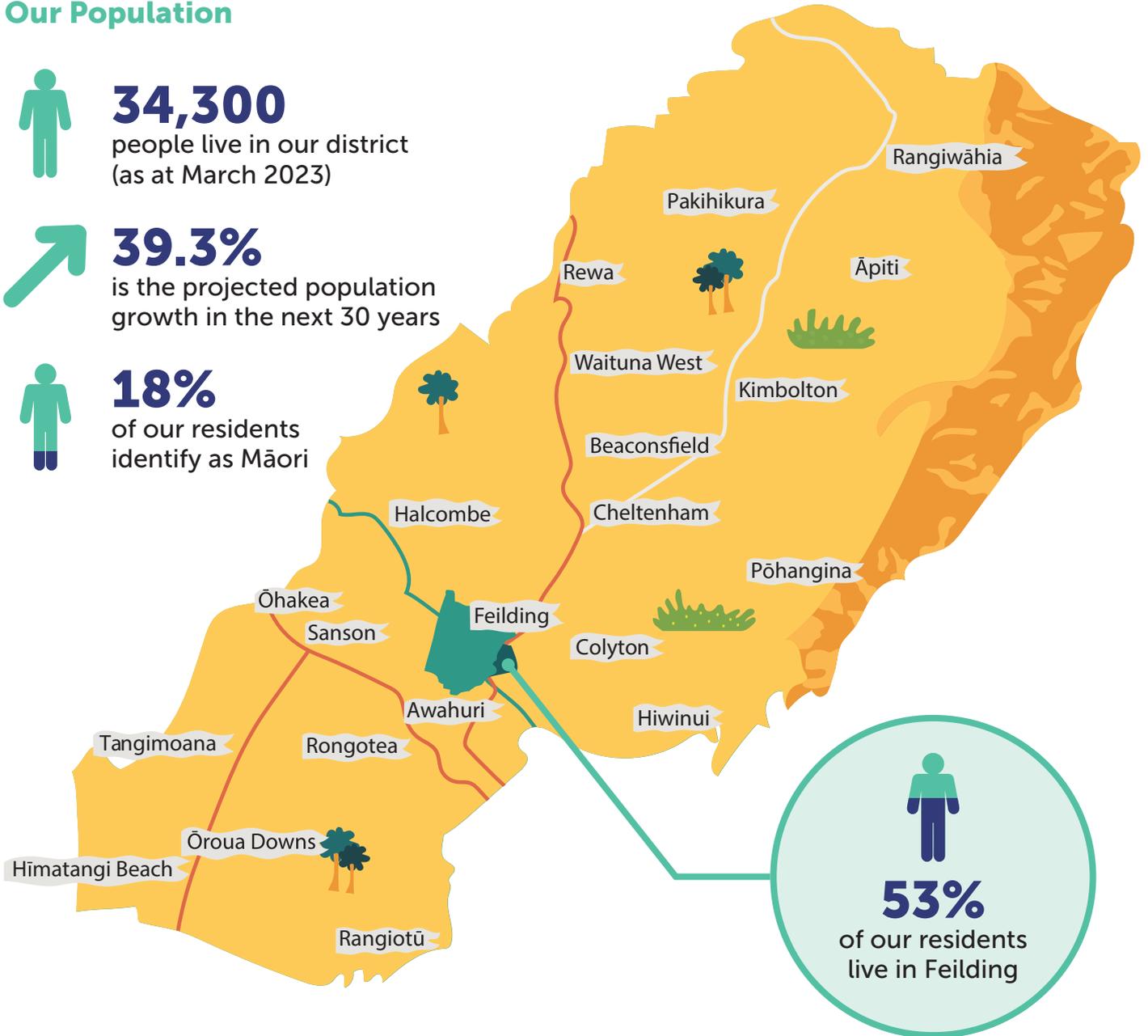
39.3%

is the projected population
growth in the next 30 years



18%

of our residents
identify as Māori



Our Economy



17% of district GDP comes from agriculture and forestry



\$285.8M spent in the district in 2022/23 up **7.6%**
from previous year



Employment grew **4.2%** in 2022 from the previous year

Unemployment rate at an all-time low of **1.9%** in 2022

Your Council – who are we? Tō Kaunihera – ko wai mātou?

Manawatū District Mayor



Helen
Worboys

Ngā Tapuae o Matangi Māori Ward



Bridget
Bell

Feilding Ward 5 Elected Members



Michael
Ford



Grant
Hadfield



Lara
Blackmore



Kerry
Quigley



Stuart
Campbell

Manawatū Rural Ward 5 Elected Members



Alison
Short



Andrew
Quarrie



Colin
McFadzean



Fiona
Underwood



Steve
Bielski

Council Priorities

Kia papa te tū, kia rangi te tiro

Proudly provincial. A great place to land.
Wehi nā te kāinga taurikura nei ki tuawhenua



Below you'll see our priorities for the next 10 years. Have a look at how we plan to make the Manawatū District a productive and vibrant place to live, work, visit and invest.

Kei konei ngā matawhānui, ngā whāinga me ngā kaupapa matura hei whakatutuki, haere ake nei. E tino whai ana i te wairua o te kīanga kōrero nei 'ManawauTūmeke'.

A place to belong and grow

He kāinga e ora pai ai te katoa

We provide leisure and sports facilities and support community activities to encourage social and cultural wellbeing for everyone.

A future planned together

He kāinga ka whakamaherea tahitia tōna anamata e te hapori tonu

We work with all parts of our community to plan for a future everyone can enjoy.

An environment to be proud of

He kāinga ka rauhītia tōna taiao

We protect and care for Manawatū District's natural and physical resources.

Infrastructure fit for future

He kāinga ka tūwhenua tonu ōna pūnahahanga, haere ake nei te wā

We ensure the Manawatū District has infrastructure (water, roads, etc.) that meets the needs of the community now and into the future.

A prosperous, resilient economy

He kāinga ka tōnui tōna ōhanga

We aim to make the Manawatū District a great place to live, to visit and to do business.

Value for money and excellent in local government

He kāinga ka eke tōna kāwanatanga ā-rohe ki ngā taumata o te kairangi

We take pride in serving our communities. We focus on doing the best for the district.

Independent Auditor's Report

To the readers of Manawatū District Council's Annual Report for the year ended 30 June 2023.

The Auditor-General is the auditor of Manawatū District Council (the District Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Debbie Perera, 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 2023. This is the date on which we give our report.

Opinion on the audited information

Unmodified opinion on the audited information, excluding the statement of service provision.

In our opinion:

- the financial statements on pages 106 to 168:
 - present fairly, in all material respects:
 - the District Council and Group's financial position as at 30 June 2023;
 - 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 100 to 101, 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 about capital expenditure for each group of activities on pages 57 to 99, 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 57 to 99, 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.

Qualified opinion on the statement of service provision

In our opinion, except for the possible effects of the matter described in the "Basis for our opinion on the audited information" section of our report, the statement of service provision on pages 24 to 27 and 30 to 99:

- presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2023, 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.

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 178 to 183, 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 and we draw attention to uncertainty over the water services reform programme. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

Statement of service performance: Our work was limited with respect to the performance measures on processing times for resource consents and building consents.

An important part of the District Council's service performance is processing consent applications in accordance with statutory timeframes. In reporting its performance for the Regulatory group of activities, the District Council has reported against performance measures on:

- The percentage of building consent applications and code of compliance certificates that are processed and approved within the statutory 20 working days.
- The percentage of applications for resource consent under the Resource Management Act which are processed in accordance with the statutory timeframes for non-notified consents.

Our audit testing of a sample of consents identified issues with the recorded processing times not agreeing to underlying consent information.

Due to the extent of the inaccuracies we identified from our sample testing, we are unable to determine whether the District Council's reported results for these two measures are materially correct. As a result, our work was limited and there were no practical audit procedures we could apply to obtain assurance over the reported results for building consent and resource consent processing times.

Our opinion on these performance measures was also qualified for the 2022 performance year.

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.

Emphasis of matter – Uncertainty over the water services reform programme

Without further modifying our opinion, we draw attention to note 32 on page 157, which outlines developments in the Government's water services reform programme.

The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three water services and related assets and liabilities currently controlled by local authorities. Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the District Council remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its Annual Report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit, the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council and the Group or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's Annual Plan and Long-term Plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- We determine the appropriateness of the reported intended levels of service in the statement of service provision, 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 13, 20 to 23, 30 to 47, 169 to 171, and 184 to 199 but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

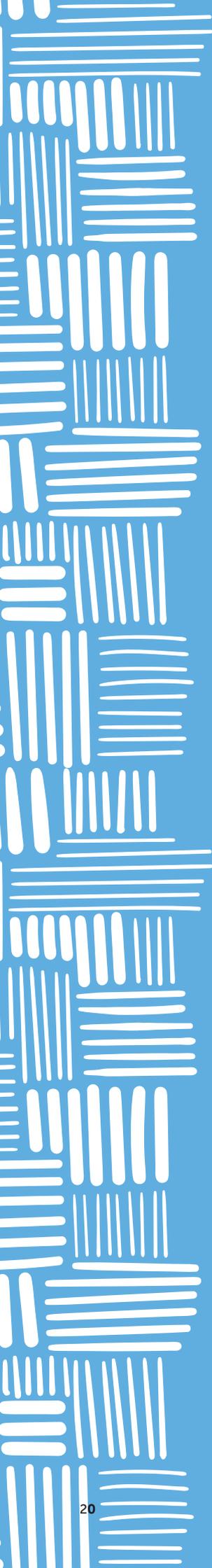
We are independent of the District Council and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have performed a limited assurance engagement related to the District Council's debenture trust deed. This engagement is compatible with those independence requirements.

Other than these engagements, we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.



Debbie Perera
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand



Section 2:
Activity Summaries

Wāhanga 2:
**Hei whakarāpopoto
i ngā mahi**

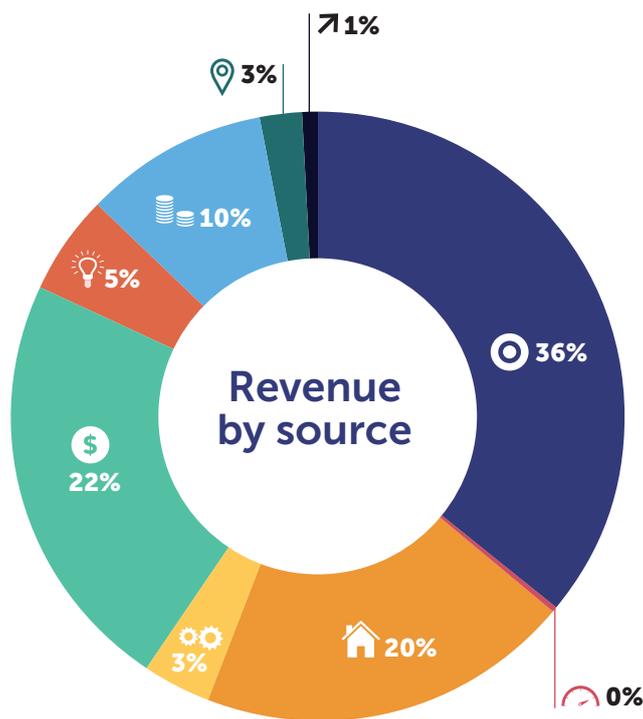




Central Districts Field Days, Manfeild

Where did Council get money?

Nō hea ngā pūtea a te Kaunihera?

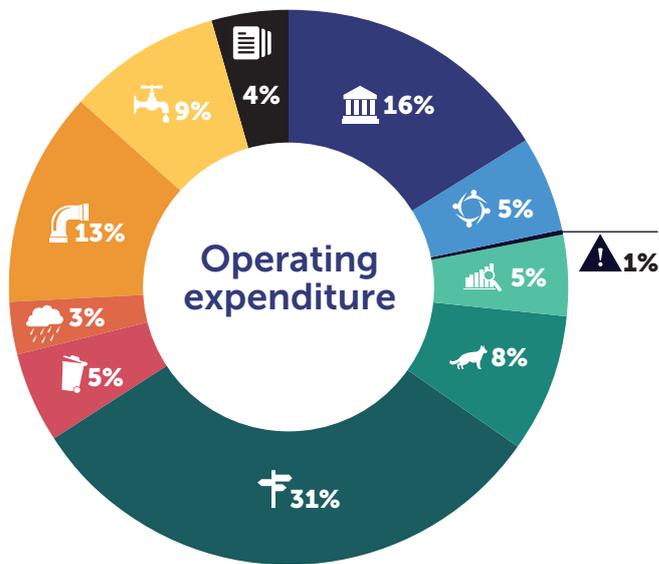


Revenue by source	%	\$M
Targeted rates	36%	27.683
Rates penalty	0%	0.269
General rates	20%	15.206
Development and capital contributions	3%	2.684
Other subsidies and grants	22%	17.424
Sundry income	5%	4.159
User fees and charges	10%	7.531
Vested assets	3%	2.278
Gains	0%	(0.046)
Income and dividend	1%	0.613
Total	100%	77.801

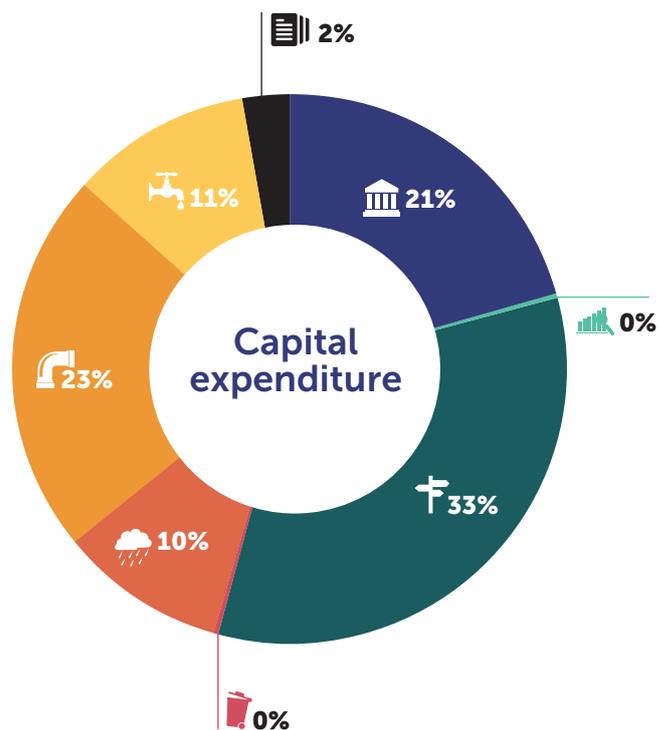
How did Council spend money?

I pēhea tā te Kaunihera whakapau i āna pūtea?

Operating expenditure	%	\$M
 Community Facilities	16%	12.222
 District Development	5%	4.021
 Emergency Management	1%	0.330
 Governance and Strategy	5%	3.426
 Regulatory	8%	6.127
 Roothing	31%	23.388
 Solid Waste	5%	3.859
 Stormwater	3%	2.306
 Wastewater	13%	9.303
 Water Supply	9%	6.693
 Other expenditure (overheads allocated)	4%	3.232
Total	100%	74.908



Capital expenditure	%	\$M
 Community Facilities	21%	6.539
 District Development	0%	0.012
 Emergency Management	0%	0.006
 Governance and Strategy	0%	0.063
 Regulatory	0%	-
 Roothing	33%	10.406
 Solid Waste	0%	0.109
 Stormwater	10%	3.262
 Wastewater	23%	7.394
 Water Supply	11%	3.518
 Other expenditure (overheads allocated)	2%	0.792
Total	100%	31.101

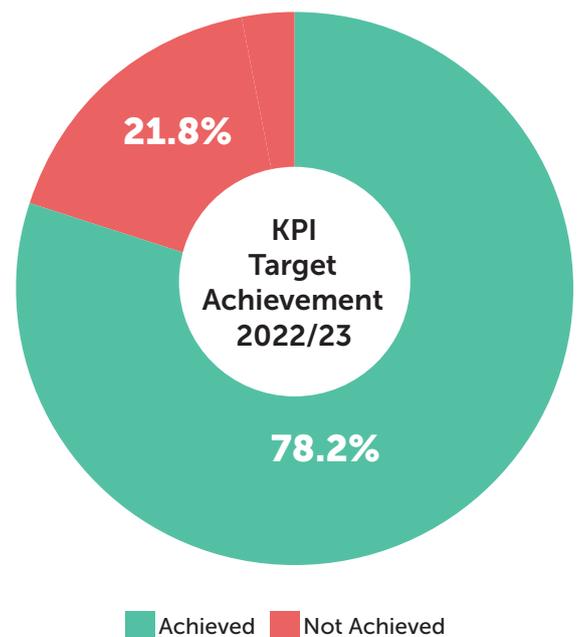


Statement of Service Performance Tauākī Tutukinga Ratonga

To measure Council’s performance against the six Council Outcomes, Levels of service framework (LOS) are included in 2021 - 31 Long Term and subsequent Annual Plans, along with including performance targets in each of the Statements of Intent set by Council for the Council Controlled Organisations: Manawatū Community Trust and Central Economic Development Agency (CEDA).

For the 2022/23 year, Council is reporting against 101 measures within the levels of service framework, which are detailed in the relevant activity summaries. Council has achieved 78.2% of its measures, which is a decrease from the previous two years of 83.7% (2021/22) and 78.9% (2020/21). We acknowledge that there were 22 instances where we did not achieve the measures (16 instances in 2021/22).

A number of measures that were not met resulted from staff vacancies across the council particularly in regulatory activity, which is reflected by the five targets not met in the regulatory space. One of the measures not met was due to results in our satisfaction survey - Council continues to endeavour to provide excellence in local government and has not identified clear causes for reductions or stagnations in customer satisfaction. The library did not meet two targets as a result of operating in a temporary site while new premises are under construction. A further six measures were not met due to the number of flooding events from extreme rainfall, impacted roading and the performance of the stormwater system.



Rationale for selection of performance measures

The Department of Internal Affairs sets some mandatory measures that all Councils need to include in their long-term plans.

Other performance measures are set by Council and aim to report against key activities and programmes Council is delivering for each group of activities.

All measures are reviewed as part of the Long-term Plan process to ensure Council is providing the level of service the community expects and measuring results in a way that reflects the levels of service.

A summary of the Level of Service measures for Council and the Performance measures for the Council Controlled Organisations against the Council outcomes is outlined below:

		Council		Manawatū Community Trust		Central Economic Development Agency	
		Number of measures	 Achieved	Number of measures	 Achieved	Number of measures	 Achieved
1	A place to belong and grow He kāinga e ora pai ai te katoa	32	20	4	4	2	2
2	A future planned together He kāinga ka whakamaherea tahitia tōna anamata e te hapori tonu	34	23	2	2	1	1
3	An environment to be proud of He kāinga ka rauhītia tōna taiao	40	28	0	0	0	0
4	Infrastructure fit for future He kāinga ka tūwhenua tonu ōna pūnahahanga, haere ake nei te wā	46	33	0	0	1	1
5	A prosperous, resilient economy He kāinga ka tōnui tōna ōhanga	21	14	0	0	5	5
6	Value for money and excellent in local government He kāinga ka eke tōna kāwanatanga ā-rohe ki ngā taumata o te kairangi	89	69	10	8	6	6
	Total	262	187	16	14	15	15

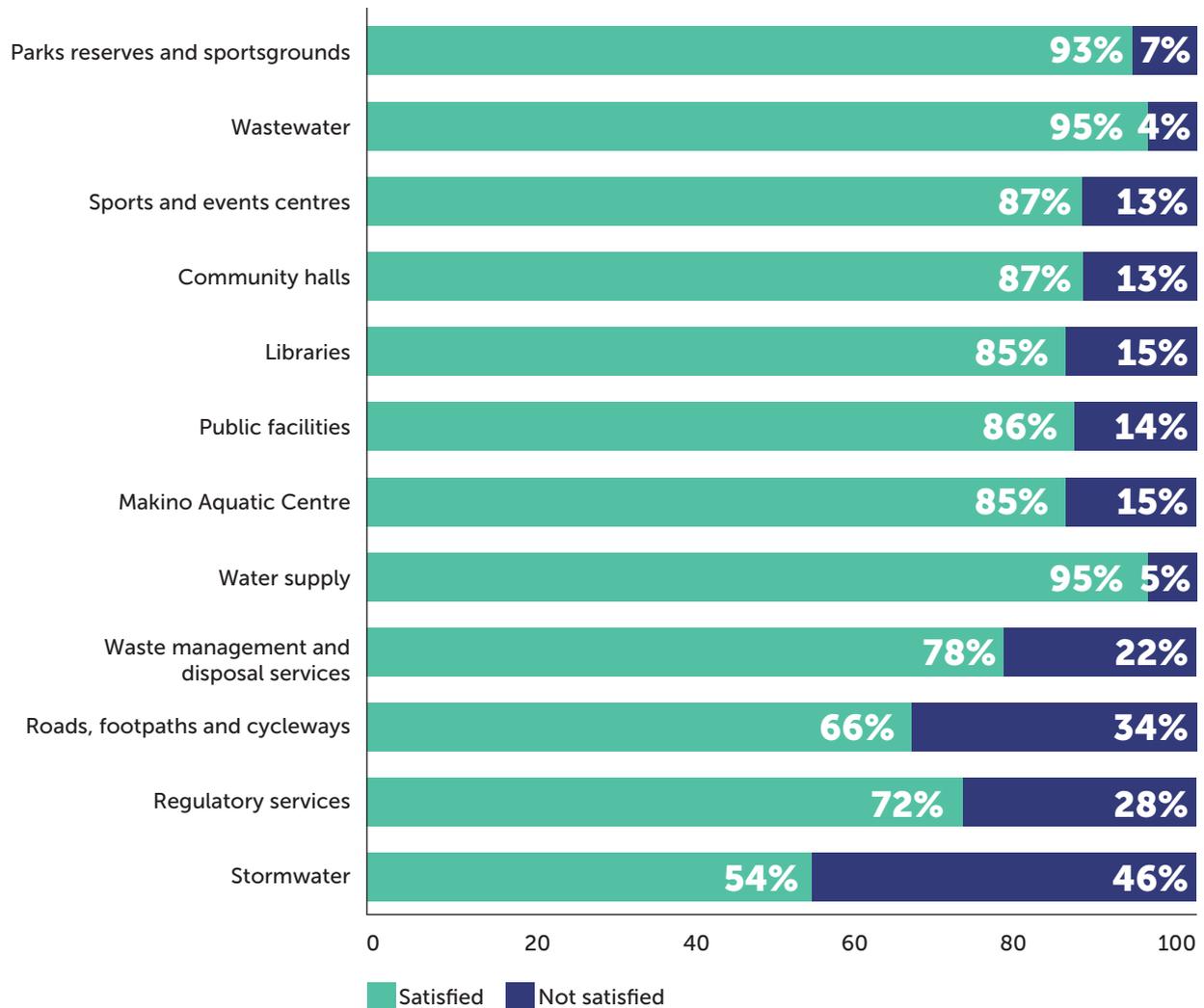
There are 101 measures within the levels of service framework, however a measure can be linked to more than one community outcome. Therefore, the total number of measures in the table above is more than 101.

The Service performance information contained on pages 24 to 27 and 30 to 102 relates to the Council only. The Council Controlled Organisations' performance information is reflected on pages 174 - 177.

Information on the groups of activities and their service performance, including measures, current year results and previous year results, can be found on the following pages:

Groups	Page
 Community facilities	49-57
 District development	58-61
 Regulatory	62-70
 Emergency management	71-73
 Governance & Strategy	74-77
 Roading	78-81
 Water supply	82-87
 Wastewater	88-91
 Stormwater	92-96
 Solid waste	97-99

Overall resident satisfaction with Council services 2022/23



Resident satisfaction survey

Council uses a resident satisfaction survey to measure satisfaction for a number of key performance indicators (KPIs). The survey is conducted quarterly and aims to achieve a representative view across gender, age, ethnicity, and location across Manawātū District residents.

Other key judgements

The methodology for the performance measure 'the percentage of real water loss from the network reticulation system' is disclosed on page 84.

The survey results for 2022/23 are based on the responses of 491 residents, which meets the number required for statistical reliability with a 95% confidence interval. Overall community satisfaction levels with Council services ranged between 54% and 96%. For more detail, the full report can be found on Council's website at www.mdc.govt.nz/documents/reports/customer-satisfaction-survey

Statement of Compliance and Responsibility

Tauākī Whakapūmau i tā te Ture, me te Haepapa

Compliance

The Council and management of Manawatū District Council confirm that they have complied with all the statutory requirements of section 98 of the Local Government Act 2002.

Responsibility

The Council and management of Manawatū District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

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

The Council and management of Manawatū District Council accept responsibility for the delivered levels of service for the activity groups described in Section Two.

In the opinion of the Council and management of Manawatū District Council, the Annual Financial Statements for the year ended 30 June 2023 fairly reflect the financial position and operations of Manawatū District Council.



Helen Worboys

Manawatū District Mayor



Shayne Harris

Chief Executive



Our work this year

A mātau mahi i tēnei tau

The work of Council touches every facet of our community, from encouraging economic growth and the maintenance of our roading network to making our green spaces beautiful and managing the district's waste to minimise our impact on the environment.

Every day, Council is working to make the Manawatū District the best it can be for everyone living here, to ensure it is set up for success in the future.

This section explores more of the work our teams have been up to over the past 12 months.

Manawatū Community Hub

The library will become so much more than just books.

This year things really got underway with our exciting flagship library redevelopment project. No longer simply the 'Feilding Library', the site is now referred to as the 'Manawatū Community Hub'; a nod to the fact that this new space will be about much more than just books.

"The previous library was used for many different purposes, including school holiday

and after-school programmes, workshops, events and meetings. Referring to it now as a community hub was more reflective of what the space could be used for within the wider Manawatū community," explains Mayor Helen.

For anyone who has walked past the existing site, you will have noticed that the library building has been stripped back to bare bones. Much of the building has been demolished, with new earthquake-strengthened foundations and beams being installed to hold the newly designed multi-use space.

"Increasing community wellbeing in the Manawatū District, especially in this post COVID-19 climate is crucially important," says Adie Johansen, Community Services Manager. "The facility aims to provide a collaborative and culturally-inclusive community space to meet the community's needs and we will be working with groups in the community to enable a broader range of services to be delivered."

The project is on track to be completed by mid-2024. The roof is nearing completion, and this will be followed by the installation of the exterior walls and windows. Much of the look and feel of the building has been driven by



Community Hub Development, Feilding

artist direction from local iwi, with te ao Māori elements weaved throughout the architecture. It will be a beautiful and meaningful space for all our community once finished.

Our library service

While the building work has been ongoing, our dedicated library team have continued to provide a valuable service to our communities. The team moved over 50,000 books, magazines and jigsaws out of the existing building into storage and set up the temporary library on Goodbehere Street. Testament to the fact that library services provide a pivotal backbone to our communities, the team provided a range of ways for people to engage with the service and come together over the past year:

- Seventy people completed the Summer Reading programme, ending with a very successful disco.
- The team held its first ever free Family Fun Day for the community. This event attracted over 2500 people and the success of the day was such that businesses and community groups have already confirmed their support for our 2024 event.
- The team partnered with two local rest homes to deliver books for their residents and increase their access to reading materials.
- Staff developed knitting skills to 'yarn bomb' the front of the library building to promote the restarting of a daytime 'Have a Yarn' group.
- The team partnered with Age Concern Manawatū to take a digital literacy bus called DORA to the Āpiti community for a day to help locals solve digital problems and build their digital literacy skills.

At the temporary site there is insufficient space to host the regular community programmes; however, the library team have developed partnerships with local organisations to continue these services for the community. They partner with:

- Manchester Street School for the popular school holiday programmes.
- Sport Manawatū, which provides two pop-up play sessions during the school holidays, increasing the programme to two weeks instead of one. They were also successful in obtaining grant funding for a play, trailer which allows for a range of play activities for our communities.
- The Coach House Museum for the StoryLines Story Tour.
- Feilding High School for large events and language learning. This year the team ran a large event for Te Wiki o Te Reo Māori at Feilding High School, which included a kapa haka celebration featuring 280 performers and over 1000 spectators. We offered our first Te Tiriti workshop, which attracted 60 people and there are plans to run a second course next year. Regular Te Reo Māori language classes run from April to November each year at the school.





Halls at the heart of our communities

In many of our rural communities, local halls provide a space to come together and connect.

These highly used facilities are ageing, and need care and attention to remain operational, which is something our facilities team focuses on throughout the year.

The past year has seen renewal work take place on Colyton, Himatangi Beach and Āpiti halls following Council-commissioned Building Condition Assessments for each of the buildings. Work including repairing roofing, improving the water tightness of the buildings, exterior cladding and plumbing works. Foundation repairs were also identified as a priority, along with some electrical rewiring.

Other halls across the district were also given some attention, with water tightness and roofing works taking place at Kimbolton Hall, electrical rewiring at Awahuri Hall, and Rangiwahia Hall had its septic system replaced. Locals came together to carry out some improvements works at Rangiotu Hall with Council supporting the efforts through the purchase of materials for the working bee events.

Some of the halls have played host to some Family Movie Nights, put on as part of several engagement campaigns. Many families have come along to enjoy popcorn, hot chocolate and a movie.

Makino Aquatic Centre

The pool continues to be a popular facility for our residents and the team work hard to attract a wide range of ages and groups to the site.

A highlight this year was hosting the national Canoe Polo championships and some Special Olympic events.

A new venture for the Makino was running a Tū Manawa-funded October holiday programme for 60 local tamariki. This proved to be very popular, with a range of fun activities put on for the children across the week. Funding meant we could offer the holiday programme to whānau free of charge, enabling greater access to holiday programmes for our entire community.

Swim schools continue to operate seven days per week, with around 650 students improving

their swimming and water safety skills each term. The team have also rolled out an early childcare water safety education programme, which involves visits to community centres to talk to kids and parents about staying safe in our waters.

Teaching kids how to stay safe around natural waterways - rivers, lakes, and beaches - is something the team are passionate about. Even messages as simple as 'if you're at the beach, swim between the flags', and 'what colours do lifeguards wear if you're on a patrolled beach?' get the kids and their parents thinking.

While we have moved away from our existing model of an in-house swim school, we continue to support our community groups and clubs in delivery of their own squad programmes through use of the pool. However, our Aqua Fitness programme has continued to be a popular offering, with some record class numbers of 50 participants.



Early childcare water safety programme



Canoe Polo - Makino Aquatic Centre



DID YOU KNOW?

The total amount of litres of water that all the pools at Makino Aquatic Centre holds is 1,900,000!
That's 253,333 bottles of Pump water!



Cricket wicket installation at Kōwhai Park



StoryWalk - Kowhai Park



Planting with the Missing Wingman Trust at Mt Stewart

Parks and green spaces

A lot has been going on at Kōwhai Park in the past year as the team worked hard to return it to premier park status.

We continue to enhance the user experience of the park through landscaping work around the playground, ngahere (bush) and walkways. It's been awesome to see the increase in the number of people enjoying the bush walk now that it has had some love.

We've also installed a high-quality cricket wicket that will provide for fantastic cricket games and reflects the success and growth of the Feilding Cricket Club.

Another highlight was the installation and launch of our second StoryWalk, an initiative secured by the Community Library team, which allows kids and their families to read pages of a book scattered among the trees. The team worked in collaboration with Porirua-based children's author Juliette MacIver to develop two walks, with the other based at Mt Lees.

Starting at Mt Lees, Stage 1 of the Bush Walk upgrade project has been completed and we've received lots of positive feedback from parents and visitors to the site who are enjoying the walk and nature-inspired adventure play area.

One resident contacted us to say she and her family were very thankful for that had been put in at Mt Lees, saying: "our family of eight use it weekly and the new paths and stairs make it so much easier to use and a lot safer for our little ones! The kids enjoy the Grizzled Grist story and are always on the lookout so they don't get eaten by the Grizzle Grist!"

At Mt Stewart, a very special project has been taking place, with the implementation of some beautiful landscaping and planting in collaboration with RNZAF (Royal New Zealand Air Force) and the Missing Wingman Trust, to serve as a permanent memorial to fallen pilots and defence personnel. The work over the past year builds on previous efforts to fell the pine wood that stood on the site. Next year, the team will create the 'Missing Wingman' walking track formation and carry out more targeted planting.



DID YOU KNOW?

**We maintain over 3,200 street trees throughout our district
And we have over 5,000 square metres of street gardens.
That's a lot of weeding!**



Taonui Stream pedestrian bridge

On the right track with this pathway

A new shared pathway bridge over the Taonui Stream was completed this year, forming part of what will become a complete track from Feilding to Palmerston North.

The pathway will be used by pedestrians, cyclists and e-scooter riders for a more environmentally friendly form of travel between the two destinations. Jointly funded and constructed by Manawatū District Council and Palmerston North City Council, once complete, the pathway will form part of the Te Araroa Trail from Cape Reinga to Bluff. The bridge was lifted into place at the end of 2022 and with the approaches completed the bridge can now be used.

Local iwi contributed to the design of the bridge, with beautiful natural imagery incorporated into its panels.

Supporting communities through grants and funding

Building community cohesion is only possible thanks to the tireless energy of multiple organisations, individuals and agencies who work with us to build social connections.

Organisations that received three-year Priority Service Contracts with Council continued to be supported to deliver positive outcomes for our communities. These organisations included Manchester House, Neighbourhood Support, Awahuri Forest Kitchener Park Trust and Manawatū Rural Support Services.

Other ways in which Council supported grassroots organisations was through our Community Development Fund. Marton Young Farmers received funding to deliver first aid training for members, while Feilding Manchester Lions Club were supported to deliver 'My Health Checks' in our rural communities.

Other beneficiaries included:

- Feilding Scout Venturers – funding for four venturers and a leader to attend the NZ Venturers Ignite 23 festival in Canterbury.
- The Honey Pot Project – helping to provide free honey to several schools in the Manawatū and teach children about the environment, sustainability and food.



Blokarts

- Feilding Salvation Army - purchasing and installing a new tunnel house for the community garden located in Feilding.

Community events are also an important part of our district, bringing people together and celebrating the different cultures we have in Manawatū. Council approved funding towards the running of several amazing events catering to a wide array of interests. Some highlights included the Neighbourhood Support Manawatū Youth Expo, which brought together rangatahi from the district to talk about work, the future, sports and other issues relating to our young people. We were also honoured to help play host to the 2022 Blokart World and New Zealand Open Championships, with competitors warmly welcomed to the district through the Manawatū Blokart Club.



Mayor Helen Worboys presents Community Honours



Chorus Box - by Talula Hodder

Meanwhile, recipients of our Representative Fund were able to represent Manawatū on the national and even international stage. We provided funding towards the cost of travel and entry to the Junior World Track Cycling Championships, the World Kickboxing Championships, regional finals of the U13 Basketball and the World Supremacy Battlegrounds hip-hop dancing competition, to name but a few. We were proud to support our local sporting heroes.

You can read more about our grant and fund beneficiaries in Section 4: Grants.

We presented Community Honours to eight recipients, all of whom were nominated for their contribution to their various communities and the wider Manawatū district. Among them was Wayne, a dedicated firefighter of over 40 years, Mary-Ann, who was a founding member of the SINCOSS network of community organisations, and Vera, who dedicated seven years to the development of a book on the history of Rongotea.

We hold these awards every year and they are a timely reminder of the hard-working, warm-hearted and community-minded people we have living in the Manawatū.

Bringing colour to our Chorus Boxes

Bland cabinets across Manawatū have been turned into lively artworks by talented artists thanks to a partnership between Chorus and Manawatū District Council.

Mayor Helen Worboys says the works are a great show of the creativity in the Manawatū.

“They are bright, beautiful and do a great job of cheering up our roadsides. It’s a good example of council, private enterprise and community creativity coming together to make something fabulous,” she says.

Over the past year of the programme, six new pieces of public art have been created by talented local artists.

The works are diverse and celebrate all parts of our diverse district, its wildlife and surrounding landscapes.

Chorus Community Relations Manager Jo Seddon says the Chorus cabinet art programme started as an experiment to stop graffiti in 2010 but has been phenomenally successful.

“It’s resulted in hundreds of cabinets across the country becoming bright artworks, which are now rarely affected by graffiti. Added to that, the programme has helped some talented artists further their careers.

“We are particularly pleased with the work this year in Manawatū.”

Making the Manawatū welcoming to all

Manawatū District Council was successful in our bid to join the Welcoming Communities programme, an initiative run by Immigration New Zealand.

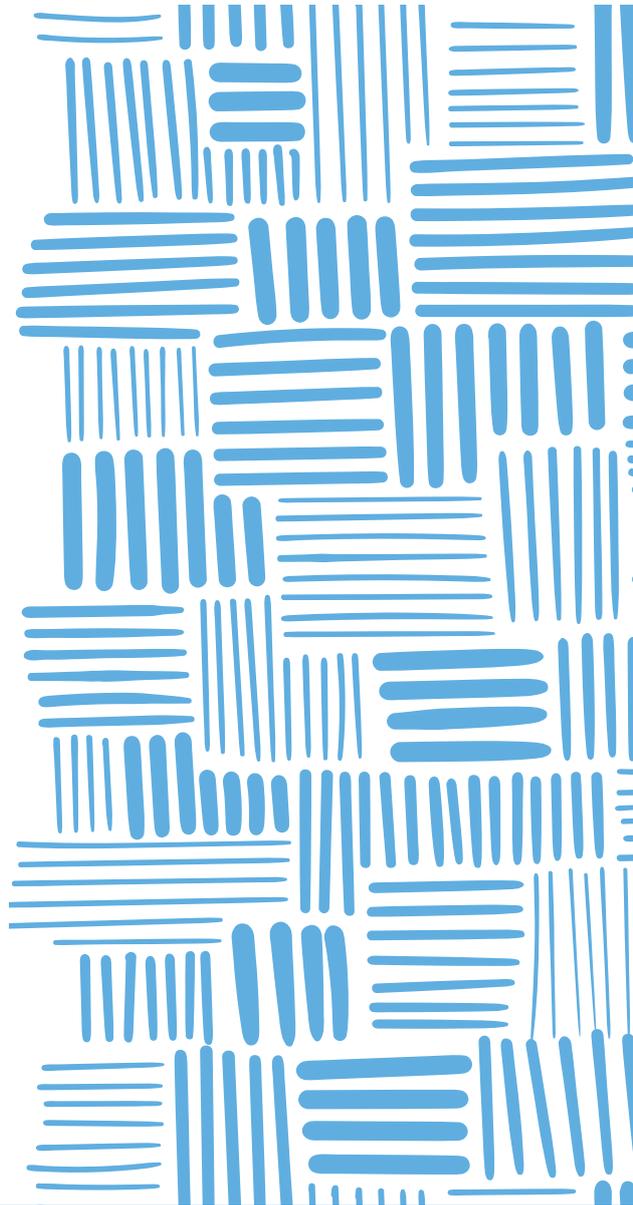
The programme aims to create inclusive environments where all residents can thrive and belong.

