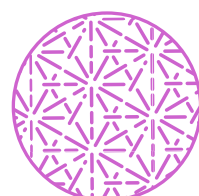
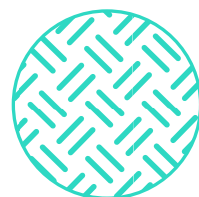
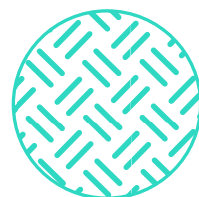
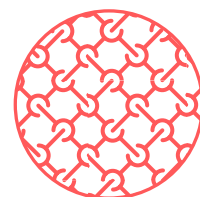
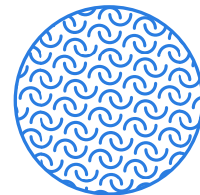




Annual Plan 2022/23



WHANGANUI
DISTRICT COUNCIL
Te Kaunihera a Rohe o Whanganui



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Message from the Mayor and Chief Executive

Kia ora koutou,

We are pleased to have kept this year's average rates increase in line with what we indicated it would be last year, at 3.9 percent. This rates rise is one of the lowest in the country. We're aware many people in our community are facing cost-of-living pressures at this time, and with the general rate of inflation nearing 7 percent, council staff have worked hard to keep the rates rise down.

The council is working hard on its core projects, to make our district an even better place to live. We're thinking about a wide range of people in our community, whether it's the play plan we're developing for tamariki, the feasibility study for youth spaces and places for rangatahi, or the age-friendly plan review for more senior members of our community.

Many of our projects are designed to strengthen our infrastructure for the future. We've set more than \$1.8 million aside to advance social and public housing initiatives in Whanganui. We're supporting business expansion in the Mill Road industrial area with wastewater and reticulation investment.

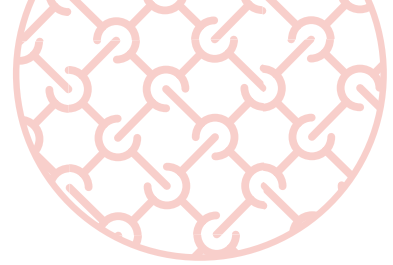
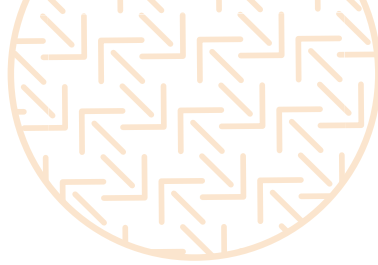
We're thinking about how people use our city, with infrastructure improvements such as the renewal of the Aramoho Rail Bridge pedestrian walkway and restoration of the Upokongaro War Memorial Hall to meet increased visitor levels after the installation of the cycle bridge.

As usual, we're working to improve recreation opportunities for residents. This year we're enhancing accessibility and equipment options at the Splash Centre so people of all abilities can enjoy the facility. Work is underway on exploring a low-cost track replacement for the Velodrome cycling track. And for those who prefer quieter pursuits, funding has been set aside for design work for an extension to the Davis Library.

Looking after the environment continues to be a major focus for our council this year. We're working on a coastal action plan with our community to ensure that our beloved coast is protected and enhanced in coming years. A community climate action fund will be launched over the next two years to empower climate action in our district. In conjunction with Horizons Regional Council, we'll also be launching a high-frequency bus trial between Castlecliff and Aramoho in early 2023 to improve access to public transport.

As you might be aware, a major milestone achieved this year was the council's decision to introduce kerbside recycling from mid-2023 and a kerbside food waste collection from mid-2024. During the next year we'll be doing the background work to get these services ready to deliver and the targeted rate for these services will start from mid-2023. We were pleased to be able to lower the proposed targeted rate for the new services by 20 percent, after listening carefully to community concerns on cost during





consultation and accessing higher waste levy funding.

Central government has consulted on a proposal that if adopted would require all councils to have a kerbside food waste collection in the near future, so we're getting ahead of the game and making real progress towards our climate change objectives.

Whanganui has a wealth of special public spaces. One of these is Pukenui Queen's Park – home to many of our important cultural icons. Design work will soon be underway for a refreshed architectural landscape plan to improve wayfinding and ensure this historical site reflects the significance it holds for Hapu, Iwi and the whole community.

Finally, we're continuing to invest in one of the jewels in our crown, the 104-year old iconic Sarjeant Gallery Te Whare o Rehua. Redevelopment work will ensure the building – which was at only 5 percent of the required earthquake standard – is fit to house our nationally significant art collection, and the new wing will be a bicultural space for all to enjoy. The redevelopment is expected to greatly increase

Whanganui's regional, national and international tourism and contribute to the artistic, social and economic life of our region.

Through this year's annual plan process we have tried to balance carefully the desire to keep rates low with our obligation to improve infrastructure and facilities, look after the environment and support our district to develop and grow. It is wonderful to see how Whanganui continues to thrive, despite the challenges that have, in recent times, come our way.

Hamish McDouall
Mayor

David Langford
Chief Executive



Our Leading Edge Strategy

Our commitment to Tangata Whenua partnership and upholding Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 spans across all we do.

Please see **Volume 1 of our Long-Term Plan 2021- 2031** for comprehensive information on our strategy, our district, and our commitment to building community with Tangata Whenua.

Our Leading Edge Strategy was developed for Whanganui after extensive community consultation. While it was designed as a strategy for the district as a whole, it also provides vision, direction and focus for council, supported by a series of actions.

Our Leading Edge vision is to be an energised, united and thriving district offering abundant opportunities for everyone.

Our goals				
 <p>Community</p> <p>Community spirit – a united community that champions cultural diversity</p>	 <p>Connectivity</p> <p>A connected district that is accessible</p>	 <p>Creativity</p> <p>Humming with cultural personality</p>	 <p>Environment</p> <p>Safeguarding our natural resources and unique environment</p>	 <p>Economy</p> <p>Employment and development opportunities for everyone</p>
Key strategies and plans				
Overarching plans: Long-Term Plan, District Plan, Infrastructure Plan				
<ul style="list-style-type: none"> Welcoming Communities Youth places Safer Whanganui Housing 	<ul style="list-style-type: none"> Digital Active Transport Urban Transport Rural communities 	<ul style="list-style-type: none"> Public art Arts and culture Town Centre Regeneration 	<ul style="list-style-type: none"> Climate change Open spaces and physical activity Heritage Waste management Coastal management 	<ul style="list-style-type: none"> Economic development Finance and infrastructure Urban growth Port
Current priorities and challenges				
<ul style="list-style-type: none"> Improving community wellbeing and celebrating diversity Working with other agencies on addressing our housing crisis Civil defence emergency preparedness, response and recovery 	<ul style="list-style-type: none"> Supporting active and healthy communities Supporting digital equity – including in the rural area 	<ul style="list-style-type: none"> Growing Whanganui's reputation as an arts destination Affirming and supporting traditional art, culture and our unique heritage 	<ul style="list-style-type: none"> Protecting our unique environment and maintaining infrastructure in the face of climate change Upholding our obligations under Te Awa Tupua 	<ul style="list-style-type: none"> Rising costs and limited income. Keeping rates affordable and managing growth well

Executive summary

Annual Plan 2022/23 and Long-Term Plan Amendment 2021-2031

The council carried out a combined consultation for its Annual Plan 2022/23 and an amendment to its Long-Term Plan 2021-2031 for a proposal to introduce kerbside recycling (from 2023/24) and food waste services (from 2024/25).





Consultation and submissions

Consultation on the Annual Plan 2022/23 and Long-Term Plan Amendment 2021-2031 ran from 29 March to 2 May 2022. A broad range of engagement methods were used to involve the community in the process and to gather their feedback on the key proposals, noting that COVID-19 requirements restricted in-person engagement until near the end of the consultation period.

We received 284 submissions (including late submissions) on the proposed 2022/23 Annual Plan and Long-Term Plan Amendment 2021-2031 consultation document. A total of 18 submitters spoke to the council in support of their submission. The council considered all submissions before making its decisions, with this final plan reflecting changes made by the council.

2022/23 rates increase

The average rates increase for 2022/23 is 3.9%. This is the same rates increase as was planned for this year in our Long-Term Plan 2021-2031. The average rates increases for various types of properties are as follows:

	Average land value	Average capital value	Average 2022/23 rates	\$ increase	% increase
 RESIDENTIAL	\$130,000	\$340,000	\$3,146	\$132	4.4%
 LIFESTYLE	\$290,000	\$560,000	\$2,680	\$149	5.9%
 FARMING	\$1,550,000	\$1,543,000	\$5,166	\$247	5.0%
 COMMERCIAL	\$321,000	\$1,231,000	\$11,822	\$129	1.1%

These figures are averages and included as examples only. Actual changes to the amount of rates you pay will depend on your property type, its value, the land size and what council services are available (for example, whether your property is connected to the wastewater system). There are over 50 different rates; each of these have increased or decreased by different amounts, and not all rates apply to all properties.

The full suite of rates can be found in the Funding Impact Statement contained in this document.

You can see how the Annual Plan 2022/23 will change rates for your property by using the council's online property search tool at:

www.whanganui.govt.nz/Property/Rates/Property-Rating-Search

Summary of key decisions

Kerbside recycling and food waste

The council decided to introduce a kerbside recycling service from 1 July 2023 and a kerbside food waste service from 1 July 2024 through its Long-Term Plan Amendment run concurrently with the Annual Plan 2022/23. There is no effect on rates for 2022/23 as a result of this decision as the service start-up costs budgeted for 2022/23 will be funded by waste levies and loans. The services will begin in 2023/24 (recycling) and 2024/25 (food waste) and the impact on rates will occur at these points in time. Only households in the collection areas – the Whanganui urban area and Fordell, Marybank and Mowhanau villages – will pay the targeted rate for the new services.

Based on community feedback, the council elected to introduce the kerbside services at a reduced cost (central government waste levies were used to reduce the cost by 20%). Central government has recently consulted on a proposal that if adopted would require all councils to provide a kerbside food waste collection service by 2030. Acting on climate change and for the environment was a key consideration in the decision to set up a food waste collection service in 2024, along with the opportunity for the council to position itself to access contestable funds early to establish the service.

Debt retirement rate

The debt retirement rate has been in place for a number of years with the intent to reduce debt to ensure the council's long-term sustainability. Through the government's three water reforms it is expected that a significant portion of the council's debt will transfer from the council to the new water services entities. Due to this significant reduction in debt, and with the council's desire to keep rates affordable at a time of high inflation, we decided to reduce this rate to zero for 2022/23.

Changes to the stormwater rate for serviceable properties and properties in Magnolia Crescent, Simon Street and Morell Street

As outlined in our Long-Term Plan 2021-2031, the stormwater rate for properties in the 'serviceable' and 'other' categories will increase from 65% of the rate for a fully serviced property to 75% from 1 July 2022. This affects properties that are serviceable by but not connected to the city stormwater system, and properties located in Magnolia Crescent, Simon Street and Morrell Street.

Splash Centre fees

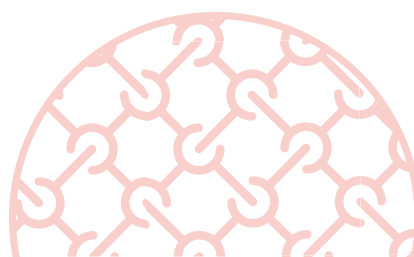
There will be a 50 cent increase to general admissions and small increases to membership and concession prices at the Splash Centre from 1 July 2022. The proposed fee increase will help to part-fund the increased costs of running the facility.

CBD maintenance

Following submissions, the council decided to amend the CBD maintenance contract funding split between the general rate and CBD targeted rate in order to maintain the CBD targeted rate at similar levels to those set for 2021/22.

Promotion of the high frequency bus service trial

Following submissions, the council decided to commit \$25,000 of its existing climate change budget to the promotion of the high frequency bus service trial in 2022/23.

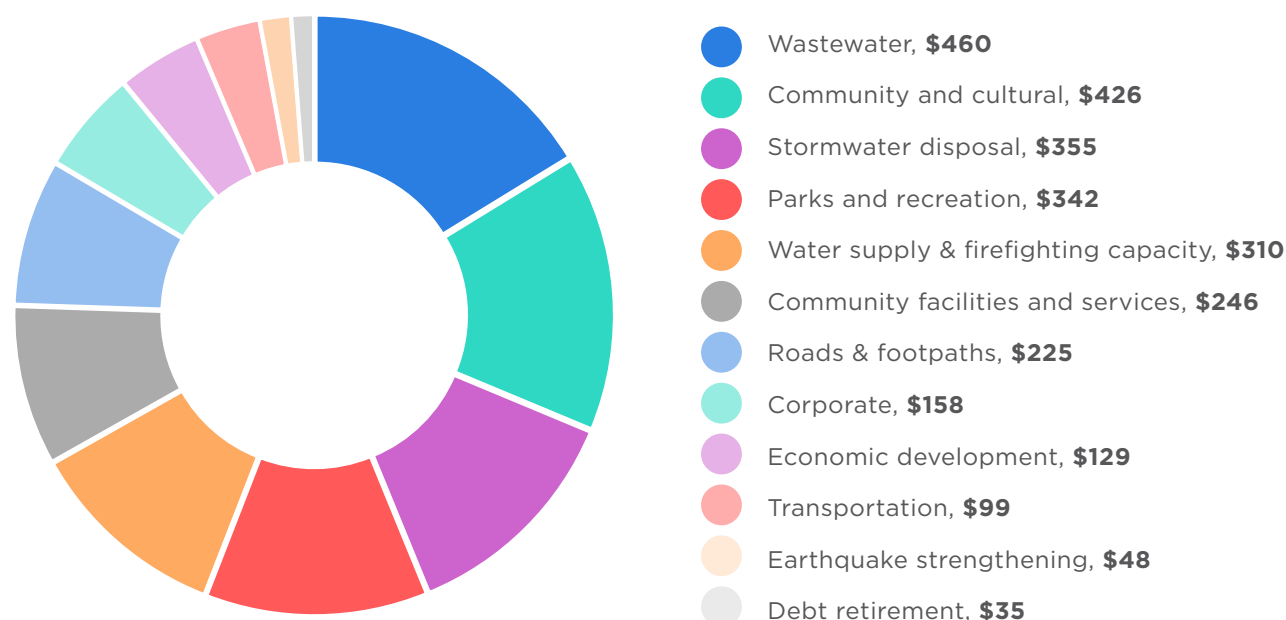


Your rates

Your rates are used to meet the needs of our community and provide services for our collective benefit. This might be because they are publicly available but difficult to charge for (things like parks, roads and street lights) or because the full charge would be too expensive for most people to afford and therefore would discourage use (for example, swimming pools, libraries and the art gallery).

The following graph shows the make-up of rates on a property paying the average residential rate. The uniform annual general charge, water supply rate, wastewater rate, roading resilience rate and earthquake strengthening rate are all fixed charges. This means that the same amount is paid by all residential properties regardless of their valuation. The total value of the fixed charges for residential properties this year is \$3,147. The other rates are apportioned to each property based on land or capital value.

How an average Whanganui residential rate of \$3,147 is made up



Debt

In 2022/23 we are expecting to borrow \$25.2M, with scheduled loan repayments of \$9.4M.

This is an overall increase in debt of \$15.8M.

Closing debt at 30 June 2023 is expected to be \$137M.

Key changes

Key changes to the 2022/23 year of the Long-Term Plan 2021-31

By the numbers


RATES REVENUE

No change from LTP 2022/23 year

MAIN REASON FOR CHANGE

3.9% average rates increase as per the LTP 2022/23 year.


OTHER REVENUE

2.6%  to \$15.9M up from \$15.5M

MAIN REASON FOR CHANGE

Additional building consent income and higher waste minimisation levies.


SUBSIDIES AND GRANTS

2.1%  to \$9.2M down from \$9.4M

MAIN REASON FOR CHANGE

Lower roading subsidies from Waka Kotahi.

OPERATING EXPENDITURE

2.8%  to \$72.3M up from \$70.3M

MAIN REASON FOR CHANGE

Increase in energy costs, planned maintenance, parks maintenance, insurance, waste collection, economic development, Splash Centre.

CAPITAL EXPENDITURE

1.0%  to \$39.1M up from \$38.7M

MAIN REASON FOR CHANGE

Increased costs for computer hardware, improvements to various council facilities and parks, North Mole landscaping.

