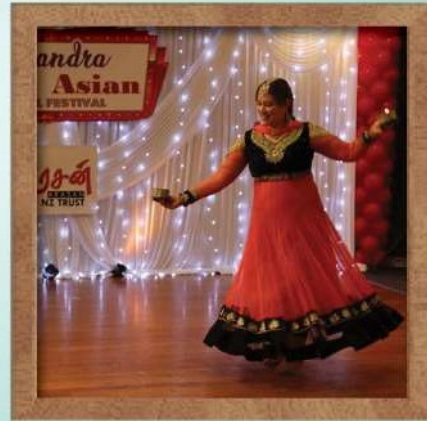


ANNUAL REPORT

2022 - 2023



FRAMING OUR FUTURE

Cover Images:

Children enjoying the replacement Ranfurly John Street Playground

Three Waters Director Julie Muir and Mayor Tim Cadogan (centre) and Capital Projects Manager Patrick Keenan taking the first sip

Leadership Teams of Council and Aukaha at their first formal meeting

South East Asian festival dancer

New waste collection truck

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Keeping pace with change and growth

Tēnā koe

Thank you for having a look at our Annual Report. We know that not many people do, so we are grateful for your interest. And there is some interesting stuff in here!

The 12 months that this report covers have been a hectic, challenging and ultimately successful time for your Council. Where to begin with the highlights reel? It would be wrong of me not to recognise first and foremost the departure of Sanchia Jacobs from the role of CEO in April of this year. Sanchia had been with us just over five years and in that time, whilst leading the organisation through the biggest capital works programme it's ever undertaken, two local elections and a pandemic, she also led a significant and welcome cultural change within the organisation.

Sanchia picked up the reins from her first day to bring Council not only much more into its legal role as a genuine Treaty Partner, but as a genuine and willing participant in getting knowledge and understanding of te ao Māori (the Māori world view). Her leadership in this space has greatly enriched the people and place that is Central Otago District Council. Needless to say, our new CEO Peter Kelly was greeted with a mihi whakatau (a traditional Māori welcome) on his first day in mid-September.

In the interim, I recognise the work of the senior leadership team, and in particular Interim CEO Louise van der Voort for steering a steady course in the five months between CEOs.

Greater engagement with iwi has not just been happening at management level. Councillors were officially welcomed onto the Ōtākou Marae on the Otago Peninsula in June, which was a first in Council history. This visit did much to increase understanding from both sides of the partnership and is just one of many steps that will be taken on the journey together.

This has also been a year of seeing some big projects completed.

Lake Dunstan Water and Clyde Wastewater programmes

We had the great pleasure of opening the Lake Dunstan Water Supply in June, our biggest ever project that has finally brought lower-lime water to Alexandra and fully compliant water to both Alexandra and Clyde.

On top of that, Stage One of bringing reticulated sewerage to Clyde is also complete. This has not just removed the environmental threat of septic tanks, particularly in the historic and commercial part of town, but also has allowed development such as the significant subdivision and retirement village being built at the Alexandra end of Clyde, which will in part meet the high demand for housing.

Planning to address growth

Central Otago remains one of the fastest growing districts in New Zealand which, while positive in many ways, continues to put pressure on our housing stock. To help meet this and future demand, Council has initiated Plan Change 19 which is currently (as I write) most of the way through the hearing process heading toward a final decision. This is a Council-initiated plan change for Cromwell, Alexandra, Clyde and Omakau, designed to address the shortage of sections (amongst other things) in these high-growth areas. I am looking forward to seeing it completed.

Reducing Emissions

Looking at what has happened, in terms of natural disasters across the country and around the world, very few people now deny that the effects of generations of putting carbon dioxide and other harmful gases into our atmosphere are with us here and now. To drive our sustainability efforts forward, we adopted our Sustainability Strategy in February 2019. This strategy delineates concrete steps we will take to enhance sustainability, including measuring and reducing our emissions through the Toitū “Carbonreduce” programme.

Our strategy places a strong emphasis on addressing issues we can directly influence. In September 2019, we declared a climate crisis, recognising the urgency and magnitude of the challenge before us. We are taking decisive action in response to the climate crisis. We set targets to reduce our organisational carbon emissions, aiming for a 52 per cent reduction from our 2019/20 baseline over a five-year period. In the first three years of assessment, we have already achieved a 60 per cent reduction in emissions compared to our base year. Key projects that influenced the reduction in emissions include Cromwell Pool’s LPG boiler replacement with a low-emission alternative, Alexandra office coal-fired boiler replacement with a low-emission alternative, continued transition to hybrid vehicles and the introduction of gas-capture at Victoria Flat landfill.

By leading through example and making significant strides in reducing our own carbon footprint and environmental impact, we aim to inspire and engage our community in broader sustainability discussions. Further reductions can be expected with the introduction of the new kerbside organics service.

Community Placemaking

Work has continued on the design for the new Cromwell Memorial Hall with many from the community taking advantage of drop-in sessions to virtually walk through the current plans. Discussions on how the Cromwell Mall could be reinvigorated continue, and we are all looking forward to the opening of the new Roxburgh Pool in Spring, which although not a Council project, has had financial assistance through the last Long-term Plan and Government Better-Off funding.

Better-Off grant funding will also be utilised for projects including Radio Frequency Identification installed at libraries, Alexandra and Cromwell pool liners, the Cromwell Pool sand filter, Alexandra Community Centre earthquake strengthening and stage upgrades, Clyde Hall facility upgrades, seismic assessments and other compliance reporting for Council-owned buildings, Alexandra Library renovation, and new public toilets at the Cromwell Bike Park.

Speaking of Parks, May saw the opening of the fabulous new John Street Playground in Ranfurly, much to the joy of kids in the community. By the time you read this, the new public toilets at Ranfurly should be up and running too.

Other highlights for the past year are:

Grants Expenditure

The 2022/23 financial year saw further improvements to the CODC grants processes as it continues to embed fair and transparent processes. A total of \$342,313 was distributed to 28 grant recipients across the district and wards.

District Vision (Shaping tomorrow together)

Much of the behind the scenes work was completed in 2022/23 for an exciting new project that will be launched later this year. This project will articulate the 50 year vision for Central Otago and ensure the district is well placed to respond to opportunities that come to it.

Tarras Community Plan

A draft community plan was developed for Tarras. Two surveys, along with two workshops were held to gather feedback and ideas for the community to build its own plan on shared values and planned actions.

Chorus Boxes

The relationship with Chorus continued in the 2022/23 year, with three murals being added to chorus utility boxes across the district. Cabinets in Alexandra, Clyde and Cromwell were adorned with new art works for all to enjoy.

Teviot Valley Spatial Plan

Workshops were held across the Teviot Valley to gather input into the Teviot Valley Spatial Plan with the draft consultation document being approved by Council at its August meeting. Consultation with the Teviot community on whether we got the thoughts of the people of the Valley right, will commence in September.

Seasonal Staff Manaaki

In 2022, Seasonal Solutions and the Central Otago District Council's Welcoming Communities recognised the need to coordinate efforts to support and integrate seasonal staff into the local communities where they live. A new working group, Seasonal Staff Manaaki was created to help seasonal staff adjust to life in Central Otago and connect with the local community. The group, which is co-chaired by Seasonal Solutions and Welcoming Communities, recognises that improvements in staff wellbeing contributes to recruitment and retention. Other members include seasonal staff, growers, police, as well as education and wellbeing providers.

