



A tātau pūtea **Our finances**

**We provide a financial overview and explain
how much everything is expected to cost.**





Tō tātau pūtea

Our finances

Ngā kaupapa

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Tirohanga whānui ahumoni

Financial overview

Financial strategy

The 2024-2027 3YP (3YP) financial strategy sets total rates revenue at a maximum increase of 11.4% - made up of two sub-thresholds:

- 7.9% for business as usual costs.
- Recovery rate of 3.5% - mostly charged as a fixed amount against every rateable property.
- The financial strategy also has a quantified limit on external debt, where external debt is to be less than 175% of total revenue.

The strategy also provides key directions:

- Delivering critical activities and infrastructure which meets the community's needs during the 2024-2027 3YP period and beyond.
- Keeping rates as affordable as practicable while balancing the need to fund critical activities.
- Carefully manage expenditure and debt at prudent levels.
- Balancing user pays and public good funding.
- Increasing alternative revenue streams through investment, targeted distributions, growing our region and through partnerships.

Please refer to **Volume 2** for the full Financial Strategy

Balanced budget

We have a general requirement to manage financial matters prudently and in a manner that promotes the current and future interests of the community. Council must consider the balanced budget requirement under the Local Government Act where forecast operating revenues are sufficient to meet forecast operating expenses.

As part of the 3YP, Council will be proposing to budget for an accounting surplus each year. This surplus is the result of capital grants where the grants are recorded as revenue, however due to accounting standards the capital expenditure is not recognised as operating expenses. This is the result of capital grants and subsidies and not funding all the costs of depreciation. We do not fund all of roading depreciation costs as they will be recovered from Waka Kotahi in the future.

While there is an overall bottom line surplus, some activities have been funded by reserves or loans. For the most part, the 3YP acknowledges and provisioned for operating costs to be funded from loans where we were facing steep increases in rates.

These included:

- Loan funding for the majority of the roading emergency works.

- Gradually funding additional depreciation costs arising from the Wastewater Treatment Plant and Kiwa Pools.
- Increasing budget provisions for the four waters, roading (business as usual) resourcing for regulatory functions as a stepped increase over the three years.
- Budgets were aligned to contractual commitments.
- Raising a loan to smooth the impacts from the three years of not receiving a dividend from our Council Controlled Trading Organisation.
- Using Reserves such as Water Supply Depreciation Reserve, to fund significant repairs and maintenance work and where the work was likely to protect the underlying assets.
- Applying a recovery rate as mostly a uniform charge, spreading the costs across the district.

Financial estimates for the 2024-2027 3YP

Forecast rates revenue for the 3YP are:

- Total increases in rates income is 11.3% (Year 1), 9.8% (Year 2) and 8.4% (Year 3).
- Rates increases are based on two separate sub-limits.
- Business as usual Rate forecast to be 7.8% Year 1 - Year 3.
- Recovery Rates forecast to be 3.5% (Year 1), 2% (Year 2) and 0.06% (Year 3).

Refer to Financial reporting and Prudence benchmarks within the "Our Finances Section".

Debt peaks at \$248m in 2028.

Total capital expenditure of \$430m, made up of \$394m (92%) of infrastructure and FOSAL category 3 property buyouts and \$36m of other core projects.

Higher infrastructure renewals - especially in water supply and wastewater, mean that reserves are not being replenished at the rate they are being used during this period. At the start of the 3YP depreciation reserves were \$29.9m at the end of the three years, they are forecast to be \$19.3m. This follows the trend of what was expected in the 2021-2031 LTP where rating to reinstate reserves occurred in the later years of the plan.

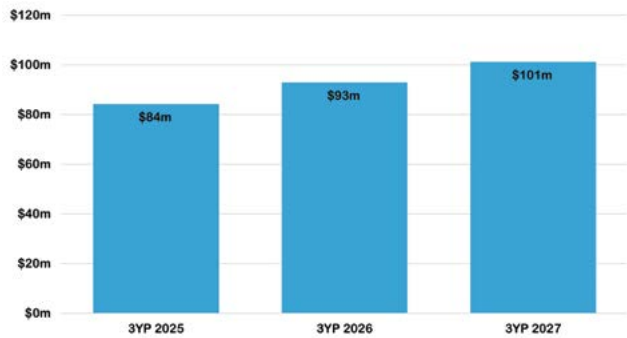
Net surplus

The 3YP forecasts a net surplus of \$77.7m (Year1), \$90.6m (Year 2) and \$86.5m (Year 3). This is due to higher capital grants and subsidies including:

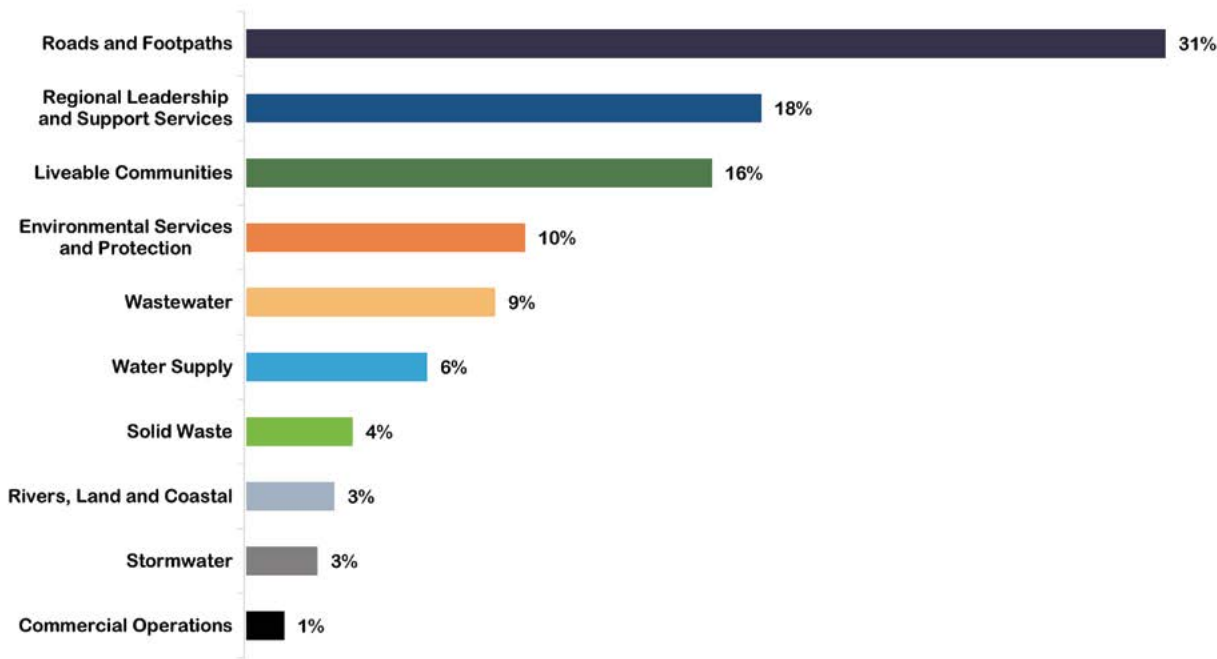
- Significant crown funding for FOSAL Category 3 residential property buyouts.
- Waka Kotahi funding for their costs towards our local roads and Crown funding for Category 2 flood protection initiatives.

Net surplus after taxation is the difference between income received and expenses incurred. We record capital grants and capital subsidies as income, even though they are not used to fund operational expenses, as such this creates an accounting surplus. The surplus goes towards our capital projects and reduces Council’s need to borrow funds.

2024/25 rates increase



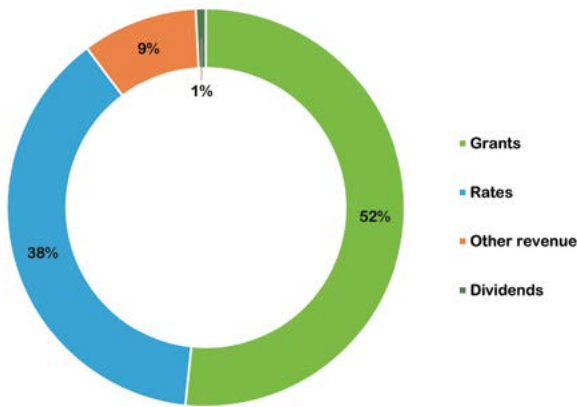
Council's operational expenditure



The overarching aim of our financial strategy is for Council to be financially sustainable. This means that Council's commitments are funded in a way that the community can afford while meeting the Council's obligation to be good stewards of the asset of the district.

The 3YP forecasts that on average rates would be 38% of total revenue required. This is less than the LTP forecast of 60% rates revenue. The use of external funding has meant that most of the significant operational expenditure has been sourced from external sources, reducing the reliance of rates.

Council's income



Capital investment programme

The overall capital investment for the 2024-2027 3YP is \$430m. Primarily made up of infrastructure projects, and FOSAL Category 3 property buyouts. This is significantly higher than the forecast for Year 4 - Year 7 of the 2021-2031 LTP programme (\$115m) The majority of the new projects relate to recovery, these projects include:

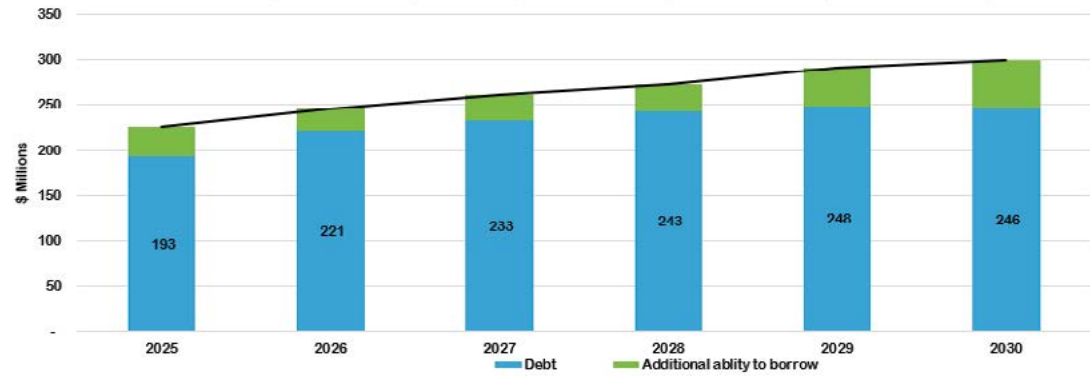
- Roothing - recovery/reinstatement works \$105m, and an additional \$86m relating to the 100% Crown funded works (including Tiniroto Road and bridges).
- Flood resilience and protection \$65m (90% crown funded).
- FOSAL Category 3 - Property buyouts

The proposed Capital Programme for the 2024 - 2027 3YP is included in Note 14 in the "Our Finances Section".

Council's debts

Council’s ability to raise loans is not dependent on the quantified debt limit that is set within the Financial Strategy. Council’s ability to raise loans is based upon debt covenant thresholds around its revenue levels, where overall debt is to be less than 175% of revenue. The new debt threshold is based on our ability to borrow and the externally set lending limits. The forecast estimates are also within target levels of 160%.

Peak debt is forecast to be in 2028/29 at \$248m, including the Crown's \$30m concessionary loan of zero percentage interest. The concessionary loan was a result of the overall FOSAL Category 3 residential property buyouts.



Significant forecasting assumptions

The estimates contain prospective financial information. Actual results are likely to vary from the information presented and the variations may be material. For more detail see the Introduction section of Our Finances.

Fees and charges

The Council fees and charges are used to fund the operation and maintenance of a variety of services provided to the community. Fees and charges have predominantly increased by the rate of inflation for 2024/25. Fees were increased in some activities to meet Council’s Revenue and Finance policies or to recover increased costs.

Full details of the fees and charges can be found on the Council's website: www.gdc.govt.nz

Timatatanga kōrero

Introduction

The 2024-2027 Three Year Plan (3YP) sets out Council’s priorities and identifies how Council intends to fund its operations and capital projects.

The forecasts prepared for Council have been prepared based on agreed levels of service for each activity. The levels of service are set out in detail in the 2024-2027 3YP.

The prospective financial information contained in the 3YP is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur.

The forecasts are presented in:

- Prospective Statement of Comprehensive Revenue and Expenses
- Prospective Statement of Financial Position
- Prospective Statement of Changes in Equity
- Prospective Statement of Cash flows
- Prospective Statement Concerning Balanced Budget.

Further detailed information is provided in the Notes to the Prospective Financial Statements which identifies revenue and expenditure for each group of activities (Note 2) and a full list of capital projects planned for 2024-2027 (Note 14).

The operational and capital costs within the 3YP include:

- **existing costs** - costs to continue to deliver the current level of service
- **recovery costs** - costs to repair the replace damaged infrastructure resulting from Cyclone Gabrielle
- **project costs** - costs such as depreciation and interest that arise from Council undertaking capital projects
- **inflation** - increases in revenue and costs due to price changes.

The nature of the prospective financial information - cautionary note

The prospective financial information contained in the 3YP is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the action it reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur. The actual results achieved for the period covered are likely to vary from the financial information presented and the variations may be material. Uncontrollable events will significantly affect the forecast.

Please note

Revenue from the Grants, Subsidies and Contributions - Capital includes grants received where the associated expenditure will be capitalised. Expenditure relating to these projects will be recognised (primarily as depreciation) over the life of the capitalised assets.

Council has budgeted for a net surplus over the three years of this plan. This is mainly the result of the capital grants and subsidies. Further information is available in the Prospective Statement Concerning Balanced Budget later in this section.

The financial information contained within the 3YP may not be appropriate for purposes other than those described.

There may be rounding differences throughout the financial statements and notes included in this section. They do not impact the overall usefulness of the information presented.

Ngā tauākī haurapa

Prospective statements

Prospective statement of comprehensive revenue and expenses for the year ended 30 June

AP 2024		3YP 2025	3YP 2026	3YP 2027
\$000s	Notes	\$000s	\$000s	\$000s
REVENUE FROM NON-EXCHANGE TRANSACTIONS				
112,745	Grants and Subsidies - Operational	26,596	26,362	25,891
34,496	Grants, Donations, Subsidies and Contributions - Capital	99,266	105,023	93,677
2,196	Other Non Exchange Revenue	1,898	1,983	1,930
24,276	General Rates And Uniform Annual General Charge	30,120	35,346	39,481
51,081	Targeted Rates	54,141	57,573	61,721
REVENUE FROM EXCHANGE TRANSACTIONS				
1,658	Development and Financial Contributions	1,863	1,878	1,888
12,795	Other Revenue	14,611	14,992	15,276
3,771	Targeted Water Rates	3,651	3,742	3,843
1,800	Dividends	0	2,300	2,500
(230)	Other Gains/(Losses) - Profit on Sale of Assets	350	850	950
244,588	Total Revenue	232,496	250,051	247,157
EXPENSES				
33,428	Employee Benefit Expenses	35,889	36,596	37,614
164,692	Expenditure on Operating Activities	80,774	82,026	79,949
29,473	Depreciation and Amortisation	31,324	33,056	34,552
6,158	Financing Costs	6,784	8,051	8,864
(0)	Internal Transfers	0	(0)	(0)
233,751	Total Expenses	154,771	159,729	160,979
10,837	Net Surplus/(Deficit) before Taxation	77,725	90,322	86,178
400	Subvention Payment from GHL	350	350	350
11,237	Net Surplus/(Deficit) after Taxation	78,075	90,672	86,528
48,223	Gains/(Losses) on Property Revaluation	48,350	68,751	51,386
59,460	TOTAL COMPREHENSIVE REVENUE AND EXPENSES	126,425	159,423	137,914

Prospective statement of financial position as at 30 June

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
CURRENT ASSETS			
7,798 Cash & Bank ¹	28,728	28,728	28,728
11,475 Non Exchange Trade and Other Receivables	24,671	24,779	24,908
20,471 Exchange Trade and Other Receivables	24,373	24,457	24,540
120 Inventories	45	45	45
0 Current Investments	81	81	81
37 Derivative Financial Instruments	770	770	770
80 Non Current Assets Held for Resale	80	80	80
39,981 Total Current Assets	78,748	78,940	79,152
CURRENT LIABILITIES			
535 Deposits Held	573	573	573
39,558 Trade and Other Payables	73,580	73,088	72,599
3,180 Employee Benefits and Suspense	3,556	3,530	3,503
5,000 Borrowings	15,000	15,000	15,000
85 Provisions for Other Liabilities	468	468	468
48,359 Total Current Liabilities	93,177	92,659	92,143
(8,378) Total Net Working Capital	(14,429)	(13,719)	(12,991)
NON CURRENT ASSETS			
861 Derivative Financial Instruments	958	958	958
3,030,144 Property Plant and Equipment	2,896,238	3,082,951	3,231,985
7,447 Intangible Assets	6,462	6,462	6,462
1,540 Biological Assets	1,263	1,263	1,263
34,387 Investments	35,294	35,294	35,294
3,074,379 Total Non Current Assets	2,940,216	3,126,928	3,275,962
NON CURRENT LIABILITIES			
143,444 Borrowings ²	178,259	206,203	217,999
122 Employee Benefit Liabilities	111	111	111
2,249 Provisions for Other Liabilities	2,117	2,173	2,226
2,570 Emission Trading Scheme Liabilities ³	795	795	795
148,386 Total Non Current Liabilities	181,283	209,282	221,131
2,917,615 Total Net Funds Employed	2,744,503	2,903,926	3,041,840
EQUITY			
586,304 Accumulated Surplus	641,180	735,643	822,005
33,554 Special Funds	35,401	31,610	31,776
2,297,758 Revaluation Reserves	2,067,922	2,136,674	2,188,059
2,917,615 Total Equity	2,744,503	2,903,926	3,041,840

¹ Cash at bank represents the carrying value of short-term deposits with original maturity dates of three months or less approximate their fair value.

² Borrowings have increased due to recovery works for roading reinstatement, flood resilience and protection and FOSAL category 3 residential property buyouts.

³ The Council owns pre 1990 forest land that was compulsorily entered into the ETS. Compensation credits were received for this and the Council is required to ensure this land is replanted following harvest. The obligation to replant this land has not been quantified.

Prospective statement of changes in equity as at 30 June

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
EQUITY OPENING BALANCES			
564,731 Accumulated Funds and Retained Earnings	555,234	641,180	735,643
43,890 Special Funds and Reserves	43,273	35,401	31,610
2,249,535 Revaluation Reserves	2,019,572	2,067,922	2,136,674
2,858,155 Total Equity Opening Balance	2,618,078	2,744,503	2,903,926
CHANGES IN EQUITY			
Accumulated Surplus (Retained Earnings)/ Revaluation Reserves			
59,460 Total Comprehensive Income for the Year	126,425	159,423	137,914
10,336 Transfer to/(from) Special Funds and Reserves	7,871	3,792	(166)
Special Funds and Reserves			
(10,336) Transfer to/(from) Retained Earnings	(7,871)	(3,792)	166
59,460 Total Changes in Equity	126,425	159,423	137,914
EQUITY CLOSING BALANCES			
586,304 Accumulated Funds and Retained Earnings	641,180	735,643	822,005
33,554 Special Funds and Reserves	35,401	31,610	31,776
2,297,758 Revaluation Reserves	2,067,922	2,136,674	2,188,059
2,917,615 Total Equity Closing Balance	2,744,503	2,903,926	3,041,840
Attributable to :			
2,917,615 Gisborne District Council	2,744,503	2,903,926	3,041,840

Prospective statement of cash flow for the year ended 30 June

AP 2024		3YP 2025	3YP 2026	3YP 2027
\$000s	Notes	\$000s	\$000s	\$000s
Cash Flow from Operating Activities				
Cash provided from:				
68,531 Rates Receipts		81,787	90,379	98,583
57,681 Government Grants and Subsidies		126,138	131,669	119,860
20,410 Receipts from Activities		23,893	24,660	25,052
0 Interest Received		0	0	.
1,600 Dividends Received		0	2,300	2,500
600 Subvention		350	350	350
148,822		232,168	249,358	246,344
Cash provided to:				
91,322 Payments to Suppliers and Employees		116,543	118,067	117,008
992 Grants		982	1,002	1,002
4,495 Interest Paid		6,801	8,068	8,880
96,809		124,325	127,136	126,890
52,013 Net Cash Inflow/(Outflow) Operating Activities		107,843	122,222	119,455
Cash Flow from Investing Activities				
Cash provided from:				
50 Sale of Property Plant and Equipment		350	850	950
287 Forestry stumpage adjustment		281	0	0
337		631	850	950
Cash provided to:				
99,198 Purchase of Property Plant and Equipment		147,412	151,017	132,200
0 Purchase (w/down or sale) of Investments		0	0	0
99,198		147,412	151,017	132,200
(98,861) Net Cash Inflow/(Outflow) Investing Activities		(146,781)	(150,167)	(131,250)
Cash Flow from Financing Activities				
Cash provided from:				
46,848 Increase/(Decrease) in Borrowings		38,937	27,944	11,795
46,848		38,937	27,944	11,795
46,848 Net Cash Inflow/(Outflow) Financing Activities		38,937	27,944	11,795
0 Net Increase/(Decrease) in Cash		0	0	0
19,575 Cash at beginning of the year		28,728	28,728	28,728
19,575 Cash and Cash Equivalents at Year End		28,728	28,728	28,728

Explanation of terms used in the prospective statement of cash flows

Cash and Cash Equivalents is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

Investing Activities are those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash.

Financing Activities are those activities which result in changes in the size and composition of the capital structure of the Group. This includes both equity and debt not falling within the definition of cash.

Operating Activities include all transactions and other events that are not investing or financing activities.

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes. The GST rate assumed in these estimates is 15%.

Prospective statement concerning balanced budget for the year ended 30 June

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
244,588 Operating Revenue	232,496	250,051	247,157
233,751 Operating Expenditure	154,771	159,729	160,979
400 Subvention Payment	350	350	350
11,237 Net Operating Surplus/(Deficit) After Taxation	78,075	90,672	86,528
LESS			
1,875 Capital Rates Income	3,571	5,046	6,852
34,496 Capital Grants and Subsidies	99,266	105,023	93,677
1,658 Other Capital Grants, Donations and Contributions	1,863	1,878	1,888
(12,784) Operations Funded by Reserve Funds	(12,234)	(7,257)	(2,239)
PLUS			
13,547 Depreciation not Funded	14,390	14,002	13,655
461 Increase/(Decrease) in Deficit	1	16	(5)
0 Balanced Budget - operating income agrees to operating expenditure	0	0	0

Balancing the budget

Council sets operating income at a level to meet each year’s operating expenditure. This is to ensure that those ratepayers who are receiving the benefit today should be paying towards the service that they receive, rather than transferring costs to future generations.

