

Summary Annual Report

Te Pūrongo Whakarāpopoto ā-Tau a
Te Kaunihera ā-Rohe o Horowhenua

For the year ended 30 June 2021



About This Summary

Mō tēnei pūrongo whakarāpopoto

The Council adopted the audited annual report for 2020/21 on 16 December 2021 and authorised it for issue.

The report details Council's achievements against the measures and budgets for the year. The full report received an unmodified audit opinion excluding the Statement of Service Performance, however there was a qualified opinion on the Statement of Service Performance. In addition, and without further modifying the auditor's opinion, the auditor's report includes an Emphasis of Matter on the Government's three waters reform programme announcement. Copies are available from the Council on request (refer to back page for contact details).

This summary provides the key points extracted from the full annual report. As a summary it cannot be expected to provide a complete understanding of the performance of the Council for the year.

Contents

Ngā Ihirangi

Introduction	4
Kupu Whakataki	
Our Performance at a Glance	13
Hei Rarapa atu ki ā Mātou Mahi	
Summary of the Financial Statements	16
Whakarāpopoto Tauākī Ahumoni	
Summary Statement of Comprehensive Revenue and Expense	17
Te Tauākī Whakarāpopoto Whānui mō te Moni Whiwhi me te Moni Whakapau	
Statement of Changes in Ratepayers' Equity	18
Ngā Panonitanga Whaipānga Kaiutu Reiti	
Statement of Financial Position	18
Tauākī Ahumoni	
Statement of Cash Flows	18
Tauākī Kapewhiti Moni	
Funding Impact Statement for Whole of Council	19
Te Tauākī Pānga Tahua mō te Katoa o te Kaunihera	
Explanations for variances between the Council's actual results and the Council's budget for 2020-21	20
Hei whakamārama i ngā tangongitanga i waenga i ngā hua tahua tūturu a te Kaunihera me tana mahere pūtea mō te tau 2020-2021	
Revenue	20
Expenditure	20
Assets	22
Liabilities	22
Equity	23
Key Performance Measures Overview	24
Tirohanga Whānui ki ngā Paetohu Aromatawai Mātāmua	
Community Facilities and Services	24
Property	24
Regulatory Services	25
Community Support	26
Representation and Community Leadership	26
Land Transport	27
Solid Waste	27
Stormwater	28
Wastewater	28
Water Supply	29

Introduction

from the Mayor and Chief Executive

Te kupu whakataki a ngā Kaikaunihera me te Tumu Whakarae



Despite the ongoing threat of COVID-19, the Horowhenua has had an impressive year. Once a sleepy collection of towns, our region is thriving as more New Zealanders recognise the lifestyle benefits of living here.

Last year, projections from Sense Partners suggested our population could reach over 62,000 by 2041. Preparing for this growth was already a key focus of the Council in 2020 and many of the plans for new facilities, roading and other infrastructure have already been completed or commenced in the last year.

As one of the first movers to access the government's Provincial Growth Fund, we were able to upgrade the Manawātū River Loop. Three Pasifika churches in Horowhenua benefitted from renovations under the Fale Lotu Connections Project to make their buildings warmer and better equipped, and we repaired or added to roads around the region, including the realignment of Gladstone Road – work that has been eagerly anticipated by residents.

Council has been working with Waka Kotahi NZTA on the designation and design of the Ōtaki to North of Levin expressway, with construction commencing in 2025.

Water is also on the mind in Horowhenua. A new pond at Foxton's wastewater treatment plant will improve efficiency and we're already looking into designs for Levin's Alternate Water Source.

Our leisure facilities have been water-focussed too. Repairs and updates to the Levin Aquatics Centre hydroslide and Shannon Pool's plant room were completed, and feasibility studies for Foxton Pools, Levin Aquatic Centre and Jubilee Park paddling pool are already underway.

Housing, of course, is a key concern of any growing region, with a predicted 500 new dwellings needed

each year. That's what we set out to achieve while protecting the character and the Green-Flags-rated natural beauty of the Horowhenua.

We considered where we could welcome our new residents and saw strong engagement from our communities. We signed off funding and loan agreements with Crown Infrastructure Partners to provide the infrastructure enabling homes to be built in Tara-Ika, while planning in Foxton Beach, Ōhau and Manakau will also boost development. Development has begun in Tara-Ika, and the council processed and lodged more building consents in 2020 than ever before.

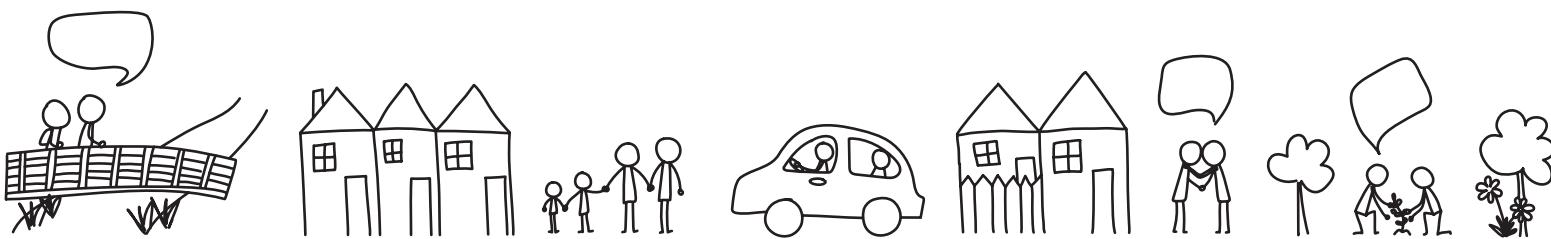
With these increased investments in capital projects, the supporting grants from the Crown, together with additional revenue from higher building activity, we have had the best financial result in 15 years. This is, in part, thanks to the additional funding secured via the Provincial Growth Fund for shovel-ready projects. The significantly higher surplus was due to grants received for capital projects and was used to help fund capital projects completed this year.

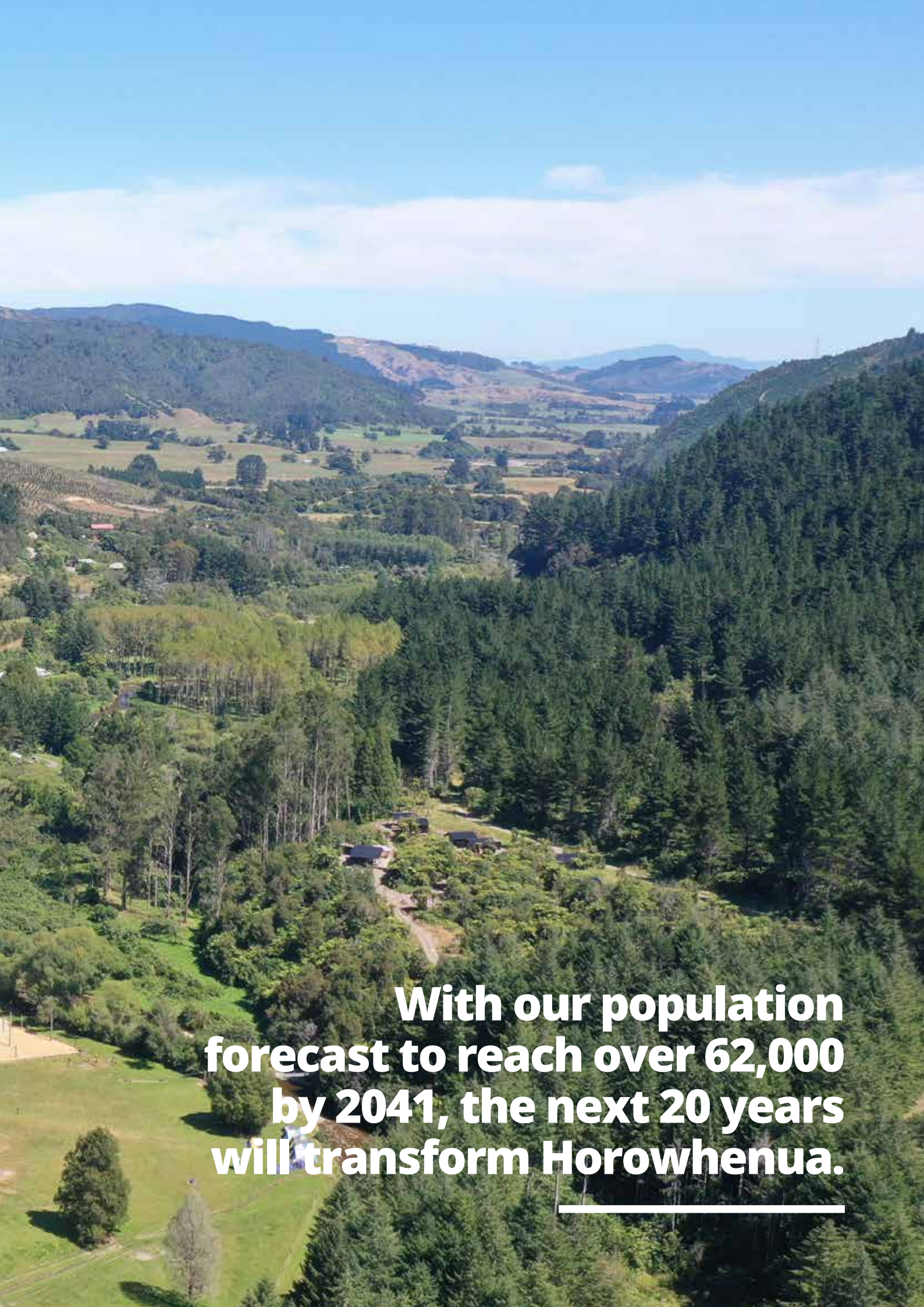
These new projects and the impacts of COVID-19 created growing demand on the Council, but we still saw service levels well maintained.