The latest additions mean there are now 34 Councils, five local community boards and associated communities across New Zealand that are part of Welcoming Communities. Nationally, over one-third of city and district councils are now committed to making their communities more welcoming for everyone.

Manawatū District Council Mayor Helen Worboys feels privileged to be part of the programme.

“Manawatū is a great place to live and we welcome new residents to our district with open arms,” she says.

“We’re a growing district, becoming more diverse by the day, as new people discover what is awesome about living here. Diversity is one of our strengths. We welcome people from different cultures and ethnicities to the Manawatū, and we say thank you for choosing our place to be your new home.”



Celebrating our young achievers

Every year, our Youth Council celebrate the achievements of our tamariki and rangatahi through their Manawatū Young Achievers Awards ceremony.

This year, more than 150 young residents received an award for their positive contribution to the community and exceptional leadership among their peers.



Young Achievers Recipients

A peaceful space to remember loved ones

This year, the community facilities team introduced an Ashes Niche Wall to the Feilding Cemetery, an addition that has been warmly welcomed by those who come to remember their loved ones.

The wall also features flower holders next to each of the name plaques so that families can leave beautiful blooms when they visit.

Other work to enhance the cemetery involved installing signage and seating along a Remembrance Walkway.

Our team also look after cemeteries across the district. New ashes beam plots have been installed in Sandon and Pohangina. These are plots that allow for two sets of ashes to be interred together along with a commemorative plaque. In Halcombe, work has begun on installing a memorial rock and plaque. A project to clean and restore our cemeteries' cenotaphs is ongoing and will continue next year as funds become available.

District Plan

Our District Plan is the blueprint for how the Manawatū district can be developed and changed over time.

We regularly review the plan to make sure it meets the needs and priorities of our district. Central Government reforms and the changing needs of our communities have meant that work has been undertaken to review a number of sections of the District Plan over the year with more in the pipeline.

Work begun on a review of the Rural and Flood Channel Zone provisions, which will impact where new houses can be built, based on updated data provided by Horizons Regional Council. The review also looks at the way that rural landowners can develop, subdivide or build on their land. Our communities will be invited to feedback on the draft changes in the coming year.

Other achievement by the planning team this year included:



- Completed review of District Plan Sections for:
 - Heritage Buildings & Objects (excluding Town Centre Heritage)
 - Notable (Protected) Trees
- Processed the Rongotea South Residential Area private plan change that allowed for housing expansion of Rongotea Village.
- Completed Environment Court mediation on Plan Change 65: Outstanding Natural Features & Landscapes.

Building control

Our experienced building officers were kept busy this year with the ongoing development of two aircraft hangars and associated infrastructure at the RNZAF Base at Ōhakea.

The team did, however, notice a general reduction in demand for building control services, due to the increased cost of construction materials and supply chain issues slowing the industry down.

More than 7000 building inspections took place over the year, averaging out at around 580 inspections a month. The team issued more than 600 building consents, a slight downturn on the 700 in the previous year and 682 Code of Compliance certificates were issued.

Another important role of the team is assessing the safety of residential swimming pools and spas to ensure they meet the legal requirements with regards to fencing and gating. More than 150 pools and spas were assessed for compliance and messaging was reiterated through a campaign reminding residents of their responsibilities relating to private pools.



Our Animal Control team and their furry friends



Awahou School receive their prize

Protecting people and animals

Animal Control is a shared serviced between Manawatū District Council and Rangitikei District Council.

They provide a 24/7 service to both districts and with a total of 7050km², there's a huge amount of ground to cover.

A common misconception about our animal control team is that their focus is purely on the welfare of animals, but in fact, they are also there for the protection of people. Where they have concerns about the welfare of an animal, they will liaise with the likes of the SPCA and MPI (Ministry for Primary Industries), but first and foremost, they are there to assist people who could be potentially harmed by a roaming animal, be it a dog, or livestock, like cows, sheep, goats or pigs.

This year was a busy year for the team, with a total of 1206 incidents responded to.

Emergency Management

Council had cause to set up and operate its Emergency Operations Centre (EOC) in February of this year due to Cyclone Gabrielle.

The effort enlisted the skills of numerous Council staff to manage the situation as it unfolded over several days. The Manawatū District was lucky not to experience the cyclone in the same way as some of our neighbours, however, some of our roads and bridges were affected and rural communities impacted.

Plans to build an IL4 building (an earthquake-resistant building) that would act as an

alternative EOC for Council in the event of a catastrophic event were deferred due to cost increases and will be considered as part of the next Long-term Plan.

Our Emergency Management team also worked with five of our rural communities this year on their Community Response and Recovery Plans. These plans are tailored to each community and consider their unique needs when it comes to civil defence response and recovery actions.

The team are also focused on preventative action and provide advice and guidance to communities, organisation and individuals on being prepared for natural disasters. Getting the next generation on board is a key part of the strategy, and this year they paid a visit to Awahou School to congratulate them on being the winner of our 2022 VHF Radio check-in competition and presented them with a Survival Kit valued at over \$400.

Many of the district's rural schools have a VHF radio that they test with our Emergency Management team every Wednesday morning during the school term. These check-ins make sure the radios are working in case the school or the community need to use them in an emergency and gives students a chance to practise their 'Radio Calling' skills. To make it fun we keep track of each schools' check-ins and at the end of the year the school who conducted the most check-ins is awarded a Survival Kit.

During the visit our Emergency Management team chatted to the kids about Civil Defence and what they would do in an emergency.



Echo Place and Turoa Street - Opening

Growing our district, one road at a time

With over 1300km of sealed and unsealed roads in the district, our roading team are certainly kept busy each year.

As well as the regular maintenance schedule, new capital works projects have seen additional roads and footpaths introduced to Feilding.

In our new residential development, two new roads were completed and opened with a blessing from local iwi. Located off Churcher Street, Echo Place and Turoa Street are the first roads to be built as part of the new residential growth development known as 'Precinct 4'. Once finished, it has the potential for the construction of 1700 new homes.

The new roads were named after Turoa and Echo Haronga, who were the prominent landowners that Council obtained the land from for this development. Turoa Street will become part of the Poppy Places project, which recognises former New Zealand Defence Force personnel. Turoa served in the Korean War and in his later years was a social worker.

Tai Haronga, along with Mayor Helen Worboys and Ngāti Kauwhata, officially opened the streets with a karakia and ribbon cutting. A ceremonial turning of the sod by Mayor Helen and Reihana Haronga marked the next stage in the development, which will start late 2023.

Other key roading projects included stage one of the Turners Road extension, in which a right-turn bay was installed on Kawakawa Road. onto Kawakawa Road. This is part of the growth works to provide 24 hectares of high-quality industrial land to encourage further industry investment in the district.

We were also challenged by extensive damage to our existing road network due to the severe weather events of early 2023. Emergency works were prioritised, which had an impact on our existing plans and maintenance schedule. Work will continue next year to remedy as much of the damage as possible with efforts to secure funding from national agencies to help cover the ongoing costs.



Utilities construction at Turners Road



DID YOU KNOW?

Manawatū District has a total of 1,362km of both sealed and unsealed sections of road. That's the same distance as Auckland to Twizel!

Manawatū District Council waters

Ōhakea Water Scheme gets going

A project just over two years in the making, the scheme came about following the discovery in 2017 of PFAS contamination of ground water supplies to Ōhakea residents. In early 2020, Manawatū District Council began the management of a project to construct the scheme, which needed to deliver a new bore, reservoir, water treatment plant, and pipe network as well as connections to houses and farms. The government contributed \$10.88M to the project, with the remaining \$2M funding coming from Manawatū District Council via a targeted rate.

At a depth of 620m, the bore is the deepest in the district, and the associated pipe network spans a length of 28km. It has the ability to supply 1500m³ of water a day through the treatment plant, and the scheme currently services 80 properties.

In her speech at the opening ceremony, Mayor Helen Worboys said that the community and mana whenua had been a huge consideration when designing the scheme back in September 2020 and their support and ideas had been instrumental.

“A key success has been the efforts made by the project team to reach everyone in the community who was eligible to receive water under the planned scheme. Face-to-face visits with residents helped with details like where tanks should go, and how many units were needed. By the middle of 2021, the project team had visited 97 properties in the area.”

Building resilience in Feilding’s water supply

Work to ensure the resilience of Feilding’s water supply has continued this year, with additional land purchased around the existing water bore and the commissioning of a third bore.

The project will ensure that Feilding’s drinking water supply continues to meet the current and future needs of the town.



Ōhakea Water Scheme is launched

Central treatment of district's wastewater one step closer

Council is working on several projects to pipe wastewater from the villages of Halcombe, Sanson, Rongotea, Awahuri, Cheltenham and Kimbolton to the Manawatū Wastewater Treatment Plant in Feilding for treatment and disposal.

This programme of work will take management of wastewater away from village wastewater treatment plants and reduce the cultural and environmental impacts of multiple discharges into the Ōroua River and its tributaries.

The pipeline between Sanson/Ōhakea and Feilding was completed in 2022 and is approximately 14 kilometres in length.

"It's very expensive to run the smaller wastewater treatment plants that some of these villages have," explains Utilities Delivery Manager Michael Taylor. "We've built in capacity to the Manawatū Wastewater Treatment Plant through recent upgrades so that we can take in the wastewater that these villages produce as well. We're implementing things like irrigation and wetlands discharge that will see less treated wastewater discharged into the river."

The Sanson to Feilding stage of the project includes the installation of storage tanks and pump stations in Sanson and installation of intermediate pump stations between Sanson and Mt Stewart. This is expected to be commissioned in September 2023.



Wastewater pipelines work is well underway



DID YOU KNOW?

On average, the Manawatū Wastewater Treatment Plant processes 7 million litres of wastewater per day. That's about 1.5 million toilet flushes!



Kōwhangatara grown at the Kawakawa Nursery



Groundworks for the Wetlands



Kawakawa Nursery team at Himatangi Beach

Wetlands

We've made further enhancements to the Manawatū Wastewater Treatment Plant in Feilding this year with the focus being to reduce the nitrogen levels in the treated wastewater discharged into the Oroua River.

The team have constructed a wetland that will allow approximately 6 million litres of treated wastewater to go through an extra filtration process before it re-enters the river systems of the Manawatū.

Council is currently completing the inlet and outlet structures for the constructed wetland. Planting will span two financial years and will involve the planting of approximately 90,000 native plants specifically selected for their treatment properties and ability to break down and extract remaining nutrients in the treated wastewater.

All the plants have been sourced and grown by the Council's Kawakawa Nursery with support from Ngāti Kauwhata via the Department of Conservation-funded Jobs for Nature programme.

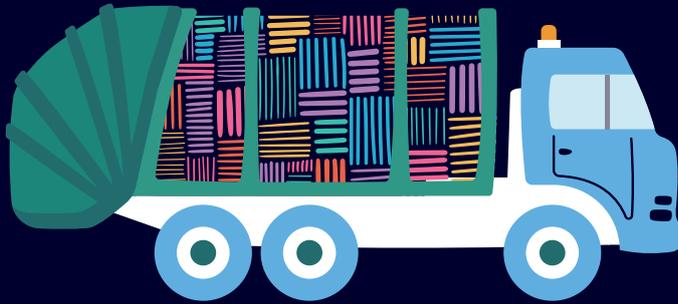
Our Kawakawa Nursery

The nursery team have grown more than 100,000 plants this year, which have been used for Council projects, such as the wetlands, as well as for other initiatives across the district.

At Himatangi Beach the team collected Kōwhangatara (Spinifex), an indigenous plant that can be used to bind and stabilise sand dunes. These plants will be grown on and then planted back into the area in the sensitive blow-out zones as part of our dune restoration project.

These dune systems are a buffer that helps minimise erosion, support fauna, but also protect our homes and infrastructure.

Waste and recycling



Total waste volumes decreased by **12.7% - 5,961 tonnes** of waste to landfill



Kerbside recycling increased by **1.15% or 1,046 tonnes** was collected

11 schools, 3 kindergartens and 6 ECEs are participating in the district's Enviro Schools programme



Eight Mobile Recycling Centres (MRC) collect recycling from our rural communities

One weighbridge is now operational at the Resource Recovery Centre – another is due for installation next year

Having adopted our Waste Management and Minimisation Plan last year, work has begun to prepare for the rollout of new waste management activities such as kerbside recycling for some of our rural communities, food scraps collections and wheelie bin collections from Feilding and the villages.

The vision to divert as much waste from landfill as possible has been further realised this year, with our Resource Recovery Centre in full operation. Here we sort and manage residential and commercial recycling and have

implemented initiatives such as our partnership with Central Environment Ltd, which crushes, grades and converts waste concrete into roading aggregate.

As well as having our own big visions for waste reduction, Council is able to support grassroots initiatives when it comes to reducing waste and encouraging recycling. Funded by waste levies received from central government, our Waste Not Want Not fund can provide the money needed to get local programmes and projects off the ground.

This year, recipients of the fund included:

Feilding Repair Café

Feilding Repair Café run monthly pop-up 'Repair Café' events at a local hall. People can bring in their damaged and broken items and local volunteer experts will do their best to repair them whilst also showing the owner how they can do it themselves. The goal is to change the 'throw away to landfill and buy another item' thought process, when something can be repaired.



Feilding Repair Café

Manawatū Community Trust

Manawatū Community Trust are running an education programme targeted at their own tenants, around 200 residents. They want to encourage their residents to reduce, reuse and recycle. They are also hoping to support various community organisations that already exist, by creating recycling resources that the groups can use.



Residents are encouraged to reduce and recycle their waste

Precycle NZ

Precycle NZ Ltd is a waste minimisation and a waste valorisation company based in Palmerston North. They develop processing technologies to transform non-recyclable waste materials into new BRANZ certifiable construction material. This project is the second phase of a project currently underway by Precycle NZ. This project is a scoping and feasibility study working alongside industry looking for potential solutions to commercial and demolition waste.

The project will research and analyse novel recycling and processing methods for construction and demolition waste, such as tested timbers, polystyrene and insulation across New Zealand and internationally to determine if any would be suitable and feasible in the Manawatū.

Rethink Waste

The purpose of Rethink Waste is to help, research, inform and educate the public regarding the benefits of zero waste. This project is to discuss and promote initiatives already being undertaken by Manawatū District Council and additional initiatives that the public could undertake themselves. They would like to increase the size of the current group, liaise with neighbouring districts already working on zero waste initiatives, and offer public meetings over the course of a year on key topics regarding waste minimisation.

Guide to Section Two: Groups of Activities

He Aratohu mō te Wāhanga Tuarua: Te whakarōpū i ngā momo mahi

The following pages provide details on what we have been doing in the Manawatū District and how we have performed for the 2022/23 year.

We have continued to deliver 22 different services and facilities across the District, including:

Drinking Water	Taking away stormwater and wastewater	Public Toilets
Animal Control	Enabling leisure, your Parks, Reserves and Playgrounds, Swimming Pool and Library	
Cemeteries	Kerbside Rubbish and Recycling	Building Services
District Development: Community Committees, Grants, Economic Development		Street Lighting and Footpaths
Emergency Management	Getting you places - Your Roads (1002km sealed and 372km unsealed, 1238km rural and 136km urban)	

This section summarises results from the 2022/23 financial year for Council's groups of activities. In 2022/23, Council provided various services organised into 10 groups of activities.

Groups	Page	Groups	Page
 Community facilities	49-57	 Roothing	78-81
 District development	57-61	 Water supply	82-87
 Regulatory	62-70	 Wastewater	88-91
 Emergency management	71-73	 Stormwater	93-96
 Governance and strategy	74-77	 Solid waste	97-99

Contribution to community wellbeing

Te hāngai ki te oranga o te hapori

Our groups of activities impact the four wellbeings set out in the Local Government Act 2002 as follows:

Group of activities	 Social	 Cultural	 Economic	 Environment
Community facilities	✓	✓	✓	✓
District development	✓	✓	✓	✓
Emergency management	✓	✓	✓	✓
Governance and strategy	✓	✓	✓	✓
Regulatory	✓		✓	✓
Roothing	✓	✓	✓	✓
Solid waste	✓	✓	✓	✓
Stormwater	✓		✓	✓
Wastewater	✓	✓	✓	✓
Water supply	✓	✓	✓	✓

Overview of Activity Summaries

Tirohanga whānui ki te whakarāpopoto o ngā mahi

For each activity summary provided in this section of this report, you will find the following information:

What we do

A description of what activities, services and facilities are included in each group, and where to find this activity group in the 2021-31 Long Term Plan.

What has Council achieved in 2022/23?

Summaries of performance within each activity are provided, which show what is being measured, including community opinion, response times, deadlines and compliance with regional standards. Key projects are also summarised.

Funding Impact Statement

A Funding Impact Statement for each group of activities is shown and presents the actual costs and sources of funding for the 2022/23 financial year. For comparison purposes, the first column contains actual data for 2022/23, the second column is Year 2 of the Long Term Plan 2021-31 and the last column contains information from Year 1 of the Long Term Plan 2021-31.

The Overall Funding Impact Statement presents the actual financial results for the 2021/22 and 2022/23 financial years, compared with the Annual Plans for those years.

Performance Targets

For this section, the results are indicated by:



Target met



Target not met

A number of performance indicators refer to the annual Manawatū District Council Residents' Survey carried out by an independent research agency.

Residents were asked to rate our services on a scale from 1-10. Responses in the 1-5 range are considered to be "dissatisfied" and those in the 6-10 range are considered "satisfied". Throughout this section we have provided a more detailed breakdown of the responses:

- Very dissatisfied / poor 1 - 4
- Somewhat dissatisfied / poor 5
- Somewhat satisfied / good 6
- Satisfied / good 7 - 8
- Very satisfied / excellent 9 - 10

Community Facilities Group

Ngā Taiwhanga Hapori



This group of activities can be found on page 107 of the 2021-31 Long Term Plan.

What we do

Our facilities include the Makino Aquatic Centre, libraries, property, halls and recreational complexes, parks, reserves and sports grounds, cemeteries, and public conveniences.

How we do it

We plan and deliver projects, programmes and activities, and work together with volunteers and community organisations.

We develop strategic and operational plans and policies, as well as renewal and building improvement programmes, which ensure facilities are well maintained, safe and meet quality standards.

We meet the requirements of all relevant legislation, providing levels of service that meet community expectations while maintaining affordability.

We promote and improve accessibility to community facilities.

Why we do it

We work to ensure a vibrant and thriving interconnected network of community facilities that cater for the social, recreational and cultural needs of our communities and their visitors, now and into the future.

The Community Facilities Group contributes to the following community outcomes:

A place to belong and grow

- by providing facilities that deliver a community service or offer a place for any person to go and feel a part of the community.

Planning our future together

- by providing fit-for-purpose adaptable district or local-level facilities that contribute to health and wellbeing outcomes.

An environment to be proud of

- by improving the environmental performance of community facilities that can play a role in the future sustainability of our communities.

Infrastructure fit for the future

- by providing higher quality facilities that are multipurpose, accessible and meet community expectations.

A prosperous, resilient economy

- by attracting and retaining residents through providing facilities that respond to community need.

Value for money and excellence in local government

- by providing a network of community facilities that are value for money and affordable for the community.

Cemeteries Ngā Urupā

What we do

We provide and maintain cemeteries in park-like settings to provide places of remembrance, and facilities for burials and interments of ashes.

How we do it

We manage, maintain and plan for future improvements where required for the eight cemeteries in the district, including maintaining accurate burial records. We work with the community to meet changing demands and community needs and ensure that all cemeteries are maintained to a high standard.

We meet the requirements of the Burial and Cremations Act 1964.

How we did

1. You can expect satisfaction with the maintenance of our cemeteries

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of survey participants who were satisfied with the maintenance of cemeteries.	1	95%	91% 	84% 	

2. You can expect professional and timely interment services

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Monitoring the number of complaints about late or inadequate interment services	6	0	0 	0 	No complaints have been received



District Libraries

Ngā Whare Pukapuka o te Rohe

What we do

We provide welcoming public libraries where people can meet, find information, access reading and educational material and participate in experiences that encourage lifelong learning.

How we do it

At the Manawatū District Library, we provide access to written and recorded information (books, magazines and DVDs) that are

continually refreshed and monitored for relevancy. These are alongside a range of online media and information including e-books, online collections and subscriptions. Wi-Fi and internet access are available to encourage digital literacy. The library hosts opportunities, programmes and experiences that build and promote lifelong learning. We also provide important spaces for the community to use and provide access to local culture research information and heritage collections, and support community libraries with content.

How we did

1. You can expect access to a range of information, resources and experiences that support community wellbeing and interconnectedness, continue to build and promote lifelong learning and bridge the digital divide

* Targets are set uncharacteristically low due to the planned redevelopment of the Feilding Library in 2021/2022



Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of physical and digital collection items borrowed or accessed per capita, per annum.	1, 2, 4 & 5	8	8.96 	10.10 	
The number of logins to library e-resources and apps (including digital learning apps and heritage platforms), Manawatū District Libraries app and Wi-Fi and computer usage, per annum	6	60,000	53,901 	49,317 	Moving into a small temporary facility while the renovation happens reduced service capability and impacted logins. Note: Target was set at post opening the new facility as the project was delayed after the LTP was finalised.
The number of participants attending programmes, classes, exhibitions, events, digital learning programmes and social interaction groups, per annum	1 & 6	22,000	9,592 	12,503 	Moving into a small temporary facility during the redevelopment has reduced service capability and impacted programme delivery and attendance. Note: Target was set at post opening the new facility as the project was delayed after the LTP was finalised.

Halls and Recreational Complexes

Ngā Whare Huihui me ngā Taiwhanga Rēhia

What we do

We support community organisations involved in the management of rural and community halls and recreational complexes with asset management and maintenance of facilities.

How we do it

Council owns 17 halls and supports the management of seven community-owned halls. We work with and support halls and Community

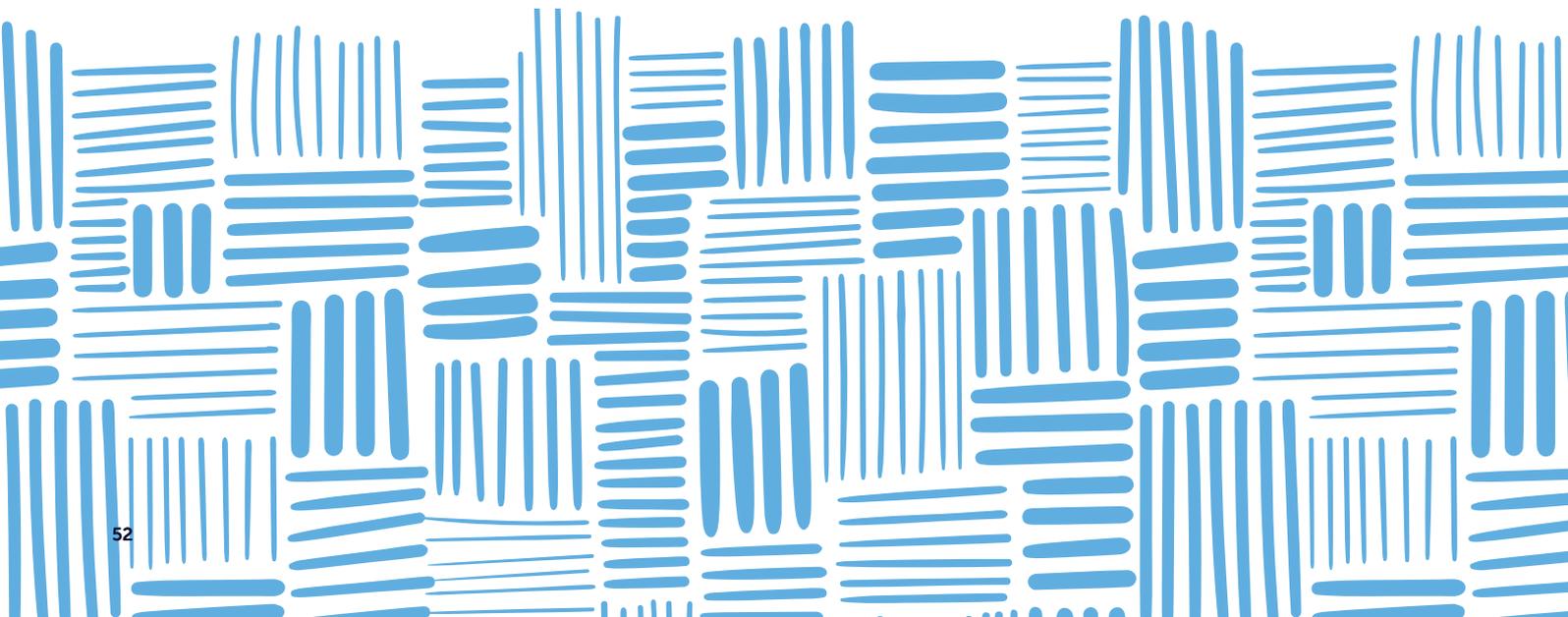
Committees across the district in delivering day-to-day hall services. We carry out renewal and building improvement programmes to ensure our facilities are well maintained, safe and meet quality standards, including improving existing halls and recreational complexes to meet public expectations. When appropriate, this includes expanding or providing new facilities to meet changing community needs.



How we did

1. You can expect Council-owned halls and recreational complexes are safe

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
% of in-use Council-owned halls and recreational complexes are compliant with current building warrant of fitness requirements and FENZ evacuation procedures.	1 & 4	100%	100%	100%	All council halls and recreation facilities are compliant



Makino Aquatic Centre

Te Taiwhanga Wai Rēhia o Mākino

What we do

We provide a safe, quality aquatic complex including indoor and outdoor swimming pools and swimming programmes for water education and fitness.

How we do it

We provide a variety of pools and other spaces within the complex for supervised water play and swimming space all year round and have the opportunity for pool or lane hire. We work with local, regional and national swimming

clubs and host water events, Makino Aquatic Challenges and community events. There are extended opening hours during the summer months and Council works with after-school and school holiday programme providers. Classes, recreation programmes, aqua fitness sessions and activities for all levels are held year-round, alongside individual coaching, training and learn-to-swim sessions. Council provides advice and services to community pool providers throughout the district, and works with the district's schools to deliver 'Water Safety' programmes.

How we did

1. You can expect safe pools

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Pool safe accreditation (annually)	1, 2 & 6	Accredited	 Pool safe accreditation retained	 Pool safe accreditation retained	Pool safe accreditation achieved in March 2023.

2. You can expect a provision of a range of quality educational and recreational aquatic experiences

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Participants in water activities and learning to swim programmes.	1, 2 & 6	>52,000	 37,839	 45,142	Water activities and learn to swim programmes impacted by staffing, water temperature and plant issues this year.
General admissions (spectators and swimmers)	1, 2 & 6	>67,000	 59,152	 71,175	
Percentage of survey participants satisfied with the quality of their experience at the Makino Aquatic Centre.	4 & 6	90%	 96.5%	 92%	171 responses were submitted for the Customer Satisfaction Survey.

Parks, Reserves and Sportsgrounds

Ngā Papa Rēhia, Papa Tāpui, Papa Hākinakina hoki

What we do

We provide our community with opportunities for leisure and recreation, through provision of parks and sports grounds including open spaces, gardens, trees and playgrounds to ensure our community has access to a wide range of leisure and recreation opportunities.

How we do it

We maintain parks, reserves and sports grounds to ensure provision of quality, safe spaces for recreation and leisure, and continually improve accessibility to parks, sports grounds and facilities, making them available for a wide variety of users. We foster collaboration

between sport and recreation groups to encourage high-use facilities and opportunities for cost efficiencies. We manage parks and sports grounds bookings, fees and charges while liaising with ground staff to ensure facilities are ready for use. We work with Sport Manawatū and other organisations to deliver programmes throughout the district to get 'everyone active, everyday' and liaise with Community Committees and user groups of parks and sports grounds. We develop, promote and follow plans and strategies that guide the development and management of parks and sports grounds, and we are planning to provide a walking and cycling network that links neighbourhoods, schools and community facilities.



How we did

1. You can expect satisfaction with our parks, reserves and sports grounds

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of survey participants satisfied with Council's parks, reserves and sportsgrounds	1, 4 & 6	90%	95%	90%	

2. You can expect safe parks, reserves and sports grounds

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Number of health and safety incidents or injuries reported that occurred due to inadequate or poor maintenance in our parks, reserves and sports grounds	1 & 4	0	0	0	We have not received any reports of health and safety incidents

Property

Ngā Rawa Tūwāhi

What we do

We manage, support and administer Council's wide range of property portfolio assets and services.

How we do it

We manage Council-owned property through leasing and general day-to-day operations and functions, and we carry out renewal and building improvement programmes to make sure Council properties are well maintained, safe and meet quality standards. We work with local groups to provide access to community property for a range of community uses. We plan for future property needs by proposing and implementing development projects and regularly review the rationale of keeping the property, including considering disposal or repurposing of Council property where appropriate.

This year's activities

Summary of projects 2022/2023

- Demolition of buildings on 10 Eyre Street
- Property (including land) for sale:
 - 139 South Street
 - Kawakawa Road and South Street Land
 - Kimbolton Depot
- For disposal of building only:
 - Red Cross House (Grey Street)
 - Community House (Manchester Street)
 - Pohangina Roadhouse
 - Pohangina Depot

- Community Centre - Te Manawa Renewals including plumbing, electrical and weather-tightness
- Feilding Clock tower re-paint

The preliminary processes for demolition of 10 Eyre Street have started.

The preliminary processes for the sale of 139 South Street (Feilding Depot) have started.

Seven of nine sections on Kawakawa Road and South Street Land have sold. One section is under a conditional agreement and one section remains for sale.

The sale of 45 Edwards Street (Kimbolton Depot) has commenced with the property being listed on the open market.

Community House serves multiple community groups while the community hub/library is being rebuilt. The rebuild project is planned to be completed by August 2024. In the meantime, Council is working with community groups to find alternative space before August 2024. Following this, Council will action the disposal of the Community House building.

Pohangina Roadhouse is occupied from a long-term tenancy. Council is waiting for a change in tenancy before it will action the disposal of the building.

Te Manawa renewal works completed work with the Lessee about prioritising weather tightness.

The re-paint works are scheduled for November 2023, weather permitting.

How we did

1. Well maintained, safe Council-owned buildings and properties

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
% in-use Council-owned buildings and properties are compliant with the relevant safety regulations	1 & 4	100%	100%	100%	All Council owned buildings and properties are compliant.



Public conveniences

Ngā Wharepaku Tūmatanui

What we do

We provide and maintain public toilets to protect public health and meet the expectations of residents and visitors.

How we do it

We provide a network of public toilets across the district and maintain facilities to ensure they are clean, accessible and fit for purpose.

This year's activities

The team completed a refurbishment of the Halcombe Domain public conveniences and installed handrails at the Railway Station, Kiwitea Hall and Awahuri Hall toilets.

Unfortunately, a high level of vandalism across several of our public toilets meant numerous repairs and replacement of fixtures and fittings this year. This, coupled with similar incidents last year, has meant that we have made some changes to these facilities to try and reduce the vandalism and fire risk, including the installation of blade hand driers rather than paper towels.

How we did

1. You can expect clean and well-maintained public toilets

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Monitoring the number of complaints* received about inadequate maintenance and/or poor cleaning of our toilets.	6	<8 complaints	0 	7 	There were seven complaints this year.

*Excludes complaints that do not relate to the service council provides



Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Community Facilities

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka
mutu i te 30 o Pipiri 2023 Taiwhanga Hapori

All external borrowing is managed through Council's treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Community Facilities Group of activities has a mixture of internal and external loans to fund its capital projects. Internal loans are raised by the activity from Council's treasury.

The finance cost includes \$576k interest expense in relation to loans raised internally from Council's treasury and no interest expense charged on external loan raised directly by Community Facilities group of activities, for the year ended 30 June 2023.

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,957	2,299	2,189
Targeted rates	7,282	7,576	6,754
Subsidies and grants for operating purposes	0	1	1
Fees and charges	912	1,265	1,277
Internal charges and overheads recovered	0	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	126	27	144
Total operating funding	10,277	11,169	10,365
Applications of operating funding			
Payments to staff and suppliers	7,315	6,782	6,599
Finance costs	576	815	747
Internal charges and overheads applied	1,857	1,614	1,476
Other operating funding applications	-	-	-
Total applications of operating funding	9,749	9,211	8,822
Surplus (deficit) of operating funding	528	1,958	1,543
Sources of capital funding			
Subsidies and grants for capital expenditure	1,238	-	-
Development and financial contributions	417	532	515
Increase (decrease) in debt	398	(6)	548
Gross proceeds from sale of assets	452	-	5,000
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	2,505	525	6,063
Application of capital funding			
Capital expenditure			
- to meet additional demand	920	1,101	959
- to improve the level of service	4,554	3,577	3,700
- to replace existing assets	1,065	1,284	1,203
Increase (decrease) in reserves	(3,505)	(3,479)	1,744
Increase (decrease) of investments	-	-	-
Total applications of capital funding	3,033	2,483	7,606
Surplus (deficit) of capital funding	(528)	(1,958)	(1,543)
Funding balance	-	-	-
Community Facilities Internal Borrowings			
Opening balance 1 July	16,020		
Internal loans raised during the year	757		
Internal loans repaid during the year	(359)		
Closing balance at 30 June	16,418		
Community Facilities External Borrowings			
Opening balance 1 July	-		
External loans raised directly by activity during the year	-		
Internal loans repaid directly by activity during the year	-		
Closing balance at 30 June	-		



District Development Group

Te Tipu o te Rohe

This group of activities can be found on page 126 of the 2021-31 Long Term Plan.

What we do

We support economic and community development in the district, and review and update the rules and guidelines that help manage and protect our natural and physical resources.

Why we do it

We work towards our district offering a high quality of life for all, guided by strategic documents created in collaboration with our community:

- Community Development Strategy
- Economic Development Strategy
- Manawatū District Plan.

The District Development Group contributes to the following community outcomes:

A place to belong and grow by encouraging strong resilient communities, liaising with agencies, advocacy and contracting community development organisations to implement our Community Development Strategy.

A future planned together by implementing our Community Development Strategy.

An environment to be proud of by reviewing and monitoring the District Plan to meet the needs of our district.

A prosperous, resilient economy by using economic analysis to understand our economy and by contracting economic development agencies to implement our Economic Development Strategy.

How we do it

We work with our community and partner agencies to achieve the best possible future for the people of the district, working with local and regional partners to optimise opportunities. We provide funding, support and encouragement

to community groups and individuals who contribute to community outcomes, including acknowledging contributions with the annual Community Honour Awards.

We support organisations that promote the heritage, identity and social wellbeing of the district, and promote Māori culture in the community. We support the promotion of and participation in sports and active recreation. We enable community representation and participation through Community Committees. We support the development of community plans and encourage their implementation.

Through the Central Economic Development Agency (CEDA), we provide business support services. We support CEDA to undertake labour market analysis and a labour market strategy. We work with partners to enable businesses to access new markets and create opportunities for growth and job creation.

We promote the district to attract businesses, residents and visitors, and provide a high-quality environment and lifestyle opportunities. We plan and design our public spaces to cater for all, and actively participate in the Manawatū Health and Wellbeing Group. We support community initiatives and organisations that enhance the wellbeing of the natural, physical and social environment and we advocate to central government on issues that impact on the wellbeing of our communities.

We provide accurate and timely regulatory and economic information to our community. We are working on a housing strategy and strategies to support our seniors and youth.

How we did



1. You can expect satisfaction with district development service delivery

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of targets CEDA has achieved under the relevant Statement of Intent.	5	80%	88.2% 	92.8% 	
Percentage of Results Based Accountability targets achieved under Priority Service Contracts.	5	80%	80% 	95% 	18 of the 19 Community Development Strategy Priority Service Contracts achieved 80% or more of their Results Based Accountability targets. One was exempted through a contract variation.

2. You can expect creative, cultural and recreational participation in our communities. (Whānau - Social Wellbeing)

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Creative Communities Scheme projects administered by the Council.	1 & 2	>14 Projects	14 projects approved 	15 projects approved 	Fifteen Creative Communities projects focusing on community participation were supported totalling \$32,478.

3. You can expect satisfaction that Council seeks an outcome of being connected and inclusive. Our goals are to be a welcoming community, where everyone has a sense of belonging and are proud of where they live. (Wairua - Spiritual Wellbeing)

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of survey participants who feel a sense of connection with others in their neighbourhood/ community.	1	>71%	71% 	69% 	

District Planning

Te Whakamahere ā-Rohe

What we do

We provide regulatory information and support to assist residents and businesses in the district, including providing sufficient land, infrastructure, servicing and suitable zoning. We ensure a statutory planning framework to manage natural and physical resources appropriately. We review and update the District Plan to ensure our natural and physical resources are sustainably managed and avoid, remedy or mitigate any potentially detrimental environmental effects.

How we do it

We respond to Horizons Regional Council (Manawatū-Whanganui Regional Council) and central government policy proposals where these affect land use and resource management within the district. We conduct a rolling review of the District Plan over the course of 10 years, as well as a review of the state of the district's environment every five years. We process private plan change requests and ensure information about district planning and the Resource Management Act 1991 (RMA) are up to date and easily accessible via Council's website and a printed copy is available at the Council office.

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 District Development

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka
mutu i te 30 o Pipiri 2023 Te Tipu o te Rohe

All external borrowing is managed through Council's treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council's treasury.

The interest charged on internal borrowings for the year ended 30 June 2023 is disclosed under finance costs.