Council is forecasting an accounting surplus for each of the three years in 2024-2027. Most of the draft estimates surplus relate to capital grants and subsidies. When we account for the capital grant as revenue, it creates a surplus as there are no corresponding capital expenditure recorded within the Prospective Statement of Comprehensive Revenue and Expenses. The surplus goes towards the capital investment programme, thereby reducing Council's need to borrow or increase debt.

Council intends to:

- Not fund a portion of depreciation on specific assets or components of assets funded through capital rates or subsidies. (i.e. Wastewater Treatment Plant, Kiwa Pools and the Waka Kotahi share of the local roads).
- Running activity deficits/surpluses in specific activities, including:
 - Wharekiri Reserve (costs transferred to Crown account).
 - Staff and Community Housing (stays within the activity).
 - Airport (stays within the activity).
- Using loan funding for some operational costs, (such as Tairāwhiti Resource Management Plan, the Freshwater Plan, the Enterprise Solutions project).
- Using some Reserves to fund some operation costs (such as Depreciation reserve for significant repairs and maintenance costs for water supply or when funds have been transferred to a reserve for a particular purpose).

When preparing and reviewing the budget, Council has regard to the following specific matters in relation to all activities of Council, as per the Local Government Act (LGA) section 100:

- Replenish depreciation reserves by capital rating for some principal repayments (i.e. wastewater, roading and flood control).
- Phase unfunded depreciation of wastewater, water supply, stormwater and the pool - over time, aligning to the underlying 2021-2031 LTP and 2023-2024 Annual Plan. But noting that the funded portion of depreciation will be not less than the LTP, nor less than meeting principal repayments.

- Maintaining levels of services.
- Maintaining the service capacity and integrity of the assets.
- Intergenerational equity.
- Compliance with Council's funding and financial policies under LGA section 102.

Kupu tāpiri ki ngā tauākī haurapa

Notes to the prospective statements

Note 1: Statement of accounting policies

Reporting entity

Gisborne District Council ("Council") is a Unitary Authority governed by the Local Government Act (LGA) 2002.

The Gisborne District Council Group (the "Group") consists of Gisborne District Council and its subsidiary, Gisborne Holdings Ltd (100% owned). Gisborne Holdings Ltd is incorporated in New Zealand, and pursuant to the Local Government Act 2002 is a Council Controlled Trading Organisation.

Council has not presented economic entity prospective financial statements because the Council believes that the controlling entities, prospective statements are more relevant to users. The main purpose of prospective financial statements in the Annual Plan is to provide users with information about the core services that Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much Council requires by way of rates to fund the intended levels of services. The level of rates funding required is not affected by controlled entities, except to the extent that the Council obtains distributions from, or further invests in, those controlled entities. Such effects are included in the prospective financial statements presented.

The Council is a Public Benefit Entity (PBE) for the purposes of Financial Reporting. The Financial Bill, enacted in December 2013, defines a PBE as "entities whose primary objective is to provide goods or services for community or social benefit, and where equity has been provided with a view to supporting that primary objective, rather than for a financial return to equity". Gisborne District Council is defined as a Tier 1 entity with expenditure in excess of \$30m.

Basis of preparation

The Council's prospective financial statements have been prepared in accordance with the requirements of the LGA 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity (PBE) Standards and other applicable Financial Reporting Standards, as appropriate for public benefit entities. This includes compliance with PBE Financial Reporting Standard No. 42 (PBE FRS-42) 'Prospective Financial Statements'.

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of certain fixed assets, forestry assets, livestock assets and certain financial instruments to reflect fair value.

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

The nature of the prospective financial information - cautionary note

The prospective financial information contained in the Annual Plan is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur. The actual results achieved for the period covered are likely to vary from the financial information presented and the variations may be material.

A number of assumptions need to be made about the economic and financial conditions which will apply over the life-time of the model. The major assumptions underpinning this Plan are set out in the Significant Assumptions section.

The financial information contained within the Annual Plan may not be appropriate for purposes other than those described.

Specific accounting policies

The following specific Accounting Policies which materially affect the measurement of financial performance and the financial position have been applied.

Revenue recognition

Revenue has been split into Exchange and non Exchange as per the requirements of the Public Benefit Entity (PBE) accounting standards. Non Exchange revenue is categorised as receiving value without giving approximately equal value in exchange e.g. general rates, government grants.

Revenue is measured at the fair value of consideration received. The following specific recognition criteria must be met before revenue is recognised.

Rates revenue

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

Government grants and subsidies

Government grants are initially recognised as income at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Council receives government contributions and subsidies which fund part of Council's costs in maintaining the local roading infrastructure, reinstatement of damaged infrastructure and removal of large woody debris and FOSAL category 3 residential property buyouts.

The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Other revenue

Revenue from the rendering of services is recognised, based on the actual service provided on an accrual basis.

Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash or by electronic payment. The recorded revenue is the gross amount of the sale, excluding GST. Interest income is recognised using the effective interest method.

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

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

Borrowing costs

Borrowing costs (except borrowing costs incurred as a result of capital work) are recognised as an expense in the period in which they are incurred.

When the construction of assets are loan funded, all borrowing costs incurred as a result of the capital work are capitalised as part of the total cost of the asset up until the point where the asset enters service.

Grant expenditure

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

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

Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is

calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

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

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

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the Prospective Statement of Comprehensive Revenue and Expenses, except when it relates to items charged or credited directly to equity, in which case the tax is dealt within equity.

Leases

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.

Finance leases

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

At the commencement of the lease term, the Council recognises finance leases as assets and liabilities in the Prospective Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life.

Trade and other receivables

Trade and other receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for uncollectible amounts.

A provision for impairment of receivables (doubtful debts) is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted using the effective interest method. Non-current receivables are recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset.

Inventories

Inventories are recognised at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out (FIFO) principle and includes expenditure in acquiring the inventories and bringing them to their existing location and condition.

Financial assets

Council classifies its financial assets in the following two categories:

- available-for-sale financial assets
- loans and receivables.

The classification depends on the purpose for which the assets are held. Management determines the classification of its investments at initial recognition and re-evaluates the designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the Prospective Statement of Comprehensive Revenue and Expenses in which case the transaction costs are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Purchases and sales of investments are recognised on trade-date, the date on which the Council commits to purchase or sell the asset.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price is the current bid price. The fair value of financial instruments not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining financial instruments.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Council presently has the following categories of financial assets:

a. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Council’s general and community loans are designated as loans and receivables. They are recognised initially at fair value, and subsequently carried at amortised cost less impairment losses.

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 the expected future cash flows of the loan is recognised in the Prospective Statement of Comprehensive Revenue and Expenses as a grant. Loans to other parties at market rates are measured at amortised cost using the effective interest method. Non-current loans are discounted at the current market rate of return for a similar asset.

b. Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

The Council’s investments in equity securities are classified as available for sale and are stated at fair value. Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

In the event of impairment any cumulative losses previously recognised in equity will be removed and recognised in the Prospective Statement of Comprehensive Revenue and Expenses even though the asset has not been derecognised.

Impairment of financial assets

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Accounting for derivative financial instruments and hedging activities

Council uses derivative financial instruments such as interest rate swaps (“hedges”) and forward rate agreements to manage its cash flow and interest rate risk. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date.

Council does not satisfy all the conditions for hedge accounting and therefore all gains or losses in fair value of instruments used to manage cash flow and interest rate risk are recognised through the Prospective Statement of Comprehensive Revenue and Expenses.

Financial liabilities - borrowings

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

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of assets held for sale are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

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

Property, plant and equipment

Property, plant and equipment consists of:

Operational assets

These include land, buildings, improvements, library books, wharves, floating plant, plant equipment, and motor vehicles.

Infrastructural assets

Infrastructural assets are the fixed utility systems owned by Council and comprise the sewer, water, storm water, roading, flood control and the waste disposal infrastructures.

Each asset type includes all items that are required for the network to function, for example, sewer reticulation piping and sewer pump stations.

Biological assets

Forestry Assets

Forestry assets consist of the Council’s forestry holdings. Forestry assets are valued on the basis of 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. Forestry assets are revalued annually. Valuation movements pass through surplus/(deficit). The costs to maintain the forestry assets are included in surplus/(deficit).

Council has transferred forestry rights in respect to relating to land to Juken New Zealand Limited. The transfer relates to one harvest cycle. Under the agreement Council has contributed land and is entitled to a percentage of stumpage. All costs of development are borne by Juken New Zealand Limited. The value of the land (excluding the trees) and Council's right to a share of the stumpage is reflected in the Statement of Financial Position.

Council has committed to reverting 70% of the current net stocked area of exotic planting to native.

Intangible assets

Intangible assets predominately comprise computer software and carbon credits.

Software acquisition and development

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

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use or with the acquisition of software licences by Council, are recognised as an intangible asset.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life.

Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation is charged to the Prospective Statement of Comprehensive Revenue and Expenses on a straight line basis over the useful life of the asset.

Typically, the estimated useful lives of these assets are as follows:

- computer software three to six years.

Emissions trading scheme

The Groups forestry holdings incorporates forestry assets held by Council.

Gisborne Holdings Limited (GHL) has voluntarily entered the New Zealand Emissions Trading Scheme (ETS) in respect of 1,224.2 hectares of forest land located in the Tauwhareparae area. This entitles GHL to receive emissions units (units) for carbon stored in the specified area from a 1 January 2008 baseline.

Council's forestry holdings separate from the subsidiaries holdings, consisting of small woodlots and a further area held by the Pamoā Forest Joint Venture. These forestry blocks were registered with ETS in November 2011. This entitles the Council to receive emission units (units) for carbon stored in the specified area from 1 January 2008 baseline.

Units received are recognised at fair value on the date they are received and subsequently measured at cost subject to impairment. While there are no specific conditions attached to units received, should carbon stored in the specified area fall below the amount compensated for, a portion of the units received must be returned.

Units received are recorded on the Prospective Statement of Financial Position as an intangible asset until it is clear that they will not be required to meet future emissions obligations. The value of units is then recognised in the Prospective Statement of Comprehensive Income.

Where there is an obligation to return units this liability is recognised on the Prospective Statement of Financial Position, measured with reference to the carrying value of units on hand. Where there is insufficient units on hand to meet the emissions obligation, this is measured by reference to the current market value for units held.

Property, plant and equipment valuation

Council has elected to use the Public Benefit Entities exemption to revalue property, plant and equipment on an asset class basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Prospective Statement of Comprehensive Revenue and Expenses. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Prospective Statement of Comprehensive Revenue and Expenses will be recognised first in the Prospective Statement of Comprehensive Revenue and Expenses up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Additions

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructural assets and land have been vested in Council as part of the subdivision consent process. Vested assets are recognised as revenue when control over the asset is obtained. Vested assets are valued at fair value when received.

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 Prospective Statement of Comprehensive Revenue and Expenses.

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

Subsequent costs

Costs incurred subsequent to the initial acquisition are capitalised only when 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 reliably measured.

Operational assets valuations

All Operational assets are carried at cost less accumulated depreciation and impairment losses except for:

- operational land
- operational land is valued at fair value and is not depreciated
- operational buildings.

Operational buildings are revalued to optimised depreciated replacement cost and depreciated between valuations. These assets are independently revalued every 3 years, or more frequently when there are indications that the values may have changed substantially from carrying value.

Library books - general collection

All new and replacement books are capitalised in the year they are purchased and subsequently depreciated based on useful lives. The valuations are performed by the Head Librarian and are not subject to independent review because there are readily available market prices to determine fair value.

Library books permanent collection

The permanent collection is carried at deemed cost.

Infrastructure assets valuations

Infrastructural assets

Infrastructural assets are initially recorded at depreciated replacement cost. Infrastructure assets other than roading are independently valued every 3 years at depreciated replacement costs, unless conditions indicate that carrying value is materially different to fair value, in which case assets are revalued more frequently.

Roading assets

Roading assets are independently revalued annually.

Airport assets

Airport assets include land, buildings, runway aprons, roading and below ground infrastructure. Airport assets are independently valued every 3 years or more frequently when there are indicators that the fair values may have changed substantially from carrying value.

Depreciation

Depreciation is provided on a straight-line basis on all fixed assets other than land and land under roads.

The depreciation rates used 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:

Infrastructure assets	
Roads	
Pavement Surface (seal)	5 - 20 years
Pavement Surface (unsealed) - Wearing Course	5 years
Pavement Layers (basecourse)	40 - 100 years
Formation	(not depreciated)
Culverts	70 years
Footpaths	20 - 75 years
Surface Water Channels	75 years
Signs	12 years
Street Lights	15 - 25 years
Bridges	25 - 80 years
Retaining Structures	80 years
Traffic Signals	15 years
Parking Meters	15 years
Railings	10 - 15 years
Safety Projects	10 - 13 years
Water reticulation	
Pipes	30 - 165 years
Valves, Hydrants	25 years
Pump Stations	15 - 100 years
Dams	400 years
Structures	16 - 200 years
Sewage reticulation	
Pipes	60 - 100 years
Pump Station	15 - 100 years
Manholes	100 years
Treatment Plant	15 - 50 years
Laterals	100 years
Stormwater systems	
Pipes	62 - 100 years
In-drain Structures	25 - 100 years
Flood Control Systems	25 - 100 years
Solid Waste	4 - 25 years
Operational assets	
Land	(not depreciated)
Buildings/Land Improvements	3 - 100 years
Plant/Machinery/Motor Vehicles	2 - 20 years
Office Equipment/Furniture	3 - 50 years
Other Equipment	3 - 25 years
Library Books	1 - 50 years
Wharves	50 years
Floating Plant	25 years
Leased Assets	3 - 8 years

Assets under construction

Assets under construction are valued at cost but they are not depreciated. The total cost of a project is transferred to freehold buildings, plant and equipment or infrastructural assets on its completion and then depreciated.

Impairment of non-financial assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If the recoverable amount of a non-financial asset is less than its carrying amount, the item is written down to its recoverable amount. The write down of an item recorded at cost is recognised as an expense in the Prospective Statement of Comprehensive Income. When a re-valued item is written down to recoverable amount, the write down is recognised as a downward revaluation to the extent of the corresponding revaluation reserve and any balance recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

The carrying amount of a non-financial asset that has previously been written down to a recoverable amount is increased to its current recoverable amount if there has been a change in the estimates used to determine the amount of the write down. The increased carrying amount of the item will not exceed the carrying amount that would have been determined if the write down to recoverable amount had not occurred.

Trade and other payables

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 used in the Prospective Statement of Financial Position approximates their fair value.

Financial liabilities: borrowings

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

Employee entitlements

The provision for annual leave employee entitlement and other employee benefits expected to be settled within 12 months of balance date has been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on future rates of pay, discounted using an appropriate discount rate.

Provision for accumulated sick leave is made only to the extent that it is expected to be used in future periods. The expected usage is assessed using historical average rates of use.

Long service leave and retirement leave

For retiring leave and long-service leave not expected to be taken within 12 months of balance date, the liability is equal to the present value of the estimated future cash outflows, calculated on an actuarial basis, as a result of employee services provided at balance date.

Superannuation schemes

Defined benefit scheme

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

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

Provisions

Provisions are recognised for future expenditure of uncertain amount or timing when the Council has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

If the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Prospective Statement of Comprehensive Revenue and Expenses net of any reimbursement.

Public equity

This represents the ratepayer’s net ownership of Council. It is made up of the following components:

- Accumulated funds and retained earnings
- Special funds and reserves
- Asset revaluation reserves.

Accumulated funds

Comprise accumulated surpluses over the years.

Special funds and reserves

Reserves are a component of public equity and represent a particular use to which parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Special funds are recorded at cost plus accumulated interest. These funds are restricted in nature and can only be used for the special purpose for which they were set up.

Also included are reserves restricted by Council decision. These funds are subject to specific conditions accepted as binding by Council which may not be revised by Council without reference to a third party or the Courts.

Asset revaluation reserve

Comprise accumulated revaluation increments or decrements.

Detail on the movement of reserves held by Council (with exception of revaluation reserve) can be found in Note 12.

Prospective statement of cash flows

Cash flows from operating activities are presented using the direct method.

Definitions of terms used in the Prospective Statement of Cash Flows:

- **operating activities** - These activities include all transactions and events that are not investing or financing activities
- **investing activities** - These comprise those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash
- **financing activities** - These are activities which result in changes in the size and composition of the capital structure of Council; inclusive of both equity and debt not falling within the definition of cash.

Changes to accounting policies

There has been no changes in accounting policies during the Annual Plan. All accounting policies have been applied on a consistent basis throughout the years presented.

Critical accounting estimates and assumptions

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

Landfill post closure costs

Paōkahu

As former operator of the Paōkahu landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure.

A landfill after care provision has been recognised as a liability in the Prospective Statement of Financial Position. Provision is made for the present value of post closure costs expected to be incurred in restoring the area to its former status. The calculated cost is based on estimates of future site maintenance, supervision and monitoring costs. The estimated length of time needed for post closure care for the Paōkahu site is 35 years from 31 December 2002.

The calculations assume no change in the legislative requirements or technological changes for closure and post closure treatment.

Waiapū

As operator of the Waiapū landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure.

A landfill after care provision has been recognised as a liability in the Prospective Statement of Financial Position.

Provision is made for the present value of post closure costs expected to be incurred in restoring the area to its former status. The calculated cost is based on estimates of future site maintenance, supervision and monitoring costs. The estimated length of time needed for post closure care for the Waiapū site is 35 years from 30 June 2025.

Infrastructural assets

There are a number of assumptions and estimates used when performing the depreciated replacement cost valuations in respect of infrastructural assets. These include:

- The physical deterioration and condition of asset, for example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example storm water, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition-modeling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth.
- If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under-estimating the annual depreciation charge recognised as an expense in the Prospective Statement of Comprehensive Revenue and Expenses. To minimise this risk, Council's infrastructural asset's useful lives have been determined with reference to the NZ 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 provides Council with further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

GST

The financial statements have been prepared exclusive of GST with the exception of receivables and payables, which are stated with GST included.

Budget figures

The 2024-2027 3YP figures have been produced in accordance with the requirements of the Public Benefit Entity (PBE) accounting standards.

Cost allocation

Expenditure has been reported by the nature of the expense.

Capital management

Council's capital is its equity (or ratepayers' funds) which comprises accumulated funds and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) 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. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve inter generational equity, which is a principle promoted in the Act and applied by Council. Inter generational equity requires today's rate payers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure that ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Annual Plan to meet the expenditure needs identified by those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

Note 2: Prospective summary cost of services by activity

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Expenses			
Commercial Operations	2,153	2,264	2,300
Environmental Services & Protection	14,775	15,166	15,612
Land, Rivers & Coastal	5,099	5,097	4,605
Liveable Communities	24,776	25,418	25,456
Regional Leadership & Support Services	28,891	29,236	26,044
Roading	47,646	49,410	51,748
Solid Waste	5,103	5,679	6,409
Urban Stormwater	3,888	4,028	4,199
Wastewater	12,967	13,566	14,190
Water Supply	9,473	9,865	10,416
Total Expenses	154,771	159,729	160,979
Revenue From Exchange Transactions			
Commercial Operations	1,793	1,829	1,786
Environmental Services & Protection	6,513	6,710	6,903
Land, Rivers & Coastal	292	298	305
Liveable Communities	3,702	3,775	3,854
Regional Leadership & Support Services	1,236	4,048	4,360
Roading	150	154	157
Solid Waste	249	277	281
Wastewater	536	549	564
Water Supply	4,141	4,244	4,358
Total Revenue From Exchange Transactions	18,611	21,884	22,569
Revenue From Non-Exchange Transactions			
Environmental Services & Protection	1,248	1,333	1,380
Land, Rivers & Coastal	912	688	0
Liveable Communities	832	769	269
Regional Leadership & Support Services	3,251	2,745	2,643
Roading	22,251	22,810	23,529
Total Revenue From Non-Exchange Transactions	28,495	28,346	27,820
	107,665	109,499	110,589

Note 3: Rates revenue

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Rates Revenue	87,911	96,661	105,046
Rates revenue consists of:			
General Rates	8,763	10,728	12,480
Uniform Annual General Charge	21,357	24,618	27,001
Targeted Rates	54,141	57,573	61,721
Metered Water Rates	3,651	3,742	3,843
Rates Revenue	87,911	96,661	105,046
Less			
Remissions	2,200	2,251	2,307
Nett Rates Revenue	85,711	94,410	102,739

Note 4: Revenue from grants and subsidies

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Revenue from Grants and Subsidies			
Central Government Grants	3,667	3,306	2,162
NZ Transport Agency Roothing Subsidies	95,913	96,514	90,099
Other Grants and Subsidies	26,283	31,565	27,306
Total Revenue from Grants and Subsidies	125,863	131,385	119,568

¹Central Government Grants/Other - mostly relates to central government grants for the recovery and reinstatement of damaged infrastructure post Cyclone Gabrielle.

²NZ Transport Agency Waka Kotahi - Roothing subsidies - the increase is due to the provision of emergency reinstatement works following Cyclone Gabrielle.

