

# ANNUAL REPORT SUMMARY

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## 2020/21



Adopted 29 March 2022



**Waimate**  
District Council

## MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE



Welcome to the Waimate District Council's Annual Report Summary for 2020/21. This report reflects how well Council has managed projects, services and financial performance against the original intentions of the Long Term Plan 2018-28.

The full Annual Report presents our financial results, provides a snapshot of our performance over the past financial year and celebrates some of the key highlights that have been achieved. While we will continue to progress a number of significant projects, our focus remains heavily on delivering quality infrastructure, public and regulatory services that are both cost-effective and efficient for the community.

Much like the previous year, COVID-19 continued to cause uncertainty throughout the year, with the Government switching between alert levels and Council having to adapt to the evolving hurdles as the global pandemic roars on.

In fact, uncertainty has perhaps been the word that best describes the year that was. Whether it's the Government's Three Waters Reform Programme, the Resource Management Act Reform or the Future of Local Government Review, there has been plenty of uncertainty facing the local government sector – with more questions than answers being thrown up.

Though, while the landscape may still be unclear, let's reflect on what has been a productive and largely successful year for Council.

From a roading standpoint, our 2021-26 Road Maintenance and Operations Contract was awarded to Rooney Earthmoving Limited, replacing incumbent contractor Whitestone Contracting Ltd. The contract, worth \$16 million over five years, includes all aspects of maintenance, with coverage of both sealed and unsealed roads across the district's 1,339km network. The new contract commenced 1 July 2021.

Roading activity undertaken in the last financial year has included general road maintenance work and footpath renewals, along with some minor bridge repairs including Jacksons Bridge, Hook Beach Bridge and Don's Bridge. In addition, the design and procurement phase for the replacement of Crouches Bridge on Youngs Road has also been completed, with construction getting underway in September 2021.

Climate change has also been a significant focus for Council as we look for ways to continue reducing our carbon footprint.

Council introduced two hybrid cars to replace two of the existing petrol-driven pool cars, with the hybrid technology helping to save significant costs in fuel and operating expenses and better serving the environment.

In other areas, the flooding at the beginning of 2021 provided an opportunity to bring forward plans to fast track the replacement of the old tiled roof at the Local Government Centre on Queen Street, and complete stage one of the internal refurbishment. The roof was replaced with long run iron and has further enhanced the life-span and safety of the building.

In August 2020, the Government signed a Three Waters Memorandum of Understanding with all local authorities around the country, including our Council. As part of the Memorandum of Understanding, Council was granted \$3.36 million that resulted in proposed work being brought forward to the 2021/22 year and additionally some new projects to be carried out.

With assistance from the Three Waters Stimulus Funding, the Waimate oxidation ponds underwent a desludging process, removing more than 600 tonnes of sludge and creating a further 30 to 40 years of capacity.

Looking back, it has been an important year for COVID-19 recovery and Council were fortunate

enough to receive substantial funding from Central Government to help stimulate the local economy. Council spent \$140,000 from the Mayor's Taskforce for Jobs Community Recovery programme in partnership with the Ministry of Social Development and Local Government New Zealand. Through this funding, an Employment Coordinator was appointed in November 2020 to work with employers and job seekers, particularly youth and people whose jobs had been affected by COVID-19. Council's target was to place 25 people into full-time employment (32 hours or more per week). That target was exceeded by placing 35 people into full-time employment, including 8 apprenticeships. An additional 40 people were placed into part-time, casual or seasonal employment.

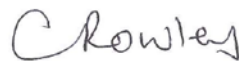
In addition, Council was able to secure COVID-19 funding from Department of Internal Affairs to employ two full-time staff to work in the roles of Digital Librarian and Community Engagement Librarian. The two new librarians have enhanced the promotion of the library and its services. The Digital Librarian has focused on digital training and improvement of the digital services offered through the library, while the Community Engagement Librarian has focused on offering community groups and schools support and the introduction of new programmes. We are also encouraging the use of te reo Māori in the library with new signage and weekly language lessons.

On the finance front, Council had no requirement to draw down any borrowings during the financial year, due to the deferral of some capital projects and the use of cash reserves. Council's asset portfolio, which includes land and buildings, was revalued at an additional \$4.2 million as at 30 June 2021 – another positive for Council.

Council recorded a surplus of \$1,315,000 compared to a budgeted deficit of \$1,433,000. Refer to Note 31 in the full Annual Report for the explanations of major variances against budget.

Going forward, the district will continue to push ahead with some incredibly exciting developments on the horizon. While the above points briefly touch on some of the major projects and developments administered by the Council in the last financial year, we invite you to read A Year in Review for more detail and highlights achieved throughout the year.

Once again, we would like to thank the community, councillors, staff and contractors for the contributions everyone has made to ensure our district continues to be a great place to live, work, visit and play. Together with the community, our small, hard-working and tight-knit team will continue pushing significant opportunities for the Waimate District, embracing growth and positivity.



**Craig Rowley**  
Mayor



**Stuart Duncan**  
Chief Executive



# A YEAR IN REVIEW

This Annual Report Summary tells the story of our performance over the last financial year from 1 July 2020 to 30 June 2021. It's an important way of informing our community about how rates have been spent and helps to highlight areas we performed well in, the areas Council need to improve on and provides context for where we need to head in the future.