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	4,407	3,679	3,654
Targeted rates	82	83	82
Subsidies and grants for operating purposes	36	35	34
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	8	74	74
Total operating funding	4,534	3,871	3,845
Applications of operating funding			
Payments to staff and suppliers	2,983	2,610	2,700
Finance costs	216	127	135
Internal charges and overheads applied	822	924	809
Other operating funding applications	-	-	-
Total applications of operating funding	4,021	3,662	3,644
Surplus (deficit) of operating funding	513	210	201
Sources of capital funding			
Subsidies and grants for capital expenditure	13	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	182	(211)	(203)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	194	(211)	(203)
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	12	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	695	(1)	(2)
Increase (decrease) of investments	-	-	-
Total applications of capital funding	707	(1)	(2)
Surplus (deficit) of capital funding	(513)	(210)	(201)
Funding balance	-	-	-
District Development Internal Borrowings			
Opening balance 1 July	3,477		
Internal loans raised during the year	391		
Internal loans repaid during the year	(211)		
Closing balance at 30 June	3,658		



Regulatory Group

Te Taha Whakatureture

This group of activities can be found on page 134 of the 2021-31 Long Term Plan.

What we do

Animal control, building control, environmental health, alcohol licensing, compliance and enforcement, and resource consent planning.

How we do it

We assist in developing bylaws and policies and monitor and enforce them to ensure a safe and usable environment for all members of the community. Council is available 24 hours, 7 days a week for priority one animal control call-outs, and ensures all dogs are registered and controlled. We monitor and enforce standards for businesses including processing licences and inspecting premises where necessary. This includes businesses selling food and/or alcohol, hairdressing salons, camping grounds, and funeral directors as well as responding to health nuisances and investigating noise complaints. We issue building consents, certificates of acceptance, certificates for public use, code of compliance certificates, inspect buildings and provide advice, as well as issuing resource consents for subdivision, land use and certificates of compliance. Council then continues to monitor and enforce compliance of resource consent conditions.

Why we do it

We work to provide a safe environment and protect amenities for the community making the Manawatū District a desirable place to live and do business.

The Regulatory Group contributes to the following outcomes:

A place to belong and grow

- by ensuring a safe environment to live, work, and play.

An environment to be proud of

- by protecting our natural environment through monitoring and enforcing compliance with the District Plan and Resource Management Act 1991.
- by ensuring our built environment and food/alcohol and health premises are safe and fit for purpose.

Infrastructure fit for the future

- by making sure buildings and new developments are safe and accessible.

A prosperous, resilient economy

- by processing quality building and resource consents and promoting sustainable development.

Value for money and excellence in local government

- by aiming to deliver a customer-focused service while meeting legislative requirements.

Animal Control

Rauhī Kararehe

What we do

We provide animal control services, including dog safety education programmes as part of our role in protecting public safety throughout the district.

How we do it

We administer The Dog Control Act 1996, Impounding Act 1955, Council's Dog Control Policy and Animal Control and Dog Control Bylaws and ensure dogs are registered and controlled throughout the district. We classify the district's 'menacing' and 'dangerous' dogs and maintain Council's National Dog Database interface. We provide access to a 24-hour, 7 day a week animal control service for priority one call-outs/responses and impound nuisance, surrendered or unregistered dogs and wandering stock at our Awa Street site for collection by owners, rehoming or destruction.

How we did

We offer a "selected ownership" status, provide a dog education programme and sponsor obedience training certificates to the Feilding Dog Training Club.

This year's activities

We have responded to 142 priority one incidents, 205 priority two incidents, and 859 priority three incidents.

Incident priorities are as follows:

- **Priority 1:** dog attacks, aggressive roaming dogs, stock on roads and calls of such nature that require an Animal Control Officer to attend as soon as possible.
- **Priority 2:** includes barking dog complaints, roaming dog, such incidents that require an Animal Control Officer but not urgently.
- **Priority 3:** requests for information, enquiries.



1. You can expect a safe environment and protecting the community through timely responses to requests for service

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of urgent requests about dog attacks/ wandering stock responded to or caller contacted within 15 minutes of Council receiving request. (Priority 1)	6	90%	96%	94%	
Percentage of notifications of roaming dogs responded to or caller contacted the next working day from Council receiving request. (Priority 2)	6	90%	100%	99%	There were 205 incidents reported, 202 were responded to within the target timeframe.
Percentage of routine animal control issues responded to, or caller contacted the next working day from Council receiving notification. (Priority 3)	6	90%	91%	97%	There were 859 incidents reported, 837 were responded to within the target timeframe.

Building Control

Te Whakatū Whare

What we do

We process building consent applications for compliance with the Building Act and the New Zealand Building Code. We also issue certificates of acceptance, certificates for public use, and code of compliance certificates. We conduct inspections, respond to building complaints, and monitor swimming pool and spa fencing and building warrants of fitness.

How we do it

Council is an accredited Building Consent Authority and administers the Building Act 2004. This includes responding to earthquake-prone, dangerous or insanitary buildings issues, as well as responding to building related complaints and providing advice. We assist in the development of policies for dangerous, affected and insanitary buildings and administer the earthquake prone building legislation under the Building Act 2004.

We facilitate key stakeholder meetings for the construction and development industry and have a building officer on duty to assist with building control advice for new or existing buildings, building consent application lodgements and pre-application meetings to provide clarification/interpretation of the Building Act and Building Code.

We work to make Building Control Services information current and accessible via Council's website and Council office (printed copy) and make building consenting application services accessible and transparent via the online portal. We ensure the built environment meets safety and accessibility standards including ensuring buildings provide facilities for people with disabilities where required, and monitoring swimming pool/spa fencing to protect children aged under 5 years from drowning.

How we did



1. Ensuring life safety by monitoring of commercial and public buildings for compliance with the Building Warrant of Fitness

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of the district's commercial and public buildings that hold a current compliance schedule are audited every 3 years.	1 & 4	100%	73.4% 	81% 	Staffing issues impacted ability to achieve target. The building control team is undergoing a review for delivery of this service.

2. You can expect we are meeting the statutory obligations of the Building Act as an Accredited BCA, providing a safe built environment and providing a responsive building control service

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of complaints that are investigated and responded to relating to our building control service within the specified timeframes.*	6	90%	91% 	92% 	108 complaints/requests for service were received, 99 were responded to within the target timeframe.
Percentage of residential swimming pools that are inspected every 3 years to ensure compliance with the Building Act.	4 & 6	95%	99% 	98% 	There are 347 pools within the district. 341 have been inspected within the 3-year anniversary date.
Percentage of applications processed within the statutory and specified timeframes:					
A. Building consent applications and Code of Compliance certificates (CCC) are processed and approved within the statutory 20 working days.	4 & 6	95%	77% 	90% 	619 building consents and 666 CCC have been issued. 88 building consents and 38 CCC were not issued within the 20 working day timeframe.
B. Fixed fee (small works) building consent applications are processed and approved within 10 working days.	4 & 6	95%	80% 	89% 	236 fast track consents were issued. 27 were not issued within the 10 working day timeframe.

*excludes complaints that do not relate to the service council provides

Compliance Monitoring

Te Whakapūmau i tā te Ture me te Arotake

What we do

We work to keep residents, visitors and the environment safe by monitoring, mitigating and minimising potentially harmful activities. We process alcohol licences, food control plans and monitor licensed and registered premises.

How we do it

We administer the Health Act 1956, Food Act 2014, Resource Management Act 1991, Amusement Devices Regulations 1978, Hazardous Substances and New Organisms Act 1996, the Gambling Act 2003 and the Racing Industries Act 2020, and administer statutory obligations set by the Sale and Supply of Alcohol Act 2012.

Council collaborates with New Zealand Police, Te Whatu Ora and Fire and Emergency New Zealand (FENZ), and appoints a District Licensing Committee which makes decisions on applications for:

- New and renewed licences and managers' certificates
- Temporary authorities and temporary licences
- Variation of licences
- Special licences

We conduct annual inspections of registered health premises to ensure they comply with licence conditions, and register and audit premises that prepare and sell food, and enforce legislation relating to hazardous substances and amusement devices as well as enforcing bylaw provisions.

We monitor and enforce compliance with land use and subdivision consent conditions. We educate and provide advice to the public and businesses on these services and respond to complaints including providing a 24-hour, 7 day a week noise response service.

This year's activities

- Food premises inspection cycles are based on their food control plan, which can require inspections every 12, 18 or 24 months. 58 food premises were due for inspection under their inspection cycle this year. 54 were inspected. Unfortunately, Council was impacted by a vacancy for an Environmental Health Officer (EHO) for much of the year, and we relied heavily on the availability of an EHO contractor.
- There are 52 premises that sell alcohol in the district. 51 were inspected and the final premises inspected the week after the end of the year when the licensee became available.
- Council has responded to 360 noise complaints (compared to 440 the previous year) and 111 abandoned vehicles (compared to 87 in the previous year).
- There has been a large increase in abandoned cars this past year. This may be due to people leaving cars when they break down as it can be more cost effective to purchase another car than repair their current vehicle; and stolen cars are often reported incorrectly as abandoned.

How we did



1. You can be assured the community has safe food premises and hygienic health registered premises

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of all food premises are verified as per legislative requirements under the Food Regulations 2015.	3 & 6	100%	100%	93%	There are a total of 155 food premises with 115 having a template Food Control Plan. 58 were due for verifications in the review period. Of these, 54 inspections were completed. Due to the unavailability of a full time EHO Officer and a long period of no EHO officer we were not able to meet this target.

2. You can expect we are protecting community amenities and providing a responsive compliance service with timely responses to requests for service

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentages of requests for service related to incidents that endanger public health are responded to within 24 hours of notification.	3 & 6	85%	94%	95%	21 complaints were received for this reporting period, of those 20 were responded to within 24 hrs.
Percentage of urban noise complaints that are responded to within one hour of notification.	3 & 6	85%	93.5%	98%	There were 286 complaints of these 281 were responded to within 1 hour.
Percentage of requests for service related to incidents that do not endanger public health are responded to within 48 hours of notification.	6	85%	97%	97%	For the reporting period there were 269 complaints received. 262 were responded to within 48 hrs.

3. You can expect us to monitor selected licensed premises selling alcohol for compliance with their license conditions

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of licensed premises that are inspected annually to ensure compliance with the conditions of their licence and to work with those who do not comply to bring them up to compliance.	3 & 6	95%	100%	98%	51 out of 52 premises have been inspected. From last quarter, one club premises has not been operating.

Consent Planning

Whakamahere Tūtohunga

What we do

We provide planning resource consent guidance and consenting to help ensure our natural and physical resources are sustainably managed, and avoid, remedy or mitigate any potentially detrimental environmental effects.

How we do it

We apply the District Plan and policies that reflect the direction given by central government and Horizons Regional (Manawatū-Whanganui Regional Council). This includes processing resource consents and assessing all building consents to ensure they meet the provisions of the District Plan. We process private plan change requests and notices of requirements for designations.

We provide planning advice to all customers and have input into the approval of alcohol licences, and Land Information Memoranda (LIMs).

We ensure information about the resource consent application process is up to date and easily accessible via Council's website and at the Council office (printed copy). There is a planner on duty on each working weekday between the hours of 9am to 1pm at the Council office to assist with general planning or resource consent application enquiries. Planners are also available outside this timeframe to assist with any planning or resource consent enquiries.

This year's activities

We have processed 119 land use consents (compared to 188 the previous year) and 122 subdivision consents (compared to 172 the previous year).

How we did

1. You can expect the Consents Planning Team are meeting the statutory obligations of the RMA to protect the environment and ensure compliance with the District Plan.



Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
1. Percentage of applications for permitted boundary activities under the Resource Management Act are processed in accordance with the statutory timeframes.	3 & 6	100%	89% 	93% 	There have been 33 Permitted Boundary consents issued for the reporting period. Of these 31 were issued within the required timeframe.
2.A. Percentage of applications for resource consent under the Resource Management Act are processed in accordance with the statutory timeframes: <ul style="list-style-type: none"> • Non-Notified 	3 & 6	90%	49% 	91% 	There were a total of 318 non-notified consents issued over this period, of which 290 were issued within the required timeframe.
B. Percentage of applications for resource consent under the Resource Management Act are processed in accordance with the statutory timeframes: <ul style="list-style-type: none"> • Limited Notified (with hearing) 	3 & 6	90%	N/A	N/A	There have been no notified or limited notified consents requiring a hearing over this period.
C. Percentage of applications for resource consent under the Resource Management Act are processed in accordance with the statutory timeframes: <ul style="list-style-type: none"> • Limited Notified (without a hearing) 	3 & 6	90%	N/A	N/A	There have been no notified or limited notified consents received over this period.
D. Percentage of applications for resource consent under the Resource Management Act are processed in accordance with the statutory timeframes: <ul style="list-style-type: none"> • Notified 	3 & 6	90%	N/A	N/A	There have been no notified or limited notified consents received over this period.
The number of Resource Consent applications for resource consents returned to applicant as incomplete (under section 88 of the RMA) for: <ul style="list-style-type: none"> • Permitted boundary activities 	3 & 6	0	0	0	There have been no permitted boundary consent applications returned as incomplete.
The number of Resource Consent applications for resource consents returned to applicant as incomplete (under section 88 of the RMA) for: <ul style="list-style-type: none"> • Resource Consents 	3 & 6	6	6	13	There were 13 consents returned under section 88 of the RMA as incomplete.
The number of applications for which a request for further information has been made (under section 92 of the RMA).	3 & 6	141	141	127	There have been 127 Resource Consent applications returned under Section 92 of the RMA for further information.

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Regulatory Group

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka
mutu i te 30 o Pipiri 2023 Whakatureture

Regulatory Group - Internal Borrowings. There are no loans (internal or external) for this activity.

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	2,767	2,935	2,772
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	3,025	2,727	2,596
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	87	78	84
Total operating funding	5,879	5,740	5,452
Applications of operating funding			
Payments to staff and suppliers	2,978	2,050	2,050
Finance costs	-	-	-
Internal charges and overheads applied	3,095	3,651	3,367
Other operating funding applications	-	-	-
Total applications of operating funding	6,074	5,701	5,417
Surplus (deficit) of operating funding	(195)	38	36
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	8	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	8	-	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	(186)	38	36
Increase (decrease) of investments	-	-	-
Total applications of capital funding	(186)	38	36
Surplus (deficit) of capital funding	195	(38)	(36)
Funding balance	-	-	-

Emergency Management Group

Te Rauhi Hapori i te Ohotata



This group of activities can be found on page 146 of the 2021-31 Long Term Plan.

What we do

We provide co-ordination of the district's response and recovery through an emergency event. We provide services and information to reduce risk and increase readiness, response and resilience.

How we do it

We work to increase public awareness about disasters and educate communities about preparedness. Council seeks to support networks with points of contact within communities, enabling emergency management activities and communication. Council works with Community Committees and relevant community organisations to promote emergency management in neighbourhoods and the wider community.

We undertake an emergency management exercise programme to support Council and community preparedness. We fulfil Council's statutory obligations under the Civil Defence Emergency Management (CDEM) Act 2002, including responding to emergencies; planning for, undertaking, coordinating and promoting recovery as required post disaster; and monitoring and evaluating situations before, during, and after the event.

We fulfil the public's expectation that Council will, in conjunction with other emergency service providers, including the Police, Fire and Ambulance services, provide leadership in the case of a natural or other disaster that necessitates an emergency response. We will engage with and support iwi-driven initiatives within the Manawatū District to support vulnerable community members in emergency events.

Why we do it

We work to reduce the impacts from natural hazards, by ensuring communities are aware of their hazardscape and are prepared and empowered to respond and recover from an emergency. We aim to assist and encourage a resilient district, helping communities understand and prepare for their own hazards. We meet statutory requirements and community expectations to provide an active and responsive emergency management service.

The Emergency Management Group contributes to the following community outcomes:

A place to belong and grow

- by educating the community about Emergency Management, and ensuring residents are supported and able to act if an emergency occurs.
- by starting education about emergency preparedness early in life, ensuring the next generation is more resilient.

A future planned together

- by working with the community to plan for emergency situations. This ensures residents and businesses are prepared and confident in our district's ability to deal with emergencies.

A prosperous, resilient economy

- by assuring residents and businesses that the Council is actively involved in local, regional and national emergency management exercises, and giving confidence in our ability to recover.
- by hastening economic recovery from emergency events through community and Council coordination and planning.

An environment to be proud of

- by understanding and reducing impacts of natural hazards in our district.
- by ensuring that all of the five environments are catered for in recovery. The five environments are: social, built, economic, rural and natural.

Infrastructure fit for the future

- by working with the Manawatū-Wanganui Civil Defence Emergency Management Group Plan, New Zealand Critical Lifelines, National Vulnerability Assessment and Regional Lifelines Plans to understand and plan for hazards, including flood mapping and active fault line mapping. We can use this knowledge to inform infrastructure planning.

Value for money and excellence in local government

- by coordinating responses to and providing information about emergency situations.
- by working to coordinate local partner agencies, businesses and communities in preparedness for response and recovery to an emergency.
- by being an active participant and partner in the Manawatū-Whanganui Civil Defence and Emergency Management Group.
- by collaborating with nearby territorial authorities and Horizons Regional Council to maximise our CDEM effectiveness through shared resourcing.

How we did



1. You can expect Council will be prepared to assist the community in the event of an emergency					
Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of Incident Management Team personnel trained to at least intermediate level of the Integrated Training Framework (ITF) for Emergency Management Manawatū.	6	≥75%	80%	90%	90% of permanent staff are trained to the ITF Intermediate level.
Percentage of survey participants who were satisfied with Emergency Management information and advice provided by Council for the Manawatū District in relation to an emergency event*	2, 4 & 6	≥48%	48%		No emergency events met the threshold during this reporting period.

*An emergency event is defined as whenever the Emergency Operations Centre (EOC) is activated.

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Emergency Management

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu i te 30 o Pipiri 2023
Te Rauhi Hapori i te Ohotata

Emergency Management Internal Borrowings - All external borrowing is managed through Council's treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council's treasury.

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	317	313	301
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	18	-	-
Total operating funding	336	313	301
Applications of operating funding			
Payments to staff and suppliers	188	206	200
Finance costs	1	1	-
Internal charges and overheads applied	117	95	91
Other operating funding applications	-	-	-
Total applications of operating funding	306	302	291
Surplus (deficit) of operating funding	29	12	10
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(9)	(1)	11
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	(9)	(1)	11
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	6	-	11
- to replace existing assets	-	0	12
Increase (decrease) in reserves	14	10	(2)
Increase (decrease) of investments	-	-	-
Total applications of capital funding	21	10	20
Surplus (deficit) of capital funding	(29)	(12)	(10)
Funding balance	-	-	-



Governance and Strategy Group

Ngā Mahi Kāwanatanga me te Whakatau Rautaki

This activity can be found on page 152 of the 2021-31 Long Term Plan.

What we do

We set the strategic direction for the district and ensure responsible financial management of public funds.

We also provide structures and processes for local democracy and decision making that is:

- Collaborative
- Open/transparent
- Inclusive
- Friendly

How we do it

As well as the formal Council team made up of 11 elected members and the Mayor, we have six standing committees;

- Audit and Risk Committee
- District Development Committee
- Hearings Committee
- Chief Executive's Employment Committee
- Creative Communities Assessment Committee
- District Licensing Committee

We also have a joint standing committee with Palmerston North City Council, which addresses strategic planning issues that impact on both Manawatū District and Palmerston North City and provides oversight for the activities of the Central Economic Development Agency Limited (CEDA). We have three informal focus groups – Economic Development, District Plan, and Infrastructure – to keep our finger on the pulse of progress in these three areas in the district.

We work closely with our 16 community committees as well as the Manawatū District Youth Council as specific communities of interest. We provide opportunities for the public

to be involved in the important decisions that Council makes about the Manawatū District. We work to promote and advocate for the best interests of the district at regional and central government levels. We manage finances responsibly.

Why we do it

We provide district leadership and involve our people in decision-making processes to ensure a bright future for our community.

The Local Government Act 2002 (LGA) sets out the purpose of local government and the framework for the work we do. There is also a range of other pieces of legislation that relate to Council's planning and regulatory role in the district.

The Governance and Strategy Group contributes to the following community outcomes:

A place to belong and grow

- by aligning decision making with community feedback.
- by exceeding legal requirements for community inclusion.
- by collaborating with the community in strategic planning.
- by providing opportunities to participate in the democratic processes and decision making.

A future planned together

- by collaborating with the community around statutory and non-statutory planning.
- by using relevant engagement methods that are flexible, responsive and innovative.

An environment to be proud of

- by making informed and prudent decisions with our environment in mind.

A prosperous, resilient economy

- by involving the community in the decision making process and keeping the interests of community and business in mind, we can support healthy economic growth.

Value for money and excellence in local government

- by collaborating internally and externally to maximise efficiency.
- by exercising wise stewardship of public money.
- by staying aware of community opinion.
- by providing excellent customer service.

This year's activities

Council has made the following submissions on central and regional government policies and initiatives regarding decisions that may affect residents:

Month/Year Submitted	Who it went to	Topic
July 2022	Ministry for the Environment	Exposure Drafts – NPS Freshwater Management and Resource Management (National Environmental Standards for Freshwater) Regulations 2020
	Finance and Expenditure Committee Parliament Building	Water Services Entities Bill
	Ministry for the Environment	Exposure Draft of the National Policy Statement – Indigenous Biodiversity
August 2022	Ministry of Health	Smokefree Environments and Regulated Products (Smoking Tobacco) Amendment Bill
September 2022	Governance and Administration Committee	Local Government Electoral Legislation Bill
	Ministry of Business, Innovation and Employment	Review of the Building Consent System – Issues Paper
	Ministry of Transport	Reshaping streets consultation
October 2022	Ministry for the Environment	Managing our Wetland in the Coastal Marine Area
	Ministry of Business, Innovation and Employment	Freedom Camping Regulations Discussion Document
	Transport and Infrastructure Committee	The Future for Inter-regional Passenger Transport
November 2022	Economic Development, Science and Innovation Committee	Self-contained Motor Vehicles Bill
	Social Services and Community Select Committee	Charities Amendment Bill
	New Zealand Productivity Commission	A fair chance for all - Breaking the cycle of persistent disadvantage – Interim report by the productivity commission.
	Horizons Regional Council	Horizons Plan Change 3 – Urban Development
	Ministry for the Environment	Pricing of Agricultural Emissions
Ministry for Primary Industries	National direction for plantation and exotic carbon afforestation	
Taumata Arowai	Second tranche of Drinking Water and Wastewater Network Environmental Performance Measures	

Month/Year Submitted	Who it went to	Topic
December 2022	Ministry of Business, Innovation and Employment	Targeted consultation - Building (Accreditation of Building Consent Authorities) Regulations 2006
	Governance and Administration Committee	Local Government Official Information and Meetings Act Amendment Bill
	Environment Committee	Natural and Built Environment Bill and the Spatial Planning Bill
	Finance and Expenditure Select Committee	Water Services Economic Efficiency and Consumer Protection Bill
	Finance and Expenditure Select Committee	Water Services Entities Legislation Bill – Second on two Bills giving effect to water reform - funding and pricing, links to land use planning, and amendments to the LGA
February 2023	Justice Committee	Inquiry into the 2022 Local Elections by the Justice Committee
	Future for Local Government Review Panel	The draft Future for Local Government Report
	Australian Government, Department of Agriculture, Fisheries and Forestry	National Environment Plan on PFAS
	Horizons Regional Council	Horizons Freshwater Consultation – “Top Spots.”
March 2023	Ministry of Housing and Urban Development	Regulation of Methamphetamine Contamination in Rental Housing
	Ministry of Health	Smoked Tobacco Regulatory Regime
	Ministry for the Environment	Review of Resource Management (infringement offences) Regulations
April 2023	Building and Construction Sector	Occupational regulation reforms in the building sector
	New Zealand Productivity Commission	Improving New Zealand’s Economic Resilience
	Transport and Infrastructure Committee	Land Transport Management (Regulation of Public Transport) Amendment Bill
May 2023	Ministry of Transport	Charging our Future Strategy
	Ministry of Business, Innovation and Employment	Proposed changes to the Building Levy
June 2023	Ministry of Business, Innovation and Employment	Consenting improvements for renewable electricity generation and transmission
	Climate Change Commission Standards New Zealand	Second Emissions Reduction Plan Conditions of contract for building and civil engineering construction (Standards NZ)

How we did



1. You can expect responsible financial management

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of breaches in rates limits or debt levels as set in the Financial Strategy	5 & 6	0	0	0	Zero breaches of rating or debt levels

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Governance and Strategy

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu i te 30 o
Pipiri 2023 Ngā Mahi Kāwanatanga me te Whakatau Rautaki

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	3,544	2,966	2,690
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	73	77	-
Total operating funding	3,617	3,043	2,690
Applications of operating funding			
Payments to staff and suppliers	906	933	784
Finance costs	-	-	-
Internal charges and overheads applied	2,518	2,101	1,897
Other operating funding applications	-	-	-
Total applications of operating funding	3,424	3,034	2,681
Surplus (deficit) of operating funding	193	8	8
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	-	-
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	63	-	-
Increase (decrease) in reserves	130	8	8
Increase (decrease) of investments	-	-	-
Total applications of capital funding	193	8	8
Surplus (deficit) of capital funding	(193)	(8)	(8)
Funding balance	-	-	-



Roding Group

Ngā Ara Waka

This group of activities can be found on page 158 of the 2021-31 Long Term Plan.

What we do

We maintain and deliver a roading network that provides suitable access to business, educational, social and recreational services for the district's residents and businesses, and we encourage the uptake of walking and cycling as transport modes and for recreation. We provide an appropriate network of tourism routes.

How we do it

- We optimise maintenance programmes to improve the reliability and cost effectiveness of the road network.
- We improve the resilience of the road network to reduce the impact of natural hazard events and improve the safety of the road network. Safety is improved through installing, upgrading or amending signage, removing roadside hazards, improving sightlines, traffic calming near schools and other minor safety improvements.
- We provide access to the residential and industrial growth areas in Feilding and the Manawatū District.

Why we do it

We provide an integrated and resilient land transport network that ensures safe and efficient travel for everyone who lives in and passes through our district.

The Roding Group contributes to the following community outcomes:

A place to belong and grow

- by ensuring that our roads and footpaths are safe to use, while encouraging the community to drive, walk, or cycle for business or pleasure.

An environment to be proud of

- by being committed to protecting and enhancing the natural, cultural and built environment.

Infrastructure fit for the future

- by being prepared for the changing needs of our communities and being resilient to evolving environmental conditions.

A prosperous, resilient economy

- by enabling the safe and efficient transport of goods and services throughout the district and connecting the Manawatū with the wider New Zealand economy.

Value for money and excellence in local government

- by employing Better Business Case principals to ensure robust and targeted investment decisions.

How we did



1. You can expect to get to where you need to go safely using our road network

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The change in the number of fatalities and serious injury crashes on the local road network from the previous financial year, expressed as a number.	1 & 4	<0	0.00064 	0.00074 	There have been 19 crashes reported resulting in 5 fatalities and 20 serious injuries. This equals 0.00074 fatalities/serious injuries per capita, based on a population of 33,900. Last year there were 21 crashes resulting in 7 fatalities and 16 serious injuries which equalled 0.00064 fatalities/serious injuries per capita based on a population of 33,000.

2. You can expect the road to be in good condition

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The average quality of ride on a sealed local road network, measured by Smooth Travel Exposure (STE) index ratings (percentage of assessed network length where roughness is under the relevant threshold)*	4 & 6	90%	98% 	97% 	The STE index report received July 2023 reported the following: An average of 97% for urban and rural roads.

*A High Speed Data Survey will be carried out every two years on all sealed roads.

The condition of the asset is described by a set of attributes. The quality of these attributes changes over the lifetime of the asset. Sound decisions about interventions and investments rely to a large degree on knowledge of the current condition and the rate of change in the condition of the asset.

3. You can expect the roading network to be well maintained

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The percentage of the sealed local road network that is resurfaced.	4 & 6	5%	5.6% 	7% 	To date the reseal programme is 100% complete. On completion 7% of the local road network was resurfaced.

4. You can expect well maintained footpaths

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The percentage of footpaths within the district that fall within the level of service or service standard for the condition of footpaths that is set out in Council's Activity Management Plan (for example, cracking, breaks, high lips, trip hazards etc.).	1, 4 & 6	95%	99.7% 	99.29% 	The 2023 Footpath Rating survey resulted in 99.29% being acceptable.

5. You can expect a timely response to your request for service

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Percentage of customer service requests relating to roads and footpaths responded to within the following timeframes:					
A. Urgent requests*: within three hours of the request being lodged with Council.	6	90%	90.7% 	92.7% 	There were 193 urgent requests received. 179 were responded to within 3 hours. This equates to 92.7%.
B. Non-urgent requests: the repairs will be included in the 3 month rolling programme or as instructed by Council’s Roothing Team.	6	90%	89.2% 	92.5% 	1142 non urgent requests were received. Of these requests 976 were responded to within 3 months and 81 requests are still within their three month timeframe for action. This equates to 92.5%.

*“Urgent” roading call-outs include the following: sealed and unsealed road failures affecting traffic safety and showing signs of rapid deterioration; removal of offensive graffiti; replacement and painting (where required) of defective or damaged barriers where traffic or public safety is seriously compromised; potholes on arterial roads; removal of offensive and dangerous litter and debris (e.g. dead animals, vomit, excrement, broken glass etc) on all urban roads; and unsealed roads that have subgrade exposure and slippery conditions, where road user safety is at risk. All other roading and footpath requests for services are considered “non-urgent”. Further detail on the frequency of inspections and response times is included in Appendix 9 of the Roothing Activity Management Plan.

**Manawatū District Council
Funding Impact Statement for the year
ended 30 June 2023 Roothing Network**

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu
i te 30 o Pipiri 2023 Whatunga Ara Waka

All external borrowing is managed through Council’s treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council’s treasury. The interest charged on internal borrowings for the year ended 30 June 2023 is disclosed under finance costs.

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	27	8	9
Targeted rates	7,925	8,335	7,581
Subsidies and grants for operating purposes	5,617	3,220	3,188
Fees and charges	44	150	73
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	274	223	217
Total operating funding	13,887	11,937	11,068
Applications of operating funding			
Payments to staff and suppliers	9,471	6,247	6,068
Finance costs	364	451	368
Internal charges and overheads applied	243	29	(59)
Other operating funding applications	-	-	-
Total applications of operating funding	10,078	6,726	6,378
Surplus (deficit) of operating funding	3,809	5,210	4,690
Sources of capital funding			
Subsidies and grants for capital expenditure	4,052	4,902	5,138
Development and financial contributions	797	993	967
Increase (decrease) in debt	2,110	1,766	2,204
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	6,959	7,661	8,309
Application of capital funding			
Capital expenditure			
- to meet additional demand	1,571	773	995
- to improve the level of service	3,450	3,353	3,912
- to replace existing assets	5,385	5,948	7,987
Increase (decrease) in reserves	363	2,797	105
Increase (decrease) of investments	-	-	-
Total applications of capital funding	10,769	12,871	12,999
Surplus (deficit) of capital funding	(3,809)	(5,210)	(4,690)
Funding balance	-	-	-
Roading Network Internal Borrowings			
Opening balance 1 July	10,881		
Internal loans raised during the year	2,454		
Internal loans repaid during the year	(344)		
Closing balance at 30 June	12,991		



Water Supply Group

Te Ratonga Wai

This group of activities can be found on page 164 of the 2021-31 Long Term Plan.

What we do

We ensure that there is a sufficient water supply for our community and undertake water treatment to ensure it is safe to drink.

How we do it

- We provide water supplies to meet residential and industrial/commercial needs via Council's four urban drinking water schemes: Feilding, Himatangi Beach, Sanson and Rongotea. We also provide rural water schemes in Stanway/Halcombe and Waituna West to meet residential and agricultural needs. We also administer two rural water supply schemes that are community operated (Kiwitea and Ōroua No. 1) and ensure all Council water schemes meet the appropriate standards.
- This work also involves maintaining Council's water treatment plants and water storage facilities, and maintaining and repairing Council's reticulation network system, as well as monitoring and managing the demand for waste.

Why we do it

We work to maintain public health through the provision of water that meets New Zealand Drinking Water Standards; and foster development in the district by meeting the requirements for commercial premises or major industries.

The Water Supply Group contributes to the following community outcomes:

A place to belong and grow

- by ensuring the district enjoys ample potable water for domestic and industrial use.

A future planned together

- by ensuring the district enjoys ample potable water for domestic and industrial use.

An environment to be proud of

- by investing in a network of deep sourced ground water supplies to reduce the community's reliance on river water, ensuring a healthy and sustainable environment.

Infrastructure fit for the future

- by investing in a potable water network that provides drinking water for the current and foreseeable future needs of our community.

A prosperous, resilient economy

- by providing water supply networks that underpin the current residential, commercial and rural needs and future economic development opportunities.

Value for money and excellence in local government

- by ensuring that targeted investment in the water networks delivers water that is affordable and reliable across the district.



How we did

1. You can expect the provision of a safe water supply

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23 DWSNZ	Results 2022/23 DWQAR ¹	Comments	
The extent (% compliance) to which Council's drinking water supply complies with Part 4 of the NZ Drinking Water Standards. (bacteria compliance criteria)	1 to 6	Feilding - Armadale	100%	100%	100%	100%	Feilding-Armdale 100% compliant under the DWSNZ 2005 (revised 2018). Feilding Awa Street is not compliant under new regulations DWQAR 2022 that came into effect from 1 January 2023. Stanway/Halcombe 85% due to high turbidity in treated water due to high turbidity at intake due to erosion of river bank near intake caused by Cyclone Gabrielle. Boil Water notice issued on 23 June 2023. Ōhakea Plant commissioned late July 2022.
		Feilding - Awa St	100%	100%	100%	0%	
		Himatangi Beach	100%	100%	100%	77%	
		Rongotea	100%	100%	100%	100%	
		Sanson	100%	100%	100%	98%	
		Stanway Halcombe	100%	100%	100%	85%	
		Waituna West	100%	100%	100%	50%	
Ōhakea	100%		100%	100%			
The extent (% compliance) to which Council's drinking water supply complies with Part 5 of the NZ Drinking Water Standards. (protozoal compliance criteria).* #	1 to 6	Feilding - Armadale	100%	100%	100%	100%	100% compliance with protozoa except Stanway Halcombe and Feilding Awa Street, which do not have protozoa treatment installed.
		Feilding - Awa St	100%	100%	100%	0%	
		Himatangi Beach*	100%	100%	100%	100%	
		Rongotea*	100%	100%	100%	100%	
		Sanson*	100%	100%	100%	100%	
		Stanway Halcombe#	0%	0%	0%	0%	
		Waituna West*	100%	100%	100%	100%	
Ōhakea	100%		100%	100%			

* Schemes Automatically comply with Protozoa compliance due to secure bore status (Himatangi Beach, Rongotea, Sanson, Stanway Halcombe, Waituna West).

Stanway Halcombe scheme upgrades are underway and are expected to be compliant in 2022.

¹ Schemes may have changed from compliant to non-compliant due to new Drinking Water Quality Assurance Rules (DWQAR). The change in status does not represent a decline in performance of the scheme, but rather reflects a change in reporting.

2. You can expect the water reticulation network to be well maintained

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The estimated percentage of real water loss from Council's networked reticulation system using minimum night flow (MNF) analysis, measured per water supply scheme.	Feilding	<35%	22% 	12.1% 	Sanson and Waituna West difficult to calculate due to not being an on demand supply. Water loss for trickle feed schemes is overestimated as the volume of water that is legitimately being used to fill tanks can't be excluded. This is applicable for Rongotea, Stanway, Sanson, Halcombe and Waituna West. The calculations for these schemes are based on 27% of the connections in an urban environment legitimately being used and 65% of the connections in a rural environment being used.
	Himatangi Beach	<35%		38.5% 	
	Rongotea	<35%	18% 	18% 	
	Sanson	<35%	12% 	-	
	Stanway Halcombe	<35%	9% 	24% 	
	Waituna West	<35%	34% 	-	

3, 4 & 6

3. You can expect faults to be responded to and resolved in a timely manner

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Urgent call-outs* to a fault or unplanned interruption to Council's networked reticulation system:					
A. Median attendance time from the time the Council receives notification to the time that service personnel reach the site.	6	<2 hours	0.73 hours 	0.75 hours 	
B. Median resolution time from the time the Council receives notification to the time that service personnel confirm that the water supply has been reinstated.	6	<9 hours	1.52 hours 	3.02 hours 	
Non-urgent call-outs to a fault or unplanned interruption to Council's networked reticulation system:					
A. Median attendance time from the time the Council receives notification to the time that service personnel reach the site.	6	<5 workings days	24 hours 	24 hours 	
B. Median resolution time from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	6	A further working days	24 hours 	24 hours 	

Note: An "urgent" call-out is one in which there is a complete loss of water.

4. You can expect satisfaction with the quality of water service

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Monitoring the total number of complaints received by Council about any of the following: Drinking water clarity, drinking water taste, drinking water odour, drinking water pressure or flow, continuity of supply, the local authority's response to any of these issues. Expressed per 1000 connections to the Council's networked reticulation system.	1 to 6	<20	7.35 	8.73 	

5. You can expect us to manage the demand for domestic water supply

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The average consumption of drinking water per day, per resident within Council's authority area: (MEASURE: litres/person/day for domestic supply only).	Feilding 17,350	<300	142 	192 	This is the effect of summer population increase.
	Himatangi Beach 513	<1000	793 	678 	Not all properties are connected to the water supply.
	Rongotea 639	<300	139 	108 	
	Sanson 582	<300	263 	202 	
	Stanway Halcombe 554	<1000	465 	408 	
	Waituna West 226	<1000	1145 	1370 	
	Ōhakea RWS	<1000		738 	Ōhakea Plant commissioned late July 2022.
		2 & 6			

- Feilding target excludes metered water (industrial and commercial).
- Waituna West and Stanway Halcombe are rural schemes and therefore the target is 1000l/per to reflect the stock water use.
- Due to holiday homes the water use at the Himatangi Beach scheme is significantly higher than the permanent population.
- The Urban non holiday/rural schemes has been increased to 300 from 250 to reflect the targets set in the One Plan (Regional Council overarching plan).

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Water Supply

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu
i te 30 o Pipiri 2023 Te Ratonga Wai

All external borrowing is managed through Council's treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council's treasury. The interest charged on internal borrowings for the year ended 30 June 2023 is disclosed under finance costs.