Note 5: Revenue from operating activities

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Revenue from Operating Activities			
Development Contributions	1,863	1,878	1,888
Rates Penalties	650	650	550
Activity Revenue	15,494	15,961	16,291
Dividends	0	2,300	2,500
Petroleum Tax	365	365	365
Total Revenue from Operating Activities	18,372	21,154	21,594

Note 6: Revenue from other gains/(losses)

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Revenue from Other Gains			
Gain / (Loss) on Disposal of Property, Plant and Equipment	350	850	950
Total Revenue from Other Gains	350	850	950

Note 7: Employee benefit expense

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Employee Benefit Expense			
Salary and Wages	43,035	43,900	45,071
Defined Contribution Plans Expense	1,175	1,201	1,226
Less Recharged to Other Expense Categories**	(8,321)	(8,504)	(8,683)
Total Employee Benefit Expense	35,889	36,596	37,614

Note 8: Depreciation and amortisation expense

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Depreciation and Amortisation Expense			
Commercial Operations	786	870	864
Environmental Services & Protection	61	60	58
Land, Rivers & Coastal	197	216	245
Liveable Communities	3,735	4,149	4,269
Regional Leadership & Support Services	1,783	1,906	1,978
Roothing	15,598	16,391	17,196
Solid Waste	490	501	656
Urban Stormwater	1,537	1,602	1,674
Wastewater	3,667	3,767	3,880
Water Supply	3,470	3,595	3,732
Total Depreciation and Amortisation Expense	31,324	33,056	34,552
Total Depreciation	31,324	33,056	34,552
	31,324	33,056	34,552

Note 9: Expenditure on operating activities

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Expenditure on Operating Activities			
Administration Expenses	2,786	2,892	3,081
Audit Fees - Financial Reporting	270	305	445
Audit Fees - Other	0	0	0
Consultants and Professional Services	2,569	2,650	3,188
Elected Members and Director's Fees	975	996	1,017
Indirect Employment Costs	258	262	317
Grants and Donations	982	1,002	1,002
Insurance Costs	2,016	2,217	2,439
Rental and Operating Leases	2,042	2,087	2,135
Repairs and Maintenance	15,756	16,393	17,219
Bad Debts Written Off - Rates	1,700	1,740	1,784
Bad Debts Written Off - Other	(84)	(90)	(90)
Change to Impairment of Receivables	172	179	178
IRD Compliance Costs	174	178	182
Litter Bins and City Cleaning	2,400	2,479	2,599
Emergency Works	9,849	10,173	10,542
Other Operating Expenditure*	38,909	38,564	33,911
Total Expenditure on Operating Activities	80,774	82,026	79,949

¹ Emergency works - increase due to provision for roading reinstatement works after Cyclone Gabrielle.

² Other operating expenses include such items as: electricity, operational contracts, treatment plants, pump stations, internal interest, vegetation planting contracts, facilities contracts and cleaning contracts.

Note 10: Finance costs

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Finance Costs			
Interest on Debentures and Interest Rate Swaps	5,435	5,435	5,435
Interest on Bank Borrowings and Commercial Paper	1,289	2,556	3,369
Line Fee	60	60	60
Total Finance Costs	6,784	8,051	8,864

Note 12: Movements in reserves

	Opening Balance	Transfers	Transfers	Closing Balance
	1 July 2024	to Reserves	from Reserves	30 June 2027
	\$000s	\$000s	\$000s	\$000s
Special Funds and Other Reserves				
Waipaoa River Flood Control Scheme	737	43	0	780
Civil Defence Disaster Relief	385	16	128	273
Capital Development Fund	1,830	107	0	1,937
Quarry Rehab	1,259	74	0	1,334
Olympic Pool Development	32	2	0	34
Reserves Contributions	135	2,056	0	2,191
Land Transport - Urban Development Contributions	458	1,384	231	1,611
Water Supply - Urban Development Contributions	225	560	660	125
Wastewater - Urban Development Contributions	2,300	2,704	2,778	2,227
Stormwater - Urban Development Contributions	(744)	994	296	(46)
Reserves - District Development Contributions	(180)	187	643	(636)
HMNZ Blackpool Scholarship Fund	7	0	0	8
GHL Forestry Reserve	(76)	334	2,200	(1,941)
Pamoa Restoration Reserve	3,228	155	1,166	2,217
Land Subdivision	378	22	0	401
Parking	50	0	0	50
Roading Flood Damage Reserve	0	0	0	0
Organisation Development Reserve	3,309	0	1,407	1,902
Depreciation	29,937	99,082	109,710	19,309
Total Special Funds and Other Reserves	43,273	107,722	119,219	31,776

Note 11: Development contributions revenue

	3YP 2025	3YP 2026	3YP 2027
	\$000s	\$000s	\$000s
Development Contributions Revenue			
Reserves & Open Spaces	66	66	66
Roading	440	440	440
Water Supply	182	182	182
Wastewater	850	850	850
Stormwater	325	340	350
Total Development Contributions Revenue	1,863	1,878	1,888

Note 13: Reconciliation of funding impact statement with prospective statement of comprehensive revenue and expenses

Reconciliation of Funding Impact Statement with Prospective Statement of Comprehensive Income				
For the year ended 30 June				
AP 2024	3YP 2025	3YP 2026	3YP 2027	
\$000s	\$000s	\$000s	\$000s	
RECONCILIATION OF REVENUE				
Sources of operating funding				
208,384 Total operating funding (A) as per Funding Impact Statement	131,016	142,300	150,642	
Add Sources of capital funding				
34,496 Subsidies and grants for capital expenditure	99,266	105,023	93,677	
1,658 Development and financial contributions	1,863	1,878	1,888	
50 Profit / (Loss) on Sale of Assets	350	850	950	
0 Lump sum contributions	0	0	0	
244,588	232,496	250,051	247,157	
244,588 As per Prospective Statement of Comprehensive Income - Total Operating Income	232,496	250,051	247,157	
RECONCILIATION OF EXPENDITURE				
Applications of operating funding				
204,278 Total applications of operating funding (B) as per Funding Impact Statement	123,447	126,673	126,427	
29,473 Add depreciation and amortisation expense	31,324	33,056	34,552	
233,751	154,771	159,729	160,979	
233,751 As per Prospective Statement of Comprehensive Income - Total Operating Expenditure	154,771	159,729	160,979	
RECONCILIATION OF TOTAL COMPREHENSIVE INCOME				
34,496 Add subsidies and grants for capital expenditure	99,266	105,023	93,677	
4,106 Surplus/(deficit) of operating funding (A-B)	7,570	15,627	24,215	
400 Add Subvention Payment	350	350	350	
50 Add Profit / (Loss) on Sale of Assets	350	850	950	
1,658 Add development and financial contributions	1,863	1,878	1,888	
(29,473) Add depreciation and amortisation expense	(31,324)	(33,056)	(34,552)	
48,223 Add gains/(loss) of property revaluation	48,350	68,751	51,386	
59,460	126,425	159,423	137,914	
59,460 As per Prospective Statement of Comprehensive Income - Total Comprehensive Income	126,425	159,423	137,914	

Note 14: Capital expenditure 2024 -2027

Description	Total Cost \$000s	3YP 2025 \$000s	3YP 2026 \$000s	3YP 2027 \$000s
Commercial Operations				
Commercial Property - Staff Housing Upgrades	165	55	55	55
Community Housing - Upgrades	676	226	225	225
Total	841	281	280	280
Land, Rivers and Coastal				
Coastal Hazard Management	60	60	-	-
Flood, Rivers & Drainage Renewals	225	-	225	-
Waipaoa River Flood Control Scheme Resilience Improvements	10,104	3,273	3,369	3,462
Waipaoa River Flood Ctl Scheme - Cat 2	19,568	5,619	7,592	6,357
Flood resilience - Cat 2	34,843	3,123	14,219	17,501
Total	64,800	12,075	25,405	27,320
Liveable Communities				
Amenities	1,089	350	389	350
Aquatic Facilities Renewals	75	25	25	25
CBD Revitalisation	2,500	300	1,500	700
Cemeteries Renewals	381	227	73	82
Jetties and Boat Ramps	195	65	65	65
Kiwa pools - Outdoor Pool	6,500	-	3,000	3,500
Land Remediation (asbestos contamination on Reserve land)	600	200	200	200
Land Stability Projects	1,000	500	250	250
Library Renewals	712	232	237	243
New urban cemetery	300	150	-	150
Parks - Kopututea Private Reserve - Co-Governance	45	15	15	15
Parks & Reserves	2,860	1,229	852	779
Parks & Reserves - Land Improvements & purchases (dc's)	643	-	-	643
Public Art	180	60	60	60
Signage	90	25	30	35
Sportsground Facilities Upgrades and Renewals	450	150	150	150
Street Trees Planting	255	85	85	85
Waihirere Domain Development	49	27	11	11
Waingake Restoration (Pamoia)	5,789	2,070	1,902	1,817
WMT - Capital Upgrades	75	25	25	25
Total	23,788	5,735	8,869	9,184

Description	Total Cost \$000s	3YP 2025 \$000s	3YP 2026 \$000s	3YP 2027 \$000s
Regional Leadership and Support				
Air Quality And Noise Monitoring Equipment	95	-	-	95
Archive Upgrades	1,100	700	400	-
Bore Drilling and Renewals	445	217	-	229
Business Analytics	140	46	45	50
Civil Defence Upgrades	243	243	-	-
Digitisation of records- capex	1,800	600	600	600
Existing Core Hardware & Software Renewal	2,417	850	800	767
FOSAL	30,000	21,000	9,000	-
Freshwater Improvement Fund	781	206	306	269
Orthophoto Regeneration - Aerial Photography	120	40	40	40
Renewals	56	-	56	-
Resilience Upgrades	250	150	50	50
Software Renewals & Updates	30	20	10	-
Telemetry And Hydrological Equipment	284	92	95	97
Vehicle & Minor Plant Renewals	1,574	582	428	564
Total	39,336	24,746	11,829	2,761
Roading				
CBD Revitalisation	500	100	350	50
Community connectivity	3,266	1,166	850	1,250
Emergency Works	105,000	35,000	35,000	35,000
Footpath Replacements - Funded	218	91	63	64
Gisborne City Carpark Facility	64	21	21	21
Minor Improvements Projects	3,409	1,136	1,136	1,136
Regional Transport Projects - recovery	86,000	31,000	31,000	24,000
Resilience Improvement	2,390	797	797	797
Roading Renewals	42,139	14,049	14,369	13,721
Taruheru Subdiv Improvements	106	-	-	106
Taruheru Subdivision Road Links (Cameron Road and others)	616	-	53	563
Total	243,707	83,360	83,639	76,708
Solid Waste				
Heritage Landfill Remediation	2,246	1,696	500	50
Landfill Capital Works	3,500	1,000	1,500	1,000
Paokahu Closed Landfill	36	19	17	-
Resource Recovery centre	5,000	3,000	2,000	-
Solid Waste Renewals	404	142	144	118
Waiapu Landfill - Stage 3	443	44	400	-
Total	11,630	5,901	4,561	1,168

Description	Total Cost \$000s	3YP 2025 \$000s	3YP 2026 \$000s	3YP 2027 \$000s
Stormwater				
Integrated Catchment Plan	194	82	112	-
Stormwater Renewals & Upgrades	5,921	2,506	2,261	1,154
Stormwater resilience	2,050	300	750	1,000
Total	8,165	2,888	3,123	2,154
Townships				
Township upgrades	4,080	2,068	1,006	1,006
Total	4,080	2,068	1,006	1,006
Wastewater				
Kaiti Area Pumpstation & Rising Main	100	-	-	100
Te Karaka Wastewater Land Disposal	900	280	620	-
Wastewater renewals and Urban upgrades	15,708	3,505	5,842	6,361
Wastewater Sensor Network	300	150	150	-
Wastewater Treatment Plant Further Treatment	500	500	-	-
Total	17,508	4,435	6,612	6,461
Water Supply				
Dams Resilience	1,300	500	800	-
Rural Reticulation Renewal	143	132	11	-
Sang Dam Slump Remedial Works	310	218	92	-
Taruheru Block Water Extension	1,079	-	707	372
Waingake T/Plant UV Installations	24	24	-	-
Waipaoa Treatment Plan Infiltration Galery	1,250	1,250	-	-
Water supply renewals and upgrades	8,167	2,498	2,583	3,086
Water supply resilience	4,500	1,300	1,500	1,700
Total	16,773	5,923	5,692	5,158
Grand Total	430,629	147,412	151,017	132,200

Three year plan disclosure statement for period commencing 1 July 2024

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

Council is required to include this statement in its Three Year Plan (TYP) 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

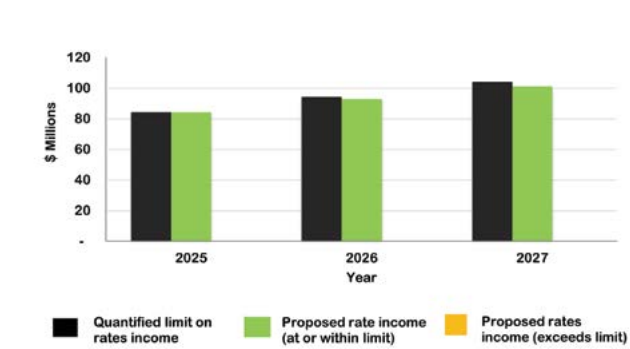
Council meets the rates affordability benchmark if:

- its planned rates income equals or is less than each quantified limit on rates; and
- its planned rates increases equal or are less than each quantified limit on rates increases.

Rates income affordability

The following graphs compare the Council's planned rates income with quantified limits on rates contained in the financial strategy included in Council's 3YP.

Rates income affordability



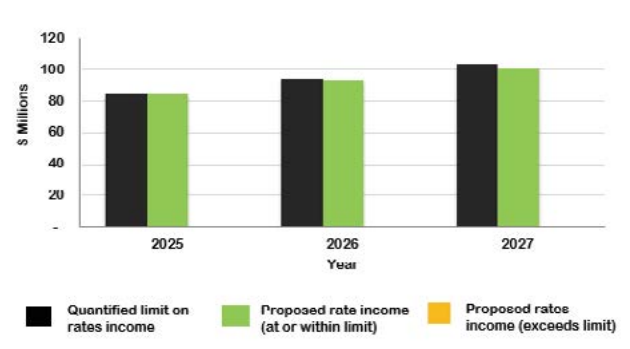
Rates increases affordability

The following graph compares the Council's planned rates increases with a quantified limit on rates increases included in the financial strategy as part of this 3YP.

Quantified limit on rates: Total rates requirement for each year of the 3YP 2024 -2027 period will be no more than 11.4% plus growth in the ratable properties. The forecast is for 0.05% growth over the three years.

"Total rates" is defined as total rates excluding rates collected from water metering.

Rates increase affordability



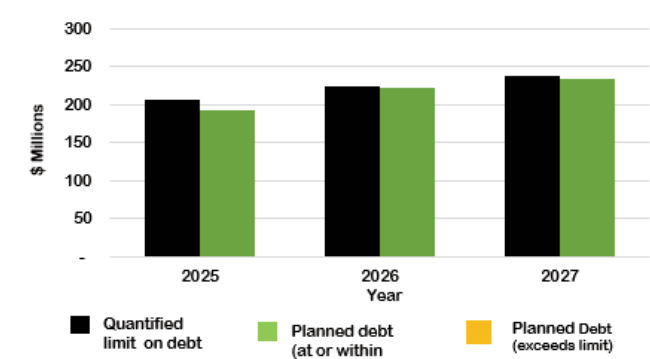
Debt affordability benchmark

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

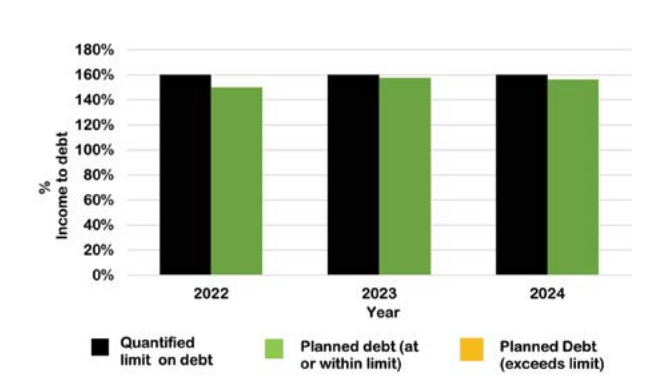
Our limits for debt: The following graph compares Council's planned debt with a quantified limit on borrowing stated in the financial strategy included in this 3YP 2024 - 2027. The quantified limit is based on the ability to borrow, and is set at 175% of debt to revenue. Below are two graphs showing this, on expressed as debt as a percentage of income, and the second quantified forecast debt over forecast income.

Debt is defined as financial liabilities less financial assets (excluding trade, provisions and other receivables) and lease debt arising from CCTO arrangements.

Debt affordability benchmark



Debt as a percentage of income

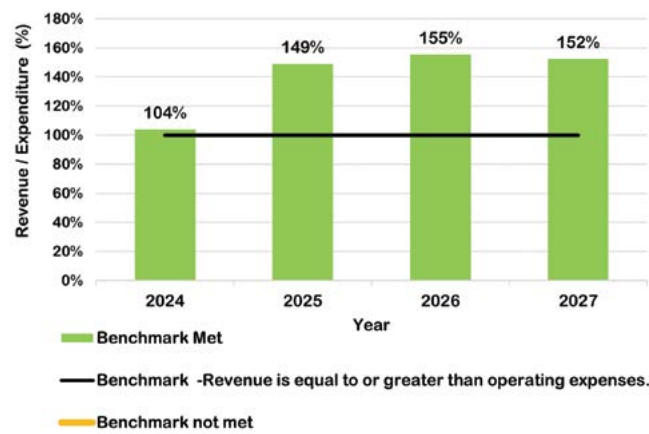


Balanced budget benchmark

The following graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments, and revaluations of property, plant and equipment). Council meets this benchmark if its revenue equals or is greater than operating expenses.

There is higher revenue than operational expenditure over the next three years. This is due to the capital revenue from central government for the reinstatement of damaged infrastructure resulting from Cyclone Gabrielle that impacted our region in February 2023. Capital grant goes towards reducing our need to borrow, and supports the capital expenditure program.

Balanced budget benchmark

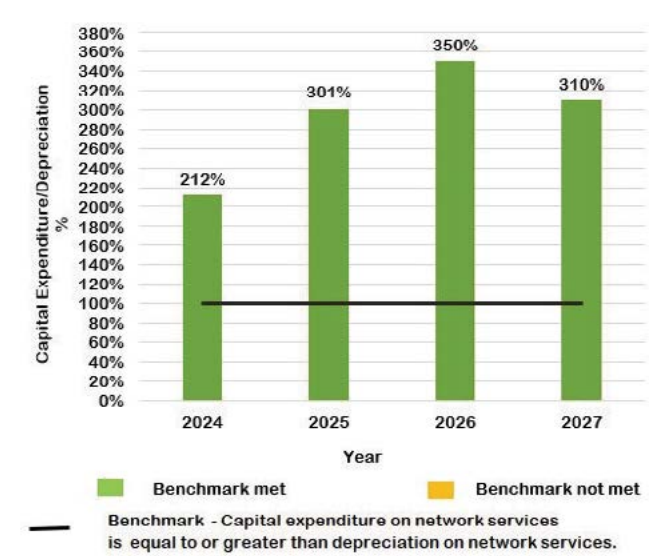


Essential services benchmark

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

In February 2023, Cyclone Gabrielle impacted our region significantly, resulting in increased capital costs to reinstate the damaged infrastructure. This is reflected in the increased capital to depreciation results.

Essential services benchmark



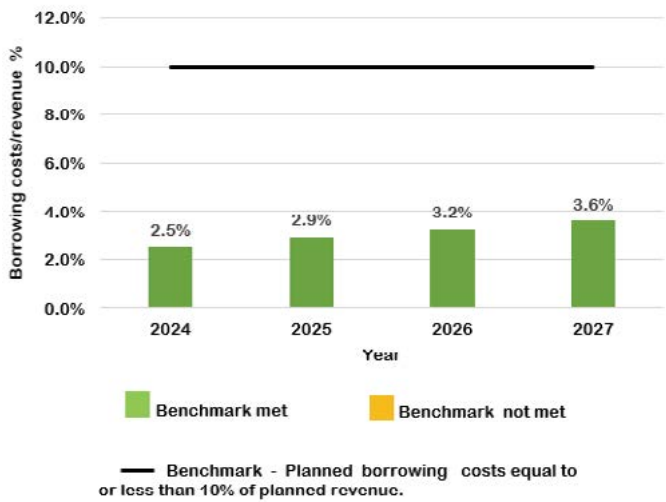
Debt servicing benchmark

The following graph displays Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment). It should be noted that planned revenue includes capital grants which may not be recurring at the level as stated within the three year plan. Forecast interest rates as a percentage of revenue (excluding non recurring capital grants) ranges between 5% and 6% over the three years.

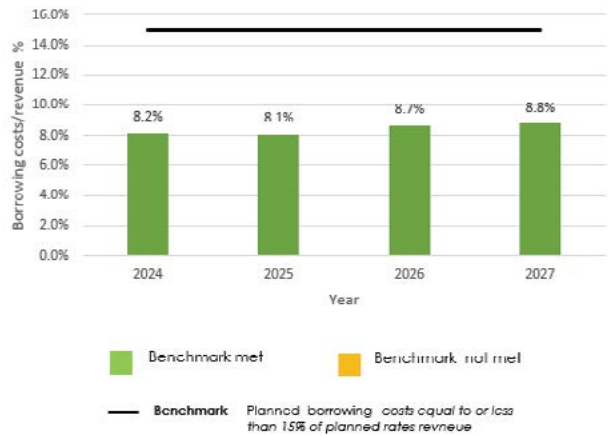
Because Statistics New Zealand projects the Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

Increased interest rates are reflected in the 3YP 2024 -2027.

Debt servicing benchmark



Debt control benchmark



Ngā whakamārama hiranga
Significant assumptions

The following section details the assumptions Council has made in preparing the estimates for the 2024-2027 Three Year Plan (3YP). These assumptions are necessary as they ensure that readers are aware of the basis for the estimates and forecast. The 3YP provides forecast financial information in accordance with New Zealand Accounting Standards Board Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS42). Actual results are likely to vary from the information presented and the variations maybe material.

Significant forecasting assumptions and risks

Schedule 10 (Section 11) of the Local Government Act 2002 contains provisions relating to ‘significant forecasting assumptions’. The Act requires that Council identifies the significant forecasting assumptions and risks underlying the financial estimates. Where there is a high level of uncertainty, Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions. Council has made a number of assumptions in preparing this 3YP. These assumptions are necessary as the planning term for the 3YP is 3 years and the assumptions ensure that all estimates and forecasts are made on the same basis.

General

It has been assumed that the existing activities, services and methods of delivery will continue, however reviews may occur throughout the 3YP. This is relevant to the 3 waters component of Council service delivery, which for the purposes of this 3YP are assumed to remain with Council to manage and deliver.

Interest rates

Interest rates on Council net debt is estimated to be 4.7% throughout the 3YP. Council covers its interest rate exposure using interest rate swaps. The interest rates are based on estimates of the 90-day bank bill rate and include bank margins and the effect of continuing use of interest rate swaps.

