

Te pūrongo ā-tau
Annual Report

For year ending 30 June 2023



**Western
Bay of Plenty**
District Council

Ngā rārangi upoko

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Tīmatanga kōrero

Introduction



Tīmatanga kōrero
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Role of this Annual Report

This Annual Report is provided to compare Western Bay of Plenty District Council's actual performance for the year against what was forecast in the Long Term Plan or Annual Plan.

Planning and reporting framework

Under the Local Government Act 2002, a Local Authority must prepare and adopt the following documents:

Long Term Plan (LTP)

Section 93 of the Local Government Act 2002 identifies Western Bay of Plenty District Council's plans for the Western Bay over a 10 year period. It is reviewed every three years. Council's latest LTP was agreed in 2021 and came into effect on 1 July 2021.

Annual Plan

Section 95 of the Local Government Act 2002 is produced in the two intervening years between each LTP. It outlines any significant changes Council has made to the LTP and contains the annual budget.

Annual Report

Section 98 of the Local Government Act provides details of Council's actual performance for all activities against the plans for a specific year of the LTP or Annual Plan.

Summary Annual Report

Section 98 (4)(b) of the Local Government Act provides a summary of information contained in Council's Annual Report.

Bringing the planning process together

Community Outcomes

How the Community wants the District to be.

Long Term Plan

How the council will go about achieving the Community Outcomes.

Annual Report

What was achieved.

Annual Plan

Annual Budget.

Statement of compliance

Western Bay of Plenty District Council hereby confirms all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.



John Holyoake
Chief Executive Officer



James Denyer
Mayor



He karere nō te Koromatua

Message from the Mayor



Tēnā koutou,

This year has shown that we're a determined and resilient community. It's been another challenging year and tough for many people and communities across the Western Bay. However, I've been heartened to see the way people have come together to support each other and meet these challenges.

As well as the uncertain economic environment and high cost of living, we were hit by a series of severe weather events - Cyclone Gabrielle, flooding and tornadoes. The damage both to people's homes and belongings, and Council's infrastructure has been significant.

Our teams did a great job of looking after our communities and managing our roads and infrastructure through the extreme conditions. There's still work to be done to improve stormwater in some areas, and we're committed to the mahi that's required, with stormwater projects a key priority in this year's Annual Plan.

From an economic point of view, we're feeling the pinch too. Planning for the future while ensuring prudent financial management remains our top priority.

As I wrap up my first year as Mayor, I'm proud of what our team has achieved. There are a few highlights that stand out for me this year.

Highlights

I'm extremely proud of our Council's recent decision to adopt Māori wards for the 2025 and 2028 local body elections. This is a positive move that will lead to better, more inclusive decision-making. This decision aligns with one of our strategic priorities of building authentic Te Tiriti-based relationships.

Housing is a key driver of wellbeing and we currently provide affordable rental housing for people over 65 with limited means in Katikati, Waihī Beach and Te Puke. We will expand our elder housing in Heron Crescent, Katikati from 11 units, to up to 26 new units. This is a positive move and will mostly be paid for by funding from Government.

We care for our people and communities and put our customers at the heart of everything we do. Our Customer Service team stands-out across Aotearoa, as it won the Best Customer Experience Award at the latest Association of Local Government Information Management Awards.

We work hard to provide quality green spaces and it was great to see the Waitekohekohe Recreational Park in Katikati (previously named Lund Road Reserve) opened on 4 March - delivering on our promise through the Long Term Plan 2021-31. The park offers trails for horse riders and mountain bikers, and provides visitor carparks and associated facilities for these users, and has received very positive feedback from the community. This project wouldn't have happened without Council and passionate locals working together on a shared goal for a community facility and ecological improvement.

Partnerships are so important for us and we've got positive partnerships with many community organisations across the District. These focus on sports, arts, culture, social services, events, and economic development and aim to improve our community wellbeing. We ran several successful events, including our much-loved annual Wander Dogs Summer Series, and proudly supported Katikati's Festival of Cultures and the Te Kete Matariki celebration in Te Puke, which attracted more than 5000 people.

Looking ahead

In 2024 we'll finalise our Long Term Plan 2024-34. We received outstanding feedback on key community and Council topics earlier this year. We've listened and are already using some of the insights in our mahi to help shape not only the Long Term Plan but how we can strengthen our commitment to waste minimisation and plan for the effects of climate change. This is such an important kōrero as we work together to outline what we want to achieve for our communities in the long term.

We will keep asking for your thoughts on key projects and big issues – like climate change, sustainability, infrastructure and housing. I encourage you to have your say, as the feedback you share helps us set our priorities as we move into an exciting phase of change and growth. While we can never hope to please everyone, we do try to do our best for our community.

We are committed to being future ready and advocating for our community at all levels. We will continue our work with community organisations, neighbouring councils, central government and key agencies to progress the development of the sub-region.

Ngā mihi nui,



James Denyer
Mayor, Western Bay of Plenty Council

Highlights



Transport

66km of roads were resealed.



Libraries and Service Centres

253,000 visits to our libraries and service centres, up by 34% on last year.



Waste

We diverted 3,724 tonnes (42%) of waste from ending up in landfill.



Building

We processed 992 building consents.



Resource consents

We approved several large developments including: Te Puke 100+ lot housing developments, Rangiuru Business Park, Ōmokoroa Country Club retirement village, Ōmokoroa Town Centre.



Community

More than 5000 people attended the Te Kete Matariki celebration in Katikati, and 37 groups were successful in the Community Matching Fund.



Animal services

Approximately 3000 people and their dogs enjoyed the Doggy Day Out and Wander Dog series events.



Environmental education

Over 600 school students learnt about environmental conservation, sustainability and biodiversity.



Customer service

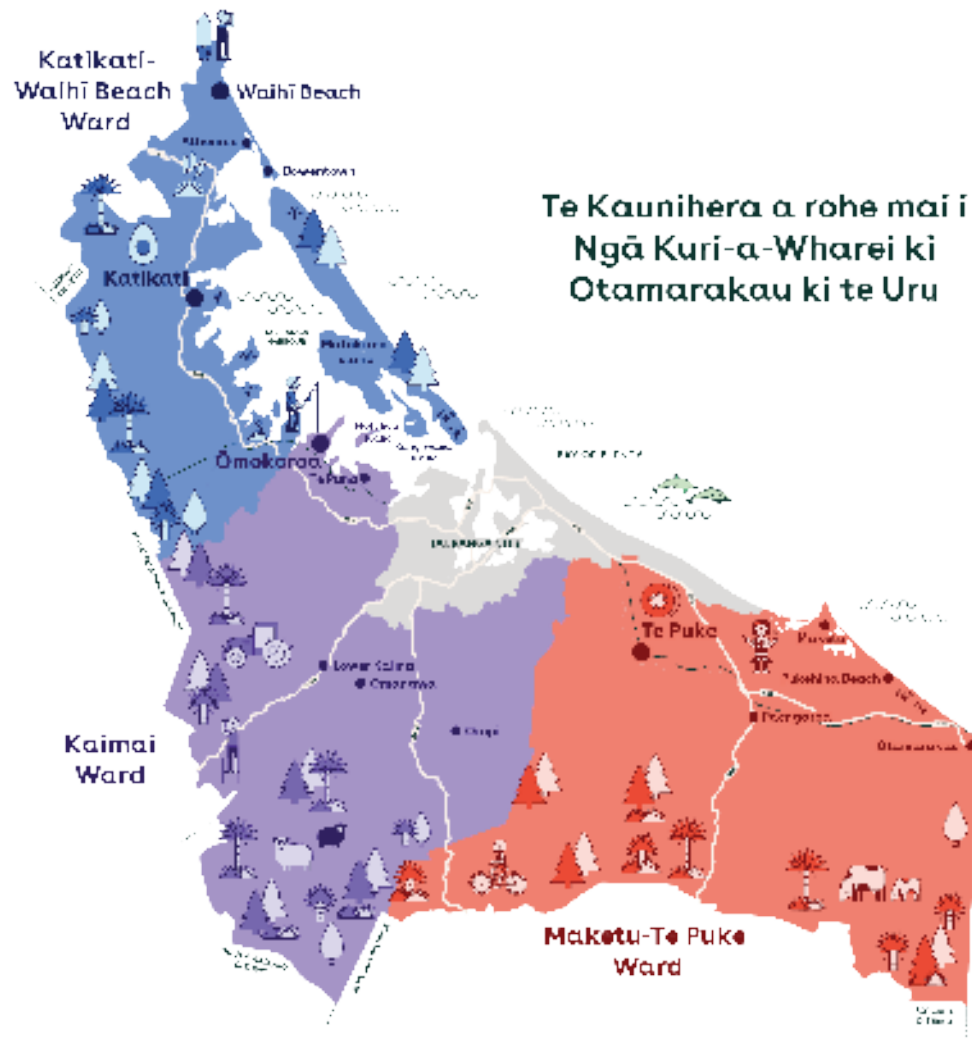
Our team is the best in Aotearoa – it won the Best Customer Experience Award at the Local Government Information Management Awards.



Annual Plan projects

We've allocated funds for the design through to building consent of a new Library and Community Hub at Waihi Beach, and to install a roof, bulkhead and liner at Katikati's Dave Hume Pool. We will upgrade reserve facilities at Midway Park in Pukehina, Spencer Avenue in Maketu and at Arawa Road in Pongakawa, and deliver on an agreed concept plan for Wilson Park in Waihi Beach.

Our District - key facts



Katikati/Waihi Beach Ward

- Estimated population of **14,370** (2018 census), which is an increase of 2370 people from 2013.
- The projected population in 2051 is **18,160**.
- **35%** increase of Asian ethnicity between 2013 and 2018, while Pacifica ethnicity increased **26%**.
- **40%** of households were 'couples' according to the 2018 Census.

Kaimai Ward

- Estimated population of **19,014** (2018 census), which is an increase of 3753 people from 2013.
- The projected population in 2051 is **29,406**.
- **Over 90%** of people indicated they were of European ethnicity (2018 Census).
- **15%** of people indicated they were of Māori ethnicity (2018 Census).

Te Puke/ Maketu Ward

- Estimated population of **18,940** (2018 census), which is an increase of 3082 people from 2013.
- The projected population in 2051 is **23,801**.
- **28%** of the people indicated they were of Māori ethnicity in 2018. **12%** indicated they were Asian.
- **50%** increase to the Asian and Pacifica ethnicities between 2013 and 2018 (2018 Census).

Key statistics



The District's size

covers 195,000 hectares of land, 202 kilometers of harbour, and 55 kilometers of ocean coastline.



Geographic communities

- 58 percent rural
- 42 percent urban



Our elders

21 percent of residents in the District are 65-years-old or older, higher than the national average of 15 percent.



Our young

19 percent of the population are less than 15-years-old, very close to the national average of 20 percent.



Our Māori population

19 percent of the District's population identify themselves as Māori, which is higher than the national average of 17 percent.



Tangata Whenua

- 11 Iwi groups
- 74 Hapū
- 23 Marae



Our ethnicities

- 81 percent Pākehā
- 19 percent Māori
- 3 percent Pacifica
- 7 percent Asian



The future

In 2023, it is assumed the population of the Western Bay of Plenty District was 59,440. This is predicted to grow to 71,367 by 2051.



Our District Climate

The District has a warm, sunny climate with an average of 2,346 sunshine hours per year.



Our District Rainfall

The District has a moderate rainfall of 1200-2400mm per year.



Agriculture and horticulture

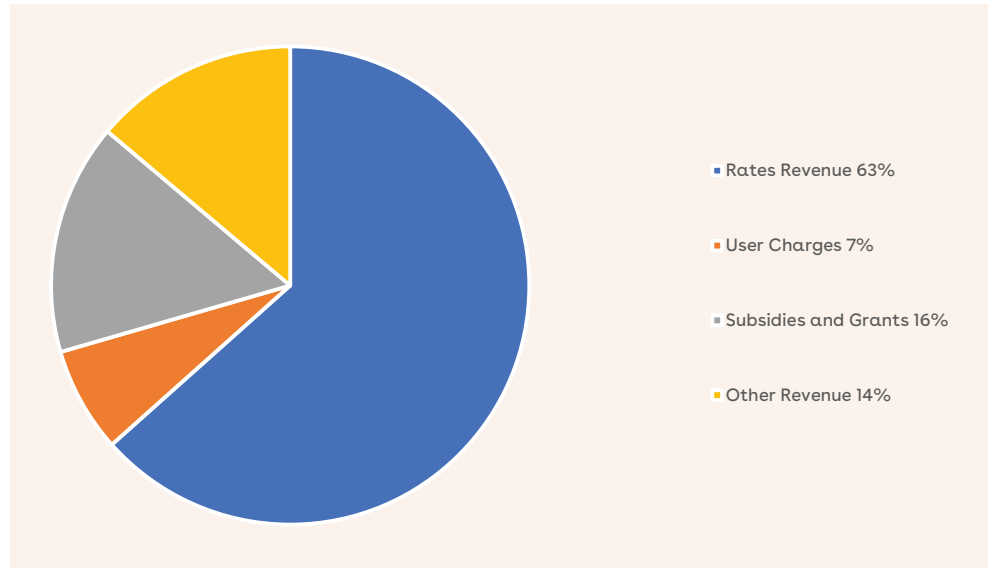
These are the main economic drivers of the Western Bay of Plenty District and the greater Tauranga and Western Bay sub-region.

Source: Stats NZ
stats.govt.nz/tools/2018-census-place-summaries/western-bay-of-plenty-District

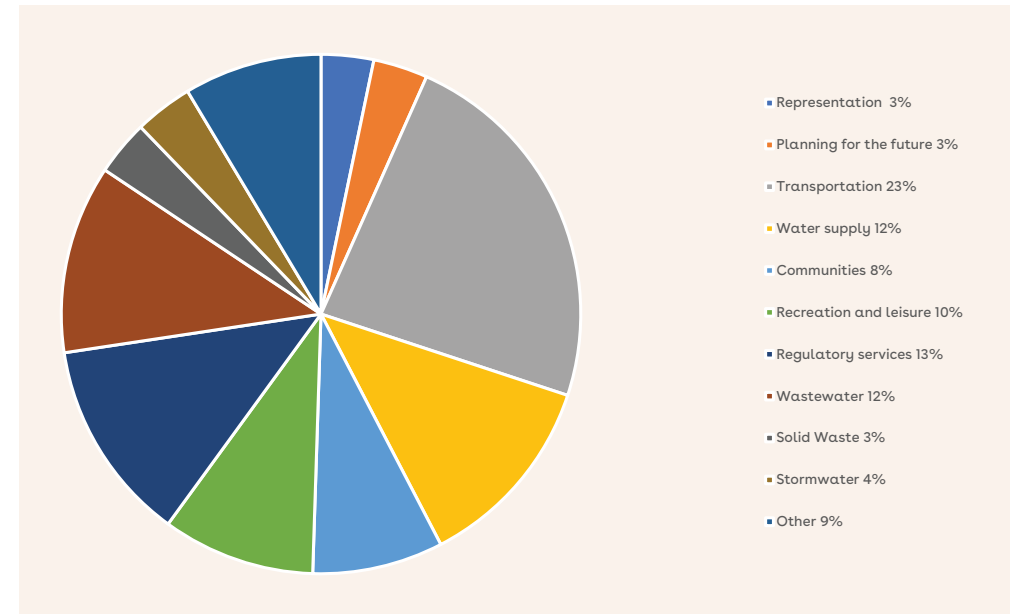
Finance summary overview

Western Bay of Plenty District Council has reported a net surplus of \$16.8 million compared with a budgeted operating surplus of \$18.6 million.

Graph 1
Council Revenue 2022/23 \$139.2 million



Graph 2
Council Operating Expenditure 2022/23 \$122.6 million



The Council



Currently owns \$1.9 billion

worth of assets as at 30 June 2023, compared to \$1.7 billion as at 30 June 2022.



Net debt is \$74.9 million

as at 30 June 2023, compared to \$54.5 million as at 30 June 2022.



Overall the District has equity of \$1.79 billion

as at 30 June 2023, compared to \$1.62 billion as at 30 June 2022.



\$52.1 million of capital expenditure was spent on infrastructure and assets

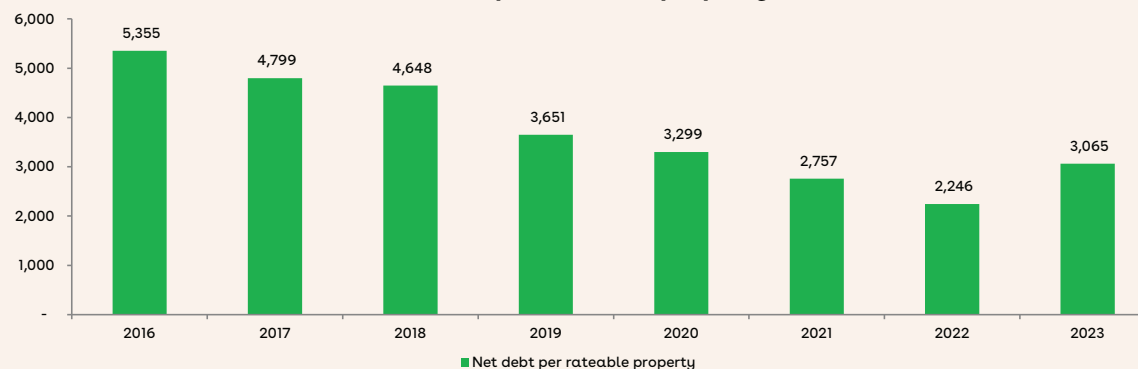
in 2022/23, compared to \$40.9 million in 2021/22.



\$139 million of total income generated in 2022/23

compared to \$144 million in 2021/22.

Net debt per rateable property



Tirohanga whānui

Overview



Tirohanga whānui

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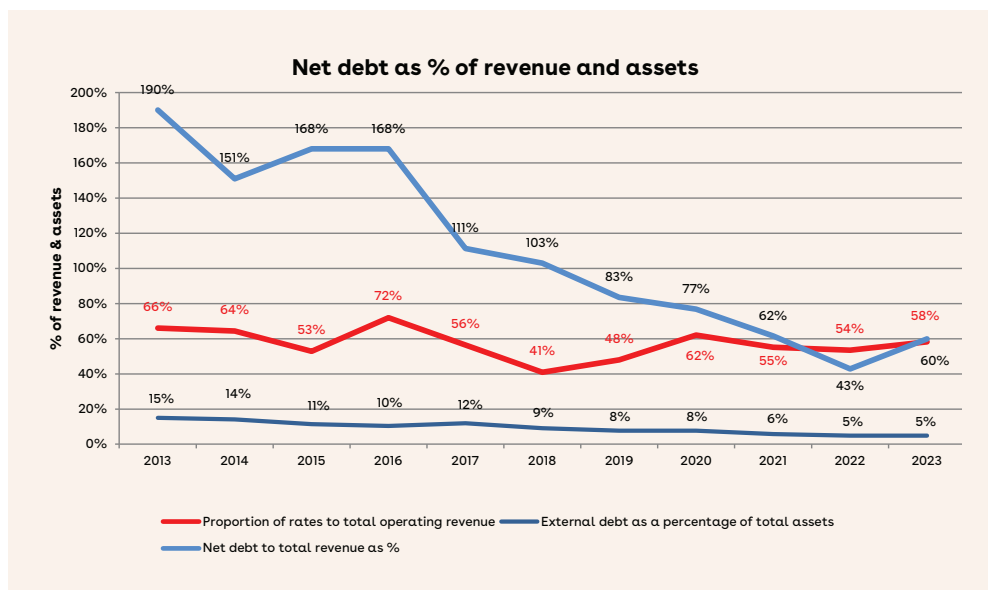
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Overview of Council's performance 2022/23

Financial Performance	2019 \$000	2020 \$000	2021 \$000	2022 \$000	2023 \$000
Net rates revenue - excl water	64,128	68,468	68,446	77,001	81,109
Vested assets revenue	15,891	5,940	6,216	5,080	2,379
Financial contribution revenue	18,605	5,892	7,572	10,925	10,629
Total expenditure	92,580	95,297	100,246	110,371	122,570
Total revenue	133,762	110,213	124,138	143,915	139,182
Net surplus/(deficit)	41,186	14,917	68,590	33,602	16,836
Capital expenditure	34,919	30,347	33,246	40,917	52,075
Working capital surplus/(deficit)	19,308	28,913	14,884	(4,545)	(10,920)
External debt	110,000	110,000	90,000	80,000	90,000
Net debt	80,378	75,511	64,294	54,459	74,860
Fixed assets (NBV)	1,427,988	1,433,452	1,510,097	1,661,509	1,845,212
Short term investments	-	-	-	-	-
Cash on hand	29,622	34,489	25,706	25,541	15,140

Financial Statistics	2019	2020	2021	2022	2023
Proportion of rates to total revenue	48%	62%	55%	54%	58%
External debt as a percentage of total assets	8%	8%	6%	5%	5%
External debt per rateable property (\$000's)	5.00	4.80	3.86	3.29	3.68
Net debt per rateable property (\$000's)	3.65	3.30	2.76	2.25	3.06
Net debt to total revenue as %	83%	77%	62%	43%	60%
Total capital value of rating units within the District (\$m)	20,391	27,524	27,524	28,115	42,127
Total land value of rating units within the District (\$m)	10,755	14,984	14,984	15,057	23,240
Rateable properties	22,016	22,890	23,320	24,248	24,428



Service delivery performance

Selection of measures

The performance measures were selected to provide both quantitative and qualitative feedback towards the key goals identified in the 2021-31 Long Term Plan (LTP). The measures for the LTP were selected on a basis of reflecting the levels of service the community can expect to receive and how we measure if we are achieving these.

These measures include those mandated pursuant to the Local Government Act 2002.

Some measures are no longer reported on where they are deemed no longer relevant or cannot be accurately reported. These are indicated as N/A and explained in the narrative.

Council has structured its activities into 13 groups. These groups of activities have targets and measures that specify whether any intended level of service has been achieved.

Key Measures have been chosen as they identify prominent measures that can be aggregated as a snapshot and reflect trends around Council performance

Key Resident Measures have been chosen to attain community feedback and are measured by an Annual Resident Survey. Through the community survey there are opportunities to benchmark against other local authorities or external agencies where data is available. Other measures have been chosen as **Supporting Measures**, to provide feedback on relevant Council systems and processes that support activity groups performing tasks that impact Council performance. All measures aggregate to give a complete picture of Council’s performance, and measure progress towards our goals within the agreed levels of service, i.e. measurement through a diverse range of activities, towards agreed community outcomes that are identified in the 2021-31 LTP.

Measurement

Measurement is linked to the agreed level of service, this is described in **What we do**. Measures chosen relate to levels of service and these are described in **How we track progress**. **Targets** are again relevant to the level of service and form benchmarks for achievement, over time forming a performance trend. **Results** have been measured and provide relevant feedback around progress towards goals. Both the current financial year (2022-2023) and the previous year (2021-2022) results are disclosed. The **Narrative** explains any significant variances and provides an opportunity to describe what is behind the measure.

Service performance judgements and assumptions

In the 2021-2031 Long Term Plan (LTP) the following judgements were in the selection of service performance measures:

- How the performance measures captured best reflect the agreed level of service with our community
- Consideration to our residents and ratepayers who provided feedback during the LTP consultation process
- The adequacy of the chosen measures to inform on progress towards community outcomes

Relevant measurement judgements have been included within each activity group.

Under the Local Government Act 2002 we are mandated to provide standard performance measures so that the public can compare the level of service provided in the following activity groups:

- Stormwater
- Transportation
- Water Supply
- Wastewater

The Department of Internal Affairs (DIA) provide guidance for these mandatory performance measures in Non-financial Performance Measures Rules 2013, pursuant to and in accordance with section 261B of the Local Government Act 2002.

Other judgements are made around achieving progress against the identified level of service within the funding levels set. While there has been funding pressures Council is determined to maintain current levels of service and therefore have maintained the related performance measures.

Material judgements have been applied as follows:

Surveys

The Annual Resident Surveys has been undertaken to cover perceptual feedback from customers, residents and community. Waves per quarter of residents provide timely feedback and these are collated in this Annual Report to form an annual result. Direct “satisfaction” surveys targeted at customers and users of services, also provide feedback for Council to assess the quality of the services provided.

The number of performance measures included in the Annual Resident Survey reflect both the appropriate level of measures to inform while considering the cost and benefit of gathering such information. Some measures are surveyed biannually.

External implications for statements about performance

There are conditions that affect the service performance results that result in a variation from those forecasted. Some of these are outside Council control and can include (but are not limited to): Government policy, global and domestic economic conditions, the employment market, the availability of suppliers, supplies and resources for infrastructure projects, domestic inflation, and weather events.

Statement of compliance

The service performance information in this report is compliant with New Zealand generally accepted accounting practice (NZ GAAP).

Our Achievements section of this document (from page 26 to 93 (for the Council Activities) and page 162-176 (for the Funding Impact Statements)) and provides a detailed detailed assessment of how well Western Bay Council’s activities performed during 2022/23).

Performance against 2022/23 targets

The Long Term Plan 2021-31 identifies performance measures and targets for each activity. These measures reflect the diversity of the activities and were developed from a range of sources. Opportunities to benchmark Western Bay Council activities with other local authorities or external agencies have been used where data is available.

Our Achievements section provides detailed financial and non-financial results for each activity. A summary of Western Bay Council’s performance against the 2022/23 targets is shown in the table below.

Work programme	Target Met	Target Not met	Target unable to be measured*	Total
Representation	6	6	1	13
Planning for future	5	-	2	7
Communities	19	7	3	29
Recreation and open spaces	7	1	3	11
Regulatory Services	13	6	-	19
Stormwater	14	3	-	17
Transportation	9	4	1	14
Water Supply	11	13	-	24
Natural Environment and Sustainable Living	6	1	-	7
Wastewater	11	3	-	14
Solid waste	6	-	-	6
Economic development	2	2	-	4
Support Services	Internal measures only			

*Resident survey undertaken bi-annually for some measures, others non-applicable

Report on development of Māori capacity to contribute to decision making 2022/23

We recognise the importance and special place of Tangata Whenua within our communities and the additional responsibilities that the Local Government Act places on us to develop the capacity of Māori to take part in local government decision making processes.

Equally, we acknowledge the journey that is required to develop positive and purposeful relationships with Tangata Whenua that can sustain us into the future.

We have a number of mechanisms for engagement and to involve Tangata Whenua in our decision making processes. We will continue to review and improve them to ensure ongoing effectiveness.

We will continue to work with iwi and hapū to provide for their representation aspirations.

Te Ara Mua

Te Ara Mua is a plan that was developed by the Tauranga Moana and Te Arawa ki Takutai Partnership Forum. The Partnership Forum was disestablished in 2020, and two new forums, Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o Te Waka o Te Arawa were created in 2021.

Te Ara Mua has been used to inform Council's Long Term Plan and Annual Plan and signifies the previous efforts of the Partnership Forum to meet the aspirations of Māori and the Western Bay of Plenty District Council when it comes to kaupapa Māori.

Recently, both partnership forums adopted their respective work programmes which have taken much of the impetus provided by Te Ara Mua but outline new aspirations that they would like to work with Council to achieve going forward.

Our Kaupapa Māori team

This team initiates, builds and maintains our relationship with Tangata Whenua and Māori, ensures Kaupapa Māori is considered in Council's decision making, and strengthens our organisation's ability to appropriately engage with Māori through exposure to and training in kawa (protocols), tikanga (customs) and te reo (the Māori language).

Tangata Whenua engagement guidelines

Our Tangata Whenua engagement guidelines have been developed to assist staff in engaging with Tangata Whenua.

Working with Māori

Find out more detail by reading Te Ara Mua on Council's website westernbay.govt.nz/council/working-with-māori.

Annual Report disclosure statement 2022/23

Annual Report disclosure statement for the year ended 30 June 2023

What is the purpose of this statement

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

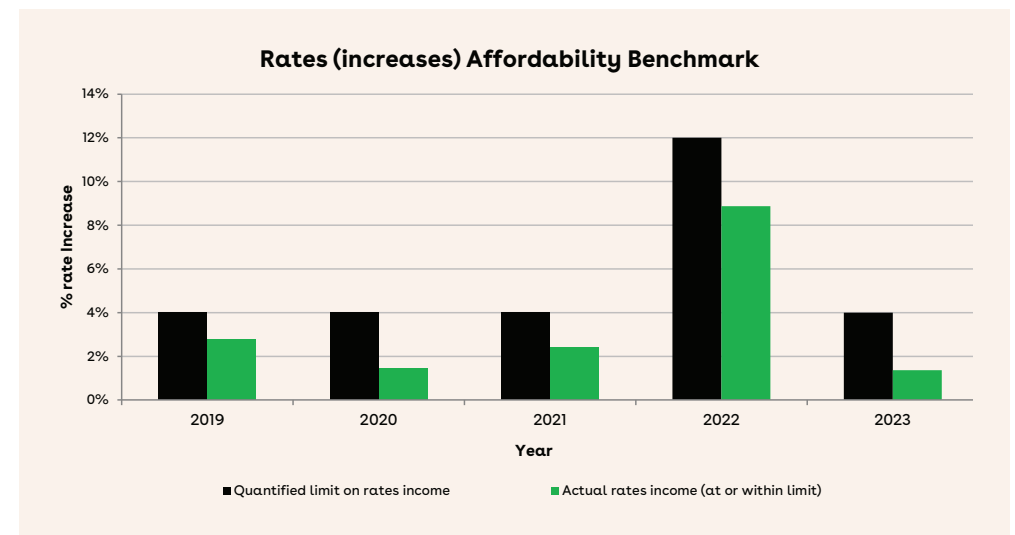
The Council is required to include this statement in its Annual Report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates (Increases) Affordability Benchmark

Council meets the rates affordability benchmark if:

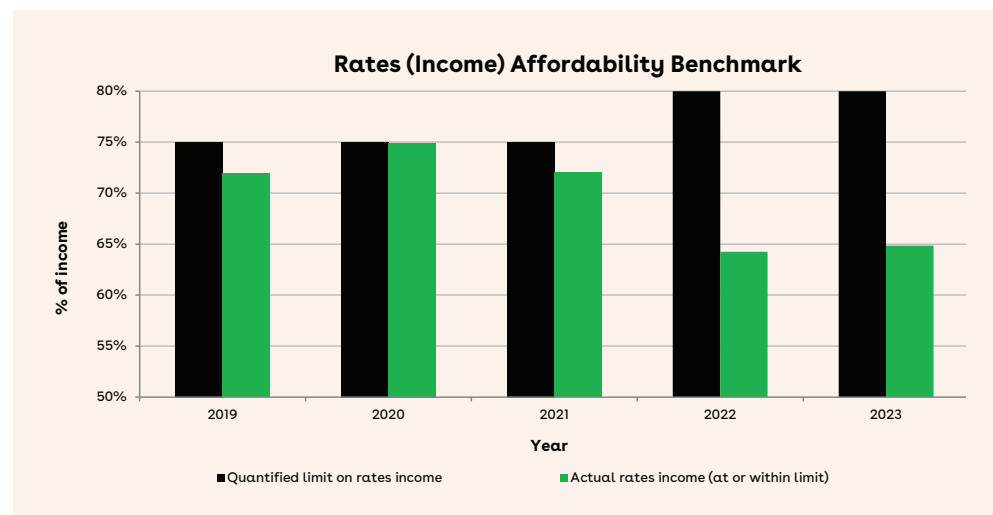
- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

The following graph compares the Council's actual rates increases with a quantified limit on rates contained in the financial strategy included in the Council's Long Term Plan. The quantified limit for 2023 is 4%.



Rates (Income) Affordability Benchmark

The following graph compares the council’s actual rates income with a quantified limit on rates contained in the financial strategy included in the Council’s Long Term Plan. The quantified limit is that rates will be no more than 80% of revenue. Revenue is defined as total revenue as per the Statement of Comprehensive Revenue and Expenditure less financial contributions, gains and vested assets.

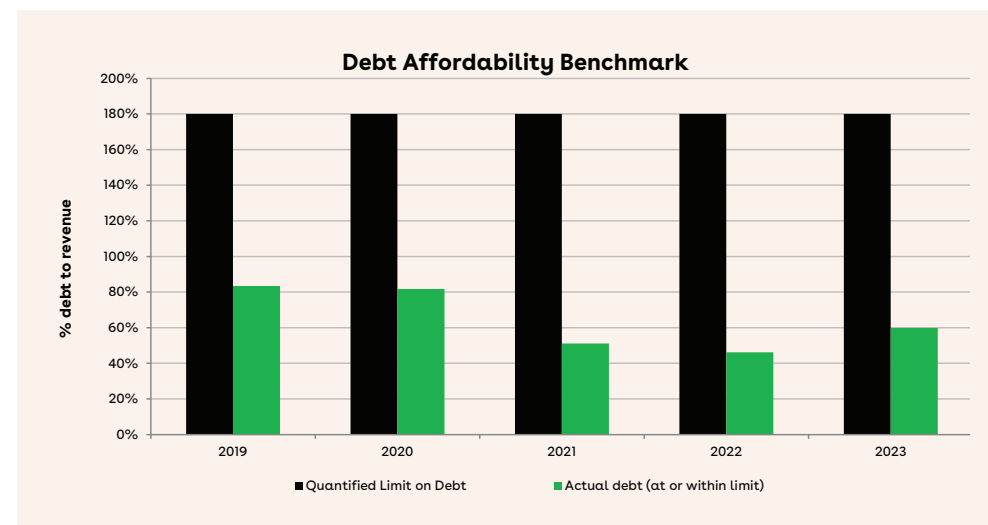


Debt Affordability Benchmark

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

The following graph compares the Council’s actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council’s Long Term Plan.

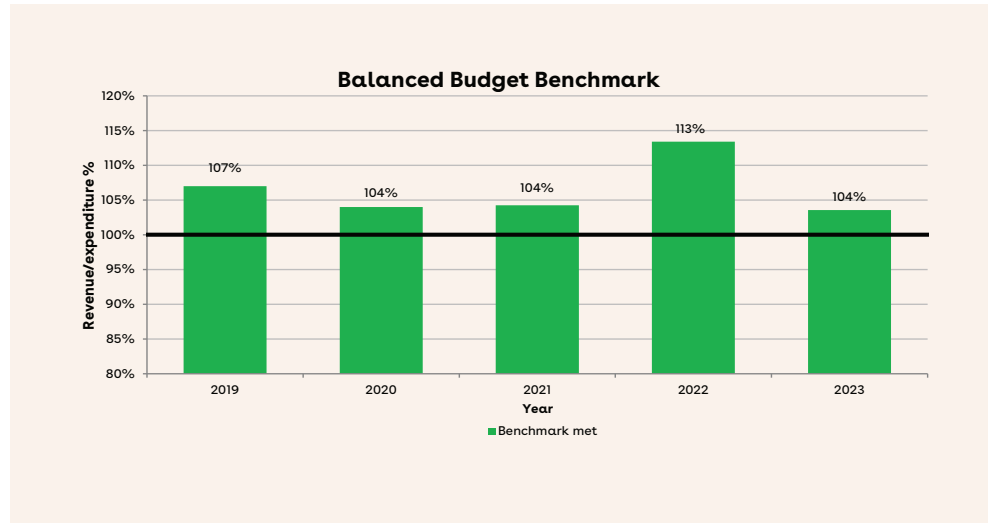
The quantified limit is that debt will not exceed 180% of revenue (excluding financial contributions, gains and vested assets).



Balanced Budget Benchmark

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

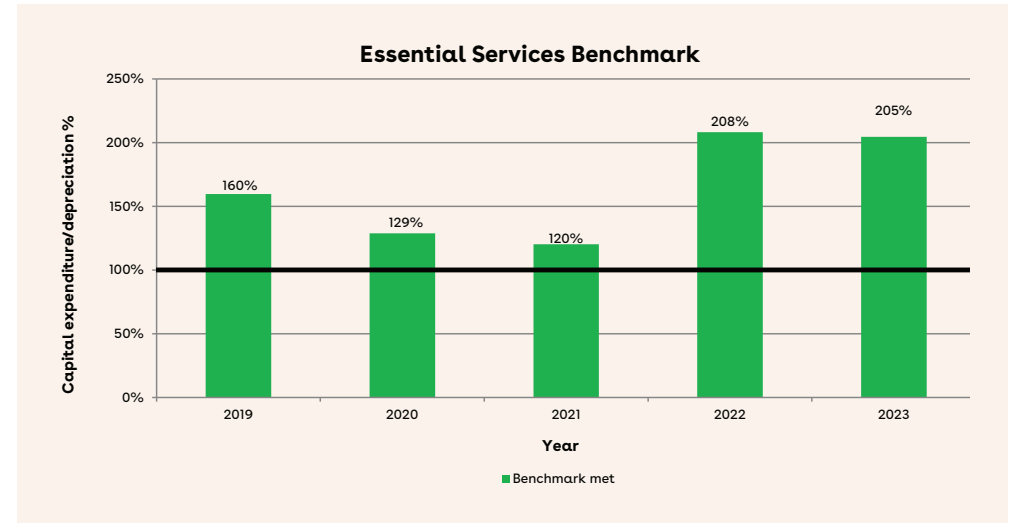
The Council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential Services Benchmark

The following graph displays the Council’s capital expenditure on network services as a proportion of depreciation on network services.

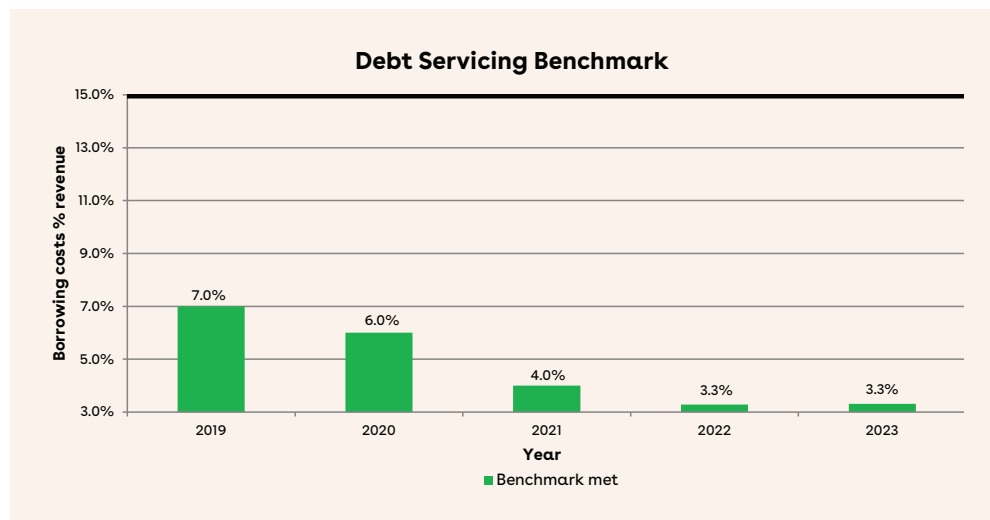
The Council meets this benchmark if its capital expenditure on network services (being; transportation, water, wastewater and Stormwater) equals or is greater than depreciation on network services.



Debt Servicing Benchmark

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

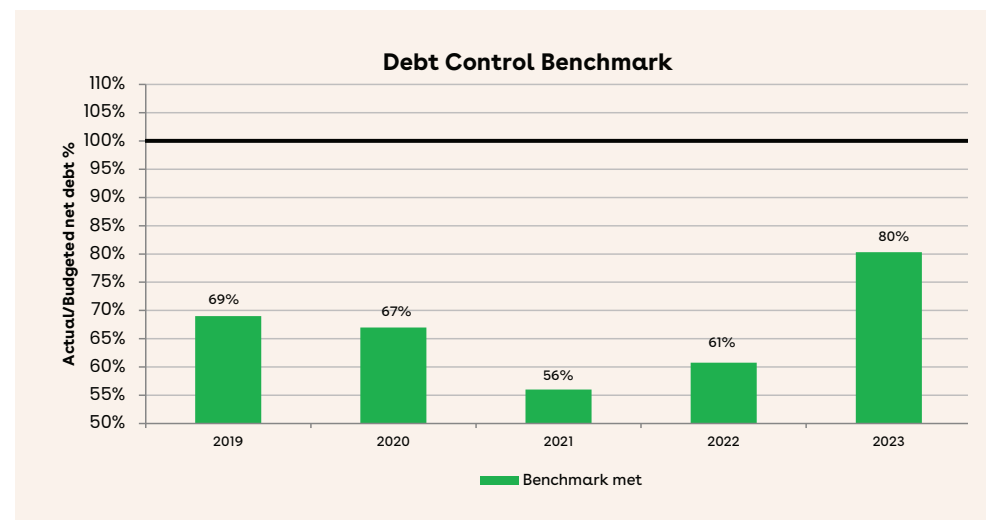
Because Statistics New Zealand projects the council’s population will grow faster than, the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.



