

ANNUAL REPORT PŪRONGO Ā-TAU 2024



SUMMARY

Kia manawaroa te tai o Aorere
Thriving resilient Tasman



Te Kaunihera o
te tai o Aorere

A WORD FROM OUR MAYOR AND CHIEF EXECUTIVE OFFICER

Welcome to the Summary of Te Kaunihera o te tai o Aorere/Tasman District Council's Annual Report.

The 2023/2024 year has been busy and productive for the Council. As well as preparing our Tasman 10-Year Plan, we also had to deal with a changing operating environment, following the change in government.

In December 2023, the three Councils of Te Taihū (Nelson, Tasman and Marlborough) signed a Relationship Agreement with the eight iwi of Te Taihū, providing an opportunity to work together more effectively to deliver significant outcomes for all of Te Taihū.

Within the delivery of notable outcomes for the District, a highlight has been the successful operation of the long-awaited Waimea Community Dam, which will support ongoing growth and economic stability. In Motueka, the refurbishment of the Lower Motueka River stopbank has enhanced resilience, and Motueka West stormwater and wastewater projects will support future development.

A new eBus service launched in August 2023, featuring new routes and greater frequency, resulting in rising patronage. The Transport Choices and Streets for People initiatives utilised government funding to accelerate projects in Richmond and Māpua. The Pōhara Shared Path and a new pathway boardwalk in Kaiteriteri were completed. All these projects have enhanced transportation options for residents and visitors.

Several epic recreational projects have been completed, including the Motueka Skatepark, Murchison pump track, upgraded tennis courts in Māpua, and a basketball court in Brightwater, along with new and improved playgrounds in several communities, all developed in partnership with local groups.

Environmental efforts remain a priority, with a highlight this year being the Mangatāwhai/Black Valley Wetland Restoration project, which won the SuperSteward award at this year's LGNZ SuperLocal Awards.

We have been working on several strategic planning initiatives including the Māpua Masterplan, the Richmond Spatial Plan, and several changes to the Tasman Resource Management Plan which will enable urban growth in Motueka, Wakefield, Brightwater, and Murchison.

We would like to thank the community, our elected members, staff, iwi, volunteers and contractors for their contributions throughout the year to support the place we live in. Your support ensures that we continue to enjoy the Tasman District from the mountains to the sea (ki uta ki tai), as a beautiful place to live.



Tim King
Mayor



Leonie Rae
Chief Executive Officer

LEGAL STATEMENT

This Summary Annual Report has been extracted from the full Annual Report, which was adopted by Council on 31 October 2024 and covers the year from 1 July 2023 to 30 June 2024.

The full and summary financial statements have been prepared in accordance with Tier 1 Public Benefit Entities (PBE) accounting standards. The Summary Annual Report has been prepared in accordance with PBE FRS-43 Summary Financial Statements accounting standard.

The Council's full Annual Report has been audited by Audit New Zealand on behalf of the Office of the Auditor General and an unmodified opinion was issued.

The audit opinion included an emphasis of matter to draw attention to contingent liabilities (see page 22).

This Summary report cannot be expected to provide as complete an understanding (of the financial and service performance, financial position and cashflows of the Council) as provided by the full Annual Report. The Financial Statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000).

2023/2024: OUR YEAR IN REVIEW

Tasman District Council has successfully continued to deliver services and projects to the community during a time of economic challenge and legislative change. The projects outlined here reflect the diverse range of activities we undertake to help ensure Tasman has a healthy environment, a strong economy and a vibrant community. Many of our projects take a collaborative approach with other organisations, particularly local iwi, neighbouring councils, government agencies and community groups.

This page and the following pages detail some of the work we have been doing in each of our activities in the 2023/2024 year.



Launched the new eBus service

Safer streets and crossings in Richmond, Motueka and Māpua

Completed the first phase of the Lower Motueka River Stopbank refurbishment

Purchased a site for the Motueka Community Pool facility

Completed stage one of Tarakohe pump station and rising main project

Signed relationship agreement with the eight iwi and three Councils of Te Taihū

Waimea Community Dam became operational

Adopted the Richmond Spatial Plan, informing growth and development

Completed several wetlands restoration projects

New or upgraded playgrounds in Wakefield, Richmond, Pōhara, and Brightwater

Extensive community engagement on the Māpua Masterplan

Adopted the 10-Year Plan 2024–2034

Upgraded Motueka skatepark and constructed Murchison pump track



ENVIRONMENTAL MANAGEMENT



CAPEX
\$427K

OPEX
\$23.9M

Our goal is to effectively promote the sustainable management of our District's natural and physical resources.

WHAT WE DO

The Environmental Management activity is responsible for environmental monitoring, responding to resource management issues and biosecurity risks, and maintaining and enhancing indigenous biodiversity. We develop and implement a robust policy, planning, consenting, and compliance framework to ensure ongoing sustainable management.

WHY WE DO IT

Our responsibility is to understand and promote the sustainable management of our District's resources, and to manage the consequences of human activity on the environment and other people.

WHAT WE DELIVERED



Our Resource Consents and Compliance teams issued **786 CONSENTS** and monitored 4,111 resource consents and permitted activities



Adopted the **RICHMOND SPATIAL PLAN**, informing growth and development



Progressed the **MĀPUA MASTERPLAN**



Worked on constructed wetland, natural **WETLAND, AND FISH PASSAGE PROJECTS**

LEVELS OF SERVICE



The National Air Quality Standards were met in the Richmond Airshed, with **ZERO BREACHES** of the limits for particulate matter, meeting our target



94% of swimming beaches and rivers we sampled were safe for contact recreation, above our target of 92% for all weather samples



Resolved all significant resource consent non-compliance **WITHIN NINE MONTHS**, above our 80% target

PUBLIC HEALTH AND SAFETY



CAPEX
\$16K

OPEX
\$10.5M

The Public Health and Safety activity aims to keep people and their properties safe and protect them from nuisance. It also aims to ensure that use of public areas is fair and equitable.

