

# ANNUAL REPORT SUMMARY

## 2022/23

# Our Place

# Clutha District



# MESSAGE FROM THE MAYOR



Welcome to the 2022/23 edition of the Clutha District Council's Annual Report. We value and thank you for the interest and engagement you are giving to this document and appreciate your consideration.

This is my thirteenth Annual Report, and it is staggering the transformation that the organisation has undergone and the fundamental changes that have taken place. As an organisation we are now equipped with the resources to respond to both our communities needs and Wellington's demands, no easy task, and it comes with a price tag.

The huge changes underline the scale and pace that all councils must now work under. No change has been as stark as the increase in capital spend in Clutha which over the last year has gone from \$27.3M to \$39.7M.

Our debt levels have also increased from \$37.9M in 2022 to \$72.5M this year and are predicted to be \$111.2M by next year, primarily driven by the imperative changes in our Three Waters space. By the time you read this report the elections will be over and Council's fate will be clearer. One election outcome will see the transfer of much of this debt to the new water entity, the other outcome will see the debt remain on our books, yet in all this uncertainty all councils are expected to plan and function as normal, an unprecedented and precarious situation. The only certainty is that our environmental obligations and the litigious risk means doing nothing is not an option.

So, let's dig a bit deeper, in tandem with the nationwide Three Waters Reforms there was also major changes on the home front with a mutual agreement by Council and our contractors for early exit from the contract meaning that on July 1st we took all three waters operations in house. This change has allowed us to plot our own course to find resolutions to problems and meet our legal and environmental requirements, this will not happen overnight but we believe the required changes have been implemented with an additional almost 40+ FTE staff and a transition cost that alone was \$1.9M.

Council has been focused in recent years on increasing our capital projects completion rates and it is pleasing to see a marked improvement here from 68% to 79% at a time where

several projects that communities eagerly anticipated were progressed like \$5.6 million on the Greenfield Bore, the \$4.4M Glenkenich Treatment plant, Patterson Creek Stormwater at \$1.3M and \$1.4M at the Hub Pump Station to name a few.

Progress has been made on many of our Community Consultation projects with the gorgeous Te Pou O Mata-au now open, Milton's numerous projects like the cycle way, destination toilets, Main Street upgrade, Taylor Park Cabins and the Library/ Swimming Pool all taking shape and some real momentum right around the district as individual communities identify the changes they want to see occur.

Like all New Zealand, Council has struggled to attract staff, this is symptomatic of all employers but the magnitude of change that we have undertaken has exposed us to a challenging market. That said we have now all but completed Three Waters recruitment and have been pleased with the outcomes.

For over a decade Clutha has managed to maintain a 4% rate cap enabling the shift from one of the highest rated districts in the country to now being in the lower quartile but with all the inflationary pressures it is inevitable that this phase has now run its course, that said the intent to maintain the rigour and balance expectations with financial prudence shall remain.

Overall we are proud of our District's achievements and the course that we are collectively plotting. The instability and uncertainty that radiates from Wellington is presently having far too great an impact on all councils, reforms are inevitable, but the degree of uncertainty is unsustainable. This has been a period where Clutha has been swept along by so many external forces, but it's also a time where we can be thankful that we have strategies in place and a strong balance sheet to ensure that we shall prevail.

Onwards and upwards.

