

SUMMARY ANNUAL REPORT

2023 - 2024



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About the Summary Annual Report

The full Annual Report provides information about our performance during the 2023/2024 financial year.

This document is a summary of that report intended to quickly provide an overview of the full report.

If you wish to know more, then the full Annual Report is available on the Council's website at www.hurunui.govt.nz

From the Mayor and Chief Executive Officer

This Annual Report presents Hurunui District Council's progress against the third year of the Long Term Plan for the 2021-2031 period. This is the final year before the Council adopted a new Long Term Plan for the 2024-2034 period.

Quality core service delivery means robust infrastructure for drinking water, wastewater and stormwater; safe roads, and well-maintained amenities, including libraries and green spaces. We also have a duty of care to ensure Hurunui is a welcoming district with opportunities and support for all our residents, including newcomers and visitors, the elderly, families, businesses and our schools.

Every service we deliver, every action we take, and all our decisions reflect Council's Strategy, with its mission to act boldly and innovatively to enable the district's communities to achieve their social, economic, cultural and environmental goals, supported by sustainable, resilient infrastructure.

Financial performance for the year

Council recorded a total operating deficit of \$108,000, with the key components summarised below:

Revenue:

Total revenue for the year was \$67.4 million, which was \$5.8 million greater than the budget. The key variances from budget were:

- Subsidies and grants were well ahead of budget, with roading subsidies being \$1.6 million greater than budgeted due the level of emergency reinstatement expenditure incurred during the year and also additional funding received for various community projects that were not allowed for in the budget.
- Significant development in the district's South Ward has meant that both development contributions and the level of assets vested in Council from developers have been well up on the level budgeted for.

Expenditure:

Total expenditure was \$67.6 million, which was \$7.1 million greater than budget. The key variances from budget were:

- Employment costs were \$1.4 million greater than budget. The key increases were relating the Hanmer Springs Thermal Pools and Spa (funded as part of the overall operations of the operations), and the increased employment costs associated with the additional community programmes.
- Operating costs were \$5.4 million ahead of budget. A significant portion of the increase was in the roading area, a result of repair work from various flooding events over the past 18 months.

Other comprehensive revenue:

- Council revalued its Three Waters network at the end of June 2024 which resulted in a \$40.1 million increase.

Financial position at the end of the year

Fixed assets:

Total Council assets sat at \$769 million as at 30 June 2024, some \$60 million greater than last year. This reflects a combination of the increase of capital expenditure carried out over the financial year and the increase in the value of three waters assets.

Debt:

Council budgeted that total debt as at 30 June 2024 would be \$71.5 million. Due to timing of capital expenditure, the balance of debt at the end of June 2024 was \$67 million.

Conclusion

The past 12 months have delivered their fair share of challenges to our rural district, such as our primary producers weathering low commodity prices and severe drought. We are a resilient community and through our strong community partnerships are able to deliver a range of programmes and projects. What can never be overlooked or over-estimated is the value of our volunteers who donate their time, expertise and goods throughout the district. Whether volunteering on our reserves, driving our community cars, working in our libraries and service centres, or helping out in Civil Defence emergencies, volunteers add significant value to the culture and diversity of our district, creating a place where sustainability, vibrancy and prosperity can flourish.

Thank you to everyone who supports us in our quest to create a district we can all be proud of.



Mayor
Marie Black



Hamish Dobbie
Chief Executive Officer

End of year financial performance

Operating revenue \$67.4 million

- Overall, Revenue exceeds budget by \$5.8 million.
- Rates were \$0.22 million greater than budget due to there being a more rateable units than was anticipated.
- Roading Subsidies were \$1.63 million higher than budget due to the additional subsidies received for Emergency Reinstatement work carried out during the year.
- Vested Asset Income was \$3.38 million higher than the level allowed for in the 2023/24 Annual Plan due to the increased development experienced in Amberley. This was also reflected in the Development Contributions being \$0.74 million higher than budgeted.

Operating expenditure \$67.6 million

- Employment benefits were \$1.39 million greater than budget. This is primarily the additional wage cost associated with the Hanmer Springs Thermal Pools and Spa compared to the budget.
- Other expenses are ahead of budget by \$5.43 million. This primarily relates to the additional emergency reinstatement costs in Roading which was required as a result of the various flooding and storm events occurring during the year.

Net deficit after tax \$0.1 million

- The deficit recorded was less than the budgeted surplus of \$1.2 million due to the factors outlined above.

Comprehensive revenue and expense \$40.0 million

- The revaluation of three waters assets has resulted in a gain on asset revaluation of \$40.11 million, which was not budgeted for.

Council owned assets \$768.8 million

- Property plant and equipment was \$61.74 million higher than the level budgeted for. The key reason for this has been the revaluation of the three waters assets for the 2023/24 but also due to the effects of the revaluation of land and buildings from the 2022/23 year that was not allowed for when the 2022/23 Annual Plan was prepared.

Debt \$67.0 million

- Council had budgeted that the total debt as at 30 June 2024 would be \$71.5 million. The debt at the end of the year was only \$67.0 million. The key difference being timing of the payments for significant levels of capital expenditure.

Council activities summary for the year to 30 June 2024

Water Supply

Overall, an operating deficit of \$2,628,370 was recorded against a budgeted operating deficit of \$2,917,461. The key variances from budget are:

- Vested asset income was \$583,472 greater than budget due to a higher level of subdivision activity recognised in the Amberley township.
- Employment costs were \$118,644 greater than budget due to a higher number of hours from staff applied directly water supplies.
- Other Direct Expenditure was \$544,636 greater than budget due to maintenance costs and insurance both being greater than allowed for in the budget.
- Depreciation is \$462,166 lower than budget due to various capital projects not being fully commissioned prior to the end of the financial year.
- Capital Expenditure is \$4,013,382 greater than budgeted due to key works being undertaken in the 2023/24 year with funds carried over from the 2022/23 year and the increase in the level of assets vested in Council during the year.

Sewerage

Overall, an operating surplus of \$533,720 was recorded against a budgeted operating deficit of \$135,944. The key variances from budget are:

- Vested asset income was \$528,996 greater than budget due to a higher level of subdivision activity recognised in the Amberley township.
- Development Contributions are \$177,949 greater than budget due to a key development occurring in Amberley that was not anticipated when the budgets were prepared.
- Other Direct Expenditure is \$328,832 greater than budget due to maintenance costs and insurance both being greater than allowed for in the budget.
- Depreciation is \$185,206 lower than budget due to various capital projects not being fully commissioned prior to the end of the financial year.
- Capital Expenditure is \$1,362,371 lower than budget due to the completion of capital work for Amberley will occur in the 2024/25 year.

Stormwater and Drainage

Overall, an operating surplus of \$2,467,622 was recorded against a budgeted operating surplus of \$488,510. The key variances from budget are:

- Vested asset income was \$1,838,378 greater than budget due to a higher level of subdivision activity recognised in the Amberley township.

- Capital Expenditure is \$3,579,576 greater than budget due to the purchase of land north or Amberley to support the stormwater system and the level of assets vested in Council during the year. This is offset by works in Hanmer Springs being deferred.

Roads and Footpaths

Overall, an operating deficit of \$2,686,665 was recorded against a budgeted operating deficit of \$1,363,606. The key variances from budget are:

- Other income was \$1,553,655 greater than budget due to the higher level of emergency reinstatement work carried out, which has resulted in the greater level of subsidies being received during the year.
- Vested asset income was \$439,076 greater than budget due to a higher level of subdivision activity recognised in the Amberley township.
- Other Direct Expenditure is \$2,372,925 higher than budget due to the higher level of emergency reinstatement work carried out during the year.
- Depreciation was \$953,790 greater than budget due to the effects of the increase in the last Roding valuation that was not reflected in the budget.
- Capital Expenditure is \$1,916,141 lower than budget due to a lower level of subsidised roading capital works undertaken during the year and various projects for footpath work being deferred.

Coastal Hazards

Overall, an operating surplus of \$27,858 was recorded against a budgeted operating surplus of \$714,947. The key variances from budget are:

- Other Income is \$750,000 lower than budget due to the application of Better Off Funding, which was originally tagged to the purchase of land to assist proactive relocation was not received as the land was not purchased.
- Capital expenditure is \$750,000 lower than budget due to the Council not progressing with the purchase of the land to assist the proactive relocation.