WHAT WE DO

We provide advice and discharge statutory functions in the areas of public health, building, environmental health (including liquor licensing and food safety), hazardous substances, animal control, civil defence and emergency management, parking control and maritime safety. It involves assessing and processing permit and registration applications, the administration of bylaws, and associated monitoring and enforcement action.

WHY WE DO IT

We contribute to the sustainable development of our District and the safety and well-being of our community. We ensure that actions, or non-actions, taken by the people in our District, are lawful, sustainable and safe. We enable people to carry out activities without affecting their, or others', safety. We also respond to central government legislation.

WHAT WE DELIVERED



Our building team issued **1,127 BUILDING CONSENTS**, 1,029 code compliance certificates, and undertook 6,306 inspections



The **DANGEROUS DAMS POLICY** was developed and accepted by Council



Civil Defence Emergency Management staff responded to the **LEE VALLEY FIRE** event, February 2024



THREE WRECKS were removed from our coastlines and **TWO OIL SPILL RESPONSE EXERCISES** were undertaken

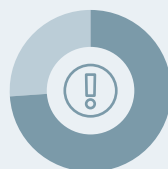
LEVELS OF SERVICE



99% of applications for building consents were processed within statutory timeframes, with an average time of 7 working days



100% of high priority dog complaints were responded to within our target of 60 minutes, 24 hours a day, 7 days a week



74% of those aware are satisfied with Council's Civil Defence Emergency Management (CDEM), above our 70% target



54% of residents were satisfied with our building control work, below our target of 80%

TRANSPORTATION



CAPEX
\$25.9M

OPEX
\$20.4M

Transportation activities are managed so people and goods can safely move within our communities and District.

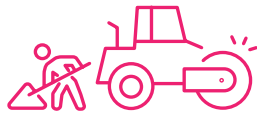
WHAT WE DO

The Transportation activity involves maintaining our transportation network and other transportation-related services, for example, transport planning, road safety, and public transport services like the Total Mobility Scheme. These activities help to enable the movement of people and goods throughout our District and line up with the Regional Land Transport Plan's objectives.

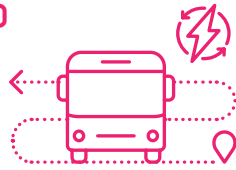
WHY WE DO IT

On behalf of our ratepayers, we provide a quality transportation network, enabling the safe and reliable movement of people and goods which improves the economic and social well-being of our District. The provision of transport services, roads, cycle paths, and footpaths are a public good, and as such it is a core function of local government.

WHAT WE DELIVERED



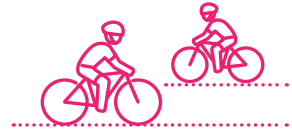
Completed the **NGĀTĪMOTI** section of Tasman's **GREAT TASTE TRAIL**



Launched the new **EBUS SERVICE**



SAFER CROSSINGS were installed in Richmond, Motueka and Māpua



Completed **10KM OF ON-ROAD CYCLE LANES** in Richmond

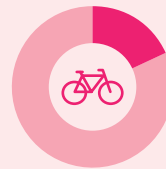
LEVELS OF SERVICE



Use of public transport **INCREASED BY 97%** compared to last year, achieving our annual increase per capita target



45% of residents were satisfied with our roads, below our 70% target



Cycle lane use grew **18.2%** from the previous year, meeting our per capita increasing target



There were **NO FATAL CRASHES** on our roads, although there was an increase in serious injury crashes

RIVERS AND COASTAL ASSETS



We aim to protect properties from river flooding and ensure that our river environments remain healthy and attractive ecosystems that can be enjoyed by our communities. We aim to ensure access to the sea can be enjoyed by all whilst managing the effects of the sea on property.



WHAT WE DO

We promote soil conservation, mitigate damage caused by floods and riverbank erosion, and maintain and improve river assets such as stopbanks and erosion protection. We also own, provide, maintain, and improve wharves, jetties, boat ramps, associated buildings, foreshore protection walls, and navigational aids to support the safe use of our coastal waters.

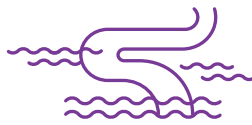
WHY WE DO IT

By implementing and maintaining river control and flood protection schemes, we enhance community wellbeing, protect neighbouring properties, and mitigate damage caused by flood events. We also ensure that our rivers are healthy and continue to support biodiversity. Our coastal assets provide access to coastal areas for commercial, cultural, and recreational purposes. Council ownership and management of coastal assets ensure they are retained for our community.

WHAT WE DELIVERED



REPLENISHED THE SAND
at Torrent Bay



FLOOD DAMAGE REPAIR WORKS
in Upper Motueka and Wai-iti River catchments

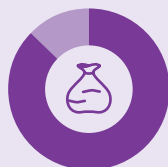


Completed the first phase of the Lower Motueka River **STOPBANK REFURBISHMENT**

LEVELS OF SERVICE



100% of Council's coastal erosion structures were inspected and maintained



87.5% of illegal dumping complaints in our X and Y rivers were attended within 5 days, below our 95% target



We planted **15,000** native plants on riparian sites, 2,000 more than target

WATER SUPPLY



CAPEX
\$18.5M

OPEX
\$17.8M

We aim to provide secure water supply systems that deliver safe water to our communities.

WHAT WE DO

Water is a fundamental community requirement. We provide potable and non-potable water to about 13,600 properties (approximately 30,000 people) throughout Tasman District.