A concessionary loan of \$30m from the Crown of 0% interest for 10 years, will offset interest costs directly to the activities associated for which the purpose the loan was granted (i.e FOSAL category 3 and 2 capital costs.

Inflation

The forecast financial information includes provision for inflation. Council has used forecasts of price level changes prepared by Business and Economic Research Limited (BERL) to calculate the inflation rate for each year of the plan. The BERL rates were set in September 2023.

Renewability of funding

Bank facilities are arranged with multiple banks and structured to ensure there is a range of maturity dates. Bank facilities are reviewed annually. The plan assumes that the necessary level of funding will continue to be available through a mixture of bank facilities and debentures.

Forecast returns on investment and strategic assets

Council maintains a range of commercial and strategic investments. Council has used forecast the return for significant investments and business units. Council is currently reviewing all its investments and strategic assets to ensure it is receiving an adequate rate of return. The 3YP does not currently include any significant strategic or investment asset disposals.

External funding

Included in the forecast financial statements are several operational and capital projects that are assumed to be partially funded by another agency or grant. There are several major projects to be funded by a combination of Council and external funding.

Council has \$430m capital projects proposed for the term of the 3YP of which \$84m is budgeted to be funded from grants, subsidies or donations. Waka Kotahi subsidies for Land Transport contribute \$214m over the three years.

Depreciation

All assets, excluding those listed below, are assumed to be replaced at the end of their useful life. The following assets are assumed not to be replaced at the end of their useful life:

- Tolaga Bay Wharf
- Pātūtahi Hall.

Council does not fund depreciation on these assets.

Council does not fully fund the depreciation on that portion of the wastewater treatment plant (WWTP) asset that was pre-funded before the start of the project. This equates to \$450k for Years 1 - 3, coinciding with the total amount collected from the capital rate.

The draft estimates assumes that not all the funding of depreciation will occur for the recently completed major projects - the Wastewater Treatment Plant, and Kiwa Pools. The 2021-2031 LTP phased and stepped the funding of depreciation over the life of the plan. For both the newly completed projects for the pool and the wastewater treatment plant and funded portion of depreciation covers at least principle repayments of the loan required for the build of the asset.

The draft estimates include that not all of the revalued (as at 30 June 2023) Three Water assets (Wastewater, Water supply and stormwater), depreciation costs will be funded. This follows the Annual Plan 2023/24 when it phased the funding of depreciation. Over the three years of the plan, funding depreciation will incrementally increase. As noted within the 2023/24 Annual Plan, the amount of funded depreciation still provides for more total funded depreciation for Three Waters, than what was previously provided for renewals within the 2021-2031 LTP.

Council does not fully fund the depreciation on its roading assets in the Forecast Financial Statements. It is assumed that a set proportion of the Land Transport capital expenditure will continue to be funded through Waka Kotahi financial assistance subsidies. It is therefore considered appropriate to only collect rates revenue on the portion of roading depreciation funded from Council reserves.

Council does not fully fund depreciation on some projects that were funded by external grants, the assumption being that in the future when the assets need to be replaced that external funds would be sourced. These include projects such as LiDAR, Navigations, Waingake Native Restoration, Library and the War Memorial theatre. The amount of unfunded portion varies, depending on the nature of the asset and proportion of external funds were given to support the initial build. For instance, intangible assets (such as software) that was external grant funded are likely to have a higher degree of un-funding as the replacement asset at the end of its useful life is assumed to be of a significantly different nature to the original asset. Assets such as the War memorial theatre and Library are mostly funded, with a much smaller portion being unfunded (27%).

Waingake Native Restoration is a natural living asset, and by its nature will be replenishing and replacing itself through the active management of the forest. As such the portion of "depreciation" recognised has not been funded but the maintenance costs of the forest have been included with the plan. Council does not fund depreciation on the Airport assets as it is assumed that the Council lease of the Airport assets and operations will result in the assets being returned to Council at the end of the lease in the same condition as when the lease began. Useful lives of assets are as recorded in Asset Management Plans or based upon professional advice. Refer to the Accounting Policies Depreciation note.

There is a risk that some assets may wear out and fail sooner, or later than calculated. There is no certainty that asset components will last exactly their design lives. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on capital projects in order to remain within Council's borrowing limits set out in the Council Liability Management Policy.

Depreciation on planned asset acquisitions

The depreciation rates used for planned asset acquisitions are in line with current policies.

Asset sales

The forecast financial information does not make any provision for income from the sale of Council assets.

Resource consents

All of Council's works projects require resource consents to be granted before works can commence. It has been assumed that resource consents can be obtained for all capital works, and that obtaining those resource consents will not significantly impact on the timing of capital works shown in the plan.

It is also assumed that the currency and conditions of existing resource consents held by Council will not be altered significantly during the term of the plan.

Revaluation of assets

The forecast financial information includes an annual estimate to reflect the change in asset valuations and depreciation. The effect of the revaluations, is a best estimate based on historical asset values, forecast capital expenditure, the BERL inflation indices and recent revaluation information.

The most recent revaluation of Council's assets were Land, Buildings & Gisborne Airport landside/airside 30 June 2022; Roothing infrastructure is externally revalued annually, utilities and flood assets are internally revalued annually and externally revalued every 3 years. It is assumed revaluations will result in an increase in the asset values, revaluation, reserves and the depreciation expense.

Reserves

It is assumed that some of the land acquired under the FOSAL category 3 voluntary residential property buyouts maybe sold. Any proceeds will go into a Reserve (Reserve Contributions). They will be used to reduce to support the maintenance of the ongoing costs for the rest of the Category 3 properties.

Full information will be noted within Note 12 Special Funds and Other Reserve, within the Financial Statements section.

Emissions trading scheme

Council has made no provisions for the effects of the Emissions Trading Scheme in this Plan. The effects of the scheme are difficult to predict. It is anticipated that any increase in costs will be mostly offset by increased efficiency gains.

Revenue and financing mechanisms

The following information is presented solely and for the purpose of clause 20 of Schedule 10 of the Local Government Act 2022 and the Local Government (Financial Reporting and Prudence) Regulation 2014 with additional information provided to assist ratepayers in understanding the rates for the financial year commencing 1 July 2023 and ending 30 June 2024.

These statements are not NZ GAAP compliant. The information presented is incomplete, (in particular it does not include depreciation and internal overheads).

This statement should not be relied upon for any other purpose than compliance with the local Government (Financial Reporting and Prudence) Regulation 2014.

We have provided a reconciliation between Council's Prospective Statement of Comprehensive Revenue and Expenses and Councils Funding Impact Statement in Note 13.

In addition to rating income, Council has a number of other sources of revenue including:

- **subsidies and grants** - From government and non-government organisations to fund maintenance or capital projects
- **fees and charges** - Council charges for services provided, for example building consents and dog licences
- **interest received and dividends income** - From funds invested or Council investments
- **capital rates** - Rates used to repay Loans and Capital Expenditure, for example solid waste loan
- **development contributions** - Money received to fund capital expenditure for new development
- **asset sales** - Money received from the sale of assets
- **reserves** - Money set aside to fund expenditure for a specific purpose. For further details of Council's revenue funding mechanisms, please refer to the Revenue and Financing Policy in 2021-2031 LTP.

Funding impact statement

This statement sets out the information required by Schedule 10 of the Local Government Act 2002, together with additional information provided to assist ratepayers in understanding the impact of the Annual Plan.

Council

AP 2024 \$000s	3YP 2025 \$000s	3YP 2026 \$000s	3YP 2027 \$000s
Sources of operating funding			
27,189 General rates, uniform annual general charges, rates penalties	29,386	34,144	37,896
52,939 Targeted rates	59,175	63,167	67,699
112,745 Subsidies and grants for operating purposes	26,596	26,362	25,891
11,422 Fees and charges	13,166	13,524	13,864
1,800 Interest and Dividends from Investments	0	2,300	2,500
2,288 Local authorities fuel Tax, fines, infringement fees and other receipts	2,693	2,802	2,792
208,384 Total Operating Funding (A)	131,016	142,300	150,642
Applications of operating funding			
198,141 Payments to staff and suppliers	116,678	118,637	117,579
6,137 Finance costs	6,769	8,036	8,848
0 Other operating funding applications	0	0	0
204,278 Total applications of operating funding (B)	123,447	126,673	126,427
4,106 Surplus/(deficit) of operating funding (A-B)	7,570	15,627	24,215
Sources of capital funding			
34,496 Subsidies and grants for capital expenditure	99,266	105,023	93,677
1,658 Development and financial contributions	1,863	1,878	1,888
8,097 Increase/(decrease) in debt	20,740	15,653	7,915
50 Gross proceeds from sale of assets	350	850	950
0 Lump sum contributions	0	0	0
44,301 Total sources of capital funding (C)	122,219	123,404	104,430
Applications of capital funding			
Capital expenditure			
2,789 - to meet additional demand	211	2,799	4,596
30,400 - to improve level of service	47,630	48,139	38,558
37,040 - to replace existing assets	99,571	100,079	89,046
(21,822) Increase/(decrease) in reserves	(17,623)	(11,986)	(3,555)
0 Increase/(decrease) of investments	0	0	0
48,407 Total applications of capital funding (D)	129,789	139,031	128,645
(4,106) Surplus/(deficit) of capital funding (C-D)	(7,570)	(15,627)	(24,215)
(0) Funding balance ((A-B)+(C-D))	0	(0)	(0)

Commercial Operations

AP 2024 \$000s	3YP 2025 \$000s	3YP 2026 \$000s	3YP 2027 \$000s
Sources of operating funding			
(59) General rates, uniform annual general charges, rates penalties	(56)	(54)	28
0 Targeted rates	0	0	0
0 Subsidies and grants for operating purposes	0	0	0
1,546 Fees and charges	1,621	1,653	1,688
7 Internal charges and overheads recovered	7	6	6
0 Interest and Dividends from Investments	0	0	0
(108) Local authorities fuel Tax, fines, infringement fees and other receipts	172	176	99
1,386 Total Operating Funding (A)	1,744	1,781	1,820
Applications of operating funding			
830 Payments to staff and suppliers	988	1,017	1,049
12 Finance costs	11	10	8
275 Internal charges and overheads applied	374	373	384
0 Other operating funding applications	0	0	0
1,118 Total applications of operating funding (B)	1,373	1,401	1,442
268 Surplus/(deficit) of operating funding (A-B)	370	381	378
Sources of capital funding			
0 Subsidies and grants for capital expenditure	0	0	0
0 Development and financial contributions	0	0	0
(42) Increase/(decrease) in debt	(33)	(33)	(30)
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
(42) Total sources of capital funding (C)	(33)	(33)	(30)
Applications of capital funding			
Capital expenditure			
0 - to meet additional demand	0	0	0
0 - to improve level of service	0	0	0
284 - to replace existing assets	281	280	280
(57) Increase/(decrease) in reserves	56	67	68
0 Increase/(decrease) of investments	0	0	0
227 Total applications of capital funding (D)	337	347	348
(268) Surplus/(deficit) of capital funding (C-D)	(370)	(381)	(378)
0 Funding balance ((A-B)+(C-D))	0	0	0

Environmental services and protection

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
5,883 General rates, uniform annual general charges, rates penalties	6,477	6,578	6,770
606 Targeted rates	537	544	559
0 Subsidies and grants for operating purposes	0	0	0
5,024 Fees and charges	6,410	6,605	6,796
2,163 Internal charges and overheads recovered	2,009	2,117	2,190
0 Interest and Dividends from Investments	0	0	0
1,371 Local authorities fuel Tax, fines, infringement fees and other receipts	1,351	1,439	1,487
15,047 Total Operating Funding (A)	16,784	17,283	17,802
Applications of operating funding			
9,431 Payments to staff and suppliers	10,810	11,131	11,453
6 Finance costs	6	6	5
5,681 Internal charges and overheads applied	5,906	6,086	6,286
0 Other operating funding applications	0	0	0
15,118 Total applications of operating funding (B)	16,722	17,223	17,744
(72) Surplus/(deficit) of operating funding (A-B)	61	60	58
Sources of capital funding			
0 Subsidies and grants for capital expenditure	0	0	0
0 Development and financial contributions	0	0	0
(16) Increase/(decrease) in debt	(19)	(19)	(19)
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
(16) Total sources of capital funding (C)	(19)	(19)	(19)
Applications of capital funding			
Capital expenditure			
0 - to meet additional demand	0	0	0
0 - to improve level of service	0	0	0
0 - to replace existing assets	0	0	0
(88) Increase/(decrease) in reserves	42	41	39
0 Increase/(decrease) of investments	0	0	0
(88) Total applications of capital funding (D)	42	41	39
72 Surplus/(deficit) of capital funding (C-D)	(61)	(60)	(58)
0 Funding balance ((A-B)+(C-D))	0	0	0

Regional leadership and support services

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
8,536 General rates, uniform annual general charges, rates penalties	9,120	12,449	14,017
3,463 Targeted rates	5,626	6,081	6,647
8,677 Subsidies and grants for operating purposes	2,601	2,095	2,093
221 Fees and charges	267	273	280
32,629 Internal charges and overheads recovered	33,428	34,638	36,445
1,800 Interest and Dividends from Investments	0	2,300	2,500
520 Local authorities fuel Tax, fines, infringement fees and other receipts	619	624	630
55,846 Total Operating Funding (A)	51,661	58,460	62,612
Applications of operating funding			
43,780 Payments to staff and suppliers	40,798	40,337	37,548
541 Finance costs	375	1,116	1,394
17,752 Internal charges and overheads applied	19,363	20,515	21,569
0 Other operating funding applications	0	0	0
62,074 Total applications of operating funding (B)	60,536	61,967	60,511
(6,228) Surplus/(deficit) of operating funding (A-B)	(8,875)	(3,508)	2,101
Sources of capital funding			
400 Subsidies and grants for capital expenditure	11,535	4,918	221
1,658 Development and financial contributions	1,863	1,878	1,888
1,091 Increase/(decrease) in debt	10,662	2,853	(2,418)
50 Gross proceeds from sale of assets	350	850	950
0 Lump sum contributions	0	0	0
3,198 Total sources of capital funding (C)	24,409	10,499	641
Applications of capital funding			
Capital expenditure			
0 - to meet additional demand	0	0	0
1,749 - to improve level of service	22,637	10,021	1,064
2,731 - to replace existing assets	3,301	2,365	2,253
(7,509) Increase/(decrease) in reserves	(10,404)	(5,394)	(575)
0 Increase/(decrease) of investments	0	0	0
(3,029) Total applications of capital funding (D)	15,534	6,991	2,742
6,228 Surplus/(deficit) of capital funding (C-D)	8,875	3,508	(2,101)
0 Funding balance ((A-B)+(C-D))	0	0	0

Land, Rivers and Coastal

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
1,811 General rates, uniform annual general charges, rates penalties	1,878	2,012	2,234
1,451 Targeted rates	2,018	2,190	2,316
0 Subsidies and grants for operating purposes	912	688	0
280 Fees and charges	280	286	292
620 Internal charges and overheads recovered	1,535	1,839	2,141
0 Interest and Dividends from Investments	0	0	0
12 Local authorities fuel Tax, fines, infringement fees and other receipts	12	12	13
4,174 Total Operating Funding (A)	6,634	7,027	6,996
Applications of operating funding			
1,901 Payments to staff and suppliers	3,984	3,850	3,125
789 Finance costs	999	1,198	1,431
1,247 Internal charges and overheads applied	1,454	1,672	1,945
0 Other operating funding applications	0	0	0
3,937 Total applications of operating funding (B)	6,436	6,720	6,500
237 Surplus/(deficit) of operating funding (A-B)	197	307	495
Sources of capital funding			
0 Subsidies and grants for capital expenditure	7,868	19,630	21,472
0 Development and financial contributions	0	0	0
3,668 Increase/(decrease) in debt	3,513	4,982	4,920
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
3,668 Total sources of capital funding (C)	11,381	24,612	26,392
Applications of capital funding			
Capital expenditure			
0 - to meet additional demand	0	0	0
3,853 - to improve level of service	11,748	24,843	26,974
419 - to replace existing assets	327	562	346
(367) Increase/(decrease) in reserves	(497)	(486)	(433)
0 Increase/(decrease) of investments	0	0	0
3,905 Total applications of capital funding (D)	11,578	24,919	26,887
(237) Surplus/(deficit) of capital funding (C-D)	(197)	(307)	(495)
0 Funding balance ((A-B)+(C-D))	0	0	0

Roads and footpaths

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
300 General rates, uniform annual general charges, rates penalties	562	673	853
13,867 Targeted rates	14,738	15,401	16,468
76,815 Subsidies and grants for operating purposes	22,251	22,810	23,529
0 Fees and charges	0	0	0
2,373 Internal charges and overheads recovered	2,081	2,175	2,273
0 Interest and Dividends from Investments	0	0	0
124 Local authorities fuel Tax, fines, infringement fees and other receipts	150	154	157
93,480 Total Operating Funding (A)	39,784	41,213	43,280
Applications of operating funding			
85,254 Payments to staff and suppliers	27,240	28,209	29,591
685 Finance costs	874	1,064	1,247
5,697 Internal charges and overheads applied	6,015	5,921	5,988
0 Other operating funding applications	0	0	0
91,636 Total applications of operating funding (B)	34,129	35,194	36,825
1,844 Surplus/(deficit) of operating funding (A-B)	5,654	6,019	6,454
Sources of capital funding			
20,855 Subsidies and grants for capital expenditure	73,942	73,704	66,570
0 Development and financial contributions	0	0	0
396 Increase/(decrease) in debt	4,209	3,881	3,879
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
21,251 Total sources of capital funding (C)	78,151	77,585	70,450
Applications of capital funding			
Capital expenditure			
565 - to meet additional demand	0	53	669
9,219 - to improve level of service	3,943	3,514	3,914
18,293 - to replace existing assets	80,294	80,522	72,575
(4,980) Increase/(decrease) in reserves	(431)	(485)	(254)
0 Increase/(decrease) of investments	0	0	0
23,095 Total applications of capital funding (D)	83,806	83,604	76,904
(1,844) Surplus/(deficit) of capital funding (C-D)	(5,654)	(6,019)	(6,454)
0 Funding balance ((A-B)+(C-D))	0	0	0

Wastewater

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
200 General rates, uniform annual general charges, rates penalties	450	700	1,200
10,280 Targeted rates	11,506	12,507	13,475
0 Subsidies and grants for operating purposes	0	0	0
528 Fees and charges	528	541	556
934 Internal charges and overheads recovered	1,624	1,446	1,321
0 Interest and Dividends from Investments	0	0	0
8 Local authorities fuel Tax, fines, infringement fees and other receipts	8	8	8
11,950 Total Operating Funding (A)	14,116	15,203	16,561
Applications of operating funding			
5,846 Payments to staff and suppliers	6,074	6,401	6,748
2,322 Finance costs	2,631	2,595	2,546
2,339 Internal charges and overheads applied	2,219	2,249	2,336
0 Other operating funding applications	0	0	0
10,507 Total applications of operating funding (B)	10,924	11,246	11,631
1,443 Surplus/(deficit) of operating funding (A-B)	3,192	3,957	4,930
Sources of capital funding			
0 Subsidies and grants for capital expenditure	0	300	1,416
0 Development and financial contributions	0	0	0
(1,650) Increase/(decrease) in debt	(909)	(614)	(1,474)
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
(1,650) Total sources of capital funding (C)	(909)	(314)	(58)
Applications of capital funding			
Capital expenditure			
100 - to meet additional demand	76	1,790	2,668
911 - to improve level of service	890	770	100
2,932 - to replace existing assets	3,469	4,052	3,693
(4,150) Increase/(decrease) in reserves	(2,152)	(2,969)	(1,588)
0 Increase/(decrease) of investments	0	0	0
(207) Total applications of capital funding (D)	2,283	3,643	4,872
(1,443) Surplus/(deficit) of capital funding (C-D)	(3,192)	(3,957)	(4,930)
0 Funding balance ((A-B)+(C-D))	0	0	0

Urban stormwater

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
0 General rates, uniform annual general charges, rates penalties	0	0	0
3,473 Targeted rates	3,538	3,818	4,174
0 Subsidies and grants for operating purposes	0	0	0
0 Fees and charges	0	0	0
252 Internal charges and overheads recovered	226	229	233
0 Interest and Dividends from Investments	0	0	0
0 Local authorities fuel Tax, fines, infringement fees and other receipts	0	0	0
3,726 Total Operating Funding (A)	3,764	4,047	4,406
Applications of operating funding			
1,484 Payments to staff and suppliers	1,577	1,617	1,661
450 Finance costs	466	500	531
651 Internal charges and overheads applied	534	537	566
0 Other operating funding applications	0	0	0
2,585 Total applications of operating funding (B)	2,577	2,655	2,758
1,140 Surplus/(deficit) of operating funding (A-B)	1,187	1,392	1,649
Sources of capital funding			
301 Subsidies and grants for capital expenditure	0	0	0
0 Development and financial contributions	0	0	0
425 Increase/(decrease) in debt	632	811	470
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
725 Total sources of capital funding (C)	632	811	470
Applications of capital funding			
Capital expenditure			
678 - to meet additional demand	98	191	173
755 - to improve level of service	939	1,034	730
1,671 - to replace existing assets	1,850	1,898	1,251
(1,238) Increase/(decrease) in reserves	(1,068)	(920)	(35)
0 Increase/(decrease) of investments	0	0	0
1,865 Total applications of capital funding (D)	1,820	2,203	2,119
(1,140) Surplus/(deficit) of capital funding (C-D)	(1,187)	(1,392)	(1,649)
0 Funding balance ((A-B)+(C-D))	0	0	0

