

**WAITAKI  
DISTRICT  
COUNCIL**

**ANNUAL  
REPORT  
SUMMARY**

**2020/21**



**Waitaki**

DISTRICT COUNCIL  
TE KAUNIHERA Ā ROHE O WAITAKI



WE  
LOVE  
THIS  
PLACE  
→ WAITAKI ←



# Introduction from the Mayor and Chief Executive

On behalf of Waitaki District Council we are pleased to present the Annual Report for the 2020/21 financial year.

The 2020/21 Annual Report is an opportunity to report to the community on Council's progress and performance against the third year of the 2018-28 Long Term Plan from 1 July 2020 to 30 June 2021.

The last twelve months has seen continued progress towards achieving Council's vision for the community of making Waitaki the best place to be.

We have been living in a COVID-19 affected world for over a year now, and although we are very well off here in New Zealand in comparison to many countries, it has still had an impact on how we go about everyday life. In the Waitaki district, we have been lucky in that our economy overall has been barely impacted. Some individuals and some businesses have been affected of course, and we have sought to ensure they got the support they have needed.

In October 2020 two devastating fires hit our community. One was at Livingstone, and whilst there wasn't a significant amount of property damage, it brought the issues of carbon forestry farming sharply into focus, and caused us to take a national stance on this issue. At the same time, we also suffered a devastating wildfire which swept through the village of Ōhau destroying 43 homes and damaging a number of others so they were uninhabitable. The cost of the fire at Ōhau was almost \$35 million, making it one of the most expensive fires of its type in New Zealand's history. Council staff were involved in helping the community recover from the fire and the recovery, whilst ongoing, has been a testament to the spirit and resilience of the Ōhau community.

In June 2021 we finalised our 2021-31 Long Term Plan which was probably one of the most difficult of any completed by our Council, as we grapple with the need to keep infrastructure and services to a high standard while facing the challenges of 3 Waters reform, limited Waka Kotahi funding for our roads and the challenges of a COVID-affected world. However in spite of that, we were able to take on board a lot of what our community told us they wanted and develop a Long Term Plan that's delivering for the community.

## A new Chief Executive

In November 2020 we received the resignation of Chief Executive Fergus Power, with notice that he would have his final day at our Council on the 4th of June 2021. Elected members spent the next five months working through the recruitment process to appoint a replacement, with Mr Alex Parmley being successful in that process. So it was mid July 2021 when we were able to welcome our new Chief Executive.

Alex has moved from the United Kingdom where he had been Chief Executive of South Somerset District Council since 2016. With his background in local government in a jurisdiction which had more emphasis on the wellbeings and placemaking, rather than just infrastructure provision, elected members believe he will assist us as we continue to push for greater opportunities as part of the future for local government.

## Financial Result

We finished the year with a higher than budgeted deficit due to several factors, including the impact of the COVID-19 pandemic which has seen numerous Council activities interrupted and projects deferred. During the year, Council received significant funding to support projects in the 3 Waters activities, and consequently increased staffing levels in that department to cope. Council also had to respond to the needs of affected residents in the aftermath of the disastrous fire event which devastated the Lake Ōhau community. In addition to that, Council also wrote off water assets no longer needed, which had been decommissioned following water infrastructure upgrades.

As a result, we have ended the year with an operating deficit of \$4.392 million which includes the impacts described above. When setting budgets for the year, Council was faced with a community challenged by COVID-19 lockdowns and effects on the economy and community that were not able to be clearly quantified at that stage. To support the community, the decision was made by Council to have a net zero increase in rates for the 2020-21 financial year. Because of that decision, elected members agreed to adopt the 2020-21 Annual Plan with an anticipated operating deficit.

Council's financial position remains sound despite recording an operating deficit and reporting increased levels of external borrowing. We continue to review our costs, particularly from an operational perspective, striving always to ensure that ratepayers get the best value for money.

## Our infrastructure

A lot of the work Council carries out relates to making sure we have the infrastructure our district needs. Much of this work is not visible to residents but it is essential for us to continue to thrive as a district.

### Drinking Water and Waste Water

The Government introduced Tranche One of its 3 Waters Reform Programme. This resulted in Council entering a Memorandum of Understanding (MoU) and funding agreement with the Government before receiving more than \$7million to invest into 3 water infrastructure projects across the district.

The MoU included a commitment to "openly sharing information and analysis undertaken to date on the state of the system for delivering three waters services and the quality of the asset base" through a formal Request for Information process undertaken across multiple New Zealand territorial authority councils. This required numerous staff from Council's Water Services, Finance, Customer Contact, and Information Services teams to collate data needed to respond to more than 12,000 questions between November 2020 and February 2021.

## Roads and Footpaths

During 2020/21 we have had to prioritise our work programmes due to financial constraints exacerbated by COVID-19 and increasing materials costs. We have been maintaining the road network assets, improving road surface conditions, improving drainage to mitigate water damage, and improving sealed road width, all of which we do to provide the level of service for the most used roads in our district.

## Ōamaru Harbour

Ōamaru Harbour is a great asset for the town and district but has ageing infrastructure which requires investment to replace and upgrade. Significant structural work has been completed on Holmes Wharf, including repairs to the piles and replacement of the decking to approximately half of the wharf. This work will continue into the coming year and will ensure Holmes Wharf is safe for use and will meet community needs in the future. A new observation deck has also been constructed over Holmes Wharf Mole.

## Waste Management and Minimisation

We recruited a Waste Manager to take ownership of our waste activities and plan for future requirements. We also reviewed the role of our Enviroschools co-ordinator and developed this into a full-time waste minimisation role to improve our delivery in both the Enviroschools space and also to work on greater communication and awareness around waste.

## Parks and Recreation

Alps to Ocean - Sailors Cutting to Benmore off-road section construction was completed and opened on 17th December 2020. The new section of the trail is spectacular. The remaining bridges from Aviemore to Kurow have been installed.

## Culture Waitaki

### Waitaki District Libraries

Waitaki District Libraries has been leading the community in embedding te reo and mātauranga Māori. The Ōamaru Public Library has hosted Kupu Hou learning sessions in a variety of subject areas and supported wider Tākina te reo Māori sessions. Introductory te reo Māori sessions have also been held in Hampden and Kurow.

### Waitaki Museum & Archive Te Whare Taoka o Waitaki

In December 2020 the Waitaki Museum & Archive Te Whare Taoka o Waitaki re-opened to the public. Work has now started on stage two of the Museum which will see the upper floor open to the public with exhibition and education spaces, the installation of a lift and the refurbishment of the archive enquiry area and the object collection storeroom.

## Economic Development

As part of the district's response to COVID-19 Council established a Support & Stimulus Fund to fund or co-fund projects to support groups to cope with the impacts of COVID-19 and to increase our economic and social resilience through the pandemic. Over \$260,000 was awarded to applicants from this fund between August and November 2020.

## Heritage, Environment and Regulation

### Regulatory and Environmental

The Group went through a restructure which saw animal control brought in house and the recruitment of three Regulatory Services officers who are responsible for animal control and general compliance tasks.

### Building Services

This has been one of the busiest in terms of building consent applications we have seen for 5 years. A total of 719 consents have been issued with a total value just under \$98 million. Despite the increase in volume the building team have averaged just 8 processing days per consent which is well under the statutory allowed 20 days.

### Heritage and Planning

Some large plantation forestry and new carbon farming proposals have come up against considerable community concern which has revealed the limitations of the existing regulatory framework to be able to address these concerns.

## Community Development

We have been exploring the concept of localism and locality networks and looking at local solutions for local communities. We had extensive input into the Southern District Health Board whole of systems continuum of care review for Mental Health and Addictions and the Waitaki Mental Health and Addictions Network was recognised as exemplar.

These are just some of the highlights for what has been a busy year, delivering services and investing in improvements for our district and our communities.

Finally, we would like to thank Councillors, staff, and contractors for their ongoing efforts in delivering on the vision and strategies of Council. We are proud of what we have achieved by working together to meet our district's present and future needs.