While financial performance and infrastructure development are the most visible signs of progress in Horowhenua, the true mark of success is the health and wellbeing of our people.

Again this year, we've seen communities in good heart, resilient and engaged.

Here is just some of what we achieved together.





**With our population
forecast to reach over 62,000
by 2041, the next 20 years
will transform Horowhenua.**

Huge achievements in a year of upheaval

Annual report executive summary

As with every community around the world, the Horowhenua District Council (HDC) and our region have faced the upheavals caused by COVID-19. While many of our people have felt these impacts deeply, the crisis has shown our region's resilience – with connected communities supported by new infrastructure, care for the environment and strong iwi partnerships, all on a stable financial footing.

Here are some of the things we have achieved together.



After a series of workshops and engagements with key stakeholders and elected members, we reviewed the HDC's Economic Development Strategy. That resulted in a refreshed and solidified Economic Development Implementation Plan, which will form the basis of negotiations for an economic services agreement in 2021/2022.

Also feeding into this was a Destination Management Plan developed alongside sector leaders and key stakeholders, with the support of Henley Hutchings.

The Mahi Space

We secured \$400,000 under the Provincial Growth Fund from Kānoa – Regional Economic Development & Investment Unit (Kānoa – REDIU), to establish The Mahi Space. The Mahi Space is a modern co-working space free for business people and small groups to use. It is designed to inspire entrepreneurship, support start-ups or small businesses and create an environment where people share knowledge, skills and information.

The Mahi Space office environment provides amenities such as fully equipped hot desks, secure Wi-Fi and flexible meeting spaces - people just need to bring their own devices.



We've been supporting and adding to the beauty of the Horowhenua region. We collaborated with Horizons Regional Council, iwi partners and Lake Horowhenua Trust to help secure funding for the Arawhata Wetland project, with Horizons Regional Council receiving a Government Grant of \$11.2m towards the initiative.

We reapplied for and were again awarded a Green Flag for Thomson House Gardens and Driscoll Reserve. We also gained a new Green Flag for Holben Reserve. Green Flags are international benchmarks for parks and open spaces.

With the future of the Levin landfill to be decided in 2022, a Project Management Group has been working towards providing elected members with the information they'll need to make a decision on when the landfill will close.

We also repaired and upgraded Foxton Beach Wharf together with the Department of Conservation and Manawatu Boating Club. This project was incredibly successful, coming in on time and within budget.



Horowhenua is growing. To meet demand, our district needs to build around 500 homes every year for the next decade. Many of those homes are likely to be built by developers in Tara-Ika, a 420-hectare block of land identified as a growth area. The rest will be spread across the district. This growth will need fit-for-purpose infrastructure.

Plans for new homes

Two Master Plans were adopted and district plan changes notified for Tara-Ika and Waitarere Beach, making provision for approximately 3,500 and 600 new dwellings respectively. Development is already underway – we signed off on the Tara-Ika funding and loan agreements with Crown Infrastructure Partners and completed construction of the first two milestones. Across the region last year, we processed a record high of over 800 building consents.

We have also been preparing a Master Plan for Foxton Beach allowing for approximately 600 new dwellings, and completed and adopted two Community Plans for Ōhau and Manakau.

Connecting with the Wellington Region and wider government

Working with the Wellington Regional Growth Framework, we've helped ensure that Horowhenua is part of the planning for growth in Wellington. Similarly, we contributed to the Regional Land Transport Plans for the Wellington and Horizons Regions.

The council also advocated for Horowhenua on key issues and needs for the district with Waka Kotahi - NZ Transport Agency (NZTA), Ministry of Business Innovation and Employment (MBIE), Kāinga Ora and Ministry of Education (MoE). These projects included Ōtaki to North of Levin Expressway (Ō2NL), Tara-Ika School, dedicated stormwater attenuation areas and the Z Energy Service Centre.

Provincial Growth Funding

We upgraded the Manawatū River Loop and Fale Lotu Church, with funds secured as shovel-ready under the Kānoa – REDIU Provincial Growth Funding agreements.

Improving our roads

We improved roads throughout Levin. This included renewing water pipes and failing pavement on Queen Street and adding a roundabout.

In Tokomaru, a 1.2 kilometre stretch of Ashlea Road is also being repaired, to improve it and reduce future maintenance costs.

Ō2NL aims to improve safety and accommodate future growth and has been well underway since 2017. Council has been working with Waka Kotahi NZTA on the designation and design of the Ōtaki to North of Levin expressway, with construction commencing in 2025.

We secured \$4,800,000 to urgently realign Gladstone Road after a landslip permanently closed it in June. The new road will be completed in 2022.

Improving our water

Over in Foxton, we added a pond at the wastewater treatment plant to improve efficiency. We also commenced investigations and concept designs for Levin's Alternate Water Source.

Better facilities for our community

We repaired and updated the Levin Aquatics Centre hydroslide stairwell. Opening in March, this facility has proven to be incredibly valuable to our community.

Council resolved to do a three-way feasibility study to explore future options for Foxton Pools, Levin Aquatic Centre and Jubilee Park paddling pool. Due to the urgency of the building issues, The Foxton Pools Feasibility Study was fast-tracked to inform the 2021 – 2041 Long term Plan which was completed in March 2021. This plan was adopted after the highest number of submissions on record.

Feasibility studies for Levin and Jubilee Park are in the final stages.

\$30,000 went towards maintaining Shannon School Pool's plant room, which provided safer chemical-dosing practices and improved the pool water quality for users. We also helped the Shannon School Board keep the pool open for the community outside of the summer season.



Connections to our region's Tangata Whenua are of paramount importance, both to honour our history and to secure our future.

This year, we continued to take steps towards strengthening those ties.

Growing internal understanding

Our Māori Culture Induction Toolkit, Tūhono ki Te Ao Māori, now helps council officers grow their understanding of Te Ao Māori and Te Reo Māori.

In this way, they can grow their affinity to the Māori culture and more readily participate in the Waiata Group.

Community events

In the community, we continued to make public signage bilingual and collaborated with iwi partners and community members to deliver a calendar of events celebrating Matariki. These events included karakia, stargazing, kapahaka, community kai, marae gala, weaving and photography.

Hosting The Waitangi Tribunal

On a landmark occasion, The Waitangi Tribunal heard claims at Te Awahou Nieuwe Stroom in Foxton. This historically significant event was the first of its kind for Horowhenua.



Core to our work is supporting the health and wellbeing of our communities, fostering connections and celebrating art, music and culture.

Arts and culture

We supported activities across the district to celebrate occasions including ANZAC, Pride, Matariki, Chinese New Year, Te Wiki o te Reo Māori | Māori language week, Samoan language week, Big Dutch Day Out, Diwali and Christmas. The arts were also championed, with 17 unique art exhibitions in Shannon, Te Awahou Nieuwe Stroom and Te Takeretanga o Kura-hau-pō.

Grants and support for community groups

Community Support Grants totalling \$160,000 were allocated to Horowhenua organisations including community patrols, crime prevention camera trusts, surf lifesaving clubs and other volunteer groups. These groups use the grants for operational costs, capital items, maintenance costs and community events.

Our Community Development team helped build the capacity of community groups, working with over 350 participants across 19 workshops. These were either free or by koha and ranged from governance training to parenting and first aid.

Refreshed wellbeing strategies and action plan

To deliver better outcomes for our community, we also adopted a refreshed Community Wellbeing Strategy, Community and Social Development Action Plan and Age-Friendly Communities Strategy.