Water supply

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
0 General rates, uniform annual general charges, rates penalties	0	0	0
7,709 Targeted rates	8,057	8,778	9,727
0 Subsidies and grants for operating purposes	0	0	0
117 Fees and charges	280	287	295
933 Internal charges and overheads recovered	833	849	866
0 Interest and Dividends from Investments	0	0	0
210 Local authorities fuel Tax, fines, infringement fees and other receipts	210	215	220
8,969 Total Operating Funding (A)	9,380	10,129	11,107
Applications of operating funding			
4,189 Payments to staff and suppliers	4,800	4,978	5,259
149 Finance costs	220	302	376
1,919 Internal charges and overheads applied	1,816	1,839	1,915
0 Other operating funding applications	0	0	0
6,257 Total applications of operating funding (B)	6,836	7,119	7,550
2,712 Surplus/(deficit) of operating funding (A-B)	2,544	3,010	3,557
Sources of capital funding			
6,284 Subsidies and grants for capital expenditure	0	353	186
0 Development and financial contributions	0	0	0
78 Increase/(decrease) in debt	1,918	1,572	1,573
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
6,361 Total sources of capital funding (C)	1,918	1,925	1,760
Applications of capital funding			
Capital expenditure			
819 - to meet additional demand	37	765	444
5,667 - to improve level of service	1,178	560	599
3,070 - to replace existing assets	4,707	4,368	4,115
(483) Increase/(decrease) in reserves	(1,460)	(757)	158
0 Increase/(decrease) of investments	0	0	0
9,073 Total applications of capital funding (D)	4,462	4,935	5,317
(2,712) Surplus/(deficit) of capital funding (C-D)	(2,544)	(3,010)	(3,557)
0 Funding balance ((A-B)+(C-D))	0	0	0

Solid waste

AP 2024	3YP 2025	3YP 2026	3YP 2027
\$000s	\$000s	\$000s	\$000s
Sources of operating funding			
2,590 General rates, uniform annual general charges, rates penalties	2,177	2,581	3,209
2,440 Targeted rates	3,132	3,456	3,691
26,400 Subsidies and grants for operating purposes	0	0	0
201 Fees and charges	216	243	246
211 Internal charges and overheads recovered	683	528	277
0 Interest and Dividends from Investments	0	0	0
34 Local authorities fuel Tax, fines, infringement fees and other receipts	34	34	35
31,876 Total Operating Funding (A)	6,241	6,842	7,458
Applications of operating funding			
30,465 Payments to staff and suppliers	4,598	4,976	5,306
171 Finance costs	158	165	144
546 Internal charges and overheads applied	540	565	581
0 Other operating funding applications	0	0	0
31,182 Total applications of operating funding (B)	5,296	5,706	6,030
693 Surplus/(deficit) of operating funding (A-B)	945	1,136	1,428
Sources of capital funding			
2,765 Subsidies and grants for capital expenditure	4,578	3,265	740
0 Development and financial contributions	0	0	0
737 Increase/(decrease) in debt	466	(151)	(759)
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
3,502 Total sources of capital funding (C)	5,044	3,114	(19)
Applications of capital funding			
Capital expenditure			
0 - to meet additional demand	0	0	0
277 - to improve level of service	4,000	3,500	1,000
3,672 - to replace existing assets	1,901	1,061	168
248 Increase/(decrease) in reserves	88	(312)	241
0 Increase/(decrease) of investments	0	0	0
4,196 Total applications of capital funding (D)	5,989	4,250	1,409
(693) Surplus/(deficit) of capital funding (C-D)	(945)	(1,136)	(1,428)
0 Funding balance ((A-B)+(C-D))	0	0	0

AP 2024 \$000s	3YP 2025 \$000s	3YP 2026 \$000s	3YP 2027 \$000s
Sources of operating funding			
7,928 General rates, uniform annual general charges, rates penalties	8,778	9,207	9,585
9,651 Targeted rates	10,023	10,391	10,642
854 Subsidies and grants for operating purposes	832	769	269
3,507 Fees and charges	3,565	3,636	3,712
5,338 Internal charges and overheads recovered	5,115	5,620	5,879
0 Interest and Dividends from Investments	0	0	0
116 Local authorities fuel Tax, fines, infringement fees and other receipts	136	139	142
27,393 Total Operating Funding (A)	28,449	29,762	30,230
Applications of operating funding			
14,960 Payments to staff and suppliers	15,808	16,120	15,839
1,011 Finance costs	1,029	1,079	1,166
9,354 Internal charges and overheads applied	9,320	9,690	10,060
0 Other operating funding applications	0	0	0
25,325 Total applications of operating funding (B)	26,156	26,889	27,065
2,068 Surplus/(deficit) of operating funding (A-B)	2,293	2,873	3,165
Sources of capital funding			
3,892 Subsidies and grants for capital expenditure	1,343	2,853	3,072
0 Development and financial contributions	0	0	0
3,409 Increase/(decrease) in debt	301	2,372	1,772
0 Gross proceeds from sale of assets	0	0	0
0 Lump sum contributions	0	0	0
7,302 Total sources of capital funding (C)	1,645	5,225	4,843
Applications of capital funding			
Capital expenditure			
628 - to meet additional demand	0	0	643
7,969 - to improve level of service	2,294	3,897	4,177
3,970 - to replace existing assets	3,440	4,972	4,364
(3,198) Increase/(decrease) in reserves	(1,797)	(771)	(1,177)
0 Increase/(decrease) of investments	0	0	0
9,370 Total applications of capital funding (D)	3,938	8,098	8,008
(2,068) Surplus/(deficit) of capital funding (C-D)	(2,293)	(2,873)	(3,165)
0 Funding balance ((A-B)+(C-D))	0	0	0

Tauāki Whakakohuki Pūtea Rēti

Rates funding impact statement

Rating information

This year Council will collect \$96.9m including GST or \$84.3m excluding GST.

Rates Base Information

Year	2025	2026	2027
No. of rating units	23847	23897	23947

The Revenue and Financing policy outlines the choices Council has made in deciding the appropriate sources for funding its operating and capital expenditure. One of these sources are rates.

There are three broad categories of rates:

- 1 A general rate under section 13 of the Local Government (Rating) Act 2002 (LGRA). These are set on all rateable land in the district, at a set rate in the dollar of the rateable value of land. The Council sets a uniform general rate based upon the capital value of the land.
- 2 A uniform annual general charge (UAGC) under section 15 of the LGRA for all rateable land within the district. This may be set per “rating unit” or per “separately used or inhabited part of a rating unit” (SUIP). The Council sets its UAGC per SUIP.
- 3 Targeted rates under section 16 of the LGRA. Targeted rates may be set on all rateable land within the district or on certain identified categories of land and are used to fund identified activities or groups of activities.

Under section 18 of the LGRA, targeted rates may be calculated based upon different factors of liability. These are set out under Schedule 3 and include:

- capital value
- land value
- number of SUIPs
- number of water closets and urinals (pans).

The Council does not invite sum contributions in respect of its targeted rates.

Differentials and factors of liability

The general rate and targeted rates may be set differentially, with different categories of land attracting a different level of rate. The matters that may be used to define different categories of land are set out in Schedule 2 of the LGRA, and include:

- The use of the land.
- The area of the land.

- The provision or availability to the land of a service provided by, or on behalf of, the Council.
- Where the land is situated.

The Council uses different categories of rateable land to set rates differentially. These include categories of property use, Differential Rating Areas (DRAs) and Drainage Scheme Areas.

Rating Definitions

Inner Zone

The Inner zone is the land area in DRA1, DRA1A and DRA2 as provided in the map at the end of this section.

Outer Zone

The Outer zone is the land area in DRA3, DRA4 DRA5 as provided in the map at the end of this section.

Residential, Lifestyle and Other Sector

This is a general rating category. It includes residential, lifestyle, arable, utilities network and other properties units, as well as any other properties that do not fall into the Horticulture, Pastoral, Commercial, Industrial and Forestry (exotic)categories. Native forests and vacant forest land are rated in this category. A horticultural or pastoral property that is less than 5 hectares (ha) is rated in this category. There is a weighting of 1.0 for subsidised, and flood damage and emergency reinstatement roading rates.

Horticulture Sector

Properties used for horticulture that are 5 ha or greater in area. There is a weighting of 1.5 for subsidised, and flood damage and emergency reinstatement roading rates.

Pastoral Sector

Properties that have a pastoral use and are 5 ha or greater in area. There is a weighting of 1.5 for subsidised, and flood damage and emergency reinstatement roading rates. Where 20ha or more of the property is planted in exotic forestry, the area will be rated with the forestry weighting of 13.75. That area will also contribute to the 70% forestry share for the recovery woody debris rate.

Forestry Sector

Properties that are planted in exotic forestry. There is a weighting of 13.75 for subsidised, and flood damage and emergency reinstatement roading rates and the recovery woody debris rate. The forestry differential weighting is based on industry specific forecast forestry maintenance costs, updated with AP 2024/25 planned roading expenditure. [Stantec 2024 report].

Where 20ha or more of the property is used for pasture, the area will be rated with the pastoral weighting of 1.5 for subsidised, and flood damage and emergency reinstatement roading rates. That area will also contribute to the 30% Pastoral share for the recovery woody debris rate.

Properties that are native forests or vacant forestry land are included for rating in the Residential, Lifestyle and Other general category. There is a weighting of 1.0 for subsidised, and flood damage and emergency reinstatement roading rates.

Commercial and Industrial Sector

Properties that have a commercial, industrial or utilities use other than where it is a utilities network. There is a weighting of 2.0 for subsidised, and flood damage and emergency reinstatement roading rates.

Rates as the Council sets them:

Targeted rates

- Rates which can fund a particular activity or group of activities and can apply to certain areas, categories or to certain ratepayers.
- The matters and categories used to define categories of rateable land and calculate liability for targeted rates are set out in the Local Government (Rating) Act 2002 Schedule 2 and Schedule 3.

Aquatic and recreation facilities rate - The cost of maintaining the Kiwa Pool complex and our recreational facilities based on a properties capital value. Properties in the Inner Zone contribute at a weighting of 1.0 and the Outer Zone contribute less with a weighting of 0.3.

Animal control rate - The cost of minimising danger, distress and nuisance caused by stray dogs and controlling stock on roads. This is a uniform targeted rate on residential properties throughout the district.

Building services rate - The cost of providing advice to the public on regulatory requirements with the Building Act and cost of resolving complaints about building related issues including stormwater on private property based on a properties capital value. Residential and lifestyle properties in Gisborne city and on the Poverty Bay Flats contribute 85%. The remaining 15% is paid by rural properties.

Business area patrols in CBD rate - The cost of providing security in the CBD and operating CCTV security cameras for crime prevention as set out on the map at the end of this section. This is based on capital value in the CBD.

Commercial recycling rate - A targeted rate on non-residential properties within Gisborne city on each separately used or inhabited part of a property which elect to receive the recycling collection service.

Cyclone recovery rate -woody debris- A targeted rate to cover maintenance and preemptive work to protect Council assets. The targeted rate share is apportioned on capital value between

the forestry sector (70%) and the pastoral sector (15%). Where 20ha or more of the property is planted in forestry, that portion will be rated as forestry. Where 20ha or more of the property is pastoral, that portion will be rated as pastoral. The remaining 15% public good component is collected from the Uniform Annual General Charge.

Drainage rates - The cost of providing land drainage in the designated areas of benefit. There are 2 groups - direct beneficiaries and contributors. Both rates are based on the area of land receiving the benefit. Maps of the drainage areas are at the end of this section.

Economic development and tourism rate - The costs of preparing for and supporting economic and tourism activity throughout the district. This rate is payable by all industrial and commercial properties over the whole district based on capital value.

Flood control schemes rate - This is the cost of operating flood protection works. General rates fund 60% and the balance is targeted collection from those who receive benefit from the scheme in the City and Poverty Bay flats. Maps of the Flood Control Schemes are available at the end of this section.

- Waipaoa there are 6 classes of the scheme from A-F.
- Te Karaka – the targeted rates are split between residential and non-residential properties.

Noise control rate - This is the cost of responding to noise complaints. This is uniform targeted rate to residential properties in Gisborne city, Makaraka, Wainui and lifestyle properties on the Poverty Bay Flats.

Non-subsidised road rate - This is the cost of non-subsidised road works in the district. This is a differential targeted rate on the Inner Zone and Outer zone based on capital value.

Passenger transport rate - This is a uniform targeted rate for providing a subsidised passenger transport service payable on residential properties per separately used or inhabited part of a property in Gisborne City.

Parks and reserves rate - The cost of maintaining all the parks, reserves, playing fields, beach access points. This is a fixed amount per rating unit. The Inner Zone contributes 85% of costs and Outer Zone 15%.

Plant and animal pests rate - To keep nuisance pests and noxious plants under control. All properties contribute, but farms pay a larger contribution. The inner zone contributes 20% and the outer zone contributes 80%. This is rated on land value.

Resource consents rate - The focus is to allocate the use of natural resources to consent holders and to protect the quality of the natural and physical environment and to provide assistance and clarity to the public. This is rated on Land value.

Roading flood damage and emergency and subsidised local roads rate - Roothing maintenance and repair costs are partly fund by Waka Kotahi (NZTA). The rate targeted portion is based on capital value and is split into differential rating groups that are weighted as follows: Residential, lifestyle and other properties 1.0; Horticulture and Pastoral farming 1.5; Industrial and

Commercial 2.0; Forestry 13.75. The remaining portion is collected as part of the Uniform Annual General Charge.

Subsidised Roothing Rate - Residential lifestyle and other properties - This is a general sector that includes residential, lifestyle, arable, utilities network and other properties that do not fall into the horticulture, pastoral, commercial, industrial and forestry sectors. A horticultural or pastoral property that is less than 5 hectares (ha) is rated in this sector. This is rated on capital value.

Subsidised Roothing Rate - Horticulture properties - Have horticulture use and are 5 hectares (ha) or greater in area. This is rated on capital value

Subsidised Roothing Rate - Pastoral properties - Have pastoral use and are 5ha or greater in area. Where 20ha or more of the property is planted in forestry, that portion will be rated with the weighting for forestry roading rates. This is rated on capital value.

Subsidised Roothing Rate - Forestry exotic properties - Have a forestry use. Where 20ha or more of the property is pastoral, that portion will be rated with the weighting for pastoral roading rates. This is rated on capital value.

Subsidised Roothing Rate - Commercial and industrial properties - Have a commercial and industrial and utilities use other than where it is a utilities network.

Flood damage and emergency works rate - This rate covers approximately 25% of cost of repairs to roading network from an adverse event. The remaining balance is funded by a Waka Kotahi subsidy. Properties are rated on capital value using the weightings of 1.0 for residential properties, 1.5 for horticulture and pastoral properties, 2.0 for commercial and industrial properties and 13.75 for forestry properties. Where 20ha or more of the property is either pastoral or forestry, that portion will be rated with the corresponding weighting (pastoral 1.5, forestry 13.75). This is rated on capital value.

Rural transfer stations rate - Partially covers the cost of operating 8 transfer stations at Tolaga Bay, Tokomaru Bay, Te Puia Springs, Tikitiki, Waipū, Te Karaka, Whatatūtū and Matawai. This includes the cost of cartage to Waipū Landfill or Gisborne city. Residential properties within a 15km radius of a rural transfer station contribute to this rate per separately used or inhabited part of a property eg If a property has multiple dwellings, the rate will be charged per dwelling. Refuse stickers are issued to use when taking refuse to a transfer station. Ruatoria township have both kerbside collection and the use of the transfer station. A charge is payable for each service.

Soil conservation rate - Advocacy and land use – This rate is concerned with erosion, land stabilisation and the effective use of land and the advice, communication and enforcement of this legislation. The soil conservation rates are split between DRA1, DRA1A and DRA2 -40%, DRA3 and DRAS4 30%, and DRA5 30%. This is based on land value.

Stormwater and drains rate - This is for the cost of stormwater reticulation to dispose of rainwater and maintain assets in Gisborne city and rural townships. Funded by a charge per

separately used or inhabited part payable by residents living in Gisborne city, Wainui, Okitu and rural towns including Patutahi and Manutuke. The basis for stormwater and drains on commercial properties is capital value.

Theatres rate - This is for the cost of maintaining theatres in the district. Some costs are part funded by fees and charges and part funded by a targeted rate on capital value in the Inner zone and the Outer zone.

Water conservation rate - This is the cost of monitoring the quality and volume of natural water, and ensuring that we are using these water resources wisely and is based on land value.

Waipū River erosion control scheme rate

Covers the operating costs and loan repayments of protection works on the river. This activity is partially (60%) funded by the general rate with the balance split between:

- direct beneficiaries in Ruatoria Township and around the river pay 60% of the cost of the activity balance on capital value
- indirect beneficiaries inside the catchment area pay 15% of the cost of the activity balance on capital value
- contributors at the edges of the catchment pay 15% of the activity balance based on land area.

Wastewater rate - Ten percent of costs are funded in the general rate with the balance paid by a **pan charge rate** to connected users.

Wastewater (pan charge) rate - A usage charge based on the number of toilet pans and urinals connected. A residential dwelling pays only one pan charge, no matter how many toilet pans are installed. All other properties pay one pan charge for each toilet pan or urinal installed and connected. this includes but is not limited to commercial properties, schools and hospitals.

Waste management charge rate - Solid waste / household refuse collection including the cost of recycling where the service is provided throughout the district. This is a uniform amount for each separately used or inhabited part of a property.

Water rate

- **Uniform water charge** is the cost of delivering drinking water where the service is provided, payable per separately used or inhabited part of a property, for example if there are 3 flats on the property there will be 3 water charges.
- **Availability charge** - the charge if you are in an area where water service is supplied, but the property is not connected.
- **Fixed water by meter rate** per cubic metre to properties identified as an extra-ordinary use and some rural domestic users as defined in the Water Supply Bylaw 2015. Metered domestic users receive a free of charge allowance of 300 cubic metres per annum.

Lump sum contributions will not be invited in respect of the targeted rates.

General rates

A general rate in accordance with the Local Government (Rating) Act 2002 13(2)(a) based on the capital value of each rating unit in the district, on a uniform basis. The general rate is used to fund Council activities that are deemed to generally benefit all ratepayers in the Gisborne district.

The general rate funds rivers control, storm water, treasury, economic development, animal and plant pests, strategic planning and engagement, coastal erosion management scheme maintenance, waste minimisation, solid waste legacy and aftercare provision, water and wastewater.

Uniform annual general charges (UAGC)

A fixed amount charged to each Separately Used or Inhabited part of a Rating Unit.

The UAGC for 2024-2025 is \$1069.33 inclusive of GST

Activities funded by UAGC 2024/25

- Cemeteries
- HB Williams Memorial and rural libraries
- Subsidised local roads
- Civil Defence
- Litter bins and cleaning public areas
- Cyclone recovery - general and woody debris
- Strategic planning and customer engagement
- District civil and corporate expenses
- Managing solid waste and transfer stations
- Tairāwhiti Museum
- Economic development and tourism
- Mayor and Councillor representation costs
- Environmental and public health protection
- Public toilets - cleaning and maintaining

Definition of a separately used or inhabited part of a rating unit (SUIP)

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner / a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

Interpretation rules

Each separate shop or business activity on a rating unit is a separate use, for which a separate UAGC is payable. (See Guidance Note 1.)

Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential or rural property which is let for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable.(See Guidance Note 2.)

- a. Each residential rating unit which has, in addition to a family dwelling unit, one or more non-residential uses (ie home occupation units) will be charged an extra UAGC for each additional use. (See Guidance Note 3.)
- b. Each non-residential activity which has, in addition to its business or commercial function, co-sited residential units which are not a prerequisite part of the business or commercial function, will pay additional UAGCs for each residential unit. (See Guidance Note 4.)
- c. Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts, and will each pay a separate UAGC. (See Guidance Note 5.)
- d. Each title on a multiple-managed forestry holding (that is, where the forest is broken into several individual small titles) is a separately used part except when one or more titles are adjacent and under the same ownership, in which case the rules of contiguity apply.
- e. Each block of land including rural land for which a separate title has been issued is liable to pay a UAGC, even if that land is vacant. NOTE: for the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.
- f. Two or more adjacent blocks of vacant land are not eligible for Remission under "Contiguity" (S.20 of LG(R)A02) because they are not "used for the same purpose" (i.e. they are not used at all).
- g. Each dwelling, flat, or additional rentable unit (attached or not attached) on a pastoral, horticultural or forestry property which is let for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable.
- h. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.
- i. A substantial part of the year is considered to be three months or more (this total period may be fragmented, and may occur at any part of the rating year).

Guidance notes

The following notes are not rules, but are intended to aid Officers in the interpretation of the Rules and apply to both urban and rural land

1. Commercial properties

- A single building on one title with 24 separate shops would pay 24 UAGCs.
- A motel with an attached dwelling would pay only one UAGC, because the attached dwelling is essential to the running of the motel.(See rule d above).
- A motel with an attached restaurant which is available to the wider public has two separately used parts, and would pay two UAGCs. Likewise, a motel with an attached Conference Facility would pay an additional UAGC.
- A business which makes part of its income through the leasing of part of its space to semi-passive uses such as billboards, or money machines, is not regarded as having a separately used or inhabited part, and would not be charged a separate UAGC.
- For the avoidance of doubt, an apartment block, in which each apartment is on a separately owned title, is merely a series of co-sited Rating Units, and each will pay a UAGC.
- If, however, in the above example a management company leases the individual titles for 10 years or more, and those leases are registered on the titles, and the leases stipulate that the management company is responsible for paying the rates, and if the management company then operates the apartments as a single business operation, that business operation may be considered for a remission under Council’s remission policies and have all but one UAGC remitted.
- An apartment block with a separate laundry, or restaurant, which are available to the general population as a separate business enterprise, would pay an additional UAGC for each of these functions as separately used parts.

2. Residential properties

- The rule will apply to properties identified as “flats” on the valuation record, administered by Council’s Valuer. Sleep-outs and granny flats will generally be identified as “sleep-out” on the valuation record and will not normally qualify for additional UAGCs.
- If a property is identified on the valuation record as having flats, but these in fact are used only for family members or for others for very short periods, then the additional UAGCs may be remitted on Council receiving.
- Proof of their use, including a signed declaration from the property owner (see remission policies). A property owner who actively advertises the flats for accommodation will not qualify for the remission.
- A property such as a large house which is identified as being split into, say, three internal flats at the time the valuation records were established, but which is not actually used as such, will need to apply for remission under Council’s remission policy. (Note: This property should be referred to Council’s Valuer for correction on the next valuation cycle).

3. Residential with non-residential part

- A residence with a separately accessible “office” such as may be used for surveyor, architect, or medical services, will pay an additional UAGC for the office, because it is a separately used part which generates additional use of roads, services, planning resources, and democratic processes.
- A residence with a “Home Occupation” (commonly called a “hobby business”) will not generally be charged a separate UAGC unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not incur an additional UAGC, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, clearly has a separately used or inhabited part of the rating unit, and would incur an additional UAGC.
- A residential property, part of which is used continually for storage of large industrial machinery, has a separately used part, and would incur an additional UAGC.

