

# Annual Plan

## Tahua ā-tau

### 2023/24



environment  
**SOUTHLAND**  
REGIONAL COUNCIL

Te Taiao Tonga



Ka haea te ata  
Ka hāpara te ata  
Ka korokī te manu  
Ka wairori te ngutu  
Ko te ata nui  
Ka horahia  
Ka tangi te umere a ngā  
tamariki  
He awatea

*The daybreak comes forth  
The birds sing  
Welcoming the great day  
Spread before us  
Joy unfolds  
Behold a new day*

*Source: Te Tangi a Taurira, 2008*



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# Message from the Chairman and Chief Executive

Kia ora and welcome to this year's Annual Plan.

The year ahead demands a particularly high level of performance from the Council as we advance key work programmes through some important milestones. We will continue to take a prudent financial approach, and working together with our community for a thriving Southland, remains as important as ever.

Key work programmes relate to the priorities we set in our 10-year Long-term Plan. These are: improving freshwater quality; building community resilience to climate change impacts, which are becoming increasingly evident; improving air quality and biodiversity, and improving our internal systems to ensure our work programmes deliver greater efficiencies.

A lot of work is underway in the freshwater space in partnership with Te Ao Marama Inc. This year, we are expecting our proposed Southland Water and Land Plan (SWLP) – the foundation for Southland's regulatory approach to freshwater – to conclude its journey through the Environment Court, with a number of changes.

As well, we will be progressing a plan change (Plan Change Tuatahi) to the pSWLP with the development of limits and targets, in conjunction with the community. The purpose of Plan Change Tuatahi is to achieve hauora – a state of health resilience for our waterbodies and in doing so, align our rules with the Government's 2020 National Policy Statement for Freshwater.

The recommendations from the Regional Forum will form a key foundation of this work and also be part of our community support activities. Like the new rules for intensive winter grazing and the introduction of freshwater farm plans, our freshwater programme builds on all of the good work already underway in the community.

Our climate adaptation work is well in-train. Environment Southland has set a target of becoming a net zero council by 2050 and initiatives are underway to achieve this.

Resilient River Communities projects, part of a national programme of work, are providing critical upgrades to parts of Murihiku Southland's flood defences with the help of funding from Kānoa – the Regional Economic Development & Investment Unit. They are also helping to lift regional employment and provide a boost for the local economy. Progress has been steady and in the next construction season (from spring to autumn) we expect to complete all the projects across the Maitai and Ōreti catchments.

The all-important maintenance of our wider flood protection network across the region is ongoing, ensuring communities continue to receive a good level of protection.

We have begun receiving significant pieces of catchment information from the LiDAR mapping project undertaken between the Southland councils and Toitū Te Whenua (Land Information New Zealand), which will prove highly useful for hazard planning and understanding our catchments and, in time, the hydrology of Southland.

Nationally, there is a lot of change coming at us in the legislative landscape. There is a shake-up with the Resource Management Act; the three-waters reform, which affects us less; plus the Future of Local Government review. The level of change and impact is not yet fully known, but it will shape our work in meeting our regional natural resource management responsibilities. It will also no doubt require an even greater level of collaboration between Southland councils and that, along with maintaining our

connections with central government, will see us working together towards the best possible outcomes for Southland.

Other key priority projects continue, such as our air quality monitoring and the biosecurity and biodiversity programmes. The Tiwai project is ongoing, as we work through regulatory and monitoring requirements for remediating contamination at the site.

While our work programme will be stepped up in this coming year, there are not any significant changes to planned programmes from what was outlined in the Long-term Plan. However, just as rising prices are impacting all parts of the community, they are also affecting the Council's work-related costs.

Like everyone, we are having to deal with considerably higher inflation levels than anticipated three years ago when the Long-term Plan was adopted. We are also entering the coming financial year from a situation where we absorbed higher costs in 2022/23, having held the rates at a 5% increase despite higher inflation. This is not sustainable year-on-year. Our costs have risen by 9% above the forecast in the Long-term Plan. The Council worked hard to get to a place where we could meet our commitments to the community while keeping rates increases as low as possible.

We achieved this by further prioritising our work and finding innovative ways to be more efficient to reduce costs. Alongside these efforts, we had lower expenditure in some areas such as unfilled vacancies, and the welcome return of marine fee revenue as cruise ships began returning to Fiordland.

The result going into 2023/24, is an average rates increase of 6.9%, in line with the most recent inflation predictions of between 6.7 and 7.2%. The increase in rates will always vary from household to household, primarily due to the variance in property values.

The year ahead will be challenging, with many important priorities to progress for Southland. We are keen to engage with you on what is important to you and encourage you to get involved and to be part of the decisions for the Southland's future. As a region, we achieve so much more when we work together.

The Tahua ā-tau Annual Plan 2023/24 was adopted by the Council on 29 June 2023.

Nāku iti noa, nā



Nicol Horrell  
**Chairman**



Wilma Falconer  
**Chief Executive**



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# Guide to Tahua ā-tau the Annual Plan 2023/24

The financial year beginning 1 July 2023 is the third year of Environment Southland's Long-term Plan 2021-2031. The Long-term Plan sets out the Council's 10-year budget and work programme and is updated, in consultation with the community, every three years.

In each of the two years between Long-term Plans, the Council produces an Annual Plan. The purpose of the Annual Plan is to identify any changes to the coming year's budgets or work programmes from those forecast in the Long-term Plan.

For the 2023/24 financial year, the Council is not making any significant or material changes to its work programme or budget to what is in the Long-term Plan. Therefore, there was no formal public consultation on Tahua ā-tau the Annual Plan 2023/24. However, the Council is always open to people's views and you are welcome to put them forward via [service@es.govt.nz](mailto:service@es.govt.nz) or by speaking to your Councillor.

This document is the formal and public statement of the Council's intentions in relation to matters covered by Tahua ā-tau the Annual Plan 2023/24, in accordance with Section 96 of the Local Government Act (2002).

The document sets out the following:

- a summary of how Tahua ā-tau the Annual Plan 2023/24 varies from the Long-term Plan 2021-2031. The summary reflects our rates for 2023/24, noting that the average rate increase is 6.9% compared to the 5% forecast for this year in the Long-term Plan 2021-2031;
- a summary of how the Council plans to prudently manage its revenues, expenses, assets and liabilities; and
- the budget for 2023/24 and rates details for the year.

If you want more information about the Council's community outcomes, groups of activities and levels of service, including the Council's policies for carrying out its work, please refer to the Long-term Plan 2021-2031. Copies are available on our website [www.es.govt.nz](http://www.es.govt.nz) (type Long-term Plan into the search function). Copies are also available at libraries throughout the region and from Environment Southland's offices, cnr Price Street and North Road, Invercargill or call us on 0800 76 88 45 to have a copy sent to you.

## Tahua ā-tau Annual Plan 2023/24: How it differs from the Long-term Plan 2021-2031

The 2023/24 financial year is Year 3 of the Long-term Plan 2021-31 (LTP). The LTP was prepared during a time of uncertainty in terms of the economy, investments and the impact of Covid-19 on our work programmes. We budgeted accordingly to manage those issues with the best information we had at the time. Since then we have had to contend with rising costs primarily due to inflation and the need to employ the number of staff required to deliver the increased work associated with legislative change.

It is important to note that the LTP sets out a 10-year plan, with a focus on the first three years.

The top priorities outlined in the LTP were building resilience to the impacts of climate change, addressing freshwater challenges and undertaking transformative work within the organisation to increase its efficiency and meet the needs of its customers. These continue to be the organisation's priorities and the Annual Plan is consistent, to a significant and material extent, with the content of Year 3 of the LTP.

### What's changed?

The table below depicts the key differences in income and expenses between what was contained in the LTP for the 2023/24 year and what is contained in the Annual Plan. The accompanying notes provide a brief explanation of the changes with further detail on key changes outlined in the following paragraphs.

	LTP 2023/24 \$000	Annual Plan 2023/24 \$000	Change \$000	Notes
<i>Income</i>				
Rates	25,205	25,661	456	
Other income	11,129	14,395	3,266	1
Interest & dividends	5,162	5,515	353	2
Capital grants	-	10,600	10,600	3
Total income	41,496	56,171	14,675	
<i>Expenses</i>				
Employee expense	18,512	21,341	2,829	4
Other expenses	23,558	24,445	887	5
Total expense	42,070	45,786	3,716	
<i>Surplus / (Deficit)</i>	(575)	10,385	10,959	
Capital investment	537	20,334	19,797	6
Net debt	6,861	15,019	8,158	7

#### Notes:

- 1 Increase in Marine Fee of \$2.8 million, plus increase in cost recovery income for resource management activities.
- 2 Increase in dividend from South Port \$0.17 million plus increase in interest earned \$0.18 million.
- 3 Climate Resilience grants of \$3.1 million from 2022/23 budget not received due to changes in project timing, plus \$7.5 million budgeted for potential new Climate Resilience work.
- 4 Increase in staff numbers, plus inflation costs above LTP estimates.