This group supported the following initiatives:

- Seasonal staff string band participated in the Blossom Festival parade
- Welcome bags with contributions from the group provided to new seasonal staff
- Welcome seasonal staff posters created by local schools and posted at shops most frequented by seasonal staff
- Summerdaze international football festival held in Wanaka (collaboration with QLDC Welcoming Communities). Four football teams (which included seasonal staff) from throughout Central Otago participated.
- VANZET1 concert at Monteiths in Alexandra to support the Vanuatu RSE Cyclone Disaster Relief Fund. \$1,909 raised from the event.

Welcome Workshops/Welcoming Plan

A series of workshops were held throughout the District to get feedback from communities about their priorities for Welcoming Communities. Those priorities were taken into consideration when drafting the Welcoming Plan. The plan explored each of the eight Welcoming Communities standards and identified specific goals and timeframes for achieving those goals. The Welcoming Plan established the programme framework for the future.

South Asian Festival

This event was a collaboration with Arasan NZ Trust, with the purpose being to expose smaller communities like Alexandra to cultural events that are normally only accessible in large, urban areas. There were a variety of cultural performances, food, henna painting, and South Asian books on display from the library. A secondary school poster competition was held, and prizes were awarded by local celebrity judges.

Cromwell Multicultural Mural

Welcoming Communities and Central Otago District Arts Trust collaborated with a renowned street artist “Ling” to create a multicultural mural on the Alpha Street Pavilion. The mural was designed to be a catalyst to welcome cultural diversity in our community and recognise the power of sport and recreation to facilitate, encourage and embrace unity and social cohesion.

Service Request Survey

For the first time this year we conducted a Service Request Survey via email, using a sample compiled of those who submitted service requests in the past year. This process ensured that those who answered the questions were those who have had recent experience with the process and were more likely to have valuable input. The result of that survey was promoted internally with the hope that it will be used to inform change in the future.

Long-term Brainstorm

Pre-consultation on the Long-term Plan involved the use of a new public engagement “ideas tool” in the Let’s Talk platform. This tool allowed the public to provide ideas for the Long-term Plan through an informal process that had the look and feel of social media.

Participants were able to post ideas, including photos and like or comment on other ideas that were posted. Council staff consulted with elected members and identified ideas that met the required criteria for continued consideration. Those ideas will be progressed for consideration in the Long-term Plan. All participants, regardless of whether their ideas met Council criteria, received a personal response posted on the Let’s Talk page, which was emailed directly to the participant.

Residents’ Opinion Survey

There was an increased number of responses from 183 to 440 giving a sample that more accurately captured the demographic and geographic spread of the district. A marked increase in the under 40 age group (from 15 to 30 per cent) is worth noting as this is an age group that is sometimes difficult to engage. Additional efforts were made to involve parts of the community that may be less likely to participate, including youth, adult learner, migrants and recipients of social services.

There is so much to celebrate in our special place in the world; the pages that follow contain the nuts and bolts about how your council has operated over the last year to keep this place so special.

Thank you for taking the time to read it.

Ngā mihi



Tim Cadogan
Central Otago Mayor

Connecting community

The Service Request Survey, Long-term Brainstorm, Residents' Opinion Survey were all examples of community development. Other examples in this space include:

Eden Hore Central Otago



The Eden Hore Central Otago (EHCO) fashion collection has been gifted three additional garments. The garments were originally owned by a former housekeeper and land-girl of Eden Hore, the late Alma McElwain, and were kindly gifted to the collection by a generous anonymous donor.

The newly acquired garments include a white evening gown with an ostrich feather trimmed cape, by the design label Lewis Townsend Original, a gold sequinned top and trouser suit by designer Kevin Berkahn, and a woven daywear coat by designer Colin Cole.



Community Group Support Project

Staff worked alongside the Central Lakes Trust, Queenstown Lakes District Council and other organisations to develop an initiative to help better support community groups across the district. The initiative is a new and collaborative way of working which aims to strengthen community groups in Central Otago and Queenstown Lakes district by providing a region wide approach to building community capability and capacity and improve governance in the region.

Economic Development

Council assisted local horticultural employers in the Teviot Valley to create a hub and secure funding to support resilience in rural communities and the attractiveness of the Teviot Valley as a place to live, and to begin delivering projects. Other projects include exploring the next stages of a far-reaching project Fruit Loss - Unlocking value from food waste – Stage 2 and 3. Council facilitated the project group including assisting with funding applications, contracting research, and project management. Research findings were reported back and published in January 2023.

Promoting our place

Tourism Development

Destination management plan

An overview of progress toward the building blocks of the Central Otago Destination Management Plan over the last 12 months was provided by Tourism Central Otago (TCO). The public launch of the destination management plan included a roadshow through Central Otago communities with presentations held in Tarras, Cromwell, Alexandra, Omakau, Ranfurly, Roxburgh and Millers Flat. A new format of open-to-all destination management plan Activation Workshop was trialled in May 2023, with speakers aligned to the Environmental Stewardship and Product Development strategies.

Regional identity

TCO team is working with the Regional Identity Advisor and Ngāi Tahu (Kāi Tahu) (through Aukaha) to build an increased awareness and integration of the stories of mana whenua through the Regional Identity section of centralotagoz.com website.

TCO is continuing to position the Central Otago brand with initiatives such as *Central Otago – A World of Flavour* launched in September 2022 and leading cross section partnerships.

Events strategy

A draft Central Otago Events Strategy is nearly complete, which will look to TCO and Council's role in supporting the events industry and what opportunities there are for leveraging our strengths in different sectors to drive increased awareness, visitation and spend, and increasing the capability of local events.

Recently, Central Otago Business Events secured the hosting of the Australian and New Zealand Sustainable Trails Conference in Cromwell for March 2024.

High Impact Tourism Alliances

Continued partnerships with Regional Tourism Organisations across New Zealand and the lower South Island have helped to increase awareness, knowledge, and marketing of the region's assets.

The Southern Way project (formally 45 South) launched in May 2023 and is a grouping of the 8 Regional Tourism Organisations in the Lower South Island to collaborate on the promotion of longer stays, low impact itineraries, and impactful travel.

The Otago Trails Marketing initiative is currently renewing the Memorandum of Understanding between the four Regional Tourism Organisations and five Trail Trusts to collaboratively promote and market Otago as the home of Trails in New Zealand. Increasing awareness of five Great Rides (Ngā Haerenga) and ensure that visitors and locals are able to support our communities, environment and businesses.

Improving our services and facilities

Three Waters services

Drinking water

As mentioned, the \$16.1 million Lake Dunstan Water Supply water treatment plant was a highlight in the Water Services/Three Waters space to reflect our focus on the health and wellbeing of our communities.

The project scope included the expansion of the Clyde bore field and the construction of a membrane treatment plant and water storage tanks on the hill above the Clyde township.

Like any major project, it was not without major challenges; the discovery of the algae *Lindavia* in Lake Dunstan, and the onslaught of the Covid-19 pandemic in 2020 caused delays. However, the go live date, set for the end of May 2023, was only delayed by a month. Aesthetics of the water treatment site was also a major consideration. Council staff, contractors, elected members, and community got involved in a planting project, with 500 native trees and shrubs established during a working bee in April. The public have been invited to an open day which will be held in spring/early summer 2023.