Debt Control Benchmark

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

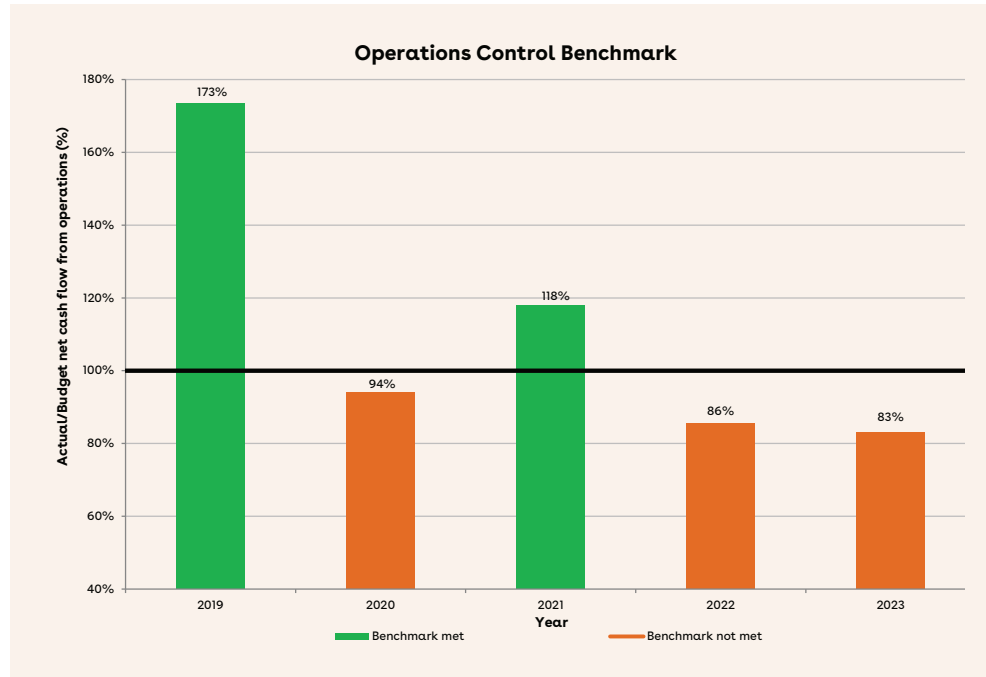
The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations Control Benchmark

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

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



Additional information

Rates (Increases) Affordability Benchmark

The financial strategy was amended during the 2021-31 LTP to remove the impact of water by meter from the calculation. Rating penalties have also been removed from the calculations as these are the result of non-payment of rates rather than an actual charge made up front.

Rates (Income) Affordability Benchmark

The financial strategy was amended during the 2021-31 LTP to place a cap on the proportion of rates to total revenue to be no more than 80%. This is up from 75% in the 2018-28 LTP.

Operations Control Benchmark

The operations control benchmark was not met in 2023 primarily due to lower than budgeted revenue from financial contributions, and timing issues with receipts from developers who elected to pay in the previous year.



Doggy Day Out 2023, Ōmokoroa

Photographer: Guy Rencher





Ngā mahi a te Kaunihera

Council activities





Ngā mahi a te Kaunihera **Council activities**



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Council's group of activities

Guide to this section of the Annual Report

Our achievements report on how well Council's activities performed during 2022/23 against the goals and targets set out in Chapter three of the Long Term Plan (LTP) 2021-31. The reporting covers how effectively services have been delivered to the community and financial results.

Reporting on service performance is provided for each activity group and includes the following information:

Overview

This provides a high level overview or explanation of the activity and the outcomes agreed in Western Bay of Plenty District Council's Long Term Plan 2021-31.

Highlights

Highlights can include key initiatives undertaken, projects completed, and milestones achieved for the activity.

A graph will also be included to show the results and trends for Western Bay Council's measures for performance and customer satisfaction.

Service performance results

- Results trends for key measures
- How we have tracked progress towards our goals
- How we have tracked progress - levels of service

The Long Term Plan 2021-31 identifies performance measures and targets to monitor Council's achievement of the agreed outcomes and levels of service. This section reports the results and provides explanation for any significant variances.

Future initiatives

This section looks ahead and identifies key initiatives planned for the next two to three years.

Customer satisfaction

In the statements of service performance there are references to an Annual Resident Survey.

This survey was undertaken by Key Research and the sample included all residents within the Western Bay of Plenty District Council area with a sample size of 739 and margin of error of +/- 3.6%, with a confidence level of 95%.

Effects on community wellbeing

The table overleaf identifies the activity groups and their primary contribution to the Community Outcome.

The Long Term Plan (LTP) has identified significant or potential negative effects that may occur as a result of providing the following activities:

- Representation
- Planning for the future
- Communities
- Recreation and open spaces
- Regulatory services
- Stormwater
- Transportation
- Water supply
- Natural environment and sustainable living
- Wastewater
- Solid waste
- Economic development
- Support services

Council has structured its activities into 13 groups. These activity groups are comprised on individual activities which have a similar nature.

The following table identifies each of the Activity Groups and their corresponding activities. It also shows the Community Outcomes the activity primarily contributes to.

Activity Groups	Activities	Primary Community Outcomes
<i>Leadership</i>		
Representation	<ul style="list-style-type: none"> Sub-regional, District and Community representation 	Elected members represent the views of residents and make decisions which improve our communities and environment, now and for the future.
Planning for the future	<ul style="list-style-type: none"> Policy and planning Resource management Infrastructure planning 	In consultation with our communities and guided by our sustainable development approach, we plan for the future.
<i>Building communities</i>		
Communities	<ul style="list-style-type: none"> Community building Libraries and service centres Community facilities 	In the Western Bay of Plenty, no matter what age you are: <ul style="list-style-type: none"> people feel safe and welcome people are connected and feel they belong people can be active and healthy and enjoy the outdoors people have access to adequate housing people can learn and contribute
Recreation and open spaces	<ul style="list-style-type: none"> Coastal and marine Recreation reserves and facilities Sub-regional reserves 	The recreation and open space network makes a significant contribution to achieving the following outcomes from the Communities Strategy and Environment Strategy.
Regulatory services	<ul style="list-style-type: none"> Animal control. Building and health services Compliance Regulatory services Resource consents 	Regulatory services are delivered through a balanced compliance approach, promoting the safety and wellbeing of our communities and enhanced sustainability of our built and natural environments.
Stormwater	<ul style="list-style-type: none"> Stormwater network Waihi Beach coastal protection 	A stormwater management system that manages flood risk contributes to improving water quality and contributes to enhancing ecological and cultural values.
Transportation	<ul style="list-style-type: none"> Roading Network development Network optimisation Environmental mitigation Transportation health and safety 	Transportation networks are safe, affordable, sustainable and planned to meet our community's needs and support economic development.

Activity Groups	Activities	Primary Community Outcomes
Water supply	<ul style="list-style-type: none"> Council water supply 	Water supply is provided to our community in a sustainable manner.
<i>Protecting the environment</i>		
Natural environment	<ul style="list-style-type: none"> Environmental protection 	A clean green valued environment, achieved by: <ul style="list-style-type: none"> increasing indigenous biodiversity protecting important natural and cultural areas having a lighter footprint connecting people with the natural environment making decisions to address the impacts of climate change
Wastewater	<ul style="list-style-type: none"> Wastewater 	Wastewater services are well planned and maintained to ensure a clean and healthy environment.
Solid waste	<ul style="list-style-type: none"> Solid waste 	Effective waste management practices that minimise waste to landfill and encourage efficient use of resources to reduce environmental harm.
<i>Supporting our economy</i>		
Economic development	<ul style="list-style-type: none"> Economic development 	To encourage the sustainable use of local resources in a way which strengthens economic opportunities and improves social outcomes.
Support services	<ul style="list-style-type: none"> Communications and community engagement Human resources Customer services Information management Information technology Financial management Corporate assets and quality management Procurement Risk management 	



Councillors for the 2022-25 triennium (left to right): Anne Henry, Murray Grainger, Richard Crawford, Rodney Joyce, Mayor James Denyer, John Scrimgeour, Don Thwaites, Margaret Murray-Benge, Allan Sole, Grant Dally, Andy Wichers and Tracey Coxhead.

Hautūtanga

Leadership

Representation



Overview

This activity has two areas of focus. It includes both running the process to provide the District with a democratically elected Mayor, councillors and community board members and the governance of the District by these elected members. This involves the organising and preparation of Council meetings, organising civic events such as citizenship ceremonies. The activity also includes the combined Partnership Forum and collaborative processes with other councils.

Elected leaders represent the views of residents and make effective decisions which improve our communities and environment, now and for the future.

Significant effects the representation activity has had on the four wellbeing areas during the year:

Highlights:

In the 2022 local body election, Western Bay elected its youngest mayor, James Denyer, at 46 years of age. This marked a generational shift in leadership that reflects changing demographics and interests within the community.

Heightened competition saw eight mayoral candidates compared with three in the 2019 election. Twenty Seven people were nominated for councillor roles compared to 23 in 2019. In previous elections, some community board seats went uncontested, however this was not the case last year, with every community board having contests for seats. This indicates a more robust democratic process, where residents had a choice for their representation.

This election also showcased the impact of the “Generation Change He panoi ā reanga” campaign, which aimed to diversify the candidate pool. There was progress for equal gender representation, with the number of community board seats won by women increasing from 30 percent in 2019 to 45 percent in 2022. The elected officials also had a broader range of ages and ethnic backgrounds.

Western Bay of Plenty District Council’s first Community Forum of 2023 was held in the Kaimai Ward. Following that, councillors from the Katikati-Waihi Beach Ward and the Maketu-Te Puke Ward also called meetings for their communities.

Wellbeing	Effects (positive and negative)
Social	✓ Competitive 2022 Local Body Election
	✓ Diverse Council and Community Board representation
	✓ Establishment of Community Forums
	✗ Low voter turnout in 2022 Local Body Election
	✗ Resident satisfaction survey targets not achieved for representation, opportunities to participate in decision making and decisions made in the best interests of the District
Economic	No specific action relating to this wellbeing.
Environmental	✓ Participation in the Shift Hub - Exploration of sustainable transport options
Cultural	✓ Establishment of Māori Wards underway

Community Forums are a new meeting format, set-up by Council to respond to each individual community's evolving needs. They are designed to be a less formal setting to kōrero with Councillors and the Council team.

In August 2023, Council voted to have Māori wards for the 2025 and 2028 local body elections. This was a significant change that will lead to better, more inclusive decision-making. This decision also aligns with one of our strategic priorities of building authentic Te Tiriti-based relationships.

We are working with local community groups and focussing on neighbourhood feedback, receiving significant feedback in the pre-engagement stage of the 2024-2034 Long Term Plan. This provided Elected Members with comfort that a variety of views can be considered to make informed decisions.

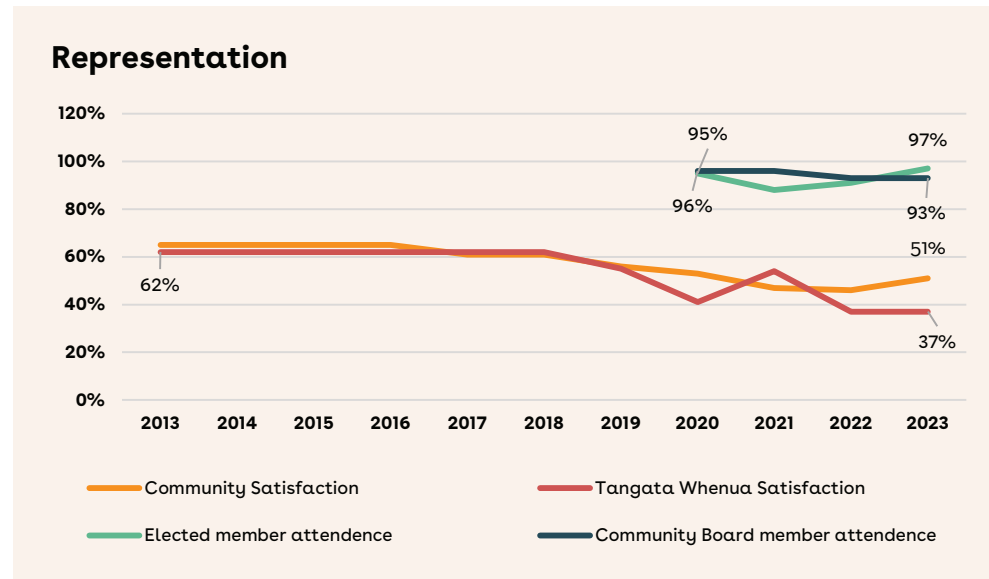
Future Initiatives:

- A full review of the representation arrangements, including how we'll approach the introduction of our new Māori wards, is underway.

Committee	Chair	Deputy Chair
Council	Mayor, James Denyer	Deputy Mayor, John Scrimgeour
Annual Plan and Long Term Plan	Deputy Mayor, John Scrimgeour	Councillor, Rodney Joyce
Strategy and Policy	Mayor, James Denyer	Councillor, Richard Crawford
Projects and Monitoring	Councillor, Don Thwaites	Councillor, Allan Sole
Audit, Risk and Finance	Councillor, Murray Grainger	Councillor, Tracey Coxhead
District Plan	Deputy Mayor, John Scrimgeour	Councillor, Murray Grainger
Community	Councillor, Margaret Murray-Benge	Councillor, Grant Dally



Service performance results



Elected Member attendance - the attendance of the elected members at Council and Community Board meetings remains consistently high. In 2023 the target of 80% was achieved by both meetings having more than 93% attendance.

Satisfaction with Council performance - this monitors the level of satisfaction from the community and Tangata Whenua. The community satisfaction was 51%, and Tangata Whenua remained at 37%.

How we represent you

One Mayor and 11 Councillors

Three Community Forums

- Katikati-Waihi Beach, Kaimai and Maketu-Te Puke Community Forums

Two Māori Representation Forums

Comprising iwi and hapū representatives.

- Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o Te Waka o Te Arawa

Participation

in a range of community organisations, boards and co-governance structures within the Western Bay of Plenty District.

Goals

- We have effective representation arrangements for our communities
- We engage with our communities, listen well, lead effectively and make well informed decisions
- We actively seek and consider the full range of residents views on our plans, policies and projects
- We have strong relationships with Tangata Whenua and work together in a range of ways so that Tangata Whenua perspectives inform our decisions
- Our strategic relationships at all levels are maintained and strengthened.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
We have effective representation arrangements for our communities.	Key Performance Measure Percentage of meetings attended by Elected Members (Mayor and councillors) and Community Board members.				
	<ul style="list-style-type: none"> Elected Members at Council and committee meetings Community Board Members at Community Board meetings 	≥80%	97%	91%	
We engage with our communities, listen well, lead effectively and make well-informed decisions.	Key Resident Measure Level of satisfaction with representation provided by elected members:				Key reasons for dissatisfaction include lack of transparency & visibility & lack of understanding of people's needs.
We actively seek and consider the full range of residents' views on our plans, policies and projects.	<ul style="list-style-type: none"> Community Māori 	≥60%	51%	46%	
We have strong relationships with Tangata Whenua and work together in a range of ways so that Tangata Whenua perspectives inform our decisions.	Supporting Measures Percentage of eligible population that votes in Local Body Elections	≥40%	37.6%	No election	Elections are triennial events and there was no election in 2022.
Our strategic relationships at all levels are maintained and strengthened	Level of satisfaction with opportunities to participate in decision making.				Key reasons for dissatisfaction include not listening to the community & lack of information or updates on projects.
	<ul style="list-style-type: none"> Community Māori 	≥60%	47%	47%	
	Percentage of residents satisfied that the decisions Council has made are in the best interests of the District.	≥60%	49%	41%	A significant increase in the number of people who are satisfied with Council's efforts. (41% in 2022) Key reasons for dissatisfaction include problems with infrastructure in core services.

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
Representation will be provided by: <ul style="list-style-type: none"> • One Mayor • 11 Councillors • Five Community Boards • Three Ward Forums • One Māori representation forum 	Number of meetings held per annum: <ul style="list-style-type: none"> • Council, based on 6-weekly cycle • Community Boards based on 8 weekly cycle • Māori representation forums • Ward Forums 	≥8 ≥6 ≥2 ≥4	14 30 3 0	8 5 2 7	Ward Forums have been abolished and replaced by Community Forums. Related results follow; <ul style="list-style-type: none"> • Kaimai Community Forum: 2 • Maketu-Te Puke Community Forum: 2 • Katikati-Waihi Beach Community Forum: 1
Council will engage with communities about decisions that impact on their community.	Number of engagement opportunities with Elected Members held within the communities around the District.	≥4	17	12	No Community Events were held between September 2022 and February 2023 due to Local Body Elections and induction of Elected Members.

Planning for the future



Overview

Planning for the future includes the development of strategic plans, policies and bylaws to support the health, safety and general wellbeing of our communities. This involves responding to legislative changes, updating and developing new strategies, monitoring the impact of growth and development in our District, undertaking community engagement and working with key stakeholders and other agencies to plan for our future.

We provide planning and consultation for our communities, we plan for the future.

Significant effects the planning for the future activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	✓ Wilson Park reserve concept plan development
	✓ Community feedback on Long Term Plan
	✓ Arawa Road Reserve development
Economic	✓ Annual Plan development
Environmental	✓ Feasibility study to develop Resource Recovery Centres
Cultural	No specific action relating to this wellbeing.

Highlights:

A feasibility study was done to investigate community-led resource recovery centres for the District. These centres provide positive outcomes, including meaningful employment, as their kaupapa centres on reducing waste going to landfill. The feasibility study found that our existing community recycle centres would be suitable for resource recovery activities, and we decided to progress implementing these in phases, with Te Puke going first.

Wilson Park is a 3-hectare recreation reserve near the town centre in Waihi Beach. It is currently used for a variety of events including markets, sports, exercise and recreation. A concept plan has been developed to upgrade the park and incorporate the priorities that our community shared with us through consultation. These are: keeping open space and power provision for events, upgrading facilities, improving entrances, and planting trees to create more shade.

Arawa Road and Penelope Place is a small settlement in Pongakawa off State Highway 2, with approximately 70 homes adjacent to orchards and dairy farms. The Arawa Road Reserve is an unformed paper road often used by the community. We have adopted a final concept plan for the reserve based on the community's aspirations. This includes developing natural play features, realigning fences, as well as the potential for wider walking and cycling links and a pump track.

Annual Plan and Long Term Plan

The development of the Annual Plan is Council and the community's time to look at the plans for the upcoming financial year. We received over 300 submissions on the Annual Plan. Balancing the needs of the community alongside inflationary pressures was a key focus of the Annual Plan. We took significant steps to find savings, reduce project funding, and utilise the General Rate Reserve - using \$1.6 million - to reach an average rate increase of 7.04 percent.

The General Rate Reserve is an accumulation from surpluses arising from underspends in previous years.

Councillors also included in the Annual Plan:

- The prioritisation of stormwater projects as part of Council's capital programme in response to this year's weather events.
- \$1.9 million to install a roof, bulkhead, and liner at Katikati's Dave Hume Pool.
- To re-start the concept planning for the Katikati Beach Road Boat Ramp.
- \$524,000 for a new Waihi Beach Library and Community Hub.

Engagement on the Long Term Plan from the region was superb, with community responses received through the Your Place Tō wāhi engagement. The consultation objectives were to be community-led, acknowledging residents have busy lives and are most interested in what happens in their neighbourhoods.

This approach enabled the community to drive the agenda on how they provided feedback and helped us reach groups that are traditionally less engaged with local government. Your Place Tō wāhi was used for District Plan pre-engagement previously, and will be used as our umbrella campaign for several projects in the upcoming financial year and the Climate Change Action Plan.

Future Initiatives:

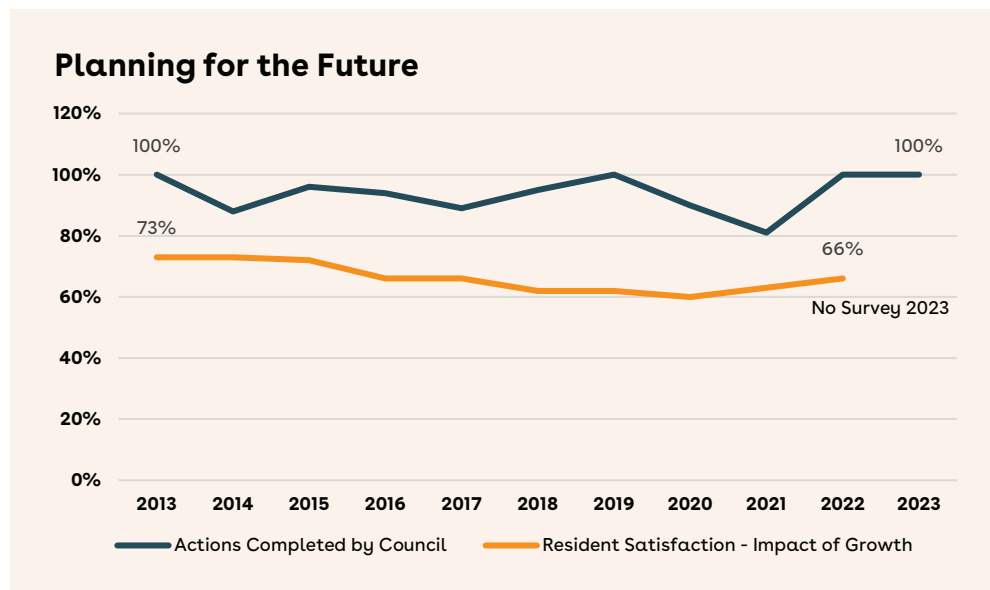
We will be working on several comprehensive plans that outline our vision and approach and address various aspects of the District's development and sustainability. These include the:

- Long Term Plan - our plan for the next ten years.
- Waste Management and Minimisation Plan - our approach and action plan for reducing the District's waste.
- Speed Management Plan - this aims to make our roads and communities safer and will set the speed limits on the District's roads (excluding state highways).
- TECT Park Strategic Plan - this will provide direction for the park in its next decade of development and operation.
- Reserve Concept Plan - we'll create several concept plans for the development of the district's reserves.
- Plan change 92 (i.e. housing intensification at Ōmokoroa and Te Puke) - this mahi aims to resolve issues received by public submissions.

What we provide

- Policy and planning, resource management, and infrastructure planning activities

Service performance results



Actions completed by Council as defined in the Council approved work programme - 100% of actions scheduled for 2022/2023 year were completed. Key area of focus was progressing Plan change and District Plan review as per the requirements under the Resource Management Act. This included enabling housing intensification in Ōmokoroa and Te Puke.

Resident satisfaction with the impact of growth on the District - On a two yearly basis, this survey monitors the impact of growth on factors like lifestyle, range of housing choices, personal and road safety, travel time, and employment opportunities. Next survey is scheduled for 2024.

Goal

Develop, monitor, review and advocate policy and plans that support the achievement of our vision for the District, our community outcomes and the direction provided by SmartGrowth.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
Develop, monitor, review and advocate policy and plans that support the achievement of our vision for the District, our community outcomes and the direction provided by SmartGrowth.	<p>Key Performance Measure</p> <p>Plans, strategies, and District Plan changes are developed or reviewed in accordance with Council approved programme.</p>	100%	100%	100%	Plan change and District Plan review processes required by the Resource Management Act have progressed in line with Councils approved programme. This has included notification of Plan Change 92 which enables housing intensification in Ōmokoroa and Te Puke. Operative decisions for private plan changes 93 & 94, and the receipt of a Private Plan Change to rezone land in Pongakawa for housing. Concept plans for Wilson Park and Arawa Road are also progressing.

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
Develop, monitor, review and advocate policy and plans that support the achievement of our vision for the District, our community outcomes and the direction provided by SmartGrowth.	<p>Key Resident Measure</p> <p>Level of resident satisfaction with the impact of growth on:</p> <ul style="list-style-type: none"> • Range of housing choices • Personal safety • Time taken to travel around the area • Employment opportunities • Road safety • Overall pleasantness <p>Based on two yearly surveys</p>	No Survey	No Survey	66%	Next survey is scheduled for 2024. The target for the 2022 survey was ≥90%.
	State of the Environment reporting is completed on a five yearly basis	Not Required	Not Required	100%	
The District Plan updated to meet the needs of the District.	Plan changes and the District Plan review meet statutory requirements.	100%	100%	100%	Two Private Plan Changes were processed, and decisions released. No appeals were lodged, and the plan changes were made operative.
	Structure Plans are developed and reviewed to ensure there is greenfield land to accommodate growth as required by the National Policy Statement on Urban Development Capacity.	≥10 years supply	≥10 years supply	≥11 years supply	The SmartGrowth HBA Housing Capacity Assessment 2022 confirms the current settlement pattern will provide sufficient development capacity in the short and medium terms. In the long term (10-30 years) the Western Bay of Plenty District will have sufficient capacity, with the continued growth of Ōmokoroa which accounts for approximately 70% of available development capacity. Structure plans for Ōmokoroa and Te Puke have been reviewed through the housing intensification plan change 92.
Council processes comply with the statutory requirements.	LTP, Annual Plan and Annual Report are each adopted within statutory timeframes.	100%	100%	100%	2023-24 Annual Plan (adopted August 2023 within statutory extension) and 2021/2022 Annual Report adopted within statutory deadlines.
	The percentage of Council bylaws that are reviewed within statutory timeframes.	100%	100%	100%	



Te whakawhanake i ngā hapori

Building communities

Communities



Overview

This group of activities includes the following Council activities:

- Community Building
- Community Facilities (community halls, cemeteries and elder housing)
- Libraries and Service Centres.

Through this group of activities Council works with communities to build whakawhanaungatanga (relationships), manaakitanga - (support), and oritetanga - (equal opportunity).

We provide the communities activities so that communities can meet their own aspirations to enhance their wellbeing.

Significant effects the communities activity has had on the four wellbeing areas during the year:

Highlights:

Community Building

We have continued our strong partnerships with community organisations through our service delivery contracts. These contracts covering sports, arts, culture and heritage, social services, events, and economic development support local initiatives and aim to improve overall community wellbeing.

Events were a highlight this year. The 'Cultures in Katikati' event showcased various community groups working in harmony to organise an inclusive festival that allowed people to experience different cultural traditions. Te Kete Matariki attracted over 5000 people celebrating Matariki with performances, live music, dance and a hangi.

The Emergency Management team has worked to gauge the level of awareness and preparedness for local and regional hazards, by doing surveys at local events. The feedback from these surveys was mixed, with some people having a good level of awareness, while others showed room for improvement. This information is valuable for planning future initiatives to enhance people's hazard awareness and community readiness. There are currently 10 active Community Response Teams across the district, and this work will support the teams in their crucial role in supporting communities before, during and after an event.

Wellbeing	Effects (positive and negative)
Social	✓ Regional healthy housing programme supporting communities with inadequate housing.
	✓ CCTV fund available for local communities to install CCTV to improve community safety.
	✓ Community response teams involved along with many volunteers in responding to the various flooding events across the District
Economic	No specific action relating to this wellbeing.
Environmental	No specific action relating to this wellbeing.
Cultural	✓ Cultural events successfully delivered including events celebrating Matariki, our new public holiday.

Community Facilities

The Regional Healthy Housing Programme (Twenty Degrees) continues to deliver great benefits to communities with inadequate housing. The programme exceeded its targets for home assessments and is actively seeking central government funding to extend their work.

District wide all cemeteries are developing capacity for more plots as the demand increases.

Libraries and Service Centres

We care for our people and communities and put our customers at the heart of everything we do. Our Customer Service team stands-out across Aotearoa, as it won the Best Customer Experience Award at the latest Association of Local Government Information Management Awards.

In Te Puke, Ōmokoroa, and Katikati, childrens' librarians have been actively collaborating with local parenting education groups known as SPACE groups, which are run through Playcentre. The objective of this collaboration is to provide support to new parents and help them cultivate effective reading practices with their children.

In Katikati, the children's librarian is working with the Katikati Primary School to hold a book club to encourage a love of reading and has also set-up a story time group for adults with disabilities, through a partnership with local agency Cool Crew.

In Te Puke a collaboration between the Te Puke Colab and The Daily Café Charitable Trust has resulted in the creation of The Homework Hub. This provides valuable support to teenagers to help them complete their school and homework.

Due to the increasing demand and interest in technology-related learning, the Pātuki Manawa Digital Hub in Katikati has introduced an additional after-school Code Club session. This initiative is also popular at Te Puke Library.

The Te Puke community also benefits from vital services through the library's weekly Justice of the Peace clinic and a fortnightly Citizen's Advice clinic.

The Ōmokoroa Library has seen an increase in book circulation, which can be attributed to the continuous growth of the community. Summer holiday programmes attracted high participation numbers and feedback was overwhelmingly positive.

Future Initiatives:

Community Building

- In partnership with other key stakeholders, we are working on a Digital Inclusion programme. This is designed to address the 'digital divide,' and disparity between those people who have access to digital technology and those who do not. The programme could include providing access to digital devices, internet connectivity, digital literacy training and other support to help people embrace the opportunities presented by the digital world. The start-up phase of this project will roll out in the second half of 2023.
- Our events calendar is also filling up, with many community events to be held over summer 2023.

Community Facilities

Housing:

- Housing is a key focus of our mahi. We will continue to work on the development and delivery of local housing plans in Te Puke and Katikati, in partnership with housing networks in those communities.
- A positive development is on the horizon at Heron Crescent, Katikati, with plans to grow the number of units available for Elder Housing from 11 to at least 17, or possibly more, depending on funding. This reflects our commitment to providing quality housing for our senior community members.
- In Te Puke we will work with Waitaha and Tapuika to support the development of local village plans in the Manoeka Road area and in Waitangi. These plans are iwi-led and will feed into our future planning work for Te Puke and its surrounds.

Cemeteries:

- A draft concept plan is currently under review for the future extension of the Te Puke Cemetery to introduce the district's first Natural Burials area. This thoughtful addition aligns with evolving preferences for environmentally conscious burial practices.
- An additional ashes wall is also in the pipeline for installation at the Te Puke Cemetery. This is expected to be operational before the existing wall reaches full capacity.

Libraries and Service Centres

- We will expand digital outreach programmes in the eastern areas of the region to enhance our community's accessibility to digital resources.
- The introduction of new guardians will be explored, their focus to be on the safety and wellbeing of our library community.
- The Pātuki Manawa Digital Hub in Katikati is going to expand its footprint. The hub is set to play a more prominent role in fostering digital education, skill development, and technological innovation among the community.
- The Waihi Beach Library & Service Centre will be developed and we'll expand afterschool and holiday programmes across the region.
- We will continue to pursue service collaboration with agencies, i.e. Oranga Tamariki, AA, Citizens Advice Bureau and others, as demand in the community requires.

What we provide

Community building

The community building activity involves working with our communities and local organisations to achieve social and cultural wellbeing.

Working with community and local organisations

Organisations such as:

- Sport Bay of Plenty
- Creative Bay of Plenty
- Socialink
- Katikati Community Centre
- Colab Te Puke
- A Friend's Place Waihi Beach
- Citizen's Advice Bureau

Civil defence and emergency management

Community facilities

Community facilities include community halls, elder housing and cemeteries. Community facilities contribute to achieving social and cultural wellbeing. They contribute to having communities where people are connected and feel they belong, have access to adequate housing, and have spaces where they can be active and healthy and learn and contribute.

Elder housing

59 units across the District (15 units in Waihi Beach, 10 units in Katikati, and 34 units in Te Puke).

Community Halls

19 Community halls spread within the communities across the District.

Cemeteries

Five cemeteries across the District, located in Katikati, Oropi, Te Puke (2) and Maketu.

Libraries and service centres

Our libraries and service centres sit at the heart of our community. They provide welcoming and inclusive spaces where people can connect and access knowledge. Our libraries empower people through literacy, learning and free access to information and resources. Reading, digital fluency, free computer access and training are all central to our libraries. They also house our local heritage, stories and history. Our libraries and service centres belong to everyone and contribute to connected communities where lifelong learning opportunities thrive.

Buildings

One head office building with service centre at Tauranga, and four libraries and service centres located at Waihi Beach, Katikati, Ōmokoroa and Te Puke.

Customer service

90,329 inbound calls to our contact centre and service requests raised.

Library items

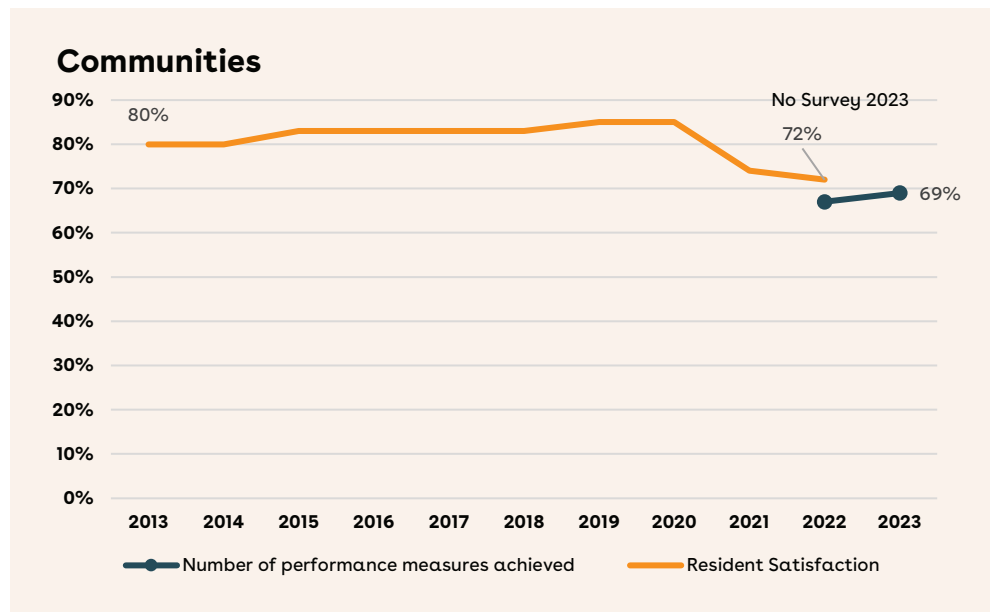
133,993 items held by libraries (includes hard copies and e-books and local history archives).

Events and activities

School holiday events, engagement events, and weekly interactive activities at our libraries.

Free Wifi

Service performance results



Community targets achieved - this monitors the achievement of all the targets set for levels of service. For the 2022/2023 year 69% of the measures were achieved against a target of $\geq 70\%$, an increase from last year.

Resident satisfaction with Community Development - on a two yearly basis, this survey monitors satisfaction with the community development programme. Next survey is scheduled for 2024.

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
This group of activities includes the following Council activities: <ul style="list-style-type: none"> Community Building Community Facilities (community halls, cemeteries and elder housing) Libraries and Service Centres. 	Key Performance Measure Number of activity performance measures achieved (Community Building, Community Facilities, Libraries and Service Centres) 2020 unaudited baseline result 66%.	$\geq 70\%$	69%	67%	Community targets achieved - this monitors the achievement of all the targets set for levels of service. For the 2022/2023 year 69% was achieved, last year (2021/2022) 67%.
	Key Resident Measure Level of resident satisfaction with Community Services based on a two yearly survey. This includes community development, library services and cemeteries.	No Survey	No Survey	72%	Next survey is scheduled for 2024. The target for the 2022 survey was $\geq 80\%$.

Community building

Goals

- The District has strong collaborative networks, delivering agreed strategies and programmes that contribute to social and cultural wellbeing
- Communities have the capacity to deliver their own initiatives that achieve their goals
- Communities host and deliver events that bring the community together and contribute to a sense of belonging
- Tangata Whenua are supported to achieve their aspirations and to build capacity to contribute to decision making
- Council is contributing to improving access to adequate housing
- Council's Civil Defence and emergency management functions are maintained

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We fund and support collaborative networks and programmes	Accreditation under Safer Communities and Welcoming Communities is maintained.	Accreditation maintained	Accreditation maintained	Accreditation maintained	Accreditation has been maintained. The Welcoming Communities programme continues to flourish. Safer Communities, at a national level, is being reviewed. A decision on continuing with accreditation will be made in the 2023/2024 year.
We fund and support community led initiatives	Number of projects receiving funding from Community Matching fund that are successfully delivered.	≥90%	98%	85%	\$140,000 was distributed to successful applicants. A small number of projects were delayed due to consenting requirements.
	Percentage of deliverables in service delivery contracts that are met.	≥90%	100%	100%	All Service Delivery contracts progressing well, with contract objectives being met.
We will engage with and fund Tangata Whenua to build capability and achieve aspirations.	Number of projects funded from the Marae Sustainability Initiatives Fund that are successfully delivered.	≥90%	100%	100%	All projects funded in this financial year have been completed.

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We support and fund implementation of Council's Housing Action Plan.	Number of homes in the Western Bay of Plenty assessed and upgraded through the Regional Healthy Housing Programme.	≥60	197	81	The Twenty Degrees Programme is delivering exceptional value for money for Western Bay homes. The programme has leveraged funding from central government and significant contributions from local businesses and the community, to achieve this result.
We will maintain capability to effectively respond to an emergency	The city/District/region is prepared so it can effectively respond to an emergency.	Advancing	Achieved	Achieved	EOC (Emergency Operation Centre) roster numbers continue to grow but we continue to recruit due to staff movement. Training is being monitored and encouraged and this has had a good uptake, in line with expected progress.
We will provide community education initiatives to increase public awareness and readiness for local and regional hazards.	Percentage of residents that have an understanding of what the consequences would be if a disaster struck their area. Based on a two-yearly survey.	80%	85%	No survey	There was no survey planned or undertaken in 2022.
	Percentage of residents that have taken any action to prepare for an emergency. Based on a two-yearly survey.	80%	90%	No survey	There was no survey planned or undertaken in 2022.

Community facilities

Goals

- Elder housing that meets the needs of our older residents that have high housing needs.
- Cemeteries and places of remembrance meet the needs of our communities.
- A network of community halls across the District meets local needs for education, recreation and social connection.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We will provide cemeteries at Katikati, Maketu, Oropi and Te Puke that cater for the burial needs of the community.	Number of cemeteries where plot availability is >30% of annual plot requirements or 5 plots at any one time.	4	4	4	
	Areas for natural burials provided in the District.	1	0	0	Work has begun on the Draft Concept Plan, for the proposed Natural Burials area of the Te Puke Cemetery.
We provide dedicated areas for memorialisation across the District.	Areas dedicated to memorialisation (either within a cemetery or in a reserve) provided in each ward of the District.	2	2	2	Memorialisation opportunities are provided in the Katikati and Te Puke Cemeteries. Further opportunities also exist in various reserves.
Partnerships with hall committees will be maintained.	Number of 10-year maintenance programmes in place with existing hall committees.	≥14	14	14	Council meets with the 14 hall committees to review and approve maintenance programmes.
	Minimum number of notifications (per year) each hall committee will receive regarding annual budget and policy changes.	≥1	1	1	Hall committees are notified each year of annual budget and policy changes. Regular communications are maintained throughout the year regarding maintenance spend.

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We provide affordable rental housing for older people with limited financial means.	Percentage of service requests actioned within agreed timeframes.	≥90%	82%	65%	These service requests have predominantly been actioned on the agreed day but the timing of sign off has made them overdue. Service requests have not met agreed timeframes primarily due to suboptimal staffing and available resources.
	Annual housing occupancy rate of all available units.	≥90%	100%	100%	All available units are occupied within 1 month of any vacancy occurring.
	Number of units provided across the District. Aim is to increase stock over time.	70	59	70	The number of available units declined in 2023. The planned 7 units were completed on Beach Road in Katikati, however 11 units have been demolished on Heron Crescent in Katikati to make way for 26 new units to be built, the project commencing in the 2023-24 year. There are a further 7 damaged, unoccupied units, that are awaiting Council decision to demolish due to an unprecedented flood event on 29 May 2023.

Libraries and Service Centres

Goals

- Our network of libraries and service centres are safe, welcoming, inclusive, flexible spaces for community connection
- Our libraries enable access to information and knowledge
- Our libraries are places to share and enhance learning, knowledge and creativity
- Our libraries collaborate with the community. We host, connect and facilitate

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We provide a network of libraries and service centres that provide safe, welcoming, inclusive and flexible spaces for community connection.	Number of library and service centre providing multi-use community spaces. Aim is one in each of the four urban centres (Te Puke, Katikati, Waihi Beach and Ōmokoroa).	1 centre	1 centre	1 centre	Other Library and Service Centres planned are; Waihi Beach, 2025; Te Puke, 2028: and Ōmokoroa in 2031.
	Number of physical visits to libraries and service centres per annum.	≥310,000	253,441	188,542	An increase of 64,899 on the previous year, 188,542 (2022). Council has created many online options for tasks/processes that allows users to transact at home, these tasks previously done in the libraries and service centres. The change in these service options was actioned during Covid-19 lockdowns have since changed behaviors resulting in less visits to libraries and service centres.
	Resident satisfaction with library and service centres service. (Based on a two-yearly survey)	≥85%	No Survey	81%	Next survey is scheduled for 2024. The target for 2023 was incorrectly stated as ≥85%, this however was the target for 2022. There was no survey planned in 2023, the next survey is in 2024.