WHY WE DO IT

We provide a safe, secure and reliable water supply. We aim to provide ready access to high-quality drinking water in our urban schemes and fit-for-purpose water supply in our rural schemes to enhance the health and well-being of our residents. A safe, secure and reliable water supply also facilitates economic growth and enables the protection of property through the provision of water at a pressure adequate for firefighting needs.

WHAT WE DELIVERED



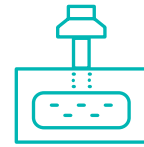
WAIMEA COMMUNITY DAM became operational



WATER SAFETY IMPROVEMENTS were undertaken at both Upper Tākaka and Māpua/Ruby Bay treatment plants



Began the project to **COMBINE THE REDWOODS 1 AND 2 SCHEMES**, providing better capacity, security, and water quality



Installed **THREE NEW BORES** in the Waimea water network, preparing to support growth and resilience

LEVELS OF SERVICE



87% of customers who receive a water service were satisfied, above our target of 80%



Our median response and resolution times for urgent and non-urgent callouts were all **WITHIN TARGETS**

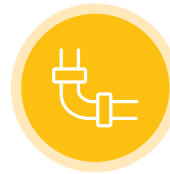


Consented water takes achieved **FULL COMPLIANCE** with no notices or convictions recorded, meeting our target



The average water consumption of residents per day was **224L**, below our target of 250L daily

WASTEWATER



CAPEX
\$13.9M

OPEX
\$10.0M

We aim to provide cost-effective and sustainable wastewater systems to protect public health whilst meeting environmental standards.

WHAT WE DO

We provide and manage wastewater collection, treatment, and disposal facilities for our residents connected to our eight wastewater networks. There are approximately 14,000 connections to our wastewater networks. These networks convey wastewater to eight treatment plants, seven of which we own and manage.

WHY WE DO IT

The provision of wastewater services is a core public health function of local government. We promote and protect public health, community well-being, and our environment within our District by planning, implementing, and maintaining our wastewater services. This is one of our key duties as required by the Health Act 1956.

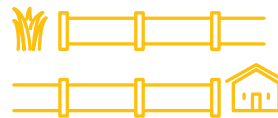
WHAT WE DELIVERED



Completed stage one of the **TARAKOHE PUMP STATION AND RISING MAIN** project



Completed the **MOTUEKA RISING MAIN** project

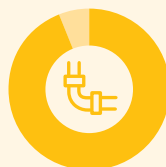


Continued work on the **DUPLICATE PIPELINE PROJECT** between Richmond and Bell Island, with NRSBU*

LEVELS OF SERVICE



We received **ONE** complaint about wastewater systems, per 1000 connections, well below our target of 35



94% of users who receive a wastewater service were satisfied, well above our target of 80%



There were **1.5** dry weather overflows per 1000 connections to the wastewater system, well below our target of five



There was **100%** compliance with resource consents for discharges from our wastewater system

*Nelson Regional Sewerage Business Unit

STORMWATER



CAPEX
\$13.9M

OPEX
\$3.6M

We aim to provide cost-effective and sustainable stormwater systems that reduce flooding and meet environmental standards.

WHAT WE DO

The stormwater activity provides stormwater collection, reticulation, and discharge systems in our District on behalf of our residents. The assets used to provide this service include drainage channels, piped reticulation networks, tide gates, detention or ponding areas, inlet structures, discharge structures and quality treatment assets.

WHY WE DO IT

We minimise the risk of flooding of buildings and property from surface runoff and small urban streams. We also aim to minimise flooding in urban areas so that people can continue to move throughout our communities during times of wet weather. We enable safe and efficient conveyance and disposal of stormwater, improving the economic and social well-being of our District by protecting people and property from surface flooding.

WHAT WE DELIVERED



MOTUEKA WEST STORMWATER IMPROVEMENTS commenced this year and progressed ahead of schedule



Completed the first stage of **RICHMOND CENTRAL STORMWATER IMPROVEMENTS** to reduce flood risks



Progressed **RICHMOND SOUTH STORMWATER IMPROVEMENTS** and land acquisition



Continued developing a **PRIORITY PLAN** for stormwater improvement work, improving stormwater quality

LEVELS OF SERVICE



FULL COMPLIANCE with Council's resource consents for discharges from the stormwater system



88% of residents with a stormwater connection were satisfied with our service, above our target of 80%



There were **2.2** complaints for every 1000 connected properties about our stormwater system, well below our target of 20

WASTE MANAGEMENT AND MINIMISATION



CAPEX
\$5.2M

OPEX
\$15.0M

We aim to avoid and reduce the creation and harmful effects of waste, and improve the efficiency of resource use.

WHAT WE DO

We provide and promote kerbside recycling and waste collection services, a materials recovery facility (MRF) to process recycling, five Resource Recovery Centres (RRCs), drop-off facilities for greenwaste and processing, through a contracted service, transport services to move these materials around our District, and a range of waste minimisation initiatives with schools, businesses, and the wider community, to reduce the production of waste and minimise harm.

WHY WE DO IT

The Waste Minimisation Act (2008) requires us to promote effective and efficient waste management and minimisation within our District. We provide waste management and minimisation services to protect our public's health and our natural environment from waste generated by people. These waste minimisation activities promote efficient use of resources, reduce waste for businesses and households and extend the life of our Region's landfills.