Bryan Cadogan  
Mayor

Bryan Cadogan  
Mayor

Steve Hill  
Chief Executive

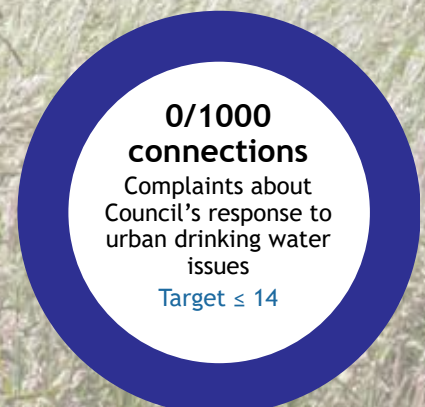
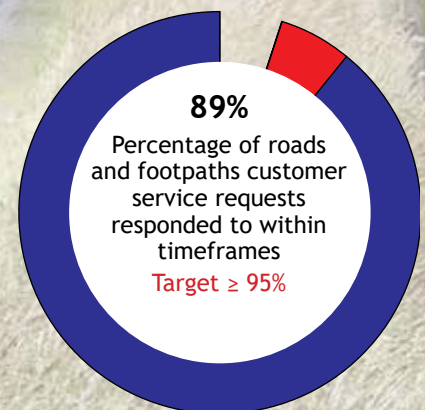
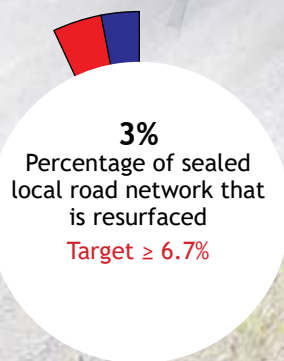
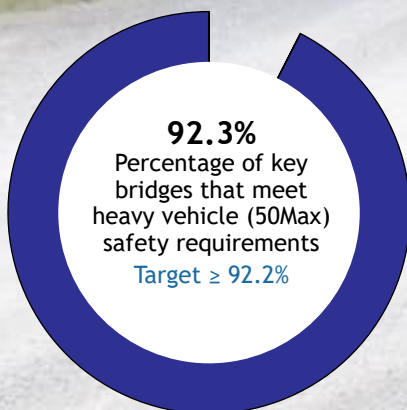


# HOW DID WE DO?

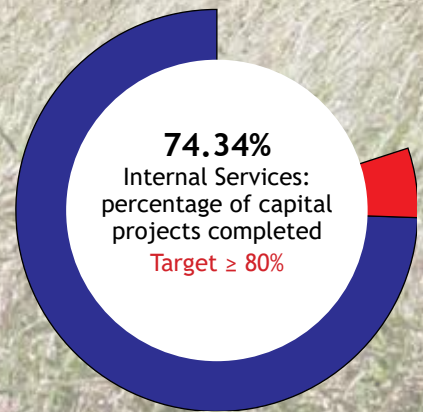
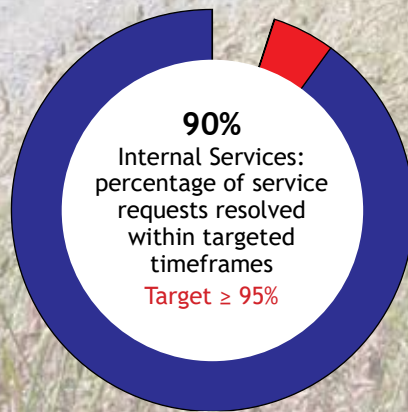
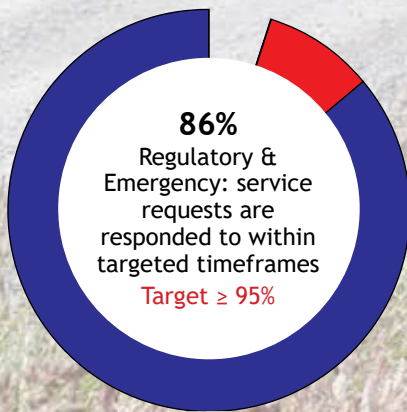
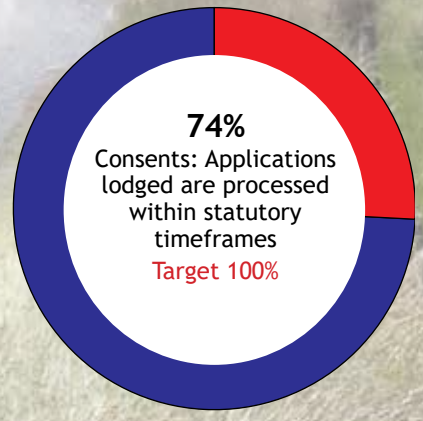
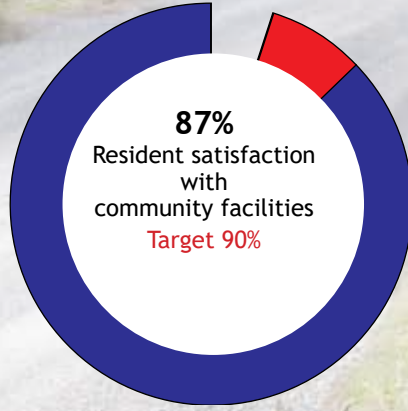
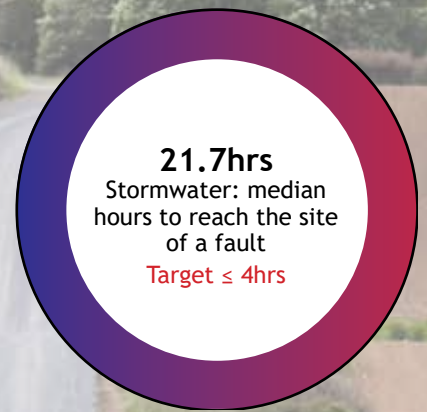
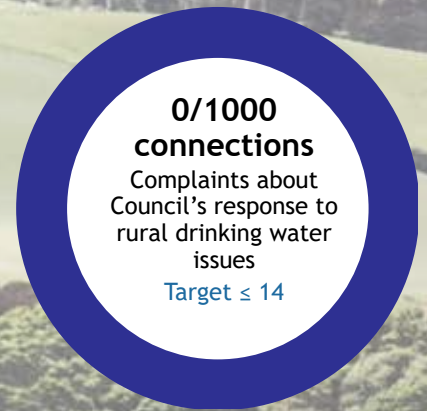
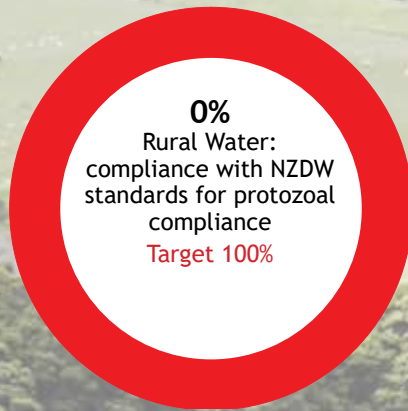
During 2022/23 we collected information to show how we were progressing against the goals we set for the year in the Long Term Plan 2021/31. These results show some of the goals we measured and are compared to our targets for 2022/23. The full audited annual report 2022/23 contains further details on measures, targets and performance.