4. Non-residential activity with co-sited dwelling

- A fish and chip shop, with a flat above which can be accessed without passing through the shop, does have a separately used part, and would normally incur an additional UAGC charge.
- A dairy which has an integral dwelling attached, would not incur an additional UAGC, because the home is an integral part of the operation of the dairy.
- A boarding house containing a caretaker’s apartment and several separately let rooms (with or without facilities) all within the structure of the one building, is a single (commercial) use and would not incur an additional UAGC.(The same applies to home-stays and bed and breakfast homes).
- Certain government agencies, churches, marae, and the like are automatically rate exempt (except for service charges such as water and wastewater) but if these organisations undertake accommodation or business activities which are not related to their core function, they may be charged rates and additional UAGCs for each separately used or inhabited part of the rating unit.

5. Individually tenanted flats

- Each flat, apartment, or retirement or disability home, and each property under a “licence to occupy”, is a separately used or inhabited part of a rating unit, no matter how many people may be living in the unit, and each does pay an additional UAGC charge.
- If, because of construction work, poor condition, public health, or specific conditions pertaining to the property owner, one or more flats cannot be let on the open market, then the unit may be granted a remission under Council’s remission policy. (A specific condition pertaining to the property owner might include the use of one of the units for

a live-in caregiver). (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle).

The rates will be set by Council for the financial year commencing 1 July 2024 and ending June 2025. This year Council will collect \$96.9m including GST or \$84.3m excluding GST. (all financial statements are excluding GST, except rates information which must be stated including GST). **All figures in the Rates Funding Impact Statement include GST.**

Council rates

Council's Revenue and Financing Policy must set out how Council intends to use the available funding sources to fund its activities having undertaken a Funding Needs Analysis using the criteria set out in s101(3) of the Local Government Act. A full principle led review of Councils RFP was completed in 2019-2020 for the 2021-2031 LTP (Long Term Plan). Seven workshops were held: March 2019 (context setting), June 2019 (issues and opportunities), December 2019 (guiding principles), March 2020 (Options to address issues), June 2020 (Funding Needs Analysis – Step 1), July 2020 (Rates Modelling), August 2020 (further Rates Modelling) and October 2020 (Funding Needs Analysis – Step 2).

The Revenue and Financing Policy was modernised at that time and has provided more flexibility for council when making decisions. This included the use of funding bands for each activity rather than a precise funding allocation and greater flexibility to consider changes to the Uniform Annual General Charge (UAGC), in order to improve community wellbeing for current and/or future communities.

The current review for the 3YP was to revise rates in light of what needed to be updated (Roading Differential Weightings) changes where the rate was inconsistent with other rates (Soil Conservation) or new changes (Recovery Rate). The following principles were used for making funding choices:

- a. All funding options will consider affordability.
- b. Funding choices will support the outcomes of Tairāwhiti 2050.
- c. Council will explore funding options from all other sources before choosing rates to fund activities.
- d. In collaboration with Māori, funding choices will contribute to enabling the development of Māori land.
- e. Each generation should pay for the services they receive.
- f. Revenue collection will be obvious, transparent, efficient, and simple.
- g. Actions and inactions that adversely affect the community, environment or Council assets can expect to pay more.
- h. Users of services can expect to contribute to the cost of operating the service.
- i. Borrowing will be used when it is financially efficient to do so and in the best interest of the community.

Supports Te Ture Whenua Māori Act 1991 Preamble principles by Recognising of Māori freehold land as taonga tuku iho,

Promoting the retention of, and facilitating the occupation, development, and utilisation of Māori freehold land in the hands of its owners, whanau, and hapū and Protecting wāhi tapu.

Key Changes to the Revenue and Financing Policy for year 1 of the 3YP (2024/25)

Weighted Roading differentials

The four sectors and the current weightings are: Residential – weighting of 1 (lowest impact), Horticulture and Pastoral - weighting of 1.5, Industrial and Commercial - weighting of 2 and Forestry - weighting of 12.5 (highest impact). The Forestry sector weighting will increase from 12.5 to 13.75. The impact assessment is completed on the whole network, based on the assessment of damage caused to the roading pavements by Heavy Commercial Vehicles and the forward works programme.

The roading activity has two rates that are based on a differential basis (or “weighting”), namely the Subsidised roading and Flood Damage and Emergency Reinstatement. The differential is to recognise different groups (or sectors) and how they impact on the roading network. The rate is applied on Capital Value basis. The weightings maybe updated in any year based on actual assessed damage. Where a pastoral property has 20ha of more of forestry, that portion will pay the forestry weighting of 13.75 for these to rates.

Soil Conservation

The Soil Conservation Rate has been reviewed in line with where the costs of the activity occur in our region. It also is bringing the rate into alignment with similar targeted rates using the Inner Zone and Outer Zone rating groups. This process will be done gradually to avoid a rates spike. The rate will move from being on specific Differential Rating Areas to more appropriately reflect where the costs lie, Inner Zone 70% and Outer Zone 30%. This is consistent with other targeted rates.

In transitioning the rate to avoid rates spikes, for 2024-25 Financial year the Inner zone will contribute 40% (previously 20%), DRA3 and 4 30% (no change), and DRA5 30% (before 50%) based on land value.

Recovery Rates

An activity has been created for Cyclone Gabrielle Recovery under Regional Leadership and Support Services and has two parts.

Recovery Rate – General - This incorporates the previously consulted on “FOSAL Category 3 Voluntary Property Buyout Costs” as well as the additional costs arising from sedimental removal, Category 2 Flood Projection costs and other Recovery Office costs not covered by central government funding.

These costs are mainly around reducing risk to residents and our community at large that cannot be easily differentiated in terms of benefits received or actions/inactions. Action by Council and impacted property owners will provide benefit through reducing the risk to residents and reducing the cost of emergency response and recovery actions. This is collected in the Uniform Annual General Charge as a fixed amount.

Recovery Rate – Woody Debris- The impact of the cyclone warrants a separate focus funding mechanism to differentiate it from business-as-usual activity. Both in terms of the different nature of the expenditure, the joint funding with the government, the period of recovery and for transparency with our community. An assessment guide was established together with analysis which is used for the rationale to apportion the targeted rate across the district. The targeted rate is apportioned, and the Forestry sector contribute (70%), Pastoral Farms sector (15%), and a public good component collected from the community in the UAGC (15%). Where a pastoral property has 20ha of more of forestry, that part will contribute to the forestry sector portion of 70%. Where a forestry property has 20ha of more of pastoral land, that part will contribute to the Pastoral sector portion of 15%.

The rate will cover maintenance and preemptive work to protect Council assets including our bridges and the Waingake area. The mobilisation of woody debris has become a significant issue in recent years that has continues to impact our environment, rivers, beaches and amenities. Large woody debris in our district has been comprehensively assessed in the last six years. This targeted rate on capital value to the Forestry and Pastoral Sectors is for recovery costs for woody debris and Infrastructure work that we need to do to protect our assets each year.

2023 Rating Revaluation

The district is valued for rating purposes every three years. In 2023 Lewis Wright, our contracted Valuation Service Provider, reassessed the rating values of all properties in our district. The 2023 values reflect the market value on 1 August 2023. These rating values are used from 1 July 2024 for year one of the Three Year Plan (3YP). The rating revaluation includes the impacts of Cyclone Gabrielle that impacted our district in February 2023. Objections to the rating values closed at the end of January 2024 and Lewis Wright are currently working with the community to resolve those objections.

Even with the impacts of COVID-19 and Cyclone Gabrielle, the capital values of properties have increased from the 2020 revaluation by on average of between 18% to 27%.

- **Lifestyle, Residential and Commercial properties.** Thee capital value of lifestyle properties and the lower end of the residential market have shown the highest movements with an average increase of over 22%. Commercial and Industrial properties have moved between 19% - 22%
- **Rural sector.** The market for the rural sector experienced strong value movement in late 2021 and early 2022 but softened in 2023. The capital value of pastoral properties moved an average of 22.5% and horticulture and forestry properties have moved between 18% and 20%. Where information was available Cyclone Gabrielle impacts were taken into consideration.

The table below shows how the capital value and land value of properties have changed in different sectors across the district. The overall capital value for the entire district has gone up by 22%. The average change is calculated based on the total value

of all the properties in each sector or area. Some properties may have changed more or less than the average.

Sector	Average Capital Value	Average Value Change	Average Land Value	Average Value Change
Residential	\$570,000	Up 23%	\$273,000	Up 21%
Lifestyle	\$694,000	Up 27%	\$367,000	Up 28%
Horticulture	\$2,661,000	Up 20%	\$1,610,000	Up 18%
Arable/Cropping	\$1,663,000	Up 21%	\$1,538,000	Up 22%
Pastoral	\$2,377,000	Up 23%	\$2,105,000	Up 25%
Forestry	\$1,106,000	Up 18%	\$1,027,000	Up 18%
Commercial	\$1,382,000	Up 20%	\$465,000	Up 17%
Industrial	\$1,825,000	Up 22%	\$1,089,000	Up 25%

Penalties on water charges

Under Sections 57 & 58 of the Local Government (Rating)Act 2002, any portion of the water rates invoices not paid by the due date will incur a 10% penalty on the following dates.

Month of invoice	Due date	Date penalty added
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Invoiced annually

June-2024	22 July 2024	26 July 2024
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Invoiced six-monthly

June-2024	22 July 2024	26 July 2024
December-2024	20 January 2025	24 January 2025

Invoiced quarterly

June-2024	22 July 2024	26 July 2024
September-2024	21 October 2024	25 October 2024
December-2024	20 January 2025	24 January 2025
March-2025	22 April 2025	28 April 2025

Invoiced monthly

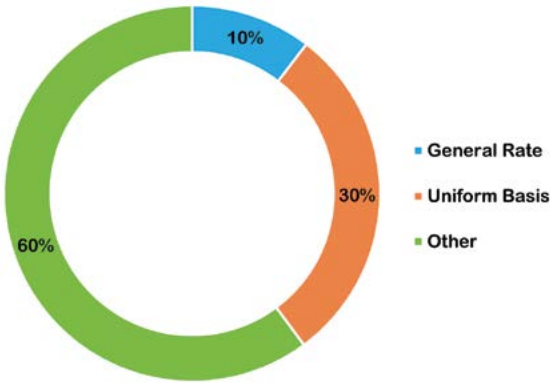
June-2024	22 July 2024	26 July 2024
July-2024	20 August 2024	27 August 2024
August-2024	20September 2024	26 September 2024
September-2024	21 October 2024	25 October 2024
October-2024	20November 2024	26 November 2024
November-2024	20December 2024	23 December 2024
December-2024	20 January 2025	24 January 2025
January-2025	20 February 2025	26 February 2025
February-2025	20 March 2025	26 March 2025
March-2025	22 April 2025	28 April 2025
April-2025	20 May 2025	26 May 2025
May-2025	23 June 2025	27 June 2025

Cap on certain rates

The total of uniform or fixed charges that Council can rate cannot exceed 30% of the total rates collected. This is referred to as the uniform cap.The uniform cap for year 1 of the 3YP 2024/25 is 28.2%. If the 30% cap is in threat of being exceeded Council may move the uniform rates to the general rate based on capital value for these activities:

- planning & performance and strategic planning & engagement (Funding Stream FS-019)
- economic development (funding stream FS-020)
- civic and corporate expenses of the district (FS-049)

Council's rates for 2024/25



Allocation of payments

Any payments received will be applied to the oldest outstanding rates before being applied to the current rates. All payments are allocated to the oldest debt first. In a situation where the instalment amount is paid but the amount is allocated to an older debt , a 10% penalty is added to any amount of the instalment still outstanding.

Rate changes for 2024/25

The Revenue and Financing policy is part of the 2024-2027 Three Year Plan (3YP). This policy determines when debt and rates will be used as a funding source. This includes targeted rates for the cost of an activity or service that should be paid for by particular groups or ratepayers who benefit from the activity or service. The Revenue and Financing policy can be found on our [website](#)

This year Council will collect \$96.9m in rates or (\$84.3m, excluding GST). This is an increase of 11.3%* (*excluding growth) in overall rates revenue over the 2023/24 rates. Rates increases are based on two separate sub-limits: - “Business as usual Rate” 7.8% and Cyclone “Recovery Rate” 3.5%.

Individual ratepayers could pay more or less depending on:

- the capital value of the property
- increases in some fixed service-related targeted rates that apply to some properties.
- eligibility for rate remissions.

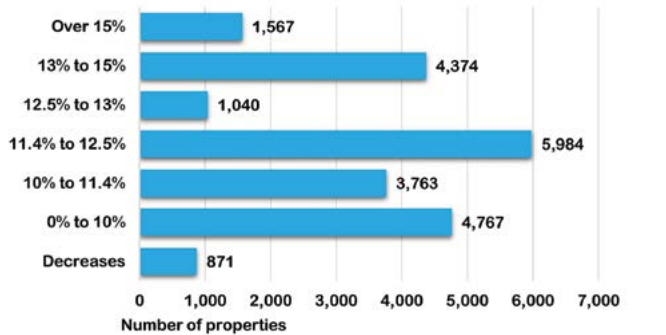
The 2023 rating valuation will be used for rating from July 2024. If a property's value has changed more or less than the average, the rates may also change. Recovery rates have been introduced as a result of Cyclone Gabrielle to cover maintenance and pre-emptive work to protect our community assets and to keep our community safe, some of the costs are in the uniform annual general charge which is spread across the district.

In the city the main drivers for rate increases are mainly in some fixed amount rates and the rating revaluation. There are increases in the services for wastewater. This impacts city residents and commercial properties who have more reticulated services than elsewhere in the community. The allocation of rates for Soil conservation has been adjusted to best reflect where the costs in our district lie, this has increased costs in the inner zone. In rural areas increase in rates have been driven mostly by the revaluation, fixed amount rates and an an increase in the resource consents budget. The roading weighting for forestry properties has been increased to 13.75 based on that sectors damage to our road network.

The majority of ratepayers (over84%) will have increase in rates of between \$300-\$400 or less.

The graph shows the impacts of the 3YP.

Rates movements for properties 2024/25



Rate examples 2024/25

	Capital value		
	High	Medium	Low
RESIDENTIAL			
TOLAGA BAY, TINIROTO, MATAWAI - RURAL TOWNSHIPS (DRA4)			
2023 Valuation (effective from 1/07/24)	\$430,000	\$236,000	\$136,000
2020 Valuation (used currently)	\$344,000	\$175,000	\$101,000
Proposed Rates 2024/25	\$2,249	\$1,906	\$1,798
Actual 2023/24	\$2,027	\$1,692	\$1,599
Change	\$222	\$214	\$199
%	11.0%	12.6%	12.5%
	Residential	Residential	Residential
TE KARAKA/WHATATŪTŪ - RURAL TOWNSHIPS (DRA3)			
2020 Valuation	\$300,000	\$156,000	\$107,000
2017 Valuation	\$186,000	\$104,000	\$71,000
Proposed Rates 2021/22	\$1,964	\$1,599	\$1,730
Actual 2020/21	\$1,852	\$1,554	\$1,669
Change	\$112	\$46	\$61
%	6.0%	2.9%	3.6%
	Residential	Residential	Residential
TOKOMARU BAY, HICKS BAY, RUATŌRIA - RURAL TOWNSHIPS (DRA5)			
2023 Valuation (effective from 1/07/24)	\$465,000	\$193,000	\$93,000
2020 Valuation (used currently)	\$368,000	\$160,000	\$80,000
Proposed Rates 2024/25	\$2,320	\$1,947	\$1,847
Actual 2023/24	\$2,161	\$1,789	\$1,694
Change	\$159	\$159	\$153
%	7.3%	8.9%	9.0%
	Lifestyle	Residential	Residential
MURIWAI			
2023 Valuation (effective from 1/07/24)	\$810,000	\$450,000	\$261,000
2020 Valuation (used currently)	\$645,000	\$373,000	\$210,000
Proposed Rates 2024/25	\$3,008	\$2,204	\$1,885
Actual 2023/24	\$2,689	\$1,976	\$1,680
Change	\$319	\$228	\$204
%	11.8%	11.5%	12.2%
	Lifestyle	Residential	Residential

	Capital value		
	High	Medium	Low
PĀTŪTAHI			
2023 Valuation (effective from 1/07/24)	\$1,170,000	\$645,000	\$315,000
2020 Valuation (used currently)	\$950,000	\$525,000	\$242,000
Proposed Rates 2024/25	\$3,485	\$2,582	\$2,241
Actual 2023/24	\$3,130	\$2,317	\$1,981
Change	\$355	\$265	\$261
%	11.3%	11.4%	13.2%
	Lifestyle	Lifestyle	Residential
RESIDENTIAL CITY			
LYTTON WEST			
2023 Valuation (effective from 1/07/24)	\$1,318,000	\$849,000	\$401,000
2020 Valuation (used currently)	\$1,085,000	\$694,000	\$336,000
Proposed Rates 2024/25	\$4,930	\$4,268	\$3,640
Actual 2023/24	\$4,480	\$3,846	\$3,266
Change	\$450	\$422	\$374
%	10.0%	11.0%	11.5%
MANGAPAPA			
2023 Valuation (effective from 1/07/24)	\$1,862,000	\$609,000	\$334,000
2020 Valuation (used currently)	\$1,509,000	\$508,000	\$290,000
Proposed Rates 2024/25	\$5,798	\$3,994	\$3,590
Actual 2023/24	\$5,188	\$3,588	\$3,223
Change	\$610	\$406	\$367
%	11.8%	11.3%	11.4%
OUTER KAI ĪTI & ELGIN			
2023 Valuation (effective from 1/07/24)	\$735,000	\$503,000	\$318,000
2020 Valuation (used currently)	\$615,000	\$415,000	\$253,000
Proposed Rates 2024/25	\$4,159	\$3,875	\$3,598
Actual 2023/24	\$3,739	\$3,467	\$3,196
Change	\$420	\$408	\$403
%	11.2%	11.8%	12.6%
WHATAŪPOKO			
2023 Valuation (effective from 1/07/24)	\$1,200,000	\$770,000	\$450,000
2020 Valuation (used currently)	\$993,000	\$657,000	\$375,000
Proposed Rates 2024/25	\$4,861	\$4,335	\$3,711
Actual 2023/24	\$4,395	\$3,930	\$3,322
Change	\$466	\$405	\$388
%	10.6%	10.3%	11.7%

	Capital value		
	High	Medium	Low
WAINUI/ŌKITŪ/SPONGE BAY			
2023 Valuation (effective from 1/07/24)	\$1,600,000	\$1,184,000	\$455,000
2020 Valuation (used currently)	\$1,261,000	\$970,000	\$370,000
Proposed Rates 2024/25	\$4,577	\$3,702	\$2,330
Actual 2023/24	\$4,113	\$3,344	\$2,065
Change	\$464	\$359	\$265
%	11.3%	10.7%	12.8%
MĀKARAKA			
2023 Valuation (effective from 1/07/24)	\$1,290,000	\$642,000	\$455,000
2020 Valuation (used currently)	\$1,035,000	\$537,000	\$377,000
Proposed Rates 2024/25	\$4,193	\$3,011	\$2,786
Actual 2023/24	\$3,774	\$2,726	\$2,505
Change	\$419	\$285	\$281
%	11.1%	10.5%	11.2%
COMMERCIAL/INDUSTRIAL			
GISBORNE CITY			
2023 Valuation (effective from 1/07/24)	\$4,095,000	\$1,200,000	\$409,000
2020 Valuation (used currently)	\$3,440,000	\$976,000	\$347,000
Proposed Rates 2024/25	\$36,622	\$6,742	\$4,221
Actual 2023/24	\$32,781	\$6,043	\$3,794
Change	\$3,841	\$699	\$427
%	11.7%	11.6%	11.2%
	Commercial	Commercial	Industrial
RURAL			
2023 Valuation (effective from 1/07/24)	\$2,685,000	\$650,000	\$210,000
2020 Valuation (used currently)	\$2,160,000	\$500,000	\$160,000
Proposed Rates 2024/25	\$9,851	\$3,152	\$2,198
Actual 2023/24	\$8,684	\$2,801	\$1,963
Change	\$1,167	\$351	\$235
%	13.4%	12.5%	12.0%
	Industrial	Industrial	Commercial
			*Recent Development

	Capital value		
	High	Medium	Low
FORESTRY			
2023 Valuation (effective from 1/07/24)	\$7,500,000	\$940,000	\$123,000
2020 Valuation (used currently)	\$6,295,000	\$840,000	\$102,000
Proposed Rates 2024/25	\$59,619	\$8,767	\$2,256
Actual 2023/24	\$48,529	\$7,557	\$1,891
Change	\$11,090	\$1,210	\$365
%	22.9%	16.0%	19.3%
HORTICULTURAL			
2023 Valuation (effective from 1/07/24)	\$5,232,000	\$2,472,000	\$825,000
2020 Valuation (used currently)	\$4,314,000	\$2,015,000	\$677,000
Proposed Rates 2024/25	\$12,280	\$6,503	\$3,547
Actual 2023/24	\$11,390	\$6,011	\$3,240
Change	\$889	\$492	\$306
%	7.8%	8.2%	9.5%
*Includes estimated Permanent Crop remission			
PASTORAL			
2023 Valuation (effective from 1/07/24)	\$8,555,000	\$2,245,000	\$741,000
2020 Valuation (used currently)	\$6,790,000	\$1,850,000	\$592,000
Proposed Rates 2024/25	\$16,167	\$4,899	\$2,465
Actual 2023/24	\$14,507	\$4,455	\$2,204
Change	\$1,660	\$444	\$260
%	11.4%	10.0%	11.8%
PASTORAL with 20ha Forestry			
2023 Valuation (effective from 1/07/24)	\$18,937,000	\$7,805,000	\$830,000
2020 Valuation (used currently)	\$15,131,000	\$6,250,000	\$725,000
Proposed Rates 2024/25	\$43,590	\$20,143	\$4,223
Actual 2023/24	\$39,148	\$18,027	\$3,801
Change	\$4,442	\$2,116	\$422
%	11.3%	11.7%	11.1%