Financially robust

Our credit rating with Standard and Poor's was upgraded from A+ Stable to A+ with a positive outlook. The positive outlook on Horowhenua reflects a one-in-three chance that we could further raise our ratings within the next two years. The Council's liquidity management appears to be improving, driving its debt-service coverage ratio sustainably higher, potentially reducing future refinancing risk.

Local Government New Zealand's CouncilMARK™ programme also gave Horowhenua District Council's performance a tick of approval in its second independent assessment. It indicated that the council displayed competence, maturity and improvement over three years, and was delivering good value for money to ratepayers.

Rates and affordability

As part of the finalisation of the Long Term Plan, the Councillors committed to a review of Council rates. We have begun a rating and affordability review which will look at how rates are shared across the district's ratepayers. This will consider the most fair and appropriate way to charge rates. We will consider what portion of a household's income is used to pay rates.

Caring for community through COVID-19

During the March/April 20 lockdown period, our Welfare Response team co-ordinated 301 welfare responses. Some 38% of these responses were for food, supplied by our local food banks, 15% were requests for financial assistance forwarded directly to the Ministry of Social Development and 14% required assistance to shop and deliver groceries. This was primarily covered by local voluntary organisations.



North

56

57

Ōpiki

Tokomaru

1

Foxton Wharf Upgrades

Green Flag Award at Foxton Beach's Holben/ Te Wharangi Reserve

Te Awahou /Foxton

Tokomaru roading

Foxton Beach

Foxton Beach Surf Club

Manawatū River Loop

Foxton Wastewater Treatment Plant

Queen Street West

Waitāre Beach

Horowhenua Aquatics and Hydroslide

Lake Punahau Horowhenua/ Arawhata Stream

Hokiō Beach

Levin La

Horowhenua



Achievements in the district



Manawatū River Loop

Work to rejuvenate the Manawatū River Loop is largely complete with 25,000 cubic metres of silt removed from the river and reconstruction of the riverbank. Amenities added include upgraded car park, pathways, new playground, BBQ and shelters, lighting and water fountains.



Tara-Ika Development

District Plan changes were notified for Tara-Ika, making provision for approximately 3,500 new dwellings. Signed-off funding and loan agreements with Crown Infrastructure Partners provided the infrastructure enabling homes to be built in Tara-Ika and completed construction of the first sewer and water main upgrades.



Foxton Wastewater Treatment Plant

A new pond, improvements and construction of the first phase of irrigation and Waste Water Treatment Plant (WWTP) changes have improved efficiency and set us up for meeting our 4 February 2022 consent deadline.



The Mahi Space

We secured \$400,000 under the Provincial Growth Fund from Kānoa REDIU, to establish The Mahi Space a free co-working space for business people and small groups with fully equipped conference room, spaces and hot-desking pods – people just need to bring their own devices.



Ō2NL

Council has been working with Waka Kotahi NZTA on the designation and design of the Ōtaki to North of Levin expressway, with construction commencing in 2025.



Lake Punahau Horowhenua/Arawhata Stream

We collaborated with Horizons Regional Council, iwi partners and Lake Horowhenua Trust to secure funding for the Arawhata Wetland project, with Horizons Regional Council receiving a Government Grant of \$11.2m towards the initiative.



Levin Landfill

The future of the Levin landfill will be decided in 2022. A Project Management Group has been working to provide elected members with the information they'll need to make a decision on when the landfill will close. Consultation will start soon.



Gladstone Road Realignment

We secured \$4,800,000 to realign Gladstone Road after a landslide permanently closed it in June. The new road will be completed in 2022.



Green Flag Award at Foxton Beach's Holben / Te Wharangi Reserve

Holben Reserve gained a new Green Flag, an international benchmark for parks and open spaces.



Horowhenua Aquatics and Hydroslide

We repaired and updated the Levin Aquatics Centre hydroslide, a facility proven to be incredibly valuable to our community.



Queen Street West

With support from the Kānoa - REDIU Provincial Growth Fund, we renewed water pipes and failing pavement on Queen Street and added a roundabout.



Levin Alternative Water Source

We commenced investigations and concept designs for Levin's Alternate Water Source.



Foxton Wharf Upgrades

Foxton Beach Wharf was repaired and upgraded working with the Department of Conservation and Manawatu Boating Club.



Tokomaru Roading

A 1.2 kilometre stretch of Ashlea Road in Tokomaru is being repaired, to improve it and reduce future maintenance costs.



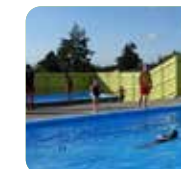
Foxton Beach Surf Club

With support from the Council, The Foxton Beach Surf Club underwent seismic strengthening and an upgrade of the building, including public toilets.



Roslyn Road

A major three-waters upgrade on Roslyn Road, new carriageway and shared pathway is complete. Council sought resource consent for new stormwater attenuation ponds.



Shannon

\$30,000 went towards maintaining Shannon Pool's plant room, which improved water quality and safer chemical-dosing practices. We helped the Shannon School Board keep the pool open for the community outside of the summer season.



Waikawa Beach

We partnered with local community groups and volunteers to plant indigenous plants to mitigate coastal erosion and the impacts of climate change.



COVID-19 response

During lockdowns, our Welfare Response team co-ordinated 301 welfare responses, 38% being requests for food, 15% for financial assistance and 14% for assistance with accessing groceries.

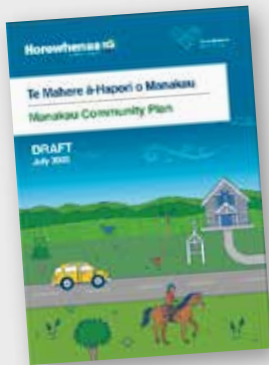


Matariki Celebrations

In partnership with Muaūpoko and Ngāti Raukawa ki Te Tonga, we held a Matariki events programme between 2-18 July, which promoted the history and stories of Matariki. Celebrations were varied and included a Community Kai with hangi, Kapa Haka and Matariki Day Out. Community attendees numbered over 1,000 across events and ranged from pre-schoolers to kaumatua.

Future Focused achievements

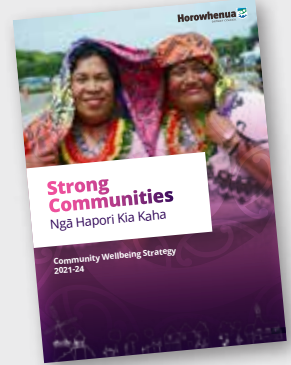
While a big part of what we've achieved happens in the financial year, many things that span across years and generations and require strategic direction, future thought and planning. Below are some examples of the mahi that sets our district up for the future.



**Manakau
Community Plan**



**Ōhau
Community Plan**



**Community
Wellbeing Strategy**



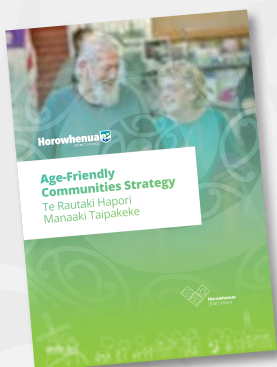
**Destination
Development and
Management Plan**



**Foxton Pools
Feasibility Study**



Community Funding



Age-friendly Strategy



**Rates &
Affordability Study**



**Standard & Poors
Credit Rating**

Our Performance at a Glance

Hei Rarapa atu ki ā Mātou Mahi

Regulatory Services

Ngā Ratonga Whakariterite ā-Ture

This delivery arm of Council provides advice, consenting services, assessment, education, compliance, and enforcement, as well as the implementation and enforcement of plans, bylaws, and policies needed to protect the health and safety of the community and the environment we live in.

Capital Expenditure

\$52k

0% of total

Operating Expenditure*

\$4,941k

10% of total

Source of operating funding

Rates

Non-rates

41%

59%

Performance measure results

Achieved

Not achieved

Did not measure

✓✓✓✓✓

✗✗✗✗✗

2

Community Support

Te Tautāwhi i te Hapori

This comprises activities that provide for the community's social and economic wellbeing including ensuring that the community can respond to and recover from an emergency event, providing support, grants and funding to community groups, providing visitor information and encouraging economic development within this District.

Capital Expenditure

\$9k

0% of total

Operating Expenditure*

\$2,984k

6% of total

Source of operating funding

Rates

Non-rates

90%

10%

Performance measure results

Achieved

Not achieved

✓✓✓✓✓✓✓✓

✗✗✗✗✗

Community Facilities and Services

Ngā Taiwhanga ā-Rēhia me ngā

We provide assets and support for locals and visitors to the District to enjoy our open spaces. These assets enable activities that are largely passive or active leisure-based pursuits which involve the community from casual participation through to clubs and associations organised on a national level.