Capital expenditure by activity group

	Annual Plan 2022/23 \$000's	LTP 2022/23 \$000's	Variance \$000's
Water supply	2,504	2,577	(73)
Stormwater drainage	3,872	3,984	(112)
Sewerage and the treatment and disposal of sewage	3,145	3,236	(91)
Provision of roads and footpaths	8,483	8,729	(246)
Parks and recreation	4,563	3,773	791
Community and cultural	10,388	10,667	(279)
Economic development	110	-	110
Community facilities and services	888	677	211
Transportation	2,023	2,082	(59)
Investments	24	24	(1)
Corporate	3,077	2,957	120
	39,077	38,705	371

Snapshot of the year ahead

Key projects for the 2022/23 year

Roading

The Aramoho Rail Bridge pedestrian walkway project will commence. Work on this \$1.23 million project will include the renewal of the 211 metre-long derelict walk/cycle way facility on the rail bridge with a new composite 2.5 metre-wide pathway. This will replace the existing 1.2 metre-wide path and meet the pathway safety standard.

Water supply

Work on progressing a global consent for all water-take consents from Horizons Regional Council will continue for 2022/23.

Stormwater

Further urban reticulation work will be completed between Fox Road and Fitzherbert Avenue through continuation of the swale/pipe hybrid network. This will enable residential development upstream of Fitzherbert Avenue.

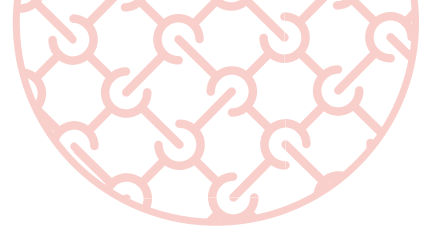
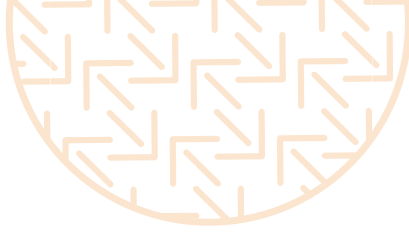
Waterways and natural drainage

Work will focus on expanding our weed-control, planting and stock-exclusion programme along watercourses managed by the council and in line with the Healthy Streams Whanganui initiative in partnership with Horizons Regional Council, Hapū, the Department of Conservation, and the community.

Parks and reserves

- Work is currently underway to identify low-cost options for the velodrome's track replacement alongside activity to re-engage with various community groups on refreshing a fit-for-purpose development plan for the velodrome.
- Work will start on replacing the current scoreboard at Cooks Gardens, including its frame and foundations.
- Work on developing a comprehensive Coastal Action Plan with Iwi and the community will continue in 2022/23 with implementation activities planned to start in 2023.





Swimming pools

Improvements to accessibility and equipment options for the Splash Centre will be made in 2022/23 which will enable a pool facility for all people of all abilities to enjoy.

Housing

Over \$1.8M has been set aside in 2022/23 to focus on advancing social or community (public) housing initiatives in Whanganui. This will incorporate advocacy with central government, supporting and enabling Iwi-driven initiatives, growing our existing housing portfolio, scoping potential residential conversion opportunities in the city centre, and developing a residential spatial plan. We will continue to work with social support agencies to explore solutions to address homelessness and the growing number of residents seeking urgent housing support.

Community

Implementation work associated with the 'youth places and spaces' feasibility study that commenced in early 2022 will continue in 2022/23 with a focus on support for mental health and personal development, specifically connected to employment.

Implementation of a high frequency bus trial on a spine route between Castlecliff and Aramoho is expected to be launched early-2023. This project is being match-funded, and implemented in conjunction with, Horizons Regional Council.

A pilot Community Climate Action Fund will be launched in 2022/23 which aims to get small climate actions off the ground and to empower the community to take climate action in the district.

Libraries

Design work will commence for the extension of the Davis Library in its current location. The extension will add an additional 500m² of public space, increased accessibility to collections, the ability to provide a greater public collection, and 50m² additional work space for operations.



Sarjeant Gallery Te Whare o Rehua Whanganui

The Sarjeant Gallery redevelopment project will continue with earthquake strengthening and restoration work to the existing building and construction of a new wing to the north. The restoration and construction phase of the project is forecast to be completed late 2023, with a period of installation and the opening exhibition to follow.

New Zealand Glassworks

New Zealand Glassworks (NZG) will re-commence its artist in residence programme after a two year hiatus due to COVID. In addition to the residency, NZG will be developing a mentoring/professional development programme for emerging and mid-career glass artists. Funding for these programmes will be dependent on successful additional funding and support through Creative New Zealand.

CBD maintenance/town centre

The town centre regeneration work programme this year will focus on events such as Lights on Bikes and rejuvenating the music and arts scene with a view to attracting more events and vibrancy to our community.

Kerbside recycling and food waste

Work in 2022/23 will focus on the roll out of the kerbside recycling service to start in mid-2023 and planning for the food waste collection to start in mid-2024.

Community buildings

Work will begin on restoration of the Upokongaro War Memorial Hall to enable its use by the community.

Emergency management

A three-year project will be started to upgrade the urban tsunami sirens to a more environmentally resilient system that provides flexible voice alert message capabilities.

Animal management

This year we will review our annual dog registration process with a plan to move away from the annual issuing of plastic dog registration tags to a 'lifetime' tag to create greater efficiencies and reduce plastic from the 9,000 tags which are thrown away annually.

Parking services

After the successful installation and commission of the parking meter upgrade, a review of the parking management plan will be finalised next year and the parking bylaw updated.

Resource management

Resource management is adopting a 'customer centric' approach by improving its service to the community. This approach will be centred around responding to queries and providing guidance to ensure applicants have correct and timely advice. This includes re-introduction of a duty planner.

Environmental policy

Working jointly with Infrastructure, we will be identifying infill development opportunities. The identification of suitable sites will take into consideration existing infrastructure and any infrastructure upgrades. This work supports the progress of the Residential Spatial Plan, commitment to the National Policy Statement – Urban Development, and the council's Housing Strategy.



Airport

Activity this year will focus on the construction of a parallel taxiway, to improve the safety of aircraft operations, and the resurfacing of the main runway.

Port and River

The focus for the 2022/23 year includes construction and engagement around public resource consent for dredging, reclamation work and works to the South Mole.

Governance

Following the local government elections, elected members will be provided with an induction, transitioning into individualised professional development offerings to ensure governors are individually and collectively equipped to make decisions and deliver leadership for the community.

Corporate management/ policy

A full programme of policy, strategy and bylaw reviews will continue in 2022/23: this will include a comprehensive review of the Cemeteries and Crematoria Bylaw and its associated policies, amongst other projects.



Prospective cost of service statement

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan 2022/23 \$000
Income			
Rates - excluding metered water, trade waste and penalties	64,731	67,481	67,564
Rates - metered water, trade waste and penalties	2,998	2,998	2,973
Subsidies	10,236	9,429	9,184
User fees and other income	27,961	15,630	15,851
Total income	105,925	95,538	95,571
Capital funding			
Transfer from/(to) special funds	(50)	100	100
New loans	9,613	23,970	25,159
Loans repaid	(9,819)	(10,261)	(9,414)
Gross proceeds from asset sales	0	0	0
Total capital funding	(256)	13,809	15,845
Total funding	105,669	109,347	111,416
Costs			
Operating costs	42,654	45,207	47,479
Salaries and wages	19,878	20,772	20,140
Debt servicing	4,903	4,663	4,721
Total activity costs	67,436	70,642	72,339
Capital expenditure			
-to meet additional demand	2,950	3,246	3,155
-to improve the level of service	21,424	11,944	12,217
-to replace existing assets	13,860	23,515	23,705
Total capital expenditure	38,233	38,705	39,077
Total funding requirement	105,669	109,347	111,416
Rates increase (to existing ratepayers)*	5.7%	3.9%	3.9%
Debt balance**	121,041	134,826	136,884

*Rates increase percentage is shown net of assumed growth in the rating database of \$300,000 per annum

**Opening loans for 2022/23 have been restated from the 2021/22 Annual Plan to incorporate subsequent information

Reconciling the Prospective cost of service statement to Statement of comprehensive revenue and expense

The purpose of the "Prospective cost of service statement" (COSS) is to show how much Whanganui District Council spends and how that spending is funded

This statement differs from the "Prospective statement of comprehensive revenue and expense" (SCRE) in that it includes capital expenditure and excludes:

Total revenue in the COSS excludes Gains from the revaluation of investment properties.

Total expenditure in the COSS does not include depreciation, but does include capital expenditure and loan/reserve funding.

Rates required by activity

Activity	Revenue (\$000)	Operating costs (\$000)	Personnel costs (\$000)	Finance costs (\$000)	Capital expenditure (\$000)	Capital funding (\$000)	Rates requirement ¹ (\$000)	2021/22 Rates requirement ¹ (\$000)	Full time equivalent staff ²	Forecast Loans at 30 June 2023 (\$000)
Water supply	(1,570)	4,340	501	381	2,504	(1,267)	4,889	5,510	5.8	12,521
Water supply	(1,570)	4,340	501	381	2,504	(1,267)	4,889	5,510	5.8	12,521
Stormwater	(402)	1,362	250	1,074	3,812	(1,650)	4,446	5,735	3.1	33,513
Waterways and natural drainage	()	337	35	0	60	0	432	432	0.2	0
Stormwater drainage	(402)	1,700	285	1,074	3,872	(1,650)	4,878	6,167	3.2	33,513
Wastewater	(2,687)	6,586	990	1,383	3,145	(1,677)	7,740	7,842	12.3	33,604
Sewerage and the treatment and disposal of sewage	(2,687)	6,586	990	1,383	3,145	(1,677)	7,740	7,842	12.3	33,604
Footpaths and berms	(519)	1,361	33	5	420	0	1,299	1,260	0.3	149
Roading	(9,406)	7,514	527	169	8,063	727	7,594	7,783	5.4	4,304
Provision of roads and footpaths	(9,925)	8,875	560	174	8,483	727	8,893	9,043	5.6	4,453
Parks and reserves	(629)	5,346	1,033	71	2,354	531	8,705	6,417	15.7	1,840
Cooks Gardens	(71)	676	145	94	1,447	(1,276)	1,014	946	2.0	3,494
Swimming pools	(300)	1,521	31	62	762	(300)	1,776	1,535	0.4	2,048
Parks and recreation	(1,000)	7,542	1,209	227	4,563	(1,046)	11,495	8,898	18.1	7,381
Community	(52)	2,070	545	41	1,800	(1,600)	2,804	2,326	6.8	2,058
Libraries	(120)	1,125	1,616	61	680	(180)	3,181	2,962	25.1	1,933
New Zealand Glassworks - Te Whare Tuhua O Te Ao	(520)	602	157	7	0	8	253	253	2.7	200
Sargeant Gallery	(2,415)	1,633	1,286	38	2,328	(400)	2,470	2,163	15.5	1,350
Royal Whanganui Opera House	(69)	325	238	27	160	(80)	600	564	3.7	851
War Memorial Centre	(114)	381	202	70	120	(15)	644	618	3.0	2,149
Whanganui Regional Museum	(35)	1,930	0	40	100	(477)	1,557	1,388	0.0	1,449
Earthquake strengthening	0	0	0	169	5,200	(4,440)	929	927	0.0	7,358
Community and cultural	(3,326)	8,065	4,043	452	10,388	(7,184)	12,438	11,202	56.6	17,348
i-Site Visitor Information Centre	(50)	482	0	(17)	110	(110)	415	478	0.0	(463)
Whanganui & Partners - Economic development	0	3,062	0	0	0	0	3,063	2,880	0.0	10
Economic development	(50)	3,545	0	(17)	110	(110)	3,478	3,358	0.0	(453)
Cemeteries	(581)	779	8	28	79	10	323	241	0.1	859
CBD maintenance	(12)	1,169	52	16	265	(50)	1,441	1,365	0.6	507
Waste minimisation	(341)	1,041	0	46	0	266	1,012	866	0.0	1,358
Kerbside Collection	0	388	20	3	0	(411)	0	0	0.0	95
Pensioner housing	(1,900)	1,695	59	98	95	(46)	0	0	0.4	3,002
Community buildings	(7)	263	6	11	259	(265)	267	243	0.1	475
Emergency management	0	198	200	0	25	0	423	414	2.0	11
Environmental policy	0	784	320	(20)	0	30	1,113	1,057	3.6	(632)
Building control	(1,560)	653	1,424	1	50	0	569	495	17.7	0
Resource management	(290)	189	563	(3)	0	0	459	467	6.6	(79)
Environmental health	(267)	550	397	0	35	0	716	639	5.8	0
Parking	(1,027)	683	218	11	0	0	(115)	(40)	3.5	328
Animal control	(613)	606	425	31	80	(20)	509	510	5.6	959
Community facilities and services	(6,597)	8,998	3,691	223	888	(486)	6,716	6,258	45.9	6,885
Airport	(195)	491	125	83	2,000	(1,845)	660	482	2.8	3,457
Port & River	(263)	781	390	441	0	500	1,849	1,584	3.6	13,188
Durie Hill elevator	(120)	294	9	17	23	25	248	174	0.1	511
Transportation	(577)	1,566	524	542	2,023	(1,320)	2,757	2,250	6.5	17,155
City Endowment property portfolio	(704)	495	132	(10)	14	0	(74)	(16)	1.1	(319)
Harbour Endowment property portfolio	0	0	0	0	0	0	0	0	0.0	0
Investments	(665)	43	0	270	10	354	208	354	0.0	7,950
Investments	(1,369)	538	132	260	24	550	134	338	1.1	7,631
Governance and democracy	(71)	1,699	701	2	445	(465)	2,311	2,149	7.8	279
Corporate management	(326)	(7,132)	6,953	(60)	1,065	(500)	0	0	81.0	1,084
Community and operational property	(106)	1,157	552	80	1,567	(1,417)	1,833	1,716	7.5	3,481
Corporate	(503)	(4,276)	8,206	22	3,077	(2,382)	4,144	3,865	96.2	4,844
Expected Carry overs										(8,000)
Total	(28,007)	47,479	20,140	4,721	39,077	(15,845)	67,564	64,730	251.4	136,884

¹ Rates excluding metered water, trade waste and penalties

² In 2021/22 there were 252.1 Full time equivalent staff

Water supply

The scope

We are responsible for the provision and management of five water supply systems:

- Whanganui urban water supply scheme
- Fordell rural water supply scheme
- Maxwell rural water supply scheme
- Mowhanau rural water supply scheme
- Westmere rural water supply scheme.

The systems comprise of service lines, pipe networks, pump stations, treatment plants and outfalls.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Water supply

- Progressing a global consent for all water-take consents from Horizons Regional Council will continue for 2022/23. A global consent involves examination of what is reasonable use (or allocation) for the population and activities served. This is broken down into domestic, commercial, industrial and agricultural use as well as use required for facilities such as hospitals, schools, maraes and public amenities.
- Obtaining a global consent would require the same amount of consultation as any resource consent but it means that all water sources and the demands for all supplies can be considered on a holistic basis. The proposed consent for Whanganui's water supply involves consultation with all Iwi within the district to look at refining existing water takes from all source water.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Water supply

Whanganui District Council: Funding impact statement for 2022/23 for water supply

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	6,956	7,183	6,334
Subsidies and grants for operating purposes	0	0	0
Fees and charges	65	110	65
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding (A)	7,021	7,294	6,399
Application of operating funding			
Payments to staff and suppliers	3,597	3,715	4,015
Finance costs	427	381	381
Internal charges and overheads applied	728	717	826
Other operating funding applications	0	0	0
Total application of operating funding (B)	4,752	4,814	5,222
Surplus (deficit) of operating funding (A - B)	2,269	2,480	1,177
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	37	33	33
Increase (decrease) in debt	(67)	37	1,267
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	27	27	27
Total sources of capital funding (C)	(3)	97	1,327
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	108	105
-to improve the level of service	394	443	430
-to replace existing assets	1,872	2,026	1,969
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	2,266	2,577	2,504
Surplus (deficit) of capital funding (C - D)	(2,269)	(2,480)	(1,177)
Funding balance ((A - B) + (C - D))	0	0	0

Water supply

City water supply	2022/23 \$000
Capital expenditure to meet additional demand	
150mm reticulation with rider main parallel road to Fox-Fitzherbert	105
Total capital expenditure to meet additional demand	105
Capital expenditure to improve level of service	
Fordell connections	2
Maxwell rural scheme	1
Maxwell communications Scada	2
Westmere connections	3
Westmere valve and remote meter additions	2
Westmere communications and Scada upgrades	3
Mains	25
Meters & backflows	100
Connections	100
City water pump stations	15
Zone remote metering	50
Easements urban	10
Connections	20
Westmere reservoirs	20
Heloise	5
Kai Iwi 1 pumps	10
Kai Iwi 2 pumps and pipework	10
Kai Iwi 3 pump and pipework	10
Flow meters	20
Valves and meters	19
Westmere reservoirs	5
Total capital expenditure to improve level of service	431

Water supply

City water supply	2022/23 \$000
Capital expenditure to replace existing assets	
Vehicle replacements	70
Fordell rural scheme	5
Fordell meters & backflows	4
Fordell electrical upgrade communications	6
Westmere mains	2
Westmere rural scheme	3
Westmere Campbell Rd main - Tokomaru West upgrade 100mm	55
Mains	5
Mains	50
Valves & hydrants	150
Mains	55
Meters & backflows	55
Valves & hydrants	55
Connections	200
City water pump stations	10
Scada/comms system	2
Roading coordinated projects	130
Spiral welded replacement	150
Hillside Terrace to Parkdale 150 Fiberlite	150
Parkdale water	100
Ikitara Rd Pump Bastia Tower Upgrade	50
Collingwood main renewal 500mtrs	150
Kai Iwi trunk mains	50
Kai Iwi 1 pumps	33
Scada/comms system	10
Kai Iwi Bore No 1 - Bore Development	25
Kai Iwi Bridge x 2 strengthening	50
Valve replacement 457+558 Kai iwi Dutchman corner	34
Water source investigation bores	90
Dublin Street water-main upgrade and investigation	50
Kai Iwi bore chlorination upgrade	10
Westmere Reservoir 150mm PVC 650mtrs 180PE	160
Total capital expenditure to replace existing assets	1,969

Stormwater drainage

The scope

Stormwater drainage is necessary within urban areas in order to protect people, their land, and their property from wet weather inundation, land instability and public health issues. The system also assists to provide access and safe navigation to properties and across the city during periods of wet weather and reduces maintenance on the roading network.