Alex Parmley  
Chief Executive



Gary Kircher  
Mayor for Waitaki

# Waitaki THE BEST PLACE TO BE!

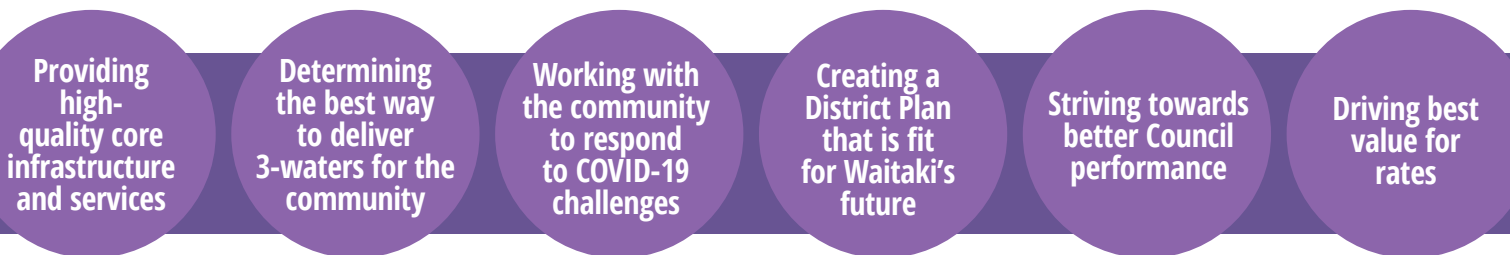
Waitaki - Whenua taurikura

EMPOWERING OUR PEOPLE AND PLACE TO THRIVE  
Whakapuāwai takata, Whakapuāwai whenua

## COMMUNITY OUTCOMES



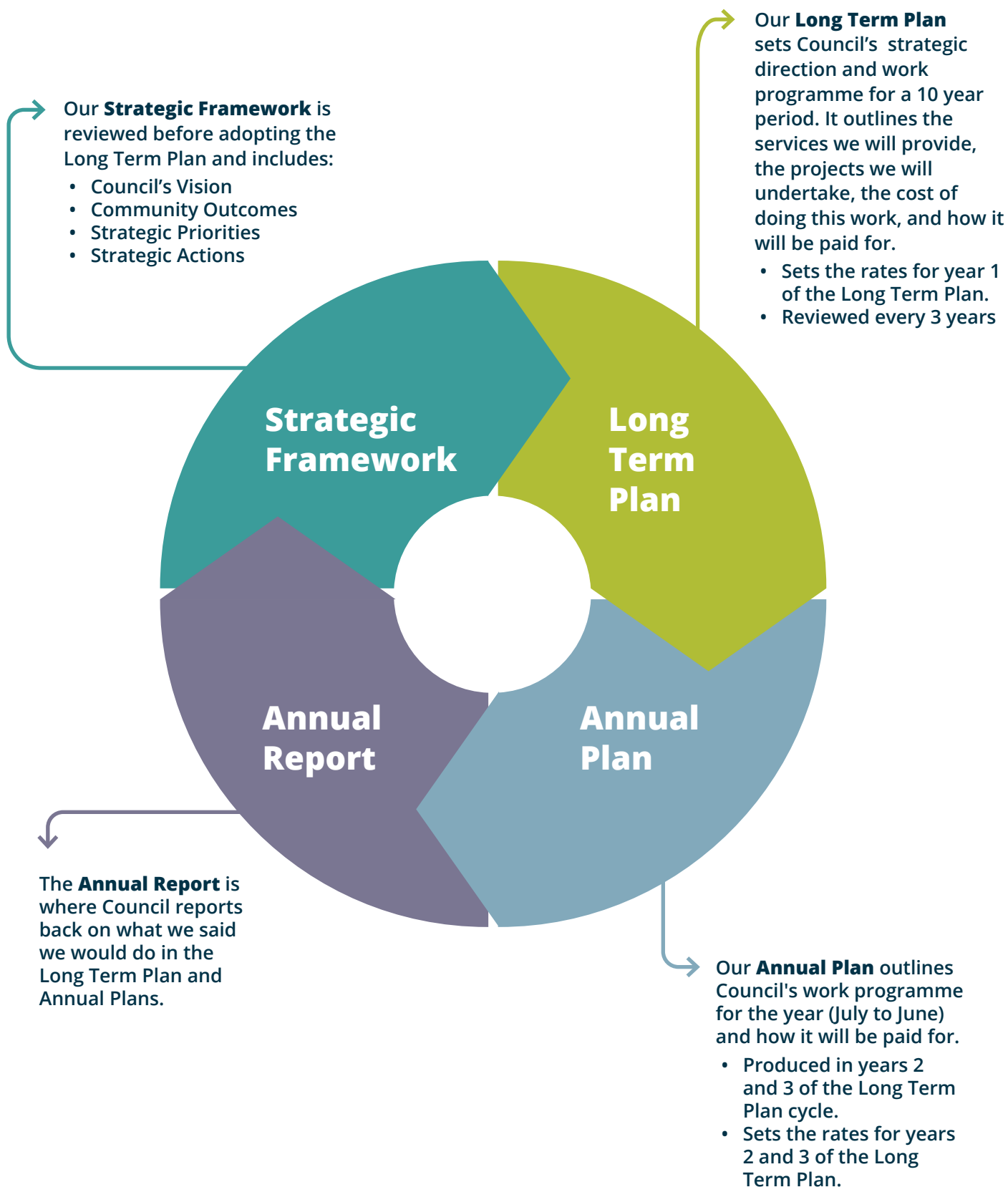
## STRATEGIC PRIORITIES



Ensuring we get core business done while delivering on our strategic priorities and achieving our community outcomes



# Our planning cycle



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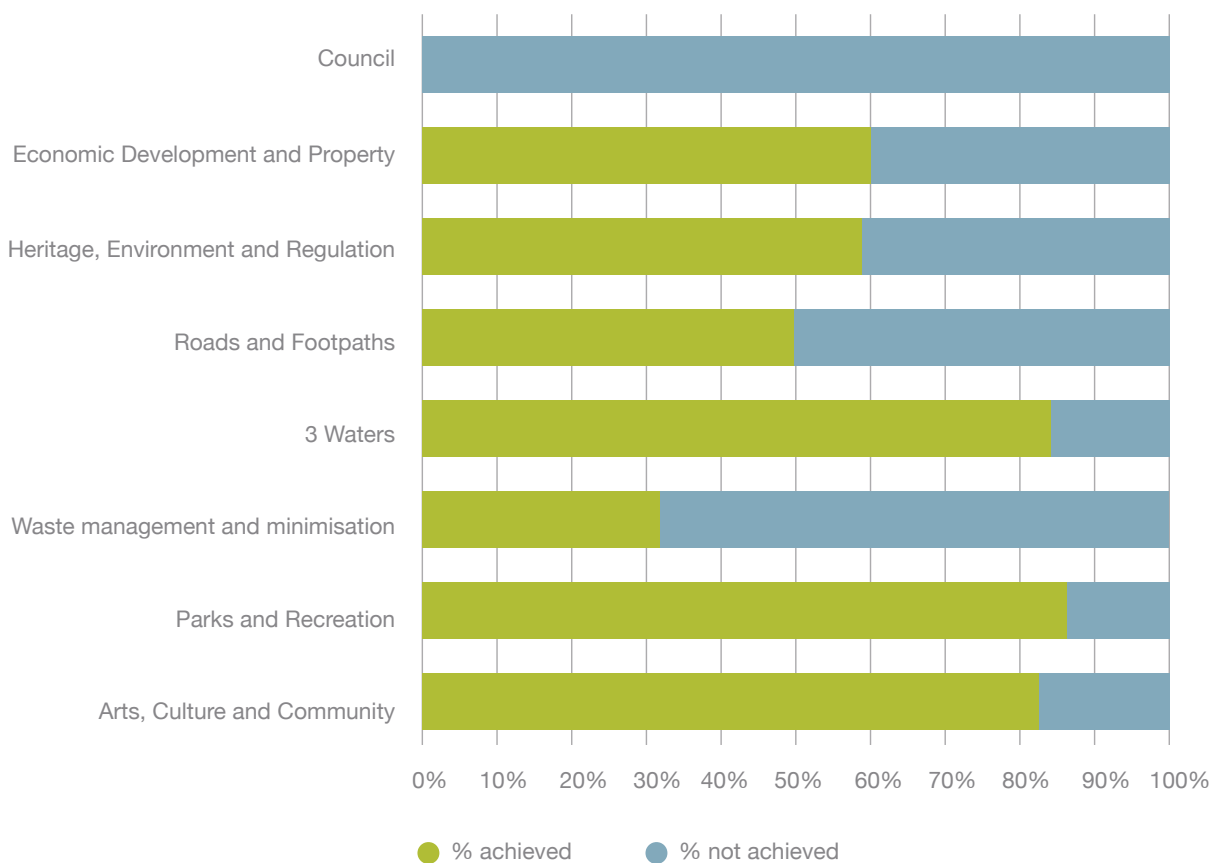
# Measuring our performance

Council uses a number of methods to measure and monitor the quality and effectiveness of the services we provide.

These help us to ensure we are delivering what we said we would, and that we improve performance where we need to. Each Council activity has performance measures with targets that they aim to achieve. As we are reporting on the 2020/21 financial year these measures are targets from the 2018-28 Long Term Plan.

The following pages contain a summary of the activities and performance measures we have achieved and not achieved. Full information on these performance measures can be found in the 2020/21 Annual Report at [www.waitaki.govt.nz](http://www.waitaki.govt.nz)

Performance measures results summary



# Annual Residents' Survey

Each year we survey our residents to find out how we're doing. The questions asked in the survey cover the majority of our activities and help us understand what we are doing well and where we need to improve.

For several of the performance measures there was a decrease in satisfaction levels on the previous year. The overall satisfaction with Council's performance has declined on last year's result.

In some areas, while levels of satisfaction have dropped, this is only by between one and two percentage points, and/or, they remain at very high levels for example in the Opera House, Library services, parks and reserves, and perceptions that Waitaki is a safe place to be.

Levels of satisfaction have improved in a number of areas: the Resource Recovery Park, Ahuriri Community Board, cemeteries, Aquatic Centre, sports fields and the Waihemo and Ōamaru water supplies.

Satisfaction with the Resource Recovery Park increased by 13 percentage points to 88% in 2021. The main reasons for satisfaction with the Resource Recovery Park is that respondents believe that it provides a good service and the staff are helpful, friendly and efficient.