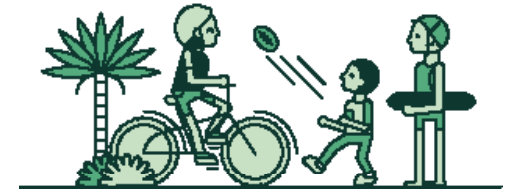
What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We provide access to free WiFi technology and programmes that meet community needs.	Number of free wi-fi users.	80,000	41,043	30,002	41,043 WiFi users compared to 30,186 last year (2022) an increase of 10,857. The target for 2022 was 75,000. There were less Wifi users than expected, impacted by less seasonal workers being employed, typically strong users of the service in Te Puke.
We provide access to and maintain collections, including heritage collections, that meet customer needs.	Number of library items available per person.	2	2.2	2.1	Active borrowers 18,291, population 59,440 Items available (including electronic) 133,993
	Increasing membership 2020 - membership 17,000	≥17,000	18,291	16,925	An increase of 1,366 on last year, 16,925 (2022).
We provide programmes and events that cater for community needs and aspirations.	Number of events and programmes facilitated by Council library services.	≥400	1,045	375	There were 9,526 attendees to events, many of these were online events stimulated by digital hubs created and available since Covid-19 lockdowns. Other event opportunities were as a result of the Summer Student Programme that conducted children focused events for the community.
	Number of partnerships for programme delivery.	≥4	3	4	Katikati Community Centre in The Hub, Katch Katikati monthly business breakfast in The Hub. Digital Alliance NZ (computer classes) - delivered at Te Puke and Katikati Libraries
We provide customer services that are responsive to the needs of the community.	Percentage of customer satisfaction with service provided by frontline staff based on two yearly survey.	No survey	No survey	85%	Next survey is scheduled for 2024 88% satisfaction reported using the HappyOrNot kiosks that are in all our 5 spaces for customers to rate our customer service performance and to leave comments. The target for the 2022 survey was ≥90%.
	Percentage of service requests resolved within specified timeframe.	≥95%	94%	95%	For July-September 2022 only. We ceased conducting these Surveys in October 2022.
	Percentage of customers surveyed where service requests were not actioned.	≤5%	1%	2%	For July-September 2022 only. We ceased conducting these Surveys in October 2022.



Jess Ellis Mural Painting, Waihi Beach

Photographer: Anna Menendez

Recreation and open spaces



Overview

The benefits of an active, healthy community, particularly as the population ages, are well known. Our network of public open space and facilities provides opportunities for people to interact socially and improve their health as well as contributing to the protection of cultural, landscape and ecological values.

Recreation and open spaces facilities are well planned and safe to meet the diverse and changing needs of our community.

Significant effects the recreation and open spaces activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	✓ New trails established at Waihi Beach Water Catchment area
	✓ Waitekohekohe Recreational Park in Katikati
	✓ New toilets at Waihi Beach Community Centre
Economic	No specific action relating to this wellbeing.
Environmental	✓ Protection of heritage features at Otaipara Reserve
Cultural	✓ Community consultation on development of Maramatanga Playground

Highlights:

We have developed a new reserve site at Otaipara Reserve in Maketu, which contains a significant number of heritage features that were granted protection by Heritage NZ Archaeological Authority in April 2023. This project includes the creation of recreational areas, amenities, and natural spaces for the community to enjoy.

New walking trails in the Waihi Beach Water Catchment area were created, providing opportunities for people to explore the natural beauty of the region.

Waitekohekohe Recreational Park in Katikati was formally opened on 4 March, 2023. It now offers more horse trails, an equestrian carpark and visitor parking for mountain bikers and horse riders.

At Waihi Beach new toilet facilities were provided in the Community Centre and Cooney Reserve. Island View Reserve toilet was also renewed.

We ran community engagement to get feedback for the development of Maramatanga Playground in Te Puna and the replacement of Panepane Wharf on Matakana Island.

The transformation of part of Oliver Park as a Te Puke dog exercise area commenced and will be completed in Spring 2023 for the enjoyment of local dogs and their owners.

Future Initiatives:

- There are plans to renew the Minden Lookout in Te Puna, which is currently closed. Design and consent is scheduled for 2024 and the build in 2025.
- The Landing jetty in Katikati is in the process of being upgraded to enhance the jetty's safety and usability.
- Panepane Wharf on Matakana Island is set to be rebuilt in 2024.
- Tenders are open for the Dave Hume Pool roofing project in Katikati. Work is planned for 2024 and aims to enhance the pool in all weather conditions.

What we provide

Coastal structures

- 27 boat ramps
- 13 wharves and jetties
- 6.9km of sea wall
- Five pontoons

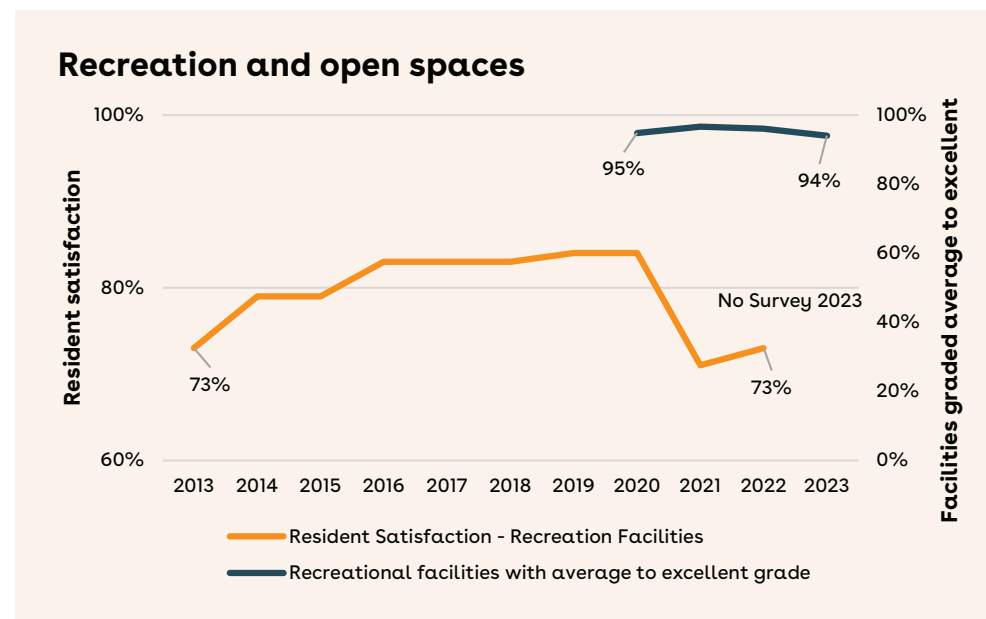
Sub-regional Parks

- TECT Park
- Hūharua Park

Recreational facilities

- Two swimming pools
- Six skate parks
- Six camping grounds
- 30 playgrounds
- 32 sports fields
- 44 hard courts
- 76 public toilets
- 51.7km of paths

Service performance results



Facilities graded average to excellence - this monitors quality of recreational facilities provided throughout the District. The 2023 result showed 94% of recreational assets achieved average to excellent rating.

Resident satisfaction with Reserves and Recreational Facilities and Amenities - on a two yearly basis, this survey monitors satisfaction with the recreation and open space facilities and amenities. Next survey is scheduled for 2024.

Goals

- Provide appropriate opportunities to access the recreation and open space network
- Connect our spaces and places to each other and to destinations such as schools and community gathering places
- Protect and enhance important environmental, cultural and heritage values
- Provides spaces and places that our community are proud of, that are safe and that encourage participation
- Collaborate and partner with Tangata Whenua and the community to provide recreation and open space experiences.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We provide safe, attractive and well-maintained facilities and amenities to our community.	<p>Key Performance Measure</p> <p>The percentage of recreational facilities that have an average to excellent grading of equal to or less than 3 (1 excellent, 5 very poor) as defined in the NZ Park and Recreation Asset Grading manual).</p>	≥90%	94%	96%	Council continues to maintain recreation facilities to a high standard through its renewal investment.
We continue to provide quality experiences that meet the needs of our community through ongoing planning, development and management of the recreation and open space network.	<p>Key Resident Measure</p> <p>Increasing overall resident satisfaction with recreation and open space facilities and amenities.</p> <p>Two yearly survey based on residents who are 'very satisfied' and 'satisfied'.</p>	No survey	No survey	73%	The next survey is scheduled for 2024. The target for the 2022 survey was ≥80%.
We provide a fit for purpose, future-proofed swimming pool network that meets the needs of local communities.	<p>Increasing user numbers at Dave Hume Swimming Pool and Te Puke Memorial Pool</p> <ul style="list-style-type: none"> • Katikati • Te Puke <p>Note: When pools re closed for development target is 0.</p>	0 ≥25,000	18,008 2,935	17,351 20,000	<p>Katikati - Increased total from last year but still down from pre COVID-19 levels. 17,351 (2022).</p> <p>The target for 2022 was ≥25,000. The planned target for 2023 was 0 reflecting an expected closure for the building of the pool roof, which did not occur. This roof project is underway in the 2023-24 year, having an impact on availability for users.</p> <p>Te Puke - The pool was only available for a 6 week period between February and April 2023, leading to lower user numbers. This was as a result of delays in the pool painting project due to poor weather.</p>
We engage with our community on an ongoing basis to ensure our planning processes for recreation and open space respond to community needs.	<p>The number of recreation and open space community engagement processes undertaken each year continues to be maintained or increased.</p> <p>Baseline will be number of engagements taken in 2021/22</p>	Maintain or increase ≥2	3	3	Community engagement has resulted from consultation with the Arawa Road recreation opportunities concept plan, the Transport Choices Fund Te Puke Cycleway, and the Wilson Park concept plan (3rd consultation).

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We provide safe, attractive and well-maintained facilities and amenities to our community.	Maintain Recreation Aotearoa Green Flag accreditation for at least two parks within our open space network on a three yearly basis.	2	2	1	The target in 2022 was “no application”. Green Flag was awarded for both Hūhuru Park and TECT Park. In 2022 an application did proceed and was awarded for TECT Park. Green Flag is an internationally recognised award for parks and green spaces that meet high standards of quality and sustainability.
We provide an accessible network of reserves within urban areas for recreation and amenity purpose.	Neighbourhood reserves (or a suitable equivalent experience e.g. sport and recreation parks) are located within 800 meters (5-10 minute walk) or urban/town residential properties.	≥85%	99%	98%	<p>Results:</p> <ul style="list-style-type: none"> Waihi Beach 100% of 2,956 lots Katikati 100% of 1,959 lots Ōmokoroa 98% of 2,275 lots Te Puna West 100% of 139 lots Te Puke 99% of 2,820 lots Paengaroa 100% of 244 lots Pukehina Beach 100% of 627 lots Maketu 86% of 502 lots <p>Overall 800m accessibility to 11,415 of 11,522 total lots (99%)</p>
We provide a safe and connected walking and cycling network that leads to improved transport choices and provides a variety of recreational experiences through and beyond our District.	Walking and cycling track counters identify increasing use over time.	≥95,000	164,942	149,295	<p>Total includes only the following:</p> <ul style="list-style-type: none"> Ōmokoroa Plummers Point - 90,815 Paengaroa - 1,951 Waihi Trig - 46,512 Te Puke Kahikatea path - 25,664 <p>NOTE - this year's total includes Te Puke. Total for last year 149,295 (2022).</p> <p>The target for the 2022 was ≥90,000 counts.</p>
We continue to provide quality experiences that meet the needs of our community through ongoing planning, development and management of the recreation and open space network.	Increasing resident satisfaction with the accessibility to recreation and open space opportunities locally and across the District.	No survey	No survey	84%	<p>The next survey is scheduled for 2024.</p> <p>The target for the 2022 survey was ≥90%.</p>
	Increasing resident satisfaction with the quality of recreation and open space opportunities locally and across the District.	No survey	No survey	84%	<p>The next survey is scheduled for 2024.</p> <p>The target for the 2022 survey was ≥90%.</p>

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We provide a safe and connected walking and cycling network that leads to improved transport choices and provides a variety of recreational experiences through and beyond our District.	<p>Key resident measure</p> <p>Level of satisfaction with our transportation networks (roads, cycling and walkways).</p>	≥60%	48%	54%	Resident satisfaction has remained constant (60%) in respect to walkways and cycleways compared with last year. This measure is an aggregate measure that has been impacted by roading feedback.

Regulatory Services



Overview

Regulatory Services are delivered through a balanced compliance approach, promoting the safety and wellbeing of our communities and enhanced sustainability of our built and natural environments. As a regulator we are required to take a balanced response to decision making by considering the competing rights of individuals and groups to undertake particular activities.

Our decision on these activities:

- Legislation, regulations and national standards that we are required to comply with.
- The opportunities we take to develop local policies, plans and bylaws to regulate local issues.

Our Regulatory Services Strategy includes activities which protect people and the environment by regulating and licensing aspects of commercial services and private behaviour where wellbeing issues arise. These activities include:

- Animal control services
- Building services
- Resource consent services
- Community protection

Overall we aim to provide high quality regulatory services in a fair and impartial manner, ensuring that customers are kept fully informed at key stages in the service delivery process.

Significant effects the regulatory services activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	✓ Wander Dog series and the Doggy Day Out engaging dog owners
	✓ 70% less infringements issued by engaging freedom campers
Economic	✓ Resource consents granted for Ōmokoroa Country Club, Ōmokoroa Town Centre and Te Puke Housing Development
	✗ Building and Resource Consents not processed within statutory timeframes
	✗ PIM applications not processed within statutory timeframes
Environmental	✓ Natural protection lots continue to be monitored
Cultural	No specific action relating to this wellbeing.

Highlights:

In the Resource Consent area several large developments were granted approval in 2022/2023 including the Ōmokoroa Country Club retirement village, Ōmokoroa Town Centre, 100+ lot housing developments on Seddon Street and Dunlop Road, Te Puke, and resource consents for the Rangiora Business Park.

In the building consent area, we are working to improve our processing and approval timeframes for consents. We've developed a system for larger-scaled developments with adequate quality assurance in place. The Building Team has also introduced a new on-line portal that's being rolled out across many building consent authorities. Western Bay of Plenty District Council and Tauranga City Council are early adopters and are now aligned to provide a unified experience for our customers across the District.

The Animal Services team had a highly successful year with their Wander Dog series and the Doggy Day Out. These events allow us to engage with dog owners and forge stronger relationships with our communities, whilst also providing valuable dog training advice. The events were so successful, the Animal Services team has embarked on a winter series of dog related events.

Freedom campers enjoy exploring our region. Four summer ambassadors were employed from mid-December to Waitangi Day, to positively engage with freedom campers and provide information about local facilities. This resulted in 70% less infringement notices being issued this season. Freedom campers were also surveyed to help fine tune the strategy for next season.

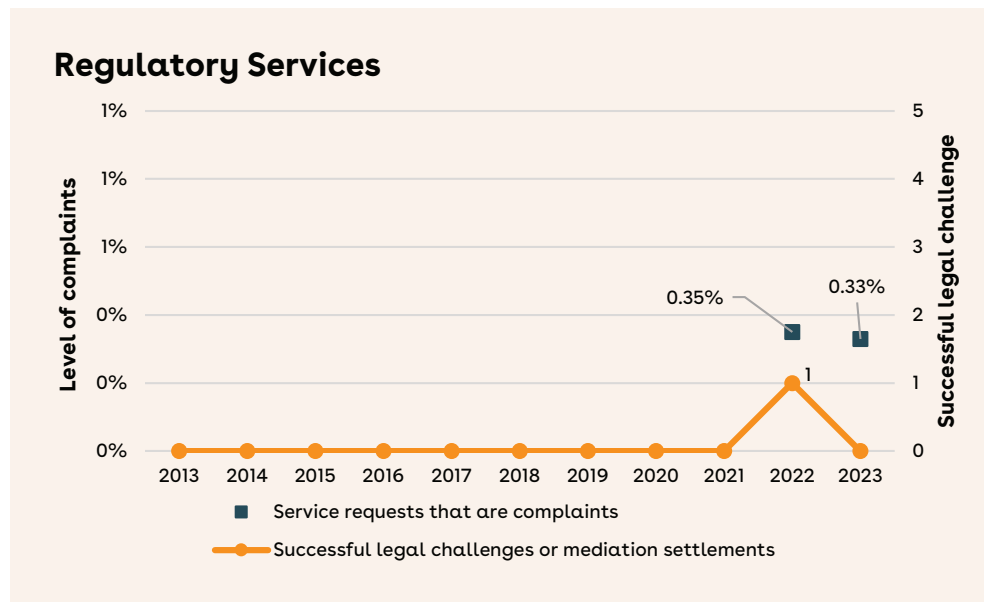
Future Initiatives:

- The Resource Consent team is working to improve its level of service and turn-around times for processing consents, and is gearing-up to process consents for substantial new housing developments and the establishment of industrial parks or commercial zones.
- In the area of Building Services, a second phase of the new online portal will be launched for processing building permits. This is designed to simplify and expedite the application process, ensuring a more efficient experience for our customers.
- The Freedom Camping Act to provide only dedicated Council managed land for self-contained freedom campers. This change will likely change the scope of our monitoring activities.

What we provide

- Animal control officers
- Dog pounds
- Building inspections
- Building consent processing
- Resource consents and monitoring
- Licensing (food and liquor)
- Food premises inspections
- Parking wardens
- Mobility car parks
- Noise control

Service performance results



Successful legal challenges or mediation settlements - this monitors instances where there has been a successful legal challenge or mediation settlements. In 2022/23 there were no successful challenges or mediation settlements.

Service requests that are complaints - this monitors the level of complaints received about council regulatory processes. A total of 3,961 regulatory services requests were received of which 13 (0.33%) were complaints.

Goals

- Provide a safe environment for the public through promoting responsible dog ownership
- Building work is regulated to ensure the health and safety of people and sustainability in design and construction methods
- The quality of the environment is maintained and enhanced through effective decision making on resource consents
- Improve, protect and preserve the environment and public health and safety by minimising risks from nuisances and offensive behaviour.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
<p>Resource Consent Services The quality of the environment is maintained and enhanced through effective decision making on resource consents.</p> <p>Animal Control Services Provide a safe environment for the public through promoting responsible dog ownership.</p> <p>Building Services Building work is regulated to ensure the health and safety of people and sustainability in design and construction methods.</p> <p>Community Protection Improve, protect and preserve the environment and public health and safety by minimising risks from nuisances and offensive behaviour.</p>	<p>Key Performance Measure</p> <p>Number of successful legal challenges or mediation settlements (excludes weathertightness claims).</p>	0	0	1	No successful legal challenges or mediation settlements for the Resource Consents activity.
	<p>Key Resident Measure</p> <p>Percentage of service requests that are complaints about Council processes for:</p> <ul style="list-style-type: none"> • Animal control • Health and Licensing • District Plan and Bylaw Compliance • Building • Resource Consent Compliance and Enforcement 	≤3%	0.33%	0.35%	13 complaints were lodged out of a total 3,961 service requests.
Resource consent applications will be processed within the statutory timeframe and their compliance monitored.	Percentage of resource consent applications processed within the statutory timeframes	100%	69%	93.2%	Application processing results were negatively impacted by sub optimal staffing and available resources.
	Percentage resource consents monitoring schedule completed to ensure compliance with consent conditions.	100%	100%	99.9%	All 967 consents were monitored as planned.
	Number of resource consent decisions overturned through appeal.	0	0	1	No resource consent decisions were appealed in 2022/2023.
Building and health applications and plan checking will be processed within statutory timeframes.	Percentage of building consent applications and plan checking processed within the statutory timeframes.	100%	81%	84%	Application processing results were negatively impacted by sub optimal staffing and available resources.

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
Requests for further information on building consent applications are issued within a reasonable time period.	Percentage of Requests for Further Information that are issued within 15 working days of the application being accepted.	≥80%	54.3%	67%	The processing of Requests for Further Information was negatively impacted by sub optimal staffing and available resources. The target for 2022 was ≥75%.
Code of Compliance Certificates are issued within the statutory period.	Percentage of Code of Compliance Certificates that are issued within the statutory timeframe.	100%	93.5%	98%	Results were negatively impacted by suboptimal staffing and available resources. Other factors impacting the results have been addressed with improved systems.
Land Information Memoranda (LIM) and Project Information Memoranda (PIM) will be processed within the statutory timeframe (10 days).	Percentage of LIM and PIM applications processed within the statutory timeframe (10 days).	100%	30% (PIMs) 100% (LIMs)	96%	PIM's assessments have become increasingly complex therefore taking longer because more and more building developments are being undertaken on challenging or marginal land. This has affected the 10 working days timeframe.
Known dogs in our District are registered.	Percentage of known dogs in our District that are registered.	≥98%	96%	96%	The Animal Services Team had a significant push to register as many dogs as possible, the result is advancing towards the target.
Known dogs in our District are microchipped (excluding those meeting the requirements to register as working dogs).	Percentage of known domestic dogs in our District that are microchipped.	≥80%	87.5%	85%	The awareness of the benefits of microchipping are being pushed by vets and lost dog organizations. All dogs impounded are microchipped on the release back to their owners.
We will respond to customer service requests in a timely manner.	Percentage of service requests received that are actioned within specified timeframe.				
	• Animal	≥90%	98%	95%	Animal – 1,216 service requests received, of which 1,190 were actioned within agreed timeframe.
	• Building	≥90%	99%	93%	Building - 466 service requests received of which 459 were actioned within agreed timeframe.
	• Health	≥90%	94%	88%	Health - 82 service requests received of which 77 were actioned within agreed timeframe.
	• District Plan and bylaw compliance	≥90%	95%	94%	The District Plan / bylaw compliance / resource consent compliance and enforcement are reported together - 1,591 compliance requests were made, of which 1,504 were within prescribed timescales.
	• Resource consent compliance and enforcement	≥90%	95%	94%	

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
Food business are regularly monitored and assessed	Percentage of food businesses that are scheduled for verification are assessed in accordance with statutory requirements.	95%	100%	100%	
Parking is monitored within Te Puke and Katikati town centres and largely on a seasonal basis at Waihi Beach.	Percentage of parking infringements correctly issued	95%	99.8%	98.9%	Out of 536 infringement notices issued, 1 ticket needed to be cancelled.

Stormwater



Overview

Stormwater networks are designed and managed to meet community and environmental needs.

Council’s stormwater network is designed to manage the risk of flooding and coastal erosion to buildings and property, in a way that avoids negative impacts on the environment. The stormwater network includes watercourses, open channels, swales, pipes and structures that channel stormwater to a final discharge point. It includes primary and secondary overland flow paths, stormwater detention and stormwater treatment.

There are legislative requirements regarding the quality and quantity of stormwater released and we must meet these statutory obligations. Under the Resource Management Act 1991, District Councils must manage land use in a way that minimises environmental effects.

Significant effects the stormwater activity has had on the four wellbeing areas during the year:

Highlights:

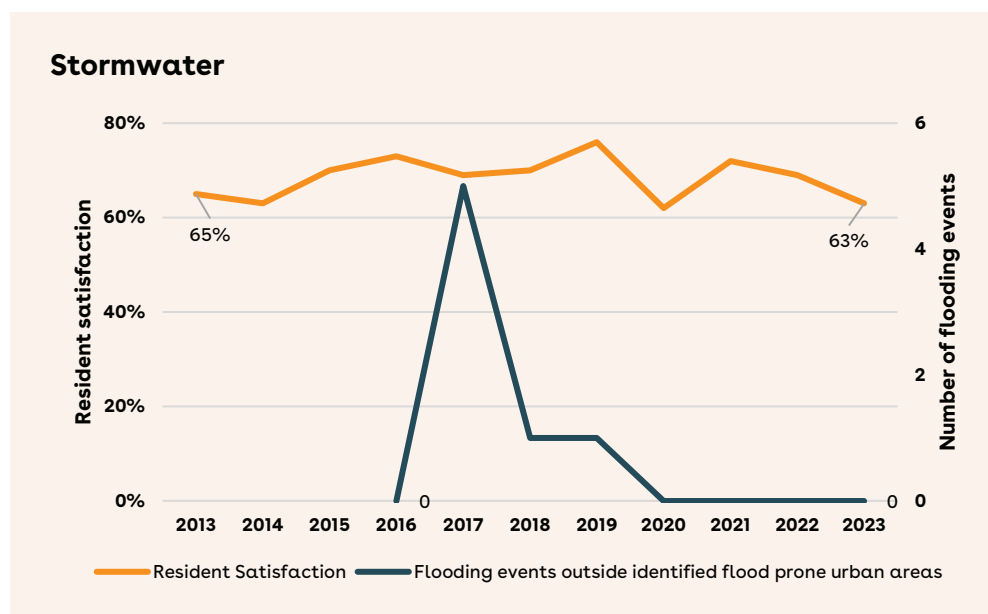
- The region was hit by several storms during the year that caused significant flooding, but only in areas that have been identified as prone to flood.
- Although the rainfall in the first half of 2023 was significantly above average Council’s stormwater network performed well. The reason for that was that most of the rain was from low intensity storms.
- Work has been completed on Pond 5 in Te Puke. This pond will provide stormwater treatment for future growth areas. It suffered damage from the extreme weather this year and is now being monitored after undergoing a clean-up. Designs are underway for retention ponds in this area.
- Work has started on 3 ponds in Ōmokoroa to allow for future growth.
- Two pumpstations were completed in Bowentown to reduce the flooding impact in this area.
- The Waihi Beach Stormwater Model is currently being updated. Once complete Council will review the model and identify potential projects to mitigate ongoing flooding issues and support growth at Waihi Beach.

Wellbeing	Effects (positive and negative)
Social	✓ Waihi Beach Stormwater Model currently being updated to mitigate ongoing flooding issues.
	✓ Work has started on 3 ponds in Ōmokoroa providing for future growth.
Economic	✗ Impact of flooding on households at Waihi Beach.
	✗ Impact of District wide flooding events.
Environmental	✓ Completion of 2 pumpstations in Bowentown to reduce flooding impact.
	✗ Damage to Pond 5 at Te Puke due to extreme weather events.
Cultural	No specific action relating to this wellbeing.

Future Initiatives:

- The focus for stormwater projects will be to support growth in Te Puke and Ōmokoroa and to address the stormwater issues in Waihi Beach.
- The stream bank protection works along 2 Mile Creek are scheduled to begin before the fish passage season.
- Discussions are underway with Tauranga City Council to run a school education program about water, stormwater and waste water on behalf of Western Bay District Council.

Service performance results



Number of flooding events outside identified flood prone areas - this monitors flooding that occurs in areas outside identified flood prone areas. In 2023 there were no flood events outside a flood prone area.

Resident satisfaction with Stormwater systems - the level of satisfaction with stormwater systems in 2023 was 63%. This is a decrease from the 2022 result of 69%.

Goals

- Use an integrated catchment based management approach that:
 - Reduces flood risk by upgrading infrastructure, identifying secondary flow paths and minimising runoff
 - Uses low-impact design to improve water quality, including maintaining natural flows as much as possible and reducing contaminants through systems that mimic natural processes
 - Minimises loss of habitat in receiving environments
 - Provides recreational opportunities and amenity values where possible
 - Recognises cultural values associated with local waterways.
- Engage with communities and Tangata Whenua to build understanding about various approaches to stormwater management, including coastal erosion protection and ensure their views are sought and taken into account
- Undertake compliance and monitoring activities through a balanced approach to ensure best practice use of the stormwater network.

What we provide

- Two dams
- 10 pump stations
- 16 soak holes
- 34km of open drains
- 49 stormwater ponds
- Over 3,320 manholes
- 231km of stormwater pipes (including 1.2km of rising mains)
- 663 catchpits

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
We use an integrated catchment based management approach to provide a stormwater network that minimises risks of flooding events	<p>Key Performance Measure</p> <p>The number of times per annum flooding occurs outside identified flood-prone urban areas during a one-in-50 year or less storm event.</p>	≤3 events	1	0	<p>One habitable floor was identified by Council staff as being inundated during an event on 29 May in Waihi Beach. We have achieved this target.</p> <p>An on-site assessment suggests that the issues is not related to Council’s stormwater network rather the private stormwater system within the property.</p>
	<p>Key Resident Measure</p> <p>Level of resident satisfaction with stormwater systems.</p>	≥65%	63%	69%	<p>With the large number of weather events affecting the District there has been a decrease in residents’ satisfaction compared to the (2021/2022) results of 69% satisfaction with stormwater management.</p> <p>This is likely due to higher-than-average rainfall volumes experienced this year.</p>
	<p>The number of flooding events that occur within the Western Bay of Plenty District.</p> <p>For each flooding event (District wide), the number of habitable floors affected (expressed per 1000 properties connected to Council’s stormwater system).</p>	≤30 (3%) per event	1.72	0	<p>The region was hit by three flooding events. Waihi Beach suffered a significant flooding event on 29 May 2023. Of 52 properties assessed, 23 properties had habitable floors affected. Council has 13,389 properties connected to its stormwater system. We have achieved the target.</p> <p>Council spoke to affected residents at Waihi Beach and collated specific information about the affected properties.</p>
	<p>For a one in ten year flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to Council’s stormwater system).</p> <ul style="list-style-type: none"> • Waihi Beach • Katikati • Ōmokoroa • Te Puke • Maketu 	<p>Per event</p> <ul style="list-style-type: none"> • ≤60 (6%) • ≤10 (1%) • ≤10 (1%) • ≤30 (3%) • ≤30 (3%) 	<ul style="list-style-type: none"> • 0 • 0 • 0 • 0 • 0 	<ul style="list-style-type: none"> • 0 • 0 • 0 • 0 • 0 	

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
We use an integrated catchment based management approach to provide a stormwater network that avoids impacts on water quality.	Compliance with Council's resource consents for discharge from our stormwater system, measured by the number of:				
	• Abatement notices	0	0	0	
	• Infringement notices	0	0	0	
	• Enforcement orders, and • convictions	0	0	0	
	received by Council in relation to those resource consents				
We will carry out compliance and monitoring activities in a balanced way to ensure best practice.	Percentage complete of Council's annual audit programme.	80%	100%	80%	All fieldwork was performed as per the approved consent monitoring plans.
	Number of awareness / education initiatives on best practice delivered.	≥3	0	0	School education events were cancelled due to COVID-19 and have not restarted. These will restart in 2023/2024.
We will be responsive to customer's stormwater issues.	The median response to attend a flooding event, measured from the time that Council receives the notification to the time that service personnel reach the site.				82 enquires were recorded as urgent. This includes the following subtypes: blocked drain/ culvert, flooding private land and flooding home.
	• Urgent	≤60 mins	73mins	73mins	The target for urgent in 2022 was ≤120 mins. The ability to respond within the targeted response times was impacted by the nature and severity of weather events during the year.
	• Non-urgent	≤24 hrs	17hrs 21mins	0	During last year (2022) all non-urgent responses were categorised as urgent, hence the N/A result.
	• The number of complaints received by Council about the performance of its stormwater system, expressed per 1000 properties connected to the Councils stormwater system.	≤30	23.8	2	319 Stormwater complaints for 13,389 connections.

Transportation



Overview

Transportation networks are safe, affordable, sustainable and planned to meet our Community’s needs and support economic development.

Council’s transportation activity aims to provide a safe and effective transportation network which contributes to the health and wellbeing of the community. An efficient transport network enables economic development that is of District, regional and national importance. The network provides strategic transport links to the Port of Tauranga which has the largest maritime import/export freight volumes in New Zealand.

Significant effects the transportation activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	✓ Installation of a Bailey bridge on No. 4 Road, Te Puke following a flooding event.
	✓ Ōmokoroa Road and Western Avenue upgrades.
	✗ Annual Residents Satisfaction with transport networks.
Economic	✓ Access to Central Government funding for Local Road initiatives.
	✓ Prole Road (Ōmokoroa) transformation, access to 2,500 new homes development.
Environmental	✓ Additional 1.1kms cycleways and walkways constructed, providing access to reserves.
Cultural	No specific action relating to this wellbeing.

Highlights:

During the Auckland Anniversary weather event there was an unexpected washout of the existing single-lane bridge on No. 4 Road in Te Puke. We acted swiftly to address this, with support from Waka Kotahi NZ Transport Agency. A Bailey bridge which is a portable, prefabricated truss bridge, was installed to restore access for local residents.

Significant upgrades have improved the safety and accessibility of two key roads in Ōmokoroa: Ōmokoroa Road and Western Avenue. These enhancements, with a combined value of nearly \$10 million, were undertaken as part of our preparations for growth on the peninsula.

The completion of the Ōmokoroa Road Urbanisation Stage One and Western Avenue Urbanisation projects marked a milestone, being among the first projects partially funded by the Crown Infrastructure Partners (CIP) fund. Alongside upgrading sections on both roads, totalling 2km, the existing road has been widened to 11.5m and new 2.5m shared paths have been constructed on both sides of the roads. The projects also included undergrounding of powerlines, new streetlights and plantings, two new roundabouts, bus bays, safe crossing points and kerbing.

Construction also began on a significant \$23.5 million roading upgrade in Ōmokoroa. This project is pivotal for the development of 2,500 new homes in the area and supporting the planned Ōmokoroa Town Centre and two future schools. The upgrade encompasses the transformation of Prole Road from a rural road into a suitable urban thoroughfare. Key elements of the project include the reconstruction of 1.7km of road, stretching from Ōmokoroa Road to Waipapa River, the installation of new shared walking and cycling paths on both sides of the road, on-road cycle lanes for experienced cyclists, safe pedestrian crossings, and the creation of a dual-lane roundabout at the intersection of Prole and Ōmokoroa Roads.

The funding for this work is a collaboration between our Council, contributing \$16 million, and \$7.5 million secured through the Government's Infrastructure Reference Group. Construction is expected to finish by early 2025.

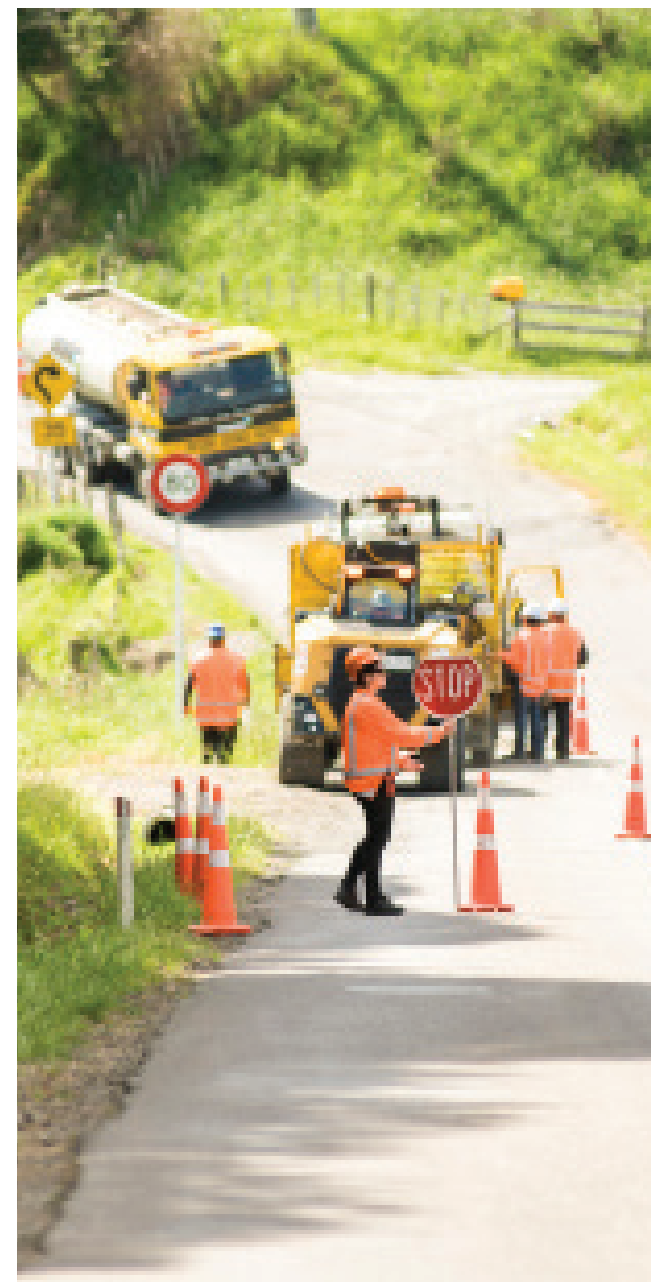
Future Initiatives:

- Waka Kotahi NZ Transport Agency is expected to assess Road to Zero safety measures along the route from Ōmokoroa Road to Loop Road in the upcoming year. The planning and investigation work for the four-lane project is an ongoing effort, and this process is likely to require design changes with wetland mitigations having a significant impact on the project. Collaboration continues between Waka Kotahi NZ Transport Agency, the Department of Conservation, Bay of Plenty Regional Council, local Iwi, landowners, and Council.
- The Manu Taiko consortium, responsible for safety improvements on State Highway 2, is working on new roundabouts on the state highway and Ōmokoroa Road. This includes the four-lane design extending to Prole Road and a second roundabout planned for the Francis Road intersection to serve the industrial area. Waka Kotahi NZ Transport Agency will contribute \$5 million to the project, along with land valued at \$1.49 million. Our role includes managing the project and contributing additional land valued at \$1.93 million.

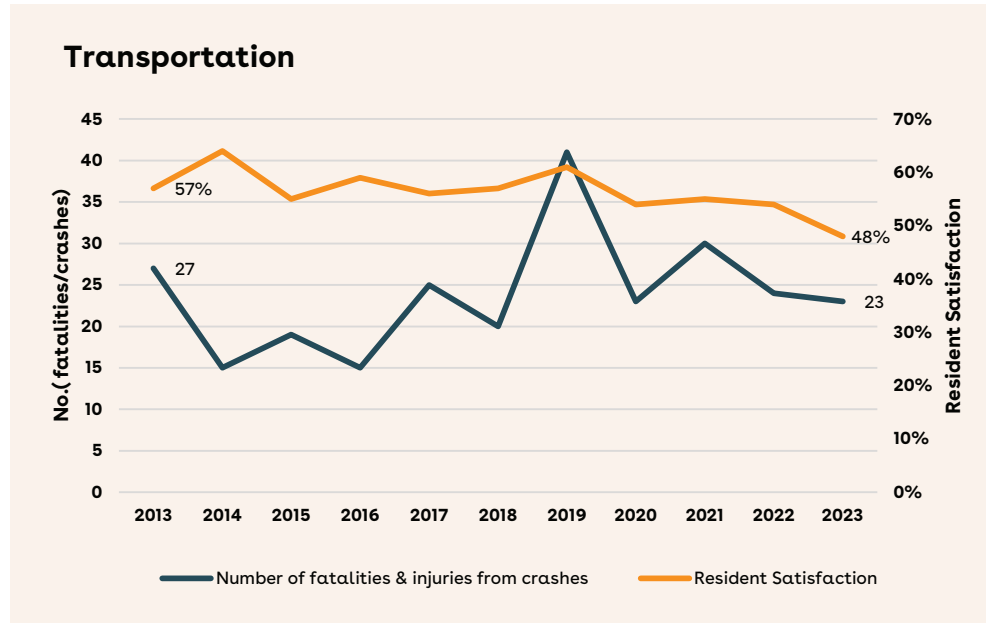
- Our Council and the SmartGrowth leadership group have endorsed the submission of the Tauriko Network Connections business case to the Waka Kotahi NZ Transport Agency Board. The business case outlines improvements for State Highway 29, as well as an upgrade of State Highway 29A. These improvements include widening the existing section of road between Barkes Corner and the Takitimu Drive intersection to six lanes, as well as constructing a new four-lane highway parallel to State Highway 29. The existing highway between Redwood Lane and Takitimu Drive would become a local road, servicing local traffic and multimodal transport.
- Several business cases have been submitted for Waka Kotahi NZ Transport Agency's co-funding consideration, including the Rangiuuru Business Park Interchange, Ōmokoroa roading upgrades, Rangiuuru Business Park local roading, Welcome Bay Road improvements, Te Puke to Maketu Road shared path and No. 1 Road improvements.

What we provide

- 1,073km roading network with connections to State Highways
- 177km urban roads
- 895km rural roads
- 915km sealed roads
- 157km unsealed roads
- 248 bridges
- 3,715 streetlights (excludes State Highways)
- 200km hard surfaced footpaths
- 6km metalled surfaced footpaths



Service performance results



Number of fatalities and injury crashes on the local road network - in 2023 there were 4 fatalities and 19 serious injuries from crashes on our local roads.

Resident satisfaction with Transportation - this survey monitors the level of satisfaction with roading, cycleways and walkways. The result for 2023 was 48%, which is a decrease from 54% in 2022. Key reasons for dissatisfaction being the perceived need to widen the roads and delays caused due to roadworks.

Goals

- Transportation networks support and promote economic development
- The impact on the environment of the transportation system is mitigated where practicable
- Transportation networks support and promote economic development
- Transport systems enable healthy activity and reduce transport-related public health risks
- Transport systems improve access and mobility
- Land use and transportation network planning are integrated.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
<p>Transportation networks support and promote economic development.</p> <p>The impact on the environment of the transportation system is mitigated where practicable. Transport systems enable healthy activity and reduce transport-related public health risks.</p> <p>Transport systems improve access and mobility.</p> <p>Land use and transportation network planning are integrated.</p>	<p>Key Performance Measure</p> <p>The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.</p> <ul style="list-style-type: none"> Fatal crashes Serious injury crashes 	<p>≤0</p> <p>≤0</p>	<p>1</p> <p>-1</p>	<p>-3</p> <p>-5</p>	<p>Fatalities: 4 (2022/2023): 3 (2021/2022)</p> <p>Serious Injury crashes (fatality and seriously injured people): 23 (2022/2023): 24 (2021/2022).</p>
	<p>Key Resident Measure</p> <p>Level of satisfaction with our transportation networks (roads, cycling and walkways)</p>	<p>≥60%</p>	<p>48%</p>	<p>54%</p>	<p>Resident dissatisfaction has increased with respect to the transportation network.</p>
<p>We will respond to customer transport related issues.</p> <p>The network and its facilities are up to date, in good condition and fit for purpose.</p>	<p>The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.</p>	<p>≥90%</p>	<p>N/A</p>	<p>77%</p>	<p>No system currently set up to measure.</p>
	<p>Level of customer satisfaction with action taken to resolve service requests.</p>	<p>≥85%</p>	<p>89.6%</p>	<p>90.6%</p>	
	<p>The average quality ride on a sealed local road network, measured by smooth travel exposure.</p>	<p>≥90%</p>	<p>96.6%</p>	<p>98%</p>	
	<p>There are a number of potential defects in road pavement structure and its surface. The condition index is a weighted measure of the fault types.</p> <ul style="list-style-type: none"> Sealed roads Unsealed roads <p>Please note: (0 = defect free: 5 = unsatisfactory)</p>	<p>0.3</p> <p>3.0</p>	<p>0.1</p> <p>1.9</p>	<p>0.3</p> <p>1.7</p>	

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
The network and its facilities are up to date, in good condition and fit for purpose.	The percentage of sealed network that is more than one metre under width, as per road classification.	23%	25%	17.2%	The target for 2022 was 22% Population growth is driving traffic volume requiring existing roads to be wider to meet roading classification requirements. Council has not met the target for the current year.
	The percentage of the sealed local road network that is resurfaced.	≥4%	7.1%	6%	65.9cl.km out of 932cl.km (cl.km is centreline kilometres)
Adverse environmental effects, such as dust, noise and vibration are managed effectively.	Length of unsealed roads (km).	≤155km	157km	157.9km	The target for 2022 was ≤158km
	Number of successful prosecutions for non-compliance with Resource Management Consents and Heritage New Zealand Pouhere Taonga Act 2014 by the Bay of Plenty Regional Council or Heritage New Zealand.	0	0	0	
The road network is convenient, offers choices for travel and is available to the whole community.	The percentage of footpaths that fall within the level of service or service standard for the condition of footpaths as identified in the transportation asset management plan.	≥95%	97%	96.8%	
	The increase in total length of cycleways and walkways within the District.	≥1,000m	1,101m	308m	1,101m of new walkways were constructed during 2022/23 year (308m in 2022).