Capital Expenditure

\$3,594k

11% of total

Operating Expenditure*

\$14,174k

30% of total

Source of operating funding

Rates

Non-rates

76%

24%

Performance measure results

Achieved

Not achieved

✓✓✓✓✓✓✓✓

✗✗

Property

Ngā Rawa

This supports all activities of Council that are dependent on physical land and buildings. Council holds a selection of property assets to support the delivery of its activities and also contribute to the wellbeing of the community. This ranges from direct support, e.g. provision of a community centre, to indirect support, e.g. through investment and endowment property which contributes revenue to rates or facilities.

Capital Expenditure

\$3,108k

10% of total

Operating Expenditure*

\$1,624k

3% of total

Source of operating funding

Rates

Non-rates

60%

40%

Performance measure results

Achieved

✓✓

Representation and Community Leadership

Te Whakakanohi me te Hautū i te Hapori

How Council meets its responsibility to represent the community, provide leadership for the community and involve it in decision-making processes and long-term strategic planning.

Capital Expenditure

\$1k

0% of total

Operating Expenditure*

\$7,069k

15% of total

Source of operating funding

Rates

Non-rates

71%

29%

Performance measure results

Achieved

Not achieved

Did not measure - LTP adopted in previous financial year.

✓✓✓✓✓

✗✗✗

Land Transport

Ngā Ara Whenua

Land Transport lets pedestrians and vehicles safely and efficiently move from place to place within the district or pass through the district. The land transport network of assets allows residents to move to and from work, school, social and recreation destinations by foot or by vehicle, and enables businesses to run by allowing the exchange of goods and services from location to location.

Capital Expenditure

\$9,525k

30% of total

Operating Expenditure*

\$3,597k

8% of total

Source of operating funding

Rates

Non-rates

55%

45%

Performance measure results

Achieved

Not achieved

✓✓✓✓✓

✗

Storm Water

Te Pūnaha Wai Ua

Stormwater is collected from roads and is diverted into natural water courses or piped drain systems. The provision of stormwater disposal helps to prevent the occurrence of flooding in urban areas during rainfall events by draining water from roads and private property and conveying it to larger natural water courses.

Capital Expenditure

\$2,014k

6% of total

Operating Expenditure*

\$944k

2% of total

Source of operating funding

Rates

Non-rates

100%

Performance measure results

Achieved

Not achieved

✓✓✓✓✓✓

✗

Solid Waste

Te Para Totoka

We collect and safely dispose of residential and commercial solid waste. Council also provides education to the community on how to reduce total solid waste output.

Capital Expenditure

\$121k

0% of total

Operating Expenditure*

\$4,060k

8% of total

Source of operating funding

Rates

Non-rates

42%

58%

Performance measure results

Achieved

Not achieved

Did not measure

✓✓✓✓

✗✗✗✗✗✗

1

Water Supply

Te Whakarato Wai Māori

A safe and reliable supply of water goes to residential, industrial and commercial properties (primarily in urban areas) This supply also provides fire-fighting capability. An uninterrupted water supply ensures that residential areas have access to clean domestic water essential for basic health and hygiene.

Capital Expenditure

\$3,123k

10% of total

Operating Expenditure*

\$4,501k

9% of total

Source of operating funding

Rates

Non-rates

97%

3%

Performance measure results

Achieved

Not achieved

Did not measure

✓✓✓✓✓✓✓✓

✗✗

1

Waste Water

Te Pūnaha Wai Para

Collecting wastewater from residential, industrial and commercial properties (primarily in urban areas), Council then treats it and discharges the treated (i.e. clean) wastewater onto land or into waterways. The collection, transportation, treatment, and safe discharge of wastewater from urban properties ensures a basic level of health; by continually removing potentially hazardous waste from populated urban environments and cleaning this waste before discharging it into a receiving environment.

Capital Expenditure

\$9,761k

31% of total

Operating Expenditure*

\$4,798k

10% of total

Source of operating funding

Rates

Non-rates

83%

17%

Performance measure results

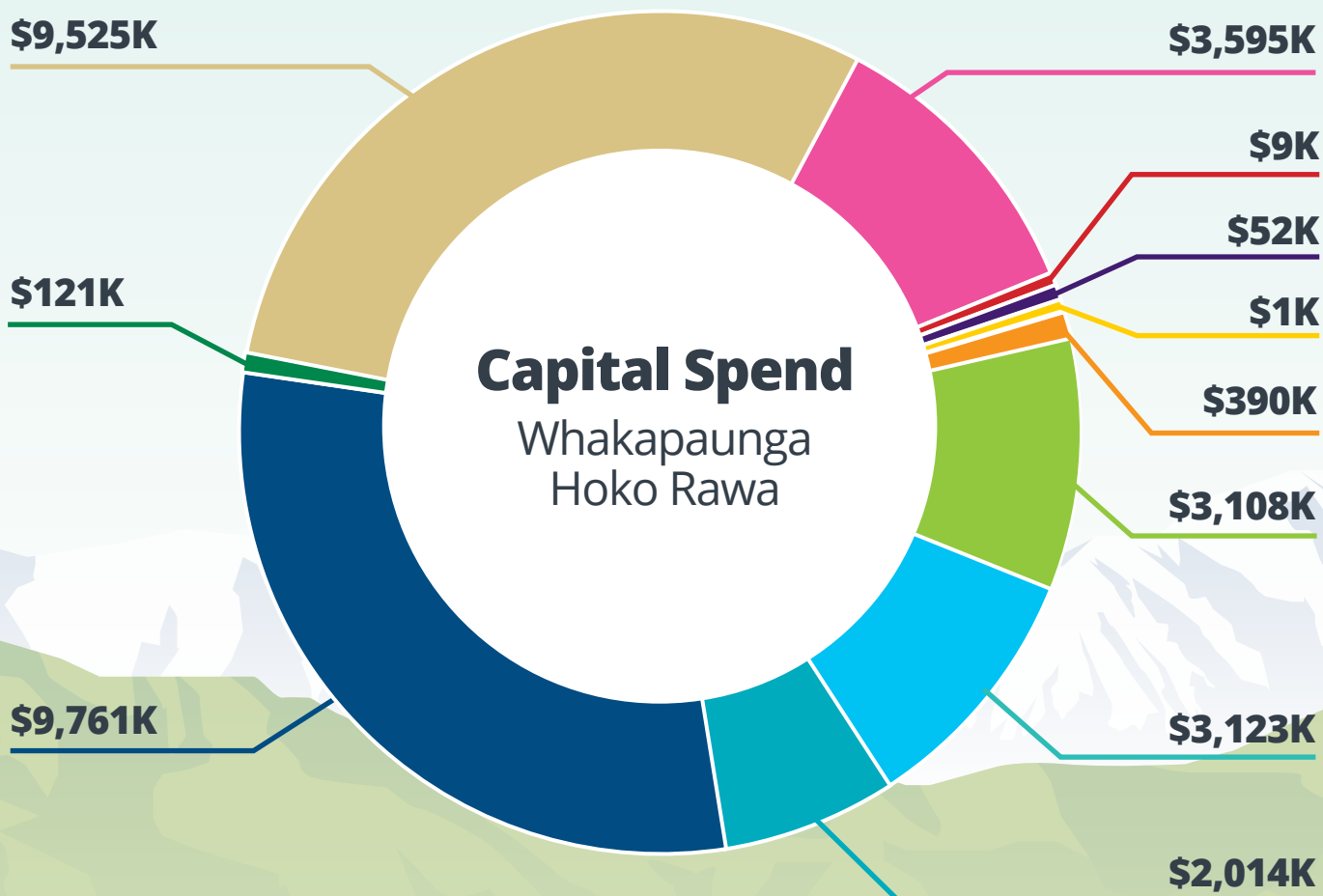
Achieved

Not achieved

✓✓✓✓✓

✗

* opex shown here excludes depreciation



Key



Property
Ngā Rawa



Water Supply
Te Whakarato Wai Māori



Storm Water
Te Pūnaha Wai Ua



Waste Water
Te Pūnaha Wai Para



Solid Waste
Te Para Totoka



Land Transport
Ngā Ara Whenua



Community Facilities and Services
Ngā Taiwhanga ā-Rēhia me ngā



Community Support
Te Tautāwhi i te Hapori



Regulatory Services
Ngā Ratonga Whakariterite ā-Ture



Representation and Community Leadership
Te Whakakanohi me te Hautū i te Hapori



Treasury and Support
Te Ahumoni me te Mahi Whakahaere

\$3,597K

\$4,060K

\$4,798K

\$944K

\$4,501K

\$1,624K

-\$822K

\$14,174K

\$2,984K

\$4,941K

\$7,069K

Operating Expenditure

Moni Whakahaere

\$39,269K

Rates

\$19,651K

Subsidies & Grants

\$4,341K

Fees & Charges

\$2,000

Debt

\$14,308

Others

How capital and operating expenditure was paid for

Summary of the Financial Statements

Whakarapopoto Tauak Ahumoni

These summary statements cover the Horowhenua District Council (Council) and the Horowhenua District Council Group comprising the Council and Shannon Community Development Trust (Group).

