



**KAIPARA
DISTRICT**

Kaipara te Oranganui • Two Oceans Two Harbours

ANNUAL REPORT 2023/2024



Mangawhai

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PART ONE

Introduction



Ripiro Beach

Kaipara District Council Elected Members



Mayor
Craig Jepson



Deputy Mayor
Kaiwaka-Mangawhai Ward
Jonathan Larsen



Kaiwaka-Mangawhai Ward
Rachael Williams



Kaiwaka-Mangawhai Ward
Mike Howard



Otamatea Ward
Ron Manderson



Otamatea Ward
Mark Vincent



Te Moananui o Kaipara Māori Ward
Pera Paniora



Wairoa Ward
Gordon Lambeth



Wairoa Ward
Eryn Wilson-Collins



Wairoa Ward
Ash Nayyar

A word from the Mayor and Chief Executive



Craig Jepson
Kaipara Mayor



Jason Marris
Chief Executive

Greetings to you all,

Welcome to this Annual Report for 2023/2024. It has been a year of change and transformation for Kaipara District Council.

Through early engagement and consultation as part of the Long Term Plan process, we heard that the key priority for Kaipara ratepayers and residents is dependable roading. In this period Council took a forward-thinking approach to identify better ways of doing things and made three major moves to improve roading in Kaipara.

Council commissioned an independent report to consider options around the way roading and transport services are provided in our district. We took a long hard look at our roading maintenance delivery, and after a formal review decided to go out to market and seek a new lead roading contractor. Secondly, the new contract has a focus on using local contractors. Thirdly, Council agreed to dissolve Northland Transportation Alliance (NTA) and bring roading staff in-house.

During this time, the council's organisational structure was also reviewed and updated to make sure we are on the right track and to give us the best opportunity to succeed for the future.

It's clear that the weather events of 2023 have had a long tail and continue to impact our work programmes and budgets. We achieved a significant amount of recovery repair in this period and will complete the remainder across the next two years. With State Highway 1 through the Brynderwyns closed for some time, we also dedicated resources and time to upgrading and maintaining the detour routes to ensure Northland remained accessible and open to the rest of the country.

We have delivered around \$32 million of capital works, with the major spend of \$20.3 million invested in our roading. In the past year, with external funding support, we have continued to build the shared path network in Mangawhai, completing the second phase and making great progress on the third. On a stunning June day, we opened the new Pouto wharf to the public, the third and final wharf project, activating a water transport network in Kaipara harbour. We have progressed a significant number of flood resilience and recovery projects, and successfully tapped the Tourism Infrastructure Fund for much needed upgrades and improvements for Pouto Point carpark, Rangiora Road reserve development, and the Baylys Beach boardwalk.

We also completed the groundwork for building our next Long Term Plan for 2024–2027, progressed the District Plan Review, distributed funding back to our communities through the community grants, processed multiple private plan changes, and continued to deliver core services for our communities.

We are proud of all that we have achieved in this period and will continue to build on in the coming year. Read on and find out more.



Mangawhai Heads

Statement of Compliance

The Kaipara District Council hereby confirms that all statutory requirements in relation to the preparation and publication of information required to be included in this Report, as outlined in the Local Government Act 2002, have been complied with, except for breaching the statutory adoption deadline as disclosed in Note 20.

Craig Jepson
Kaipara Mayor
27 November 2024

Jason Marris
Chief Executive
27 November 2024



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KAIPARA DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Kaipara District Council (the District Council). The Auditor-General has appointed me, Bryce Henderson, using the staff and resources of Deloitte Limited, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 27 November 2024. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 23 to 27 and pages 33 to 78:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2024;
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on pages 79 - 81, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;
- the groups of activity statements on pages 83 to 137:
 - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2024, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;



- the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 83 to 137, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's annual plan; and
- the funding impact statement for each group of activities on pages 83 to 137, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 28 to 32, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information and, where applicable, the District Council's long-term plan and annual plans.

The basis for our opinion is explained below and we draw attention to other matters. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "*Responsibilities of the auditor for the audited information*" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

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

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

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable,



matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

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

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

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

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

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

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the performance measures, as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District Council to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.



We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 7 and 13 to 21, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

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

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

Independence

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

Other than the audit and our report on the disclosure requirements, we have no relationship with, or interests in, the District Council.

A handwritten signature in black ink, appearing to read "B Henderson".

Bryce Henderson
for Deloitte Limited
On behalf of the Auditor-General
Auckland, New Zealand

A year in review – highlights



**JULY
2023**

- Completed 780m Maungatūroto watermain replacement
- Kaipara Libraries go fees free
- Council out and about in community for the pre-engagement of the Long Term Plan (LTP)



**AUGUST
2023**

- Te Ara o Te Whai - Mangawhai boardwalk opens to public (Phase Two shared path)
- New footpaths for Gordon, Onslow and Logan Streets, Dargaville

**OCTOBER
2023**



- New educational signs at Ripiro Beach entrances
- Ripiro Beach management project Labour weekend education event
- Council agrees new homes for Fagan Place pensioner housing
- Check, Clean, Dry campaign rolls out for Taharoa Domain
- Council out and about at market events (pre-engagement for LTP)
- Annual Report adopted for 2022/2023
- Expressions of interest sought for Glinks Gully and Kellys Bay campground operations

**SEPTEMBER
2023**



- Collaborative \$6.5 million project Ngā Manga Atawhai starts
- Kaipara communities celebrate Te Wa Tuku Reo Māori (Māori language week)
- Twenty one Kaipara residents welcomed as new citizens
- Government announces \$2.6 million of funding for Kaipara District Council for recovery and resilience works
- Consultation opens on the draft Waste Minimisation and Management Plan



**NOVEMBER
2023**

- Objective Build, a new building consent management system introduced



**DECEMBER
2023**

- Free summer bus service starts in Mangawhai
- Glinks Gully and Kellys Bay recreation reserves opens to freedom campers
- Council approves funding for staff members for Mangawhai Library

**FEBRUARY
2024**



- Citizens Awards recognises four Kaipara citizens
- Council hosts major community event, Waitangi ki Kaipara
- State Highway 1 through the Brynderwyns closes for repairs
- It's Northland Time marketing campaign kicks off

**JANUARY
2024**



- New rating valuations for Kaipara District
- Kaipara detour routes prepared in advance of State Highway 1 Brynderwyns closure
- Government announces \$1.03 million of funding for Kaipara District Council for flood resilience works



**MARCH
2024**

- Council reviews road maintenance delivery
- Council seeks expressions of interest for roading maintenance contract
- Council staff complete annual Emergency Operations Centre (EOC) exercise
- Omana Road bridge repairs start
- Consultation opens on draft Mangawhai Community Park Master Plan



**APRIL
2024**

- Level 3 water restrictions lifted for Dargaville and Baylys Beach
- Consultation opens on Long Term Plan
- Mountain Road repairs completed
- Pukehuia Road (Maungatūroto) bridge repairs start,
- Devich Road bridge repairs completed
- New roof for Dargaville Library

**JUNE
2024**



- Council Emergency Operations Centre activated (Glorit power failure)
- LTP Deliberations
- New Pouto wharf opens to public
- State Highway 1 through the Brynderwyns reopens
- Council agrees a new delivery model for transportation services and roading construction

**MAY
2024**



- Te Kōpuru – Dargaville stopbank section upgrade completed
- Council approves PPC 82 (Moonlight Heights), Dargaville
- Consultation closes on LTP, 742 submissions received
- LTP Hearings
- Stage one to increase Mangawhai Wastewater Plant capacity completed
- Expressions of interest sought for Taharoa Domain campground operations

CUSTOMER SERVICE



INTERACTIONS WITH CUSTOMERS,
PHONE CALLS AND EMAILS **52,597**



VIA PHONE
24,098



DIGITAL
19,448



IN PERSON
9,051



89% CALLS ANSWERED WITHIN 12 SECONDS

TRANSPORTATION



1,579km OF LOCAL NETWORK ROADS
IN KAIPARA DISTRICT



RESURFACED
28.32km
OF THE SEALED
ROAD NETWORK
(from a total sealed
network length of 472km)



REHABILITATED
1.96km
OF SEALED
ROAD NETWORK



1,215.79km
OF THE UNSEALED
NETWORK GRADED
(not including emergency
grading works)

REGULATORY



308
NON-NOTIFIED RESOURCE
CONSENTS PROCESSED



539
BUILDING CONSENTS
PROCESSED



704
LIM PROCESSED
(Average of five
processing days)

RESIDENT SATISFACTION



OVERALL SATISFACTION
56% ↑ **6%**



SATISFACTION WITH
CORE SERVICES
62% ↑ **2%**



SATISFACTION WITH
THE DISTRICT LIBRARIES
80% ↑ **4%**



SATISFACTION OF
LOCAL PARKS, RESERVES
OR SPORTS FIELDS
82% = **0%**

All figures are from 1 July 2023 to 30 June 2024



FUNDING FOR KAIPARA COMMUNITIES THIS YEAR



\$100,000 COMMUNITY GRANTS



\$147,157 RESERVE CONTRIBUTIONS FUND



\$5,735 COMMUNITY GRANTS BUILDING AND RESOURCE CONSENT FUND

RURAL TRAVEL FUND
\$9,036 and \$11,359
TWO ROUNDS



CREATIVE COMMUNITIES NZ SCHEME GRANTS
\$16,483 and \$9,693
TWO ROUNDS

All figures are from 1 July 2023 to 30 June 2024

A year in review

This Annual Report by Kaipara District Council (KDC) is a look back over the past financial year, 1 July 2023 to 30 June 2024.

It outlines everything we have achieved against what we said we would do in the third and final year of our Long Term Plan 2021–2031, and how well we achieved against our performance measures.



What's a Long Term Plan?

The Long Term Plan (LTP) is our key planning tool. Long term plans outline everything Council does and how it fits together. Every three years we develop a long term plan in consultation with the community, setting our vision, direction, budgets, and our work plans for the next 10 years.

Find out more on our website www.kaipara.govt.nz/ltp

Planning for the future

Our district suffered major, long-lasting damage to its critical infrastructure during the extreme weather events of February 2023. Normally in this period we would have been preparing a long term plan that looks 10 years ahead, but because of the significant impact to our district, central government offered us a breather in the form of the Severe Weather Emergency Recovery acts. We were one of eight councils around Aotearoa New Zealand able to adopt a three-year, unaudited long term plan with a focus on recovery.

While this Annual Report looks back on the third and final year of the Long Term Plan 2021–2031, a significant part of this 2023/2024 year was developing the new LTP for 2024–2027.

Kaipara – the place to be!

With a vision and community outcomes adopted we developed a programme of work to meet the needs of our communities. Elected members worked with our teams to determine what work was financially viable, what work needed to be prioritised and was able to be resourced effectively, while balancing the overall financial impact on rates and debt.

In June, July and again in November 2023 elected members and council staff were out and about in the district, building a picture of high level community aspirations and priorities for this LTP.



Paparoa markets LTP engagement

Between 4 April and 4 May 2024, we formally consulted with the community. During the consultation period elected members and staff held 13 face to face, online and drop-in events across Kaipara, so that people could ask questions and speak to council before they submitted their thoughts and feedback. The final count for submissions came to 742, from individuals, community groups, iwi, businesses and organisations, almost triple the 246 formal submissions received during the 2021–2031 Long Term Plan process.

Overall the new LTP shows how we will deliver on our vision of Kaipara – the place to be!, through ensuring our social, economic, cultural, and environmental wellbeing enable our district and our communities to thrive.

Note that the formal adoption of the Long Term Plan 2024–2027 occurred on 31 July 2024, outside of the time period this Annual Report covers. However, it is the culmination of over 18 months of work from community, staff, and elected members, the bulk of which was completed in this reporting period.

Council's new vision places particular emphasis on economic development and supporting managed growth. Four Private Plan Changes (to the Operative District Plan) were processed in line with their statutory requirements during the year. Council publicly notified decisions on submissions for Private Plan Change 81 (Dargaville Racecourse) in September

2023. Public notification of Council's decisions on submissions for Private Plan Change 82 (Moonlight Heights, Dargaville) occurred in March 2024 and this plan change became operative on 25 June 2024. A hearing was held for Private Plan Change 83 (The Rise, Mangawhai) in March 2024, and Private Plan Change 84 (Mangawhai Hills) was accepted to be processed in August 2023 with a hearing held in May 2024.

Council's District Plan Working Party (established in June 2023) has met monthly to progress the review of the new District Plan. Elected members have expressed a desire for the new District Plan to be a mechanism to unlock further economic growth and development within the district and have emphasised the need for the new plan to be simple and enabling.

In October 2023, elected members agreed to commence the first two stages of a multi-year project to increase the capacity of the Mangawhai Wastewater Scheme. Stage One includes design, commission and implementation of an inDENSE system to increase the Mangawhai Wastewater Plant capacity by 550 to 3,550 connections. Stage One was completed in May 2024. The new system, combined with the new balance tank completed last year, also improves the system's resilience during peak flows.

Extreme weather events – roading recovery

While we have already completed many of the recovery repairs, our infrastructure team and contractors are still working on a number of sites. The repairs needed for these sites are significant and complex and will take some time to work through.

In November 2023, we were pleased to report that our teams and contractors had already repaired 245 of the 330 slips caused by back-to-back storms and cyclones since February 2023.

Of the 330 slips on the Kaipara roading network, 71 of the most serious and complex required detailed inspections by engineers to confirm repair options.

By the end of June 2024, we still have approximately 32 slip repairs remaining. We have planned this work across the next LTP. The works remaining are estimated to be between \$11–\$20 million and will be eligible for subsidy from NZ Transport Agency Waka Kotahi (NZTA). You can keep track of the slip repairs that are still to be completed on our website at kaipara.govt.nz/northland-slip-repair-map.

During the 2023/2024 year our staff and contractors were not only focused on our local roading network. With State Highway 1 through the Brynderwyns closed for a number of months, we dedicated a substantial amount of time improving the detour routes to ensure they would withstand all traffic heading to Northland. This additional work had a major impact on our work programme and resources, as we reprioritised our schedules to accommodate this work.

Delivering our externally funded projects

A number of our capital projects are supported by central government funding. Without this funding many of our major infrastructure projects including recovery repair works, would not be possible. These projects often go across multiple financial years from conception to completion – on the next pages you will find an update on some of the ones we have been working on in this financial year.

Towards recovery and resilience

In September 2023 \$2.6 million was announced by the Government for Kaipara to boost resilience and reduce the risk of major flood damage. The funding was included in a package for Northland to address part of the damage caused by weather events in 2022/2023 and protect areas from future events. The projects set to benefit from the funding included Dargaville wastewater treatment plant bund heightening, repairs of Dargaville's floodwall/stopbank, stabilising the Awakino railway embankment, and stormwater upgrades in Robert Street, Mangawhai.

Regional projects included flood intelligence and early warning systems for all three Northland district councils and additional funding for Ngā Manga Atawhai, a cross-agency regional project that removes dangerous trees, processing and providing the bulk of it to low-income whānau as firewood to warm their homes.

In January 2024 the Government announced Kaipara would benefit from further funding towards three flood resilience projects. The projects were: Awakino River mouth cleaning – clearing the Awakino River mouth in collaboration with Northland Regional Council; increasing the size of the Beach Road culvert – a critical piece of infrastructure in the Dargaville township flood defence network – so that it can release more flood water on a low tide and be more resilient to future flood events; and Ruawai stopbank upgrade to help protect the Ruawai community from future flood inundation.

The Ministry of Business, Innovation and Employment (MBIE) allocated \$6 million through their Climate Resilience programme towards stopbank improvements in Kaipara. Work has continued through this financial year on the two projects announced by the Minister in October 2020, which are critical to sustain the North Kaipara Agricultural Delta. Upgrading a section of the Te Kōpuru to Dargaville stopbanks to a specified level allows for future increases in protection heights and was completed in May 2024. In Raupō a dual sluice gate coupled with a single floodgate was installed.



Pouto wharf

Kaipara Wharves

In 2019 MBIE allocated \$4.95 million of funding to support a water transport network in Kaipara Harbour, to connect our communities, support and attract residents, businesses and tourists to our district. In June 2024, close to 100 people came together at the southern tip of the Pouto Peninsula to celebrate the opening of Pouto wharf, the third and final project in Kaipara Wharves.

Guests were welcomed on to Waikaretu marae before everyone made their way down to Pouto Point where the new 60-metre-long wharf stretches out into the harbour.

Kaipara Wharves supports the strategic direction for Northland provided by the Tai Tokerau Economic Development Action Plan, Kaipara District's Long Term Plan and numerous regional transport planning initiatives.

Mangawhai Shared Path

We are building a shared path network to improve safety and connectivity between the two Mangawhai centres.

Phase One of the shared path included the section from the ITM down to about 80m past Estuary Drive, as well as the two roundabouts and adjacent path upgrades at both the Insley Street/Moir Street and Molesworth Drive/Moir Street intersections.

Phase Two included the boardwalk, and the sections of shared path on either side.

Phase Three of the shared path started in February 2024 and includes a 1.5km section between the village and Mangawhai Central, and a 900m section between ITM and Wood Street. Phase Three is planned to be complete by November 2024.

The shared path project is supported by NZTA and the COVID-19 Response and Recovery Fund – Infrastructure Reference Group (IRG) administered by Kānoa – Regional Development & Investment Unit. In this 2023/2024 year, we spent \$5.7 million on the shared path project. This was made up of \$3.6 million from NZTA, and \$1.3 million in financial contributions \$0.8 million in development contributions (collected from the Mangawhai area).



Mangawhai Shared Path

Tourism Infrastructure Fund

Upgrading the Taharoa Domain day visitor toilet facilities, improving drainage in Mangawhai Community Park, and extending the award-winning Baylys Beach boardwalk are all full steam ahead thanks to a cash injection from the Tourism Infrastructure Fund (TIF) in September 2023.

A total of \$1,123,500 was awarded from the central government fund, which supports communities and local councils to improve the visitor experience in their area.

In this year we're also continuing with projects that received TIF funding in previous years. Design and community engagement have been completed for Pouto Point carpark improvements and Rangiora Road reserve development (both being constructed in the 2024/2025 year).



Local Water Done Well

Drinking water, wastewater and stormwater management and delivery is evolving, with central government changing the way water services are to be delivered.

Future growth and the pressure this creates on our infrastructure, along with managing standard 'wear and tear' continues to drive significant financial challenges for our district.

A new coalition government was sworn in following the October 2023 general election, and stated that it would repeal all Three Waters legislation, disbanding the Affordable Waters legislation and effectively reverting back to the previous state for water supply, stormwater and wastewater. This change in direction

in December 2023 required a complete reset of LTP work completed up to this point, and means we continue to directly manage these assets and associated costs.

We're looking forward to potential structures under the current Government's Local Water Done Well approach. The Water Services Acts Repeal Act 2024, the latest Local Water Done Well legislative step is the Local Government (Water Services Preliminary Arrangements) Bill (the Bill) which establishes the Local Water Done Well framework, and the preliminary arrangements for the new water services system.

These structures could present opportunities for joint regional entities that have the ability to borrow and invest at a far greater scale than we can do alone.

In addition, the Government has tabled an amendment paper to the Bill which provides for interim changes to the Water Services Act. This amendment means the Te Mana o te Wai hierarchy of obligations in the National Policy Statement for Freshwater Management (NPSFM) will not apply when Taumata Arowai sets wastewater standards. To note, the Water Services Preliminary Arrangement Bill is the second of three Bills that implement Local Water Done Well. A third Local Water Done Well Bill will outline the enduring settings for the new water services system, including a comprehensive economic regulation regime.

Cabinet decisions on this third Bill are expected to be announced this year, with legislation introduced in December 2024.

Financial position

Our reported debt level as at 30 June 2024 is \$54 million, up \$10 million on the previous year. Council had prefunded this debt to refinance existing debt onto longer terms with our external lenders, the Local Government Funding Agency (LGFA). Prefunding means we raised new debt and put these funds received aside into a term investment, which you will see reported in our short term investments. These set aside funds will be used to repay debt in October 2024 where reported debt will return to \$44 million.

This temporary six month fluctuation in debt transaction was undertaken so that Kaipara District Council would regain compliance with its treasury

policy ratios which stipulate, among other things, an appropriate mix of short and long term debt periods for council based on risk and liquidity.

Kaipara District Council had previously been operating outside of its Treasury Policy, with lender endorsement, because of the previous legislative direction that a new 'Entity A' would be set up under Three Waters legislation, and thus water related assets and debts would transfer from Kaipara District Council on 1 July 2024. Loans that had become 'current' leading up to the expected transition were therefore not re-fixed with lenders for lengthy loan terms because of the expectation that the loans would be taken over.

As the Three Waters legislation was repealed before the transition to the new entity took place, and thus water related assets and debt remained with Kaipara District Council, Council undertook prefunding activities to refinance existing debt on to the appropriate mix of short and long term debt periods to regain compliance with Treasury Policy.

Excluding the set aside prefunded loan short term investment, cash balances remain healthy and comparable with the previous year.

Council remains within its debt limit ratios required by the Local Government Funding Agency and its own Treasury Policy ratios and remains conservative compared to other councils experiencing similar growth.

Improving asset information helps us to guide planning and decision-making. Asset management has been a focus for Council and was part of our Long Term Plan 2021–2031. It has been a challenging year for the new asset management team, with the incredible amount of storm recovery works undertaken in addition to reprioritising existing non-recovery work programmes. Significant work has also been undertaken to improve the asset data, especially around our stopbanks as part of our flood resilience work.

What's next in this Annual Report?

Part Two offers a detailed breakdown of our finances.

The third part of this document – **Activity Statements** – outlines the different groups of activities that Council undertakes, their performance measures and results, plus their capital programmes and budgets.





PART TWO

Financials



Whakapirau and Pahi from above

Statement of Comprehensive Revenue and Expense

The Statement of Comprehensive Revenue and Expense details income and expenditure relating to all activities of Council. The supporting Funding Impact Statements for each activity provide further details as to the costs and revenues of each activity.

Statement of Comprehensive Revenue and Expense	Note	Annual Report	Annual Plan	Annual Report
For the year ended: 30 June		2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Revenue				
Rates	2a	45,682	46,882	44,277
Subsidies and grants	2c	34,917	34,073	26,852
Activity income	2a	8,336	7,714	7,489
Contributions	2a	3,599	4,616	4,414
Investments and other income	2c	2,869	939	2,788
Total revenue	2a	95,402	94,224	85,820
Expenses				
Activity costs	3	43,132	28,571	33,820
Employee benefits	3	15,980	17,455	15,680
Finance costs	3	3,099	2,379	2,239
Impairment	10a,11	324	-	-
Depreciation	10a,11	16,235	13,068	14,069
Total expenses	3	78,769	61,473	65,808
Surplus/(Deficit) for the period		16,633	32,751	20,012
Share of Associates Income	5a	66	-	-
Other comprehensive revenue and expense (Items that will not be reclassified subsequently to surplus)				
Gain/(loss) on revaluation	4a	52,684	50,000	19,371
Total comprehensive revenue and expense for the period		69,383	82,751	39,383

The accompanying notes form part of these financial statements. (p.33-38)

Explanation of major revenue and expenditure variances against Annual Plan 2023/2024

Revenue

Rates: The \$1.2 million behind budget variance in rates income is largely due to a \$928,000 penalty income shortfall. This shortfall is due to changes and improvements made to collection efforts and management of historical debtors. Council elected to no longer budget for penalty income from 1 July 2024.

Subsidies and grants: These are largely made up of New Zealand Transport Agency (NZTA) subsidies towards roading maintenance and new works \$30.1 million (2023: \$20.1 million). \$11.1 million of this related to ongoing emergency and preventative maintenance works following Cyclone Gabrielle in 2023, including the State Highway 1 detour routes through Kaipara District following slips on the Brynderwyn Hills. Subsidy contribution from NZTA is usually 62%. The extreme weather events significantly affecting our region resulted in increased support from central government with an increased subsidy contribution of 82% - 100%. Other subsidies and grants revenue in the year was \$4.8 million (2023: \$6.7 million). Funding here related to the Mangawhai Shared Path, Flood Resilience co-funding, Tourism Infrastructure Fund allocations, the Kaihu Valley Trail, a Climate Resilience Programme, the Creative Community Scheme, a Freedom Camping initiative, a local Waitangi Day event and the Pūtoi Rito Community of Readers library project.

Activity income: These are largely made up of consent fees, campground revenue, licenses and registrations, lease income, and external recoveries (bulk water supply and waste minimisation levies). Activity income is higher than budgeted largely due to Kai Iwi Lakes Campground performing well with good weather experienced in the district during the peak season, whereas previous years saw weather events affecting the peak camping season. Consent activity income of \$3.9 million remained on trend with the prior year (2023: \$3.9 million).

Contributions: These are made up of development contributions totalling \$0.9 million (2023: \$1.5 million) and financial contributions \$2.7 million (2023: \$2.9 million).

The largest portion of development contribution charges is related to properties connecting to the Mangawhai Community Wastewater Scheme, and therefore the main reason for variances against budget. Development contribution income is behind budgeted income because the forecasted growth, and therefore properties connecting to the scheme, was less than predicted. There were 12 new connections created inside the catchment area for this scheme in the 2023/2024 year compared with 42 lots in the prior year, whereas the budget expectation on growth was 84 connections.

Financial contribution income is less than the previous year but remains well ahead of budget. This positive variance has been influenced by all areas of Kaipara District, but predominantly by the Mangawhai Central retail development.

Investments and other income: Is higher than budgeted due to delays in the capital works program causing higher than anticipated cash balances which were invested, as well as budgeted interest rates not expected to be so high. Interest earned in the year was \$1.7 million (2023: \$726,000).

Also included here are any increases in the value of Council's interest rate swap agreements, or assets vested to Council by developers from recently completed subdivisions.

Expenses:

Activity costs:

The main cause for a negative budget variance here is due to repairs and maintenance expenditure, of which \$11.6 million of the over spend is attributable to transportation. Kaipara District Council continued to focus on severe weather event recovery and resilience works across the transportation network during the year ended 30 June 2024. Roading network assets are largely uninsurable, though are funded through 62% - 100% subsidies from the New Zealand Transport Agency.

Roading emergency works included in repairs and maintenance were \$8.9 million (2023: \$6.9 million). This included \$2.2 million of unbudgeted, though fully subsidised, works for the local road detour routes to Northland while State Highway 1 over the Brynderwyn Hills was closed.