Throughout the year, there has been a number of issues facing Council, both impacting on finance and causing changes to our services. This section reflects on those issues, detailing how they have impacted on the 2020/21 Annual Report and a brief glimpse looking ahead.

## COVID-19

Few would forget Wednesday 25 March 2020, the day New Zealand first went in to Level 4 lockdown in response to the global outbreak of the COVID-19 pandemic.

While the COVID-19 initial response is now largely behind us, and vaccines and boosters are freely available nationwide, it's now we must look back at the lessons learned and be ready to act. As we clearly saw during lockdown, there is no substitute for being prepared and ready. Essentially, COVID-19 has created a new normal for us all, and while we take time to adapt to this new way of life, thinking and doing, it's vital we continue to build community resilience and further strengthen the community links we have established through this pandemic.

In response to COVID-19, Council successfully applied for Central Government grants and funding for projects to support our community's economic recovery and provide jobs to affected workers, with funding comprising Three Waters Stimulus Funding, Mayors Taskforce for Jobs initiative and the New Zealand Libraries Partnership Programme secondments.

### Impacts on the 2020/21 Annual Report

The impacts of responding to and recovering from COVID-19 since March 2020 can be seen in this year's Annual Report.

These are;

- Council's rates were set at 4%, as opposed to the forecast increase of 7.7%
- Council budgeted for loss of some income, but the opposite occurred with increased revenues in camping and building consents
- Council received funding from Central Government to create and support employment in the Waimate District, successfully receiving \$250,000 (spending \$140,000 and returning \$110,000) as part of the Mayors Taskforce for Jobs initiative, \$81,000 through the New Zealand Libraries Partnership Programme and \$1.68 million as part of the \$3.36 million Three Waters Stimulus Funding – none of which were included in the Annual Plan budget.

## Looking ahead

The global outbreak of the COVID-19 pandemic in 2020 and its ongoing threats to various aspects of national, regional and local wellbeing is considered by Council to be a critical factor in our planning for safeguarding the safety of the district's community and its economic vitality going forward.

Planning for a resurgence of COVID-19 and its variants is now part of everyday life. Alongside our regional partners, whenever a change to an alert level happens Council need to be prepared.

## THREE WATERS REFORM PROGRAMME

In July 2020, the Government launched the Three Waters Reform Programme – a three-year programme to reform local government three waters service delivery arrangements. Currently 67 different councils own and operate the majority of the drinking water, wastewater and stormwater services across New Zealand. The proposed reform programme is being progressed through a partnership-based approach with the local government sector, alongside iwi/Māori as the Crown's Treaty Partner.

Following the Government announcement on 27 October 2021 on three waters reform, there is increased certainty with the proposal to transfer the three water delivery and infrastructure from the 67 councils to four Water Service Entities (WSEs). In June 2021, the Government proposed regional boundaries for each entity A, B, C and D, which would manage water assets for the country. Council would belong to WSE 'D', along with 19 other Councils.

At the date of this annual report being approved for issue there is, due to this announcement, increased certainty that should the legislation be enacted, Council will not be responsible for the delivery and infrastructure of three water services from 1 July 2024. Working groups will comment on the exposure draft of the Three Waters Entities Bill by 28 February 2022.

### Three Waters Stimulus Funding

In August 2020, the Government signed a Memorandum of Understanding with all local authorities around the country, including our Council. Council was granted \$3.36 million that has now resulted in proposed work being brought forward to the 2021/22 year and additionally some new projects to be carried out.

### Impacts on the 2020/21 Annual Report

Council received \$1.68 million of Three Waters Stimulus Funding for operational and capital projects.

Capital project spends included:

- Reservoir upgrades (rural water supply Hook/Waituna, Lower Waihao, Waihaorunga, Waikakhi, Cannington and Otaio/Makikihi)

- Break tank upgrades (rural water supply Otaio/ Makikihi and Waikakahi)
- Urban water meters
- Queen Street stormwater and sewer upgrade.

Operational project spends included:

- Hydraulic modelling (rural and urban water supply)
- Intake investigation (Waikakahi rural water supply)
- Inflow investigation (sewerage)
- Sewerage pond desludging project.

## FLOODING

On 3 January 2021, Council's main office on Queen Street was impacted by a significant rain event causing surface flooding and major upheaval just days before the building was due to reopen for the year ahead. The building, which also houses the Waimate District Library, experienced extensive flood damage to the front offices, prompting an internal refurbishment of the reception and staff work areas throughout the majority of the building. In addition, the library remained closed and repairs were undertaken. The rear of the building was relatively unscathed and continued to be used for staff required to work on site.

In the days that followed, the customer service team were successfully relocated to the Waimate Event Centre with full service resuming within a day of the scheduled reopening to the public on 7 January 2021. The facilitation and support of 22 staff required Council's IT team to work with electrical and building contractors on a weekly basis to mitigate the risk of any IT interruptions.

Other impacted employees also relocated to the Event Centre and within the Local Government Centre (LGC), with some opting to utilise the Gorge Road premises instead. Once the LGC refurbishment was complete, staff returned and reception was reopened to the public on 8 June 2021.

In addition to Council's front offices, the January flooding also had a major impact on the Waimate District Library. Due to widespread water contamination, the library remained closed for repairs through to 9 March 2021. During this time, all books and shelving were removed to make way for new carpet.