Public Services

Overall, an operating surplus of \$999,366 was recorded against a budgeted operating surplus of \$432,857. The key variances from budget are:

- Other income is \$1,303,922 greater than budget due to various unbudgeted grants that Council has received during the year. The user fees derived from the transfer stations and the waste levies received were also greater than allowed for in the budget.
- Development contributions are \$507,091 greater than budget due to significant development occurring in Amberley during the year.

- Other Direct Expenditure is \$1,087,074 greater than budget due to operating costs associated with the unbudgeted grants being received and the costs associated with the transfer stations being higher than budgeted.
- Depreciation is \$131,178 greater than budget due to the revaluation of Council buildings carried out in the 2022/23 year that was not budgeted for.
- Property Capital Expenditure is \$739,842 lower than budget due to upgrade work on the Soldiers' Block in Hanmer Springs not progressing as quickly as originally budgeted. This is offset by the unbudgeted purchase of the Queen Mary South land.
- Reserves Capital Expenditure is \$650,929 lower than budget because projects for Amberley and Hanmer Springs (both significantly funded by Development Contributions) had been deferred.
- Waste Minimisation Capital Expenditure is \$998,184 lower than budget because upgrade work for the transfer stations at Amberley and Cheviot has been deferred.

Regulatory Services

Overall, an operating deficit of \$563,434 was recorded against a budgeted operating deficit of \$42,189. The key variances from budget are:

- Other Income is \$395,030 lower than budget due to lower level of building activity has resulted in the lower level of building control income received during the year.
- Employment Costs are \$115,711 lower than budget due to a lower level of staff time applied to Policy Development during the year.
- Other Direct Expenditure is \$241,919 greater than budget due to the cost incurred by Council relating to the Appeal to the Fly Ride project in Hanmer Springs.

Hanmer Springs Thermal Pools and Spa

Overall, an operating surplus of \$1,261,370 was recorded against a budgeted operating surplus of \$3,315,596. Excluding internal charges and transfers to offset reserve costs, the surplus recorded by the Hanmer Springs Thermal Pools and Spa facility was \$2,590,463 which was lower than the budget of \$4,546,093. The budget did include significant grant funding for the proposed Fly Ride, which was placed on hold, and as a result, the Capital Expenditure was \$1,540,932 lower than allowed for in the budget.

Corporate Governance

Overall, an operating surplus of \$128,371 recorded against a budgeted surplus of \$362,348 for the year. The key variances from budget are:

- Rates are \$285,709 greater than budget due to the greater level of general rates and rate penalties received that was budgeted for.

- Other Income is \$773,751 lower than budget due to central government funding to assist in providing community loans was received before the 2023/24 financial year.
- Internal Interest Received is \$309,656 greater than budget due to the higher internal interest rates charged, which was in line with the increase to external interest rates.
- Internal Interest Paid is \$191,337 greater than budget due to the increased internal interest rates paid to activities that hold funds.
- Depreciation is \$264,305 lower than budget due to the depreciation for three waters plant being accounted for in the Water activity.
- Treasury Capital Expenditure was \$420,000 lower than budget due to the budget allowing for the loan to the Hurunui Community Development Trust, which was completed before the 2023/24 financial year.
- Corporate Services Capital Expenditure was \$198,550 lower than budget due to the lower level of replacement to vehicles required during the year.

Earthquake Recovery

Overall, an operating surplus of \$325,706 was recorded against a budgeted surplus of \$303,678 for the year. There are no significant variances from the budget for 2023/24.

Explanatory notes to the summary financial statements

The summary financial statements:

- Are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's).
- Were approved for issue by the Hurunui District Council on 25 February 2025. The specific disclosures included in the summary financial statements have been extracted from the full Annual Report.
- Cannot be expected to provide as complete an understanding as provided by the full Annual Report.
- Comply with Public Benefit Entity Financial Reporting Standard No. 43 - Summary Financial Statements.

The full Annual Report:

- Was approved for issue on 25 February 2025. Section 98 of the Local Government Act 2002 requires that Council adopt its annual report within four months after the end of the financial year.
- Has been audited and the auditors have provided a qualified opinion on the statement of service performance, specifically the performance measure: The average quality of ride on the sealed local road network, measured by smooth travel exposure is calculated using both estimates and traffic counts. The traffic estimates are not sufficiently up to date, with the majority not updated within the last two financial years. In addition, the Council has not undertaken a road roughness survey within the last two financial years. This has led to the qualification.
- The auditors have provided an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2024.

The full financial statements have been prepared in accordance with Tier 1, PBE accounting standards.

The Hurunui District Council is a public benefit entity.

Contingent assets

As at 30 June 2024, the Council had no outstanding contingent assets. (2023: \$Nil).

Contingent liabilities

Local Government Funding Agency

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

As at 30 June 2024, the Council is one of the participating authorities of the LGFA as a guarantor. The Council is not a shareholder in the LGFA, however, the total uncalled capital of the shareholders amounts to \$20.0 million, which is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of the LGFA's borrowings. At 30 June 2024, the LGFA had borrowings totalling \$23.03 billion (2023: \$17.68 billion).

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

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

Riskpool

Hurunui 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-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Impairment of buildings

Council has started a process of reviewing all of its buildings for earthquake strengths. Currently the Council's policy is to ensure that buildings are at least 67% of New Building Standard (NBS), however, central government is in the process of reviewing this standard nationally. The Council has identified some buildings that are less than 33% NBS, which is the level that the current valuation for buildings has been assumed. Council has had some indicative costings on certain buildings to bring them up to the new standard of 67% NBS, however, there is not enough reliability to determine what level of costs would be required to match the level that the buildings were previously valued at and as a result, no specific impairment assessment has been allowed for in this Annual Report.

Water services reform programme

The Government is implementing a water services reform programme to address New Zealand's water infrastructure challenges – the Local Water Done Well programme.

The first part of the programme was to repeal previous water services legislation (the Water Services Entities Act 2022, Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023) that would have transferred responsibility for the provision of water services from local government to ten newly established publicly owned water service entities.

The Government is introducing new legislation that recognises the importance of local decision making and flexibility for communities and councils to determine how their water services will be delivered in the future. The Local Government (Water Services Preliminary Arrangements) Act 2024 was enacted on 2 September 2024 and establishes the Local Water Done Well framework and the preliminary arrangements for the new water services system. The Act includes a requirement for councils to develop Water Service Delivery Plans by 3 September 2025. The Water Service Delivery Plans will outline future water services delivery arrangements, and for council to commit to an

implementation plan. The Hurunui District Council has commenced work in its Water Services Delivery Plan in accordance with the Act and will undertake consultation before the Plan is adopted.

The Government has indicated that it will introduce a Bill in December 2024 that will establish the enduring settings for the new water services system.

The reforms to date have had no effect on the 2024 financial statements or performance information and there is nothing to indicate the need to review the carrying amount of assets and liabilities in the 2024 annual report as any future change is uncertain.

Events after balance date

A separate disclosure has been made above for the Affordable Waters Reform programme.

Other than this issue, there are no further events subsequent to balance date that would affect the readers' understanding of the annual report.

(2023: Affordable Waters Reforms and Claverley Road repairs).

Statutory deadline

Section 98 of the Local Government Act 2002 requires that Council adopts its full annual report within four months after the end of the financial year. Section 47 of the Water Services Acts Repeal Act 2024 provided for an extension to the statutory deadline for the 2023/2024 financial year to no later than 31 December 2024. Council was not able to comply with this requirement for the year ended 30 June 2024 and the full annual report was not adopted until 25 February 2025.