Roading emergency works budgets were also incorrectly provided as capital, rather than operational, budgets. There is therefore \$9.1 million in the capital transportation budget underspend which covers part of this variance. There is an additional operational spend of \$1.9 million recorded upon the finalisation of capital projects completed in the year.

The other negative budget variances in repairs and maintenance \$1.7 million, relating largely to reticulation and drainage, are offset by savings in the following areas: \$274,000 efficiencies gained in software licenses, \$662,000 savings on contractors relating to plant operations and refuse collection, \$130,000 savings in office expenses and \$163,000 saving in staff training and travel costs.

All other variances in activity costs against budget were minor and largely offset.

Employee benefits: Employment benefits were lower than budgeted due to staff vacancies throughout the year which did result in Council increasing spend on contractors to fill key roles. Included this year are redundancy costs of \$240,510 (2023: \$31,615).

Finance costs: This is the cost of Council's external loan interest which has been impacted by higher than anticipated interest rates.

Depreciation: Depreciation higher than budgeted amount due to significant revaluations this year and last increasing actual depreciation costs post the budget being set.

Statement of Financial Position

Statement of Financial Position	Note	Annual Report	Annual Plan	Annual Report (Restated)
As at 30 June		2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Net assets/equity				
Accumulated comprehensive revenue and expense	4a	494,944	541,033	480,579
Asset revaluation reserves	4a	621,928	489,865	569,244*
Restricted reserves	4b	6,351	6,150	6,042
Council created reserves	4b	(9,795)	(21,889)	(11,819)
Total net assets/equity		1,113,428	1,015,159	1,044,045*
represented by Current assets				
Cash and cash equivalents		19,989	6,802	10,632
Short term investments		9,750	-	6,000
Trade and other receivables	6	8,040	7,602	6,379
Accrued revenue		5,866	2,672	7,950
Assets held for sale	5a	201	-	-
LGFA borrower notes	5a	395	-	157
Other financial assets	5a	113	121	116
Total current assets		44,355	17,197	31,234
less Current liabilities				
Trade and other payables	7	20,920	15,911	19,245
Provisions	8a	64	306	61
Employee entitlements		1,532	1,168	1,218
Public debt	9a	17,000	10,729	7,000
Derivative financial liabilities	18a	-	-	-
Total current liabilities		39,516	28,113	27,524
Working capital/(deficit)		4,839	(10,916)	3,710
plus Non current assets				
Property, plant, equipment	10a	1,144,788	1,075,907	1,076,394*
LGFA borrower notes	5a	878	929	866
Biological assets	13	963	1,030	986
Derivative financial assets	18a	301	-	483
Other financial assets	5a	270	271	269
Investment in associate	5a	66	-	-
Total non current assets		1,147,265	1,078,137	1,078,999*
less Non current liabilities				
Public debt	9a	37,000	50,426	37,000
Provisions	8a	1,676	2,452	1,663
Derivative financial instruments	18a	-	(817)	-
Total non current liabilities		38,676	52,061	38,663
Net assets		1,113,428	1,015,159	1,044,045*

The accompanying notes form part of these financial statements. (p.33-38)

*Prior period restatement – see note 10e.

Explanation of major variances against Annual Plan 2023/2024

Equity: The favourable variance relates to the higher valuation of infrastructure assets, including the restatement*.

Assets:

Cash and cash equivalents and short term investments: Cash balances of \$29.7 million (2023: \$22.6 million) are higher than the \$6.8 million budgeted largely due to the delayed capital works programme as well as the \$9.8 million of short term investments held as at 30 June 2024. These \$9.8 million funds were sourced from prefunded debt raised shortly before balance date which is earmarked for repayment of debt in October 2024. This prefunding was a treasury activity to regain compliance with debt ratio covenants, which is discussed in more detail in note 9a on Public Debt.

Trade and other receivables: Positive variances here are also influenced by decreases in doubtful debt provisions analysed in note 6 Trade and other receivables.

Accrued revenue: This is largely made up of the final NZTA local share subsidy claim for roading works (planned maintenance and special projects) completed during the year but not invoiced at balance date.

Property, plant and equipment: Higher than budgeted due to revaluation of infrastructure assets.

Derivative financial assets: Council uses interest rate swap derivatives to assist in mitigating against fluctuating interest rates impacting on finance costs. Council derivatives are revalued to market value at each balance date. No new swap contracts were undertaken between January 2022 and June 2024 due to uncertainty surrounding Waters Reform and the impact on our debt levels, as explained in Note 9a. Council entered into \$7.0 million of net new swap contracts during the year ended 30 June 2024 (2023: Nil).

Other financial assets: These are ahead of budget due to increased value of LGFA borrower notes as well as the Ruawai Wharf Road property which is recorded as an asset held for sale this year \$201,000 (2023: nil). Further information can be found under Note 5 a Other Financial Assets.

Liabilities:

Trade and other payables: These were higher than budgeted, reflecting the increased capital works expenditure that occurs in the later part of the financial year. Along with trade creditors, accrued expenses are included where costs have been incurred during the year but not yet invoiced, as well as income received in advance is recorded here as a liability until recognition of income can occur.

Provisions: Both current and non current provisions relate to landfill closure and after-care provisions which can fluctuate depending on inflation and interest rates.

Employee entitlements: Relate to accrued leave balances owed to staff.

Public debt: \$10 million of external debt was prefunded shortly before balance date increasing debt levels temporarily to \$54 million as of balance date until the prefunded debt is paid in October 2024. This raised debt is set aside in a short term deposit investment as of balance date. This temporary measure was a treasury function carried out to regain compliance with debt ratio covenants and Council's Treasury Policy. Further detail about this can be found in note 9a on Public Debt.

Excluding the temporary fluctuation of \$10 million, debt as of balance date is \$17 million under budgeted levels as a result of the delay in the capital programme of works.

Statement of Changes in Equity

Statement of Changes in Equity	Note	Annual Report	Annual Plan	Annual Report (Restated)
For the year ended: 30 June		2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Balance at 1 July (as previously recorded)		1,044,045	932,408	931,054
Adjustment to Land Drainage Stopbanks		-	-	73,607*
Balance at 1 July (Restated)		-	-	1,004,661*
Other comprehensive revenue and expense for the period				
Surplus for the period		16,699	32,751	20,012
Surplus on Revaluation of Infrastructure		52,684	50,000	19,371
Total comprehensive revenue and expense for the period		69,383	82,751	39,383
Balance at 30 June		1,113,428	1,015,159	1,044,045*

The accompanying notes form part of these financial statements. (p.33-38)

*Prior period restatement – see note 10e.

Statement of Cash Flows

Statement of Cash Flows	Annual Report	Annual Plan	Annual Report
For year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Cash Flow from Operating Activities			
Receipts:			
Rates	46,465	46,882	43,687
Fees, charges and other	10,280	12,713	15,044
Grants and subsidies	37,251	34,073	21,574
Interest received	1,472	56	417
<i>sub total</i>	95,468	93,724	80,723
Less Payments:			
Suppliers and employees	57,791	45,573	47,342
Taxes (including the net effect of GST)	(640)	0	(625)
Interest expense	3,099	2,379	2,239
<i>sub total</i>	60,250	47,952	49,956
<i>Net Cash Flow from/(to) Operating Activities</i>	35,218	45,772	31,767
Cash Flow from Investing Activities			
Receipts:			
Sale of property, plant and equipment	146	-	85
Short term investments	-	-	4000
<i>sub total</i>	146	-	4085
Less Payments:			
Short term investments	3,750	0	0
Property, plant and equipment	32,007	49,132	36,935
<i>sub total</i>	35,757	49,132	36,935
<i>Net Cash Flow from/(to) Investing Activities</i>	(35,611)	(49,132)	(32,849)
Cash Flow from Financing Activities			
Receipts:			
Loans raised	10,000	701	7
Less Payments:			
Loan repayment		3,360	0
LGFA borrower notes	250	0	94
<i>Net Cash Flow from/(to) Financing Activities</i>	9,750	3,360	(87)
<i>Net Increase/(Decrease) in cash and cash equivalents</i>	9,357	0	(1,170)
<i>Cash and cash equivalents at beginning of period</i>	10,632	6,802	11,802
<i>Cash and cash equivalents at end of period</i>	19,989	6,802	10,632

Annual Report Disclosure Statement

FOR THE YEAR ENDED 30 JUNE 2024

What is the purpose of this Statement?

The purpose of this Statement is to disclose the Council’s financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this Statement in its Annual Report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this Statement.

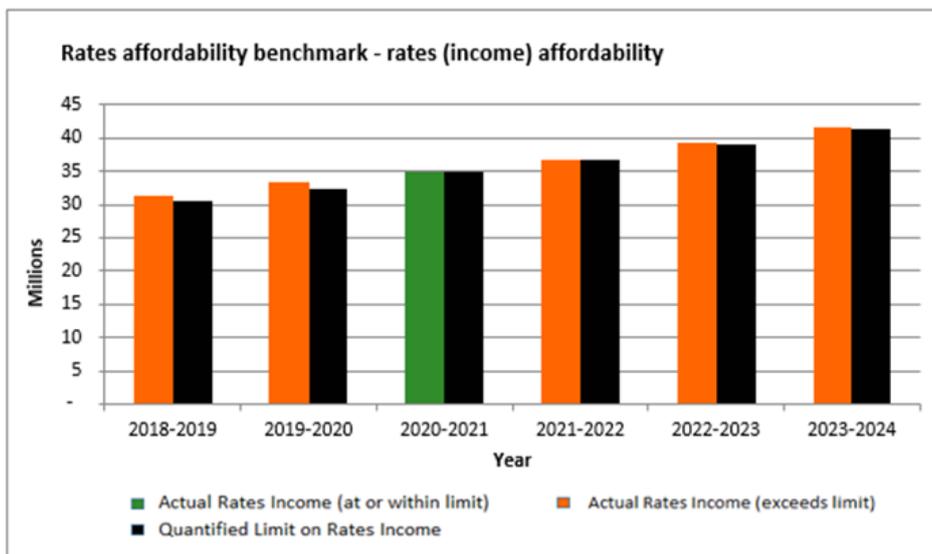
Rates affordability benchmark

Council meets the rates affordability benchmark if:

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increase equals or is less than each quantified limit on rates increases

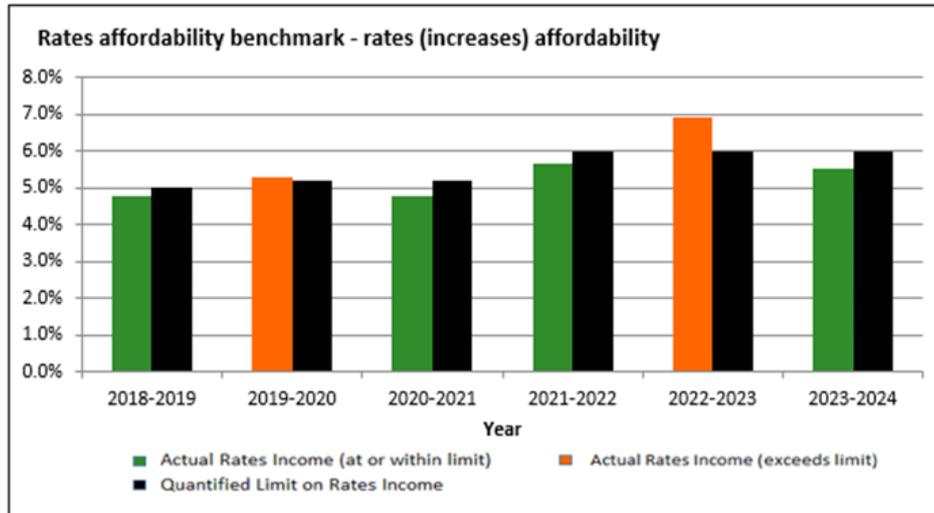
The following graph compares the actual rates income with a quantified limit on rates contained in the Financial Strategy included in the Long Term Plan. The quantified limit for 2023/2024 was set in the Long Term Plan at \$41.219 million excluding water meter billing (2023: \$38.899 million), the actual was \$42.732 million.

The Long Term Plan 2021–2031 predicted the ceiling to be exceeded in each of the first three years. The Long Term Plan 2021–2031 forecast cumulative increases over the life of the plan will be less than the ceiling.



Rates (increases) affordability

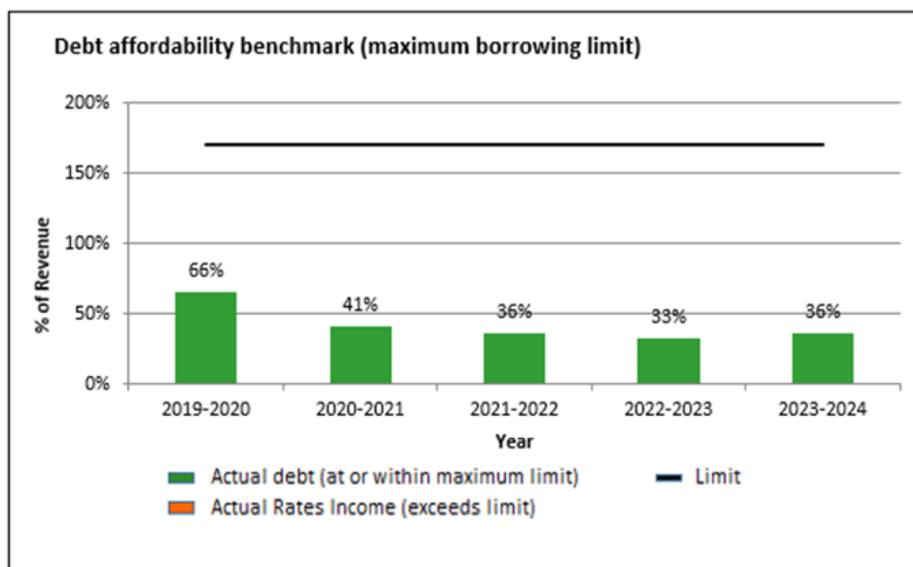
The following graph compares the actual rates increases with its quantified limit on rates as stated included in the Financial Strategy, included in the Long Term Plan. Quantified limit per the Long Term Plan for 2024: 6.0% (5.0% plus 1.0% for growth) (2023: 6.0% (5.0% plus 1.0% for growth)).



Debt affordability benchmark

Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

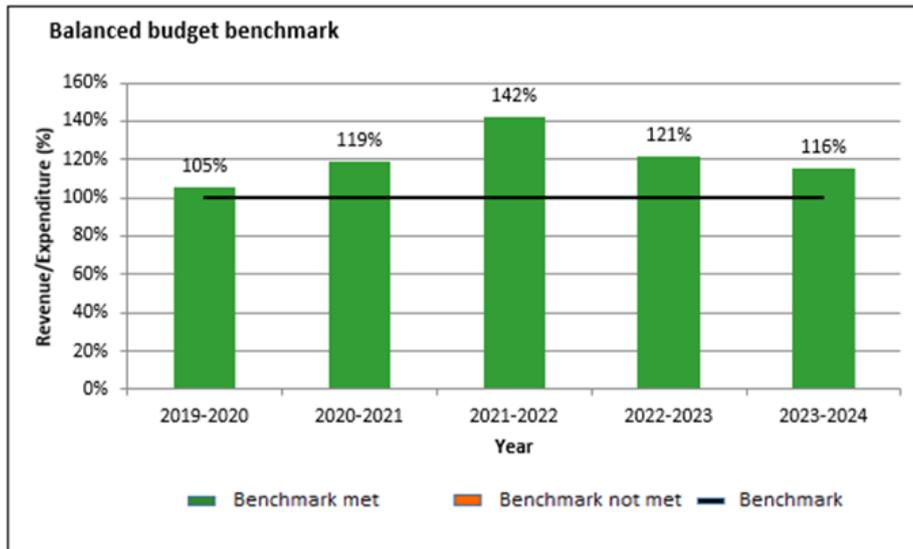
The following graph compares actual borrowing with a quantified limit on borrowing stated in the Financial Strategy included in the Long Term Plan. The quantified limit for 2024 is 170%.



Balanced budget benchmark

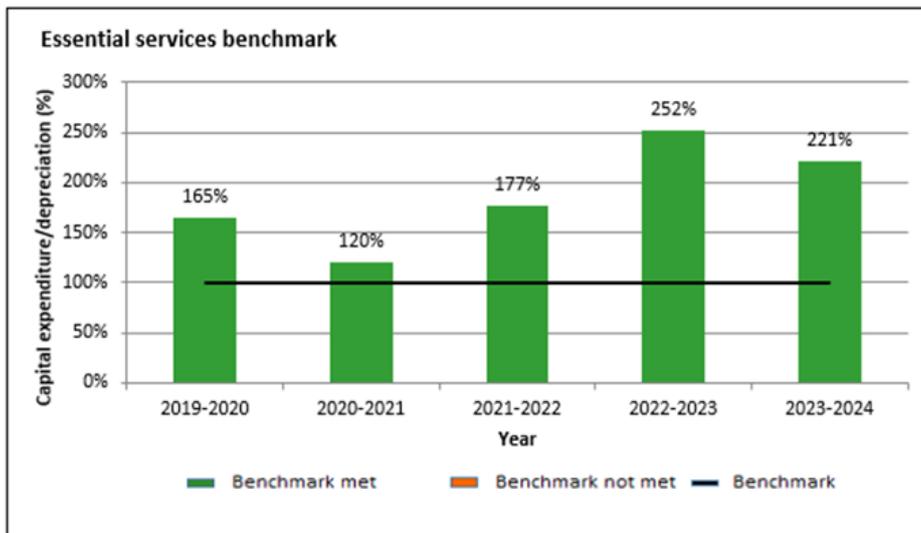
The following graph displays council revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

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



Essential services benchmark

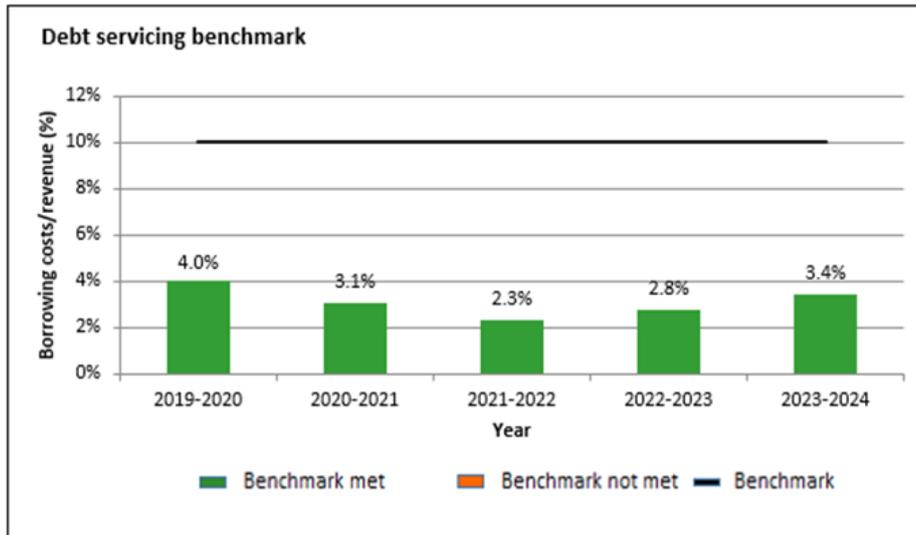
The following graph displays capital expenditure on network services as a proportion of depreciation on network services. Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

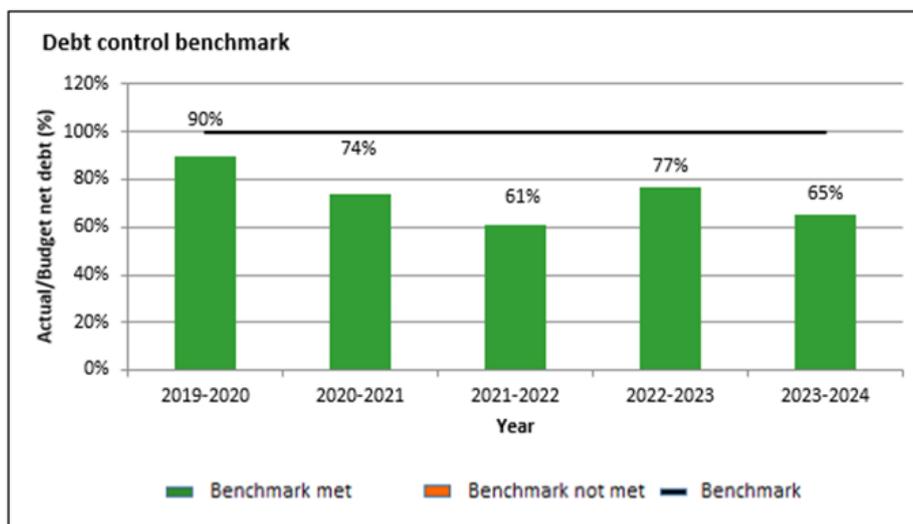
Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its actual revenue.



Debt control benchmark

The following graph displays actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

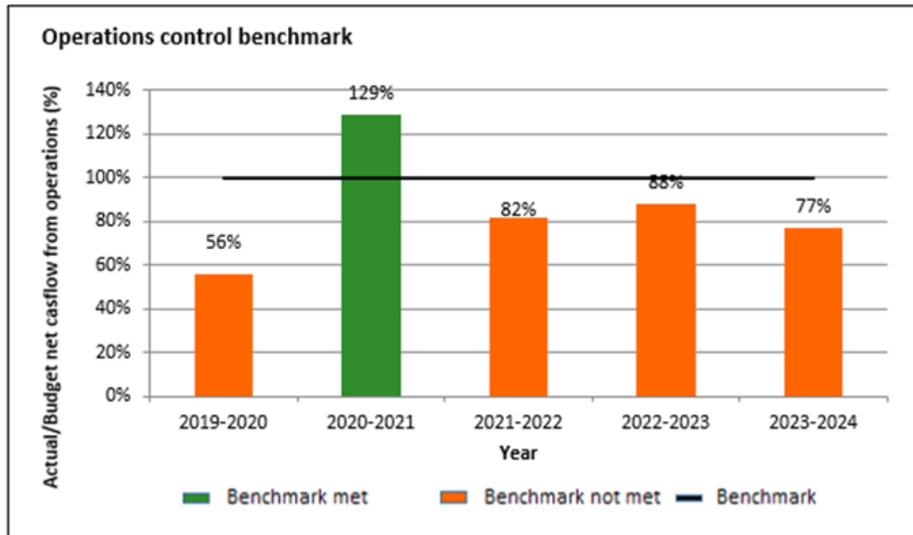
Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations control benchmark

This graph displays the actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



Notes to Financial Statements

STATEMENT OF ACCOUNTING POLICIES

Reporting entity

Kaipara District Council is a territorial local authority established under and governed by the Local Government Act 2002.

The Financial Statements comprise council financial results and the equity accounted results of associate entity Northland Inc Limited (33% owned).

Kaipara District Council and its associate are domiciled and operate in New Zealand.

The primary objective of Kaipara District Council is to provide core services for the community, such as local infrastructure, public services and regulatory functions. Council's focus is on social benefit and not on making a financial return. Kaipara District Council is a Public Sector Public Benefit Entity (PS PBE).

The financial statements of Kaipara District Council and its associate are for the year ended 30 June 2024. The financial statements were adopted by Council on 27 November 2024.

Basis of preparation

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

Statement of compliance

The financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002 (Part 6 Section 98 and Schedule 10 Part 3) and the Local Government (Financial Reporting and Prudence) Regulations 2014 which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Council is a Tier 1 entity and these financial statements have been prepared in accordance with and comply with PBE International Public Sector Accounting Standards (PBE IPSAS).

New or amended standards adopted

2022 Omnibus Amendment to PBE Standards, issued June 2022

The 2022 Omnibus Amendments include several general updates and amendments to several Tier 1 and Tier 2 PBE accounting standards. The revised PBE standards are effective from the year ending 30 June 2024. Council has adopted the revised PBE standards, and the adoption did not result in a significant impact on the financial statements.

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

Disclosure of Fees for Audit Firms' Services (the amending Standard) was issued in May 2023. This amending standard updates the required disclosures for fees relating to services provided by the entity's audit or review firm. The fees must be disaggregated into specified categories and there is guidance to assist entities in determining the types of services to include in each category. This amending standard is effective for reporting periods beginning on or after 1 January 2024 with early adoption permitted. Council has early adopted the amendment (see Note 3), and the adoption did not result in a significant impact on the financial statements.

Standard issued and not yet effective

Council will adopt the following accounting standard in the reporting period after the effective date.

PBE IFRS 17 Insurance Contracts

PBE IFRS 17 Insurance Contracts for public sector entities was issued in June 2023. This standard establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. It is effective

for reporting periods beginning on or after 1 January 2026 with early adoption permitted. Council has not assessed the effect of the new standard in detail.

Significant Accounting Policies

Revenue

Revenue is measured at fair value. Revenue is comprised of exchange and non-exchange transactions. Exchange transaction revenue arises when one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value in exchange.

Non-exchange transaction revenue arises from transactions without an apparent exchange of approximately equal value. Non-exchange revenue includes rates, grants, subsidies, fees and user charges derived from activities that are partially funded by rates. Revenue relating to non-exchange transactions is recognised as conditions, if any exist, are satisfied.

Rates revenue

Rates are set annually by a council resolution and relate to a financial year. All ratepayers are invoiced within the financial year for which the rates have been set and are considered to be fair value. Rates revenue is recognised when payable. Rates collected on behalf of Northland Regional Council (NRC) are not recognised as rates revenue as Council is acting as an agent. Rates revenue also comprises amounts received and receivable from water revenue at balance date for water supplied to customers in the ordinary course of business. As meter reading is cyclical, management must apply judgement when estimating the water consumption of customers between meter readings. Unbilled revenues as a result of unread meters at year end, is accrued on an average usage basis.

Subsidies and grants revenue

Council receives central government grants from NZTA, which subsidises council roading expenditure. Council also receives subsidies from other government agencies to fund capital projects. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Activity income

Activity income comprises consent fees, campground fees, licence and registration fees and lease and rental charges. The revenue is the gross amount of the fee or charge.

Provision of service

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.

Sales of goods

Sales of goods are recognised when the product is sold to the customer. Sales are all in cash. The recorded revenue is the gross amount of the sale.

Consents

Building consents provide approval for specific building works on a specific site, and resource consents provide approval for projects that impact the environment or others. Building consent revenue is recognised at each stage of completion when consents are processed and inspections performed. Resource consent revenue is recognised when consents completion certificates are issued.

Vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is

recognised as revenue. Assets vested in Kaipara District Council are recognised as revenue when control over the asset is obtained.

Interest and dividend income

Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Development and financial contributions

The revenue recognition point for development and financial contributions is when Council provides or is able to provide the service for which the contribution was levied. Otherwise, development or financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received and authorised.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

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 include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

Trade and other receivables

Trade and other receivables are measured at fair value, less any provision for impairment. Council maintains a provision for impairment losses when there is objective evidence of debtors being unable to make required payments and no other recourse available.

When the receivable is uncollectable, it is written off against the provision. Overdue receivables which have been negotiated are reclassified as current (that is, not past due).

Financial assets

Financial assets are classified at fair value through surplus or deficit, loans and receivables, held to maturity and available for sale. The classification depends on the purpose for which the financial assets or liabilities are held. Council determines the classification of financial assets and liabilities at initial recognition.

The applicable categories of financial assets are:

1. Financial assets at fair value through surplus or deficit

Either, financial assets held for trading or those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so, designated by management.

Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Statement of Comprehensive Revenue and Expense.

2. Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

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

Loans, including loans to community organisations made by Council 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 asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Comprehensive Revenue and Expense as a grant.

Investments in council-controlled organisations

Council's associate investment is accounted for in the financial statements using the equity method. An associate is an entity over which Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise council share of the surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment.

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

When Council transacts with the associate, surpluses or deficits are eliminated to the extent of Council's interest in the associate.

Dilution gains or losses arising from investments in associates are recognised in other comprehensive income.

Impairment

Financial assets carried at amortised cost are assessed each reporting date for impairment. If there is objective evidence of impairment, the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where appropriate, is recognised in the surplus/(deficit).

Non-financial assets are reviewed at each reporting date to determine whether there are any indicators that the carrying amount may not be recoverable. If any such indicators exist, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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

An impairment loss is recognised in the surplus/(deficit) for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units). The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus/(deficit), a reversal of the impairment loss is also recognised in the surplus/(deficit).

Property, plant and equipment

Property, plant and equipment consist of:

- **Operational Assets**

These include land, buildings, plant and equipment, and motor vehicles.

- **Restricted Assets**

Restricted assets are community housing and parks and reserves owned by Council, which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

- **Infrastructure Assets**

Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

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

- **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 Council and the cost of the item can be measured reliably.

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

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

- **Disposals**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/(deficit). When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

- **Subsequent costs**

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

Revaluation

Infrastructural assets are revalued with sufficient regularity by independent valuers to ensure their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

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

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus/(deficit). Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus/(deficit) will be recognised first in the surplus/(deficit) up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee benefits

Employee benefits that Council 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.

Superannuation schemes - defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Revenue and Expense.

Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event and is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in Finance Costs.

Financial guarantee contracts

New Zealand Local Government Funding Agency

Kaipara District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a local currency rating from Standard and Poor's of AAA and a foreign currency rating of AA. NZLGFA has a local currency rating from Fitch of AA+ and a foreign currency rating of AA.

As at 30 June 2024 Kaipara District Council is one of 75 members local authorities and 68 authority guarantors of the NZLGFA. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event that an imminent default is identified. Also, together with the shareholders and guarantors, Council is a guarantor of all NZLGFA's borrowings. As at 30 June 2024, LGFA had borrowings totalling \$23.03 billion (2023: \$17.68 billion).

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Borrowings

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

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

Net assets/equity

Net assets/equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Net assets/equity is disaggregated and classified into a number of reserves.

The components of net assets/equity are:

- Accumulated comprehensive revenue and expense;
- Restricted reserves;
- Council-created reserves; and
- Asset revaluation reserves.

Restricted and council-created reserves

Restricted and council-created 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 Council.

Restricted reserves are subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. The Mangawhai Endowment Fund referred to in this document includes the Mangawhai Endowment Lands Account (MELA) referred to in section 8 of the Mangawhai Lands Empowering Act 1966 (sic).

Council-created reserves are reserves restricted by council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves

These reserves relate to the revaluation of property, plant and equipment to fair value.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of Goods and Services Tax (GST), except for receivables and payables, which include GST invoiced.

Budget figures

The budget figures have been prepared using accounting policies that are consistent with those adopted by Council for the preparation of the Financial Statements.

Cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below:

- Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner, with a specific significant activity;
- Direct costs are charged directly to significant activities; and
- Indirect costs are charged to significant activities using appropriate cost allocations determined by management.

Critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the year ended 30 June 2024.

Council is required to make judgements, estimates and assumptions about carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and judgements are based on historical experience and other relevant factors. Actual results may differ from the estimates. The estimates and underlying assumptions are review on an ongoing basis.

Revisions to estimates are recognised in the period in which the estimate is revised or in the current and/or future period(s) which the revisions affect. Refer to the notes below for a discussion of estimates and judgements in applying the accounting policies.

Revaluation of infrastructure assets - Note 10(a)

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

- The valuations include confidence grading assumptions relating to the quality and reliability of underlying records used in the valuations. These assumptions depend on engineers interpretations.
- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for 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; and estimates made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or underestimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense. To minimise this risk council infrastructural assets useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which gives Council further assurance over its useful life estimates.
- Experienced independent valuers perform Council's infrastructural asset revaluations.

Closure and post-closure provisions - Note 8(a)

All Council landfills are now closed. Provision has been made for the future costs of closing the Awakino, Glinks Gully and Hakaru landfills being the aftercare of the landfill for the prescribed period. Estimated costs, adjusted for inflation, have been built up on an item by item basis. The provision held, at each balance date, represents the net present value of the estimated future costs. A detailed reassessment and the anticipated remaining lives of the landfills are performed regularly.

The impact of changes to the provision arising from the reassessment of the life of the landfill and estimated future costs are recorded in the Statement of Comprehensive Revenue and Expense. The annual change in the net present value of the provision due to the passage of time is recorded as the time value adjustment of provisions in the Statement of Comprehensive Revenue and Expense.

2a. Revenue Summary - Exchange/non exchange

Exchange/non exchange revenue summary	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Non exchange revenue		
Rates (excluding water meter charges)	41,605	40,175
Resource consents	2,175	2,031
Solid waste recoveries	388	228
Subsidies and Grants	34,917	26,852
<i>Total Non exchange revenue</i>	79,084	69,286
Exchange revenue	16,318	16,534
<i>Total revenue</i>	95,402	85,820

Resource consents: In accordance with council accounting policies, \$174,000 of consent fees charged during the year for consents lodged has not yet been recognised as revenue as those consents were still being processed at 30 June 2024 (2023 \$265,000).

2b. Revenue Summary - Rating units

The following disclosures are made in accordance with the Local Government Act 2002 Amendment Act 2014, clause 30A of Schedule 10.

	As at 30 June 2024	As at 30 June 2023
Number of rating units within the Kaipara District	16,726 units of which 15,643 are rateable	16,476 units of which 15,438 are rateable
Total capital value of rating units within the Kaipara District	\$15,842,783,805 of which \$15,468,215,950 is rateable	\$11,479,377,240 of which \$11,230,623,990 is rateable
Total land value of rating units within the Kaipara District	\$9,672,752,300 of which \$9,461,828,850 is rateable	\$6,273,166,540 of which \$6,146,899,090 is rateable

2c. Revenue Summary - Analysis

Revenue Summary - Analysis	Annual Report	Annual Report
	2023/2024 \$'000	2022/2023 \$'000
For the year ended: 30 June		
Subsidies and grants		
Subsidies and grants - to fund operations	17,286	10,485
Subsidies and grants - to fund capital projects	17,631	16,367
<i>Total Subsidies and grants</i>	34,917	26,852
Investments and Other Income		
Petrol tax	246	252
Gain on disposal of property, plant and equipment	30	85
Unrealised gain (loss) on forestry revaluation	(23)	(44)
Finance income	1,722	726
Vested assets	744	667
Swaps Revaluation	1	944
Sundry income	149	158
<i>Total Investment and Other Income</i>	2,869	2,788

Subsidies and grants – operations: comprises \$16.8 million in relation to transportation network subsidies (2023: \$9.6 million) and \$0.5 million relating to non-roading projects (2023: \$0.9 million).

Subsidies and grants – capital projects: comprises \$13.3 million in relation to transportation network subsidies (2023: \$11.1 million) and \$4.3 million relating to non-roading projects (2023: \$5.2 million).

2d. Targeted rates for metered water supply

Targeted Rates for metered water supply	Annual Report	Annual Report
	2023/2024 \$'000	2022/2023 \$'000
For the year ended: 30 June		
Targeted Rates for metered water supply		
Water Supply	4,077	4,101
<i>Total Targeted Rates for metered water supply</i>	4,077	4,101

The Local Government (Financial Reporting and Prudence) Regulations 2014 require, from 1 July 2015, Water by Meter charges to be classified in rating income.

3. Cost of service summary – analysis

Cost of Service Summary - Analysis	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Analysis of expenditure		
Impairment	324	-
Depreciation and amortisation	16,235	14,069
Other expenses	42,589	33,559
Revaluations through revenue and expense	201	-
Analysis of expenditure	59,348	47,628
Employee benefit expenses		
Salaries and wages	15,980	15,680
Employee benefit expenses	15,980	15,680
Finance costs		
Interest on loans	2,439	1,492
Interest on Local Government Stock	660	747
Finance costs	3,099	2,239
Fees paid to Principal Auditor		
Fees for audit of the Annual Report	326	281
Fees for audit of Long Term Plan	-	-
Fees for other assurance services	16	14
Fees for other services	-	5
Fees paid to Principal Auditor	342	300
Total expenditure	78,769	65,846

Salaries and wages also include employer contributions to KiwiSaver which is a Defined Contribution Plan. Employer contributions in the year totalled \$390,215 (2023: \$397,006.)

The auditor for Kaipara District Council is Deloitte Limited who is acting for and on behalf of the Auditor-General. The fees for other assurance services relate to Trustee Reporting and Register of Stock. Deloitte provided fraud awareness training costing \$5,000 during the year ending 30 June 2023, but this was not provided during the year ended 30 June 2024, however training was provided on this internally.

4a. Ratepayers Equity

Ratepayers Equity	Note	Annual Report	Annual Report (Restated)
For year ended: 30 June		2023/2024 \$'000	2022/2023 \$'000
Accumulated Comprehensive Revenue and Expense			
<i>Balance at 1 July</i>		480,579	454,663
plus Surplus/(deficit) for the period		16,699	20,012
Transfers from Accumulated Revenue and Expense to:			
Restricted reserves	4b	310	281
Council created reserves	4b	8,629	9,077
<i>Total Transfers from Accumulated Comprehensive Revenue and Expense</i>		8,939	9,357
Transfers to Accumulated Funds from:			
Restricted reserves	4b	-	44
Council created reserves	4b	6,606	15,216
<i>Total Transfers to Accumulated Comprehensive Revenue and Expense</i>		6,606	15,260
<i>Closing balance as at 30 June</i>		494,945	480,579
Asset Revaluation Reserves			
<i>Balance at 1 July (as previously reported)</i>		569,244	476,265
Adjustment to Asset Revaluation Reserves	10e	-	73,607*
Balance at 1 July (restated)			549,872*
<i>Gain/(loss) on revaluation</i>		52,684	19,371
<i>Closing balance as at 30 June</i>		621,928	569,244*
Asset Revaluation Reserves			
Operational assets:			
Land		302	302
Buildings		-	-
<i>Total Operational assets</i>		302	302
Infrastructural assets:			
Transportation		422,914	407,695
Water Supply		28,608	25,658
Wastewater		24,828	17,973
Stormwater		57,146	39,423
Flood Protection and land drainage	10e	88,129	78,192*
<i>Total Infrastructural assets</i>		621,625	568,941*
<i>Total Asset Revaluation Reserves</i>		621,928	569,244*

*Prior period restatement – see note 10e.

4b. Statement of reserve fund activities

Statement of reserve fund activities	Open Spaces and Facilities	Regulatory Management	Flood Protection and Land Drainage	District Leadership, Finance and Internal Services	Waste Minimisation	Transportation	Wastewater	Stormwater	Water Supply	Total Reserves Funds
For year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000
Restricted Council Reserves										
Restricted Reserve Mangawhai Endowment Lands Account										
Opening Balance	-	-	-	6,042	-	-	-	-	-	6,042
Deposited	-	-	-	310	-	-	-	-	-	310
Withdrawn	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	6,351	-	-	-	-	-	6,351
Council Created Reserves										
Depreciation Reserve										
Opening Balance	991	231	1,007	2,504	45	78	2,415	1,824	1,671	10,767
Deposited	513	-	137	946	2	-	1,667	589	1,177	5,031
Withdrawn	(455)	-	-	(277)	-	-	(454)	(37)	(807)	(2,031)
Closing Balance	1,049	231	1,144	3,173	47	78	3,628	2,376	2,042	13,768
Development Contribution Reserves										
Opening Balance	45	-	-	-	-	(290)	(28,716)	(72)	(66)	(29,097)
Deposited	68	-	-	-	-	331	498	5	-	902
Withdrawn	-	-	-	-	-	(541)	(1,911)	(79)	-	(2,531)
Closing Balance	113	-	-	-	-	(500)	(30,129)	(146)	(65)	(30,727)
Financial Contribution Reserve										
Opening Balance	5,100	-	-	-	-	880	-	-	-	5,980
Deposited	2,691	-	-	-	-	6	-	-	-	2,697
Withdrawn	(2,043)	-	-	-	-	-	-	-	-	(2,043)
Closing Balance	5,748	-	-	-	-	886	-	-	-	6,633
Provision Expenditure Reserve										
Opening Balance	-	-	-	-	446	-	85	-	-	531
Deposited	-	-	-	-	-	-	-	-	-	-
Withdrawn	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	-	-	-	446	-	85	-	-	531

Council has set aside reserve funds for the purposes of asset renewal (depreciation reserve), development contributions, financial contributions and provision expenditure. These funds are grouped under the heading of council-created reserves. The funds are required by the Local Government Act 2002 to be separately disclosed for each activity to which they pertain.

Purpose of each Reserve Fund:

Restricted reserve is for the Mangawhai Endowment Fund which relates to assets vested to the Council from the Mangawhai Harbour Board via the Mangawhai Lands Empowering Act 1966 (sic). The Act requires the Fund (assets) to be held for county (or council) purposes that are of benefit to the Mangawhai area.

Council-created reserves:

Depreciation (asset renewal) reserves are used for the funding of capital renewals and/or repay loans and are derived from the funding of depreciation within each asset carrying activity in accordance with the existing revenue and financing policies.

Development contributions towards infrastructure growth through the provisions of the Development Contributions Policy are separately recognised and accounted for in development contribution reserves based on the specified activities.

Financial contributions towards infrastructure growth through the provisions of the Resource Management Act are separately recognised and accounted for in financial contribution reserves based on the specified activities.

Provision expenditure reserves are council funds reserved for expenditure provisioned to be spent in future years.

5a. Other Financial Assets

Other Financial Assets	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Current portion of investments		
Assets held for sale	201	-
LGFA borrower notes	395	157
Loan	113	116
<i>Total Current financial assets</i>	709	273
Non-current portion of investments		
Investment in associate - Northland Inc	66	-
LGFA borrower notes	878	866
Emission Trading Scheme - NZU's	257	258
Civic Financial Services Limited	13	12
<i>Total Non-current financial assets</i>	1,214	1,136

Accounting policy

Council's other financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

Other financial assets of Council include loans to related parties, borrower notes, unlisted shares, investments in council-controlled organisations, and assets held for sale.

Impairment of loans to related parties

Impairment of loans to related parties reflect Council's expected credit losses (ECLs). ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Council expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

Loans

Council has two loans to ratepayers for the cost of a water tank, ancillary equipment and installation for each. The interest rate for each loan is 5.6%. The fair value of these loans is calculated using the discounted cashflow method. The balances are assessed annually for impairment. There have not been any defaults on repayments and therefore the balances were not adjusted.

There is also a loan to Mangawhai Museum which is on an interest-only basis until June 2026. The interest rate is adjusted annually based on Council's internal rate of borrowing.

Borrower notes

Borrower notes are subordinated convertible debt instruments that Council is required to subscribe for when borrowing from the LGFA, currently set at 2.5% of the amount borrowed. The LGFA will redeem borrower notes when Council's related borrowings are repaid or are no longer owed to the LGFA or may convert them to equity under specific circumstances.

The fair value of borrower notes is calculated using the discounted cashflows. The significant input used in the fair value measurement of borrower notes is the forward interest rate yield curve.

Unlisted shares

Council holds 13,629 shares in Civic Financial Services Limited at \$0.93 each (2023: \$0.90). The fair value is determined by reference to Council's share of net assets in the company as there is no market information on the value of the organisations' shares.

Emissions Trading Scheme (ETS)

Emission Trading Units allocated under the Emissions Trading Scheme (ETS) are recognised at deemed cost based on the fair value at the date of receipt (that is, historic value). The units are recognised when they have been received and are recognised as income in the Statement of Comprehensive Revenue and Expense. After initial recognition ETS units are recognised at cost and reviewed annually for impairment.

Council has 135.5 hectares of pre-1990 forest land. This land is subject to the provisions of the New Zealand ETS. The implication of this for the financial statements is two-fold:

- should the land be deforested (that is, the land is changed from forestry to being used for some other purpose) a deforestation penalty will arise; and
- as a result of the deforestation restriction, compensation units are being provided by the Government.

Compensation is provided to forestry owners via the allocation of compensation units known as New Zealand Units (NZUs) in two tranches. Council received the first tranche of 14,927 units in December 2012 and the second tranche of 24,013 in February 2013.

Compensation units are recognised at deemed cost based on the fair value at the date of receipt (that is, historic value). The units are recognised when they have been received and are recognised as income in the Statement of Comprehensive Revenue and Expense. After initial recognition NZUs are measured at cost with an annual review for impairment.

Investments in council-controlled organisations

Northland Inc Limited (Northland Inc) is a limited company incorporated and registered under the Companies Act 1993, and is a council-controlled organisation as defined in section 6 of the Local Government Act.

Northland Inc is an associate of Kaipara District Council with a primary objective to develop the economy of Northland and review funding opportunities for the Investment and Growth Reserve. Northland Inc is classified as an associate as it is considered that Council holds significant influence over the financial and operating policies of Northland Inc. Council shares joint control of Northland Inc with Northland Regional Council (33.3%) and Far North District Council (33.3%). Investment in Northland Inc is carried at the investor's share of the associate's net fair value \$66,000 (2023: \$80 reported at cost).

Assets held for sale

During the year Council approved the sale of a Council asset, a house located at Ruawai Wharf Road. The house was vacant and unable to be utilised without upgrading it to a healthy home standard. The house was marketed for sale and sold for \$300,000 by open tender prior to balance date, however, the settlement date was extended to October 2024. The house is the only asset held for sale as at 30 June 2024, and is recorded at the carrying amount of \$201,000, which is the lower of the carrying amount versus fair value less costs to sell.

6. Trade and other receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). Council applied the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into land rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

- when remitted in accordance with the Council's rates remission policy
- 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. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Fair value

Receivables are non-interest bearing and receipt is normally on 30-day terms. Therefore, the carrying value of debtors and other receivables approximates their fair value.

Trade and other receivables	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Trade and other receivables		
Sundry debtors	3,655	1,136
Land rates and penalties	5,984	6,227
Water rates and charges	694	1,352
Dog licences and dog infringements	358	306
Prepayments	331	169
GST and taxes	57	718
Gross Trade and other receivables	11,079	9,908
less Provision for impairment- Land rates	(2,728)	(3,303)
less Provision for impairment - Other debtors	(312)	(226)
less Provision for impairment - closing balance	(3,040)	(3,529)
Total Trade and other receivables	8,040	6,379

Provision for impairment

The provision for impairment of receivables is determined based on an expected credit loss (ECL) model.

In assessing credit losses for receivables, Council applied the simplified approach and record lifetime ECL on receivables. Lifetime ECL result from all possible default events over the expected life of a receivable. Council used a provision matrix based on historical credit loss experience upon initial recognition of a receivable, using reasonable assumptions and any available customer information.

In assessing ECL on receivables Council considered both quantitative and qualitative inputs. Quantitative inputs include past collection rates, ageing of receivables and trading outlook. Qualitative inputs include past trading history with Council.

To measure the ECL, all receivables have been grouped based on shared credit risk characteristics and other receivables have been grouped by the days overdue. Expected loss rates are applied based on payment profiles and corresponding historical credit losses experienced within the year. Expected loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their debt.

Movement in Impairment Provision	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Movement in Impairment Provision		
Opening balance - Impairment provision	(3,529)	(4,311)
Estimated (increase)/decrease in doubtful debts	490	782
<i>Total Non-current financial assets</i>	<i>(3,040)</i>	<i>(3,529)</i>

Analysis of Total	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Trade and Other Receivables Ageing		
Not past due	3,613	2,282
Past due 1-30 days	1,517	1,519
Past due 31-60 days	270	87
Past due 60 days	2,640	2,491
<i>Total trade and receivables ageing</i>	<i>8,040</i>	<i>6,379</i>

7. Trade and other payables

Trade and other payables	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Trade and Other Payables		
Trade creditors	4,111	5,670
Accrued expenses	10,281	7,823
Deposits held	1,895	2,696
Receipts held in advance	1,337	58
Income in advance	3,295	2,998
<i>Total Trade and other payables</i>	20,920	19,245

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

8a. Provisions

Provisions	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Current provisions		
Landfill closure and aftercare	64	61
<i>Total Current provisions</i>	64	61
Non-current provisions		
Landfill closure and aftercare	1,676	1,663
<i>Total Non-current provisions</i>	1,676	1,663
<i>Total Provisions</i>	1,740	1,724

8b. Provisions - movement in provisions

Provisions - movement in provisions	Landfill closure & aftercare	Total
For the year ended: 30 June 2024	\$'000	\$'000
The movement in the provisions are represented by:		
Balance as at 1 July 2023	1,724	1,724
Amounts used	(41)	(41)
Release of provision	(24)	(24)
Funding increase	81	81
<i>Balance at 30 June 2024</i>	<i>1,740</i>	<i>1,740</i>

	Landfill closure & aftercare (before adjustment)	Total
For the year ended: 30 June 2023	\$'000	\$'000
The movement in the provisions are represented by:		
Balance as at 1 July 2022	1,853	1,853
Amounts used	(330)	(330)
Release of provision	(38)	(38)
Funding increase	239	239
<i>Balance at 30 June 2023</i>	<i>1,724</i>	<i>1,724</i>

Landfill Aftercare Provisions

Council had resource consents to operate landfills at Hakaru, Awakino and Bickerstaffe Road. These landfills are now closed. Council has obligations under the Resource Management Act 1991 to provide ongoing maintenance and monitoring of the landfills after the sites are closed.

At the **Hakaru closed landfill** site, phase 1 (being the construction of the onsite leachate treatment system and wetland area), has now been commissioned and continues to be monitored along with maintenance where needed as identified in the operations and maintenance manual. To date, monitoring has confirmed that there is sufficient treatment to discharged leachate and it meets consent standards. Phase 2 will only be completed if consent standards are not met. If this should occur, phase 2 would be completed within the 12 months following. Throughout this past financial year, all conditions of consent have been compliant, so it is highly unlikely that phase 2 will be required.

The **Awakino Road closed landfill** has now been capped. The only remaining works which may need completion is an upgrade of the wetland area, prior to the leachate discharge point. Sampling results of leachate will be monitored for signs of wetland non-performance i.e. identifying if heavy metals are not being removed. At this point a project will be planned for the upgrade which is expected to be 5 to 10 years in the future.

The **Glinks Gully closed landfill** is currently causing issues with higher than consented heavy metals sampling results. The current consent limits are set lower than other landfills due to the close proximity of a secondary water supply pump station. The Water supply pump station has now been decommissioned, staff will continue to monitor results and consult with NRC if a variation to the consent is needed. Climate change impact assessment has been completed for Glinks Gully and it is recommended that the site be recapped with a low permeability material to prevent rain infiltration.

Failing this it is likely that the landfill site will need further capping. At this point a project will be planned for the upgrade which is expected to be 5 to 10 years into the future.

The **Bickerstaffe Road closed landfill** was fully remediated since the financial year ending 2019. While it has been remediated, additional works may be required once climate change impact assessments have been completed. These have been completed with no significant works identified for Bickerstaffe.

Closure and post-closure responsibilities include the following:

- Final cover and vegetation
- Drainage control features to minimise infiltration of stormwater
- Completing facilities for leachate collection and treatment
- Ongoing monitoring as per discharge consent conditions
- Completing facilities for monitoring of landfill gas and ensuring no hazard exists.

Post-closure responsibilities:

- Treatment and monitoring of leachate
- Groundwater and surface water monitoring
- Gas monitoring and flaring if required
- Implementation of remedial measures such as needed for settlement and cracking of capping layer
- Ongoing site maintenance for drainage systems, final cover and vegetation
- Ensure closed landfill is suitable for intended future use.

Provision

The cash flows for the landfill post-closures, particularly for Hakaru, are expected to occur up to 2026. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 4.56% (2023: 4.66%).

The following major assumptions have been made in the calculation of the provision:

- The cost of monitoring of surface/groundwater including the removal of leachate; and
- Major remedial works being required at the Hakaru landfill site.

9a. Public debt

Public debt	Annual Report	Annual Report
	2023/2024 \$'000	2022/2023 \$'000
For the year ended: 30 June		
Opening balance	44,000	44,000
add Funds raised	17,000	0
Total Funds	61,000	44,000
less Repayments	7,000	0
Closing balance	54,000	44,000
Current portion	17,000	7,000
Non-current portion	37,000	37,000
Total Public debt	54,000	44,000
Balances are represented by:		
Bank Loans	0	0
Local Government Funding Agency (LGFA)	54,000	44,000
	54,000	44,000

All term liabilities are secured under a Debenture Trust Deed.

Out of the \$17 million of debt raised in the year ended 30 June 2024, \$10 million has been set aside into a term deposit investment as at 30 June 2024. This pre-funded debt will be used to repay \$10 million of debt falling due in October 2024 (4 months post balance date), where debt balances will then return to \$44 million.

This temporary six month fluctuation in debt transaction was undertaken so that Kaipara District Council would regain compliance with its Treasury Policy ratios, which stipulate among other things, an appropriate mix of short and long term debt periods for Council based on risk and liquidity.