### Impacts on the 2020/21 Annual Report

The costs associated with the water damage from the flooding event were subject to an insurance claim, with an estimated settlement of \$88,000 (excluding the insurance claim excess of \$4,348) covering the Local Government Centre and Library building, contents and plant and Gorge Road office included as income in this Annual Report. Plant and contents that were damaged were disposed and removed from Council's asset register and values accordingly, with the write-offs recognised as a cost to Council.

Some staff returned early from their Christmas break to assist with clearing the affected areas in order to minimise property damage. This event had a notable impact on staff involved with managing the reinstatement of our property and dealing with the insurance claim, with their time diverted away from business as usual activities, creating pressure on competing work streams such as the preparation of Council's Long Term Plan.

### Looking ahead

With the exception of improved drainage and stormwater infrastructure on Queen Street, there is little to be gained from reflecting back on this incident to prepare for any future incidents. Throughout the flooding, clean-up and recovery phase, all IT systems remained intact, reliable and robust and the IT team remain well adverse to relocating workstations and office equipment to adapt as and when required.

## RESIDENT SATISFACTION SURVEY

Every two years Council carry out an independent resident satisfaction survey to find out how satisfied residents are with our resources, facilities and services while always looking for improvement opportunities as part of our approach to continuous improvement. The latest survey consisting of postal invitation and online participation ran from 21 May 2021 to 18 June 2021 with 494 residents completing the survey.

The results help to give Council an insight into the utilisation of facilities and services, the degree of customer satisfaction and how the community thinks we're performing. This helps to ensure that we deliver what we said we would and that we improve performance in areas where it's required.

In terms of services and facilities, Council's sewerage system and service is the top-rated service with more than nine in ten residents (93%) satisfied. Parks, reserves and gardens was the next highest rated service with 84% satisfied. On the other hand, unsealed roads has the lowest percentage of satisfied residents (33%) and not far behind is the quality and level of community engagement in the Waimate District with 37% residents satisfied.

In the next financial year, we hope to significantly improve on this feedback.

# POINTS OF INTEREST

## WATER SUPPLY GROUP

### Drinking Water

Council continues its asset renewal of ageing water main programme. The benefits of this programme has not just been the improvement of reliability of the network, but a major reduction in real water loss from the network. At the end of 2020/21, the real water loss was down to 9.4%, compared with 14.3% at the end of 2019/20 and 42% at the completion of 2018/19.

### Three Waters Reform Programme

Please refer to A Year in Review for details on the Three Waters Reform Programme.

## WASTE MANAGEMENT GROUP

2020/21 was the last contractual year for Metallic Sweeping (1998) Ltd collecting refuse, recycling and managing the Resource Recovery Park for the Waimate District Council. Metallic Sweeping commenced the waste management service in November 2009, on a five-year term. The contract was rolled over for an additional five years in November 2014, and again extended for two years in 2019 through to the end of June 2021.

During the year, work took place on securing the new 15-year joint (Waimate, Timaru and Mackenzie) waste management contract with EnviroWaste commencing 1 July 2021. The new multi-bin service aims to improve recycling and reduce refuse to landfill by providing the community the ability to recycle organics, mixed recycling of paper, plastics, tins, cardboard and a separate bin for mixed glass.

## STORMWATER GROUP

Environment Canterbury carried out a rain grid model of the Waimate Urban area, which will be used to help future stormwater management planning for this area.

## SEWERAGE GROUP

Queen Street Sewer Upgrade Stage 1 was undertaken by Hadlee & Brunton and included the upgrade of a manhole and installation of “droppers” ahead of the submain yet to be installed. Rooney Earthmoving Ltd are set to complete the submain in late 2021 at which point Hadlee & Brunton will continue with replacing manholes on the main line and re-line the existing sewer to give it an extended life expectancy.

For the first time since their construction some 20 years ago, the Waimate oxidation ponds underwent a desludging process, partially funded from the Three Waters Stimulus Funding. The cleaning process removed more than 600 tonnes of sludge from the base of the two ponds, adding a further 30 to 40 years of capacity to the site.

## ROADING & FOOTPATHS GROUP

The former road network maintenance contract expired 30 June 2021. There was extensive collaboration with Timaru District Council on developing a new contract which was duly awarded to a new contractor commencing 1 July 2021.

Footpaths were renewed in the Waimate urban area totalling 1.3 km.

Resealing was completed on an ‘as needed basis’ to arrest and prevent the deterioration of the road surface. The length of road surface resealed was 40 km.

The sealed pavement was reconstructed on sections of Pareora River Road and Waihao Back Road, totalling 1.7 km.

Deteriorated kerb and channel was replaced on sections of Belt Street and Parsonage Road, Waimate, totalling 810 metres.

Additional metal was added to 249 km of unsealed roads throughout the Waimate District.

Property owners applied to have their road frontage sealed for dust suppression. A total of 758 metres on six sites were sealed with 50% of the cost met by the property owner.

A new concrete ford was constructed on Backline Road, near Bluecliffs Road and a concrete ford on Backline Road and Gunns Road were extended.

A new rockfall catch fence was installed on Te Akatarawa Road, Lake Aviemore, to improve road safety.

The deteriorated timber beams and decks were replaced on Jacksons Bridge, Hook Beach Bridge and Don’s Bridge.

The design and procurement phase for the replacement of Crouches Bridge on Young’s Road was completed, and construction commenced in October 2021.