Summary Statement of service performance for the year to 30 June 2024

In the Council's Long Term Plan for 2021-2031, there are 63 non-financial performance measures in place to gauge the service performance of the Council's seven groups of activities. The full analysis of the performance is included on pages 14 to 58 of the full Annual Report. The summary is as follows:

Activity	Targets Achieved	Targets Not Achieved	Not Measured	Total Targets
Water Supplies	11	4	0	15
Sewerage	11	1	0	12
Stormwater and Drainage	8	0	0	8
Roading and Footpaths	7 [^]	2	0	9
Public Services	3	7	0	10
Regulatory Services	1	5	0	6
Hanmer Springs Thermal Pools & Spa	2	1	0	3
Total – 2023/2024	43	20	0	63

The summary of results for the 63 performance measures for the 2022/2023 year was as follows:

Activity	Targets Achieved	Targets Not Achieved	Not Measured	Total Targets
Water Supplies	11	3	1	15
Sewerage	11	1	0	12
Stormwater and Drainage	5	3	0	8
Roading and Footpaths	6	3	0	9
Public Services	1	3	6*	10
Regulatory Services	1	5	0	6
Hanmer Springs Thermal Pools & Spa	1	2	0	3
Total – 2022/2023	36	20	7	63

[^] A Road Roughness Survey was not undertaken during the reporting year in anticipation of NZTA's Consistent Condition Data Collection project. Data will now be collected on a national basis and funded from the National Land Transport Fund. It is anticipated that data will be collected in the Hurunui District during December 2024 and January 2025. More information is available at <https://www.nzta.govt.nz/planning-and-investment/planning/road-efficiency-group/consistent-condition-data-collection/>

* To measure the quality of our outputs, we use the ratepayers' and residents survey to obtain customers, citizens and community views on Council services and their experiences with Council. This helps us to assess the quality of the service provided. As there is a significant cost of this process, Council has determined that the survey shall only be carried out every two years. A number of performance targets were not measured in the 2022/23 year as the previous survey related to the 2021/22 year.

Following is a selection of eleven of the performance measures – five relating to Water supply, three for Sewerage, two for Roading and one for the Hanmer Springs Thermal Pools and Spa. The full analysis of the performance is included on pages 14 to 60 of the full Annual Report.

Water supply: Safety – supply safe drinking water

The national compliance standard for drinking water changed since the 2021-31 Long-term Plan was adopted. Since 14 November 2022, the Drinking Water Quality Assurance Rules (DWQAR) have been in force, so those rules are applicable for the 2023-24 financial year. For the comparative figures for the 2022-23 financial year, the report reflects performance against two separate sets of standards – the DWQAR and the Drinking Water Standards for New Zealand (DWSNZ) for the period from 1 July 2022 to 14 November 2022. There are significant differences in the two standards that made this year's compliance assessment complex and also resulted in a substantial change with respect to the number of water supplies that were capable of achieving compliance. The national water regulator, Taumata Arowai, requires compliance to be reported as days or months of the year compliant out of the total days or months in the compliance period.

Performance measure Description	Performance target issue	Performance target outcomes
Meet bacterial compliance under the DWSNZ. Less than 1 e-coli per 100ml of drinking water tested.	Bacteria compliance	LTP target: No failed tests* Department of Internal Affairs (DIA) target: 100% bacterial compliance
Measurement method	Water Outlook records, Laserfiche records and Laboratory records, 3 rd party independent review report (Matt Molloy Consulting Ltd)	
End of year performance	<p>2024 (under DWQAR) – – <u>LTP target</u>*: Target achieved, no samples contained E.Coli. <u>DIA target</u>: Target not achieved. An independent expert was engaged by the Council to review the results of compliance testing for the 2023-24 period and the results appear on the following pages.</p> <p>2023 (Post Nov 2022, under DWQAR) – <u>LTP target</u>*: Target not achieved - 1 E.Coli was detected in a single Cheviot WTP sample. <u>DIA target</u>: Target not achieved. An independent expert was engaged by the Council to review the results of compliance testing for 2023 and the results appear on the following pages.</p> <p>2023 (Pre Nov 2022, under DWSNZ) – <u>LTP target</u>: Target achieved, no samples contained E.coli. <u>DIA target</u>: Target achieved, 20 of 20 treatment plants complied.</p>	

Performance measure Description	Performance target issue	Performance target outcomes
Meet protozoal compliance under the DWSNZ. Accredited treatment system in place to meet log-credit rating of receiving environment providing the drinking water.	Protozoa compliance	LTP target: 11 of the 20 water supplies are compliant* (2023: 8 of 20 supplies) DIA target: 100% of water supplies are compliant
Measurement method	Water Outlook records, Laserfiche records and Laboratory records.	

End of year performance	<p>2024 (under DWQAR) – <u>LTP target*</u> and <u>DIA target:</u> Targets not achieved. HDC is on track to achieve protozoa compliance by December 2024 for all water supplies. An independent expert was engaged by the Council to review the results of compliance testing for the 2023-24 period and the results appears on the following pages.</p> <p>2023 (Post Nov 2022, under DWQAR) – <u>LTP target*</u> and <u>DIA target:</u> Targets not achieved. HDC is on track to achieve protozoa compliance by December 2024 for all water supplies. An independent expert was engaged by the Council to review the results of compliance testing for 2023 and the results appear on the following pages.</p> <p>2023 (Pre Nov 2022, under DWSNZ) – <u>LTP target:</u> Target not achieved. <u>DIA target:</u> Target not achieved. Protozoa compliance was achieved against the DWSNZ for 5 of 20 treatment plants. The treatment plants that achieved protozoa compliance were Amberley (Kowai), Amberley (Racecourse), Amberley (Leithfield Beach), Culverden and Ashley Rural.</p>
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* These performance measures were set before the introduction of the new rules by Taumata Arowai (effective from 14 November 2022). Therefore, we are reporting our performance against two different requirements. Compliance against both requirements was independently assessed and verified by Matt Molloy Consulting Ltd, an independent drinking water compliance specialist.
Note: from 1 July 2022 – 13 November 2022 we measured compliance against Parts 4 and 5 of the Drinking Water Standards 2005, (revised 2018) with a target of no failed tests for bacteria compliance (which was achieved) and 8 of the 20 water supplies compliant for protozoa compliance (which was not achieved). From 14 November 2022 – 30 June 2023 we measured compliance against DWQAR.

Table of the results for the period for 2023-24 and 2022-23 (14 November 2022 to 30 June 2023):

Water Supply	Treatment Plants	Treatment Plant 2023-24		Treatment Plant 2022-23*	
		Bacterial	Protozoa	Bacterial	Protozoa
Amberley (AMB001)	Amberley – Racecourse Road (TP02280)	336/336 d	336/336 d	228/229 d	221/229 d
	Amberley – Leithfield Beach (TP01082)	336/336 d	336/336 d	228/229 d	223/229 d
	Amberley – Kowai (TP02294)	0/266 d	0/266 d	0/132 d	0/132 d
Amuri (AMU001)	Amuri (TP01076)	353/366 d	353/366 d	0/229 d	0/229 d
Ashley Rural (ASH002)	Ashley Rural (TP00191)	366/366 d	366/366 d	229/229 d	229/229 d
Balmoral (BAL003)	Balmoral (TP01077)	0/12 m	0/12 m	0/8 m	0/8 m
Blythe (BLY001)	Blythe (TP00970)	0/12 m	0/12 m	0/8 m	0/8 m
Cheviot (CHE001)	Cheviot (TP00198)	0/366 d	0/366 d	0/229 d	0/229 d
Culverden (CUL001)	Culverden (TP01080)	14/92 d		23/229 d	0/229 d
		9/12 m	9/12 m		

Hanmer Springs (HAN001)	Hanmer Springs (TP00197)	366/366 d	366/366 d	229/229 d	227/229 d
Hawarden (HAW001)	Hawarden/Waikari (TP00195) -Bakers Ford	*	*	0/38 d	0/38 d
	Hawarden/Waikari (TP100255)-Waikari Basin	366/366 d	366/366 d	207/207 d	207/207 d
Hurunui #1/Motonau (MOT016)	Hurunui #1 (TP00196)	364/366 d	0/366 d	227/229 d	0/229 d
Kaiwara (KAI039)	Kaiwara (TP00971)	0/12 m	0/12 m	0/8 m	0/8 m
Lower Waitohi (LOW001)	Lower Waitohi (TP01084)	96/366 d	0/366 d	72/229 d	0/229 d
Parnassus (PAR009)	Parnassus (TP01083)	0/12 m	0/12 m	0/8 m	0/8 m
Peaks (PEA001)	Peaks (TP01084)	*	*	0/8 m	0/8 m
Upper Waitohi (WAI067)	Upper Waitohi (TP01084)	*	*	132/229 d	0/229 d
Waiau Rural (WAI067)	Waiau Rural (TP01085)	363/366 d	0/366 d	229/229 d	0/229 d
Waiau Town (WAI026)	Waiau Town (TP00433)	5/12 m	8/12 m	0/8 m	0/8 m
Waipara (WAI068)	Waipara (TP01086)	213/213 d	213/213 d	0/8 m	0/8 m

d = days compliant with DWQAR requirements out of number of days operating
m = months compliant with DWQAR requirements out of number of months operating
* = now Waikari Basin

Notes: The number of treatment plants increased from 20 to 21 post November 2022 due to the commissioning of a new water treatment plant for Hawarden-Waikari (Waikari Basin plant). This was a temporary increase in treatment plants, as the old plant for Hawarden-Waikari (Bakers Ford), was decommissioned later in the period.