Satisfaction with Council owned lakes camping grounds decreased by 15 percentage points to 63% in 2021. Only 9% of respondents to the survey had visited a Council owned lakes camping grounds in 2020-21 (down from 15% in 2019-20) so this question was only answered by a small number of respondents. Only two respondents explained their reasons for dissatisfaction which related to the facilities and services provided such as toilets and rubbish removal.

Below is a summary of the results from the survey.

## Resident satisfaction survey results

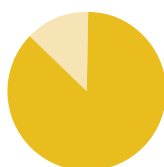
Residents are most satisfied with...



**WAITAKI RESOURCE RECOVERY PARK**

**88%**

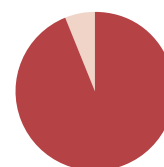
of residents are satisfied with the Resource recovery park



**WAITAKI DISTRICT LIBRARIES**

**87%**

of residents are satisfied with the Library services offered in the district



**ŌAMARU OPERA HOUSE**

**94%**

of residents are satisfied with the Ōamaru Opera House



**SAFETY**

**86%**

of residents believe that the Waitaki District is generally a safe place to be



**ŌAMARU WATER SUPPLY**

**89%**

of residents connected to the Ōamaru water supply are satisfied



**CEMETERIES**

**86%**

of residents are satisfied with the cemeteries in the Waitaki District

We need to improve on...



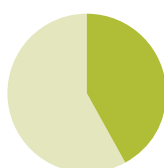
**OUR ROADS**

**22%**

of residents are satisfied with the unsealed roading network

**44%**

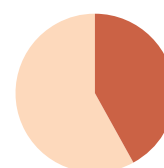
of residents are satisfied with the sealed roading network



**WAIHEMO COMMUNITY BOARD**

**42%**

of residents' (in the Waihemo ward) are satisfied with the performance of the Waihemo Community Board



**CONSULTATION**

**42%**

of residents are satisfied with Council's consultation with the community



# Council

Council and Community Boards are governance bodies forming a vital link between communities and Council staff who manage assets and activities. Council and Community Boards are 'democracy in action'.

## Our specific community outcomes are:

- Provide governance structures, planning and reporting to provide cost effective, good quality infrastructure, public services and regulatory functions
- Provide opportunities for the community to actively contribute to democratic local decision making on services and facilities
- Provide opportunities to participate in democratic local decision making through representation on Community Boards, Council and by consultation

## What we've done

### Setting direction and policy:

- The 2021-31 Long Term Plan was adopted 29 June 2021
- The Revenue and Financing Policy was adopted 15 June 2021
- The Policy on Development Contributions and Financial Contributions was adopted 15 June 2021
- The Liability Management and Investment Policy was adopted 21 July 2020
- 2019/20 Annual Report was adopted 15 December 2020
- Implemented new speed limits across the district on 1 July 2020 following public feedback on the speed limit consultation held in April-May 2020.


### Community Boards

- Ahuriri Community Board - (December 2020) approved a request from the Otematata Residents' Association Incorporated for \$3,359 (including GST) to contribute to the costs of supplying and installing three heat pumps in the Otematata Lakes Centre Hall. This was paid for from the Ahuriri Community Board Discretionary Fund.
- Waihemo Community Board- (March 2021) \$4125 (including GST) was paid to Puketapu Community Trust for a feasibility study for a new Puketapu Track in Palmerston. This was funded from the Waihemo Community Board Discretionary Fund.


## Performance measures

We have four performance measures – all of which were not achieved.


**57%** of residents are satisfied with the leadership and direction provided by the Mayor and Councillors (*target = 70%*).

 **not achieved**  
[2019/20 = 72%]


**45%** of residents are satisfied that the Ahuriri Community Board is making a positive difference (*target = 50%*).

 **not achieved**  
[2019/20 = 38%]

**42%** of residents are satisfied that the Waihemo Community Board is making a positive difference (*target = 50%*).

 **not achieved**  
[2019/20 = 54%]

**42%** of residents are satisfied with the information provided about Council's current actions and its plans (*target = 60%*).

 **not achieved**  
[2019/20 = 51%]



# Economic Development & Property

This activity group covers district development, property management, and investments.

Part of Council's leadership involves supporting the economy and communities through economic and community development functions. Council provides advice and encourages initiatives to support existing economic activity and diversification across the District.

The activities of the property unit supports the administration of Council, facilitates opportunities for new and existing businesses and economic development initiatives. The property unit also manages Council property investment and supports the lifestyle and experience of the district's residents and visitors.

## Our specific community outcomes are:

- Encourage sustainable development of our local economy through partnerships, innovation, quality infrastructure, and planning
- Provide advice and encourage initiatives to support existing economic activity and diversification across the district
- Effectively manage the property portfolio so that returns are maximised and rates input is minimised
- Provide properties that meet the needs of the community, meaning that people are more likely to want to stay and they will encourage others to move here
- Contribute to the economy of the district

## What we've done


### Economic Development

- Council continued to supply ongoing community and business information relating to the COVID-19 pandemic, as well as providing Public Information Management support in two major Civil Defence Emergencies and aftermath recovery


## Performance measures

We have five performance measures, three were achieved and two were not achieved:


Tourism Infrastructure Funding contribution of \$105,000 for improvements at Elephant Rocks (target = funding contribution has realised key Long Term Plan project).

 **not achieved**  
[2019/20 = Not achieved]

**94%** of Community housing tenants are satisfied with their tenancy (*target = 90%*).

 **achieved**  
[2019/20 = 94%]

**86%** of Commercial tenants are satisfied with their tenancy (*target = 90%*).

 **not achieved**  
[2019/20 = 71%]

**100%** of Community housing units are occupied (*target = 90%*).

 **achieved**  
[2019/20 = 99%]

**99%** of Commercial tenancies are occupied (*target = 90%*).

 **achieved**  
[2019/20 = 100%]



## Property

- Operational Buildings - A number of Council operational buildings were given attention over the past 12 months. The Opera House had Stage 1 of the dome restoration completed. This will ensure the structural integrity of the dome structure is sound and capable of supporting the fibrous plaster for generations to come. There was also a heating upgrade at the Opera House which replaced the single gas boiler with a cascade of three condensing boilers. The replacement addressed the unreliability of a critical piece of infrastructure and has the ability to provide heating to the building even if one or even two of the boilers should fail.
- Stage 2 of the Waitaki Museum & Archive Te Whare Taoka o Waitaki was approved and physical work commenced. This upgrade will make the upper floors of the Museum and Archive more accessible with the provision of a lift.



# Heritage, Environment & Regulation

Council works to create a district where residents feel safe and protected.

We want our natural environment to be protected and sustainable, where we have appropriate emergency services and Council business is conducted in a transparent, prudent and efficient manner.

## Our specific community outcomes are:

- Manage the activity efficiently and effectively
- Resolve commercial and domestic environmental impacts
- Monitor approved resource consents and conditions to minimise environmental impact and promote sustainable land management
- Ensure sufficient land is zoned for business, commercial and rural activities
- Provide building control services in a professional and efficient manner
- Ensure building consents are processed accurately, efficiently and within statutory timeframes
- Ensure buildings are safe and do not pose a risk to the public
- Ensure that food for sale to the public is prepared in safe premises that meet food hygiene regulations
- Ensure the threat to the community from nuisance or dangerous dogs or wandering stock is minimised
- Have a fully functional Emergency Operations Centre and trained and competent emergency management personnel to ensure we play an active role in supporting and coordinating emergency responses in the district
- Play an active role in the Safer Waitaki Coalition

## What we've done


### Heritage and Planning

The district continues to see significant investment and as a result there have been some large developments consented such as at Macraes Mine. Another large project was proposed as part of the COVID-19 Recovery (Fast-Track Consenting) Act 2020 – Clutha Upper Waitaki Lines Project Works.


## Performance measures

We have 17 performance measures, ten were achieved and seven were not. Below are some of the key performance measures:


**99%** of building consents were processed within 20 working days (*target = 100% of building consents processed within 15 working days*).

 **not achieved**  
[2019/20 = 98%]


We maintained Building Consent Authority status (*target = maintain Building Consent Authority status*).

 **achieved**  
[2019/20 = maintained]

**27%** of dog owners in the district have a selected owner status (*target 35%*).

 **not achieved**  
[2019/20 = 35%]

**73%** of residents are satisfied with emergency services (*target = 80%*).

 **not achieved**  
[2019/20 = 70%]

**86%** of residents are satisfied that Waitaki is a safe place to live (*target = 80%*).

 **achieved**  
[2019/20 = 88%]

## **Regulatory and Environmental**

We recruited a Resource Consents Monitoring officer to meet our obligations under the RMA and to monitor high profile consents.

Two prosecutions were made for breaches of the District Plan rules for vegetation clearance, one resulting in a \$80,000 fine.

## **Building services**

The International Accreditation NZ biennial audit was very successful indicating that Waitaki District Council's building team is "one of the country's top performers".

During the year an additional Building Control Officer was welcomed into the team. Two Officers gained their Diplomas in Building Surveying and a further two started the tertiary qualification. This is ensuring we are providing greater technical knowledge and further education within the team.

In October the Community of Ōhau was devastated by wildfire. Officers were deployed to assess potentially dangerous structures and offer front line support to the response and recovery.

## **Community Development and Engagement**

There has been national recognition of Safer Waitaki as a Community Development model and the model has been replicated by the Timaru District Council.


We have been focusing on employment, education and training opportunities including the Mayors Taskforce for Jobs and Building Capability in Waitaki.