	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	4,956	4,833	4,234
Subsidies and grants for operating purposes	-	-	-
Fees and charges	7	-	-
Internal charges and overheads recovered	477	564	517
Local authorities fuel tax, fines, infringement fees and other receipts	122	4	4
Total operating funding	5,562	5,401	4,754
Applications of operating funding			
Payments to staff and suppliers	1,341	1,432	1,207
Finance costs	203	250	213
Internal charges and overheads applied	2,861	1,814	1,726
Other operating funding applications	-	-	-
Total applications of operating funding	4,405	3,497	3,147
Surplus (deficit) of operating funding	1,157	1,905	1,608
Sources of capital funding			
Subsidies and grants for capital expenditure	2,779	3,681	5,134
Development and financial contributions	316	326	1,045
Increase (decrease) in debt	(223)	3,646	987
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	2,871	7,654	7,166
Application of capital funding			
Capital expenditure			
- to meet additional demand	465	280	178
- to improve the level of service	1,315	5,534	6,416
- to replace existing assets	1,738	403	2,105
Increase (decrease) in reserves	510	3,342	75
Increase (decrease) of investments	-	-	-
Total applications of capital funding	4,028	9,559	8,774
Surplus (deficit) of capital funding	(1,157)	(1,905)	(1,608)
Funding balance	-	-	-
Water Supply - Internal Borrowings			
Opening balance 1 July	5,669		
Internal loans raised during the year	34		
Internal loans repaid during the year	(258)		
Closing balance at 30 June	5,445		



Wastewater Group

Te Wai Para

This group of activities can be found on page 172 of the 2021-31 Long Term Plan.

What we do

We collect, treat and dispose of wastewater, including domestic, commercial and industrial waste.

How we do it

- By maintaining reticulated wastewater systems in Feilding, Awahuri, Cheltenham, Halcombe, Kimbolton, Rongotea, Sanson and Himatangi Beach.
- By ensuring that we meet resource consent requirements for the discharge of treated wastewater to either land or water from the District's Wastewater Treatment Plants.
- By ensuring that we meet statutory obligations under the Local Government Act 2002, Health Act 1956, and Resource Management Act 1991.

Why we do it

We work to protect the environment, minimise risk and health hazards from wastewater and other wastewater overflows by having a service that is cost-effective, compliant and operated in a social and culturally acceptable manner.

The Wastewater Group contributes to the following community outcomes:

A place to belong and grow

- by managing development within the district to ensure the appropriate provision of wastewater is managed and planned in a way that provides for our district's growth.

A future planned together

- by providing an effective wastewater infrastructure, which is a prerequisite for a healthy, growing economy.

An environment to be proud of

- by ensuring our wastewater infrastructure is capable of meeting resource consent requirements, which minimises any adverse effects on the environment.

Infrastructure fit for the future

- by providing cost effective wastewater infrastructure and initiatives that ensure safe management of wastewater, protecting public health.

A prosperous, resilient economy

- by ensuring that effective collection and disposal of treated wastewater minimises any public health risk.

Value for money and excellence in local government

- by centralising wastewater from the district villages to the Manawatū Wastewater Treatment Plant in Feilding, we ensure that wastewater is treated and managed in a safe and cost effective manner.

How we did



1. You can expect us to effectively manage Council's reticulated wastewater system

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 SUIPs (separately used inhabited parts of a rating unit).	3, 4 & 6	<6	0.24 	0.12 	

2. You can expect compliance with the Council's resource consents for discharge from its treated wastewater system

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of abatement notices advising of breaches of resource consent conditions per scheme.	3 & 6	<2	0 	0 	
The number of infringement notices, enforcement orders, and convictions received by Council in relation to resource consent conditions per scheme.	3 & 6	0	1 	0 	

3. You can expect a timely response and resolution to faults or blockages

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Median response time from the time the Council receives notification to the time that service personnel reach the site. (Urgent)	6	<2 hours	0.72 hours 	0.52 hours 	
Median response time from the time the Council receives notification to the time that service personnel reach the site. (Non-Urgent)	6	5 days	1.53 hours 	1.38 hours 	
Median response time from the time the Council receives notification to the time that service personnel reach the site. (Combined)	6	5 days	1.35 hours 	1.11 hours 	
Median resolution time: from the time Council receives notification to the time service personnel confirm resolution of the blockage or other fault. (Urgent)	6	<5 hours	2.43 hours 	3.52 hours 	
Median resolution time: from the time Council receives notification to the time service personnel confirm resolution of the blockage or other fault. (Non-urgent)	6	10 days	4.18 hours 	4.33 hours 	
Median resolution time: from the time Council receives notification to the time service personnel confirm resolution of the blockage or other fault. (Combined)	6	10 days	4.02 hours 	4.33 hours 	

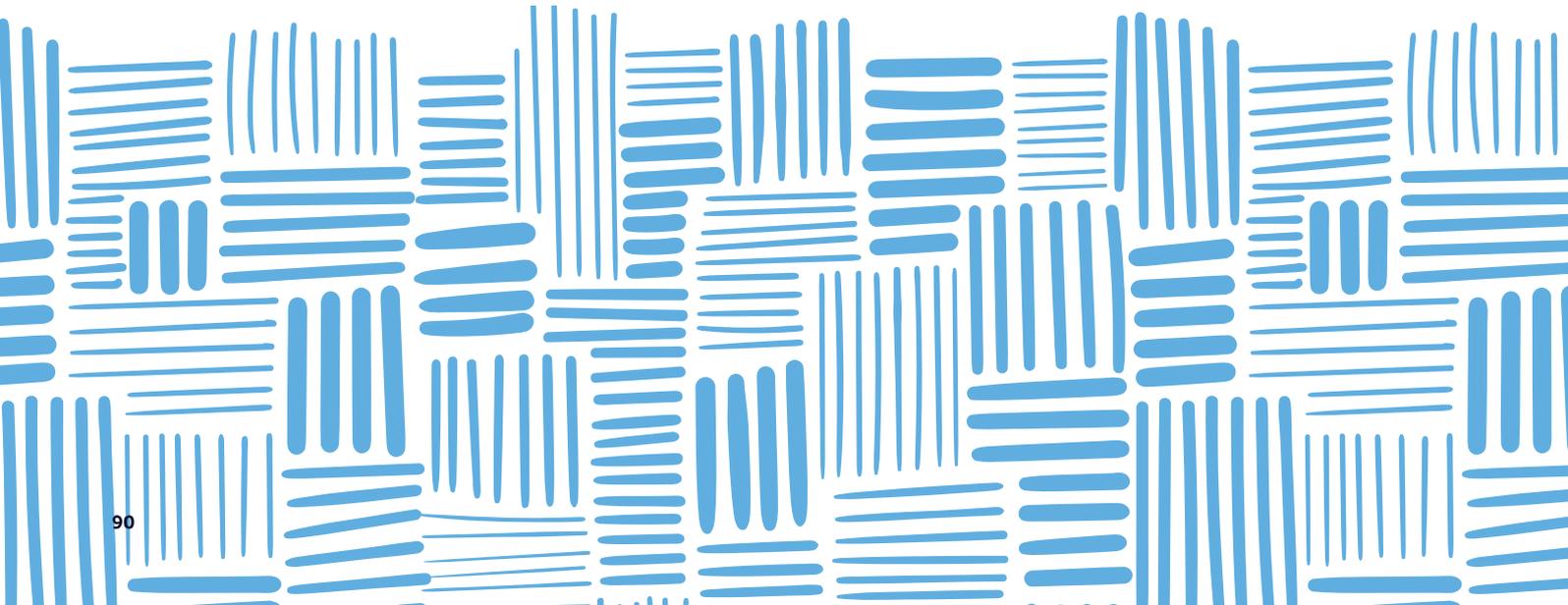
4. You can expect satisfaction with our service					
Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The total number of complaints received by Council about the following: <ul style="list-style-type: none"> • sewage odour • sewerage system faults • sewerage system blockages • Council’s response to issues with its sewerage system. (Expressed per 1000 connections to the council sewerage system)*		<20	6.75	3.58	
					
	4 & 6				

*excludes complaints that do not relate to the service council provide.

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Wastewater

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu
i te 30 o Pipiri 2023 Te Wai Para

All external borrowing is managed through Council’s treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council’s treasury. The interest charged on internal borrowings for the year ended 30 June 2023 is disclosed (right) under finance costs.



	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	-	-	-
Targeted rates	5,766	5,212	4,811
Subsidies and grants for operating purposes	-	-	-
Fees and charges	1,696	1,995	1,923
Internal charges and overheads recovered	790	909	878
Local authorities fuel tax, fines, infringement fees and other receipts	460	179	174
Total operating funding	8,714	8,296	7,785
Applications of operating funding			
Payments to staff and suppliers	2,837	3,068	2,932
Finance costs	1,158	1,160	1,177
Internal charges and overheads applied	2,614	1,870	1,817
Other operating funding applications	-	-	-
Total applications of operating funding	6,609	6,097	5,927
Surplus (deficit) of operating funding	2,105	2,199	1,859
Sources of capital funding			
Subsidies and grants for capital expenditure	3,381	0	523
Development and financial contributions	484	753	730
Increase (decrease) in debt	325	(770)	(776)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	4,190	(17)	477
Application of capital funding			
Capital expenditure			
- to meet additional demand	649	648	407
- to improve the level of service	1,530	563	1,306
- to replace existing assets	5,216	2,857	3,683
Increase (decrease) in reserves	(1,099)	(1,886)	(3,061)
Increase (decrease) of investments	-	-	-
Total applications of capital funding	6,295	2,181	2,336
Surplus (deficit) of capital funding	(2,105)	(2,199)	(1,859)
Funding balance	-	-	-
Wastewater - Internal Borrowings			
Opening balance 1 July	31,828		
Internal loans raised during the year	1,413		
Internal loans repaid during the year	(1,088)		
Closing balance at 30 June	32,153		



Stormwater Group

Te Wai Ua

This group of activities can be found on page 180 of the 2021-31 Long Term Plan.

What we do

Provide a network of stormwater systems throughout the district.

How we do it

We maintain reticulated stormwater systems in Feilding, Rongotea and Sanson including inlets, pipes, open drains, and outlets to receiving environments. We maintain shared stormwater assets in Himatangi Beach, Halcombe, Āpiti, Kimbolton, Pōhangina, Rangiwāhia and Cheltenham. We also carry out significant ongoing maintenance to the four rural drainage schemes: Bainesse, Maire, Makowhai and Ōroua.

Why we do it

We work to protect people, property and community assets from flooding, to maintain the economic productivity of rural land and to minimise contaminants of the district's waterways.

The Stormwater Group contributes to the following community outcomes:

A place to belong and grow

- by providing efficient stormwater management, which is an important service for the use and versatility of property across the district.

A future planned together

- by managing development within the district to ensure appropriate provision for stormwater drainage.

An environment to be proud of

- by ensuring compliance with our resource consents to protect our environment.

Infrastructure fit for the future

- by ensuring residents feel safe as the

possibility of flooding during storm events is reduced.

This year's activities:

The Council have undertaken a stormwater model to determine stormwater network improvements that are required to resolve the stormwater / flooding issues experienced across multiple areas of the Feilding residential zone since November 2021.

The solutions include:

1. Sizing and identification for detention dams within hard to develop areas in Precinct 1 and 2.
2. Poplar Grove – sizing and determining the footprint of the outlet from the railway to the Makino Stream.
3. Sizing of the Haybittle Street catchment area to inform the network requirements for the proposed Kimbolton Road to Oroua River stormwater upgrade on the northern side of the main trunk railway line, which runs through the centre of Feilding.
4. Upgrade or the installation of new stormwater networks along existing Feilding Residential zoned streets to reduce ponding.
5. A stormwater network upgrade from Osbourne Terrace towards Awahuri Road.

Council will be able to begin the design and land acquisition process for the required stormwater solutions within the 2023/24 financial year.

The stormwater network upgrades and investments will be programmed and budgeted for within the upcoming draft 2024-34 Long-Term Plan.

Halcombe Village Stormwater Model

Council is completing a stormwater model for the Halcombe Village area due to ongoing overland flow and ponding issues being experienced by the community.

Following the completion of the model, Council intends to prepare a prioritised list of improvement works. The prioritised list will then be programmed and budgeted for within the upcoming draft 2024-34 Long-Term Plan.

Glasgow Street Detention Pond

Stormwater runoff from the catchment above Glasgow Terrace in Feilding has caused flooding to downstream properties on multiple occasions. The Council is constructing a new detention dam that will reduce this risk of flooding.

A solid fence will also be built along the property boundaries at the western end of

Glasgow Terrace to prevent overland flow being directed off the farm area. This project will be completed by late September 2023.

Detention Ponds – Kei kino te wai

Council is completing a stormwater management programme to enable growth within the Precinct 4 East residential growth area. This will enhance the stormwater management in the area and will provide a high-level amenity recreation area and walkway.

The detention ponds will provide cultural enhancement of the area via an iwi-led design, will support the mauri of the awa and will enhance the ecology of the surrounding area.

Council is undertaking a detailed design that will be completed by October 2023. Earthworks are programmed to commence in November 2023.



How we did

1. You can expect stormwater system adequacy					
Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of flooding events in the district.*	2 & 4	0	4	1	Flooding event occurred February 2023.
The number of habitable floors affected during each flooding event. (Expressed per 1000 properties connected to Council's stormwater system).	2 & 4	<10	4.78	0.35	

*A flooding event is defined as an overflow of the urban stormwater system that enters a habitable floor.

2. You can expect us to comply with resource consent conditions for discharge from Council's stormwater systems

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of:		<2	0	0	No enforcement action has occurred. No abatement notices received.
A. abatement notices					
B. infringement notices		0	0	0	
C. enforcement orders	3, 4 & 6	0	0	0	
D. successful prosecutions received in relation to those resource consents		0	0	0	

3. You can expect a timely response to flooding events

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Measuring the median response times to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	6	Within 2 hours	7.35 hours 	2.65 	These times were taken as the time the customer was contacted after calling to advise of flooding to a habitable floor.

4. You can expect satisfaction with the performance of Council's reticulated stormwater system

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of complaints received by Council about the performance of its stormwater system (expressed per 1000 properties connected to Council's stormwater system).*	2, 4 & 6	<20*	33.33 	4.95 	

*excludes complaints that do not relate to the service council provides

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Stormwater and Drainage

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu i
te 30 o Pipiri 2023 Te Wai Ua me te Wāra

All external borrowing is managed through Council's treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council's treasury. The interest charged on internal borrowings for the year ended 30 June 2023 is disclosed (right) under finance costs.



Limestone Creek Reserve Glow Worm Cave

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	253	285	251
Targeted rates	1,133	1,227	1,110
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	266	349	316
Local authorities fuel tax, fines, infringement fees and other receipts	254	13	13
Total operating funding	1,906	1,874	1,690
Applications of operating funding			
Payments to staff and suppliers	743	290	274
Finance costs	355	561	463
Internal charges and overheads applied	553	671	604
Other operating funding applications	-	-	-
Total applications of operating funding	1,652	1,522	1,341
Surplus (deficit) of operating funding	255	352	349
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	671	940	913
Increase (decrease) in debt	2,705	116	279
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	3,376	1,056	1,192
Application of capital funding			
Capital expenditure			
- to meet additional demand	1,540	1,395	3,128
- to improve the level of service	1,651	612	590
- to replace existing assets	71	63	61
Increase (decrease) in reserves	369	(662)	(2,239)
Increase (decrease) of investments	-	-	-
Total applications of capital funding	3,631	1,408	1,541
Surplus (deficit) of capital funding	(255)	(352)	(349)
Funding balance	-	-	-
Stormwater - Internal Borrowings			
Opening balance 1 July	9,956		
Internal loans raised during the year	2,950		
Internal loans repaid during the year	(245)		
Closing balance at 30 June	12,662		

Solid Waste Group Te Para Totoka



This group of activities can be found on page 186 of the 2021-31 Long-term Plan.

What we do

Our Solid Waste Group is dedicated to reducing waste and keeping our community clean. Together with our Waste Management Minimisation Plan, we aspire to reach zero waste through education, development and implementation of recycling, reuse and recovery methods.

How we do it

We provide weekly refuse bag collection service to urban and selected rural areas, kerbside recycling to Feilding residents and businesses, and rural recycling facilities in selected villages.

We provide waste transfer stations, litter bin services, and bulk rural refuse collection, inspect solid waste collection points to ensure safety and avoid health risks, and remove fly tipping.

We meet our legal obligations under the Waste Minimisation Act 2008, Local Government Act 2002, Health Act 1956 and Resource Management Act 1991 to provide solid waste services and regularly review our Waste Minimisation Management Plan.

We support the Enviroschools, Zero Waste Education and Marae-based waste minimisation and recycling programmes and deliver waste education programmes. We provide educational material to households, farmers, schools and businesses educating about the benefits of diverting more waste from landfill through recycling.

Why we do it

We work to protect the environment throughout the district by reducing the amount of waste to landfill. We also play an important role in protecting public health by ensuring the safe and hygienic collection of household and commercial waste.

The Solid Waste Group contributes to the following community outcomes:

An environment to be proud of

- by working to enable recycling opportunities and waste diversion from landfill.

Infrastructure fit for the future

- by investing in urban and rural waste management and recycling facilities to provide communities with effective waste management options to cater for current and future needs.

A prosperous, resilient economy

- by working to enable a clean environment across the district, which is vital to our wellbeing as well as our attractiveness to visitors and investors.

Value for money and excellence in local government

- by actively engaging in the provision of solid waste services throughout the district to ensure a cost effective service.
- by promoting innovation in the waste management industry, leveraging the strategic geographical location of the Manawatū.



How we did

1. You can expect the provision of convenient rubbish and recycling services for rural and village residents

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
% of rural residents who have a Council refuse bag drop-off point close to their homes.		90%	94% 	94% 	
Mobile recycling centres are conveniently located within all identified villages within 5km of village centre.	4 & 6	YES	100% 	YES 	All stations in place apart from Halcombe MRC is not currently accepting glass drop off.

2. You can expect the provision of waste education programmes to encourage recycling

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
Funding provided for waste education programmes that promote reduce and reuse.	2, 3 & 6	YES	YES 	YES 	20 Kindergarten/ Preschools and Primary Schools are participating in the EnviroSchools programme.

3. You can expect the provision of effective waste services

Measure	Link to community outcomes	Target 2023	Result 2021/22	Result 2022/23	Comments
The number of complaints received by Council about the performance of its solid waste services (expressed as number of complaints per 1000 households).*	6	<100	55.75 	32.34 	

*excludes complaints that do not relate to the service council provides

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Solid Waste

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu i
te 30 o Pipiri 2023 Para Totoka

All external borrowing is managed through Council’s treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council’s treasury. The interest charged on internal borrowings for the year ended 30 June 2023 is disclosed under finance costs.

	Actual 2023 \$000	LTP 2023 \$000	LTP 2022 \$000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	1,653	1,646	1,530
Targeted rates	816	930	881
Subsidies and grants for operating purposes	301	154	149
Fees and charges	1,818	1,953	1,784
Internal charges and overheads recovered	291	204	190
Local authorities fuel tax, fines, infringement fees and other receipts	86	-	-
Total operating funding	4,966	4,887	4,534
Applications of operating funding			
Payments to staff and suppliers	3,117	3,866	3,661
Finance costs	197	155	162
Internal charges and overheads applied	691	605	561
Other operating funding applications	-	-	-
Total applications of operating funding	4,005	4,626	4,385
Surplus (deficit) of operating funding	962	261	149
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	(57)	(70)	762
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	(57)	(70)	762
Application of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	109	18	833
- to replace existing assets	-	-	0
Increase (decrease) in reserves	796	173	78
Increase (decrease) of investments	-	-	-
Total applications of capital funding	905	191	911
Surplus (deficit) of capital funding	(962)	(261)	(149)
Funding balance	-	-	-
Stormwater - Internal Borrowings			
Opening balance 1 July	4,828		
Internal loans raised during the year	52		
Internal loans repaid during the year	(109)		
Closing balance at 30 June	4,771		

Manawatū District Council Funding Impact Statement for the year ended 30 June 2023 Whole of Council

Te Kaunihera ā-Rohe o Manawatū
Tauākī whaihua tuku pūtea mō te tau ka mutu i te 30 o Pipiri 2023
Kaunihera Whārahi

All external borrowing is managed through Council's treasury function, which borrows externally to maintain sufficient liquidity for the day-to-day operations. Internal loans are raised by the activity from Council's treasury.

The finance costs disclosed (right) are in relation to external loans only, as the internal interest received by Council's treasury for internal loans advanced to each group of activities is offset against interest expenses charged on internal loans raised by each group of activities. For the internal interest expense charged on internal loans advanced to each group of activities please refer to Funding Impact Statements for each group of activities.



Totara Reserve, Pohangina

	Actual 2023 \$000	Annual Plan 2023 \$000	Actual 2022 \$000	Annual Plan 2022 \$000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	15,475	15,005	14,454	14,136
Targeted rates	27,960	28,011	25,136	25,227
Subsidies and grants for operating purposes	5,961	3,352	3,989	3,372
Fees and charges	7,531	7,826	7,363	7,687
Internal charges and overheads recovered	613	229	157	229
Local authorities fuel tax, fines, infringement fees and other receipts	4,158	3,317	4,118	3,887
Total operating funding	61,699	57,740	55,216	54,538
Applications of operating funding				
Payments to staff and suppliers	47,583	43,239	41,514	40,551
Finance costs	3,489	1,896	1,856	2,076
Other operating funding applications	-	-	-	-
Total applications of operating funding	51,072	45,239	43,370	42,627
Surplus (deficit) of operating funding	10,627	12,501	11,846	11,911
Sources of capital funding				
Subsidies and grants for capital expenditure	11,462	5,340	14,051	10,794
Development and financial contributions	2,684	3,502	4,785	4,170
Increase (decrease) in debt	5,000	12,211	3,028	1,669
Gross proceeds from sale of assets	508	-	634	5,000
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	19,655	20,853	22,497	21,634
Application of capital funding				
Capital expenditure				
- to meet additional demand	5,144	6,684	3,223	5,666
- to improve the level of service	13,025	14,704	16,648	17,876
- to replace existing assets	13,932	12,325	14,464	16,393
Increase (decrease) in reserves	(1,819)	(158)	8	(6,391)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding	30,282	33,554	34,343	33,544
Surplus (deficit) of capital funding	(10,627)	(12,501)	(11,846)	(11,911)
Funding balance	-	-	-	-

Reconciliation of surplus of Whole of Council operating funding to operating surplus before gains and losses

The following table reconciles the difference between the Whole of Council funding impact statement and the statement of comprehensive revenue and expenditure.

		Actual 2023 \$000	Actual 2022 \$000
Surplus of Operating Funding		10,627	11,846
<i>Operating surplus items not included in operating funding</i>			
Net proceeds from sale of assets	Note 6	(46)	590
Vested Assets Revenue	Note 6	2,278	90
Depreciation	Note 8	(23,867)	(17,797)
Impairment of Other assets Impairment of Receivables	Note 10	12	14
Impairment of Receivables	Note 10	10	16
Loss on disposal of property, plant and equipment	Note 10	(2)	(9)
Impairment of other assets			(39)
Subsidies and grants for capital expenditure		11,462	14,051
Development and financial contributions		2,684	4,785
<i>Operating funding items not included in operating surplus</i>			
Subsidies and grants			(30)
Internal Rates		(276)	(253)
Impairment of Receivables		10	16
Surplus/(deficit) before tax		2,894	13,280



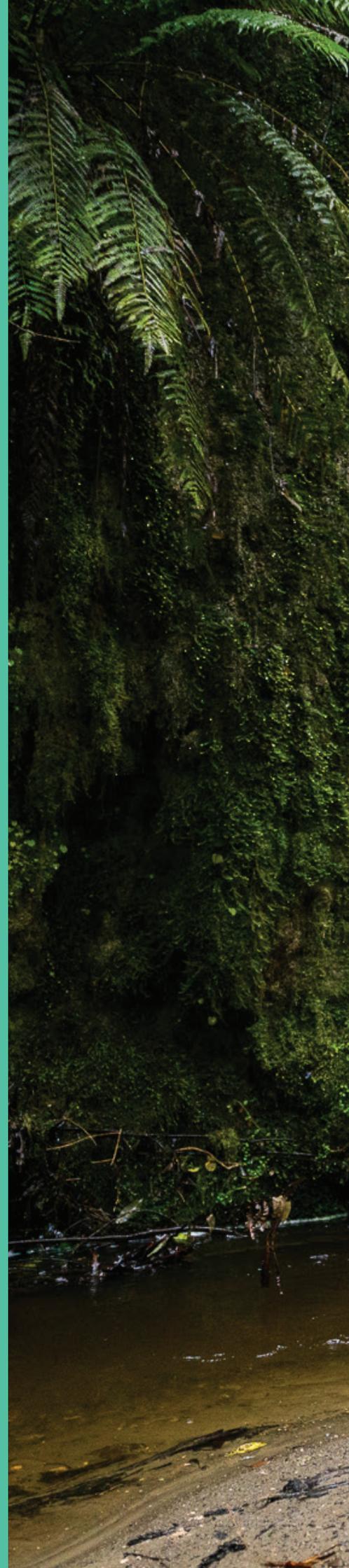
Raumai Reserve, Pohangina River

Section 3:

Financial Information

Wāhanga 3:

Tauākī Ahumoni





Manawatū District Council Statement of Comprehensive Revenue and Expense for the year ended 30 June 2023

Te Kaunihera ā-Rohe o Manawatū
Tauākī moni whiwhi, whakapaunga, mō te tau ka mutu
i te 30 o Pipiri 2023

	Notes	COUNCIL			GROUP	
		Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Revenue						
Rates revenue	3	43,158	43,016	39,338	42,995	39,202
Financial revenue	4	613	229	157	520	92
Subsidies and grants	5	17,424	8,692	18,009	17,728	18,168
Development and financial contributions		2,684	3,502	4,785	2,684	4,785
Other revenue	6	13,922	11,143	12,161	16,714	14,531
Other gains/(losses)	6	-	16	-	(6)	-
Total revenue	2	77,801	66,598	74,449	80,635	76,777
Expenses						
Personnel costs	7	14,534	15,745	13,182	14,943	13,536
Depreciation and amortisation	8	23,867	19,622	17,797	24,829	18,641
Finance costs	9	3,489	1,896	1,856	3,611	1,931
Other operating expenses	10	33,017	27,598	28,334	33,923	29,087
Total operating expenditure	2	74,907	64,861	61,169	77,307	63,195
Share of associate's surplus/deficit	15	-	-	-	8	7
Surplus/(deficit) after tax		2,894	1,738	13,280	3,336	13,589
Income tax expense	11	-	-	-	-	-
Surplus/(deficit) after tax		2,894	1,738	13,280	3,336	13,589
Other comprehensive revenue and expense						
Gains/(losses) on the revaluation of property, plant and equipment	25	109,253	28,434	230,126	105,758	239,127
Total other comprehensive revenue and expense	25	109,253	28,434	230,156	105,758	239,127
Total comprehensive revenue and expense		112,147	30,173	243,405	109,094	252,716

Explanations of major variances against budget are provided in note 35.
The accompanying notes form part of these financial statements.

Manawatū District Council Statement of Financial Position as at 30 June 2023

Te Kaunihera ā-Rohe o Manawatū
Tauāki tūnga ahumoni mō te tau ka mutu i te 30 o Pipiri 2023

	Notes	COUNCIL			GROUP	
		Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Assets						
Current Assets						
Cash and cash equivalents	12	7,892	4,291	13,713	8,031	13,870
Debtors and other receivables	13	5,487	5,081	5,699	5,559	5,969
Investments in council organisations and similar entities	14	441	289	399	158	112
Inventory	16	384	297	317	384	317
Other financial assets	17	7,229	15	29	7,229	29
Non-current assets held for sale	18	4,741	-	4,834	4,741	4,834
Total current assets		26,174	9,973	24,992	26,101	25,131
Non-current assets						
Property, plant and equipment	19	1,146,945	865,300	1,029,852	1,183,667	1,070,071
Intangible assets	20	34	635	86	34	86
Investment in associate	15	1	1	1	293	286
Investments in council organisations and similar entities	14	5,551	5,644	5,758	1,761	1,707
Other financial assets	17	155	115	188	155	188
Total non-current assets		1,152,686	871,696	1,035,885	1,185,910	1,072,338
Total assets		1,178,860	881,669	1,060,877	1,212,011	1,097,469
Liabilities						
Current liabilities						
Creditors and other payables	21	11,064	8,893	10,465	11,351	10,894
Provisions	22	44	275	43	44	43
Employee entitlements	23	1,363	1,520	1,214	1,424	1,270
Borrowings	24	22,400	18,500	18,500	22,623	18,749
Total current liabilities		34,871	29,188	30,222	35,442	30,956
Non-current liabilities						
Provisions	22	1,536	1,943	1,497	1,536	1,497
Borrowings	24	71,438	79,775	70,289	72,703	71,780
Total non-current liabilities		72,974	81,718	71,786	74,239	73,277
Total liabilities		107,845	110,906	102,008	109,681	104,233
Equity						
Retained earnings	25	493,893	490,126	490,582	509,651	505,960
Other reserves	25	577,121	280,636	468,287	592,679	487,276
Total equity	25	1,071,015	770,763	958,868	1,102,330	993,236
Total liabilities and equity		1,178,860	881,669	1,060,877	1,212,011	1,097,469

Explanations of major variances against budget are provided in note 35.

The accompanying notes form part of these financial statements.

Manawatū District Council Statement of Changes in Net Assets/Equity – for the year ended 30 June 2023

Te Kaunihera ā-Rohe o Manawatū
Tauākī panonitanga huarawa, whai tūtanga, mō te tau ka mutu
i te 30 o Pipiri 2023

Notes	COUNCIL			GROUP	
	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Balance at 1 July	958,868	740,590	715,463	993,236	740,520
Total comprehensive revenue/ (expense) for the year	112,147	30,173	243,405	109,094	252,716
Balance as at 30 June	25 1,071,015	770,763	958,868	1,102,330	993,236

The accompanying notes form part of these financial statements.

Manawatū District Council Statement of Cash Flows for the year ended 30 June 2023

Te Kaunihera ā-Rohe o Manawatū
Tauākī mō te pari me te timu o ngā moni, mō te tau ka mutu
i te 30 o Pipiri 2023

	Notes	COUNCIL			GROUP	
		Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Cash flows from operating activities						
Receipts from rates revenue		42,988	43,016	39,463	42,825	39,284
Interest received		542	224	129	449	64
Dividends received		5	5	3	5	3
Receipts from other revenue		32,112	23,337	35,462	35,233	37,981
Payments to suppliers and employees		(47,679)	(43,343)	(41,448)	(48,821)	(42,526)
Interest paid		(3,069)	(1,896)	(2,350)	(3,288)	(2,481)
Goods and services tax (net)		566	-	(230)	596	(235)
Net cash from operating activities	26	25,465	21,343	31,030	26,999	32,090
Cash flows from investing activities						
Receipts from sale of property, plant and equipment		673	0	810	673	812
Receipts from sale of investments		-	308	-	-	-
Purchase of intangibles assets		51	(61)	(69)	51	(69)
Purchase of property, plant and equipment		(30,057)	(33,652)	(31,454)	(31,118)	(34,290)
Acquisitions of investments		(7,002)	-	(1,295)	(7,002)	(159)
Net cash from investing activities		(36,335)	(33,404)	(32,008)	(37,396)	(33,706)
Cash flows from financing activities						
Proceeds from borrowing		53,200	33,988	45,600	53,200	45,600
Repayment of borrowings		(48,151)	(21,777)	(42,538)	(48,642)	(42,784)
Net cash from financing activities		5,049	12,211	3,062	4,558	2,816
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		(5,821)	150	2,085	(5,838)	1,200
Cash, cash equivalents and bank overdrafts at the beginning of the year		13,713	4,141	11,629	13,870	12,670
Cash, cash equivalents and bank overdrafts at the end of the year	12	7,892	4,291	13,713	8,031	13,870

The accompanying notes form part of these financial statements.

Notes to Financial Statements

Hei whakamārama i ngā Tauākī Ahumoni

1. Statement of Accounting Policies

Reporting entity

Manawatū District Council (Council) is a territorial local authority governed by the Local Government Act 2002 and is domiciled and operates in New Zealand.

The financial statements presented are those of the Manawatū District Council (the Council) together with its Council Controlled Organisations (CCOs)

The Group consists of Manawatū District Council, which is the controlling entity, and four controlled entities; The Feilding Civic Centre Trust, the Manawatū Community Trust, Awahuri Forest / Kitchener Park Trust and Heartland Contractors Ltd (100% owned), and are included in the consolidated accounts. The Group also includes Central Economic Development Agency Limited, (50% owned) and Manawatū Wanganui LASS (14.3%). All entities are incorporated and domiciled in New Zealand. The Council is not aware of any restrictions that may have been imposed upon the CCOs other than normal banking covenants, or any risks associated with them.

The primary objective of Council is to provide goods or services for the community and social benefits, rather than making a financial return. Accordingly, Council has designated itself and the Group as Public Benefit Entities (PBEs) as defined under the Public Benefit Entities International Public Sector Accounting Standards (PBE IPSAS).

The financial statements of Council and Group are for the year ended 30 June 2023. The financial statements were authorised for issue by Council on 30 October, 2023.

Basis of preparation

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

Statement of compliance

The financial statements of Council and Group have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements and service performance information have been prepared in accordance with the PBE Accounting Standards for Tier 1 entity. These financial statements comply with the PBE Standards.

The financial statements have been prepared on an historical cost basis, except for assets and liabilities, which are recorded at fair value. These are detailed in the specific policies below.

Presentation currency and rounding

The financial statements are presented in New Zealand Dollars and values are rounded to the nearest thousand dollars (\$'000). Consequently there may be rounding discrepancies in the financial statements.

The functional currency of Council and its controlled entities and associates is New Zealand Dollars.

Summary of significant accounting policies

Basis of consolidation

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue and expenses of entities in the Group on a line-by-line basis. All intra-group balances, transactions, revenues and expenses are eliminated on consolidation.

Controlled entities

In the Group financial statements Council consolidates all entities where Council has the capacity to control its financing and operating policies, so as to obtain benefits from the activities of that entity. This power exists where Council controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by Council, or where the determination of such policies is unable to impact materially on the level of potential ownership benefits that arise from the activities of the controlled entity.

Council's investment in its controlled entities is carried at cost in Council's parent entity financial statements.

Associates

Council's associates are accounted for in the Group financial statements using the equity method. An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount in the Group financial statements is increased or decreased to recognise the

Group's share of the surplus or deficit of the associate after the date of acquisition.

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

Where the Group transacts with an associate, surpluses or deficits are eliminated to the extent of the Group's interest in the associate. Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

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

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. For jointly controlled operations Council and Group recognises in its financial statements the assets it controls, the liabilities and expenses it incurs, and the share of income that it earns from the joint venture.

Budget figures

The budget figures are those approved by Council in the 2022/23 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those used for preparing these financial statements.

Exchange transactions

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

Non-exchange transactions

In a non-exchange transaction Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As Council satisfies a present obligation (recognised as a liability) in respect of an inflow of resources from a non-exchange transaction (recognised as an asset), it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

Specific revenue policies

Specific accounting policies for major categories of revenue are outlined below:

- Rates are set annually by a resolution by Council and are recognised at the start of the financial year to which the resolution relates. All ratepayers are invoiced within

the financial year to which the rates have been set.

- Rates arising from late payment penalties are recognised as revenue when penalties are applied on overdue rates as per Council's rates resolution.
- Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy.
- Water billing revenue is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.
- Government grants and subsidies are recognised upon entitlement, which is when the conditions pertaining to eligible expenditure have been fulfilled. The most significant government grant is from New Zealand Transport Agency, which subsidises part of the costs in maintaining the local roading infrastructure network.
- Revenue from other services is recognised when the service has been rendered to a third party.
- Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.
- Sales of goods are recognised when the goods are delivered.
- Interest revenue is accrued on a time basis, by reference to the investment principal and the effective interest applicable.
- Dividends (net of imputation credits) are recognised when the right to receive payment has been established.
- Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested in Council are recognised as revenue when control over the asset is obtained.
- Revenue derived through acting as an agent for another party is recognised as a commission or fee on the transaction.

- Development contributions are recognised as revenue when Council provides, or is able to provide, the services that gave rise to the charging of the contribution. Otherwise, development contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

Borrowing costs

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

Cost allocation

Costs directly attributable to an activity are charged directly to that activity. Indirect costs are charged to activities using appropriate cost drivers such as; actual usage, staff numbers and floor area.

Foreign currency

Foreign currency transactions are translated into New Zealand Dollars (the functional currency) using the spot exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denomination in foreign currencies are recognised in the surplus or deficit.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets a specified criteria. Expenditure is recognised 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. Expenditure is recognised when a successful applicant has been notified of Council's decision.

Income tax

Income tax expense includes current tax and deferred tax.

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

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

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

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

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

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

Goods and Service Tax (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and

payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

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

The net GST paid to, or received from, the IRD including the GST relating to investing and financing activities is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Financial instruments

Council is party to financial instruments as part of its normal operations. These include bank accounts, investments, accounts receivable, accounts payables and borrowings. All financial instruments are recognised in the statement of financial position and all revenues and expenses in relation to financial instruments are recognised in the surplus or deficit.

Unless otherwise covered by a separate policy, all financial instruments are reported at their fair value.

Cash and cash equivalents

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

Debtors and other receivables

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

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

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics.

They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

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

Other receivables are written-off when there is no reasonable expectation of recovery.

Financial assets

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

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

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

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

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

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

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

Financial assets at fair value through surplus or deficit

This category has two sub-categories: financial assets held for trading, and those designated at fair value through surplus or deficit at inception.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading. Gains or losses due to change in fair value are recognised in the surplus or deficit.

Currently, Council does not hold any financial assets in this category.

Loans and receivables

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

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

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return of a similar financial instrument. The difference between the face value and the present value of the expected future cash flows of the loan recognised in the surplus or deficit as grant expenditure. The loans are subsequently measured at amortised costs using the effective interest method.

Council has provided a number of loans or advances to community-based organisations that have specific conditions attached. In some circumstances these loans are only repayable

should the community-based organisation cease to operate in accordance with the loan conditions. Those loans that are not expected to be repaid to Council in the foreseeable future are recorded at fair value and shown as a contingent asset.