All of the 70w street lights have been replaced with LED street lights in the Waimate town and the surrounding townships. This will significantly reduce maintenance and electricity consumption.

Damage caused by heavy rain events in January and May 2021 were repaired. Damage was mainly scouring of unsealed roads and blockage of culverts.

## ORGANISATION & GOVERNANCE GROUP

### Central Administration

The purchase of two hybrid vehicles to replace two of the existing petrol-driven pool cars occurred during the year, with the hybrid technology set to save Council significant costs in fuel and operating expenses. This was an example of Council addressing climate change in a positive way, by reducing its carbon emissions.

The implementation of a CCTV system as part of the White Horse redevelopment project was completed on 30 April 2021. The system is linked to the current Waimate town CCTV system and feeds directly to the Waimate Police Station for monitoring.

The IT team facilitated and supported the relocation of 22 staff after the flood event on 3 January 2021 and during the reinstatement of the Local Government Centre offices. IT worked with the electrical and building contractors on a weekly basis to mitigate the risk of any IT interruptions - as a result no major IT outage was experienced.

Flooding of Council's main office in Queen Street occurred on 3 January 2021. The flooding rendered some offices and the main reception area unusable. As a result, Council reception was relocated to the Waimate Event Centre, opening to the public on 7 January 2021, just one day later than the planned reopening following the Christmas period closure. Reception staff relocated to the Event Centre, with other impacted corporate services staff relocating to other parts of the Local Government Centre. All reception based activity continued, with only negligible impact on customer services. Other impacted employees also relocated to the Event Centre and within the Local Government Centre, with some also utilising the Gorge Road office instead. Once the Local Government Centre refurbishment was complete, staff returned and the building was reopened to the public on 8 June 2021.

### **Community Representation**

The annual prestigious Waimate District Civic Awards are always a highlight and 2021 was no exception, with a good number of nominations received. At the March ceremony, Lillian Bailey, John and Makere Kairimu, Joan Tindall and Charles Ruddenklau received individual awards, the youth award went to Amellia Lindsay and Inner Wheel of Waimate were presented with the Group Award. 2020 was noted as being a year to remember with the COVID-19 lockdown which changed the way we live, do business and plan for the future, with volunteering certainly coming into its own for small districts such as Waimate.

November 2020 saw the official unveiling of a life-sized sculpture of Waihao Forks soldier Private Ted d'Auvergne outside the iconic Waihao Forks Hotel. Mayor Rowley led a successful community-initiative to fundraise for the sculpture, commemorating the rural soldier, as well as Ted's unique story of leaving an unopened bottle of beer at the Waihao Forks Hotel. Ted's story has travelled throughout New Zealand and overseas, attracting hundreds of visitors to the small rural area.

### **Strategy**

The development of the Long Term Plan (LTP) 2021-31 progressed throughout the year, but unfortunately did not meet the statutory deadline of 30 June adoption which resulted in a breach of section 93(3) of the Local Government Act 2002. The LTP was adopted on 27 August 2021.

## **DISTRICT PLANNING & REGULATORY SERVICES GROUP**

### **Environmental Services**

Waimate District Council received funding from the Ministry of Business, Innovation and Employment to contribute towards the monitoring and compliance of responsible camping within the district. This significantly assisted with resourcing a freedom camping ambassador to undertake the monitoring of our identified freedom camping sites and ensuring compliance - installing new freedom camping signage. It was also utilised to enhance the level of service in relation to camping compliance during the 2020/21 lakes camping season.

### **Building Control**

During the budgeting process it was anticipated there would be a drop in the number of building consents due to the COVID-19 uncertainties. However, we were proven wrong and building consent applications over this period increased and the actual income well exceeded the estimated budget.

## **COMMUNITY SERVICES GROUP**

### **Economic Development and Promotions**

Council spent \$140,000 from the Mayor's Taskforce for Jobs Community Recovery programme in partnership with the Ministry of Social Development and Local Government New Zealand. Through this funding, an Employment Coordinator was appointed in November 2020 to work with employers and job seekers, particularly youth and people whose jobs had been affected by COVID-19. Council's target was to place 25 people into full-time employment (32 hours or more per week). That target was exceeded by placing 35 people into full-time employment, including 8 apprenticeships. An additional 40 people were placed into part-time, casual or seasonal employment.

Building consent for Stage 1 of the White Horse redevelopment project was issued in May 2021. The monument has been cleaned and is ready for painting in spring 2021 and public toilets have been purchased. The majority of the work will be undertaken in the 2021/22 financial year.

### **Library Services**

The January flooding of the main Council office also affected the library, closing for repairs through to 9 March 2021. It was a huge task to remove all books and shelving from the library to allow for the laying of new carpet throughout. During the closure, the library's digital services were promoted, including an outreach session in the kiosk outside the supermarket.

### **New Zealand Library Partnership Programme (NZLPP)**

Council were fortunate to secure COVID-19 funding from Department of Internal Affairs to employ two full-time staff to work in the roles of Digital Librarian and Community Engagement Librarian. The two new librarians have enhanced the promotion of the library and

its services. The Digital Librarian has focused on digital training and improvement of the digital services offered through the library, while the Community Engagement Librarian has focused on offering community groups and schools support and the introduction of new programmes. We are also encouraging the use of te reo Māori in the library with new signage and weekly language lessons.