Water Supply



Overview

Water supply is provided to our community in a sustainable manner.

We supply potable (drinking) water to approximately 41,000 people in our District through the water infrastructure operating in the Western, Central and Eastern supply zones. Our customers include residential, commercial, horticultural and agricultural users.

Significant effects the water supply activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	✓ Progress on potential water fluourodation treatment.
	✗ Drinking water treatment and distribution standards not met.
Economic	✓ Reservoir levels maintained supporting current growth.
Environmental	✓ Progress made in identifying new groundwater resources.
Cultural	✓ Water Safety Plans submitted to Taumata Arowai.

Highlights:

We have moved to adopt new water regulations following updates to the Drinking Water Standards. To comply involves adjusting testing protocols, enhancing the Water Safety plan, and infrastructure upgrades.

The Water Services Act stipulates that Councils must ensure a sufficient water supply to accommodate future growth. Substantial progress has been made to identify new groundwater sources within the Eastern (Te Puke, Maketu, Paengaroa and Pukehina areas) and Central (Ōmokoroa, Te Puna and Minden areas) supply zones, which are experiencing expansion. These production bores are anticipated to be working in 2024/2025, and will enhance our water supply capacity for these regions.

Water Safety Plans have been submitted to the newly established Taumata Arowai, for each of the District’s 5 water supply systems. This plan guides operational activities, risks, and informs future improvements.

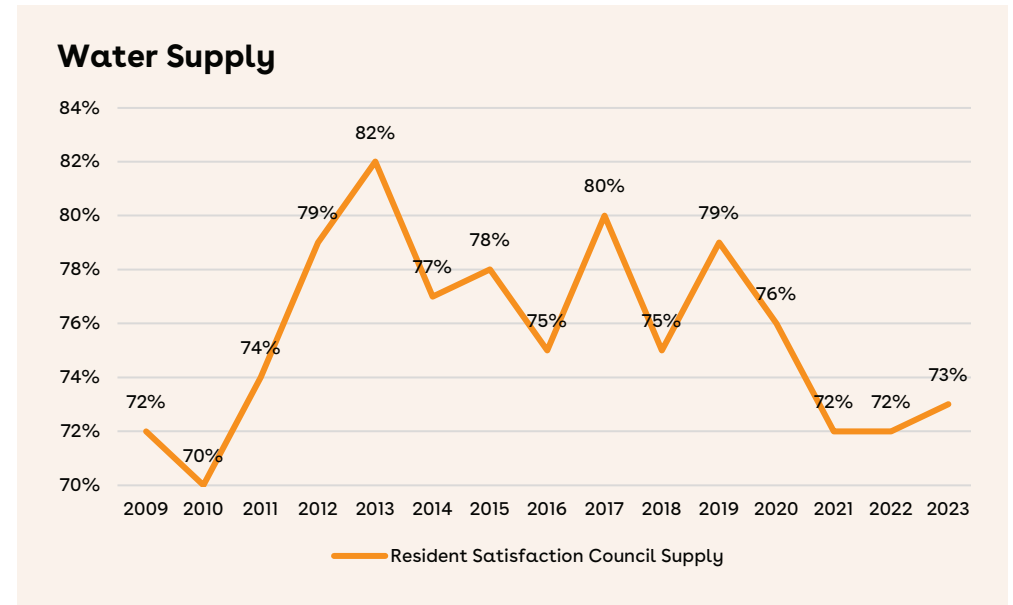
Future Initiatives:

- To accommodate growth in the Central Zone (Ōmokoroa, Te Puna and Minden areas) a reservoir and treatment plant upgrade will be needed. Considerable progress has been made with the planning of the upgrades and procurement will start in 2023/2024 with construction to be completed in 2024/2025. Provision will be made in the designs for UV (Ultraviolet) installation to achieve Class 4 treatment standards and enable the potential for fluoride dosing.
- The need to upgrade treatment plants to achieve class 4 treatment and potential fluoridation in future, has meant we need to plan future treatment plant upgrades. Work is well underway to develop masterplans for the treatment plants. This will assist with prudent financial planning in the design process.
- Many of our Council's bores have reached a point where significant maintenance is needed to ensure they are reliable. Work has started to refurbish these 15-20-year-old bores, and will continue for the next 5 years across the District. About 25% of the Council water network has asbestos cement pipes that have reached or are approaching the end of their life. Roughly 11% of these pipes have been replaced in the last decade and the balance will be replaced over the next 15 years.
- The Department of Internal Affairs is progressing with the Affordable Waters Reform. In April 2023 Government announced that 10 new entities will be created. Our Council will be part of the Bay of Plenty entity that is scheduled to go live in October 2025. Legislative changes still need approval before this proposal will go ahead. Balancing active participation in reform discussions, with the regular operational demands remains a challenge, and the reforms will be a significant focus in the upcoming year.

What we provide

- Nine water treatment plants
- 18 bores at nine bore fields
- 26 reservoir and tank sites
- 26 booster pump stations
- About 915km of pipes
- 17,880 connections and meter sets

Service performance results



Resident satisfaction with the quality of Council Water Supply - this survey monitors the level of satisfaction with the Council water supply. In 2023 the result was 73%. Key reasons for dissatisfaction were silica, build-up stains and hard water.

Goals

- Provide potable water of an appropriate standard and quality to meet the needs of consumers within the three supply zones
- Sustainably manage our water resource, water supply infrastructure and consumer use of water across the three supply zones.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
Provide potable water of an appropriate standard and quality to meet the needs of consumers within the three supply zones.	<p>Key Performance Measure</p> <p>For the three supply zones the percentage of Council's treated water supply with a Ministry of Health grading as per the New Zealand Drinking Water Standards 2005 (amended 2008)</p> <ul style="list-style-type: none"> • B or better for treatment • b or better for distribution 	100%	100%	100%	
		100%	100%	100%	
Sustainably manage our water resource, water supply infrastructure and consumer use of water across the three supply zones	<p>Key Resident Measure</p> <p>Level of resident satisfaction with the quality of Council's water supply.</p>	≥80%	73%	72%	Key reasons for dissatisfaction include silica, build-up stains & hard water
We will provide good quality potable water to service growth within the three supply zones.	Ability of reservoirs to provide a minimum of 24 hour daily demand.	100%	100%	100%	
	Percentage of year where reservoirs are maintained at a minimum of 50% full, in accordance with Ministry of Health Requirements.	100%	99%	100%	One reservoir dropped below 50% due to a bore failure but that was for less than one day

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply.	<p>The extent to which Council's drinking water supply complies with:</p> <ul style="list-style-type: none"> Part 4 of the drinking-water standards (bacterial compliance criteria), and Part 5 of the drinking-water standards (protozoal compliance criteria) 	≥99%	Part 4 - 44% Part 5 - 0%	0% 0%	<p>This metric was established prior to the implementation of Taumata Arowai's new regulations, which became effective on November 14, 2022, but were reported against starting January 1, 2023. Consequently, our performance is being reported against two distinct sets of criteria. The compliance with both sets of requirements underwent independent assessment and verification by an independent auditor.</p> <p>From 1 July 2022 – 31 December 2022 we measured compliance against Parts 4 and 5 of the Drinking Water Standards 2005, (revised 2018) with a target of ≥99% bacterial and protozoal compliance for treatment plants.</p> <p>Part 4 - We fulfilled the test quantity criteria but fell short of the maximum allowable days between samples for a specific period. For the 1st quarter we met compliance for 7 plants out of 8, and for the 2nd quarter we were non-compliant in all 8 plants.</p> <p>Therefore, the result of 44% compliance is 7 of 16 reporting periods.</p> <p>Part 5 - This non-compliance is attributed to the treatment plants' incapability to execute protozoal treatment. To attain protozoal compliance, essential infrastructure enhancements are necessary.</p>

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply.	<p>The extent to which Council's drinking water supply complies with:</p> <ul style="list-style-type: none"> Part 4 of the drinking-water standards (bacterial compliance criteria), and Part 5 of the drinking-water standards (protozoal compliance criteria) 		Treatment compliance: 0%	N/A	<p>From January 1, 2023, the reporting of new Drinking Water Quality Assurance Rules (DWQAR) has commenced, as introduced by Taumata Arowai. These regulations gauge compliance based on the following criteria: Bacterial, protozoal, chemicals, and cyanotoxin for treatment plants, and microbiological, residual disinfection, disinfection by-products, and plumbosolvent metal rules for distribution networks.</p> <p>From 1 January 2023 - 30 June 2023 we measured compliance against the newly introduced standards.</p>
			Distribution compliance: 20%	N/A	<p>Treatment plant compliance could not be met due to the inability to treat Protozoa. Distribution compliance has not been met due to inadequate number of compliance tests and network analysers that needs to be installed to comply with new rules. 1 out of 5 (therefore 20%) distribution zones as listed below was compliant.</p> <p>Compliant - Te Puke</p> <p>Non-Compliant - Athenree, Katikati, Ōmokoroa-Minden, Pongakawa</p>

What we do	How we track progress	30 June 2023				2022 Results		Narrative
		Target		Result		P4	P5	
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply.	Distribution Zones (Yes or No)	P4	P5	P4	P5	P4	P5	<p>This metric was established prior to the implementation of Taumata Arowai’s new regulations, which became effective on November 14, 2022, but were reported against starting January 1, 2023. Consequently, our performance is being reported against two distinct sets of criteria. The compliance with both sets of requirements underwent independent assessment and verification by an independent auditor.</p> <p>From 1 July 2022 – 31 December 2022 we measured compliance against Parts 4 and 5 of the Drinking Water Standards 2005, (revised 2018) with a target of whether distribution zones were compliant or non-compliant.</p> <p>Council lost its secure bore status. Infrastructure upgrades are required to either regain secure bore status or provide UV (Ultraviolet) treatment. Provision was made in the 2021-2031 LTP for UV’s will comply with new Taumata Arowai rules and standards.</p>
	• Athenree	Y	Y	Y	N	Y	N	
	• Katikati	Y	Y	Y	N	Y	N	
	• Ōmokoroa Minden	Y	Y	Y	N	Y	N	
	• Pongakawa	Y	Y	Y	N	Y	N	
	• Te Puke	Y	Y	Y	N	Y	N	
					Treatment compliance: 0%		N/A	<p>From January 1, 2023, the reporting of new Drinking Water Quality Assurance Rules (DWQAR) has commenced, as introduced by Taumata Arowai. These regulations gauge compliance based on the following criteria: Bacterial, protozoal, chemicals, and cyanotoxin for treatment plants, and microbiological, residual disinfection, disinfection by-products, and plumbosolvent metal rules for distribution networks.</p> <p>From 1 January 2023 – 30 June 2023 we measured compliance against the newly introduced standards.</p>
				Distribution compliance: 20%		N/A	<p>Treatment plant compliance could not be met due to the inability to treat Protozoa. Distribution compliance has not been met due to inadequate number of compliance tests and network analysers that needs to be installed to comply with new rules. 1 out of 5 (therefore 20%) distribution zones as listed below was compliant.</p> <p>Compliant - Te Puke Non-compliant - Athenree, Katikati, Ōmokoroa-Minden, Pongakawa.</p>	

What we do	How we track progress	30 June 2023		2022 Results	Narrative
		Target	Result		
We will monitor sustainable delivery and effectively manage the risks associated with the quality and quantity of the public water supply.	The percentage of real water loss from the networked reticulation system. To be monitored through the water metering system.	≤25%	21.6%	16.5%	The water losses in this measure are calculated by deducting the volume of water sold and unbilled water usage (or non-revenue water) from the total volume of water produced. Non-revenue water includes leaks (real water losses), water used for firefighting and operational use like flushing.
	The average consumption of drinking water per day per resident within the Council's District	≤200 litres	206 litres	210 litres	The target for 2022 was ≤220 litres
We will respond to customers issues with the water supply.	Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured. Attendance for call-outs: from the time Council receives notification to the time service personnel reach the site:				
	<ul style="list-style-type: none"> Urgent call outs Non-urgent call outs 	≤60 mins ≤24hrs	57mins 24hrs 18mins	66mins 25hrs 50mins	
We will respond to customers issues with the water supply.	Resolution of call-outs: from the time Council receives notification is received to the time service personnel confirm resolution of the fault or interruption.				Non-urgent call outs improved from last year but did not meet the target of 28 hours. Systems are being reviewed with contractors to ensure future targets are met.
	<ul style="list-style-type: none"> Urgent call outs Non-urgent call outs 	≤5hrs ≤28hrs	3hrs 17mins 32hrs 13mins	4hrs 34mins 44hrs 6mins	
	Total number of complaints received by Council about any of the following:				
	<ul style="list-style-type: none"> Drinking water clarity, taste, odour pressure or flow Continuity of supply and Council's response to any of these issues expressed per 1000 connections to the networked reticulation system.	≤30	8.1	48	144 complaints for 17,880 connections



Te tiaki taiao

Protecting the environment

Natural environment and sustainable living



Overview

Council has a statutory obligation to promote environmental wellbeing for the benefit of today’s and future generations. We also have obligations under the Resource Management Act 1991 to control the effects of landuse on important natural environments and habitats. One of the ways we do this is by partnering with and supporting local community initiatives and programmes involving other Councils, Department of Conservation, Tangata Whenua, landowners and local community environmental groups, that aim to protect and enhance our natural environment. We also support programmes that encourage local communities to connect with nature and to have a lighter environmental footprint.

We provide this activity to support our community to have a clean, green, valued environment, achieved by:

- increasing biodiversity and protecting important natural and cultural areas
- having a lighter footprint
- connecting people with the natural environment
- making decisions to address the impacts of climate change

Significant effects the natural environment and sustainable living activity has had on the four wellbeing areas during the year:

Highlights:

Our Council, in collaboration with Bay of Plenty Regional Council (BOPRC), continues its efforts to protect areas of natural significance in the District. Through various environmental programmes, the focus remains on supporting landowners and the Council in preserving ecologically important spaces. These initiatives aim to safeguard natural habitats, biodiversity, and ecosystems and foster a sustainable environment for present and future generations.

We continued to support environmental education programmes within primary and secondary schools, and during field trips. These programmes foster ecological awareness and environmental stewardship. Over 600 students were involved in 31 in-class sessions, providing students with valuable theoretical knowledge on environmental conservation, sustainability, and biodiversity. Over 30 field trips were held, allowing students to experience first-hand the natural beauty and ecological significance of their local environment.

We have also fostered strong relationships with hapū and local environment groups to ensure that the programmes incorporate and respect Mātauranga Māori. By incorporating Māori perspectives and values, the initiatives promote a holistic and culturally inclusive approach to environmental education.

Wellbeing	Effects (positive and negative)
Social	✓ Environmental education programmes operating in primary and secondary schools across the District
	✗ Annual Residents Satisfaction with promotion of employment/business opportunities
	✗ Annual Residents Satisfaction with promotion of Town Centres and events
Economic	✓ Environmental projects across the District supported by the Community Matching Fund
Environmental	✓ Organisations working to protect and enhance areas of high ecological value funded to carry out volunteer management and pest control
	✓ Private land covenanted through a protection lot monitored for compliance with requirements to manage pests
Cultural	✓ Ensuring programmes incorporate and respect Mātauranga Māori

In March 2023, the month-long Sustainable Backyards event, coordinated by Envirohub, had another successful run. The event featured a series of activities and workshops across the District and helped raise awareness of sustainable practices and environmental stewardship. By partnering with Envirohub and other stakeholders, we facilitated a wide range of events that covered topics such as waste reduction, energy efficiency, water conservation, and more.

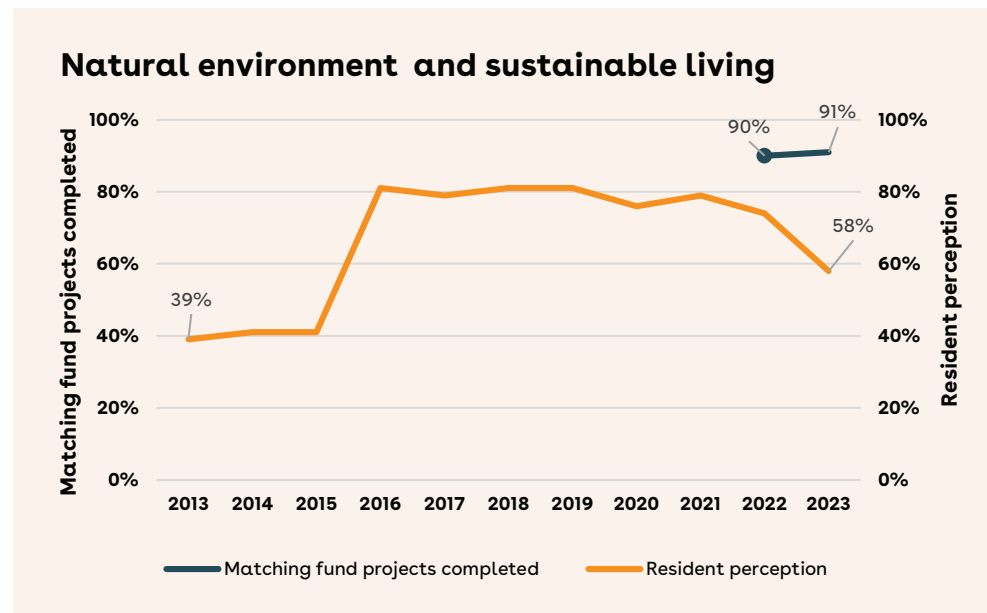
Future Initiatives:

- A new programme, Space for Nature will launch in 2023. This programme aims to support townships within the District to enhance biodiversity outcomes in their local areas. By encouraging residents and businesses to create green spaces and natural habitats in their own backyards, we seek to promote a healthier environment and improve ecological diversity. The 'Space for Nature' programme will likely involve educational workshops, resources, and incentives to encourage the community's active participation in conservation efforts.
- We will run a spatial planning exercise in Te Puke to assess the blue and green networks in the area to understand their current state and effectiveness. Blue/green networks are a way of planning, based around waterways (blue), and planting and parks (green). The aim is to identify any opportunities for improvement and to better integrate and enhance the town's natural and water resources. This mahi will ensure that Te Puke's development aligns with sustainability principles and fosters a more harmonious relationship between urban and natural environments.

What we provide

- Education programmes and initiatives
- Liaison with councils and partners focussing on environmental issues
- Environmental programmes
- Support for:
 - Environmental service delivery providers
 - Community groups

Service performance results



Community matching fund projects completed - The community matching fund provides community funding for environmental initiatives. Of the environmental projects granted funding, 91% were completed in 2023.

Resident perception of an improvement in environmental features - For 2023 the result was 58% which is a decrease from 2022 result of 74%.

Goals

- Increasing indigenous biodiversity
- Connecting people with the natural environment and having a lighter footprint
- Protecting important natural and cultural areas
- Making decisions to address the impacts of climate change

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
We support multi-agency programmes and community-led programmes that increase indigenous biodiversity, improve water quality and protect significant natural habitats and cultural heritage sites, in both urban and rural environments	Key Performance Measure Percentage of projects funded through Community Matching Fund completed.	≥90%	91%	90%	Projects have been successfully funded and completed. The Community Matching Fund is well received and recognised in the community. 1 project delayed. Key reasons for dissatisfaction include poor water quality, better control of pollution, roadside litter & plants damaging wildlife.
	Key Resident Measure Percentage of residents surveyed who perceive the environmental attributes monitored have improved or being maintained. (the features monitored include the quality of streams and rivers, harbours and estuaries, air quality, the amount of noxious weeds, protection of historic places, general level of cleanliness and the amount and quality of native plants and animals.)	≥75%	58.2%	74%	
We use incentives, rules and monitoring to increase protection of significant natural and cultural features.	Amount of additional land included in protection areas in addition to what is shown as ecological features in the District Plan. Baseline per District Plan is 18.33ha.	≥10 ha	29.3 ha	1,802 ha	
	Number of protection areas monitored	≥50	100	80	
We support environmental education programmes that build our understanding of the natural environment and how we can have a lighter footprint and lead to action.	Number of environmental and sustainable living education initiatives.	≥6	6	10	31 events were delivered during Sustainable Backyards, 5 events for Sustainable Backyards Bitesize, 1 event for Predator Free initiative along with 184 new trappers, Sustainable Neighbourhoods programme, 4x Migrant Communities Initiatives and 5 Ecological Connectivity Strategy engagement sessions.
	Number of schools engaged in local environmental and sustainable living initiatives led by local organisations	≥6	11	10	
Use structure planning processes and assessment tools to develop blue/green networks to maintain and protect natural assets.	Percentage of structure plans incorporating a blue/green network plan.	100%	100%	0%	Ōmokoroa Structure Plan Stage 3 has been notified as part of Plan Change 92. The plan change and Stage 3 structure plan includes extensive use of the existing gully network and associated zoning of Natural Open Space.

Wastewater



Overview

Wastewater services are well planned and maintained to ensure a clean and healthy environment.

Council aims to ensure that wastewater treatment and disposal systems are sustainable and continue to meet the environmental and health and safety standards. We will continue to encourage households to explore and implement measures that reduce wastewater volume per person.

We have four wastewater treatment plants at Katikati, Maketu/Little Waihi, Te Puke and Waihi Beach, and one wastewater treatment scheme in Ōmokoroa.

Significant effects the wastewater activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	✓ New UV system installed at Katikati treatment plant.
	✓ Improvement of effluent quality at Te Puke treatment plant.
	✓ Te Puna village uptake for system connections reducing the number of non-compliant septic systems.
Economic	✓ New pumpstation installed in Hartwood Avenue, Ōmokoroa.
	✗ High level of complaints received about the sewerage systems including grinder pump issues.
Environmental	✗ Stormwater infiltration at Katikati treatment plant resulting in overflow into wetlands, later required to be desludged.
Cultural	✗ Maketu irrigation field bore monitoring providing non-compliant results.

Highlights:

The District received an above average amount of rainfall during the first 6 months of 2023. This was combined with high intensity storms that had a significant impact on the wastewater treatment plants. The Katikati plant was worst affected with high stormwater infiltration. The result was that the wetland could not provide adequate emergency storage and water had to be over pumped to the harbour on two occasions. The wetlands were desludged to improve the outflow quality. A new UV system has been installed at the Katikati Wastewater Treatment Plant (WWTP). A masterplan was also developed to better understand future upgrade requirements.

Site investigations were also completed for the alternative disposal options for the Te Puke WWTP. The purpose of the investigation was to determine the suitability of these sites for land disposal.

A new pumpstation was installed in Hartwood Avenue Ōmokoroa to accommodate future growth in the area. The growth in Ōmokoroa is limited by the capacity of the existing main pumpstation pumping effluent to Tauranga. To optimise this capacity, we will only allow sealed wastewater systems in future housing developments to reduce infiltration.

We have seen an improvement of effluent quality at the Te Puke WTPP with phosphorous levels all within the consent limits. Work has also progressed with the design of the new plant.

To reduce the number of non-compliant septic systems in Te Puna Village, we installed a pressure network. It has been positive to see a good uptake of private owners connecting to the new system, which will reduce the environmental impact in the Te Puna area in the long run.

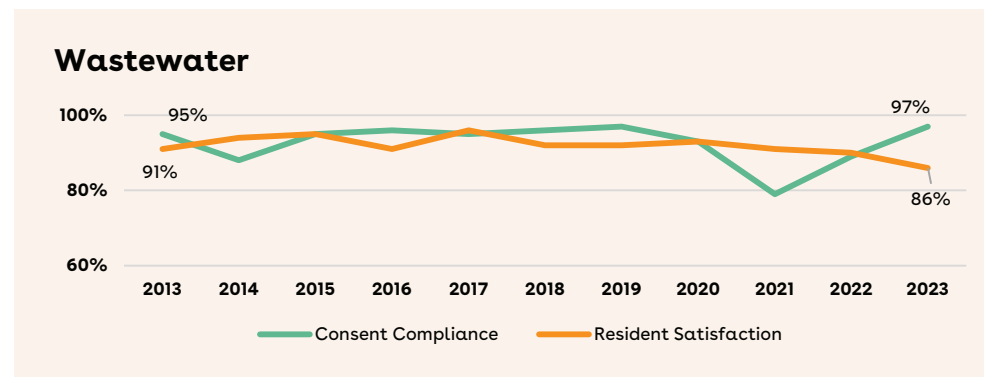
Future Initiatives:

- Work is underway to design a new treatment plant at Te Puke as well as an irrigation field for Maketu, both of which will improve our compliance at these two plants.
- With this year’s storms and flooding there was a lot of infiltration in the Waihi Beach network that led to overflow on the network and plant. We reached agreement with the community to raise private gully traps in the areas susceptible to flooding.
- A trial run at the Katikati WWTP to test new technology showed superior results. Work will progress in the next year to complete the design and progress construction. This will enable us to consistently meet discharge consent requirements. Two pipe breaks occurred on the Katikati outfall pipe. The condition of the pipe and complexity of repairs means we will replace the pipe or implement alternative options.

What we provide

- Five treatment plants
- 63 pump stations
- 307.8km of pipes
- 712 grinder pumps

Service performance results



Level of compliance with resource consents - all wastewater treatment plants are monitored to ensure compliance with resource consent conditions. In 2023 targets at all treatment plants were achieved except for Maketu.

Resident satisfaction with sewage disposal systems - the result for 2023 was 86%.

Goals

- All areas in our District served by Council’s reticulated wastewater disposal systems meet acceptable health, safety and environmental standards.
- Assist small urban communities along the Tauranga Harbour to ensure that the wastewater disposal options available to them meet health and safety requirements.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
All areas in our District served by Council's reticulated wastewater disposal systems meet acceptable health, safety and environmental standards	<p>Key Performance Measure</p> <p>Percentage compliance with Resource Consents for each wastewater scheme</p> <ul style="list-style-type: none"> • Katikati • Maketu/Little Waihi • Te Puke • Waihi Beach • Ongare Point 	<p>≥90%</p> <p>≥96%</p> <p>≥90%</p> <p>≥97%</p> <p>≥95%</p>	<p>98%</p> <p>89%</p> <p>100%</p> <p>100%</p> <p>100%</p>	<p>70%</p> <p>94%</p> <p>90%</p> <p>97%</p> <p>95%</p>	<p>Design improvements and desludging has been a focus area and there is work progressing on that. Maketu irrigation field bore monitoring non-compliant results have been a known ongoing issue</p> <p>The target for Maketu/Little Waihi in 2022 was ≥94%.</p>
	<p>Key Resident Measure</p> <p>Level of resident satisfaction with Council's reticulated wastewater disposal system.</p>	<p>≥90%</p>	<p>86%</p>	<p>90%</p>	
Maintain wastewater systems and have capacity to meet demand. Provide wastewater services that meet customer needs.	<p>The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 sewerage connections to that sewerage system.</p> <p>NOTE: only applies when, 1mm of rain has fallen in a 24 hour period.</p>	<p>≤2</p>	<p>1.45</p>	<p>4.68</p>	<p>There were 16 reports of dry weather overflows for 11,015 sewer connections recorded</p>
	<p>Compliance with resource consents for discharge from the sewerage system measured by the number of:</p> <ul style="list-style-type: none"> • Abatement notices • Infringement notices • Enforcement orders • Convictions <p>received in relation to those resource consents.</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p>	

What we do	How we track progress	30 June 2023		2022	Narrative
		Target	Result	Result	
Maintain wastewater systems and have capacity to meet demand. Provide wastewater services that meet customer needs.	Where Council attends to sewerage overflows resulting from the following median response times measured: <ul style="list-style-type: none"> Attendance time: from the time that Council receives notification to the time that service personnel reach the site. Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault. 	≤60mins	56mins	51mins	
	The total number of complaints received by Council about: <ul style="list-style-type: none"> Sewerage odour Sewerage system faults Sewerage system blockages Council's response to issues with sewerage system Expressed per 1000 connections to the Council's sewerage system.	≤40	51.8	33	570 complaints for 11,015 connections. 354 of 570 complaints received were related to grinder pumps, where an aging infrastructure of these pumps is contributing to problems. It has been proposed to allocate funding in the upcoming LTP for renewal and upgrade of Pumps in Maketu to address these issues.

Solid Waste



Overview

Effective waste management practices that minimises waste to landfill and encourage efficient use of resources to reduce environmental harm.

Our Solid waste activity sets out our sustainable development approach to the management of solid waste activities across our District. Human activity is inextricably linked to the health of our natural environment. A healthy environment is essential for overall wellbeing and prosperity. With our population growing, so demands on our natural resources will increase. The challenge is to lessen our impacts on the environment and reduce consumption and waste.

The primary aim of this activity is to reduce the amount of waste produced by reducing, reusing, recycling and recovering waste going to landfill.

Significant effects the Solid Waste activity has had on the four wellbeing areas during the year:

Highlights:

Our Kerbside Collective team, which handles rubbish and recycling services for our communities, has been gradually expanding its services to include more households. We have been actively identifying additional properties and 22 new roads were added to our collection route.

By the end of June 2023, the kerbside collection service reached 18,865 households. Out of these, 12,211 households received the full service, which includes food scrap collection. However, 6,809 households, mainly located in remote rural areas, still do not have access to the kerbside collection service due to practical challenges. For these households, we are providing a mobile recycling service at three designated sites.

To make the collection process more efficient, we designed a new PAYT tag (Pay-As-You-Throw) with input from residents. This tag has proven to be effective even in bad weather conditions, and easily falls into the collection hopper as intended.

In the year ending 30 June 2023, we successfully diverted 3,724 tonnes (42%) of waste from ending up in landfill, leaving 5,070 tonnes (58%) to be sent to landfill. The materials that were diverted from landfill included 487 tonnes of food scraps, 1,458 tonnes of glass, and 1,779 tonnes of mixed recycling.

Wellbeing	Effects (positive and negative)
Social	✓ Mobile recycling service set up at three designated sites for households with no access to kerbside collection.
	✓ Annual Residents Satisfaction with household rubbish disposal methods.
	✓ Zero waste education programs provided.
Economic	✓ New PAYT (Pay as you throw) tag implemented.
	✓ Business waste minimisation provided.
Environmental	✓ 42% (3,724 tonnes) of waste diverted from landfill.
	✓ Availability of 3 hazardous waste drop off points at Athenree, Katikati and Te Puke.
	✓ 22 new roads added to Kerbside collection route.
Cultural	No specific action relating to this wellbeing.

Future Initiatives:

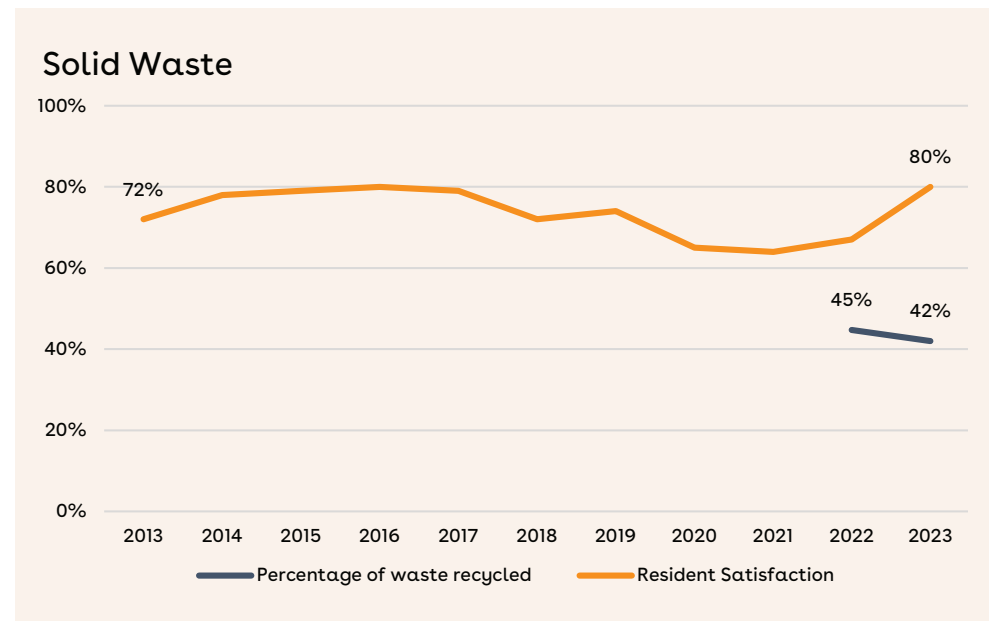
We will:

- Implement Community Resource Recovery Centres at Te Puke and Katikati Recycle Centres.
- Collaborate with the kerbside bin inspector to reduce contamination in mixed recycling bins and monitor the national standardisation of kerbside recycling collections.
- Promote the reduction of food waste in rubbish bins and encourage more households to participate in the food scrap collection.
- Advocate and raise awareness about the circular economy in all waste-related initiatives.
- Align all our actions and initiatives with the new Aotearoa Waste Strategy and our Council's Waste Minimisation Management Plan.
- Work towards providing a construction and demolition waste collection and facility for the District.

What we provide

- Recycling and greenwaste centres in Athenree, Katikati and Te Puke
- Greenwaste drop-off centre in Ōmokoroa
- Education programmes
- Monitoring of illegal dumping (fly-tipping)
- Ongoing monitoring of closed landfills
- Kerbside recycling, glass, food scraps and general waste services.

Service performance results



Waste recycled - A total of 8,794 tonnes of waste was collected of which 42% was recycled. This exceeded the target of $\geq 33\%$.

Resident satisfaction with household rubbish disposal methods - the level of satisfaction with household disposal methods was 80% in 2023, an increase from 67% in 2022.

Goals

- Reduce and recover more waste
- Apply the latest proven and cost effective waste management and minimisation approaches.
- To collect information to enable informed decision making.
- To create benefit for our community.

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
<p>All areas in our District served by Council's reticulated wastewater disposal systems meet acceptable health, safety and environmental standards.</p> <p>Assist small urban communities along the Tauranga Harbour to ensure that the wastewater disposal options available to them meet health and safety requirements.</p> <p>Apply the latest proven and cost effective waste management and minimisation approaches.</p> <p>To collect information to enable decision making.</p> <p>To create benefit for our community.</p>	<p>Key Performance Measure</p> <p>Percentage of waste recycled or recovered as estimated by solid waste two yearly audit. The audit will be undertaken as per the Solid Waste Analysis protocol issued by the Ministry for the Environment.</p>	No audit	42%	N/A	<p>In total 8,794 tonnes of waste were collected - 3,724 tonnes of that were diverted from landfill.</p> <p>The target for 2022 was ≥33%.</p>
	<p>Key Resident Measure</p> <p>Percentage level of customer satisfaction with household rubbish disposal methods.</p>	≥80%	80%	67%	
<p>All Council-owned solid waste facilities' including closed landfills, meet environmental standards.</p>	Number of abatement / infringement notices issued.	0	0	0	Complying with resource consent conditions.
	Number of greenwaste and/or recycling facilities provided.	≥4	4	4	Greenwaste drop-off sites operational in Athenree, Katikati, Ōmokoroa and Te Puke
	Number of initiatives funded by the Ministry for the Environment Waste Minimisation.	≥1	6	6	Zero waste education, Business waste minimisation, Waste Free Living, Love Food Hate Waste, Home worm composting and Mobile recycle centres trailers
	Number of hazardous waste drop off points.	3	3	3	Available at Athenree, Katikati and Te Puke



Te tautoko i tā tātou ōhanga

Supporting our economy

Economic development



Overview

Council supports and promotes economic development with a focus on the interconnections between a strong economy and achieving social, cultural, environmental outcomes. We foster partnerships between organisations, focus on ensuring our own service delivery is fit for purpose for local businesses, enabling an environment for collaboration and shared outcomes.

This activity focuses on Council’s role in supporting economic development, tourism, promotions, events and town centre development.

Significant effects the economic development activity has had on the four wellbeing areas during the year:

Wellbeing	Effects (positive and negative)
Social	<ul style="list-style-type: none"> ✓ Mayors Taskforce for Jobs, Ara Rau Skills and Employment Hub, and Poutama Pathways for Rangatahi supporting youth into employment, education and training.
Economic	<ul style="list-style-type: none"> ✓ Local providers working to enhance local town centres and communities through events and promotions. ✗ Annual Residents Satisfaction with promotion of employment and business opportunities. ✗ Annual Residents Satisfaction with promotion of town centre events in Katikati, Te Puke and Waihi Beach.
Environmental	<ul style="list-style-type: none"> ✓ Tourism Bay of Plenty’s ‘The Green Room’ programme in Waihi Beach, supporting sustainable business practices.
Cultural	No specific action relating to this wellbeing.

Highlights:

Waihi Beach successfully launched ‘The Green Room’ with the support of Tourism Bay of Plenty and other funding and delivery partners. This initiative is a 12-week course designed to assist businesses in the tourism sector in their transition towards zero carbon and environmentally sustainable practices. The programme aims to guide and support businesses in adopting eco-friendly measures and reduce their carbon footprint.

Youth pathways to employment have been a significant focus. Priority One’s Ara Rau Skills and Employment Hub organised several successful industry open days. These events were designed to attract prospective employees and young individuals looking for future career opportunities. The Hub’s efforts aim to address skill gaps in the region and create a workforce that is better aligned with the needs of the local job market.

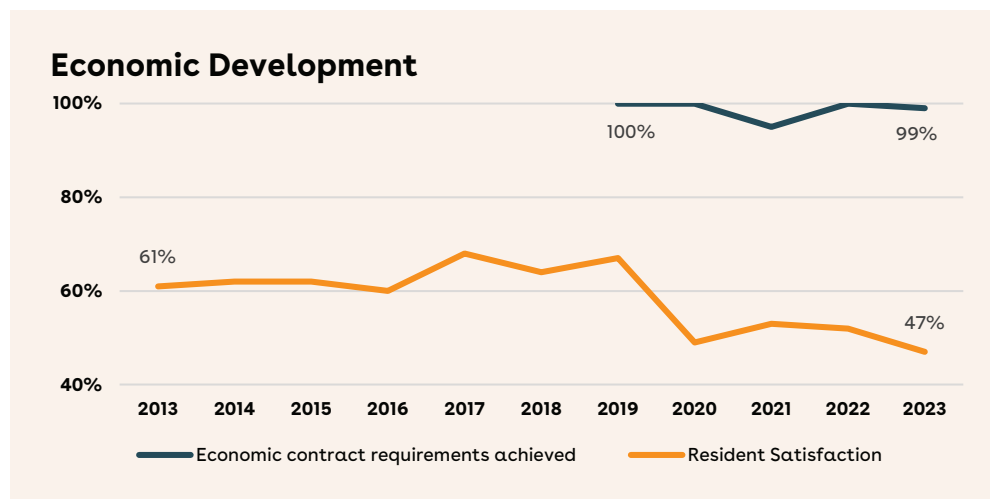
Council became a member of the Mayor’s Taskforce for Jobs. Based in the Te Puke and Maketu area, the programme coordinator works with local youth to find them a job or training. In the Katikati and Waihi area the He Poutama Pathways for Rangatahi programme offers a similar service.

Local service delivery contractors, Te Puke Economic Development Group, EPIC Te Puke, Katch Katikati, and Waihi Beach Events and Promotions played a significant role in delivering or supporting successful community events. These events included The ECHO Walking Festival, Festival of Cultures, Matariki events, and Christmas celebrations.

Future Initiatives:

- The annual Flavours of Plenty festival, which celebrates local produce, is set to be even more impressive in 2024. This event is not only a platform for local businesses to highlight their products, but also an opportunity for the community and visitors to experience the rich flavours and culinary talents. The festival aims to attract more participants, elevate the quality of offerings, and create a memorable experience for all attendees.
- Our service delivery contractors have planned a range of initiatives to support the growth of local businesses. Through events like Business After 5 gatherings, business breakfasts, and green drinks, local entrepreneurs will have opportunities to network, collaborate, and share ideas. These events provide an informal setting to connect, exchange insights, and create potential partnerships.
- The combination of Flavours of Plenty and ongoing business support initiatives demonstrates a concerted effort to boost the local economy, promote community engagement, and nurture a thriving business environment in the region.