The 16 water treatment plants that are not compliant under the DWQAR are as follows:

Amberley (Kowai) and Culverden– These plants were capable of achieving compliance under the DWSNZ via secure groundwater criteria, but ‘secure groundwater’ is not a compliance option under the DWQAR. Plant upgrade work is underway to install UV disinfection equipment.

Amuri during the compliance period the plant had an unvalidated UV unit which was incapable of achieving protozoa or bacterial compliance.

Hawarden-Waikari (Bakers Ford) this plant was operational during part of the compliance monitoring period and had an unvalidated UV unit which was incapable of achieving protozoa or bacterial compliance. The plant was decommissioned during the compliance period.

Waiau Town – during the compliance period the treatment plant did not have a UV unit installed and the UF membrane filter is incapable of achieving compliance under the new rules

Cheviot, Hurunui #1, Upper Waitohi, Balmoral, Blythe, Lower Waitohi, Kaiwara, Parnassus, Peaks, Waiau Rural and Waipara – These treatment plants did not have a protozoa treatment barrier during the compliance period and were therefore incapable of achieving protozoa compliance.

Table of the results for the period 1 July 2022 to 13 November 2022:

Water Supply	Treatment Plants	Treatment Plant	
		Bacterial	Protozoa
Amberley (AMB001)	Amberley – Racecourse Road (TP02280)	✓	✓
	Amberley – Leithfield Beach (TP01082)	✓	✓
	Amberley – Kowai (TP02294)	✓	✓
Amuri (AMU001)	Amuri (TP01076)	✓	X
Ashley Rural (ASH002)	Ashley Rural (TP00191)	✓	✓
Balmoral (BAL003)	Balmoral (TP01077)	✓	X
Blythe (BLY001)	Blythe (TP00970)	✓	X
Cheviot (CHE001)	Cheviot (TP00198)	✓	X
Culverden (CUL001)	Culverden (TP01080)	✓	✓
Hanmer Springs (HAN001)	Hanmer Springs (TP00197)	✓	X
Hawarden (HAW001)	Hawarden/Waikari (TP00195)	✓	X
Hurunui #1/Motonau (MOT016)	Hurunui #1 (TP00196)	✓	X
Kaiwara (KAI039)	Kaiwara (TP00971)	✓	X
Lower Waitohi (LOW001)	Lower Waitohi (TP01084)	✓	X
Parnassus (PAR009)	Parnassus (TP01083)	✓	X
Peaks (PEA001)	Peaks (TP00972)	✓	X
Upper Waitohi (WAI066)	Upper Waitohi (TP01084)	✓	X
Waiau Rural (WAI067)	Waiau Rural (TP01085)	✓	X
Waiau Town (WAI026)	Waiau Town (TP00433)	✓	X
Waipara (WAI068)	Waipara (TP01086)	✓	X

✓ = compliant with DWSNZ requirements for the full period

X = not compliant with the DWSNZ requirements for one or more days in the period

Table of the results for the period for 2023-24 and 2022-23 (14 November 2022 to 30 June 2023):

Water Supply	Distribution Zones	Zone 2023-24		Zone 2022-23 14 Nov 22 – 30 Jun 23	
		Micro-biological	Residual Disinfectant	Micro-biological	Residual Disinfectant
Amberley (AMB001)	Amberley Town (AMB001AT)	12/12 m	8/12 m	8/8 m	227/229 d
	Amberley Rural (AMB001BE)	12/12 m	7/12 m	8/8 m	226/229 d
	Leithfield (AMB001LE)	12/12 m	6/12 m	8/8 m	229/229 d
Amuri (AMU001)	Amuri-Rotherham (AMU001RO)	12/12 m	9/12 m	8/8 m	3/8 m
Ashley Rural (ASH002)	Ashley Rural (ASH002AS)	12/12 m	6/12 m	8/8 m	225/229 d
Balmoral (BAL003)	Balmoral (BAL003BA)	12/12 m	7/12 m	8/8 m	0/8 m
Blythe (BLY001)	Blythe (BLY001BL)	12/12 m	11/12 m	8/8 m	0/8 m
Cheviot (CHE001)	Cheviot (CHE001CT)	12/12 m	7/12 m	8/8 m	220/229 d
Culverden (CUL001)	Culverden (CUL001CU)	12/12 m	12/12 m	8/8 m	0/8 m
Hanmer Springs (HAN001)	Hanmer Town (HAN001HA)	12/12 m	5/12 m	8/8 m	194/229 d
Hurunui #1/Motonau (MOT016)	Hurunui #1/Motonau (MOT016MO)	12/12 m	10/12 m	8/8 m	228/229 d
Kaiwara (KAI039)	Kaiwara (KAI039KA)	12/12 m	12/12 m	8/8 m	0/8 m
Lower Waitohi (LOW001)	Lower Waitohi (LOW001LW)	12/12 m	12/12 m	8/8 m	0/8 m
Parnassus (PAR009)	Parnassus (PAR009PA)	12/12 m	12/12 m	8/8 m	0/8 m
Peaks (PAR009)	Peaks (PEA001PE)	*	*	7/7 m	0/8 m

Upper Waitohi (WAI066)	Upper Waitohi Pre-Masons Plat (WAI066MF)	*	*	8/8 m	195/229
	Upper Waitohi Post-Masons Plat (WAI066UP)	*	*	8/8 m	90/229
Waiau Rural (WAI067)	Waiau Rural (WAI067WA)	12/12 m	12/12 m	8/8 m	0/8 m
Waiau Town (WAI026)	Waiau Town (WAI026WT)	12/12 m	12/12 m	8/8 m	0/8 m
Waikari Basin (HAW001)	Hawarden-Waikari (HAW001HW)	12/12 m	4/12 m	8/8 m	196/229 d
	Waikari Basin Rural (HAW001WR)	12/12m	5/12m	8/8 m	1/1 m
Waipara (WAI068)	Waipara (WAI068WA)	12/12m	12/12m	8/8 m	0/8 m

d = days compliant with DWQAR requirements out of number of days operating
m = months compliant with DWQAR requirements out of number of months operating
* = now Waikari Basin

Table of the results for the period 1 July 2022 to 13 November 2022:

Water Supply	Distribution Zones	Zone
		Micro-biological
Amberley (AMB001)	Amberley Town (AMB001AT)	✓
	Amberley Rural (AMB001BE)	✓
	Leithfield (AMB001LE)	✓
Amuri (AMU001)	Amuri-Rotherham (AMU001RO)	✓
Ashley Rural (ASH002)	Ashley Rural (ASH002AS)	✓
Balmoral (BAL003)	Balmoral (BAL003BA)	✓
Blythe (BLY001)	Blythe (BLY001BL)	✓
Cheviot (CHE001)	Cheviot (CHE001CT)	✓
Culverden (CUL001)	Culverden (CUL001CU)	✓
Hanmer Springs (HAN001)	Hanmer Town (HAN001HA)	✓
Hawarden (HAW001)	Hawarden-Waikari (HAW001HW)	✓
Hurunui #1/Motonau (MOT016)	Hurunui #1/Motonau (MOT016MO)	✓
Kaiwara (KAI039)	Kaiwara (KAI039KA)	✓
Lower Waitohi (LOW001)	Lower Waitohi (LOW001LW)	✓
Parnassus (PAR009)	Parnassus (PAR009PA)	✓
Peaks (PAR009)	Peaks (PEA001PE)	✓
Upper Waitohi (WAI066)	Upper Waitohi Pre-Masons Plat (WAI066MF)	✓
	Upper Waitohi Post-Masons Plat (WAI066UP)	✓
Waiau Rural (WAI067)	Waiau Rural (WAI067WA)	✓
Waiau Town (WAI026)	Waiau Town (WAI026WT)	✓
Waipara (WAI068)	Waipara (WAI068WA)	✓