## COMMUNITY FACILITIES GROUP

### Camping

Waterline pipe work at Waitangi has been completed to increase water capacity to the Waimate Lakes camping grounds.

Concrete floors were recovered with terraflake at the toilet blocks at Waitangi East and West, Te Akatarawa Reserve and Fisherman's Bend for easier and more hygienic cleaning.

Concrete floors were installed at all 14 dump stations throughout all Waimate Lakes camping sites for easier access and cleaning.

Replaced appliances in Victoria Park and Tennant Street camping grounds kitchens.

Painted ceilings and walls, plus recovered the concrete floors with terraflake at the toilet and shower blocks, kitchen and laundry at the Knottingley Park Camping Ground. In addition, new appliances were installed in the kitchen and laundry and improvements were made to the lighting and ventilation in the toilet and shower block.

Refurbished ensuite 3 at Victoria Park Camping Ground.

Resealed drive way in Victoria Park Camping Ground.

### Cemeteries

Remedial tree works were carried out to remove dangerous ageing trees and open up seating areas.

### Event Centre

Due to the Council office flooding on 3 January 2021, Council reception was relocated to the Waimate Event Centre sharing the reception desk and occupying an office. The customer service team moved back to the main office on 8 June 2021.

### Parks and Public Spaces

Removed swings in the Victoria Park gardens to allow for more appropriate planting and use of the space.

Partnered with the Waihao Wainono Community Catchment Group to redevelop the area and tracks between the Black Hole and McCulloch's Bridge.

### Property

The majority of community housing units at Kennedy Crescent were fitted with extractor fans in each kitchen and bathroom to meet new healthy homes legislation.

As a result of the January flooding at the main office, not only was the damage to the building repaired but at the same time while staff were out of the building it was seen as an opportune time to complete stage one of the building refurbishment. The concrete tile roof was replaced with long run iron.

### Swimming Pool

Pool Safe accreditation was gained.

## SERVICE PERFORMANCE

Council uses a number of measures to track our performance. Every three years they are reviewed in conjunction with our Long Term Plan. The 2018-28 Long Term Plan measures are being used in this 2020/21 financial year. Each year we report on this progress in our Annual Report. Over the next two pages is a sample of some of our performance measures. To view the full list of measures please refer to the full Annual Report at [waimatedc.govt.nz](http://waimatedc.govt.nz).

Groups	Total measures	Achieved	Not achieved	Partially achieved	Percentage achieved
Water Supply	13	10	2	1	77%
Waste Management	7	5	2	-	71%
Stormwater	7	4	3	-	57%
Sewerage	9	8	1	-	89%
Roading & Footpaths	13	9	4	-	69%
Organisation & Governance	9	4	5	-	44%
District Planning & Regulatory Services	13	11	2	-	84%
Community Services	15	7	8	-	46%
Community Facilities	21	13	8	-	61%



## PERFORMANCE MEASURES

Performance Measure (M) - Mandatory performance measure	Result	Achievement 2020/21
<b>WATER SUPPLY GROUP</b>		
Extent of compliance with Drinking Water Standards (Part 4) - Bacterial Compliance (M) Target: Bacterial compliance all schemes	Waimate: Timaru Road = Yes Waimate: Manchesters Bore = Yes Otaio/Makikihi: Tavistock = Yes Hook/Waituna = Yes Lower Waihao = Yes Waikakahi = No E.Coli Transgression in the distribution zone Waihaorunga: Main = Yes Waihaorunga: Tavendales = Yes Cannington/Motukaika = No	Partially achieved (2019/20: Partially achieved)
Percentage of real water loss from Council's network reticulation systems (M) Target: < 35% real water loss.	Real water loss = 9.4% Estimated Assumed Water Loss litre per second, based on Minimum Night Flow methodology (litres per second) = 1.5 litres Estimated Assumed Water Loss per connection per day, based on Minimum Night Flow methodology (litres per day per connection) = 65.5 litres	Achieved (2019/20: Achieved)
<b>WASTE MANAGEMENT GROUP</b>		
Reduce the percentage of residual waste to landfill Target: <49%	Residual waste = 59%	Not achieved (2019/20: Not achieved)
Waste minimisation information and education programmes are provided in a range of formats Target: Two programmes annually	Programmes = 5 Council provided information (pamphlets) on request, to non-compliers and with new bin allocations. Community education programmes provided by Metallic Sweeping Limited included a waste talk to a group of 26 senior citizens on 11 August 2020. Before commencing the new waste management contract on 1 July 2021 the following programmes were undertaken: <ul style="list-style-type: none"> <li>• Kerbside rubbish &amp; recycling information brochures distributed to communities with the new bins</li> <li>• A rubbish and recycling app (Waimate Bins) was developed and made available to the public</li> <li>• Radio advertising education campaign</li> <li>• Some household visits to educate and raise awareness of the new waste management services</li> <li>• Kerbside bin collection calendar, videos and all new service related information available on Council's website.</li> </ul>	Achieved (2019/20: Achieved)

Performance Measure (M) - Mandatory performance measure	Result	Achievement 2020/21
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### STORMWATER GROUP

Continuous access to the service is provided with no blockages to the pipework measured by complaints Target: Nil complaints	Complaints received = 0	Achieved (2019/20: Achieved)
User satisfaction with stormwater services Target: > 85% satisfied or very satisfied users	User satisfaction with stormwater services = 71%	Not achieved (2019/20: Not measured)