- 5 Increase in costs above LTP estimates.
- 6 Includes capital expenditure of \$8.6 million from 2022/23 budget resulting changes in project timing, a budget of \$1.2 million for Climate Resilience data and science modelling and \$10 million for potential Climate Resilience government funded projects.
- 7 Forecast net debt increases resulting from the forecast increase in Capital investment.

## Marine fee

The return of cruise ship visits and marine fees is estimated to bring in \$2.8 million for the 2023/24 year, in comparison to the \$0.25 million forecast for the 2023/24 year in the LTP. This income can only be spent on coastal activities.

During Covid, the marine fee income disappeared because cruise ships were not visiting. Core coastal programmes that had been funded from this income were reduced and funded from the general rate. Other harbour coastal planning activities were funded from the marine reserve. With the return of the marine fee in the 2023/24 year, we will revert to funding core coastal programmes by this method. This enables us to free-up revenue from the general rate to offset rising costs on other programmes.

In addition, we will use a portion of the income to establish a coastal science programme. The last few years have seen increased activity in the coastal marine area. Intentions to establish coastal science and monitoring programmes to better understand this environment and the impacts of activities to inform the review of the Regional Coastal Plan were put on hold as a result of the loss of the marine fee at the time of the development of the LTP. The return of this income creates the opportunity to re-establish that work to meet the demand for it.

Another portion of the expected marine fee income will be used to continue to fund the Fiordland *Undaria* control programme<sup>1</sup> for one year while alternative funding is sought. This programme was delivered through central government's Jobs for Nature funding until March this year, and other central government funding opportunities are being investigated to continue this work in the longer-term.

Some funding has also been set aside to support community requests for coastal activities aligning with the *Environment Southland Marine Fee Reserve Allocation Policy* such as the Southern Coastal Charitable Trust's coastal clean-up and Stewart Island Helicopter Pad.

The remaining income will be used to build the marine reserve back up.

The allocation schedule for the 2023/24 year is as follows:

Marine Fee Allocations	2023/24 year
Transfer to Marine Fee Reserve	\$0.22 million <sup>2</sup>
Contribution to core coastal programmes previously funded by the marine fee (notably Harbour Management and the Regional Coastal Plan)	\$1.8 million
Coastal science programme	\$0.25 million
Fiordland <i>Undaria</i> control programme	\$0.5 million
Community activity allocations	\$0.03 million

<sup>1</sup> <https://www.es.govt.nz/jobs-for-nature/fiordland-undaria-control-programme>

<sup>2</sup> Any marine fees received in excess of that budgeted will also be transferred to the marine fee reserve.

## **Climate resilience work programme**

The \$10.6 million of funding included as capital grants is the government contribution for climate resilience projects to improve the region's flood defences. This means that although the climate resilience funding from Government may appear on our income statements as additional funds, it is specifically targeted to climate resilience projects and cannot be used for any other Council activity.

While the LTP forecast debt for the climate resilience projects for the 2023/24 year was \$7.4 million, the change in these projects' costs and expenditure over the previous two financial years brings the forecast net debt for the 2023/24 year to \$17.8 million. How this debt is to be repaid (timing and apportionment) will be a key conversation with the community in the lead-up to the 2024-2034 LTP.

## **Expenses**

Expenses for the 2023/24 year are forecast to be \$3.7 million higher than the LTP budget. This is primarily because of inflation and the need to employ the number of staff required to deliver the increased work associated with legislative change. In August 2020, when the 2023/24 LTP budgets were created, these substantial increases in costs could not be foreseen. The budget reflects the adjustments needed to maintain Council's strategy of balancing the achievement of outcomes with ratepayer needs and prudent financial management.

# Annual Plan Disclosure Statement

The purpose of this statement is to disclose the Council’s planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in the Annual Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations) Section 101. Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark			Planned	Met
1.	Rates affordability benchmark:			
1a	As % income	<60% total revenue	46% total revenue	Yes
1b	Rates increases	5%	6.9%	No
2.	Debt affordability benchmark:	<40% total revenue	32% total revenue	Yes
3.	Balanced budget benchmark:	100%	123%	Yes
4.	Essential services benchmark:	Nil	Nil	N/A
5.	Debt servicing benchmark:	10% Revenue	Nil	Yes

## 1. Rates affordability benchmark

For this benchmark:

- (a) the Council’s planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the Council’s Long-term Plan; and
- (b) the Council’s planned rates increase for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the Council’s Long-term Plan.

The Council meets the rates affordability benchmark if:

- (a) the planned rates income for the year equals or is less than each quantified limit on rates; and
- (b) the planned rates increase for the year equals or is less than each quantified limit on rates increases.

## 2. Debt affordability benchmark

For this benchmark, the Council’s planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council’s Long-term Plan.

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.



### **3. Balanced budget benchmark**

For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

### **4. Essential services benchmark**

For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

The essential service is for flood protection and control works. The assets for flood protection and control works are land assets, and so have no depreciation. The requirement is to show the depreciation expense relative to capital expenditure. As there is no depreciation, the requirement of Schedule 6 of the regulations cannot be produced.

### **5. Debt servicing benchmark**

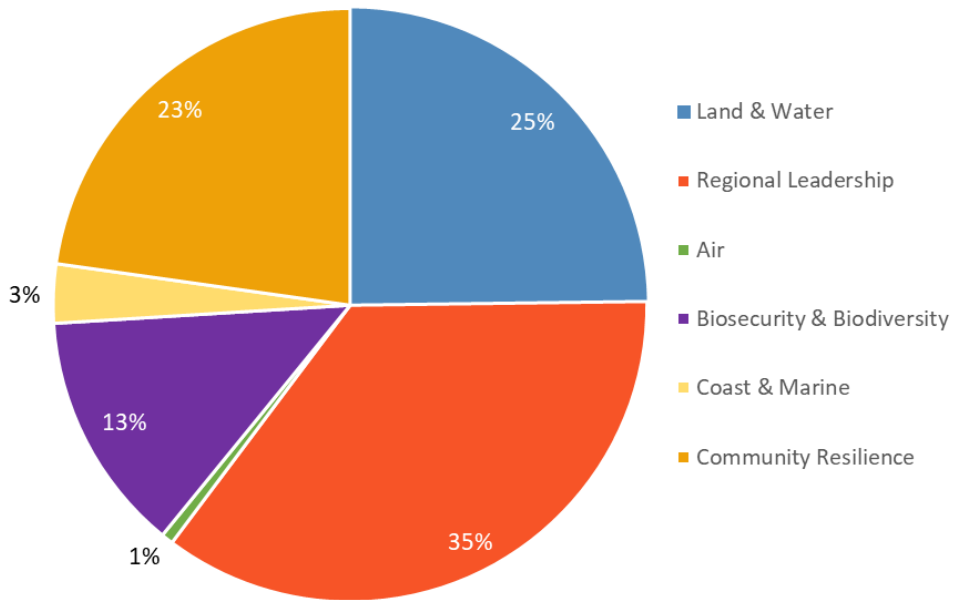
For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects that the Council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if it is planned borrowing costs equals or is less than 10% of its planned revenue.

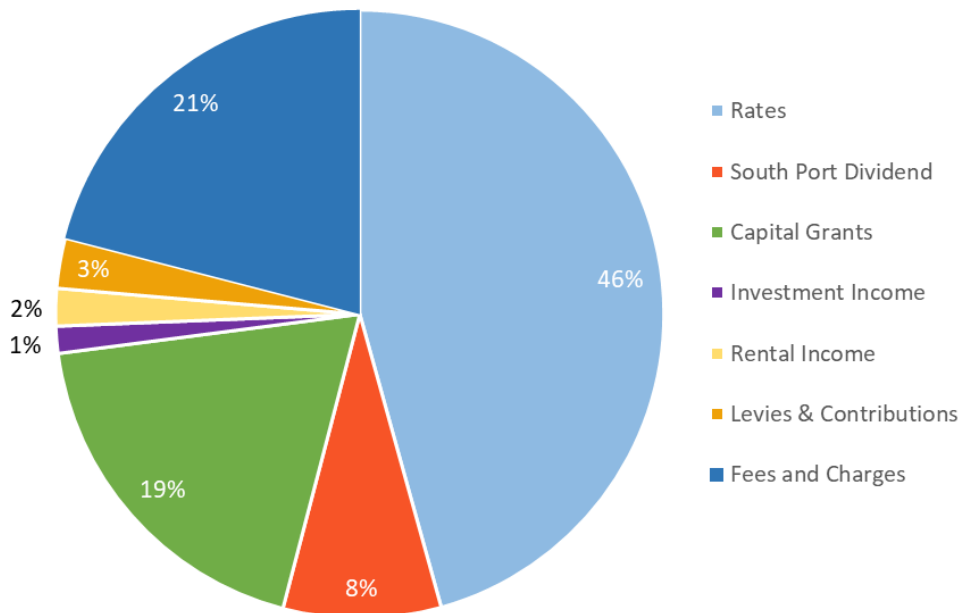
## Financial Overview

The Annual Plan 2023/24 projects that the overall rate increase will be 6.9%. Individual rate amounts will vary as the overall rate is made up of a mix of land and capital value rates.