Service performance results



What we provide

- Promotion of Town Centres
- Support for external organisations, and economic development and tourism

Goals

- Foster partnerships between organisations, including local and Central Government and businesses to support economic, social, cultural and environmental development
- Council services are committed to being business-friendly to encourage and enable businesses to flourish and contribute to building vibrant communities
- Enable an environment where community groups and business can collaborate and work together on shared outcomes for communities.

Economic contracts where key contract requirements were achieved -

Economic contractors met the requirements of their contract. Key contractors include Priority One, Tourism BOP and others and the town centre promotion agencies.

Resident satisfaction with promoting business and employment opportunities -

this survey monitors satisfaction with town centre promotion, events, tourism, business support, and promotion of business and employment opportunities. In 2023 the level of satisfaction was 47% which is a decrease from 2022 (52%).

How we have tracked progress towards our goals

What we do	How we track progress	30 June 2023		2022 Result	Narrative
		Target	Result		
<p>Foster partnerships between organisations, including local and central government and businesses to support economic, social, cultural and environmental development.</p> <p>Council services are committed to being business friendly to encourage and enable businesses to flourish and contribute to building vibrant communities.</p> <p>Enable an environment where community groups and business can collaborate and work together on shared outcomes for communities</p>	<p>Key Performance Measure</p> <p>Percentage of economic contracts where key contract requirements have been achieved.</p> <p>Key service delivery contracts held with Priority One, Tourism BOP, Te Puke Economic Development Group, EPIC Te Puke, Katch Katikati and Waihi Beach Events and Promotions.</p>	≥90%	99%	100%	All economic contracts have met or exceeded their KPI's.
	<p>Key Resident Measure</p> <p>Level of resident satisfaction with our role in promoting employment and business opportunities within the sub-region.</p>	≥65%	47%	52%	Key reason for dissatisfaction is the lack of promoting these opportunities. The target and result were calculated excluding those surveyed who 'don't know'.
<p>Council will support external organisations tasked with developing economic activity in the District.</p>	<p>Total invested in economic support through service delivery contracts.</p>	≥ \$11 per resident	\$12.02	\$8.24	<p>Investment partners:</p> <ul style="list-style-type: none"> • Priority One - \$189,017 • Tourism Bay of Plenty - \$232,000 • Te Puke EDG - \$73,738 • EPIC Te Puke - \$43,798 • Katch Katikati - \$114,000 • Waihi Beach Events and Promotions - \$62,000 • Investment Total - \$714,553 <p>Population (2022) 59,440</p> <p>The target for 2022 was ≥\$12 per resident.</p>
	<p>Level of resident satisfaction with promotion of town centres and events in Katikati, Te Puke and Waihi Beach.</p>	≥65%	53%	58%	The target and result were calculated excluding those surveyed who 'don't know'

Support services



Overview

Our Corporate Plan guides the activities that support our staff to produce their best work and deliver the highest standards of service to our customers. Support services include communication and community engagement, human resources, customer services, information management, information technology, financial management, corporate assets and quality management, procurement, and risk management.

The key strategic approach for each of the corporate support activities is broadly described below

Corporate support activity	What this activity does	Strategic approach
Customer services	Ensure customers receive timely, accurate and user friendly information, service and advice.	Focus on understanding the diversity of customers and their needs and respond to them effectively.
Communications and community engagement	Ensure customers and communities are engaged and kept informed.	Provide engagement opportunities and communications that are targeted to identified, diverse customer groups.
Human resources	Manage workforce capability and capacity.	Future workforce needs are understood so staffing levels, skills and competencies are available to deliver the agreed services to the community.
Information management	Ensure data is accessible, clear and secure.	Information is managed to ensure it is easily accessible, the integrity of the data is maintained and it is used to add value to decision making
Information technology	Ensure information systems are integrated, secure and responsive to business needs.	Smart use of technology to achieve agreed strategic initiatives and optimise the customer experience.
Financial management	Provide comprehensive financial planning and monitoring services.	Timely, accessible and reliable information is available to inform decision making, both for staff and elected members
Corporate assets	Sustainably manage Council's corporate buildings, equipment, vehicles and land.	Assets, planning and property staff work together to enable the sustainable development of corporate property, equipment and vehicles.
Procurement	Ensure services purchased provide the best value for money, are sustainable and environmentally responsible.	Sustainable purchasing practices that demonstrate value for money are environmentally responsible.
Risk management	Identify, minimise or mitigate risks.	Integrated risk Management information to inform decision making and ensure continuity of Support services
Quality management	Document and review key processes to ensure knowledge is maintained and opportunities for improvement identified.	Documentation of key processes secures knowledge and facilitates opportunities for improvement.

Ngā pūtea

Financials



Ngā pūtea

Financials

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Statement of comprehensive revenue and expenditure for the year ended 30 June 2023

	Note	2023 Actual \$'000	2023 Budget \$'000	2022 Actual \$'000
Revenue				
Fees and charges from activities	4	9,893	8,238	9,372
Rate revenue	5, 6 & 7	88,250	87,387	81,706
Financial contributions	11	10,629	14,035	10,925
Subsidies and grants	10	21,765	15,232	22,098
Finance revenue	8	1,979	270	1,350
Other revenue	9,11,16,18 & 21	6,666	5,956	18,464
Revenue Total	2	139,182	131,118	143,915
Expenditure				
Other expenses	9 & 12	64,602	55,395	55,104
Personnel costs	13	29,829	27,944	26,498
Depreciation	21	23,300	24,844	22,708
Amortisation	22	440	287	845
Impairment expense	21	255	-	1,070
Finance costs	8	4,144	4,006	4,146
Expenditure Total	3	122,570	112,476	110,371
Share of associate surplus/(deficit)	19	224	-	58
Net surplus / (deficit)		16,836	18,642	33,602
Other comprehensive revenue and expenses		-	-	-
Gains/(losses) on asset revaluations	21, 22 & 23	150,214	21,965	122,194
Other comprehensive revenue and expense for the year Total		150,214	21,965	122,194
Comprehensive revenue and expense for the year Total		167,050	40,607	155,796
Total comprehensive revenue and expense excluding gains/(losses) on asset revaluations		16,836	18,642	33,602

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2023

	Note	2023 Actual \$'000	2023 Budget \$'000	2022 Actual \$'000
Equity				
Retained Earnings	28	989,023	955,372	963,429
Reserves				
Restricted reserves	29	326	285	306
Council created reserves	30	22,807	28,575	32,129
Asset revaluation reserves	31	778,442	599,918	627,048
Total reserves		801,575	628,778	659,483
Equity Total		1,790,598	1,584,150	1,622,912
Assets				
Current Assets				
Cash and cash equivalents	14	15,140	39,091	25,541
Receivables	15	18,304	16,371	10,155
Non-current assets held for sale	17	-	1,250	-
Prepayments	15	877	1,008	496
Other current financial assets	18	-	-	-
Derivative financial instruments	16	-	-	138
Current Assets Total		34,321	57,720	36,330
Non-current assets				
Other non-current financial assets	18	12,965	11,519	12,542
Investment in associates	19	512	212	289
Investments in CCO and other similar entities	20	3,379	3,346	3,028
Intangible assets	22	3,885	7,613	4,894
Forestry assets	23	8,266	11,626	8,938
Property, plant and equipment	21	1,845,212	1,652,118	1,661,509
Derivative financial instruments	16	2,580	(12,632)	1,540
Non-current assets Total		1,876,799	1,673,802	1,692,740
Assets Total		1,911,120	1,731,522	1,729,070
Liabilities				
Current Liabilities				
Creditors and other payables	24	25,781	32,664	22,529
Current employee entitlements	26	4,147	3,699	3,032
Current borrowings and other financial liabilities	25	15,000	15,000	15,000
Current provisions	27	313	696	313
Current Liabilities Total		45,241	52,059	40,874
Non-current liabilities				
Non current employee entitlements	26	19	-	19
Non current provisions	27	262	313	265
Non current borrowings and other financial liabilities	25	75,000	95,000	65,000
Non-current liabilities Total		75,281	95,313	65,284
Liabilities Total		120,522	147,372	106,158
Net assets		1,790,598	1,584,150	1,622,912

The accompanying notes form part of these financial statements.

Statement of changes in net assets/equity for year ended 30 June 2023

Statement of Changes in Equity for year ended 30 June 2023	Retained Earnings	Asset Revaluation Reserve	Council Reserves	Equity
Balance at 01 July 2021	929,626	493,121	32,458	1,455,205
Total comprehensive revenue and expense for the year	33,602	-	-	33,602
Reclassification of reserves to equity	175	-	-	175
Gains/Losses on asset revaluations	-	133,927	-	133,927
Other reserve movements and transfers	26	-	(23)	3
Balance at 30 June 2022	963,429	627,048	32,435	1,622,912
Total comprehensive revenue and expense for the year	16,836	-	-	16,836
Reclassification of reserves to equity	-	-	-	-
Gains/Losses on asset revaluations	(1,181)	151,394	-	150,213
Other reserve movements and transfers	9,939	-	(9,302)	637
Balance at 30 June 2023	989,023	778,442	23,133	1,790,598

The accompanying notes form part of these financial statements.

Statement of cash flows for year ended 30 June 2023

	2023 Actual \$'000	2023 Budget \$'000	2022 Actual \$'000
Cashflow from operating activities			
Receipts from rates, grants and other services	123,435	128,634	134,477
Interest received	409	270	873
Dividends received	245	-	262
Payments to suppliers and employees	(85,650)	(83,651)	(83,162)
Income tax (paid) refund	-	-	54
Interest paid	(4,144)	(4,006)	(4,146)
Net cash inflow from operating activities	34,295	41,247	48,358
Cashflow from investing activities			
Advances to related parties			
Proceeds from sale of property, plant and equipment, investment property and intangible assets	(1,549)	-	3,912
Acquisition of property, plant and equipment, investment property and intangible assets	(53,147)	(70,001)	(42,435)
Net cash outflow from investing activities	(54,696)	(70,001)	(38,523)
Cashflows from financing activities			
Proceeds of borrowings	25,000	56,500	-
Repayment of borrowings	(15,000)	(15,000)	(10,000)
Net cash in flow from financing activities	10,000	41,500	(10,000)
Net (decrease)/increase in cash and cash equivalents and bank overdraft	(10,401)	12,746	(165)
Opening cash and cash equivalents and bank overdraft	25,541	26,344	25,706
Closing cash and cash equivalents and bank overdraft	15,140	39,090	25,541

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Proposed statement of accounting policies for the year ended 30 June 2023

Reporting entity

Western Bay of Plenty District Council (the Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Council provides local infrastructure, local public services, and provides regulatory functions to the community. The Council does not operate to make a financial return.

The reporting date of the Council and the associate is 30 June.

The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements of the Council are for the year ended 30 June 2023. The financial statements were authorized for issue by Council on 14 December 2023.

Basis of preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with NZ GAAP.

The financial statements have been prepared in line with PBE Accounting Standards, however were adopted after the statutory deadline on 31 October 2023.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all value are rounded to the nearest thousand dollars (\$000), other than the remuneration and the severance payment disclosures in Note 38 and Note 39. The remuneration and severance payments are rounded to the nearest dollar.

Water services reform programme

The New Zealand Government is implementing a water services reform programme that is intended to ensure all New Zealanders have safe, clean and affordable water services. The Government believes this will be achieved by establishing new public entities to take on the delivery of drinking water, wastewater and stormwater services across New Zealand. The reform will be enacted by three pieces of legislation:

- The Water Services Entities Act 2022, which (as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023) establishes ten publicly owned water services entities and sets out their ownership, governance and accountability arrangements. A water services entity is established (for transitional purposes) on the date on which the appointment of the entity's establishment board takes effect, and its establishment date (operational date) will be a date between 1 July 2024 and 1 July 2026.
- The Water Services Legislation Act 2023, which amended the Water Services Entities Act 2022 on 31 August 2023 to provide for the transfer of water services assets and liabilities to the water services entities.

- The Water Services Economic Efficiency and Consumer Protection Act 2023, which provides the economic regulation and consumer protection framework for water services. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023

However, the financial impact of the transfer of three water assets and associated function, is not certain. With the change in the Government there is a possibility of a change to water services reform programme. Considering the recent developments there is a possibility that the new Government might repeal or substantially amended the three legislations.

Changes in accounting policies

Software-as-a-Service (SaaS) arrangements

In April 2021, the International Financial Reporting Interpretations Committee (IFRIC), a committee supporting profit-oriented reporting, published an agenda decision clarifying how configuration and customization costs incurred in implementing SaaS should be accounted for.

The IFRIC concluded that SaaS arrangements are service contracts providing the customer with the right to access the SaaS provider's application software over the contract period. Costs incurred to configure or customize software in a cloud computing arrangement, can be recognized as intangible assets only if the activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria.

Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognized as intangible software assets and amortised over the useful life of the software on a straight-line basis. The useful lives are reviewed at least at the end of each financial year, and any change accounted for prospectively as a change in accounting estimate.

The New Zealand Accounting Standards Board has not issued similar guidance, however, in the absence of a PBE standard dealing with these costs, management considers the IFRIC decision relevant to the accounting for similar types of arrangements of Council in accordance with PBE IPSAS 31 Intangible assets.

Council has changed its accounting policy from 1 July 2021 to be consistent with the IFRIC agenda decision.

The impact of the change in accounting policy is that some intangible assets that were previously capitalised no longer meet the criteria for capitalisation and therefore have been expensed.

Standards, and amendments, issued and that have been applied

Cash Flow Statements

These amendments require additional disclosures that enable users of financial statements to evaluate cash and non-cash changes in liabilities arising from financial activities. It is effective for reporting periods on or after 1 January 2021. Refer to Note 33 for information on reconciliation of liabilities from financing activities.

PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 Financial Instruments was issued in March 2019. This standard supersedes PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for reporting periods beginning on or after 1 January 2022.

PBE FRS 48 Service Reporting

PBE FRS 48 Service Performance Reporting replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for the year ending 30 June 2023.

Summary of significant accounting policies

Significant accounting policies that do not relate to a specific note are outlined below.

Foreign currency transactions

Foreign currency transactions (including those subject to forward exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Goods and services tax

Items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from the IRD, including the GST relating to investing and financing activities, is classified as operating cashflow in the statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by Council in its 2021-2031 Long Term Plan. The budget figures have been prepared in accordance with GAAP, using accounting policies that are consistent with those adopted by the Council in preparing these financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Estimating the fair value of land and buildings, and infrastructural assets – Note 21
- Estimating the fair value of forestry assets – Note 23
- Estimating the retirement and long service leave obligations – Note 26
- Estimating the landfill aftercare provision – Note 27

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies.

Donated or vested land and buildings with use or return conditions

The Council has received land and buildings from non-exchange transactions that contain use or return conditions. If revenue is not recognised immediately for such assets when received, there is the possibility that a liability would be recognised in perpetuity and no revenue would ever be recognised for the asset received.

The Council considers that an acceptable and more appropriate accounting treatment under PBE IPSAS 23 is to recognize revenue immediately for such transfers and a liability is not recognised until such time as it is expected that the condition will be breached.

Classification of property

Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives are part of Council’s social housing policy. The properties are therefore accounted for as property, plant, and equipment rather than investment property.

Treatment of airport land

The airport land consists of some 225 hectares of land of which some 86 hectares is jointly owned by Tauranga City Council (TCC) and Western Bay of Plenty District Council. TCC are the legal owners of the land and Western Bay of Plenty District Council are the beneficial or equitable owners of the jointly owned land. The jointly acquired land is held by TCC on trust for itself and Western Bay of Plenty District Council. As the legal owner TCC must exercise its rights of ownership in terms of the trust and for the benefit of the trustees.

The terms of the trust are that TCC may use the jointly acquired land rent free provided the land is used as an airport. In the event that the jointly own airport land is sold and the principal use of the land is no longer an airport then a liability to Western Bay of Plenty District Council is created for the sale price of the jointly owned land at that point.

Summary of Cost of Services

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

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity. Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers, and floor area. There have been no changes to the cost allocation methodology during the year.

Revenue

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

Rates revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognized at the amounts due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivable and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usages, as a result of unread meters at year-end, is accrued on an average usage basis.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its Rates Remission Policy.
- From 1 July 2022 Council no longer collects rates on behalf of Bay of Plenty Regional Council.
- Rating base information is disclosed on page 16 under “Overview of Council’s performance 2022/23”.

Financial Contributions

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

Waka Kotahi NZ Transport Agency roading subsidies

The Council receives funding assistance from Waka Kotahi NZ Transport Agency, which subsidises part of the cost of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants received

Other grants received are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

Entrance Fees

Entrance fees are fees charged to users of the Councils local facilities, such as pools. Revenue from entrance fees is recognised upon entry to such facilities.

Landfill fees

Fees for disposing of waste at the Council's landfill are recognised upon waste being disposed by users.

Provision of commercially based services

Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to stage of completion at balance date. Generally, this is determined by the proportion of costs incurred to date bearing to the estimated total costs of providing the service.

Sale of goods

Revenue from the sale of goods is recognised when a product is sold to the customer.

Infringement fees and fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The revenue recognised is determined based on the probability of collecting fines, which is estimated by considering the collection history of fines over the 2-year period.

Vested or donated physical assets

For assets received for no nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long-lived assets that must be used for a specific use (for example, land must be used as a recreation reserve), the Council immediately recognizes the fair value of the asset as revenue. A liability is recognised only if the Council expects that it will need to return or pass the asset to another party.

Donated and bequeathed financial assets

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability is released to revenue as the conditions are met (for example, as the funds are spent for the nominated purpose).

Interest and dividends

Interest revenue is recognised using the effective interest method.

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

Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery part of the cost of the investment.

Personnel costs

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Employer contributions to Kiwi saver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Defined benefit schemes

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

Insufficient information is available to use defined benefit plan accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus or deficit in the plan 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.

Finance Costs

Borrowing costs are recognised as an expense in the financial year in which they are incurred.

Grant expenses

The Council's grants awarded have no substantive conditions attached.

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

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as an expense when approved by the Council and the approval has been communicated to the applicant.

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. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense of the term of the lease.

Tax

Council does not pay income tax as Section CW39 of the Income Tax Act 2007 specifically exempts income that is derived by a local authority from income tax, unless that income is derived from a Council Controlled Organisation, a port related undertaking, or as a trustee.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Receivables

Receivables are recorded at their face value, less any provision for impairment.

Derivative financial instruments and hedge accounting.

Derivative financial instruments are used to manage exposure to foreign exchange arising from Council's operational activities and interest rate risk arising from Council's financing activities. In accordance with its treasury policy, 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 to their fair value at each balance date.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

Council has elected not to hedge account.

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

Other financial assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories;

- Amortised cost
- Fair value through other comprehensive revenue and expense (FVTOCRE); and
- Fair value through surplus and deficit (FVTSD)

Transaction costs are included in the value of the financial asset at initial recognition unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council's model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model managing them.

A financial asset is classified as subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Subsequent measurement of financial assets at amortised cost

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

Subsequent measure of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus or deficit. Instruments in this category include Council listed bonds.

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

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit. Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Other than derivatives, the Council has no instruments in this category.

Investment in associate

An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint arrangement.

The Council's associate investment is accounted using the equity method. The investment in the associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the Council's share of the deficit of the associate after the date of acquisition.

Distributions received from an associate reduce the carrying amount of the investment in the Council's financial statements.

If the share of deficits of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further deficits.

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

Property, plant and equipment

Property, plant and equipment consist of:

Operational assets – These include land, buildings, landfill post-closure, library books, plant and equipment, and motor vehicles.

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

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

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

Revaluation

Land and buildings (operational and restricted), library books, and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying value amount does not differ materially from fair value and at least every three years.

Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in surplus or deficit.

Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenses.

Additions

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

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

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Disposals

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

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the asset 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:

Buildings		
Buildings	2 - 100 years	Straight line
Land	-	Not depreciated
Plant and equipment	4 - 10 years	Diminishing value
Office equipment and furnishings	4 - 10 years	Diminishing value
Computer systems	2 - 5 years	Diminishing value
Motor vehicles	4 - 5 years	Diminishing value
Library books	10 - 15 years	Straight line
Infrastructural assets		
Roading network		
Top surface (seal)	5 - 60 years	Straight line
Pavements (base course)		
• Seal	5 - 60 years	Straight line
• Unsealed	3 - 5 years	Straight line
Other	5 - 70 years	Straight line
Formation	-	Not depreciated

Bridges		
Bridges	50 - 100 years	Straight line
Reticulation		
• Water	15 - 80 years	Straight line
• Sewerage	40 - 100 years	Straight line
• Stormwater	70 - 120 years	Straight line
• Treatment plant and equipment	15 - 80 years	Straight line
Other structures		
• Reservoirs	80 - 100 years	Straight line
• Dams	100 years	Straight line
• Bores	100 years	Straight line
• Coastal Structures	5 - 75 years	Straight line

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment of property, plant, and equipment

Property, plant, and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit.

For assets not carrying a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at revalued amount, the reversal of an impairment loss is recognised in surplus or deficit.

Intangible assets

Initial recognition and subsequent measurement

Purchased intangible assets are initially recognised at cost. For internally generated intangible assets, the cost includes direct employee costs, a reasonable portion of overhead and other direct costs that are incurred in the development phase of the asset.

Intangible assets acquired at no cost are initially recognised at fair value where they can be reliably measured. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and impairment losses, if any.

Easements

Easements are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements have an indefinite life and are not amortised, but are instead tested for impairment annually.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Amortisation

The carrying value of an intangible asset with a finite life is amortised based the Diminishing Value method over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

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

Computer software	3-5 years	20%-33.3%
Resource consents	life of asset	5%
Property subdivision rights	19 years	3%-5%

Impairment of intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

For further details, refer to the policy for impairment of property, plant, and equipment. The same approach applies to the impairment of intangible assets.

Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in surplus or deficit.

Forestry maintenance costs are recognised in surplus or deficit when incurred.

Payables and deferred revenue

Short-term creditors and other payables are measured at the amount payable.

Borrowings and other financial liabilities

Borrowings on normal terms are initially recognised at the amount borrowed plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

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

Employee entitlements

Short-term employee entitlements

Employee benefits that are expected to be settled wholly within twelve months after end of the year in which the employee provides the related service are measured and based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Long-term employee entitlements

Employee benefits that are not expected to be settled wholly before twelve months after the end of the reporting period in which the employee provides the related service, such as retirement and long service leave, have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated future cash flows.

Presentation of employee entitlements

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

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when:

- There is a present obligation (either legal or constructive) as a result of a past event;
- It is probable that an outflow of future economic benefits will be required to settle the obligation and
- A reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated future cash flows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Accumulated funds;
- Restricted reserves;
- Property revaluation reserve; and
- Fair value through other comprehensive revenue and expense reserve.

Restricted reserves

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

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

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

Property revaluation reserve

This reserve relates to the revaluation of property, plant and equipment to fair value.

Fair value through other comprehensive revenue and expense reserve

This reserve comprises the effective portion of the cumulative net change in the fair value of assets classified through other comprehensive revenue and expense.

2. Total revenue

	2023 Actual \$'000	2022 Actual \$'000
Representation	4,069	3,568
Planning for the future	4,316	3,584
Transportation	42,343	36,312
Water supply	16,569	14,775
Communities	10,193	8,917
Recreation and open spaces	14,356	13,166
Regulatory services	15,523	12,955
Wastewater	16,618	19,900
Solid waste	4,561	4,669
Stormwater	6,796	7,758
Natural environment and sustainable living	1,212	1,093
Economic development	626	902
Support services	2,000	16,317
Total operating revenue by activity	139,182	143,916

3. Total expenditure

	2023 Actual \$'000	2022 Actual \$'000
Representation	4,010	3,500
Planning for the future	4,161	3,435
Transportation	28,686	23,247
Water supply	15,074	15,711
Communities	9,981	8,781
Recreation and open spaces	11,655	10,165
Regulatory services	15,440	12,928
Wastewater	16,213	14,792
Solid waste	4,206	4,131
Stormwater	4,442	4,325
Natural environment and sustainable living	1,390	1,078
Economic development	774	999
Support services	6,538	7,279
Total operating expenditure by activity	122,570	110,371

4. Fees and charges from activities

	2023 Actual \$'000	2022 Actual \$'000
Representation	8	1
Planning for the future	-	7
Transportation	380	529
Water supply	527	107
Communities	459	270
Recreation and open spaces	346	284
Regulatory services	7,211	7,076
Wastewater	346	127
Solid waste	498	745
Stormwater	5	4
Economic development	-	-
Support services	113	222
Total revenue from significant activities	9,893	9,372

5. General Rate Income

	2023 Actual \$'000	2022 Actual \$'000
Representation	4,059	3,565
Planning for the future	4,316	3,564
Communities	5,683	4,671
Recreation and open spaces	8,945	7,904
Regulatory services	4,938	4,994
Transportation	52	-
Water Supply	-	-
Stormwater	704	209
Natural environment and sustainable living	401	346
Wastewater	304	960
Solid waste	262	388
Economic development	290	578
Support services	1,454	3,482
Total general rates	31,408	30,661

Remissions and penalties

General rate income is shown net of remissions. Western Bay District Council's general rates remission for 2023 was \$17,552.

Western Bay District Council also charges penalties on overdue general rates which was \$560,695 for 2023.

Non-rateable land

Under the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. These non-rateable properties may be subject to targeted rates in respect of sewerage and water. Non-rateable land does not constitute a remission.

6. Targeted rates attributable to activities

	2023 Actual \$'000	2022 Actual \$'000
Representation	-	-
Planning for the future	-	13
Communities	3,422	3,287
Recreation and open spaces	-	-
Regulatory services	-	-
Transportation	16,450	14,701
Water supply	6,677	6,516
Stormwater	4,724	4,558
Natural environment and sustainable living	665	598
Wastewater	12,854	11,871
Solid waste	3,155	3,045
Economic development	335	334
Support services	1,419	1,417
Total targeted rates	49,701	46,340

Remissions and penalties

Targeted rate income is shown net of remissions. Western Bay District Council's targeted rates remission for 2023 was \$27,776.

Western Bay District Council also charges penalties on overdue targeted rates which was \$887,262 for 2023.

7. Targeted rates for water supply

	2023 Actual \$'000	2022 Actual \$'000
Metered water charges	7,141	4,705
Total targeted rates for water supply	7,141	4,705

Remissions and penalties

Targeted water rates income is shown net of remissions. Western Bay District Council's water rates remission for 2023 was \$235,621

Western Bay District Council does not charge penalties on overdue water rates.

8. Finance revenue and costs

	2023 Actual \$'000	2022 Actual \$'000
Finance income		
Interest income	1,720	1,083
Dividends	245	262
Rates postponement scheme	14	5
Total finance income	1,979	1,350
Finance costs		
Interest on bank borrowings	4,134	1,630
Interest rate swap expense	10	2,516
Total finance costs	4,144	4,146
Net finance income / (costs)	(2,165)	(2,796)

9. Vested assets

	2023 Actual \$'000	2022 Actual \$'000
Significant activities		
Communities	-	-
Recreation and open spaces	-	-
Transportation	946	-
Water supply	389	946
Stormwater	649	2,481
Wastewater	413	1,653
Solid waste	-	-
Support services	-	-
Total vested assets to Council	2,397	5,080
Wastewater	(1,822)	-
Total vested assets from Council	(1,822)	-
Total net vested assets	575	5,080

10. Subsidies and grants

	2023 Actual \$'000	2022 Actual \$'000
Ministry for the Environment	512	284
Bay of Plenty Regional Council	-	-
Crown Infrastructure Partners	3,021	6,387
Waka Kotahi NZ Transport Agency	17,982	13,890
TECT	-	1,443
Ministry of Business, Innovation and Employment	-	94
Other	250	-
Total subsidies and grants	21,765	22,098

There are no unfulfilled conditions or other contingencies attached to subsidies recognised (2022: Nil).

11. Other revenue

	2023 Actual \$'000	2022 Actual \$'000
Financial contributions		
Recreation and open spaces	2,973	2,945
Transportation	3,454	3,820
Water supply	1,656	1,516
Stormwater	712	492
Natural environment	146	150
Wastewater	1,688	2,002
Total revenue from financial contributions	10,629	10,925
Petrol tax	459	436
Sale of goods and services	823	1,464
Cost recoveries	428	228
Rental revenue	1,330	1,180
Fines	117	126
Total other revenue	3,157	3,434

12. Other expenses

	2023 Actual \$'000	2022 Actual \$'000
Audit fees for financial statement audit		
· audit fees for financial statement audit	223	159
· audit fees for Long Term Plan		-
· audit fees for debenture trust deed audit	-	-
· audit fees for grant funding assurance	-	-
Insurance premiums	1,076	902
Consultant and legal fees	5,147	2,926
Impairment of receivables	1,518	3,226
Loss on sale of property, plant and equipment	866	2,330
Minimum lease payments under operating leases	63	308
Other operating expenses	53,887	45,252
Asset revaluation	-	1
Total other expenses	62,780	55,104

13. Personnel costs

	2023 Actual \$'000	2022 Actual \$'000
Salaries and wages	29,570	26,229
Employer contributions to health insurance scheme	259	269
Total personnel costs	29,829	26,498

14. Cash and cash equivalents

	2023 Actual \$'000	2022 Actual \$'000
Cash at bank and on hand	5,138	22,636
Petty cash	2	2
Term deposits with maturities less than 3 months	10,000	2,903
Total cash and cash equivalents	15,140	25,541

The carrying value of cash at bank and term deposits with maturities less than three months approximate time fair value.

Interest rates

The weighted average effect interest rates on investments (current and non-current) and associated repricing maturities were:

	2023	2022
Short-term deposits	5.71%	1%

15. Receivables and payments

	2023 Actual \$'000	2022 Actual \$'000
Rates debtors	5,929	5,730
Metered water debtors	3,391	1,452
Other trade debtors	6,267	2,512
Sundry debtors	5,852	3,270
GST Receivables	894	910
Debtors and other receivables prior to impairment	22,333	13,875
Less provision for impairment of receivables	4,029	3,720
Net receivables	18,304	10,155
Prepayments	877	496
Net receivables and prepayments	19,181	10,651

Fair value

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

Impairment

Western Bay of Plenty District Council (Western Bay Council) does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. Ratepayers can apply for payment plan options in special circumstances. Where such payment plans are in place, debts are discounted to the present value of future payments if the impact of discounting is material.

These powers allow Western Bay Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within 3 months of the Court's judgement, then Western Bay Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

The carrying amount of receivables that would otherwise be past due or impaired, whose terms have been renegotiated is \$Nil (2022: \$Nil). Western Bay Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The status of receivables as at 30 June 2023 and 2022 are detailed below:

	2023 \$'000			2022 \$'000		
	Gross	Impairment	Net	Gross	Impairment	Net
Not past due	15,043	(754)	14,289	10,179	765	9,414
Past due 90 days - 2 years	1,855	(727)	1,128	998	636	362
Past due 2-3 years	1,536	(674)	862	762	574	188
Past due > 3 years	3,900	(1,875)	2,025	1,935	1,744	191
Total	22,334	(4,030)	18,304	13,875	3,718	10,155

Receivables greater than 90 days are considered past due

The impairment provision has been calculated based on expected losses for Western Bay Council's pool of debtors. Expected losses have been determined based on an analysis of Western Bay Council's losses in previous periods and a review of specific debtors as detailed below:

	2023 Actual \$'000	2022 Actual \$'000
Individual impairment	(1,875)	(1,744)
Collective impairment	(2,154)	(1,974)
As at 30 June	(4,029)	(3,718)

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors is as follows:

	2023 Actual \$'000	2022 Actual \$'000
Past due 30-59 days	-	-
Past due 60-89 days	-	-
Past due > 90 days	1,875	1,744
As at 30 June	1,875	1,744

Movement in the provision for impairment of receivables is as follows:

	2023 Actual \$'000	2022 Actual \$'000
As at 1 July	3,718	4,548
Additional provisions made during the year	1,829	2,396
Provisions reversed during the year	-	-
Receivables written off during the year	(1,518)	(3,226)
As at 30 June	4,029	3,718

Rates are "written off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (where the chief executive of a local authority may, in respect of a rating unit of Māori freehold land)
 - Section 90A: \$81,157.81 (2022: \$727,647.94)
 - Section 90B: Nil. (2022: \$41,819.71).

16. Derivative financial instruments

	2023 Actual \$'000	2022 Actual \$'000
Current portion	-	138
Interest rate swaps - fair value hedges	2,580	1,540
Total derivative financial instruments	2,580	1,678
Movement	902	9,244

Fair value

Interest rate swap

The fair values of interest rate swaps have been determined using a discounted cash flows valuation technique based on quoted market prices.

The notional principal amounts of the current outstanding interest rate swap contracts for the Western Bay Council were \$71.5m (2022: \$81.5m).

At 30 June 2023, the fixed interest rates of cash flow hedge interest rate swaps vary from 1.95% to 5.41% (2022: 1.95% to 5.41%). The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current. As at 30 June 2023, the Western Bay Council did not have any current interest rate derivatives.

17. Non-current assets held for sale

Western Bay Council held no non-current assets for sale as at 30 June 2023.

18. Other financial assets

	2023 Actual \$'000	2022 Actual \$'000
Current portion		
Investments		
Term deposits maturing within 12 months of balance date	-	-
Total investments	-	-
Total current other financial assets	-	-
Non-current portion		
Non-current assets available for sale are:		
Zespri Group Limited		
26,490 shares (26,490 in 2022) with a market value as at 30 June 2023 of \$5.80 (\$9.10 in 2022) per share.	154	241
Seeka Kiwifruit Industries Limited		
11,247 shares (2022: 11,247) with a market value as at 30 June 2023 of \$2.61 (\$4.67 in 2022) per share.	29	53
Total non-current assets available for sale	183	294
Loans and receivables		
Te Tumu investment (note 42)	12,782	12,249
Total loans and receivables	12,782	12,249
Total non-current other financial assets	12,965	12,542
Total other financial assets	12,965	12,542
Movement in other financial assets	422	162
Represented by:		
Change in fair value of shares	(113)	(53)
Change in fair value of loans	(791)	(951)
Change in fair value of other Financial Assets	(904)	(1,004)
Unrealised interest movement in Te Tumu	1,326	1,166
Total	422	162

19. Investments in associates

Share in associates	2023 Actual \$'000	2022 Actual \$'000
Western Bay of Plenty Tourism and Visitors' Trust (50%)	512	289
Total share in associates	512	289
Movement	224	58

20. Investments in Council controlled organisations (CCO's) and other similar entities

	2023 Actual \$'000	2022 Actual \$'000
Bay of Plenty Local Authority Shared Services Limited	14	14
BOPLASS Limited 9.7% share (2022: 9.7%)		
Civic Financial Services Limited	25	28
28,142 shares (2022: no change) with a market value as at 30 June 2023 of \$0.90 per share (2022: \$0.99)		
Local Government Funding Agency Limited	1,866	1,866
3,731,958 shares (2022: no change) at \$1 per share \$0.50 share paid up capital (2022: no change)		
Local Government Funding Agency Borrower Notes	1,474	1,120
Total Investment in Council Controlled Organisations (CCO's) and other similar entities	3,379	3,028

Bay of Plenty Local Authority Shared Services (BOPLASS)	2023 Actual \$'000	2022 Actual \$'000
Assets	2,719	1,205
Liabilities	2,691	1,153
Revenues	1,927	1,998
Surplus / (deficit)	(23)	6
Western Bay's % interest	9.7%	9.7%

Note: These results are unaudited

21. Property, plant and equipment

Property, plant, and equipment notes

- There were no assets lost or given up during the year.
- Council has not pledged any property, plant or equipment as security for liabilities.
- Land and buildings in the "Restricted Asset" category are subject to either restrictions on use, or disposal, or both. This includes restrictions from legislation (such as land declared as a reserve under the Reserves Act 1977), or other restrictions (such as land or buildings under a bequest or donation that restricts the purpose for which the assets can be used).
- One transportation asset valued at \$255,000 (No 4. Road bridge, Te Puke) was impaired due to the cyclone Gabrielle weather event.

Reconciliation of property, plant and equipment to statement of financial position

1. In respect of the roading component of infrastructural assets: Western Bay Council has formerly recorded a decision to maintain the network in a defined and appropriate operating capacity by a programme of restoration to ensure that its life will be indefinitely prolonged.
2. An appropriate Asset Management Plan has been adopted by Council.

The Plan provides:

- the level of service required
- the current physical extent, condition and capacity of the network
- the timing, extent and cost of work required to maintain and restore the network's defined operating capacity in future years.

	2023 Actual \$'000	2022 Actual \$'000
Depreciation, amortisation and impairment by activity		
Representation	17	12
Planning for the future	-	-
Communities	494	511
Recreation and open spaces	2,204	1,945
Regulatory services	80	83
Transportation	11,002	11,214
Water supply	3,889	3,522
Stormwater	1,826	1,684
Wastewater	3,447	4,274
Solid waste	25	22
Natural environment and sustainable living	-	-
Economic development	-	-
Total depreciation, amortisation and impairment by activity	22,984	23,267
Depreciation and amortisation related to support services	1,011	1,356
Total depreciation, amortisation and impairment expense	23,995	24,623
Made up of:		
Depreciation	23,300	22,708
Amortisation	440	845
Impairment	255	1,070

	2023 Actual \$'000	2022 Actual \$'000
Revaluation gains by activity		
Representation	-	-
Planning for the future	-	-
Communities	(378)	7,570
Recreation and open spaces	9,889	38,003
Regulatory services	-	-
Transportation	31,853	57,964
Water supply	50,424	1,917
Stormwater	8,880	1,684
Wastewater	50,060	4,105
Solid waste	274	717
Natural environment and sustainable living	-	-
Economic development	-	-
Support services	487	9,635
Property, plant and equipment gains	151,489	121,595
Intangibles (Emission Trading Scheme NZ Units)	(1,181)	1,098
Forestry	(94)	(499)
Total gains	150,214	122,194

Work in progress by activity	2023 Actual \$'000	2022 Actual \$'000
Representation	-	-
Planning for the future	258	120
Communities	1,756	1,025
Recreation and open spaces	7,715	2,674
Regulatory services	76	19
Transportation	9,386	8,575
Water supply	7,549	5,889
Stormwater	3,601	1,955
Wastewater	2,827	2,801
Solid waste	-	117
Natural environment and sustainable living	-	-
Economic development	36	11
Support services	(3,250)	(2,674)
Total work in progress	29,953	20,510

Valuations

Operational and restricted land and buildings

At fair value, as determined from market based evidence assessed by an independent valuer as at June 2023 and identified a full revaluation was not required. The most recent valuation was performed by Opteon Solutions and the valuation was effective as at 30 June 2022.

Coastal and Marine Structures

At fair value determined on a depreciated replacement cost basis. Unit rates and lives were reviewed by an independent consultant that specialises in these types of assets.

The valuations were prepared internally by Council staff and peer reviewed by an independent valuer. The valuation is effective as at 1 July 2023.

Infrastructural asset classes

Land

At fair value, as determined from market based evidence assessed by an independent valuer as at June 2023 and identified a full revaluation was not required. The most recent valuation was performed by Opteon Solutions and the valuation is effective as at 30 June 2022.

Sewerage and Wastewater

At fair value determined on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by AECOM and the valuation is effective as at 30 June 2023.

Stormwater

At fair value determined on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by AECOM and the valuation is effective as at 30 June 2023.

Water

At fair value determined on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by AECOM and the valuation is effective as at 30 June 2023.

Roading

At fair value determined on a depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by WSP and the valuation is effective as at 30 June 2023.

Land under roads

Land under roads was valued based on average land values of the comparable surrounding land within wards by Opteon Solutions, effective 1 July 2014. On transition to NZ IFRS Western Bay Council elected to use the fair value of land under roads as at 1 July 2017 as deemed cost. Land under roads is no longer revalued. Subsequent additions have been recorded at cost.

Vested infrastructural assets

Valued based on the actual quantities of infrastructural components vested and the current in-ground cost of providing identical services. Assets vested to Western Bay Council are recognised in the statement of comprehensive income as revenue and in the statement of financial position as property, plant and equipment.

Library collections

At fair value determined on a depreciated replacement cost basis. The valuations were prepared internally by Council staff and peer reviewed by an independent valuer. The most recent peer review was performed by Aecom, the valuation is effective at 30 June 2023.

Airport Land

The land consists of some 225ha of land of which some 86ha is jointly owned by Tauranga City Council (TCC) and Western Bay Council. TCC are the legal owners of the land and Western Bay Council are the beneficial or equitable owners of the land. Western Bay Council own 14.45% of the land. The acquired land is held by TCC on Trust for itself and Western Bay Council. As the legal owner TCC must exercise its rights of ownership in terms of the Trust and for the benefit of the trustees. The terms of the Trust are that TCC may use the land rent free provided the land is used as an airport. In the event that the land is sold and the principal use of the land is no longer an airport then a liability to Western Bay Council is created for the sale price of the land at that point.