### SEWERAGE GROUP

Number of dry weather overflows from the sewerage system (M) Target: <2 per 1,000 connections	Sewerage connections = 1,769 Number of dry weather sewerage overflows = 0 Number of dry weather sewerage overflows per 1,000 connections = 0	Achieved (2019/20: Achieved)
User satisfaction with sewerage services Target: > 85% satisfied or very satisfied users	User satisfaction with sewerage services = 93%	Achieved (2019/20: Not measured)

### ROADING & FOOTPATHS GROUP

Percentage of reported maintenance related faults that are likely to affect driver behaviour responded to within 2 working days Target: 100%	Maintenance related faults that affected driver behaviour = 9 Maintenance related faults responded to within 2 working days = 9 Percentage within statutory timeframe = 100%	Achieved (2019/20: Achieved)
Annual quantity of metal spread on unsealed roads Target: 11,000 m <sup>3</sup>	Annual quantity of metal spread on unsealed roads = 12,327 m <sup>3</sup>	Achieved (2019/20: Achieved)

### ORGANISATION & GOVERNANCE GROUP

Compliance with Local Government Act planning and accountability Target: Audits of plans and reports receive a clear opinion	The 2019/20 Annual Report received an unmodified (clear) opinion from Audit NZ dated 15 December 2020. The Long Term Plan 2021-31 Consultation Document received an unmodified audit report (clear opinion) from Audit NZ dated 2 June 2021.	Achieved (2019/20: Achieved)
Continue to grow Facebook following Target: Number of Facebook likes increase annually	Likes = 1,357 Followers = 2,040	Achieved (2019/20: Achieved)

### DISTRICT PLANNING & REGULATORY SERVICES GROUP

Retain accreditation as Building Consent Authority Target: Associated audit processes ensure accreditation retained	Retained accreditation as Building Consent Authority	Achieved (2019/20: Achieved)
Response to environmental complaints Target: All complaints actioned within 10 working days	Complaints received = 196 Complaints responded to within 10 working days = 196 Percentage within statutory timeframe = 100%	Achieved (2019/20: Achieved)

Performance Measure (M) - Mandatory performance measure	Result	Achievement 2020/21
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### COMMUNITY SERVICES GROUP

<p>Number of emergency management community engagement activities</p> <p>Target: 6 per year</p>	<p>Emergency management community engagement activities = 12</p> <p>The thirteen community based radios were checked in September, December, March and May.</p> <p>COVID-19 resurgence planning to prepare for further community outbreaks within Canterbury.</p> <p>The national earthquake drill (NZ Shake Out) took place on 15 October 2020. This was promoted across the district with schools and businesses taking part.</p> <p>The Local Fuel Plan was completed with the installation of a generator plug at the Challenge service station.</p>	<p>Achieved</p> <p>(2019/20: Achieved)</p>
<p>Provide educational programmes at the library</p> <p>Target: 4 programmes provided annually</p>	<p>Programmes provided = 21</p> <p>To name a few:</p> <ul style="list-style-type: none"> <li>• Holiday craft packs (craft and digital literacy)</li> <li>• Where have you read a book this spring? (digital literacy)</li> <li>• Cannabis Legalisation (peg vote and dialogue)</li> <li>• Cannabis Legislation</li> <li>• End of Choice Act</li> <li>• Summer Reading Programme</li> <li>• Story Time</li> <li>• Better Digital Better Digital Futures</li> <li>• Digital Device Classes</li> </ul>	<p>Achieved</p> <p>(2019/20: Achieved)</p>

### COMMUNITY FACILITIES GROUP

<p>Community facilities meet legislative safety requirements (Local Government Centre, Library, Regent Theatre, Event Centre)</p> <p>Target: Building Warrant of Fitness (WOF), Fire Regulations and Licence requirements are current</p>	<p>Building Warrant of Fitness (WOF), Fire Regulations and Licence requirements are current = Yes</p>	<p>Achieved</p> <p>(2019/20: Achieved)</p>
<p>All playgrounds are assessed against appropriate New Zealand Safety Standards</p> <p>Target: All playgrounds meet safety standards</p>	<p>All playgrounds meet safety standards = Yes</p>	<p>Achieved</p> <p>(2019/20: Achieved)</p>
<p>Occupancy rate of community housing units</p> <p>Target: 90% or greater occupancy</p>	<p>Percentage of occupancy recorded for community housing = 99%</p>	<p>Achieved</p> <p>(2019/20: Achieved)</p>

## Independent Auditor's Report

### To the readers of Waimate District Council's summary of the annual report for the year ended 30 June 2021

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

The summary of the annual report comprises the following summary statements on pages 4 to 11 and 14 to 17:

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

### Opinion

In our opinion:

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

### Summary of the annual report

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

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

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

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2021 in our auditor's report dated 29 March 2022. Our auditor's report on the full annual report also includes an emphasis of matter paragraph drawing attention to the

disclosures about the Government's three waters reform programme announcement as set out in the full annual report in note 32 to the financial statements. The Government announced it will introduce legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities from 1 July 2024. The impact of these reforms, once legislated, will mean that the District Council will no longer deliver three waters services. These matters are addressed on page 15 of the summary financial statements.