### Prospective total expenditure 2023/24



### Prospective funding sources 2023/24



# Prospective Financial Statements

## Prospective Statement of Comprehensive Revenue and Expense for the year ended 30 June 2024

Annual Plan 2022/23 \$000		Notes	Annual Plan 2023/24 \$000	LTP 2023/24 \$000
<b>Revenue</b>				
24,004	Rates revenue	1	25,661	25,205
5,273	Interest & dividends		5,515	5,162
6,636	Capital grants		10,600	-
-	Other gains / (losses)		-	-
14,138	Other revenue		14,395	11,129
<u>50,051</u>	<b>Total revenue</b>	2	<u>56,171</u>	<u>41,496</u>
<b>Expenses</b>				
20,011	Employee benefit expense		21,341	18,512
779	Depreciation expense		801	936
87	Finance costs		-	150
25,386	Other expenses		23,644	22,472
<u>46,263</u>	<b>Total operating expenditure</b>		<u>45,786</u>	<u>42,070</u>
<u>3,788</u>	Operating surplus / (deficit)		<u>10,385</u>	<u>(575)</u>
<b>Other comprehensive revenue &amp; expenditure</b>				
-	Property, plant & equipment revaluation gain / (loss)		-	-
<u>3,788</u>	<b>Total Comprehensive Revenue &amp; Expenses</b>		<u>10,385</u>	<u>(575)</u>

## Prospective Statement of Changes in Net Assets/Equity for the year ended 30 June 2024

Annual Plan 2022/23 \$000		Annual Plan 2023/24 \$000	LTP 2023/24 \$000
87,673	<b>Opening equity</b>	93,637	91,241
3,788	Total comprehensive revenue surplus / (deficit)	10,385	(575)
<u>91,461</u>	<b>Closing equity</b>	<u>104,021</u>	<u>90,666</u>

*The opening Equity balance for the 2024 year has been adjusted to more accurately reflect the current financial position of the Southland Regional Council.*



## Prospective Statement of Financial Position as at 30 June 2024

Annual Plan 2022/23 \$000		Notes	Annual Plan 2023/24 \$000	LTP 2023/24 \$000
<b>Current Assets</b>				
-	Cash and cash equivalents		3,115	-
6,241	Trade and other receivables	2	5,651	3,005
105	Inventories		114	109
27,881	Managed funds		30,028	30,307
300	Prepayments		482	185
<u>34,527</u>	<b>Total Current Assets</b>		<u>39,390</u>	<u>33,605</u>
<b>Non-Current Assets</b>				
8,721	Shares in subsidiary		8,721	8,721
208	Other financial assets		208	186
57,694	Property, plant and equipment		83,222	58,705
549	Investment in related party		459	807
<u>67,172</u>	<b>Total Non-Current Assets</b>		<u>92,610</u>	<u>68,419</u>
<u>101,699</u>	<b>TOTAL ASSETS</b>		<u>132,000</u>	<u>102,024</u>
<b>Current liabilities</b>				
374	Bank overdraft		-	2,439
2,496	Trade and other payables		8,352	3,002
1,296	Employee entitlements		1,436	1,461
<u>4,166</u>	<b>Total current liabilities</b>		<u>9,788</u>	<u>6,903</u>
<b>Non-current liabilities</b>				
6,038	Term Debt		18,134	4,422
34	Employee entitlements		57	34
<u>6,072</u>	<b>Total non-current liabilities</b>		<u>18,191</u>	<u>4,456</u>
<u>10,238</u>	<b>TOTAL LIABILITIES</b>		<u>27,979</u>	<u>11,359</u>
<u>91,461</u>	<b>NET ASSETS</b>		<u>104,021</u>	<u>90,666</u>
<b>Equity</b>				
77,160	Retained earnings		79,944	74,066
7,248	Lease area balances		7,441	6,404
4,185	Rating district balances		4,450	4,066
2,868	Special reserves		12,186	6,129
<u>91,461</u>	<b>TOTAL EQUITY</b>	3	<u>104,021</u>	<u>90,666</u>

*The opening balances for the 2024 year have been adjusted to more accurately reflect the current financial position of the Southland Regional Council.*

## Prospective Statement of Cash Flows for the year ended 30 June 2024

Annual Plan 2022/23 \$000		Annual Plan 2023/24 \$000	LTP 2023/24 \$000
<b>Cash flows from operating activities</b>			
<i>Cash was provided by (applied to):</i>			
39,571	Receipts from customers	40,056	36,333
-	Interest received	-	-
4,709	Dividends received	4,709	4,535
(46,704)	Payments to suppliers and employees	(51,321)	(40,984)
(87)	Finance costs	-	(150)
-	Income tax paid	-	-
<u>(2,512)</u>	<b>Net cash flow from operating activities</b>	<u>(6,556)</u>	<u>(265)</u>
<b>Cash flows from investing activities</b>			
<i>Cash was provided by (applied to):</i>			
-	Proceeds from sale of other financial assets	-	-
156	Reduction of term investment	(449)	170
90	Proceeds from sale of property, plant and equipment	144	86
-	Foreign exchange gains / (losses)	-	-
-	Acquisition of shares / investments	-	-
-	Purchase of intangible assets	-	-
(14,229)	Purchase of property, plant and equipment	(20,334)	(537)
6,636	Grants for capital expenditure	10,600	-
<u>(7,346)</u>	<b>Net cash flow from investing activities</b>	<u>(10,039)</u>	<u>(281)</u>
<b>Cash flows from financing activities</b>			
<i>Cash was provided by (applied to):</i>			
-	Dividends paid to non-controlling interest	-	-
5,212	Drawdown / (Repayment) of borrowings	15,084	(820)
<u>5,212</u>	<b>Net cash flow from financing activities</b>	<u>15,084</u>	<u>(820)</u>
(4,646)	Net increase/(decrease) in cash and cash equivalents	(1,510)	(1,366)
4,272	Cash and cash equivalents at the beginning of the financial year	4,625	(1,072)
-	Net foreign exchange differences	-	-
<u>(374)</u>	<b>Cash and cash equivalents at the end of the financial year</b>	<u>3,115</u>	<u>(2,439)</u>

*The opening cash balance for the 2024 year has been adjusted to more accurately reflect the current financial position of the Southland Regional Council.*

# Notes to the Prospective Financial Statements

## 1. Rating forecast comparative to LTP 2023/24

Annual Plan 2022/23		Annual Plan 2023/24	LTP 2023/24	Compared to LTP Change	%
9,544	General rate	10,156	10,259	(103)	(1.0)%
5,356	UAGC	5,907	5,659	248	4.4%
14,900		16,063	15,918	145	0.9%
2,419	Biosecurity rate	2,577	2,426	151	6.2%
2,314	Land sustainability rate	2,400	2,450	(50)	(2.0)%
4,093	Catchment rates	4,343	4,166	177	4.3%
278	Rabbit control rate	278	245	33	13.5%
9,104		9,598	9,287	311	3.3%
24,004	<b>Total Rates</b>	25,661	25,205	456	1.8%

## 2. Disclosure of exchange and non-exchange transactions

In accordance with PBE IPSAS 9: Exchange Transactions and PBE IPSAS 23: Non-Exchange Transactions, income and current assets are disclosed below according to whether they are exchange or non-exchange transactions.