Total fair value of property, plant and equipment valued by each valuer:

Fair value	2023 Actual \$'000	2022 Actual \$'000
WSP	714,171	675,790
Interpine Forestry Limited	12,707	8,938
Opteon	337,080	279,271
Internal (reviewed by AECOM)	1,428	-
AECOM	462,860	-
Total fair value	1,528,246	963,999

	2023 Carry amount \$'000	2023 Insured amounts \$'000
Category A Insurance Contracts		
Water	115,938	314,400
Wastewater	134,185	273,740
Stormwater	121,477	181,452
Mobile Plant and Vehicles	1,384	2,215
Forestry	8,266	14,119
	381,250	785,926
Material Damage Cover		
Buildings	57,874	71,895
Parks and reserves	20,900	-
Coastal marine	16,830	-
Libraries	1,427	-
Office Equipment	3,453	14,986
Plant and equipment	56	-
	100,540	86,881
Category A Total	481,790	872,807

	2023 Carry amount \$'000	2023 Insured amounts \$'000
Category B Financial Risk Sharing Arrangements assets		
Nil	-	-
Category B Total	-	-
Category C Self Insured Assets		
Disaster Contingency Reserve	-	-
Land under roads	262,345	-
Roading - Other	93,124	-
Roading - Surfaces	599,024	-
Land	237,349	-
Category C Total	1,191,842	-
Total	1,673,632	872,807

Work in progress

Total amount of property, plant and equipment in the course of construction is \$30.0m (2022: \$20.5m).

Core infrastructure asset disclosures

Included within the Council infrastructure assets above are the following core Council assets:

	Closing Book value	Additions: Constructed by Council	Additions: Transferred to Council	Most Recent Replacement Cost Estimate for Revalued Assets
Water	166,361	4,476	389	155,432
Stormwater	130,356	1,713	649	130,920
Wastewater	184,754	503	413	176,218
Roads and footpaths	728,692	23,830	463	714,171
	1,210,165	30,521	1,914	1,176,741

2023	Cost/ Valuation	Opening accumulated depreciation and impairment charges	2022 Carrying Amount	"Current year additions"	Current year transfers from work in progress	"Current year vested assets"	"Current year disposals"	"Current year disposal depreciation"	"Gain and disposal of assets"	"Transfer Accumulated Deprn"	"Current year depreciation total"	Revaluation	Revaluation depreciation	2023 Cost/ Valuation	2023 Accumulated Deprn	2023 Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operational assets																
Land	61,602	-	61,602	-	-	-	-	-	-	-	-	-	-	61,602	-	61,602
Buildings	30,582	(54)	30,529	2,666	-	-	(30)	-	-	-	(463)	(6)	60	33,212	(457)	32,755
Coastal Marine	17,878	(1,048)	16,830	205	-	-	-	-	-	-	(668)	4,343	1,912	22,426	196	22,622
Libraries	2,008	(509)	1,499	356	-	-	(1)	-	1	-	(168)	(260)	-	2,105	(677)	1,427
Office equipment	8,572	(7,020)	1,552	2,232	-	-	-	-	-	-	(331)	-	-	10,804	(7,351)	3,453
Plant and equipment	236	(175)	61	-	-	-	-	-	-	-	(5)	-	-	236	(180)	56
Vehicles	3,007	(1,699)	1,308	581	-	-	(433)	360	-	-	(431)	-	-	3,154	(1,770)	1,384
Total Operational assets	123,885	(10,505)	113,381	-	6,040	-	(464)	360	1	-	(2,066)	4,077	1,972	133,539	(10,239)	123,299
Infrastructural assets																
Land	36,645	-	36,645	1,445	-	-	-	-	-	-	-	-	-	38,090	-	38,090
Buildings	3,628	(6)	3,622	291	-	-	-	-	-	-	(72)	427	3	4,346	(75)	4,272
Water	122,209	(7,275)	114,934	4,476	389	-	(136)	-	136	-	(3,861)	39,149	11,275	166,223	139	166,361
Stormwater	123,711	(2,865)	120,845	1,713	649	-	-	-	-	-	(1,731)	4,108	4,772	130,180	176	130,356
Wastewater	142,997	(6,669)	136,328	503	413	-	-	-	-	-	(3,354)	40,247	10,087	184,690	64	184,754
Land under roads	262,345	-	262,345	-	-	-	-	-	-	-	-	-	-	262,345	-	262,345
Roading other	91,527	914	92,441	5,995	463	-	-	-	-	-	(3,156)	(1,111)	2,940	96,874	698	97,572
Roading surface	596,723	154	596,877	17,835	483	-	-	-	-	-	(7,548)	15,979	7,495	631,019	101	631,120
Total Infrastructural assets	1,379,785	(15,747)	1,364,037	-	32,257	2,397	(136)	-	136	-	(19,721)	98,799	36,571	1,513,768	1,103	1,514,871
Restricted assets																
Land	133,880	-	133,880	3,087	-	-	(330)	-	-	-	-	1,020	-	137,657	-	137,657
Buildings	23,034	(2,147)	20,887	1,300	-	-	-	-	-	-	(1,287)	5,673	3,377	30,007	(57)	29,950
Improvements	8,832	(16)	8,816	892	-	-	(979)	-	979	-	(226)	-	-	9,724	(242)	9,481
Total Restricted Assets	165,746	(2,163)	163,583	-	5,278	-	(1,309)	-	979	-	(1,513)	6,693	3,377	177,387	(299)	177,088
Total PPE	1,669,416	(28,415)	1,641,001	-	43,575	2,397	(1,909)	360	1,116	-	(23,300)	109,569	41,920	1,824,694	(9,435)	1,815,259
Work in progress	20,558	-	20,510	56,026	(44,187)	(2,397)	-	-	-	-	-	-	-	29,953	-	29,953
Total Council	1,689,974	(28,415)	1,661,511	56,026	(612)	-	(1,909)	360	1,116	-	(23,300)	109,569	41,920	1,854,647	(9,435)	1,845,212

2022	Cost/ Valuation	Opening accumulated depreciation and impairment charges	2021 Carrying Amount	"Current year additions"	Current year transfers from work in progress	"Current year vested assets"	"Current year disposals"	"Current year disposal depreciation"	Transfers	"Transfer Accumulated Deprn"	"Current year depreciation total"	Revaluation	Revaluation depreciation	2022 Cost/ Valuation	2022 Accumulated Deprn	2022 Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operational assets																
Land	52,632	-	52,632	-	-	-	(2,750)	-	-	-	-	11,720	-	61,602	-	61,602
Buildings	24,647	(446)	24,201	-	1,657	-	(176)	7	-	-	(461)	4,456	846	30,582	(54)	30,529
Coastal Marine	17,673	(619)	17,055	-	700	-	(299)	21	-	-	(450)	(197)	-	17,878	(1,048)	16,830
Libraries	1,573	(261)	1,312	-	330	-	-	-	-	-	(248)	105	-	2,008	(509)	1,499
Office equipment	8,572	(6,668)	1,904	-	-	-	-	-	-	-	(352)	-	-	8,572	(7,020)	1,552
Plant and equipment	236	(169)	67	-	-	-	-	-	-	-	(6)	-	-	236	(175)	61
Vehicles	2,494	(1,468)	1,026	-	781	-	(217)	142	-	-	(374)	(51)	-	3,007	(1,699)	1,308
Total Operational assets	107,828	(9,630)	98,197	-	3,468	-	(3,442)	171	-	-	(1,892)	16,032	846	123,885	(10,505)	113,380
Infrastructural assets																
Land	27,513	-	27,513	-	-	-	-	-	-	-	-	9,132	-	36,645	-	36,645
Buildings	3,422	(92)	3,330	-	-	-	-	-	-	-	(13)	206	99	3,628	(6)	3,622
Water - treatment	1,928	-	1,927	-	-	-	-	-	-	-	-	-	-	-	-	-
Water - other	107,812	(3,968)	103,844	-	-	-	-	-	-	-	-	-	-	-	-	-
Water	109,740	(3,968)	105,771	-	10,327	945	(57)	2	-	-	(3,309)	1,254	-	122,209	(7,275)	114,934
Stormwater	113,676	(1,682)	111,994	-	7,951	2,481	-	-	-	-	(1,183)	(397)	-	123,711	(2,865)	120,845
Wastewater - treatment	25,289	-	25,289	-	-	-	-	-	-	-	-	-	-	-	-	-
Wastewater - other	107,333	(3,652)	103,681	-	-	-	-	-	-	-	-	-	-	-	-	-
Wastewater	132,622	(3,652)	128,970	-	8,768	1,653	-	-	-	-	(3,017)	(46)	-	142,997	(6,669)	136,328
Land under roads	262,345	-	262,345	-	-	-	-	-	-	-	-	-	-	262,345	-	262,345
Roading other	80,950	(3,004)	77,946	-	2,659	-	-	-	-	-	(1,844)	7,917	5,762	91,527	914	92,441
Roading surface	549,076	(7,626)	541,451	-	11,214	-	-	-	-	-	(7,688)	36,432	15,468	596,723	154	596,877
Total Infrastructural assets	1,279,343	(20,024)	1,259,320	-	40,919	5,080	(57)	2	-	-	(17,054)	54,499	21,329	1,379,784	(15,747)	1,364,036
Restricted assets																
Land	100,354	-	100,354	-	-	-	-	-	-	-	-	33,526	-	133,880	-	133,880
Buildings	19,682	(998)	18,684	-	3,928	-	(112)	8	-	-	(1,157)	(463)	-	23,034	(2,147)	20,887
Improvements	7,149	(154)	6,995	-	196	-	(273)	11	-	-	(175)	1,760	-	8,832	(16)	8,816
Total Restricted Assets	127,186	(1,153)	126,033	-	4,124	-	(385)	19	-	-	(1,332)	34,821	-	165,746	(2,163)	163,583
Total PPE	1,514,357	(30,806)	1,483,550	-	(48,510)	5,080	(3,885)	191	-	-	(22,708)	105,353	22,478	1,669,415	(28,415)	1,640,999
Work in progress	27,040	-	27,040	42,029	-	-	-	-	-	-	-	-	-	20,558	-	20,510
Total Council	1,541,397	(30,806)	1,510,590	42,029	(48,510)	5,080	(3,885)	191	-	-	(22,708)	105,353	22,478	1,689,973	(28,415)	1,661,509

22. Intangible assets

There are no restrictions over the title of Western Bay's intangible assets, nor are any intangible assets pledged as security for liabilities.

	Computer software		Resource consents		Emissions trading scheme		Property subdivision rights		Total	
	\$'000		\$'000		\$'000		\$'000		\$'000	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Balance at 1 July										
Cost	6,035	5,692	1,778	1,778	355	355	2,853	2,853	11,021	10,678
Accumulated amortisation and impairment	(5,262)	(4,516)	(396)	(332)	2,209	1,111	(2,678)	(2,678)	(6,127)	(6,415)
	773	1,176	1,382	1,446	2,564	1,466	175	175	4,894	4,263
Work in progress	-	-	-	-	-	-	-	-	-	-
Opening carrying amount	773	1,176	1,382	1,446	2,564	1,466	175	175	4,894	4,263
Year ended 30 June										
Additions	612	407	-	-	-	-	-	-	612	407
Transfer	-	(2)	-	-	-	-	-	-	-	(2)
Amortisation and impairment charge	(376)	(746)	(64)	(64)	-	-	-	-	(440)	(810)
Gains/loss	-	-	-	-	(1,181)	1,098	-	-	(1,181)	1,098
Disposals	-	(62)	-	-	-	-	-	-	-	(62)
Closing carrying amount	1,008	773	1,318	1,382	1,383	2,564	175	175	3,885	4,894
Balance as 30 June	6,647	6,035	1,778	1,778	355	355	2,853	2,853	11,633	11,021
Cost	(5,638)	(5,262)	(460)	(396)	1,028	2,209	(2,678)	(2,678)	(7,748)	(6,127)
Accumulated amortisation and impairment	1,008	773	1,318	1,382	1,383	2,564	175	175	3,885	4,894
Work in progress	-	-	-	-	-	-	-	-	-	-
Closing carrying amount	1,008	773	1,318	1,382	1,383	2,564	175	175	3,885	4,894

Carbon credits

Carbon credits were vested by the Council in 2011. Fair value initial recognition was \$578k. Council currently holds no credits that were purchased since 2011.

The Council considers that there is no impairment of carbon credits held, as they are expected to be fully utilised in satisfying carbon obligations from its forestry operations.

Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit for as long as the Emissions Trading Scheme is in place.

*Per statement of comprehensive income this amount is included in Gains.

23. Forestry assets

	2023 Actual \$'000	2022 Actual \$'000
Balance at 1 July	8,938	10,490
Gains/(losses) arising from changes attributable to physical changes	(498)	(499)
Gains/(losses) arising from changes attributable to price changes	404	-
Difference in Valuers report opening balance	-	-
Increases due to purchases	-	-
Decrease due to sale	-	-
Decrease due to harvest	(578)	(1,053)
Balance at 30 June	8,266	8,938

TECT Park Forest

TECT Park owns 331.27 hectares of Pinus Radiata forest, 26.41 hectares of Douglas Fir, and 48.29 hectares other mixed species, which are at varying stages of maturity ranging from 6 to 29 years.

After harvesting and revaluation in 2023, the total value of this forest is \$8.88 million of which Council owns 50%, which is \$4.44 million.

Waihi Beach Forest

Council owned 6.7 hectares of Pinus Radiata forest at varying stages of maturity ranging from 25 to 26 years with an average age of 25.9 years.

This forest has now been fully harvested and will not be replanted as a production forest.

Matakana Island Forest

Council owns 116.13 hectares of Pinus Radiata forest which are at varying stages of maturity ranging from 12 to 29 years with an average age of 23.95 years. After revaluation in 2023, the total value of this forest is \$3.57 million.

Lund Road Forest

Council owns 58.25 hectares of Pinus Radiata forest which are at varying stages of maturity ranging from 8 to 10 years with an average age of 9 years. After revaluation in 2023, the total value of this forest is \$ 0.246 million.

Valuation assumptions

Independent registered valuer, Interpine Group Limited, valued Councils forestry assets as at 30 June 2023. The following significant valuation assumptions have been adopted in determining the fair value of forestry assets:

- Forests have been valued on a going concern basis and only includes the value of the existing crops on a single rotation basis.
- Costs applied are current average costs for established stands; for immature stands costs are compounded at 3.6% (2022: 3.0%).
- Notional land rental costs have been included for freehold land.
- No allowance for inflation has been provided.
- No allowance has been made for cost improvements in future operations.
- Log prices are based on a twelve quarter rolling average to March 2023, and there are no restrictions on title.

There is no significant movement expected for the period March 2023 to June 2023.

A discount rate of 7.3% (2022: 7.0% to 7.6%) has been used in discounting the present value of expected cash flows.

Financial risk management strategies

The Council is exposed to financial risks arising from changes in timber prices. The Council and group is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future.

Therefore, no measures have been taken to manage the risks of a decline in timber prices. The Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

Securities

There are no restrictions over the title of Western Bay Council's forestry assets, nor are any forestry assets pledged as security for liabilities.

24. Creditors and other payables

Current portion	2023 Actual \$'000	2022 Actual \$'000
<i>Payables and deferred revenue under exchange transactions</i>		
Trade payables and accrued expenses	15,868	14,044
Other income in advance	1,580	435
Sundry payables	765	477
Total payables and deferred revenue under exchange transactions	18,213	14,956
<i>Payables and deferred revenue under non-exchange transactions</i>		
Rates in advance	5,021	5,576
Bonds and deposits	1,990	1,599
GST payables	-	-
Bay of Plenty Regional Council rates	557	398
Total payables and deferred revenue under non-exchange transactions	7,568	7,573
Total current portion	25,781	22,529

25. Borrowings and other financial liabilities

Current portion	2023 Actual \$'000	2022 Actual \$'000
Secured loans fixed	10,000	-
Secured loans floating	5,000	15,000
Total current secured loans	15,000	15,000
Total current borrowings	15,000	15,000

Non-current portion	2023 Actual \$'000	2022 Actual \$'000
Secured loans fixed	-	10,000
Secured loans floating	75,000	55,000
Total non-current secured loans	75,000	65,000
Total non-current borrowings	75,000	65,000
Total public debt	90,000	80,000

Western Bay Council's secured debt of \$90.0m (2022: \$80.0m) is mostly issued at floating rates of interest. This is converted to fixed rates through the use of interest rate swaps in line with Western Bay Council's adopted treasury policy.

Western Bay Council's secured floating debt of \$80m (2022: \$70m) is issued at an average margin of 58bps (2022: 65bps) above bank wholesale rates BKBM.

Council loans are secured over either separate or general rates of the District.

Repayment Terms	2023 Actual \$'000	2022 Actual \$'000
Payable no later than one year	15,000	15,000
Weighted average interest rate	5.89%	2.59%
Later than one, not later than five years	75,000	65,000
Weighted average interest rate	6.18%	3.11%
Later than five years	-	-
Weighted average interest rate	-	-
	90,000	80,000

Fair values of non-current borrowings	2023 Carrying amounts \$'000	2022 Carrying amounts \$'000	2023 Fair values \$'000
Secured loans	90,000	80,000	62,771
Total	90,000	80,000	62,771

The fair values are based on cash flows discounted using a rate based on the borrowing rates. The carrying amounts of borrowings repayable within one year approximate their fair value, as the impact of discounting is not significant.

The weighted average effective interest rates on borrowings (current and non-current) were:

Interest rates	2023 Actual \$'000	2022 Actual \$'000
Secured loans and debentures	6.13%	3.01%

Variations from/changes to the borrowing management policy

Western Bay Council has elected not to hedge account for its derivative financial investments.

Western Bay Council manages its borrowings in accordance with its funding and financial policies, which includes a Borrowings Management Policy. These policies have been adopted as part of the Long Term Plan.

As at 30 June 2023 Western Bay Council had \$30.0 million of undrawn cash facilities available (2022: \$30.0 million).

Debentures

Western Bay Council's secured debt of \$90.0 million (2022: \$80.0 million) is mostly issued at floating rates of interest. This is converted to fixed rates through the use of interest rate swaps in line with Western Bay Council's adopted treasury policy.

For floating rate debt, the interest rate is reset quarterly based on the 90-day bank bill rate plus a 0.32% to 0.85% margin for credit risk.

Security

The overdraft facility is secured as identified in note 25. The maximum amount that can be drawn down against the overdraft facility is \$600,000 (2022: \$600,000). There are no restrictions on the use of this facility.

26. Employee entitlements

	2023 Actual \$'000	2022 Actual \$'000
Accrued pay	903	409
Accrued leave and accrued entitlements	3,328	2,692
Sick pay	(84)	(69)
Retirement gratuities	19	19
	4,166	3,051
Represented by:		
Current	4,147	3,032
Non-current	19	19
Total employee entitlements	4,166	3,051

27. Provisions

	2023 Actual \$'000	2022 Actual \$'000
Current portion		
Landfill aftercare provision	15	15
Weathertight Homes Resolution Service	298	298
Total current portion	313	313
Non-current portion		
Landfill aftercare provision	262	265
Total non-current portion	262	265
Total provisions	575	578

Movements for each class of provision are as follows:

	Landfill \$'000	Weathertightness \$'000	Total \$'000
Balance at 1 July 2021	295	298	593
Additional provisions	-	-	-
Amounts used	18	(33)	(15)
Balance at 30 June 2022	313	265	578
Balance at 1 July 2022	313	265	578
Additional provisions	-	-	-
Amounts used	(3)	-	(3)
Balance at 30 June 2023	310	265	575

Landfill aftercare costs

Western Bay Council gained resource consents to operate the Te Puke and Athenree landfills. Western Bay Council has a responsibility under the resource consents for closure of the landfills and to provide ongoing maintenance and monitoring of the landfills after the sites are closed. The Te Puke landfill was closed in 1999 and the Athenree landfill in 2003.

Western Bay Council's responsibilities include:

- closure costs
- final cover application and investigation
- incremental drainage control features
- facilities for leachate collection and monitoring
- facilities for water quality monitoring.

Post closure costs include:

- treatment and monitoring of leachate
- groundwater surface monitoring
- implementation of remedial measures as needed for cover and control systems
- on-going life maintenance of drainage systems, final cover and vegetation.

The estimated remaining liability for closure and post-closure of Athenree is \$0.15 (2022: \$0.15 million) and for post-closure of Te Puke of \$0.11 million (2022: \$0.11 million) over the remaining life (Athenree 12 years, Te Puke 9 years) of the resource consents. This liability has been discounted back to a current value of \$0.28million (2022: \$0.28 million) using a discount rate of 7% (2022: 7%).

Weathertight Homes Resolution Services

Note 35 on pages 137-138 provides additional information regarding this provision.

28. Retained earnings

	2023 Actual \$'000	2022 Actual \$'000
Opening balance	963,429	929,626
Surplus / (deficit)	16,836	33,602
Other surplus /(deficit) through comprehensive income	-	-
Reclassification from prior year		
Reclassification of reserves to equity	-	175
	980,265	963,403
Transfers to:		
Restricted reserves	(20)	(20)
Council created reserves	(8,409)	(8,241)
	(8,429)	(8,261)
Transfers from:		
Restricted reserves	-	5
Council created reserves	17,187	8,282
Asset revaluation reserve	-	-
	17,187	8,287
Closing balance	989,023	963,429

29. Restricted reserves

	2023 Actual \$'000	2022 Actual \$'000
Opening balance	306	283
Transfers to:		
Accumulated funds	-	(3)
Transfers from:		
Accumulated funds	20	26
Closing balance	326	306

30. Council created reserves

	2023 Actual \$'000	2022 Actual \$'000
Opening balance	32,129	32,170
Transfers to:		
Accumulated funds	(17,731)	(8,282)
Transfers from:		
Accumulated funds	8,409	8,241
Closing balance	22,807	32,129

31. Asset revaluation reserve

	2023 Actual \$'000	2022 Actual \$'000
Opening balance	627,048	493,121
Change in asset value	151,408	133,927
Transfer to retained earnings on disposal of property	(14)	-
Reclassification of reserves to equity	-	-
Closing balance	778,442	627,048
Comprising:		
Land	95,097	94,688
Buildings	19,513	19,043
Water supply	109,066	58,642
Roading	344,099	318,797
Wastewater	112,382	61,518
Stormwater	67,772	58,892
Coastal marine structures	18,650	12,395
Library books	754	1,014
Parks and reserves	11,109	2,059
Total asset revaluation reserve	778,442	627,048

Asset revaluation reserves

This covers all assets that are revalued except for investment properties.

	2023 Actual \$'000	2022 Actual \$'000
Infrastructural		
Road Reserves	68,499	68,500
Road Surface	236,195	212,721
Other Roothing	39,405	37,576
Water supply	109,066	58,642
Wastewater	112,382	61,518
Stormwater	67,772	58,892
Operational		
Land	95,097	94,688
Buildings	19,513	19,043
Coastal marine structures	18,650	12,395
Library books	754	1,014
Parks and reserves	11,109	2,059
Total general asset revaluation reserve	778,442	627,048

32. Reserve funds

Restricted reserves (as at 30 June 2023)

Reserve Name	Purpose	Activity	Opening balance 1 July 2022	Expected deposits to fund to 30 June 2023	Expected withdrawals from fund to 30 June 2023	Closing balance 30 June 2023
Restricted Reserves	Restricted reserves have been established from public bequests and are only able to be spent in the manner specified by the donor.					
Hunter Estate	Established from bequest made in the late 1980s. The funds can only be spent on capital expenditure in Katikati as detailed in our Reserve Management Plans.	Recreation and Open Space	44,410	-	-	44,410
l'Anson Park Trust	The accumulated interest is available for both operational and capital expenditure undertaken in the Te Puna area.	Recreation and Open Space	9,510	-	-	9,510
Hastie Bequest	The principle settlement amount of \$100,000 is maintained and the interest can be used for Te Puke area library purchases.	Communities	242,357	19,466	-	261,823
CE Miller Estate	The interest on the capital of \$9,763 is available for the beautification of Katikati.	Recreation and Open Space	9,888	-	-	9,888
Total restricted reserves			306,165	19,466	-	325,631
Asset replacement reserves	Depreciation charged is transferred to the specified reserves detailed below and accumulated so that the interest earned on the reserves capital is available for asset replacement/renewals. The replacement/renewals programme is based on the renewals planned in our asset management plans. The reserves are not held as cash reserves.					
Asset Replacement - computers		Support Services	(593,466)	307,605	(1,586,870)	(1,872,731)
District Reserves		Support Services	2,038,902	704,031	(570,853)	2,172,080
Huharua Sub Regional Park		Recreation and Open Space	266,424	22,149	-	288,573
TECT Park		Recreation and Open Space	1,274,220	135,311	-	1,409,531
Asset Replacement - office buildings		Recreation and Open Space	(184,987)	450,529	(1,167,438)	(901,896)
Asset Replacement - vehicles		Support Services	(798,972)	410,394	(616,261)	(1,004,839)
Asset Replacement - civil defence - vehicle		Communities	133,964	4,462	-	138,426
Asset replacement - telemetry		Communities	97,326	3,109	(44,682)	55,754
Asset replacement - swimming pool		Recreation and Open Space	(73,308)	101,092	-	27,784
Asset replacement - library books		Communities	2,271,281	256,042	(331,383)	2,195,940
Asset replacement - cemetery		Communities	316,121	25,168	-	341,289
Asset replacement - Coastal Marine		Recreation and Open Space	(946,583)	466,327	(412,874)	(893,130)
Total asset replacement reserves			3,800,922	2,886,220	(4,730,361)	1,956,781

Restricted reserves (as at 30 June 2022)

Reserve Name	Purpose	Activity	Opening balance 1 July 2021	Expected deposits to fund to 30 June 2022	Expected withdrawals from fund to 30 June 2022	Closing balance 30 June 2022
Restricted Reserves	Restricted reserves have been established from public bequests and are only able to be spent in the manner specified by the donor.					
Hunter Estate	Established from bequest made in the late 1980s. The funds can only be spent on capital expenditure in Katikati as detailed in our Reserve Management Plans.	Recreation and Open Space	42,991	1,419	-	44,410
I'Anson Park Trust	The accumulated interest is available for both operational and capital expenditure undertaken in the Te Puna area.	Recreation and Open Space	9,510	-	-	9,510
Hastie Bequest	The principle settlement amount of \$100,000 is maintained and the interest can be used for Te Puke area library purchases.	Communities	216,067	26,290	-	242,357
CE Miller Estate	The interest on the capital of \$9,763 is available for the beautification of Katikati.	Recreation and Open Space	14,888	-	(5,000)	9,888
Total restricted reserves			283,456	27,709	(5,000)	306,165
Asset replacement reserves						
Asset replacement reserves - general approach	Depreciation charged is transferred to the specified reserves detailed below and accumulated so that the interest earned on the reserves capital is available for asset replacement/renewals. The replacement/renewals programme is based on the renewals planned in our asset management plans. The reserves are not held as cash reserves.					
Asset Replacement - computers		Support Services	(790,771)	740,943	(543,638)	(593,466)
District Reserves		Support Services	2,014,613	505,955	(481,666)	2,038,902
Huharua Sub Regional Park		Recreation and Open Space	244,258	22,166	-	266,424
TECT Park		Recreation and Open Space	1,152,844	121,376	-	1,274,220
Asset Replacement - office buildings		Recreation and Open Space	653,404	780,118	(1,618,509)	(184,987)
Asset Replacement - vehicles		Support Services	(598,862)	413,645	(613,755)	(798,972)
Asset Replacement - civil defence - vehicle		Communities	129,480	4,484	-	133,964
Asset replacement - telemetry		Communities	94,217	3,109	-	97,326
Asset replacement - swimming pool		Recreation and Open Space	378,326	33,484	(485,118)	(73,308)
Asset replacement - library books		Communities	2,311,673	246,070	(286,463)	2,271,281
Asset replacement - cemetery		Communities	294,942	21,179	-	316,121
Asset replacement - Coastal Marine		Recreation and Open Space	(674,569)	419,984	(691,998)	(946,583)
Total asset replacement reserves			5,209,555	3,312,513	(4,721,147)	3,800,922

Community Boards (as at 30 June 2023)

Reserve Name	Purpose	Activity	Opening balance 1 July 2022	Expected deposits to fund to 30 June 2023	Expected withdrawals from fund to 30 June 2023	Closing balance 30 June 2023
Community Boards - general approach	We have five community boards but not all of our District is covered by these boards. The Community Board rate is a Fixed amount for their community board area of benefit. The level of rating is determined based on the expected expenditure of the Board and may vary between Boards. Any unspent money at year end is transferred to the respective community board reserve account. Reserve funds can only be used for capital, one-off, or non-recurring expenditure items or grants.					
Waihi Beach Community Board			137,417	16,976	(6,727)	147,667
Katikati Community Board			78,263	20,728	(29,626)	69,365
Ōmokoroa Community Board			184,223	36,743	(108)	220,858
Te Puke Community Board			99,602	36,280	(2,888)	132,994
Maketu Community Board			183,174	56,351	(82,162)	157,363
Total Community Board reserves			682,679	167,078	(121,511)	728,247
Other community reserves						
Other community reserves - general approach	These reserves have been established to accumulate sufficient funds to allow for planned expenditure (per the Long Term Plan) in particular areas, often for town centre development. The funding is provided by way of targeted rates.					
Katikati Development Fund	Set up several years ago in anticipation of the Katikati By-pass impacts on the town and to provide funding for main street improvements as well as encourage business development in Katikati.	Planning for the future	16,738	535	-	17,273
Waihi Beach Town Centre Development	For town centre development.	Economic Development	439,996	25,075	-	465,071
Katikati Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise.	Economic Development	514,161	14,752	(55,309)	473,604
Ōmokoroa Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise.	Economic Development	339,200	3,808	(223,921)	119,087
Te Puke Town Centre Development	For town centre development.	Economic Development	19,130	69,245	-	88,375
Pukehina Beach Development	Pukehina ratepayers are paying an annual rate of \$20 as a contribution towards a potential future sewerage scheme for the area.	Planning for the future	512,098	15,955	-	528,053
Pukehina Beach Protect Reserve	Beach nourishment and protection.	Planning for the future	281,856	10,143	(38,049)	253,950
General Town Centre Development Reserve	For town centre development	Economic Development	-	226,164	-	226,164
Total other community reserves			2,123,179	365,677	(317,279)	2,171,577
Total Community Board and Other Reserves			2,805,858	532,755	(438,790)	2,899,824

Community Boards (as at 30 June 2022)

Reserve Name	Purpose	Activity	Opening balance 1 July 2021	Expected deposits to fund to 30 June 2022	Expected withdrawals from fund to 30 June 2022	Closing balance 30 June 2022
Community Boards - general approach	We have five community boards but not all of our District is covered by these boards. The Community Board rate is a Fixed amount for their community board area of benefit. The level of rating is determined based on the expected expenditure of the Board and may vary between Boards. Any unspent money at year end is transferred to the respective community board reserve account. Reserve funds can only be used for capital, one-off, or non-recurring expenditure items or grants.					
Waihi Beach Community Board			178,286	26,750	(67,618)	137,417
Katikati Community Board			53,858	24,405	-	78,263
Ōmokoroa Community Board			212,067	24,866	(52,710)	184,223
Te Puke Community Board			90,439	21,822	(12,659)	99,602
Maketu Community Board			163,660	31,017	(11,504)	183,174
Total Community Board reserves			698,310	128,860	(144,491)	682,679
Other community reserves						
Other community reserves - general approach	These reserves have been established to accumulate sufficient funds to allow for planned expenditure (per the Long Term Plan) in particular areas, often for town centre development. The funding is provided by way of targeted rates.					
Katikati Development Fund	Set up several years ago in anticipation of the Katikati By-pass impacts on the town and to provide funding for main street improvements as well as encourage business development in Katikati.	Planning for the future	16,203	535	-	16,738
Waihi Beach Town Centre Development	For town centre development.	Economic Development	466,435	15,392	(41,831)	439,996
Katikati Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise.	Economic Development	447,040	67,121	-	514,161
Ōmokoroa Town Centre Development	For town centre development scheduled to begin in as and when opportunities arise.	Economic Development	115,396	223,804	-	339,200
Te Puke Town Centre Development	For town centre development.	Economic Development	107,184	3,537	(91,591)	19,130
Pukehina Beach Development	Pukehina ratepayers are paying an annual rate of \$20 as a contribution towards a potential future sewerage scheme for the area.	Planning for the future	483,502	28,596	-	512,098
Pukehina Beach Protect Reserve	Beach nourishment and protection.	Planning for the future	307,351	10,143	(35,638)	281,856
Total other community reserves			1,943,111	349,128	(169,060)	2,123,179
Total Community Board and Other Reserves			2,641,421	477,988	(313,551)	2,805,858

Financial contributions (as at 30 June 2023)

Reserve Name	Purpose	Activity	Opening balance 1 July 2022	Expected deposits to fund to 30 June 2023	Expected withdrawals from fund to 30 June 2023	Closing balance 30 June 2023
Financial contributions reserves - general	These are specific reserves that must be applied for a particular purpose and under specific criteria or qualifying conditions. These reserves are not cash reserves.					
Ecological financial contributions - capital	Financial contributions split into capital and operational components that are to be spent based on Council's annually approved ecological education programme. Capital expenditure must be by Council resolution and satisfy criteria for privately owned land. Operational expenditure is based on the prior year's closing operations balance available.	Natural Environment and Sustainable Living	306,176	-	-	306,176
Ecological financial contributions - operational	As above	Natural Environment and Sustainable Living	737,757	210,606	(247,000)	701,363
Parks and Community financial contributions	To provide for teaching and public education/awareness raising purposes.	Recreation and Open Space	6,141,826	3,175,600	(5,927,159)	3,390,267
Parking space financial contributions	Provided from financial contributions from developers in the urban areas where they cannot provide public car parks themselves.	Regulatory	49,974	-	-	49,974
Lynley Park wastewater remedial	Established from money received from Durham Properties Limited, to be used to fund any infrastructure failures in the Lynley Park Development.	Wastewater	413,873	13,222	-	427,095
Total financial contribution reserves			7,649,606	3,399,428	(6,174,159)	4,874,875
General reserves	Established reserves for specific purposes					
Community Discretionary	For any under spent expenditure at year end.	Communities	14,386	-	-	14,386
General Rate	For the accumulation of any net surplus arising from accounts that are general rate funded each year. Deficits are not permitted in this reserve	All	4,923,938	1,460,969	(4,500,402)	1,884,505
Re-budgeted Reserve	To allow for the adjustment of timing and cost to Council's capital work programme.	All	1,237,126	-	(1,237,126)	-
Environmental Protection Rate	For the accumulation of any net surplus arising from the Environmental Protection Rate account Deficits are not permitted in this reserve.	All	695,713	-	(592,888)	102,825
Traffic and parking general	Holds the percentage balance of Council-issued infringement notice fines that were not payable to the Government as part of the legislation during the 1980s. Correspondence has not resolved whether the balance is still payable to the Government. No cash is held.	Regulatory	186,095	-	-	186,095
Total general reserves			7,057,258	1,460,969	(6,330,416)	2,187,811

Financial Contributions (as at 30 June 2022)

Reserve Name	Purpose	Activity	Opening balance 1 July 2021	Expected deposits to fund to 30 June 2022	Expected withdrawals from fund to 30 June 2022	Closing balance 30 June 2022
Financial contributions reserves - general	These are specific reserves that must be applied for a particular purpose and under specific criteria or qualifying conditions. These reserves are not cash reserves.					
Ecological financial contributions - capital	Financial contributions split into capital and operational components that are to be spent based on Council's annually approved ecological education programme. Capital expenditure must be by Council resolution and satisfy criteria for privately owned land. Operational expenditure is based on the prior year's closing operations balance available.	Natural Environment and Sustainable Living	306,176	-	-	306,176
Ecological financial contributions - operational	As above	Natural Environment and Sustainable Living	675,723	213,995	(151,961)	737,757
Parks and Community financial contributions	To provide for teaching and public education/awareness raising purposes.	Recreation and Open Space	4,781,612	3,102,775	(1,742,561)	6,141,826
Parking space financial contributions	Provided from financial contributions from developers in the urban areas where they cannot provide public car parks themselves.	Regulatory	49,974	-	-	49,974
Lynley Park wastewater remedial	Established from money received from Durham Properties Limited, to be used to fund any infrastructure failures in the Lynley Park Development.	Wastewater	400,652	13,221	-	413,873
Total financial contribution reserves			6,214,137	3,329,991	(1,894,522)	7,649,606
General reserves	Established reserves for specific purposes					
Community Discretionary	For any under spent expenditure at year end.	Communities	14,386	-	-	14,386
General Rate	For the accumulation of any net surplus arising from accounts that are general rate funded each year. Deficits are not permitted in this reserve	All	4,430,618	1,083,901	(590,581)	4,923,938
Re-budgeted Reserve	To allow for the adjustment of timing and cost to Council's capital work programme.	All	1,273,412	-	(36,286)	1,237,126
Environmental Protection Rate	For the accumulation of any net surplus arising from the Environmental Protection Rate account Deficits are not permitted in this reserve.	All	1,275,065	-	(579,352)	695,713
Traffic and parking general	Holds the percentage balance of Council-issued infringement notice fines that were not payable to the Government as part of the legislation during the 1980s. Correspondence has not resolved whether the balance is still payable to the Government. No cash is held.	Regulatory	186,095	-	-	186,095
Total general reserves			7,179,576	1,083,901	(1,206,219)	7,057,258

Special reserves (as at 30 June 2023)

Reserve Name	Purpose	Activity	Opening balance 1 July 2022	Expected deposits to fund to 30 June 2023	Expected withdrawals from fund to 30 June 2023	Closing balance 30 June 2023
Special reserves - disaster contingency	Council's infrastructure self-insurance fund provided from the sale of power company shares in the 1990s. Council's policy is to self insure based on the premise that commercial infrastructure insurance is not available. Major infrastructure, apart from District roading is geographically dispersed throughout our District (primarily stand-alone sewerage and water schemes) and the likelihood of failure of this entire infrastructure at once is assessed as very low.	Communities	9,262,681	-	-	9,262,681
Matakana Island Trust Reserve	Funds available to be used for the improvements to the Matakana Island community.	Planning for the Future	258,803	-	-	258,803
Corporate and property assets	For any surplus arising from the corporate property/land purchase account.	Support services	602,562	-	-	602,562
Weathertight homes	To settle potential weathertightness claims that may arise.	Regulatory	251,792	8,044	-	259,836
Panepane Point	For reserves improvements to planting and forestry including roads, carparks and barge access.	Reserves	282,833	9,334	(46,023)	246,144
Te Tawa ki Tahataharoa Reserve	For improvements to wetland restoration and associated infrastructure in conjunction with Pirirakau hapu.	Reserves	156,288	5,158	(11,269)	150,177
Waihi Beach Dam Forestry Reserve	For funding Waihi Beach trail costs.	Transport	-	107,495	-	107,495
Total Special Reserves			10,814,959	130,031	(57,292)	10,887,698
Council Created Reserves			32,128,603	8,409,402	(17,731,017)	22,806,988
Total Reserves			32,434,768	8,428,868	(17,731,017)	23,132,619

Special reserves (as at 30 June 2022)

Reserve Name	Purpose	Activity	Opening balance 1 July 2021	Expected deposits to fund to 30 June 2022	Expected withdrawals from fund to 30 June 2022	Closing balance 30 June 2022
Special reserves - disaster contingency	Council's infrastructure self-insurance fund provided from the sale of power company shares in the 1990s. Council's policy is to self insure based on the premise that commercial infrastructure insurance is not available. Major infrastructure, apart from District roading is geographically dispersed throughout our District (primarily stand-alone sewerage and water schemes) and the likelihood of failure of this entire infrastructure at once is assessed as very low.	Communities	9,262,681	-	-	9,262,681
Matakana Island Trust Reserve	Funds available to be used for the improvements to the Matakana Island community.	Planning for the Future	258,803			258,803
Corporate and property assets	For any surplus arising from the corporate property/land purchase account.	Support services	602,562	-	-	602,562
Weathertight homes	To settle potential weathertightness claims that may arise.	Regulatory	243,748	8,044	-	251,792
Panepane Point	For reserves improvements to planting and forestry including roads, carparks and barge access.	Reserves	346,833	21,445	(85,445)	282,833
Te Tawa ki Tahataharoa Reserve	For improvements to wetland restoration and associated infrastructure in conjunction with Pirirakau hapu.	Reserves	210,784	6,956	(61,452)	156,288
Total Special Reserves			10,925,411	36,445	(146,897)	10,814,959
Council Created Reserves			32,170,100	8,240,839	(8,282,336)	32,128,603
Total Reserves			32,453,556	8,268,548	(8,287,336)	32,434,768

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

	2023 Actual \$'000	2022 Actual \$'000
Net surplus / (deficit) excluding asset revaluation	16,836	33,602
Add/(less) non-cash items:		
· Depreciation	23,300	22,708
· Amortisation	440	845
· Vested assets	(2,396)	(5,079)
· Vesting of built wastewater assets to Marae	1,822	-
· Fair value movement in financial derivatives	(902)	(9,244)
· Gains	(1,054)	846
· Asset Impairment	255	-
· Share of associate surplus/deficit	(224)	59
· Unrealised interest on other financial assets at fair value through profit and loss	(422)	(217)
· Provision for impairment of doubtful debts	-	(828)
Add/(less) movement in working capital items:		
· Movement in prepayments	(381)	(332)
· Movement in non-current assets held for sale	-	-
· Movement in accounts receivable	(8,149)	3,594
· Movement in accounts payable	3,252	(1,015)
· Movement in provisions	(3)	15
· Movement in employee entitlements	1,115	57
Add/(less) items classified as investing activities:		
· Loss on sale of assts	866	3,400
· Revaluation of shares	(60)	(53)
Net cash inflows/(outflows) from operating activities	34,295	48,358

34. Capital commitments and operating leases

	2023 Actual \$'000	2022 Actual \$'000
Operational		
Land	-	-
Building	985	3,126
Coastal Marine	-	97
Infrastructure		
Water	208	1,367
Wastewater	3,120	2,624
Stormwater	2,668	1,344
Roading	31,029	4,719
Restricted	-	-
Building	-	-
Total capital commitments and operating leases	38,010	13,277

Operating leases as lessee

Western Bay Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments payable under non-cancellable operating leases are as noted below:

	2023 Actual \$'000	2022 Actual \$'000
Not later than one year	60	97
Later than one year and not later than two years	56	60
Later than two years and not later than five years	169	169
Later than five years	1,876	1,932
Total non-cancellable operating leases	2,161	2,258

Leases can be renewed at Western Bay Council's option, with rents set by reference to current market rates for items of equivalent age and condition.