The stormwater system is the piped network which services the Whanganui urban area. The stormwater activity operates in conjunction with the waterways and natural drainage activity which is responsible for the non-piped stormwater assets such as open drains, streams, attenuation areas and storm flow paths. Together these activities form the council's urban stormwater drainage system.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Stormwater

- Further urban reticulation work will be completed between Fox Road and Fitzherbert Avenue through continuation of the swale/pipe hybrid network. This will enable residential development upstream of Fitzherbert Avenue.

Waterways and natural drainage

- We will be focusing on expanding our weed-control, planting and stock-exclusion programme along watercourses managed by the council and in line with the Healthy Streams Whanganui initiative in partnership with Horizons Regional Council, Hapū, the Department of Conservation, and the community. Our primary focus will be on locations of interest adjacent to the Kokohuia and Titoki wetlands as well as the Tutaeika, Kaikokopu, Ngatarua and Awarua Streams, and its interfaces with Te Awa o Whanganui in line with Te Awa Tupua legislation.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Stormwater drainage

Whanganui District Council: Funding impact statement for 2022/23 for stormwater drainage

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	432	441	432
Targeted rates	5,735	5,771	4,446
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts		12	
Total operating funding (A)	6,167	6,224	4,878
Application of operating funding			
Payments to staff and suppliers	1,590	1,658	1,606
Finance costs	1,210	1,059	1,074
Internal charges and overheads applied	368	367	378
Other operating funding applications	0	0	0
Total application of operating funding (B)	3,168	3,084	3,058
Surplus (deficit) of operating funding (A - B)	2,999	3,140	1,820
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	662	400	400
Increase (decrease) in debt	(391)	442	1,650
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	2	2	2
Total sources of capital funding (C)	273	844	2,052
Application of capital funding			
Capital expenditure			
-to meet additional demand	1,450	2,109	2,050
-to improve the level of service	1,412	1,453	1,412
-to replace existing assets	410	422	410
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	3,272	3,984	3,872
Surplus (deficit) of capital funding (C - D)	(2,999)	(3,140)	(1,820)
Funding balance ((A - B) + (C - D))	0	0	0

Stormwater drainage

Stormwater	2022/23 \$000
Capital expenditure to meet additional demand	
Land acquisition	200
Swale construction	150
Wetland expansion	200
Fox to Fitzherbert	1,000
Stormwater retention ponds	200
North West attenuation areas	300
Total capital expenditure to meet additional demand	2,050
Capital expenditure to improve level of service	
Stormwater attenuation	500
Connections	2
Integrated catchment management infrastructure	150
City Wide stormwater hotspots	100
Separation completion	500
Inflow & infiltration investigations	100
Watercourse enhancements	50
Watercourse condition assessment	10
Total capital expenditure to improve level of service	1,412
Capital expenditure to replace existing assets	
Replace inlet structures	10
Network replacements	350
Reactive replacement - non-critical assets	50
Total capital expenditure to replace existing assets	410

Sewerage and the treatment and disposal of sewage

The scope

We are responsible for the provision and management of three wastewater systems:

- Whanganui urban wastewater system
- Mowhanau rural wastewater system
- Marybank rural wastewater system.

The systems comprise of service lines, pipe networks, pump stations, treatment plants and outfalls.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Wastewater

- Further public reticulation work will be undertaken to accommodate the continued growth in the Mill Road industrial area.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Sewerage and the treatment and disposal of sewage

Whanganui District Council: Funding impact statement for 2022/23 for sewerage and the treatment and disposal

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	9,394	9,670	9,293
Subsidies and grants for operating purposes	0	0	0
Fees and charges	1,000	1,006	1,000
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	100	101	0
Total operating funding (A)	10,494	10,777	10,293
Application of operating funding			
Payments to staff and suppliers	6,615	6,833	6,704
Finance costs	1,326	1,330	1,383
Internal charges and overheads applied	837	840	873
Other operating funding applications	0	0	0
Total application of operating funding (B)	8,778	9,004	8,960
Surplus (deficit) of operating funding (A - B)	1,716	1,773	1,333
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	161	135	135
Increase (decrease) in debt	283	1,327	1,677
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	444	1,463	1,812
Application of capital funding			
Capital expenditure			
-to meet additional demand	1,000	1,029	1,000
-to improve the level of service	110	833	810
-to replace existing assets	1,050	1,374	1,335
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	2,160	3,236	3,145
Surplus (deficit) of capital funding (C - D)	(1,716)	(1,773)	(1,333)
Funding balance ((A - B) + (C - D))	0	0	0

Sewerage and the treatment and disposal of sewage

Wastewater	2022/23 \$000
Capital expenditure to meet additional demand	
Mill Rd industrial area	1,000
Total capital expenditure to meet additional demand	1,000
Capital expenditure to improve level of service	
Connections	10
Inflow & infiltration investigations	50
CCTV of critical assets	50
Mowhanau Treatment system renewal	250
WWTP cogeneration plant	200
Sludge disposal feasibility study	250
Total capital expenditure to improve level of service	810
Capital expenditure to replace existing assets	
Vehicle replacements	105
Wastewater - urban reticulation - Infrastructure replacement	750
Reactive replacement - non-critical assets	150
Beach Road WWPS	220
Replace pumps at small pump stations	20
Small pump station upgrades	20
WWTP vehicle replacements	70
Total capital expenditure to replace existing assets	1,335

Provision of roads and footpaths

The scope

Roading

The roading activity manages the district's roads, bridges, traffic management and control systems and streetlights.

Footpaths and berms

The activity provides a network of urban and rural footpaths and walkways, berms and street furniture (seats/benches, bus shelters, rubbish bins).

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Roading

- The Aramoho Rail Bridge – pedestrian walkway project will commence. Work on this \$1.23 million project will include the renewal of the 211 metre-long derelict walk/cycle way facility on the rail bridge with a new composite 2.5 metre-wide pathway. This will replace the existing 1.2 metre-wide path and meet the pathway safety standard.
- We will continue with road maintenance – this will include pavements, drainage, structures, traffic services (including power consumption) and level crossing warning devices. Maintenance of logging routes will be undertaken noting harvests and cartage is expected to continue throughout our district.
- Our capital works programme will continue. Much of this will be routine replacements such as road metalling, reseals, drainage renewals, pavement rehabilitation, structures component replacements and traffic services renewals.
- We will make minor road improvements to enhance the safety of our network; for example, upgrading traffic signals and making changes to intersections.

Footpaths and berms

- We will continue with our ongoing programme of footpath maintenance and replacements.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Provision of roads and footpaths

Whanganui District Council: Funding impact statement for 2022/23 for provision of roads and footpaths

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	0	0	0
Targeted rates	9,043	9,097	8,893
Subsidies and grants for operating purposes	4,515	4,445	4,333
Fees and charges	30	32	31
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	519	559	519
Total operating funding (A)	14,107	14,134	13,776
Application of operating funding			
Payments to staff and suppliers	8,615	8,756	8,582
Finance costs	260	197	174
Internal charges and overheads applied	810	811	853
Other operating funding applications	0	0	0
Total application of operating funding (B)	9,685	9,764	9,609
Surplus (deficit) of operating funding (A - B)	4,422	4,370	4,167
Sources of capital funding			
Subsidies and grants for capital expenditure	5,336	4,750	4,616
Development and financial contributions	354	426	427
Increase (decrease) in debt	(74)	(817)	(727)
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	5,616	4,359	4,316
Application of capital funding			
Capital expenditure			
-to meet additional demand	500	0	0
-to improve the level of service	1,936	406	395
-to replace existing assets	7,602	8,323	8,088
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	10,038	8,729	8,483
Surplus (deficit) of capital funding (C - D)	(4,422)	(4,370)	(4,167)
Funding balance ((A - B) + (C - D))	0	0	0

Provision of roads and footpaths

Footpaths & berms	2022/23 \$000
Capital expenditure to replace existing assets	
Footpath replacements	420
Total capital expenditure to replace existing assets	420
Roading	2022/23 \$000
Capital expenditure to improve level of service	
Springvale shared pathway	345
Safety improvements around schools	50
Total capital expenditure to improve level of service	395
Capital expenditure to replace existing assets	
Aramoho rail bridge - pedestrian walkway	1,230
Dublin Street bridge replacement	100
Environmental maintenance	385
Unsealed road metalling	520
Sealed road resurfacing	2,100
Forestry affected roads (internal)	300
Forestry affected roads (external)	60
Drainage renewals	960
Pavement rehabilitation	1,200
Structures components replacements	325
Traffic services renewals	488
Total capital expenditure to replace existing assets	7,668

Parks and recreation

The scope

This group of activities includes services and facilities that underpin the maintenance of a district that works for everyone. It ranges from the provision of parks, open spaces, reserves and sportsgrounds, which contribute to the health and social fabric of the community, to swimming pools which, although not essential services, are important facilities for the social connectivity and wellbeing of our district.

Parks and reserves

The parks and reserves activity comprises a considerable percentage of the assets that we own and manage. The parks are managed under the following categories – premier parks, passive parks, pathway parks and conservation parks. Services also contained within this activity include the boat ramps on the Whanganui River, playgrounds, public toilets and streetscape beautification, including the urban forest.

We aim to provide sufficient grounds (active parks) for the purpose of major organised sports where individual sporting codes do not provide this service themselves. Active parks also support economic activity within the district by providing venues for events which attract large numbers of visitors to our district.

Cooks Gardens

Cooks Gardens is our premier sportsground facility and is capable of hosting a multitude of local, national and international sporting events.

Swimming pools

We administer two public swimming pools – the Splash Centre and Whanganui East outdoor pool complexes.

The Splash Centre is an indoor heated facility with two 25m pools, lazy river, two hydrosides, toddlers' pool, learners' pool, hydrotherapy pool and spa, and sauna and fitness facilities.

The Whanganui East outdoor swimming pool is an outdoor complex with a main pool, learners' pool, and toddlers' pool. It has a green space available for picnics and barbecues.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Parks and reserves

- Further work on developing a comprehensive coastal action plan with Iwi and the community. Implementation activities will start on the coastal action plan once it is finalised in late 2022. This work is budgeted at \$1.1 million across the 2022/23 and 2023/24 financial years, with further funding set aside for years 8 to 10 of the long-term plan.
- Funding has been set aside to source a landscape architect to work with all interested groups, alongside Tangata Whenua, to deliver a refreshed architectural landscape plan for the Pukenui Queen's Park area. This project is timed to coincide with the reopening of the Sarjeant Gallery in early 2024.

Parks and recreation

Cooks Gardens

- The 2021-31 Long-Term Plan process saw the council support funding across years 1 to 2 for works to the existing velodrome facility. Work is currently underway to identify low-cost options for the velodrome's track replacement alongside activity to re-engage with various community groups on refreshing a fit-for-purpose development plan for the velodrome.
- Replacement of the current scoreboard at Cooks Gardens, including its frame and foundations.

Swimming pools

- Improvements to accessibility and equipment options for the Splash Centre, which will enable a pool facility for all people of all abilities to enjoy.
- The management of the two pools will be brought back in-house from 1 September 2022.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Parks and recreation

Whanganui District Council: Funding impact statement for 2022/23 for parks and recreation

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	8,898	9,286	11,495
Targeted rates	0	0	0
Subsidies and grants for operating purposes	175	175	175
Fees and charges	233	246	251
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	117	124	117
Total operating funding (A)	9,423	9,831	12,038
Application of operating funding			
Payments to staff and suppliers	6,793	7,117	7,386
Finance costs	223	255	227
Internal charges and overheads applied	1,262	1,269	1,365
Other operating funding applications	0	0	0
Total application of operating funding (B)	8,278	8,641	8,978
Surplus (deficit) of operating funding (A - B)	1,145	1,190	3,060
Sources of capital funding			
Subsidies and grants for capital expenditure	0	150	450
Development and financial contributions	33	8	8
Increase (decrease) in debt	1,015	2,426	1,046
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	1,048	2,583	1,504
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	1,401	2,131	2,451
-to replace existing assets	792	1,642	2,113
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	2,193	3,773	4,564
Surplus (deficit) of capital funding (C - D)	(1,145)	(1,190)	(3,060)
Funding balance ((A - B) + (C - D))	0	0	0

Parks and recreation

Parks and reserves	2022/23 \$000
Capital expenditure to improve level of service	
Parks general - Buildings and improvements additions	30
Otamatea Park Buildings	20
Durie Hill viewing areas	80
Accessible playground	300
Queens Park	500
Queens Park infrastructure upgrades	230
Springvale Park	11
Total capital expenditure to improve level of service	1,171
Capital expenditure to replace existing assets	
Buildings and improvements replacement	30
0 State Highway 3	5
Coastal Plan	250
Aramoho Park - replace playground	207
North Mole landscaping	100
Bason Botanic Gardens	11
Bason Botanic Gardens - Furniture and fittings replacement	10
Premier parks - Buildings and improvements replacement	10
Kowhai Park	230
Queens Park	26
Virginia Lake	34
Castlecliff Playground upgrade	150
Savage Club retaining wall	101
Lake Wiritoa	20
Total capital expenditure to replace existing assets	1,184

Parks and recreation

Swimming pools	2022/23 \$000
Splash Centre	35
Upgrade filtration plant	127
Replace air handling unit - old pool side	150
Accessibility projects - Splash Centre	450
Total capital expenditure to replace existing assets	762
Cooks Gardens	2022/23 \$000
Capital expenditure to improve level of service	
Upgrade score board	30
Velodrome facility	1,250
Total capital expenditure to improve level of service	1,280
Capital expenditure to replace existing assets	
Cooks Gardens	67
Cooks Gardens - Old Grandstand	2
Pole vault track - replace/upgrade	38
Cooks Gardens - membrane roof	60
Total capital expenditure to replace existing assets	167

Community and cultural

The scope

Community

This community activity is broad-reaching and focused on collaboration to achieve shared objectives for improving outcomes and wellbeing across a culturally and socially diverse community. The activity includes Iwi engagement, community grants, positive ageing, arts and culture, Safer Whanganui, youth, housing, climate change, welcoming communities, and digital connectivity.

New Zealand Glassworks

The New Zealand Glassworks activity operates the hot glass studio and gallery in Rutland Street.

Libraries

The Libraries activity includes the District libraries (Davis Library, Alexander Library, Gonville Library, two Mobile Library Vans, Suzanne Aubert Library at Jerusalem and three Community Library Hubs in Whanganui East, Castlecliff and Aramoho).

Sarjeant Gallery Te Whare o Rehua Whanganui

The Sarjeant Gallery is an iconic Whanganui cultural institution. A redevelopment programme is underway for its landmark building with Category I heritage status in Pukenui Queen's Park. The Gallery provides access to a locally, nationally and internationally renowned collection and exhibition programme. All services are currently delivered from an interim location at 38 Taupo Quay, Whanganui.

Royal Whanganui Opera House

The Royal Whanganui Opera House is a landmark cultural icon and the last remaining working Victorian theatre in the southern hemisphere. The Category I heritage status building provides the community with an opulent venue for a range of social, cultural, recreational and educational uses.