## SUMMARY OF NON-FINANCIAL PERFORMANCE MEASURES

SUMMARY OF KPI TARGETS BY ACTIVITY	YEAR ENDING 30 JUNE 2023			YEAR ENDING 30 JUNE 2022		
	MET	NOT MET	TOTAL	MET	NOT MET	TOTAL
Community leadership	1	1	2	1	1	2
Roading	2	4	6	2	4	6
Water: urban	9	5	14	7	7	14
Water: rural	6	6	12	4	8	12
Wastewater	7	4	11	8	3	11
Stormwater	7	1	8	8	0	8
Community services	1	1	2	2	0	2
Solid waste	3	0	3	3	0	3
Economic development	1	0	1	0	1	1
Regulatory and emergency services	0	2	2	1	1	2
Internal services	0	2	2	0	2	2
<b>TOTAL</b>	<b>37</b>	<b>26</b>	<b>63</b>	<b>36</b>	<b>27</b>	<b>63</b>
Total percentage	59%	41%	100%	57%	43%	100%







# LIVING & WORKING IN CLUTHA UPDATE

Our 'Living & Working in Clutha' Strategy is one of our key guiding documents. In the current Long Term Plan we gave it a refresh to explain how we're intending to promote the well-being of the Clutha District's communities. It focuses on these priorities we believe have a crucial part to play:

## Facilitating More Quality Housing

Clutha District's housing market is under pressure, with the availability of quality housing for both ownership and rental an issue. Demand for social housing is also growing. We are playing an active leadership role to enable housing solutions. This includes continuing to build on partnerships with communities and Central Government. We are looking to continue to facilitate residential development to add more quality housing in the district, whether that be residential subdivisions, or single houses and in-fill development in our towns. This will be a key consideration in work in 2023/24 as part of the development of the Long Term Plan 2024/34.

## Filling Our Jobs

We're focused on sustaining and growing businesses by helping fill jobs in the district. For Clutha District this means continuing to provide direct recruitment support for our businesses. Having a vibrant and diverse workforce with the skills to meet the changing needs of the district will be crucial to our success both now and into the future. We see also a key role of Council is to provide supporting infrastructure which enables businesses to flourish.