## Performance measures

We have eight performance measures, four were achieved and four were not:


There were **2** fatalities, an increase of two from the prior year (*target = a reduction in the number of fatalities*)

 **not achieved**  
[2019/20 = 0]


There were **5** serious injuries, a decrease of four from the prior year (*target = a reduction in the number of serious injuries*).

 **achieved**  
[2019/20 = 9]

**44%** of residents are satisfied with the condition of Waitaki's non state highway sealed roads (*target = 60%*).

 **not achieved**  
[2019/20 = 46%]

**22%** of residents are satisfied with the condition of Waitaki's non state highway unsealed roads (*target = 50%*).

 **not achieved**  
[2019/20 = 33%]


The average quality of the ride on sealed roads, measured by smooth travel exposure was **92%** (*target = greater than 90%*).

 **achieved**  
[2019/20 = 87%]


**6.5%** of local roads were resealed in 2020/21 (*target = greater than 5%*).

 **achieved**  
[2019/20 = 7.9%]

**98%** of footpaths within the district meet the specified level of service (*target = 96%*).

 **achieved**  
[2019/20 survey was deferred due to COVID-19]

**89%** of requests for service relating to roads and footpaths were responded to within agreed timeframes (*target = greater than 90%*).

 **not achieved**  
[2019/20 = 87%]

# Roads and footpaths

Roads and footpaths are an integral part of our district. They are designed to help drive economic growth and to help keep us safe.

## Our specific community outcomes are:

- Provide roads and footpaths that are safe, effective, efficient, accessible and fit for purpose for people and goods
- Provide transport networks and services that are safe
- Ensure roading activities are managed efficiently and effectively

## What we've done

- Improvements and road maintenance including: seal widening, resurfacing, safety improvements, road safety programmes and transport planning
- Maintained a focus on resilience of the road network in times of heavy storms
- Collaborated with stakeholder groups to better understand their needs within the roading network significantly with developing The Network Operating Framework, One Network Framework, targeted traffic counting, and Spatial Planning
- New Asset Management Plan
- Network Operating Framework
- District-wide Speed Limit review
- Roothing Bylaws update
- 53km of laned road resealing
- 3.8km of road reconstruction
- 5.4km of footpath resurfacing
- Shared maintenance of Department of Conservation (DoC) roads
- 206.3km of unsealed road renewal metalling
- 3.6km of sealed road widening
- Severn Street retaining wall renewal completed and landscaped. This project was an industry award winner. Fulton Hogan won an award in the CCNZ (Civil Contractors NZ) Best Project category Otago awards, 2021 - \$100K to \$1M category.
- Danseys Pass bridge deck replaced, painted, and redocked
- Lake Ōhau Bridges renewed and strengthened
- Approved and managed 550 third party road corridor access permits and quality audited
- A roundabout was completed on Derwent Street in Ōamaru which reduced the maximum speed travelling through the intersection from 102kmh to 50kmh





# Water services

Three Waters services are fundamental for the health and wellbeing of our community. Council aims to provide these services in a safe and reliable way that is affordable for ratepayers.

## Our specific community outcomes are:

- Provide assurance of a sustainable, efficient and effective water service through long term planning of maintenance, renewals, and provision for growth
- Provide community reticulated systems in agreed areas
- Protect the communities from drinking water related health issues by providing quality potable water to agreed areas
- Measure demand and use to actively manage water through timely response to service requests and failures
- Manage flooding events in urban areas
- Acknowledge and incorporate the natural environment in design, construction, operation and maintenance of infrastructure
- Provide a timely response to service requests and system failures
- Manage the activity efficiently and effectively
- Maintain the quality and continuity of stormwater services, and wastewater services
- Protect the community from wastewater related health issues

## What we've done

### Protected the public health of Waitaki communities by continuing to:

- Source, treat, store and distribute drinking water to more than 20,000 residents across 15 water supplies
- Council continued to collect, treat and dispose of wastewater from over 14,000 residents across eight networks
- Collect and dispose of stormwater across eight community areas


### Water Supply

After an initial delay due to COVID-19, construction of the new Ōamaru Water Reservoir was completed in March. This additional storage will ensure Ōamaru has greater supply resilience, particularly during periods of high demand.

## Performance measures

We have 19 performance measures and of those, 16 were achieved, and three were not. Below are some of the key performance measures:


The total number of complaints received about drinking water was **16** per 1,000 connections to Council's networked reticulation system (*target = less than 25 per 1,000 connections*).

 **achieved**  
[2019/20 = 15 per 1,000 connections]


The average consumption of drinking water per day per resident within Waitaki district was **493 litres** (*target = less than 500 litres per day average consumption of drinking water per resident*).

 **achieved**  
[2019/20 = 466]

There were no flooding events in Council's district (*target = 0*).

 **achieved**  
[2019/20 there were no flooding events]

The total number of complaints received by Council about issues related to sewerage such as odour, system blockages and Council's response to issues was **5.5** per 1,000 connections (*target = less than 12 complaints per 1,000 connections*).

 **achieved**  
[2019/20 = 5.5]

Work on improvements to the Otematata water supply network started in November 2020, using some of the funding from the Government's Tranche One funding package. This included the installation of four new supply storage tanks, pipe renewals in the township, and the relocation of some services from private property to road reserve where they can be readily accessed for maintenance in the future. This work will improve the supply's resilience and capacity and help reduce network maintenance costs.

Work continued renewing numerous water mains in Ōamaru, which will help to improve supply resilience and capacity and reduce operational costs.

Renewal of water mains in Palmerston and other areas commenced using Tranche One funding. The replacement of these pipes will reduce the frequency of breakages and supply interruptions and reduce ongoing maintenance costs.

## **Wastewater**

Desludging of wastewater oxidation ponds at the Ōamaru, Ōmārama, Palmerston and Moeraki wastewater treatment plants was completed. This will allow the ponds to work more efficiently and increase their capacity for the longer term.

Wastewater disposal fields were developed in Moeraki and Ōmārama to ensure compliance with new environmental standards.



# Waste Management and Minimisation

We are focused on promoting and supporting waste minimisation in the district. Through different initiatives we encourage people to recycle and protect the natural beauty of our environment.

## Our specific community outcomes are:

- Provide access to affordable, reliable, accessible and efficient waste disposal systems and facilities
- Manage the activity in accordance with consent conditions and enforcement of the relevant legislation to mitigate adverse environmental effects
- Encourage minimisation, reuse and recycling of waste
- Encourage the provision of different waste disposal options by the private sector

## What we've done

- Improvements were made to the Enfield Transfer station to reduce the amount of contamination occurring. After following up with some offenders, this appears to be working well.
- An assessment of the content and volume of the Beach Road waste sites and Hampden closed landfill was completed with options currently being assessed.
- Options for management of Palmerston landfill to the end of its consent are being investigated to ensure we manage this to the best effect for the Waitaki community.
- We continue to provide financial support to the Waitaki Resource Recovery Trust to ensure their services continue to be available to the community

## Performance measures

We have three performance measures, one was achieved, and two were not. Below are the performance measures:

**97%** of residents live within 25km of a transfer station, landfill or recycling centre (*target = greater than 90% of residents*)



**achieved**

[2019/20 = 97%]

**493kg** of waste was generated per person in Waitaki and received at the Ōamaru Refuse Transfer Station and Palmerston landfill in 2020/21 (*target = a reduction in the volume of waste generated*).



**not achieved**

[2019/20 = 479kg of waste was generated per person in Waitaki]

**24%** of all residual waste generated in the Waitaki District was recycled material. (*target = increase in recycled material*).



**not achieved**

[2019/20 38% of all residual waste generated in the Waitaki District was recycled material]





## Performance measures

We have seven performance measures, six were achieved and one was not:

There was a **27%** increase in visitors to the Waitaki Aquatic Centre (*target = increase*).



**achieved**

[2019/20 = 34% decrease]

*Note the Aquatic centre was shut during lockdown in 2020 which meant visits were down significantly from the previous year. The change between 2020/21 and 2018/19 (our last full year) is 15.7%*

**85%** of customers were satisfied with the Waitaki Aquatic Centre (*target = 80%*).



**achieved**

[2019/20 = 81%]

**85%** of residents are satisfied with Waitaki's parks and reserves (*target = 80%*).



**achieved**

[2019/20 = 87%]

**63%** of residents are satisfied with the district's campgrounds (*target = 70%*).



**not achieved**

[2019/20 = 77%]

**85%** of residents are satisfied with Waitaki's sports fields and facilities (*target = 80%*).



**achieved**

[2019/20 = 82%]

**86%** of residents are satisfied with the cemeteries in Waitaki (*target = 80%*).



**achieved**

[2019/20 = 80%]

**77%** of residents are satisfied with the public toilets in the district (*target = 70%*).



**achieved**

[2019/20 = 77%]

# Parks and recreation

Our green-spaces, sports fields and other recreational facilities provide many opportunities for people to enjoy different activities and events.

What we do leads to a happier, healthier, safer and better connected community. Council provides these facilities because the community desires them as they provide the social benefits outlined above but are not economic for private enterprise to supply.