There are no restrictions placed on the Western Bay of Plenty District Council by any of the leasing arrangements.

No contingent rents have been recognised in the statement of comprehensive income during the period.

Other Commitments - roading network and utilities maintenance contracts

In November 2014, Western Bay Council entered into a seven year One Network Maintenance Contract with WSP Global Consultants Limited to provide capital and maintenance work to the District's roading network. In 2021 the value of the contract has been increased from \$75.99 million to \$200 million and extended to October 2023. As at 30 June 2023 \$29.48 million remained committed on this contract for the remaining 4 months, including estimated escalations in the contract.

In July 2021, Western Bay Council entered into a five year contract with Downer Ltd for the provision of maintenance and professional services to the utilities network. The value of the contract as of 30 June 2023 is \$40.00 million.

In July 2021 Western Bay Council entered into a five year contract with Envirowaste Ltd for the provision of kerbside waste services. The value of the contract as of 30 June 2023 is \$26.14 million.

As part of these contracts there is ongoing performance and condition monitoring to ensure compliance with the key deliverables and performance of the contract. Failure to meet the deliverables and performance required can lead to termination of the contract.

35. Contingencies

	2023 Actual \$'000	2022 Actual \$'000
Building Act claims	3,000	50
Weathertight Homes Resolution Service (WHRS)	-	400
Total contingent liabilities	3,000	450

Building Act Claims

The Building Act 2004 imposes certain obligations and liabilities on local authorities with respect to the issue of building consent and inspection of work done. At the date of this report, there is a potential liability of \$3,007,687 (2022:Nil) under the Act indicating. Although a proportion of the claim relates to weathertightness the bulk of the claim relates to structural issues which the council has insurance cover.

Unquantified Claims

There were no additional claims lodged with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2023 (2022: Nil). These claims relate to weather-tightness issues of homes in the Western Bay of Plenty District area and name Western Bay of Plenty District Council as well as other parties. There are a total of 3 claims that are still open as at balance date (2022: 3).

It is not yet certain whether these claims are valid and whom will be liable for the building defects, therefore, Western Bay is unable to assess its exposure to the claims lodged with the WHRS.

The costs of any successful claims against Western Bay with a claim date of 30 June 2009 or earlier are expected to be substantially covered under Western Bay's insurance policies, subject to an excess of \$50,000 per claim.

Any costs associated with a successful claim received after 1 July 2009 will be entirely met by Western Bay. As a result, \$3,000,000 has been recognised as a contingent liability. Council underwent mediation with a claimant earlier this year. This has been resolved after financial year end.

New Zealand Local Government Funding Agency (LGFA)

Western Bay of Plenty District Council is a shareholder of The New Zealand Local Government Funding Agency Limited. This entity was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. Standard and Poors have given the entity a credit rating of AA+ which is equal to the New Zealand Government sovereign rating.

As at 30 June 2023 there were 31 (2022: 31) shareholders made up of 30 local authorities and the crown.

All 30 local authority shareholders have uncalled capital equal to their individual shareholding and totalling \$20million in aggregate which can be called on in the event that an imminent default is identified. The shareholders are also guarantors of the LGFA balance sheet and the borrowings of all other local authorities which totalled \$16,678m (2022: \$15,105m) at 30 June.

New Zealand Financial International Reporting Standards require Western Bay of Plenty Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that;

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

Riskpool

Western Bay of Plenty District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however, the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call, in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight defects). In November 2023, Riskpool notified Council that it would be making a call on members to pay a contribution. The contribution amount for Western Bay of Plenty District Council is \$127,053.00 + GST, due late December 2023. At this stage, any additional liability beyond this call is unable to be quantified.

Share of associates' contingent liability

There are no shared contingent liabilities associated with any associates of Council.

36. Prior year adjustments

There were no prior year adjustments.

37. Related Party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Western Bay Council would have adopted in dealing with the party at arm's length in the same circumstances.

Transactions with Councillors and key management personnel compensation

	2023	2022
Councillors		
Full-time equivalent members	12	12
Salaries and other short-term employee benefits	722	658
Senior Management Team, including the Chief Executive		
Full-time equivalent members	5	5
Salaries and other short-term employee benefits	1,449	1,627
Total senior management remuneration	2,171	2,302

Key management personnel include the Chief Executive Officer and other senior management personnel.

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors.

An analysis of Councillor remuneration and further information on Chief Executive remuneration is provided in Note 38.

Council controlled organisation - Bay of Plenty Local Authority Shared Services Limited (BOPLASS Limited)

The Council controlled organisation was formally established in January 2008. The company was set up by the eight local authorities in the Bay of Plenty region to foster collaboration between councils in the delivery of services particularly back office or support services. Gisborne District Council joined BOPLASS Limited during the 2009/10 financial year.

Financial performance for the year ended 30 June 2023

2022 Actual \$'000		2023 Actual \$'000
1,998	Revenue	1,927
(1,985)	Expenditure	1,951
12	Surplus/(deficit) before tax	(24)
6	Net surplus/(deficit) year	(24)
1,205	Total assets	2,704
1,153	Total liabilities	2,691

As a Council Controlled Organisation, Bay of Plenty Local Authority Shared Services Limited (BOPLASS Limited) is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The company is governed by a Board of Directors being the Chief Executives of the constituent local authorities.

Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2023-2026 and associated budget formally adopted by the directors by resolution on 23 June 2023.

From pages 139-144 is a report of performance against targets set in the Statement of Intent for 2022/25.

Outcomes	Result	Performance targets for 2022/23	
		Narration	
<p>Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.</p> <p>Manage and/or renegotiate existing contracts.</p> <p>Contracts are reviewed annually to test for market competitiveness.</p> <p>New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.</p>	Achieved	<p>Contracts negotiated and/or renewed for:</p> <p>Cyber Insurance - BOPLASS was able to again maintain councils' cyber insurance policies with Berkshire Hathaway by working closely with councils to ensure all underwriter requirements were met and demonstrated. Through the collective approach, BOPLASS was able to secure the renewal on favourable terms and with an increased policy limit across the collective group. Cyber cover is an annual agreement that requires going to market every year.</p> <p>GIS software and services -</p> <p>Geocortex Essentials</p> <p>Geocortex Analytics</p> <p>NZ Archaeological Association</p> <p>Contracts renegotiated and renewed - no alternative suppliers.</p> <p>FME software - Significant price increase negated by negotiating two-year extension of current agreement under the same terms and pricing. Sole NZ provider.</p> <p>X-Tools - With the agreement of councils' GIS managers, a decision was made to discontinue the XTools maintenance licence as it was purchased from Russia. This supported the NZ Government's position on trade sanctions and the absence of this software did not have an undue impact on council operations.</p>	

Performance targets for 2022/23		
Outcomes	Result	Narration
		<p>LiDAR Capture - The capture of LiDAR data was completed this year across the BOP region ahead of schedule. The early provision of this updated data helps councils with catchment mapping, understanding and preparing for natural hazards, and better planning for climate change.</p> <p>My Everyday Wellbeing - BOPLASS renewed the annual subscription for the staff online wellbeing platform with the supplier continuing to provide pricing for all participating councils as a single entity. Increased participation from MW LASS, Co-Lab and BOPLASS councils resulted in further financial savings for the collective.</p> <p>Print Media Copyright Agency (PMCA) - A collective contract providing savings for all BOPLASS councils has been renewed with PMCA for councils' print and media copyright services. Sole NZ provider of print and media copyright services.</p> <p>ESRI Enterprise Licensing Agreement - Core GIS software used in all BOPLASS councils. BOPLASS Enterprise Agreement renegotiated and renewed for a further 3-year term with no increases. Retained the same structure, with all councils continuing to participate under a collective MOU. No alternative provider in NZ.</p> <p>n3 (previously known as GSB) - Collective purchasing group membership negotiated by BOPLASS. Councils achieving significant savings on membership costs and trade pricing through the group scheme. Agreement renewed for another year at same rates. Sole NZ provider.</p> <p>Media Monitoring Services - BOPLASS continues to manage a collective media monitoring service with Isentia that provides automatic monitoring and reporting of broadcast, print and social media based upon council requirements. The single BOPLASS portal provides substantial savings to councils while also providing a significant reduction in internal resource requirements. This service has proven to be invaluable for councils during the pandemic and weather events. Service to be put to tender in 2023-24.</p> <p>Inter-Council Network (ICN) - Review, redesign and renegotiation of suppliers and services - the ICN is a shared service high-capacity fibre network connecting the majority of BOPLASS councils. A review of ICN contracts was undertaken in 2021 to deliver further cost reductions. Since then, further reviews have been conducted with some service costs reduced. This was balanced out by additional services as requested from councils.</p> <p>Zoom Video Conferencing Services - Zoom video conference services continue to provide BOPLASS councils with a centralised account management and shared infrastructure. The collective contract was renewed through BOPLASS. VC infrastructure upgrades underway.</p> <p>Standards NZ - BOPLASS has renewed the agreement with Standards NZ for discounted access to the full Standards catalogue at significantly reduced pricing for all BOPLASS councils. No alternative provider in NZ.</p> <p>Antenno - This LG community engagement tool is used by the majority of BOPLASS councils. Uptake in the Waikato and MW LASS regions has recently increased. By working in conjunction with the other two LASS a discounted fee was negotiated for any further LASS councils wishing to take up the service.</p> <p>Health and Safety Management Software - BOPLASS has negotiated with the collective HandSMS provider on behalf of BOPLASS and Waikato councils for an improvement to reporting systems and an alternative fee structure.</p> <p>IPWEA Membership - The Institute of Public Works Engineering Australasia (IPWEA) agreement was renewed in 2022 to provide a single BOPLASS portal to allow all constituent councils to access the full IPWEA online catalogue at heavily reduced pricing. The standards are used by all councils for a variety of engineering purposes. The collective agreement provides for unrestricted access for all councils at a significantly lower cost than under individual arrangements. No alternative provider in NZ.</p>

Performance targets for 2022/23		
Outcomes	Result	Narration
		<p>Aerial Imagery – BOPLASS coordinates a regional imagery programme across the region. Two new tenders were run for orthophotography services this year with contracts awarded to AAM NZ for the BOP region and a TCC interim flying programme, including specific requirements for the capture of high growth areas and high specification 8 Pulse LiDAR.</p> <p>GIS Training – BOPLASS coordinated specialised GIS ArcPro training across the BOPLASS councils. Substantial savings were achieved through the collective training while also helping to bring all councils up to similar skill levels.</p>
<p>Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.</p> <p>Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.</p> <p>A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.</p>	Achieved	<p>The new procurement initiatives which have been investigated during the year are as follows:</p> <p>MFDs (Photocopiers/Printers) – Joint procurement for a multi-function device provider resulted in Canon NZ being appointed as preferred provider to the BOPLASS councils. The outcome through the group approach included very competitive pricing, with further savings achieved through bundled services and shared software solutions across the councils. The procurement process maintained a strong focus on achieving broader outcomes, with Canon demonstrating support for local businesses and communities, working with Māori/Pasifika communities through Ākina and Amotai, and practicing sustainable and environmental processes.</p> <p>Oblique Aerial Imagery – BOPLASS investigated collaborative opportunities for the capture of Oblique Aerial Imagery for the BOPLASS councils. The imagery provides a more effective visual experience than traditional vertical imagery and is particularly useful for discerning features in the landscape. Delivered through a tailored online viewer and using a subscription-based model through BOPLASS negates the need for councils to store and manage the data. One council has trialled the solution and negotiations with the provider are underway for group pricing.</p> <p>Infrastructure Insurance – The international placements for BOPLASS councils' infrastructure insurance are only provided on a 12-month term and all placements need to be procured annually. This involves identifying and negotiating with alternative markets every year and often undertaking placements through new or different insurers. Negotiations for councils' infrastructure insurance were undertaken in late 2022 through direct engagement with the London markets and Lloyds syndicates. The size of the collective BOPLASS account allows us to undertake this direct engagement. Despite the restricted capacity and the underwriters become more risk adverse, very good outcomes were achieved for all councils, in both insurance rates and the level of cover achieved. Insurance markets remain cautious about the risk they are prepared to write but have demonstrated confidence in the BOPLASS programme due to the quality of information provided and our historical relationship.</p> <p>Social Listening Services – Although BOPLASS manages a media monitoring contract on behalf of the councils, the growth in social media (and decline in traditional media) requires specific tools for identifying and analysing online conversations about councils' brand, to help better understand our communities and their feedback through these channels. A collective procurement process has been initiated.</p> <p>Crime Prevention Co-Funding – BOPLASS successfully secured co-funding from the Ministry of Social Development (MSD) to undertake crime prevention initiatives and programmes within the Bay of Plenty. BOPLASS councils identified the key areas as installation of CCTV equipment and monitoring services; and Crime Prevention Through Environmental Design (CPTED) projects. \$1M co-funding has been received and the below projects initiated.</p> <p>CCTV Monitoring – BOPLASS has worked with councils to identify opportunities for improved CCTV coverage and to collaborate with CCTV monitoring. Joint procurement of systems and technologies are being undertaken as well as shared project management resource. Project is still underway.</p> <p>Crime Prevention Through Environmental Design (CPTED) – To support further crime reduction initiatives, BOPLASS is working with councils on the effective use of the environmental design to reduce criminal opportunity, with designs also fostering positive social interaction within community spaces. Project is still underway.</p>

Performance targets for 2022/23		
Outcomes	Result	Narration
		<p>24/7 Emergency Communications - The BOPLASS IT Managers group have reviewed the harsh lessons learned about telecommunication interruptions in the aftermath of Cyclone Gabrielle. They have undertaken a project to identify improved technologies for councils' usage that are not reliant on traditional methods of delivery. Starlink has been identified as a reliable solution during severe weather events and investigations are underway to determine the opportunities for councils to share membership and/or hardware or leverage improved pricing through collective procurement. Project is still underway.</p> <p>New Service For ICN - Following a redesign of some aspects of the Inter-Council Network (ICN) new links were required. BOPLASS engaged with suitable vendors and Spark were appointed to provision this service. Discounted rates were achieved on behalf of the councils. Procurement was undertaken for the addition of a service in Whakatāne for a new council site and reinstatement of a service to provide backup/redundant services for councils between Whakatāne and Tauranga.</p> <p>Waste Operator and Licensing Data System (WOLDS) - The second phase of this project has been initiated with procurement underway for a WOLDS service provider including the provision of an Information Management System. This BOPLASS led project covers all BOPLASS and Co-Lab councils, with a number of other councils expressing interest in participating once the service is established. A single shared service provides the opportunity for standardisation across all regions, improved waste data, and savings through a centralised service. Project is still underway.</p> <p>NAMS+ Subscription - BOPLASS negotiated discounted rates for NAMS+ subscription used by council asset managers.</p> <p>Electronic Signing - BOPLASS has led a project undertaking investigation into a shared agreement for DocuSign for councils. Project is still underway.</p>
<p>Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.</p> <p>BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.</p> <p>Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.</p>	Achieved	<p>BOPLASS continues to work closely with MW LASS and Co-Lab with the LASS leads engaging regularly and formally meeting on a quarterly basis.</p> <p>Shared services projects being undertaken by other LASS have been offered to BOPLASS councils, with the board making a decision utilise these opportunities to avoid any duplication of services where we can work with other LASS.</p> <p>Some of the shared service projects offered to BOPLASS councils include:</p> <ul style="list-style-type: none"> • Debt Management Central • Archives Central • Building Consent services

		Performance targets for 2022/23	
Outcomes	Result	Narration	
		<p>BOPLASS is leading or managing, on behalf of other LASS:</p> <ul style="list-style-type: none"> • Waste Operator and Licensing Data System • Postal services • Courier services • HandS management system • Staff wellbeing portal • Regional contractor database • Occupational Health Services <p>Broader Outcomes in Procurement – The BOPLASS Procurement Group have identified the need to develop a framework around broader outcomes in procurement. To assist this process, BOPLASS are also working closely with Co-Lab and MW LASS for extended understanding, sharing of best practice, and to explore the opportunity for establishing a standard framework across the three regions.</p> <p>In conjunction with this shared work, MWLASS are leading a specific project on social procurement and sharing the outputs with the other two LASS.</p> <p>Health and Safety Training – BOPLASS and Co-Lab have established aligned contracts with H and S trainers. To provide improved market leverage and ensure the best value is delivered to all councils, it was agreed to tender for service as a collective covering all BOPLASS and Co-Lab councils. This project is being led by Co-Lab on behalf of both LASS.</p> <p>Managing Conflict and Aggressive Behaviour – The BOPLASS Health and Safety Advisory Group identified an increase in aggressive behaviour across all BOPLASS councils. Working in collaboration with Waikato councils allowed the group to share resources between regions ensuring best practice was shared and to reduce the duplication of effort to the benefit of all parties.</p> <p>SHE Prequalification – Co-Lab have funded full access to the SHE prequalification database and extended this access to cover BOPLASS councils opting into the scheme.</p> <p>Insurance Markets Joint Communications – To ensure an aligned approach to insurance renewals, and leverage maximum benefits from an aggregated approach, LASS leads collaborated to develop joint underwriter communications that emphasised the geographical spread of assets and the diversity of risk across the greater region. The communications also highlighted risk management and resiliency work undertaken by LASS councils that had proved to perform well through recent events. Continued collective messaging and leveraging of our underwriter relationships remains critical to reinstalling confidence within the markets we engage with.</p> <p>Insurance Forum – BOPLASS hosted and coordinated an insurance forum to cover key insurance topics in local government. The forum was well attended by councils from throughout the upper and central North Island.</p>	

Performance targets for 2022/23		
Outcomes	Result	Narration
		<p>Engagement with other LG collaborative groups - Taranaki councils have formed an informal corporate services group to collaborate and share information across the District. BOPLASS and Co-Lab presented to the group on how our formal arrangements work and the benefits achieved, both within the LASSes and inter-regionally. An offer has been made to include Taranaki councils in any BOPLASS contracts that will be beneficial to all parties.</p> <p>A similar presentation and offer was provided to the Canterbury Mayoral Forum (10 TAs and the regional council), with the group expressing strong interest in utilising the MahiTahi Portal and widening their collaboration</p>
<p>Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.</p> <p>Increase usage of the Collaboration Portal by providing support and training material for new and existing users.</p> <p>Proactively market the benefits to councils.</p> <p>Number of listed projects to increase by 5% per year.</p> <p>Number of active users to increase by 5% per year.</p>	Achieved	<p>Projects continue to be added to the MahiTahi LG Collaboration Portal, increasing 5% from 88 to 93 this year. Over time, usage of the dedicated project area has declined, with project activity increasing but now being mainly run from within specific Teams or Channels within the Portal. Given this change in usage, and the difficulty of monitoring individual Channels, this target has been removed for future years.</p> <p>Continued promotion of the MahiTahi LG Collaboration Portal has seen a 13% increase in registered users with numbers increasing from 429 to 485.</p> <p>On-boarding and training material has been helpful in creating a smooth transition for any new members.</p> <p>The Regional Software Holdings Limited migration has resulted in exponential growth, with the Te Uru Kahika hub (regional and unitary councils) now hosted within the same environment as the MahiTahi Collaboration Portal. Both the MahiTahi LG Collaboration Portal and Te Uru Kahika sit side-by-side, with regional council users able to interact on both platforms.</p> <p>A Teams environment was developed for Entity B of the Affordable Water Reform in order to provide a secure workspace and assist the group with communications and collaboration. The development of this Team was conducted in conjunction with the Entity B stakeholders and a third-party Teams developer.</p>
<p>Communicate with each shareholding council at appropriate levels.</p> <p>Meeting with members of Executive Leadership Team.</p> <p>At least one meeting per year.</p>	Achieved	<p>BOPLASS continues to regularly engage with our constituent councils, senior management, and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.</p> <p>Engagement with individual ELT members was regularly undertaken but formal meetings with all executive teams was unable to be completed with all councils this year.</p>
<p>Ensure current funding model is appropriate.</p> <p>Review BOPLASS expenditure and income and review council contributions and other sources of funding.</p> <p>Performance against budgets reviewed quarterly. Company remains financially viable.</p>	Achieved	<p>The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.</p> <p>Council contributions were levied with annual council contributions now CPI adjusted.</p> <p>Contributions were received from activities producing savings.</p> <p>Vendor rebates collected.</p> <p>An annual contribution from Co-Lab, MW LASS, Regional Software Holdings (RSHL) and BOPLASS councils is received for membership of the MahiTahi Local Government Collaboration Portal.</p> <p>Monthly and quarterly performance reviewed.</p> <p>Financial statements and budget variances reported and reviewed at Board meetings.</p>

Above performance targets are unaudited results.

New Zealand Local Government Funding Agency Limited (LGFA)

The Council controlled organisation was formally established in December 2011. The company was set up by the eighteen local authorities and the Crown to provide debt funding to local authorities in New Zealand.

As a Council Controlled Organisation, New Zealand Local Government Funding Agency Limited (LGFA) is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The company is governed by a Board of Directors.

Financial performance for the year ended 30 June 2023

2022 Actual \$'000		2023 Actual \$'000
18,606	Revenue	11,642
(7,933)	Expenditure	(9,138)
10,673	Surplus/(deficit)	2,504
10,673	Net surplus/(deficit) year	2,505
16,250	Total assets	18,175
16,146	Total liabilities	18,069

Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2022/23 and associated budget formally adopted by the company on 30 June 2023.

On pages 146-147 is a report of performance against targets set in the Statement of Intent for 2022/23.

Outcomes	Performance targets for 2022/23	
	Measure	Result
Comply with the Shareholder. Foundation Polices and the Board approved Treasury Policy at all times.	No breaches	LGFA has met this performance measure for 2022/23
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency	LGFA credit ratings equivalent to NZ Sovereign.	LGFA has met this performance measure for 2022/23 LGFA's ratings remain equivalent to the New Zealand Government for both SandP Global Ratings and Fitch Ratings. Fitch Ratings upgraded LGFA Foreign Currency Rating to AA+ on 16 Sept 2022. SandP Global Ratings affirmed our domestic currency credit rating at AAA in March 2023.
LGFA's total operating income for the period to 30 June 2023.	> \$12.2 million.	LGFA has not met this performance measure for 2022/23 LGFA's total operating income was \$11.6 million as at 30 June 2023.
LGFA's total operating expenses for the period to 30 June 2023.	< \$9.4 million.	LGFA has met this performance measure for 2022/23 The LGFA's Operating expenses were \$9.1 million at 30 June 2023.
Share of aggregate long-term debt funding to the Local Government sector.	> 80%	LGFA has met this performance measure for 2022/23 The LGFA had 93.3% share of the Local Government Sector as at 30 June 2023.
Total lending to Participating Borrowers.	> \$15,004 million	LGFA has met this performance measure for 2022/23 The LGFA had \$16,314 million in total lending as at 30 June 2023.
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score	LGFA has met this performance measure for 2022/23 The LGFA had 100% satisfaction score in August 2022 Stakeholder Survey.
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%	LGFA has met this performance measure for 2022/23 The LGFA refinanced all existing loans to councils and LGFA Bond maturities during the period ending 30 June 2023.
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%	LGFA has met this performance measure for 2022/23
Review each participating borrower's financial position under LGFA policies.	100%	LGFA has met this performance measure for 2022/23
Arrange to meet each Participating Borrower at least annually, including meeting with elected officials as required, or if requested.	100%	LGFA has met this performance measure for 2022/23 The LGFA met with all Councils.
Comply with the Health and Safety at Work Act 2015.	No breaches	LGFA has met this performance measure for 2022/23 The LGFA has not had any breaches.
Maintain Toitū net carbonzero certification.	Net carbonzero certification maintained.	LGFA has met this performance measure for 2022/23 Toitū Net Carbon-zero recertification approved for the LGFA on 11 October 2022.

Outcomes	Performance targets for 2022/23	
	Measure	Result
Meet reduction targets outlined in their carbon reduction management plan.	Reduction targets met.	LGFA has met this performance measure for 2022/23
Increase their GSS lending book.	Two new participating borrowers entered into GSS loans.	LGFA has met this performance measure for 2022/23 The LGFA had three new participating borrowers approved for GSS lending.
Ensure Annual Report is prepared in compliance with applicable GRI Standards.	100%	LGFA has met this performance measure for 2022/23 The LGFA 2023 Annual Report was prepared to meet the requirements of the Global Reporting Initiative (GRI) Standards (core option).

Western Bay of Plenty Tourism and Visitors Trust (Tourism Bay of Plenty)

Tourism Bay of Plenty is a Council Controlled Organisation of both the Tauranga City Council (TCC) and Western Bay of Plenty District Council and was formally established in July 2002.

As a Council Controlled Organisation, Tourism Bay of Plenty is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The Trust is governed by a Board of Trustees.

Financial performance for the year ended 30 June 2023

2022 Actual \$'000		2023 Actual \$'000
3,585	Revenue	4,430
(3,470)	Expenditure	(4,020)
116	Surplus/(deficit)	410
116	Net surplus/(deficit) year	410
2,232	Total assets	1,731
1,655	Total liabilities	706

Statement of Intent and Performance

The Trust has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2022/23 and associated budget formally adopted by the company. On pages 148-149 is a report of performance against targets set in the Statement of Intent for 2022/23.

Performance targets for 2022/23		
Outcomes	Measure	Result
Economic		
Growing the economic value of the tourism industry.	Monitor and report on changes in visitor spend to YE June 2023 and use the information to set new goals for future years.	Achieved. In the YE June 2023, visitor spend in Te Moananui ā Toi the Coastal Bay of Plenty was up 8% compared to YE June 2022, and up 17% compared to the YE June 2019 (pre-COVID-19). Goals to continue to grow domestic and international visitor spend have been set for the next financial year.
Environmental		
Improving the environmental wellbeing of the region through environmental sustainability and regeneration projects.	A total of 40 tourism or hospitality businesses to complete The Green Room programme during the year.	Achieved. A total of 51 tourism and hospitality businesses participated in The Green Room Te Rūma Kākāriki programme during the YE June 2023
Cultural		
Improving the cultural wellbeing of the community through tourism.	Managed online gallery and associated ambassador app content, integrating cultural narrative with key destination messaging.	Achieved. TBOP worked in partnership with Tauranga City Council to develop a cultural intelligence app. This digital platform includes regional history, stories, key information, experiences, significant sites and more. The app has been developed and is undergoing beta testing as of June 2023. The plan is to launch the app during Te Wiki o te Reo Māori in September 2023.
Social		
Enhancing the value tourism brings to the community (according to the community).	Implemented actions identified from TBOP's community perceptions survey to help enhance the perceived value of tourism to the community. Measured by 68% or more residents agreeing that tourism has a positive impact on the community.	Not Achieved. <ul style="list-style-type: none"> • Tauranga City Council: 64% agree. Down 4% compared to the Jul-Dec 2021 result and compared to the goal of 68%. • Western Bay of Plenty District Council: 71% agree. Up 9% compared to Jul-Dec 2021 and exceeded goal of 68%. • Whakatāne District Council: 72% agree. Up 3% compared to YE Dec 2021 result.
TBOP team		
Enhance TBOP's ability to achieve its goals through high staff engagement.	Employee Engagement score: at least 70% of employees are 'happy' or 'very happy' working at TBOP.	Achieved. Employee Engagement score: 77% of the team are 'happy' or 'very happy' working at TBOP. Target exceeded by 7%.
Destination Management		
Elevate the region's cycling offering	Combined Western Bay of Plenty and Tauranga cycle trails booklet and storytelling produced and shared via TBOP channels.	Achieved. Tauranga and Western Bay of Plenty cycle trails booklet was released in September. A total of 5,000 copies were printed and distributed to visitor information centres, accommodation providers, bike shops and other retail outlets, local cycle groups, Tauranga Airport, libraries and more.
Build operator capability to enhance the quality of the region's tourism offering	Provided 1-to-1 digital marketing training to 10 tourism businesses.	Achieved. Provided 1-to-1 digital marketing training to 10 tourism operators during the year.
Coordinate opportunities to bring business events to the region.	Facilitated 15 leads or bids for business events in the region.	Achieve. Bid proposals were submitted in response to 17 conference/event enquiries, with two conferences confirmed for 2022 and two conferences (so far) confirmed for 2023.

Outcomes	Performance targets for 2022/23	
	Measure	Result
Destination Marketing		
Elevate the region's food story and proposition	Promoted the Flavours of Plenty Festival to help sell 80% of festival event tickets.	Not Achieved. Over 4,000 Flavours of Plenty Festival event tickets were sold. This equates to 56% of overall tickets available, shy of the targeted 80%. This was primarily due to large events that are difficult to sell out, such as First We Eat, choosing to come under the Flavours of Plenty Festival banner. More than 5,000 people attended Festival events (both ticketed and un-ticketed).
Promote the destination to our target markets (outdoor adventurers, surf and beach lovers, cultural explorers, and eco-travellers)	Identify effective channels for marketing to international and domestic audiences to ensure value for money.	Achieved. TBOP has consistently reviewed reach, engagement (quantity and quality), and EAV (where possible) of various marketing channels, both domestically and internationally. This has resulted in a more targeted approach for international marketing and trade, a stronger focus on digital channels, and the ability to selectively pursue media opportunities that have a worthwhile potential return on the investment.

Waikato Local Authority Shared Services Limited (CO-Lab)

Local Authority Shared Services Limited was incorporated in December 2005, and changed its name to WAIKATO LOCAL AUTHORITY SHARED SERVICES LIMITED (WLASS) in April 2016. WLASS is owned by 12 local authorities. WLASS provides a legal entity, representative of all the shareholding councils, which can enter into contracts and agreements with external suppliers and provide value to the shareholders by reducing costs. WLASS contracts are available to be joined by any shareholder that so chooses.

Western Bay District Council became a shareholder in 2023 but as at 30 June 2023 no financial transactions had taken place.

Financial performance for the year ended 30 June 2023

2022 Actual \$'000		2023 Actual \$'000
8,572	Revenue	9,101
8,029	Expenditure	8,595
543	Surplus/ (deficit) before tax	505
542	Net surplus/(deficit) for the year	505
4,280	Total assets	5,600
2,289	Total liabilities	3,103

Statement of Intent and Performance

The company has complied with section 64 of the Local Government Act 2002 (LGA) and has had the Statement of Intent for 2022-2023 and associated budget as reviewed by the external auditors on 1st September 2023.

From pages 149-152 is a report of performance against targets set in the Statement of Intent for 2022/23.

Performance targets for 2022/23		
Outcomes	Measure	Result
Priorise and develop business cases for opportunities that, if implemented, add value to councils by achieving one or more of our objectives.		
Business cases will include measurable benefits linked to one or more of the outcomes sought.	Projected savings to councils of \$300K*	<p>Seven significant projects monitored during the year. However, each of these projects -which were largely guided by feedback from councils -were principally focused on valuation creation (rather than cost savings) and/or are at an early stage where potential costs savings are yet to be quantified. The Customer Digital Enablement (CDE) project has the potential to save significant amounts by pooling council investment. For example, market feedback suggested a ten-fold increase in the number of councils involved only bore a 16% increase in investment. Unfortunately, as noted earlier, most councils did not support progressing to RFP and product build. For these reasons, the target has not been met.</p> <p>The Strategic Case for the 'Right People, Right Place' project (see page 9) was approved by the Board in June 2023.</p> <p>A paper covering the 'People Post 3 Waters' project (see page 9) was presented to council Chief Executives in November 2022, with an update to the Board in March 2023. While we await feedback from councils on what resource might become available to redeploy, we are investigating a project management shared service to address one area where many councils are resource constrained.</p> <p>Neither of these investigations can yet claim to give projected savings to councils, although both have the potential to reduce costs and create value in the future.</p>
Opportunity assessments are supported by councils (evidenced by Board minutes)	75% of councils	<p>We can't reasonably measure performance against this target because no opportunity assessments have been presented to the Board during the period. Having said that, as noted above, CDE is not expected to progress to this point, because of the lack of support to progress the opportunity. To that extent, it is an opportunity that, while initially supported by councils, has not ultimately been.</p> <p>Last year we reported that 9 of 12 councils agreed to participate in Co-Lab Learning. A 10th confirmed their involvement in the current period.</p> <p>Some opportunities have been capitalised on without a formal business case. An example of this in the current period is Co-Lab Procurement Support. That shared service came about from discussions with councils who had a need for procurement skills, but only on a part-time basis, or only as and when required to supplement their current resources.</p> <p>In July 2023 and August 2023, councils were presented with proposals to participate in a Building Consent Cadetship and in the RATA Spaces and Places Ropu. Decisions are pending in early FY24.</p>

Performance targets for 2022/23		
Outcomes	Measure	Result
Develop opportunities and deliver projects within agreed budgets and timelines		
Opportunities/projects are developed/delivered within agreed timelines.	80%	<p>14%: (1/7 projects)</p> <p>The low proportion of projects delivered within agreed timelines is disappointing. However, this should be considered in the context that most Co-Lab investigations commence with significant uncertainty, including council staffs capacity to get involved in the projects, which makes reliably estimating the time to complete challenging. While capacity is the most prominent unknown when setting timelines, the LiDAR project has been delayed by vendor performance issues.</p> <p>We acknowledge that we must be more realistic when estimating timelines.</p> <p>It is important to note that none of the delays have caused costs to escalate (i.e., the anticipated work is simply spread over a longer period, or the contract protects against cost escalation).</p>
Opportunities/projects are developed/delivered, within approved budget	90%	80%: Four of the five projects were completed within budget. The exception was the Co-Lab Learning Implementation where the cost of the project team went over project budget. The remaining of two projects have not started in the current year.
Overall, Company Management/Support functions will be undertaken within budget, unless additional expenditure has board pre- approval		Actual Company Management & Support expenditure exceeded budget, mainly because the LAPP insurance cost, which is recovered from councils, was not included in the budget.
Ensure projects realise their expected benefits		
Measurable benefits are actively monitored and reported against	six-monthly	<p>During the current financial year, management reported to the Audit & Risk Committee on:</p> <ul style="list-style-type: none"> Shared Valuation Data Service (SVDS): All benefits in the business case have been met Co-Lab Water Services: The assessment considered benefits realised since the services inception. Of the 10 KPIs in the business case, only 1 (relating to service expectations) was determined to be 'not met' and action is already underway to remedy that.
Audit & Risk Committee undertake an assessment of projects following implementation (which will include an assessment of whether projected benefits have been realised)	<p>For \$200k+ projects (based on cost of opportunity development and ongoing investment within 15 months.</p> <p>90% of projected quantifiable benefits are realised.</p>	

Performance targets for 2022/23		
Outcomes	Measure	Result
<p>Ensure existing services are meeting the needs of councils.</p> <p>The services we provide are considered by councils who use that service to meet or exceed their expectations (evidenced by an annual survey).</p>	80% of councils	Based on our annual survey of councils, the target of 80% has not been met. 79.8% of respondents (0.2% less than the target) said that the services met or exceeded expectations. The survey response rate was 45% (200 were surveyed with 91 responses received).
<p>Foster and promote cross-council collaboration and networking to share ideas on improving efficiencies and best practice.</p> <p>Across these groups, ideas for future consideration and/or initiatives are identified each year</p>	Four per annum	<p>Ideas received and triaged in FY23:</p> <ul style="list-style-type: none"> • One digital library book database • Common LGOIMA manager tool • Councillor Induction Programme • Common staff induction content • Shared resources for election years • Parking enforcement app • Joint Procurement for contracted resources

38. Remuneration

The Chief Executive of Western Bay of Plenty District Council under section 42 of the Local Government Act 2002 received a salary of \$356,412 (2022: \$326,824).

In terms of the contract, the Chief Executive also received the following additional benefits:

Chief Executive	2023	2022
Salary	356,412	326,824
Employer contributions to KS superannuation	10,692	9,805
Vehicle (Market Value plus FBT)	22,937	5,878
Other benefits (incl. medical insurance)	-	2,453
Total remuneration	390,041	344,960

Councillors	2023	2022
Coxhead, Tracey	28,700	-
Crawford, Richard	32,184	-
Dally, Grant Ronald	41,397	40,717
Dean, Mark	13,766	44,145
Denyer, James Edward	112,499	44,145
Grainger, Murray	44,087	40,717
Gray, Monique Anne (previously Lintz, Monique Anne)	12,697	40,717
Henry, Anne Moreen	41,397	40,717
Joyce, Rodney Laurence	28,700	-
Marsh, Kevin Alexander	13,766	44,145
Murray-Benge, Margaret Elizabeth	44,087	40,717
Scrimgeour, John Robert	56,237	60,890
Sole, Allan	41,397	40,717
Thwaites, Donald Alan	46,580	48,712
Webber, Garry John	41,619	139,410
Wichers, Andrew Albertus	28,700	-
Councillors Sum	627,814	625,749

Community Board	2023	2022
Anaru, William Ra	922	2,956
Beech, Shane William	1,844	5,913
Bell, Benjamin Trevor	2,845	-
Clements, John Richard	9,150	5,586
Corbett, Phillip Rewi	2,076	-
Crawford, Richard John	-	11,171
Earl, Andrew Stuart	3,922	-
Ellis, Kassie Dawn	9,150	5,586
Evans, John Graeme	1,264	4,052
Goudie, Ross	8,969	9,199
Guptill, Heather Marie	3,230	-
Harray, Neil Bronte	1,742	5,586
Hopping, Tippianny Anne	2,076	-
Hughes, Allan Dennis	2,845	-
Hulme, Robert Leigh	1,434	4,599
Kurtovich, Alan	3,230	-
Mayo, Norman	3,922	-
Neilsomn, Greig Antony	2,845	-
Paudel, Anish	3,922	-
Presland, Peter John	6,638	4,052
Rae, Laura Andrea	4,843	2,956
Roberts, Marilyn Kathleen	1,434	4,599
Rolleston, Tupaea James	1,742	5,586
Ryan, Donald Clement	1,434	4,599
Sage, Derek Keith	1,264	4,052
Sage, Teresa	6,449	8,106
Simpson, Danielle	3,230	-
Simpson, Stephan	922	2,956
Snell, Dale	5,664	5,586
Summerhays, Karen Mary	3,922	-
Sutherland, Katherine Netta	1,742	5,586
Walters, Donna-Marie Rangimarie	2,076	-
Warren, Benjamin Christian	3,484	11,594
Community Board Sum	110,233	114,322

Remuneration scale	2023	2022
<\$60,000	42	45
\$60,000 - \$79,999	94	88
\$80,000 - \$99,999	77	63
\$100,000 - \$119,999	48	45
\$120,000 - \$139,999	24	16
\$140,000 - \$159,999	12	10
\$160,000 - \$179,999	6	7
\$180,000 - \$299,999	7	8
>\$300,000	2	2
Total employees	312	284

Total remuneration includes any non-financial benefits provided to employees.

At balance date, the Council employed 255 (2022: 231) full-time employees, with the balance of 57 staff representing 53 (2022: 33) full-time equivalent employees.

A full-time employee is determined on the basis of a 40-hour working week.

39. Severance payment disclosure

For the year ended 30 June 2023 Western Bay of Plenty District Council made one (2022: one) severance payment to employees totalling \$12,000 (2022: \$214,567).

40. Events after balance date

There were no events which have caused significant impacts on the essential services of the organisation since balance date.

41. Financial instruments

	Note	2023 \$'000	2022 \$'000
Financial Assets			
Fair value through surplus and deficit			
New Zealand Local Government Funding Agency	20	1,866	1,866
Total fair value through surplus and deficit		1,866	1,866
Loans and receivables			
Te Tumu Investment	18	12,782	12,249
Cash and cash equivalents	14	15,140	25,541
Debtors and other receivables	15	19,181	10,651
LGFA Borrower Notes	20	1,474	1,120
Total loans and receivables		48,577	49,561
Fair value through other comprehensive income			
Other financial assets:			
Local authority stock	20	25	28
Listed shares	18	183	294
Total fair value through other comprehensive income		208	322
Financial liabilities			
Fair value through surplus and deficit			
Derivative financial instrument liability	16	(2,580)	(1,678)
Total fair value through surplus and deficit		(2,580)	(1,678)
Financial liabilities at amortised cost			
Creditors and other payables	24, 26 & 27	30,522	26,158
Borrowings:			
Secured loans	25	90,000	80,000
Total financial liabilities at amortised cost		120,522	106,158

42. Te Tumu financial instruments

In 2007, Western Bay of Plenty District Council and Tauranga City Council (TCC) together acquired a block of land referred to as Te Tumu. This land was purchased with the condition of providing the vendor the option to acquire it sometime from December 2016 to December 2026. The rationale for the councils purchasing the land was to ensure development of this land was consistent with the SmartGrowth strategy. With this purchase of land, the vendor has the right to use the land in its undeveloped state until December 2016 (extendable annually for a further ten years). As Western Bay Council does not have the right to use this land over this period, it is not recognised as a traditional land purchase in the Western Bay Council's accounts.