Water supply: Maintenance – maintain water systems so water is not wasted or lost

Performance measure Description	Performance target issue	Performance target outcomes
The percentage of real water loss from the local authority's networked reticulation system. Real water loss is losses through leaks, meter inaccuracies or water theft, but excludes 'unauthorised consumption'.	Water loss from metered town supplies (on demand water)	To lose no more than 20% volume of water
Measurement method	From meter reading and SCADA or relevant monitoring system will be used to determine the water volume pumped in an on-demand and combined water system	
End of year performance	<p>2024 <u>Target achieved</u> - The real losses were 15.1%. Information from all metered (on-demand) water supplies was used to determine real water losses across the Hurunui District using a 'top-down' approach (water balance) for identifying where water supplied into a water supply distribution network is utilised and is typically used to establish the level of water loss occurring in a water supply network.</p> <p>2023 <u>Target achieved</u> - The real losses were 18.1%. Information from all metered (on-demand) water supplies was used to determine real water losses across the Hurunui District using a 'top-down' approach (water balance) for identifying where water supplied into a water supply distribution network is utilised and is typically used to establish the level of water loss occurring in a water supply network.</p>	

Water supply: Response time – to respond quickly to water supply call outs

Performance measure Description	Performance target issue	Performance target outcomes
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: <ul style="list-style-type: none"> attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site 	Urgent fault responsiveness	To respond within 3 hours (2023: 4 hours)
Measurement method	The Customer Service Request (CSR) system will be used to measure the time from when the customer's call was first received and when an officer arrives at the site to investigate the request for service.	
End of year performance	<p>2024 Target achieved - The median response time was 1.37 hours. Council reviewed the reporting category to include restricted supply as part of urgent classification. 134 urgent restricted and on-demand requests were responded to.</p> <p>2023 Target achieved - The median response time was 1.00 hour. Council reviewed the reporting category to include restricted supply as part of urgent classification. 95 urgent restricted and on-demand requests were responded to.</p>	

Water supply: Customer satisfaction – reduce the number of water-related complaints

Performance measure Description	Performance target issue	Performance target outcomes
The total number of complaints received by the local authority about drinking water clarity.	Drinking water clarity	No more than 15 complaints per annum (2023: 20 complaints)
Measurement method	The measure is total number of requests for service logged into the CSR system relating to clarity issues.	
End of year performance	<p>2024 Target achieved – 7 complaints were received relating to clarity.</p> <p>2023 Target achieved - 17 complaints were received relating to clarity.</p>	

Sewerage: System and adequacy – sewerage systems to operate as they should

Performance measure Description	Performance target issue	Performance target outcomes
Measuring the number of sewage overflows to the environment resulting from system inadequacy under 'normal' operating circumstances.	The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	No more than 2 dry weather sewerage overflows per 1,000 connections
Measurement method	The CSR system will be used to measure the total number of 'dry weather' sewerage overflows divided by the total number of wastewater rated properties divided by 1000.	
Current performance	2024 Target achieved – 1.89 overflows per 1,000 connections have been experienced (8 overflows for 4,213 connections). 2023 Target achieved – 1.17 overflows per 1,000 connections have been experienced (5 overflows for 4,269 connections).	

Sewerage: Response time – to quickly respond to and resolve sewerage systems faults

Performance measure Description	Performance target issue	Performance target outcomes
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: <ul style="list-style-type: none"> attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site. 	Call-out attendance time period	To respond within 2 hours
Measurement method	The CSR system will be used to measure the time from when the customer's call was first received and when an officer arrives at the site to investigate the request for service.	
Current performance	2024 Target achieved - The median response time for blockages and mechanical and electrical faults was 0.38 hours (8 total requests for service). 2023 Target achieved - The median response time for blockages and mechanical and electrical faults was 0.38 hours (8 total requests for service).	

Sewerage: Customer satisfaction – reduce the number of sewerage-related complaints

Performance measure Description	Performance target issue	Performance target outcomes
The total number of complaints received by the territorial authority about sewage odour	The number of complaints about sewerage odour	No more than 3 complaints per annum
Measurement method	The CSR system will be used to measure the total number of requests for service relating to sewage odour.	
Current performance	<p>2024 Target achieved - 3 complaints were received relating to odour.</p> <p>2023 Target achieved - No complaints were received relating to odour.</p>	

Roading: Road safety – have roads which are safe to drive on

Performance measure description	Performance target issue	Performance target outcomes
Measure of fatalities and serious injuries on local roads assessed by NZ Police as being attributable to poor or negligent road maintenance outcomes.	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.	No fatalities and serious injury crashes on local (HDC) roads
Measurement method	Measured by statistics provided by NZTA (Crash Accident Statistics data) for Hurunui's local roads, linked to NZ Police reports of 'findings of investigation - most likely cause of accident'.	
End of year performance	<p>2024 Target achieved - CAS shows 5 serious and no Fatal crashes in the Hurunui District for the 2023-24 financial year. None of the reported crashes were attributed to poor or negligent road maintenance outcomes and a decrease in the number fatal and serious crashes compared to prior year.</p> <p>2023 Target achieved - CAS shows 4 serious and no Fatal crashes in the Hurunui District for the 2022-23 financial year. None of the reported crashes were attributed to poor or negligent road maintenance outcomes and a decrease in the number fatal and serious crashes compared to prior year.</p>	

Roading: Road maintenance – maintain our roads to be in good condition

Performance measure description	Performance target issue	Performance target outcomes
Measured as the percentage of sealed roads resealed each financial year.	The percentage of the sealed local road network that is resurfaced.	To reseal more than 5% of our local roads every year
Measurement method	RAMM provides reseat data through the Pavement & Surfacing module	
End of year performance	<p>2024 <u>Target not achieved</u> – 4.99% (31.1km was resealed of the 623.3km of sealed roads in the network). The 5% target was not met due to funding restraints.</p> <p>2023 <u>Target not achieved</u> – 4.49% (28.2km was resealed of the 628km of sealed roads in the network). The 5% target was not met due to the new maintenance contract rates dictating the total % able to be completed, coupled with weather delays.</p>	

Hanmer Springs Thermal and Spa: Profitability – achieve our business plan

Performance measure Description	Performance target issue	Performance target outcomes
Measurement of results compared to the Council approved business plan.	Profit	To make the profit which is forecast for each year
Measurement method	As recorded in financial reports for the Business Unit.	
End of year performance	<p>2024 <u>Target not achieved</u> – A surplus after depreciation and interest of \$1,494,770 was achieved against budgeted surplus of \$3,560,056. The target was not achieved primarily due to not receiving the budgeted grant funding relating to the Fly Ride Project of \$1.62 million.</p> <p>2023 <u>Target not achieved</u> – A surplus after depreciation and interest of \$1,681,221 was achieved against budgeted surplus of \$1,699,144. The target was not achieved due to the increase in interest rates charged on the internal debt between Council and the Hanmer Springs Thermal Pools and Spa.</p>	

Statement of Service Performance Policies, Critical Judgement and Assumptions

The service performance reporting has been disclosed for as part of the Groups of Activities included in the full Annual Report on Pages 14 to 60.

The Statement of Service Performance of the Hurunui District Council has been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The Statement of Service Performance has been prepared in accordance with Tier 1 PBE financial reporting standards (PBR FRS 48), which have been applied consistently throughout the period, and complies with PBE financial reporting standards.

Service performance reporting judgements

PBE FRS 48 requires the disclosure of judgements used in the selection, measurement and aggregation of service performance information in Council's full Annual Report 2023/24.