Falling main replacement and new infrastructure

Clyde

The completion of the renewal of the Clyde Falling Main through April and May was an important achievement. Funded by the Central Government Water Stimulus package, the \$1,050 million project replaced the existing gravity-pressured water main, a critical piece of infrastructure for the Clyde water network. The falling main supplies water from the reservoir, at the top of the hill, down to water mains at Sunderland Street.

Roxburgh

Roxburgh's falling main replacement and booster pump station was also completed. The final claim was received 23 June 2022 for a final project completion price of \$881,199.37.

Ripponvale

The first stage of the Ripponvale community water supply project has been completed, which included installation of a new main through the Kawarau Gorge, installation of basic telemetry to two pump stations, and purchase of key critical spares.

Naseby and Ranfurly

Following the weather event of January 2021 affecting large parts of the Mānīatoto, work has been ongoing to understand what can be done to build in further resilience to those towns. One particular piece of work involved the Naseby Water Supply, which struggles to cope with the highly turbid waters from the source that feeds the town.

Wastewater

Clyde

The Clyde wastewater reticulation project is being completed in three stages spanning from 2020-2043. Stage 1 involves connecting almost 200 properties, many of which are in the Clyde Heritage Precinct. The work included installing main wastewater pipelines and two pump stations in Miners Lane and the Clyde Campground. On 19 December 2022, Stage 1 of the Clyde Wastewater project went live. Following connection to the reticulation system, septic tanks were decommissioned and could be removed or backfilled. Construction of the wastewater pipeline carries Clyde's wastewater from the town's new reticulated wastewater system through a 10.5km-long rising main to Alexandra's Wastewater Treatment Plant.



Pictured in his 'poo suit', Mayor Tim Cadogan, celebrates the Clyde wastewater project going live at the Miners Lane toilets in Clyde next to the new playground, which opened last year.

The Clyde Main Wastewater Pump Station was fully commissioned on 13 December 2022. This \$3.4 million project is a key component of the Clyde wastewater reticulation system. Clyde's wastewater will be gravity feed from the township through two smaller pump stations before reaching this main pump station off Sunderland Street adjacent to the Clyde dog exercise area. This pump station will then transport the waste through to Alexandra for treatment. This project provides infrastructure to support growth and will contribute to improved water quality in the Clutha Mata-au.

Cromwell and Alexandra

Water Stimulus Delivery funding of \$1.8 million was used to improve storage capacity and minimise wastewater overflows from pump stations at Alpha Street and Melmore Terrace in Cromwell, which were completed in March 2022. In July this year, these two stations, along with Alexandra Wastewater Treatment Plant, and the Tarbert Street and Bridge Hill pump station sites, got a further boost with installation of backup generators for the Council’s wastewater network. The project will start as soon as possible to guarantee increased resilience at these crucial pump station and wastewater treatment locations.

Having completed the Wrightsons Pump Station in the Linger and Die Reserve in Alexandra, the Water Services Team moved on to install a similar emergency storage unit at the Dunorling Street Pump Station, which takes wastewater from the entire Alexandra and Clyde network (including Wrightsons pump station) and pumps it to the Alexandra Wastewater Treatment Plant. The increased storage capacity at Dunorling Street adds a layer of safety to perform maintenance works at the pump station and downstream to the treatment plant by redirecting the wastewater to the emergency storage unit when necessary.



Ranfurlly, Naseby and Roxburgh

Over the past year, screens have been installed at the inlet of our oxidation ponds at Ranfurlly, Naseby and Roxburgh. A power supply was also taken into the Roxburgh sites to enable the screen to operate. The screens are a common feature on wastewater treatment plants and help protect ponds and pumps by screening out larger particulate matter that could otherwise damage our assets.

Significant progress had also been made in the Water Stimulus Work Programme, with wastewater screens installed at Ranfurlly, Naseby and Roxburgh, influent and effluent monitoring installed at Alexandra and Omakau, and good progress on valves and flowmeters. These projects were funded from the stimulus fund up to the available budget, with the remaining coming from Long-term Plan budgets.

Stormwater

The focus for this period has been on the assessment of current assets and performing of maintenance to ensure that the current system will operate as intended.

This consisted of condition assessments as well as the maintenance activities such as vegetation and debris removal to prevent blockages and reduce the likelihood of overflows/surface flooding in rain events.

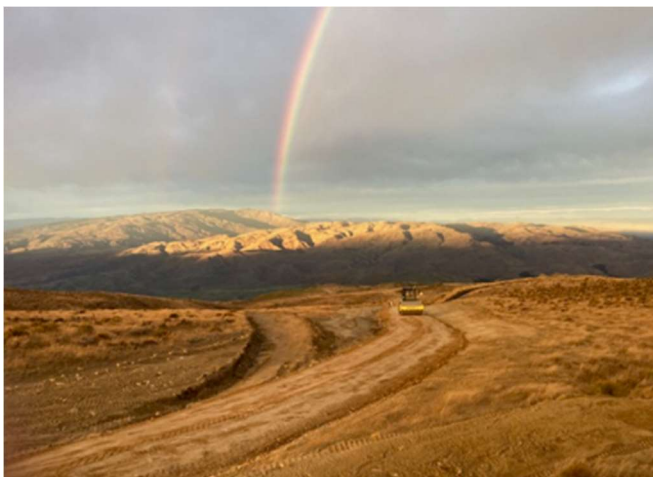
Roading services

Flooding featured again as an issue at the start of 2022/23 with damage on the network including a number of scouring issues on both Council's roads and structures requiring remedial works.

The 2022/23 year again saw a focus in this area with a number of culvert replacements and drainage improvements completed prior to both our sealed and unsealed renewals programmes being undertaken: 16.2km of sealed road network was resurfaced – the programme was lower than recent years due to both affordability and network need.



The team's footpath repair and renewals programme this year focussed on high use footpaths in both Alexandra and Cromwell with renewals also completed in Naseby and Ranfurly townships.



With over 70% of our roading network being unsealed, our gravel renewals programme is a significant portion of the team's annual roading spend. The 2022/23 programme included a focus on the Teviot Ward with a significant section of the Nevis Road also completed.

Clyde Heritage Precinct Upgrade Project

Stage 2 of this project commenced in May 2022. This work involves replacement of below ground services on both Holloway and Sunderland Streets in Clyde with significant above ground improvements including road carriageways, footpaths, street furniture and streetlighting. Work will continue through 2023 with an estimated final project completion in 2024.

Speed Limit Review

In response to community requests, speed limits across the district were reviewed and changes were recommended. All roads have been assessed against the criteria in the Waka Kotahi Speed Management Guide.

New speed limits were proposed for 70 roads, parts of roads, or areas in the Central Otago district. This included residential zones, rural roads and town centres.

In August 2022, speed limit changes were made to 64 roads in the Central Otago district. This included residential zones, rural roads and town centres.

Looking forward to 2023/24, several further speed limit changes are proposed around schools in the Central Otago District.

Environmental services

New kerbside collection

An audit of kerbside rubbish bins in 2020 showed that 47% of contents comprised of organic waste. With changes to the new kerbside service, which features the addition of a green organics bin for the collection of greenwaste and food scraps, the Waste Minimisation Team is pleased that the district now has a kerbside solution, to divert this material from landfill.