Kaipara District Council had previously been operating outside of Treasury Policy, with lender endorsement, because of the previous legislative direction that a new 'Entity A' would be set up under Three Waters legislation, and thus water related assets and debts would transfer from Kaipara District Council on 1 July 2024. Loans that had become 'current' leading up to the expected transition were therefore not re-fixed with lenders for lengthy loan terms because of the expectation that the loans would be taken over.

As the Three Waters legislation was repealed before the transition to the new entity took place, and thus water related assets and debt remain with Kaipara District Council, Council undertook prefunding activities to refinance existing debt on to the appropriate mix of short and long term debt periods to regain compliance with Treasury Policy.

Maturity interest rates for public debt	Maturity	Interest Rates	Actual	Annual Report
For the year ended: 30 June			2023/2024 \$'000	2022/2023 \$'000
Local Government Funding Agency (LGFA)	2024 to 2025	6.15% to 6.61%	17,000	
Local Government Funding Agency (LGFA)	2025 to 2031	6.27% to 6.69%	37,000	
Local Government Funding Agency (LGFA)	2023 to 2024	3.61% to 6.27%	0	7,000
Local Government Funding Agency (LGFA)	2025 to 2030	3.32% to 6.51%	0	37,000
Total			54,000	44,000

Undrawn facilities

Undrawn facilities of \$10 million (\$5 million ANZ and \$5 million BNZ) were available at 30 June 2024 (2023: \$10 million).

Loan Covenant

Council has loans that amount to \$54 million as at 30 June 2024 (2023: \$44 million). There are a number of covenants included within the loan agreements that Council has with its lenders. These include a requirement to adopt an Annual Report within four months of the end of the financial year and then forward a copy of that Annual Report to the LGFA.

The LGFA requirement is to deliver a copy of the Annual Report within five months of the financial year end.

No breach of these loan covenants has occurred during the period.

Council anticipates that debt scheduled to expire within twelve months of the balance date will be refinanced using existing facilities or through obtaining additional funding through the LGFA. The covenant trustees are accepting of the lateness this year.

9b. Compliance with Liability Management Policy

Compliance with liability management policy	Target	Achievement	Policy Compliance	Comment
	%	%	Y/N	
Debt ratios and limits:				
Net Debt as a percentage of Total Revenue	<170%	27%	Yes	Achieved
Net Interest as a percentage of Total Revenue	<15%	2%	Yes	Achieved
Net Interest as a percentage of Annual Rates Income	<20%	3%	Yes	Achieved
Liquidity (per Treasury policy)	>110%	168%	Yes	Achieved
Debt Interest Rate Policy Parameters (calculated on a rolling monthly basis):				
0 -36 months	40% - 90%	67%	Yes	Achieved
37 - 60 months	30% - 75%	55%	Yes	Achieved
60 -84 months	0% - 60%	24%	Yes	Achieved
Greater than 84 months	0% - 50%	0%	Yes	Achieved
Liquidity/funding Maturity Profile:				
0 - 3 years	15% - 60%	58%	Yes	Achieved
3 - 7 years	25% - 85%	42%	Yes	Achieved
7 years plus	0% - 60%	0%	Yes	Achieved

Council primarily borrows from the LGFA who provides the cheapest debt financing and longest maturity terms for debt financing available.

9c. Internal borrowings

Internal borrowings for each group of activities are detail below. Internal borrowings are eliminated on consolidation of activities in the Council's financial statements.

Compliance with liability management policy	Internal Borrowing	Repaid	Borrowed	Internal Borrowing	Internal Interest
	2022/2023 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000
By Group of activities					
Infrastructural assets					
Open Spaces and Facilities	1,071	(124)	389	1,336	88
Regulatory	117	(4)	0	113	4
District Leadership, Finance and Internal Services	4,452	(974)	104	3,582	(227)
Waste Minimisation	264	(47)	(3)	214	19
Transportation	1,549	(199)	36	1,386	108
Stormwater	2,653	(460)	239	2,432	252
Wastewater	44,612	(620)	1,933	45,925	1,966
Water Supply	2,564	(384)	159	2,339	149
Flood Protection and Land Drainage	0	(20)	135	115	18
Total	57,281	(2,832)	2,992	57,442	2,377

10a. Property, plant and equipment

Property, plant and equipment: 2024	Opening Cost \$'000	Closing Accumulated Depreciation & Impairment Charges	Carrying Amount 1-Jul-23	Carrying Amount \$'000	Additions Current Year	Reclass Current Year	Net Disposals Current Year Cost	Disposal Depreciation	Transfer to Assets Held for Sale	Impairments Current Year	Depreciation Current Year	Revaluation Surplus/ (loss) Current Year	Closing Cost/ Revaluation	Closing Accumulated Depreciation & Impairment Charges	Carrying Amount \$'000
Property, plant and equipment: 2024	1-Jul-23	1-Jul-23	1-Jul-23	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructural assets															
Transportation	726,465	-	726,636	37,346	171	-	-	-	-	(9,758)	15,219	769,443	-	769,443	
Stormwater	51,550	(636)	50,914	-	-	-	-	-	-	(940)	17,723	67,698	-	67,698	
Flood Protection and Land Drainage	90,140	(63)	90,077	1,453	-	(201)	-	-	-	(90)	9,937	101,176	-	101,176	
Wastewater	72,042	(1,491)	70,550	9,461	-	-	-	-	-	(2,548)	6,855	84,319	-	84,319	
Water Supply	47,668	(1,120)	46,548	2,305	-	-	(69)	-	-	(1,576)	2,950	50,157	-	50,157	
Waste Minimisation	1,319	(1,197)	121	-	-	-	-	-	-	-	-	1,319	(1,198)	121	
Work in Progress	39,536	-	39,536	(20,874)	-	-	-	-	-	-	-	18,661	-	18,661	
Total Infrastructural assets	1,028,720	(4,507)	1,024,211	29,691	171	(201)	(69)	-	(201)	-	(14,913)	52,684	1,092,772	(1,198)	1,091,574
Restricted assets															
Reserves	27,987	(542)	27,445	103	(171)	-	-	-	-	(119)	-	27,918	(661)	27,257	
Community Housing	2,320	(717)	1,603	-	-	-	-	-	-	(46)	-	2,320	(764)	1,557	
MEF Property	387	0	387	-	-	-	-	-	-	-	-	387	-	387	
Halls	1,775	(696)	1,079	-	-	-	-	-	-	(324)	(36)	1,775	(1,055)	720	
Work in Progress	879	-	879	935	-	-	-	-	-	-	-	1,814	-	1,814	
Total Restricted assets	33,348	(1,955)	31,221	1,037	(171)	-	-	-	-	(324)	(201)	34,215	(2,480)	31,734	
Operational assets															
Land	7,108	-	7,108	193	-	-	-	-	-	-	-	7,301	-	7,301	
Buildings	8,448	(2,370)	6,078	395	-	-	-	-	-	(168)	-	8,843	(2,538)	6,305	
Building Contents	1,814	(1,389)	425	37	-	-	-	-	-	(91)	(91)	1,851	(1,480)	371	
Leasehold Improvements	1,092	(22)	1,070	9	-	-	-	-	-	(22)	(22)	1,101	(44)	1,057	
Mobile Plant (incl MV's)	1,538	(902)	635	25	-	-	(207)	207	-	(211)	-	1,355	(906)	450	
Static Plant	2,386	(320)	2,066	2,902	-	-	(354)	141	-	(46)	-	4,934	(224)	4,710	
Library Books	592	(426)	166	66	-	-	-	-	-	(61)	-	658	(487)	171	
Office Equipment	3,862	(2,618)	1,244	290	-	-	-	-	-	(524)	-	4,152	(3,142)	1,010	
Work in Progress	1,998	-	1,998	(1,893)	-	-	-	-	-	-	-	104	-	104	
Total Operational assets	28,837	(8,047)	20,790	2,024	-	-	(561)	349	-	(1,122)	-	30,300	(8,820)	21,480	
Total Property, plant and equipment	1,090,905	(14,510)	1,076,393	32,752	-	(201)	(630)	349	(201)	(324)	(16,235)	52,684	1,157,286	(12,498)	1,144,788

Property, plant and equipment: 2023	Opening Cost (Restated)	Closing Accumulated Depreciation & Impairment Charges	Carrying Amount (Restated)	Adjustment to Prior Year vested Assets	Additions Current Year	Adjustments/Reclass Current Year	Net Disposals Current Year Cost	Disposal Depreciation	Transfer to Assets Held for Sale	Depreciation Current Year	Revaluation Surplus/(loss) Current Year	Closing Cost/Revaluation (Restated)	Closing Accumulated Depreciation & Impairment Charges	Carrying Amount (Restated)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment: 2023	1-Jul-22	1-Jul-22	1-Jul-22									30-Jun-23	30-Jun-23	30-Jun-23
Infrastructural assets														
Transportation	701,069	-	701,069	-	15,112	-	-	-	-	(9,088)	19,371	726,465	-	726,465
Stormwater	51,043	-	51,043	-	507	-	-	-	-	(636)	-	51,550	(636)	50,914
Flood Protection and Land Drainage	89,978*	-	89,978*	-	162	-	-	-	-	(63)	-	90,140*	(63)	90,077*
Wastewater	69,611	-	69,611	-	2,431	-	-	-	-	(1,491)	-	72,042	(1,491)	70,550
Water Supply	45,136	-	45,136	-	2,531	-	-	-	-	(1,120)	-	47,668	(1,120)	46,548
Waste Minimisation	1,319	(1,197)	122	-	-	-	-	-	-	-	-	1,319	(1,197)	121
Work in Progress	32,298	-	32,298	-	7,238	-	-	-	-	-	-	39,536	-	39,536
Total Infrastructural assets	990,454*	(1,197)	989,256*	-	27,982	-	-	-	-	(12,399)	19,371	1,028,720*	(4,507)	1,024,211*
Restricted assets														
Reserves	21,371	(385)	20,985	-	6,616	-	-	-	-	(157)	-	27,987	(542)	27,445
Community Housing	2,320	(671)	1,649	-	-	-	-	-	-	(46)	-	2,320	(717)	1,603
MEF Property	387	-	387	-	-	-	-	-	-	-	-	387	-	387
Halls	1,775	(660)	1,115	-	-	-	-	-	-	(36)	-	1,775	(696)	1,079
Work in Progress	1,001	-	1,001	-	(122)	-	-	-	-	-	-	879	-	879
Total Restricted assets	26,854	(1,717)	25,138	-	6,494	-	-	-	-	(239)	-	33,348	(1,955)	31,393
Operational assets														
Land	7,108	-	7,108	-	-	-	-	-	-	-	-	7,108	-	7,108
Buildings	7,815	(2,255)	5,560	-	688	-	(56)	55	-	(170)	-	8,448	(2,370)	6,078
Building Contents	1,814	(1,322)	492	-	-	-	-	-	-	(67)	-	1,814	(1,389)	425
Leasehold Improvements	-	-	-	-	1,092	-	-	-	-	(22)	-	1,092	(22)	1,070
Mobile Plant (incl MV's)	1,459	(915)	543	-	317	-	(238)	208	-	(195)	-	1,538	(902)	635
Static Plant	2,284	(138)	2,147	-	102	-	(1)	1	-	(183)	-	2,386	(320)	2,066
Library Books	582	(410)	172	-	63	-	(53)	53	-	(69)	-	592	(426)	166
Office Equipment	5,837	(4,340)	1,497	-	472	-	(2,448)	2,448	-	(726)	-	3,862	(2,618)	1,244
Work in Progress	1,842	-	1,842	-	156	-	-	-	-	-	-	1,998	-	1,998
Total Operational assets	28,741	(9,381)	19,360	-	2,891	-	(2,795)	2,765	-	(1,432)	-	28,837	(8,047)	20,790
Total Property, plant and equipment	1,046,049*	(12,294)	1,033,754*	-	37,367	-	(2,795)	2,765	-	(14,069)	19,371	1,090,905*	(14,510)	1,076,393*

*Prior period restatement – see note 10e.

Property, plant and equipment (continued)

Council has applied the historical cost method under PBE IPSAS for buildings and land. This does not include land associated with infrastructure assets. Land associated with infrastructure assets like all other infrastructural assets, continues to be revalued periodically, but at least every three years. During the off-cycle years for revaluation, the carrying values of previously revalued assets are assessed to ensure that they do not differ materially from fair value. If there is evidence supporting a material difference, then the off-cycle assets are valued.

Restricted assets are held by Council for the benefit of the community and are not, because of their nature or the title to their ownership, generally available for disposal by Council.

Accounting for revaluations

The most recent valuations are as at 30 June 2024. The names, and asset responsibility, of the Valuers engaged are as follows:

Valuer	Asset Responsibility
WSP New Zealand Limited (Independent external professional engineers and valuers)	Valuations and cost escalation adjustments were made to the following asset classes in the 2023/2024 year: <ul style="list-style-type: none"> • Transportation • Water Supply, Wastewater, Stormwater and Land Drainage

The methodology base of all infrastructural valuations, other than land, was depreciated replacement cost with reference as necessary to the following standards - PB IPSAS17 (Property, Plant and Equipment), PB IPSAS21 (Impairment of Assets), National Asset Management Steering Group (NAMS Group), NZ Infrastructural Asset Valuation and Depreciation Guidelines (version 2), the Local Government Act 2002, and NZPI Standards.

Land is not revalued.

Roads and footpaths, stormwater drainage, flood protection and control works, wastewater and the treatment and disposal of wastewater and water supply assets are valued at least on a three-yearly valuation cycle.

There are a number of estimates and assumptions exercised when valuing infrastructure assets using the Depreciated Replacement Cost method. These include:

- Estimating any obsolescence or surplus capacity of the asset.
- Estimating the replacement costs of the asset. The replacement cost is derived from recent contracts in the region for similar assets.
- Estimating the remaining useful life over which the asset will be depreciated. If useful lives do not reflect the actual consumption of the benefits of the asset Council could be over or underestimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expense. To minimise the risk, infrastructure asset useful lives have been determined with reference to the International Infrastructure Management Manual for roading assets and the Institute of Public Works Engineering Australasia (IPWEA) guidelines and have been adjusted for local conditions based on past experience.

Category	Methods and key assumptions
Transportation	<p>Unit costs are sourced from recent contract costs. Where no recently tendered rates were available, a sanity check was undertaken where they were compared against a neighbouring council to ensure they appeared reasonable.</p> <p>Remaining useful lives have been determined by calculating the difference between the respective asset's Total Useful Life (TUL) and the age of the asset. Note that where an asset's age is unknown, both engineering judgement and local knowledge have been used to assign a remaining life.</p>
Water Supply, Wastewater, Stormwater and Land Drainage	<p>Unit costs are sourced from recent contract costs. Where no recently tendered rates were available, a sanity check was undertaken where they were compared against a neighbouring council to ensure they appeared reasonable.</p> <p>Remaining useful lives have been determined by calculating the difference between the respective asset's Total Useful Life (TUL) and the age of the asset. Note that where an asset's age is unknown, both engineering judgement and local knowledge have been used to assign a remaining life.</p>
Impairment	<p>\$324,000 of impairment of Council assets has been recognised as an expense during the year ended 30 June 2024 (2023: Nil).</p> <p>Impairment recognised during the year relates to the Dargaville Town Hall buildings where the 1990's constructed "annex" additions to the Northern Wairoa War Memorial Hall and Municipal buildings are leaky and being deconstructed after balance date. The impairment value has been calculated as 30% (estimated floor plan share) of the current carrying value of the entirety of the complex which itself is valued at depreciated historical cost.</p>

10b. Property, plant and equipment analysis

Property, plant and equipment analysis	Closing Book Value (Restated)	Acquisitions Constructed	Acquisitions Vested	Latest Estimate of Replacement Cost (Restated)
	\$'000	\$'000	\$'000	\$'000
Property, Plant and Equipment: 2024	30-Jun-24	30-Jun-24	30-Jun-24	30-Jun-24
Infrastructural assets				
Roads and Footpaths	769,433	36,795	551	980,201
Stormwater Drainage	67,698	-	-	93,455
Flood Protection and Control Works	101,176	1,453	-	104,567
Sewerage and the Treatment and Disposal of Sewage	84,319	9,461	-	130,419
Water Supply	50,157	2,305	-	106,353
Property, Plant and Equipment: 2023	30-Jun-23	30-Jun-23	30-Jun-23	30-Jun-23
Infrastructural assets				
Roads and Footpaths	726,465	14,932	180	921,012
Stormwater Drainage	50,914	460	47	74,860
Flood Protection and Control Works	90,077*	162	-	95,876*
Sewerage and the Treatment and Disposal of Sewage	70,550	2,163	267	111,822
Water Supply	46,548	2,530	1	103,031

Capitalised labour: capital projects constructed includes capitalised labour of \$543,000 (2023: \$784,000).

*Prior period restatement – see note 10e.

10c. Capital expenditure and disposals

Capital Expenditure (Disposals) for Year	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Capital expenditure		
Open Spaces and Facilities	1,561	6,928
Resource Consents, Building Control and Compliance	-	26
District Leadership, Finance and Internal Services	1,308	2,260
Waste Minimisation	3	3
Transportation	20,315	18,972
Stormwater	1,071	345
Flood protection and land drainage	3,213	727
Wastewater	3,337	6,061
Water supply	1,207	1,380
Total Capital expenditure	32,009	36,700
Disposals		
Community Activities	(184)	(55)
District Leadership, Finance, and Internal Services	(377)	(2,726)
Transportation	0	(14)
Other	0	0
Total Disposals	(561)	(2,795)

10d. Reconciliation of Current Year Additions

Reconciliation of Current Year Additions	Annual Report
For the year ended: 30 June	2023/2024 \$'000
Work in Progress	
Work in Progress - Opening Balance 30 June 2023	42,412
Net Capital Expenditure Incurred - Current Financial Year	32,009
Net Capital Expenditure Capitalised - Current Financial Year	(53,841)
Work in Progress - Carrying Balance at 30 June 2024	20,579
Total Net Movement in Work in Progress year ended 30 June 2024	(21,833)
Property Plant & Equipment	
Work in Progress - Capitalised during year ended 30 June 2024	53,841
Assets Vested to Council during year ended 30 June 2024	744
Net Movement in Work in Progress	(21,833)
Total Property Plant & Equipment additions in year ended 30 June 2024	32,752

10e. Prior period restatement

During the period, staff finalised the mapping and componentisation of all known drainage stopbanks (158km) within the Kaipara District. This data was previously reported as a lump sum amount. This improvement of data has resulted in an increase of \$73.6 million to the opening balance of Flood Protection and Land Drainage assets as at 1 July 2022 with an equal and opposite increase in asset revaluation reserve. There was no depreciation impact as a result of this restatement.

Reconciliation of Prior Period Restatement	
Flood Protection and Land Drainage	\$'000
For the year ended 30 June 2023	
Opening balance 1 July 2022 (as previously reported)	16,371
Adjustment to Land Drainage Stopbanks	73,607
<i>Opening balance 1 July 2022 (restated)</i>	<i>89,978</i>

11. Depreciation and impairment summary

Depreciation and impairment summary	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
by Groups of activities and impairment		
Open Spaces and Facilities	436	486
Regulatory Management	3	3
District Leadership, Finance and Internal Services	865	1,162
Waste Minimisation	-	-
Transportation	9,758	9,088
Stormwater	940	636
Flood protection and land drainage	91	64
Wastewater	2,566	1,509
Water supply	1,577	1,121
<i>Total Groups of activities depreciation</i>	<i>16,235</i>	<i>14,069</i>
Impairment by Groups of activities		
Open Spaces and Facilities	324	-
<i>Total Groups of activities impairment</i>	<i>324</i>	<i>-</i>
<i>Total Groups of activities depreciation and impairment</i>	<i>16,559</i>	<i>14,069</i>

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

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

	Expected life years	Depreciation straight line
Roading		
• Top surface (seal)	5-100	5%-25%
Pavement (basecourse)		
• Urban sealed	40-100	1.25%-2.5%
• Rural sealed	40-100	1.25%-2.5%
• Unsealed	20-60	1.67%-5%
Foundation and unsealed subgrade (land)	n/a ¹	-
Culverts	40-100	1%-4%
Kerb and channel	25-100	1.25%-4%
Bridges	40-100	1%-2.5%
Signs	12	8.3%
Lights	15-100	2.5%-6%
Footpaths	25-100	1.25%-4%
Drainage	20-100	1%-6%
Water Supply	60-70	1.25%-4%
Wastewater	25-80	1.25%-4%
Stormwater	40-80	0.50%-2%
Landfills and transfer stations	10-100	0%-10%
Halls	50	2%
Community housing	50	2%
Plant, equipment and motor vehicles	5-10	10%-20%
Buildings	50	2%
Building contents	10	10%
Other plant	5	20%
Computer and office equipment	5	20%
Library collection	5	20%

1 Not depreciated

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

Impairment

\$324,000 of impairment of Council assets has been recognised as an expense during the year ended 30 June 2024 (2023: Nil).

Impairment recognised during the year relates to the Dargaville Town Hall buildings where the 1990's constructed "annex" additions to the Northern Wairoa War Memorial Hall and Municipal buildings are leaky and being deconstructed after balance date. The impairment value has been calculated as 30% (estimated floor plan share) of the current carrying value of the entirety of the complex which itself is valued at depreciated historical cost.

12. Insurance of assets

The following disclosures are made in accordance with the Local Government Act 2002 Amendment Act 2014, clause 31A of Schedule 10.

		2024 \$000's	2023 \$000's
A	Total value of assets that are covered by insurance contracts	212,525	175,924
	Maximum amount to which these assets are insured	82,743	63,673
B	Total value of all assets that are covered by financial risk sharing arrangements	Nil*	Nil*
	Maximum amount available to Council under those arrangements	Nil*	Nil*
C	Total value of all assets that are self-insured	1,063,007	939,113
	Value of any fund maintained by Council for that purpose	Nil	Nil

* The Council has an agreement with central government, specifically the NZTA Funding Rules for emergency works funding for Road Controlling Authorities. The Council applies for each application for emergency work subsidy funding separately and it is assessed on a case by case basis. The maximum subsidy available to the Council is 62% to 100%, depending on the size of the event.

13. Biological assets

Council acquired the Hobson County Council forestry estate as a consequence of the 1989 Local Government amalgamation process which formed Kaipara District Council.

Council owns and leases three forest blocks with net stocked area of 128.3 hectares (all excluding Taharoa Domain estate). The 7.8 hectares within the catchment forest was harvested in the 2020 financial year.

Council's accounting policy requires annual revaluations of biological assets.

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate.

Gains or losses arising on initial recognition of biological assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the surplus/ (deficit). The costs to maintain the forestry assets are included in the surplus/(deficit).

Valuation

Woodlands Pacific International Forestry Consultants performed an independent valuation of the forests as at 30 June 2024. The calculation of the revaluation was fair value less estimated point of sale costs.

Valuation assumptions:

A discount rate of 8.5% (2023: 8.5%) has been used in discounting the present value of future cash flows;

- Notional land rental costs have been included for freehold land;
- The forest has been valued on a going concern basis and includes only the value of the existing crops on a single rotation basis; and
- Log prices are based upon the valuers latest survey supplemented by local prices to reflect the Northland market and takes into account key price drivers (market prices, exchange rates).

The movement in asset value is as follows:

Biological assets	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Forestry assets movements		
Opening balance	986	1,030
Annual revaluation movement	(23)	(44)
Harvesting removals	0	0
<i>Closing balance</i>	963	986

Financial risk management strategies

Council is exposed to financial risks arising from changes in timber prices, foreign exchange rates, disease, climatic conditions and potential plagues (rodent and insect). Council reviews these risks regularly in considering the need for active financial management.

Council's strategy in respect of these forestry assets involves outsourcing the annual maintenance and harvesting, of all the individual blocks, to a specialist firm of forest management professionals, with a view to maximising financial returns. Such returns are then utilised on an annual basis for capital improvements across the district. There is no rating input into the operation of this activity.

Net income from forest harvesting for the year was \$0 (2023: \$0).

14. Reconciliation of surplus/(deficit) to net cash flow from operating activities

Reconciliation of surplus/(deficit) to net cash flow from operating activities	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Surplus/(deficit) for the period		
Surplus/(deficit) for the period	16,633	20,012
add/(deduct) Non-cash movements		
Property, Plant and Equipment vested to Council	(744)	(667)
(Gain)/Loss on sale of assets	136	(85)
Forestry harvesting and revaluation (Gain)/Loss	23	44
Increase/(decrease) in Provisions	(473)	(911)
Depreciation	16,235	14,069
Impairment	324	-
Unrealised (gain)/loss on interest rate swaps	182	(942)
Other Financial Assets		-
Total Non-cash movements	15,683	(11,508)
add/(deduct) Movements in working capital Items		
Trade and other receivables	(1,172)	2,005
Accrued Revenue	2,084	(5,278)
Employee Entitlements	314	50
Trade and other payables (net of capital accruals)	1,676	3,470
Total Movement in working capital Items	2,902	247
Net Cash Inflow from Operating Activities	35,218	31,767

15. Capital commitments and operating leases

Capital commitments and operating leases	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Capital commitments		
Property, Plant and Equipment	13,226	8,826
Total Capital commitments	13,226	8,826
Operational non-cancellable contracts		
Not later than one year	5,042	12,341
Later than one year and not later than five years	7,346	12,262
Later than five years	176	176
Total Operational non-cancellable contracts	12,564	24,779
Operating leases as lessee		
Not later than one year	612	588
Later than one year and not later than five years	1,965	2,005
Later than one year and not later than five years	2,978	3,354
Total Operating leases as lessee	5,555	5,947
Operating leases as lessor		
Not later than one year	205	188
Later than one year and not later than five years	740	687
Later than five years	465	229
Total Operating leases as lessor	1,410	1,104

Capital commitments: There were more capital contracts as at June 2024, as more resilience and repairs are carried out from the storm damage suffered over the past couple of years.

Operational non-cancellable contracts: Of the \$5 million due over the next year, \$1 million is for roading maintenance and \$2.9 million is for maintaining Council's Three Waters assets, the remainder for maintaining parks and reserves, recycling and drain spraying.

Operating leases as lessee: The lease for the Kaipara Customer Service Centre is due to expire in 2037, and the lease for the offices in Mangawhai has recently been reviewed, with an increase of \$13,000 per year until 2027. There was no change with the lease with Ricoh for photocopiers across all of the offices.

Operating leases as lessor: No new leases have been granted since 01 July 2022, with those in place at that time running according to contract.