WHAT WE DELIVERED



Installed a **SECOND WEIGHBRIDGE** and additional barrier arms at the Richmond RRC



ENCOURAGED WASTE MINIMISATION in the community by supporting public place and event recycling, electronic waste recycling, and waste minimisation grants

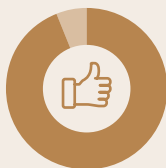


Completed the **LOWER STABILITY BUTTRESS** and leachate resilience project at York Valley, with NTRLBU*



Commenced review of **JOINT WASTE MINIMISATION PLAN**

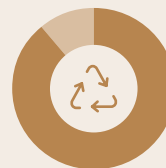
LEVELS OF SERVICE



94% of kerbside recycling users were satisfied with our service, above our target of 90%



Lowered contamination levels in kerbside recycling to **6.9%**, better than our target of 7.5%



89% participation in our kerbside recycling service, below our target of 95%



Decreased total waste per capita going to landfill to **622KG**, below our target of 705kg

*Nelson-Tasman Regional Landfill Business Unit

COMMUNITY DEVELOPMENT



CAPEX
\$6.0M

OPEX
\$21.6M

We promote physical, environmental, economic, cultural and social well-being of our District with the provision of parks, reserves, facilities, and libraries. We also meet the needs of the community by providing amenities, events, environmental education, and community grants.

WHAT WE DO

We provide and maintain a wide range of parks, reserves, recreational facilities, community facilities and amenities, library and museum services, events, environmental education, and community grants, for our ratepayers.

WHY WE DO IT

This activity is important to our community's well-being. It contributes to providing the heart in each of our District's communities, encouraging healthy and active communities, strong social interaction, and improved environmental and cultural outcomes.

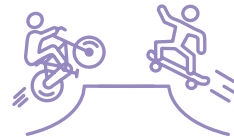
WHAT WE DELIVERED



Renewed physical and digital **LIBRARY COLLECTIONS** across the District



Purchased a site for the **MOTUEKA COMMUNITY POOL** facility



Completed Murchison **PUMP TRACK** and upgraded Motueka **SKATEPARK**



NEW OR UPGRADED PLAYGROUNDS in Wakefield, Richmond, Pōhara, and Brightwater

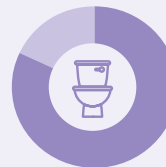
LEVELS OF SERVICE



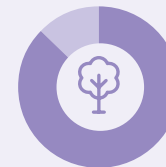
97% of library users were satisfied with our libraries, well above our target of 85%



Achieved **91%** tenants' satisfaction with Council's community housing, above our target of 80%



82% of residents were satisfied with our public toilets, above our target of 70%



88% of residents satisfied with recreational facilities, above the target of 85%

COUNCIL ENTERPRISES



CAPEX
\$8.3M

OPEX
\$20.0M

Commercial and semi-commercial activities meet user needs, provide a safe and compliant working environment, and are financially sustainable.

WHAT WE DO

This activity involves the management of approximately 2,700 stocked hectares of commercial plantation forest, aerodromes in Motueka and Tākaka, a mixture of leased and managed holiday parks in Motueka, Pōhara, Collingwood and Murchison, the management of Port Tarakohe and the management of various commercial property assets.

WHY WE DO IT

Council's ownership and management of commercial assets provide benefits to all users, via employment and development for the wider community. Income streams from commercial activities and commercial investments provide additional income to the Council. This additional income reduces the Council's reliance on rates to fund its activities.

WHAT WE DELIVERED



NEW AND REFURBISHED CABINS
at Collingwood and Riverside holiday parks



CONCRETE REPAIRS, NEW BERTHS AND EXTENDED GROUYNE
were completed at Port Tarakohe



REPAIRS AND ROOF REPLACEMENT
at Council-owned commercial buildings at the Māpua Wharf



EXTENDED THE CROSSWIND RUNWAY
at the Tākaka Aerodrome

LEVELS OF SERVICE



EBITDA from forestry was **\$1.4M**, below our target of \$2.3m



EBITDA of our holiday parks was **\$1.07M**, above our target of \$735,000



EBITDA for Port Tarakohe was **59%** above target



Commercial properties EBITDA was **\$600,000**, nearly double the \$360,000 target

SUPPORT SERVICES



Support Services are the internal functions that do not have direct output to our communities but help ensure we operate efficiently and effectively, meet our statutory obligations, and work towards the achievement of our community outcomes.

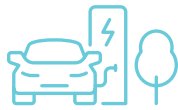
WHAT WE DO

The Support Services activity includes customer services, communications, strategic policy, property, finance, human resources, information services, records management and health and safety.

WHY WE DO IT

We support other areas of the Council to more effectively and efficiently operate. We also engage the community in plans, policies, and strategies, provide communication to the community, answer customer queries and process certain applications.

WHAT WE DELIVERED



SUSTAINABILITY IMPROVEMENTS have reduced our vehicle fleet by 20% and fuel costs by 30%



Major renovations of the **WAKEFIELD OLD LIBRARY**, a Category 2 heritage building



Continued work on our **DIGITAL INNOVATION PROGRAMME** to upgrade our customer and data management systems and technology



Adopted the **10-YEAR PLAN 2024–2034**

LEVELS OF SERVICE



75% of residents considered the information we supply to be sufficient, meeting our target of 75%



77% of residents were satisfied with the service they received when contacting Council, below our 85% target



53% of residents were satisfied with opportunities to give feedback on Council plans and decisions, above our target of 50%



LIM applications were processed in an average of **5 WORKING DAYS**, below the statutory timeframe of 10 working days

OUR NON-FINANCIAL PERFORMANCE AT A GLANCE

We measure our performance in delivering services to our community using targets set in Tasman's 10-Year Plan 2021–2031. Reporting against these targets presents a high-level view of our performance. More results on other aspects of performance, such as environmental and regulatory monitoring, can be found in the public reports held on our website or by contacting Council.

We have 109 targets that we report on through this Annual Report. We fully achieved 74 of our targets, and a further five were within 5% of the target. We did not achieve 26, and there were four that we either did not have the complete information available or were not due to be measured this year.