When Enviro NZ took over the new contract, they also took over the management of Council's transfer stations and recycling drop off locations, which are being upgraded.

Enviroschools

The Enviroschool programme, funded through a Waste Levy, is running in all schools in Central Otago. Schools design their own projects based on their own sustainability journey. Through the Enviroschools programme there has been a real focus on waste that aligns with the changes to the kerbside service. Many schools have been learning about composting, how a Material Recovery Facility works, and understanding the concept of waste.

Planning and Regulatory services

Planning received 619 consents for the year and issued 524 consents for the year. These were made up of 341 Land Use Consents and 116 Subdivisions and 67 other consents.

District Plan changes

As mentioned earlier, proposed Plan Change 19, which involves rewriting the residential chapter of the District Plan, will give effect to the outcomes of the Cromwell and Vincent Spatial Plan, introducing large lot, low density and medium density zoning, along with design guidelines for development. This was released with other plan changes - PC18 (industrial zoning), PC20 (heritage guidelines) and PC21 (Parkburn Quarry).

Building

In the 2022/23 financial year, 1027 building consents were issued compared to 1264 in the previous year, with an average of 12 working days.

Over the last 12 months we have completed 136 residential pool barrier inspections and issued 116 pool barrier licences, and 15 buildings have been added to the national earthquake prone buildings register and have an 'undetermined' notice while we await Initial Evaluation Procedure reports.

Dogs

Early this year the team welcomed their new Team Leader for Enforcement and Animal Control who has been active in the community by offering supportive education on how to be a responsible dog owner.

A review of dogs registered as working dogs instead of pet dogs was initiated to ensure they met the definition under the Dog Control Act 1996. This work will continue through the coming year.

The dog control team has been working towards collecting the microchip numbers from all registered pet dogs in Central Otago as required by the Dog Control Act. This work is on-going.

Pools, Parks and Cemeteries services

Pools

The Alexandra Pool had new pool analysers installed for all the pools and greatly improve the facilities' ability to automatically maintain water quality. Sodium Bisulphate dosing systems have been installed in both the Cromwell and Alexandra facilities.

Central Swim School admissions for both Alexandra and Cromwell have doubled this past year compared to the previous year. We are now also offering swim lessons on Saturday in Cromwell as well. The swim school is actively engaged in becoming a certified Water Skills for Life provider. By receiving this accreditation, our swim school will be established as a trusted learn to survive water safety specialists.



A new supervision policy has been introduced that will increase the safety of our aquatic environment.

Children now must be 10 years old to come to the pools by themselves, and children younger than 10 must be accompanied by an adult (16 or older) and wear a corresponding wristband based on their age.

Under 5-year-olds must be within arm's reach of an adult and wear an orange wristband. Children aged 5 – 9 years old must be actively always supervised and wear a purple wristband.

Parks

As mentioned, the Ranfurly John Street playground replacement was completed and officially opened with a community celebration at the end of May. Other projects included:

- Molyneux Park and Cromwell sports ground demand analysis reports were completed to enable Council to better understand future demand for sports grounds in the future so they can be planned well in advance.
- Pioneer Park swing set replacement was completed, replacing an aging piece of play equipment.

- Cromwell garden upgrades continues to refresh and revitalise the amenity gardens within Cromwell town centre area.
- New irrigation and turf renovation on Jollys Road Reserve, Cromwell
- Alexandra-Clyde River Track tree maintenance was undertaken to ensure the track remains safe for users.
- Council's Open Spaces Maintenance contract continues to deliver facilities fit for purpose within the allocated budgets.

Open Spaces and Play Strategies

Work has continued on Council's first Open Space Strategy and first Play Strategy. A survey was sent out to the community mid-2022 to determine what the community want from open spaces for the next 30 years and how the community want Council to facilitate play in the community. Further consultation will be undertaken in late 2023.

Bannockburn Domain Reserve Management Plan

This policy document was approved by Council in 2022.

Property, Property Statutory and Community Facilities services

Alexandra

The Alexandra Airport Masterplan has been completed, providing direction for future types of activity on the aerodrome and appropriate locations for development. There has been increasing interest in private hangars with a residential annexe; 26 hangar or hangar and residential leases have been issued with potential for another four sites to be leased in the existing hangar site area.

Cromwell

At Cromwell Aerodrome there are now 23 leases in place for hangar-only sites with no further available sites.

Ranfurly

As mentioned earlier, the town has a new 6-pan unisex toilet block that includes two fully accessible, family friendly toilet cubicles which will be completed in 2023/24.



The project picked up a grant from the Tourism Infrastructure Fund for 50% of the costs enabling the project to start in 2022/2023. This fund also gave Old Cromwell Town additional pans in each of the men's and women's toilets. As mentioned, Cromwell Bike Park is also getting new toilets with a unique wrap finish, and it is hoped the block will be open by Christmas.

Dunstan Park - residential subdivision

Stages 1 and 2 of the Council's residential subdivision in Alexandra were completed in 2021/22, with 32 sections sold. In 2022/23, stage 3 is completed with 1 titled section remaining to be sold.



Stage 4 is progressing with certificate of titles expected in 2023/24 where land and house packages are currently being marketed.

Cromwell - Gair Avenue subdivision

Council is undertaking a five-stage residential subdivision on approximately 5.3 hectares of land at Gair Ave Cromwell. The project is anticipated to become an exemplar residential development for Central Otago providing opportunities to intensify some areas as medium density residential typologies to accommodate diverse housing demands and offer cost effective and innovative housing solutions. Preliminary design has been approved by the Cromwell Community Board and first stage is expected to be completed in 2023/24.

Cemetery Road industrial subdivision

Stage 2 of the Council's industrial subdivision at Cemetery Road, Cromwell was completed with 23 sections sold and sales profit received of around \$6 million. Five sections remain which will put on market once boundary adjustment process completed.

Cromwell Memorial Hall and Event Centre



As mentioned earlier, plans are progressing on this project to provide a place that respects its Memorial status delivering a modern, contemporary space for all of the community and visitors to feel welcome.

Discussion and consultation continues with the external stakeholder group, and there has also been regular check-ins and discussion with the Project Advisory Group.

The existing hall will be demolished with construction expected to commence in 2024.

Cromwell Town Centre and civic facilities

Work continues on the Cromwell Town Centre and civic facilities where the intent is to plan an attractive, vibrant heart that is Cromwell's principal commercial area, celebrating local identity, where people congregate, spend time and business engages and invests.

Discussion and consultation with the external stakeholder group made up of representatives from the Mall continues, with regular check-ins and discussion with the Project Advisory Group. Indicative planning will continue through 2024.

Alexandra Library Refurbishment – finalising the designs. With feedback from the community, library staff we have now moved onto the construction quoting stage (6). Other projects include:

- Millers Flat Hall – five heat pumps installed.
- Maniototo Stadium – change rooms and external toilets face lift and bricks painted.
- Maniototo Arts Centre – newly painted in art deco colours by the Maniototo Arts Council to reflect the purpose of the building.
- Oturehua Pavilion – changing rooms painted and worn carpet tiles replaced in meeting room/kitchen with vinyl planking for easy cleaning.