16. Contingent liabilities

Contingent liabilities	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Contingent Liabilities		
Guarantees to other organisations	903	903
Commercial claim	1,169	-
Total Contingent Liabilities	2,072	903

Guarantees

New Zealand Local Government Funding Agency

Kaipara District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a local currency rating from Standard and Poor's of AAA and a foreign currency rating of AA. NZLGFA has a local currency rating from Fitch of AA+ and a foreign currency rating of AA.

As at 30 June 2024 Kaipara District Council is one of 75 members local authorities and 68 authority guarantors of the NZLGFA. When aggregated with the uncalled capital of other shareholders, \$20 million is available in the event that an imminent default is identified. Also, together with the shareholders and guarantors, Council is a guarantor of all NZLGFA's borrowings. At 30 June 2024, LGFA had borrowings totalling \$23.030 billion (2023: \$17.684 billion).

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Other organisations

Council has given a \$750,000 guarantee to Westpac Banking Corporation Ltd on loan advances to the Mangawhai Harbour Restoration Society. The purpose of the loan advance was to fund the Society's harbour restoration project. The Society funds the loan repayments from Council grants. Council has for many years and plans to continue to rate properties in the catchment area of the Mangawhai Harbour to fund the grants. The Society controls all of the activities of the restoration project. The Society's loan balance at 30 June 2024 was \$36,206. It is expected the guarantee will no longer be required once the loan is repaid.

In 1998 a \$108,000 letter of credit was issued in favour of the Northland Regional Council (NRC), being a performance bond in respect of the future capping of district landfills.

A \$45,000 guarantee to the Bank of New Zealand exists for Council credit card limits.

In respect of all of the above guarantees, Council has assessed the risk factor and any uncertainty at zero.

Commercial claim

During the year ended 30 June 2024 Council received a historical commercial claim regarding a reimbursement of operating works which Council considers to be invalid and that settlement is not probable. No additional information is provided due to the sensitive nature of the claim.

Council building 42 Hokianga Road, Dargaville

Council no longer uses the building at 42 Hokianga Road, Dargaville but has subleased part of it for a short term. At such time it is no longer required Council has determined that an appropriate course of action is to demolish the building and turn the site into a green space. This work is likely to take place within the next four years.

Community housing caveat

Council undertook the modernisation of 34 of its community housing units, with the works programme completed in March 2009. The programme was funded by the Housing New Zealand Corporation by way of an interest-free suspensory loan, conditional on the completion of the work, after which the liability ceased.

A caveat remains, however, requiring Council to neither withdraw from providing community housing, nor significantly altering its investment in this joint-funded housing modernisation programme.

At this time Council does not expect to withdraw or significantly alter its investment in community housing. The total value of the interest-free suspensory loan is \$1,020,000 which was previously recognised as revenue.

Riskpool exposure

Kaipara District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire.

On 1 August 2023 the Supreme Court dismissed Riskpool's final appeal in Local Government Mutual Funds Trustee Limited v Napier City Council. It was clarified that Riskpool had a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). This created an immediate liability for Riskpool, which necessitated a call on members in December 2023, amounting to \$54,000 for Council. Two further claims have since been accepted for a different member, and Riskpool is working to establish a timeline for when a decision will be made regarding these.

In addition, several other mixed-defect claims that had previously been declined by Riskpool were ultimately affected by the Supreme Court decision. Riskpool attempted to strike out several of these claims but were unsuccessful, when a High Court judge on 24 May 2024 determined that the proceedings should proceed and awarded costs against Riskpool. The potential financial exposure for Riskpool and its members remains uncertain at this stage. If found liable, Riskpool could face significant financial implications for these claims.

Earthquake risk to buildings

Council is required under the Building Act 2004 to identify earthquake-prone buildings within the Kaipara District. The district is designated a low-risk area for earthquake hazards and the deadline to complete this work is 2032.

Council has only just begun the task of evaluating buildings to determine if they may be earthquake-prone. At present, we are confident there will be no outstanding seismic work for non-priority buildings in the district before 1 July 2032.

Water Services Reform Programme

The water services legislation (namely the Water Services Entities Act 2022, the Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023), was repealed on 14 February 2024. As a result, the water services reform assets and operations as disclosed in 30 June 2023 financial statements will no longer be transferred to Entity A. The new government has announced two further bills will be introduced this calendar year to progress their policy of Local Water Done Well, with the first introduced and enacted by mid-2024, and the second introduced in December 2024 and enacted by mid-2025.

17. Statutory disclosures and remuneration and related party transactions

Chief Executive	Annual Report	Annual Report
For the year ended: 30 June	2023/2024	2022/2023
Chief Executive Remuneration:		
<i>Chief Executive</i>		
Salary	286,750	316,442
Use of Vehicle	16,152	17,599
KiwiSaver	8,602	9,493
Total Chief Executive Remuneration	311,505	343,535

A change in Chief Executive occurred on 28 October 2022.

Key Management Personnel	Annual Report	Annual Report (Restated)
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
<i>Key management personnel compensation</i>		
Salaries and employee benefits (as previously reported)	1,706	1,530
Adjustment to salaries and employee benefits		127
Total Key management personnel compensation	1,706	1,657

Key management personnel include the Chief Executive, five General Managers, and the Mayor and Councillors.

The prior year amount of \$1,530,000 has been restated to \$1,657,000 to include a General Manager.

During the year ended 30 June 2024, Kaipara District Council undertook an organisational restructure which came into effect on 1 July 2024. As part of this restructure, the role of General Manager of People and Capability was disestablished. The costs associated with the redundancy of this role are included in the 2023/2024 figures in the tables above and below. Following the restructure effective from 1 July 2024, there is a revised management structure with four general managers.

During the year Council did not purchase any services for any key management personnel other than as disclosed in this note. During the year, the mayor, councillors and senior management dealt with the Council on normal terms within the ordinary course of trading activities of the Council.

Severance and redundancy pay	Actual	Annual Report
For the year ended: 30 June	2023/2024	2022/2023
Severance pay	Number of Employees	0
Redundancy	Payments to Employees	5
		1

Redundancy costs in the year were \$240,510 (2023: \$31,615). This years cost was a result of the organisational restructure Council undertook in the year, where some roles were disestablished.

Elected Representatives Remuneration	Annual Report	Annual Report
For the year ended: 30 June	2023/2024	2022/2023
Elected Representatives Remuneration:		
<i>Mayor:</i>		
Jason Smith	-	36,011
Other Benefits	-	3,713
Craig Jepson	129,575	90,295
Other Benefits	14,290	13,680
Total Mayoral Remuneration	143,865	143,699
<i>Deputy Mayor:</i>		
Anna Curnow	-	17,409
Jonathan Larsen	73,628	42,665
<i>Councillors:</i>		
Peter Wethey	-	14,178
Jonathan Larsen	-	18,046
Karen Joyce-Paki	-	13,762
Victoria del la Varis-Woodcock	-	14,375
Mark Vincent	48,655	44,316
David Wills	-	13,762
Eryn Wilson-Collins	48,655	44,316
Pera Paniora	49,615	30,954
Rachael Williams	48,655	30,554
Michael Howard	53,809	30,554
Ronald Manderson	48,655	30,554
Ashok Nayyar	51,295	31,595
Gordon Lambeth	57,282	31,497
	480,249	408,537

Elected Representatives Remuneration	Annual Report	Annual Report
For the year ended: 30 June	2023/2024	2022/2023
Audit, Risk and Finance Committee Chair Remuneration:		
Philip Jones*	11,610	6,650
	11,610	6,650

Please refer to the Elected Members meeting attendance in the Appendix for further information.

*Independent chairpersons appointed by Council, not elected members.

Related party transactions	Annual Report	Annual Report
For the year ended: 30 June	2023/2024	2022/2023
Northland Inc		
Payments made	66,779	95,051
Outstanding payables	6,131	42,550

On 1 July 2021, Kaipara District Council and Far North District Council became joint shareholders with Northland Regional Council (referred to collectively as the Joint Regional Economic Development Committee) in Northland Inc Limited. All transactions are carried out on normal commercial terms. There was no impairment of any of these transactions (2023: nil).

Council employees remuneration	Annual Report	Annual Report
For the year ended: 30 June	2023/2024	2022/2023
Annual remuneration by band:		
\$0 - \$60,000	27	49
\$60,001 - \$80,000	73	64
\$80,001 - \$100,000	33	30
\$100,001 - \$120,000	18	13
\$120,001 - \$140,000	11	10
\$140,001 - \$200,000	7	7
\$200,001 - \$300,000	3	2
<i>Total Employees by remuneration band</i>	172	175
Number of Employees:		
Full time employees	147.0	154
Part time employees (FTE)	16.9	13.3
<i>Total Employees (FTE)</i>	163.9	167.3

Casual employees are excluded from the Total Employees (FTE) above.

18a. Categories of financial assets and liabilities

Categories of financial assets and liabilities	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Financial Assets:		
Amortised cost		
Cash and cash equivalents	29,739	16,788
Trade and other receivables	8,040	6,379
Loan	113	116
Total Financial Assets at Amortised Cost	37,892	23,283
Fair value through surplus or deficit (FVTSD)		
LGFA Borrower notes	1,273	1,023
Interest rate swaps	301	483
Total Financial Assets at FVTSD	1,574	1,506
Fair value through other comprehensive revenue and expense (FVOCRE)		
Civic Financial Services Limited	13	13
Total Financial Assets at FVOCRE	13	13
Financial Liabilities:		
Amortised cost		
Trade and other payables	20,920	19,114
Public debt	54,000	44,000
Total Financial Liabilities at amortised cost	74,920	63,114
Fair value through surplus or deficit (FVTSD)		
Interest rate swaps	-	-
Total Financial Liabilities at FVTSD	-	-

Fair Value Hierarchy	Annual Report	Level
	2023/2024 \$'000	
Interest rate swaps	(301)	Level 2
Civic Financial Services Ltd	13	Level 3

Financial instrument risks

Council has a series of policies to manage the risk associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established council approved Liability Management and Investment Policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings issued at fixed rates expose Council to fair value interest rate risk. Council's Liability Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments. Investments at fixed interest rates expose Council to fair value interest rate risk.

The fair value of the debt is not considered to be materially different from the carrying amount.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk. Such risk is considered to be low given Council has utilised interest rate swaps to manage these risks.

Council raises long term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates. Under the interest rate swaps Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts of \$22 million of current swaps and \$25 million of forward start interest rate swaps totalling \$47 million (2023: \$28 million of current swaps and \$12 million of forward start swaps totalling \$40 million).

Financial instruments

Liquidity risk

Council is exposed to liquidity risk as a guarantor of all LGFA's borrowings. This guarantee becomes callable in the event of LGFA failing to pay its borrowings when they fall due. Information about this is explained in Note 16.

Maximum exposure to credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Due to the timing of its cash inflows and outflows, Council invests surplus cash into term deposits and local authority stock which gives rise to credit risk.

Council's investment policy limits the amount of credit exposure to any one financial institution or organisation. Investments in other local authorities are secured by charges over rates. Other than other local authorities, the group only invests funds with entities that have a Standard & Poor's credit rating of at least AA-.

Council has no collateral or other credit enhancements for financial instruments that give rise to credit risk.

The Council is exposed to credit risk as a guarantor of all of NZLGFA's borrowings. Information about this exposure is explained in Note 16.

18b. Financial instrument risks

Financial Instrument Risks	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Council's maximum credit exposure by class		
Cash and cash equivalents and short term investments	29,739	16,788
Trade and other receivables	8,040	6,379
LGFA Borrower notes	1,273	1,023
Loan	113	116
<i>Total Council's maximum credit exposure by class</i>	39,165	24,306

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard & Poor's credit rating (if available) or to historical information about counterparty default rates:

Financial Instrument Risks	Annual Report	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2022/2023 \$'000
Counterparties with Credit Ratings		
Cash and cash equivalents and LGFA borrower notes:		
AA	-	-
AA-	31,012	17,655
<i>Total cash and cash equivalents and LGFA borrower notes</i>	31,012	17,655

Debtors and other receivables mainly arise from council statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has no significant concentrations of credit risk in relation to debtors and other receivables. The Local Government (Rating) Act 2002 provides powers to recover outstanding debts from ratepayers.

Credit Risk

Council is exposed to credit risk as a guarantor of all LGFA's borrowings. Information about this is explained in Note 16.

18c. Contractual maturity of financial liabilities

The table below analyses Council's non-derivative financial liabilities to relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

Maturity analysis Financial liabilities	Principal Carrying Amount	Contractual Cash Flows	Less than 1 year	1-2 years	2-5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Council 2024						
Trade and Other Payables	14,391	14,391	14,391	-	-	-
Public Debt	54,000	62,354	19,851	8,966	28,269	5,268
Total Council 2024	68,391	76,745	34,242	8,966	28,269	5,268
Council 2023						
Trade and Other Payables	13,493	13,493	13,493	-	-	-
Public Debt	44,000	50,378	9,039	18,781	19,405	3,153
Total Council 2023	57,493	63,871	22,532	18,781	19,405	3,153

Note: Comparatives have been restated to conform to the current year presentation for trade and other payables which excludes deposits held, receipts held in advanced and income in advance. Contractual cash flows includes principal and interest.

18d. Contractual maturity of derivative financial assets

Maturity analysis	Principal Carrying Amount	Contractual Cash Flows	Less than 1 year	1-2 years	2-5 years	More than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Maturity analysis - Council 2024						
Derivative financial assets						
Interest rate swaps	47,000	301	87	-	89	125
Total Derivative financial assets	47,000	301	87	-	89	125
Maturity analysis - Council 2023						
Derivative financial assets						
Interest rate swaps	40,000	(483)	(51)	(301)	(73)	(58)
Total Derivative financial assets	40,000	(483)	(51)	(301)	(73)	(58)

The fair value of forward interest rate swaps is \$25 million (2023: \$12 million).

Credit risk

The Council is exposed to liquidity risk as a guarantor of all of NZLGFA's borrowings. This guarantee becomes callable in the event of the NZLGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in Note 16.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Council aims to maintain flexibility in funding by keeping committed credit lines available.

18e. Sensitivity analysis

The following table illustrates the potential surplus and deficit and equity (excluding retained earnings) impact for reasonable possible market movements, with all other variables held constant, based on Council's non derivative financial instrument exposures at balance date.

Interest rate risk	Annual Report							
	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000	2022/2023 \$'000	2022/2023 \$'000	2022/2023 \$'000
	-100bps Profit	-100bps Equity	+100bps Profit	+100bps Equity	-100bps Profit	-100bps Equity	+100bps Profit	+100bps Equity
Financial assets								
Cash and deposits	(297)	(297)	297	297	(166)	(166)	166	166
Swaps interest rate	(953)	(953)	900	900	(130)	(130)	1,073	1,073
Total financial assets	(1,250)	(1,250)	1,197	1,197	(296)	(296)	1,239	1,239
Financial liabilities								
Public debt	479	479	(479)	(479)	40	40	(40)	(40)
Total financial liabilities	479	479	(479)	(479)	40	40	(40)	(40)
Total sensitivity to interest rate risk	(771)	(771)	718	718	(256)	(256)	1,199	1,199

19. Capital management

Council capital is its ratepayers' equity, which comprises retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 requires Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Local Government Act 2002 and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising council assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, Council has in place Asset Management Plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Local Government Act 2002 requires Council to make adequate and effective provision in its Long Term Plan and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Local Government Act 2002 sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Long Term Plan.

Details of Council's various reserves can be found in Note 4.

20. Breach of statutory deadline

The Council did not complete and adopt its audited financial statements and service performance information by 31 October 2024. Council staff were of the understanding that the statutory deadline to adopt its Annual Report was extended to 31 December 2024, in line with the ability for KDC to adopt its LTP at a later deadline (adopted on 31 July 2024). This interpretation is supported by legal advice obtained from the Council's Solicitors, Simpson Grierson. The Council has been heavily impacted by Cyclone Gabrielle and other severe weather events. The Council has also been impacted by the Central Government's decision to revoke Three Waters legislation (returning responsibility for Three Waters to the Council). The effects of the severe weather events and changes in responsibilities for Three Waters has resulted in resourcing issues for the Council and created complexities and delays. However, overall, the adoption of the Annual Report on 27 November 2024 is less than 1 month into the 2-month extension that Council believed it had. The Office of the Auditor-General does not agree that the timing extension is available to cyclone affected councils that prepared three-year LTPs despite the complexities and issues noted.

21. Subsequent events

The only subsequent event requiring disclosure is the repayment of the prefunded debt of \$10 million, per note 9a Public Debt, which was repaid 15 October 2024.

Funding Impact Statement - Whole of Council

Operating Funding	Annual Report	Annual Plan	Annual Report	Annual Plan
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000	2022/2023 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rate penalties	29,760	30,796	29,341	29,497
Targeted rates	15,922	16,086	14,935	15,334
Subsidies and grants for operating purposes	17,286	5,506	10,485	5,591
Fees and charges	8,336	7,714	7,489	7,848
Interest and dividends from investments	1,722	56	726	206
Local authorities fuel tax, fines, infringement fees and other receipts	395	383	482	375
Total operating funding (A)	73,420	60,541	63,458	58,852
Application of operating funding				
Payments to staff and suppliers	59,126	46,370	50,514	46,542
Finance costs	3,099	2,379	2,239	2,248
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	62,225	48,749	52,753	48,790
Surplus (deficit) of operating funding (A - B)	11,196	11,792	10,705	10,062

Funding Impact Statement - Whole of Council

Capital Funding	Annual Report	Annual Plan	Annual Report	Annual Plan
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000	2022/2023 \$'000
Sources of capital funding				
Subsidies and grants for capital expenditure	17,631	28,567	16,367	19,805
Development and financial contributions	3,599	4,616	4,414	4,543
Increase (decrease) in debt	10,000	3,106	-	701
Gross proceeds from sale of assets	146	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<i>Total sources of capital funding (C)</i>	31,376	36,289	20,781	25,050
Applications of capital funding				
Capital expenditure - to meet additional demand	2,531	6,627	9,909	11,807
Capital expenditure - to improve the level of service	12,141	29,758	16,514	12,763
Capital expenditure - to replace existing assets	17,336	11,950	10,276	11,747
Increase (decrease) in reserves	563	(254)	(5,213)	(1,206)
Increase (decrease) of investments	10,000	-	-	-
<i>Total applications of capital funding (D)</i>	42,572	48,081	31,486	35,111
<i>Surplus (deficit) of capital funding (C - D)</i>	(11,196)	(11,792)	(10,705)	(10,062)
Funding Balance ((A - B) + (C - D))	-	-	-	-

Reconciliation of Funding Impact Statement to Statement of Comprehensive Revenue and Expense

Reconciliation of Funding Impact Statement to Statement of Comprehensive Revenue and Expense	Annual Report	Annual Plan	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Total Operating Revenue			
<i>Total Operating Revenue</i>	95,402	94,224	85,820
Funding Impact Statement - Revenue			
add Provisions	752	500	1,580
Total operating funding	73,421	60,541	63,458
Total sources of capital funding	21,230	33,183	20,781
<i>Funding Impact Statement - Revenue</i>	95,402	94,224	85,820
Total Operating Expenditure			
<i>Total Operating Expenditure</i>	78,769	61,473	65,808
Funding Impact Statement - Expenditure			
Total application of operating funding	62,225	48,749	52,753
Increase/(decrease) in provisions	309	453	(1,014)
Depreciation and amortisation expense	16,235	13,068	14,069
deduct Internal Charges and Recoveries	-	(797)	-
<i>Funding Impact Statement - Expenditure</i>	78,769	61,473	65,808



PART THREE

Activity Statements



Kai Iwi Lakes

Introduction

The following section describes the different groups of activities that Council undertakes. For the Long Term Plan 2021–2031 Council's work is classed into nine groups.

- Resource Consents, Building Control and Compliance
- District Leadership, Finance and Internal Services
- Flood Protection and Land Drainage
- Open Spaces and Facilities
- Stormwater
- Transportation
- Waste Minimisation
- Wastewater
- Water Supply.

The information provided about each activity within the groups includes:

- What was achieved based on Year Three plans from the LTP 2021–2031
- The performance measures as stated in the LTP 2021–2031 and their results
- The capital programme and budgets.

Performance measures are set every three years at the long term planning stage. The LTP is a commitment Council makes to the community to ensure we are delivering what we said we would. For this Annual Report year we are in the third year of LTP 2021–2031. The performance measure achievement is judged by a combination of community feedback on our levels of service gathered from an annual residents' survey, as well as measures using number and percentage targets e.g. zero road fatalities caused by road conditions. Some of the measures are set based on levels of service as committed to in the LTP, while others are based on statutory obligations.

The customer satisfaction results come from resident surveys conducted three times during the 2023/2024 year by an independent research company – Key Research. A total sample size of n=752 was achieved with data collected over three periods; from 2 October to 13 November 2023, 14 February to 26 March 2024 and 22 April to 9 June 2024. The 752 residents responded to the questionnaire either by post or online.

They were asked their opinion on Council's services and facilities. The samples have been weighted to known population distributions according to the Census 2018 based on age, gender, ethnicity and location. Weighting ensures that the sample is representative of the underlying population of the Kaipara District. At an aggregate level the survey has an expected 95% confidence interval (margin of error) of +/-3.52%.



Resource Consents, Building Control and Compliance

The building service ensures that new and existing buildings are developed in a safe and compliant manner to facilitate resource and building consents.

Environmental monitoring ensures our public spaces are used appropriately by all, positively contributing to the health, safety and wellbeing of our community.

The animal management activity contributes to having a safe and enjoyable environment in which animals, animal owners and the wider community live together in harmony.

This group of activities ensure we meet our responsibilities under various legislation, such as the Building Act 2004; Dog Control Act 1996; Resource Management Act 1991; and the Local Government Act 2002.

What we planned	What we achieved
Building and resource consents delivered in a timely fashion	Achieved Continued investment in specialist and technical training completed for building team in residential and commercial building work. Annual competency reviews, technical audits, and effectiveness of monitoring of training are key performance measurements and provide evidence of the team's professional development.
Information and consenting processes that enable developers large or small to do business easier	The building, resource consent and guidance information on our website continues to be updated and shared with the building industry, in conjunction with building forums.
Work with Northland councils to identify earthquake-prone buildings	Initial earthquake-prone virtual building assessments completed for Maungatūroto and Dargaville. The territorial authority (TA) has engaged a specialist engineer to assist in phase two of the assessment process in 2024/2025.
Work with legislative changes, e.g. review of Resource Management Act	Legislation repealed. Continue to function under the RMA as it stood.

Performance Measures

Resource Consents, Building Control and Compliance measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Building Control Inspections, Compliance and Enforcement				
Ensure effective response to customer enquiries about building standards.				
Percentage of building control customers who rate request for service responses as very satisfied or satisfied.	80%	54%	Not achieved Slow and costly were the main concerns raised by residents.	Not achieved 54%
Responsiveness				
To process applications within statutory timeframes.				
Percentage of Building Consents (BC) processed within 20 working days.	100%	98.7%	Not achieved An annual total of 539 building consent applications were processed, in which 532 were processed within 20 working days. This continues to be considered an excellent result for the Building Consent Authority. 2020/2021 = 95.7% 2021/2022 = 99.5% 2022/2023 = 97% 2023/2024 = 98.7%	Not achieved 97%
Percentage of Code Compliance applications processed within 20 working days.	100%	97.9%	Not achieved An annual total of 566 code compliance certificates were issued, in which 554 were issued within 20 days. This is considered by the Building Consent Authority as an excellent result for the year with improvements actioned for the activation and tracking of the statutory time clock.	Not achieved 94.5%
Quality				
Monitoring of BC applications and inspections to ensure projects comply with New Zealand Building Code.				
Illegal activity/ unauthorised work complaints investigated within three working days.	94%	100%	Achieved There was no illegal activity.	Achieved 100%
Resource Consents, Monitoring and Enforcement				
Ensure effective response to customer enquiries about District Plan/Resource Consent requirements.				
Percentage of non-notified Resource Consents processed within 20 working days.	≥95%	100%	Achieved 100% of the 308 Resource Consents were processed within 20 working days.	Achieved 97%

Resource Consents, Building Control and Compliance measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Resource Consents, Monitoring and Enforcement (continued)				
Ensure effective response to customer enquiries about District Plan/Resource Consent requirements.				
Percentage of Land Information Memoranda (LIM) processed within 10 working days.	100%	100%	Achieved 704 LIMs were processed throughout the year with an average of five processing days, compared to four days in 2022/2023.	Achieved 100%
Percentage of s224(c) certificates for new land titles processed within 10 working days.	100%	100%	Achieved 100% of 112 s224(c) issued on time.	Achieved 100%
Resolving of complaints concerning breaches of conditions of Resource Consent and other non-compliance with the District Plan				
Percentage of resource consent complaints regarding unconsented works and non compliance with the District Plan and Resource Consent investigated within five working days.	100%	100%	Achieved Complaints regarding activities which have the potential to impact on the surrounding environment are high priority and are always investigated and a resolution arrived at within five working days. 74 complaints received throughout the year, with all complaints investigated within five days, compared to 82 complaints in 2022/2023.	100% Achieved
Percentage of all granted Resource Consents are monitored each year to ensure they comply with relevant conditions.	25%	100%	Achieved Through desktop monitoring where no physical visit to the site is required, conditions imposed where site visits are required and additional monitoring as a result of non-compliance resulting in informal/formal enforcement action. 416 out of 416 active resource consents were monitored throughout the year.	Achieved 98%
Compliance				
Health and Safety Customer Service: Regulate commercial operations to protect public health.				
Percentage of noise callouts to be responded to within 30 minutes.	95%	80%	Not achieved Due to under resourcing. Based on one officer required to cover significant distance and periods of high demand. Based on 421 complaints responded to within 30 minutes, out of a total of 526. The 80% is based on an officer being onsite within 30 minutes.	Not achieved 78%

Resource Consents, Building Control and Compliance measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Compliance (continued)				
Health and Safety Customer Service: Regulate commercial operations to protect public health.				
Percentage of all dog attacks and or wandering stock are responded to (within one hour) as a Priority 1.	95%	86%	Not achieved Due to under resourcing. Based on a total of 159 responses out of 185 Priority 1 call-outs. The 86% is based on an officer being onsite within one hour.	Not achieved 67%
Percentage of food premises verified when required under the Food Act.	100%	103.4%	Achieved More verifications were completed (120) than the 116 initially scheduled.	Achieved 100%
Percentage of alcohol premises inspected at least once per year.	100%	100%	Achieved The number of premises inspected for alcohol compliance is an annual tally.	Achieved 100%

Operating Funding - Regulatory Management	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	2,723	2,234	2,395
Targeted rates	0	0	0
Subsidies and grants for operating purposes	113	0	51
Fees and charges	4,862	5,409	4,725
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	9	7	10
<i>Total operating funding</i>	7,707	7,650	7,181
Application of operating funding			
Payments to staff and suppliers	6,840	5,905	6,879
Finance costs	4	4	0
Internal charges and overheads recovered	1,747	1,685	1,721
<i>Total applications of operating funding</i>	8,591	7,594	8,600
Surplus (deficit) of operating funding	(884)	56	(1,419)

Capital Funding - Regulatory Management	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(4)	(4)	(3)
Gross proceeds from sale of assets	0	0	0
<i>Total sources of capital funding</i>	(4)	(4)	(3)
Application of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	0	0	0
Capital expenditure - to replace existing assets	0	0	0
Increase (decrease) in reserves	(888)	53	0
<i>Total applications of capital funding</i>	0	0	0
<i>Surplus (deficit) of capital funding</i>	(888)	53	0
Funding Balance	884	(57)	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



District Leadership, Finance and Internal Services

District Leadership, Finance and Internal Services is the activity of running the business of Council. It involves democratic support to Elected Members, Council, its committees and other bodies in local decision-making and governance processes. It ensures governance structures and processes are effective, open and transparent. It also involves the development of policies, bylaws and the District Plan together with contributing to civil defence emergency management.