## Our specific community outcomes are:

- Provide parks, gardens and greenspaces, sports and recreation facilities that contribute to the district's quality of life, which in turn helps make Waitaki attractive to existing and prospective residents and businesses
- Provide activities at low cost or free to users and manage the activity efficiently and effectively
- Acknowledge the needs of the wider community and cultural and recreation/sport groups through the provision of multipurpose spaces
- Meet industry standards and provide opportunities for people to feel safe while being active and to connect the community through sport and recreation
- Comply with resource consents and regulations
- Provide opportunities for people to enjoy the district's distinctive environment
- Provide facilities that contribute to the attractiveness of the district and create opportunities for new businesses, for example, tour operators, sports events, and accommodation.

## What we've done

October 2020 saw a large-scale fire rip through Ōhau Alpine Wilderness, including the Lake Ōhau Village. Many of the reserve's plantings were impacted and the Alps 2 Ocean Cycle Trail was closed temporarily. Officers supported the community through the disaster and are working with them to replant the devastated areas.

An area of focus this year has been improving the Ōamaru walkway network. Walkway maps at Orana Park, Fenwick Park and Cape Wanbrow have been replaced. A revised walkway brochure is at the printers and will be released soon and we have plans to improve the wayfinding markers and provide new Cape Wanbrow information and entrance signs.

Some great work by our contractors and Council officers saw the Ōamaru Public Gardens recognised as a 5 star 'Garden of National significance' by the New Zealand Gardens Trust.





# Arts, culture and community

This activity group covers the Waitaki District Libraries, Forrester Gallery, Waitaki Archive & Museum Te Whare Taoka o Waitaki, and the Ōamaru Opera House.

There are different ways we can celebrate our vibrant culture. Our cultural venues, the artists, events and exhibitions they promote and attract are just some of the ways we can enjoy living in Waitaki.

## Our specific community outcome is:

- Provide facilities and services that contribute to the quality of life of the district and make it attractive for people to live here

## What we've done

### Waitaki District Libraries

Acquiring funding from the New Zealand Libraries Partnership Programme was a significant achievement. Additional secondment and project support has enabled the team to initiate a variety of projects encompassing digital inclusion, community engagement, te reo and mātauranga Māori, reading for pleasure, curation of community archives and supporting information technology services.

The community has been more focused on connection post lockdown, which has resulted in a considerable increase in attendance at events over the last year. Events are informative, educational and entertaining, providing a warm, inviting space for presenters and their audience. They range from musical performances to Geopark presentations, book launches and storytelling. One event highlight was the inaugural community seed swap held in Spring last year.

### Forrester Gallery, Waitaki Museum & Archive Te Whare Taoka o Waitaki

The Forrester Gallery has had its first full year of operation since it closed to the public in December 2018 and has presented a full programme of exhibitions, events and education activities. Work on the stage one upgrade is now complete with new collection storage furniture installed in the gallery, supported by external grants from the JD Stout Trust and Otago Community Trust.

Exhibition highlights included the Post-Moa: An Exhibition of New Works by Burns Pollock; The Burns Memorial Art Exhibition which celebrated 50 Years in 2020; Fired Up, 50 Years of Pottery on Tyne and 12: Portraits from Our Collection. Our exhibiting artists have enjoyed an exceptional year for art sales, perhaps as people have been unable to travel overseas and have instead focused on their homes and travel within New Zealand.


### Ōamaru Opera House

An estimated 28,305 people came through the doors of the Ōamaru Opera House – for shows, meetings, events, tourists, café use and toilet stops. This is a 15% increase from the previous year.


## Performance measures

We have a total of twelve performance measures, ten were achieved and two were not. Below are some of the key performance measures:


**87%** of residents are satisfied with library services (*target = 80%*).

 **achieved**  
[2019/20 = 88%]


**64%** of the population of the Waitaki District are members of the library (*target = 60%*).

 **achieved**  
[2019/20 = 64%]


**89%** of Schools in the Waitaki District are satisfied with the Gallery and Museum's educational activities and/or engagement (*target = 80%*).

 **achieved**  
[2019/20 = 78%]

**94%** of residents are satisfied with the Opera House (*target = 90%*).

 **achieved**  
[2019/20 = 97%]

There was a **47%** decrease in the number of tickets sold for performances at the Opera House (*target = an increase of 5% over the previous two year period*).

 **not achieved**  
[2019/20 = 69% decrease]



## Council Controlled Organisations

Council promotes the wellbeing of the district through economic development, tourism, and healthcare support from Council Controlled Organisations (CCOs).

Council promotes and supports economic development and tourism through Tourism Waitaki Ltd and the Waitaki Whitestone Geopark Trust.

Council provides on-going support for health services and other important social functions for the community through its continued ownership and support of Waitaki District Health Services Ltd. The Observatory Village Charitable Trust Group is developing and operating an extensive retirement village for the long-term benefit of residents in the district.

Whitestone Contracting Ltd provides contracting services to Council and other customers throughout and beyond the Waitaki District, retaining employment, revenue and economic benefits within the district.

### Tourism Waitaki

Council's primary objective for continued ownership and control of the company is to advance and promote tourism within the district.

#### Tourism Waitaki Ltd contributes to the following Council community outcomes:

- Enables opportunities for new and existing business
- Provides and enables services and facilities so people want to visit and reside in the District
- Waitaki's distinctive environment is valued and protected

Performance Measures	Service Target	Achievements
<b>Growth in visitors from core domestic markets.</b>	Achieve annual growth in visitors from core domestic markets	Achieved: visitors to the Penguin Colony rose by 375% (2020: declined by 20%)
<b>Expansion of current trade ready products</b>	Develop new trade ready products	Not achieved due to borders remaining closed and other restrictions
<b>Travel infrastructure network expanded</b>	Expand travel infrastructure network	Worked with neighbouring RTOs and Tourism NZ to achieve a wider regional approach to marketing
<b>International Marketing Alliance (IMA) agreements in place across the South Island</b>	International Marketing Alliance agreements in place	Agreements are in place
<b>Industry affiliations expanded</b>	Expand wider industry affiliations	Raising awareness of local tourism products, developing and fostering existing and new trade contacts
<b>Increased inbound operators (IBO) visitors</b>	Increase number of Inward Bound Organised visitors	Not measured/reported
<b>Growth in TRENZ attendees from the district</b>	Increase number of TRENZ attendees	Not measured/reported

## Waitaki District Health Services

Council's primary objective for continued ownership and control is to ensure the healthcare needs and interests of the district are met through the provision of quality, locally based, healthcare services, principally at Ōamaru Hospital.

### Waitaki District Health Services Ltd contributes to the following Council community outcomes:

- Provide and enable services and facilities so people want to visit and reside in the district
- Maintain a safe and healthy community

Performance Measures	Service Target	Achievements
Fulfilment of all professional and technical standards	Meet all professional and technical standards	Achieved
Forums provided for effective collaboration with stakeholders	Provide adequate forums for effective collaboration with stakeholders	Achieved
Percentage compliance with all performance service targets and service standards required by the Ministry of Health contractual arrangements with the company	100% compliance with performance service targets and service standards required under the Ministry of Health contractual arrangements with the company	Achieved
Percentage of planned services provided within budget	Operate and provide 100% of planned services within budgeted income including services contract with the Southern District Health Board	The group established a break-even budget for the year which was achieved (2020: not achieved)

### Observatory Village Charitable Trust Group:

#### Observatory Village Charitable Trust

Performance Measures	Service Target	Achievements
Use the Trust Fund to further the charitable purposes of providing housing and care services for the aged and infirm	Identify and assist groups providing such services within the Waitaki District	Achieved – the focus of the Trust has been the continuing development and expansion of the Observatory Village facilities
Make grants/gifts towards the advancement of education related to the provision of health and disability services	Identify and work with groups to achieve benefit for those groups and the wider community	Not achieved – no grants were provided during the year

#### Observatory Village Care Ltd

Performance Measures	Service Target	Achievements
Develop, monitor and achieve a suite of KPIs	A range of KPI measures has been developed	All achieved except for the level of operating surplus which was under budget

## Observatory Village Lifecare Ltd

Performance Measures	Service Target	Achievements
Oversee and manage the successful development of the village complex	A range of KPI measures has been developed	All achieved except for the level of operating surplus
Ensure appropriate funding is available to ensure the project is completed within agreed timeframes and budgets	Cashflow and projections are continually monitored	Loan repayments have been made as per loan agreements
Undertake promotional and marketing activities to secure and maintain occupancy levels	Achieve minimal resale periods	Achieved – average resale time 2.3 months (2020 3.6 months)
	Maintain the village interest list	Achieved – 10 new stage 3 apartments sold within 6 months of completion

## Whitestone Contracting

### Council's objectives for continued ownership and control include:

- Stimulating and maintaining a competitive contracting sector in our district
- Supporting local opportunities for a diverse labour market
- Obtaining a good return on investment commensurate with the business risks of Whitestone Contracting Limited and the risk appetite of Council
- Providing emergency services support

### Whitestone Contracting Ltd contributes to the following Council community outcomes:

- We provide and enable services and facilities, so people want to stay and move here
- We enable opportunities for new and existing businesses

Performance Measures	Service Target	Achievements
Before income tax return on opening shareholders' funds	Achieve a before-income tax return (prior to donations, sponsorships and subvention payments) on opening shareholders' funds that exceeds 8% return on investment	Not achieved: Generated a return of 1.27% (2020: 7.51%) due largely to the impact of COVID-19
Maintenance of the relevant quality standards	Maintain ISO 9001 registration and related quality assurance programmes Maintain ISO 14001 standard to ensure we have systems in place to meet environmental legislative and regulatory requirements	Maintained accreditation under both ISO 9001 and ISO 14001
Ratio of shareholder funds to total assets	Maintain the ratio of shareholder funds to total assets greater than 40%	Achieved 69.83% (2019: 72.64%)



## Ōmārama Airfield Limited

The purpose of Ōmārama Airfield Ltd is to provide airfield facilities to support flying and gliding opportunities in the Ōmārama area, including:

- Public access to airfield facilities
- Recreational flying activities
- Commercial operations
- Conducting competitions and sporting events.