War Memorial Centre

The War Memorial Centre is an architectural award-winning building and living memorial. It is considered to be the community's civic centre and is a major iconic landmark building in Whanganui.

Whanganui Regional Museum

The Whanganui Regional Museum has an extensive collection of over 300,000 objects and artefacts. The emphasis is on items which tell the story of the Whanganui region; its landforms, its flora and fauna and its people as well as reflecting its place in the wider world. The museum is operated by an independent charitable trust.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Community

- Over \$1.8M has been set aside in 2022/23 to focus on advancing social or community (public) housing initiatives in Whanganui. This will incorporate advocacy with central government,

Community and cultural

supporting and enabling Iwi-driven initiatives, growing our existing housing portfolio, scoping potential residential conversion opportunities in the city centre, and developing a residential spatial plan. We will continue to work with social support agencies to explore solutions to address homelessness and the growing number of residents seeking urgent housing support.

- A pilot Community Climate Action Fund will be launched which aims to get small climate actions off the ground and to empower the community to take climate action in the district.
- Implementation work associated with the 'youth places and spaces' feasibility study that commenced in early 2022 will be carried out. The scoping needs assessment and community conversations will inform the actions to deliver upon with a focus on support for mental health and personal development, specifically connected to employment.
- Implementation of a high frequency bus trial on a spine route between Castlecliff and Aramoho is expected to be launched in early-2023. This project is being match-funded, and implemented in conjunction with, Horizons Regional Council.
- An age-friendly community is a community that cares and caring is the responsibility of all of us in Whanganui. We will review our Age Friendly Plan, building on the great things that are already happening, enhancing this work where it is needed and looking for new initiatives to fill gaps.
- We will develop a Play Plan, which demonstrates the importance the council places on the value of play, and the importance of tamariki in our city. Funding of \$300,000 over three years (2022/3 – 2024/5) has been allocated to increase the inclusivity of the council's network of play spaces, recognising the diversity of our population, and the importance of play for every child and their whānau.
- We will continue to roll out our Digital Strategy action plan, including a focus on equity and access – particularly in the rural area.
- Our Welcoming Communities Plan will be reviewed to ensure that we are continuing to meet the needs of a diverse community, as well as finding ways to celebrate all that makes us unique.

New Zealand Glassworks

- New Zealand Glassworks (NZG) will re-commence its artist in residence programme after a two year hiatus due to COVID. In addition to the residency, NZG will be developing a mentoring/professional development programme for emerging and mid-career glass artists. Funding for these programmes will be dependent on successful additional funding and support through Creative New Zealand.
- A new NZG website will be developed and launched. The existing website is now over six years old and requires an upgrade. There will be focus on the e-commerce on the site and further development of online exhibitions to complement and archive the NZG exhibition programme.

Libraries

- Design work will commence for the extension of the Davis Library in its current location. The extension will add an additional 500m² of public space, increased accessibility to collections, the ability to provide greater public collection, and 50m² additional work space for operations.
- An energy saving upgrade of old light fittings to LED will be undertaken in the Alexander Library.

Sarjeant Gallery Te Whare o Rehua Whanganui

- The Sarjeant Gallery redevelopment project will continue with earthquake strengthening and restoration work to the existing building and construction of a new wing to the north. The

Community and cultural

restoration and construction phase of the project is forecast to be completed late 2023, with a period of installation and the opening exhibition to follow.

- There will be a special focus in the 2022/23 year on acquiring materials in preparation for the collection transition project which will begin in the following financial year, and once the redeveloped building in Pukenu Queen's Park has reopened to the public.

Royal Whanganui Opera House

- The existing, and outdated, tungsten lighting will be replaced with LED lighting. In addition to being an energy-efficient measure and reducing the potential fire risk, the switch to LED will bring the theatre up to a modern standard for promoters and performers.

War Memorial Centre

- Installation of a digital signage board will display War Memorial Centre event information, and promotional material of events occurring at other council venues. It will also provide the ability to display council information and/or notices if required.

Whanganui Regional Museum

- We will be carrying out a number of building improvements including:
 - Installation of new unisex toilets for wheelchair access
 - Replacement of bi-fold doors to the Cameron Terrace end of the museum
 - Replacement of the main wastewater drain
 - Refurbishment of the basement toilets.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Community and cultural

Whanganui District Council: Funding impact statement for 2022/23 for community and cultural

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	10,274	11,682	11,509
Targeted rates	927	937	929
Subsidies and grants for operating purposes	390	360	373
Fees and charges	801	840	902
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	51	53	51
Total operating funding (A)	12,443	13,873	13,764
Application of operating funding			
Payments to staff and suppliers	8,798	10,242	10,120
Finance costs	377	454	452
Internal charges and overheads applied	1,698	1,897	1,987
Other operating funding applications	0	0	0
Total application of operating funding (B)	10,873	12,593	12,559
Surplus (deficit) of operating funding (A - B)	1,570	1,280	1,205
Sources of capital funding			
Subsidies and grants for capital expenditure	15,000	2,000	2,000
Development and financial contributions	0	0	0
Increase (decrease) in debt	(158)	7,387	7,184
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	14,842	9,387	9,184
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	15,757	4,851	4,714
-to replace existing assets	655	5,816	5,675
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	16,412	10,667	10,389
Surplus (deficit) of capital funding (C - D)	(1,570)	(1,280)	(1,205)
Funding balance ((A - B) + (C - D))	0	0	0

Community and cultural

Community development	2022/23 \$000
Capital expenditure to improve level of service	
Housing Strategy	1,800
Total capital expenditure to improve level of service	1,800
Libraries	2022/23 \$000
Capital expenditure to improve level of service	
Davis Library extension	300
Office equipment acquisition	20
Furniture and fittings additions	20
Total capital expenditure to improve level of service	340
Capital expenditure to replace existing assets	
Alexander Library	30
Book vote	260
E-Items acquisition	50
Total Capital expenditure to replace existing assets	340
War Memorial Centre	2022/23 \$000
Capital expenditure to improve level of service	
Digital signage board	15
War Memorial Centre	5
Top foyer heating improvements	100
Total capital expenditure to improve level of service	120
Whanganui Regional Museum	2022/23 \$000
Capital expenditure to replace existing assets	
Buildings and improvements replacement	100
Total capital expenditure to replace existing assets	100

Community and cultural

Royal Whanganui Opera House	2022/23 \$000
Capital expenditure to improve level of service	
LED lighting	150
Sound & lighting	10
Total Capital expenditure to improve level of service	160
Sarjeant Gallery	2022/23 \$000
Capital expenditure to improve level of service	
Collection transition - building and improvements additions	10
Collection transition - plant and equipment additions	116
Gallery shelving and fittings	150
Collection transition - furniture and fittings additions	18
Sarjeant Gallery redevelopment	2,000
Total capital expenditure to improve level of service	2,294
Capital expenditure to replace existing assets	
Tylee Cottage	23
Collection transition - plant and equipment replacement	11
Total capital expenditure to replace existing assets	34
Earthquake strengthening	2022/23 \$000
Capital expenditure to replace existing assets	
Womens Resource Centre	200
Sarjeant Gallery	5,000
Total capital expenditure to replace existing assets	5,200

Economic development

The scope

Whanganui & Partners' mission is to lead and drive opportunity through business, education, and lifestyle. They promote Whanganui as a destination to live, visit, work, study, and invest.

Their activities include supporting new and existing businesses, bringing events to Whanganui and providing the latest economic data, analysis and commentary on the Whanganui district. Whanganui & Partners ensure visitors are informed, impressed and ready to return.

The activities included in the group are:

- Whanganui & Partners – Economic development
- i-SITE Visitor Information Centre

Whanganui & Partners is a Council-Controlled Organisation. Its operations are overseen by its Board and management staff, while its funding and strategic direction is decided on by the council.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Whanganui & Partners – economic development

Please refer to Whanganui & Partners' Statement of Intent at: [Statement-of-Intent-2022-2023-Whanganui-Partners-Statement.pdf \(discoverwhanganui.nz\)](#). This document sets out the strategic direction for the organisation, reflecting the expectations of its stakeholders.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Economic development

Whanganui District Council: Funding impact statement for 2022/23 for economic development

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	3,358	3,353	3,478
Targeted rates	0	0	0
Subsidies and grants for operating purposes	88	88	0
Fees and charges	0	0	50
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	86	91	0
Total operating funding (A)	3,532	3,532	3,528
Application of operating funding			
Payments to staff and suppliers	2,921	2,941	2,908
Finance costs	(16)	(14)	(17)
Internal charges and overheads applied	627	604	637
Other operating funding applications	0	0	0
Total application of operating funding (B)	3,532	3,532	3,528
Surplus (deficit) of operating funding (A - B)	0	0	0
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	0	0	110
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	0	0	110
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	0	0	110
-to replace existing assets	0	0	0
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	0	0	110
Surplus (deficit) of capital funding (C - D)	0	0	0
Funding balance ((A - B) + (C - D))	0	0	0

Economic development

i-SITE Visitor Information Centre	2022/23 \$000
Capital expenditure to improve level of service	
i-SITE Tier 1 funding	110
Total capital expenditure to improve level of service	110

Community facilities and services

The scope

This group of activities includes services and facilities that help to sustain the safety and welfare of our community, preserve our exceptional heritage and infrastructure and protect our environment and awa.

The activities included in the group are:

- Cemeteries
- CBD maintenance
- Waste minimisation
- Kerbside recycling and food waste
- Pensioner housing
- Community buildings
- Emergency management
- Animal control
- Building control
- Environmental health
- Parking services
- Resource management
- Environmental policy.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

CBD maintenance

- The town centre regeneration work programme this year will focus on events such as Lights on Bikes and rejuvenating the music and arts scene with a view to attracting more events and vibrancy to our community. Work will continue on finding ways to increase foot and cycle traffic in the CBD, opening up pedestrian access and reducing the use of motorised vehicles, ensuring that we are playing our part in reducing climate change emissions.

Kerbside recycling and food waste

- Work this year will focus on the 'roll out' of the kerbside recycling service to start in mid-2023. Key service planning milestones in 2022/23 include the finalisation of the service methodology, rolling out a procurement plan, tendering and letting the service, purchasing capital assets and developing and implementing the necessary support services to stand up a successful service.

Pensioner housing

- Work has commenced to identify our next steps for future-proofing the older persons/pensioner housing portfolio. Considerations will include housing models, changing demographics, age of assets, costs of existing management and maintenance as well as assessing the demand and ability to redevelop existing sites to add new housing stock.

Community buildings

- Additional funding has been secured through the 2022/23 Annual Plan to support the restoration of the Upokongaro War Memorial Hall to enable its use by the community.

Community facilities and services

Emergency management

- A three-year project is being undertaken to upgrade the urban tsunami sirens to a more environmentally resilient system that provides flexible voice alert message capabilities.

Animal management

- We are reviewing our annual dog registration process with a plan to move away from the annual issuing of plastic dog registration tags to a 'life-time' tag. This should improve internal administration efficiencies, ease of use and payment for the customer, and prevent around 9000 plastic tags being thrown away as rubbish on an annual basis.

Building control

- We will look at further developing remote inspection and assessment capability. At this time, part of the current workload is done in a digital manner; further investigation and implementation of digital capability will see an increase in efficiency across the Building Control Team.

Environmental health

- On the back of updating our online PDF application documents, work is underway to introduce an online application service for alcohol-related applications. This will reduce some of the handling and duplication of applications, and increase administration efficiencies within the administration side of the team.

Parking services

- After the successful installation and commissioning of the parking meter upgrade, a review of the parking management plan is underway. The review will take into consideration any changes to parking habits, a review of fees and a complete review of parking types such as time limits, metered areas and disabled parking spaces. This review is crucial to ensure parking services reflect the potential changes in demand that have happened since the last parking bylaw was adopted.

Resource management

- Resource management is adopting a 'customer-centric' approach by improving its service to the community. This approach will be centred around responding to queries and providing guidance to ensure applicants have correct and timely advice. The re-introduction of a duty planner has ensured that the face-to-face service will improve – this approach will be introduced and refined to queries that come via other means.

Environmental policy

- Working jointly with Infrastructure, we will be identifying infill development opportunities. The identification of suitable sites will take into consideration existing infrastructure and any infrastructure upgrades. This work supports the progress of the Residential Spatial Plan, commitment to the National Policy Statement – Urban Development, and the council's Housing Strategy.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Community facilities and services

Whanganui District Council: Funding impact statement for 2022/23 for community facilities and services

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	5,806	5,939	6,265
Targeted rates	451	485	451
Subsidies and grants for operating purposes	49	0	0
Fees and charges	5,060	5,319	5,453
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	973	1,176	1,144
Total operating funding (A)	12,339	12,919	13,313
Application of operating funding			
Payments to staff and suppliers	9,402	10,029	10,419
Finance costs	228	202	223
Internal charges and overheads applied	2,070	2,090	2,270
Other operating funding applications	0	0	0
Total application of operating funding (B)	11,700	12,322	12,912
Surplus (deficit) of operating funding (A - B)	639	597	401
Sources of capital funding			
Subsidies and grants for capital expenditure	101	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(26)	(70)	336
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	75	(70)	336
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	139	360	430
-to replace existing assets	575	317	457
Increase (decrease) in reserves	0	(150)	(150)
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	714	527	737
Surplus (deficit) of capital funding (C - D)	(639)	(597)	(401)
Funding balance ((A - B) + (C - D))	0	0	0

Community facilities and services

Cemeteries	2022/23 \$000
Capital expenditure to improve level of service	
Aramoho Cemetery - buildings and improvements additions	65
Total capital expenditure to improve level of service	65
Capital expenditure to replace existing assets	
Aramoho Cemetery - toilet upgrade	2
Aramoho Cemetery - sealing internal roads	10
Heads Road Cemetery - furniture replacement	2
Total capital expenditure to replace existing assets	14
CBD maintenance	2022/23 \$000
Capital expenditure to improve level of service	
Pedestrian accessways	80
Guyton streetscape	100
Riverfront development landscaping consultation and design	70
Total capital expenditure to improve level of service	250
Capital expenditure to replace existing assets	
Irrigation replacement	15
Total capital expenditure to replace existing assets	15
Community buildings	2022/23 \$000
Capital expenditure to replace existing assets	
Observatory	9
Upokongaro Hall	250
Total capital expenditure to replace existing assets	259
Emergency management	2022/23 \$000
Capital expenditure to replace existing assets	
Tsunami warning sirens	25
Total capital expenditure to replace existing assets	25

Community facilities and services

Pensioner housing	2022/23 \$000
Capital expenditure to replace existing assets	
Buildings and improvements replacements	95
Total capital expenditure to replace existing assets	95
Building control	2022/23 \$000
Capital expenditure to replace existing assets	
Vehicle replacements	50
Total capital expenditure to replace existing assets	50
Environmental health	2022/23 \$000
Capital expenditure to improve level of service	
Vehicle acquisitions	35
Total capital expenditure to improve level of service	35
Animal management	2022/23 \$000
Capital expenditure to improve level of service	
Safety enhancements	80
Total capital expenditure to improve level of service	80

Transportation

The scope

Airport

Our joint venture provincial airport provides sealed and grass runways and passenger terminal facilities for scheduled aircraft services and for commercial and private aircraft. It also provides property and infrastructure for aircraft storage and allied aviation service businesses. In addition, commercial leases are provided for non-aeronautical commercial activities.

Port and River

We manage a commercial port for shallow-draft coastal freight vessels, commercial vessels and pleasure boats. The facility also offers a safe, navigable river bar harbour and manages structures to confine the coastal portion of the Whanganui River to its existing alignment.

Revitalisation plans are underway at the port and, in order to facilitate this, the council has transferred its port-related assets and operations to a Council Controlled Organisation (CCO) called Whanganui Port Limited Partnership. This CCO will own and run the Port into the future (the CCO has been referred to as a Special Purpose Vehicle – SPV).

Durie Hill elevator

The Durie Hill elevator provides access for pedestrians and cyclists (locals, particularly schoolchildren, and tourists), linking the central business district to the suburb of Durie Hill and a city lookout area.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Airport

- Activity this year will focus on the construction of a parallel taxiway, to improve the safety of aircraft operations, and the resurfacing of the main runway.

Port and River

- With the first tranche of project work completed by the council for Te Pūwaha – Whanganui's Port Revitalisation, the focus for the 2022/23 year includes construction and engagement around public resource consent for dredging, reclamation work and works to the South Mole.