Our internal services relate to those functions of Council which assist the day to day running of our activities. They include Finance, Information Services, Customer Services, People and Capability, Communications and Economic Development.

What we planned	What we achieved
Māori wards review (if needed)	N/A Councillors agreed not to undertake a Representation Review for 2024 for the 2025 Local Government Elections at the Council Meeting held 29 November 2023.
District Plan Review: Continuation Management of appeals on the proposed District Plan Development of District Plan monitoring strategy and programme	In progress. In May 2023 a Working Party was established by Council to provide direction on the contents of the Proposed District Plan. This work has been ongoing. While this has caused delay to the notification of the Proposed District Plan (PDP) (originally September 2023), it is anticipated the PDP will be notified in the first quarter of 2025.
Climate change work programme: <ul style="list-style-type: none"> Complete Climate Action Plan development Complete Adaptive Pathways pilot project 	Not achieved In November 2023 the Ruawai Adaptive Pathways programme was paused along with all council-related expenditure, with the climate resilience and adaptation programme to be consulted on as part of the Long Term Plan 2024–2027 process. Formal consultation was carried out in April–May 2024, with Council deliberations in June 2024.
Complete Omnibus Reserve Management Plans	Deferred due to lack of internal resources.

What we planned (continued)	What we achieved
Commence Taharoa Domain Bylaws review	Deferred due to lack of internal resources.
Complete statutory review of Alcohol Control Bylaw 2018	In progress – due for amendment July 2024.
Scanning documents	All property files have now been scanned. The work continues sporadically when resourcing is available. There is no funding specifically allocated to this work.
Emergency Management	
Continue staff training and development so that Council can respond before, during and after any emergency	Completed Staff attended Coordinated Incident Management System (CIMS) training during the year. An annual Emergency Operations Centre (EOC) exercise was completed in March 2024.
Purchase 10 new Tsunami sirens in Mangawhai to replace existing network	At the time of creating the LTP 2021–2031, it was planned to acquire 10 replacement tsunami sirens in Mangawhai. Due to the improved specifications and larger coverage area of the new models, we are now purchasing only four - two have been installed already. Our contribution towards the Northland Tsunami Siren Network Upgrade project was made as agreed.

Performance Measures

District Leadership, Finance and Internal Services measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Governance				
Compliance with legal requirements around formal meetings of Council and its Committees.				
Council maintain and improve opportunities for Māori to contribute to local government decision-making processes.	Achieved	Achieved	Achieved Council maintained and met all statutory requirements for Māori to contribute to local government decision making processes. This was achieved through Mana Whenua Quarterly Hui, targeted engagement for the Long Term Plan and community hubs, and for RMA processes where required.	Achieved

District Leadership, Finance and Internal Services measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Governance (continued)				
Compliance with legal requirements around formal meetings of Council and its Committees.				
Elected Members are performing well.	50.47% (3% more than previous year of 49%)	51%	Achieved This is measured by a Key Research survey. The question asked in the survey was on the performance of the elected members.	Not achieved 49%
The community has trust in the Council.	49.4% (3% more than previous year of 48%)	50%	Achieved Trust and bureaucracy are key issues. This is measured by a Key Research survey. The question asked in the survey was on the performance of the elected members.	Not achieved 48%
Responsiveness				
To process applications within statutory timeframes.				
LGOIMA requests processed by the LGOIMA team completed within statutory timeframes.	100%	100%	Achieved 217 requests were received and responded to within the 20 working day statutory timeframe.	Achieved 100%
Long Term Plan, Annual Plan and Annual Reports will be adopted within timeframes set in the Local Government Act 2002.	Compliant	Compliant	Achieved Annual Report 2022/2023 was adopted 25 October 2023. Long Term Plan 2024-2027 was adopted 31 July 2024. (Processed in accordance with Severe Weather Emergency Recovery Order 2023 and Water Services Acts Repeal Act 2024 which meant a three year 'recovery' plan, and an extension to adoption dates due to the time required to bring three waters back into the LTP process.)	Achieved
Civil Defence Management				
Conduct Civil Defence training exercises.	One per year	1	Achieved A Civil Defence Exercise was held in Dargaville on 8 March 2024.	Achieved 2
Policy and District Planning				
All statutory development and review timeframes for Bylaws and Policies are met.	100%	100%	Achieved The statutory review of the Alcohol Control Bylaw is in progress and will meet the required timeframes.	Not applicable

Northland Inc Limited

About this council-controlled organisation (CCO)

Northland Inc Limited (Northland Inc), established in July 2012, is the region's economic development agency and regional tourism organisation. Prior to 1 July 2021, it was 100% owned by Northland Regional Council.

Since 1 July 2021, it is equally and jointly owned by Northland Regional Council (NRC), KDC and Far North District Council (FNDC) (together referred to as the shareholder councils).

Northland Inc is primarily funded by an operational contribution from its shareholder councils delivered through NRC's Investment and Growth Reserve (IGR). It is project funded through other public and private agencies, with central government being the next largest contributor. The organisation has a governance board of professional directors, each appointed by the shareholder councils. Operational activity is led by a chief executive officer.

Policies and objectives

The mission of Northland Inc is to identify and focus on activities and relationships that will strengthen, diversify and grow the economy of Te Tai Tokerau Northland to help achieve equity and environmental sustainability. Six key pou are set out in the 2021-24 Statement of Intent as the organisational objectives.

Pou	Objective
Pou Tahī: Māori Economic Development- "Āe Mārika"	To respect and implement the principals of Te Tiriti O Waitangi, which support meaningful partnership with Māori. Working with strategic partners in the Māori Economic Development space to drive delivery on high impact Māori economic development projects across all levels, with a specific focus on improving capacity and capability of those who we partner with for delivery. Implementation of our pathway – He Korowai Manawanui – a two-year programme working on our organisational culture towards elevating the importance of Māori Economic Development and becoming a better partner for Māori with a genuine understanding of Tikanga and Te Ao Māori.
Pou Rua: Environmental Sustainability	Help prepare for Tai Tokerau Northland's transition to a zero carbon and low emission economy by partnering to provide support and embedding environmental sustainability criteria within all active projects. Northland Inc will work to embed Te Ao Māori/Mātauranga Māori in environment/sustainability kaupapa.
Pou Toru: Regional Investment	Grow investment and business support services such that regional economic activity improves consistently year on year. Following assessment and review we will prioritise activities and ideas, with a view to applying our resources to engage in focused impactful projects reflecting the organisational capacity at this time.
Pou Whā: Destination Management and Marketing	To lead the implementation of a regional Destination Management Plan in partnership with relevant stakeholders, industry, iwi and hapū. Through a programme of investment and development, we will deliver destination management and marketing activity to position Northland within target markets as a desirable place to visit and support a visitor economy that aims to enhance the distribution of benefits across the region, environmental sustainability, heritage and culture.
Pou Rima: Profile and Advocacy of Economic Development	To develop and improve the profile of economic development and Northland Inc to ensure that Tai Tokerau Northland understands and values the efforts of Northland Inc and advocate for Te Tai Tokerau Northland to improve the economic well-being of the region to help support strong communities and environmental sustainability.
Pou Ono: Organisational Culture	At its core, regional economic development is about improving the livelihoods of the Tai Tokerau Northland's people. As an economic development agency, our culture should therefore be focused on supporting our people and their livelihoods. Therefore, Northland Inc actively upholds a culture where teams are respectful and supportive of one another; our histories, our whānau, and our aspirations.

Key performance measures and targets

This section summarises the results of Northland Inc's activities during 2023/2024 against the key performance indicators set for their pou (objectives).

NB: Northland Inc information is audited separately from KDC. Northland Inc activities are carried out across the region and may not have occurred in Kaipara District.

Performance Measures

Northland Inc measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Māori Economic Development				
Proportion of Māori organisations that are satisfied with Northland Inc support.	>80%	80%	Achieved	Achieved 94%
Number of iwi/hapū groups and other Māori organisations eg: marae, land trusts, etc actively supported.	18	18	Achieved	Achieved 21
Environmental Sustainability				
Proportion of projects funded through Project Development that have identified their pathway to low emissions.	80% of projects.	100%	Achieved	New measure
Number businesses and organisations supported to improve their climate resilience journey.	20	28	Achieved	New measure
Change in carbon footprint of Northland Inc.	10% net reduction in footprint relative to revenue (Target 65,526 kg CO2/year)	61,862 kg CO2/year	Achieved	Not achieved 71,545 kg CO2/Year (Note wording change to measure)

Carbon Emission figure is at best indicative and was prepared by CarbonEES | Carbon + Energy Management Services and Software. The results for each emission category is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of green house gasses (GHG) sources are still evolving, as are GHG reporting and assurance standards. Northland Inc can reach better quality reporting and a more accurate carbon position, and will continue to improve the calculation methodology over time.

Northland Inc measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Regional Investments				
Number of unique businesses assisted (by TA and industry).	250/NPS	379	Achieved	Achieved 431
Proportion of those businesses assisted that are Māori (by TA and industry).	35%	36%	Achieved	Achieved 31%
Number of inward delegations hosted.	3	4	Achieved	Achieved 5
Client satisfaction (as measured by Net Promotor Score)	NPS>50%	NPS = 62%	Achieved	New measure
Value of Grant funding and investment facilitated for Māori businesses.	\$130k	\$176k	Achieved	New measure
Number of high impact projects that are implemented (reporting by regional strategic sectors).	4	1	Not achieved	Not achieved 3
Destination Marketing Management				
Number of destination promotion campaign initiatives to generate national exposure to the region (reporting will include number of businesses that are engaged with the campaign).	1 campaign per year.	3	Achieved	Achieved 1
Number of actions under implementation from the Destination Management Plan.	6	8	Achieved	New measure
Profile and Advocacy of Economic Development				
Number of regional economic development updates or reports released.	6	7	Achieved	Achieved 6
Number of media features that profile the region.	24	41	Achieved	Achieved 26
Number of media activity that references Northland Inc.	52	103	Achieved	Achieved 104

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
Kaipara Wharves – Pouto	\$933,680	\$972,226	Wharf opening held 7 June 2024. Project is largely completed.
Tsunami Sirens	\$104,499	\$104,000	Contributed funding towards the Northland tsunami siren network upgrade project.

Operating Funding - District Leadership, Finance and Internal Services	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	5,794	7,609	6,034
Targeted rates	51	52	51
Subsidies and grants for operating purposes	184	0	770
Fees and charges	1,061	156	515
Internal charges and overheads recovered	12,901	13,394	12,817
Interest and dividends from investments	1,722	6	726
Local authorities fuel tax, fines, infringement fees and other receipts	386	377	472
Total operating funding	22,099	21,594	21,384
Application of operating funding			
Payments to staff and suppliers	15,915	18,026	17,050
Finance costs	493	47	2,237
Internal charges and overheads recovered	888	1,002	(1,487)
Total applications of operating funding	17,296	19,075	17,799
Surplus (deficit) of operating funding	4,803	2,519	3,585

Capital Funding - District Leadership, Finance and Internal Services	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	282	0	2,231
Development and financial contributions	0	0	0
Increase (decrease) in debt	10,277	(751)	0
Gross proceeds from sale of assets	64	0	0
Total sources of capital funding	10,623	(751)	2,231
Application of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	1,031	334	1,904
Capital expenditure - to replace existing assets	277	303	474
Increase (decrease) in reserves	4,118	1,131	3,438
Increase (decrease) of investments	10,000	0	0
Total applications of capital funding	15,426	1,768	5,815
Surplus (deficit) of capital funding	(4,803)	(2,519)	3,584
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Flood Protection and Land Drainage

Flood Protection and Land Drainage involves the planning and management for flood protection over Kaipara's drainage districts. Council co-ordinates land drainage works in 30 land drainage schemes of various sizes. The largest is the Raupō Drainage District, where the Council provides administrative and technical support.

Through our land drainage networks, we seek to deliver on the following in a cost-effective manner:

- Protection of land from tidal waters;
- Managing surface water in events of flooding and
- Diversion of runoff from inland hills.

What we planned	What we achieved
Repair Dargaville storm damage	In progress and will be completed 2024/2025.
Dargaville stopbank	In progress and will be completed 2024/2025.
Raupō upgrade	The construction phase is underway with fabrication of the floodgate happening off site in Whangarei and onsite with preparatory earthworks. Completion date expected to be February 2025.
Dargaville to Te Kōpuru stopbank	This project is now complete.
Ruawai stopbank construction	Construction underway, due for completion July 2024.
Whakahara floodgates	Completed.
Land drainage district-wide	Ongoing.
Develop maintenance schedule with maintenance contractor and asset management improvements for clarity on ownership and responsibility of core assets	This work is now business as usual. New approach outlined in LTP 2024-2027.

What we planned (continued)	What we achieved
Continue to review catchment definition and neighbouring land drainage districts. Refine lot by lot contribution and consult on rates distribution	New approach outlined in LTP 2024-2027.
Continue investigating floodgate and infrastructure options in all drainage districts	New approach outlined in LTP 2024-2027.
Continue modelling infrastructure requirements for flood susceptible areas to allow Level of Service (LoS) under increasing rain intensity and river level. Use this to plan LoS projects for stopbanks, floodgates and other network infrastructure	Northland Regional Council is leading this work.
Increasing support to Land Drainage Districts for increasing pressures of climate change	A mix of modelling and redefining boundaries and need will be progressed in LTP 2024-2027.
Complete asset data for stopbanks in all land drainage districts. Develop a standard for routine condition assessment of these assets in 100m lengths by the contractor and complete this assessment	Raupo completed, remainder of drainage districts in progress.
Asset data collated into Asset Management system (Assetfinda)	Raupo completed 2023, remainder of drainage district in progress. This will now be continuous until all drainage districts are complete.

Performance Measures

Flood Protection and Land Drainage measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Monitor drainage of rivers and streams, ensure minimal flood risk and coast erosion to the community				
The number of flood events not contained by the drainage district scheme up to a 1:5 year flood.	0	0	Achieved There have been no 1:5 year rainfall events that were not contained within the district schemes.	Achieved 0
Service requests for broken, blocked, or failing floodgates.	<5 service requests per year	1	Achieved One request was received for the 2023/2024 period. This was due to debris blockage and floodgate leak.	Achieved 4

Flood Protection and Land Drainage measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Monitor drainage of rivers and streams, ensure minimal flood risk and coast erosion to the community (continued)				
Service requests for additional cleaning of drains, i.e. missed by routine monitoring and maintenance programmes.	<5 requests per year	4	Achieved There were four requests for additional drain cleaning.	Achieved 0
Biannual inspection of our drainage network to ensure it can contain a 1 in 5 year flood.	2 inspections per year	Completed	Achieved There are 30 land drainage districts. Contractors and property owners liaise with staff regularly. The usual practice is that issues are reported as they arise which is only recorded once maintenance has been completed. Raupo inspections are completed by KDC staff and drainage board members.	Achieved
Targeted maintenance of the stopbank system in the Raupō Drainage District to prevent tidal flows from inundating private property during high tide and/or when the river is in flood.	Minimum yearly inspections and targeted maintenance completed	Completed	Achieved Raupo is managed and maintained regularly. in conjunction with the Raupo Working Group. All works completed are recorded in the Raupo Drainage Committee agenda reports.	Achieved

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
District-wide land drainage –Te Kōpuru stopbank	\$718,838	\$666,500	Stage one completed 1.7km. Stage 2 subject to external funding.
Raupō Land Drainage - internal stopbanks	\$1,175,206	\$4,354,347	Construction of a new floodgate Canal G underway project completion planned early 2025.
Storm damage - Awakino rail embankment	\$55,669	\$390,138	Project planning underway.
Storm damage – Whakahara floodgate and stopbank remediation	\$134,900	\$150,000	Completed.
Ruawai stopbank reinstatement	\$1,085,111	\$567,739	Project substantially complete minor close out works to be completed early 2025.

Operating Funding - Flood Protection and Land Drainage	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	161	170	111
Targeted rates	1,080	957	1,059
Subsidies and grants for operating purposes	0	0	0
Fees and charges	0	0	0
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	1,241	1,127	1,170
Application of operating funding			
Payments to staff and suppliers	701	607	578
Finance costs	18	1	0
Internal charges and overheads recovered	193	188	202
Total applications of operating funding	912	796	780
Surplus (deficit) of operating funding	329	331	390

Capital Funding - Flood Protection and Land Drainage	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	2,611	0	241
Development and financial contributions	0	0	0
Increase (decrease) in debt	114	(1)	0
Gross proceeds from sale of assets	0	0	0
Total sources of capital funding	2,725	(1)	241
Application of capital funding			
Capital expenditure - to meet additional demand	0	0	0
Capital expenditure - to improve the level of service	3,213	63	566
Capital expenditure - to replace existing assets	0	0	161
Increase (decrease) in reserves	(159)	267	(97)
Total applications of capital funding	3,054	330	630
Surplus (deficit) of capital funding	(329)	(331)	(389)
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Open Spaces and Facilities

We provide community development, libraries, a hall and pensioner housing to contribute to our social wellbeing and pride, and natural spaces open to all enabling our community to come together and encourage active play. We support community involvement in placemaking, outdoor activities, creating partnerships to provide recreation facilities and civic spaces that are fit-for-purpose. Financial contributions collected from developers mean we have a healthy fund to invest in increased park and open space development.

A community development approach strengthens local democracy and the capacity of communities to participate actively in determining the processes and outcomes of social and economic change.

What we planned	What we achieved
Pahi Toilet replacement	The project is in the delivery phase, with construction of the toilet block ongoing and building consent issued. The new wastewater system is in the design phase, and the resource consent is in progress. The toilet building has been built and is expected to be delivered and installed in 2024.
New Master Plan for Mangawhai Community Park	The project is proceeding on schedule. A draft of the updated Master Plan was consulted on with the community from 05 March 2024 to 06 May 2024. A total of 37 submissions were received. A hearing was held on 21 May 2024. A deliberations meeting was held on 18 June 2024. Adoption of a final Master Plan is due in October 2024.
Te Kōpuru Pump Track surrounds improvement (to complement community-funded pump track)	No longer proceeding with the Development Agreement. Parks have completed extensive ground maintenance within the Te Kōpuru domain. This includes hand and machine water tabling of all drains within the reserve, vegetation removal, open drain spraying and installation of bollards in collaboration with the Te Kōpuru community group.
Kaipara Wharves	All projects now complete with Pouto Wharf opened on 7 June 2024.
McClean Park, Kaiwaka	Drainage work will be completed in 2025 in conjunction with planned NZTA work.
Deliver a new playground	Locations for a new playground in Baylys Beach were unsuccessful. Kellys Bay and Te Kōpuru are now identified options.
Dargaville toilets	Jaycee Park now linked to work on the Northern Wairoa War Memorial Hall, repair work complete, capital work planned for future years.

What we planned (continued)	What we achieved
Coastal Structures: renewals	Condition assessment completed. Continued improvements are ongoing relating to our coastal structures. Some improvements completed throughout the year include safety installation for our buoys to reduce vandalism, and beacon light installation. Whakapirau wharf renewal is planned to be completed in the following year.
Parks upgrades district-wide	<p>Extensive asset renewals and replacements completed throughout the district including accessway improvements, toilet pump replacements, cemetery berm improvements and fencing, bollards and some parks assets.</p> <p>District-wide safety improvements were identified and completed. This work included CCTV camera installation at Dargaville's Selwyn Park, shade protection for Ruawai playground, retaining wall at Kaiwaka Domain, safety improvements to targeted walking tracks, new beacon on Tinopai wharf, safety fencing at Dargaville Taha Awa Riverside Gardens, and stair improvements on Baylys Beach walkways.</p>
Playground renewals	Playground renewals completed throughout the district. Renewals included installation of replacement modules in Dargaville, Ruawai, Maungatūroto and Mangawhai, as well as Glinks Gully Marine Drive swing replacement, and Te Kōpuru basketball hoop replacement.
Lincoln Down Mountain Bike Park (Browns Road) and Mangawhai Activity Zone skate bowl	Funding for Lincoln Downs has been moved to LTP 2024-2027, year 3. The new skate bowl is nearing completion and due to open later in 2024.
New Reserve Management Plan for Pou Tu o Te Rangi Harding Park	Completed. A Reserve Management Plan for Pou Tu o Te Rangi Harding Park was adopted September 2022. Extensive engagement was carried out with Mana Whenua, local hapu and the local community to produce the new plan.
Community Development	
Administer the contestable funding programme	Achieved (as per table on Page 105)
Coordinate the Citizens and Environmental Awards	<p>Citizens Awards 2023</p> <ul style="list-style-type: none"> • Noel Moran • Peter Hames • Tui Hutchinson • Colin Gallagher – Honorary Mayoral Award <p>Environmental Awards 2024</p> <p>Nil nominations</p>
<p>Coordinate Community Agreement processes:</p> <ul style="list-style-type: none"> • Contracts for Service • Community Licenses to Occupy • Community Leases • Development Agreements 	<p>Contracts for Service Agreements</p> <p>Now administered by budget holders.</p> <p>License to Occupy Agreements</p> <p>Dargaville Bridge Club Kaipara Cycling Inc Mangawhai Rotary Bus Shelters</p> <p>Development Agreements</p> <p>Te Kōpuru Community Development Group terminated their agreement for the Domain development McClellan Park Gibbons Road, Kaiwaka.</p>

What we planned	What we achieved
Community Development (continued)	
<p>Support community and Council-led projects by advising on, and participation in, the implementation and review of community plans such as:</p> <ul style="list-style-type: none"> • Mangawhai Community Plan • Kaiwaka Improvement Plan • Ancient Kauri Trail • Dargaville Township Improvement Plan • Paparoa Connections • Te Kōpuru Community Activation Plan 	<p>Mangawhai Community Park Masterplan: Consultation completed, final draft Masterplan is ready for governance committee approval.</p> <p>Kaiwaka: Development of Rangiora Road Reserve, carpark and boat ramp with construction underway. Reserves contribution funding for concept designs. Planning meetings underway for the skatepark development of McClean Park, Gibbons Road.</p> <p>Ancient Kauri Trail: Ongoing improvements to the Kaihu Valley Trail adding fences and ongoing maintenance.</p> <p>Dargaville Township Improvement Plan: Supported Dargaville Community Development Board to lead township refresh activities.</p> <p>Paparoa Connections: Continued to engage with Paparoa Connections on locally led projects, including developing a concept for a walking track to provide a safe route between Paparoa Primary School and the Sports Pavilion.</p> <p>Te Kōpuru Community Activation Plan: Proposed Development Agreement of the Domain was terminated by Te Kōpuru Community Development Group. The pump track is now included in the Long Term Plan.</p>
Pensioner Housing	
<p>36 units in Dargaville and Ruawai will be available to older community members of limited means</p>	<p>Housing is available for the elderly, managed on Council's behalf by the Dargaville Community Development Board.</p> <p>Upgrades to the Mangawhai units have been approved by Council and are in progress.</p>
Libraries	
<p>Progress towards a modern library environment in Dargaville</p>	<p>Developing a spatial plan and design brief option for this library hub. Investigations were made into forming a community trust to fund this hub.</p>
<p>Identify and secure a site for a new Council library in Mangawhai</p>	<p>Developing a spatial plan and two design brief options for this library hub. Council approved transition to paid staff at Mangawhai Library with an operational budget opening with increased hours from August 2024.</p>
<p>Continuously work to improve library services to residents and visitors</p>	<p>At Dargaville Library, we established a more student friendly environment which has increased usage by demographic and rearranged the non-fiction collection to make better use of space for browsing.</p>
<p>Support community libraries to improve and develop their services and work to align standards between libraries</p>	<p>Work in progress. New shelving in Maungatūroto Library. A new manager in Paparoa Library, and a new roof on the Dargaville Library. Council approved transition to paid staff at Mangawhai Library with an operational budget opening with increased hours from August 2024.</p>
<p>Investigate cooperative initiatives with other Northland libraries</p>	<p>Met quarterly with Far North and Whangarei Library Managers. Developing curation for our digital collections to increase value without increasing cost.</p>
Northern Wairoa War Memorial Hall	
<p>Continue to mitigate mould caused by water ingress to allow for continued use of some parts of the complex</p>	<p>The partial demolition and re-clad of the Northern Wairoa War Memorial Hall (Town Hall) project is approved and the procurement stage has commenced.</p>
<p>Support the formation of a trust who will fundraise and construct new Community Hub and Library on the Council reserve adjacent to the Northern Wairoa War Memorial Hall</p>	<p>Work on formation of a trust has re-commenced. Initial legal advice has been sought regarding how this process could work. Dargaville Community Hub project has progressed through the planning phase.</p> <p>Better Off Funding was re-directed to other infrastructure projects via a Council decision; however, budget remains to deliver the concept design and site feasibility study.</p>