Our auditor's report on the full annual report also includes a paragraph acknowledging that our audit was completed later than required by section 98(7) of the Local Government Act 2002. This was due to an auditor shortage in New Zealand and the consequential effects of Covid-19, including lockdowns.

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

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

### **Auditor's responsibility**

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

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

In addition to our audit, we have audited the District Council's 2021-2031 long-term plan which is compatible with those independence requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the District Council.



Rudie Tomlinson,  
Audit New Zealand  
On behalf of the Auditor-General  
Dunedin, New Zealand  
29 March 2022

# SUMMARY FINANCIAL STATEMENTS

Waimate District Council is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The Downlands Rural Water Scheme is a joint committee domiciled and operating in New Zealand and established under the LGA. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

Council is a separate legal entity and does not have any subsidiaries.

The primary objective of the Council is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, the Council has designated itself as a public benefit entity (PBE) for the purposes of PBE IPSAS.

The summary financial statements of the Council are for the year ended 30 June 2021, are in New Zealand dollars and rounded to the nearest thousand (\$000). The full financial statements of the Council have been prepared in accordance with the requirements of the LGA, which includes the requirement to comply with New Zealand

Generally Accepted Accounting Practice (NZ GAAP) and in accordance with Tier 2 Public Benefit Entity accounting standards.

The 2020/21 Annual Report and the 2019/20 Annual Report have been audited by Audit New Zealand and received unmodified opinions for each report.

The financial statements were authorised for issue by Council on 29 March 2022.

The summary financial statements are in compliance with Public Benefit Entity Financial Reporting Standard 43 (PBE FRS 43).

The full financial statements comply with PBE Standards.

The following information has been extracted from the full Annual Report. Readers of the Annual Report Summary should note that the financial information contained herein cannot be expected to provide as complete an understanding as that provided by the full financial reports contained in the full Annual Report. The full Annual Report is available at [waimatedc.govt.nz](http://waimatedc.govt.nz).

## OTHER DISCLOSURES

### Capital Commitments

There were six capital commitments in relation to projects from Council's capital programme (2020: One).

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred. Please refer to Note 22 of the full 2020/21 Annual Report for more information.

### Contingent Assets

There are no Contingent Assets as at 30 June 2021 (30 June 2020: nil).

### Contingent Liabilities

Council has a potential liability under the Emissions Trading Scheme if any forests on Pre90 Forest Land are not replanted to the required standard within 4 years of harvest.

Council is a participating employer in the DBP Contributions Scheme (the scheme), which is a multi-employer defined benefit scheme. If the other participating employers cease to participate in the scheme, Council could be responsible for any deficit of the scheme. Similarly, if a number of employers cease to participate in the scheme, Council could be responsible for an increased share of any deficit.

Council is not aware of any other contingent assets or contingent liabilities at 30 June 2021 (2020: \$nil). There are no unfulfilled conditions and other contingencies attached to New Zealand Transport Agency subsidies recognised.

### Related Parties

The Timaru District Council (TDC) is a related party of the Council through the Downlands Rural Water Scheme (DRWS). Council collects rates on behalf of the DRWS and distributes them exactly to TDC.

### Insurance

The Council has insurance policies covering water network; property, plant and equipment; motor vehicles and moving plant; and forestry assets. There is currently no council insurance on roading assets or any other self-insurance funds maintained by Council.

During the 2020/21 year Council had cover in place for its below ground infrastructure assets, provided by the Local Authority Protection Programme Disaster Fund (LAPP). In the event of a claim during this year Council would have had to fund 8 times its annual contribution before the LAPP Fund would pay 40% of the reinstatement costs of the loss, with Central Government meeting the remaining 60%.

### Late Adoption

Council was required under section 98(7)(a) of the Local Government Act 2002 to complete and adopt its Annual Report by 31 December 2021. This timeframe was not met because Audit New Zealand was unable to complete the audit within this timeframe due to an auditor shortage and the consequential effects of COVID-19, including lockdowns.

## Events After Balance Date

On 27 October 2021, the Local Government Minister announced that central government will proceed with the three waters service delivery reforms using a legislated “all in” approach. The three waters reform involves the creation of four statutory water services entities to be responsible for the service delivery and infrastructure from local authorities from 1 July 2024. There is still a number of uncertainties associated with the new three waters delivery model including the mechanism for how assets will be transferred to the newly established entities, and the control and governance of these entities. Notwithstanding the current uncertainty the

announcement once legislated will mean Council is no longer responsible for the delivery and infrastructure of three water services from 1 July 2024. There has been no adjustment in these financial statements to reflect the expected future transfer of assets to the new water entity. It is expected central government will develop details around the mechanism for the transfer of the water assets and this will be completed prior to 1 July 2024. As further details are established this may require adjustments to Council’s three water assets either in respect of disclosure or measurement.

Council sold two vacant sections (Gorge Road) for \$820,000 in February 2022.