Rates funding impact statement

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2024/2025 (Includes GST) \$
General Rate	Capital value on all Rateable land.			Capital Value	10,077,299
Uniform Annual General Charge		All Rateable land		Separately Used or Inhabited Part of a Rating Unit (SUIP)	24,560,133
Targeted Rate					
Environmental Services & Protection					
Animal Control	A uniform targeted rate on Residential properties: DRA1, DRA1A and Residential Rural Townships in DRA3, DRA4 and DRA5.	6	7	Separately Used or Inhabited Part of a Rating Unit	617,603
Building Services	Differential targeted rate on Inner Zone 85% of Revenue Sought.	6	2	Capital Value	827,777
	Differential targeted rate on Outer Zone 15% of Revenue Sought.	6	2	Capital Value	146,079
Noise Control	A uniform targeted rate on Inner Zone. DRA1, DRA1A, DRA2	6	7	Separately Used or Inhabited Part of a Rating Unit	60,628
Resource Consents And Planning	A uniform targeted rate on all rateable land.	6	3	Land Value	4,900,337
Land, Rivers & Coastal					
Land Drainage - Contributors	Drainage Rate - Contributors. Eastern Hill Catchment 8 and Western Hill Catchment F. See map of scheme area at end of this section.	6	5	Per hectare	16,448
Land Drainage - Direct Beneficiaries	Drainage Rate - Direct Beneficiaries, per Drainage Scheme maps at end of this section. 1. Ormond 2. Eastern Taruheru 3. Western Taruheru 4. Willows 5. Waikanae Creek 6. City/Wainui 7. Taruheru, Classes A-D 8. Waipaoa 9. Patutahi 10. Ngatapa 11. Manutuke 12. Muriwai.	6	5	Per hectare	692,495
Te Karaka Flood Control	A differentiated targeted rate on Non Residential properties based on Capital Value.	5 & 6	2	Capital Value	6,879
	A differentiated targeted rate on Residential properties based on Capital Value.	5 & 6	2	Capital Value	30,613

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2024/2025 (Includes GST) \$
Waipapu River Erosion Protection Scheme	Direct Beneficiaries within the defined area on Capital Value. See map at end of this section	5 & 6	2	Capital Value	19,925
	Indirect Beneficiaries within the defined area on Capital Value.	5 & 6	2	Capital Value	4,797
	Contributors within the defined area per hectare.	6	6	Per hectare	4,797
Waipaoa River Flood Control Scheme	Waipaoa River Flood Control Scheme classes A - F.	5 & 6	2	Capital Value	457,735
Liveable Communities					
Aquatic And Recreation Facilities	Differential targeted rate on Inner Zone 1.0 weighting.	6	2	Capital Value	1,854,247
	Differential targeted rate on Outer Zone 0.3 weighting.	6	2	Capital Value	238,720
Parks And Reserves	Differential targeted rate on Inner Zone 85% of revenue sought.	6		Per Rating Unit	6,414,989
	Differential targeted rate on Outer Zone 15% of revenue sought.	6		Per Rating Unit	1,132,057
Pests & Plants	A differential targeted rate on Inner Zone (20%).	6	3	Land Value	138,281
	A differential targeted rate on Outer Zone (80%).	6	3	Land Value	553,123
Soil Conservation-Advocacy And Land Use	A differential targeted rate on Inner Zone 40%(Up to 70%).	6	3	Land Value	900,271
	A differential targeted rate on DRA3 & DRA4 (30%).	6	3	Land Value	675,203
	A differential targeted rate on DRA5 (30%).	6	3	Land Value	675,203
Theatres	Differential targeted rate on Inner Zone 1.0 weighting.	6	2	Capital Value	812,641
	Differential targeted rate on Outer Zone 0.3 weighting.	6	2	Capital Value	104,624

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2024/2025 (Includes GST) \$
Water Conservation	Differential targeted rate on Inner Zone 70% of revenue sought.	6	3	Land Value	1,835,355
	Differential targeted rate on Outer Zone 30% of revenue sought.	6	3	Land Value	786,580
Regional Leadership & Support Services					
Business Area Patrols	Commercial Properties within the CBD Area: Non-residential properties on both sides of the roads bounded by Carnarvon Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the skateboard park and Customhouse Street as far as the Waikanae Cut. See map at end of this section.	1,2 & 6	2	Capital Value	125,053
Economic Development Including Tourism	All Industrial, Commercial retail and Accommodation Properties.	1 & 2	2	Capital Value	477,871
Cyclone Gabrielle Recovery	Recovery Woody Debris Pastoral 15%	1,2 & 4	2	Capital Value	150,075
	Forestry 70%.	1,2 & 5	2	Capital Value	700,350
Roads & Footpaths					
Flood Damage And Emergency Reinstatement	Residential and Lifestyle Properties weighting of 1.0.	1, 2 & 4	2	Capital Value	272,825
	Industrial and Commercial weighting of 2.0.	1, 2 & 4	2	Capital Value	80,826
	Horticulture and Pastoral farming weighting of 1.5.	1, 2 & 4	2	Capital Value	206,543
	Forestry weighting of 13.75	1, 2 & 4	2	Capital Value	221,365
Non-Subsidised Local Rooding	Differential targeted rate on Outer Zone 50% of Revenue Sought.	6	2	Capital Value	62,855
	Differential targeted rate on Inner Zone 50% of Revenue Sought.	6	2	Capital Value	62,854
Passenger Transport	DRA1 Residential.	5&6	7	Separately Used or Inhabited Part of a Rating Unit	616,295

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2024/2025 (Includes GST) \$
Subsidised Local Roads	Residential and Lifestyle blocks weighting of 1.0.	1, 2 & 4	2	Capital Value	4,227,323
	Industrial and Commercial weighting of 2.0.	1, 2 & 4	2	Capital Value	1,252,371
	Horticulture and Pastoral farming weighting of 1.5.	1, 2 & 4	2	Capital Value	3,200,311
	Forestry weighting of 13.75	1, 2 & 4	2	Capital Value	3,429,961
Solid Waste					
Commercial Recycling Charge	Within scheme recycling collection area, being non-residential area within the CBD who have elected to receive the service.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	1,477
Refuse And Recycling - Gisborne District	Within scheme refuse collection areas - Residential properties in Gisborne City and environs and Ruatoria. See map at end of this section.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	2,157,071
	Within scheme refuse collection areas - Residential properties in Gisborne City and environs and Ruatoria.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	35,591
Rural Transfer Stations	Within 15km radius scheme area as defined on a map.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	506,176
Urban Stormwater					
Stormwater	A differential targeted rate. DRA1 and DRA1A all Commercial and Industrial properties.	6	2	Capital Value	549,291
	A differential targeted rate. All Rural Towns in DRA3,DRA4 and DRA5 and also Manutuke and Patutahi.	6	7	Separately Used or Inhabited Part of a rating unit	173,245
	A differential targeted rate. DRA1 and DRA1A Residential properties including Sponge Bay, Wainui, Okitu.	6	7	Separately Used or Inhabited Part of a rating Unit	2,939,405

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2024/2025 (Includes GST) \$
Wastewater					
Gisborne City Wastewater	Wastewater charge per water closet or urinal connection.	5 & 6	12	Per water closet or urinal	12,243,447
	Te Karaka Wastewater charge per water closet or urinal. See map at end of this section.	5 & 6	12	Per water closet or urinal	101,337
Water Supply					
Water - Availability	Within scheme areas, where service can be supplied but is not supplied (being a rating unit within 100 metres of any part of the waterworks).	5 & 6	7	Separately Used or Inhabited Part of a rating unit	67,964
Water - Connection	Within scheme areas where the service is supplied and connected.	5 & 6	7	Separately Used or Inhabited Part of a rating unit	4,492,411
Subtotal					96,899,132
Metered Water Rates 1	Extraordinary and Rural Domestic users		8		4,198,350
Subtotal					101,097,482
Rates Penalties					650,000
Net Rates Revenue					101,747,482
OTHER FUNDING SOURCES					
Grants and Subsidies					144,742,398
Development and Financial Contributions					2,142,450
Other Revenue					18,640,310
Dividends and Interest					0
TOTAL FUNDING					267,272,640

Rating definitions

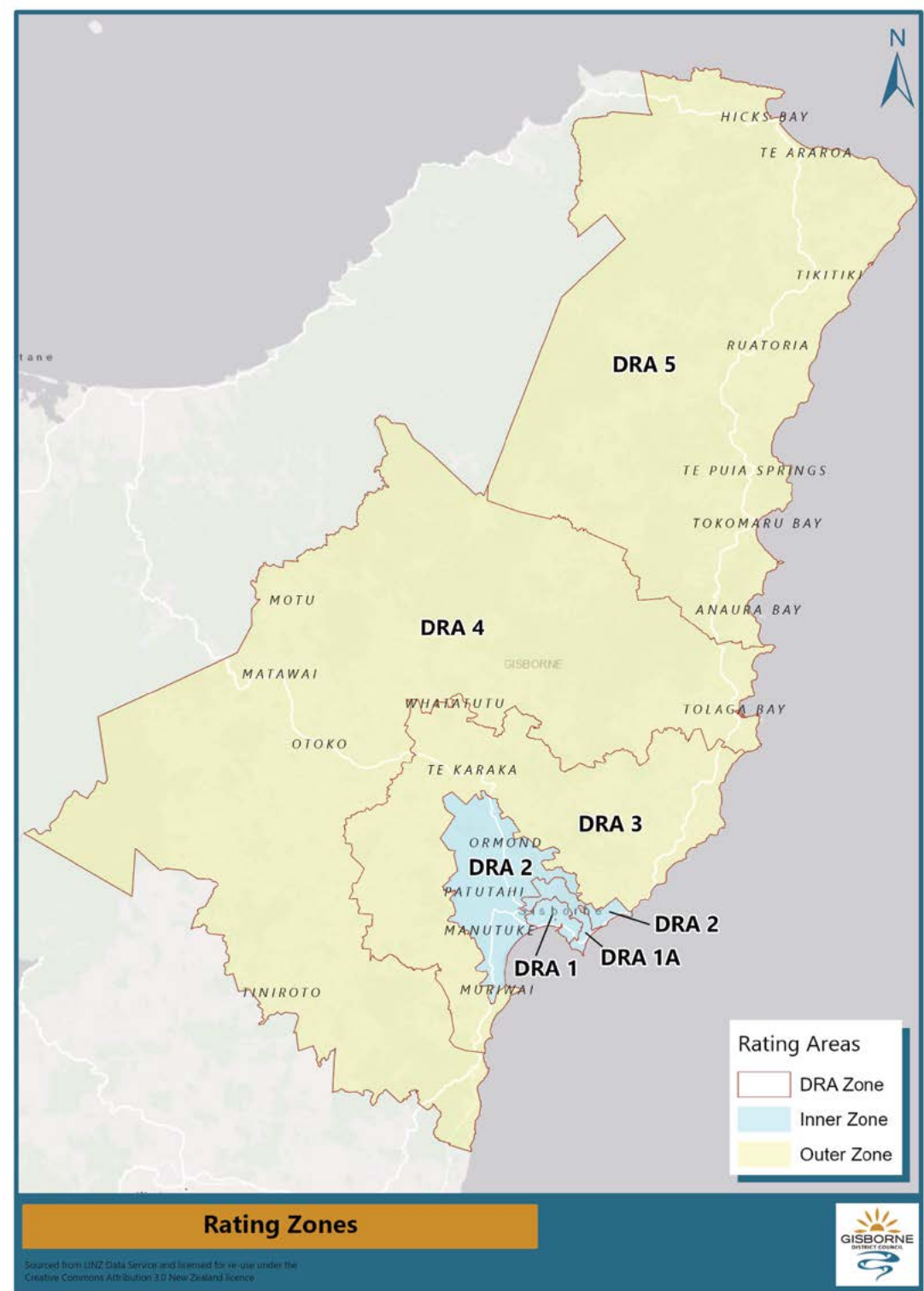
Note: Differential Rating Areas (DRAs) such as DRA1, DRA2, DRA3, DRA4 and DRA5 and Inner and Outer zones are categorised based upon location under the Local Government (Rating) Act 2002 schedule 2 and are shown on the map on the next page.

Short title	Differential Rating Areas (DRA) covered	Sub types
Inner Zone	The total land area of DRA1, DRA1A and DRA2.	Urban and rural properties
See map of Differential Rating areas at the end of this section		
DRA1	Former Gisborne City Council boundaries, excluding Rural Farm Land.	Residential, commercial, industrial and other
DRA1A	All Rural Farm Land within the previous Gisborne City Boundaries and the area surrounding the City, including Wainui and Mākaraka.	Residential, other rural, commercial and industrial
DRA2	Tūranganui-a-Kiwa/Poverty Bay Flats including fringe hill properties; Muriwai, Ormond, Waihiŕere, Waerenga-a-hika, Bushmere, Manutūkē and Pātūtahi.	Residential, rural, all other properties
Outer Zone	The total land area of DRA3, DRA4 and DRA5.	All other properties
DRA3	The area within reasonable and currently exercised commuting distance to Gisborne, including part Waerenga-o-kuri and Ngatapa, Whatatūtū and Te Karaka.	Rural and all other properties and rural townships
DRA4	The inland rural areas beyond DRA3, up to the boundary of DRA5 Tolaga Bay, Matawai, Tiniroto and Otoko.	Rural and all other properties and rural townships
DRA5	The whole of the East Cape area from a line running inland from a point in the vicinity of Mangatuna north of Tolaga Bay Township, to the tip of the East Coast. Hicks Bay, Te Araroa, Tikitiki, Ruatōria, Waipiro Bay, Te Puia Springs and Tokomaru Bay.	Rural and all other properties and rural townships

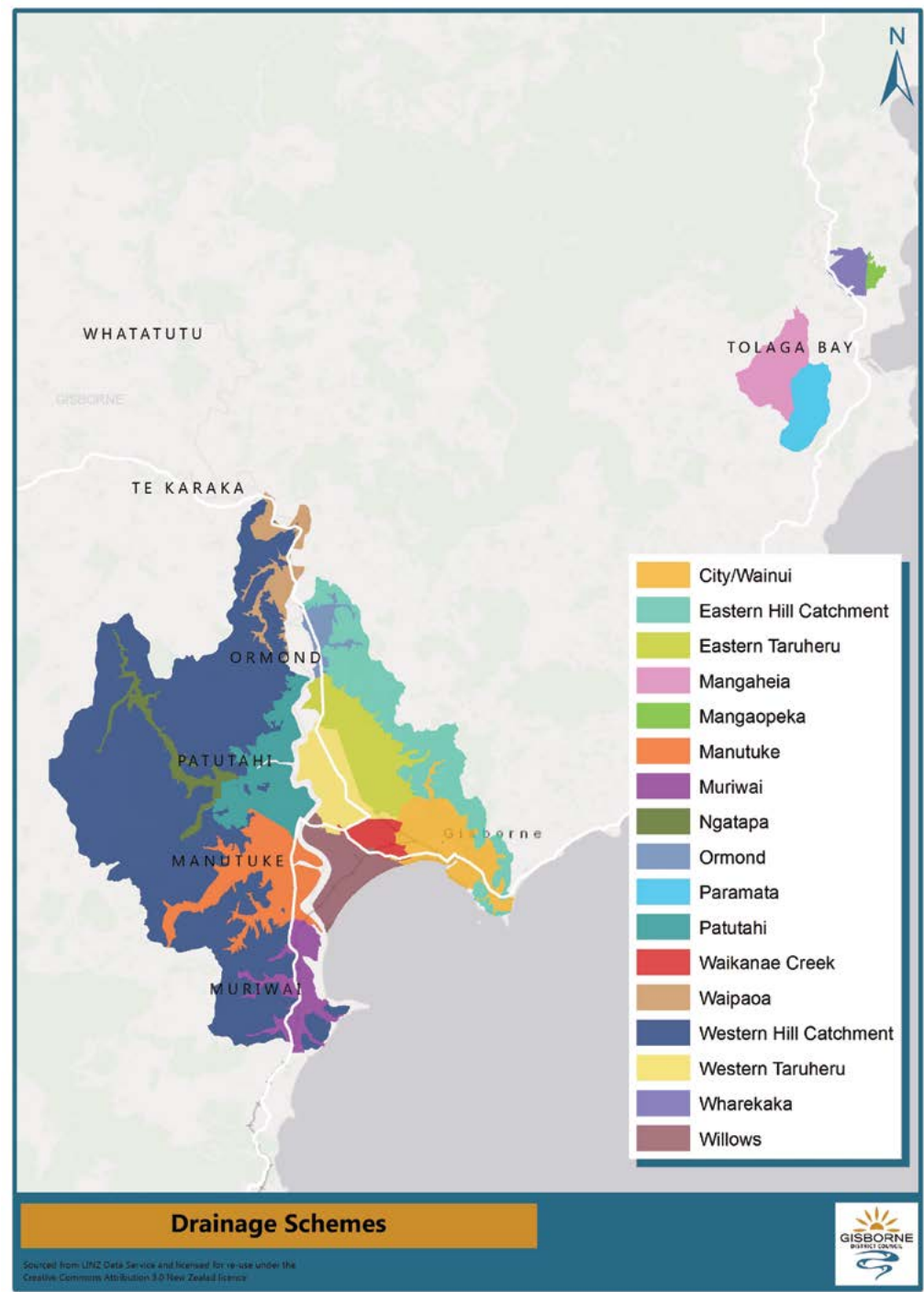
Rates funding impact statement maps

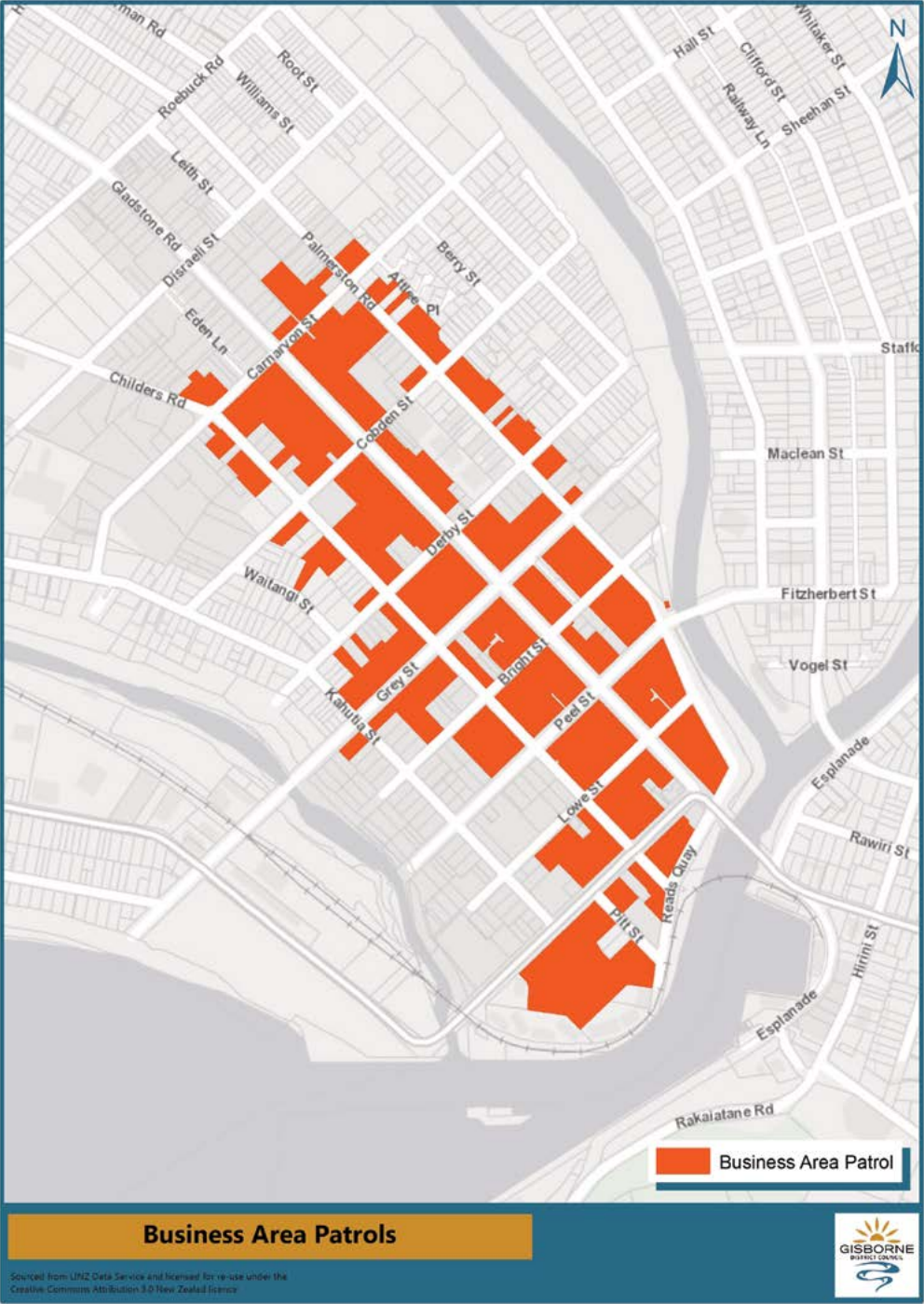
These maps display the differential rating areas in the district, and targeted rating zones for certain rates as set out in the Rates Funding Impact Statement.