Performance Measures

Community Activities measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Pensioner Housing Quality: Affordability to provide housing suitable for members of the community who have difficulty providing it themselves.				
Zero net cost to ratepayers for Council's pensioner housing services.	Zero cost	Achieved	Achieved Costs were within budget and revenue for the year.	Not achieved
Pensioner Housing Annual occupancy rate.	90%	88%	Not achieved Predominantly due to the six vacant units in Mangawhai not meeting Healthy Homes standards.	Achieved 91%
Reserves and Open Space Open spaces, linkages and facilities to promote community wellbeing and enjoyment.				
Percentage of residents who are very/fairly satisfied with their local parks and sports fields.	87%	82%	Not achieved Vandalism, graffiti and rubbish are the main causes of concern.	Not achieved 82%
Percentage of residents who are very/fairly satisfied with the district's public toilets	>70%	76%	Achieved (Key Research survey).	Achieved 72%
Compliance with parks maintenance contract specifications – monthly audits	90%	75%	Not achieved Focus on system improvements of scheduling and a higher level of contract management with a view to improving maintenance. The second half of the year has seen an improvement in standards to meet contract requirements.	Not achieved 77%
Parks maintenance contract: a safe working environment is provided for those delivering the service, number of health and safety audits per month.	Contractor: 4 per month	116%	Achieved Attended 49, at least 4 per month, 48 required. Contractor continues to achieve requirements. Audits are noted in the monthly contractor report, robust and open conversations are held between Council and Contractor to ensure staff are competent and safe whilst working, and are encouraged to report any issues, hazards or incidents. Contractor staff also undertake periodic training and refresher courses to keep up to date with standards.	Achieved Contractor: 101.9%
	Council: 1 per month	90%	Not achieved Eleven out of 12 audits completed. Staff resourcing this year has caused limitations, however, a marked improvement on previous year.	Not achieved Council: 50%

Community Activities measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Reserves and Open Space (continued)				
Open spaces, linkages and facilities to promote community wellbeing and enjoyment.				
Compliance with Resource consent conditions. Wastewater/ watertake consents	No abatement notices received	1	Not achieved One abatement notice was received for Parks and Open Spaces consents relating to the Tinopai campground wastewater system.	Achieved 0
Libraries				
Percentage of library users who are very satisfied or satisfied with the district's library services	85%	80%	Not achieved More space, better location, wheelchair access and child friendly areas would increase the result.	Not achieved 76%

Community Grants

Organisation	Amount approved
Citizens Advice Bureau	\$13,000.00
Dargaville Blue Light	\$3,000.00
Dargaville Dalmatian Cultural Society Inc	\$2,300.00
Dargaville Little Theatre	\$2,300.00
Dargaville Playcentre	\$5,557.94
Grow Paparua Wakatipu Paparua	\$819.40
Kaihu Valley Rugby Football Club	\$2,300.00
Kaiwaka Playcentre	\$8,230.55
Kaiwaka PTA – 1st application	\$8,105.00
Kauri Coast Recreational Society Inc (Sportsville)	\$2,300.00
Kumarani Productions Trust	\$2,300.00
Linking Hands Incorporated	\$3,000.00
Lions Club of Ruawai Inc	\$1,693.50
Mangawhai Activity Zone	\$2,300.00
Mangawhai Museum & Historical Society Inc	\$11,390.00
Mangawhai Waka Ama Inc	\$705.00
Maungatūroto Centennial Community Centre	\$2,300.00
Maungatūroto Public Library	\$9,735.00

Community Grants (continued)

Organisation	Amount approved
North Kaipara Agricultural Assn	\$2,000.00
Oturei Marae	\$2,300.00
Southern Rugby Football Club	\$2,300.00
Tama Te Uaua Marae	\$2,300.00
Te Kōpuru Community Trust	\$2,131.22
The Cooperative Learning Pottery Studio	\$7,275.00
The Dargaville Community Development Board	\$357.39
Total granted	\$100,000.00

Creative Communities Scheme Grant

Organisation	Amount approved
Round One	
Bill Hyland Community Centre	\$3,520.00
Dargaville Arts Association	\$2,337.91
Dargaville Arts Association	\$1,920.00
Kaiwaka Scottish Country Dancing Club	\$1,471.00
Oliver Knox	\$3,597.50
Otamatea High School	\$350.00
Tala Hampshire	\$766.00
Tunatahi Kahu for Beginners	\$2,521.00
Total granted Round One	\$16,483.41
Round Two	
Josie Gritten	\$666.50
Tunatahi for Beginners	\$2,733.50
Kumarani Production Trust	\$1,200.00
Kaipara Arts Awards	\$3,234.23
Dargaville Arts Awards	\$1,859.17
Total granted Round Two	\$9,693.45

Mangawhai Endowment Lands Account – MELA

Nil grants allocated this financial year.

Reserves Contribution Contestable Fund

Organisation	Amount approved
Kaiwaka Can	\$37,500.00
Kaiwaka Sports Association	\$8,824.00
Mangawhai Activity Zone	\$33,375.00
Mangawhai Tennis Club	\$20,000.00
Mangawhai Tracks Charitable Trust	\$20,000.00
Mangawhai Tracks Charitable Trust (MELA)	\$8,258.00
Progressive Paparua Incorporated	\$19,200.00
Total granted	\$147,157.00

Rural Sports Travel Grant

Organisation	Amount approved
Round One	
Arapohue School	\$841.00
Dargaville High School	\$3,249.67
Otamatea High School	\$1,862.27
Paparua School	\$840.65
Ruawai College	\$1,521.74
Ruawai Primary School	\$720.87
Total granted Round One	\$9,036.20

Rural Sports Travel Grant (continued)

Organisation	Amount approved
	Round Two
Ruawai College	\$1,000.00
Southern Rugby Football Club	\$1,500.00
Simone Mathews	\$480.00
Mangawhai Beach School	\$1,000.00
Ruawai JMB Rugby	\$2,000.00
Northern Wairoa Bulls Rugby League & Sports Club	\$2,000.00
Otamatea High School	\$1,779.50
Mangawhai Football Club	\$1,000.00
Kaihu Valley Rugby Football Club	\$600.00
Total granted Round Two	\$11,359.50

Building and Resource Consent Fund

Organisation	Amount approved
Mangawhai Heads Surf Life Saving Club	\$2,135.00
Mangawhai Rotary	\$1,800.00
Mangawhai Activity Zone	\$1,800.00
Amount Allocated	\$5,735.00

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
Public Toilets - Pahi	\$281,184	\$760,020	Construction of toilets in progress to be completed and opened 2024/2025. Ongoing works planned in 2024/2025 for wastewater disposal field.
Public Toilets – Baylys Beach	\$268,378	\$325,162	Construction in progress, substantially complete, due to open 2024/2025.
Library replacements (books and equipment)	\$65,729	\$61,000	Book replacements.
Mangawhai Library	\$121,262	\$154,650	Hard and soft fit out of Mangawhai library completed. Dargaville library roof replaced.
Safety improvement for parks	\$130,806	\$200,000	New retaining wall structure installed at Kaiwaka Domain and shade sail improvements.
Parks infrastructure renewals	\$102,562	\$106,000	District-wide renewals completed.
Kaiwaka – Rangiora Road park development	\$34,374	\$986,157	Project planning underway expected completion 2024/2025.
Carpark – Alamar Crescent, Mangawhai	\$61,688	\$500,000	Detailed design complete. Expected completion 2024/2025.
Mangawhai Community Park drainage improvements	\$66,564	\$0	Construction is underway to be completed 2024/2025. Additional funding of \$210,000 was received from the Tourism Infrastructure Fund to support this project.
Baylys Beach boardwalk extension	\$46,956	\$0	Funded by the Tourism Infrastructure Fund, detailed design is completed. Construction to commence 2024/2025.
Town hall remediation	\$95,815	\$1,000,000	Project planning underway, procurement and delivery planned to start 2024/2025.
Pouto Carpark upgrade	\$50,160	\$275,528	Detailed design underway. Expected completion 2024/2025.

Operating Funding - Open Spaces and Facilities	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	6,372	5,495	5,585
Targeted rates	372	370	367
Subsidies and grants for operating purposes	143	52	63
Fees and charges	1,382	1,223	1,293
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	8,269	7,140	7,308
Application of operating funding			
Payments to staff and suppliers	6,827	4,998	6,352
Finance costs	88	48	0
Internal charges and overheads recovered	1,547	1,400	1,396
Total applications of operating funding	8,462	6,446	7,749
Surplus (deficit) of operating funding	(193)	694	(441)

Capital Funding - Open Spaces and Facilities	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	376	0	366
Development and financial contributions	2,759	1,940	2,956
Increase (decrease) in debt	200	2,571	0
Gross proceeds from sale of assets	18	0	0
Total sources of capital funding	3,353	4,511	3,322
Application of capital funding			
Capital expenditure - to meet additional demand	0	3,412	167
Capital expenditure - to improve the level of service	1,106	2,471	6,323
Capital expenditure - to replace existing assets	455	284	438
Increase (decrease) in reserves	1,599	(960)	(4,048)
Total applications of capital funding	3,160	5,207	2,880
Surplus (deficit) of capital funding	193	-696	442
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Stormwater

Stormwater drainage protects our communities, infrastructure, and public places from flooding by discharging stormwater and collecting contaminants to minimise adverse effects from rain, runoff, and high tides. Stormwater drainage on state highways is managed by NZ Transport Agency Waka Kotahi (NZTA).

Stormwater is managed differently across the district:

- Dargaville, Baylys, Te Kōpuru and Kaiwaka have a piped stormwater system with open drains;
- Mangawhai is a combination of soakage, stormwater reticulation and open drains;
- Pahi, Whakapirau, Tinopai, Paparoa and Maungatūroto stormwater is predominantly related to the road network;
- Tinopai, Kelly's Bay and Glinks Gully have road culverts; and
- Ruawai is integrated into the Raupo Drainage District works.

What we planned	What we achieved
Continue restoration of Mangawhai stormwater ponds requiring upgrade to meet current standards	All ponds maintained and surveyed for condition assessment. This is an ongoing activity.
Complete the Catchment Management Plan (CMP) for all remaining areas with stormwater infrastructure, not limited to Whakapirau, Tinopai, Pahi, (Glinks Gully, Kellys Bay, Ruawai, Pouto and Matakoho as necessary)	This work is in progress.
Continue developing overland flow maps for the whole district. Required for reliable stormwater CMP's, land use planning and renewals strategy. Incorporate this into public maps system	Northland Regional Council are leading this work.
Continue collaborative monitoring projects with NRC	This work is ongoing.
Breve Street, Mangawhai stormwater	Design work for the Breve Street stormwater project is nearing completion. Physical works will take place in 2024/2025.

Performance Measures

Stormwater measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
System adequacy				
To provide stormwater drainage systems in urban areas with the capacity to drain water from normal rainfall events and cope with a one in 10-year rain event.				
The number of flooding events that occur in a territorial authority district	N/A	0	This is not a measure itself, but an absolute figure used in the calculation of performance measures below.	1
For each flooding event, using a maximum of 1:50 year (50 year ARI, Annual Exceedance Probability 2%), the number of habitable floors affected. (Expressed per 1,000 properties connected to the Council's stormwater system).	<10	0	Achieved No habitable floors affected.	Achieved 0.11
Discharge compliance				
Compliance with Council's resource consents for discharge from its stormwater system.				
The number of abatement notices received by Council in relation to those resource consents.	0	0	Achieved No abatement notices received.	Achieved 0
The number of infringement notices received by Council in relation to those resource consents.	0	0	Achieved No infringement notices received.	Achieved 0
The number of enforcement orders received by Council in relation to those resource consents.	0	0	Achieved No enforcement notices received.	Achieved 0
The number of convictions received by Council in relation to those resource consents.	0	0	Achieved No conviction notices received.	Achieved 0

Stormwater measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Response times				
The median response time to attend a flooding event.				
The median response time in an urgent flooding event (defined as an event is where a habitable floor is reasonably at risk of being affected Priority 1 (P1), measured from the time that the Council (or subcontractor) receives notification to the time that service personnel reach the site.	<2 hours for urgent events	0 minutes	Achieved Year to date is based on median response time to attend a flooding event. No service request received.	Achieved 0 minutes
Customer satisfaction				
The total number of stormwater system complaints received by Council.				
The number of customer service requests (CSR) received by Council regarding single network issues per year, per 1,000 properties. This includes all CSR that relate to stormwater infrastructure whether directed to the contractor or individual staff member.	≤18	0.23	Achieved Two complaints were received this year. Year to date is based on the number of complaints regarding the performance of the stormwater system received per year.	Achieved 0.11
Environmental outcomes				
Water sensitive design, green infrastructure, low carbon design and construction, resilient network	As defined in the SCMP or emissions targets	Not applicable	Stormwater catchment management plans (SCMP) and the proposed Blue Green Network Strategy are required to document the performance measure methodology and corresponding targets. This work is still in development and as such, targets and a method for measuring Council's performance against these are not reported on in this year.	Not applicable

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
Mangawhai stormwater (Eveline Street)	\$38,433	\$900,000	Detailed design complete. Construction planned 2024/2025.
Mangawhai storm damage – Robert Street cul-de-sac stormwater drainage	\$433,893	\$498,928	Project due to be completed July 2024/2025.
Dargaville storm damage – town stopbank repair	\$76,213	\$500,000	Project is in detailed design stage. Repairs to start 2024/2025.
Mangawhai Heads flow and culvert upgrade	\$209,153	\$211,756	Stormwater models completed for Mangawhai and Baylys Beach.
Mangawhai storm damage – 63H Jack Boyd Drive – Phase 1	\$264,912	\$800,000	Completed.

Operating Funding - Stormwater	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	488	433	425
Targeted rates	2,240	2,026	2,046
Subsidies and grants for operating purposes	0	0	0
Fees and charges	1	0	1
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	2,728	2,459	2,471
Application of operating funding			
Payments to staff and suppliers	980	669	1,005
Finance costs	252	193	0
Internal charges and overheads recovered	565	533	708
Total applications of operating funding	1,797	1,395	1,714
Surplus (deficit) of operating funding	931	1,064	758

Capital Funding - Stormwater	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	0
Development and financial contributions	5	144	24
Increase (decrease) in debt	(221)	(374)	0
Gross proceeds from sale of assets	0	0	0
Total sources of capital funding	(216)	(230)	24
Application of capital funding			
Capital expenditure - to meet additional demand	79	11	105
Capital expenditure - to improve the level of service	954	118	118
Capital expenditure - to replace existing assets	37	161	117
Increase (decrease) in reserves	(355)	544	443
Total applications of capital funding	715	834	782
Surplus (deficit) of capital funding	(931)	(1,064)	(758)
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Transportation

The transportation group of activities aim is to link our great places, keep our communities connected, safe and active, and to contribute to the sustainability and growth of the local economy. Our transport network is vital for connecting our communities and provides for safe access to the places that make visiting and living in Kaipara an enjoyable experience.

This activity is delivered by the Northland Transportation Alliance (NTA) which includes Kaipara District Council staff.

What we planned	What we achieved
Continue district-wide road safety improvements, including school zones, speed limit reviews, local area road traffic improvements and prioritised road safety initiatives and an education programme	Approved speed limit changes implemented. Road safety activities such as new signage and barriers for High Risk Rural Roads implemented and is an on-going programme. Road safety education programme continuing.
Continue the network resilience strategy which includes a significant programme of slip repairs and drainage improvements across the district to mitigate the effects of climate change and significant weather events that cause communities to be severed from essential services	Programme of works delivered within available budget with one site to be completed early 2024/2025. Balance of priority sites have been designed in anticipation of LTP 2024-2027 programme budget however, this will be disrupted due to significant new programme of slip sites as a result of Cyclone Gabrielle.
Secure funding and deliver the network cycleway programme	Additional Kaihu Valley Trail funding has not been secured. Mangawhai shared path Phase Two completed with Phase Three under construction. Additional 100% subsidised funding was originally secured for Dargaville, however this funding was cancelled by central government in 2024.
Continue township improvement programmes	Physical works projects were not funded in the LTP or NZTA's NLTP. Funding was secured to develop further business cases that will contribute to development of future LTP works. Business case development is now underway.

What we planned	What we achieved
Continue the footpath programme to improve pedestrian safety and connectivity throughout the district	<p>Programme completed at Station Road/Hokianga Road intersection and Gordon and Logan Streets in Dargaville. Completed Ellen Street in Mangawhai.</p> <p>The Mangawhai Shared Path has been delivered along Molesworth Drive from the Library in Mangawhai Village to Insley Street with further sections along Molesworth Drive in progress and programmed to be completed in 2024/2025.</p>
Continue the bridge replacement and upgrade programme	Completed the year's bridge renewal and component renewals programme.
Continue the Wood Street capital improvement project business case	Project deferred pending NZTA approval of subsidised programme.
Implement the Ripiro Beach management plan business case	<p>Since June 2021 the Ripiro Beach Management Plan (RBMP) project has evolved into an ongoing working group of agencies holding jurisdiction over the beach, mana whenua and the community to establish a collective approach to managing the 107km stretch of coastline and the surrounding environment. The working group, comprised of representatives from Department of Conservation, Fire and Emergency NZ, Kaipara District Council, Kauri Coast 4WD Club, Northland Regional Council, New Zealand Police, Te Roroa, Te Uri o Hau and the community, was formally confirmed in June 2023. Building on previous efforts, community and local authority representatives were stationed at Baylys Beach and Glinks Gully entrances to Ripiro Beach surveying and educating more than 250 beachgoers on Labour weekend 2023. New educational signage for beach access areas along Ripiro Beach including dune areas was installed. RBMP working group representatives carried out a recce in December 2023 to get a better understanding of how people access and enjoy Ripiro Beach.</p>
Implement the Baylys Beach parking and connectivity programme business case	No NZTA Waka Kotahi funding for this project in this LTP. Will continue into 2024-2027 LTP.

Performance Measures

Transportation measured by	LTP Year 3 Target 2022/2023	Actual 2022/2023	Comments for 2022/2023	Actual 2021/2022
Safety				
The transportation network is designed and managed for safe use with low crash and injury rates.				
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.	≤0	0 change in fatal accidents -5 change in serious injury	Achieved There were two fatal and eleven serious accidents on Kaipara district roads in 2023/2024, compared to two fatal and 16 serious accidents in 2022/2023. While fatal accidents equal the previous year, serious accidents reduced by five.	Achieved 0 change in fatal accidents +7 change in serious injury
Road Condition (Smoothness)				
The average quality of ride on a sealed local road network, measured by smooth travel exposure.				
The average quality of ride measured by smooth travel exposure within the following range.	≥90%	88%	Not achieved No change from last year. Major storm events from 2022/2023 impacted the programme resulting in deferrals, and significant cost increases have impacted ride quality of the network.	Not achieved 88%
Maintenance of the sealed local network				
The percentage of the sealed local road network that is resurfaced.	≥7%	6%	Not achieved 28.32km of the sealed local road network in Kaipara was resurfaced in 2023/2024 from a total sealed network length of 472km. Cost increases on programme resulted in deferral of some sites to next financial year.	Achieved 11.3%
The maintenance of the roads meets the Council level of service targets as specified in our roading maintenance contracts.	≥85%	87%	Achieved However, performance fell in the last quarter as the contract terminated in June and the contractor's team progressively reduced.	Not Achieved 83.8%
The percentage of the sealed local road network that is rehabilitated (annually).	≥0.5%	0.50%	Achieved An increase in cost on programme resulted in deferral of some sites into coming seasons.	Not achieved 0.19%

Transportation measured by	LTP Year 3 Target 2022/2023	Actual 2022/2023	Comments for 2022/2023	Actual 2021/2022
Footpaths				
The percentage of footpaths within the district that fall within the Level of Service as determined by the condition rating (facilities are up to date, in good condition and 'fit for purpose').				
The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant documentation (such as its annual plan, activity management plan, asset management plan, annual works programme or LTP).	≥90% in fair or better condition	95%	Achieved Footpath condition had minimal change from the previous year. Most KDC footpaths meet the LoS defined in this measure and therefore this measure was passed.	Achieved 95%
Response to service requests				
The percentage of customer service requests relating to roads and footpaths to which the Council responds within the specified timeframe of two working days.	≥95%	95.55%	Achieved A total of 2,247 service requests were received this year with 2,147 responded to within the required two working days timeframe.	Not achieved 93.7%

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
Bridges and structures	\$2,189,217	\$4,105,882	Key structural components for various bridges district-wide were renewed as part of the ongoing renewal programme.
Sealed road resurfacing	\$2,743,071	\$2,938,620	28.32km of the sealed local road network in Kaipara was resurfaced in 2023/2024 from a total sealed network length of 472km.
Unsealed road metalling	\$2,653,551	\$2,816,391	This programme was impacted by extreme weather events. The programme is ongoing and will continue through the 2024-2027 LTP.
Kaihu Valley Trail (KVT)	\$137,363	\$600,000	Minor improvement works undertaken.
Dargaville Shared Pathway	\$528,863	\$7,500,000	Two modular raised crossings outside St Joseph's School and Dargaville Primary School and a new 1.8m footpath on Gordon Street completed.
Mangawhai Shared Pathway	\$3,918,813	\$9,594,702	Phase Three of this project has commenced and it scheduled for completion in the 2024/2025 financial year.
Drainage renewals	\$535,532	\$598,992	Projects were completed.
Traffic services renewals	\$238,879	\$192,852	Projects were completed.
Cyclone Gabrielle storm repairs	\$2,597,263	\$8,909,287	The initial response and repairs were 100% subsidised. Funds have been approved for the next phase of remedial projects programmed to be completed over the next two financial years.
Resilience improvements	\$1,410,884	\$1,333,000	Resilience improvements completed at Arapohue, Kaiwaka-Mangawhai and Tangowahine Valley Roads, and detailed designs were completed for further priority resilience projects.

Operating Funding - Transportation	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	11,784	12,395	11,875
Targeted rates	441	443	426
Subsidies and grants for operating purposes	16,845	5,337	9,602
Fees and charges	31	0	142
Internal charges and overheads recovered	2,129	2,168	2,269
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	31,230	20,343	24,314
Application of operating funding			
Payments to staff and suppliers	22,181	8,870	13,640
Finance costs	108	93	0
Internal charges and overheads recovered	6,128	6,195	6,190
Total applications of operating funding	28,417	15,158	19,830
Surplus (deficit) of operating funding	2,813	5,185	4,485

Capital Funding - Transportation	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	14,092	12,550	12,824
Development and financial contributions	337	307	211
Increase (decrease) in debt	(163)	375	0
Gross proceeds from sale of assets	0	0	0
Total sources of capital funding	14,266	13,232	13,034
Application of capital funding			
Capital expenditure - to meet additional demand	541	6,716	5,119
Capital expenditure - to improve the level of service	4,468	3,976	6,870
Capital expenditure - to replace existing assets	15,306	10,026	6,885
Increase (decrease) in reserves	(3,237)	(2,301)	(1,355)
Total applications of capital funding	17,079	18,417	17,519
Surplus (deficit) of capital funding	(2,813)	(5,185)	(4,485)
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Waste Minimisation

Kaipara District Council aims to reduce waste and promote a circular economy. The waste minimisation activity purpose is to collect and distribute the community’s disposal and recycling products to meet its statutory obligations and needs. The decisions Council makes on managing waste minimisation directly affect its communities and its environment. Council needs to ensure that this service is affordable, hygienic and environmentally sustainable, which contributes to its wellbeing, by protecting and enhancing its natural assets and open spaces.

Rubbish and recycling options are available for households, business and industry. Council services include:

- Currently, all solid waste from Dargaville and Hakarū is transferred to Whangarei’s Puwera commercial landfill
- Recycling services are undertaken weekly in association with the weekly bagged kerbside collection (major urban areas only) from Mangawhai to Dargaville. There are also drop-off facilities at both transfer stations
- Abandoned vehicles services and illegal dumping retrieval are carried out as and when required, separate to contracted services
- There are also a number of historic closed landfill sites that the Council has responsibilities for and carries liability for ongoing monitoring and maintenance, as well as reinstatement obligations for their closures
- Setting service levels and associated performance measures assists to define the service standard that the customer can expect from Council. Performance measure targets provide a basis for measuring the Council’s performance through identified indicators.

What we planned	What we achieved
Begin work on closed landfill remediation as identified in assessments for climate change readiness	Assessments complete and works will begin in 2024/2025.
Develop and implement composting facility	There is no funding for this project.
Waste minimisation strategy implementation bins	Waste Management and Minimisation Plan was adopted by Council November 2023. The implementation of bins has been deferred.

Performance Measures

Waste Minimisation measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Reliability				
To provide regular community kerbside collections.				
Percentage of residents who are very satisfied or satisfied with waste management.	75%	63%	Not achieved There was an increase in satisfaction of 4% from last year. Plastic bags and the need for more recycling options were the top reasons for dissatisfaction.	Not achieved 59%
To encourage recycling and reduction of waste to landfill				
Average amount of general refuse collected and deposited per property within the Kaipara District	< 298.04kg (less than previous year)	310.92 kg	Not achieved This may be due to increased population and properties in the property data information.	Achieved 298.04kg
Average amount of recycling collected and deposited per property within the Kaipara District.	>195.86kgs (greater than previous year)	213.86kg	Achieved This could be due to the recycling kerbside standardisation launch by Central Government which started nationwide on 1 February 2024.	Achieved 195.86kg
Closed landfill activities meet legislative compliance. No resource consent abatement notices, infringement notices, enforcement orders or convictions.	0	0	Achieved No major issues with a few low risk non-compliances which were remedied at closed landfills this year.	Achieved 0

Operating Funding - Waste Minimisation	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	1,407	1,421	1,651
Targeted rates	0	1,777	0
Subsidies and grants for operating purposes	0	0	0
Fees and charges	397	208	274
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
<i>Total operating funding</i>	1,804	3,406	1,926
Application of operating funding			
Payments to staff and suppliers	800	2,456	752
Finance costs	19	21	0
Internal charges and overheads recovered	230	616	293
<i>Total applications of operating funding</i>	1,049	3,093	1,046
Surplus (deficit) of operating funding	755	313	880

Capital Funding - Waste Minimisation	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	0	81	0
Development and financial contributions	0	0	0
Increase (decrease) in debt	(50)	137	0
Gross proceeds from sale of assets	0	0	0
<i>Total sources of capital funding</i>	(50)	218	0
Application of capital funding			
Capital expenditure - to meet additional demand	0	121	0
Capital expenditure - to improve the level of service	(3)	148	3
Capital expenditure - to replace existing assets	0	0	0
Increase (decrease) in reserves	708	263	877
<i>Total applications of capital funding</i>	705	532	880
<i>Surplus (deficit) of capital funding</i>	(755)	(314)	(880)
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Wastewater

The wastewater activity focuses on protecting public and environmental health by collecting and treating wastewater prior to its discharge into receiving environments. Continued growth, as well as the need to provide for visitors in peak periods (particularly in coastal communities), has resulted in the Council's ongoing commitment to significant wastewater infrastructure development.