## MAJOR FINANCIAL VARIANCES

- Rates income exceeded budget due to a change in accounting treatment for Downlands Water Supply. Council's interest in the Downlands Water Scheme has been accounted for as a joint operation under PBE IPSAS 37, therefore Council has recognised in its financial statements its assets, liabilities, revenue and expenses relating to its share in the arrangement. The Annual Plan budget was based on the equity method.
- Financial contributions exceeded budget mainly due to increased Water and Sewer activity contributions.
- Subsidies and grants income includes the Mayors Taskforce for Jobs community recovery initiative (\$140,000), the New Zealand Libraries Partnership Programme (\$81,000), and Three Waters Stimulus funding (\$1,680,000) which were not included in the Annual Plan budget.
- Fees and charges income exceeded the budget due to higher levels of camping revenue and increased income for building consents, with a reduction in budgeted building consent income following COVID-19 uncertainties.
- Gain on changes in fair value of forestry assets exceeded the budget mainly due to increased log prices.
- The Waimate Courthouse building has been recorded as vested to Council, with an associated value of \$307,000, which was not included in the Annual Plan budget.
- Employment benefit expenses exceeded the Annual Plan budget as a result of externally funded positions and other costs in relation to the Department of Internal Affairs Stimulus funding, Mayors Taskforce for Jobs and New Zealand Libraries Partnership Programme initiatives. These were not included in the budget.
- Depreciation expenses were below budget for the Water Supply activity due to the timing and delay of some capital works, and the Roding activity was below budget following asset revaluations from 1 July 2020 and the updated associated depreciation rates.
- Finance costs were below budget due to positive cash reserves following reduced prior year capital spends, therefore no additional borrowings were required during 2020/21 as planned.
- The Waste Management activity exceeded budgeted contractor costs (\$180,000) and waste to landfill charges (\$67,000).
- There were only minor District Plan Review expenses incurred this year, with the budget for the 2019/20 and 2020/21 financial years to be carried forward.
- Stimulus Fund operational costs were incurred for the sewer desludging project (\$680,000), hydraulic modelling (\$70,000), inflow and intake investigation (\$128,000) and general (\$21,000). These were not included in the budget.

## Statement of Comprehensive Revenue and Expenditure for the year ended 30 June 2021

	Actual 30 June 2021 \$000	Annual Plan 30 June 2021 \$000	Actual 30 June 2020 \$000
Total operating revenue	20,117	16,547	16,902
Finance costs	101	239	107
Other operating expenses	18,700	17,741	17,078
Operating Surplus / (Deficit) before Taxation	1,315	(1,433)	(284)
Taxation expense	-	-	-
<b>Total Surplus / (Deficit)</b>	<b>1,315</b>	<b>(1,433)</b>	<b>(284)</b>
<b>Other Comprehensive Revenue and Expenditure</b>			
Increase / (decrease) in revaluation reserves	4,320	2,272	24,242
Financial assets at fair value through other comprehensive revenue and expenditure	1,035	797	571
<b>Total other comprehensive revenue and expenditure</b>	<b>5,355</b>	<b>3,069</b>	<b>24,813</b>
<b>Total Comprehensive Revenue and Expenditure</b>	<b>6,670</b>	<b>1,637</b>	<b>24,529</b>

## Statement of Changes in Equity for the year ended 30 June 2021

	Actual 30 June 2021 \$000	Annual Plan 30 June 2021 \$000	Actual 30 June 2020 \$000
<b>Equity at start of year</b>	445,908	454,646	421,548
Total comprehensive revenue and expenditure	6,670	1,637	24,529
Downlands Joint Operation - Share adjustment	-	-	(168)
<b>Equity at end of year</b>	<b>452,578</b>	<b>456,283</b>	<b>445,908</b>

## Statement of Financial Position as at 30 June 2021

	Actual 30 June 2021 \$000	Annual Plan 30 June 2021 \$000	Actual 30 June 2020 \$000
Current assets	6,217	5,974	6,167
Non-current assets	453,571	462,293	444,692
<b>Total assets</b>	<b>459,788</b>	<b>468,266</b>	<b>450,859</b>
Current liabilities	4,696	1,920	2,363
Non-current liabilities	2,514	10,064	2,588
<b>Total liabilities</b>	<b>7,210</b>	<b>11,984</b>	<b>4,951</b>
Equity	452,578	456,283	445,908
<b>Total liabilities and equity</b>	<b>459,788</b>	<b>468,266</b>	<b>450,859</b>



## Statement of Cash Flows for the year ended 30 June 2021

	Actual 30 June 2021 \$000	Annual Plan 30 June 2021 \$000	Actual 30 June 2020 \$000
<b>Cash at start of year</b>	3,837	183	4,530
Cash flows from operating activities	7,951	4,337	5,088
Cash flows from investing activities	(7,949)	(7,732)	(5,710)
Cash flows from financing activities	(71)	7,479	(71)
<b>Cash at end of year</b>	<b>3,768</b>	<b>4,267</b>	<b>3,837</b>

## Funding Impact Statement for the year ended 30 June 2021

	Annual Plan 30 June 2020 \$000	Actual 30 June 2020 \$000	Annual Plan 30 June 2021 \$000	Actual 30 June 2021 \$000
Total sources of operating funding	14,373	15,283	14,727	16,730
Total application of operating funding	(12,041)	(11,832)	(12,594)	(13,651)
	<b>2,332</b>	<b>3,451</b>	<b>2,133</b>	<b>3,079</b>
Total sources of capital funding	6,262	1,606	9,182	2,629
Total application of capital funding	(8,594)	(5,057)	(11,315)	(5,708)
	<b>(2,332)</b>	<b>(3,451)</b>	<b>(2,133)</b>	<b>(3,079)</b>
<b>Funding balance</b>	-	-	-	-



**Waimate**  
District Council

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