Elderly Persons Housing

The occupancy rate 98%, the highest since 2002 when rates started to be recorded. This made it extremely difficult to undertake full interior refurbishments. Despite that, two units in Ranfurly were refurbished including installing wet floor bathrooms. A Roxburgh unit was internally refurbished and a couple of units in Alexandra and two shared laundry areas in Ranfurly were repainted.

Spouting was replaced on the Pery Street units in Ranfurly and in Leitholm Place Roxburgh. Replacement of rotten cladding was carried out at a block of Roxburgh units followed by external painting using a modern colour palette.

External painting at Shannon St Alexandra – project to replace lights at the units with LED button lighting has been completed at 53 units.

Libraries

As mentioned in the property report, the Alexandra Library rebuild is a major project. The \$1.035 million rebuild is being done at the same time as the \$361,000 for the Radio Frequency Identification (RFID) project from Better Off Funding.

Alexandra Library Refurbishment Timeline



When construction starts, there will be a pop-up library available in the shop space right next door to the library (vacated by Thrive), so people won't have far to walk to continue getting their fix of books and more. Clyde Library will also be extending its hours.

- Over 135,000 people visited our libraries, rebuilding towards pre COVID-19 levels
- Issues and renewals of physical items have rebuilt to 197,295 per annum. Digital collections continue to grow in use, particularly eAudio
- 1120 new borrowers joined the libraries with 6420 individuals using library collections during the last 24 months.

The libraries, in particular Alexandra Library, hold Wellbeing and craft workshops, host authors and most of the district's libraries hold or facilitate book chat groups and clubs.

Maniototo Library – new library built as part of a Ministry of Education redevelopment of Maniototo Area School. Council contributed design suggestions that delivered a welcoming and modern environment that is enhancing life-long learning and community connection.

Cromwell Library

A highlight has been the establishment of the new StoryWalk featuring *Shrek the Sheep* (written by the children of Tarras School and edited by teachers, parents and John Perriam), and *Classic rhymes for Kiwi kids* (thanks to Peter Millett (author), Scott Tulloch (illustrator) and David Bateman Ltd (publisher).



Governance and corporate services

Meetings

Council meetings continue to be live-streamed, recorded and uploaded onto the Council website.

Elections

Local body elections were held in October 2022, which resulted in a mix of existing members returning and new members joining Council and community boards. During the induction period, councillors visited Ōtākou Marae.

Online services expansion

The CODC digital customer portal is gaining popularity with 7,696 submitted during the 2021/22 financial year, increasing to 10,749 for the 2022/23 financial year. More forms have been digitised over the last 12 months, with more to come. Expanding the range of services available online, while maintaining usual customer interaction options including in-person, telephone, and post.

The digitisation of property files has reached 50% completion of the 15,000 properties at the end of June 2023. New property related information is being received and converted to digital on receipt. This is now resulting in many property file requests for the public and use on Land Information Memorandums (LIMs) already being digital.

Planning for our future

District Vision - Shaping tomorrow together

This is a wellbeing project to articulate a 50-year vision for Central Otago to go out to the public for input in August-September 2023.

Read more: [Central Otago wellbeing project launched - Central Otago District Council \(codc.govt.nz\)](https://codc.govt.nz)



Making a Difference with Placemaking

The Tourism Central Otago team is working with the Regional Identity Advisor and Ngāi Tahu (Kāi Tahu) (through Aukaha) to build an increased awareness and integration of the stories of mana whenua through the Regional Identity section of centralotagonz.com website.

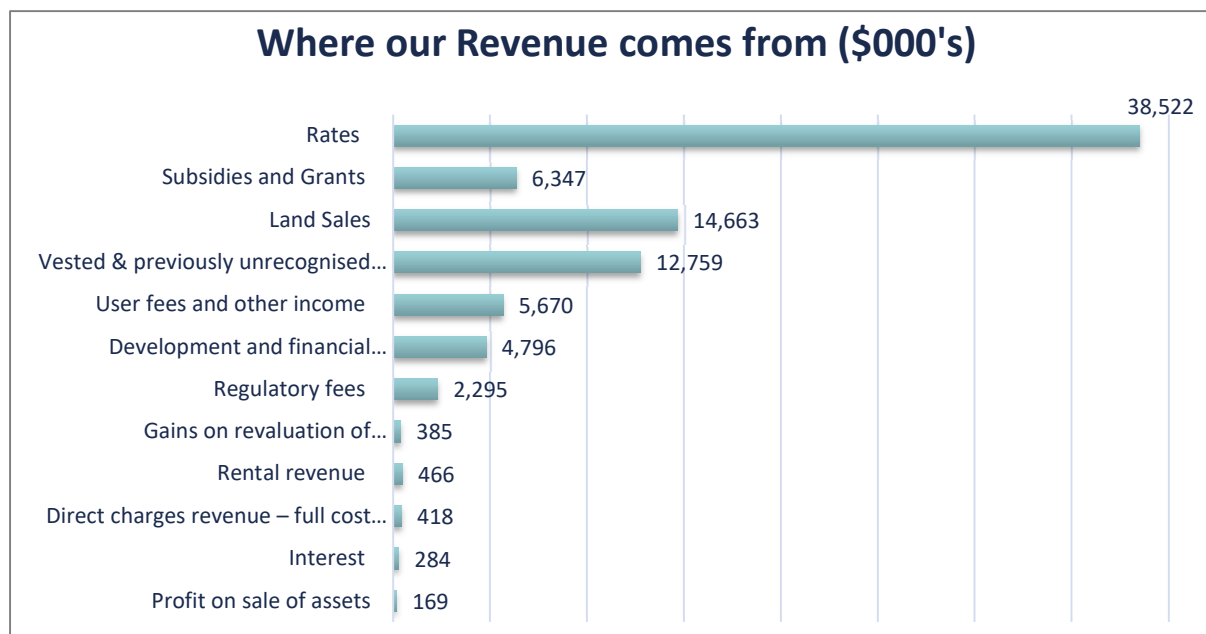
A collaboration with the museum and heritage sectors is also in development to ensure access to imagery to support the promotion and awareness of these stories.

Our results

Our projects for the 2022/23 year, including those captured in our highlights on the previous pages were achieved. We are mindful that some projects are still in progress and there are major capital works on the horizon. We will manage these within the limits of our financial strategy.