Receivables are classified as "Accounts Receivables" in the statement of financial position. Advances and loans are classified as "Other Financial Assets" in the statement of financial position.

Held-to-maturity investments

Held-to-maturity investments are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity. e.g. Local Government Stock and Bonds.

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

Financial assets at fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated as fair value through equity or are not classified in any of the other categories above.

This category encompasses:

- Investments that Council intends to hold long-term, but may be realised before maturity; and
- Shareholdings held for strategic purposes (other than Council's investments in its controlled entity).

Gains and losses are recognised directly in other comprehensive revenue and expense except for impairment losses, which are recognised in the surplus or deficit. In the event of impairment, even though the asset has not been derecognised, any cumulative losses previously recognised in other comprehensive revenue and expense will be recognised in the surplus or deficit. On de-recognition of the asset the cumulative gain or loss previously recognised in other comprehensive revenue and expense is recognised in the surplus or deficit.

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the surplus or deficit.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, 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 in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal economic entity) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal economic entity classified as held for sale continue to be recognised.

Property, plant and equipment

Property, plant and equipment consists of:

- Operational assets: includes land, buildings, library books, plant and equipment, and motor vehicles.

- Restricted assets: includes parks, reserves and associated assets owned by Council, which provide a benefit or service to the community and cannot be disposed of because of legal or other Council restrictions.
- Infrastructure assets: the fixed utility systems that provide a continuing service to the community and are generally regarded as non-tradeable. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Cash and non-cash generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Cash generating assets are those assets that are held with the primary objective of generating a commercial return. Council does not hold any cash-generating assets.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which is not depreciated), at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The residual value and useful life of an asset is reviewed and adjusted, if applicable, at each financial year-end.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that the asset will provide future economic benefits or service potential to Council and the cost of the item can be measured reliably.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

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 in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Work in progress

All assets constructed by Council are initially recorded as work in progress. Work in progress is recognised at cost less impairment and it is not depreciated. Upon completion, these assets are transferred to their relevant asset class and depreciation commences.

Buildings	40 – 80 years	1.25 – 2.5%
Plant and equipment	4 – 10 years	10 – 25%
Motor vehicles	3 – 5 years	20 – 33%
Library books	10 years	10%
Infrastructural assets		
Roading network		
Top surface (seal)	2 – 23 years	4.3 – 33.3%
Pavement (base course)	69 years	1.45%
Sealed	69 years	1.45%
Unsealed	-	Not Depreciated
Formation	-	Not Depreciated
Culverts	50 – 100 years	1 – 2%
Footpaths	25 – 70 years	1.4 – 4%
Kerbs	50 – 67 years	1 – 1.49%
Signs	15 years	6.67%
Streetlights	25 – 70 years	1.4 – 4%
Bridges	50 – 100 years	1 – 2%
Water system		
Pipes	34 – 100 years	1 – 2.9%
Valves, hydrants	50 years	2%
Pump stations	25 years	4%
Treatment, supply and storage	10 – 100 years	1 – 10%
Wastewater system		
Pipes	50 – 100 years	1 – 2%
Manholes	100 years	1%
Pump stations	25 years	4%
Treatment plant	10 – 50 years	2 – 10%
Drainage network		
Pipes	40 – 100 years	1 – 2.5%
Manholes, cesspits	100 years	1%

Revaluation

Those asset classes that are revalued are valued on either a one-year or a three-yearly valuation cycle on the basis described below. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value. If a material difference exists, a revaluation will be undertaken.

Operational and restricted – land and buildings

- These assets are revalued to fair value as determined from market-based evidence by an independent valuer. The most recent valuation was performed by Quotable Value NZ as at 30 June 2022. Council’s policy is to revalue land and buildings every three years.
- Manawatū Community Trust’s land and buildings were revalued as at 30 June 2023, the valuation was prepared by independent valuer Morgan Property Advisors.

Infrastructural asset classes: water supply, wastewater, stormwater, drainage systems and roads

- These assets are revalued annually to fair value on a depreciated replacement cost basis. The valuation was performed internally by engineering staff and will be peer reviewed every three years. The most recent valuation was 30 June 2023.

Land under roads

- Land under roads was valued based on fair value of adjacent land determined by Tony Jones of Quotable Value NZ, effective 1 July 2005. Council has elected to use the fair value of land under roads as at 30 June 2005 as deemed cost. Land under roads is therefore no longer revalued.

Library collections

- The library collections were initially valued at depreciated replacement cost in accordance with the guidelines released by the New Zealand Library Association and the National Library of NZ. This is considered deemed cost and is no longer revalued.

Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are credited or debited to other comprehensive revenue and expense and are accumulated in 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 recognised in the surplus or deficit. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up

to the amount previously expensed, and then credited to other comprehensive revenue and expense.

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.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs that are directly associated with the development of software for internal use by Council are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Software is amortised on a straight-line basis over the estimated useful life of the asset (usually 4 years). The amortisation charge for each period is recognised in the surplus or deficit.

Costs associated with development and maintenance of Council’s website are recognised as an expense when incurred.

Easements

Easements that are an integral part of an infrastructure asset are included in the value of the asset. Other easements are not recognised.

Impairment of property, plant and equipment and intangible assets

Council’s non-financial assets are split between cash generating assets and non-cash generating assets. Cash generating assets are assets held with the primary objective of generating a commercial return. Non-cash generating items are non-financial assets other than cash generating assets. The majority of Council non-financial assets are non-cash generating assets.

At each balance date, Council assesses whether there is any objective evidence that any non-financial asset has been impaired (unable to provide the intended level of service). Any impairment losses are recognised in the surplus or deficit.

If the carrying amount of a class of assets is increased as a result of a revaluation, the increase shall be credited directly to revaluation surplus. However, the increase shall be recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same class of assets previously recognised in surplus or deficit.

If the carrying amount of a class of assets is decreased as a result of a revaluation, the decrease shall be recognised in surplus or deficit. However, the decrease shall be debited directly to revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that class of assets.

Financial liabilities

Trade payables

Short-term payables are recorded at the amount payable.

Loans and borrowings

Loans/borrowings are initially recognised at their fair value.

Borrowings are classified as current liabilities unless Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

Short-term employee entitlements

Employee benefits are expected to be settled within 12 months after the end of the period in which services are rendered for current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned, but not yet taken, at balance date.

Annual leave has been calculated on an actual entitlement basis at current rates of pay. Sick leave has not been included, as the amount of accumulated sick leave that is anticipated to be taken in future periods is not considered to be material.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to Defined Contribution Superannuation Schemes are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes

The Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a Defined Contribution Scheme.

Provisions – landfill closure and aftercare costs

As the previous operator of landfills, Council has a legal obligation to rehabilitate landfill sites post-closure and to provide ongoing maintenance and monitoring services after closure. The costs to meet these post-closure landfill obligations are recognised within the provision.

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 Council and group to make specified payments to reimburse the holder of the contract 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 the Council will be required to reimburse a holder for a loss

incurred discounted to present value. If the fair value of a financial guarantee cannot be reliably determined, a liability is recognised at the amount of the loss allowance determined in accordance with the ECL model.

Financial guarantees are subsequently measured at the higher of:

- the amount determined in accordance with the ECL model; and
- The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

Leases

Finance leases

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

At the commencement of the lease term, Council recognises the leased asset and corresponding liability 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 asset is depreciated over the period Council is expected to gain benefit from the use of the asset.

Operating leases

An operating lease is a lease where the lessor effectively retains all the risks and benefits of ownership of an asset.

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

Net assets/equity

Net assets or equity is the community's interest in Council and is measured as the difference between total assets and total liabilities.

The components of equity are:

- Retained earnings
- Restricted and Council created reserves
- Asset revaluation reserves

Restricted and Council created reserves

Restricted reserves are a component of equity

generally representing a particular use to which various parts of equity have been assigned. These reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised without reference to the Courts or a third party. Transfers from these reserves may be made 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.

Related parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include controlled entities and key management personnel, including the Mayor and elected members, the Chief Executive and members of the executive team.

Critical judgements in applying accounting policies, estimates and assumptions

All judgements, accounting estimates and assumptions are included in the accounting policies. None is considered critical, with the exception of the following:

Properties that receive rent

Properties that receive rent have been classified as Property Plant and Equipment rather than Investment Properties, as these are held for strategic purpose rather than to earn rentals or for capital appreciation.

Landfill aftercare provision

The exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision is based on discounted cash flows of estimated liability costs.

Infrastructural assets

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical determination 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 those assets which are not visible, for example, storm water, wastewater and water supply pipes that are underground.

This risk is minimised by Council performing a combination of physical inspections and condition modelling assessment of underground assets;

- 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. If recent contract cost information is considered out of date, it is indexed using the Consumers Price Index for civil constructions to convert them to current dollar value at the valuation date.
- Estimating any obsolescence or surplus capacity of an asset; and
- 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 Council could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit.

To minimise this risk, 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 Economic Entity, and have been adjusted for local conditions based on experience.

Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Experienced valuers perform Council's infrastructural asset revaluations.

Comparatives

To ensure consistency with the current year, certain comparative information has been reclassified where appropriate. This has occurred:

- where classifications have changed between periods;
- where Council has made additional disclosure in the current year, and where a greater degree of disaggregation of prior year amounts and balances is therefore required; and
- where there has been a change of accounting policy.

Standards recently adopted

The New Zealand Accounting Standards Board (NZASB) issued PBE FRS 48 Service Performance Reporting effective for periods beginning on or after 1 January 2022, this standard was adopted for 30 June 2023.

This has not resulted in any significant changes.

Standards issued and not yet effective, and not early adopted

No new standards issued remain un-adopted

2. Summary Cost of Activity Services

	Actual 2023 \$000	Budget 2023 \$000	Actual 2022 \$000
Revenue*			
Community Facilities	11,864	10,779	11,196
District Development	4,619	4,562	3,823
Emergency Management	336	314	405
Governance and Strategy	3,627	3,507	2,728
Regulatory	5,887	6,016	6,341
Roading	19,253	17,563	17,871
Solid Waste	4,675	4,470	3,997
Stormwater	2,970	2,319	2,497
Wastewater	12,397	8,750	7,884
Water Supply	8,672	5,232	14,433
Total activity revenue	74,298	63,512	71,175
Other revenue	3,503	3,086	3,274
Total operating revenue	77,801	66,598	74,449
Expenditure*			
Community Facilities	12,222	10,861	10,375
District Development	4,021	4,352	3,563
Emergency Management	330	341	536
Governance and Strategy	3,426	3,507	2,486
Regulatory	6,127	6,016	6,121
Roading	23,388	16,527	17,651
Solid Waste	3,859	4,396	4,049
Stormwater	2,306	1,739	1,654
Wastewater	9,303	8,311	7,212
Water Supply	6,693	5,893	4,544
Total activity expenditure	71,676	61,942	58,191
Other expenditure/ (overheads allocated)	3,231	2,919	2,978
Total applications of capital funding	74,907	64,861	61,169

* Note: The above summary cost of services includes non-cash items such as vested assets revenue, depreciation and amortisation expense which are not required to be included in the funding impact statements.

Each significant activity is stated gross of internal costs and revenues, and includes targeted rates attributable to activities (refer to note 3). In order to fairly reflect the total external operations for the council in the statement of comprehensive revenue and expense, these transactions are eliminated in the other revenue and other expenditure lines. Non activity based revenue and expenditure is also included in other revenue and other expenditure lines.

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Total revenue comprises of:				
Revenue from exchange transactions	2,965	2,230	5,799	4,522
Revenue from non-exchange transactions	74,836	72,219	74,836	72,219
Total operating revenue	77,801	74,449	80,635	76,741

3. Rates Revenue

	COUNCIL	
	Actual 2023 \$000	Actual 2022 \$000
General Rates attributable to Activities:		
Community Facilities	1,957	2,285
District Development	4,407	3,644
Emergency Management	317	301
Governance and Strategy	3,544	2,727
Regulatory	2,767	2,932
Roading	27	9
Solid Waste	1,653	1,639
Stormwater	253	248
Other Supported Activities	280	451
Total General Rates	15,206	14,235
Uniform Targeted Rates (UTR) and Targeted Rates attributable to Activities:		
Community Facilities	7,282	6,531
District Development	82	78
Roading	7,925	7,410
Solid Waste	816	873
Stormwater	1,133	1,123
Wastewater	5,766	4,801
Water - Rates	3,648	3,008
Water By Meter	1,308	1,311
Total Uniform Targeted Rates and Targeted Rates	27,960	25,136
plus rates penalties	269	218
less internal rates charged	(277)	(252)
Total Revenue from Rates	43,158	39,338

Rates Written Off

For the year ended 30 June 2023, the amount off rates written off by Council was \$64k (last year: \$41k).

Rates Remissions

Rates revenue is shown net of rates remissions. Council's rates remission policy (as detailed in the long term plan) allows Council to remit rates under Section 85 of the Local Government

(Rating) Act 2002. Remissions are available for non-contiguous properties, additional dwellings, penalties, serviceable wastewater targeted rate (half charge) and serviceable water targeted rate (half charges), school sewerage charges, public utilities owned by not-for-profit organisations, community, sporting and other organisations, small dwellings, land affected by natural calamity, and miscellaneous circumstances.

	COUNCIL AND GROUP	
	Actual 2023 \$000	Actual 2022 \$000
Rates and penalties levied	44,956	41,023
less Rates Remissions	(1,521)	(1,433)
less Internal Rates Charged	(277)	(252)
Rates Revenue Net of Remissions	43,158	39,338

In accordance with the Local Government (Rating) Act 2002 certain properties are not 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 a remission under Council's rates remission policy. These and other not-for-profit organisations are not subject to rates.

Rate base information	The number of non-rateable units within the district	The number of rateable units within the district	The total capital value of rating units within the district \$000	The total land value of rating units within the district \$000
At the end of the preceding financial year (i.e. 30 June 2022)	639	14,481	10,942,291	6,640,367

The Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That Deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 together with any revenue received by the Council from other local authorities for services provided by that Council for which those other local authorities rate. The annual rates revenue of the Council for the year ended 30 June 2023 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is shown below:

	COUNCIL	
	Actual 2023 \$000	Actual 2022 \$000
Total Revenue from Rates	43,158	39,338
Add back Internal Rates Charged	277	252
Add Rangitikei District Council Shared Service Revenue	2,327	2,052
Add Palmerston North City Council Enforcement Contract Revenue	25	21
Total Annual Rates Income	45,787	41,663

4. Financial Revenue	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Interest revenue for financial assets not at fair value through surplus or (deficit)	608	153	515	88
Dividend revenue	5	3	5	3
Total Financial Revenue	613	157	520	92

5. Subsidies and Grants	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
New Zealand Transport Agency subsidies	9,669	8,471	9,669	8,471
Grants received	1,357	0	1,661	159
Other subsidies	6,398	9,538	6,398	9,538
Total Subsidies and Grants	17,424	18,009	17,728	18,168

There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies, grants received and other subsidies recognised.

6. Other Revenue	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
User fees and charges	7,531	7,363	7,531	7,363
Shared service revenue	2,352	2,073	2,352	2,073
Petrol tax	227	229	227	229
Vested assets	2,278	90	2,278	90
Other revenue	1,580	1,816	4,372	4,186
Gain/(loss) on disposal of property, plant and equipment	(46)	590	(52)	590
Total Other Revenue	13,922	12,161	16,708	14,531

7. Personnel Costs	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Salaries and wages	14,712	13,451	15,084	13,777
Employer contributions to defined contribution plans	503	455	516	466
Increase/(decrease) in employee entitlement liabilities	149	196	173	213
Total Personnel Costs	15,363	14,102	15,772	14,456
Less Salaries and Wage Capital work	(829)	(920)	(829)	(920)
Total Operational Personnel Costs	14,534	13,182	14,943	13,536

8. Depreciation and Amortisation

	COUNCIL	
	Actual 2023 \$000	Actual 2022 \$000
Depreciation and Amortisation Expense per Group of Activities		
Community Facilities	2,473	1,772
District Development	0	-
Emergency Management	23	18
Environmental and Regulatory	53	53
Governance and Strategy	2	5
Roading Network	13,310	9,750
Solid Waste	143	49
Stormwater and Drainage	921	694
Wastewater	3,485	2,533
Water Supply	2,765	2,137
Support Services	691	787
	23,867	17,797

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Depreciation (note 19)	23,866	17,679	24,828	18,523
Amortisation (note 20)	1	119	1	119
Total Other Revenue	23,867	17,797	24,829	18,641

9. Finance Costs

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Interest Expense				
Interest on borrowings	3,443	2,016	3,565	2,091
Provisions: discount unwinding (note 22)	47	(160)	47	(160)
Total Finance Costs	3,489	1,856	3,611	1,931

10. Other Operating Expenses

	COUNCIL		GROUP	
	Actual 2022 \$000	Actual 2021 \$000	Actual 2022 \$000	Actual 2021 \$000
Fees to principal auditor				
- Audit fees for financial statement audit MDC	221	178	221	178
- Audit fees for Long-term Plan / Debenture Trust	6	106	6	106
- Audit fees for Manawatū Community Trust			35	29
Fees to other auditors				
Audit fees for Feilding Civic Centre Trust			3	3
Impairment of Community Investments	(12)	(14)	(12)	(14)
Impairment of Accounts Receivable	(10)	(16)	(10)	(16)
Loss on disposal of property, plant and equipment	2	9	2	9
Minimum lease payments under operating leases	21	96	21	96
Legal fees	174	151	174	151
Other operating expenses				
Chemicals	1,064	958	1,064	958
Consultants and Consultant Costs	1,396	1,506	1,396	1,506
Contract Payments	4,782	4,627	4,782	4,627
Energy - Electricity and Gas	1,332	1,243	1,341	1,250
Grants Made to other Organisations	2,191	2,251	2,081	2,148
Insurance	965	823	1,239	1,015
Maintenance and Materials	2,813	3,175	3,129	3,499
Operational Projects	11,628	8,570	11,450	8,392
Rates Paid	368	316	368	316
Refuse Disposal Costs	1,098	1,146	1,110	1,157
Other Expenses	4,978	3,208	5,523	3,677
Total Other Expenses*	33,017	28,334	33,923	29,087

*Note: Rates remitted are deducted from rates revenue rather than treated as an operating expense (as disclosed in note 3).

11. Income Tax

Relationship between Tax Expense and Accounting Surplus/(Deficit)	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Surplus/(deficit) before tax	2,894	13,280	3,336	13,589
Tax at 28%	810	3,718	934	3,805
Plus/(less) tax effect of:				
Non-deductible expenditure	-	-	-	-
Non-taxable revenue	(810)	(3,718)	(934)	(3,805)
Taxation loss not recognised	-	-	-	-
Prior year adjustment	-	-	-	-
Tax losses utilised	-	-	-	-
Tax Expense	-	-	-	-

Income tax recognised directly in equity

The amount of current and deferred tax charged or credited to equity during the period was \$nil (Last year: \$nil).

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Current tax expense	-	-	-	-
Adjustments to current tax in prior years	-	-	-	-
Deferred tax asset arisen from previously unrecognised tax loss	-	-	-	-
Deferred tax expense	-	-	-	-
Income Tax Expense	-	-	-	-

Components of Tax Expense

Deferred tax assets/(liabilities)	Property Plant and Equipment	Unused tax losses	Total
Council and Group			
Balance at 1 July 2021	(82)	82	-
Charged to surplus or deficit	82	(82)	-
Charged / credited to other comprehensive revenue and expense	-	-	-
Balance at 30 June 2022	0	0	-
Charged / credited to surplus or deficit	0	0	-
Charged to other comprehensive revenue and expense	-	-	-
Balance at 30 June 2023	-	-	-

Additional disclosure

Council has unrecognised tax losses of \$495,760 (Last year: \$489,110) with a tax effect of \$138,813 (Last year: \$136,951), which are available for carry forward in offsetting assessable income in future income years. A deferred tax asset has not been recognised in relation to the unused tax losses of \$495,760 as it is unlikely that the Council will generate sufficient taxable profit in the foreseeable future against which the unused tax losses can be utilised.

Heartland Contractors Limited has unrecognised tax losses of \$501,000 (Last year: \$501,000), which are available for carry forward in offsetting assessable income in future income years. A deferred tax asset has not been recognised in relation to the unused tax losses of \$501,000, as it is unlikely that the Company will generate sufficient taxable profit in the foreseeable future against which the unused tax losses can be utilised.

Under current income tax legislation the tax losses do not expire.

12. Cash and Cash Equivalents

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Cash at bank and in hand	3,892	13,713	4,031	13,870
Short-term deposits with a term of three months or less	4,000	0	4,000	0
Total Cash and Cash Equivalents	7,892	13,713	8,031	13,870

The carrying value of short-term deposits with a term of three months or less approximates their fair value.

The total value of cash and cash equivalents that can only be used for a specified purpose as outlined in the relevant trust funds is \$95,926 (last year: \$93,988). Refer to note 25 for detail of trust funds.

13. Debtors and Other Receivables

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Rates receivables	1,163	908	1,163	908
New Zealand Transport Agency Subsidy	1,258	926	1,258	926
Other receivables	2,178	2,353	2,256	2,449
Related party receivables	91	49	-	-
Accrued revenue	55	247	55	247
GST receivable	245	908	268	931
Prepayments	547	370	609	570
Less provision for impairment of receivables	(50)	(62)	(50)	(62)
Total	5,487	5,699	5,559	5,969
Total receivables comprise:				
Receivables from non-exchange transactions (includes amounts outstanding from rates, grants, infringements and fees and charges partly subsidised by rates)	3,863	3,843	3,863	3,843
Receivables from exchange transactions (includes amounts outstanding for fees and charges not subsidised by rates)	1,624	1,856	1,696	2,126
Total	5,487	5,699	5,559	5,969

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

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

Council does not provide for any impairment on rates receivable (except for rate penalties and uncollectable Māori land), as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place, debts are discounted to the present value of future payments.

These powers allow Council to commence legal proceedings to recover any rates that remain unpaid five months after the due date for

payment. If payment has not been made within three months of the Court's judgement, then Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

At balance date each year, all overdue receivables, except for rates receivable, have been assessed for impairment and appropriate provisions applied. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment provision has been calculated based on expected losses for Council's pool of debtors. Expected losses have been determined based on an analysis of Council's losses in previous periods, and review of specific debtors.

Movements in provision for impairment of general receivables and community loans are as follows:

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
As at 1 July	62	132	62	132
Additional / (reductions) in provisions made during the year	(12)	(70)	(12)	(70)
Receivables written off during period	-	-	-	-
As at 30 June	50	62	50	62

As at 30 June 2023, all overdue debtors and other receivables have been assessed for impairment and appropriate provisions applied, as detailed below:

Council - Rates receivables

	Gross \$000	Impairment \$000	Net 2023 \$000	Net 2022 \$000
Not past due - current year	1,003	(0)	1,003	789
Past due by 1 year	113	-	113	83
Past due by 2 years+	37	(7)	30	17
Total	1,153	(7)	1,146	889

Council - Other receivables and Related party receivables

	Gross \$000	Impairment \$000	Net 2023 \$000	Net 2022 \$000
Not past due	2,065	-	2,065	2,272
Past due 1-30 days	8	-	8	24
Past due 31-61 days	88	-	88	23
Past due >61 days	108	-	108	83
Total	2,269	-	2,269	2,402

All receivables greater than 30 days in age are considered to be past due.

14. Investments in Council Controlled Organisations and similar entities

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Investments in Council Controlled Organisations and similar entities classified as current				
Financial assets at fair value through surplus or deficit				
Community loans - Manawatū Community Trust	283	287	-	-
NZ Local Government Funding Agency borrower's notes	158	112	158	112
Total Current Portion	441	399	158	112
Investments in Council Organisation and similar entities classified as non-current				
Financial assets at fair value through surplus or deficit				
Community loans - Manawatū Community Trust	3,790	4,051	0	-
NZ Local Government Funding Agency borrower's notes	1,455	1,401	1,455	1,401
Fair value through other comprehensive revenue and expense				
Unlisted shares in Manawatū - Wanganui LASS Limited	16	16	16	16
Unlisted shares in Civic Financial Services Ltd	190	190	190	190
Unlisted shares in NZ Local Government Funding Agency	100	100	100	100
Investments in subsidiary (at cost)				
Heartland Contractors Ltd - shares	-	-	-	-
Total Non-Current Portion	5,551	5,758	1,761	1,707
Total Investments in Council Organisation and similar entities	5,992	6,157	1,919	1,818

Council has a 100% shareholding in Heartland Contractors Ltd, which comprises of 100 ordinary shares. Council has exempted Heartland Contractors Ltd from being a Council Controlled Organisation based on section 7(4) of Local Government Act 2002.

Council has a 100% control of Manawatū Community Trust. Manawatū Community Trust was established as a Council Controlled Organisation under requirements of section 6 of the Local Government Act 2002. The purpose of the Trust is the provision of housing for the elderly and disabled of the Manawatū district and promotion of health and wellbeing services for the residents of the Manawatū district.

Council has lent money to Manawatū Community Trust. With the exception of the loan for the Feilding Integrated Family Health Centre (FIFHC) the interest rate for these loans is based on Council's weighted average cost of borrowing rate of 4.67% (2022: 2.77%). The amount of the loan borrowed represents fair value based on Council's external borrowing rate and other associated borrowing costs.

The interest rate for the \$2.5 million loan for the FIFHC is 50% at Council's external borrowing rate and 50% interest free. Council has impaired the carrying value of the loan to fair value, to recognise the impact of the interest free portion. The term of this loan is 15 years, of which 7 years remain.

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Face value of the loan	1,245	1,411	-	-
Opening balance of the loan	1,359	1,510	-	-
Loan Raised	-	-	-	-
Grant expenditure from low interest loans	33	29	-	-
Repaid this year	(185)	(180)	-	-
Fair value - loan to MCT for the FIFHC included above	1,207	1,359	-	-

Council has a 100% control of the Feilding Civic Centre Trust. The Feilding Civic Centre Trust is an exempt Council Controlled Organisation as defined by section 7(4) of the Local Government Act 2002. The purpose of the Trust is to provide services to the community.

Council has a 100% control of the Awahuri Forest / Kitchener Park Trust. The Awahuri Forest / Kitchener Park Trust is an exempt Council Controlled Organisation as defined by section 7(4) of the Local Government Act 2002. The purpose of the Trust is for the management and restoration of Kitchener Park.

Council has 14.29% interest in Manawatū Wanganui Local Authority Shared Service Limited, which comprises 7 shares, all held by local authorities. Council has exempted Manawatū Wanganui Local Authority Shared Service Limited from being a Council Controlled Organisation as per section 7(4) of the Local Government Act 2002.

Council has 203,964 shares in Civic Financial Services Ltd, whose shareholders are local government authorities. Civic Financial Services Ltd is exempt from being a Council Controlled Organisation by virtue of section 6(4)f of the Local Government Act 2002.

Council acquired 100,000 \$1.00 shares in NZ Local Government Funding Agency (NZLGFA) in December 2012 and is one of 31 shareholders. Refer to Note 28 for more information. NZLGFA is exempt from being a Council Controlled Organisation by section 6(4) of the Local Government Act 2002.

During the year, Council received NZLGFA borrower's notes with a face value of \$212,500 (Last year: \$297,500) at a fixed interest rates of between 5.82% and 6.03% per annum (Last year: between 1.97% and 2.7%). There were no NZLGFA borrower's notes received at floating rates (Last year: none). The NZLGFA borrower's notes are recognised at fair value through surplus or deficit. The face value of NZLGFA borrower's notes as at 30 June 2023 approximates their fair value.

Unlisted Shares

Unlisted shares are recognised at cost, because they do not have a quoted market price in an active market and their fair value cannot be measured reliably.

15. Investment in Associate

Non Current Portion	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Investment in Central Economic Development Agency Ltd (at cost)	1	1	1	1
Increase from share of associate's (surplus/deficit)	-	-	292	285
Total non current portion	1	1	293	286

Manawatū District Council's 50% share of associate's summarised financial information

Assets	996	1,071
Liabilities	704	786
Revenues	2,399	1,886
Surplus/(Deficit)	8	7
Group's interest	50%	50%
Share of contingent liabilities incurred jointly with other investors	-	-

16. Inventory

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Inventory on Hand				
Infrastructure - spares	26	23	26	23
Makino Aquatic Centre	19	15	19	15
Plant Nursery	339	279	339	279
Total Inventory on Hand	384	317	384	317

Plants are held for provision of services by Council and are supplied to other Councils on a non-commercial basis, the Makino Aquatic Centre holds stock for their retail shop and Infrastructure carries spare parts. Inventories are measured at cost and are adjusted, when applicable, for any loss of service potential.

The write down of inventory during the year was \$nil (2022 \$nil). There have been no reversals of write downs (2022 \$nil). No inventory is pledged as security for liabilities (2022 \$nil).

17. Other Financial Assets

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Current Portion				
Loans and receivables				
Community loans - Other	6	5	6	5
Himatangi Beach Sewerage Scheme Contributions	17	17	17	17
Rongotea Water Supply Scheme Contributions	7	7	7	7
Held to maturity investments				
Term deposits with maturity less than one year	7,200	-	7,200	-
Total Current Portion	7,229	29	7,229	29
Non-Current Portion				
Loans and receivables				
Community loans - Other	49	55	49	55
Himatangi Beach Sewerage Scheme Contributions	78	96	78	96
Rongotea Water Supply Scheme Contributions	28	38	28	38
Held to maturity investments				
Term deposits with maturity of over one year	-	-	-	-
Total Non-Current Portion	155	188	155	188
Total Other Financial Assets	7,384	218	7,384	218

Fair values

Term Deposits

The carrying amount of term deposits approximates their fair value.

Community Loans

The above community loans have been advanced at interest rates ranging from 0% to 2.77% (Last year: from 0% to 2.10%).

The fair value of community loans is \$54,660 (last year: \$60,047). The face value of community loans is \$4,168,585 (last year: \$4,983,750). Some of these community loans are only repayable, should the entity concerned cease to operate for the purpose that the loan was given for. Detail of these loans is provided on the next page.

Community Loans at nil fair value

There was no movement in community loans at nil fair value during the year.

The Council has a \$2,500,000 community loan to the Manfeild Park Trust. Loan funds were used to finance the building of a stadium. Interest accrued against this loan until 2010 and the loan now stands at \$2,952,703. In 2010 Council suspended interest and principal repayments for a five-year period, which was extended for a further 18 months. In June 2016, Council converted the loan to a suspensory loan and the loan was impaired to \$nil.

On 30 September 2004, Council sold all the land and buildings associated with the Feilding racecourse to the Manfeild Park Trust for the sum of \$1,650,000. In return for this Council holds a Community Interest in this Trust to the same value. This investment is only repayable to the Council should the Manfeild Park Trust be wound up. Therefore the fair value of this investment is nil.

The Council has a community loan with Manawatū Historical Vehicle Trust totalling \$200,000 but only repayable if the Trust ceases to operate a facility for the storage, display and restoration of appropriate historic and vintage vehicles.

The Council has a \$50,000 community loan with Manchester House, which is secured over buildings, but only repayable if the Trust ceases to operate a facility for social services in the district.

Council has a \$71,000 community loan with the Feilding & District Steam Rail Society Inc., which is secured over buildings, but is only repayable if the society ceases to operate a facility for presentation and storage of steam engines in Feilding.

Himatangi Beach Sewerage Scheme and Rongotea Water Supply Scheme Contributions

Himatangi Beach and Rongotea residents were offered the option to pay the capital contribution for the new sewerage and water scheme over a 3, 5, 10 or 20 year period. The interest rate charged was 7%. The repayment of this debt is being processed through the rating system and therefore a charge against the relevant property.

Impairment

Other than disclosed on the previous page, there were no impairment provisions for other financial assets.

For more information on financial assets refer to note 33, financial instruments.

18. Non-Current Assets Held for Sale

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Non-Current Assets held for Sale are:				
Land held for sale	3,890	4,150	3,890	4,150
Buildings and improvements held for Sale	851	684	851	684
	4,741	4,834	4,741	4,834
Current Portion	4,741	4,834	4,741	4,834
Term Portion	-	-	-	-
Total	4,741	4,834	4,741	4,834
Opening balance assets for sale	4,834	6,841	4,834	6,841
Assets classified as held for sale during the period	427	-	427	-
Assets revalued or reclassified during the year	-	1,916	-	1,916
Less assets transferred or sold during the year	(520)	(3,923)	(520)	(3,923)
Closing balance assets held for sale	4,741	4,834	4,741	4,834

Council owned land on Kawakawa Road and South Street, as well as the land and buildings at 45 Edwards Street, are currently being marketed for sale through a real estate agency. The sale of 139 South Street is currently under negotiation for sale.

The accumulated property revaluation reserve recognised in equity for the current assets held for sale is \$2,205,387 (last year: \$1,916,128).

19. Property Plant and Equipment

2023	Cost/ Revaluation \$000	Accumulated Depreciation and Impairment Charges \$000	Carrying Amount \$000
COUNCIL			
Operational Assets			
Land	24,735	-	24,735
Buildings and Improvements	11,045	(671)	10,374
Library Books	2,113	(1,225)	888
Plant, Equipment and Furniture	5,409	(4,270)	1,139
Motor Vehicles	1,448	(603)	845
Total Operational Assets	44,750	(6,769)	37,981
Infrastructural Assets			
Land	8,450	-	8,450
Solid Waste	572	(486)	86
Wastewater	128,938	-	128,938
Stormwater and Drainage	78,378	-	78,378
Water Supply	117,159	(392)	116,767
Roads and Footpaths	624,262	-	624,262
Land Under Roads	65,360	-	65,360
Total Infrastructure Assets	1,023,119	(878)	1,022,241
Restricted Assets			
Land	38,718	-	38,718
Buildings and Improvements	49,070	(2,029)	47,041
Plant and Equipment	2,700	(1,736)	964
Total Restricted Assets	90,488	(3,766)	86,722
Total Council	1,158,356	(11,412)	1,146,944
Other Group Assets			
Land	9,848	-	9,848
Buildings and Improvements	26,472	-	26,472
Furniture and Equipment	225	(13)	212
Leasehold Improvements	206	(15)	191
Total	36,751	(28)	36,723
Group Assets	1,195,107	(11,440)	1,183,668

2022	Cost/ Revaluation \$000	Accumulated Depreciation and Impairment Charges \$000	Carrying Amount \$000
COUNCIL			
Operational Assets			
Land	23,315	-	23,315
Buildings and Improvements	11,090	-	11,090
Library Books	2,047	(1,038)	1,010
Plant, Equipment and Furniture	4,944	(3,868)	1,076
Motor Vehicles	1,160	(371)	790
Total Operational Assets	42,556	(5,276)	37,279
Infrastructural Assets			
Land	8,427	-	8,427
Solid Waste	518	(480)	38
Wastewater	116,138	-	116,138
Stormwater and Drainage	59,556	-	59,556
Water Supply	103,414	-	103,414
Roads and Footpaths	556,498	-	556,498
Land Under Roads	65,360	-	65,360
Total Infrastructure Assets	909,911	(480)	909,431
Restricted Assets			
Land	38,520	-	38,520
Buildings and Improvements	43,918	(150)	43,768
Plant and Equipment	2,741	(1,617)	854
Total Restricted Assets	84,909	(1,767)	83,142
Total Council	1,037,376	(7,523)	1,029,852
Other Group Assets			
Land	9,848	-	9,848
Buildings and Improvements	30,797	(801)	29,996
Furniture and Equipment	233	(30)	203
Leasehold Improvements	184	(13)	171
Total	41,062	(844)	40,218
Group Assets	1,078,438	(8,367)	1,070,071

19B Movements for each class of plant, property and equipment

2023	Carrying Amount 1 July 2022	Revaluation Movement	Additions	Reclassification	Disposals	Impairment of Assets	Current Year Depreciation	Carrying Amount 30 June 2023
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
COUNCIL								
Operational Assets								
Land	23,315	-	1,680	(260)	-	-	-	24,735
Buildings and Improvements	11,090	-	122	(167)	-	-	(671)	10,374
Library Books	1,010	-	65	-	-	-	(188)	888
Plant, Equipment and Furniture	1,076	-	487	-	(22)	-	(402)	1,139
Motor Vehicles	790	-	312	-	(25)	-	(232)	845
Total Operational Assets	37,279	0	2,666	(427)	(47)	0	(1,492)	37,981
Infrastructural Assets								
Land	8,427	-	22	-	-	-	-	8,450
Solid Waste	38	-	54	-	-	-	(6)	86
Wastewater	116,138	9,671	6,505	-	-	-	(3,376)	128,938
Stormwater and Drainage	59,556	17,557	2,185	-	-	-	(920)	78,378
Water Supply	103,414	12,770	3,346	-	-	-	(2,763)	116,767
Roads and Footpaths	556,498	69,993	11,081	-	-	-	(13,310)	624,262
Land Under Roads	65,360	-	-	-	-	-	-	65,360
Total Infrastructure Assets	909,431	109,991	23,194	0	0	0	(20,376)	1,022,241
Restricted Assets								
Land	38,520	-	198	-	-	-	-	38,718
Buildings and Improvements	43,768	-	5,152	-	-	-	(1,879)	47,041
Plant and Equipment	854	-	229	-	-	-	(119)	964
Total Restricted Assets	83,142	0	5,579	0	0	0	(1,999)	86,722
Total Council	1,029,854	109,991	31,439	(427)	(47)	0	(23,867)	1,146,944
Other Group Assets								
Land	9,848	-	-	-	-	-	-	9,848
Buildings and Improvements	29,996	(3,495)	903	-	-	-	(932)	26,472
Furniture and Equipment	203	-	47	-	(25)	-	(13)	212
Leasehold Improvements	171	-	35	-	-	-	(15)	191
Total	40,218	(3,495)	985	-	(25)	-	(960)	36,723
Group Assets	1,070,072	106,496	32,424	(427)	(72)	-	(24,827)	1,183,667

	Actual \$000
Included on previous page is work in progress	
Operational Buildings and Improvements	306
Plant, Equipment and Furniture	159
Restricted land	144
Restricted Buildings and Improvements	5,193
Solid Waste	87
Wastewater	9,518
Stormwater and Drainage	3,022
Water Supply	4,913
Roading and Footpaths	2,752
Total Council	26,092
Manawatū Community Trust - Buildings	314
Group Assets	26,406



Manchester Square, Feilding

2022	Carrying Amount 1 July 2021	Revaluation Movement	Additions	Reclassification	Disposals	Impairment of Assets	Current Year Depreciation	Carrying Amount 30 June 2022
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
COUNCIL								
Operational Assets								
Land	16,053	7,164	-	98	-	-	-	23,315
Buildings and Improvements	7,057	4,426	89	(28)	-	-	(454)	11,090
Library Books	1,037	-	160	-	-	-	(187)	1,010
Plant, Equipment and Furniture	1,178	-	324	18	(3)	-	(441)	1,076
Motor Vehicles	728	-	376	9	(327)	-	4	790
Total Operational Assets	26,051	11,590	949	97	(330)	-	(1,078)	32,279
Infrastructural Assets								
Land	6,529	1,836	490	(428)	-	-	-	8,427
Solid Waste	4,029	-	-	(3,977)	-	-	(14)	38
Wastewater	88,183	23,014	7,225	-	-	-	(2,284)	116,138
Stormwater and Drainage	43,727	15,474	1,048	-	-	-	(693)	59,556
Water Supply	65,545	27,965	11,588	330	110	-	(2,124)	103,414
Roads and Footpaths	429,924	125,600	10,724	-	-	-	(9,750)	556,498
Land Under Roads	65,360	-	-	-	-	-	-	65,360
Total Infrastructure Assets	703,297	193,889	31,075	(4,075)	110	-	(14,865)	909,431
Restricted Assets								
Land	24,505	13,965	50	-	-	-	-	38,520
Buildings and Improvements	29,358	8,818	3,298	3,933	-	(31)	(1,608)	43,768
Plant and Equipment	872	-	66	44	-	-	(128)	854
Total Restricted Assets	54,735	22,783	3,414	3,977	-	(31)	(1,736)	83,142
Total Council	784,084	228,262	35,438	-	(220)	(31)	(17,679)	1,029,853
Other Group Assets								
Land	4,168	5,680	-	-	-	-	-	9,848
Buildings and Improvements	24,521	3,369	2,907	-	-	-	(801)	29,996
Furniture and Equipment	207	-	30	-	(4)	-	(30)	203
Leasehold Improvements	177	-	7	-	-	-	(13)	171
Total	29,072	9,049	2,944	-	(4)	-	(844)	40,218
Group Assets	813,156	237,311	38,382	-	(224)	(31)	(18,523)	1,070,071

	Actual \$000
Included on previous page is work in progress	
Operational Buildings and Improvements	166
Plant, Equipment and Furniture	180
Restricted land	70
Restricted Buildings and Improvements	1,751
Solid Waste	70
Wastewater	4,189
Stormwater and Drainage	1,300
Water Supply	6,087
Roading and Footpaths	2,471
Total Council	16,284
Manawatū Community Trust - Buildings	242
Group Assets	16,526

19C Core Infrastructure Assets

Includes roads, water supplies, sewerage treatment infrastructure, stormwater, and drainage works.