Map showing the area in each differential rating area

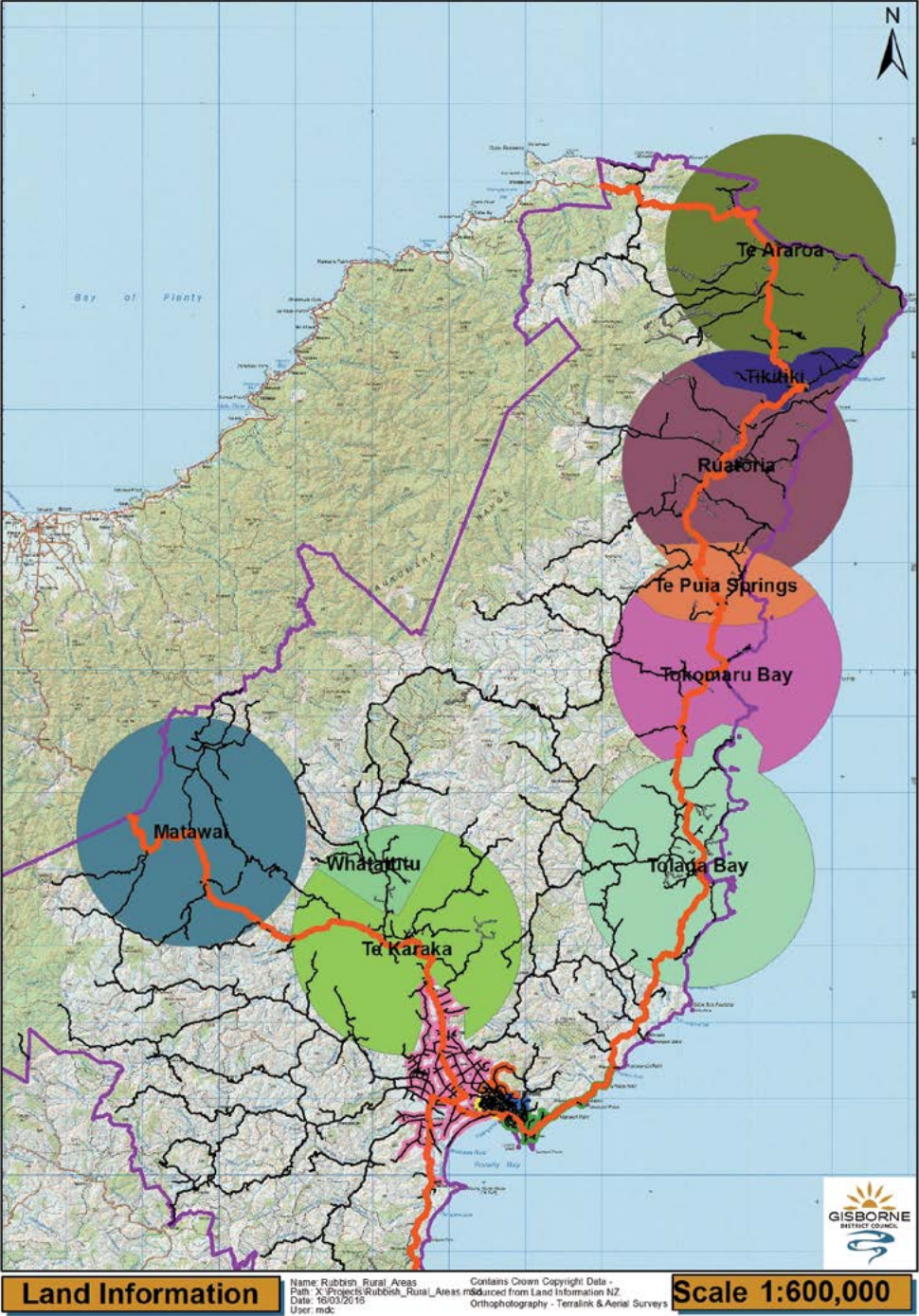


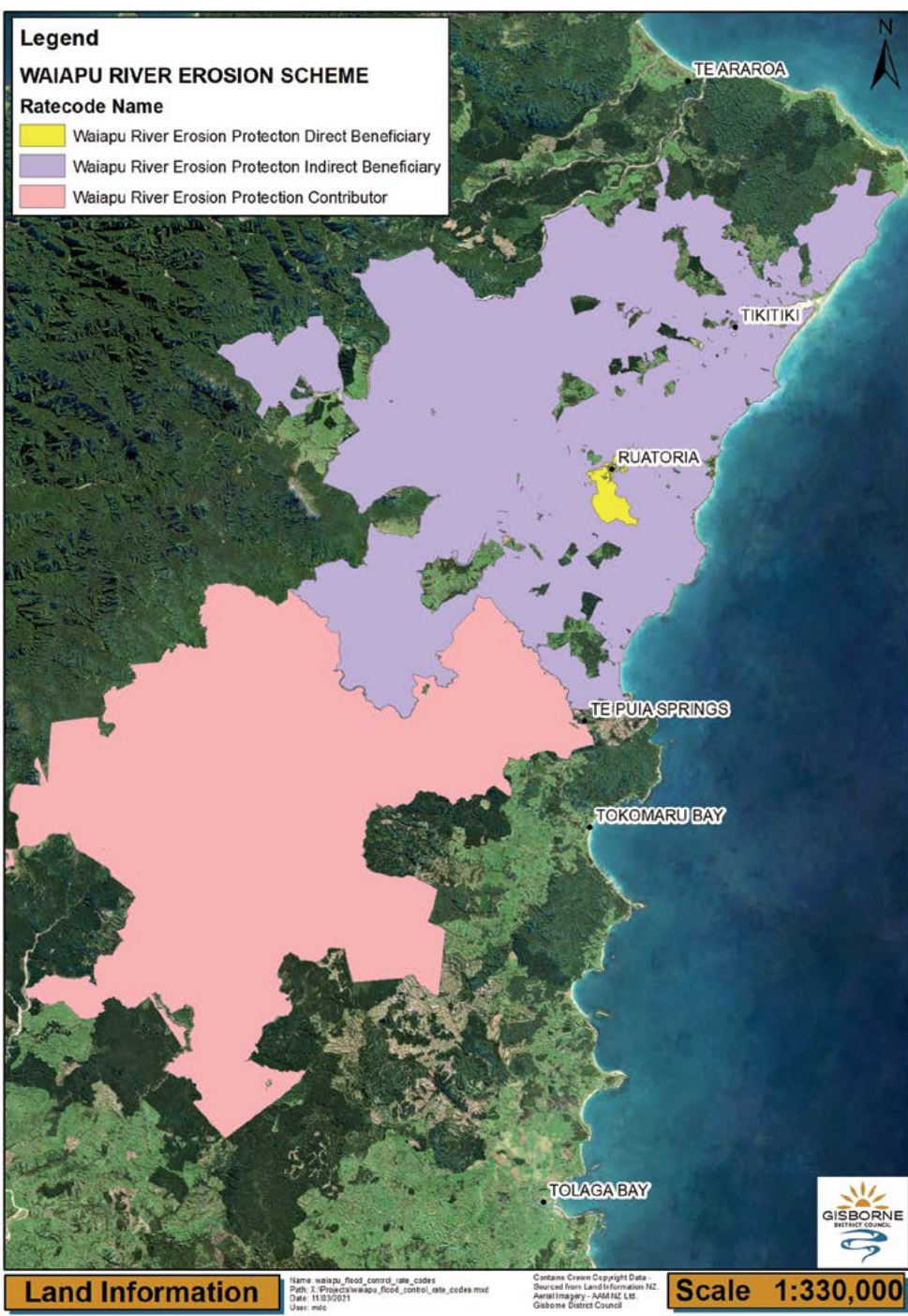
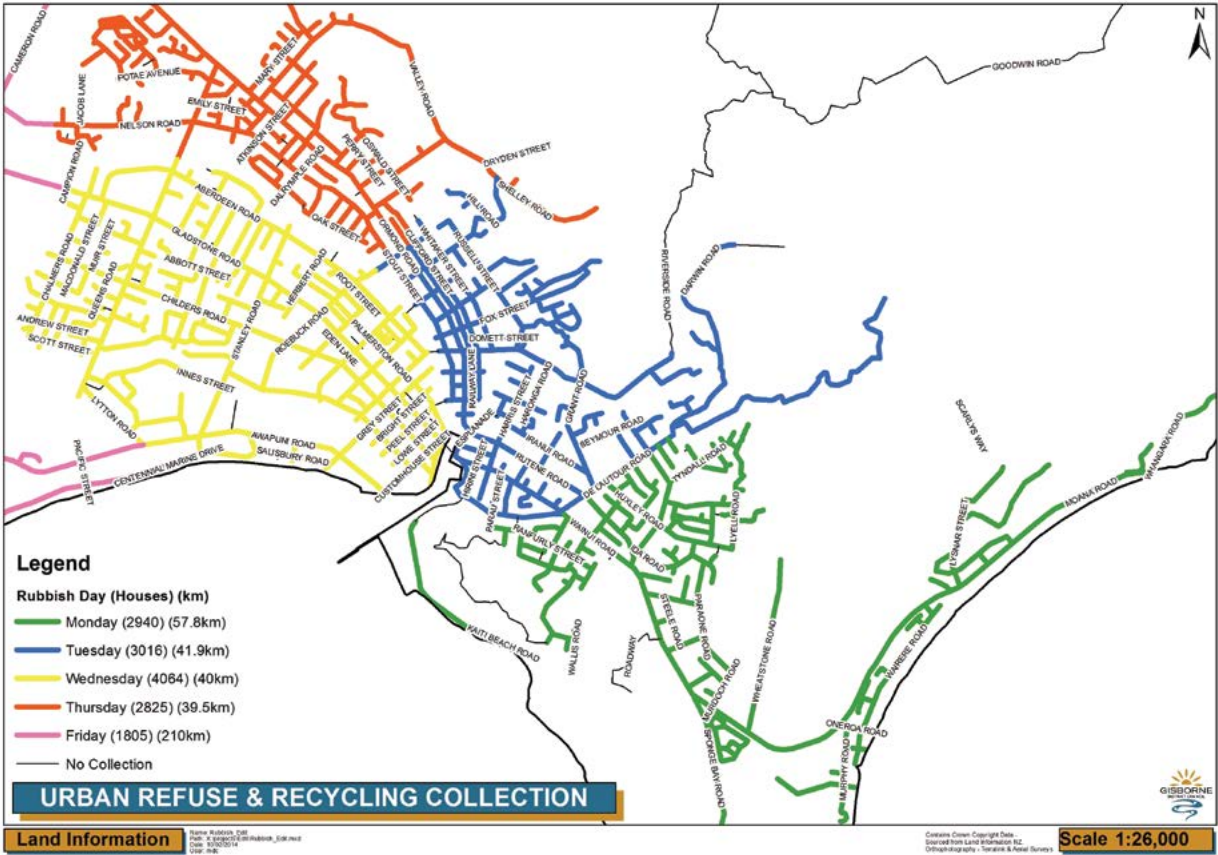
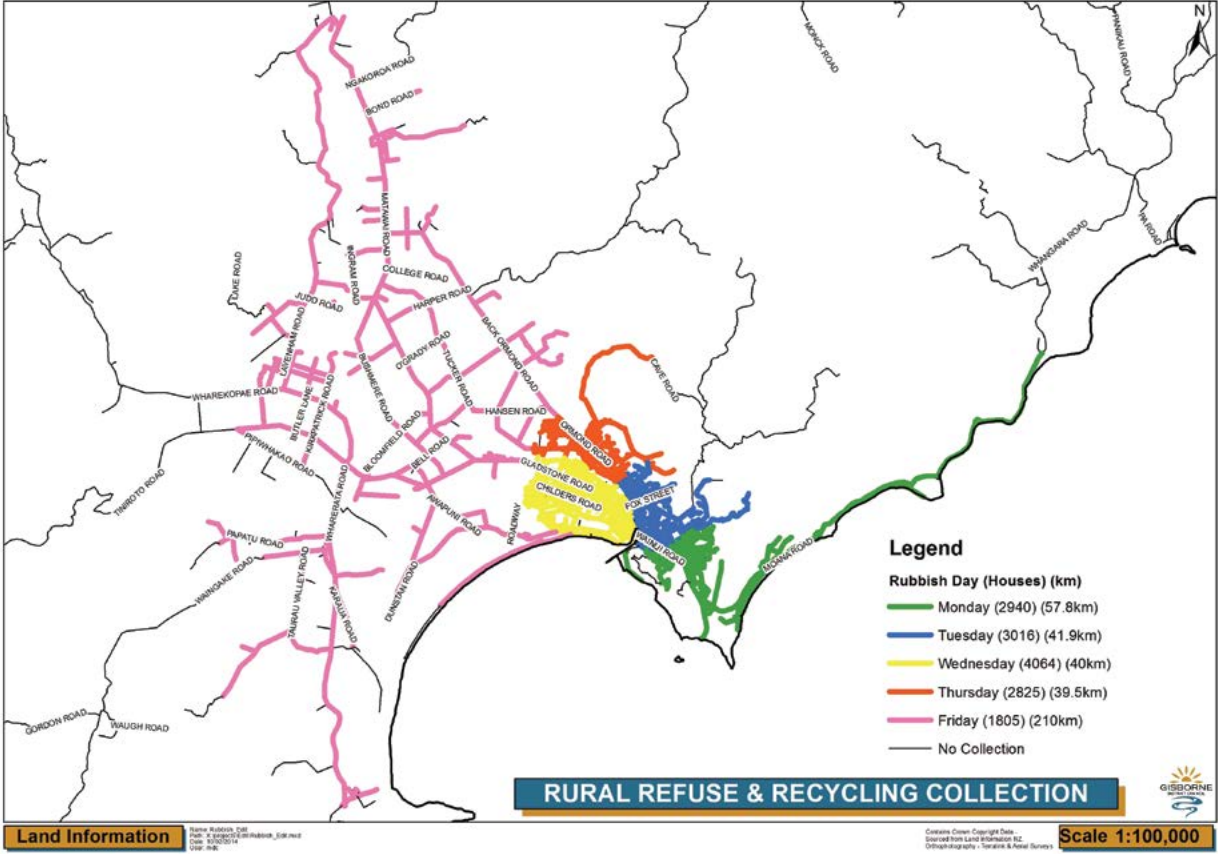
Map of targeted rating zones

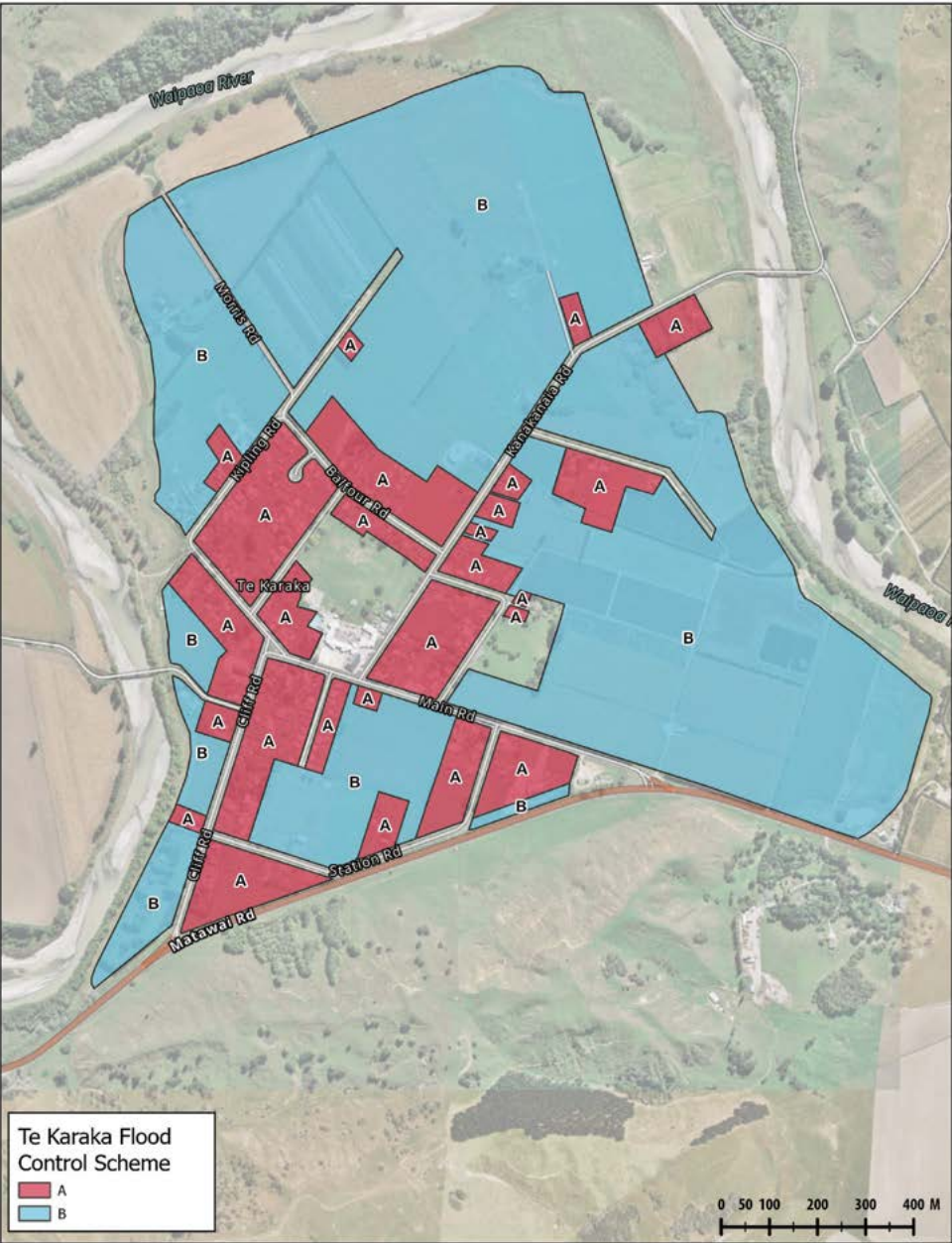




Rural transfer stations



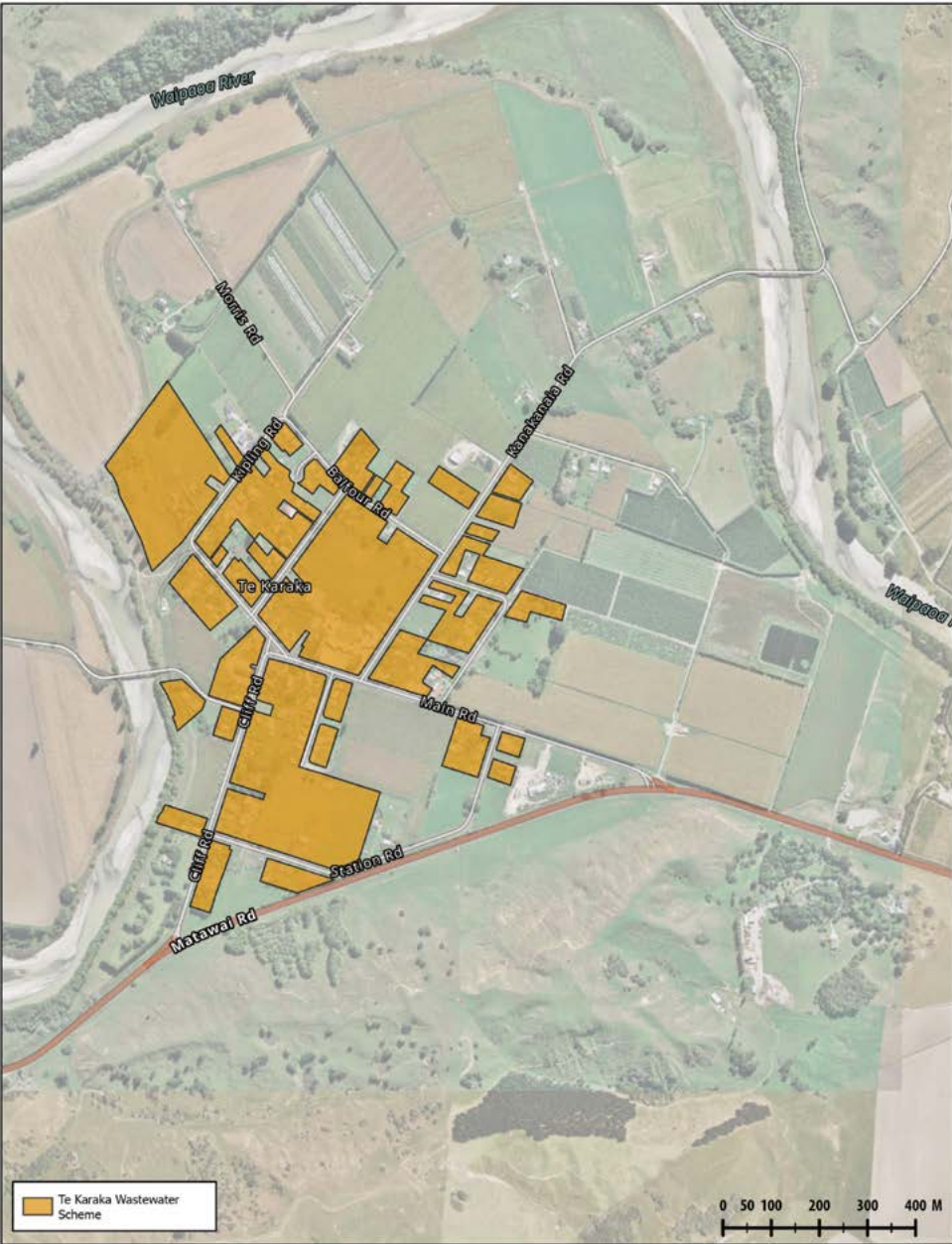




 **Te Karaka Flood Control Scheme | Scale: 1:10,000**

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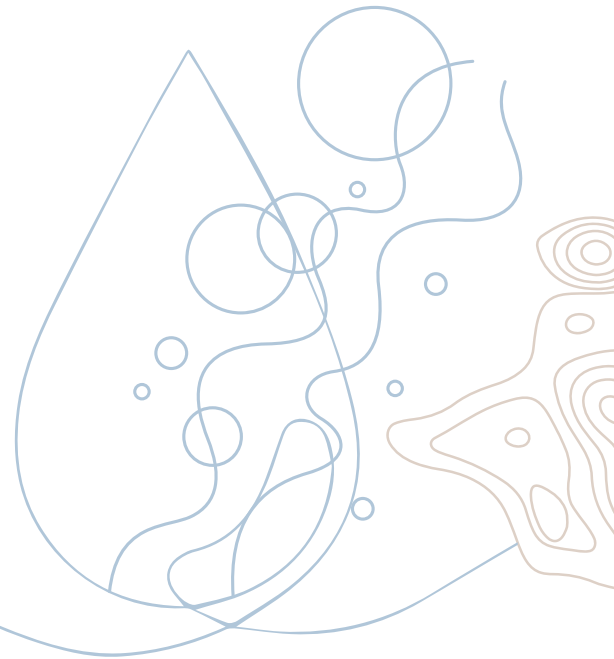
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Contributors, Eagle Technology, Land Information New Zealand, GEBCO



 **Te Karaka Wastewater Scheme | Scale: 1:10,000**

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