We fully achieved 68% of our levels of service targets this year. This is approximately the same as last year, where we achieved 65% of our levels of service targets.

The Annual Report includes a set of Local Government Mandatory Performance Measures. Of these, we fully achieved 19, and a further three were within 5% of the target. We did not achieve seven.

WORKING WITH IWI

The Council continues to strengthen and enhance its relationships with iwi and Māori in the Tasman rohe. 2023/2024 saw further growth in the Te Kāhui Hononga – Māori Partnerships and Engagement Team, and together with our Kaumātua, these roles enable Council to engage appropriately with their iwi partners.

In September 2023, Council unanimously voted in favour of a Māori ward for the Tasman District, with that decision upheld in September 2024 for the 2025 – 2028 Council term.

Throughout the year, Council and iwi representatives have been working closely on several projects:

- Regular hui with the Mayors/Chairs and Council/Iwi CEO forums
- The addition of an iwi representative on the Operations Committee
- Signing of the Relationship Agreement in December 2023

- Wetland restoration and fish passage projects, including the Mangatāwhai/Black Valley Wetland project which won the 2024 Local Government Super Steward Award
- Te Puna Korero, a collaborative approach to give effect to Te Mana O Te Wai and the requirements of the National Policy Statement for Freshwater Management
- Te Mana Kuratahi – biennial national primary schools kapa haka competition
- Tasman Environmental Policy Iwi Working Group and Māpua Masterplan
- Kotahitanga Mō Te Taiao (KMTT) Alliance Strategy
- Wastewater Strategy for Motueka
- Continued growth in staff knowledge and use of tikanga and te reo Māori

The Council is committed to deepening our knowledge and practice of Te Ao Māori and ensuring we uphold our end of the Treaty partnership by valuing our relationships with whānau, hapū and iwi across Te Taihū.

KEY FINANCIAL INFORMATION

The Funding Impact Statement surplus from operating funding was \$12.0 million, compared to a budget of \$22.9 million. The net external debt position of \$247.8 million was below the planned forecast debt of \$249.9 million, with rates revenue increases also remaining within the agreed cap of 8.57%.

The accounting surplus (on the “Statement of Comprehensive Revenue and Expense”) for the 2023/2024 year was \$26.0 million compared to budget of \$33.9 million. This was due to revenue being \$8.4 million higher than budget and expenditure as \$16.3 million higher than budget.

Budgeting and achieving a surplus does not mean overcharging rates. This is due to several factors, including non-cash revenue such as vested assets, which contribute to a council’s surplus without actually increasing the cash available to the Council.

The revenue increase compared to budget was mostly due to non-cash vested asset income being higher than planned, driven by growth across the region. Vested assets are assets created by others and transferred to Council ownership (for example, roads built by a developer as part of a subdivision). When this occurs, both an asset and revenue are recognised in Council’s financial statements. The vested asset income increase was offset mostly by delays in government capital grants and subsidies and a fair value loss on forestry due to harvest and log price assumptions. Increased expenditure was mostly due to increased interest costs, forestry expenditure, maintenance costs and increased depreciation. This is explained further in note 36 to the Financial Statements.

A description of the financial variances from the Annual Plan 2023/2024 are contained in note 36 of the full Annual Report.



NET EXTERNAL DEBT

Our net external debt at 30 June 2024 was \$247.78 million (after adjusting for liquid financial assets in joint operations and pass through loans), which is below our net external debt cap of \$250 million in our current Financial Strategy. This is also lower than the \$249.9 million forecast in the Annual Plan 2023/2024.

See Figure 1 on page 17.

RATES AFFORDABILITY

In our Financial Strategy, we include a cap on rates revenue increases. Revenue increases are currently limited to a maximum 4.5% per annum, plus an allowance for annual growth in rateable properties. This was a new limit set as part of the 10-Year Plan 2021 – 2031. As part of the adoption of the new 10-Year Plan 2024 – 2034 the Council chose to introduce a new dynamic net debt cap.

The green bars in Figure 2 (on page 17) show how we have performed against the 4.5% limits over the past three years. Due to inflationary pressures currently affecting the Council’s business, the 2023/2024 forecasted rates revenue increase in the 10-Year Plan 2021 – 2031 of 4.04% was revised to 8.57% in the Annual Plan 2023/2024. The blue bars show the estimated rates revenue increases (excluding growth) for the next two years.

The rates revenue increase for 2024/2025 was set at 11.1% when Council adopted the 10-Year Plan 2024 – 2034. This is higher than the new dynamic net debt cap that Council adopted in the 10-Year Plan 2024 – 2034 of 5.9%. The Council agreed to being over the net debt cap because of the current economic climate.

DEBT AFFORDABILITY

For 2023/2024 the debt affordability benchmarks were within the limits stated in our Financial Strategy.

See Table 1 on page 17.

KEY FINANCIAL INFORMATION

Figure 1. How Are We Tracking Against Planned Net Debt?