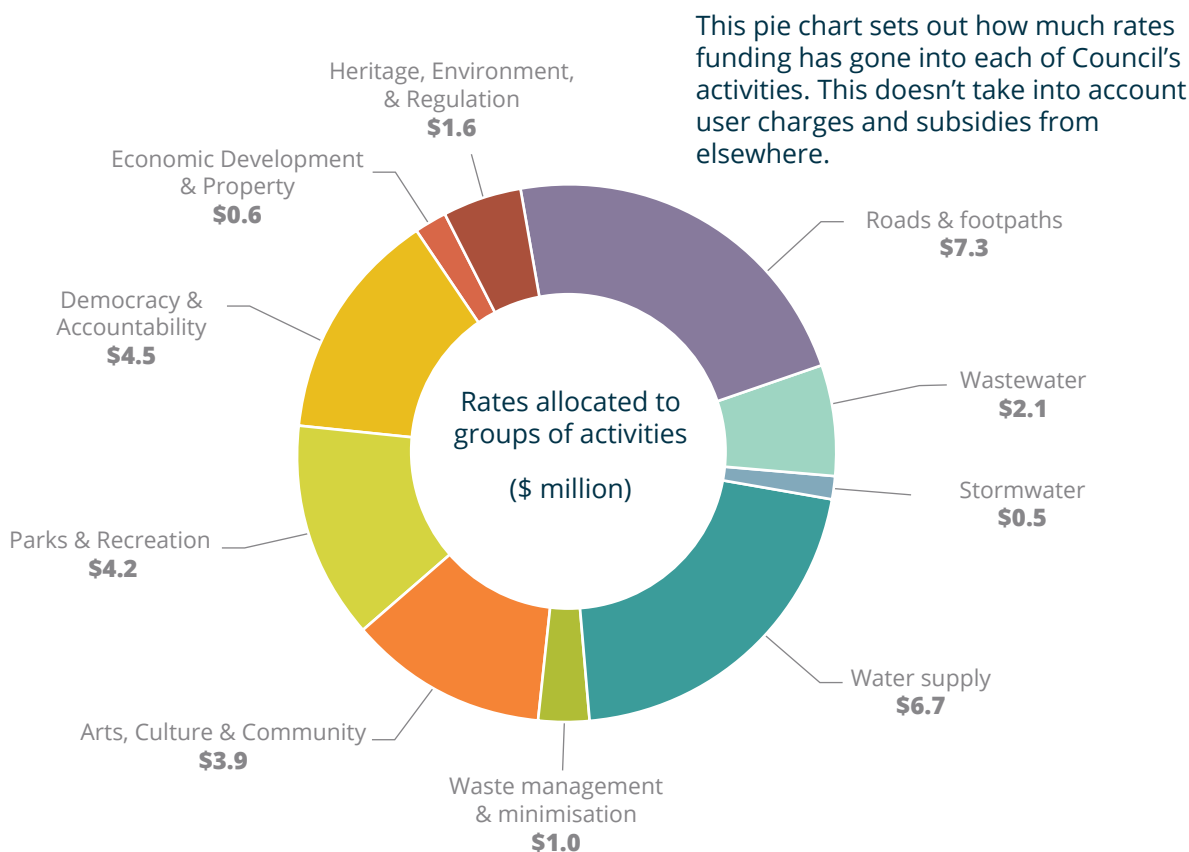
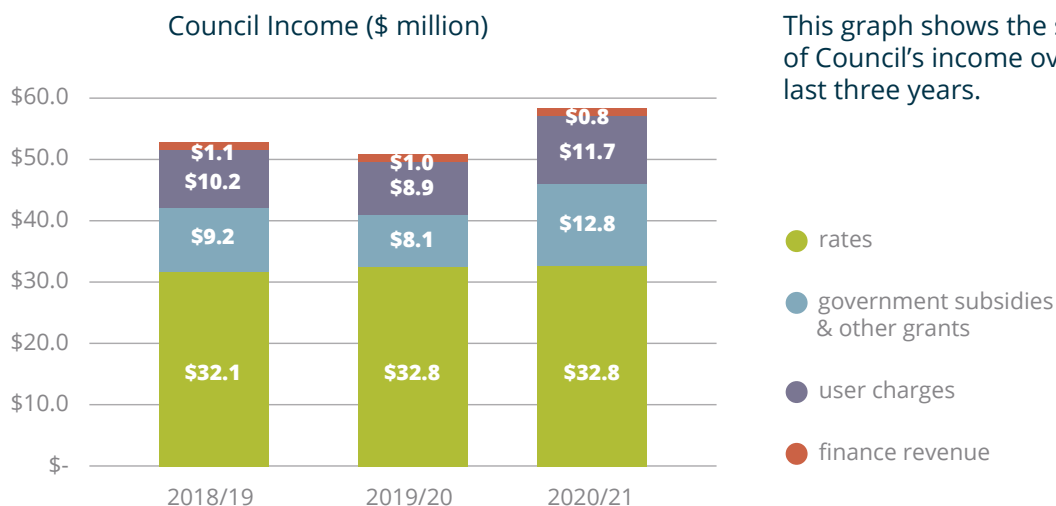
### Ōmārama Airfield Ltd contributes to the following Council community outcomes:

- We provide and enable services and facilities, so people want to stay and move here

Performance Measures	Service Target	Achievements
<b>Maintain, operate and provide planned services within budgeted income</b>	Operate and provide planned services within budgeted income	Not achieved: income was close to budgeted levels but expenses exceeded budget by 7.8% (2020: not achieved due to high levels of depreciation charges)
<b>Maintain, operate and provide planned services within budgeted income</b>	Achieve a break-even or better result after prudent provision for depreciation and asset replacement expenditure, and future trading requirements	Not achieved: Actual loss exceeded budgeted deficit by \$11,000 due to maintenance costs incurred ahead of planned upgrades and the installation of new equipment (2020: not achieved due to high levels of depreciation charges)
<b>Measure the economic benefits to the Ōmārama and Ahuriri communities from the operation and development of the airfield</b>	Maintain or improve economic benefits to the community	Supports tourism by attracting an estimated 1,500 visitors purely to use the airfield facilities and hosting regional and national championship events. Employs local residents in various capacities, particularly during the gliding season

# Financial overview

Council funds services such as roads, libraries, swimming pools, parks, playgrounds and water. While a lot of money for these services is raised through rates we also receive income from user charges, such as swimming pool entry fees, government subsidies and interest from investments.



## Despite recognising the need for increased borrowings during the year, Council's financial position is sound. Asset values have been maintained, and investments in infrastructure and local enterprises have increased.

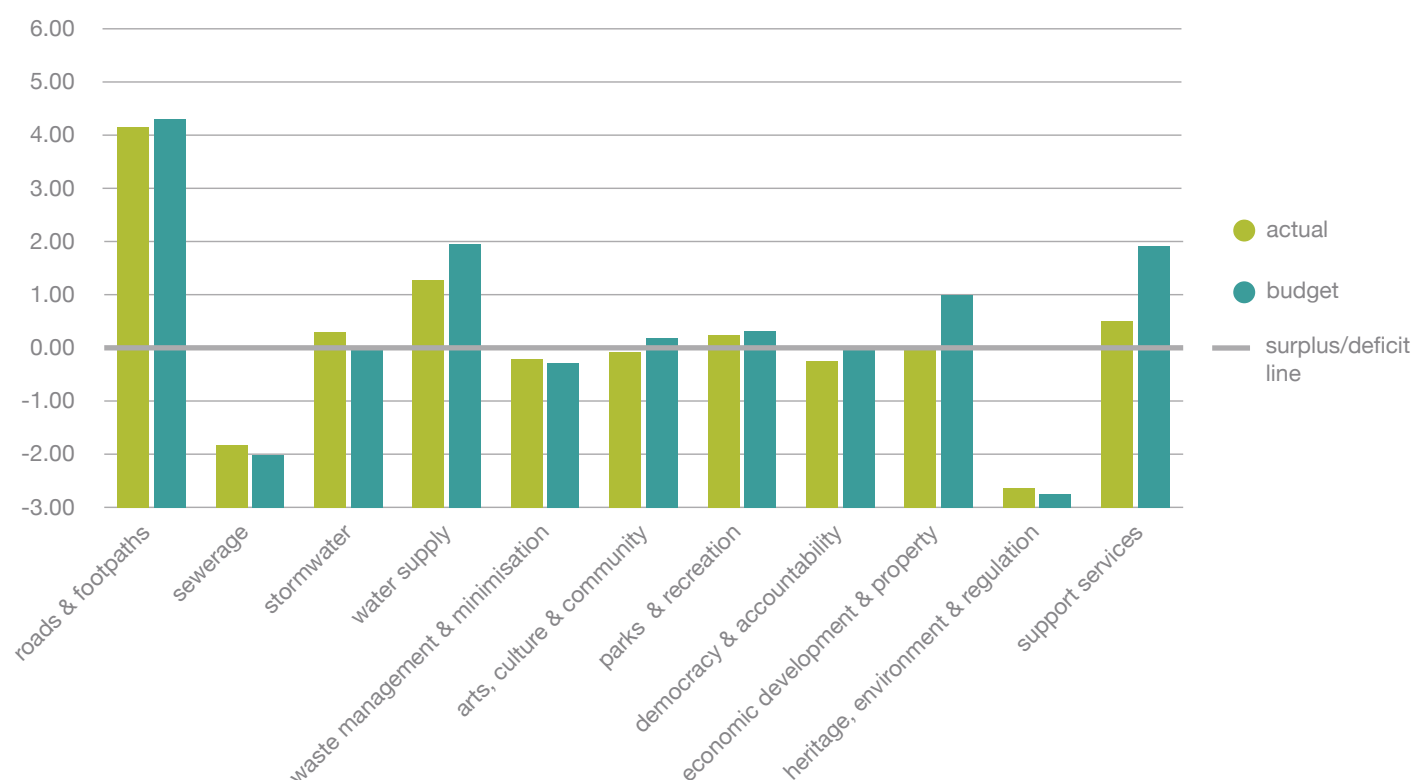
Ignoring assets vested in Council \$1.41 million, the net results from asset disposals -\$1.984 million and the effect of assets revaluations, Council achieved an operating deficit of \$3.549 million. The year was a challenging year for Council and, as demonstrated in the graph below, only four Council activities recorded operating results that met or exceeded budget expectations due largely to on-going cost control and increased revenue, while seven did not, as a result of numerous factors including increased depreciation, urgent, unbudgeted, maintenance requirements and the effects of the COVID-19 pandemic.