The primary objective of Horowhenua District Council is to provide local infrastructure, local public service, and perform regulatory functions for the community for social benefit rather than making a financial return.

Accordingly, Council has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The full financial statements of Council and the Group have been prepared in accordance with and are fully compliant with Tier 1 PBE accounting standards.

Council's summary annual report complies with PBE FRS 43 Summary Financial Statements.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's).

The summary financial statements of Council are for the year ended 30 June 2021. The full annual report was authorised for issue by Council on 16 December 2021.

Council is required to make the annual report and summary publicly available within one month after adoption. This was not achieved because of delays due to the Christmas break.

The full report received an unmodified audit opinion excluding the Statement of Service Performance, however there was a qualified opinion on the Statement of Service Performance. In addition, and without further modifying the auditor's opinion, the auditor's report includes an Emphasis of Matter on the Government's three waters reform programme announcement. Copies are available from the Council on request (refer to back page for contact details).

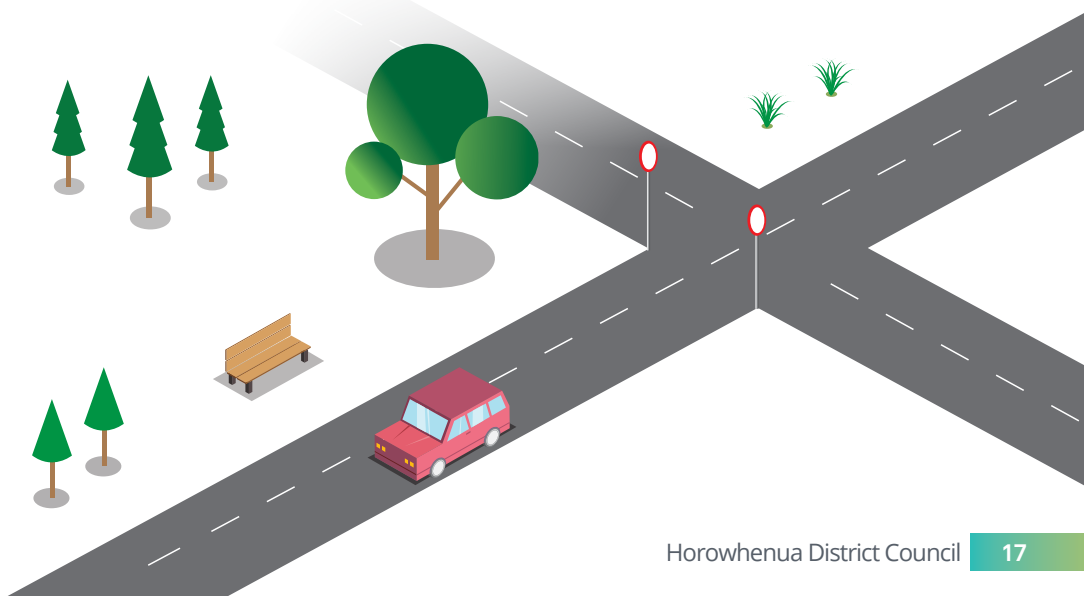


Summary Statement of Comprehensive Revenue and Expense

Te Tauākī Whakarāpopoto Whānui mō te Moni Whiwhi me te Moni Whakapau

For the year ended 30 June 2021

	Note	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000
Revenue						
Rates revenue		39,268	39,684	40,386	39,268	40,386
Other revenue	1	32,833	20,728	15,848	32,840	15,858
Total income		72,101	60,412	56,234	72,108	56,244
Expenditure						
Finance costs	1	2,565	3,202	3,343	2,565	3,343
Other expenses	2	60,615	54,511	58,085	60,622	58,087
Total expenses		63,180	57,713	61,428	63,187	61,430
Operating surplus / (deficit) before tax		8,921	2,699	(5,194)	8,921	(5,186)
Income tax expense		-	-	36	-	36
Operating surplus / (deficit) after tax		8,921	2,699	(5,230)	8,921	(5,222)
Write back of revaluation losses on land and buildings						
Surplus / (deficit) attributable to: Horowhenua District Council		8,921	2,699	(5,230)	8,921	(5,222)
Other Comprehensive Income						
Gain / (loss) on infrastructural assets revaluations		16,451	5,472	106,629	16,451	106,629
Gain / (loss) on operational assets revaluation		-	-	4,731	-	4,731
Gain / (loss) on restricted assets revaluation		-	-	13,849	-	13,849
Total other comprehensive revenue and expense for the year		16,451	5,472	125,209	16,451	125,209
Total Comprehensive Income for the year		25,372	8,171	119,979	25,372	119,987
Total comprehensive revenue and expense attributable to Horowhenua District Council		25,372	8,171	119,979	25,372	119,987



Summary Statement of Changes in Ratepayer's Equity

Ngā Panonitanga Whaipānga Kaiutu Reiti

For the year ended 30 June 2021

	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000
Equity at 1 July	591,064	469,543	471,085	591,440	471,453
Total Comprehensive Income	25,372	8,171	119,979	25,372	119,987
Equity at 30 June	616,436	477,714	591,064	616,812	591,440

Summary Statement of Financial Position

Tauākī Ahumoni

The assets and liabilities as at 30 June 2021

	Note	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000
Assets						
Current	4	18,450	25,175	26,871	18,475	26,895
Non-current	5	731,004	586,524	695,502	731,004	695,502
Total assets		749,454	611,699	722,373	749,479	722,397
Liabilities and ratepayers' equity						
Current	6	46,102	34,950	50,527	45,751	50,175
Non-current	7	86,916	99,035	80,782	86,916	80,782
Total liabilities		133,018	133,985	131,309	132,667	130,957
Ratepayers' equity		616,436	477,714	591,064	616,812	591,440
Total liabilities and ratepayers' equity		749,454	611,699	722,373	749,479	722,397

Summary Statement of Cash Flows

Tauākī Kapewhiti Moni

The inflows and outflows of cash for the Year Ended 30 June 2021

	Note	Council Actual \$ 30 June 2021 \$000	Council Budget \$ 30 June 2021 \$000	Council Actual \$ 30 June 2020 \$000	Group Actual \$ 30 June 2021 \$000	Group Actual \$ 30 June 2020 \$000
Net cash flows from:						
Operating activities		20,632	17,547	14,198	20,632	14,204
Investing activities		(29,122)	(25,607)	(16,787)	(29,122)	(16,787)
Financing activities		2,000	9,325	10,000	2,000	10,000
Net increase in cash and bank		(6,490)	1,265	7,411	(6,490)	7,417
Cash and cash equivalents at the beginning of the year		15,892	11,770	8,481	15,916	8,499
Cash and cash equivalents at the end of the year		9,402	13,035	15,892	9,426	15,916