The Council undertakes asset management, planning, operation and maintenance of these wastewater schemes, including capital and refurbishment programmes, consent monitoring and continuous maintenance through its network contractors.

This service also includes the collection, treatment and disposal of industrial liquid wastes (commonly known as trade wastes) from industrial premises across the district.

We provide six community wastewater collection and treatment systems:

- Dargaville
- Glinks Gully
- Kaiwaka
- Maungatūroto
- Te Kōpuru; and
- Mangawhai.

What we planned	What we achieved
Plan for Three Waters Reform	Three Waters legislation was repealed in February 2024, waters remain in Council control. Local Water Done Well is to replace this work.
Construction of the balance tank for the Mangawhai Community Wastewater Scheme (MCWWS)	Construction is now complete, and balance tank is operational.
Investigate options assessment for a wastewater scheme in Papanoa	Options presented to the community for them to progress a solution. Council is continuing to provide engineering support.
Construct disposal system for MCWWS	Assessment has continued and pilot now planned for golf course.

What we planned	What we achieved
Commence development for recyclable use of sludge from MCWWS	This work has been deferred.
Implement outcomes from wastewater modelling	In progress.
Asset replacement and renewal work commences	In progress.
Health and safety fencing of oxidation ponds (wastewater) (4 years from 2022)	Ongoing.
Tinopai campground	Contractors for the improvements to the Tinopai campground wastewater treatment and disposal field are appointed and work is underway.

Performance Measures

Wastewater measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
System adequacy				
Legal compliance with all resource consents for discharges into the environment from Council systems. The exception provided for in the consent is severe weather events and power failure.				
The number of dry weather sewage overflows from Council's sewerage system, expressed per 1,000 sewerage connections to that sewerage system.	≤1	1.62	Not achieved Nine overflows throughout the year expressed per 1,000 wastewater connections, based on 5,548 wastewater connections.	Achieved 0.54
Discharge compliance				
Compliance with the Council's resource consents for discharge from its wastewater system.				
The number of abatement notices, infringement notices, enforcement orders and convictions received by Council in relation to its resource consents for discharge from its sewerage systems.	0	0	Achieved No abatement, infringement, enforcement orders or convictions received this year.	Not achieved 3
Fault response times				
Where Council attends to sewage overflows resulting from a blockage or other fault in Council's sewerage system.				
Attendance time: from the time that Council receives notification to the time that service personnel reach the site.	≤2 hours	44 minutes	Achieved Year to date median time is calculated from all wastewater service request attendance times.	Achieved 42 minutes

Wastewater measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Fault response times (continued)				
Where Council attends to sewage overflows resulting from a blockage or other fault in Council's sewerage system.				
Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤48 hours	3 hours, 5 minutes	Achieved Year to date median time is calculated from all wastewater service request resolution times.	Achieved 4 hours, 22 minutes
Customer satisfaction				
The total number of sewerage system complaints received by Council.				
The total number of complaints received by Council about sewage odour. Expressed per 1,000 sewerage connections to that sewerage system.	≤10	3.24	Achieved Year to date complaints based on the total number of complaints (18) related to sewer odour per 1,000 connections, based on 5,548 wastewater connections.	Achieved 4.2
The total number of complaints received by Council about sewerage system faults, e.g. blockages, breaks etc. Expressed per 1,000 sewerage connections to that sewerage system.	≤25	8.83	Achieved Year to date is based on the total number of complaints (49) related to the associated measures per 1,000 connections, based on 5,548 wastewater connections.	Achieved 11.5
The total number of complaints received by Council about Council's response to issues with its sewerage system. Expressed per 1,000 sewerage connections to that sewerage system.	≤46	23.25	Achieved Annual result is based on the total number of complaints (129) related to Council's response to sewer system issues, per 1,000 connections based on 5,548 wastewater connections.	Achieved 28.6
Major capital projects are completed within budget.	Achieved	Achieved	Achieved Two out of two major projects were completed on or under budget this financial year. Major projects measured here only relate to projects completed in the year with budgeted costs of greater than \$250,000.	Achieved

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
Dargaville wastewater renewals	\$67,095	\$290,997	Minor renewals completed in Dargaville.
Station Road reticulation	\$442,248	\$167,853	Project completed. Additional funding received from Iwi \$200,000 to support the project.
Mangawhai wastewater - replacements	\$116,869	\$145,593	Minor capital work completed in Mangawhai.
Maungatūroto wastewater - replacements	\$54,971	\$221,150	Minor capital work completed in Maungatūroto.
Mangawhai Community Wastewater Scheme (MCWWS) - Balance Tank Stage 1 2020/2021	\$160,669	\$225,000	Completed.
Mangawhai - capacity up-grades to 5,000 connections and extensions to reticulation including new disposal system	\$1,726,119	\$1,963,819	InDENSE system installed and commissioned. Ongoing work transitioning to land disposal alternative. Project delivered alongside extensions to reticulation including new disposal system below.
Mangawhai - PS-K rising main diversion	\$269,999	\$575,000	Completed.
Storm damage - maturation ponds height	\$64,811	\$650,000	Design completed. Construction to commence 2024/2025.
Storm damage - 300KVA generator	\$157,774	\$200,000	Purchased and installed.

Operating Funding - Wastewater	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	1,032	928	899
Targeted rates	7,647	6,420	6,857
Subsidies and grants for operating purposes	0	0	0
Fees and charges	62	28	47
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
Total operating funding	8,741	7,376	7,803
Application of operating funding			
Payments to staff and suppliers	3,348	2,286	3,385
Finance costs	1,966	1,960	0
Internal charges and overheads recovered	1,919	1,704	3,694
Total applications of operating funding	7,233	5,950	7,078
Surplus (deficit) of operating funding	1,508	1,426	725

Capital Funding - Wastewater	Actual	LTP 2021–2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	270	0	653
Development and financial contributions	498	2,168	1,221
Increase (decrease) in debt	20	(622)	0
Gross proceeds from sale of assets	0	0	0
Total sources of capital funding	788	1,546	1,874
Application of capital funding			
Capital expenditure - to meet additional demand	1,911	43	4,496
Capital expenditure - to improve the level of service	972	0	693
Capital expenditure - to replace existing assets	454	328	877
Increase (decrease) in reserves	(1,041)	2,602	(3,466)
Total applications of capital funding	2,296	2,973	2,599
Surplus (deficit) of capital funding	(1,508)	(1,427)	(725)
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



Water Supply

A reliable and high-quality water supply to Kaipara district's reticulated areas is essential for communities and local economic development. Public water supplies ensure communities receive water at the cost of production. Our water supply activities also protect and enhance our natural assets and open spaces.

We operate five community water supply schemes that provide potable water:

- Dargaville (including Baylys)
- Glinks Gully
- Ruawai
- Maungatūroto; and
- Mangawhai (mostly supplying the Mangawhai Heads Holiday Park and the Woods Street commercial precinct).

We own and maintain the whole water supply network for the five schemes. We treat raw water to produce quality and quantities of drinking water to drinking water standards (potable); and distribute treated water to the point of supply to customers to meet specific flow, pressure, and quality standards. This includes water for emergency firefighting services for Dargaville's urban area.

We also undertake:

- customer services
- water billing
- asset management
- planning
- treatment plant operations and maintenance
- network operations and maintenance
- capital and refurbishment programme; and
- consent monitoring and compliance.

What we planned	What we achieved
Plan for Three Waters Reform	Three Waters legislation was repealed in February 2024, waters remain in council control. Local Water Done Well is to replace this work.
Taumata Arowai - Water Service risk management plan (Water Supply)	This is ongoing.
Taumata Arowai - additional water sampling (Water Supply)	This is ongoing.
Feasibility study for connection to Dargaville from all options	Investigations are now well advanced.
Application for new consent at Ahikiwi water take	Consent will not be renewed due to decisions around water resilience for Dargaville. This consent would use the same water source as we do now.
Kaihu water - alternative drinking water system (Water Supply)	All properties identified as drinking the supply have been disconnected and water tanks have been provided.
Maungatūroto water	Renewal of the sand filters at the Maungatūroto Water Treatment Plant (WTP) is underway. A contract is in place and the replacement filters are being constructed offsite. Renewal of the water supply network in Maungatūroto is ongoing. A project on Hurndall Street was completed in FY2024. Another project in Doctors Hill Road is designed and out for tender.
Investigate a water security solution for Mangawhai	Two studies have been completed considering options - one by Awa and one by SCO Consulting. Short and long-term solutions will be considered, and funding allowed in next LTP.

Performance Measures

New drinking water standards from Taumata Arowai came into force on 14 November 2022 and Kaipara District Council has reported against these standards from 1 July 2023. This is notwithstanding that the targets for the water supply measurement has been set as part of the LTP 2021–2031. An independent assessment of our performance against the Drinking Water Quality Assurance Rules 2022 (DWAR) has been completed for the period being 1 July 2023 to 30 June 2024 by GWE Consulting Engineers.

Water Supply measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Fault Response Times				
Where Council attends a callout in response to a fault or unplanned interruption to its networked reticulation system.				
The median response time for attendance of urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site.	≤2 hours	44 minutes	Achieved Year to date median response time of all annual urgent service requests during the year.	Achieved 57 minutes

Water Supply measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Fault Response Times (continued)				
Where Council attends a callout in response to a fault or unplanned interruption to its networked reticulation system.				
The median response time for resolution of urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤48 hours	2 hours, 26 minutes	Achieved Year to date based on median resolution times of all annual urgent service requests. Staff have worked to improve response times.	Achieved 4 hours, 33 minutes
The median response time for attendance of non-urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site.	≤3 hours	45 minutes	Achieved Year to date based on median time response of all annual service requests which were non-urgent callouts.	Achieved 56 minutes
The median response time for resolution of non-urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	≤3 days	3 hours, 14 minutes	Achieved Year to date based on median resolution times of all annual service requests which were non-urgent callouts.	Achieved 4 hours, 46 minutes
Customer Satisfaction				
The total number of water supply complaints received by Council.				
The total number of complaints for the district received by Council about drinking water clarity, odour, taste, pressure or flow and continuity of supply, Expressed per 1,000 water connections.	≤38	12.83	Achieved Based on total number (47) of complaints per 1,000 water connections with 3,667 water meter connections.	Achieved 8.73
Total number of complaints received by Council about Council's response to any of these issues. Expressed per 1,000 water connections.	≤38	0	Achieved There was 1 complaint received from a possible 3,663 water connections.	Achieved 0

Water Supply measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Demand Management				
The average consumption of drinking water per day per resident within Kaipara District = Billed metered consumption (m3) x 1,000 / (number of connections x 365 x 2.5 (occupancy rate)).	Dargaville 275	263	Achieved	Not achieved Dargaville 291
	Maungatūroto 340	250	Achieved	Achieved Maungatūroto 244
	Ruawai 130	127	Achieved	Achieved Ruawai 119
	Glinks Gully 52	71	Not achieved Campground and public toilets included in calculation.	Not achieved Glinks Gully 65
	Mangawhai 230 *excluding campground	561	Not achieved High consumption due to connections being more commercial, i.e. Wood Street shops, pensioner flats etc.	Not achieved Mangawhai 807
Water take consents.	100% compliance with NRC water take consents	93%	Not achieved We had eight low to moderate risk non-compliant consents. Based on 108 consents. These were due to two water meter reads not being recorded and six for late reporting.	Not achieved 99%
Major capital projects are completed within budget.	Achieved when completed at or below budget	Achieved	Achieved One out of one major projects were completed on or under budget this financial year. Major projects measured here only relate to projects completed in the year with budgeted costs of greater than \$250,000.	Not achieved

Water Supply measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Safety of drinking water in accordance with NZDWS (bacteria compliance criteria)				
<p>The extent to which Council's drinking water supply complies with part 4 of the NZDWS (bacteria compliance criteria).</p>	<p>Dargaville Maungatūroto Ruawai Mangawhai Glinks Gully All schemes must be compliant</p>	<p>Not achieved</p>	<p>Not achieved</p> <p>Under the Drinking Water Quality Assurance Rules 2022 (DWQAR), Maungatūroto, Dargaville and Ruawai treatment plants require compliance with Section 4.10.1.1 and 4.10.1.4 (T3 Bacterial Rules), and Glinks Gully and Mangawhai treatment plants require compliance with Section 4.4 (T1 Treatment Rules).</p> <p>Dargaville, Maungatūroto and Ruawai only achieved partial compliance. Dargaville and Maungatūroto issues are mostly FAC and PH values and sampling gaps. Turbidity monitoring not online, equipment is in place just not reading continuously - if not already connected will be connected this financial year. Non compliances generally relate to electronic reporting of monitoring not being available, this occurs when the plant is shutdown, during power cuts and recording equipment failure. This is usually resolved quickly with no effect on water quality.</p> <p>Mangawhai compliant throughout the entire compliance period.</p> <p>Glinks Gully partially compliant. Total coliforms detection (1MPN/100mL) on 5 January 2024.</p>	<p>Not achieved</p>

Water Supply measured by	LTP Year 3 Target 2023/2024	Actual 2023/2024	Comments for 2023/2024	Actual 2022/2023
Safety of drinking water in accordance with NZDWS (bacteria compliance criteria) (continued)				
The extent to which Council's drinking water supply complies with part 5 of the NZDWS (protozoal compliance criteria).	Dargaville Maungatūroto Ruawai Glinks Gully Mangawhai All schemes must be compliant	Not achieved	<p>Not achieved</p> <p>Under the DWQAR 2022, Maungatūroto, Dargaville and Ruawai are Level 3, however Source Class's and treatment methods dictate compliance rules. Dargaville and Maungatūroto treatment plants require compliance with Section 4.10.2.5 and Section 4.10.2.13 (T3 Protozoal Rules). Ruawai treatment plant has a Class 1 Source, and therefore a protozoal barrier is not required. Glinks Gully and Mangawhai treatment plants are small supplies under DWQAR 2022 and therefore protozoal compliance does not apply.</p> <p>Non compliances for Maungatūroto and Dargaville treatment plants generally relate to electronic reporting of monitoring not being available, this occurs when the plant is shutdown, during power cuts and recording equipment failure. This is usually resolved quickly with no effect on water quality.</p>	Not achieved
The percentage of real water loss from our networked reticulation system (average for total network of all schemes). Real water loss is calculated by subtracting the meter readings and 'other components' from the total water supplied to the networked reticulation system.	≤ 27%	37%	<p>Not achieved</p> <p>The results indicate that the level of water loss is high in three of the supply areas, and low in Ruawai and Glinks Gully.</p> <p>The large watermain renewal project in Ruawai in late 2021 has resulted in significant reductions in water loss in this network since then. The level of water loss in Glinks Gully in 2023/2024 is very low, and this will be due to the replacement of 50% of the reticulation there in 2022/2023. The level of real losses in Mangawhai has increased significantly in 2023/2024.</p>	Achieved - compliance with part 5 of the NZDWS 26%

Capital Programme

Project	Actual 2023/2024	Budget from Annual Plan (plus carryovers)	Comments
Ruawai water treatment plant and reservoir	\$179,023	\$55,525	Completed.
Maungatūroto water renewals	\$432,629	\$795,868	Hurndall Street water renewals completed.
Maungatūroto water reservoirs on Griffin Road specifically to be renewed	\$231,023	\$181,656	Completed.
Storm damage – electrical components damage	\$93,155	\$100,000	Storm damage repairs completed at the Ruawai Water Treatment plant.
Maungatūroto water treatment plant upgrade	\$74,058	\$1,000,000	Project planning commenced. Delivery is due to commence 2024/2025.

Operating Funding - Water Supply	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of operating funding			
General rates, uniform annual general charges, rate penalties	0	0	366
Targeted rates	4,091	4,623	4,130
Subsidies and grants for operating purposes	0	0	0
Fees and charges	539	579	492
Internal charges and overheads recovered	0	0	0
Interest and dividends from investments	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0
<i>Total operating funding</i>	4,630	5,202	4,988
Application of operating funding			
Payments to staff and suppliers	2,077	1,806	1,657
Finance costs	149	163	0
Internal charges and overheads recovered	1,270	1,246	1,587
<i>Total applications of operating funding</i>	3,496	3,215	3,244
Surplus (deficit) of operating funding	1,134	1,987	1,744

Capital Funding - Water Supply	Actual	LTP 2021-2031 Year 3	Annual Report
For the year ended: 30 June	2023/2024 \$'000	2023/2024 \$'000	2022/2023 \$'000
Sources of capital funding			
Subsidies and grants for capital expenditure	0	0	53
Development and financial contributions	0	57	2
Increase (decrease) in debt	(173)	(330)	0
Gross proceeds from sale of assets	64	0	0
<i>Total sources of capital funding</i>	(109)	(273)	55
Application of capital funding			
Capital expenditure - to meet additional demand	0	0	23
Capital expenditure - to improve the level of service	400	0	12
Capital expenditure - to replace existing assets	807	1,232	1,325
Increase (decrease) in reserves	(181)	480	441
<i>Total applications of capital funding</i>	1,025	1,712	1,799
<i>Surplus (deficit) of capital funding</i>	(1,134)	(1,985)	(1,744)
Funding Balance	0	0	0

Several categories as prescribed in the 2014 Local Government (Financial Reporting and Prudence) Regulations Order in Council, have been excluded from this activity level Financial Impact Statement. The excluded categories contain no actual, planned, or prior year financial activity and have been removed in the interest of brevity.



APPENDIX



Mangawhai Estuary

Council Directory

Dargaville Service Centre

32 Hokianga Road

Dargaville 0310

Mangawhai Service Centre

Unit 6 The Hub

6 Molesworth Drive

Mangawhai 0505

Bankers

Bank of New Zealand

80 Queen Street

Auckland

ANZ Bank Ltd

Private Bag 92210

Victoria Street West

Auckland 1010

Auditors

Deloitte on behalf of the Auditor-General

Private Bag 115033

Auckland 1140

Management Team

Kaipara District Council 30 June 2024



Jason Marris
Chief Executive



Michael Day
*General Manager
Engagement and
Transformation*



Sue Davidson
*General Manager
Sustainability, Growth
and Investment*



Hayley Worthington
*General Manager
Customer Experience*



Anin Nama
*General Manager
Infrastructure
Services*



Sarah Morris
*General Manager
People and Capability*

Council Committee Structures

Kaipara District Council 30 June 2024

Audit, Risk and Finance Committee

Members: Philip Jones (Independent Chair)
 Councillor Mike Howard (Deputy Chair)
 Deputy Mayor Jonathan Larsen
 Councillor Ron Manderson
 Councillor Ash Nayyar
 Councillor Pera Paniora
 Councillor Eryn Wilson-Collins

Purpose: To oversee the risk management and internal control, audit functions, financial and other external corporate reporting and compliance with legislation.
 To monitor Council's financial performance against the Long Term Plan and Annual Plan.

Awards and Grants Committee

Members: Councillor Eryn Wilson-Collins (Chair)
 Deputy Mayor Jonathan Larsen
 Councillor Mike Howard
 Councillor Pera Paniora
 Councillor Mark Vincent
 Councillor Rachael Williams

Purpose: To allocate awards and grants in accordance with Council policy and legislation.

District Licensing Committee

Members: Mark Farnsworth (Chair)
 Councillor Gordon Lambeth
 Grace Le Gros
 Amy Munn
 Murray Clearwater

Purpose: To administer Council's alcohol licensing framework as determined by the Sale and Supply of Alcohol Act 2012.

Economic Development Committee

Members: Deputy Mayor Jonathan Larsen (Chair)
 Councillor Mike Howard
 Councillor Gordon Lambeth
 Councillor Ron Manderson
 Councillor Ash Nayyar

Purpose: To provide strategic direction on enabling and promoting economic growth and prosperity in the Kaipara District.

Harding Park Committee

Members: Councillor Gordon Lambeth (Chair)
Robert Harding
Henry Holyoake
Councillor Ron Manderson
Councillor Ash Nayyar

Purpose: To provide advice on priorities for planning and policy development of the Harding Park and Old Mount Wesley Cemetery Reserve areas.

Mangawhai Community Park Governance Committee

Members: Councillor Mike Howard (Chair)
Councillor Ron Manderson
Councillor Rachael Williams
Daniel Hawes (community representative)
Mary-Anne Boyd (Chair of Friends of Mangawhai Community Park)
Philip Johnson (Māori representative)

Purpose: To govern Mangawhai Community Park in accordance with the Mangawhai Community Park Master Plan.

Raupo Drainage Committee

Members: Raupo District Ratepayer Members
Ian Beattie (Chair)
David Hart
Greg Gent
Grace Le Gros
Brian Madsen
Ross McKinley
Council representatives
Councillor Mark Vincent

Purpose: To govern the drainage, stopbanks and flood protection in the Raupo Drainage District.

Remuneration and Development Committee

Members: Mayor Craig Jepson (Chair)
Deputy Mayor Jonathan Larsen
Councillor Mike Howard
Councillor Gordon Lambeth
Councillor Ron Manderson
Councillor Rachael Williams

Purpose: To oversee the Chief Executive's performance and to make recommendations on elected member training and development.

Taharoa Domain Governance Committee

Members: Councillor Mark Vincent (Chair)
Councillor Ash Nayyar
Sonny Nesbit (Te Roroa representative)
Councillor Pera Paniora
Ric Parore (Te Kuihi representative)
Councillor Rachael Williams

Purpose: To provide advice on priorities for planning and policy development of Taharoa Domain.

***Please note:** There are two external community funding committees that sit outside of the Council's committee structure. Creative Communities with Chair Councillor Eryn Wilson-Collins, and the Rural Travel Fund, with Chair Councillor Pera Paniora.*

The Joint Climate Change Adaptation Committee is made up of Elected Members from Northland District Councils, Regional Council, hapū and iwi. KDC representation is Mayor Craig Jepson (alternate Councillor Ron Manderson), and Fiona Kemp (Iwi representative) (alternate Snow Tane).

Elected Member Meeting Attendance

Type of meeting held	Number of meetings held	Mayor Jepson	Deputy Mayor Larsen	Cr Howard	Cr Lambeth	Cr Manderson	Cr Nayyar	Cr Paniora	Cr Vincent	Cr Williams	Cr Wilson-Collins
Kaipara District Council (Ordinary)	10	10	10	10	9*	10	9	10	9	10	10
Kaipara District Council (Extraordinary)	1	1	1	1	1	1	1	1	1	1	1
Council Briefings	11	10	11	11	9*	10	10	9	10	10	8
Council Workshops	11	10	11	11	9*	7	10	8	10	10	7
Long Term Plan Briefings	9	9	9	8*	8*	8	9	9	9	9	8
Long Term Plan Workshop	1	1	1	1	1	1	1	1	1	1	1
Long Term Plan Hearings	2	2	2	2	2	1	2	1	2	2	2
Long Term Plan Deliberation	1	1	1	1	1	1	0	1	1	1	1
Economic Development Committee Meeting	1	1^	1	1	1	0	0	-	-	-	-
Economic Development Committee Workshop	1	1^	1	1	1	1	1	-	-	-	-
Economic Development Committee Briefing	4	4^	4	3	4	2	3	-	-	-	-
Audit Risk and Finance Committee	4	4^	3	4	-	3	4	1	-	-	3
Audit Risk and Finance Committee (Extraordinary)	1	1^	1	1	-	1	1	1	-	-	1
Awards and Grants Committee	3	2^	2	3	-	-	-	3	1	3	2
Awards and Grants Committee (Extraordinary)	2	2^	2	2	-	-	-	1	2	1	2

This table shows meeting attendance from 01 July 2023 to 30 June 2024. Extraordinary meetings are meetings that are added to the adopted meetings schedule of Ordinary meetings due to urgent business. See page 75 for elected representative remuneration. Council appoints ad hoc hearing panels to hear submissions. There were several hearing panels formed during this period including for Waste Management and Minimisation Plan and the Independent Qualified Persons (IQP) Register.

Key:

- Denotes the elected member is not a member of that committee.
- ^ The Mayor is a member of every committee of the local authority, and these meetings were attended in this capacity.
- * Denotes elected member was on other Council Business for some of these absences – refer to minutes.
- # Leave of Absence.
- " Denotes Member resigned from Committee during the year.

Elected Member meeting attendance information has been continued over page.

Elected Member Meeting Attendance (continued)

Type of meeting held	Number of meetings held	Mayor Jepson	Deputy Mayor Larsen	Cr Howard	Cr Lambeth	Cr Manderson	Cr Nayyar	Cr Paniora	Cr Vincent	Cr Williams	Cr Wilson-Collins
Mangawhai Community Park Governance Committee	4	2 [^]	-	4	-	1	-	-	-	4	-
Mangawhai Community Park Governance Committee (Extraordinary)	1	1 [^]	-	1	-	0	-	-	-	1	-
Mangawhai Community Park Master Plan Hearing	1	1 [^]	-	1	-	0	-	-	-	1	-
Taharoa Domain Governance Committee	3	2 [^]	-	-	-	-	3	3	3	3	-
Raupo Drainage Committee	3	-	-	-	-	-	-	-	3	-	-
Remuneration and Development Committee	2	2	2	1	2	2	-	-	-	2	-
Harding Park Committee	3	-	-	-	3	1	3	-	-	-	-
Waste Minimisation Plan Hearing	1	1	-	1	-	-	-	-	-	-	1
Waste Minimisation Plan Deliberation	1	1	-	1	-	-	-	-	-	-	1
Creative Communities	2	-	-	-	-	-	-	-	-	-	2
Rural Travel Fund	2	-	-	-	-	-	-	2	-	-	-
Fees and Charges Deliberations	1	1	1	1	1	0	0	0	1	0	1
Independent Qualified Persons (IQP) Register Panel	1	-	-	-	1	-	-	-	-	1	1

This table shows meeting attendance from 01 July 2023 to 30 June 2024. Extraordinary meetings are meetings that are added to the adopted meetings schedule of Ordinary meetings due to urgent business. See page 71 for elected representative remuneration. Council appoints ad hoc hearing panels to hear submissions. There were several hearing panels formed during this period including for Waste Management and Minimisation Plan and the Independent Qualified Persons (IQP) Register.

Key:

- Denotes the elected member is not a member of that committee.
- [^] The Mayor is a member of every committee of the local authority, and these meetings were attended in this capacity.
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- “ Denotes Member resigned from Committee during the year.



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