In the preparation of the performance framework in the Long Term Plan 2021-2031 and the Annual Plan 2023/24, Council has made the following judgments in the selection of our service performance measures:

- We have reflected on the extent to which the levels of service we planned to provide to the community were best captured by performance measures.
- We have retained the levels of service and performance measures consulted on with our community during the preparation of the Long Term Plan 2021-2031, and these were carried through into the Annual Plan 2023/24. The measures are those that Council needs to report against in the full Annual Report 2023/24.
- We analysed the levels of service and performance measures and, where appropriate, we have made changes to them for the Long Term Plan 2024-2034 after consultation with our community.
- Every two years, we have surveyed our community on how we are going against some of the performance measures through our ratepayers' and residents' survey, and have considered the views and feedback expressed by our residents.
- We have ensured that the performance measures adequately inform progress towards delivering the outcomes in Council's Long Term Plan.

The performance framework links to Council's vision and community outcomes and these can be found in the Long Term Plan 2021-2031.

Changes to performance framework from the 2022/23 year

There are no changes to the performance framework from the previous year. There has been changes to the performance target outcomes as provided for in the Long Term Plan 2021-31. These are:

Water:

- Protozoa Compliance – Target for 2024 is 11 out of 20 water supplies compliant (2023: 8 of 20 supplies).
- Urgent fault responsiveness – Target for 2024 is to respond within 3 hours (2023: 4 hours).
- Urgent fault resolution – Target for 2024 is to fix within 6 hours (2023: 8 hours).

- Drinking water clarity – Target for 2024 is no more than 15 complaints (2023: 20 complaints).
- Drinking water pressure or flow – Target for 2024 is no more than 380 complaints (2023: 450 complaints).

Wastewater:

- Call-out resolution time period – Target to fix within 8 hours (2023: 12 hours).
- The number of complaints about sewerage system blockages – Target for 2024 is no more than 19 complaints (2023: 20 complaints).

Roading and Footpaths:

- Smooth travel exposure – Target for 2024 is greater than 92% smooth travel rating (2023: greater than 90%) .

Mandatory performance measures for transport, water supply, wastewater, stormwater and flood protection

Under section 261B of the Local Government Act 2002, the Secretary for Local Government made the Non-Financial Performance Measures Rules 2013. These rules outline mandatory performance measures for all councils to include in their Long Term Plans and to report on through their Annual Reports. The purpose was to enable the public to compare across councils the level of service provided in relation to the following groups of activities: transport, water supply, wastewater, stormwater, and flood protection. Council has no discretion on these mandatory performance measures and is reporting on them in this Annual Report.

Measures to demonstrate statutory compliance

We are also required to demonstrate compliance against some of our statutory requirements (such as percentage of both building consents and resource consents applications processed within 20 statutory days). Including performance measures on these matters helps demonstrate to our community how we comply with our statutory obligations.

Other judgements

Further to the above judgements being made in the selection of performance measures, we also apply judgements on how we report against the range of other services we provide to our community. We make judgements on what we will measure, how we will measure the levels of service, and on the aggregation and presentation of service performance information relating to those activities.

These judgements may be informed by a range of factors including:

- levels of satisfaction with Council services received in residents' surveys and other sources
- implementation of Council policies and plans
- areas where Council is investing additional funding in order to see the impact that has on levels of service and satisfaction with services
- areas where Council is interested in monitoring changing behaviours and attitudes in the community in relation to the services it delivers
- the effectiveness of expenditure in terms of delivering on outcomes.

Setting funding levels for services

As part of setting funding levels, Council has considered the impact on services and their related performance measures. Despite funding pressures across Council, we determined through the Annual Plan 2023/24 process that the levels of service will remain at current levels and, as such, they did not need to be adjusted for funding reasons.

Material judgements

Material judgements have been applied as follows:

Surveys

To measure the quality of our outputs, we use the ratepayers' and residents' survey to obtain customers', citizens' and community views on Council services and their experiences with Council. This helps us to assess the quality of the service provided. These surveys are carried out independently by external parties. They have also been designed to measure changes in perception of service delivery over time. As there is a significant cost of this process, Council has determined that the survey shall only be carried out every two years with the last survey relating to the 2023/24 year, with no measure recorded for the 2022/23 year as a comparative. (This does not include the survey performance measure relating to the Hanmer Springs Thermal Pools and Spa, which is carried out annually.)

Customer Service Requests

A number of measures refer to Customer Service Requests (CSRs). These are requests received via a range of methods (telephone, email, the Snap Send Solve app, direct referral to staff). All CSRs are entered into the Council's Enterprise System (Magiq) and tracked through to completion. The assumption is that all CSRs are managed through this process and not dealt with by staff independently.

External implications for statements about performance

There are conditions that affect the service performance results and may result in a variation from the anticipated or forecasted results. These are ones which are outside the control of the Council. For example, in previous years, the performance of the Hanmer Springs Thermal Pools and Spa has been substantially affected by the restrictions imposed under the Covid-19 protocols.

Summary statement of comprehensive revenue and expense for the year ended 30 June 2024

	Group		Council		
	Actual 2024 \$000's	Actual 2023 \$000's	Actual 2024 \$000's	Budget 2024 \$000's	Actual 2023 \$000's
Revenue					
Rates, excluding targeted water supply rates	28,257	25,589	28,257	27,836	25,589
Targeted rates for water supply	870	829	870	1,071	829
Subsidies and grants	9,090	6,552	9,090	4,829	6,552
Development and financial contributions	1,803	1,198	1,803	1,067	1,198
Fees and charges, excluding those for water supplies	20,607	19,836	20,607	24,196	19,836
Fees and charges for water supplies	191	199	191	93	199
Interest revenue	170	134	170	0	134
Other revenue	6,455	4,065	6,455	2,540	4,065
	67,443	58,401	67,443	61,631	58,401
Less Expenditure					
Employee benefits	18,635	17,460	18,635	17,241	17,460
Other expenses	29,063	25,813	29,063	23,631	25,813
Finance expenses	3,100	1,659	3,100	3,144	1,659
Depreciation, amortisation and loss on disposal	16,753	16,090	16,753	16,457	16,090
Total operating expenditure	67,551	61,021	67,551	60,472	61,021
Operating surplus/(deficit) before tax	(108)	(2,621)	(108)	1,159	(2,621)
Share of associates surplus/(deficit)	1	17	0	0	0
Net surplus/(deficit) before tax	(107)	(2,603)	(108)	1,159	(2,621)
Tax expense	0	0	0	0	0
Net surplus/(deficit) after tax	(107)	(2,603)	(108)	1,159	(2,621)
Add other comprehensive revenue and expense					
Gains/(losses) on asset revaluation	40,108	26,309	40,108	0	26,309
Gains/(losses) in fair value of shares	28	(35)	28	0	(35)
Impairment to property plant and equipment	0	0	0	0	0
	40,136	26,274	40,136	0	26,274
Total comprehensive revenue and expense	40,029	23,670	40,028	1,159	23,653