Funding Impact Statement for Whole of Council

Te Tauāki Pānga Tahua mō te Katoa o te Kaunihera

For the year ended 30 June 2020

	Annual Report 2020 \$000	Annual Plan Forecast 2020 \$000	Annual Plan Forecast 2021 \$000	Actual 2021 \$000	Variance 2021 \$000
Sources of operating funding					
General rates, uniform annual general charges, rates penalties	10,501	10,456	10,379	10,305	(74)
Targeted rates	29,886	29,644	29,305	28,964	(341)
Subsidies and grants for operating purposes	1,998	1,773	2,104	6,778	4,674
Fees and charges	4,857	5,011	4,551	4,341	(210)
Interest and dividends from investments	370	209	206	111	(95)
Local authorities fuel tax, fines, infringement fees, and other receipts	4,006	4,026	3,191	4,240	1,049
Total operating funding (A)	51,618	51,119	49,736	54,739	5,003
Applications of operating funding					
Payments to staff and suppliers	40,536	40,102	39,663	45,305	(5,642)
Finance costs	3,343	3,870	3,202	2,565	637
Other operating funding applications	-	-	-	-	-
Total applications of operating funding (B)	43,879	43,972	42,865	47,870	(5,005)
Surplus (deficit) of operating funding (A-B)	7,739	7,147	6,871	6,869	(2)
Sources of capital funding					
Subsidies and grants for capital expenditure	3,039	4,689	10,676	12,873	2,197
Development and financial contributions	-	-	-	-	-
Increase (decrease) in debt	10,000	13,813	9,325	2,000	(7,325)
Gross proceeds from sale of assets	5,302	7000	5,000	2,040	(2,960)
Lump sum contributions	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-
Total sources of capital funding (C)	18,341	25,502	25,001	16,913	(8,088)
Applications of capital funding					
Capital expenditure					
- to meet additional demand	1,079	2,112	2,000	2,616	(616)
- to improve the level of service	9,219	15,987	16,182	18,211	(2,029)
- to replace existing assets	7,596	14,550	12,425	10,872	1,553
Increase (decrease) in reserves	12,985	-	1,265	(7,994)	9,259
Increase (decrease) of investments	(4,799)	-	-	77	(77)
Total applications of capital funding (D)	26,080	32,649	31,872	23,782	8,090
Surplus (deficit) of capital funding (C-D)	(7,739)	(7,147)	(6,871)	(6,869)	(2)
Funding balance ((A-B)+(C-D))	-	-	-	-	-
Depreciation	14,516	14,448	14,848	15,399	(551)

Loans	External \$000
Loans as at 1/07/2020	106,000
Raised during year	53,000
Repaid During Year	(51,000)
Loans as at 30/06/2021	108,000
Interest expense	2,565

Explanations for variances between the Council's actual results and the Council's budget for 2020/21

Hei whakamārama i ngā tangongitanga i waenga i ngā hua tahua tūturu a te Kaunihera me tana mahere pūtea mō te tau 2020-2021

Summary Statement of Comprehensive Revenue and Expense

Te Tauākī Whakarāpopoto Whānui mō te Moni Whiwhi me te Moni Whakapau

Revenue

Grants and subsidies

The additional \$6.8m revenue received primarily relates to additional unbudgeted operational PGF funding received on behalf of Fale Lotu Connections for local church upgrades that Council is managing on behalf of the local churches (\$1.4m), and capital funding for the Queen St upgrades (\$1.7m), Three Waters Stimulus funding (\$2.2m), and Crown funding towards the Tara-Ika Growth projects (\$2.0m).

Finance income

The lower income of \$93k is due to not prefunding our loans as planned. This is offset by lower finance costs.

Other revenue

The additional income of \$1.049m is to higher planning and consenting income (\$500k) due to higher than forecast growth, additional revenue in Community Facilities and Services (\$150k), correction of prior year (\$237k) and other items across the business.

Gains on derivative financial instruments

This is an unrealised gain on valuation of Council's interest rate derivatives. This reflects the fact that the Council's future interest cash payments will be lower than the variable market rates prevailing at the point in time those cash payments are made.

Vested assets

The vested assets income of \$2.6m relates to infrastructure assets vested to the Council as part of the subdivision process due to growth.

Expenditure

Depreciation

The additional depreciation expense of \$552k is due to the higher than forecast increase in the value of the three waters assets following the independent revaluation completed as of 1 July 2020.

Finance costs

The lower finance costs of \$637k relates to lower interest rates than planned.

Other losses

This is due to the sale of some industrial land owned by Council in Roe Street Levin to the Horowhenua NZ Trust (HNZT) for economic development purposes.

Decrease in landfill provision

This reduced expenditure reflecting the reassessment of the landfill provision. The decrease is due to the increase in discount rate published by the Reserve Bank of New Zealand.



Other expenses

The additional expenditure of \$5.7m includes:

- \$1.4m in spending for the grant received from the Provincial Growth Fund on behalf of the Free Church of Tonga, Samoan Methodist Church, and the Congregational Christian Church of Samoa received as part of the Fale Lotu Connections Project. This project was fully funded.
- The solid waste activity has incurred additional spending of \$751k which relates to consulting fees and Project Management Group (PMG) expenses to meet the conditions of the Hōkio Environmental Kaitiaki Alliance (HEKA) landfill agreement, including the robust analysis required to inform the PMG on the decision of whether the landfill should close early and related requirements for remediation of the site. It also includes Consultancy fees for the preparation of a business case for the future of the landfill and its operations that include scanning wider aspects that affect Council and the community.
- \$2.0m of expenditure for the Provincial Growth Fund (PGF) funded phase 1 of the shovel ready Manawatū River Loop at Foxton project. This project was originally budgeted as a capex project however \$2.0m of the work is treated as operational as it related to work along the river which is not owned by Council.
- Lower labour recoveries for capital projects unfavourable variance of \$833k reflecting the lower staff time allocated to projects.



Summary Statement of Financial Position

Tauāki Ahumoni

Assets

Cash and cash equivalents

The lower cash budget is due to more capital spending during 2020/21 than estimated when the annual plan was set.

Debtors and other receivables

The debtors and other receivables budget is based on previous year balances.

Other financial assets

The budget relates to inventories held and a term deposit. Any term deposits at year end are classified as cash and cash equivalents.

Non-current assets for sale

Sale of properties delayed until a report on surplus properties could be presented to Council.

Plant, property and equipment assets

The significant increase in value of the assets relates to the three waters asset revaluation. This was higher than originally forecast in the Annual Plan.

Forestry assets

The increase is due to the forestry revaluation and additional planting around the wastewater treatment facility in Levin.

Liabilities

Payables and deferred revenue

The increase is due to additional payables resulting from the significant capital programme completed near year-end.

Total borrowings

The overall lower borrowings is due to a higher payables balance at year end.

Derivative financial instruments

The lower derivative liability is due to the increase in long term interest rates.

Equity

Revaluation Reserves

The significant increase in value of the assets relates to the three waters asset revaluation being higher than forecast. This is due to significant market increases after the budget was set.

Contingent liabilities

Contingent liabilities are dependent on future events and are summarised as:

Joint guarantor with other shareholder councils for all New Zealand Local Government Funding Agency borrowing of \$13,610m (2020; \$11,908m).

A condition of the sale of residential housing to Compassion Horowhenua was that the suspensory loan from Housing NZ to build the Cambridge St flats will transfer to Sisters of Compassion but Council will issue security stock as guarantee for the loan. The maximum financial exposure the Council is open to is \$5.219m.

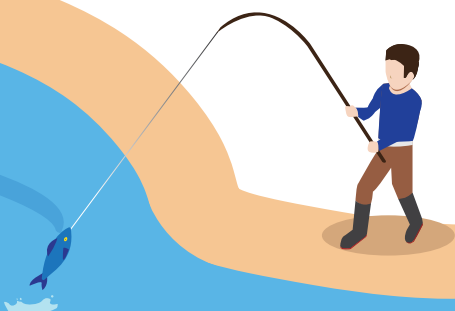
Several on-going legal proceedings with maximum financial exposure is anticipated to be \$200,000-\$300,000.

Lease provisions: Buyback of fixtures and improvements included in leases with Waitārere Beach Motor Camp and Levin Holiday Park estimated at \$1,145,000.

Weather-tight home claims: Council has one live claim. While the claim has been accepted and Council is liable for 25% of costs the actual costs are not yet quantified.

Contingent assets

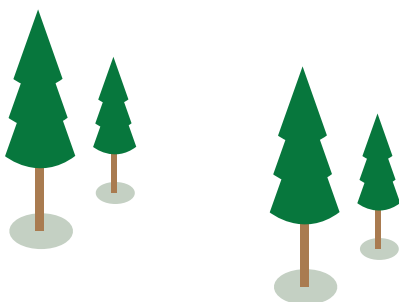
24 facilities owned by sports clubs and community groups (third parties) across the District are on land owned by Council. The third parties control the use of the facility. However, Council will gain control of the asset in the event of the third party vacating the facility. The assets are not recognised as Council assets until they are vacated by the third party and as of 30 June 2021 the 24 facilities were valued at \$20.56m.



Events after the balance date

On 27 October 2021, the Local Government Minister announced that central government will proceed with the three waters service delivery reforms using a legislated “all in” approach. The three waters reform involves the creation of four statutory water services entities to be responsible for the service delivery and infrastructure from local authorities from 1 July 2024. There is still a number of uncertainties associated with the new three waters delivery model including the mechanism for how assets will be transferred to the newly established entities, and the control and governance of these entities. Notwithstanding the current uncertainty the announcement once legislated will mean Council is no longer responsible for the delivery and infrastructure of three water services from 1 July 2024.