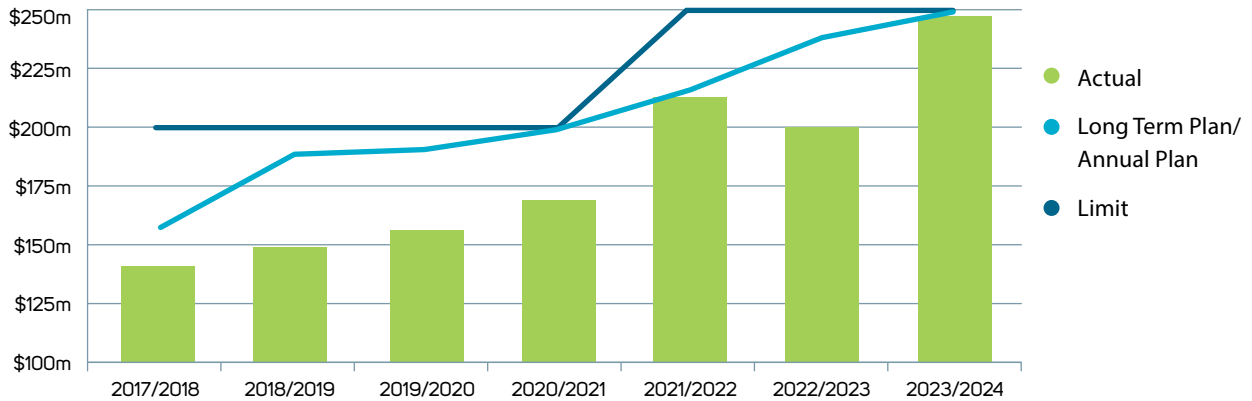


Figure 2. Rates Revenue Increases (excluding growth)

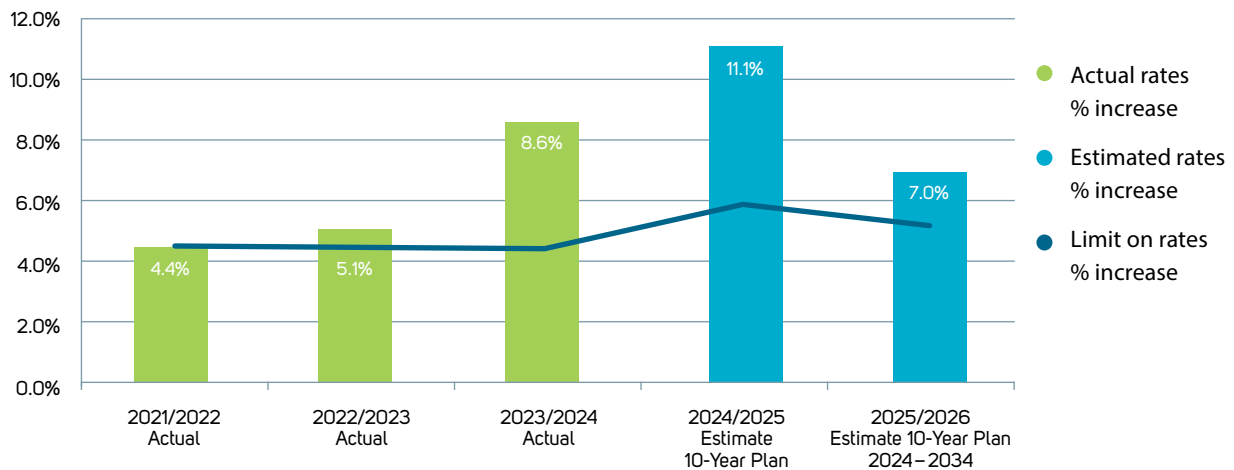


Table 1. Debt Affordability Limits

MEASURE	LIMIT	ANNUAL PLAN				
		2020/2021 ACTUAL	2021/2022 ACTUAL	2022/2023 ACTUAL	2023/2024 ACTUAL	2024/2025 (ESTIMATE)
Net external debt ¹ / Total operating income ²	<225%	102%	111%	108%	136%	125%
Net external debt / Equity	<20%	10%	10%	9%	11%	11%
Net interest on external debt to total operating income	<15%	5%	0.2%	5.1%	6.5%	5.6%
Net interest on external debt to annual rates income	<25%	10%	0.4%	10.6%	11.8%	11.5%

1. Net external debt = total external debt less liquid financial assets and investments.

2. Total operating income = cash earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (eg developer contributions and vested assets). The definitions contained in our Financial Strategy differ from those applied to the Financial Regulations Benchmarks reported in our Annual Reports. The Benchmark reporting is prepared in line with the Local Government (Financial Reporting and Prudence) Regulations 2014.