The table below reports on the core infrastructural assets as required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

2023	Assets Constructed by Council	Assets Transferred to Council	Carrying Amount 30 June 2023	Replacement Cost 30 June 2023
Wastewater				
Treatment Plant and Facilities	948	-	49,428	79,343
Other Assets (Reticulation Systems)	4,948	609	79,510	122,286
	5,896	609	128,938	201,629
Stormwater Drainage	1,526	659	78,378	110,682
Water Supply				
Treatment Plant and Facilities	1,532	-	44,552	44,552
Other Assets (Reticulation Systems)	1,320	494	72,215	166,521
	2,852	494	116,767	211,073
Roads and Footpaths	10,564	517	624,262	1,169,016

Revaluation of assets - Critical accounting estimates and assumptions

Estimating the fair value of land, buildings, and infrastructure.

Property, plant and equipment have been valued in accordance with the accounting policy set out in the Statement of Accounting Policy, under the 'asset revaluation' section (note 1).

Assets are valued to 'fair value' under the highest and best use scenario. Fair value is the amount for which an item could be exchanged or settled between knowledgeable willing parties in an arm's length transaction. Where the fair value of the asset can be determined by reference to the price in an active market for the same asset or similar asset, the fair value of the asset is determined using this information.

Where direct evidence of value is not available from an active market, fair value is determined from market-based evidence by appraisal, undertaken by a professionally qualified valuer. If there is no market-based evidence of fair value because of the specialised nature of the asset and the asset is rarely sold, fair value will be determined using the optimised depreciated replacement cost approach.

Operational land and buildings

Fair value of land was determined from market-based evidence based on highest and best use by an independent valuer with reference to comparable land sales. Where buildings and site improvements have been identified as being earthquake prone, then the valuation has been reduced by the estimated earthquake strengthening costs. The most recent valuation was performed by Quotable Value NZ, last valued effective 30 June 2022.

Site improvements or other improvements relating to the various land assets have been assessed on a fair market value basis where relevant. Specialised buildings are valued using the depreciated replacement cost approach because no reliable market data is available for such buildings. The most recent valuation was performed by Quotable Value NZ, last valued effective 30 June 2022.

Restricted land and buildings

Fair value was determined from market-based evidence by an independent valuer with specialised building being valued using the depreciated replacement cost approach when no reliable market data was available. The most recent valuation was performed by Quotable Value NZ, last valued effective 30 June 2022.

Roading assets

Roading assets were last valued effective 30 June 2023. The fair value of roading assets was determined on an optimised depreciated replacement cost basis, assuming continuation of current asset capability and processing requirements.

The valuation was undertaken by Daniel Chu, Asset Management Coordinator - Roothing (MDC). As part of the current valuation process, Manawatū District Council engaged WSP to undertake a review of all unit rates used for infrastructure valuations in 2022. Total useful lives and overhead percentages were also reviewed.

Water supply, wastewater and stormwater assets (3 waters assets)

3 waters assets were last valued effective 30 June 2023. The fair value of 3 waters assets, excluding land, was determined on an optimised depreciated replacement cost basis, assuming continuation of current asset capability and processing requirements.

The valuation was undertaken by Hamish Harding, Asset Engineer – Utilities (MDC). As part of the current valuation process, Manawatū District Council engaged WSP to undertake a review of all unit rates used for infrastructure valuations in 2022. Total useful lives and overhead percentages were also reviewed.

Buildings included under the 3 waters categories (e.g. treatment plants) and utilities land were valued separately by Quotable Value NZ, based on depreciated replacement cost last valued effective 30 June 2022.

Key estimates and assumptions used

There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These 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.
- Estimating the replacement cost of the asset. The replacement cost of infrastructure assets 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. If recent contract cost information is considered out of date, it is indexed using appropriate indices. For roading assets the Waka Kotahi Structures New Index for Civil Structures and the Waka Kotahi Constructions New Index for Civil Constructions are used. Further adjustments are then made to the unit rates following a comparison with Manawatū District Council contract schedules, unit rates from other local authorities and WSP's own in-house database of costs.

Rates for the replacement cost of specialised buildings are derived from construction contracts of like assets, reference to publications such as QV Cost Builder, recent costings obtained from construction details and Property Institute of New Zealand's cost information.

- There are no significant asbestos issues associated with the buildings.
- Two buildings within the portfolio which are considered to be earthquake prone, being Manawatū District Council Main Administration Building and Feilding Little Theatre. The values calculated in this valuation make allowances for works

required to the two buildings in this regard.

- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over-or underestimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the New Zealand 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 asset management planning activities, which provide further assurance over useful life estimates.
- The remaining useful life of buildings 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.

Non-specialised buildings (for example, residential and office buildings) are valued at fair value using market-based evidence. Significant assumptions in the 30 June 2022 valuation include market rents and capitalisation rates.

- Capitalisation rates and yields are assessed by comparing the subject property to similar properties that have recently sold with adjustments for factors taken into consideration for factors such as tenure, quality of construction, condition, size, lease terms, quality of tenant and security of income. The capitalisation rate must in essence reflect the rates of return actually being achieved for comparable investments in the market.

Group assets

Assets owned by Manawatū Community Trust form part of the group assets included in the financial statements. Manawatū Community Trust had two categories of assets with valuation movements, as at 30 June 2023.

Residential Land, Buildings and Improvements

For the year ended 30 June 2023 QV were engaged by the Trust to consider and analyse the indicative percentage movement of the residential properties under the ownership of the Trust for the 12-month period from 1 July 2022 to 30 June 2023. QV reported a 10-15% decrease in the market valuations. Therefore, JP Morgans and Associates Limited were engaged to complete a full valuation of the residential properties. Due to the significant decrease that the Morgans valuation indicates for the fair value of land and residential buildings, the Trust has used the valuation as a basis for adjusting the carrying value of land and residential buildings as at 30 June 2023.

Significant assumptions in the 30 June 2023 valuation of residential property include market rents and market yields:

- Market rents for a unit range from \$200/pw - \$450/pw

- Market yield ranged from 2.95%-10.31%. The yield of 2.95% related to a property with a large amount of surplus land. The yield on the assessed market rental excluding surplus land is 5.96%

Commercial Land and Buildings

A full revaluation of the Feilding Health Centre was undertaken by JP Morgans and Associated Limited, effective 30 June 2023. In determining fair value the valuer considered the replacement cost of new structures less an allowance for depreciation and saleability, the income capitalisation and discounted cash flow method, and a comparison of assets with identical or comparable assets for which market price is available.

Significant assumptions in the 30 June 2023 valuation of the FHC include rental increases and capitalisation rate:

- Rental increase of 3%-3.50%
- Capitalisation rates of 7.30%-8.50% on actual rentals.
- Discount rates in the range of 8.15% to 8.65% have been utilised reflecting the current ten-year Government Stock plus an increased margin for investment risk/property type.

2022	Assets Constructed by Council	Assets Transferred to Council	Carrying Amount 30 June 2022	Replacement Cost 30 June 2022
	\$000	\$000	\$000	\$000
Infrastructural Assets				
Wastewater of which:				
Treatment Plant and Facilities	2,984	-	20,816	40,594
Other Assets (Reticulation Systems)	4,241	0	95,322	153,284
	7,225	0	116,138	193,878
Flood Protection and Control Works				
Stormwater Drainage	1,048	-	59,556	101,929
Water Supply of which:				
Treatment Plant and Facilities	5,285	-	42,702	73,929
Other Assets (Reticulation Systems)	6,303	0	60,712	109,794
	11,588	0	103,414	183,723
Roads and Footpaths	10,724	-	556,498	1,012,554

Insurance Cover

Insurance Arrangements

At 30 June 2023 Council had the following insurance cover in place for the following assets:

	Insurance Deductible* \$	Replacement Cover \$000	Replacement Cover \$000
		COUNCIL	GROUP
Material damage cover - buildings (operational and restricted)	\$100,000	127,840	127,840
Material damage cover - plant and equipment	\$100,000	1,045	1,045
Motor vehicle cover	1% sum insured	1,937	1,937
Material damage cover - water and wastewater - treatment and supply	\$100,000	360,325	360,325
Underground assets (water / stormwater/ wastewater) for natural disaster	\$250,000	302,064	302,064

Assets not covered by Insurance

Council does not insure its roading assets. In the event of a disaster it is expected that the repair and/or replacement of our roading assets will attract a high subsidy from the New Zealand Transport Agency. Council self insures the unsubsidised portion of roading.

Council does now insure land.

Council has no insurance in relation to intangible assets and financial assets.

Risk Sharing Agreement

In the event of a disaster it is anticipated that the remaining 60% of reinstatement costs will be recovered from central government under the Civil Defence Emergency Management Plan.

* Loss or damage below the insurance deductible is covered by Council (either as an operating cost is funded from the Insurance Reserve - see note 25).

20. Intangible Assets

	COUNCIL AND GROUP	
	Actual 2023 \$000	Actual 2022 \$000
Balance at 1 July		
Cost	3,115	3,047
Accumulated amortisation and impairment	(3,029)	(2,911)
Opening Carrying amount	86	136
Additions	35	68
Less disposals at cost	134	-
Accumulated amortisation on disposals	48	-
Less amortisation charge	1	(118)
Closing carrying amount	34	86
Balance at 30 June		
Cost	3,016	3,115
Accumulated amortisation and impairment	(2,982)	(3,029)
Closing carrying amount	34	86

There are no restrictions over the title of Council's intangible assets, nor are any intangible assets pledged as security for liabilities.

All intangible assets are software.

21. Creditors and Other Payables

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Trade payables	6,135	6,105	6,394	6,508
Deposits and bonds	1,438	1,483	1,438	1,483
Accrued expenses	1,531	1,208	1,531	1,208
Amounts due to related parties (note 29)	-	-	-	-
Revenue in advance	1,960	1,669	1,988	1,695
Total creditors and other payables	11,064	10,465	11,351	10,894
Total creditor and other payables comprise:				
Creditors/other payables from exchange transactions	9,104	8,797	9,363	9,199
Creditors/other payables from non- exchange transactions	1,960	1,669	1,988	1,695
Total Creditors and other payables	11,064	10,465	11,351	10,894

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

22. Provisions

	COUNCIL AND GROUP	
	Actual 2023 \$000	Actual 2022 \$000
Current Provisions are represented by:		
Financial guarantees	-	-
Landfill aftercare provision	44	43
Total creditors and other payables	44	43
Non-Current Provisions are represented by:		
Financial guarantees	-	-
Almadale water treatment plant closure provision	575	500
Wastewater treatment plant closure provision	633	624
Landfill aftercare provision	328	373
Total Creditors and other payables	1,536	1,497

	COUNCIL AND GROUP	
	Actual 2023 \$000	Actual 2022 \$000
Opening balance	1,540	2,207
Additional provisions made during the year	22	(436)
Amounts used during the year	(28)	(71)
Unused amounts reversed during the year	-	-
Discount unwinding	47	(160)
Closing balance	1,580	1,540

Provision for landfill aftercare costs

Council has recognised a provision for the aftercare costs of the Feilding landfill and two smaller landfills (located at Kimbolton and Tangimoana), which are no longer operational.

Feilding Landfill

The resource consent to operate the Feilding landfill expires on 1 July 2029. The Council has a responsibility under the conditions of the resource consent to rehabilitate and restore the landfill site and to provide ongoing maintenance and monitoring of the site for at least 30 years after closure.

Closure responsibilities include providing for:

- additional soil cover
- contouring and shaping the site
- grassing
- drainage structures including berms, chutes and drains

Post closure costs include providing for:

- monitoring and treatment of leachate
- ground water and surface water monitoring
- ongoing management including maintenance of grass cover, drainage systems and fencing

The cash outflows for landfill post-closure are expected to occur from 2006 to 2036 (30 years). 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 a discount rate of 0.38%. Each year part of the discounted amount will be unwound and recognised as an interest expense in the

operating costs while at the same time adding this to the provision.

The following major assumptions have been made in the calculation of the provision:

- The annual price index used is the Local Government Cost Index as detailed in the 2021-2031 Long-term Plan
- An annual discount rate of 0.38%
- Aftercare period of 30 years after closure

Other Landfills

Provision has been made for the ongoing aftercare of the Kimbolton and Tangimoana landfills that are no longer in use. Ongoing monitoring and maintenance expenditure has been allowed for these sites.

Almadale Water Treatment Plant Closure

Council has recognised a provision for the costs associated with making safe the land at the Almadale Water Treatment Plant. The exposure of the Council in relation to the estimates and uncertainties surrounding the water supply plant closure provision is based on discounted cash flows of estimated costs.

Wastewater Plant closure

Council has recognised a provision for the costs associated with making safe the land at wastewater treatment plants (located in Awahuri, Cheltenham, Halcombe, Kimbolton, Sanson and Rongotea). The exposure of the Council in relation to the estimates and uncertainties surrounding the wastewater plant closure provision is based on discounted cash flows of estimated costs.

23. Employee Entitlement Liabilities

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Accrued pay	202	213	234	245
Accrued leave	1,161	1,001	1,190	1,025
Total Employee Entitlements and Liabilities	1,363	1,214	1,424	1,270
Comprising:				
Current	1,363	1,214	1,424	1,270
Non-current	-	-	-	-
Total Employee Entitlement Liabilities	1,363	1,214	1,424	1,270

24. Borrowings	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Opening Balance of Term Borrowings	88,789	85,727	90,529	97,779
Loans raised during the year	53,249	45,634	53,249	45,634
Loans repaid during the year	(48,200)	(42,572)	(48,452)	(42,884)
Closing Balance of Term Borrowings	93,838	88,789	95,326	90,529
Current:				
Secured loans	22,400	18,500	22,623	18,749
Total current borrowings	22,400	18,500	22,623	18,749
Non-current:				
Secured loans	71,438	70,289	72,703	71,780
Total non-current borrowings	71,438	70,289	72,703	71,780

As at 30 June 2023, there is a credit card facility in place with Bank of New Zealand for a limit of \$188k, which includes a purchase card facility (last year: \$188k). There is a "multi-option" facility - treasury solution of \$10 million of which \$0 (last year: \$0) is used as of balance date.

Fixed-rate debt

\$38.4 million of debt (last year \$44.9 million) has been issued at floating interest rate and the remainder is at fixed rates of interest. The borrowing rates ranged from 1.1% to 6.5% (last year: 0.54% to 5.5%).

When Council borrows on a fixed rate that differs from the current market rate offered, we receive a discount or pay a premium on the face value. This discount or premium is apportioned over the term of the loan and the amount repaid is equal to the face value of the loan received. The amounts disclosed above include the discount or premium of \$62k (last year \$111k). The face value of fixed rate debt is \$55.5m.

Security

Council does not have any overdraft facilities associated with its bank accounts.

Council's loans are secured over the rating revenue of the district by way of a debenture trust.

Loans to the Manawatū Community Trust from Council are secured by way of registered first mortgage over the land owned by the Trust at 100 Awahuri Road, Feilding. Council does not hold security for the loan made to the Trust

for the construction of the Feilding Integrated Family Health Centre. ANZ Bank holds a General Security Agreement of the assets of the Trust for their loan for the Feilding Integrated Family Health Centre.

Management

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These policies have been adopted as part of the Council's Long-term Plan.

Internal borrowings

Information about internal borrowings are provided for each group of activities, as part of the funding impact statements for group of activities.

25. Equity

2023	Opening Balance	Net Surplus	Transfers In	Transfers Out	Revaluation Changes	Closing Balance
	\$000	\$000	\$000	\$000	\$000	\$000
Retained Earnings						
Accumulated General Funds	470,043	2,894	123,247	(104,890)		491,294
Separate Funds	14,236		72,976	(100,016)		(12,804)
Growth Funds	1,047		6,131	(6,995)		183
Depreciation Funds	5,255		25,472	(15,506)		15,221
	490,581	2,894	227,826	(227,407)		493,894
Other Reserves						
Trust Funds						
-Hook Bequest	8					8
-Trewin Bequest	1					1
-Wakerill Trust	1					1
-Robert Dickson Library Trust	4					4
-P A Broad Memorial Trust	7					7
-Historical Trust	-					-
-Robert Dickson Educational Trust	14					14
-Feilding and District Relief Trust	60		1			61
	95	-	1	-	-	96
Special Funds						
-General Purpose Special Fund	1,397		294	(730)		961
-Land Subdivision Reserve Special Fund	299		5			304
-Insurance Fund	829		11			840
	2,525	-	310	(730)	-	2,105
Revaluation Reserves						
-Operational Land	15,044					15,044
-Operational Buildings and Improvement	8,198					8,198
-Restricted Land	28,309					28,309
-Restricted Buildings and Improvement	19,124					19,124
-Infrastructural Land	4,105					4,105
-Utilities (water, stormwater and wastewater)	128,751				39,260	168,011
-Roading Network	262,137				69,993	332,130
	465,668	-	-	0	109,253	574,921
Total Other Reserves	468,287	-	311	(730)	109,253	577,122
Total Council Equity	958,868	2,894	228,137	(228,137)	109,253	1,071,015
Other Entities						
General Fund	12,755	442				13,197
Restricted Land	-					-
Restricted Buildings and Improvement	-					-
Revaluation Reserves	-					-
-Operational Land	7,896				(1,156)	6,740
-Operational Buildings and Improvement	13,717				(2,339)	11,378
Total Group Equity	993,235	3,336	228,137	(228,137)	105,758	1,102,330

2022	Opening Balance	Net Surplus	Transfers In	Transfers Out	Revaluation Changes	Closing Balance
	\$000	\$000	\$000	\$000	\$000	\$000
Retained Earnings						
Accumulated General Funds	477,689	13,280	85,412	(107,127)	790	470,044
Seperate Funds	(3,267)		73,867	(56,364)		14,236
Growth Funds	(782)		5,581	(3,752)		1,047
Depreciation Funds	3,182		27,222	(25,149)		5,255
	476,822	13,280	192,082	(192,392)	790	490,582
Other Reserves						
Trust Funds						
-Hook Bequest	10			(2)		8
-Trewin Bequest	1					1
-Wakerill Trust	1					1
-Robert Dickson Library Trust	4					4
-P A Broad Memorial Trust	7					7
-Historical Trust	0					0
-Robert Dickson Educational Trust	14					14
-Museum Trust	0					0
-Feilding and District Relief Trust	60					60
	96	-	-	(2)	-	94
Special Funds						
-General Purpose Special Fund	990		454	(47)		1,397
-Land Subdivision Reserve Special Fund	298		1	0		299
-Insurance Fund	925		2	(98)		829
	2,213	-	457	(145)	-	2,524
Revaluation Reserves						
-Operational Land	7,880				7,164	15,044
-Operational Buildings and Improvement	3,772				4,426	8,198
-Restricted Land	14,344				13,965	28,309
-Restricted Buildings and Improvement	9,231				9,893	19,124
-Infrastructural Land	2,269				1,836	4,105
-Utilities (water, stormwater and wastewater)	62,298				66,453	128,751
-Roading Network	136,537				125,600	262,137
	236,331	-	-	-	229,337	465,668
Total Other Reserves	238,640	-	457	(147)	229,337	468,287
Total Council Equity	715,462	13,280	192,539	(192,539)	230,127	958,868
Other Entities						
General Fund	12,446	309				12,755
Restricted Land	-					-
Restricted Buildings and Improvement	-					-
Revaluation Reserves	-					-
-Operational Land	2,216				5,680	7,896
-Operational Buildings and Improvement	10,396				3,321	13,717
Total Group Equity	740,518	13,588	192,539	(192,539)	239,128	993,236

Separate funds

When Council has used targeted rates for a specified purpose, unspent funds are separately accounted for and are applied in subsequent years to the specified activity.

Growth funds

These funds are created from Development Contributions levied. They are used for growth related expenditure for the creation of community assets. These include roads, parks and reserves, stormwater, wastewater and water supply.

Depreciation fund

These funds are created from depreciation and amortisation funded through revenue sources. These funds are only applied to the renewal of existing assets and for principal repayments of loans.

Special fund

Purpose of each Special Fund is detailed below:

General Purpose Special Fund - General expenditure

Land Subdivision Reserve Special Fund - Reserves contributions in accordance with the Local Government Act

Insurance Fund - Small claims and insurance excess not covered by external insurance policy.

Special funds are restricted by Council resolution and may only be applied to the purpose that established the fund.

Trust fund

Purpose of each Trust Fund is detailed below:

Hook Bequest - Assist poor or needy/charitable purposes in Feilding

Trewin Bequest - Maintenance of the Trewin monument

Wakerill Trust - Maintenance of the Wackrill monument

Robert Dickson Library Trust - Children's books

P.A. Broad Memorial Trust - Books on NZ sport and wildlife

Historical Trust - To enhance the library's local research area

Robert Dickson Educational Trust - Advice/guidance/assistance to solo mothers and their children for education matters and advancement in life

Museum Trust - Council directs trust to enhance the library's local research area

Feilding And District Relief Trust - Donations from 2004 flood

26. Reconciliation of Net Surplus/ (deficit) after Tax to Net Cash Flow from Operating Activities

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Surplus/(deficit) after tax	2,894	13,280	3,336	13,589
Add/(less) non-cash items:				
Depreciation and amortisation	23,867	17,797	24,829	18,641
Vested assets	(2,278)	(90)	(2,278)	(90)
Grant expenditure from low interest loans	-	-	-	-
Add/(less) items classified as investing or financing activities:				
Investment revenue direct to investment	-	-	-	-
(Gains)/losses on disposal of property, plant and equipment	48	(581)	42	(581)
Add/(less) movements in working capital items:				
(Increase)/decrease in accounts receivable	(451)	1,050	(252)	1,104
Increase (decrease) in accounts payable	533	273	465	97
Increase (decrease) in provisions	40	(666)	40	(666)
Increase (decrease) in employee benefits	149	196	155	216
Net GST	663	(229)	663	(220)
Net cash from operating activities	25,465	31,030	26,999	32,090

27. Capital Commitments and Operating Leases

Capital Commitments	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment				
- Land	-	-	-	-
- Buildings	12	144	12	144
- Roothing	9,740	8,443	9,740	8,443
- Stormwater	652	588	652	588
- Wastewater	3,076	3,951	3,076	3,951
- Water Supply	1,375	2,293	1,375	2,293
Total Capital Commitments	14,855	15,419	14,855	15,419

The amount of capital expenditure (under contract at balance date) that is expected to be applied to projects within a year of balance date.

The capital commitment for roading will be partly financed by a subsidy from the New Zealand Transport Agency of \$3.8M (last year \$4.2M).

Operating Leases as Lessee

Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 166 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Non-cancellable operating leases as lessee				
Not later than one year	26	25	26	25
Later than one year and not later than two years	8	25	8	25
Later than two years and not later than five years	25	25	25	25
Later than five years	29	34	29	34
Total non-cancellable operating leases	88	109	88	109

Operating Leases as Lessor

The future aggregate minimum lease payments to be collected under operating leases are as follows:

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Operating leases as lessor				
Not later than one year	81	49	81	49
Later than one year and not later than two years	79	47	109	77
Later than two years and not later than five years	136	121	226	241
Later than five years	304	190	954	870
Total operating leases	600	407	1,370	1,237

28. Contingencies

Contingent Liabilities

Risk Pool Insurance

Manawatū 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. However, as a result of the Supreme Court decision on 1 August 2023 in *Napier City Council v Local Government Mutual Funds Trustee Limited*, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Building Act Claims

The Building Act 2004 imposes certain obligations and liabilities on local authorities in respect to the issue of building consents and building inspections work done. At the date of this report, there are no claims filed with the Weathertight Homes Tribunal.

Council is named as a party in one Weathertight Homes claim. The claim is in its early days and no quantum has been disclosed by the claimant. Council has also been named as a party to the Carter Holt Harvey representative claim regarding an alleged defective product "Shadowclad". This quantum regarding this claim has not been disclosed by the claimant.

Uncalled capital – NZLGFA

The Council is a shareholder of the NZLGFA. The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and had a foreign currency rating of AA+ and a local currency rating of AAA from Standard and Poors at 2 March 2021. The Council is

one of 31 shareholders of the NZLGFA. In that regard, Council has uncalled capital of \$100,000. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event of an imminent default. Together with the other shareholders, the Council is a guarantor to all of NZLGFA's borrowings. At 30 June 2023, the NZLGFA had borrowings totalling \$17.683 billion (last year: 15.789 billion). The Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of the NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in New Zealand
- 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.

Defined Benefit Scheme

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined accounting as it is not possible to determine from the terms of the Scheme the extent to which the deficit will affect future contributions by employers, as there is no prescribed basis for allocation.

Guarantees

Council is one of the guarantors to the Deed of Lease of commercial property signed with Manawatū-Wanganui LASS Limited which is a Council Controlled Organisation, whereby the Council guarantees jointly and severally the payment of the rent and performance by the Tenant of the covenants in the lease. As at balance date, Manawatū Wanganui LASS Limited had complied with all terms of the lease agreement.

Contingent Assets

Buildings on Reserve Land

Council has a number of sports clubs that have constructed facilities (e.g. club rooms)

on reserve land. The clubs control the use of these facilities and Council will only gain control of the asset if the clubs vacate the facility. Until this event occurs these assets are not recognised as assets in the statement of financial position.

Community Loans

A number of loans have been given to

community organisations. These loans become repayable only if the organisation ceases to provide a service within the district. At this stage Council is not aware of any circumstance in which the loan becomes repayable. These loans are recorded at fair value (\$nil) in the statement of financial position. These loans total \$4.16M (last year: \$4.98M). Refer to note 17.

29. Related Party Transactions

Council is the ultimate parent of the group and controls four entities, being Heartland Contractors Ltd, the Feilding Civic Centre Trust, the Awahuri Forest/Kitchener Park Trust and the Manawatū Community Trust. Council also owns a 50% share in Central Economic Development Agency Limited.

Transaction with related parties that are a part of a normal customer relationship (such as payment of rates and purchase of rubbish bags etc.) are not included in related party disclosures. The following transactions were carried out with related parties.

	Actual 2023 \$000	Actual 2023 \$000
Heartland Contractors Limited (Non Trading) The Mayor, Deputy Mayor and Chief Executive are directors of this company	Nil	Nil
Feilding Civic Centre Trust Grant provided by MDC	110	105
Manawatū Community Trust Interest paid to MDC (refer note below)	100	62
Amounts payable to MDC at year end	69	47
Loans repaid to the MDC	277	275
Loans drawn down from MDC during the year	0	1,400
Loan owing to MDC (as at balance date)	4,114	2,991
Manawatū-Wanganui LASS Limited The Chief Executive is a director of this company The Council is one of the guarantors to the Deed of Lease for a property leased by the company - see note 27 for further details.		
Awahuri Forest / Kitchener Park Trust Grant provided by MDC	125	118
Central Economic Development Agency Limited Contract payment provided by MDC	656	624

Council has impaired the loan given to Manawatū Community Trust to fair value. The reduction total of \$40k (last year \$52k) is because 50% of the loan is interest-free and has been treated as grant expenditure. There is no reduction of any other loans or other receivables to related parties (last year: \$nil).

Key Management Personnel Compensations

(includes senior management, the Mayor and Councillors)

	Actual 2023 \$000	Actual 2022 \$000
Salaries and other short term employee benefits - elected members	562	504
Salaries and other short term employee benefits - Executive Team including the Chief Executive	1,312	1,213
Post employment benefits - Executive Team including the Chief Executive	-	48
Termination benefits	-	-
	1,874	1,765
Full time equivalents		
Elected Members*	11	11
Executive Team including the Chief Executive	6	6

*Due to the difficulty in determining the full-time equivalents for elected members, the full-time equivalent figure is taken as the average number of elected members.

30. Remuneration

Elected Members

Remuneration is determined by the Remuneration Authority. Remuneration paid to elected members (including meeting allowances for Hearings Committee meeting) during the year was:

	Actual 2023 \$000 Salary	Actual 2023 \$000 Meeting Allowances	Actual 2022 \$000 Salary	Actual 2022 \$000 Meeting Allowances
Mayor Helen Worboys	127,558		121,001	
Councillor Bridget Bell	28,667		-	
Councillor Steve Bielski	38,910		36,832	
Councillor Lara Blackmore	28,667		-	
Councillor Stuart Campbell	42,445		40,516	
Councillor Shane Casey	12,584		40,516	
Councillor Heather Gee-Taylor	12,581		38,112	
Councillor Grant Hadfield	41,301		36,832	
Councillor Michael Ford (Deputy Mayor)	53,050		51,566	
Councillor Hilary Humphrey	-		24,489	
Councillor Colin McFadzean	27,471		-	
Councillor Philson Marsh	12,584		40,516	
Councillor Andrew Quarrie	38,910		36,846	
Councillor Kerrie Quigley	27,471		-	
Councillor Alison Short	41,301	896	36,832	
Councillor Fiona Underwood	27,471		-	
	560,974	896	504,058	

Chief Executive

For the year ended 30 June 2023, the remuneration paid to the Chief Executive, Shayne Harris, was \$350,687 (Last Year, Shayne Harris, \$340,147).

Council Employees

	Actual 2023 as at 30 June	Actual 2022 as at 30 June
The number of employees employed by the Council	172	192
The number of full-time employees	130	133
The full-time equivalent number of all other employees	30	35
Number of employees receiving total annual remuneration of:		
- less than \$60,000	42	84
- between 60,000 and \$79,999	62	49
- between \$80,000 and \$99,999	36	30
- between \$100,000 and \$119,999	16	8
- between \$120,000 and \$139,999	8	13
- between \$140,000 and \$339,999	8	8
	172	192

A full-time employee is determined on the basis of a 40-hour working week.

31. Severance Payments

For the year ended 30 June 2023, the Council made four (2022: two) severance payments to employees, totalling \$40,915 (2022: \$18,500). The value for each of these payments were \$15,000, \$15,000, \$5,800 and \$5,115.

32. Events after the Balance Sheet Date

Three Waters Reform

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 establishing new public entities 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 10 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.

33. Financial Instruments

Financial Instruments Categories

The following tables are comparisons of carrying amounts of the Group's financial assets and liabilities in each of the financial instrument categories.

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Financial Assets				
Mandatorily measured at FVTSD				
Derivative financial assets - not hedge accounted	-	-	-	-
Derivatives that are hedge accounted				
Derivative financial assets	-	-	-	-
FVTSD				
Notes - NZ Local Government Funding Agency	1,613	1,513	1,613	1,513
Total at FVTSD	1,613	1,513	1,613	1,513
Amortised Cost				
Cash and cash equivalents	7,892	13,713	8,031	13,870
Debtors and other receivables	5,487	5,699	5,559	5,969
Term deposits - other	7,200	-	7,200	-
Community loans	185	218	185	218
Community loans - related party	4,073	4,338	-	-
Total Amortised Cost	24,837	25,481	20,975	21,570
FVTOCRE				
Unlisted shares in NZ Local Government Funding Agency (NZLGFA)	100	100	100	100
Unlisted shares in NZ Local Government Insurance Corp Ltd (NZIG)	190	190	190	190
Unlisted shares in Manawatū-Wanganui LASS Limited (LASS)	16	16	16	16
Total at FVTOCRE	306	306	306	306
Total financial assets	25,143	25,787	21,281	21,876
Financial Liabilities				
Mandatorily measured FVTSD				
Derivative financial liabilities-not hedge accounted	-	-	-	-
Derivatives that are hedge accounted				
Derivative financial liabilities	-	-	-	-
Amortised cost				
Creditors and other payables	11,064	10,465	11,351	10,894
Bank overdraft	-	-	-	-
Secured loans	93,838	88,789	95,326	90,529
Total financial liabilities at amortised cost	104,902	99,254	106,677	101,423

Fair Value Hierarchy Disclosures

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

	Valuation technique			
	Total	Quoted market price (Level 1)	Observable inputs (Level 2)	Significant non-observable inputs
	\$000	\$000	\$000	\$000
30 June 2023 - Council				
Financial Assets				
Community Loan	-	-	-	-
30 June 2023 - Group				
Financial Assets				
Community Loan	-	-	-	-
30 June 2022 - Council				
Financial Assets				
Community Loan	-	-	-	-
30 June 2022 - Group				
Financial Assets				
Community Loan	-	-	-	-

All available for sale financial assets are recorded in the Statement of Financial Position at cost, as the fair value cannot be measured reliably. The carrying amount of these is detailed above.

Financial instrument risks

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Council is exposed to equity securities price risk on its investments, which are classified as financial assets available for sale. This price risk arises due to market movements in listed securities. This price risk is managed by diversification of Council's investment portfolio in accordance with the limits set out in Council's Investment policy.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

Interest rate risk

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates exposes the Council to fair value interest rate risk. Council's Liability Management policy outlines the type of borrowing allowed.

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 Council to cash flow interest rate risk.

Credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and

its Investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the group only invests funds with those entities, which have a Standard and Poor's credit rating of at least A -. Accordingly, the group does not require any collateral or security to support these financial instruments.

Maximum exposure to credit risk

Council's maximum credit exposure for each class of financial instrument is as follows:

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Balance as at 30 June				
Cash at bank and term deposits	15,092	13,713	15,231	13,870
Debtors and other receivables	5,487	5,699	5,559	5,696
Community loans	4,258	4,556	185	218
Local authority stock and other investments	1,919	1,819	1,919	1,819
Financial guarantees	-	-	-	-
Total credit risk	26,756	25,787	22,894	21,876

The maximum exposure to credit risk for financial guarantees is the maximum amount a Council would have to pay if the guarantee is called on, which may be significantly greater than the amount recognised as a liability.

Council is exposed to a credit risk as a guarantor of all of the LGFA's borrowings. Information about this exposure is explained in Note 28.

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	COUNCIL		GROUP	
	Actual 2023 \$000	Actual 2022 \$000	Actual 2023 \$000	Actual 2022 \$000
Balance as at 30 June				
Counterparties with credit ratings				
Cash and term deposits				
Cash at bank and bank term deposits (AA- rated)	15,067	9,708	15,231	9,865
Cash at bank and bank term deposits (A rated)	-	-	-	-
NZLGFA borrower's notes (AA rated)	1,613	1,513	1,613	1,513
Total cash at bank and term deposits	16,680	11,221	16,844	11,378
Other investments				
Unlisted shares in NZ Local Government Funding Agency (NZLGFA) (AA Rated)	100	100	100	100
Total other investments	100	100	100	100
Counterparties without credit ratings				
Local authority stock, community loans				
Existing counterparty with no defaults in the past	4,489	8,767	416	4,429
Existing counterparty with defaults in the past	-	-	-	-
Total local authority stock and community loans	4,489	8,767	416	4,429

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

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by maintaining sufficient short term investments.

In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the next 12 months.

Council manages its borrowings in accordance with its funding and financial policies, which include a Liability Management Policy. These policies have been adopted as part of the Council's Long Term Council Community Plan.