Council is currently reviewing the future of the Levin Landfill. By way of resolution of Council on 10 November 2021, Council resolved that the preferred option for the Future of the Levin Landfill for the purpose of Public Consultation was that Council closes the Levin Landfill in 2022. Council formally adopted the statement of proposal on 24 November 2021 so that public consultation can begin. The agreed consultation period is from 30 November 2021 to 31 January 2022.



COVID-19 impact disclosure

COVID-19 Disclosure Due to the unique circumstances that have faced New Zealand (and the world) over the past 18 months, the Council has continued to recover from COVID-19 and contribute to the district’s economic and social recovery.

Whilst the impact of COVID-19 on some of Council’s facilities revenue has been significant, as Council provides a wide range of services and facilities to residents, due to the nature of these services, there have been no noticeable impacts to service delivery results due to COVID-19 lockdown as the services continue to operate, despite lower numbers.

The financial statements presented in this report include the direct and indirect impact from the changes in alert levels due to the global coronavirus pandemic (COVID-19). The Council and its subsidiaries continued to be impacted to varying degrees both financially and non-financially due to on-going supply chain constraints, increased costs and border closures. There has also been an increase to the Council’s credit rating from Standards and Poors to a positive outlook.

A summary of the COVID-19 impacts are as follows:

Impact on parent financial performance Council recorded lower revenue in its sports and recreation facilities but building consenting remained at an elevated level. Increased expenditure relates to additional cleaning required.

Financial position – The Council has seen an increase of 3% in the level of rates debtors, however we are working to ensure this level reduces.

Notes to the financial statements financial statements – notes to the financial statements non-financial performance as with its financial performance, service performance measures rebounded in the 2020/21 year.



Key Performance Measures Overview

Tirohanga Whānui ki ngā Paetohu Aromatawai Mātāmua



Community Facilities and Services Ngā Taiwhanga ā-Rēhia me ngā Ratonga Hapori

	Target	Achieved/ Not achieved
Playground facilities comply with relevant standards.	100%	✓ 100% of playground facilities complied.
Number of uses per fortnight for the Levin, Foxton and Shannon Halls.	10	✓ Total = 427 times (an average of 16.42 times per fortnight).
Percentage of time that sport grounds are available for use during their opening hours.	95%	✓ 98.21% of sports grounds were available for use during their opening hours. Playford Park #1 was closed for weekday training for 3 weeks due to wet turf surface.
High-quality Swim School operates at Levin and Foxton Aquatic Centres.	≥400 participants per term	✓ As at 30 June 2021, Term Three = 454 Term Four = 605 Term One (2021) = 611 Term Two (2021) = 551
Compliance with relevant standards including Pool Safe Accreditation.	100%	✓ Both Foxton and Levin pools have received Pool Safe Accreditation.
Percentage of Aquatic Centre customers satisfied, based on the Annual Customer Satisfaction Survey.	≥90% satisfied	✓ Satisfaction rates are: 94% overall satisfied
Percentage of residents and non-residents satisfied with library and community services.	>90%	✗ 90% of users and non-users were satisfied.
Number of booking counts for community facilities.	≥1,200	✓ 1,447 bookings.
Number of programmes delivered in Levin, Foxton and Shannon that enhance wellbeing.	Levin: ≥60 Foxton: ≥30 Shannon: ≥10	✓ Levin: 443 Foxton: 60 Shannon: 98



Property Ngā Rawa

	Target	Achieved/ Not achieved
All buildings with compliance schedules will have current building warrant of fitness (BWOF).	Achieved	✓ All Council buildings with Compliance Schedules have current BWOFs. All specified systems including fire alarms have been maintained and inspected in accordance with the compliance schedule. This meets the requirement of the Building Act 2004.
Facilities availability (hrs) and hire charges by annual review.	8 hours per day and reviewed annually	✓ Council has three Memorial Hall facilities available for hire. All were available for hire for at least 8 hours per day.



Regulatory Services Ngā Ratonga Whakariterite ā-Ture

	Target	Achieved/ Not achieved
Applications under the Resource Management Act processed within statutory timeframes.	100%	<div> <div>✗</div> <div> 294 applications. 276 approved within time. 18 processed outside of timeframe. </div> </div>
Known and reported instances of non-compliance with the District Plan and any resource consents responded to and appropriate action taken.	100% responded to within five working days	<div> <div>✗</div> <div> 77 The RMA monitoring and compliance role has been vacant since December 2020 creating delay in officer responses. </div> </div>
Noise complaints services provided all year round and 90% of complaints responded to within 60 minutes.	90% of complaints	<div> <div>✓</div> <div> 1,781 complaints received. 95% responded to within 60 minutes. </div> </div>
All parking restricted areas in Levin monitored each working day.	100% of all restricted car parks	<div> <div>✓</div> <div> Enforcement has been conducted each working day either by way of Parking Warden monitoring and enforcement or via wider regulatory compliance staff's remote monitoring and enforcement. </div> </div>
Reported cases of illegal building work responded to within five working days.	100% of cases	<div> <div>✗</div> <div> 15 reported instances were received by Council. </div> </div>
Percentage of private swimming pools on register inspected annually for compliance.	33% of private swimming pools are inspected	<div> <div>✓</div> <div> 295 pools are on the register. 33% were inspected. </div> </div>
Council will maintain its accredited status as a Building Consent Authority.	Achieved	<div> <div>✓</div> <div> As at 30 June 2021. A re-assessment of Council's IANZ accreditation was held in April 2021. </div> </div>
Food businesses operating under the Food Act 2014 verified at the frequency determined by the Food Regulations 2015.	100%	<div> <div>✗</div> <div> 99% of the 127 food businesses operating a MPI template food control plan, 1 was not verified at the time. </div> </div>
Percentage of premises inspected annually to check for compliance with their licence conditions.	100%	<div> <div>✓</div> <div> 71 licensed premises. 71 operative licences exist. 100% were inspected. </div> </div>
Percentage of reported instances of non-compliance and dog nuisance responded to.	100%	<div> <div>✓</div> <div> 1,030 complaints were received. 100% were responded to. </div> </div>
Public safety bylaws: percentage of reported non-compliances and complaints responded to within five working days.	100%	<div> <div>✓</div> <div> 125 complaints were received. 100% were responded to within five working days. </div> </div>
Number of months in which all building consent applications are processed within 20 working days or less	Not Achieved	<div> <div>✗</div> <div> 820 build consents granted. 7 consents processed outside statutory timeframe. 7 out of 12 months achieved </div> </div>



Community Support Te Tautāwhi i te Hapori

	Target	Achieved/ Not achieved
Number of Community Wellbeing Executive meetings per year.	≥5	✗ 3 Community Wellbeing Committee meetings were held.
Number of Education Horowhenua meetings per year.	≥4	✓ 6 Education Horowhenua meetings were held.
Annual visitor numbers to Council's two i-Site centres	≥10,000	✓ 25,613 over both i-site centres.
Percentage of satisfaction with Capacity and Capability Building Programme workshops or training.	≥85%	✓ 100% satisfied.
Number of individuals participating in Capacity and Capability Building Programme workshops or training over the year.	≥150 people	✓ 358 individuals have participated in Capacity and Capability Building Programme workshops or training.
The Horowhenua New Zealand Trust is charged with providing economic development and services.	≥10 meetings per year	✓ 11 meetings were held.
Percentage of the District's business community that is satisfied or more than satisfied with the Council's overall performance in the economic development activity.	>75%	✗ 48% of the district's business community was satisfied with the performance of Economic Development Activity.



Representation and Community Leadership Te Whakakanohi me te Hautū i te Hapori

	Target	Achieved/ Not achieved
Number of successful challenges to Council's decision-making processes.	0	✓ There have been no successful challenges to Council's decision-making processes.
Percentage of residential and non-residential ratepayers who are satisfied with the way the Council involves the public in its decision-making.	>50%	✗ 38% are satisfied.
Local Government Official Information and Meetings Act (LGOIMAs) requests and response.	All are responded to within 20 working days	✗ 209 LGOIMAs were received, of these: 170 were responded to on time, 1 was withdrawn, 17 were sent late. 21 LGOIMA requests remain open
The Annual Report will include an unqualified audit opinion.	Achieved	✗ The Annual Report was adopted on 17 December 2020. However the report was qualified due to Council not counting complaints in accordance with the DIA guidance and that the Council's method of counting was likely to have understated the actual number of complaints received both in the current year and in the comparative year to 30 June 2019. Complete records for all complaints made to the Council were not available and Audit New Zealand were unable to determine whether the Council's reported results for these performance measures were materially correct. As a result, the auditor's work was limited and there were no practicable audit procedures the auditors could apply to obtain assurance over the number of complaints reported against these performance measures.