Summary statement of financial position as at 30 June 2024

	Group		Council		
	Actual 2024 \$000's	Actual 2023 \$000's	Actual 2024 \$000's	Budget 2024 \$000's	Actual 2023 \$000's
Assets					
Current assets					
Cash and cash equivalents	2,069	1,201	2,069	495	1,201
Trade and other receivables	5,299	4,358	5,299	4,034	4,358
Inventories	122	155	122	130	155
Non-current assets held for sale	0	0	0	0	0
Other financial assets	2	3	2	5	3
Derivative financial instruments	22	16	22	0	16
Total current assets	7,514	5,734	7,514	4,665	5,734
Non-current assets					
Property, plant and equipment					
- Operational	67,104	64,304	67,104	55,431	64,304
- Restricted	63,083	61,256	63,083	57,391	61,256
- Infrastructure	627,336	573,873	627,336	582,965	573,873
Intangible assets	806	617	806	555	617
Forestry assets	253	326	253	295	326
Other financial assets	1,985	1,452	1,985	2,111	1,452
Investments in associates	283	282	0	0	0
Derivative financial instruments	715	992	715	0	992
Total non-current assets	761,566	703,102	761,282	698,747	702,819
Total assets	769,080	708,835	768,796	703,412	708,553
Liabilities					
Current liabilities					
Payables and deferred revenue	11,709	12,269	11,709	9,394	12,269
Landfill aftercare provision	348	123	348	0	123
Employee entitlements	1,732	1,750	1,732	1,650	1,750
Current portion of term debt	17,000	13,500	17,000	0	13,500
Derivative financial instruments	0	0	0	0	0
Total current liabilities	30,789	27,642	30,789	11,044	27,642
Non-current liabilities					
Term debt	50,000	34,000	50,000	71,500	34,000
Payables and deferred revenue	0	0	0	0	0
Landfill aftercare provision	50	172	50	0	172
Employee entitlements	89	88	89	0	88
Derivative financial instruments	0	0	0	249	0
Total non-current liabilities	50,140	34,260	50,140	71,749	34,260
Total liabilities	80,928	61,903	80,928	82,793	61,903
Net assets	688,151	646,933	687,868	620,619	646,650
Equity					
Asset revaluation reserve	508,275	468,166	508,275	254,075	468,166
AFS investments revaluation reserve	266	238	266	0	238
Special fund reserves	10,136	8,004	10,136	0	8,004
Rate reserve funds	(80,923)	(63,051)	(80,923)	(75,313)	(63,051)
Retained earnings	250,398	233,576	250,114	441,857	233,293
Total equity	688,152	646,933	687,868	620,619	646,650

Summary statement of changes in equity for the year ending 30 June 2024

	Group		Council		
	Actual 2024 \$000's	Actual 2023 \$000's	Actual 2024 \$000's	Budget 2024 \$000's	Actual 2023 \$000's
Equity at start of year	646,933	623,107	646,650	619,461	622,842
Add total comprehensive revenue and expense for year	40,029	23,670	40,028	1,159	23,653
Adjustment to opening balance due to reclassification of Property, Plant and Equipment	(266)	0	(266)	0	0
Found assets	1,455	155	1,455	0	155
Equity at end of year	688,151	646,933	687,868	620,619	646,650

Summary statement of cash flows for the year ending 30 June 2024

	Group			Council	
	Actual 2024 \$000's	Actual 2023 \$000's	Actual 2024 \$000's	Budget 2024 \$000's	Actual 2023 \$000's
Cash flows from operating activities					
Revenue	60,059	55,408	60,059	59,855	55,408
Agency receipts	4,628	4,320	4,628	2,243	4,320
Interest received	374	85	374	0	85
Dividends received	145	220	145	180	220
Payments to suppliers and employees	(47,967)	(40,997)	(47,967)	(40,872)	(40,997)
Interest and other costs of finance paid	(2,899)	(1,399)	(2,899)	(3,144)	(1,399)
Agency payments	(4,630)	(4,320)	(4,630)	(2,243)	(4,320)
Net GST movement	825	(336)	825	0	(336)
Net cash from operating activities	10,535	12,981	10,535	16,020	12,981
Cash flows from investing activities					
Payment on loan	6	0	6	0	0
Proceeds from the sale of plant, property & equipment	456	331	456	0	331
Proceeds on sale of investments	0	0	0	0	0
Insurance recoveries	0	0	0	0	0
Payment for purchase of investments	(511)	(478)	(511)	(420)	(478)
Payment for plant, property & equipment	(29,118)	(24,177)	(29,118)	(34,072)	(24,177)
Net cash from investing activities	(29,167)	(24,324)	(29,167)	(34,492)	(24,324)
Cash flows from financing activities					
Proceeds from the issue of debt securities	19,500	9,500	19,500	18,500	9,500
Repayment of loans	0	0	0	0	0
Net cash from financing activities	19,500	9,500	19,500	18,500	9,500
Increase/(decrease) in cash & cash equivalents	868	(1,843)	868	28	(1,843)
Cash and cash equivalents as 1 July	1,201	3,044	1,201	467	3,044
Cash and cash equivalents as 30 June	2,069	1,201	2,069	495	1,201

The GST (net) component of operating activities reflect the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

Other Annual Report Disclosures for the year to 30 June 2024

Rating base information:

The following rating base information for Hurunui District Council is disclosed based on the rating base information at the end of the **preceding** financial year:

	30 June 2023
Number of rating units within the district	9,904
Total Capital Value of rating units within the district	\$9,219,271,650
Total Land Value of rating units within the district	\$6,089,124,989

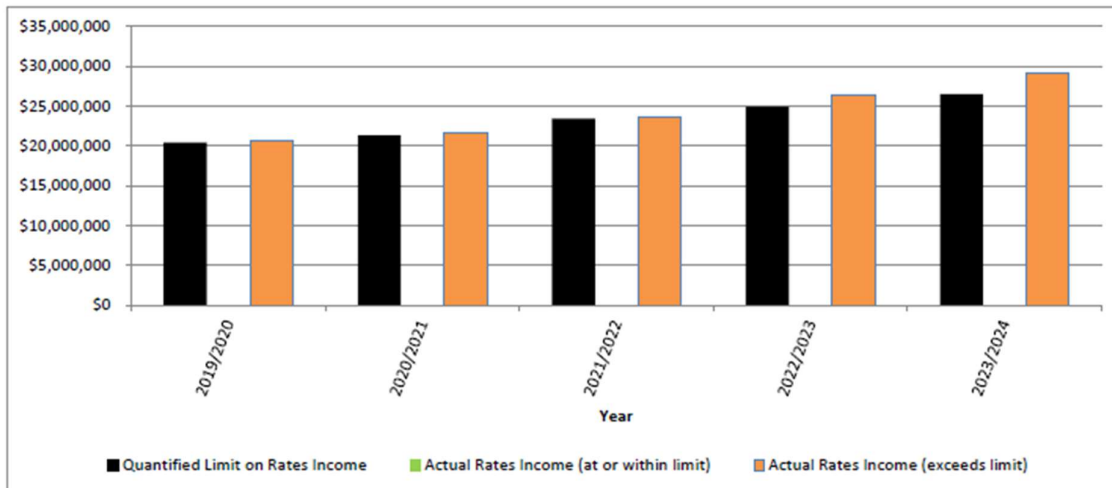
Key Benchmarks:

Under the Local Government (Financial Reporting and Prudence) Regulations 2014, the full Annual Report is required to provide a series of benchmarking graphs to enable the assessment of whether the Council is prudently managing its revenues, expenses assets, liabilities, and general financial dealings.

Below is a selection of those benchmark graphs:

Rates (income) affordability

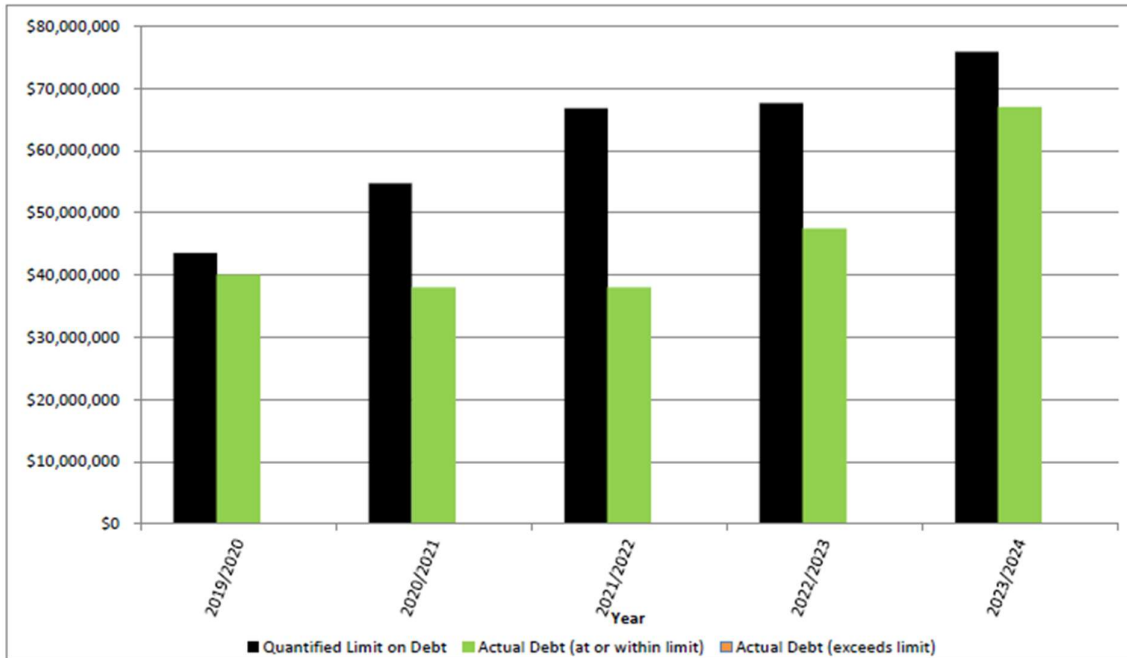
The following graph compares the council’s actual rates income with a quantified limit on rates contained in the financial strategy included in the council’s long-term plan.