## Improving Health, Safety & Well-Being

Our communities are known for being caring and supportive, with a practical no nonsense approach to addressing issues. We have a relatively small and aging population and our volunteers are increasingly stretched. Drugs and alcohol can cause issues and we lack public transport options. We believe connectivity and access to health services should be a focus.

## Supporting Culture & Heritage

We're looking to more actively showcase our culture and heritage to better share and celebrate who we are. Some examples include using innovative ways to make our community stories, objects and records more accessible; and incorporating our local history and culture into community facilities such as halls and public spaces.

## Reducing Our Environmental Footprint

We want to help promote a district that plans for a sustainable future, through effective planning of infrastructure, efficient delivery of services, along with protection, maintenance and enhancement of our natural and built environments. Focus areas include waste reduction, water conservation and quality, and protecting and enhancing habitats of local significance. Other initiatives include supporting infrastructure for electric vehicles and reducing greenhouse gas emissions.

## LIVING & WORKING IN CLUTHA FRAMEWORK

### KEY TO THE WHEEL

- Vision
- Community Outcomes
- Key Priority Area
- Key Strategies & Plans





# CONTINUED...

## Addressing Climate Change

Climate change will present challenges and opportunities throughout the district. We are working on gathering better information about what we can expect in the coming century. This is providing more detail including 'trigger points'. We can use this information when making decisions, to set us up in the best position possible for the longer term.

## Investing In Infrastructure

We continue to look after what we've got and increase levels of service to meet compulsory requirements. Whilst maintaining standards for sewage discharges and drinking water have been challenging with ageing infrastructure, Council has moved to new arrangements to ensure standards are increased as a matter of priority. Importantly, Council will also look at facilitating growth where there is potential for this. For more details refer to the Infrastructure Strategy 2021/51.



# MAJOR INFRASTRUCTURE PROJECTS

## UPDATING YOU ON OUR MAIN INFRASTRUCTURE PROJECTS FOR 2022/23

### SEWERAGE UPGRADES

- \$255k spent on Balclutha treatment plant upgrade.
- \$529k spent on Clinton treatment plant upgrade. Bioshells have been built and are ready to be installed.
- \$675k spent on Waihola treatment plant upgrade. Bioshells have been built and are ready to be installed.
- \$413k spent on BioFiltro and oxidation upgrades in urban areas.
- \$1,422k spent on Hub pump station.
- \$381k spent on Kaka Point and Waihola sewer network upgrades.
- \$155k spent on Lawrence treatment plant compliance upgrades.
- \$455k spent on Kaitangata and Heriot treatment plant upgrade. Bioshells built and installed at Heriot. Bioshells built and ready to install at Kaitangata.

### ROADING

- Reseals were completed at a cost of \$1,154k covering 25.1 km of roads.
- Bridge Renewals were completed on Kararo Creek (Bridge 270), Walker Road (Bridge 396) and Gray Road (Bridge 174).
- \$1,929k was spent on unsealed road metalling.
- \$410k was spent on culvert replacement on the unsealed network to improve drainage.
- \$738k was spent on the Milton Main Street streetscape project for preliminary drawings and design.

### WATER IMPROVEMENTS

- \$4,447k spent on Glenkenich treatment plant and pipeline renewals.
- \$447k spent on Kaitangata pipeline renewals.
- \$5,591k spent on Greenfield Bore.
- \$1,312k spent on Milton to Waihola Pipeline.
- \$153k spent on urban water treatment compliance upgrades.
- \$235k spent on Tokoiti water network extensions.

### STORMWATER IMPROVEMENTS

- \$1,838k spent on catchment upgrades in Tapanui, Clinton and Waihola.
- \$211k spent on upgrades in George and Sandown streets in Waihola.
- \$291k spent on Kaka Point upgrades in Hill Street and The Esplanade.
- \$358k spent on Milton upgrades.
- \$371k spent on Wilson Road upgrades.





### SOLID WASTE

- \$771k spent on a Mount Cooee resource consent for the ongoing use and expansion of the Mt Cooee Landfill lodged with the ORC.

### COMMUNITY FACILITIES

- \$186k spent on Taylor Park cabins.
- \$386k spent on Toshvale community housing.
- \$778k spent on Destination toilets in Milton and Balclutha.
- \$396k spent on the Milton Community Pool new facility.