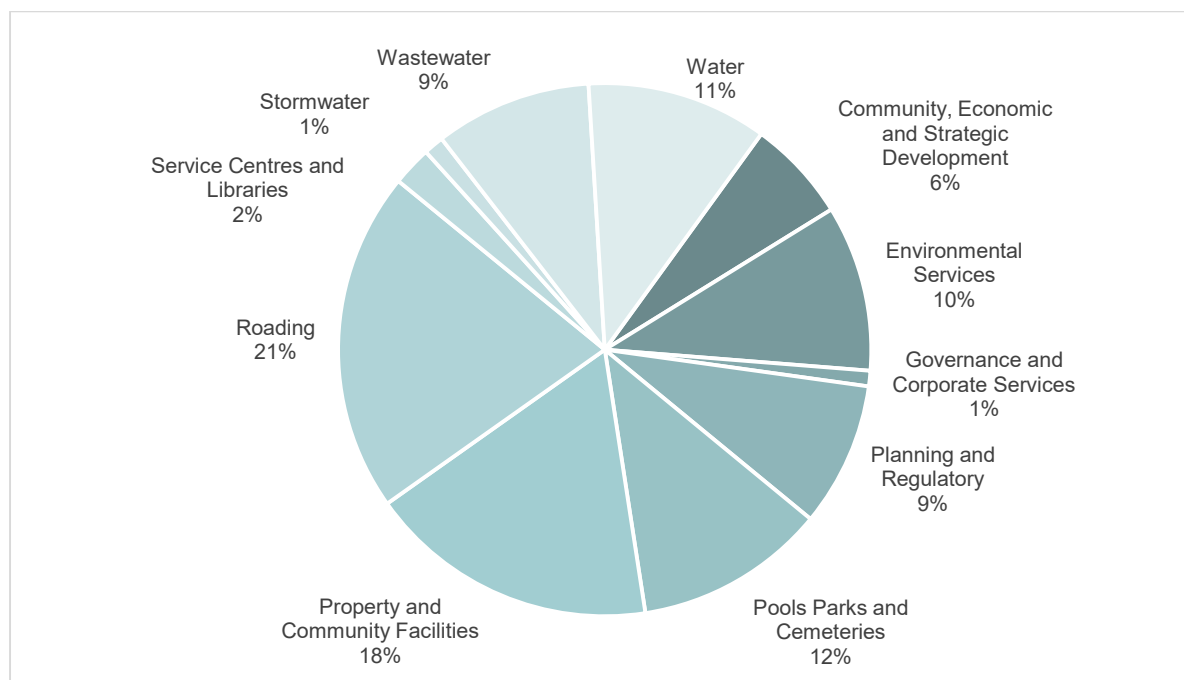
Council ended the year with a surplus of \$20.833 million after tax.

5-Year Financial Performance	2022/23 \$000	2021/22 \$000	2020/21 \$000	2019/20 \$000	2018/19 \$000
Rates revenue *	38,522	35,545	32,561	31,140	29,509
Other revenue**	48,251	48,536	29,679	34,672	34,622
Total revenue	86,773	84,081	62,240	65,812	64,131
Employee benefit expenses	12,896	12,491	11,109	10,218	9,697
Depreciation and amortisation	17,396	10,629	9,999	9,041	11,567
Other expenses	35,648	32,565	28,809	34,483	25,437
Total expenditure	65,940	55,685	49,917	53,742	46,701
Net surplus (deficit)*	20,833	28,396	12,323	12,070	17,429
Working capital (net)	(4,678)	5,600	12,577	15,404	19,966
Total assets	1,180,333	1,110,883	893,523	886,892	841,122
Cash flows from operating activities	18,002	22,192	12,577	12,024	19,428
* Note: includes revenue from water meter charges					
** Note: includes vested assets	12,759	10,032	6,489	9,512	10,300



How the money is spent, by activity

Total expenditure of \$65.9 million



Key Facts and Figures for 2022/23

- 86.8 million - Council's total revenue
- 65.9 million - Council's total expenditure
- 18.1 billion - District rateable capital value as at 30 June 2023
- 6.7 billion - District rateable land value as at 30 June 2023
- 25 million – Council's debt
- 14,933 - The number of rateable properties in our district
- 1.2 billion - The current book value of our district's non-current assets

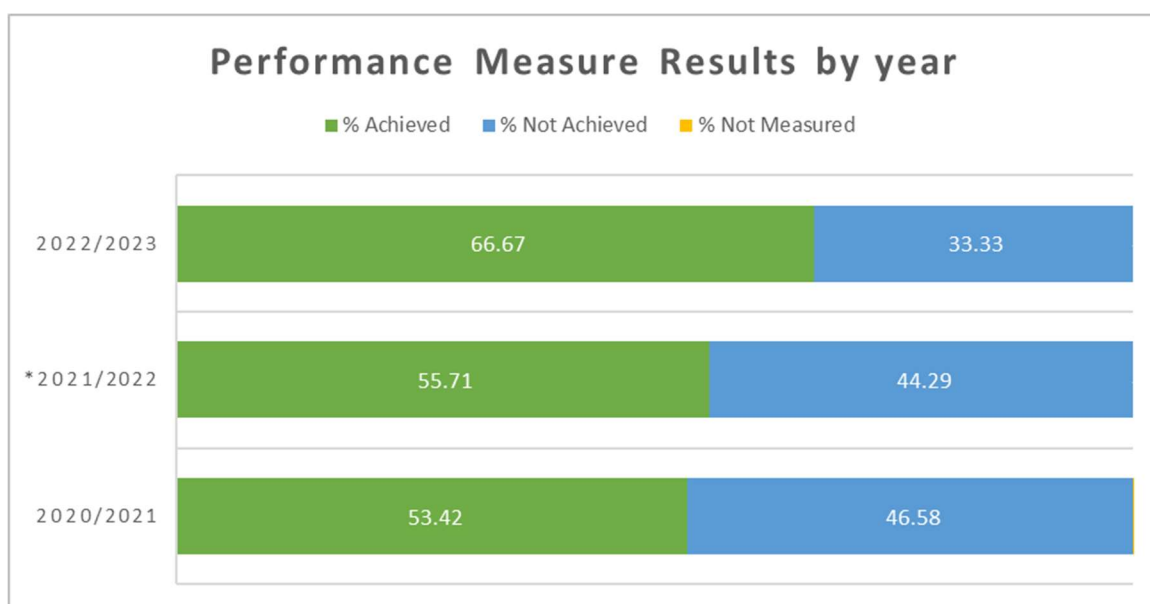
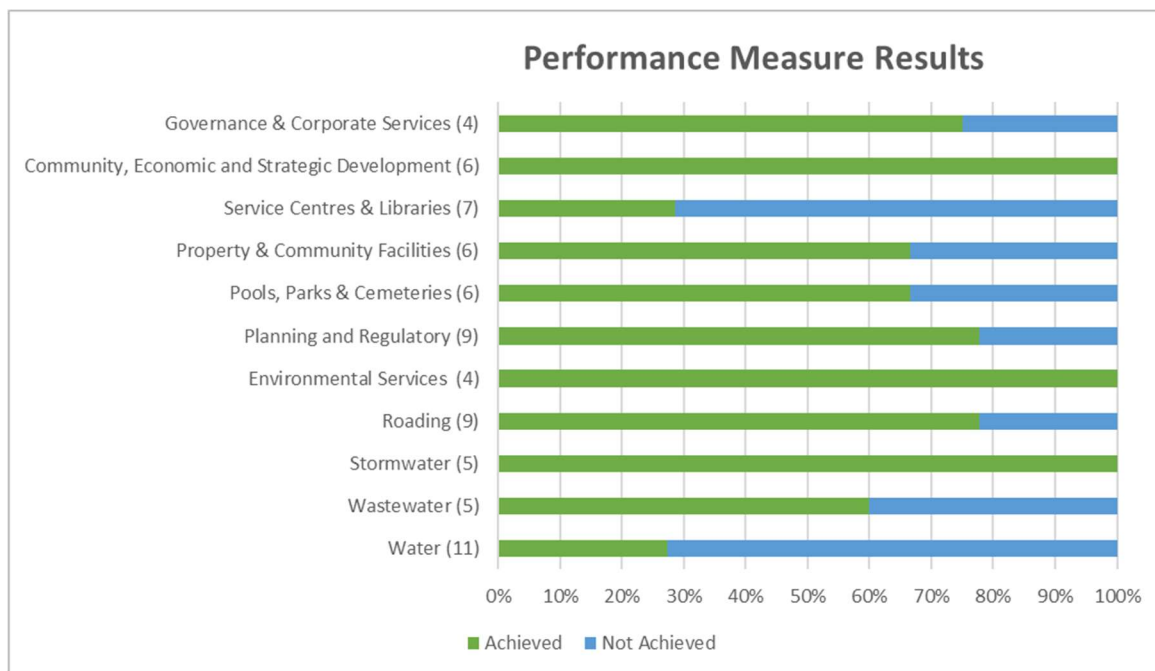
Borrowing Limits