Note: Increased costs for roading in the 2022/2023 and 2023/2024 years resulted in Rooding rates exceeding that set in the Long Term Plan.

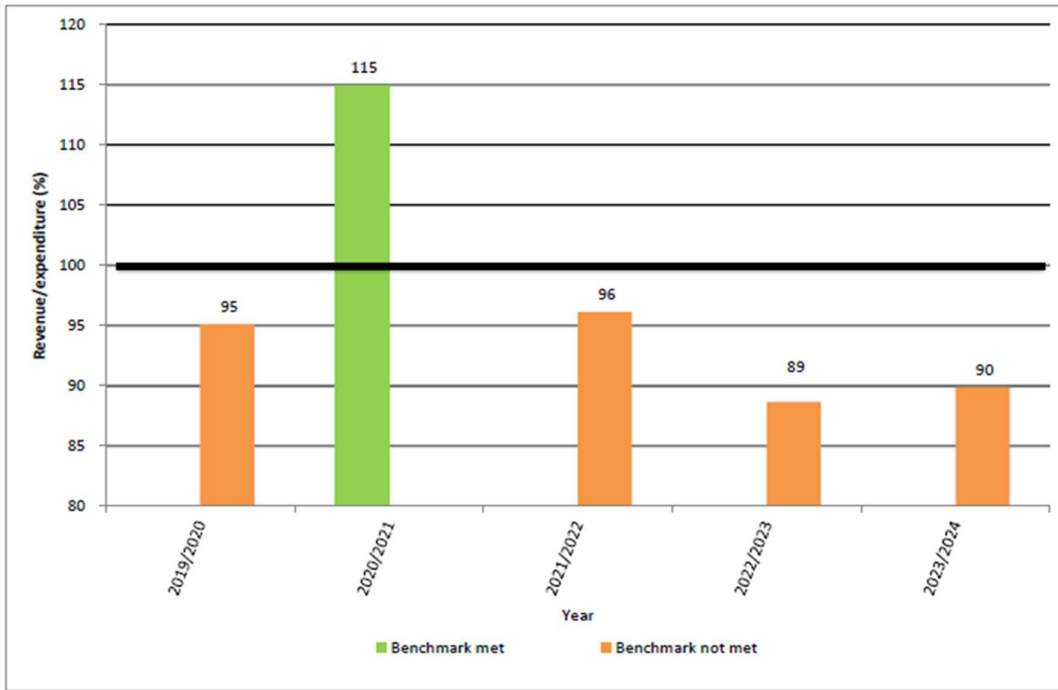
Debt affordability benchmarks

The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The key benchmark is that total debt is no more than 125% of total income.



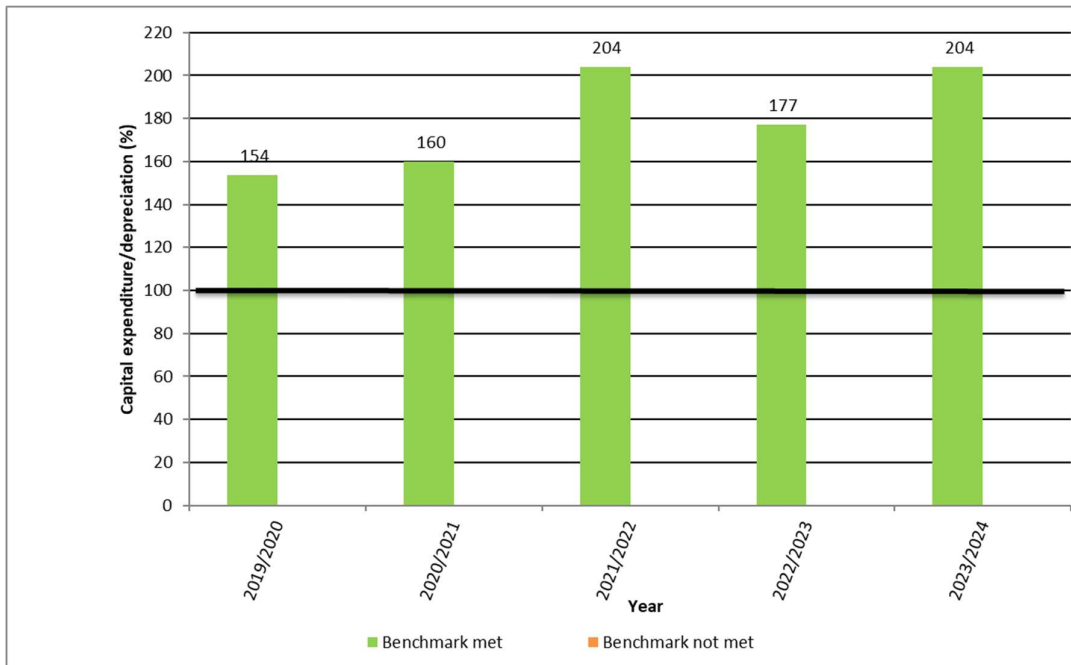
Balanced budget benchmark

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 equals or is greater than depreciation on network services.



Independent Auditor's Report

To the readers of Hurunui District Council and Group's summary of the annual report for the year ended 30 June 2024

The summary of the annual report was derived from the annual report of the Hurunui District Council and Group (the District Council) for the year ended 30 June 2024.

The summary of the annual report comprises the following information on pages 4 to 33:

- the summary of the statement of financial position as at 30 June 2024;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2024;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance (within the 'Overall Service Performance' section).

Opinion

In our opinion:

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

However, the summary statement of service performance information includes a limitation in scope to the equivalent extent as the full audited statement of service performance. This limitation is explained below in *The full annual report and our audit report thereon* section.

Summary of the annual report

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

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

The full annual report and our audit report thereon

We expressed a qualified opinion on the statement of service performance and an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2024 in our auditor's report dated 25 February 2025. The basis for our qualified opinion on the statement of service performance is explained below.

Statement of service performance: Our work was limited in relation to the performance measure: The average quality of ride on the sealed local road network, measured by smooth travel exposure

The District Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2013 (the Rules) made by the Secretary for Local Government. These include mandatory performance measures relating to the average quality of ride on a sealed local road network, measured by smooth travel exposure. This performance measure is important because road smoothness is indicative of the quality of service provided to the community.

Reported performance of this performance measure is based on surveys of road roughness and estimated traffic volumes.

We were unable to obtain assurance over the reliability of estimated traffic volumes used in the calculation of this performance measure. This is because these estimates are not sufficiently up to date, with the majority not updated within the last two financial years.

In addition, the District Council has not undertaken a road roughness survey within the last two financial years.

Therefore, the District Council does not have sufficient up-to-date data to calculate the average quality of ride on the sealed local road network measured by smooth travel exposure. The actual quality of ride on the sealed local road network may differ materially from the result reported.

As a result of these issues, our work was limited and there were no practicable audit procedures we could apply to obtain assurance over the accuracy of reported results for this performance measure.

Council's responsibility for the summary of the annual report

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

Auditor's responsibility

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

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

In addition to our audit and our report on the disclosure requirements, we have carried out an audit of the District Council's Consultation Document and long-term plan and assurance engagement in relation to the District Council's Debenture Trust Deed, which are compatible with those independence requirements. Other than these engagements we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.



Chris Genet
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
25 February 2025