Contractual maturity analysis of financial liabilities

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

	Carrying Amount \$000	Contractual Cash Flows \$000	Less than 1 Year \$000	1 - 5 years \$000	More than 5 years \$000
Council 2023					
Creditors and other payables	11,064	11,064	11,064	-	-
Secured loans	93,838	85,727	20,372	34,855	30,500
Financial guarantees	-	-	-	-	-
	104,902	96,791	31,436	34,855	30,500
Group 2023					
Creditors and other payables	11,351	11,351	11,351	-	-
Secured loans	95,326	87,779	20,657	36,623	30,500
Financial guarantees	-	-	-	-	-
	106,677	99,131	32,008	36,623	30,500
Council 2022					
Creditors and other payables	10,465	10,465	10,465	-	-
Secured loans	88,789	85,727	20,372	34,855	30,500
Financial guarantees	-	-	-	-	-
	99,254	96,192	30,837	34,855	30,500
Group 2022					
Creditors and other payables	10,944	10,944	10,944	-	-
Secured loans	90,519	87,779	20,657	36,623	30,500
Financial guarantees	-	-	-	-	-
	101,463	98,724	31,601	36,623	30,500

Contractual maturity analysis of financial assets

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

	Carrying Amount \$000	Contractual Cash Flows \$000	Less than 1 Year \$000	1 - 5 years \$000	More than 5 years \$000
Council 2023					
Cash and cash equivalents	7,892	7,892	7,892	-	-
Debtors & other receivables	5,487	5,487	5,487	-	-
Other financial assets:					
- Term deposits	7,200	7,200	7,200	-	-
- LGFA Borrower notes	1,613	1,513	112	858	543
- Community loans	185	59	5	23	31
- Community loans - related party	4,073	4,073	277	1,144	2,652
	26,450	26,224	20,973	2,025	3,226
Group 2023					
Cash and cash equivalents	8,031	8,031	8,031	-	-
Debtors & other receivables	5,559	5,559	5,559	-	-
Other financial assets:					
- Term deposits	7,200	7,200	7,200	-	-
- LGFA Borrower notes	1,613	1,513	112	858	543
- Community loans	185	59	5	23	31
	22,588	22,362	20,907	881	574
Council 2022					
Cash and cash equivalents	13,713	13,713	13,713	-	-
Debtors & other receivables	5,699	5,699	5,699	-	-
Other financial assets:					
- Term deposits	-	-	-	-	-
- LGFA Borrower notes	1,513	1,513	112	858	543
- Community loans	218	59	5	23	31
- Community loans - related party	4,338	4,338	277	1,144	2,917
	25,481	25,323	19,806	2,025	3,491
Group 2022					
Cash and cash equivalents	13,870	13,870	13,870	-	-
Debtors & other receivables	5,969	5,969	5,969	-	-
Other financial assets:					
- Term deposits	-	-	-	-	-
- LGFA Borrower notes	1,513	1,513	112	858	543
- Community loans	218	75	5	23	31
	21,570	21,427	19,956	881	574

Council is exposed to liquidity risk as a guarantor of all of the LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in Note 28.

Sensitivity analysis - Council

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at the balance date.

2023	-100bps		+100bps	
	Profit \$000	Other equity \$000	Profit \$000	Other equity \$000
Interest Rate Risk				
Financial assets				
Cash and cash equivalents	(79)	-	79	-
Other financial assets:				
- Term deposits	(72)	-	72	-
- LGFA Borrower notes	(16)	-	16	-
- Community and related party loans	(43)	-	43	-
- Other investments	-	-	-	-
Financial liabilities				
Secured loans	938	-	(938)	-
Total sensitivity to interest rate risk	728	-	(728)	-
Equity Price Risk				
	-10%		10%	
Financial assets				
Other financial assets:				
- NZ Local Government Insurance Corp Ltd	-	-	-	-
- Shares in Manawatū-Wanganui LASS Limited	-	-	-	-
- Shares in NZ Local Government Funding Agency	-	-	-	-
Total sensitivity to equity price risk	-	-	-	-

2022	-100bps		+100bps	
	Profit \$000	Other equity \$000	Profit \$000	Other equity \$000
Interest Rate Risk				
Financial assets				
Cash and cash equivalents	(137)	-	137	-
Other financial assets:				
- Term deposits	-	-	-	-
- LGFA Borrower notes	(15)	-	15	-
- Community and related party loans	(46)	-	46	-
- Other investments	-	-	-	-
- Local authority stock	-	-	-	-
Financial liabilities				
Secured loans	888	-	(888)	-
Total sensitivity to interest rate risk	690	-	(690)	-
Equity Price Risk				
	-10%		10%	
Financial assets				
Other financial assets:				
- NZ Local Government Insurance Corp Ltd	-	-	-	-
- Shares in Manawatū-Wanganui LASS Limited	-	-	-	-
- Shares in NZ Local Government Funding Agency	-	-	-	-
Total sensitivity to equity price risk	-	-	-	-

Sensitivity analysis - Group

The tables below illustrate the potential profit and loss and equity (excluding retained earnings) impact for reasonably possible market movements, with all other variables held constant, based on Council's financial instrument exposures at the balance date.

2023	-100bps		+100bps	
	Profit \$000	Other equity \$000	Profit \$000	Other equity \$000
Interest Rate Risk				
Financial assets				
Cash and cash equivalents	(81)	-	81	-
Other financial assets:				
- Term deposits	(72)	-	72	-
- LGFA Borrower notes	(16)	-	16	-
- Community loans	(2)	-	2	-
- Other investments	-	-	-	-
Financial liabilities				
Secured loans	953	-	(953)	-
Total sensitivity to interest rate risk	782	-	(782)	-
Equity Price Risk				
	-10%		10%	
Financial assets				
Other financial assets:				
- NZ Local Government Insurance Corp Ltd	-	-	-	-
- Shares in Manawatū-Wanganui LASS Limited	-	-	-	-
- Shares in NZ Local Government Funding Agency	-	-	-	-
Total sensitivity to equity price risk	-	-	-	-
<hr/>				
2022	-100bps		+100bps	
	Profit \$000	Other equity \$000	Profit \$000	Other equity \$000
Interest Rate Risk				
Financial assets				
Cash and cash equivalents	(139)	-	139	-
Other financial assets:				
- Term deposits	-	-	-	-
- LGFA Borrower notes	(15)	-	15	-
- Community loans	(2)	-	2	-
- Other investments	-	-	-	-
Financial liabilities				
Secured loans	905	-	(905)	-
Total sensitivity to interest rate risk	749	-	(749)	-
Equity Price Risk				
	-10%		10%	
Financial assets				
Other financial assets:				
- NZ Local Government Insurance Corp Ltd	-	-	-	-
- Shares in Manawatū-Wanganui LASS Limited	-	-	-	-
- Shares in NZ Local Government Funding Agency	-	-	-	-
Total sensitivity to equity price risk	-	-	-	-

Explanation of sensitivity analysis - Council and Group

Financial Assets

1 Council has cash and cash equivalents include deposits on call totalling \$7,892,401 (last year: \$13,713,330) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$78,924 (last year: \$137,133). The Group has cash and cash equivalents include deposits on call totalling \$8,031,401 (last year: \$13,912,088), which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$80,314 (last year: \$139,120).

2 Term Deposits

Council has term deposits with a principal amount totalling \$7,200,000 (last year: \$0). A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$72,000 (last year: \$0). The group has term deposits with a principal amount totalling \$7,200,000 (last year: \$0). A movement in plus or minus 1.0% has an effect on interest revenue of \$72,000 (last year: \$0).

3 Community loans

Council has floating rate community advances with a principal amount totalling \$4,128,220 (last year: \$4,539,446). A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$41,282 (last year: \$45,394). The Group has floating rate community advances with a principal amount totalling \$54,660 (last year: \$60,487). A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$546 (last year: \$605).

4 Local authority stock and other investments

The Council has floating rate term bonds and deposits totalling \$436,000 (last year: \$436,000) that are held to maturity. A movement in interest rates of plus or minus 1.0% has an effect on interest revenue of \$4,360 (last year: \$4,360).

Financial Liabilities

5 Secured loans

Council has a floating rate debt with a principal amount totalling \$38,400,000 (last year: \$44,900,000). A movement in interest rates of plus or minus 1.0% has an effect on interest expense of \$384,000 (last year: \$449,000).

Equity

6 Unlisted shares

Council holds unlisted equity instruments in Civic Financial Services Ltd, which are not traded and will continue to be held by Council. The market value of these shares is difficult to determine, but the net asset backing of this shareholding was \$202,401 at 31 December 2021. These shares are accounted for at cost.

Council holds unlisted equity instruments in Manawatū Wanganui LASS Ltd, which are not traded and will continue to be held by Council. The market value of these shares is difficult to determine. These shares are accounted for at cost.

Council holds unlisted equity instruments in New Zealand Local Government Funding Agency Ltd, which are not traded and will continue to be held by Council. These shares are accounted for at cost, as there is no active market and thus the share price cannot be measured reliably.

Council holds unlisted equity instruments in Central Economic Development Agency Ltd, which are not traded and will continue to be held by Council. The market value of these shares is difficult to determine. Council accounts for these shares at cost.

34. Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprises retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 [the Act] requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance. The Act requires the Council to make adequate and effective provision in its Long Term Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

Council has the following Council created reserves:

- Trust and bequest funds
- Special Funds

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Special Funds include a general purpose reserve, an insurance fund and the land subdivision reserve with the nature and purpose being determined by Council. Interest is added to these reserves and, where applicable, and deductions are made where funds have been used for the purpose they were given or established.

The amounts involved in our equity and reserves, together with the movements from last year, are disclosed in note 25.

The only externally imposed requirements for our capital management are those set out in the trust and bequest documents. Council has complied with these requirements.

35. Explanation of Major Variances

Explanations for major variations between the actual results and the estimated figures in the 2022/23 Annual Plan, which is the second year of the Long-term Plan 2021-2031, are detailed below.

Statement of Comprehensive Revenue and Expense

The operating surplus for the year is \$2.9M, against a budgeted surplus of \$1.7M. The following are the most significant variances:

- Subsidies and Grants are \$8.7M above budget. \$3.2M was received in relation to the Wastewater Centralisation, \$1.6M received towards Ōhakea rural water scheme, \$1.2M contribution to work needed to the Three Waters Reform and \$1.2M received to help fund the library redevelopment. NZTA subsidies are \$1.7M above budget as a result of additional funding made available for emergency works required to remedy damage caused by weather events.
- Development and financial contributions are \$818k below budget. This is a result of a lower number of development contributions received as well as a large number of capital contributions for water/wastewater connections.
- Revenue from vested assets was \$1.8M higher than expected.
- Personnel costs are \$1.2M under budget due to a number of vacancies throughout the year and delays in recruitment.
- Depreciation is \$4.2M unfavourable to budget. This is due to asset revaluations completed at 30 June 2022 which were not budgeted for in the Annual Plan for 2022/23.

- Finance costs were \$1.6M over budget. Overall interest costs were higher than budgeted due to significantly higher interest rates.
- Other operating costs are over budget by \$5M. Vehicle expenses were over budget by \$200k due to higher operational costs. Energy costs were \$240k over budget predominantly as a result of higher gas charges for the Makino Aquatic Centre. Operational Projects were \$4M above budget as a result of emergency roading works required after the 2023 weather events. There were a number of smaller variances that contributed to the overspend.

Statement of Financial Position

The most significant movements are:

- Cash and cash equivalents are higher than budget by \$3.6M due to a higher than expected opening balance.
- Property, plant and equipment is \$282M higher than budget due to a higher than budgeted movement from asset revaluations and vested assets.
- Creditors and other payables are higher than budget due to the level of capital works carried out in June.
- Total borrowing is in-line with budget, the off setting variances are simply due to the loans being classified as current and term.

Statement of Cash Flows

The variances in the statement of cash flow are a direct result of the items mentioned above.

Summary of Significant Policies

Hei whakarāpopoto i ngā kaupapa here matua a te Kaute

Report on Liability Management and Investment Policies

Liability Management Policy

During the course of the financial year, Council raised \$9.7 million of debt, repaid \$4.7 million of debt, resulting in an increase of debt from \$88.7 million at the start of the financial year to \$93.8 million at 30 June 2023.

Key Statistics	Actual 2023	Budget 2023	Actual 2022
Net interest expense (interest and financing costs less interest income) must not exceed 20% of total revenue (excluding non-Government capital contributions such as developers contribution and vested assets).	3.9%	2.7%	2.4%
Net interest expense (interest and financing costs less interest income) must not exceed 25% of annual rates income (includes water by meter and revenue from services provided to another Local Authority).	6.2%	3.7%	4.3%
Net debt (all financial liabilities less liquid investments) must not exceed 175% of total revenue (excluding non-Government capital contributions such as developers contribution and vested assets).	123.7%	151.4%	107.9%
Available financial accommodation (external indebtedness, plus committed but undrawn debt plus liquid investment) must not be less than 110% of external indebtedness.	119.1%	114.5%	126.7%
Net Working Capital Ratio is greater than 1 (current assets compared to current liabilities excluding current portion of debt and properties for sale)	1.72	0.93	1.72
No more than 35% of net term debt planned to be refinanced in any financial period without pre-arranged facility being in place. The maximum debt repayable in any one year.	12.3%	10.7%	13.0%

There were no breaches of the Liability Management Policy.

Investment Policy

Council is a prudent and conservative investor and while seeking to maximise the return from its investments, it realises that its level of short-term investments is comparatively small and not of great significance in the corporate money market. With the exception of loans to community organisations, Council's long-term investments are predominantly in nil risk assets such as government or local authority stock and bank bonds.

Council investment money includes funds accumulated with respect to general funds, special funds, loan repayment funds and trust monies.

Interest Received

Interest received on investments at \$608k was an increase on last year's \$153k, due to a change in the market interest rates and the amounts invested.

Other Equity Investments

Council is a shareholder of the LGFA, Civic Financial Services Limited, Heartland Contractors Limited, Manawatu-Wanganui LASS Limited and the Central Economic Development Agency. These shares are held for strategic purposes.

Breach of Policy

There have been no breaches of the investment policy.

Report on Revenue and Financing Policy

Council's current Revenue and Financing Policy was adopted as part of the 2021-2031 Long-term Plan (LTP). The Funding Policy sets out who will pay and how for Council's functions.

Part 6 s103(3) of the Local Government Act 2002 specifies that every local authority must provide in its annual report sufficient information about the Revenue and Financing Policy to enable an informed assessment of the extent to which the objectives and provisions of the policy have been met during the year.

This report summarises progress against the policy for the year ended 30 June 2023.

Group of Activities	Function	ACTUAL		FUNDING POLICY	
		Public	Private	Public	Private
Community Facilities	Cemeteries	54%	46%	70%	30%
	District Libraries	57%	43%	95%	5%
	Makino Aquatic Centre	76%	24%	65%	35%
	Parks and Reserves	85%	15%	95%	5%
	Property	77%	23%	70%	30%
	Local Halls and Complexes	99%	1%	100%	0%
	Public Conveniences	100%	0%	100%	0%
District Development	Community Development	100%	0%	100%	0%
	Economic Development	100%	0%	100%	0%
	Feilding CBD Security	20%	80%	20%	80%
Emergency Management	Civil Defence	94%	6%	100%	0%
Regulatory	Animal Control	40%	60%	40%	60%
	Building Control	42%	58%	40%	60%
	Compliance and Monitoring	71%	29%	90%	10%
	Consent Planning	56%	44%	70%	30%
	District Planning	99%	1%	100%	0%
Governance and Strategy	Governance and Strategy	100%	0%	100%	0%
Roading Network	Roading	40%	60%	55%	45%
	Feilding CBD Redevelopment	15%	85%	15%	85%
Solid Waste	Solid Waste Collection and Disposal	45%	55%	50%	50%
	Feilding Kerbside Collection	0%	100%	0%	100%
Stormwater	Urban Stormwater	20%	80%	20%	80%
	Rural Land Drainage	0%	100%	0%	100%
Wastewater	Wastewater	0%	100%	0%	100%
Water Supply	Water Supply	0%	100%	0%	100%

Report on Council Controlled Organisations

Manawatū Community Trust

The Manawatū Community Trust was formed on 23 June 2008. The purpose of the Trust is the provision of housing for the elderly and disabled of the Manawatū district, the promotion of health and wellbeing services for the residents of the Manawatū district, as well as promotion of any purposes within the Manawatū district for the relief of poverty and for the benefit of the residents of the Manawatū district. Following is the statement of comprehensive revenue and expense for the year ended 2023.

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2022

	Actual 2023 \$000	Actual 2022 \$000
Revenue		
Interest	2	2
Other revenue	2,761	2,380
Total Revenue	2,763	2,382
Employee benefit expenses	327	274
Depreciation	918	812
Finance costs	222	143
Other expenses	1,024	903
Loss on assets disposal	6	-
Property, plant and equipment impairment loss	-	-
Total Operating Expenditure	2,497	2,132
Operating Surplus/(Deficit)	266	250
Other comprehensive revenue and expense	-	-
Net Surplus/(Deficit)	266	250

Awahuri Forest / Kitchener Park Trust

Council has exempted this from being a CCO.

Heartland Contractors Limited

Council has exempted this from being a CCO.

Feilding Civic Centre Trust

Council has exempted this from being a CCO.

Manawatū-Wanganui LASS Limited

This company has been set up in 2008 by seven Local Councils to investigate the possibilities of economies of scales by joint procurement.

Council has exempted this company from being a CCO.

Central Economic Development Agency Limited

Central Economic Development Agency was formed on 15 October 2015 under the Companies Act 1993. With the shareholders being Palmerston North City Council (50%) and Manawatū District Council (50%). The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawatū and beyond. CEDA has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes.

For the year ended 30 June 2023 the Central Economic Development Agency Limited had current assets totalling \$1,966,728 (last year \$2,115,054) including cash and cash equivalents of \$1,852,199 (last year \$2,039,054), non current assets of \$26,002 (last year \$26,656), current liabilities of \$1,402,651 (last year \$1,571,221) and non current liabilities of \$0 (last year \$0). All current liabilities are considered to be current financial liabilities.

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2023

	Actual 2023 \$000	Actual 2022 \$000
Revenue		
Council funding	2,536	2,513
Services revenue	2,262	1,203
Project revenue	-	42
Interest	72	15
Other revenue	-	1
Total Revenue	4,870	3,774
Employee expense	1,276	1,359
Operating expenses	3,398	2,180
Project expenses	3	44
Director's fees	174	172
Depreciation	4	4
Financing expenses	-	-
Loss on assets disposal	-	-
Total Operating Expenditure	4,855	3,759
Operating Surplus/(Deficit) before Taxation	15	14
Income tax expense	-	1
Operating Surplus/(Deficit) after Taxation	15	13
Other comprehensive revenue and expense	-	-
Net Surplus/(Deficit)	15	13

Reporting against the Statement of Intent

Manawatū Community Trust: for the year ended 30 June 2023

The Statement of Intent outlines what the Trust intended to achieve and how it has achieved against the set targets.

	Link to community outcomes	Target	Results
Develop and maintain existing housing stock			
<p>have all occupied housing stock at a 3 Star* rating or above by 2025.</p> <p>*A rating system from 1 to 5 Star, 5 Star being the highest.</p>	1 & 6	<p>2023 Target updated to reflect actual unit numbers as at 30 June 2023:</p> <p>2023: 196 of 205</p> <p>2024: 212 of 217</p> <p>2025: 217 of 217</p>	<p>Achieved</p> <p>2023: 198 of 205</p> <p>Note that 'unit tidiness' was removed from the star rating calculations this year as that is a very changeable state depending on the tenant.</p>
Maintain average month end occupancy at above 95%.	6	<p>2023: >95%</p> <p>2024: >95%</p> <p>2025: >95%</p>	<p>Achieved</p> <p>2023: 96% average monthly occupancy.</p>
<p>Be responsive to urgent maintenance requirements or resident health and safety needs. Maintenance requests from tenants are recorded electronically and are subsequently responded to in accordance with their priority. Service contractors are engaged with regard to their ability to provide prompt and reliable services to our tenants.</p>	2 & 6	<p>Electronic recording indicates maintenance requests are assessed and addressed promptly.</p> <p>Service contractors are engaged in accordance with the priority of the maintenance request.</p>	<p>Achieved</p> <p>All maintenance jobs were recorded on the MCT database and allocated to appropriate service people as required.</p>
Increase the number of housing units			
MCT will have a total of 250 housing units by 2030.	6	<p>2023: 217</p> <p>2024: 219</p> <p>2025: 221</p>	<p>Not achieved</p> <p>2023: 205</p>
<p>Collaborate with the MDC in defining, developing, and refining a strategy to address housing needs for elderly and disabled residents in the Manawatū. Availability of suitable land and residential planning regulations have been assessed.</p>	1 & 6	<p>2023: Agreement reached on cooperative goals</p> <p>2024-2025: Advancing goals as determined above.</p>	<p>MCT has provided updates in respect of scoping the establishment of a Feilding based CHP at Council meetings. MCT has been invited to present at a MDC housing planning meeting in July. A further meeting to with MDC CEO has been scheduled to discuss protection of MCT assets.</p>
Development services promoting health and wellbeing			
<p>The promotion of wellbeing services promoting the improvement of lifestyle, health and welfare and creating a sense of community for the benefit of the residents of the Manawatū District.</p>	1, 2 & 6	<p>2023: Outcome decisions made, and planning commenced for community facility</p> <p>2024-2025: Continue development of community facility.</p>	<p>The joint research collaboration between MCT, Manchester House Social Services (funded by MDC) has been completed.</p>

	Link to community outcomes	Target	Results
Development services promoting health and wellbeing			
Continue to offer Manawatū residents the option of rentals at no more than 30% of the superannuation and accommodation benefits available.	1 & 6	2023: <30% 2024: <30% 2025: <30%	Achieved The highest rental at 30 June 2023 is \$191 pw, which is 30% of the single superannuation and accommodation benefits available. Note that only 9% of our tenants are at the top rental level, with the lowest rental set at \$158 pw.
Compliance and Financial Performance Targets			
Provide financial reporting to MDC as required applying PBE SFR (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector).	6	2023-2025: Reports submitted on time and to the satisfaction of MDC	Not achieved Failed to meet statutory deadline for Annual Reports FY2022 due to delays in completing audit.
Meet ANZ financial undertakings as per our loan agreements to maintain an effective equity/total tangible asset % greater or equal to 50%.	6	2023-2025: $\geq 50\%$	Achieved 83%
Maintain an interest coverage ratio of EBITDA to interest at above 3.	6	2023-2025: >3	Achieved 6.3

Central Economic Development Agency Limited or the year ended 30 June 2023

The key objectives for the 2022/23 year were to:

	Link to community outcomes	Target	Results
Attract, retain and develop talent in the region			
Lead and support the regions attraction and retention of talent, skills, and investment.	5 & 6	Lead the delivery of a programme of work that will attract and retain talent in the region working with businesses.	<p>We ran a targeted, digital campaign with Stuff.co.nz to inspire and inform people about the wealth of lifestyle opportunities available in our region. Banner adverts gained 2,520,143 impressions and video 195,532 impressions. The sponsored article received 275,269 impressions resulting in 4578 page views to: ManawatuNZ.co.nz.</p> <p>The NZ Careers Expo was held in May, with 3140 attendees including from 29 schools, and 46 exhibitors. A business after five was also hosted by CEDA at the expo with 60 attendees.</p>
Retain businesses in the region through engagement and identification of barriers to growth.	4, 5 & 6	Implementation of the Business Attraction, Retention and Expansion Strategy framework through structured business engagements and facilitating the resolution of constraints.	<p>Our key pieces of work for the development key sectors of strength in the region remain to be the primary industry through the food strategy, distribution and logistics through Te Utanganui Central New Zealand distribution Hub, and visitor sector through the Destination Management Plan.</p> <p>A total of \$222,700 was issued through the Regional Events Fund to support local events during the year to increase visitors to the region. This was funded through the government to support the visitor sector through the impacts of COVID-19. Events supported totalling 26 included the Manawatū Arts Trail, Kimbolton Sculpture Festival, International Blokart biannual world regatta, Central District Field Days, Cycling NZ National Criterium Championships, Volleyball Manawatū and the NZ Blues, Roots & Groove Festival.</p>
	5 & 6	Support engage with 210 businesses including Māori businesses through CEDA activities.	<p>444 unique business engagements (includes 39 Māori businesses) for the year from a total of 565 engagements through CEDA business development programmes, including 258 Regional Business Partners business capability, 47 Business Mentor matches, 78 tourism operator support, 111 attendees at workshops and 40 Digital Boost cohorts, an 31 single point engagements. Some businesses may have received more than one engagement.</p> <p>Capability support through the government funded Regional Business Partner Programme was issued totalling \$193,182.</p>

	Link to community outcomes	Target	Results
Profile the region to attract people, business, and investment			
Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi.	1, 2 & 6	50 direct media features published profiling the region, with a reach of more than 2.7 million.	<p>A total of 56 direct media features published with a total reach of 42,074,257.</p> <p>Features included coverage in Air New Zealand's inflight Kia Ora Magazine, TVNZ's Seven Sharp, and Breakfast Show, RadioNZ, Stuff Travel, and Stuff National and Business along with the NZ Herald, Concrete Playground, Let's Travel, DestinationNZ, Business Central and more. Over 15 million of this total reach was through a feature in the international publication AutoEvolution.com as part of our Coast Arts Trail campaign coverage.</p>
Grow engagement on regional web and digital platforms for increased promotion of and information on the region.	5 & 6	10% increase in 'sessions' on ManawatuNZ.co.nz, and social media engagement.	<p>A total overall increase in engagement with ManawatuNZ 'sessions' and social media for the year of 17.68%</p> <ul style="list-style-type: none"> • ManawatuNZ.co.nz total sessions of 303,454 being a 19.36% growth on previous year of 254,233 • ManawatuNZ Facebook followers; 22,229 up 3.1% from 21,560 • ManawatuNZ Instagram follows; 8194 up 3.39% from 7925
Lead inclusive and sustainable economic development for the region			
Economic impact information regularly communicated to stakeholders and business, including iwi and Māori business sector.	1, 5 & 6	5% growth in audience engagement across key communications including economic updates, Māori economy data and regional news.	<p>90 business and sector communications sent year to date consisting of; 60 Seconds with CEDA newsletters, Training & Development Guides, Visitor Industry Updates, 3x Manawatū Quarterly Economic Snapshots, Fesh Finds, Shareholder Updates, and Business Success Stories (7).</p> <p>Audience engagement based on average open rate was as follows:</p> <ul style="list-style-type: none"> • 60 Seconds; 34.5% (compared with 21.9% year on year) • Training & Development Guide; 31.8% (27.6% year on year) • Visitor Industry Updates; 36.94% (-8.0% year on year) • Quarterly Economic Snapshots; 41.4% (3.2% year on year) • CEDA.nz - 1 Jul 2022 to 30 June 2023 sessions were 25,349 up 6.19% from the previous year. CEDA social media total audience of 2,432 up 15.75% from the previous year • Facebook followers (1187) up 10.83% from July 2022, and LinkedIn followers (1245) up 20.87% from July 2022.

Annual Report Disclosure Statement for year ending 30 June 2023

What is the purpose of this statement?

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

The Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmarks

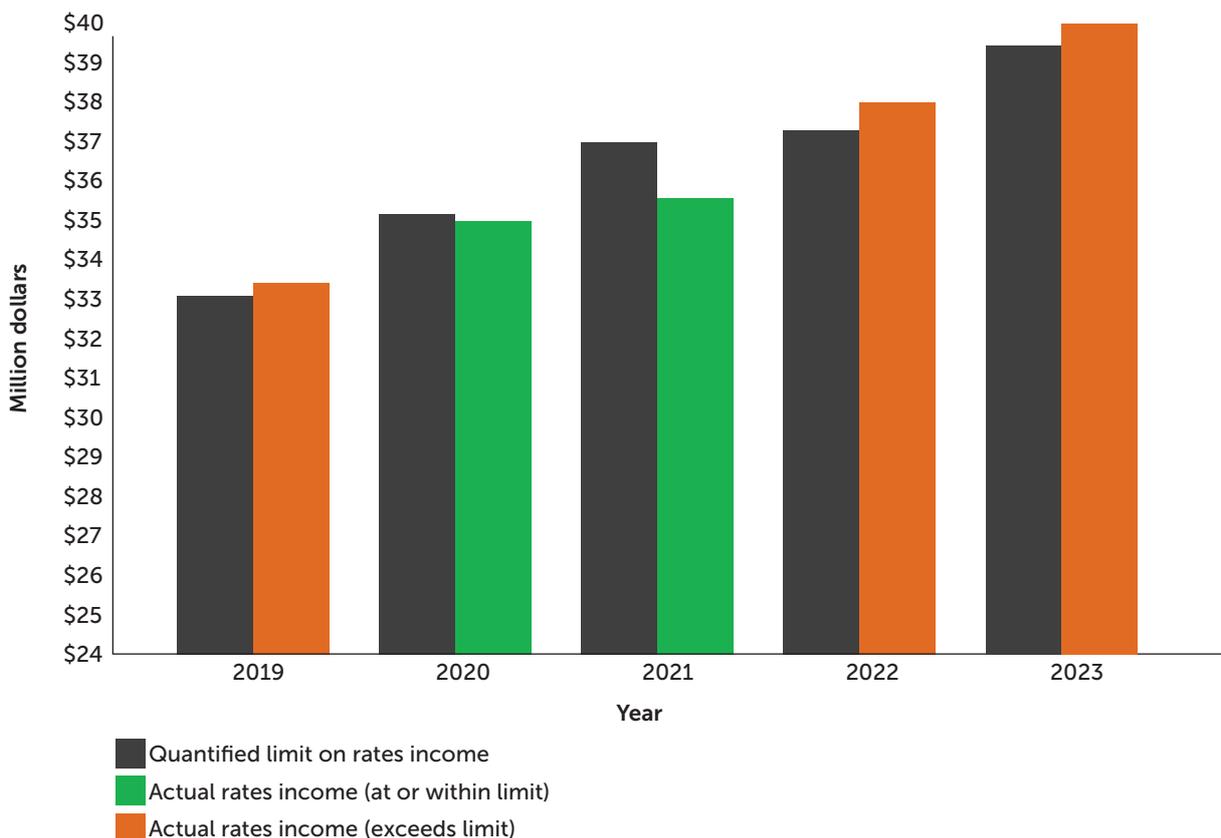
The Council meets the rates affordability benchmark if—

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

Rates (income) affordability

The following graph compares the Council’s actual rates income with a quantified limit on rates contained in the financial strategy included in the Council’s Long-term Plan. This excludes water by meter. The quantified limit is the indicative rate limit of LGCI plus 1.7%, measured in million dollars. LGCI is the Local Government Cost Index provided by Business and Economic Research Limited (BERL) each year.

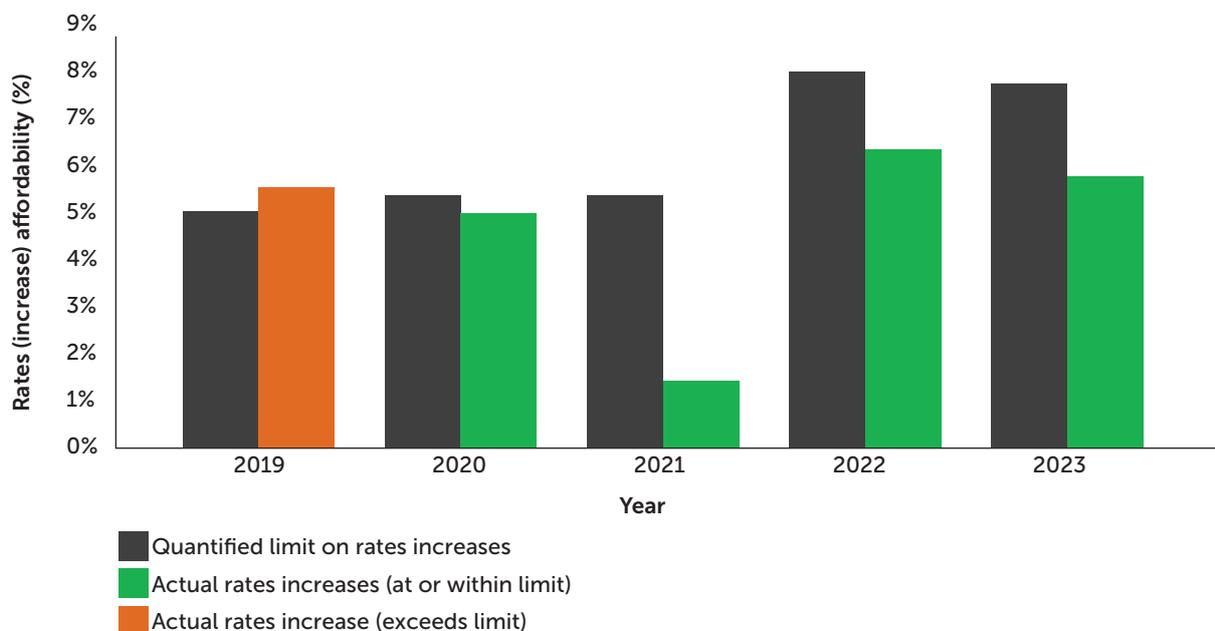
In 2019, the number of SUIP’s (Separately Used or Inhabited Parts) for the actual rates calculation exceeded the forecast number used when setting the budget by 186 units. This has resulted in more rates being collected than anticipated in the budget. This reflects the strong level of growth within the district.



Rates (increases) affordability

The following graph compares the Council’s actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council’s Long-term Plan. This

limit excludes water by meter. The quantified limit is based on the Local Government Consumer Index plus 3%, excluding growth and new levels of service.



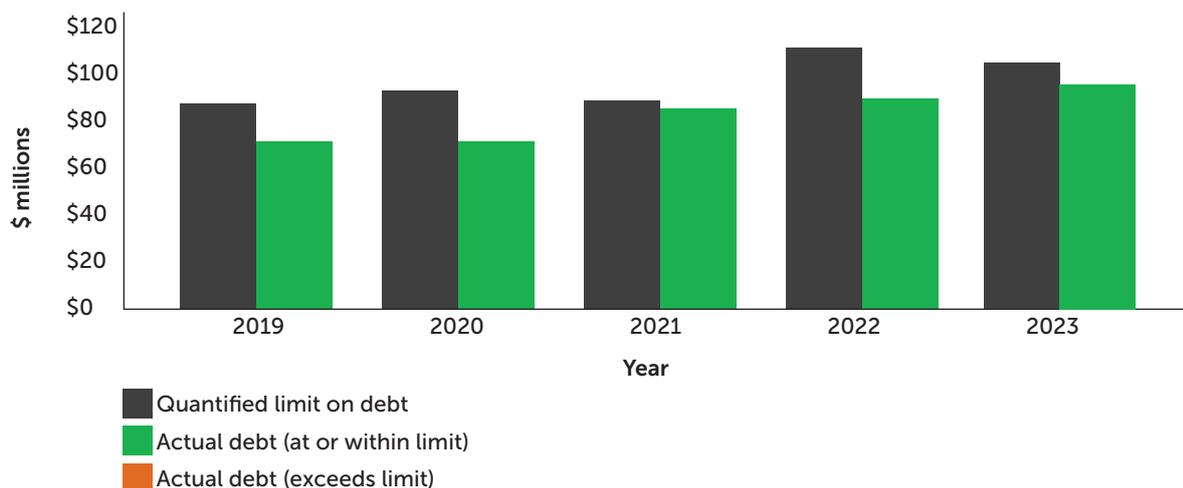
Debt affordability benchmark

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

the borrowing limits established in the Council’s Liability Management policy (refer below) which yields the lowest debt. In this case it is the interest being less than 10% of operating revenue less \$5 million emergency buffer.

The following graph compares the Council’s actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council’s Long-term Plan. The quantified limit is the maximum debt allowed measured in million dollars and it is based on

The Council meets the debt affordability benchmark if its actual borrowing is below the maximum debt allowed.



Balanced budget benchmark

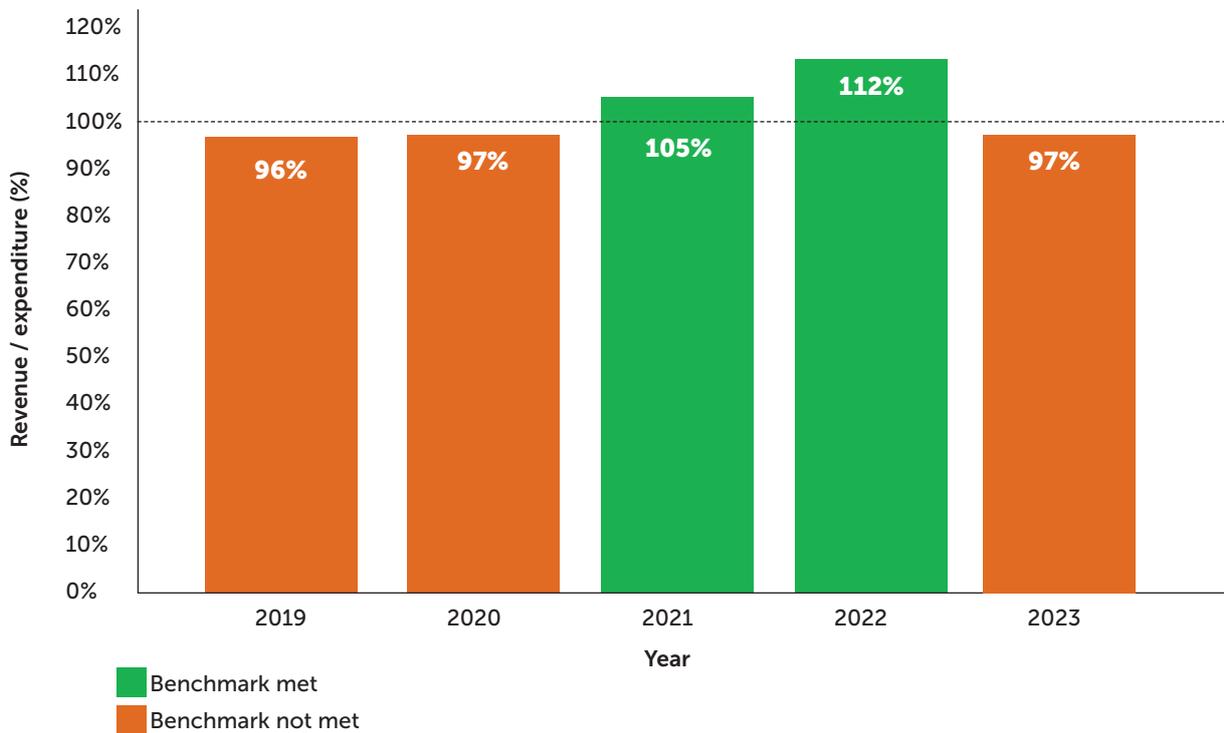
The following graph displays the Council’s revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

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

In 2018 roading expenditure included \$2.2 million emergency operating expenditure as a result of the July 2017 weather event, which is subsidised by a NZTA subsidy. Solid waste costs are higher than budgeted, increased disposal costs of \$330k are partially offset by increased gate takings. A back payment of \$141k was made to the contractor to cover incorrect tonnage incorrectly charged since 2016.