Annual Plan 2022/23 \$000		Annual Plan 2023/24 \$000	LTP 2023/24 \$000
	<b>Revenue from non-exchange transactions</b>		
24,004	Rates revenue	25,661	25,205
10,794	Levies and contributions	12,098	1,657
150	Rates penalties	350	79
-	Other revenue	-	-
34,948	<b>Total Revenue from non-exchange transactions</b>	38,109	26,941
	<b>Revenue from exchange transactions</b>		
609	Local contributions	668	626
5,273	Interest and dividends	5,515	5,162
1,075	Rental Income	1,118	1,069
8,148	External recoveries	10,761	7,698
15,103	<b>Total Revenue from exchange transactions</b>	18,062	14,555
50,051	<b>Total revenue</b>	56,171	41,496
	<b>Current assets</b>		
1,279	Receivables from non-exchange transactions (rates)	1,189	416
4,962	Receivables from exchange transactions	4,462	2,589
6,241	<b>Total trade and other receivables</b>	5,651	3,005



### 3. Prospective Schedule of Reserve Fund Movement for the year ended 30 June 2024

	Opening balance \$000	Transfers in \$000	Transfers from \$000	Closing Balance \$000
Retained earnings	69,629	10,315	-	79,944
Lease area Balance	6,940	501	-	7,441
Rating district balances	4,589	22	161	4,450
<b>Special reserves</b>				
SPNZ Buy Back Reserve	182	-	182	-
Vehicle Renewal Reserve	1,125	252	540	837
Furniture Reserve	156	-	-	156
Disaster Damage Reserve	2,000	-	-	2,000
Building Reserve	597	70	-	667
Lease Building Reserve	488	21	-	508
Plant Replacement Reserve	195	402	548	50
Coastal Rentals Reserve	464	107	-	571
Infrastructural Assets Reserve	726	19,302	19,246	782
Emergency Management Southland Reserve	239	27	-	266
AF8 Reserve	162	-	36	126
Orauea Disaster Damage Reserve	9	-	-	9
Waiau Disaster Damage Reserve	1,433	73	67	1,440
Makarewa Disaster Reserve	181	7	-	188
Oreti Disaster Reserve	1,589	64	-	1,652
Mataura Disaster Reserve	1,358	54	-	1,413
Aparima Disaster Reserve	628	25	-	654
Waimatuku Stream Disaster Reserve	60	2	-	63
Lake Hawkins Pumphouse Reserve	3	6	-	9
Invercargill Disaster Reserve	1,197	48	-	1,245
Pest Property Reserve	887	3	-	890
Pest Plant Reserve	81	-	-	81
Pest Disposals Reserve	299	-	-	299
Marine Fee Reserve	1,404	2,043	2,207	1,240
Te Anau Basin Damage Reserve	371	15	-	386
Internal Loan	(3,356)	10	-	(3,346)
<b>Total Special reserves</b>	<b>12,479</b>	<b>22,532</b>	<b>22,824</b>	<b>12,186</b>
<b>Total Reserves</b>	<b>93,637</b>	<b>33,370</b>	<b>22,985</b>	<b>104,021</b>

*The opening balances for the 2024 year have been adjusted to more accurately reflect the current financial position of the Southland Regional Council.*

# Statement of Accounting Policies

## Summary of Accounting Policies

### Reporting entity

Southland Regional Council is a Regional Council governed by the Local Government Act 2002.

The entity being reporting on is the Southland Regional Council referred to as “the Council” or Environment Southland, being the brand name of the Southland Regional Council.

The prospective financial statements do not include the consolidated prospective financial statements of South Port New Zealand Limited (Council’s Subsidiary) because the Council believes that the parent prospective financial statements are more relevant to users. The level of rate funding required is not affected by subsidiaries except to the extent that the Council obtains distributions from those subsidiaries. Distributions received from Council’s subsidiary South Port New Zealand Limited are included in the prospective financial statements of the Council.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. The Council has designated itself as a public benefit entity for financial reporting purposes.

### Basis of preparation

The preparation of prospective financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and in future periods if the revision affects both current and future periods.

The prospective financial statements have been prepared on the basis of historical cost except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements are presented in thousands of New Zealand dollars. New Zealand dollars are the Council’s functional currency. All values are rounded to the nearest thousand dollars (\$000). As the numbers are presented in thousands small rounding differences may occur. These rounding differences are considered immaterial to the financial statements as a whole. Comparative figures may be reclassified to reconcile with additional disclosures made in the current financial year.

### Statement of compliance

The prospective financial statements have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 95 and Part 2 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The prospective financial statements comply with Public Benefit Entity (PBE) standards. The prospective financial statements have been prepared in accordance with Tier 1 PBE standards.

# Significant Accounting Policies

## Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable and represents receivables for goods and services provided in the normal course of business, net of discounts and GST.

## Adoption of New and Revised Standard and Interpretations

All mandatory new or amended accounting standards and interpretations were adopted in the current year, including:

- PBE IPSAS 40: PBE Combinations

None had a significant impact on these financial statements.

## Revenue from non-exchange transactions

### (a) Rates revenue

Rates are recognised as income when levied.

### (b) Grant revenue and subsidies

Grants and subsidies are recognised upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Government grants are recognised as income when eligibility has been established with the grantor agency. The Council receives central government contributions:

<b>For</b>	<b>From</b>
Regional Civil Defence	National Emergency Management Agency
Land Transport	Waka Kotahi (NZ Transport Agency)
Marine Oil Spills	Maritime New Zealand

## Revenue from exchange transactions

### (a) Interest revenue

Interest revenue is recognised on a time proportionate basis using the effective interest method.

### (b) Dividend revenue

Dividend revenue is recognised when the right to receive payments is established on a receivable basis.

### (c) Rental income

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

## Other revenue – full cost recovery

The revenue from services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Fees and charges are recognised as income when supplies and services have been rendered.

Revenue relating to contracts and consent applications that are in progress at balance date is recognised by reference to the stage of completion at balance date.



Fees received from the following activities are recognised as revenue from exchange transactions:

- resource consent processing;
- pest animal contract work;
- grazing leases;
- consent monitoring;
- dividends, interest and rental income.

#### **Other gains and losses**

Net gains or losses on the sale of investment property, property plant and equipment, property intended for sale and financial assets are recognised when an unconditional contract is in place and it is probable that the Council will receive the consideration due.

#### **Taxation**

The Council itself is not subject to income tax.

#### **Goods and services tax**

All Revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### **Statement of cash flows**

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

The following terms are used in the Statement of Cash Flows:

- operating activities are the principal revenue producing activities of the Group and other activities that are not investing or financing activities;
- investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents; and
- financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

#### **Financial instruments**

Financial assets and financial liabilities are recognised on the Council's Statement of Financial Position when the Council becomes a party to contractual provisions of the instrument.

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through profit or loss which are initially valued at fair value.

## Financial assets

Financial Assets are classified into the following specified categories: financial assets “at fair value through profit or loss” and “loans and receivables”. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

### (a) Effective interest method

The effective interest method referred to below, is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

### (b) Financial assets at fair value through surplus or deficit

Financial assets are classified as financial assets at fair value through surplus or deficit where the financial asset:

- has been acquired principally for the purpose of selling in the near future;
- is a part of an identified portfolio of financial instruments the Council manages together and has a recent actual pattern of short-term profit-taking; or
- is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through surplus or deficit are stated at fair value, with any resultant gain or loss recognised in the Statement of Comprehensive Revenue and Expense and incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described later in this note.

The Council has classified their managed funds as financial assets at fair value through surplus or deficit. This fund includes cash, bonds and equities. Financial assets held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in the surplus (deficit).

### (c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. A provision for impairment is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is expensed in surplus for the year.

### (d) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between

the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in surplus for the year.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through surplus for the year to the extent the carrying amount of the investment at the date of impairment does not exceed what the amortised cost would have been had the impairment not been recognised.

### **Financial liabilities**

#### **(a) Trade and other payables**

Trade payables and other accounts payable are recognised when the Council becomes obliged to make future payments resulting from the purchase of goods and services.

Trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

#### **(b) Borrowings**

Borrowings are recorded initially at fair value, net of transaction costs. Borrowing costs attributable to qualifying assets are capitalised as part of the cost of those assets.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the surplus/(deficit) over the period of the borrowing using the effective interest method.

### **Derivative financial instruments**

The Council does not hold derivative financial instruments.

### **Inventories**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis with an appropriate allowance for obsolescence and deterioration.

### **Property, plant and equipment**

The Council has the following classes of property, plant and equipment:

#### **(a) Operational assets**

Operational assets include council owned land, buildings, rental land, rental buildings, motor vehicles and other plant and equipment.

#### **(b) Infrastructural assets**

Infrastructural assets deliver benefits direct to the community and are associated with major flood protection and land drainage schemes. Infrastructural assets include flood banks, protection works, structures, drains, bridges and culverts.

## Cost

Property, plant and equipment are recorded at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Where an asset is acquired for no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

## Depreciation

Operational and infrastructural assets, with the exception of land, are depreciated on either a straight-line or diminishing value basis depending on the class of asset. Rates are calculated to allocate the cost depending on the class less estimated residual value over their estimated useful life.

The nature of infrastructural stopbanks and earthworks assets is considered equivalent to land improvements and as such they do not incur a loss of service potential over time. Accordingly, stopbanks and earthworks assets are not depreciated. Other infrastructural assets are depreciated on a straight-line basis to write off the cost of the asset to its estimated residual values over its estimated useful life.

Expenditure incurred to maintain these assets at full operating capability is charged to the surplus/(deficit) in the year incurred.