Durie Hill Elevator

- Whanganui Connection, who has the operational contract for the Durie Hill Elevator, has received an innovation grant from Manatū Taonga for a project to create new signage and informative displays. This will see \$199,300 invested into the elevator over the coming year. It will include new immersive displays, using projection and light to explore Whanganui and the Durie Hill Elevator's significance in public transport, planning, infrastructure and engineering. It will enhance the elevator's cultural impact – as a nationally and internationally significant site to understand how we build and move around our cities.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Transportation

Whanganui District Council: Funding impact statement for 2022/23 for transportation

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	2,250	2,245	2,757
Targeted rates	0	0	0
Subsidies and grants for operating purposes	60	60	60
Fees and charges	200	206	209
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	332	343	308
Total operating funding (A)	2,842	2,854	3,334
Application of operating funding			
Payments to staff and suppliers	1,196	1,193	1,719
Finance costs	571	523	542
Internal charges and overheads applied	312	302	371
Other operating funding applications	0	0	0
Total application of operating funding (B)	2,079	2,017	2,632
Surplus (deficit) of operating funding (A - B)	763	837	702
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(512)	1,245	1,320
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(512)	1,245	1,320
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	145	0	0
-to replace existing assets	106	2,082	2,022
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	251	2,082	2,022
Surplus (deficit) of capital funding (C - D)	(763)	(837)	(702)
Funding balance ((A - B) + (C - D))	0	0	0

Transportation

Airport	2022/23 \$000
Capital expenditure to replace existing assets	
Runway reseal	2,000
Total capital expenditure to replace existing assets	2,000
Durie Hill Elevator	2022/23 \$000
Capital expenditure to replace existing assets	
Durie Hill Elevator	23
Total capital expenditure to replace existing assets	23

Investments

The scope

Investments

The portfolio of investments provides income to support the work of the council.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

The council has budgeted a \$500,000 dividend from Whanganui District Council Holdings Ltd for the 2022/23 year. Borders have now reopened to international students which is expected to have a positive impact on Holdings' aviation business.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Investments

Whanganui District Council: Funding impact statement for 2022/23 for investments

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	338	268	134
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	636	669	699
Internal charges and overheads recovered	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	558	573	671
Total operating funding (A)	1,532	1,510	1,504
Application of operating funding			
Payments to staff and suppliers	518	531	510
Finance costs	296	246	260
Internal charges and overheads applied	160	158	161
Other operating funding applications	0	0	0
Total application of operating funding (B)	974	936	931
Surplus (deficit) of operating funding (A - B)	558	574	573
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(550)	(550)	(550)
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	(550)	(550)	(550)
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	0	0	0
-to replace existing assets	8	24	23
Increase (decrease) in reserves	0	0	0
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	8	24	23
Surplus (deficit) of capital funding (C - D)	(558)	(574)	(573)
Funding balance ((A - B) + (C - D))	0	0	0

Investments

City endowment	2022/23 \$000
Capital expenditure to replace existing assets	
Parks yard	14
Total capital expenditure to replace existing assets	14
Investments	2022/23 \$000
Capital expenditure to replace existing assets	
Quarry - Waitahinga - Buildings and improvements replacement	10
Total capital expenditure to replace existing assets	10

Corporate

The scope

This group of activities provides support for council staff and elected members to work together for the benefit of the community.

Governance

Governance is delivered by the Mayor and twelve councillors (elected at large) with support from staff. The Mayor and councillors make decisions for the district through formal meetings, considering issues of policy, strategy and budget. The decision-making process is guided by the Local Government Act, with a focus on the social, economic, environmental, and cultural well-being of communities today, and into the future.

The Whanganui district's rural community is represented by the Whanganui Rural Community Board consisting of seven members from three subdivisions (Kaitoke, Whanganui and Kai Iwi), and two councillors appointed by the Council. The board makes recommendations to the council on policy and services of particular interest to the rural community.

Corporate management

These activities are the internal running of the council:

- Office of the Chief Executive
- Finance
- Strategy and policy
- Legal
- Risk management and health, safety and wellbeing
- Information management and services
- Human resources
- Communications
- Customer services.

Community and operational property

The community and operational property portfolio contains property that the council holds for either a community use, such as parks, sportsgrounds, the art gallery, and the museum, or for operational use, such as the municipal building, the water reservoir site, Beach Road pump station and the water bore sites. These properties are managed to provide value to the community through their efficient use rather than an investment return. Rentals are however charged to community organisations who occupy community land or buildings. This helps with the equitable allocation of properties and these rentals are discounted by 40%-90% to encourage the tenants to maximise the value they deliver to the community.

Significant initiatives for 2022/23

For more information please see Volume 2 of the Long-Term Plan 2021-2031.

Governance

- Elected members will be provided with an induction post-election, transitioning into individualised professional development offerings to ensure governors are individually and collectively equipped to make decisions and deliver leadership for the community.

Corporate

Corporate management

- A full programme of policy, strategy and bylaw reviews will continue in 2022/23: this includes the completion of the Coastal Action Plan, a review of the Cemeteries and Crematoria Bylaw and associated policies, the Parking Bylaw, and the Town Centre Regeneration Strategy.
- Investigation and implementation of solar power initiatives across suitable council facilities will occur, as well as continued work to reduce the carbon footprint and improve energy efficiency of the councils' facilities.
- In the information management and technology space, online efficiency enhancements are continuing to be pursued as well as network improvements to protect our information and make sure it is easy to access.
- We are considering the ways in which council communicates, with a view to ensuring we are using the right channels and providing plenty of opportunity for everyone in the community to understand what we are doing and how they can have their say.

Community and operational property

- Work this year will focus on transitional housing to help address the needs for individuals or families who are in urgent need of housing. This is being supported in conjunction with the community wellbeing team. Both teams are working alongside Kāinga Ora to achieve this goal. Alongside this work is the assessment for our current aging pensioner housing complexes to ensure the complexes are fit for our community.
- Property and open spaces are managing two large projects in the community, the Port and Sarjeant Gallery, these support us in achieving our strategic goals. In addition we have a number of smaller projects underway. Most have a community focus, or are run in partnership with community organisations and Mana Whenua. Implementation will span multiple years including this year.

What else can you expect from us?

More information on our service levels, performance measures and targets can be found in Volume 2 of the Long-Term Plan 2021-2031.

Corporate

Whanganui District Council: Funding impact statement for 2022/23 for corporate

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	3,865	4,120	4,119
Targeted rates	0	0	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	57	68	90
Internal charges and overheads recovered	9,524	9,731	10,425
Local authorities fuel tax, fines, infringement fees and other receipts	390	472	438
Total operating funding (A)	13,836	14,392	15,072
Application of operating funding			
Payments to staff and suppliers	12,488	12,963	13,650
Finance costs		28	22
Internal charges and overheads applied	651	676	705
Other operating funding applications	0	0	0
Total application of operating funding (B)	13,139	13,667	14,377
Surplus (deficit) of operating funding (A - B)	697	725	695
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	273	2,282	2,432
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	0	0	0
Total sources of capital funding (C)	273	2,282	2,432
Application of capital funding			
Capital expenditure			
-to meet additional demand	0	0	0
-to improve the level of service	130	1,466	1,465
-to replace existing assets	790	1,491	1,612
Increase (decrease) in reserves	50	50	50
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	970	3,007	3,127
Surplus (deficit) of capital funding (C - D)	(697)	(725)	(695)
Funding balance ((A - B) + (C - D))	0	0	0

Corporate

Governance and democracy	2022/23 \$000
Capital expenditure to improve level of service	
Youth Hub	375
Total capital expenditure to improve level of service	375
Capital expenditure to replace existing assets	
Mayoral vehicle replacement	30
Elected members iPhones/iPads	40
Total capital expenditure to replace existing assets	70
Community and operational property	2022/23 \$000
Capital expenditure to improve level of service	
Solar initiatives	1,000
Total capital expenditure to improve level of service	1,000
Capital expenditure to replace existing assets	
125 Guyton St	27
101 Guyton Street - Buildings and improvements replacement	300
Council Chambers	240
Total capital expenditure to replace existing assets	567

Corporate

Corporate management	2022/23 \$000
Capital expenditure to improve level of service	
IT Projects	50
Consultation vehicle fitout	40
Total capital expenditure to improve level of service	90
Capital expenditure to replace existing assets	
Information services - computer equipment replacement	15
CCTV cameras	15
Telephone hardware	5
PCs	60
IT recabling	10
Wireless Broadband	10
Laptops	90
Monitors	30
Servers	20
IT Network	20
SAN	700
Total capital expenditure to replace existing assets	975

Financial information

This section includes information on:

- The funding impact statement which shows the revenue and financing mechanisms used to cover the estimated expenses of the Council for the year
- Rates information
- Forecast financial statements comprising a statement of comprehensive income, a statement of financial position, a statement of cash flows, a statement of changes in equity, a statement of reserve funds and notes to the financial statements
- The statement of accounting policies

Rates revenue

The amount of rates collected by each activity can be found on page 15. We predicted in our Long Term Plan 2021-2031 that we would require \$67.5M of rates (excluding metered water, trade waste and penalties) in 2022/23 and we have managed to hold the rates requirement to this level.

The average rates increase for 2022/23 is 3.9% for existing ratepayers.

Other revenue

User fees and other income is significantly lower than last year as last year included substantial funding expected for the Sarjeant Gallery redevelopment capital project.

Expenditure

Council's operating costs have increased by \$2.3M compared to the Long-Term Plan forecast for the 2022/23 year, largely due to the current inflationary environment. Items like electricity and operating contracts for service delivery are increasing significantly in price as they are tendered for renewal.

Debt projections

Our debt balance is projected to be \$137M on 30 June 2023. This is \$2M higher than forecast in the Long-Term Plan for 2022/23. Overall we are increasing debt by \$15.8M in 2022/23, as our borrowings of \$25.2M exceed our repayments of \$9.4M.

Significant forecasting assumptions and risks

Significant forecasting assumptions and risks underlying the financial estimates in the Annual Plan are identified in the Long Term Plan 2021-2031 Volume 1, page 52.

Fees and charges

Council's current fees and charges are published on our website at:

<https://www.whanganui.govt.nz/Fees-and-Charges>

Funding impact statement

Whanganui District Council: Funding impact statement for 2022/23 (whole of council)

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	35,222	37,335	40,190
Targeted rates	32,506	33,144	30,346
Subsidies and grants for operating purposes	5,277	5,128	4,941
Fees and charges	8,081	8,532	8,749
Interest and dividends from investments	690	690	690
Local authorities fuel tax, fines, infringement fees and other receipts	2,437	2,779	2,558
Total operating funding (A)	84,213	87,607	87,474
Application of operating funding			
Payments to staff and suppliers	62,533	65,979	67,619
Finance costs	4,903	4,663	4,721
Other operating funding applications	0	0	0
Total application of operating funding (B)	67,436	70,642	72,340
Surplus (deficit) of operating funding (A - B)	16,777	16,965	15,134
Sources of capital funding			
Subsidies and grants for capital expenditure	20,436	6,900	7,066
Development and financial contributions	1,248	1,003	1,003
Increase (decrease) in debt	(206)	13,709	15,745
Gross proceeds from asset sales	0	0	0
Lump sum contributions	0	0	0
Other dedicated capital funding	29	29	29
Total sources of capital funding (C)	21,507	21,640	23,843
Application of capital funding			
Capital expenditure			
-to meet additional demand	2,950	3,246	3,155
-to improve the level of service	21,424	11,944	12,217
-to replace existing assets	13,860	23,515	23,705
Increase (decrease) in reserves	50	(100)	(100)
Increase (decrease) of investments	0	0	0
Total application of capital funding (D)	38,284	38,605	38,977
Surplus (deficit) of capital funding (C - D)	(16,777)	(16,965)	(15,134)
Funding balance ((A - B) + (C - D))	0	0	0

Funding impact statement - rates information

Background

The rates requirement figures quoted in the sections below include GST at the current GST rate of 15%.

Small movements to the indicative rates for 2022/23 stated in this document may occur as the Rating Information Database changes to 30 June 2022 and will be reflected in the final rates resolution.

The Council will not invite lump sum contributions for any rate.

Definitions

Separately used or inhabited part of rating unit (SUIP)

The Council defines a Separately Used or Inhabited Part of a Rating Unit (SUIP) as any part of the rating unit capable of being separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, license or other agreement. At a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or actual use by persons for purposes of conducting a business.

In a residential situation a separately used or inhabited part will only be classified if all of the following apply:

- separate kitchen including a sink
- separate living facilities
- separate toilet and bathroom facilities, and
- separate access (including access through a common area such as a lobby, stairwell, hallway or foyer etc.)

For the purposes of clarity, every rating unit has a minimum of one SUIP.

Differential categories

Where councils propose to assess rates on a differential basis, they are limited to the list of matters specified in schedule 2 of the Local Government (Rating) Act 2002. Council is required to state which matters will be used for what purpose and the categories of any differentials.

The list of activities and the funding mechanisms used are included in the following table, along with some explanation of the terminology used. As part of the consideration process and to form a sound basis for establishing any differential rates, the Council considered how the rates funded activities should be apportioned to different rating groups. The Council uses three generic

Funding impact statement - rates information

rating groups for consideration of allocation. Those groups are commercial, farming and residential. As the step between residential and farming is so large the Council has determined that the transition is based on the size of the property and there is an even transition from full residential rate to farming. For the purposes of Council consideration, the residential group includes any property less than three hectares and the farming group any property not a commercial property greater than three hectares.

The allocation of activities to groups is achieved using the Rating Information Database corrected as at 30 June each rating year. The list of activities and the allocation basis used for each are included in the table below, along with the indicative resulting percentage allocations for the 2022/23 rating year based on the Rating Information Database as at May 2022. The percentages will have small movements between this document and the final rates resolution, and from year to year as the Rating Information Database changes.

Allocation of activities to rating groups

Council has four types of allocations to rating groups:

Unit means that the activity has been split in proportion to the number of units in each rating group. Units are based on the number of SUiPs, with a minimum of one unit per property.

CV2 means that the activity has been split in proportion to the capital values of the groups, with commercial properties being attributed 200% of their capital value. This loading for commercial properties has been made to reflect what Council believes to be a more equitable split for the activity. The loading applies to environmental related services and reflects the commercial gain that is obtained through inspection and certification for commercial premises.

CVU means that the activity is attributed to commercial and residential properties only according to the proportion of capital value for the groups. These activities have been allocated in this manner because there is little or no benefit attributable to farming properties.

Special means that the activity requires a special allocation to ensure equitable funding of the activity. The allocation to rating groups is based on a decision of Council.

Activity	Allocation to groups			
	Basis	Commercial	Farming	Residential
General rate activities				
Airport	Unit	8.5%	7.3%	84.2%
Animal management	Unit	8.5%	7.3%	84.2%
Building control	CV2	27.4%	16.3%	56.3%
Cemeteries	Unit	8.5%	7.3%	84.2%
Central Business District maintenance	Unit	8.5%	7.3%	84.2%
City Endowment	Unit	8.5%	7.3%	84.2%
Community	Unit	8.5%	7.3%	84.2%

Funding impact statement - rates information

Community and operational property	Unit	8.5%	7.3%	84.2%
Community buildings	Unit	8.5%	7.3%	84.2%
Cooks Gardens	Unit	8.5%	7.3%	84.2%
Durie Hill elevator	Unit	8.5%	7.3%	84.2%
Emergency management (Civil Defence)	Unit	8.5%	7.3%	84.2%
Environmental health	CV2	27.4%	16.3%	56.3%
Environmental policy	CV2	27.4%	16.3%	56.3%
Governance	Unit	8.5%	7.3%	84.2%
Investments	Unit	8.5%	7.3%	84.2%
i-site	Special	61.0%	7.0%	32.0%
Libraries	Unit	8.5%	7.3%	84.2%
New Zealand Glassworks	Unit	8.5%	7.3%	84.2%
Parking services	Unit	8.5%	7.3%	84.2%
Parks and reserves	Unit	8.5%	7.3%	84.2%
Port and river	Unit	8.5%	7.3%	84.2%
Resource management	CV2	27.4%	16.3%	56.3%
Royal Whanganui Opera House	Unit	8.5%	7.3%	84.2%
Sarjeant Gallery	Unit	8.5%	7.3%	84.2%
Swimming pools	Unit	8.5%	7.3%	84.2%
War Memorial Centre	Unit	8.5%	7.3%	84.2%
Waste minimisation	Special	20%	30%	50%
Waterways and natural	CVU	19.5%	0.0%	80.5%
Whanganui & Partners –	Special	61.0%	7.0%	32.0%
Whanganui Regional Museum	Unit	8.5%	7.3%	84.2%
Roads and footpaths rate				
Footpaths and berms	CVU	19.5%	0.0%	80.5%
Roading	Special	36%	32%	32%

Note:

- Pensioner housing, kerbside recycling and food waste and corporate management have no rates input.
- Water supply, Stormwater and Wastewater are not differentiated into commercial, residential or farming groups. The rates for these activities are differentiated based on usage of the service to ensure equity and for efficient revenue collection.