KEY FINANCIAL INFORMATION

Figure 3. Operating Expenditure by Activity

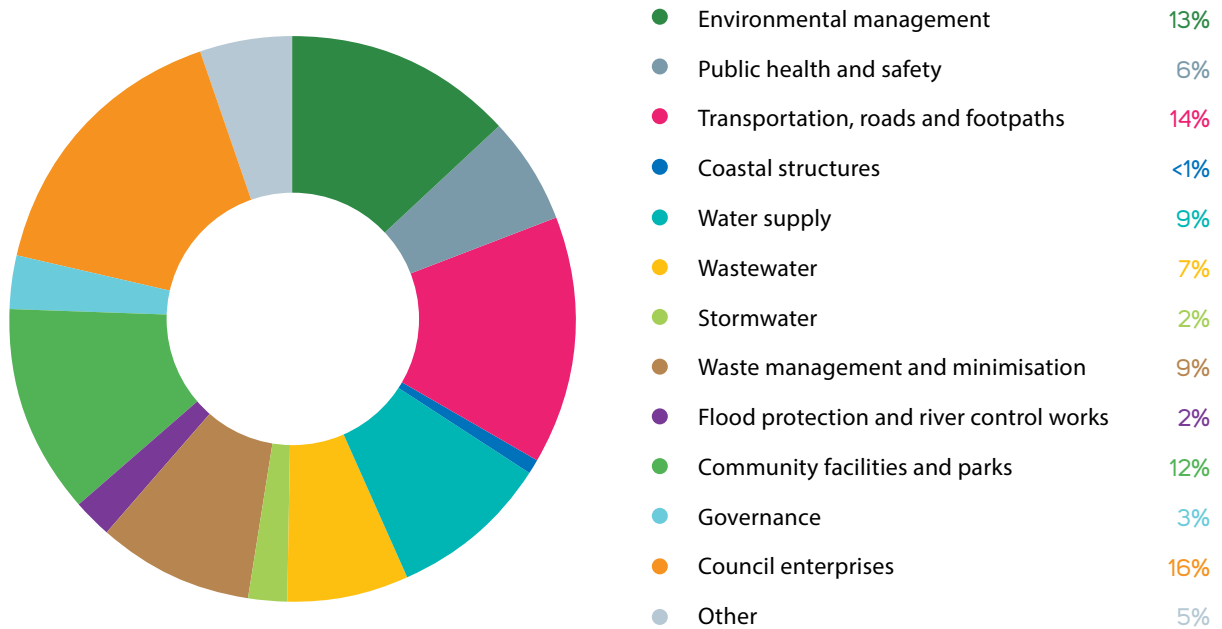
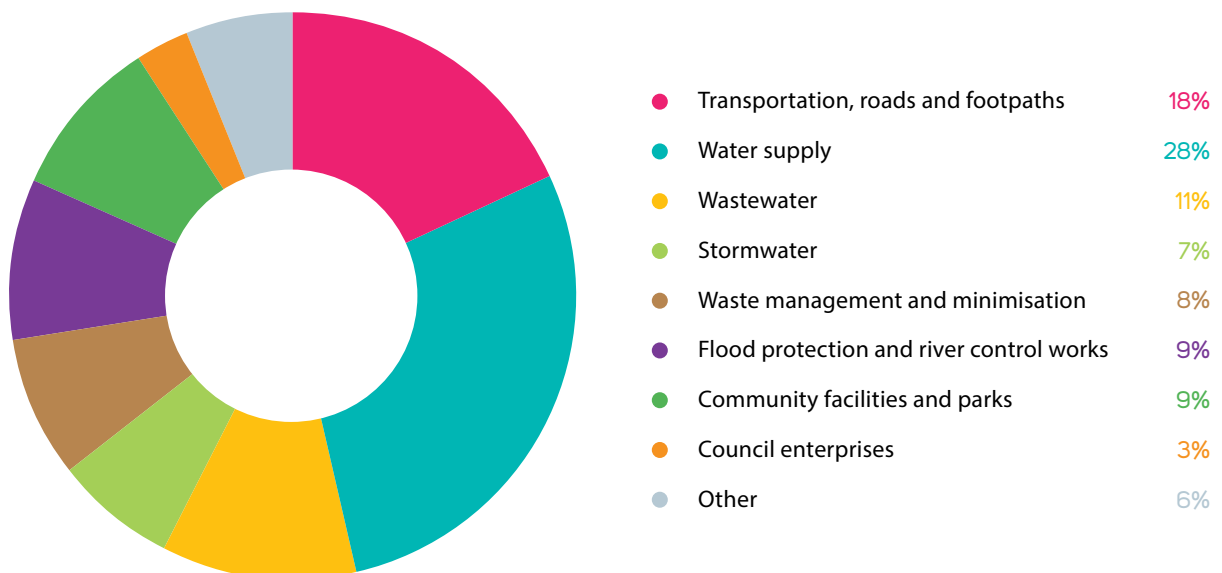


Figure 4. Capital Expenditure by Activity



FINANCIAL POSITION AND STATEMENTS

SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

ACTUAL 2023 \$'000		ACTUAL 2024 \$'000	BUDGET 2024 \$'000
222,439	Revenue	233,239	218,361
(9,173)	Fair value gain/(loss) on revaluation	(8,128)	1,555
2,496	Finance income	3,750	67
5,902	Share of joint ventures surplus/(deficit)	(464)	–
221,664	Total revenue	228,396	219,983
189,066	Expenditure	186,823	174,729
11,956	Finance expense	15,587	11,325
201,022	Total expense	202,410	186,054
20,642	Surplus/(deficit) before taxation	25,986	33,929
–	Income tax expense	–	–
20,642	Surplus/(deficit) after tax	25,986	33,929
	OTHER COMPREHENSIVE REVENUE		
(22,707)	Gain on Council property, plant and equipment revaluations	105,142	30,152
(83)	Movement in NZLG shares value	426	–
1,930	Asset impairment, disposal gain/(loss)	(1,450)	–
2,677	Other comprehensive income including share of joint ventures and operations	6,302	–
23,537	Total other comprehensive revenue and expense	110,420	30,152
44,179	Total comprehensive revenue and expense	136,406	64,081

The table above shows surplus before other comprehensive income of \$26.0 million (2023: \$20.6 million) compared with a budgeted accounting surplus of \$33.9 million (2023: \$23.3 million). This equates to a surplus variance of \$7.9 million less than budget.

Variances to budget are explained in note 36 of the full Annual Report.

FINANCIAL POSITION AND STATEMENTS

REVENUE AND EXPENDITURE



Revenue \$228.4M

- Rates
- Fees and charges
- Operating subsidies and grants
- Development and financial contributions
- Share of joint ventures surplus/(deficit)
- Revenue of joint operations
- Other revenue
- Vested assets
- Capital subsidies and grants



Expenditure \$202.4M

- Finance expense
- Employee related expense
- Other expenses
- Maintenance
- Depreciation and amortisation
- Expenditure of joint operations

FINANCIAL POSITION AND STATEMENTS

SUMMARY STATEMENT OF FINANCIAL POSITION

ACTUAL 2023 \$000		ACTUAL 2024 \$000	BUDGET 2024 \$000
57,790	Current assets	77,834	32,519
(123,237)	Current liabilities	(137,491)	(65,445)
2,450,703	Non-current assets	2,649,408	2,509,815
(203,240)	Non-current liabilities	(271,330)	(235,897)
2,182,016	Total net assets	2,318,422	2,240,992
2,182,016	Total equity	2,318,422	2,240,992