Land Transport Ngā Ara Whenua

	Target	Achieved/ Not achieved
A safe road network.	0% change or less from previous year	✓ The number of fatal or serious injury crashes decreased by 7 crashes. In the 2020/21 year the crashes were made up of: <ul style="list-style-type: none"> • There were 2 crashes causing death or serious injury in 2020/21, down from 9 in 2019/20.
The average quality of ride on a sealed local road network measured by smooth travel exposure.	85% minimum	✓ 92% of travel on roads smoother than the threshold for all traffic groupings.
Percentage of the sealed local road network that is resurfaced annually.	5% minimum of total area	✓ Reseal minimum of 5% of total surface area achieved in 2019/20.
Target footpath condition rating (% compliant with Councils standards).	30% minimum in excellent condition and maximum of 10% in poor condition	✗ 15% of footpaths in the district are in excellent condition. Less than 10% are in poor condition.
Percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.	>95%	✓ 1,633 Customer service requests were received. 96.3% of requests responded to within 15 working days.



Solid Waste Te Para Totoka

	Target	Achieved/ Not achieved
Quantity of waste going to landfill per person per year	≤400kg per person per year	✗ An average of 660kg of waste per person based on an estimated population of 35,000. In all 23,105 tonnes of waste was produced and disposed of by residents.
The number of odour complaints and reports of solid waste in or around the waste transfer stations and recycling stations.	Less than 4 a month	✓ 0 per month (1 in total) – Waster Transfer stations. 0 per month (4 in total) – Recycling stations.
Time requests regarding solid waste activity are responded to.	Within three working days	✗ 1,201 service requests received. 1,182 (98%) of these were responded to within three days.
Solid waste management - the number of abatement and infringement notices, enforcement orders and convictions received from Horizons Regional Council.	0	✗ 1 infringement note was recieved as part of the 19 Dec-31 Dec 2020 compliance report.
Complaints about non-collection or kerbside recycling and refuse.	<6 per month	✗ 20.67 complaints per month – kerbside recycling. 6.66 complaints – kerbside refuse.
Percentage of customers satisfied with their recycling and refuse collections, based on the Annual Customer Satisfaction Survey.	≥80%	✗ 69% satisfied with kerbside recycling. 62% satisfied with kerbside refuse collection.



Stormwater Te Pūnaha Wai Ua

	Target	Achieved/ Not achieved
The number of flooding events that occur in the District.	Less than 5 a year	✓ 0 reported flooding events.
For each flooding event the number of habitable floors affected per 1,000 connections to Council's stormwater networks.	2 or less	✓ 0 habitable floors affected, which equates to 0 per 1,000 connections.
The median response time to a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.	<1 hour	✓ No flooding events were recorded during this period.
The number of complaints received by Council about the performance of its stormwater system expressed per 1,000 properties connected to the system.	<10 a year	✓ 64 complaints were received, which equates to 4.98 per 1,000 connections regarding the performance of our stormwater system.
Percentage of customers satisfied with the stormwater service as per the Annual Customer Satisfaction Survey.	≥80%	✗ 47% satisfied.
100% compliance with Horizons Regional Council's resource consents for discharge from its Stormwater system, measured by receiving: <ul style="list-style-type: none"> • Abatement notices; • Infringement notices; • Enforcement orders; and Convictions. 	100%	For the period 1st July to 30th June 2021: ✓ 0 Abatement Notices. ✓ 0 Infringement Notices. ✓ 0 Enforcement Orders. ✓ 0 Convictions.



Wastewater Te Pūnaha Wai Para

	Target	Achieved/ Not achieved
The number of dry weather overflows from the wastewater system.	less than 2 per 1,000 connections	✓ 12,786 Total number of connection as of 30 June 2020. ✓ 15 Dry weather overflows. ✓ 1.17 Overflows per 1,000 connections.
The median time (hours) from when Council receives a notification to the time that services personnel reach the site in responding to an overflow or wastewater blockage.	less than 1 hour	✓ 30 min
The median time (hours) from when Council receives a notification to the time that services personnel confirm resolution of the blockage or other fault within the wastewater system.	less than 12 hours	✓ 2:14hrs
The total number of complaints received (expressed per 1,000 connections to the wastewater system).	less than 22 per 1000 connections	✓ 12,786 Total number of connections as of 30 June 2020. ✓ 114 Complaints. ✓ 8.92 Complaints per 1,000 connections.
Council's compliance in relation to Horizons Regional Council resource consents for discharge from its wastewater systems measured by abatement notices, infringement notices, enforcement orders or convictions.	0	✓ 0 Abatement Notices. ✓ 0 Infringement Notices. ✓ 0 Enforcement Orders. ✓ 0 Convictions.



	Target	Achieved/ Not achieved
The percentage in which the local authority's drinking water supply complies with: a) part 4 of the Drinking Water Standards for New Zealand 2005 (revised 2008) bacterial compliance criteria.	100%	✓ 100% compliance.
The percentage in which the local authority's drinking water supply complies with: b) part 5 of the Drinking Water Standards for New Zealand 2005 (revised 2008) protozoa compliance criteria.	100%	✓ 100% compliance.
The average consumption of drinking water per day per resident within the water supply areas (target based on One Plan Section 6.4.3.1).	within 350lt per day	Average consumption is 267 L per person per day ✓ 339 l/day Levin. 282 l/day Foxton. 155 l/day Foxton Beach. 185 l/day Tokomaru. 376 l/day Shannon/Mangaore.
The total number of complaints received about clarity, taste, odour, pressure, continuity of supply or response to these issues (expressed per 1,000 connections).	Less than or equal to 1 per 1000 connections for each category of complaint and <6 in total	✗ 13,444 Total number of connections 40 Total number of complaints. 2.98 Complaints per 1,000 connections.
The median time from when Council received notification to the time that service personnel attend site of call-out and time to resolve the issue of urgent and non-urgent call-outs.	<1hr for attendance to urgent call outs <8hrs for resolution of urgent call outs <3 days for attendance and resolution of non-urgent call-outs.	✓ Urgent - 9 received and attended to 7 within 1 hour or less. 8 resolved within 8 hours or less. Non urgent - 366 received and 344 attended to within 3 days or less. 340 resolved within 3 days or less.
Using the World Bank Institute Band for Leakage as the standard to measure water loss.	Band B	✗ Results from September 2020: B Levin C Shannon and Mangaore C Foxton A Foxton Beach B Tokomaru
The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions	0	✓ Achieved as at 30 June 2021.
Received by Council in relation to Horizons Regional Council resource consents.		

**The true mark of
success is the health and
wellbeing of our people.**



Independent Auditor's Report

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

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

The summary of the annual report comprises the following summary statements on pages 13, 16 to 18 and 20 to 29:

- the summary statement of financial position as at 30 June 2021;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in ratepayers' equity and statement of cash flows for the year ended 30 June 2021;
- the notes to the summary financial statements that include other explanatory information; and
- the summary of service performance information (described as "Our performance at a glance" and "Key Performance Measures Overview").

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 of service performance information is affected by a limitation in the scope of the audit of the full statements of service performance. This limitation is explained below in the section entitled *The full annual report and our audit report thereon*.

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.

Additional information not included in the full annual report

The summary of the annual report includes the following unaudited additional information which was not included in the full annual report:

- Pages 6 to 8 – Commentary on a number of the District Council’s achievements during the year under five headings (Vibrant economy, Outstanding Environment, Fit for purpose Infrastructure, Partnership with Tangata Whenua and Strong Communities);
- Page 9 – Comments on financial robustness, rates and affordability review and Covid-19 welfare response; and
- Pages 10 and 11 – A map with associated paragraphs for a number of achievements during the year.

The full annual report and our audit report thereon

On 16 December 2021, we expressed a qualified opinion on the statements of service performance in the full audit report and an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2021. Our opinion was qualified because the District Council did not count complaints in accordance with the Department of Internal Affairs’ guidance and its method of counting was likely to have understated the actual number of complaints received in the current year and prior year.

The District Council also did not maintain complete records of all complaints for us to determine whether the reported results for these performance measures were materially correct.

Our auditor’s report on the full annual report also includes an emphasis of matter paragraph drawing attention to the uncertainties over the Government’s three waters reform programme announcement. The impact of these reforms, once legislated, are described under ‘Events after the balance date’ on page 23 of the summary financial statements.

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 reporting on the summary and full annual reports, we have audited the District Council's 2021-2041 long-term plan and performed a limited assurance engagement related to the District Council's debenture trust deed. These engagements 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



Stephen Lucy
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand
8 March 2022



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