Uniform annual general charge – amount to be collected \$15,673,700

A Uniform annual general charge (UAGC) set under section 15 of the Local Government (Rating) Act 2002, as a fixed amount per Separately Used or Inhabited Part of a Rating Unit of \$700.00.

The UAGC funds a portion of the general rate. It is not based on a calculation of part of any activity costs but is assessed to be a reasonable amount to charge.

Funding impact statement - rates information

General rate – amount to be collected \$30,575,792

A differential general rate, set under section 13 and 14 of the Local Government (Rating) Act 2002, on the land value of each rating unit as follows:

	Indicative cents in the dollar	Differential ratio
Commercial		
Properties used for commercial or industrial purposes	1.4528	1.49
<i>Properties not used for commercial or industrial purposes that are:</i>		
Residential		
less than 0.5 hectares	0.9729	1.0
greater than or equal to 0.5 hectares but less than 1 hectare	0.8576	0.88
greater than or equal to 1 hectare but less than 2 hectares	0.7424	0.76
greater than or equal to 2 hectares but less than 3 hectares	0.6272	0.64
Farming		
greater than or equal to 3 hectares but less than 4 hectares	0.5119	0.53
greater than or equal to 4 hectares but less than 5 hectares	0.3967	0.41
greater than or equal to 5 hectares but less than 10 hectares	0.2815	0.29
greater than or equal to 10 hectares	0.1662	0.17

Differentials

The Council will differentiate the general rate based on use and area. The differential categories include:

- A. Commercial or industrial properties means any land that meets one or more of the following criteria::
 - All land used for any commercial or industrial purposes.
 - All land used by any government department or agency or local body agency.
 - All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.
 - All land used for educational purposes not otherwise exempted by legislation.

Commercial or industrial purposes' includes the sale of liquor, but excludes:

 - A home occupation as defined by the operative Whanganui District Plan; and
 - Farming or horticulture.
- B. Less than 0.5 hectares means – Any rating unit not included in A above with a land area of less than 5,000 square metres.
- C. Greater than or equal to 0.5 hectares but less than 1 hectare means – Any rating unit not included in A above with a land area of 5,000 square metres or more but less than 10,000 square metres.
- D. Greater than or equal to 1 hectares but less than 2 hectares means – Any rating unit not included in A above with a land area of 10,000 square metres or more but less than 20,000 square metres.
- E. Greater than or equal to 2 hectares but less than 3 hectares means – Any rating unit not included in A above with a land area of 20,000 square metres or more but less than 30,000 square metres.
- F. Greater than or equal to 3 hectares but less than 4 hectares – Any rating unit not included in A above with a land area of 30,000 square metres or more but less than 40,000 square metres.
- G. Greater than or equal to 4 hectares but less than 5 hectares – Any rating unit not included in A above with a land area of 40,000 square metres or more but less than 50,000 square metres.
- H. Greater than or equal to 5 hectares but less than 10 hectares – Any rating unit not included in A above with a land area of 50,000

Funding impact statement - rates information

square metres or more but less than 100,000 square metres.

I. Greater than or equal to 10 hectares – Any rating unit not included in A above with a land area of 100,000 square metres or more.

Rating units that have more than one use (or where there is doubt about the primary use) will be placed in the category with the highest differential factor. The Council may consider rating such a property by apportioning the land value between the separate uses and rate each portion according to the appropriate category. Note that, subject to rights of objection to the rating information database set out in Section 29 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories.

Each activity funded by the General rate is apportioned between the Residential, Farming and Commercial categories as outlined in the Allocation of activities to rating groups section. The rates attributed to the Commercial category are apportioned to commercial or industrial properties on land value. Rate attribute to the Residential category are apportioned to properties less than 3 hectares. Rate attribute to the Farming category are apportioned to properties greater than 3 hectares. The differential is calculated each year based on land values in each differential category and ensures 7 even steps between a farm of greater than 10 hectares and a residential property of less than 0.5 hectares.

Roads and footpaths rate – amount to be collected \$9,013,693

A differential targeted rate for roads and footpaths, set under section 16 of the Local Government (Rating) Act 2002, on the capital value of each rating unit as follows:

	Indicative cents in the dollar	Amount collected
Residential	0.05774 cents per dollar of capital value on every rating unit in the 'Residential' category.	\$3,608,586
Farming	0.13275 cents per dollar of capital value on every rating unit in the 'Farming' category.	\$2,406,186
Commercial	0.20426 cents per dollar of capital value on every rating unit in the 'Commercial' category.	\$2,998,921

Differentials

Residential

All rating units not included within the 'Commercial' category where the land area is less than 30,000 square metres.

Farming

All rating units not included within the 'Commercial' category where the land area is 30,000 square metres or greater.

Commercial

- All land used for any commercial or industrial purposes.
- All land used by any government department or agency or local body agency.
- All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.
- All land used for educational purposes not otherwise exempted by legislation.

'Commercial or industrial purposes' includes the sale of liquor, but excludes:

- A home occupation as defined by the operative Whanganui District Plan; and
- Farming or horticulture.

Roading resilience rate – amount to be collected \$1,014,665

A differential targeted rate for the purpose of reducing debt for the roading activity set under section 16 of the Local Government (Rating) Act 2002, as a fixed amount per separately used or inhabited part of a rating unit as follows:

Funding impact statement - rates information

	Indicative rate
Residential	\$45.00 per separately used or inhabited part of a rating unit in the 'Residential' category
Farming	\$50.00 per separately used or inhabited part of a rating unit in the 'Farming' category
Commercial	\$45.00 per separately used or inhabited part of a rating unit in the 'Commercial' category

The differential relationship between the categories is that Farming properties are assessed for \$5.00 more per SUIP than Residential and Commercial properties.

Differentials

Residential

All rating units not included within the 'Commercial' category where the land area is less than 30,000 square metres.

Farming

All rating units not included within the 'Commercial' category where the land area is 30,000 square metres or greater.

Commercial

- All land used for any commercial or industrial purposes.
- All land used by any government department or agency or local body agency.
- All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.
- All land used for educational purposes not otherwise exempted by legislation.

'Commercial or industrial purposes' includes the sale of liquor, but excludes:

- A home occupation as defined by the operative Whanganui District Plan; and
- Farming or horticulture.

Targeted rate on exotic forestry properties - amount to be collected \$155,250

A targeted rate for roading pavement renewals required to remediate roads used by vehicles associated with exotic forestry plantations in the district, set under section 16 of the Local Government (Rating) Act 2002, on the capital value of land used as exotic forestry plantations. The indicative amount of the rate will be 0.18061 cents per dollar of capital value.

Earthquake strengthening and building replacement rate – amount to be collected \$1,067,767

A differential targeted rate for earthquake strengthening works on Council-owned buildings set under section 16 of the Local Government (Rating) Act 2002, as a fixed amount per separately used or inhabited part of a rating unit in the district as follows:

	Indicative rate
Residential	\$47.60 per separately used or inhabited part of a rating unit in the 'Residential' category
Farming	\$47.60 per separately used or inhabited part of a rating unit in the 'Farming' category
Commercial	\$48.60 per separately used or inhabited part of a rating unit in the 'Commercial' category

Funding impact statement - rates information

The differential relationship between the categories is that Commercial properties are assessed for \$1.00 more per SUIP than Residential and Farming properties.

Differentials

Residential

All rating units not included within the 'Commercial' category where the land area is less than 30,000 square metres.

Farming

All rating units not included within the 'Commercial' category where the land area is 30,000 square metres or greater.

Commercial

- All land used for any commercial or industrial purposes.
- All land used by any government department or agency or local body agency.
- All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.
- All land used for educational purposes not otherwise exempted by legislation.

'Commercial or industrial purposes' includes the sale of liquor, but excludes:

- A home occupation as defined by the operative Whanganui District Plan; and
- Farming or horticulture.

Debt retirement rate – amount to be collected \$0

A differential targeted rate to retire debt attributable to the cost of the city stormwater disposal system or other infrastructure system as decided by the Council set under section 16 of the Local Government (Rating) Act 2002, on the basis of the capital value of each rating unit that has a connection or for which connection is available. This charge will be set on a differential basis based on the availability of the service. The categories are 'connected' and 'serviceable' and 'other'. Rating units in the 'other' category are charged a fixed amount per separately used or inhabited part of a rating unit.

	Indicative rate	Differential relationship
Connected	0 cents in the dollar on capital value on every rating unit in the 'connected' category.	1.0
Serviceable	0 cents in the dollar on capital value on every rating unit in the 'serviceable' category.	0.75
Other	\$0.00 per separately used or inhabited part of a rating unit that is in the 'other' category.	Indicative amount to be collected \$0

Differentials

Differentials are based on the following categories:

Connected	Any rating unit that is connected to the city stormwater disposal system.
Serviceable	Any rating unit that is not connected but is practicably able to be connected and within 30 metres of the city stormwater disposal system, or located in Magnolia Crescent, Simon Street or Morrell Street.
Other	Any rating unit not included in the 'connected' or 'serviceable' category.

Funding impact statement - rates information

City water supply rate – amount to be collected \$5,931,422 including water by meter

A differential targeted rate for city water supply set under section 16 and 19 of the Local Government (Rating) Act 2002, as follows:

	Indicative rate	Differential ratio
Connected	\$220.36 per separately used or inhabited part of a rating unit that is connected to the city water system and is not metered.	1.0
Serviceable	\$110.18 per separately used or inhabited part of a rating unit that is not connected, but is practicably able to be connected to the city water system.	0.5
Metered supply	\$220.36 for part of or the whole first 310 cubic metres consumed or supplied, plus 71.08 cents per cubic metre for every cubic metre over the first 310 cubic metres that is consumed or supplied.	1.0 (plus per cubic metre over 310m ³)
Rural extraordinary	\$211.09 per separately used or inhabited part of a rating unit supplied, plus 68.09 cents per cubic metre for every cubic metre consumed or supplied in excess of the first 310 cubic metres.	0.8 (plus per cubic metre over 310m ³)

For the avoidance of doubt, the city water supply system includes the city, Mowhanau, Putiki South, Fordell and Airport water supplies.

Differentials

Differentials are based on the following categories:

Connected	Any rating unit with an ordinary connection being a connection equivalent to 20mm MDPE pipe to the city water supply system.
Serviceable	Any rating unit within 100 metres of the city water supply system but that does not have a connection to the system.
Metered supply	Any rating unit that is not 'rural extraordinary' and that has a connection greater than the equivalent of 20mm MDPE pipe to the city water supply system.
Rural extraordinary	Any rating unit in the rural ward (excluding Mowhanau, Putiki South, Fordell and airport water supplies) that is connected to the city water supply system.

City water firefighting rate – amount to be collected \$1,124,444

A targeted uniform rate for provision and maintenance of a water supply for firefighting on rating units within the urban boundary per the operative District Plan, set under section 16 of the Local Government (Rating) Act 2002, at an indicative rate of 0.01623 cents per dollar of capital value on each rating unit.

Funding impact statement - rates information

Pākaraka (Maxwell) water supply rate – amount to be collected \$70,976 including water by meter

A differential targeted rate to meet the costs of the Pākaraka (Maxwell) water supply, set under sections 16 and 19 of the Local Government (Rating) Act 2002, as follows:

	Indicative rate	Amount collected
Residential	\$345.00 per separately used or inhabited part of a rating unit in the 'residential' category connected to the Pākaraka (Maxwell) water system.	\$14,490
Dairy	\$69.00 per hectare on every rating unit in the 'dairy' category connected to the Pākaraka (Maxwell) water system.	\$11,191
Rural	\$15.24 per hectare on every rating unit within the 'rural' category connected to the Pākaraka (Maxwell) water system.	\$16,545

Plus 63.25 cents per cubic metre of water supplied to every rating unit connected to the Pākaraka (Maxwell) water supply system.

Differentials

Differentials are based on the following categories:

Residential	Any rating unit primarily used as a residence.
Dairy	Any rating unit primarily used as a dairy farm.
Rural	Any rating unit that is not primarily a residence or a dairy farm.

Westmere water supply rate – amount to be collected \$159,389 including water by meter

A targeted rate, set under sections 16 and 19 of the Local Government (Rating) Act 2002, to meet the cost of the Westmere water supply at an indicative rate of \$220.36 for the first 310 cubic metres of water supplied, plus 71.08 cents per cubic metre of water supplied in excess of 310 cubic metres to any rating unit connected to the Westmere water system.

City wastewater rate – amount to be collected \$8,871,688

A differential targeted rate for the operations, maintenance and development of the city wastewater disposal system, set under section 16 of the Local Government (Rating) Act 2002, assessed on rating units that are connected to the city wastewater disposal system, as follows:

Funding impact statement - rates information

	Indicative rate	Differential ratio
Residential	\$449.06 per separately used or inhabited part of a rating unit that is in the 'Residential' category and is connected to the city wastewater disposal system	1.0
Non-residential single pan	\$449.06 per separately used or inhabited part of a rating unit that is in the 'Non-residential single pan' category and is connected to the city wastewater disposal system	1.0
Non-residential multi pan	\$224.53 per pan that is in the "Non-residential multi pan" category and is connected to the city wastewater disposal system	0.5

Differentials

Residential	<p>All rating units where the land area is less than 30,000 square metres and the property is not used commercially ...</p> <p><i>Commercial means</i></p> <ul style="list-style-type: none"> • All land used for any commercial or industrial purposes. • All land used by any government department or agency or local body agency. • All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.
Non-residential single pan	Any rating unit that is not residential and has a single pan
Non-residential multi pans	Any rating unit that is not residential and has more than one pan.

For the avoidance of doubt:

- The city wastewater system includes Marybank
- Rating units that are not connected to the city wastewater disposal system are not assessed for this rate.

Trade waste contributions to the city wastewater treatment plant upgrade rate – amount to be collected \$781,819

A targeted rate set on a differential basis to meet the marginal costs of increasing the scale of the upgraded city wastewater treatment plant to cater for large volume and load trade waste discharges, set under section 16 of the Local Government (Rating) Act 2002. The rate is assessed as a fixed amount per rating unit on rating units operated as businesses that discharge more than 100m³ of trade waste per day through the city wastewater disposal system and predominantly located as follows:

Funding impact statement - rates information

Businesses discharging more than 100m ³ of trade waste per day predominantly located at	Indicative amount of rate and amount to be collected in the 2022/23 year	Indicative % of rate to be collected in the 2022/23 year
57 Balgownie Ave, Whanganui	\$336,841	43.084
325 Heads Road, Whanganui	\$205,041	26.226
47 Bryce St, Whanganui	\$90,053	11.518
241 Heads Rd, Whanganui	\$116,237	14.868
49 Bryce St, Whanganui	\$33,647	4.304
Total	\$781,819	100

Trade waste fixed operating costs rate – amount to be collected \$1,004,163

A targeted rate assessed on rating units operated as businesses that discharge more than 100m³ of trade waste per day through the city wastewater disposal system to meet the fixed operating costs of the conveyance, treatment and disposal of large volume trade waste discharges, set under section 16 of the Local Government (Rating) Act 2002. The rate is assessed as follows:

Indicative rate
\$34.848 per m ³ average daily flow set via the discharge permit issued under Council's Trade Waste Bylaw 2018, plus
\$16.894 per kg average daily Chemical Oxygen Demand (COD) set via the discharge permit issued under Council's Trade Waste Bylaw 2018, plus
\$60.210 per kg average daily Total Suspended Solids (TSS) set via the discharge permit issued under Council's Trade Waste Bylaw 2018.

Mowhanau wastewater rate – amount to be collected \$29,849

A differential targeted rate to meet the costs of the Mowhanau wastewater disposal system, set under section 16 of the Local Government (Rating) Act 2002, as follows:

Funding impact statement - rates information

	Indicative rate	Differential ratio
Connected	\$390.18 per separately used or inhabited part of a rating unit in the 'connected' category that is connected to the Mowhanau wastewater disposal system.	1.0
Serviceable	\$195.09 per separately used or inhabited part of a rating unit in the 'serviceable' category that is not connected but is practicably able to be connected to the Mowhanau wastewater disposal system.	0.5

Stormwater disposal rate – amount to be collected \$5,112,737

A differential targeted rate to meet the costs of the city stormwater disposal system, set under section 16 of the Local Government (Rating) Act 2002, on the basis of the capital value of each rating unit that has a connection or for which connection is available. This charge will be set on a differential basis based on the availability of the service. The categories are 'connected', 'serviceable' and 'other'.

	Indicative rate	Differential ratio
Connected	0.0887 cents in the dollar on capital value on every rating unit in the 'connected' category.	1.0
Serviceable	0.0665 cents in the dollar on capital value on every rating unit in the 'serviceable' category.	0.75
Other	0.0665 cents in the dollar on capital value on every rating unit in the 'other' category.	0.75

Differentials

Differentials are based on the following categories:

Connected	Any rating unit that is connected to the city stormwater disposal system.
Serviceable	Any rating unit that is not connected but is practicably able to be connected and within 30 metres of the city stormwater disposal system, excluding Magnolia Crescent, Simon Street or Morrell Street.
Other	Any rating unit that is located in Magnolia Crescent, Simon Street or Morrell Street.

Central Business District (CBD) services rate – amount to be collected \$517,075

A differential targeted rate to meet the costs of CBD cleaning, maintenance and the Mainstreet Whanganui promotional levy, set under section 16 of the Local Government (Rating) Act 2002, on all commercial rating units in CBD A and CBD B as follows:

Funding impact statement - rates information

	Indicative rate	Differential ratio
CBD A	0.4365 cents per dollar of capital value on every rating unit that is in the 'CBD A' category.	1.0
CBD B	0.1746 cents per dollar of capital value on every rating unit that is in the 'CBD B' category.	0.4

Plus \$301.50 per separately used or inhabited part of a rating unit for every rating unit that is in the 'CBD A' or 'CBD B' category.

Differentials

Council differentiates the CBD services rate based on use and where the land is situated:

CBD A The commercial properties in Victoria Avenue from Taupo Quay to Ingestre Street, Guyton Street from St Hill Street to Wicksteed Street, Maria Place from St Hill Street to Watt Street, Ridgway Street from St Hill Street to Drews Avenue.

CBD B All commercial properties inside the area bounded by St Hill Street, Ingestre Street, Wicksteed Street, Watt Street, Drews Avenue, Taupo Quay, which are not included as CBD A. In all cases the street refers to the street centre line.

Commercial:

- All land used for any commercial or industrial purposes.
- All land used by any government department or agency or local body agency.
- All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.
- All land used for educational purposes not otherwise exempted by legislation.

'Commercial or industrial purposes' includes the sale of liquor, but excludes:

- A home occupation as defined by the operative Whanganui District Plan; and
- Farming or horticulture.

Separate works rates

Targeted rates to finance the costs of capital development of the roading network in the areas defined below, set under section 16 of the Local Government (Rating) Act 2002.

Whangaehu Valley Road N^o 1 Upper Whangaehu Road

Whangaehu Valley Road N^o 2 Mangamahu Road and Creek Road

The following separate works rates will be assessed on the land value of each rateable property in the appropriate area. Total revenue is quoted in each case.

Whangaehu Valley Road N ^o 1	to collect \$11,837, an indicative rate of 0.02150 cents per dollar of land value.
Whangaehu Valley Road N ^o 2	to collect \$9,558, an indicative rate of 0.01406 cents per dollar of land value.

Currently Council collects special rates in the Whangaehu Valley Road area. While Council itself does not contribute to the roading improvements on these roads, Council does collect a special rate on behalf of the local ratepayers for roading improvements that meet New Zealand Transport Agency's funding Net Present Value criteria.

Funding impact statement - rates information

Payment by instalment

Rates (except those for metered water) are payable in four equal instalments on the following due dates:

<i>Instalment</i>	<i>Due date</i>
Instalment 1	Wednesday, 31 August 2022
Instalment 2	Wednesday, 30 November 2022
Instalment 3	Wednesday, 22 February 2023
Instalment 4	Wednesday, 31 May 2023

Discount

A discount of 2.5% will be allowed on all net 2022/23 rates paid in full by the due date of the first instalment for 2022/23.

Payment of metered water rates

Water meters are read on either a monthly or six monthly basis. The table below outlines when payment for metered water is due, relative to the date that the meter is read.

<i>Reading Date</i>	<i>Due date</i>
July 2022	20 August 2022
August 2022	20 September 2022
September 2022	20 October 2022
October 2022	20 November 2022
November 2022	20 December 2022
December 2022	20 February 2023
January 2023	20 February 2023
February 2023	20 March 2023
March 2023	20 April 2023
April 2023	20 May 2023
May 2023	20 June 2023
June 2023	20 August 2023

Funding impact statement - rates information

Additional charges (penalty)

For rates (excluding metered water), a charge of 5% will be added to all instalments or part thereof remaining unpaid on the date that is seven (7) days after the due date as follows:

<i>Instalment</i>	<i>Date on which penalty will be added</i>
Instalment 1	Wednesday, 7 September 2022
Instalment 2	Wednesday, 7 December 2022
Instalment 3	Wednesday, 1 March 2023
Instalment 4	Wednesday, 7 June 2023

An additional charge of 5% will be added to all metered water rates that remain unpaid on the date that is seven (7) days after the due date as follows:

<i>Reading Date</i>	<i>Date on which penalty will be added</i>
July 2022	27 August 2022
August 2022	27 September 2022
September 2022	27 October 2022
October 2022	27 November 2022
November 2022	27 December 2022
December 2022	27 February 2023
January 2023	27 February 2023
February 2023	27 March 2023
March 2023	27 April 2023
April 2023	27 May 2023
May 2023	27 June 2023
June 2023	27 August 2023

Additional charges of 5% will be added to rates assessed in any previous financial year that remain unpaid on 19 July 2023. The penalty will be added on 19 July 2023 and again on 19 January 2024 if the amount remains unpaid.

Funding impact statement - rates information

The table shows examples of rates for a range of residential, farming and commercial properties. This table is indicative only and the effect on individual properties will vary.

Property type	Land value	Capital value	UAGC	General Rate	Roading & Footpaths	Roading resilience	Exotic Forestry	Earthquake strengthening	Debt retirement	City water supply	City water firefighting	Wastewater	City Stormwater disposal	2022/23 total rates	\$ increase	% increase
Residential (Stormwater serviceable)	\$105,000	\$185,000	\$700	\$1,022	\$107	\$45	\$0	\$48	\$0	\$220	\$30	\$449	\$123	\$2,743	\$146	5.6%
Residential (Stormwater connected)	\$65,000	\$245,000	\$700	\$632	\$141	\$45	\$0	\$48	\$0	\$220	\$40	\$449	\$217	\$2,493	\$11	0.4%
Residential (Stormwater connected)	\$123,000	\$295,000	\$700	\$1,197	\$170	\$45	\$0	\$48	\$0	\$220	\$48	\$449	\$262	\$3,139	\$109	3.6%
Residential (Stormwater connected)	\$160,000	\$340,000	\$700	\$1,557	\$196	\$45	\$0	\$48	\$0	\$220	\$55	\$449	\$302	\$3,572	\$168	4.9%
Residential (Stormwater connected)	\$160,000	\$435,000	\$700	\$1,557	\$251	\$45	\$0	\$48	\$0	\$220	\$71	\$449	\$386	\$3,726	\$136	3.8%
Residential (Stormwater connected)	\$210,000	\$610,000	\$700	\$2,043	\$352	\$45	\$0	\$48	\$0	\$220	\$99	\$449	\$541	\$4,497	\$178	4.1%
Lifestyle	\$335,000	\$730,000	\$700	\$1,715	\$969	\$50	\$0	\$48	\$0	\$0	\$0	\$0	\$0	\$3,482	\$291	9.1%
Farming	\$920,000	\$1,240,000	\$700	\$1,529	\$1,646	\$50	\$0	\$48	\$0	\$0	\$0	\$0	\$0	\$3,973	\$174	4.6%
Farming	\$2,250,000	\$2,750,000	\$700	\$3,740	\$3,651	\$50	\$0	\$48	\$0	\$0	\$0	\$0	\$0	\$8,188	\$464	6.0%
Farming	\$3,320,000	\$4,090,000	\$700	\$5,518	\$5,429	\$50	\$0	\$48	\$0	\$0	\$0	\$0	\$0	\$11,745	\$694	6.3%
Exotic forestry	\$335,000	\$370,000	\$700	\$557	\$491	\$50	\$668	\$48	\$0	\$0	\$0	\$0	\$0	\$2,514	\$54	2.2%
Exotic forestry	\$1,370,000	\$1,502,000	\$700	\$2,277	\$1,994	\$50	\$2,713	\$48	\$0	\$0	\$0	\$0	\$0	\$7,781	\$285	3.8%
Commercial	\$140,000	\$380,000	\$700	\$2,034	\$776	\$45	\$0	\$49	\$0	\$220	\$62	\$449	\$337	\$4,672	\$40	0.9%
Commercial	\$385,000	\$950,000	\$1,400	\$5,593	\$1,940	\$90	\$0	\$97	\$0	\$441	\$154	\$898	\$843	\$11,457	\$171	1.5%
Commercial	\$470,000	\$2,190,000	\$700	\$6,828	\$4,473	\$45	\$0	\$49	\$0	\$220	\$355	\$1,123	\$1,943	\$15,736	-\$121	-0.8%

Prospective statement of comprehensive income

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan 2022/23 \$000
Rates revenue			
Rates - excluding metered water, trade waste and penalties	64,731	67,481	67,564
Rates - metered water, trade waste and penalties	2,998	2,998	2,973
Total Rates	67,728	70,479	70,537
Non rate revenue			
Subsidies and grants	10,613	9,877	9,557
Development and financial contributions	1,248	1,003	1,003
Fees and charges	8,081	8,532	8,749
Interest and dividends from investments	690	690	690
Other dedicated capital funding	15,129	2,179	2,479
Other revenue	2,795	3,070	2,850
Total non rate revenue	38,556	25,351	25,328
Total revenue	106,284	95,830	95,865
Expenditure			
Personnel costs	19,878	20,772	20,140
Finance costs	4,903	4,663	4,721
Depreciation and amortisation expense	22,363	22,967	22,967
Other expenses	42,654	45,207	47,479
Total expenditure	89,799	93,609	95,307
Surplus/(deficit)	16,485	2,221	558
<i>Surplus/(deficit) attributable to:</i>			
Whanganui District Council	16,485	2,221	558
Other comprehensive revenue and expense			
Gain on infrastructure revaluations	0	42,137	42,137
Gain on property revaluations	0	0	0
Total other comprehensive revenue and expense	0	42,137	42,137
Total comprehensive revenue and expense	16,485	44,358	42,695
<i>Total comprehensive revenue and expense attributable to:</i>			
Whanganui District Council	16,485	44,358	42,695

Prospective statement of financial position

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan 2022/23 \$000
Assets			
Current assets			
Cash and cash equivalents	6,734	6,753	7,012
Receivables	8,020	8,253	6,640
<i>Total current assets</i>	14,754	15,005	13,652
Non-current assets			
Other financial assets:			
-Investment in CCOs and other similar entities	60,380	60,380	60,888
-Investment in other entities	723	723	680
<i>Total other financial assets</i>	61,102	61,102	61,568
Property, plant and equipment	1,021,797	1,079,696	1,146,693
Intangible assets	1,510	1,486	1,901
Investment property	10,063	10,355	14,537
<i>Total non-current assets</i>	1,094,473	1,152,639	1,224,699
Total assets	1,109,227	1,167,645	1,238,351
Liabilities			
Current liabilities			
Payables	10,407	10,694	10,694
Borrowings	14,000	14,000	14,000
Employee entitlements	2,312	2,372	2,372
<i>Total current liabilities</i>	26,719	27,066	27,066
Non-current liabilities			
Borrowings	107,041	120,750	122,884
Deferred tax liability	50	50	50
Derivative financial instruments	12,808	12,808	2,000
Employee entitlements	150	154	154
<i>Total non-current liabilities</i>	120,049	133,763	125,088
Total liabilities	146,768	160,828	152,154
Net assets (assets minus liabilities)	962,459	1,006,816	1,086,197
Equity			
Accumulated funds	607,802	610,123	617,726
Revaluation reserves	302,188	344,325	419,466
Restricted reserves	51,271	51,171	47,353
Other reserves	1,197	1,197	1,652
Total equity	962,459	1,006,816	1,086,197
Investments in CCOs and similar entities	49,963	49,963	50,327

Prospective statement of cash flows

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan 2022/23 \$000
Cash flows from operating activities			
Receipts from rates revenue	67,728	70,479	70,536
Subsidies and grants	10,613	9,877	9,557
Interest received	185	185	185
Dividends received	505	505	505
Other dedicated capital funding	15,129	2,179	2,479
Receipts from other revenue	11,765	12,095	12,091
Payments to suppliers	(42,654)	(44,870)	(47,142)
Payments to employees	(19,878)	(20,772)	(20,140)
Interest paid	(4,903)	(4,663)	(4,721)
<i>Net cash flow from operating activities</i>	38,490	25,015	23,350
Cash flows from investing activities			
Purchase of property, plant and equipment	(38,183)	(38,655)	(39,027)
Purchase of intangible assets	(50)	(50)	(50)
Receipts from sale of property, plant and equipment	-	-	-
Receipts for sale and maturity of investments	-	-	-
<i>Net cash flow from investing activities</i>	(38,233)	(38,705)	(39,077)
Cash flows from financing activities			
Proceeds from borrowing	9,613	23,970	25,159
Repayment of borrowing	(9,819)	(10,261)	(9,414)
<i>Net cash flow from financing activities</i>	(206)	13,709	15,745
Net (decrease)/increase in cash, cash equivalents, and bank overdrafts	51	19	18
Cash, cash equivalents, and bank overdrafts at the beginning of the year	6,684	6,734	6,993
Cash, cash equivalents, and bank overdrafts at the end of the year	6,735	6,753	7,011

Prospective statement of changes in equity

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan 2022/23 \$000
Balance at 1 July	945,974	962,459	1,043,504
Total comprehensive revenue and expense for the year	26,333	44,358	42,693
Balance at 30 June	972,307	1,006,817	1,086,197
Represented by:			
Retained earnings			
Balance at 1 July	564,875	609,000	618,722
Transfers (to)/from restricted reserves	(120)	100	100
Surplus/(deficit) for the year	19,149	2,221	556
Balance at 30 June	583,904	611,321	619,378
Restricted reserves			
Balance at 1 July	78,911	51,271	47,453
Transfers (to)/from retained earnings	120	(100)	(100)
Balance at 30 June	79,031	51,171	47,353
Asset revaluation reserves			
Balance at 1 July	302,188	302,188	377,329
Revaluation gains/(losses)	7,184	42,137	42,137
Balance at 30 June	309,372	344,325	419,466
Total equity	972,307	1,006,817	1,086,197

Note: Closing equity as per the 2021/22 Annual Plan and opening equity for 2022/23 differ due to the timing of relative forecasts and the impact of actual revaluation and financial movements that and financial movements t have occurred during 2020/21 and the financial year to date.

Prospective statement of reserve funds

Restricted Reserves consists of:

Reserve	Activities to which the reserve relates	Purpose of the reserve	Balance at 1 July 2022 \$'000	Deposits 2022-2023 \$'000	Withdrawals 2022-2023 \$'000	Balance at 30 June 2023 \$'000
Self funding insurance	All activities	To set aside funds to cover insurance excesses	2,279	3	0	2,282
City Endowment	Investments	To provide alternative income for funding of Council activities	26,170	28	0	26,198
Harbour Endowment	Investments	To provide funds for operation and maintenance of the Port	0	0	0	0
Henry Sarjeant Bequest	Community & cultural	To fund the purchase of artworks	711	1	0	712
Hutton Estate	Community & cultural	To fund Sarjeant Gallery expenditure	4	4	0	4
Robertson Art Prize Fund	Community & cultural	To fund art competitions and grants	12	0	0	12
Gallery Redevelopment project	Community & cultural	Lotteries Board funds to go towards Gallery project	9,359	10	0	9,369
Grave maintenance bequests	Community facilities and services	Maintenance of specific grave sites	20	0	0	20
Waste minimisation levy	Community facilities and services	To fund waste minimisations services	352	0	(150)	202
CBD parking fund	Community facilities and services	To fund CBD parking infrastructure	0	0	0	0
Heritage Building Preservation fund	Community facilities and services	To fund future IEP grants	23	0	0	23
De-sexing program	Community facilities and services	To fund future dog de-sexing program	1	0	0	1
Mars grant	Parks and recreation	To fund improvements at Durie Hill	100	0	0	100
Castlecliff Reserve Management	Parks and recreation	For Castlecliff reserve	100	0	0	100
MA Larsen Bequest	Parks and recreation	To finance improvements at the Bason Reserve	602	1	0	603
T Wright Park fund	Parks and recreation	For improvements at Thomas Waight Park	30	0	0	30
Fairbridge Bequest	Parks and recreation	For upgrading work at the Winter Gardens	11	0	0	11
Dovey Gazebo fund	Parks and recreation	For Bason Reserve maintenance	9	0	0	9
Birch Reserve Fund	Parks and recreation	To provide funds for maintenance of parks and reserves	108	0	0	108
Kai Iwi Trust	Parks and recreation	Council is trustee for Maori land at Kai Iwi	23	0	0	23
J McLean Bequest	Parks and recreation	Reserve created on historic bequest	12	0	0	12
Handley Park fund	Parks and recreation	To fund improvements at Handley Park	6	0	0	6
Nagaizumi Donation	Parks and recreation	For qualifying expenditure	10	0	0	10
Nicholson bequest	Parks and recreation	For qualifying expenditure	42	0	0	42
Tree Planting contribution	Parks and recreation	For qualifying expenditure	4	0	0	4
Crown and other trusts' properties	Parks and recreation	Properties administered on behalf of third parties	6,785	7	0	6,792
Rural road special rate - Whangaeahu No 1	Roads, footpaths and pathways	Rural rates specifically collected for future works	76	0	0	76
Rural road special rate - Whangaeahu No 2	Roads, footpaths and pathways	Rural rates specifically collected for future works	104	0	0	104
CUVL renewals fund	Economic development	To fund renewals of community under-veranda lighting	190	0	0	190
International Education	Economic development	To fund education initiatives	81	0	0	81
The Waitotara Centennial Fund	Corporate	To fund Outward Bound trips for approved people	39	0	0	39
Aged Citizens Benefit Trust	Corporate	To benefit aged citizens	6	0	0	6
Tram Fund	Community & cultural	To fund the Tram project	11	0	0	11
Welcoming Communities grant	Community & cultural	To administer the Welcoming Communities scheme	57	0	0	57
Community Development grants	Community & cultural	To fund Youth Committee projects	10	0	0	10
Tylee Cottage	Community & cultural	To fund the Artists in Residence scheme	34	0	0	34
Opera House Friends	Community & cultural	To fund future Friends projects	1	0	0	1
Library mobile vans	Community & cultural	To fund purchase of new mobile vans	0	0	0	0
LI Smith Bequest	Community & cultural	To fund an arts award	74	0	0	74
			47,456	50	(150)	47,356

Notes to the financial statements

Note 1 - Reconciliation of Prospective statement of comprehensive revenue and expense to the Funding impact statement (FIS)

The Funding impact statements are prepared in accordance to with the Local Government (Financial Reporting and Prudence) Regulations 2014. They do not comply with Generally accepted accounting practices (GAAP).

However, the Statement of comprehensive revenue and expense is prepared in compliance with GAAP.

The following is a reconciliation between the revenue and expense shown on the statement of comprehensive revenue and expense and the funding impact statement for the whole of Council

	Annual Plan 2021/22 \$000	Long Term Plan (Yr 2) 2022/23 \$000	Annual Plan \$000
Operating funding in the FIS	84,213	87,607	87,773
Subsidies and grants for capital expenditure	20,436	6,900	6,766
Development and financial contributions	1,248	1,003	1,003
Other dedicated capital funding	29	29	29
Net gain and losses not included in the FIS	359	292	292
Total Revenue in the Statement of Comprehensive revenue and expense	106,284	95,830	95,863
Application of operating funding in the FIS	67,436	70,642	72,340
Depreciation not included in the FIS	22,363	22,967	22,967
Total expenditure in the statement of revenue and expense	89,799	93,609	95,307
Note 2 - Targeted rates for metered water supply			
Targeted rates for metered water supply	1,446	1,446	1,446
Note 3 - Depreciation and amortisation by group of activities			
Community and cultural	1,340	1,862	1,862
Community facilities and services	703	680	680
Corporate	820	764	764
Economic development	14	11	11
Investments	115	111	111
Parks and recreation	1,140	1,181	1,181
Provision of roads and footpaths	10,078	10,069	10,069
Stormwater drainage	1,921	1,966	1,966
Transportation	301	302	302
Sewerage and the treatment and disposal of sewage	3,860	3,905	3,905
Water supply	2,071	2,116	2,116
Depreciation and amortisation expense	22,363	22,967	22,967
Note 4 - Rating base information (as at 30 June)		Year (as at 30 June)	
	2021	2022	2022
Projected number of rating units within the district	21150	21,285	21,285

Annual Plan disclosure statement

Annual Plan disclosure statement for the year ending 30 June 2023

What is the purpose of this statement?

The purpose of this statement is to disclose the council's planned 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 Plan 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.

Benchmark		Planned	Met
Rates affordability benchmark			
• increases	The quantified limit is rates increases (excluding water by meter, trade waste targeted rates and penalties) no more than the Local Government inflation rate plus 2% (after accounting for growth). For 2022/23 the limit is 4.4%.	3.9%	Yes
Debt affordability benchmark			
	The quantified limit is net borrowings less than 200% of total revenue (net borrowing is defined as total debt less cash or near cash financial investments, total revenue excludes development contributions and non-cash items)	143%	Yes
Balanced budget benchmark	100%	101%	Yes
Essential services benchmark	100%	99%	No
Debt servicing benchmark	10%	4.9%	Yes

Annual Plan disclosure statement

Notes

1 Rates affordability benchmark

- (1) For this benchmark,—
 - (b) the council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council's long-term plan.
- (2) The council meets the rates affordability benchmark if—
 - (b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

- (1) For this benchmark, the council's planned borrowing is compared with quantified limits on borrowing contained in the financial strategy included in the council's long-term plan.
- (2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

- (1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- (2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

- (1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

- (1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Annual Plan disclosure statement

- (2) Because Statistics New Zealand projects that the council's population will grow as fast as the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

Statement of accounting policies

Reporting entity

Whanganui District Council (“the Council” and “WDC”) is a territorial local authority established and governed by the Local Government Act 2002, and is domiciled and operates in New Zealand.

The group consists of the ultimate parent Whanganui District Council (WDC) and its subsidiaries, Whanganui Airport Joint Venture (50%), and Whanganui District Council Holdings Limited (100% owned) which in turn owns 100% of GasNet Limited, the New Zealand Commercial Pilot Academy Limited and Whanganui Port General Partner Limited (WPGPL). WPGPL has 100% shareholding in Whanganui Port Limited Partnership and Whanganui Port Operating Company Limited. WDC also owns 100% units in Whanganui Port Limited Partnership. WDC’s 49% equity share of New Zealand Masters Games Limited, its 15% interest in the Manawatu Wanganui LASS Limited and its 33% interest in the Whanganui River Enhancement Trust are equity accounted. All WDC subsidiaries and associates are domiciled in New Zealand.

The Council’s financial statements are for Whanganui District Council and the Wanganui Airport Joint Venture (50%) as an activity of Council. The Council has not presented group prospective financial statements because the Council believes that the parent prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the Long Term Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and as a consequence how much the Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council. The financial information contained within the Annual Plan may not be appropriate for purposes other than those described.

Statement of compliance and basis of preparation

The prospective financial statements have been prepared on a going concern basis and accounting policies have been applied consistently throughout the period of the Plan.

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 (LGA), which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP), and the Annual Plan requirements of section 95 of the LGA. The primary purpose of WDC is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, for reporting purposes, the Council is a public benefit entity.

The prospective financial statements comply with the standards for public sector public benefit entities reporting under tier 1 of the framework and have been prepared in accordance with public benefit entity financial reporting standard 42; Prospective Financial Statements (PBE FRS 42).

Statement of accounting policies

The Council authorised the prospective financial statements on 29 June 2022.

The Council, who are authorised to do so and believe that the assumptions underlying these prospective financial statements on pages 77-82 are appropriate, has approved the Annual Plan for distribution.

No actual financial results have been incorporated within the prospective financial statements. Actual financial results achieved for the period covered are likely to vary from the information presented. These variations may be material. The final prospective financial statements were adopted by the Council on 29 June 2022.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

Specific accounting policies

The following accounting policies, which materially affect the measurement of results and financial position, have been applied.

Revenue

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

Revenue from an exchange transaction arises where the Council supplies goods or services at a market rate, and where equal value, usually in the form of cash, is received. A non-exchange transaction is where the Council receives goods or services from another entity without giving approximate equal value in return. Many services Council provides are subsidised by rates and are thus non-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.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when payable.

Revenue from water rates by meter is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year-end, is accrued on an average usage basis.

Statement of accounting policies

Rates revenue is a non-exchange transaction.

Government grants

WDC receives government grants from the New Zealand Transport Agency, which subsidises part of WDC's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Government grants are generally regarded as a non-exchange transaction.

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided. The provision of services is regarded as a non-exchange transaction where the activity is subsidised by rates.

Vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as income. Assets vested in WDC are recognised as revenue when control over the asset is obtained.

Vested assets revenue is a non-exchange transaction.

Sale of goods

Revenue from sales of goods is recognised when a product is sold to the customer. Revenue from the sale of goods is an exchange transaction where the sale is at market value and no subsidy from rates is given.

Traffic and parking infringements

Traffic and parking infringements are recognised when tickets are issued.

Interest and dividends

Interest income is recognised using the effective interest method. Interest income is exchange revenue.

Dividends are recognised when the right to receive payment has been established. Dividend income is exchange revenue.

Development contributions

Development contributions are recognised as revenue when the council provides, or is able to provide, the service for which the contribution was charged. Otherwise development contributions are recognised as liabilities until such time the 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.

Statement of accounting policies

Leases

Finance leases

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

At the commencement of the lease term, WDC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether WDC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

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.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

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

Statement of accounting policies

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

WDC’s investments in its subsidiary and associate companies are held at cost.

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.

Initial recognition of concessionary loans

Loans 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 for a similar financial instrument. For loans to community organisations, the difference between

Statement of accounting policies

the loan amount and present value of the expected future cash flows of the loan is recognised in surplus or deficit as a grant expense.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except expected credit losses (ECL) and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. The Council and group do not hold any debt instruments in this category.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Instruments in this category include the Council and group's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds) and LGFA borrower notes.

Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information

Statement of accounting policies

that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group considers a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange risks arising from the Council and group's operational activities and interest rate risks arising from the Council's and group's financing activities. In accordance with its treasury policies, the Council and group does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses on derivatives that are not hedge accounted are recognised in surplus or deficit.

The full fair value of a hedge accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost, adjusted when applicable, for any loss of service potential. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

Statement of accounting policies

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are recorded at 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 group) are not depreciated or amortised while they are classified as held for sale.

Property, plant and equipment

Property, plant and equipment consists of:

Operational assets – these include land, buildings, motor vehicles, plant and equipment and library books.

Restricted assets – these include artworks, cultural assets and parks and reserves. These assets provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets – these include the fixed utility systems comprising the roading, airport runway, water reticulation and drainage systems, and infrastructure land (including land under roads). Each asset type includes all items that are required for the network to function.

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

Revaluation

Land, buildings (operational and restricted) and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

WDC assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

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

Statement of accounting policies

The net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that off-sets 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 recognised in other comprehensive income.

Additions

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

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is 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.

Derecognition and Disposals

An asset is derecognised on disposal or when no future economic benefits or service potential is expected from its use or disposal. Gains and losses on derecognition are determined by comparing the proceeds, or future economic benefits, with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. The revaluation surplus included in net assets/equity in respect of property, plant and equipment will be transferred directly to retained earnings when the assets are derecognised.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and art works, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset type	Useful life	Depreciation rate
Land (including Restricted properties)		Not a Depreciable item
Buildings and leasehold improvements (including Restricted properties)	5 to 50 years	3.6%
Plant, vehicles and equipment	3 to 20 years	5-33%
Furniture & Fittings	5 to 10	10-20%

Statement of accounting policies

Library books	10 years	10%
Art Works		Not Depreciable item ^a
<i>Infrastructural assets</i>		
Roading network		
Pavement	4-18 years	4.1%
Basecourse	80-100 years	4.1%
Footpaths	8-100 years	4.1%
Bridges & large culverts	100 years	4.1%
Kerb and channel	20-100 years	4.1%
Retaining Walls	50-100 years	4.1%
Street lighting	15-50 years	4.1%
Culverts	80 years	4.1%
Traffic signals and under road assets	5-50 years	4.1%
Wastewater system	20 to 120 years	1.9%
Stormwater system	20 to 120 years	1.4%
Water system	9 to 100 years	2.2%
Airport runway	10 years	10%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of WDC's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisition of subsidiaries is included in "intangible assets". Goodwill on acquisition of associates is included in "investments in associates" and is tested for impairment as part of the overall balance.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. An impairment loss recognised for goodwill is not reversed.

Goodwill is allocated to cash generating units for the purposes of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination, in which the goodwill arose.

Carbon credits

Carbon credits are initially recognised at cost. After initial recognition they are not amortised but all carbon credits are measured, annually, at fair value.

Statement of accounting policies

The net revaluation result is credited or debited to other comprehensive revenue and expense and is accumulated to fair value through general reserve. Where this results in a debit balance in the reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase in revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense. They are derecognised when they are used to satisfy carbon emission obligations.

Software acquisition and development

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

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

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

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

Asset type	Useful life	Amortisation rate
Computer software	3 - 10 years	10% - 33%

Impairment of property, plant and equipment and intangible assets

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset's recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Statement of accounting policies

Value in use for non-cash generating assets

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

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

Value in use for cash-generating assets

Cash generating assets are those held for the primary purpose of generating a commercial return.

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

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. Where an impairment loss is reversed this is recognised in the surplus or deficit.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, WDC measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Creditors and other payables

Creditors and other payables are recorded at the amount payable.

Borrowings

Borrowings are initially recognised at their fair value net of transaction costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Statement of accounting policies

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

Employee entitlements

Short-term employee entitlements

Employee benefits that WDC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at, balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

WDC recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that WDC anticipates it will be used by staff to cover those future absences.

WDC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Long-term employee entitlements

Entitlements that are due to be settled beyond 12 months after the end of the period in which the employee renders service, such as long service leave and retiring leave; have been calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Superannuation schemes

Defined contribution schemes

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

Statement of accounting policies

Equity

Equity is the community's interest in WDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- retained earnings
- restricted reserves
- asset revaluation reserves
- other reserves

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by WDC.

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

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Revaluation Reserves

These relate to the revaluation of land, buildings and infrastructural assets to fair value.

Other Reserves

These relate to the revaluation of financial assets (shares and bonds) to fair value and the revaluation of carbon credits to fair value.

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.

Statement of accounting policies

Landfill post-closure costs

WDC, as past operator of the Balgownie landfill, has a legal obligation under the resource consent to provide on-going monitoring of the landfill after its closure. Post-closure monitoring costs are recognised as expenses when the obligation for post-closure arises.

Cost allocation

WDC has derived the cost of service for each significant activity of WDC using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as operating expenditure net of NZTA subsidies.

Critical accounting estimates and assumptions

In preparing these financial statements WDC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within this Plan are discussed below:

WDC infrastructural assets

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

- the physical deterioration and condition of an asset, for example the 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 stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset;
- 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 WDC could be over or under estimating the annual depreciation charge recognised as an expense in the surplus or deficit. To minimise this risk, WDC'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

Statement of accounting policies

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 the WDC's asset management planning activities, which gives WDC further assurance over its useful life estimates.

Experienced independent valuers perform or review the Council's infrastructural asset revaluations.

Critical judgements in applying WDC's accounting policies

Management has exercised the following critical judgements in applying the WDC's accounting policies:

Classification of property

WDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's social housing policy. These properties are accounted for as property, plant and equipment.

Impairment of shares in subsidiary

Management reviews its share investment in its subsidiary and has made estimates and assumptions concerning the future. These estimates and assumptions include revenue growth, future cash flows and future economic and market conditions. These estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. WDC minimises the risk of this estimation uncertainty by annually reviewing the value of its share investment.

Comparative Information

The Annual Plan 2020/2021 adopted by the council on 23 June 2020 has been provided as a comparator for these consolidated prospective financial statements. The closing balance in this comparative differs from the opening position used to prepare these consolidated prospective financial statements which is based on the most up-to-date forecast information.

Implementation of new and amended standards

PBE IPSAS 41 Financial Instruments is effective from periods beginning on or after 1 January 2021. PBE IPSAS 41 includes three areas of change:

- Classification and measurement of financial instruments
- A single, forward looking, 'expected credit loss' impairment model; and
- Substantially reformed approach to hedge accounting

WDC has elected to early adopt all of the requirements of PBE IFRS 9 and will early adopt the requirements of PBE IPSAS 41.

We understand there is no substantive differences between the core requirements of PBE IFRS 9 and PBE IPSAS 41.

Statement of accounting policies

All other standards, interpretations and amendments approved but not yet effective in the current year are either not applicable to WDC or are not expected to have a material impact on the financial statements of the council and, therefore, have not been disclosed.



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