Instead, this transaction gives rise to the creation of a financial asset where Western Bay Council has a right to receive cash when the vendor exercises their option to repurchase the property. This asset is recognised as an interest free loan. If the vendor does not exercise their right, the land reverts to Western Bay Council and will be recognised as land in Western Bay Council's accounts.

Fair value of the interest free loan is \$10m (2022: \$10m) determined as the present value of future cash flows based on a fixed investment financing rate of 11.5% discounted at 4%. In December 2016, as per the agreement, the interest rate was renegotiated to a market related rate.

In the 2013 financial year, the value of the loan was determined based on the underlying "fair value" of the land. Western Bay Council assumed that due to the general slowdown in growth at that time, the option would not be exercised in 2016. The Western Bay Council extended its assumptions and the exercise of the option to the end of the 10-year period. However, in December 2016, the vendor indicated that they would exercise the option prior to 2026.

In addition, a property subdivision right has been recognised. This represents the right the Western Bay Council has obtained in ensuring development of this land is consistent with SmartGrowth. The initial impairment of the loan has been recognised as the amount payable for the right to use the land in its undeveloped state, which in turn created a "Property Subdivision Right" asset. The subdivision right was recognised as an intangible asset and amortised over the period the vendor was expected to exercise their option to repurchase the property. Refer Note 22 Intangible Assets.

This intangible asset was measured as the difference between the amount paid by the Western Bay Council for this land and the present value of the future cash flow discounted on the option if exercised, at the difference in rate between the investment finance rate of 11.5% and the agreed rate of 7.5%.

During December 2020 Council entered into an unconditional agreement to dispose of its interest in Te Tumu to Tauranga City Council. This sale is backed by a registered loan, which requires Tauranga City Council to settle the full value of the loan by December 2026.

43. Fair value hierarchy disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1) – financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2) – financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation techniques with significant non-observable inputs (level 3) – financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	Total	Quoted market price	Observable inputs	Significant non-observable inputs
30 June 2023				
Financial Assets				
Local authority stock	25	25	-	-
Shares	183	183	-	-
Te Tumu investment	12,782	-	-	12,782
NZ Local Government Funding Agency Limited	3,340	-	3,340	-
Financial Liabilities				
Derivatives	(2,580)	-	(2,580)	-
30 June 2022				
Financial Assets				
Local authority stock	28	28	-	-
Shares	294	294	-	-
Te Tumu investment	12,249	-	-	12,249
NZ Local Government Funding Agency Limited	2,986	-	2,986	-
Financial Liabilities				
Derivatives	(1,678)	-	(1,678)	-

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

	2023 Actual \$'000	2022 Actual \$'000
Balance at 1 July	12,249	12,032
Gains/(losses) recognised in surplus and deficit	533	217
Reversal of impairment	-	-
Balance at 30 June	12,782	12,249

44. Financial instrument risks

Western Bay Council has a series of policies to manage the risks associated with financial instruments. Western Bay Council is risk averse and seeks to minimise exposure from its treasury activities. Western Bay Council has established Council approved liability management and investment policies. These policies do not allow any transactions to be entered into that are speculative in nature.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

Western Bay Council is exposed to equity securities price risk on its investments. This price risk arises due to market movements in listed securities. This price risk is managed by diversification of Western Bay Council's investment portfolio in accordance with the limits set out in Western Bay Council's investment policy.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Western Bay Council purchases plant and equipment associated with the construction of certain infrastructural assets from overseas, which require it to enter into transactions denominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

It is the Western Bay Council's policy to manage foreign currency risks arising from contractual commitments and liabilities that are above \$100,000 by entering into forward foreign exchange contracts to manage the foreign currency risk exposure. This means the Western Bay Council is able to fix the New Zealand dollar amount payable prior to delivery of the plant and equipment from overseas.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowings and investments issued at fixed rates of interest expose the Western Bay Council to fair value interest rate risk. Western Bay Council's liability management policy is to maintain a certain level of its borrowings in fixed rate instruments. Interest rate swaps are entered into to hedge the fair value interest rate risk arising from Western Bay Council's borrowings to ensure they remain within these limits.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Western Bay Council to cash flow interest rate risk.

Generally, Western Bay Council raises long-term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cash flow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if Western Bay Council borrowed at fixed rates directly. Under the interest rate swaps, Western Bay Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

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

Western Bay Council's investment policy limits the amount of credit exposure to any one financial institution or organisation. Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the Western Bay Council only invests funds with entities that have a Standard and Poor's or Moody's credit rating of A- or above for long-term investments.

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

Maximum exposure to credit risk

	\$'000 2023	\$'000 2022
Cash at bank and term deposits	15,140	25,541
Debtors and other receivables	19,181	10,651
Local authority, CCO's (or similar) and listed shares	208	322
New Zealand Local Government Funding Agency	3,340	2,986
Derivative financial instruments	2,580	1,678
Financial instruments	12,782	12,249
Total credit risk	53,231	53,427

Credit quality of financial assets

	\$'000 2023	\$'000 2022
Counterparties with credit ratings		
Cash at bank and term deposits		
A-1+	15,140	25,541
Total cash at bank and term deposits	15,140	25,541
Local authority and government stock		
AA+	3,340	2,986
A	25	28
Total local authority and government stock	3,365	3,014
Derivative financial instrument assets		
AA-	2,580	1,678
Total derivative financial instruments	2,580	1,678
Financial instrument assets		
No rating	12,782	12,249
Total financial instrument assets	12,782	12,249
Counterparties without credit ratings		
Existing assets with no defaults in the past	183	294
Total counterparties without credit ratings	183	294

Debtors and other receivables mainly arise from Western Bay Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Western Bay Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers and Western Bay Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

Management of liquidity risk

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

Western Bay Council manages its borrowings in accordance with its funding and financial policies, which include a Liability Management policy. These policies have been adopted as part of the Western Bay Council's Long Term Plan. Western Bay Council has a maximum amount that can be drawn down against its overdraft facility of \$600,000 (2022: \$600,000). There are no restrictions on the use of this facility.

Contractual maturity analysis of financial liabilities

The table below analyses Western Bay Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

Liquidity risk

Contractual maturity analysis of financial liabilities

Council 2023	Carrying amount \$'000	Contractual cashflow \$'000	less than 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000
Creditors and other payables	30,522	30,522	30,522	-	-	-
Net settled derivatives	(2,580)	(2,580)	-	(280)	(593)	(1,707)
Secured Loans	90,000	104,431	15,729	27,705	60,998	-
Total	117,942	132,373	46,251	27,424	60,405	(1,707)
Council 2022						
Creditors and other payables	26,158	26,158	26,158	-	-	-
Net settled derivatives	(1,678)	(1,678)	422	795	3,314	(6,208)
Secured Loans	80,000	126,017	27,982	11,998	49,036	37,001
Total	104,480	150,497	54,562	12,792	52,350	30,793

Contractual maturity analysis of assets liabilities

Council 2023	Carrying amount \$'000	Contractual cashflow \$'000	less than 1 year \$'000	1-2 years \$'000	2-5 years \$'000	More than 5 years \$'000
Cash and cash equivalents	15,140	15,140	15,140	-	-	-
Debtors and other receivables	19,181	19,181	19,181	-	-	-
Net settled financial instruments	12,782	10,414	-	-	-	10,414
Other financial assets:						
· Term deposits with original maturities of greater than 3 months and remaining maturities of less than 12 months	-	-	-	-	-	-
· Local authority and government stock	3,365	-	-	-	-	3,365
Total	50,468	44,735	34,321	-	-	13,779
Council 2022						
Cash and cash equivalents	25,541	25,541	25,541	-	-	-
Debtors and other receivables	10,651	10,651	10,651	-	-	-
Net settled financial instruments	12,249	10,414	-	-	-	10,414
Other financial assets:						
· Term deposits with original maturities of greater than 3 months and remaining maturities of less than 12 months	-	-	-	-	-	-
· Local authority and government stock	3,013	-	-	-	-	3,013
Total	51,454	46,606	36,192	-	-	13,427

Sensitivity analysis

Interest rate risk	Note	2023 \$'000				2022 \$'000			
		-100bps		+100bps		-100bps		+100bps	
		Profit	Other equity	Profit	Other equity	Profit	Other equity	Profit	Other equity
Financial assets									
Cash and cash equivalents	1	(151)		151		(255)		255	
Financial instruments	2	(128)		128		(122)		122	
Other financial assets:									
- Local authority stock	3		(15)		15		(12)		12
Financial liabilities									
Derivatives - interest rate swaps	4	629		4,448		(1,632)		3,221	
Borrowings:									
Debentures	5	(800)		800		(700)		700	
Total sensitivity to interest rate risk		(450)	(15)	5,527	15	(2,710)	(12)	4,299	12
Equity price risk	Note	-10%		+10%		-10%		+10%	
		Profit	Other equity	Profit	Other equity	Profit	Other equity	Profit	Other equity
Financial assets									
Other financial assets:									
- Quoted share investments	6		(2.9)		2.9		(5.3)		5.3
Total sensitivity to equity price risk		-	(2.9)	-	2.9	-	(5.3)	-	5.3

Explanation of sensitivity analysis

1. Cash and Cash equivalents

Cash and cash equivalents include deposits on call totalling \$15,140,226 (2022: \$25,540,541) which are at floating rates. A movement in interest rates of plus or minus 1.0% has an effect on interest income of \$151,402 (2022: \$255,405).

Derivatives

2. Financial instruments

Financial instruments include Te Tumu land purchase totalling \$12.78m (2022: \$12.24m). A movement in interest rates of 1.0% has an effect of \$127,800 (2022: \$122,400) on the unrealised value of the financial instruments.

3. Local authority stock

A total of \$1,474,000 (2022: \$1,120,000) of investments in local authority stock are classified at fair value through equity. A movement in interest rates of plus or minus 1.0% has an effect of \$14,740 (2022: \$12,000) on the fair value through other comprehensive income reserve.

4. Financial liabilities

Derivative financial assets not hedge accounted includes interest rate swaps with a fair value totalling \$2.58m (2022: \$1.63m). A movement in interest rates of plus 1.0% has an effect of increasing the swap value to \$4.448m (2022: \$3.221m). A movement in interest rates of minus 1.0% has an effect of reducing the swap value by \$1.951m (2022: \$2.508m).

5. Debentures - secured loans

Council has floating rate debt with a principal amount totalling \$80.0 million (2022: \$70.0m). A movement in interest rates of plus or minus 1.0% has an effect on interest expense of \$800,000 (2022: \$700,000). A movement in market interest rates on fixed rate debt does not have any impact because secured loans are accounted for at amortised cost using the effective interest method.

6. Listed shares

Western Bay holds equity instruments in Zespri Group Limited valued at \$154,000 (2022: \$241,059) and Seeka Kiwifruit Industries Limited valued at \$29,000 (2022: \$53,000). Zespri shares are not publicly traded, however Seeka shares are publicly traded. If there was a movement of plus or minus 10% in the share price the effect would be a movement in the fair value through other comprehensive income reserve of \$2,900 (2022: \$5,300).

Creditors and other payables

Trade payables do not include any foreign currency denominated payables in relation to plant and equipment purchases. Therefore there is no currency price risk and no movement under sensitivity analysis.

45. Capital market

The Western Bay Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Western Bay 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 intergenerational equity, which is a principle promoted in the Act and applied by the Western Bay Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Western Bay Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Western Bay Council has in place asset management plans for all major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Western Bay Council to make adequate and effective provision in its Long Term Plan (LTP) and in its annual plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Western Bay 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 LTP.

Western Bay Council has the following council created reserves:

- reserves for different areas of benefit
- self-insurance reserves, and
- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can only be approved by Western Bay Council.

Trust and bequest reserves are set up where Western Bay Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose for which they were donated.

46. Explanation of major variances

Explanations for major variations from Western Bay Council's estimated figures in the Annual Plan 2022/23 and 2023 actuals are as follows:

Statement of Comprehensive Income

Actual 2023 surplus of \$16.8 million versus 2023 budget surplus of \$18.6 million.

An unfavourable variance of \$1.8 million.

Total revenue was \$8.1 million better than budget.

The major contributors to the variance are noted on the following page.

Note		
1	Fees and charges	1,655
2	Rates revenue	863
3	Fincos	(3,406)
4	Subs	6,533
5	Finance revenue	1,709
6	Other revenue	710
		8,064

Total expenditure was \$4.6 million over budget.

Note		
7	Other exp	9,206
8	Personnel	1,885
9	Depreciation and Amortisation	(1,391)
10	Impairment Cost	255
11	Finance costs	138
12	Share of associate	(224)
		9,869

2023 explanations

1. Above average income for Waste fees and Refuse Tag income received compared to budgeted fees.
2. Increase in rates revenue is primarily due to an increase in growth for rating units.
3. Financial contributions were lower in 2023 due to slowing down of activities.
4. Subsidies and grant income was higher than budget due to timing and availability of capital works eligible for Waka Kotahi NZ Transport Agency funding and additional funding received for storm damage.
5. Finance revenue was higher than budget due to higher than planned interest income.
6. Other revenue was higher than budget mainly due to higher than planned gains on asset disposals.

7. Other expenses were higher than budget due to higher costs associated with delivering operational contracts.
8. Personnel costs was higher than budget. Increased workloads resulting in staff working more hours, new initiatives and new services which were not budgeted.
9. Depreciation and amortisation costs was lower than budget.
10. Impairment costs were recognised for the Te Puke No. 4 Bridge, which were not budgeted.
11. Finance costs was higher than budget. This is a result of unfavorable movements due to rising interest rates.
12. Share of associate income was not budgeted.

Actual net equity increased to \$1,791 million in 2023 versus \$1,623 million in 2022.

Decrease in cash held at year end	(10,401)
Increase in debtors and prepayments	7,916
Increase in investments and financial assets	574
Decrease in non-current assets held for sale	-
Decrease in forestry assets	(672)
Increase in intangible assets	172
Increase in property, plant and equipment	183,703
Increase in debt for the year	10,000
Decrease in interest rate swap liability	(1,040)
Increase in creditors and other payables	2,638
Net movement	192,890

2023 explanations

Property, plant and equipment has been impacted by favourable revaluations plus additions resulting from completed projects.

Collections have been slower with increased debtors balances and lower cash balances.

Additional funding was also secured with loans increased to facilitate the delivery of the capital works programme.

Funding impact statement for year ended 30 June 2023

Whole of Council

	2023		2022	
	Annual Plan 2022/23 \$'000	Actual 2022/23 \$'000	Annual Plan 2021/22 \$'000	Actual 2021/22 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties	32,303	31,408	31,515	30,661
Targeted rates	55,044	56,842	51,859	51,045
Subsidies and grants for operating purposes	11,178	21,565	10,108	17,266
Fees and charges	8,749	9,893	8,418	9,305
Interest and dividends from investments	270	1,979	263	262
Local authorities fuel tax, fines, infringement fees, and other receipts	3,184	3,156	3,230	5,297
Total operating funding	(A)	110,728	124,843	113,836
Applications of operating funding				
Payments to staff and suppliers	83,651	92,608	79,250	80,156
Finance costs	4,006	4,144	3,675	4,146
Other operating funding applications	-	-	-	-
Total applications of operating funding	(B)	87,657	82,925	84,302
Surplus (deficit) of operating funding	(A-B)	23,072	28,090	29,534
Sources of capital funding				
Subsidies and grants for capital expenditure	4,053	200	6,874	4,890
Development and financial contributions	14,035	10,629	11,221	10,925
Increase (decrease) in debt	31,500	10,299	13,400	(5,236)
Gross proceeds from sale of assets	-	460	-	880
Lump sum contributions	2,313	2,397	2,240	-
Other dedicated capital funding	-	-	-	-
Total capital funding	(C)	51,901	33,735	11,458
Applications of capital funding				
Capital expenditure –				
· to meet additional demand	27,949	25,418	35,506	21,609
· to improve the level of service	26,855	6,808	11,112	11,469
· to replace existing assets	14,474	10,770	11,451	6,850
Increase (decrease) in reserves	2,349	9,302	(5,047)	1,122
Increase (decrease) of investments	3,346	(223)	3,181	(58)
Total applications of capital funding	(D)	74,972	56,203	40,992
Surplus (deficit) of capital funding	(C-D)	(23,072)	(28,090)	(29,534)
Funding balance	((A-B) + (C-D))	-	-	-

Funding impact statement for year ended 30 June 2023

Whole of Council - Reconciliation of summary funding impact statement to statements of comprehensive income

	Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Operating funding per FIS	105,394	110,341	124,843
Add: Subsidies and grants for capital expenditure	6,873	7,939	200
Financial contributions	11,221	14,035	10,629
Total	123,488	132,315	135,672
Total Revenue per Statement of Comprehensive Income	125,340	134,227	139,182
Less: Gains	(388)	(401)	(1,115)
Less: Financial assets at fair value through other comprehensive revenue and expenses	-	-	904
Less: Fair value movement in derivative financial instruments	-	-	(902)
Less: Vested assets revenue	2,240	2,313	(2,397)
Total	123,488	132,315	135,672
Total application of operating funding per FIS	82,925	88,329	96,753
Total expenditure per Statement of Comprehensive Income	106,832	113,472	122,570
Less: Depreciation and amortisation	23,907	25,143	23,740
Less: Vested assets expense	-	-	1,822
Less: Other adjustments	-	-	255
Total	82,925	88,329	96,753
Net Variance	-	-	-

Funding impact statement for year ended 30 June 2023

Representation

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		3,093	2,779	4,059
Targeted rates		-	-	-
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	8
Internal charges and overheads recovered		1,052	1,068	1,235
Local authorities fuel tax, fines, infringement fees, and other receipts		-	77	2
Total operating funding	(A)	4,144	3,924	5,304
Applications of operating funding				
Payments to staff and suppliers		2,035	1,730	2,474
Finance costs		-	-	-
Internal charges and overheads applied		2,083	2,149	2,754
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	4,118	3,879	5,229
Surplus (deficit) of operating funding	(A-B)	26	44	75
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		-	-	-
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	-	-	-
Applications of capital funding				
Capital expenditure –				
• to meet additional demand		-	-	-
• to improve the level of service		20	36	-
• to replace existing assets		-	-	-
Increase (decrease) in reserves		6	8	75
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	26	44	75
Surplus (deficit) of capital funding	(C-D)	(26)	(44)	(75)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year ended 30 June 2023

Planning for the future

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		3,873	4,180	4,316
Targeted rates		13	13	-
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	-
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		-	-	-
Total operating funding	(A)	3,886	4,193	4,316
Applications of operating funding				
Payments to staff and suppliers		2,933	3,193	2,958
Finance costs		-	-	(16)
Internal charges and overheads applied		940	987	1,219
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	3,873	4,180	4,161
Surplus (deficit) of operating funding	(A-B)	13	13	154
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		-	-	-
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	-	-	-
Applications of capital funding				
Capital expenditure—				
• to meet additional demand		-	-	138
• to improve the level of service		-	-	-
• to replace existing assets		-	-	-
Increase (decrease) in reserves		13	13	16
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	13	13	154
Surplus (deficit) of capital funding	(C-D)	(13)	(13)	(154)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Communities

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		5,754	5,811	5,746
Targeted rates		3,123	3,245	3,359
Subsidies and grants for operating purposes		-	-	-
Fees and charges		80	82	459
Internal charges and overheads recovered		502	481	1,334
Local authorities fuel tax, fines, infringement fees, and other receipts		502	518	630
Total operating funding	(A)	9,961	10,137	11,527
Applications of operating funding				
Payments to staff and suppliers		6,488	6,358	7,120
Finance costs		-	-	42
Internal charges and overheads applied		3,253	3,417	3,659
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	9,741	9,774	10,821
Surplus (deficit) of operating funding	(A-B)	220	363	706
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		161	(229)	2,319
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	161	(229)	2,319
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		320	53	151
• to improve the level of service		85	51	33
• to replace existing assets		676	1,049	2,841
Increase (decrease) in reserves		(700)	(1,020)	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	381	133	3,025
Surplus (deficit) of capital funding	(C-D)	(220)	(363)	(706)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Recreation and open spaces

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		7,691	8,100	8,945
Targeted rates		215	432	-
Subsidies and grants for operating purposes		-	82	-
Fees and charges		20	21	346
Internal charges and overheads recovered		1,780	1,858	1,856
Local authorities fuel tax, fines, infringement fees, and other receipts		1,339	1,166	1,815
Total operating funding	(A)	11,045	11,659	12,962
Applications of operating funding				
Payments to staff and suppliers		6,017	6,387	8,299
Finance costs		-	-	(241)
Internal charges and overheads applied		2,941	3,075	3,249
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	8,958	9,462	11,307
Surplus (deficit) of operating funding	(A-B)	2,087	2,196	1,654
Sources of capital funding				
Subsidies and grants for capital expenditure		919	1,122	-
Development and financial contributions		2,576	4,613	2,973
Increase (decrease) in debt		552	1,600	5,013
Gross proceeds from sale of assets		-	-	(265)
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	4,047	7,335	7,721
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		2,309	2,303	5,939
• to improve the level of service		1,879	2,855	2,278
• to replace existing assets		1,788	4,379	1,158
Increase (decrease) in reserves		158	(6)	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	6,134	9,532	9,375
Surplus (deficit) of capital funding	(C-D)	(2,087)	(2,196)	(1,654)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Regulatory services

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		4,496	4,866	4,143
Targeted rates		-	-	-
Subsidies and grants for operating purposes		-	-	-
Fees and charges		7,224	7,424	7,212
Internal charges and overheads recovered		1,058	1,218	811
Local authorities fuel tax, fines, infringement fees, and other receipts		274	280	168
Total operating funding	(A)	13,052	13,789	12,334
Applications of operating funding				
Payments to staff and suppliers		8,437	8,778	6,594
Finance costs		-	-	(8)
Internal charges and overheads applied		4,603	4,913	5,586
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	13,040	13,691	12,172
Surplus (deficit) of operating funding	(A-B)	12	98	162
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		-	-	-
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	-	-	-
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		-	-	32
• to improve the level of service		-	31	-
• to replace existing assets		-	-	-
Increase (decrease) in reserves		12	67	130
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	12	98	162
Surplus (deficit) of capital funding	(C-D)	(12)	(98)	(162)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Stormwater

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		700	718	704
Targeted rates		4,619	4,765	4,724
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	5
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		-	-	3
Total operating funding	(A)	5,319	5,484	5,435
Applications of operating funding				
Payments to staff and suppliers		1,197	1,259	1,019
Finance costs		-	-	707
Internal charges and overheads applied		771	804	889
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	1,968	2,064	2,616
Surplus (deficit) of operating funding	(A-B)	3,351	3,420	2,819
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		1,600	1,676	712
Increase (decrease) in debt		2,649	6,409	(888)
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		300	310	649
Other dedicated capital funding		-	-	-
Total capital funding	(C)	4,549	8,395	473
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		3,251	4,132	1,588
• to improve the level of service		310	1,337	351
• to replace existing assets		417	3,643	1,353
Increase (decrease) in reserves		3,922	2,702	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	7,900	11,815	3,292
Surplus (deficit) of capital funding	(C-D)	(3,351)	(3,420)	(2,819)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Transportation

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		50	52	-
Targeted rates		14,695	16,072	16,502
Subsidies and grants for operating purposes		9,935	10,324	21,053
Fees and charges		10	10	380
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		261	270	8
Total operating funding	(A)	24,951	26,728	37,943
Applications of operating funding				
Payments to staff and suppliers		11,260	13,395	16,615
Finance costs		-	-	(353)
Internal charges and overheads applied		1,351	1,415	1,677
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	12,611	14,810	17,939
Surplus (deficit) of operating funding	(A-B)	12,340	11,918	20,004
Sources of capital funding				
Subsidies and grants for capital expenditure		5,655	4,334	-
Development and financial contributions		3,089	3,663	3,454
Increase (decrease) in debt		50	1,697	(8,518)
Gross proceeds from sale of assets		-	-	32
Lump sum contributions		1,400	1,445	946
Other dedicated capital funding		-	-	-
Total capital funding	(C)	10,194	11,140	(4,085)
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		19,095	19,033	14,958
• to improve the level of service		6,725	8,469	961
• to replace existing assets		3,205	4,294	-
Increase (decrease) in reserves		(6,491)	(8,738)	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	22,534	23,058	15,919
Surplus (deficit) of capital funding	(C-D)	(12,340)	(11,918)	(20,004)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Water supply

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		-	-	-
Targeted rates		11,750	12,041	13,826
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	527
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		47	42	172
Total operating funding	(A)	11,797	12,082	14,525
Applications of operating funding				
Payments to staff and suppliers		6,313	6,775	7,378
Finance costs		-	-	1,116
Internal charges and overheads applied		2,392	2,478	2,691
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	8,705	9,253	11,185
Surplus (deficit) of operating funding	(A-B)	3,092	2,829	3,340
Sources of capital funding				
Subsidies and grants for capital expenditure		100	468	-
Development and financial contributions		2,045	2,122	1,656
Increase (decrease) in debt		4,865	3,881	172
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		200	207	389
Other dedicated capital funding		-	-	-
Total capital funding	(C)	7,210	6,678	2,216
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		5,787	4,726	2,446
• to improve the level of service		995	805	939
• to replace existing assets		2,052	2,961	2,171
Increase (decrease) in reserves		1,468	1,016	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	10,302	9,508	5,556
Surplus (deficit) of capital funding	(C-D)	(3,092)	(2,829)	(3,340)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Natural environment and sustainable living

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		358	382	459
Targeted rates		573	592	607
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	-
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		-	-	-
Total operating funding	(A)	931	974	1,066
Applications of operating funding				
Payments to staff and suppliers		1,154	1,204	1,369
Finance costs		-	-	(75)
Internal charges and overheads applied		77	80	96
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	1,231	1,284	1,390
Surplus (deficit) of operating funding	(A-B)	(300)	(310)	(324)
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	146
Increase (decrease) in debt		-	-	-
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	-	-	146
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		-	-	-
• to improve the level of service		-	-	-
• to replace existing assets		-	-	-
Increase (decrease) in reserves		(300)	(310)	(178)
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	(300)	(310)	(178)
Surplus (deficit) of capital funding	(C-D)	300	310	324
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Wastewater

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		-	-	-
Targeted rates		11,681	12,041	12,854
Subsidies and grants for operating purposes		-	-	-
Fees and charges		2	2	346
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		48	49	215
Total operating funding	(A)	11,731	12,092	13,415
Applications of operating funding				
Payments to staff and suppliers		5,744	5,885	6,975
Finance costs		-	-	1,727
Internal charges and overheads applied		2,130	2,207	2,243
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	7,874	8,092	10,944
Surplus (deficit) of operating funding	(A-B)	3,857	4,000	2,471
Sources of capital funding				
Subsidies and grants for capital expenditure		-	1,033	200
Development and financial contributions		1,911	1,960	1,688
Increase (decrease) in debt		2,422	5,475	(3,201)
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		340	351	413
Other dedicated capital funding		-	-	-
Total capital funding	(C)	4,673	8,819	(900)
Applications of capital funding				
Capital expenditure –				
• to meet additional demand		3,810	6,577	(322)
• to improve the level of service		100	10	1,592
• to replace existing assets		2,025	7,178	301
Increase (decrease) in reserves		2,595	(946)	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	8,530	12,819	1,571
Surplus (deficit) of capital funding	(C-D)	(3,857)	(4,000)	(2,471)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Solid waste

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		122	134	262
Targeted rates		3,350	3,629	3,155
Subsidies and grants for operating purposes		173	179	512
Fees and charges		771	798	498
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		37	37	135
Total operating funding	(A)	4,453	4,777	4,561
Applications of operating funding				
Payments to staff and suppliers		4,494	4,816	3,483
Finance costs		-	-	(97)
Internal charges and overheads applied		648	670	796
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	5,142	5,486	4,182
Surplus (deficit) of operating funding	(A-B)	(689)	(709)	380
Sources of capital funding				
Subsidies and grants for capital expenditure		200	981	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		-	-	(380)
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	200	981	(380)
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		-	-	-
• to improve the level of service		200	981	-
• to replace existing assets		-	-	-
Increase (decrease) in reserves		(689)	(708)	-
Increase (decrease) of investments		-	-	-
Total applications of capital funding	(D)	(489)	273	-
Surplus (deficit) of capital funding	(C-D)	689	708	(380)
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Economic development

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		737	753	301
Targeted rates		367	379	325
Subsidies and grants for operating purposes		-	-	-
Fees and charges		-	-	-
Internal charges and overheads recovered		-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts		-	-	-
Total operating funding	(A)	1,104	1,132	626
Applications of operating funding				
Payments to staff and suppliers		744	760	712
Finance costs		-	-	(37)
Internal charges and overheads applied		56	59	99
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	800	818	774
Surplus (deficit) of operating funding	(A-B)	304	314	(148)
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		-	-	-
Gross proceeds from sale of assets		-	-	-
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	-	-	-
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		564	479	242
• to improve the level of service		-	-	-
• to replace existing assets		-	-	-
Increase (decrease) in reserves		(260)	(164)	(166)
Increase (decrease) of investments		-	-	(224)
Total applications of capital funding	(D)	304	314	(148)
Surplus (deficit) of capital funding	(C-D)	(304)	(314)	148
Funding balance	((A - B) + (C - D))	-	-	-

Funding impact statement for year 30 June 2023

Support services

		Long Term Plan 2021/22 \$'000	Long Term Plan 2022/23 \$'000	Actual 2022/23 \$'000
Sources of operating funding				
General rates, uniform annual general charges, rates penalties		4,642	5,187	2,473
Targeted rates		1,474	1,474	1,491
Subsidies and grants for operating purposes		-	-	-
Fees and charges		311	320	114
Internal charges and overheads recovered		19,870	20,796	22,984
Local authorities fuel tax, fines, infringement fees, and other receipts		985	1,014	1,989
Total operating funding	(A)	27,282	28,791	29,051
Applications of operating funding				
Payments to staff and suppliers		22,437	23,138	27,612
Finance costs		3,675	4,651	1,380
Internal charges and overheads applied		3,014	3,167	3,262
Other operating funding applications		-	-	-
Total applications of operating funding	(B)	29,126	30,956	32,254
Surplus (deficit) of operating funding	(A-B)	(1,844)	(2,165)	(3,203)
Sources of capital funding				
Subsidies and grants for capital expenditure		-	-	-
Development and financial contributions		-	-	-
Increase (decrease) in debt		2,701	19,167	15,780
Gross proceeds from sale of assets		-	-	693
Lump sum contributions		-	-	-
Other dedicated capital funding		-	-	-
Total capital funding	(C)	2,701	19,167	16,473
Applications of capital funding				
Capital expenditure–				
• to meet additional demand		369	225	246
• to improve the level of service		799	822	654
• to replace existing assets		1,289	2,099	2,945
Increase (decrease) in reserves		(4,781)	9,725	9,425
Increase (decrease) of investments		3,181	4,131	-
Total applications of capital funding	(D)	857	17,002	13,270
Surplus (deficit) of capital funding	(C-D)	1,844	2,165	3,203
Funding balance	((A - B) + (C - D))	-	-	-



Waitekohekohe Opening, Katikati

Photographer: Anna Menendez

Te mana whakahaere
me te aroturukitanga

**Governance
and monitoring**



Te mana whakahaere me te aroturukitanga
Governance and monitoring

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Tō Koromatua me ngā Kaikaunihera

Your Mayor and Councillors



Left to right:

Councillors Anne Henry, Murray Grainger, Richard Crawford, Rodney Joyce, Mayor James Denyer, Deputy Mayor John Scrimgeour, Councillors Don Thwaites, Margaret Murray-Benge, Allan Sole, Grant Dally, Andy Wichers, and Tracey Coxhead

For further information

visit the Elected members page on Council's website westernbay.govt.nz/mayor-and-councillors

2022-25 Committees and membership

Council

Membership: All elected members
Oversees all functions and activities of administering the District, and has specific powers.

District Licensing Committee

Statutory committee made up of two elected members and community appointments. Their task is to consider and determine applications for liquor licenses and bar manager certificates.

District Plan Committee

Has delegated authority to hear and make decisions on District Plan matters. The District Plan sets the rules on development in our District.

Projects and Monitoring Committee

Membership: All elected members
Oversees the implementation and performance monitoring of the core services provided by Council.

Regulatory Hearings Committee

Membership: six councillors
Makes decisions on statutory and regulatory matters Council manages under the legislation. Much of this work involves assessing applications by people to undertake certain activities in the District. All chairs and members of hearing panels must be accredited under the Resource Management Act.

Strategy and Policy Committee

Membership: All elected members
Committee's role is to develop plans, policies and strategies for the future direction of our community.

Audit and Risk Committee

Membership: All elected members
Committee provides assurance and assistance to Council on management of Council's risks, financial control and compliance framework and its external accountability responsibilities.

Annual Plan and Long Term Plan Committee

Membership: All elected members
Committee manages the process of the Annual Plan, Long Term Plan and amendments, including determination of the nature and extent of community engagement approaches to be employed.

Community Committee

Membership: All elected members and Community Board Chairpersons
Committee role is to make recommendations on actions to address priority matters arising from Community Forums.

Community Forums (Katikati-Waihi Beach, Kaimai and Maketu-Te Puke)

Membership: Ward councillors
Committee's role is to develop community relationships to achieve solutions to local issues and to provide a voice on behalf of the community in relation to feedback and consultation for the Annual and Long Term Plan processes.

Joint Committees

SmartGrowth Leadership Group

Membership: Representation from Councils across the Bay of Plenty and Tangata Whenua

SmartGrowth Leadership Group (SGLG) is a governance group responsible for prioritising, reviewing and monitoring the implementation of the SmartGrowth Strategy 2051.

Regional Transport Committee

Membership: Representation from Councils across the Bay of Plenty, Waka Kotahi NZ Transport Agency, NZ Police, and the Port of Tauranga

Prepares and monitors implementation of a Regional Land Transport Plan.

Te Maru o Kaituna (Kaituna River Authority)

Membership: Representation from Councils across the Bay of Plenty and Tangata Whenua

To restore, protect and enhance the environmental, cultural and spiritual health and wellbeing of the Kaituna River.

2022-25 Community Board and Community Forum representatives

Waihī Beach Community Board

- Member Ross Goudie
- Member Heather Marie Guptill
- Member Dani Simpson
- Member Alan Kurtovich (resigned)
- Councillor - Allan Sole
- Councillor - Anne Henry

Katikati Community Board

- Member John Clements
- Member Norm Mayo
- Member Andy Earl
- Member Teresa Sage
- Councillor - Anne Henry
- Councillor - Rodney Joyce

Ōmokoroa Community Board

- Member Peter Presland
- Member Allan Hughes
- Member Ben Bell
- Member Greig Neilson
- Councillor - Murray Grainger
- Councillor - Don Thwaites

Te Puke Community Board

- Member Karen Summerhays
- Member Anish Paudel (resigned)
- Member Kassie Ellis
- Member Dale Snell
- Councillor - Grant Dally
- Councillor - Andy Wichers

Maketu Community Board

- Member Laura Rae
- Member Rewi Boy Corbett
- Member Tippianny Hopping
- Member Donna Walters
- Councillor - Richard Crawford
- Councillor - John Scrimgeour

Katikati/Waihī Beach Community Forum

- Councillor Rodney Joyce
- Councillor Anne Henry
- Councillor Allan Sole

Kaimai Community Forum

- Councillor Tracey Coxhead
- Councillor Murray Grainger
- Councillor Margaret Murray-Benge
- Councillor Don Thwaites

Maketu-Te Puke Community Forum

- Councillor Richard Crawford
- Councillor Andy Wichers
- Councillor Grant Dally
- Councillor John Scrimgeour

Organisational overview

CEO group	Regulatory services group	Corporate services group	Infrastructure group	Strategy and community group
<ul style="list-style-type: none"> • Executive Assistance <ul style="list-style-type: none"> • Chief Executive • Mayor • Communications <ul style="list-style-type: none"> • Operational communications • Corporate identity • Online communications • Strategic and governance communications 	<ul style="list-style-type: none"> • Environmental Consents <ul style="list-style-type: none"> • Resource Consents • Property Information Memoranda (PIMs) • Building Services <ul style="list-style-type: none"> • Building Consents • Land Information Memoranda (LIMs) • Building compliance -Pools, Building WOF, compliance schedules • Compliance and Monitoring <ul style="list-style-type: none"> • Animal Control Services • Traffic and parking services • Alcohol licensing • Environmental Health • General bylaw and resource consent compliance and monitoring • Land Development <ul style="list-style-type: none"> • Development code management • Land engineering design approvals • Development Projects <ul style="list-style-type: none"> • Development advice 	<ul style="list-style-type: none"> • Commercial and Finance <ul style="list-style-type: none"> • Finance <ul style="list-style-type: none"> • Financial Policy, Overview and Auditing • Treasury • Business Partnering • Accounting • Accounts Payable • Revenue • Annual Plan and Annual Report • Risk and Assurance • Contracts and Procurement <ul style="list-style-type: none"> • General Purchasing and Contract Advice • Tenders • Delegated Financial Authority Governance • Finance Systems • Insurance • Corporate Performance <ul style="list-style-type: none"> • Corporate Planning • Business Planning Improvement and Project Management • Quality Management • Performance Monitoring and Reporting • Benchmarking • Asset Management <ul style="list-style-type: none"> • Asset Management Systems • Valuation • Monitoring and Reporting • IT Management <ul style="list-style-type: none"> • Information Services and Systems • Electronic Document Management Systems • Information Technology • IT Development • IT Projects • Geographic Information Systems • People and Capability <ul style="list-style-type: none"> • People and Capability Strategy • Workforce Development • Recruitment • Training and Development • Payroll • Health and Safety • Safety Compliance 	<ul style="list-style-type: none"> • Management <ul style="list-style-type: none"> • Strategic, Financial and Funding Management • Project Monitoring and Reporting • Transport <ul style="list-style-type: none"> • Asset Management • Roading Network • West Roads Maintenance Contract • Water Services <ul style="list-style-type: none"> • Water Services Asset Management • Wastewater • Stormwater • Potable Water • 3 Waters • Compliance • Reserves and Facilities <ul style="list-style-type: none"> • Reserves and Facilities Asset Management • Reserves • Esplanades • Wharves • Jetties and Boat Ramps • Cemeteries • Playgrounds • Sub Regional Parks • Cycleways and Walkways • Sports Fields • Swimming Pools • Emergency Management <ul style="list-style-type: none"> • Response Capability • Operations <ul style="list-style-type: none"> • Corporate Asset Management • Strategic Property • Corporate Property • Pensioner Housing • Fleet Management • Legal Property • Solid Waste / Kerbside Collective Management • Recycling • Campgrounds • CCTV • Infrastructure Growth, Planning and Projects Delivery <ul style="list-style-type: none"> • Structure Planning and Design • Major Capital Projects 	<ul style="list-style-type: none"> • Executive Assistance <ul style="list-style-type: none"> • Deputy Chief Executive / General Manager • Legal Delegations • Privacy Officer • Local Government Official Information and Meetings Act Requests • Environmental Planning <ul style="list-style-type: none"> • Infrastructure Planning • District Plan • Policy and Planning <ul style="list-style-type: none"> • Recreational Planning • Policy Analysis • Long Term Plan (LTP) • Annual Plan • Bylaw Development • Kaupapa Māori <ul style="list-style-type: none"> • Tangata Whenua Engagement and relationships • Tangata Whenua Forums • Iwi/Hapū Management Plans • Community and Strategy <ul style="list-style-type: none"> • Housing • Climate Change • Corporate Events • Community Funding • Customer Services <ul style="list-style-type: none"> • Customer Relationships • Service Requests • Call Centre and Online Services • Community Library Programmes • Katikati Digital Hub • Governance <ul style="list-style-type: none"> • Support to Elected Members • Support to Council Committees and Community Boards • Meeting and Agenda Management • Election Services

2023 Independent Auditor's Report

Please see the following pages for the 2023 Independent Auditor's Report received 13 December 2023.

Independent Auditor's Report

To the readers of Western Bay of Plenty District Council's annual report for the year ended 30 June 2023

The Auditor-General is the auditor of Western Bay of Plenty District Council (the District Council). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

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

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

We completed our work on 14 December 2023. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 96 to 161:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2023;
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Accounting Standards;
- the funding impact statement on page 162, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Annual plan;

- the group of activities on pages 26 to 93:
 - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2023, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
 - complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 164 to 176, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's Long-term plan; and
- the funding impact statement for each group of activities on pages 164 to 176, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 20 to 24, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information and, where applicable, the District Council's long-term plan and annual plans.

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

Emphasis of matter - uncertainty over the water services reform programme

Without modifying our opinion, we draw attention to Note 1 on page 100, which outlines developments in the Government's water services reform programme.

The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three waters services and related assets and liabilities currently controlled by local authorities.

Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the Council as outlined in note 1 remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved. In addition, there is uncertainty around the water services reform legislation. With the change in government, it may be repealed or substantially amended.

Basis for our opinion on the audited information

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

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

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

Responsibilities of the Council for the audited information

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

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

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

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

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

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

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

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

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

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

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

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 19 and 94 to 95 and 177 to 183, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

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

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

Independence

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

In addition to our audit and our report on the disclosure requirements, we have carried out engagements in the areas of a limited assurance engagement related to the District Council's debenture trust deed, the audit of the long-term plan and an assurance engagement over procurement, which are compatible with those independence requirements. Other than these engagements, we have no relationship with, or interests in the District Council.



Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Tauranga, New Zealand