Item	Borrowing Limit/ LGFA Lending Covenant	Actual Results
Net external debt as a percentage of total revenue	<175%	11%
Net external debt as a percentage of total value of assets	<10%	1%
Net external interest as a percentage of total revenue	<20%	1%
Net external interest as a percentage of annual rates revenue (debt secured under debenture)	<25%	1%
Liquidity (term debt + committed loan facilities + available cash or cash equivalents) over existing external debt	>110%	170%

How we measure success

Council has 11 activity groups and each of these has its own section in the full Annual Report. This is snapshot of our results. The graphs below provide a summary of the results, showing the percentage of targets achieved and not achieved.

We use a range of measures to monitor our service performance. The measures cover attributes relating to our service delivery such as timeliness, responsiveness, accessibility, safety, statutory compliance and sustainability.



*Refer to pages 27 and 28 in the full Annual Report 2022/23 document where we have documented the changes in the service performance measures.

WATER

The number of performance measures achieved in 2022/2023 declined from the previous financial year.

- Annual real losses from the network reticulation system (leaks, metering and inaccuracies) did not meet target.
- Average consumption of water per day met target.
- Water network callouts did not meet target. The automated data collection system failed during the year and as a result, data has been collected manually. This resulted in delays to the close-out of our callouts.
- Introduction to the drinking water quality assurance rules by legislation from the 14 November 2022. The Council has opted to use these new standards from the 1 November 2022. An external contractor was used to review data collected to ensure these measures have been accurately recorded. They have confirmed that compliance has not been met for both periods.

WASTEWATER

The number of performance measures declined in 2022/23 compared to the previous year.

- The number of complaints decreased from 10.17 per 1,000 connections in 2021/22 to 10 per 1,000 connections in 2022/23.
- Compliance with discharge consents did not meet target. This was due to wastewater treatment plants operating under abatement notices in Alexandra, Naseby, Omakau, Cromwell, Roxburgh and Ranfurly. An abatement notice for Omakau was cancelled in October 2022, due to a new resource consent being issued. Infringement notices were received for wastewater treatment plants in Naseby and Ranfurly.
- An increase in the number of dry weather sewerage overflows from the sewerage scheme compared to the previous year with 2.75 per 1,000 connections compared to 1.49 in the previous year. This was due to incorrect flushing of wet wipes, fat, oil and miscellaneous items flushed into the wastewater system.

STORMWATER

The number of performance measure improved in 2022/23 compared to the previous year.

- Response times to attend flood events remained on target. There were no flooding events during 2022/23.
- Public complaints relating to stormwater declined by 0.9 per 1,000 properties against a target of < 2 per 1,000 connections.

ROADING

The number of performance measures saw an increase in targets met during 2022/23 compared with the previous year.

- The average quality of sealed roads measured by smooth travel exposure remained the same with 97%, exceeding the target of 90%.
- Customer satisfaction with the condition of unsealed roads increased to 74%, above the target of 70%.
- During the financial year, 3.0% of sealed roads were resurfaced, this is a decline from the previous year of 3.6% per annum target for resurfacing. The decline was due to affordability and network needs.

- Customer service request response times within 10 days met target compared with the previous year. This resulted in 91% of customer service requests responded to within 10 days.

ENVIRONMENTAL SERVICES

The number of performance measures achieved in 2022/23 improved compared to 2021/22.

- An increase in customer satisfaction by residents satisfied with waste services in 2022/23 with a 73% target achieved compared to 59% in the previous year.
- Overall performance in total amounts of material sent to landfill decreased with 9,706 tonnes of waste to landfill.
- A decrease in the total amount of waste to landfill per rateable property achieved target 662kg compared to the previous year of 685kg per rateable property. In determining the performance against emission targets, there is a level of uncertainty in reporting greenhouse gas (GHG) emissions, which is due to the inherent scientific uncertainty in measuring emission factors as well as estimation uncertainty in the measurement of activity quantity data.

PLANNING AND REGULATORY

The number of performance measures for Environmental Services decreased in 2022/23.

- Resource consents processed within statutory timeframes decreased to 58.39% compared with the previous year. This is due to resourcing challenges.
- Building consents issued within the statutory timeframe of 100% decreased to 98%.
- Customer satisfaction with resource consent improved year-on-year however declined against a target of 75% compared to 53% of target achieved.

POOLS, PARKS AND CEMETERIES

- Residential survey results with playgrounds in customer satisfaction increased from 81% in 2021/2022 to 90% in 2022/2023.
- Across the pools and programmes offered, customer satisfaction declined against target of 90% compared to 77% in 2022/23. Customer survey comments were around issues with temperature, cleanliness and a need to improve facilities. Others also indicated a need to extend hours.
- Parks and reserves customer satisfaction increased slightly from the previous year from 87% to 89%, this measure did not meet a revised target of 93%.
- Customer satisfaction in the process of cemeteries and burials decreased target of 85% in 2022/23 compared to the previous year of 90%. Only one comment on this service was a concern about the black smoke from the crematorium.

PROPERTY AND COMMUNITY FACILITIES

- The percentage of residents satisfied with community buildings resulted in 69% of the target not being met for 2022/23. This is a decline on the previous year by 5%. Only 56% of respondents actually used the facilities with two comments received relating to seating too hard at one Alexandra facility and the need to rebuild the Cromwell Hall.
- Full compliance with building WOF requirements were met in 2022/23. This is compared to 98% non-compliant in 2021/22.
- There were no complaints from airport users or notifications from Civil Airways Corporation resulting in full compliance for this target.

SERVICE CENTRES AND LIBRARIES

- Library users satisfied with the quality of services saw an increase from 91% in 2021/2022 to 95% in 2022/2023.
- Customer service request satisfaction with fast and efficient and issues dealt with decreased from 76% in 2021/2022 to 67% in 2022/2023. Although comments indicate contact was fast, many felt it took a long time for their service request to be resolved.
- Satisfaction with initial contact presented declines in fast and efficient service and issues dealt with were delayed when calling the after-hours service.

COMMUNITY, ECONOMIC AND STRATEGIC DEVELOPMENT

- All targets for this department in 2022/23 were achieved.
- The percentage of council administered documents in the policy and strategy register are current and have been reviewed within specified timeframes met target with 89% achieved.
- The percentage of respondents to customer survey who are satisfied with the type of economic development activity Council is involved in was 76%
- Four hui were facilitated by council for local people involved in community-led development. This number increased by 3 hui from the previous year.