In 2019, roading expenditure included \$2.2 million emergency operating expenditure which is subsidised by NZTA. This was made up of remaining work from 2017 from Cyclone Debbie and the July 2017 snow storm events and two further storm events, which occurred in June and September 2018. Solid waste costs are higher than budgeted, increased disposal costs of \$201k are partially offset by increased gate takings. Waste volumes (above the contracted limit of 208 tonnes per month) have triggered price escalations.

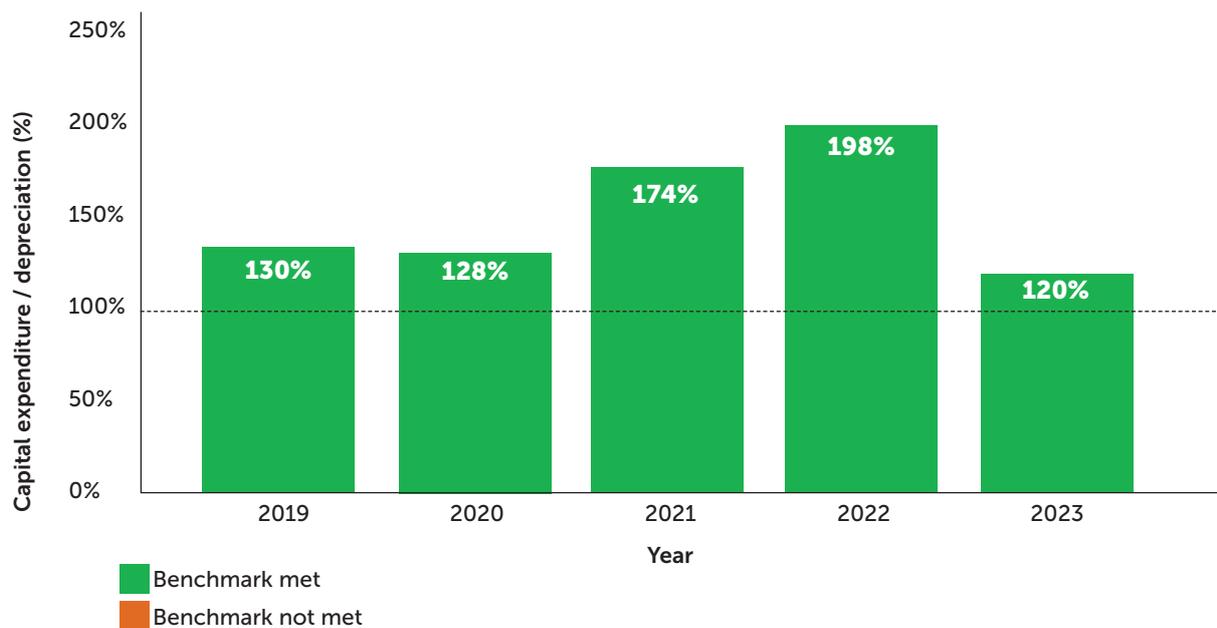
In 2020, revaluations for infrastructure assets, buildings and land were higher than anticipated resulting in \$2 million of unbudgeted depreciation.



Essential Services Benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services. The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

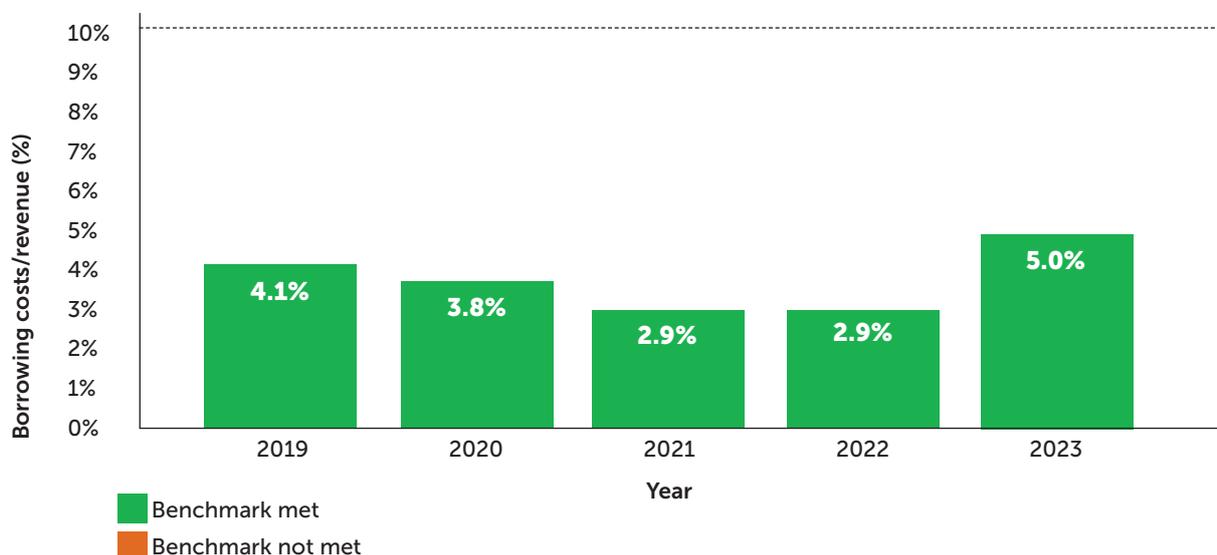
The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of

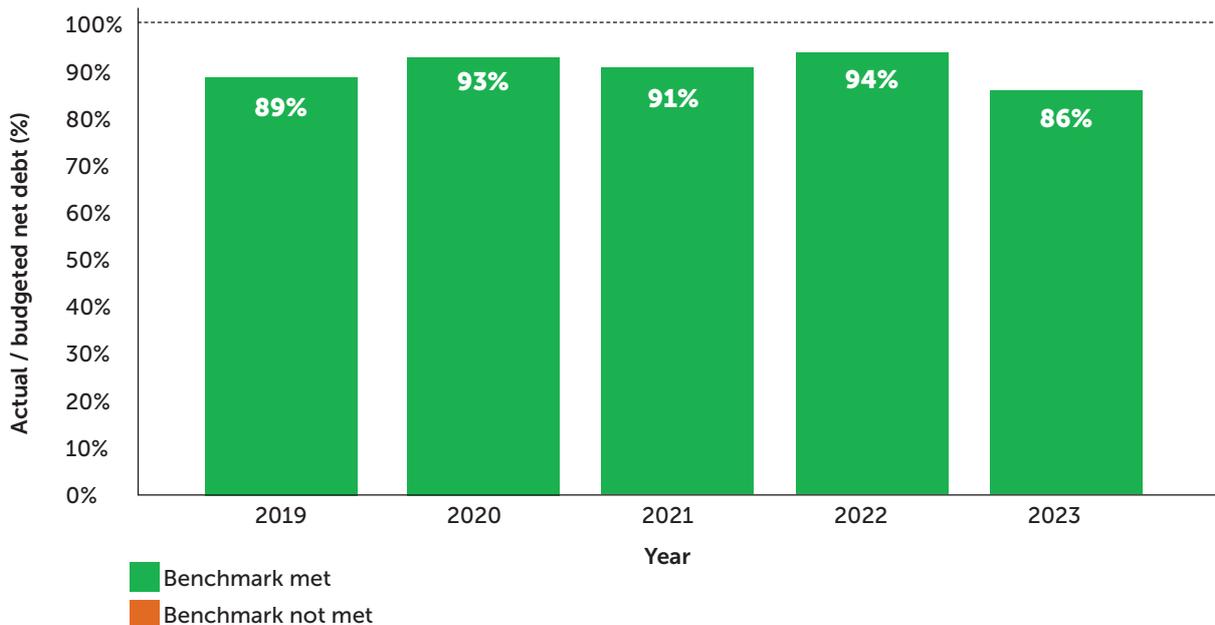
Because Statistics New Zealand projects the Council's population will grow as fast as the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.



Debt control benchmark

The following graph displays the Council’s actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



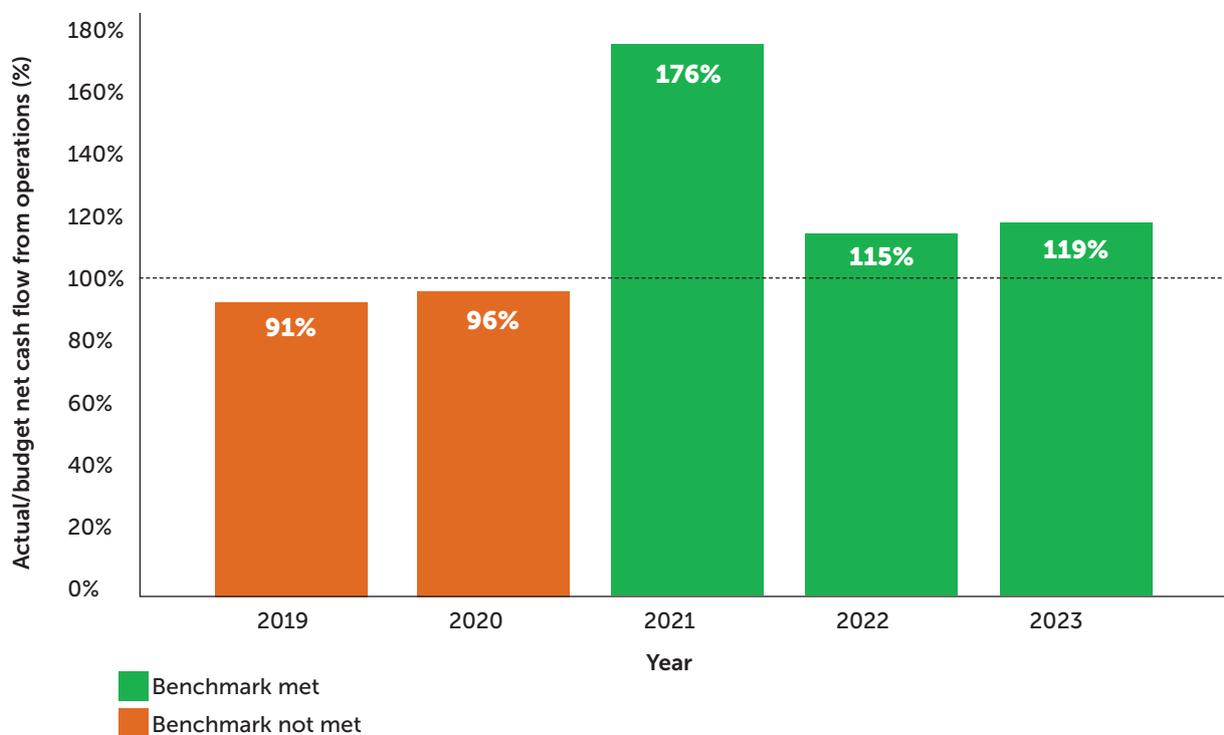
Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.

In 2019 development contributions and capital contributions are \$1.25 million below budget. There are a number of large projects where resource consent has been granted but the trigger to pay development contributions has yet to occur.

In 2020 there was \$1.5M in revenue budgeted for a Commercial Waste Contract, which did not proceed.



Section 4:

Other Information

Wāhanga 4:

He Kōrero Atu Ano





27
Deane Bros
Estate
175 c/o lambs

Manawatū District Council Executive Team

Te Kaunihera ā-Rohe o Manawatū Kāhui Whakahaere

Chief Executive



Shayne Harris

Executive Team



Lyn Daly

General Manager
Community



Hamish Waugh

General Manager
Infrastructure



Frances Smorti

General Manager
People and
Corporate



Amanda Calman

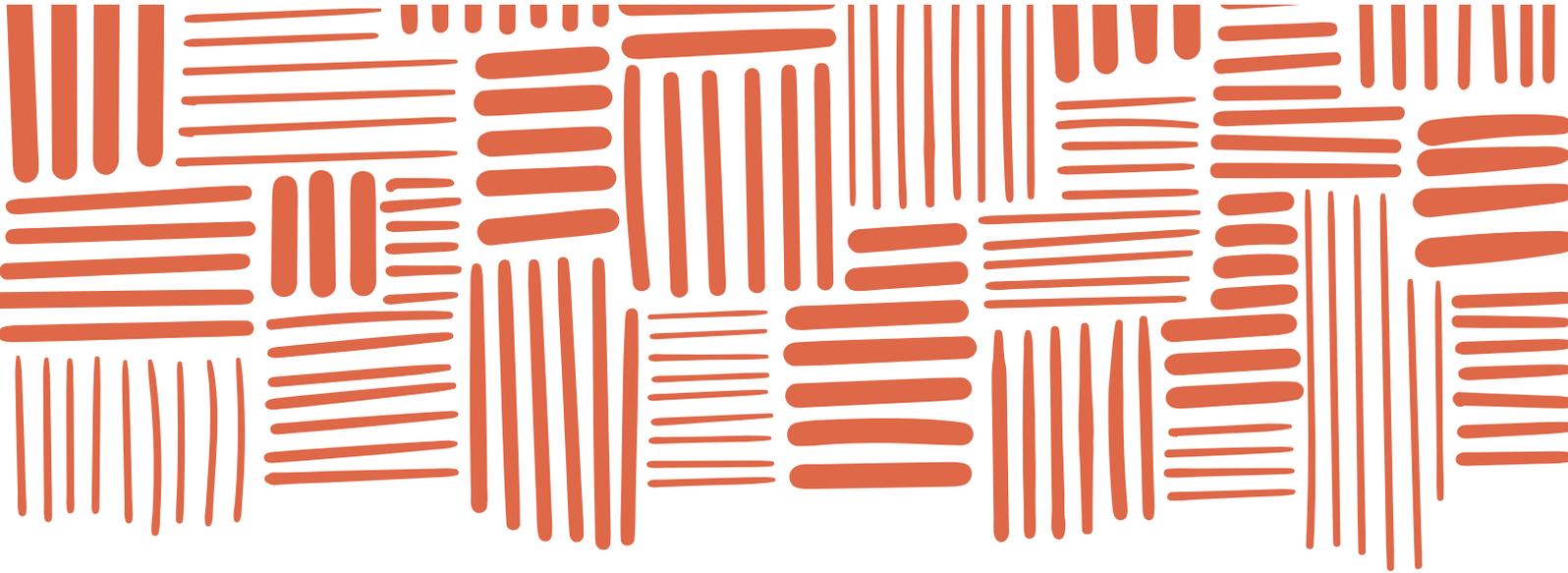
Chief Financial
Officer

Elected Members Responsibilities

Ngā Kawenga Mahi a ngā Māngai Kaunihera

Elected Member	Standing Committee of Council				Non-committee of Council	
	* Audit & Risk Committee	CE Employment Committee	District Development Committee	Hearings Committee	* Creative Communities Assessment Committee	* District Licensing Committee
 Mayor Helen Worboys	✓	✓	✓			
 Steve Bielski		✓	✓			
 Bridget Bell		✓	✓	✓		
 Kerry Quigley		✓	✓		✓	
 Alison Short	✓	✓	✓	CHAIR	✓	✓
 Colin McFadzean	✓	✓	✓			
 Lara Blackmore	✓	✓	✓			
 Michael Ford		✓	CHAIR	✓		
 Fiona Underwood		✓	✓	✓		
 Andrew Quarrie		✓	✓	✓		
 Grant Hadfield	✓	CHAIR		✓		
 Stuart Campbell	CHAIR	✓				

* Committee includes members who are not elected members of Manawatū District Council



Diversity, inclusion, equal employment opportunity statement

The Local Government Act 2002 requires the Council to publish its plans for ensuring equal employment opportunity, and to report on its performance.

The Manawatū District Council is committed to a culture that values diversity and inclusiveness. We believe that diversity within our workforce makes our Council stronger, more capable and more adaptive. With a diverse team we are better able to understand our broad-ranging customers' and stakeholders' needs and to respond effectively to them.

Consistent with our values, we will ensure that diversity and inclusion are central to our policies and practices throughout the Council.

This will enable us to:

- recruit the right people based on merit from a diverse pool of talented candidates;
- make more informed and innovative decisions, drawing on the wide range of ideas, experiences, approaches and perspectives that employees from diverse backgrounds with differing skill sets bring to their roles, and
- better represent the diversity of our customers and stakeholders.

We seek to provide the same opportunities for all people in all areas of employment, regardless of their gender, marital status, religious or

ethical belief, colour, race, ethnic or national origins, disability (physical, mental, learning), age, political opinion, employment status, family status, or sexual orientation.

The Council seeks also to engage employees and other staff on the basis of merit. This includes experience and personal qualities, as well as any formal qualifications that a position might require. In its recruitment activities, the Council seeks to provide access to a wide range of talent from which to make selections. It seeks to make selection decisions in ways which do not discriminate unlawfully or unreasonably against any person or group of people.

We seek to identify and eliminate any policies, programmes, procedures or practices which have the effect of putting any person or group of people at a disadvantage in any aspect of employment.

Summary of the 2022/23 Equal Employment Opportunities programme

Hei whakarāpopoto i te hōtaka mō te ōritenga whiwhi mahi, 2022/2023

Training and education was implemented and targeted to areas of greatest need. Management policies were reviewed and amended as appropriate. The employee engagement survey was undertaken to gauge the organisation's culture, with pleasing results significantly above the Local Government average. The Diversity and Inclusion work group was formed, with a view to creating a full Diversity and Inclusion strategy in the coming year.

Processes and activities in which Māori contributed to Council's decision making processes in 2022/23

Ngā tukanga me ngā mahi i whai wāhi atu ki tā te Kaunihera whakatatū take, 2022/2023

Council is committed to working alongside local whānau, hapū and iwi Māori communities to improve the wellbeing of Māori and Pākehā in our District. The inaugural Councillor for the Māori ward, Ngā Tapuae o Matangi, is active within the Māori communities, marae and hapū. She is participating in Council decision making at the Governance level, ensuring that a Māori viewpoint is heard at the table.

The marae and hapū representative group, Te Kōtui Reo Taumata, has been careful and deliberate in their relationship building with Council.

Māori as key stakeholders played a critical role in the outcome/process of the following:

He rōpū tino whaipānga te iwi Māori, ā, i tino whai wāhi mai ki ēnei kaupapa:

- District Plan Change – Engagement with iwi occurred in the development of the Papakāinga policies and rules. Iwi were also invited to share concerns around the effects of the National Policy Statement for Highly Productive Land and the effects on the policies within the Plan.
- Consultation with Ngāti Kauwhata, Ngāti Raukawa, Ngāti Apa, Rangitāne occurred as required in the resource consent process.

- Iwi members continued to be involved with the Community Hub (Library) redevelopment project with the preliminary and detailed design.

Other ways Manawatū District Council facilitates capacity building and contribution to decision making Tā te Kaunihera whakapakari raukaha, whakapiki i te whai wāhitanga mai o te iwi ki ngā whakataunga a te Kaunihera

Kaitohu Aporei - Māori (Principal Adviser – Māori): A critical liaison role between Council and whānau, hapū, and iwi Māori. The Kaitohu Aporei - Māori works to increase cultural literacy of Council staff and facilitates mutual understanding between Manawatū District Council and the Māori community.

Mana Whakahaere Group: a Ngāti Kauwhata and Manawatū District Council collaboration. This group comprises of Rangatira of the iwi, Council leaders and support people who meet to progress the overall interests of the Ōroua River. This group was formed as a result of the Ōroua Declaration signed between Ngāti Kauwhata and the Manawatū District Council. Its primary purpose includes the revitalisation of the mauri (life force) of the Ōroua River and elevating the wellbeing of the River to a point where Ngāti Kauwhata see fit to remove the Rāhui (temporary prohibitions/ cultural restriction) placed on the river by Ngāti Kauwhata Kaumātua.

Grants 2022/23

Te Tuku Takuhe

During 2022/23, Council approved a number of grants which outcomes align to its Community Development Strategy.

The following schedules are provided for ratepayers' information. All figures shown below are GST exclusive.

Rates Remission for Charitable Organisations

The following organisations were assessed and approved by Council's Community Development Committee to receive multi-year community rates support in the form of a Rates Remission as per the Rates Remission for Charitable Organisations Policy. The following organisations received support in 2022/23.

Charitable Organisation	Remission \$
Activate Church Feilding	8,271
Anglican Parish of Oroua	5,744
Eden Christian Kindergarten	65
Feilding Baptist Church	682
Feilding & Districts Art Society	3,500
Feilding & District Caledonian Society	3,043
Feilding & District Steam Rail Society Inc	3,244
Feilding Civic Centre Trust	6,338
Feilding Congregation of Jehovah's Witnesses	1,894
Feilding Golf Club	2,407
Feilding Guides and Scout Association	2,758
Feilding Kindergarten	1,086
Feilding Lifepoint Church	2,232
Feilding Oroua Presbyterian Parish	682
Feilding Playcentre	873
Foxton Shannon Co-operating Parish	616
Halcombe Playcentre	1,180
Halcombe Rugby Football Club	1,283
Hapaitia Kohanga Reo	873
Highland Home Christian Camp	2,266
Himatangi Beach Bowling Inc	1,828
IHC NZ Inc	4,127
Johnston Park Bowls Inc	3,363
Manawatū Community Trust	141,956
Manawatū NZ Riding for the Disabled	344
Manchester House Social Services Society	3,369
Manfeild Park Trust	7,437
National Spiritual Assembly of the Baha'is of Manawatū	682
Plunket – Feilding	3,650

Charitable Organisation	Remission \$
Rangiwahia Environmental Arts Centre Trust	115
Rongotea Bible Chapel	404
Rongotea Returned Service Association	1,087
Rongotea Uniting Parish	616
Ruahine Kindergarten Association	2,470
Salvation Army Feilding Corps	8,517
Seventh Day Adventist Church	682
St Brigids Catholic Church	65
St Marks Methodist Congregation	2,914
Taumata O Te Ra Marae	5,996
Te Manawa Family Services Charitable Trust	2,989
The Church at Feilding	682
The Manawatū Historic Vehicle Collection Trust	6,365
The Order of St Johns Regional Trust Board	6,154
Trinity Lutheran Parish	682
	\$255,531

Private Cemetery/Urupā Fund

The purpose of the Private Cemetery/Urupā Fund is to assist with costs associated with the upkeep of private cemetery/urupā located within the Manawatū District.

Organisation	
Anglican Parishes of the Oroua – Stanway and Kiwitea Churches	1,000
Te Hiiri Marae	6,000
Rongopai Urupā	572
Taumata O Te Ra Marae	565
Te Tikanga Marae	2,600
Aorangi Marae	1000
	\$11,737

Priority Services Fund

The following organisations were assessed and approved to receive multi-year financial support as per the Community Development Policy. The following is a breakdown of the amount of financial support these organisations received in 2022/23.

Organisation		\$
Age Concern	Delivery of Accredited Visiting Service to seniors	10,000
Feilding Community Patrol	Patrol services for Feilding community	3,500
Awahuri Forest Kitchener Park Trust	Awahuri Forest Kitchener Park Education Programme for Schools	10,000
Feilding & District Promotion Inc	Manawatū District Events, Business Networks and District Information	436,000
Himatangi Beach Community Patrol	Patrol services for Himatangi Beach and community	3,500
Manawatū Historic Vehicle Collection Trust	Maintenance of archives, support for additional museum activities including exhibitions	20,000
Manawatū Riding for the Disabled	Volunteer recruitment, administration, training and care	5,000
Manawatū Rural Support Services Inc	Community support services, referrals and advice for social support for northern rural community	15,000
Manawatū Tenants Union	Tenant organising and support	5,000
Manchester House Social Services Society	Meth Support Group activities, Emergency Food Bank, Budgeting Support, Counselling, Senior Leisure Centre	60,000
Neighbourhood Support Manawatū	Community engagement and membership and emergency preparedness	25,000
Palmerston North Surf Life Saving Club Inc	Delivery of regional lifeguard service at Himatangi Beach Monday to 25,000 Friday for five weeks	15,000
Plant to Plate Aotearoa	Delivery of Plant to Plate programme to primary schools, Education and awareness of growing, cooking and eating healthy nutritious kai; from establishing gardens and use of produce in an on-site cooking programme, Transmission of knowledge to whānau and community	10,000
SnapBACK Gym	Youth Mentor Programme	10,000
St John Feilding Area Committee	Provision of health shuttle service in Feilding	10,000
Te Manawa Services Charitable Trust	Youth and Parenting Programme - providing education to parents to feel supported and make positive informed parenting decisions	30,000
Whānau Ātaahua Beautiful Families Trust	To provide programmes, services and support that enable whānau to create effective and meaningful lives that reflect their potential	5,000
Whatunga Tuao - Volunteer Central	Recognising and supporting volunteering opportunities, Supporting organisations to co-ordinate and place volunteers	5,000
Youthline Central North Island Inc	Standing Tall Te Hauora Hinengaro o te Rangatahi mental health wellbeing programmes, mentoring and counselling services	10,000
		\$688,000

Representative Fund

The following is a breakdown of Manawatū District residents who were approved financial assistance from Council to attend a regional, national or international event during 2022/23 as a representative of the District, Region or New Zealand.

Organisation/Individual Activity/Programme		\$
Colyton School Jump Jam Team	Qualified to compete at the Jump Jam Nationals held in Tauranga	1,500
Nathanel Hastelow-Fagg	Selected to represent New Zealand at the World Kickboxing Association's International World Championships held in Ireland	2,000
Georgia Simpson	Selected to represent New Zealand at the Junior World Track Cycling Championships held in Israel	2,000
Lachlan Crate	Selected to represent New Zealand in the U15 Men's Basketball Team to compete at the U15 FIBA Oceania Championship held in Guam	2,000
Ashley Hatzen	Selected to represent New Zealand in the New Zealand Junior White Sox Softball Team to compete at the Queensland State Softball Champ held in Australia	1,000
Bonnie Edwards	HipHop Crew from Manawatū who came 3rd at the nationals and have qualified to compete at the World Supremacy Battlegrounds 2022 held in Sydney, Australia	1,000
Sienna-Faye Kotuhi	Selected to represent Manawatū in the U13 Basketball Squad to compete at the regionals held in Napier	347
Jordie-Lee Kotuhi	Selected to represent Manawatū in the U13 Basketball Squad to compete at the regionals held in Napier	347
Eva-Rose Dean	Selected to play for the U16 Girls Vipers Rugby League Team which is made up of players from the lower North Island, to compete at the 2022 U16 Girls' Rugby League Nationals held in Taupo	304
Ayla Giesen	Selected to represent Tennis Central in the U14 Girl's team to compete at Tennis NZ national tournament held in Christchurch	750
Jonty Giesen	Selected to represent Tennis Central in the U17 Boy's team to compete at Tennis NZ national tournament held in Christchurch	750
Te Tū Mataora	Qualified to compete at Te Matatini - the National Kapa Haka Festival held in Auckland	5,000
Isaac Hallett	Selected to represent Manawatū in the U16 Mixed Touch Team to compete at the National Youth Touch Tournament held in Christchurch	750
Renee Hallett	Selected to represent Manawatū in the U18 Mixed Touch Team to compete at the National Youth Touch Tournament held in Christchurch	750
Kaire Kirikiri	Selected to represent Manawatū in the U18 boys Touch Team to compete at the National Youth Touch Tournament held in Christchurch	750
Tumai, Khaleb and Awatea Burton	Selected to represent Manawatū in the Touch Teams to compete at the National Youth Touch Tournament held in Christchurch	422
Landon Pointon-Gyde	Selected to represent Manawatū in the U13 Boys Softball team to compete at the Rookie Sox Tournament held in Hamilton	335
		\$20,005

Community Development Fund

The following organisations were assessed and approved by Council's Community Development Assessment Panel to receive financial support for grassroots initiatives which contribute to the Community Development Strategy's vision of "Our District offers a high quality of life for all residents" as per the Community Development Policy.

Organisation Activity/Programme		Remission \$
Manawatū Rural Support Services	Towards the costs associated with engaging a qualified strategic planning trainer to assist the Board in developing their Strategic Plan	2,000
Feilding Scout Venturers	Towards the costs associated with four Venturers and one Team Leader to attend the New Zealand Venturers Ignite 23 held at Mayfield, Canterbury	2,398
The Feilding Salvation Army	Towards the costs associated with purchasing and installing a new tunnel house for the community garden located at Salvation Army Feilding	2,603
Marton Young Farmers	Towards First Aid Training for members	1,000
Feilding Manchester Lions Club	Towards the costs associated with delivering "My Health Check" targeting the district's rural community	5,000
Norman Mangnall	Restoration of Colonel Feilding's gravesite located at Bangkok, Thailand	1,000
Manawatū Triathlon Club	Event Traffic Management Training for volunteers	1,000
Ngā Kaitiaki o Ngāti Kauwhata - Te Rourou Manaaki	MDC Rubbish Bags for Pataka Kai	1,200
The Honey Pot Project	Provide free honey to several schools in the Manawatū and teach children about the environment, sustainability and food in conjunction with Grant Kitchen	2,000
		\$18,201

Event Fund

The following organisations were assessed and approved by Council’s Community Development Assessment Panel to receive financial support as per the Community Development Policy to support events that are primary of benefit to Manawatū District residents and directly contribute to the Community Development Strategy’s vision of “Our District offers a high quality of life for all residents”.

Organisation Activity/Programme		\$
Neighbourhood Support Manawatū	Towards the cost of holding the Rangatahi Ora Manawatū – Youth Expo	3,000
Feilding Moa Harriers	Towards the cost of the Manawatū-Whanganui Champs	1,815
Manawatū & West Coast A&P Association	Towards the cost of holding the Annual Show	3,000
Manawatū Blokart Club Inc	Towards the cost of hosting the 2022 Blokart World’s and New Zealand Open	7,500
NZ School Cycling Association	Towards the cost of holding the Skoda National School Road Championships	5,000
Step ‘N Thyme Marching Team	Towards the cost of hosting a Display Day	500
Feilding and District Promotion Inc	Towards the cost of engaging an MC for Rural Day	1,000
Feilding Amateur Swimming Club	Towards the cost of hosting the FASC Swimming Carnival	888
Feilding Christian Leaders Network	Towards the cost of the Night Glow Carols	6,000
Feilding IA&P Association	Towards the cost of holding the Feilding I A & P Annual Show	2,000
Greasy Chain Charitable Trust	Towards the cost of holding the Gravel and Tar 2023	4,750
Ian McKean Pinetum	Towards the cost of holding a picnic in the Ian McKean Pinetum, Renfrew Road, Rangiwahia	1,400
Kimbolton Community Committee	Towards the cost of holding a Kimbolton Day	1,000
Manawatū & West Coast A&P Association	Towards the cost of holding the NZ Dairy Event	3,248
Manawatū Triathlon Club	Towards the cost of holding the Manawatū Triathlon League	1,815
Tangimoana Community Committee	Towards the cost of holding the NE Corner Music in the Park	1,500
Pohangina Hall Committee	Towards the cost of bringing the show “Jackie Goes Prima Diva”	1,437
Te Hiiri Marae Trustees	Towards the cost of hosting Te Tuwheratanga o Te Hiiri Marae which is an event that brings whānau and hapu home together to reconnect and to celebrate the completion of the marae renovations	4,000
Te Kura Kaupapa Māori o Manawatu	Towards the cost of Te Puāwaitanga 2022 which is acknowledge the graduation and haerenga of tamariki through Kura Kaupapa Māori	3,000
		\$52,853

Creative NZ: Creative Communities Scheme

Council administers on behalf of Creative New Zealand the Creative Communities Scheme, which provides funding for arts projects undertaken within the Manawatū District.

Organisation Activity/Programme		Remission \$
Pamela Corpe	Sculpture workshop to make sculptures for the Kimbolton Sculpture Festival	506
DIY Comedy	Bringing high quality stand-up comedy to Feilding and the wider Manawatū	3,717
Every Body is a Treasure Trust	Visual poetry jam workshop and virtual master – day workshops for creative and artistic youth in the region using cellphone technology to teach photography, visual story telling and creative	3,000
Manchester House Social Services	Drama classes for seniors	2,637
Feilding Writer's Group	Ongoing development and marketing of Feilding Writers' Group	518
Newbury School	To engage tamariki in the creative process and upskill them through the support of a local artist. This will finish with a collective mural that faces the entrance way of our kura so all tamariki and whānau can see when they enter the grounds	2,600
Manchester House Social Services	Book of Manchester House's History over the past 50 years	500
Manawatū Historic Vehicle Collection Trust	The building of 2D display horses to enhance the horse-drawn agricultural implements and vehicles	3,000
Ben Caldwell	To run 8 free stand-up comedy workshops for younger people in the Manawatū, with the end goal of having a performance at the end of the series where they can perform to family and friends in a supportive environment	810
Georgia Larkin-Tareha	Te Mahi Harakeke - to engage with wahine through a traditional art form as connection to culture	4,000
Natasha Christensen	To hold Slow Woven exhibition of textile art works. Each piece will be created using sustainable fibres and plant-based yarns. Hand-woven and screen printed fabrics will be showcased by being sewn into a range of accessories and homewares	2,000
Feilding and District Art Society	To provide local tamariki with an opportunity to explore their creativity and develop artistic skills; and minimize financial barriers for creative participation	2,495
Celtic Spirit Inc	Piping for Prostate 2023 - to raise awareness of the importance of prostate checks for men in Manawatū district	3,000
Te Kāhui Aho Ō Kawakawa	The Feilding and District Art Society and Te Kāhui Aho Ō Kawakawa will collaborate to produce an exhibition of school students' work with the theme of Taku Tikanga -My Culture	2,495
Kane Reid	To exhibit art and introduce myself as a Feilding Artist	1,200
		\$32,478



Rural Day, Feilding

Trust Funds

Council administers trust funds that have been vested to Council, available for a specific purposes. Total grants allocated from these funds during the 2022/23 financial year were:

Organisation	Remission \$
Robert Dickson Education Trust Fund	318
Hook Bequest	0
	\$318

Community and School Pools

Council allocates funding to assist with chemical costs, on application, to schools that make their swimming pools available for the community's use. Total grants allocated from these funds during the 2022/23 financial year were:

Organisation	Remission \$
Bainesse School	300
Sanson School	300
Hiwinui School	300
	\$900

Glossary

Whakamāramatanga Kupu

Activity – a good or service provided by or on behalf of a local authority.

Annual Plan – a document adopted by a local authority that sets out the budget for the year, and the sources of funding for the year.

Annual Report – a document that a local authority prepares each year that provides the public with information on the performance of the local authority during the year just finished (both in financial and non-financial terms).

Asset – land, buildings, infrastructure and facilities owned by Council.

Asset Management Plan – a document that details the future development and maintenance of Council's infrastructural assets to a specified level of service.

Code of Conduct – a document that sets out members' expectations of their roles and conduct when acting as an elected member.

Community – a network of people and organisations linked together by common factors. This might refer to a network of people linked by place (that is, a geographic community), common interest or identity (for example, a hapū, a voluntary organisation or society), an administrative community (such as a district).

Community Outcomes – outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural wellbeing of its district or region in the present and for the future. These outcomes are meant to inform the development of local authority planning, and co-ordinate the activities and planning of all sectors of the community.

Council Controlled Organisation (CCO) – any organisation in which one or more local authorities own or control 50 per cent or more of the voting rights or have the right to appoint 50 per cent or more of the directors of the organisation. The following organisations are specifically excluded from being CCOs: Local Government New Zealand; Civic Assurance; Infrastructure Auckland; Watercare Services; and port, energy or electricity companies, NZ Local Government Funding Agency (LGFA).

Council Organisation (CO) – any organisation in which one or more local authorities own or control any proportion of the voting rights or has the right to appoint one or more of the directors, trustees, etc.

Decision – a resolution or agreement to follow a particular course of action, including an agreement not to take any action in respect of a particular matter.

Exacerbator costs – additional or unplanned costs incurred by Council through deliberate acts of omission or vandalism and other forms of damage.

Funding Impact Statement (FIS) – written information that sets out the funding mechanisms that a local authority will use, their level, and the reason for their selection in terms of the principles of financial management. Funding impact statements must be included in a long-term plan, an annual plan and an annual report.

Generally Accepted Accounting Practice (GAAP) – approved financial reporting standards (as defined by section 2(1) of the Financial Reporting Act 1993) in so far as they apply to local authorities or CCOs, or statements that are not approved but which are appropriate to the local authority or CCO and have the authoritative support of the accounting profession in New Zealand.

Group of Activities – related Council activities grouped together for planning and funding purposes. There are five mandatory groups for local authorities set out in the Local Government Act 2002. Other than those five groups, each local authority can organise their activities in a way that is appropriate for their context. The five mandatory groups are:

- water supply
- sewerage and the treatment and disposal of sewage
- stormwater drainage
- flood protection and control works (Regional and Unitary Authorities only)
- the provision of roads and footpaths.

Horizons Regional Council – trading name of Manawatū-Wanganui Regional Council

Local Authority – a territorial authority or regional council as defined by the Local Government Act 2002. Usually referred to as ‘Council’.

Local Governance Statement – information prepared under section 40 of the Local Government Act 2002 about the ways in which a local authority engages with its community and makes decisions, and the ways in which citizens can influence those processes.

Long Term Plan (LTP), or 10 Year Plan – a plan, covering at least 10 years, adopted under section 93 of the Local Government Act 2002, that describes the activities the local authority will engage in over the life of the plan, why the local authority plans to engage in those activities and how those activities will be funded.

Pavement – in the context of roads, pavement refers to the sealed part of the road that vehicles drive on. This is not to be confused with footpaths, which some people refer to as pavements.

Perception Survey – A survey that measures satisfaction with Council services, and asks questions on Council policy and direction, rates issues, contact with Council, information and representation.

Private Public Partnership (PPP) – any arrangement or agreement entered into between one or more local authorities and one or more other persons or organisations engaged in business, not including arrangements or agreements where all of the parties are local authorities or council organisations, or a contract for the supply of goods and services by or on behalf of a local authority.

Service Levels – the defined service parameters or requirements for a particular activity or service areas against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability and cost.

Significance – (in relation to any issue, proposal, decision or other matter that concerns or is before a local authority) means the degree of importance of the issue, proposal, decision or matter, as assessed by the authority, in terms of its likely impact on, and likely consequences for the future social, economic, cultural and environmental wellbeing of the district. An assessment of significance is done according to Council’s Significance and Engagement Policy.



www.mdc.govt.nz