# COUNCIL SPENDING AT A GLANCE

	Operating Spend 2022-23	Capital Spend 2022-23	Total Spend	Rates value per \$100
 Rooding	\$10.0m	\$6.8m	\$16.8m	\$18
 Water	\$9.3m	\$16.1m	\$25.4m	\$27
 Community Services	\$10.1m	\$2.8m	\$12.9m	\$14
 Regulatory & Emergency Services	\$3.0m	\$0.1m	\$3.1m	\$3
 Wastewater	\$2.6m	\$5.1m	\$7.7m	\$8
 Solid Waste	\$2.9m	\$0.9m	\$3.8m	\$4
 Economic & Community Development	\$2.1m	\$0.0m	\$2.1m	\$2
 Community Leadership	\$1.7m	\$0.0m	\$1.7m	\$2
 Stormwater	\$0.8m	\$3.4m	\$4.2m	\$5
 Internal Services	\$12.8m	\$2.7m	\$15.5m	\$17
<b>TOTAL</b>	\$55.3m	\$38.0m	\$93.3m	\$100



# FINANCIAL OVERVIEW

## 2022/23

### MAJOR VARIANCES TO BUDGET EXPLAINED

Council operates a diverse and complex business which is reflected in the items recorded against operating revenue and expenditure. After forecasting a \$1,205k deficit in 2022/23, Council recorded a \$9,225k deficit.

The operating loss for the year was \$8,020k above budget which has been mainly caused by:

#### REVENUE

- \$665k Mayors Task Force grant not budgeted.
- \$1,000k of 'better off' funding is still to be received.
- Budgeted financial contributions of \$782k have not yet been received.
- Vested assets gained from \$900k subdivision infrastructure.

#### EXPENDITURE

- Grants paid out on Mayor's Task Force \$327k.
- Additional water operational expenditure of \$1,907k.
- Additional unbudgeted grant to the Hub of \$2,500k.
- Mount Cooee operational costs \$159k above budget.
- Roading repairs \$870k below budget.
- Depreciation \$1,442k over budget mainly due to significant valuation increases.

Refer to the Statement of Comprehensive Revenue and Expenditure and notes to the financial statements for further information.

	ACTUAL 30 JUNE 2023	BUDGET 30 JUNE 2023	ACTUAL 30 JUNE 2022
	(\$,000)	(\$,000)	(\$,000)

#### SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2023

	ACTUAL 30 JUNE 2023	BUDGET 30 JUNE 2023	ACTUAL 30 JUNE 2022
	(\$,000)	(\$,000)	(\$,000)
<b>INCOME</b>			
Rates Revenue	29,439	29,609	28,148
Other Operating Revenue	21,546	21,377	21,134
<b>Total Operating Revenue</b>	<b>50,985</b>	<b>50,986</b>	<b>49,282</b>
<b>EXPENDITURE</b>			
Employee Benefits Expense	8,847	9,217	8,235
Depreciation and Amortisation	16,019	14,578	13,887
Finance Costs	2,509	1,362	448
Other Expenditure	32,835	27,034	36,717
<b>Total Operating Expenditure</b>	<b>60,210</b>	<b>52,191</b>	<b>59,287</b>
<b>Operating Surplus</b>	<b>(9,225)</b>	<b>(1,205)</b>	<b>(10,005)</b>
Fair value on unlisted shares	(3)	-	1
Gain on Property, Plant and Equipment Revaluation	19,400	-	209,578
<b>Total Comprehensive Revenue and Expenditure for the year</b>	<b>10,172</b>	<b>(1,205)</b>	<b>199,574</b>

#### SUMMARY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Equity at the beginning of the year	1,323,349	1,167,880	1,123,775
<b>Total Comprehensive Revenue and Expenditure for the year</b>	<b>10,172</b>	<b>(1,205)</b>	<b>199,574</b>
<b>Equity at the end of the year</b>	<b>1,333,521</b>	<b>1,166,675</b>	<b>1,323,349</b>
<b>EQUITY REPRESENTED BY:</b>			
Accumulated Funds	221,608	224,607	225,778
Reserves	1,111,913	942,068	1,097,571

#### SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Current Assets	47,798	35,729	38,896
Non Current Assets	1,373,416	1,219,986	1,331,704
<b>Total Assets</b>	<b>1,421,214</b>	<b>1,255,715</b>	<b>1,370,600</b>
Current Liabilities	28,148	10,975	16,541
Non Current Liabilities	59,545	76,243	30,710
<b>Total Liabilities</b>	<b>87,693</b>	<b>89,040</b>	<b>47,251</b>
<b>Net Assets/Equity</b>	<b>1,333,521</b>	<b>1,166,675</b>	<b>1,323,349</b>

#### SUMMARY STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2023

Net Cashflows from Operating activities	7,356	12,423	3,960
Net Cashflows from Investing activities	(38,831)	(38,197)	(23,448)
Net Cashflows from Financing activities	34,571	26,000	19,853
<b>Net Cashflows for the Year</b>	<b>3,096</b>	<b>226</b>	<b>365</b>

## MAJOR VARIANCES TO COUNCIL'S FINANCIAL POSITION COMPARED TO 2022 ACTUALS

- \$750k higher Waka Kotahi subsidy receivable due to year end activity.
- \$2,100k higher Nikko investment balance due to an improvement in the global share markets and interest rate movements
- \$1,504k higher development property balance due increased activity.
- \$40,852k higher property, plant and equipment balance and revaluation reserve mainly caused by \$19,400k revaluation adjustment.
- \$5,352k higher payables due to higher activity associated with capital projects.
- \$34,576k higher borrowing to reflect capital program completion and funding.

Refer to the Statement of Financial Position and notes to the financial statements for further information.

## FINANCIAL STRATEGY

In the 2021/31 Long Term Plan the Financial Strategy was determined to guide financial decisions. The following tables show our performance against these measures for the 2022/23 financial year.

### RETURN ON INVESTMENTS

At the close of the 2022/23-year Council's investments rose to \$29.9 M, slightly below the \$30.1 M forecast in the 2021/31 Long Term Plan. There was a loss for 2022 due to lower than budget returns resulting from the impact of Covid on global share and interest markets, however the market and interest rates have improved during 2023 showing improved performance.

### CHANGES IN INVESTMENTS 2022/23

(\$M)	ANNUAL PLAN 2022/23	LONG TERM PLAN 2022/23	ACTUAL 2022/23
OPENING	30.5	30.6	27.8
CLOSING	29.0	30.1	29.9
CHANGE	(1.5)	(0.5)	2.1
RETURN (%)	3.4	3.4	7.5

Note: the change in the closing balance is net of the rates subsidy.

### LIMITS ON EXTERNAL DEBT

Council's limits on debt are set in the financial strategy at 175% of annual revenue. Council is \$7M below the limit and planned debt levels mainly due to less infrastructure projects completed against projections.

	ANNUAL PLAN 2022/23	LONG TERM PLAN 2022/23	ACTUAL 2022/23
EXTERNAL DEBT (\$M)	79.4	60.4	72.5
DEBT LIMIT(\$M)	89.2	84.0	89.0

### LIMITS ON RATES AND RATE INCREASES

Rates are an important source of funding for Council services. The \$29.2M collected in 2022/23 meant an increase on 2021/22 of \$1.3M. This was above the 3.94% projected in the Long Term Plan and the \$29.4M rates cap forecast in the 2021/31 Long Term Plan.

Refer to the Statement of Comprehensive Revenue and Expenditure and notes to the financial statements for more information.

	ANNUAL PLAN 2022/23	LONG TERM PLAN 2022/23	ACTUAL 2022/23
FORECAST RATES (\$M)	29.4	29.4	29.4
RATES LIMIT AT 4% (\$M)	29.4	29.4	29.2



## NOTES TO THE SUMMARY FINANCIAL STATEMENTS

Section 98(4)(b) of the Local Government Act 2002 requires Council to make publicly available a summary of the information contained in its Annual Report.

This summary booklet of the Annual Report 2022/23 provides:

- An outline of Council's end of year financial position.
- An overview of Council services during 2022/23.
- A statement from Council's auditors - Deloitte Limited.

The specific disclosures included in the summary have been extracted from the full Annual Report 2022/23 adopted by Council on 26 October 2023. This summary document cannot be expected to provide as complete an understanding as provided by the full financial report itself.

A full copy of the Annual Report 2022/23 is available from Council main office at Rosebank Terrace, Balclutha or by contacting 0800 801 350. It is also available on the Council website at [www.cluthadc.govt.nz](http://www.cluthadc.govt.nz).