GOVERNANCE AND CORPORATE SERVICES

- Customer survey satisfaction of 62% with performance of elected members decreased from 59% in the previous year. Comments received indicate satisfaction was high, but elected members needed to listen more.
- Council also met target with no complaints regarding council's democratic processes.
- Targets in the Corporate Services area have all been met with continued success in the percentage of annual reports and long-term and annual plans adopted by Council within statutory timeframes.
- No complaints have been upheld relating to the protection of individuals privacy when dealing with council.

Summary Financials

for the year ended 30 June 2023

2021/22 Actuals \$000	Summary Financials	2022/23 Annual Plan \$000	2022/23 Actuals \$000
SUMMARY STATEMENT OF COMPREHENSIVE REVENUE & EXPENSES			
84,081	Total revenue	70,356	86,773
84,081	Total Revenue	70,356	86,773
55,647	Total Expenditure	60,958	65,268
	(excluding finance costs and valuation losses)		
38	Finance Costs	600	672
55,685	Total expenditure	61,559	65,940
-	Tax Expense	-	-
28,396	Surplus/(Deficit) before tax	8,797	20,833
167,045	Total gains on asset revaluations	33,502	28,459
-	Gains (losses) on revaluation of share equity	-	(8)
195,441	Total comprehensive income	42,299	49,284
SUMMARY STATEMENT OF CHANGES IN EQUITY			
899,340	Opening Public Equity 1 July	919,324	1,094,886
195,447	Total comprehensive income	42,299	49,284
99	Transfers	-	(31)
1,094,886	Closing Public Equity 30 June	961,624	1,144,139
	Closing public equity comprises of:		
440,307	Accumulated funds	429,639	461,109
654,513	Revaluation reserve	531,926	682,972
80	Other reserves	80	80
SUMMARY STATEMENT OF FINANCIAL POSITION			
1,094,886	Total ratepayers equity	961,624	1,144,139
	Represented by:		
16,597	Total current assets	25,277	26,391
1,094,286	Total non-current assets	990,040	1,153,942
1,110,883	Total assets	1,015,317	1,180,333
	Less:		
(15,997)	Total current liabilities	(5,988)	(31,194)
-	Total non-current liabilities	(47,705)	(5,000)
(15,997)	Total liabilities	(53,693)	(36,194)
1,094,886	Net assets	961,624	1,144,139

2021/22 Actuals \$000	Summary Financials	2022/23 Annual Plan \$000	2022/23 Actuals \$000
Summary Statement of Cash Flows			
22,192	Net cash inflow (outflow) from operating activities	4,724	18,002
(25,472)	Net cash inflow (outflow) from investing activities	(35,348)	(27,228)
5,000	Net cash inflow (outflow) from financing activities	22,700	20,000
1,720	Net increase (decrease) in cash and cash equivalents	(7,923)	10,774
5,014	Opening cash 1 July	19,896	6,735
6,735	Closing cash 30 June	11,972	17,510

Notes to the Summary Financial Statements

The information included in this summary financial report has been extracted from Council's full audited Annual Report and authorised for use by the Chief Executive Officer on 13 December 2023. The full Annual Report was adopted by Council on 13 December 2023, and the full Annual Report and this summary received an unmodified audit opinion with an emphasis of matter relating to the Government Three Waters Reform Programme.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Central Otago District Council has designated itself as a tier 1 Public Benefit Entity (PBE) for the purposes of the PBE International Public Sector Accounting Standards (IPSAS). The information in this summary report has been prepared in accordance with PBE FRS 43: Summary Financial Statements.

The full financial statements complies with PBE IPSAS.

The accounting policies have been applied consistently to all periods presented in these financial statements. Council considers the carrying value of infrastructure assets reported reflect their fair value. The financial statements are presented in NZ dollars and all values are rounded to the nearest thousand dollars (\$000).

The Council has prepared this summary financial report in order to provide users with a succinct overview of Council performance. Users of the summary financial report should note that the information contained therein cannot be expected to provide as complete an understanding as provided by the full Annual Report of the Council. Users who require additional information are encouraged to access Council's full Annual Report on our website www.codc.govt.nz.

Users who do not have access to the website can request a printed version from the following:

Central Otago District Council
PO Box 122
Alexandra 9340

Financial Summary

Council ended the year with an after-tax surplus of \$20.833 million compared to the budgeted surplus of \$8.797 million. Revenue was \$16.417 million higher than planned. This is mainly due to assets that were vested to Council and development and financial contributions. The revenue and expenditure of land sales are itemised separately in the financial statements. Additional funding received from the Better-off Funding, Three Waters transition support funding, Tourism infrastructure funding and Ministry of Business, Innovation and Enterprise.

Overall expenditure for the financial year was higher than anticipated by \$4.381 million. This is mainly due to depreciation as a result of significant increases in the land, building, roading and three waters valuation from June 2022. Also there has been increases in insurance and three waters compliance costs. In addition the Roxburgh Pool grant was paid out in 2022/23 while the budget was in the previous financial year.

Capital expenditure is behind schedule with uncompleted work being rescheduled for the 2023/24 year. Contractor and material shortages have contributed to this as well as thorough design and implementation planning.

Vested assets and development contributions have been received from large subdivisions in the Cromwell and Alexandra. Including, Wooing Tree, Prospectors Park and Dunstan Park.

Related Parties

Related party disclosures have not been made for transactions with related parties that are within a normal supplier of client/receipt relationship on terms and conditions that are favourable than those that it is reasonable to expect the Council and group would have adopted in dealing with the party at arm's length in the same circumstances.

Events Subsequent to Balance Date

Disclosures – Water services reform programme

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

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

- The Water Services Legislation Act 2023, which amended the Water Services Entities Act 2022 on 31 August 2023 to provide for the transfer of water services assets and liabilities to the water services entities.
- The Water Services Economic Efficiency and Consumer Protection Act 2023, which provides the economic regulation and consumer protection framework for water services. The consumer protection framework will come into force on 1 July 2024 and the rest of the Act came into force on 31 August 2023.

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

Independent Auditor's Report

To the readers of Central Otago 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 Central Otago District Council (the District Council) for the year ended 30 June 2023.

The summary of the annual report comprises the following information on pages 31 to 35:

- 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 activity and service statements.

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 13 December 2023.

Our auditor's report on the full annual report also included emphasis of matter paragraphs drawing attention to the uncertainty over the water services reform programme and the inherent uncertainties in the measurement of greenhouse gas emissions.

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 water 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 34 remains uncertain until the relevant water services entity's establishment date is known, and the allocation schedule of assets, liabilities, and other matters to be transferred is approved. In addition, there is uncertainty around the water services reform legislation. With the change in government, it may be repealed or substantially amended.

The District Council has chosen to include a measure of its greenhouse gas (GHG) emissions in its performance information. Without modifying our opinion and considering the public interest in climate change related information, we draw attention to measuring emissions on page 27 of the annual report, which outlines the uncertainty in the reported GHG emissions. Quantifying GHG emissions is subject to inherent uncertainty because the scientific knowledge and methodologies to determine the emissions factors and processes to calculate or estimate quantities of GHG sources are still evolving, as are GHG reporting and assurance standards.

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.

Other than in our capacity as auditor, we have no relationship with, or interests in the District Council.

A handwritten signature in black ink, consisting of a large, stylized 'S' shape with a horizontal line extending to the right.

Chantelle Gernetzky
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
20 December 2023



03 440 0056

info@codc.govt.nz www.codc.govt.nz
1 Dunorling Street, PO Box 122, Alexandra