SUMMARY STATEMENT OF CASHFLOWS

ACTUAL 2023 \$000		ACTUAL 2024 \$000	BUDGET 2024 \$000
40,298	Net cash flow from operating	47,171	68,625
(82,836)	Net cash flow from investing	(119,489)	(90,262)
48,197	Net cash flow from financing	75,913	27,100
5,659	Total net cash flows	3,595	5,463
16,310	Opening cash held	21,969	11,755
21,969	Closing cash and cash equivalents balance	25,564	17,218

SUMMARY STATEMENT OF CHANGES IN EQUITY

ACTUAL 2023 \$000		ACTUAL 2024 \$000	BUDGET 2024 \$000
2,137,837	Equity at start of year	2,182,016	2,176,911
44,179	Total comprehensive revenue and expense	136,406	64,081
2,182,016	Total equity	2,318,422	2,240,992

FINANCIAL POSITION AND STATEMENTS

SIGNIFICANT ACCOUNTING MATTERS

EVENTS AFTER REPORTING DATE

Local Water Done Well 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 programme is being implemented in three stages, each with its own piece of legislation.

The first stage was the Local Government (Water Services repeal Act 2024) in February 2024, which repealed the affordable waters reform legislation passed into law by the previous Government.

The second stage, the Local Government (Water Services Preliminary Arrangements) Act 2024, was enacted on 2 September 2024. This legislation establishes a framework and preliminary arrangements for the delivery of water services. It requires Councils to develop Water Services Delivery Plans to be approved within 12 months of the legislation being enacted.

For the third stage, the Government has indicated it will introduce a Bill in December 2024 that will establish enduring settings for the new water services system. The government aims to have the new water services entities in place by mid-2025.

Tasman District Council has commenced work on its Water Services Delivery Plan in accordance with the Act and will undertake consultation before the Plan is adopted.

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

COMMITMENTS

Waimea Water Limited Commitments

Waimea Water Ltd (WWL), a joint operation with Waimea Irrigators Ltd (WIL) was established in November 2018 to manage the construction, operation and maintenance of the Waimea Community Dam. Contained in the project agreements are clauses related to the financing of cost over-runs, a loan guarantee and a compensation clause.

Project status

In June 2024 the Dam was commissioned and signed off. Practical completion of the Dam was achieved with full environmental compliance. This was 29 months

later than originally planned due to the dry weather slowing the fill of the reservoir and the mechanical works taking longer than planned.

Project cost and funding at 30 June 2024

Since the decision to proceed with the construction of the Dam was made in 2018, the estimated expenses for the construction of the Dam have increased, from the initial estimate of \$104.5 million to \$207.5 million at 30 June 2024 (2023: \$198.2 million). The increased cost was due to:

- Encountered geology more challenging than expected, \$43 million;
- Mechanical and electrical costs, \$22 million;
- Other project costs, \$39.5 million; and
- 2024 contractor claim and liquidated damages, \$9.2 million (funded 51.1% by Council), funding agreed in May 2024.

WWL is fully funded by its shareholders, Council and WIL, to the expected project cost of \$207.5 million at 30 June 2024.

Funding is sourced from irrigator equity contributions, loans from Crown Irrigation Investments Ltd (CIIL), Council reserves, grants from the Ministry for the Environment and Nelson City Council (NCC), and loans from the Local Government Funding Agency (LGFA). Interest has also been earned by WWL from term deposits. Financing costs are shared between shareholders via water charges.

Contingent liabilities and events after the balance date

WWL is facing contract disputes related to the increased cost of constructing the Waimea Community Dam. As the contract disputes are ongoing their outcome remains highly uncertain. The value of any future resolution can therefore not be reasonably estimated.

If WWL had to recognise additional costs as a result of a future resolution, Council would provide funding for those costs. Council's expectation is that the cost of financing the additional funding would be shared with Waimea Irrigator Limited, consistent with previous cost overruns.

WWL estimates the costs associated with preparing for and engaging in a process to resolve the disputes could be up to \$3,000,000. Council resolved to fund 51.1% of these costs in September 2024, contingent on other matters being resolved and a formal agreement being entered into. No funding agreements are yet in place.

Further details are provided in the full Annual Report in note 41.

INDEPENDENT AUDITOR'S REPORT

To the readers of Tasman District Council'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 Tasman District Council (the District Council) for the year ended 30 June 2024.

The summary of the annual report comprises the following information on pages 4 to 14, and pages 19 to 22:

- the summary 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 objectives and service performance.

OPINION

In our opinion:

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

SUMMARY OF THE ANNUAL REPORT

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

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

THE FULL ANNUAL REPORT AND OUR AUDIT REPORT THEREON

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2024 in our auditor's report dated 31 October 2024.

EMPHASIS OF MATTER – UNCERTAINTY OVER ONGOING CONTRACT DISPUTES

Our auditor's report on the full annual report also includes an emphasis of matter paragraph drawing attention to note 41 to the financial statements in the full annual report, which outlines contingencies associated with the contract disputes faced by Waimea Water Limited, a council-controlled organisation of the District Council. The value of any future resolution cannot be reasonably estimated at the date of the audit report. This is because the disputes are ongoing, and their outcome is highly uncertain. This matter is also disclosed on page 22 of the summary of the annual report.

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 the report on the disclosure requirements, we have audited the District Council's long-term plan and carried out a limited assurance engagement related to the District Council's Debenture Trust Deed. Other than these engagements, we have no relationship with, or interests in, the District Council. These engagements are compatible with those independence requirements.



Yvonne Yang,
Audit New Zealand

On behalf of the Auditor-General
Christchurch, New Zealand
26 November 2024



Te Kaunihera o
te tai o Aorere