In particular:

- The Roothing and footpaths activity was adversely impacted by the cost of rectifying damage resulting from an adverse weather event occurring in January 2021
- The Water Supply activity was affected by continued lower-than-budgeted water-by-meter usage over the first two quarters of the financial year following the COVID-19 lockdown in 2020 and by increased staffing as the department geared up for the 3 Waters Reform projects

- The Economic Development and Property activity was impacted by increased requests for support in the aftermath of the COVID-19 lockdowns, and by rent relief provided to several tenants
- The Democracy and Accountability activity was affected by the requirement for provision of immediate relief for those directly impacted by the Lake Ōhau fire event
- Council's Support Services activities were affected by generally increasing costs, including audit fees, and by recruitment costs arising from difficulties in filling staff vacancies.

Activities - Actual Operating Surplus vs Budget (\$ million)



# Summary of financial statements

	Waitaki District Council Only			Consolidated Group	
	Actual 2021	Budget 2021	Actual 2020	Actual 2021	Actual 2020
All in \$'000					
<b>A Summary of the Statement of Comprehensive Revenue and Expense</b>					
for the year ended 30 June 2021					
<b>Income</b>					
Rates Revenue	32,846	33,106	32,833	32,704	32,719
Other Revenue	24,157	23,414	17,826	66,172	55,131
Assets vested in Council	1,141	-	120	1,141	120
<b>Total Income</b>	<b>\$58,144</b>	<b>\$56,520</b>	<b>\$50,779</b>	<b>\$100,017</b>	<b>\$87,970</b>
- Continuing Operations	58,144	56,520	50,779	99,944	87,521
- Discontinued Operations	-	-	-	73	449
<b>Expenditure</b>					
Activity Expenditure	60,352	57,159	53,392	104,818	92,473
Finance cost	169	245	148	278	258
Other Losses / (Gains)	1,984	-	1,359	(2,320)	(260)
<b>Total Expenditure</b>	<b>\$62,505</b>	<b>\$57,404</b>	<b>\$54,899</b>	<b>\$102,776</b>	<b>\$92,471</b>
- Continuing Operations	62,505	57,404	54,899	102,693	91,663
- Discontinued Operations	-	-	-	83	808
Share of joint venture's surplus / (deficit)	(\$31)	-	\$996	(\$31)	\$996
<b>Surplus / (Deficit) from Operations</b>	<b>(\$4,392)</b>	<b>(\$884)</b>	<b>(\$3,124)</b>	<b>(\$2,790)</b>	<b>(\$3,505)</b>
- Continuing Operations	(4,392)	(884)	(3,124)	(2,780)	(3,146)
- Discontinued Operations	-	-	-	(10)	(359)
Income Tax Expense / (Refund)	-	-	-	(98)	12
<b>Surplus / (Deficit) after tax</b>	<b>(\$4,392)</b>	<b>(\$884)</b>	<b>(\$3,124)</b>	<b>(\$2,692)</b>	<b>(\$3,517)</b>
- Continuing Operations	(4,392)	(884)	(3,124)	(2,685)	(3,263)
- Discontinued Operations	-	-	-	(7)	(254)
Other Comprehensive Revenue and Expense	111,666	56,500	84,496	111,790	85,931
<b>Total Comprehensive Revenue and Expense</b>	<b>\$107,274</b>	<b>\$55,616</b>	<b>\$81,372</b>	<b>\$109,098</b>	<b>\$82,414</b>
<b>Statement of Changes in Equity</b>					
<b>Public Equity at 1 July</b>	912,551	869,750	831,179	941,396	858,982
Total Comprehensive Revenue and Expense	107,274	55,616	81,372	109,098	82,414
<b>Public Equity at 30 June</b>	<b>\$1,019,825</b>	<b>\$925,366</b>	<b>\$912,551</b>	<b>\$1,050,494</b>	<b>\$941,396</b>
<b>Statement of Financial Position</b>					
<b>Public Equity</b>	<b>\$1,019,825</b>	<b>\$925,366</b>	<b>\$912,551</b>	<b>\$1,050,494</b>	<b>\$941,396</b>
Current Assets	12,043	12,786	11,388	20,366	19,127
Non-Current Assets	1,036,131	929,565	918,327	1,089,057	964,888
<b>Total Assets</b>	<b>\$1,048,174</b>	<b>\$942,351</b>	<b>\$929,715</b>	<b>\$1,109,423</b>	<b>\$984,015</b>
Current Liabilities	17,391	11,480	16,751	45,894	40,316
Non-Current Liabilities	10,958	5,505	413	13,035	2,303
<b>Total Liabilities</b>	<b>\$28,349</b>	<b>\$16,985</b>	<b>\$17,164</b>	<b>\$58,929</b>	<b>\$42,619</b>
<b>Net Assets</b>	<b>\$1,019,825</b>	<b>\$925,366</b>	<b>\$912,551</b>	<b>\$1,050,494</b>	<b>\$941,396</b>
<b>Statement of Cash Flows</b>					
Net Cash from Operating Activities	13,809	16,806	14,076	17,921	20,374
Net Cash from Investing Activities	(20,789)	(19,682)	(21,281)	(26,464)	(26,186)
Net Cash from Financing Activities	8,600	3,300	7,400	8,572	7,908
<b>Net Increase / (Decrease) in Cash</b>	<b>\$1,620</b>	<b>\$424</b>	<b>\$195</b>	<b>\$29</b>	<b>\$2,096</b>
Total Cash Resources at 1 July	560	625	365	\$3,553	1,457
<b>Total Cash Resources at 30 June</b>	<b>\$2,180</b>	<b>\$1,049</b>	<b>\$560</b>	<b>\$3,582</b>	<b>\$3,553</b>



# Notes to financial statements

The Waitaki District Council (Council) is a territorial local authority governed by the provisions of the Local Government Act 2002.

Council's financial statements are for the Waitaki District Council as a separate entity. The Waitaki District Council group consists of the Waitaki District Council and its subsidiaries, Whitestone Contracting Limited (100% owned), Waitaki District Health Services Limited (100% owned) (whose group includes the Observatory Village Charitable Trust Group), Tourism Waitaki Ltd (100% owned) and the Waitaki Whitestone Geopark Trust. The investment in Ōmārama Airfield Limited (50% owned) is treated as a joint venture entity. All companies are incorporated in New Zealand. Council was involved in related party transactions with each of its group members, details of which are included in the full Annual Report.

Council's 2020/21 Annual Report, from which this summary has been extracted, was adopted by Council on 21 December 2021. The Annual Report has been audited, and has received an unmodified audit opinion but with one emphasis of matter being a comment on the three waters decision by the Government. The purpose of this is to draw the reader's attention to a significant matter that they should be aware of. The Annual Report may be viewed at [www.waitaki.govt.nz](http://www.waitaki.govt.nz).

This summary complies with PBE FRS-43: Summary Financial Statements, but is a summary only and cannot be expected to provide a full explanation or the level of understanding as the full Annual Report. The financial statements contained in the Annual Report were prepared in accordance with Tier 1 PBE accounting standards, and so comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and with the requirements of the Local Government Act 2002. They are prepared in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000).

As was the case in the previous period, Council has contingent liabilities which are dependent on future events, the actual value of which cannot be quantified.