The following estimated useful lives are used in the calculation of depreciation:

Asset	Life
<b>Operational assets</b>	
Land	Unlimited
Buildings	2%-10% DV
Rental land	Unlimited
Rental buildings	2% - 10% DV
Other plant and equipment	2.5% - 15% DV/SL
Motor vehicles	15% SL
<b>Infrastructural assets</b>	
Stopbanks and earthworks	Unlimited
Bridges	1% SL
Large culverts	1% - 2.5% SL
Tide gate structures	1% - 2.5% SL

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

## Disposal

An item of property, plant and equipment is derecognised upon disposal or recognised as impaired when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus for the period the asset is derecognised.



### **Impairment of property, plant and equipment**

At each reporting date, the Council reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Council estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

In assessing value in use for cash-generating assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in surplus for the year immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in surplus for the year immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

### **Employee entitlements**

Provision is made for benefits accruing to employees in respect of salaries and wages, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Council in respect of services provided by employees up to reporting date.

### **Superannuation schemes**

Obligations for contributions to KiwiSaver schemes are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

### **Provisions**

Provisions are recognised when the Council has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

### **Equity**

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity consists of a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses.

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

The components of equity are: lease area balances, special reserves, rating district balances, and retained earnings.

### **Restricted and council created reserves**

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

### **Foreign currency**

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Exchange differences are recognised in surplus for the year in which they arise.

### **Budget amounts**

The budget amounts are those approved by the Council at the beginning of the year in the Long-term Plan/Annual Plan. The budget amounts have been prepared using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements. The budget figures are for Council only and do not include budget information relating to subsidiaries.

### **Allocation of overheads**

The cost of service for each significant activity of the Council has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Where possible costs are charged or allocated directly to the beneficiary of the service. The remaining indirect costs have been allocated on the following basis:

Corporate Management	- per staff member
Information Technology	- per computer
Council Servicing/Secretarial	- allocated according to estimated use of services
Administration	- per staff member
Finance	- per staff member

**Critical accounting estimates and assumptions**

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

There were no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Critical judgements**

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

**(a) The effect of COVID-19 pandemic**

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic.

Described below are anticipated financial effects on the Council resulting from the COVID-19 pandemic:

- **Marine fee revenue arising from cruise ships visiting Fiordland**  
It is assumed that cruise ships will return to pre covid levels during the 2023/24 financial year. The result is a budget of \$2.8 million versus the LTP budget of \$0.25 million.
- **Changes in investment income**  
The investment market has been altered substantially as a result of the pandemic, increasing interest rates and war in Europe. Returns on investments have been volatile. Realised dividends and interest from the portfolio will be budgeted at 3%, no unrealised gains (gains in value) on the portfolio will be budgeted for.

The underlying assumption in the financial statements is that other than the continued reduction of income, Council operations will be able to continue as usual.

**Classification of property**

The Council owns a number of properties that are held for service delivery objectives as part of the Council’s various flood protection schemes. The receipt of market based rental from these properties is incidental to holding these properties. These properties are accounted for as property, plant and equipment.

**Prospective financial information**

The financial information contained within this document is prospective financial information in terms of accounting standard FRS42 and complies with the standard. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of the Council. The actual result

achieved for any particular financial year is likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstance.

#### **Changes in accounting policies**

There have been no changes in accounting policies during the period. All accounting policies are expected to be consistently applied throughout the period covered by these financial statements.

#### **PBE IFRS issued but not yet effective**

PBE IPSAS 41 was issued in August 2018 and is based on PBE IFRS 9 Financial Instruments. PBE IPSAS 41 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IPSAS 41 is effective for the annual period beginning on or after 1 January 2022, with early application permitted. The main changes under PBE IPSAS 41 are:

- new financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost;
- a new impairment model for financial assets based on expected losses which may result in the earlier recognition of impairment losses;
- revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing the 30 June 2023 financial statements. The new standard will not have a significant impact on the financial statements.

PBE FRS 48 Service Performance Reporting was issued in November 2017 and is effective for the annual period beginning on or after 1 January 2023. The new standard will not have a significant impact on the financial statements.

# Funding Impact Statement

The Funding Impact Statement is in three separate parts:

- Whole of Council funding impact statement
- Rates funding impact statement for 2023/24
- Rates samples

## Whole of Council Funding Impact Statement for the year ended 30 June 2024

Annual Plan 2022/23 \$000		Annual Plan 2023/24 \$000	LTP 2023/24 \$000
	<b>Sources of operating funding</b>		
15,050	General rates, uniform annual general charge and rates penalties	16,413	15,997
9,105	Targeted rates	9,598	9,287
-	Subsidies and grants for operating purposes	-	-
12,892	Fees and charges	12,951	9,958
4,709	Interest and dividends from investments	4,709	4,535
1,096	Local authorities fuel tax, fines, infringement fees and other receipts	1,140	1,091
42,850	<b>Total operating funding (A)</b>	44,810	40,868
	<b>Applications of operating funding</b>		
35,763	Payments to staff and suppliers	33,995	30,800
87	Finance costs	-	150
9,634	Other operating funding applications	10,990	10,184
45,484	<b>Total applications of operating funding (B)</b>	44,985	41,134
(2,634)	<b>Surplus / (deficit) of operating funding (A-B)</b>	(175)	(265)
	<b>Sources of capital funding</b>		
6,636	Subsidies and grants for capital expenditure	10,600	-
-	Development and financial contributions	-	-
5,212	Increase / (decrease) in debt	15,084	-
90	Gross proceeds from sale of assets	144	86
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
11,938	<b>Total sources of capital funding (C)</b>	25,828	86
	<b>Applications of capital funding</b>		
	Capital expenditure		
-	- to meet additional demand	-	-
11,970	- to improve the level of service	19,246	-
2,259	- to replace existing assets	1,088	537
(4,925)	Increase / (decrease) in reserves	4,650	(726)
-	Increase / (decrease) of investments	670	10
9,304	<b>Total applications of capital funding (D)</b>	25,653	(179)
2,634	<b>Surplus / (deficit) of capital funding (C-D)</b>	175	265
-	<b>Funding balance ((A-B)+(C-D))</b>	-	-



## Reconciliation of Funding Impact Statement to Prospective Statement of Comprehensive Revenue and Expenses for the year ended 30 June 2024

Annual Plan 2022/23 \$000		Annual Plan 2023/24 \$000	LTP 2023/24 \$000
(2,634)	<b>Surplus / (deficit) of operating funding (A-B)</b>	(175)	(265)
	Add / (deduct)		
564	Increase / (decrease) in fair value of investment portfolio	806	627
-	Profit / (loss) disposal of assets	-	-
(779)	Depreciation expense	(801)	(936)
-	(increase) / decrease in provision for doubtful debts	(45)	
6,636	Increase / (decrease) in subsidies and grants for capital expenditure	10,600	-
<b>3,788</b>	<b>Surplus / (deficit) Statement of comprehensive revenue</b>	<b>10,385</b>	<b>(575)</b>

## Rates Funding Impact Statement for 2023/24

This statement provides details of the types of rates Council intends to set including the categories of land that will be rated and the revenue collected for the rate.

This statement is based on the Revenue and Financing Policy and the budgets determined in this Annual Plan. Rates will be set by separate resolution of Council.

### Rates equalisation

Land and capital value rates are calculated on equalised values. The three councils within Southland revalue their properties at different times, one per year on a rotating basis. Each year QV provides information to allow Council to determine what the values would be if there were a common valuation date across all the Councils. Council uses this information to adjust the rate so that each rating unit would be paying a similar amount of rates, as if all properties were valued on the same date.

### General rates

Type of Rate Categories of Rateable Land	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
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#### General Rates

The General Rate is set differentially on the capital value of all rateable land in the Region. The differential categories are defined by the boundaries of each Territorial Authority and are set differentially for the purpose of equalising the rates.

Southland District	28.38	per \$100,000 capital value	\$ 6,741,876
Gore District	24.62	per \$100,000 capital value	\$ 1,253,405
Invercargill City	30.80	per \$100,000 capital value	\$ 3,684,040
			<u>\$ 11,679,321</u>

#### Uniform Annual General Charge

The Uniform Annual General Charge is a fixed charge per rating unit. It is part of the total general rate and set at a level that Council considers appropriate. For the 2023/24 year the rate is calculated at an average rate increase of 6.9% to the 2022/23 UAGC. This maintains its percentage of total rate contribution of 23%, under the 30% threshold.

143.45	Fixed amount per rating unit	\$	6,793,463
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## Targeted rates

Categories of rateable land	Matters to define Categories	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
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### TARGETED RATES

#### Biosecurity rate

The Biosecurity targeted rate is set differentially on the land value of all rateable land in the Region. The differential categories are defined by the boundaries of each Territorial Authority and are set differentially for the purpose of equalising the rates. The rate contributes funding to the Biosecurity activity.

Southland District		12.87	per \$100,000 land value	\$ 2,067,639
Gore District		11.18	per \$100,000 land value	\$ 312,662
Invercargill City		13.80	per \$100,000 land value	\$ 583,339
				<b>\$ 2,963,640</b>

#### Land Sustainability rate

The Land Sustainability targeted rate is set differentially on the land value of all rateable land in the Region. The differential categories are defined by the boundaries of each Territorial Authority and are set differentially for the purpose of equalising the rates. The rate contributes funding to the Land Sustainability activity.

Southland District		11.98	per \$100,000 land value	\$ 1,925,287
Gore District		10.41	per \$100,000 land value	\$ 291,154
Invercargill City		12.85	per \$100,000 land value	\$ 543,151
				<b>\$ 2,759,592</b>

#### Rabbit Control Rate

The Rabbit Control targeted rate is set differentially by location and assessed by rateable area, on all rating units greater than or equal to 4 hectares contained in the Southland region south of the Mimihau Stream and east of the Mataura River. The rate contributes funding to the Biosecurity activity.

Southland District	where the land is situated	3.32	per hectare	\$ 318,655
Gore District	where the land is situated	3.32	per hectare	\$ 1,112
				<b>\$ 319,768</b>

## Catchment rates

There are 17 catchment targeted rates. Each rate has its own differential categories and calculation basis. The differential categories are determined according to agreed benefit having considered soil type, land contour, location, type of work undertaken and other appropriate matters. For catchments that are in more than one territorial authority land values are equalised. Catchment rates contribute funding to the Catchment Planning, River Works and Land Drainage activities.

Categories of rateable land (Class)	Matters to define Categories	Ratio	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
<b>Scheme 424 - Duck Creek</b>					
A	where the land is situated	24	43.87	per hectare	\$ 21,569
B	where the land is situated	20	36.56	per hectare	\$ 28,045
C	where the land is situated	8	14.62	per hectare	\$ 10,172
D	where the land is situated	4	7.31	per hectare	\$ 4,217
E	where the land is situated	2	3.66	per hectare	\$ 5,904
F	where the land is situated	1	1.83	per hectare	\$ 4,386
					<b>\$ 74,294</b>
<b>Scheme 436 - Otepunui Creek</b>					
A	where the land is situated	6	13.18	per hectare	\$ 4,727
B	where the land is situated	5	10.98	per hectare	\$ 5,903
C	where the land is situated	4	8.79	per hectare	\$ 4,189
D	where the land is situated	3	6.59	per hectare	\$ 2,930
E	where the land is situated	2	4.39	per hectare	\$ 2,517
F	where the land is situated	1	2.20	per hectare	\$ 898
					<b>\$ 21,166</b>
<b>Scheme 441 - Upper Waihopai River</b>					
A	where the land is situated	6	14.09	per hectare	\$ 1,209
B	where the land is situated	5	11.74	per hectare	\$ 1,644
C	where the land is situated	4	9.39	per hectare	\$ 7,193
D	where the land is situated	3	7.05	per hectare	\$ 13,304
E	where the land is situated	2	4.70	per hectare	\$ 2,245
F	where the land is situated	1	2.35	per hectare	\$ 584
					<b>\$ 26,180</b>
<b>Scheme 422 - Upper Waikawa River</b>					
A	where the land is situated	15	11.16	per hectare	\$ 3,324
B	where the land is situated	10	7.44	per hectare	\$ 372
C	where the land is situated	9	6.69	per hectare	\$ 2,755
D	where the land is situated	6	4.46	per hectare	\$ 1,571
F	where the land is situated	3	2.23	per hectare	\$ 1,688
					<b>\$ 9,709</b>
<b>Scheme 443 - Upper Waikiwi River</b>					
A	where the land is situated	22	27.18	per hectare	\$ 2,200
B	where the land is situated	12	14.82	per hectare	\$ 7,265
C	where the land is situated	8	9.88	per hectare	\$ 4,587
D	where the land is situated	6	7.41	per hectare	\$ 3,223
E	where the land is situated	2	2.47	per hectare	\$ 592
F	where the land is situated	1	1.24	per hectare	\$ 158
U1	where the land is situated	20	24.71	per hectare	\$ 3,577
U2	where the land is situated	10	12.35	per hectare	\$ 640
					<b>\$ 22,243</b>

Categories of rateable land (Class)	Matters to define Categories	Ratio	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
<b>Scheme 448 - Waituna Creek</b>					
A	where the land is situated	8	11.15	per hectare	\$ 5,377
B	where the land is situated	7	9.75	per hectare	\$ 5,243
C	where the land is situated	6	8.36	per hectare	\$ 29,888
D	where the land is situated	5	6.97	per hectare	\$ 14,861
E	where the land is situated	3	4.18	per hectare	\$ 3,788
F	where the land is situated	1	1.39	per hectare	\$ 2,860
BCL	where the land is situated	1	0.00	per hectare	\$ -
BCM	where the land is situated	1	4.93	per hectare	\$ 47,721
					<b>\$ 109,736</b>
<b>Scheme 978 - Clifton Drainage</b>					
A	where the land is situated	20	22.54	per hectare	\$ 4,656
B	where the land is situated	15	16.91	per hectare	\$ 1,022
					<b>\$ 5,678</b>
<b>Scheme 428 - Invercargill Flood Control</b>					
M1	where the land is situated	16%	38.47	per \$100,000 land value	\$ 99,481
M2	where the land is situated	8%	63.59	per \$100,000 land value	\$ 49,741
M3	where the land is situated	1%	80.01	per \$100,000 land value	\$ 6,218
M4	where the land is situated	75%	16.53	per \$100,000 land value	\$ 466,314
					<b>\$ 621,754</b>
<b>Scheme 434 – Waiau Rating District</b>					
C4	where the land is situated	1	177.16	per \$100,000 land value	\$ 4,661
D1	where the land is situated	600	840.77	per \$100,000 land value	\$ 26,723
D2	where the land is situated	125	175.16	per \$100,000 land value	\$ 20,649
E1	where the land is situated	10	3.75	per \$100,000 land value	\$ 715
E2	where the land is situated	60	22.48	per \$100,000 land value	\$ 5,856
E3	where the land is situated	700	262.22	per \$100,000 land value	\$ 11,506
F1	where the land is situated	1	0.09	per \$100,000 land value	\$ 546
F2	where the land is situated	4	0.35	per \$100,000 land value	\$ 126
F3	where the land is situated	35	3.06	per \$100,000 land value	\$ 11,697
					<b>\$ 82,480</b>
<b>Scheme 435 - Lake Hawkins</b>					
A	where the land is situated	5	413.60	per \$100,000 land value	\$ 116,495
B	where the land is situated	4	330.88	per \$100,000 land value	\$ 7,895
C	where the land is situated	1	82.72	per \$100,000 land value	\$ 11,523
					<b>\$ 135,914</b>



Categories of rateable land (Class)	Matters to define Categories	Ratio	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
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#### Scheme 440 - Oreti Rating District

##### Land within Southland District Council

A1	where the land is situated	3	115.64	per \$100,000 land value	\$ 52,284
A2	where the land is situated	2	77.09	per \$100,000 land value	\$ 55,104
A3	where the land is situated	2	77.09	per \$100,000 land value	\$ 7,131
A4	where the land is situated	1.50	57.82	per \$100,000 land value	\$ 86,361
A6	where the land is situated	1	38.55	per \$100,000 land value	\$ 3,758
B1	where the land is situated	7	95.08	per \$100,000 land value	\$ 13,445
B2	where the land is situated	7	95.08	per \$100,000 land value	\$ 324,834
B3	where the land is situated	7	95.08	per \$100,000 land value	\$ 66,846
B4	where the land is situated	3	40.75	per \$100,000 land value	\$ 2,365
B6	where the land is situated	1	13.58	per \$100,000 land value	\$ 72
C1	where the land is situated	3	85.90	per \$100,000 land value	\$ 23,906
C2	where the land is situated	2	57.27	per \$100,000 land value	\$ 6,478
C3	where the land is situated	1	28.63	per \$100,000 land value	\$ 8,087
C4	where the land is situated	0.80	22.91	per \$100,000 land value	\$ 14,737
C5	where the land is situated	0.75	21.47	per \$100,000 land value	\$ 1,172
E2	where the land is situated	1	67.28	per \$100,000 land value	\$ 27,443
F1	where the land is situated	8	60.05	per \$100,000 land value	\$ 14,067
F2	where the land is situated	2	15.01	per \$100,000 land value	\$ 302,081
F3	where the land is situated	2	15.76	per \$100,000 land value	\$ 33,173

##### Land within Invercargill City Council

A2	where the land is situated	2	82.69	per \$100,000 land value	\$ 1,985
A7	where the land is situated	2	82.69	per \$100,000 land value	\$ 1,902
B2	where the land is situated	7	101.99	per \$100,000 land value	\$ 2,014
B5	where the land is situated	3	43.71	per \$100,000 land value	\$ 785
B7	where the land is situated	0.75	10.93	per \$100,000 land value	\$ 4,784
C1	where the land is situated	3	92.14	per \$100,000 land value	\$ 1,723
C2	where the land is situated	2	61.43	per \$100,000 land value	\$ 6,072
E2	where the land is situated	1	72.17	per \$100,000 land value	\$ 1,378
F2	where the land is situated	2	16.10	per \$100,000 land value	\$ 56,844
F4	where the land is situated	0.28	2.25	per \$100,000 land value	\$ 70,265
					<b>\$ 1,191,097</b>

#### Scheme 445 - Waihopai River

##### Land within Southland District Council

A	where the land is situated	9	92.13	per \$100,000 land value	\$ 4,307
B	where the land is situated	6	61.42	per \$100,000 land value	\$ 1,927
C	where the land is situated	4	40.95	per \$100,000 land value	\$ 6,589
D	where the land is situated	3	30.71	per \$100,000 land value	\$ 5,525
E	where the land is situated	2	20.47	per \$100,000 land value	\$ 5,537
F	where the land is situated	1	10.24	per \$100,000 land value	\$ 1,549

##### Land within Invercargill City Council

A	where the land is situated	9	98.83	per \$100,000 land value	\$ 2,476
B	where the land is situated	6	65.88	per \$100,000 land value	\$ 5,574
C	where the land is situated	4	43.92	per \$100,000 land value	\$ 3,707
D	where the land is situated	3	32.94	per \$100,000 land value	\$ 1,546
E	where the land is situated	2	21.96	per \$100,000 land value	\$ 1,089
F	where the land is situated	1	10.98	per \$100,000 land value	\$ 139
					<b>\$ 39,966</b>

Categories of rateable land (Class)	Matters to define Categories	Ratio	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
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**Scheme 1080 - Makarewa Rating District**

Land within Southland District Council

A2	where the land is situated	3	100.04	per \$100,000 land value	\$ 61,603
A3	where the land is situated	2	66.69	per \$100,000 land value	\$ 7,337
A4	where the land is situated	1	33.35	per \$100,000 land value	\$ 2,225
B1	where the land is situated	6	62.67	per \$100,000 land value	\$ 50,121
B2	where the land is situated	5	52.22	per \$100,000 land value	\$ 5,636
B3	where the land is situated	5	52.22	per \$100,000 land value	\$ 15,538
B4	where the land is situated	6	62.67	per \$100,000 land value	\$ 986
B5	where the land is situated	5	52.22	per \$100,000 land value	\$ 13,721
B6	where the land is situated	5	52.22	per \$100,000 land value	\$ 14,841
B7	where the land is situated	6	62.67	per \$100,000 land value	\$ 1,441
B8	where the land is situated	35	365.56	per \$100,000 land value	\$ 3,290
C2	where the land is situated	3	108.00	per \$100,000 land value	\$ 281
C3	where the land is situated	2	72.00	per \$100,000 land value	\$ 481
C4	where the land is situated	1	36.00	per \$100,000 land value	\$ 1,297
F1	where the land is situated	1	8.34	per \$100,000 land value	\$ 114,037

Land within Gore District Council

A4	where the land is situated	1	28.97	per \$100,000 land value	\$ 164
B3	where the land is situated	5	45.37	per \$100,000 land value	\$ 2,993
F1	where the land is situated	1	7.24	per \$100,000 land value	\$ 7,184

Land within Invercargill City Council

F1	where the land is situated	1	8.94	per \$100,000 land value	\$ 86
					<b>\$ 303,263</b>

**Scheme 1101 - Maitaia Rating District**

Land within Southland District Council

A1	where the land is situated	1	103.74	per \$100,000 land value	\$ 4,173
A2	where the land is situated	1	103.74	per \$100,000 land value	\$ 7,032
B1	where the land is situated	25	108.36	per \$100,000 land value	\$ 31,553
B5	where the land is situated	15	65.01	per \$100,000 land value	\$ 10,165
B6	where the land is situated	5	21.67	per \$100,000 land value	\$ 4,744
B7	where the land is situated	5	21.67	per \$100,000 land value	\$ 7,339
B8	where the land is situated	5	21.67	per \$100,000 land value	\$ 2,198
C1	where the land is situated	5	122.83	per \$100,000 land value	\$ 47,359
C2	where the land is situated	3	73.70	per \$100,000 land value	\$ 33,818
C3	where the land is situated	2	49.13	per \$100,000 land value	\$ 54,079
C4	where the land is situated	1	24.57	per \$100,000 land value	\$ 19,551
C5	where the land is situated	5	122.83	per \$100,000 land value	\$ 23,149
D1	where the land is situated	1	123.13	per \$100,000 land value	\$ 5,086
D2	where the land is situated	1	123.13	per \$100,000 land value	\$ 8,007
E1	where the land is situated	3	78.35	per \$100,000 land value	\$ 304,442
E2	where the land is situated	2	52.23	per \$100,000 land value	\$ 63,892
E5	where the land is situated	1	26.12	per \$100,000 land value	\$ 898
E6	where the land is situated	1	26.12	per \$100,000 land value	\$ 196
E7	where the land is situated	1	26.12	per \$100,000 land value	\$ 247
F1	where the land is situated	1	11.10	per \$100,000 land value	\$ 277,251
F5	where the land is situated	0.25	2.77	per \$100,000 land value	\$ 6,800

Categories of rateable land (Class)	Matters to define Categories	Ratio	Rates \$ GST Incl	Calculation Basis	2023/24 Revenue \$ GST incl
<b>Land within Gore District Council</b>					
A3	where the land is situated	2	180.24	per \$100,000 land value	\$ 40,217
B2	where the land is situated	25	94.13	per \$100,000 land value	\$ 38,248
B3	where the land is situated	10	37.65	per \$100,000 land value	\$ 89,739
C1	where the land is situated	5	106.70	per \$100,000 land value	\$ 13,010
C2	where the land is situated	3	64.02	per \$100,000 land value	\$ 7,735
C3	where the land is situated	2	42.68	per \$100,000 land value	\$ 3,717
C4	where the land is situated	1	21.34	per \$100,000 land value	\$ 1,097
E1	where the land is situated	3	68.06	per \$100,000 land value	\$ 96,156
E2	where the land is situated	2	45.37	per \$100,000 land value	\$ 56,659
E4	where the land is situated	3	68.06	per \$100,000 land value	\$ 30,025
F1	where the land is situated	1	9.64	per \$100,000 land value	\$ 147,052
F2	where the land is situated	3	28.92	per \$100,000 land value	\$ 3,788
F3	where the land is situated	3	28.92	per \$100,000 land value	\$ 63,707
F4	where the land is situated	3	28.92	per \$100,000 land value	\$ 42,293
					<b>\$ 1,545,421</b>
<b>Scheme 1140 - Aparima Rating District</b>					
A1	where the land is situated	4	32.29	per \$100,000 land value	\$ 2,755
A2	where the land is situated	3	24.22	per \$100,000 land value	\$ 8,593
A3	where the land is situated	20	161.47	per \$100,000 land value	\$ 44,395
B2	where the land is situated	5	141.63	per \$100,000 land value	\$ 47,019
B3	where the land is situated	4	113.30	per \$100,000 land value	\$ 130,699
B4	where the land is situated	2	56.65	per \$100,000 land value	\$ 525
C2	where the land is situated	2	56.36	per \$100,000 land value	\$ 18,297
C3	where the land is situated	1	28.18	per \$100,000 land value	\$ 9,321
E2	where the land is situated	1	48.14	per \$100,000 land value	\$ 47,592
F1	where the land is situated	5	34.43	per \$100,000 land value	\$ 3,222
F2	where the land is situated	1	6.89	per \$100,000 land value	\$ 90,558
F3	where the land is situated	0.75	5.16	per \$100,000 land value	\$ 11,816
F4	where the land is situated	2	13.77	per \$100,000 land value	\$ 48,975
					<b>\$ 463,766</b>
<b>Scheme 584 - Waimatuku Rating District</b>					
C1	where the land is situated	3	45.95	per \$100,000 land value	\$ 7,131
C2	where the land is situated	2	30.64	per \$100,000 land value	\$ 2,425
C4	where the land is situated	1	19.15	per \$100,000 land value	\$ 38,443
F1	where the land is situated	1	5.20	per \$100,000 land value	\$ 7,719
F2	where the land is situated	1	6.24	per \$100,000 land value	\$ 5,504
F3	where the land is situated	1	5.72	per \$100,000 land value	\$ 10,773
					<b>\$ 71,994</b>
<b>Scheme 450 – Te Anau Basin Rating District</b>					
B1	where the land is situated	200	52.39	per \$100,000 land value	\$ 12,767
C4	where the land is situated	10	1.73	per hectare	\$ 12,767
D1	where the land is situated	15	22.36	per \$100,000 land value	\$ 59,463
D3	where the land is situated	16	23.85	per \$100,000 land value	\$ 17,140
E1	where the land is situated	150	215.05	per \$100,000 land value	\$ 14,318
E3	where the land is situated	750	1,075.26	per \$100,000 land value	\$ 23,012
E4	where the land is situated	300	430.10	per \$100,000 land value	\$ 11,578
E5	where the land is situated	750	1,075.26	per \$100,000 land value	\$ 2,160
F1	where the land is situated	5	5.20	per \$100,000 land value	\$ 43,520
F2	where the land is situated	10	10.41	per \$100,000 land value	\$ 49,773
F3	where the land is situated	10	10.41	per \$100,000 land value	\$ 8,840
					<b>\$ 255,339</b>

Categories of rateable land (Class)	Matters to define Categories	Rates \$ GST Incl	Caluclation Basis	2023/24 Revenue \$ GST incl
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**Scheme 653 - Lower Waikawa River**

**District Rated by Annual Maintenance Charge** - As authorised by Section 11 Soil Conservation and Rivers Control Amendment Act 1948

All Serviced land	where the land is situated and the provision of a service to the land	2.60	per hectare	\$ 3,230
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**Scheme 435 - Lake Hawkins**

Invercargill Airport Contribution				\$ 11,020
				29,510,034

**Rating dates**

It is proposed that all rates be payable in one instalment by Friday, 24 November 2023 and that no discount be provided for early payment.

It is further proposed that a 10% penalty will be imposed:

- (i) on any current rates due but not paid by 5.00 pm on the due date;
- (ii) on all rates in arrears unpaid at 1 January 2024 (this penalty excludes current rates);
- (iii) on all rates in arrears as at 1 July 2024.

## Rates Samples

The rate samples show indicative rating effects on sample properties for the 2023/24 year. These figures are GST inclusive.

Location and Details	Rate	2022/23	2023/24	Change \$
Invercargill Housing 520m2	<b>Capital Value</b>	<b>\$345,000</b>	<b>\$345,000</b>	<b>0</b>
	General	\$106	\$106	1
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$103,000</b>	<b>\$103,000</b>	<b>0</b>
	Biosecurity	\$15	\$14	(1)
	Land Sustainability	\$14	\$13	(1)
	Catchment	\$18	\$19	1
	<b>Total rates</b>	<b>\$287</b>	<b>\$297</b>	<b>9</b>
Invercargill Housing 923 m2	<b>Capital Value</b>	<b>\$540,000</b>	<b>\$540,000</b>	<b>0</b>
	General	\$165	\$166	1
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$285,000</b>	<b>\$285,000</b>	<b>0</b>
	Biosecurity	\$42	\$39	(2)
	Land Sustainability	\$40	\$37	(3)
	Catchment	\$51	\$54	3
	<b>Total rates</b>	<b>\$431</b>	<b>\$439</b>	<b>8</b>
Winton Housing 508 m2	<b>Capital Value</b>	<b>\$465,000</b>	<b>\$465,000</b>	<b>0</b>
	General	\$118	\$132	14
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$140,000</b>	<b>\$140,000</b>	<b>0</b>
	Biosecurity	\$16	\$18	2
	Land Sustainability	\$16	\$17	1
	Catchment	\$20	\$22	2
	<b>Total rates</b>	<b>\$304</b>	<b>\$332</b>	<b>28</b>
Gore Housing 852 m2	<b>Capital Value</b>	<b>\$380,000</b>	<b>\$550,000</b>	<b>170,000</b>
	General	\$118	\$135	18
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$81,000</b>	<b>\$120,000</b>	<b>39,000</b>
	Biosecurity	\$11	\$13	2
	Land Sustainability	\$11	\$12	2
	Catchment	\$30	\$35	5
	<b>Total rates</b>	<b>\$304</b>	<b>\$339</b>	<b>36</b>



Te Anau Housing 830 m2	<b>Capital Value</b>	<b>\$510,000</b>	<b>\$510,000</b>	<b>0</b>
	General	\$129	\$145	16
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$215,000</b>	<b>\$215,000</b>	<b>0</b>
	Biosecurity	\$25	\$28	3
	Land Sustainability	\$24	\$26	2
	Catchment	\$23	\$22	(0)
	Total rates	<b>\$334</b>	<b>\$364</b>	<b>30</b>
Otaitai Bush Dairy 262 ha	<b>Capital Value</b>	<b>\$7,250,000</b>	<b>\$7,250,000</b>	<b>0</b>
	General	\$1,835	\$2,057	222
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$5,850,000</b>	<b>\$5,850,000</b>	<b>0</b>
	Biosecurity	\$677	\$753	76
	Land Sustainability	\$648	\$701	53
	Catchment	\$2,395	\$2,525	131
	Total rates	<b>\$5,688</b>	<b>\$6,180</b>	<b>492</b>
Gore Rural 180 ha	<b>Capital Value</b>	<b>\$3,320,000</b>	<b>\$3,680,000</b>	<b>360,000</b>
	General	\$1,030	\$906	(124)
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$2,760,000</b>	<b>\$3,040,000</b>	<b>280,000</b>
	Biosecurity	\$384	\$340	(44)
	Land Sustainability	\$367	\$316	(51)
	Catchment	\$251	\$220	(31)
	Total rates	<b>\$2,166</b>	<b>\$1,926</b>	<b>(240)</b>
Lumsden sheep farm 142 ha	<b>Capital Value</b>	<b>\$3,330,000</b>	<b>\$3,330,000</b>	<b>0</b>
	General	\$843	\$945	102
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$2,970,000</b>	<b>\$2,970,000</b>	<b>0</b>
	Biosecurity	\$344	\$382	39
	Land Sustainability	\$329	\$356	27
	Catchment	\$556	\$620	64
	Total rates	<b>\$2,206</b>	<b>\$2,447</b>	<b>241</b>

Invercargill				
Lifestyle	<b>Capital Value</b>	<b>\$720,000</b>	<b>\$720,000</b>	<b>0</b>
4 ha	General	\$220	\$222	1
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$380,000</b>	<b>\$380,000</b>	<b>0</b>
	Biosecurity	\$55	\$52	(3)
	Land Sustainability	\$53	\$49	(4)
	Catchment	\$58	\$59	1
	Total rates	<b>\$521</b>	<b>\$526</b>	<b>5</b>

Nightcaps				
Housing	<b>Capital Value</b>	<b>\$170,000</b>	<b>\$170,000</b>	<b>0</b>
1012 m2	General	\$43	\$48	5
	UAGC	\$134	\$143	9
	<b>Land Value</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>0</b>
	Biosecurity	\$6	\$7	1
	Land Sustainability	\$6	\$7	1
	Catchment	\$4	\$4	0
	Total rates	<b>\$193</b>	<b>\$209</b>	<b>16</b>

### Why isn't my rates increase in line with the overall increase in rates of 6.9%?

The individual rate amounts will vary as the overall rate is made up of a mix of land and capital value rates. The impact of these changes is lessened to a degree by the UAGC but changes in valuation relativities are likely to affect many properties.

## Additional Disclosure Information

Rating base information	30 June 2022	Projected 30 June 2023
Land Value	\$23,115,722,588	\$26,413,136,953
Capital Value	\$40,973,388,869	\$47,226,485,883
Rating Units	50,803	50,981

## What are my rates likely to be?

The following table displays indicative rates for the general rate, the UAGC, the biosecurity and land sustainability rates. With these, you can calculate these rates for your property for the coming year. Use your latest rating valuation and select the levy for your Council. The rates are GST inclusive.

For General Rate					
Select your Council	Rates levy estimate	multiplied by	The capital value of your property	equals	Indicative 2023/24 General rate
Southland District	0.00028377	X		=	
Gore District	0.00024621	X		=	
Invercargill City	0.00030801	X		=	
Add UAGC					\$143.45
<b>Total General Rate</b>					
For Biosecurity Rate					
Select your Council	Rates levy estimate	multiplied by	The land value of your property	equals	Indicative 2023/24 Biosecurity rate
Southland District	0.00012869	X		=	
Gore District	0.00011179	X		=	
Invercargill City	0.00013804	X		=	
For Land Sustainability Rate					
Select your Council	Rates levy estimate	multiplied by	The land value of your property	equals	Indicative 2023/24 Land Sustainability rate
Southland District	0.00011983	X		=	
Gore District	0.00010410	X		=	
Invercargill City	0.00012853	X		=	

To calculate the 2023/24 catchment rates, apply the catchment rate details (class) of your property and determine the calculation basis (e.g. land value or land area) and levy amounts applicable from the catchment rating tables provided.

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