## THREE WATER REFORM

The New Zealand government is implementing a water services reform programme that is intended to ensure all New Zealanders have safe, reliable, and affordable water services. This will be achieved by establishing ten publicly-owned water services entities, from 1 July 2024 to 1 July 2026. These entities will be responsible for the delivery of drinking water, wastewater and stormwater services across New Zealand instead of 67 councils who currently provide these services. The reform is enacted by three pieces of legislation.

- The Water Services Entities Act 2022 contains the water entities- ownership, governance, and accountability arrangements. This act received royal assent on 14 December 2022 and an accompanying amendment bill received royal assent on 22 August 2023 and came into effect the following day.  
It establishes ten water services entities based on existing regional boundaries. It also provides for every territorial authority to be represented on the regional representative group of their entity, together with an equal number of mana whenua representatives, and introduces a staggered approach to establish the entities, with all entities going live between 1 July 2024 and 1 July 2026.
- The Water Services Legislation Act provides water services entities with the necessary legislative functions, responsibilities, and powers to be fully operational from their 'go live' date. It received royal assent on 30 August 2023 and came into effect the following day.
- The Water Services Economic Efficiency and Consumer Protection Act provides the economic regulation and consumer protection frameworks for water services. It received royal assent on 30 August 2023. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023.

The National Transition Unit within the Department of Internal Affairs issued draft transfer principles and associated guidance in December 2022. These principles may be amended with the passing of the three acts mentioned above. Due to the timing of these legislative changes, the lack of clarity of which assets and functions will transfer and a range of decisions still to be made under the new legislation the financial impact of the transfers cannot be determined with certainty.

## INFRASTRUCTURE VALUATIONS

Infrastructural assets (except land under roads) are revalued with sufficient regularity, and at least every three years to ensure that their carrying amounts do not differ materially from fair value. The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then those asset classes are revalued. Revaluations are accounted for on a class of asset basis. Net revaluation gains are recognised in other comprehensive revenue and expenditure and are accumulated in the asset revaluation reserve in equity for that class of asset. Revaluation losses that result in a debit balance in an asset class's revaluation reserve are recognised in surplus and deficit. Any subsequent gain on revaluation is recognised first in surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expenditure.

The Annual Report 2022/23 has been audited and gained an unmodified opinion, which means the report has met the requirements of the Local Government Act 2002.

This summary financial report has been examined by the auditor for consistency with the full financial report. The auditor's report on the summary annual report is included with this summary.

Council's full financial report has been prepared in accordance with Tier 1 PBE Standards and has been complied with NZ GAAP and stated explicitly that they comply with NZ equivalents to IPSAS (International Public Sector Accounting Standards) as applicable for public entities. The summary financial report complies with FRS PBE 43 - summary financial statements.

The presentation currency of the annual report is in New Zealand dollars. The summary annual report is rounded to the nearest thousand dollars.

## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF CLUTHA DISTRICT COUNCIL'S SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2023

The summary of the annual report was derived from the annual report of the Clutha District Council (the District Council) for the year ended 30 June 2023.

The summary of the annual report comprises the following information on pages 3 to 11:

- the summary statement of financial position as at 30 June 2023;
- the summaries of the statement of comprehensive revenue and expenses, statement of changes in equity and statement of cash flows for the year ended 30 June 2023;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary performance of services activities.

#### 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 2023 in our auditor's report dated 26 October 2023.

That report also includes an emphasis of matter paragraph that draws attention to:

- Note B1 on page 71, which outlines developments in the Government's water services reform programme. The Water Services Entities Act 2022, as amended by the Water Services Entities Amendment Act 2023 on 23 August 2023 and the Water Services Legislation Act 2023 on 31 August 2023, establishes ten publicly owned water services entities to carry out responsibilities for the delivery of three waters services and related assets and liabilities currently controlled by local authorities. Water services entities' establishment dates are staggered, with all the water services entities becoming operational between 1 July 2024 and 1 July 2026. The financial impact of the water services reform on the Council [as outlined in note B1] remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved.



### **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, we have carried out an engagement for Debenture Trust Deed Reporting, which is compatible with those independence requirements. Other than these engagements, we have no relationship with or interests in the District Council.



**Heidi Rautjoki**

for Deloitte Limited

On behalf of the Auditor-General

Dunedin, New Zealand

26 October 2023