## Variances between 2021 actual results and the 2021 Annual Plan and 2020 actual results

Actual results for 2021 reported in Council's 2021 Annual Report have varied, both from budget and from results reported for the previous period, for a number of reasons. Significant variances are summarised below, and more information is provided in Note 33 in the full Annual Report:

- Rates revenue, including penalties applied to overdue rates and water charged by meter, was under budget because of a reduction in penalties applied to overdue rates in the first two quarters of the current financial year
- User charges in 2021 were over budget due to the resolution of an outstanding insurance claim, and much better than 2020 because of the impacts of the COVID-19 lockdown on the 2020 results
- Revenue from Government grants was better than budget due to the receipt of funding from the 3 Waters Reform programme to support a number of significant water and sewer projects.
- Revenue from other grants was under budget because of the deferral of the Cultural Facilities redevelopment project which was to be funded from external sources
- Other gains and losses included losses on disposal and write-off of Fixed Assets amounting to \$2,154,000, offset by recoveries on sale and the revaluation of Council's forestry holdings
- Personnel costs increased over both budget and the previous year due to increasing staff numbers, some of which were funded by the funding received from the 3 Waters Reform programme
- Depreciation and amortisation costs increased as a result of the triennial revaluation of Council's 3 Waters infrastructure

# Notes to financial statements (continued)

## Discontinued Operations and Effects of the COVID-19 Pandemic

In March 2020, the World Health Organisation declared the novel coronavirus, COVID-19, to be a pandemic. The COVID-19 pandemic has substantially reduced economic activity on a global scale, and the lockdown imposed by the New Zealand Government at levels 3 and 4 from 25 March through to 15 May 2020 caused significant financial and other issues for Council, its communities and members of its consolidated group, some of which have continued to affect Council and the group during the 2021 financial year.

### Council

Effects on individual activities are generally covered in activity reports. Overall, revenues reduced as an ongoing effect of the pandemic, particularly affecting property rentals, parking revenue and penalties applied to overdue rates.

The greatest impact on Council's finances during the 2020-21 financial year was the decision taken to strike rates at an effective zero increase on those charged for 2019-20. While this was allowed for in the 2020-21 Annual Plan, the fact that rates did not rise as they would have in a normal year meant that Council had to increase borrowings in order to sustain and support the delivery of services expected by the community and to maintain the required level of investment in capital projects.

Council withstood the economic impact with no staff losses and, because of its solid funding base and contracted revenue sources, does not expect long-term or permanent financial damage from the effects of the pandemic, although future Annual and Long-Term Plans will have to allow for replenishment of the Disaster Fund.

## Effects on Group Members:

### Tourism Waitaki Ltd

The company is heavily reliant on tourist traffic, and continued restrictions on overseas visitors have had a significant impact on operations. The Whitestone City attraction was wound up in 2020 and has now been taken over by Council. I-site and visitor centre operations were closed in 2020 and have not yet resumed. The company is no longer involved in promotional activities related to the Alps2Ocean cycletrail.

However, the company has reported a positive operating surplus as a result of government support for the Ōamaru Blue Penguin Colony from the Strategic Tourism Assets Protection Programme, and further funding for other specific tourism-related activities. Tourism Waitaki has re-focused its efforts on promoting the district to local travellers and realigned its structure to better match reduced revenues until the borders reopen fully.

Results of residual trading for the operations discontinued at the end of the 2019-20 financial year:

Discontinued Operations	2021	2020
	\$000	\$000
Revenue	73	499
Operating costs	83	808
<b>Surplus / (Deficit) before tax</b>	<b>(10)</b>	<b>(359)</b>
Income tax	(3)	(105)
<b>Surplus / (Deficit) after tax</b>	<b>(7)</b>	<b>(253)</b>

### Whitestone Contracting Ltd

The company operated as normal following the level 4 lockdown restrictions imposed in March 2020 and has reported a positive operating surplus for the 2021 financial year, as well as providing Council a dividend that was better than expected. The Directors anticipate no lasting long-term financial repercussions as the company has maintenance and civil engineering contracts which are either on-going or about to commence and can draw on banking facilities as needed to meet short term funding shortfall.

## Effects on Group Members (continued):

### Waitaki District Health Services Ltd Group

The hospital continued to provide a full range of health services ever since the COVID-19 pandemic began, but some non-core services, particularly allied and community outreach services, have been paused whenever lockdown levels greater than level 1 are implemented. As a result, there has been no change to core health funding. In the 2020 financial year, revenue from the company's contract with ACC reduced as fewer patients required medical attention during higher levels of lockdown. During higher levels of lockdown, there was a reduction in non-core radiology services. The hospital did not develop or deliver any new or enhanced services as a result of the pandemic.

The Observatory Village Charitable Trust Group experienced no adverse effects on its operations arising from the COVID-19 pandemic and has continued to provide aged-care services for its residents at all levels of care and during all levels of COVID-19 lockdown.

### Waitaki Whitestone Geopark Trust

The Trust was set up to facilitate the development of a UNESCO Global Geopark. The company reported an operating surplus for the current financial year, and Council is committed to supporting the Trust because the concept of a Geopark, even one that may not carry UNESCO branding, is still regarded as being of long-term benefit for the district as a whole. As part of the ongoing development of the Geopark concept, the company is working closely with both Tourism Waitaki Ltd and the Vanished World Trust to bring its vision to fruition.

## Effects on Joint Venture

### Ōmārama Airfield Ltd

Usage of the company's facilities has returned to about 60% of pre-COVID levels. The joint venture reported an operating deficit for the current financial year, but this was due to increased costs related to a future infrastructure upgrade.

## Events subsequent to Balance Date

### Key Management Personnel

- Council's newly appointed Chief Executive, Alex Parmley, joined Council on 19 July 2021

### Three Waters Reform

- In July 2020, the Government launched the Three Waters Reform Programme, a three-year programme to reform the three waters service delivery arrangements maintained by local government. Currently 67 different councils own and operate the majority of the drinking water, wastewater and stormwater services across New Zealand.
- The proposed reform programme is being progressed through a partnership-based approach with the local government sector alongside iwi/Māori as the Crown's treaty partner.
- If the reform programme proceeds, it proposes transferring delivery of three-waters services from councils' control to four Water Service Entities (WSE). In June 2021, the Government announced the proposed regional boundaries for each of the new entities which it is envisaged will manage water assets for the country.
- Council will belong to WSE D, along with all other councils south of Marlborough. The WSE will be independent with a separate Board of Directors and participating councils will have no shareholding and no financial interest.
- Central Government has now confirmed, on 18 October 2021, its intention to proceed with legislation which will compel all Councils to surrender their water, sewer and stormwater infrastructure and other related assets to one of the four publicly-owned WSEs which will assume responsibility for provision of services from the period commencing 1 July 2024. This removes any ability for councils to choose to opt in or out of the new arrangements.
- Considerable uncertainty remains about the level of financial compensation, if any, that will be provided in relation to the transfer of these assets. Council officers will review the remaining services that Council will continue to provide its community to ensure that any structural changes required can be made efficiently, and any potential disruption to services are minimised.

## **COVID-19 lockdown**

- In August 2021, the government ordered a further national level 4 lockdown in response to community transmission of the Delta variant of COVID-19 primarily in the Auckland region. While the lockdown was reduced to level 2 for regions outside Auckland within a month, all of Council's public-facing activities were forced to close at level 4, which resulted in lost revenue for the Aquatic Centre, Gallery and Museum and the Ōamaru Opera House, and caused delays affecting capital projects. It is also likely to have caused issues in the wider commercial community in the Waitaki District which may lead to further requests for assistance and financial support, the quantum of which is not known at this time.

## **Reviews and other matters**

- Central Government has announced its intention to review the role and functions of local government entities. No further detail is available at the time of adopting this annual report and Council is not able to say precisely if or how it might be affected.



# Independent auditor's report

## **To the readers of Waitaki District Council and Group's summary of the annual report for the year ended 30 June 2021**

The summary of the annual report was derived from the annual report of the Waitaki District Council and Group (the District Council) for the year ended 30 June 2021.

The summary of the annual report comprises the following summary statements on pages 9 to 21 and 28 to 32:

- The summary statement of financial position as at 30 June 2021.
- The summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2021.
- The notes to the summary financial statements that include accounting policies and other explanatory information.
- The summary statement of groups of activities.

### **Opinion**

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

### **Summary of the annual report**

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

### **The full annual report and our audit report thereon**

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2021 in our auditor's report dated 21 December 2021. Our auditor's report on

the full annual report also includes an emphasis of matter paragraph drawing attention to the disclosures about the Government's three waters reform programme announcement as set out in the full annual report in note 35 to the financial statements. The Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the District Council will no longer deliver three waters services. These matters are addressed on page 31 of the summary financial statements.

### **Council's responsibility for the summary of the annual report**

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

### **Auditor's responsibility**

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have audited the District Council's 2021 – 2031 long-term plan and performed a limited assurance engagement related to the District Council's debenture trust deed which are compatible with those independence requirements.

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



Rudie Tomlinson  
Audit New Zealand  
On behalf of the Auditor-General  
Dunedin, New Zealand  
21 December 2021

The background of the page is a photograph of a coastal town. In the foreground, there is a wooden pier with several birds perched on it. Behind the pier, there is a rocky shoreline with a few boats. In the background, there are houses on a hill, some with solar panels. The sky is blue with some clouds.

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**[www.waitaki.govt.nz](http://www.waitaki.govt.nz)**

t. 03 433 0300 e. [service@waitaki.govt.nz](mailto:service@waitaki.govt.nz)

20 Thames Street, Private Bag 50058, Ōamaru 9444



**Waitaki**

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI