

# Annual Report Summary 23/24

## Pūrongo ā Tau

For the financial year ended 30 June 2024

A copy of Council's full Annual Report is available from [nelson.govt.nz](http://nelson.govt.nz)



**Nelson City Council**  
Te Kaunihera o **Whakatū**

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## **Mayor's Foreword**

### **Kupu Whakataki a te Koromatua**

Kia ora, Nelsonians

It was another year of financial challenge for Nelson City Council in 2023/24 as we continued to fund the recovery from the August 2022 storm while facing – along with residents – high inflation coupled with hikes in interest rates and insurance costs as well as depreciation.

Alongside these challenges, there have also been many key highlights.

#### **Storm recovery**

The most significant challenge for Council this year has been addressing the tens of millions of dollars of damage to the city's infrastructure and assisting dozens of homeowners affected by the August 2022 storm. The Long Term Plan 2024-2034 included the acceptance of an offer from the Government of a \$12.3 million support package to assist with Council's recovery work from the storm. This package, signed by Minister for Emergency Management and Recovery Mark Mitchell in July, enables us to implement our pragmatic buyout plan for those homeowners who are trapped with properties that are uneconomic to repair and unsafe to live in.

The bulk of the estimated \$89.5 million cost to Council of storm recovery work is for infrastructure repairs and we are deliberately building back better to improve our resilience to future events. We spent \$17.9 million on that recovery work in 2023/24.

#### **Library services**

The Elma Turner Library reopened fully on 17 January 2024 after 19 months of disruption during strengthening work and repairs. The central Nelson library was closed in June 2022 after the building was identified as being earthquake prone. During repair work, buckling and splits in four trusses were discovered, requiring further strengthening work. This work has extended the life of the library by another 5-10 years at a cost of \$2.5 million.

#### **eBus service**

There were 902,897 journeys across the Nelson-Tasman region on the new eBus service in its first year, up from 462,055 in the final year of the former NBus service. Launched on 1 August 2023, the eBus service with its fleet of 17 new Foton electric buses has been embraced by residents and visitors.

The region can rightly be very proud of having the first electric bus service of this scale. An expansion of the bus frequency and destinations to cover 3,885 kilometres each day has helped drive this doubling in use. There have been a few bumps with this new service, and we have commenced a comprehensive review following one full year's service. This review will guide future decisions. Our goal is to grow the eBus service further, to top a million journeys a year.

#### **Infrastructure**

As part of its core work, Council upgraded sections of its water, wastewater and stormwater networks. In April 2024, we marked the completion of the final stage of the \$40 million, 2km-long Saxton Creek upgrade project between Champion Road and State

Highway 6 that commenced in 2013/14. This was one of Nelson City Council's most complex projects, which included liaison with 40 individual residential landowners.

During the eight years of staged construction the project was hit by the effects of the COVID-19 pandemic and large weather events including storms in August 2022 and May 2023. Now that it is complete, the resilience of this fast-growing corner of Nelson South has been hugely improved.

### **Long Term Plan 2024-2034**

A major challenge for Council this past year has been drafting, proposing, consulting on and settling the Long Term Plan for 2024-2034. Adopted on 27 June 2024, this LTP is the culmination of an enormous amount of work by Councillors, Council staff and the community. I want to acknowledge the 1,537 submitters who commented on our LTP consultation document and related consultations – a record – in March and April and the 111 organisations and individuals who took the time to speak at the hearings in May.

### **Working together**

We have been celebrating 150 years of Nelson City Council this year. There is much we can be proud of in that long history. However, it is only in recent years that any attempt has been made to honour Te Tiriti o Waitangi / the Treaty of Waitangi and include iwi in decision making for our city and region.

Our Council's ambition is to carve out a pragmatic pathway that builds respectful relationships with iwi and benefits the whole community. The significant Kia Kotahi Te Taihu, Together Te Taihu Partnership Agreement with our eight Te Taihu iwi, and our two neighbouring local authorities of Tasman District Council and Marlborough District Council was signed in late 2023. The challenge now is to implement this agreement over the next decade in a way that builds confidence and shows the benefits of working together.

### **City revitalisation**

Nelson City Council in March 2024 hosted the City Revitalisation Summit, attended by more than 150 people including leaders from the business and arts sectors, iwi, community and Council. This successful event generated many ideas for how we can revitalise our city. This work is being advanced by four taskforces established in May. Each has a different focus – one on the central city, one on the waterfront, one on civic house/library and the fourth on community initiatives.

### **Residents' survey**

In October 2024, we released Annual Residents' Survey for 2023/24 showing that overall satisfaction with Council has increased to 60%, up from 54% the previous year and 51% the year before that. The survey also showed that dissatisfaction had fallen to 16%, from 18% in 2023 and 21% in 2022. I am particularly pleased that of the 18 councils in New Zealand that do the same survey with Key Research, Nelson had the top overall rating.

The residents' survey has been completed in Nelson every year since 1997. It is useful in providing randomised information on how well we are doing but also in identifying areas where our residents are least satisfied. It also enables us to benchmark ourselves against other councils.

The past year has seen Council make huge progress on fixing infrastructure after the August '22 storm, repairing and reopening the Elma Turner Library, introducing the eBus

service and adding lights to the Railway Reserve. This progress is reflected in significant improvements in satisfaction for flood protection (+8%), libraries (+10%), public transport services (+27%) and cycleways (+6%). I am a political realist who knows you cannot please all of the people all of the time, but I am encouraged by the improving results. We will be doing more work on those areas where residents are least satisfied.

I thank Councillors, our Chief Executive and Council staff for all that has been achieved over the past year. I am particularly proud of the work on storm recovery that has us ahead of many similarly affected communities and well advanced in making our region more resilient to future events. We now need to move our focus from storm recovery to economic recovery and the revitalisation of our city centre.

Ngā mihi nui

A handwritten signature in blue ink, appearing to read 'Nick Smith', written in a cursive style.

**Hon Dr Nick Smith**

Mayor of Nelson | Te Koromatua o Whakatū

## Statement of Compliance and Responsibility

The Financial Statements and Statement of Service Performance of the Council and group have been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The Financial Statements and Statement of Service Performance have been prepared in accordance with Tier 1 PBE financial reporting standards, which have been applied consistently throughout the period, and comply with PBE financial reporting standards.



Deputy Mayor of Nelson City Council



Chief Executive

## Welcome to our summary of the Annual Report 2023/24

Each year in June Council produces its Annual Plan, which outlines the activities that we will undertake during the following 12 months. At the end of the year we produce a second document, our Annual Report, which includes a detailed set of audited financial statements and performance information on Council's activities. The Annual Report presents the detail of how successful we were in meeting our goals for that year, what we did well and where we can improve. It also includes the income Council has generated, and how much money it spent.

This document is a summary of the Annual Report 2023/24. It gives a condensed overview of the key findings and provides a snapshot of Nelson City Council's performance, from 1 July 2023 to 30 June 2024.

You can read the full Annual Report at: <https://www.nelson.govt.nz/council/plans-strategies-policies/annual-reports/>

**Copies of the full Annual Report 2023/24 are also available at all Council libraries, and at the Customer Service Centre.**

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## Independent Auditor's Report

### To the readers of Nelson City Council's summary of the annual report for the year ended 30 June 2024

The summary of the annual report was derived from the annual report of Nelson City Council (the City Council and group) for the year ended 30 June 2024.

The summary of the annual report comprises the following information on pages 13 to 28:

- the summary statement of financial position as at 30 June 2024;
- the summaries of the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended 30 June 2024;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary key achievements and service performance.

### Opinion

In our opinion:

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

### Summary of the annual report

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

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



## **The full annual report and our audit report thereon**

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

## **The 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*.

## **The 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 City Council and group.



Julian Tan  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
29 November 2024

## Introduction and Highlights

### Kupu Whakataki a te Koromatua

The Annual Report outlines how Council has performed against the commitments we made to the Nelson community in the Annual Plan 2023/24. Like a great many households and businesses in our community we've had a challenging year. This has been due the cost of funding the recovery from the August 2022 severe weather event, inflation increasing the cost of materials and services, along with increasing interest rates, insurance costs and depreciation costs, and changing central government priorities and requirements.

Despite these challenges, Council has continued to deliver core services while investing in services that make a real difference to you and our environment. Highlights are outlined below.

The August 2022 Severe Weather Event created widespread flooding and severe landslips which impacted Council's infrastructure as well as private homes. During 2023/24 Council undertook recovery work which will continue into 2024/25.

In December 2023, Te Taihū Mayors and Iwi Chairs signed the Kia Kotahi Te Taihū Partnership Agreement, which promotes collaborative work on mutual interests and addresses broader strategic and regional challenges. This strengthening of our relationship with iwi will benefit the whole community.

Council has exceeded its carbon emissions reduction goals with total greenhouse gas emissions down 89 per cent since the baseline reporting year of 2017/18, largely due to capturing methane at the landfill. We still have considerable work to reduce other types of emissions, specifically those that are not biogenic methane.

The Regional Land Transport Plan was reviewed jointly with Tasman District Council, and we prepared a three-year programme of works to enable funding to be sought from the National Land Transport Fund.

The new eBus service was launched in Nelson and Tasman on 1 August 2023, with passenger numbers almost doubling during the year.

Upgrades have occurred on Council's water, wastewater and stormwater infrastructure. Also, the eight year Saxton Creek flood protection upgrade is now complete catering for a 1 in 100-year flood event, with works including a shared path and amenity planting along the stream.

With the help of various partners in our community, we planted over \$38,500 trees through Project Mahitahi and the Wakapuaka Whangamoā Restoration Project. Other plantings include various coastal restoration plantings, 16 Adopt a Spot volunteer group planting events and five community planting events.

Council hosted the City Revitalisation Summit in March 2024. Projects currently underway to support the Summit aims include the Rutherford Park Playspace and Bridge to Better.

During the year Council contracted for and delivered a total of 19 events or events series with an estimated 43,000 attendees. As an example, the Tuku 24 heritage week festival series saw an estimated 18,000 people attend 120 individual events between 24 March and 04 May 2024. Over 40% of the events in this diverse festival shared non-European

stories ranging from a collection of Māori-led events to events hosted by the migrant community.

We completed earthquake strengthening at the Elma Turner Library to make it safe for users.

In May 2024 an agreement was reached between Nelson City Council and Koata Ltd that allows recreational access for walking, running, mountain biking and paragliding to Ngāti Koata-owned land through to 30 June 2034.

Council made the decision to transition away from commercial forestry over time and replant to achieve a continuous forest canopy of mixed species forest.

The Nelson Regional Development Agency (NRDA), of which Nelson City Council is the sole shareholder, was a founding and contributing partner of Moananui. Moananui is a blue economy cluster bringing together relevant organisations to develop the blue economy in new ways that generate economic value and improve ocean health. Council provided seed funding via the NRDA to help build and present a business case to Central Government to support the establishment of the regional blue economy cluster. This work secured \$500,000 of central government funding, across two years, to support the formal establishment and ongoing development of the cluster.

## Performance Measures

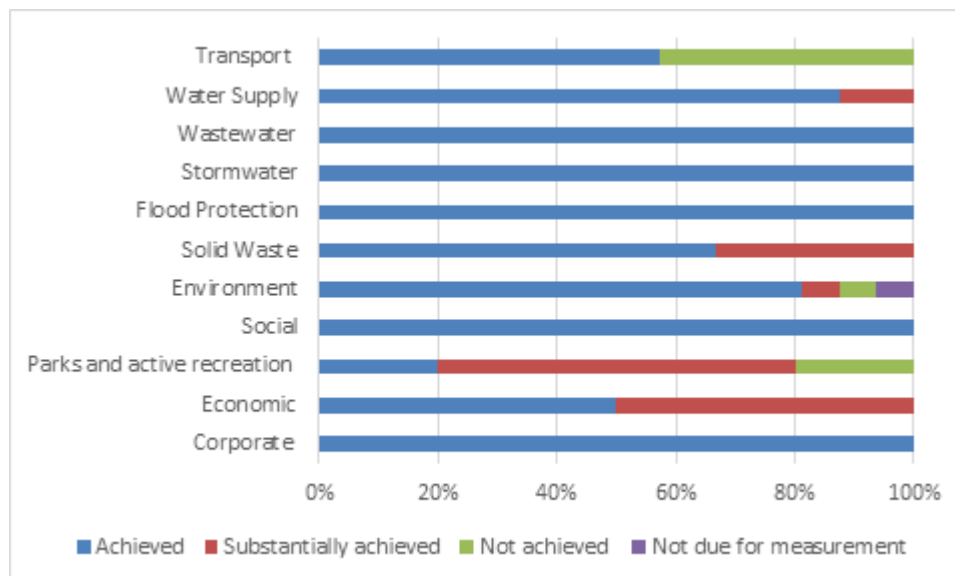
### Inega mahi

The Annual Report also provides an update on Council’s non-financial performance against key performance measures across eleven activity areas that were set in the 2021 – 2031 Long Term Plan. The results present us with a high-level view of the organisation’s performance.

In 2023/24 Council has successfully achieved over 80% of the targets with an additional 10% substantially achieved, which is an improvement on last year’s result.

Detailed information on these measures can be found in the full Annual Report 2023/24.

The chart below summarises results by area:



## Statement on Fostering Māori Participation in Council Decision Making

### Te whakatītina i te Urunga o Ngāi Māori

Council is committed to strengthening partnerships with the iwi and Māori of Te Taihū, providing opportunities for Māori involvement in our decision-making processes in a meaningful way. This includes an intention to:

- Build genuine partnerships with all eight Te Taihū iwi at governance, management and operational levels.
- Support iwi to participate in local government decision-making.
- Increase Council's understanding of te reo Māori me ōnā tikanga (Māori language and culture).
- Support iwi aspirations.

Through these actions, we aim to create a more inclusive and representative framework for greater participation of Māori.

For more information on how Council fosters Māori participation in decision-making, please refer to the *Statement on fostering Māori participation in Council decision-making - Te whakatītina i te urunga o Ngāi Māori* in the Long Term Plan 2021 - 2031:

<https://www.nelson.govt.nz/assets/Our-council/Images/plans-strategies-policies/long-term-plans/lt-2021-31/Long-Term-Plan-2021-31-FINAL-FOR-WEB-04-August-2021-updated23March22.pdf>

During 2023/24, the Council undertook several key actions to maintain and enhance Māori involvement in its decision-making processes:

- The Council hosted 14 hui with iwi representatives, facilitating discussions on 94 papers across operational and management groups.
- The Te Taihū Iwi and Council CE/GM forum, which includes managers of all eight Te Taihū iwi Managers and the Chief Executives from Nelson City Council, Tasman District Council and Marlborough District Council, met four times to address management matters.
- The Taihū Mayors and Chairs Forum convened four times to discuss governance matters. The group involves the chairs of the eight Te Taihū iwi and the three mayors of Nelson City, Tasman District and Marlborough District Councils.
- In December 2023, Te Taihū Mayors and Chairs signed the Kia Kotahi Te Taihū Partnership Agreement which promotes collaborative work of mutual interest and addresses broader strategic and regional challenges.
- In May 2024, Nelson City Council and WSP received the Āpōpō Supreme Award for the development of a Kaupapa Māori Asset Management Framework with Te Taihū iwi practitioners. This groundbreaking framework is the first of its kind in asset management, providing a unique approach to asset planning that incorporates iwi perspectives through a cultural lens.
- Te Kāhui Whiria (Māori Partnerships Team) and Council Kaumātua provided cultural support, and guidance for approximately 30 events

You can read about all the ways Council is working with iwi and Māori in the full 2023/24 Annual Report.

## Our Activities

### Ngā mahi a te Kaunihera

Council has eleven activities.

The following pages provide information summaries on these activities, and further information including community outcomes, performance measure achievement and financial performance can be found in the activity pages of the Annual Report 2023/24.

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# Transport

## Te Ikiiki

### About Council's Transport Activities

Council provides transport infrastructure for the Nelson region, including the roads and paths used for driving, parking, cycling, and walking. The services we provide relating to transport include road safety, traffic and parking control, street cleaning, and public transport.

Nelson's transport system integrates with plans for housing intensification and City Centre living so that more people can walk or cycle to get around.

### Highlights for 2023/24

In 2023/24 there were 13.5km of roads resurfaced/resealed, 2.4km of footpaths renewed and 27 new streetlights installed. Two new bridges were also constructed.

Road safety improvements were made in a number of streets – this included new pedestrian crossings, traffic calming and improved cycling and walking facilities. Lighting along the railway reserve from St Vincent Street to Saxton Road at Bunnings was also completed.

The new eBus service was launched on 1 August 2023 and has now been operating for over a year. During 2023/24 the eBus service carried almost double the amount of passengers than the previous service did over 2022/23.

In April 2024 Council's elected members approved a two way road concept to guide the Bridge to Better detailed design. The Bridge to Better project will increase infrastructure capacity to cater for an additional 1000 homes in the city centre and is jointly funded by central government's Infrastructure Acceleration Fund. The project will change the layout of Bridge Street so that it becomes a more people-focused, active transport corridor.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	10.1	24.2
Operating expenditure	18.0	21.6

*These figures are approximate. See the full Annual Report for details.*

## Water Supply

### Te Ratonga Wai

#### About Council's Water Supply Activities

Council supplies high quality potable water to households and businesses through a piped network.

The water supply system includes dams and weirs on the Maitai and Roding Rivers, the water treatment plant, and the network of pipes, pump stations and storage reservoirs throughout the city. Water use is metered to ensure it is used efficiently and costs are shared fairly between users.

Central government has re-focused the water reform process with a new initiative – 'Local Water Done Well' which aims to improve the regulation of drinking water, wastewater and stormwater in New Zealand.

#### Highlights for 2023/24

Watermain renewals were completed in parts of Bolt Road and Nayland Road. These renewals were part of the long-term programme to replace ageing cement mains across the city.

Design work on the Maitai Dam aeration project continued with site works beginning. This project will address the seasonal variation in oxygen content over the depth of the dam reservoir. A new 2500m<sup>2</sup> Atawhai reservoir site and connecting trunk main across private property was agreed in principle with four property owners. Once Council has easement and acquisition agreements in place planning will begin for a detailed design, resource consents and construction. The first stage of the trunk main will be accommodated within an approved subdivision off Wakapuaka Road.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	6.9	5.2
Operating expenditure	8.8	10.7

*These figures are approximate. See the full Annual Report for details.*

## Wastewater

### Te Para Wai

#### About Council's Wastewater Activities

Council collects, treats and disposes of wastewater for the Nelson region. It operates and maintains a network of pipes and pump stations across the city that carry wastewater from Stoke and Tāhunanui for treatment at the regional Bell Island Wastewater Treatment Plant, and from the rest of the city to the Nelson Wastewater Treatment Plant near Wakapuaka.

#### Highlights for 2023/24

Work was completed on the Awatea Pump Station upgrade which now has the capacity to receive wastewater from the whole of the Tāhunanui area and to mitigate wastewater overflows. Work on the developed design of the Paru Paru Road Pump Station upgrade began, with early contractor involvement procurement underway.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	8.8	12.5
Operating expenditure	9.6	11.4

*These figures are approximate. See the full Annual Report for details.*



## Stormwater

### Te Wai Āwhā

#### About Council's Stormwater Activities

The stormwater network includes pipes, open channels and overland flow paths that convey stormwater to receiving rivers and streams, or directly to the sea. In many parts of the city a fully reticulated system is not provided and individual properties discharge stormwater to on-site soakage or to roads as part of the primary drainage system. The stormwater system also includes two pump stations and 20 detention systems.

Stormwater management is important to prevent accumulation of stormwater in low-lying areas (ponding) and potentially causing harm to people or damage to buildings, property and the environment.

Central government's re-focus of the wider water reform process with a new initiative – 'Local Water Done Well' will also apply to the stormwater activity.

#### Highlights for 2023/24

Stormwater upgrades were completed in Washington Valley, Tāhunanui and Wastney Terrace with work underway to complete further upgrades in these areas. These upgrades will either improve water, wastewater and stormwater services, or allow for additional capacity in the network.

Two sections of stormwater main were renewed on Vanguard street, one was also upsized so that future upgrades on this local network will meet level of service standards.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	8.8	7.4
Operating expenditure	2.9	3.7

*These figures are approximate. See the full Annual Report for details.*

## Flood Protection Te Ārai Waipuke

### About Council's Flood Protection Activities

Council flood protection works include physical upgrades to rivers and streams to cater for flood water, increasing the size of culverts, and removing accumulated gravel where flow capacity is reduced.

Council also undertakes flood modelling and land use planning to identify and manage the risks associated with flooding from rivers and streams during heavy rainfall events. A new component of the flood protection activity is the assessment of, and response to coastal hazards including inundation from storm surge, coastal erosion and sea level rise.

### Highlights for 2023/24

Work on the Saxton Creek flood protection upgrade was completed, with an official opening on 12 April 2024 attended by the Associate Minister for Regional Development and Minister for Rural Communities, the Hon Mark Patter. The upgrade means that the area will be able to cater for a 1 in 100 year flood event and includes a shared path and amenity planting along the length of the stream.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	2.3	8.4
Operating expenditure	2.1	3.5

*These figures are approximate. See the full Annual Report for details*

## Solid Waste

### Ngā Para Totoka

#### About Council's Solid Waste Activities

Council's solid waste activities are focused on avoiding or reducing the creation of waste, and diversion of waste from landfill. These activities help protect the environment and reduce the region's greenhouse gas emissions.

The solid waste activity includes the delivery of the Rethink Waste Whakaarohia programme and the operation of the Nelson Waste Recovery Centre, collection of litter from on-street bins and the domestic kerbside recycling collection.

Funding is independent of residential rates and comes from income from landfill gate fees and central government levies.

The local municipal landfills at York Valley and Eves Valley are managed and owned by the joint Nelson Tasman Regional Landfill Business Unit, on behalf of the Nelson City and Tasman District councils.

#### Highlights for 2023/24

The Nelson Waste Recovery Centre (NWRC) continued to reduce the amount of refuse going to landfill, with the amount of waste disposed at the landfill during the year reducing by 7.9%. The NWRC, in partnership with the Nelson Environment Centre, has also managed to divert an average 10 tonnes per month of construction waste from landfill with the establishment of a reuse facility. An additional 10 tonnes of hazardous e-waste material has also been diverted for recycling or safe disposal.

The Nelson Tasman Regional Landfill Business Unit continued to achieve the maximum permitted emission reduction, and this reduction has supported Nelson City and Tasman District Councils in achieving significant reductions for their emission inventories.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	0.25	4.0
Operating expenditure	14.4	11.7

*These figures are approximate. See the full Annual Report for details*

## Environment

### Te Taiao

#### About Council's Environment Activities

Council has both regional council and territorial authority responsibilities in relation to environmental management. This means Council considers all aspects of the environment, such as air, freshwater, marine and coastal environments, biodiversity and biosecurity and land management, as well as the built environment, urban development and regional growth.

Council's environmental responsibilities are important for a healthy and protected environment (both natural and built environment) in Nelson and for community and economic wellbeing into the future.

#### Highlights for 2023/24

The Harbourmaster achieved compliance with the Port and Harbour Safety Code and Maritime Transport Operator certification.

A variety of environmental survey, mapping, restoration and monitoring projects were undertaken by the Council. This included the planting of 10,800 trees and 18.7 hectares of weed control through the Wakapuaka Whangamoia Restoration project, and the continuation of the Ministry for the Environment and Department of Conservation funded Project Mahitahi, a collaborative project to restore the ecosystem of the Maitai/Mahitahi Valley.

The community was engaged and supported on a variety of environmental issues, with 14 community engagement events and 12 EnviroSchool events held throughout the year, including planting 40,000 plants.

Collaboration continued with local partners on initiatives to help alleviate Nelson's housing challenges. A City Revitalisation Summit was held in March 2024 which brought together 150 people to discuss revitalisation of the city.

Four plan changes to the Nelson Resource Management Plan were progressed.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	0.36	1.2
Operating expenditure	18.5	20.7

*These figures are approximate. See the full Annual Report for details*

## Social Te Pāpori

### About Council's Social Activities

Social activity efforts support community wellbeing. It achieves this through the provision of social, cultural, arts and heritage facilities such as Founders Heritage Park, cemeteries (operational and historic) and our libraries and public toilets.

Council also invests in and supports the work of community facilities such as the Theatre Royal, Tasman Bays Heritage Trust (Nelson Museum), Suter Art Gallery Te Aratoi o Whakatū Trust (Suter Art Gallery) and the Nelson Centre of Musical Arts (NCMA) and supports events such as Opera in the Park and Te Ramaroa (Light Nelson). Campgrounds are also provided.

Community development is funded to provide social services and support to the community, including through grants to community groups. This activity helps the most vulnerable in our community, contributes to making Nelson an attractive and vibrant city, supports opportunities to celebrate and explore our heritage and creativity, and it creates opportunities for the community to connect and strengthen feelings of belonging, identity and a sense of pride in Nelson.

### Highlights for 2023/24

Community Partnerships successfully contracted or delivered a variety of events throughout the year that included the heritage based Tuku 24 festival, Matariki 2023 and 2024 celebrations, Waitangi Day commemorations and national kapa haka competitions.

Community events such as a pōwhiri for the former refugee community and multicultural sports tournaments were held, and in December 2024 the Council completed its final step in the Welcoming Communities Programme and received Stage One Accreditation from Immigration New Zealand as a "Committed Welcoming Community".

The Elma Turner Library was reopened fully to the public in January 2024. The occasion was marked with a day of celebratory events and programmes to welcome the community back into the space. A range of work was also carried out at the Maitai Valley Motor Camp to improve the campground.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	20.6	2.8
Operating expenditure	16.5	19.6

*These figures are approximate. See the full Annual Report for details*

## Parks and Active Recreation

### Ngā Papa Rēhia, Mahi Rēhia hoki

#### About Council's Parks and Active Recreation Activities

Council manages approximately 11,250 hectares of parks and reserves for the city, which includes over 10,000 hectares of conservation reserve actively managed for its unique biodiversity, water supply and recreation values.

Parks and reserves provide recreation opportunities, with a range of sporting assets such as Saxton Field (jointly managed with Tasman District Council), and more natural environments such as the Maitai Esplanade Reserve. Council supports a range of international, national and regional sporting and entertainment events hosted in Nelson, which contribute to our local identity and provide economic and social benefits to the city.

#### Highlights for 2023/24

2023/24 saw a focus on repairing trails and facilities that were damaged in the August 2022 extreme weather event. This included the reinstatement of the Sunday Hole Boardwalk and the Maitai Hub Pump Track, and repair to numerous tracks and trails on Conservation and Landscape Reserve land.

A long term access agreement was reached between Nelson City Council and Koata Ltd that allowed recreational access to Ngāti Koata owned land. Securing access to this land allows for walking, running, mountain biking and paragliding, and confirms Nelson as one of New Zealand's premier mountain biking and recreation destination.

Three major Marina capital projects were delivered within the year; the install of non-slip surfacing onto the piers, ageing electrical infrastructure replacement, and CCTV install and upgrade. These projects will increase the longevity of the marina infrastructure.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	7.3	7.9
Operating expenditure	16.2	23.6

*These figures are approximate. See the full Annual Report for details*

## Economic Te Ohaoha

### About Council's Economic Activities

Council fosters economic development in Nelson through the provision of city infrastructure and funding a number of economic development services. It supports Uniquely Nelson, Businesses for Climate Action, and the Nelson Tasman Business Trust (known as Business Assist), to provide support to local businesses in a range of ways.

Council's main economic development activity is delivered through the Nelson Regional Development Agency (NRDA), a Council Controlled Organisation. Nelson City Council is the sole shareholder and Tasman District Council also contributes funding. The NRDA is focused on strengthening business confidence and growth and improving the economic wellbeing of Nelson.

### Highlights for 2023/24

The NRDA was a founding and contributing partner of Moananui, an organisation focused on fast-tracking growth of the blue economy sector. In October 2023 the NRDA, in partnership with Moananui, was awarded the Economic Development New Zealand Best Practice Award for Sector Development and Cluster.

The economic stream of the Nelson Events Fund supported a wide range of events in Nelson, including in sports, arts and culture and promotion of local industry. These events stimulated local spending and attracted many attendees from outside of the region.

The NRDA supported 211 businesses in 2023/24 and an additional 120 companies were supported on an ad-hoc basis through the Regional Business Partner Programme. Business Assist provided one-to-one consultation sessions for 227 businesses in 2023/24.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	0	0
Operating expenditure	2.9	2.8

*These figures are approximate. See the full Annual Report for details*

## Corporate Te Rangapū

### About Council's Corporate Activities

Council's corporate activity includes a range of necessary services to ensure the smooth operation of the organisation, ranging from managing Council's information technology to running three yearly Council elections.

There are several Council Controlled Organisations (CCOs), Trading Organisations (CCTOS) and Council Organisations (COS) set up by the Council to deliver both public benefit and strategic outcomes for the city (see pages 197 - 218). Council also manages a small portfolio of properties.

The corporate activity also includes civil defence emergency management, where Nelson City and Tasman District councils work together with local emergency services to promote the resilience of our communities in response to the region's hazards and risks.

### Highlights for 2023/24

The Long Term Plan 2024 – 2034 was adopted in June 2024. The Long Term Plan is a key planning tool that sets out Council's priorities and spending over a 10 year period.

The regional emergency management response team (NZRT2) was successful in becoming a nationally accredited response team. This accreditation encompasses foundation skills, light rescue, storm and flood response, mass casualty support, welfare operations and out of region deployments.

Following work undertaken by the Right Tree Right Place Taskforce and consultation in the Long Term Plan, Council made the decision to transition away from commercial forestry and convert to a continuous canopy system. All forested lands are now to be managed as a single, multi-purpose forest system encompassing all conservation, water and landscape reserves.

	Budgeted for 2023/24 (\$million)	Actual spend for 2023/24 (\$ million)
Capital expenditure	33.8	35.1
Operating expenditure	16.7	24.2

*These figures are approximate. See the full Annual Report for details*



## **Financial overview**

### **Tirohanga ahumoni**

Council is required under the provisions of the Local Government Act 2002 (section 101) to manage its revenues, expenses, assets, liabilities, investments and general dealings prudently and in a manner that promotes the current and future interests of its community.

Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses (break-even). This Annual Report shows that Council recorded a net deficit before revaluations (for the year ended 30 June 2024) of \$7.3 million, which was \$13.5 million less than budget. An explanation of this variance can be found in note 40 to the Accounts section.

The deficit was \$7.3 million in the 2023/24 financial year, while in the 2022/23 financial year there was a \$14.6 million deficit. The accounting deficit includes items such as road subsidies and grants relating to capital projects, and vested assets which are required to be treated as revenue for accounting purposes.

As of 30 June 2024, Council's borrowings, net of deposits and cash, were \$223.5 million, compared to the budget of \$207.9 million. The actual net debt is higher than the budget mainly due to additional debt raised to fund the costs related to the weather event including property purchases and slip remediation works that were expedited from 2024/25 budget.

The full Annual Report 2023/24 was prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and complies with International Public Sector Accounting Standards, and other applicable financial reporting standards, as appropriate for public benefit entities.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land, certain infrastructural assets, investment property and biological assets. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). The functional currency of Nelson City Council is New Zealand dollars.

The financial statements of Nelson City Council are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 31 October 2024.

## Financial Statements

Nelson City Council's full financial statements have been prepared in accordance with Tier 1 PBE standards. The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements. The summary financial statements comply with PBE Standards as they relate to summary financial statements.

### Summary of Financial Performance for the year ended 30 June 2024

The Nelson City Council Group consists of Nelson City Council, its subsidiaries – Nelmac Ltd, the Nelson Civic Trust, the Bishop Suter Trust and the Nelson Regional Development Agency – and joint operations and joint ventures.

### Summary of Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

	Note	Council			Group	
		Actual 2024	Budget 2024	Actual 2023	Actual 2024	Actual 2023
<b>\$NZ000's</b>						
Total revenue		171,368	176,105	164,232	189,672	179,039
Total operating expenditure*		(178,690)	(169,932)	(178,873)	(196,897)	(196,223)
Share of joint operation's surplus	25	-	-	-	(2,420)	5,510
Surplus before tax		(7,322)	6,173	(14,641)	(9,645)	(11,677)
Income tax expense	10	-	-	-	(210)	(215)
<b>Net surplus</b>		<b>(7,322)</b>	<b>6,173</b>	<b>(14,641)</b>	<b>(9,855)</b>	<b>(11,892)</b>
Land and Infrastructure revaluations	19,31	89,372	38,054	165,272	89,372	165,272
Share of subsidiaries revaluations	25	-	-	-	-	(824)
<b>Total other comprehensive revenue</b>		<b>89,372</b>	<b>38,054</b>	<b>165,272</b>	<b>89,372</b>	<b>164,448</b>
<b>Total comprehensive revenue</b>		<b>82,050</b>	<b>44,227</b>	<b>150,632</b>	<b>79,517</b>	<b>152,556</b>
*includes finance costs of	9	11,067	7,743	7,026	11,335	7,333

### Summary of Changes in Equity

As at 30 June 2024

	Note	Council			Group	
		Actual 2024	Budget 2024	Actual 2023	Actual 2024	Actual 2023
<b>\$NZ000's</b>						
Balance at 1 July		2,152,489	2,040,650	2,001,858	2,335,260	2,182,704
Total comprehensive revenue		82,050	44,227	150,632	79,517	152,556
<b>Equity at 30 June</b>	31	<b>2,234,538</b>	<b>2,084,877</b>	2,152,489	159,034	2,335,260

## Summary of Statement of Financial Position

As at 30 June 2024

	Note	Council		Group		
		Actual 2024	Budget 2024	Actual 2023	Actual 2024	Actual 2023
<b>\$NZ000's</b>						
<b>ASSETS</b>						
Total current assets		65,445	39,333	42,453	73,491	51,054
Total non-current assets		2,475,240	2,311,661	2,341,333	2,659,518	2,522,365
<b>Total assets</b>		<b>2,540,685</b>	<b>2,350,994</b>	<b>2,383,786</b>	<b>2,733,009</b>	<b>2,573,419</b>
<b>LIABILITIES</b>						
Total current liabilities		84,787	78,206	44,853	88,435	52,155
Total non-current liabilities		221,360	187,911	186,444	222,345	186,004
<b>Total liabilities</b>		<b>306,147</b>	<b>266,117</b>	<b>231,297</b>	<b>310,780</b>	<b>238,159</b>
<b>Total net assets</b>		<b>2,234,538</b>	<b>2,084,877</b>	<b>2,152,489</b>	<b>2,422,229</b>	<b>2,335,260</b>
<b>EQUITY</b>						
Accumulated funds	31	446,788	464,651	449,822	501,594	507,192
Reserves	31	1,787,750	1,620,227	1,702,667	1,920,635	1,828,068
<b>Total equity</b>		<b>2,234,538</b>	<b>2,084,878</b>	<b>2,152,489</b>	<b>2,422,229</b>	<b>2,335,260</b>

## Summary of Statement of Cash Flows

For the year ended 30 June 2024

	Note	Council		Group		
		Actual 2024	Budget 2024	Actual 2023	Actual 2024	Actual 2023
<b>\$NZ000's</b>						
Net cash flow from operating activities	32	32,162	44,159	24,223	35,011	26,585
Net cash flow from investing activities		(108,365)	(90,052)	(57,792)	(110,056)	(60,228)
Net cash flow from financing activities		74,900	45,378	35,000	73,511	33,864
<b>Net (decrease)/increase in cash, cash equivalents, and bank overdrafts</b>		<b>(1,303)</b>	<b>(515)</b>	<b>1,431</b>	<b>(1,534)</b>	<b>221</b>
<b>Represented by</b>						
Cash, cash equivalents, and bank overdrafts at the beginning of the year		12,532	16,973	11,101	14,170	13,949
<b>Cash, cash equivalents, and bank overdrafts at the end of the year</b>	12	<b>11,229</b>	<b>16,278</b>	<b>12,532</b>	<b>12,636</b>	<b>14,170</b>

## Summary of Commitments and Contingencies

As at Year Ended 30 June 2024

	Council		Group	
	Actual	Actual	Actual	Actual
\$NZ000's	2024	2023	2024	2023
<b>Commitments under:</b>				
Capital contracts	12,728	13,405	17,957	16,026
Operating leases as lessor	6,738	7,097	30,896	32,219
Operating leases as lessee	2,086	1,105	3,156	3,029
<b>Contingent Assets and Liabilities:</b>				
No quantifiable contingent assets or liabilities				

## Events occurring after the balance date

### Tahunanui Beach

Central government has agreed to a maximum grant amount of \$3,440,666.00 towards the Tahunanui back beach sawdust remediation project. Please see note 29 for further details.

### Borrowings

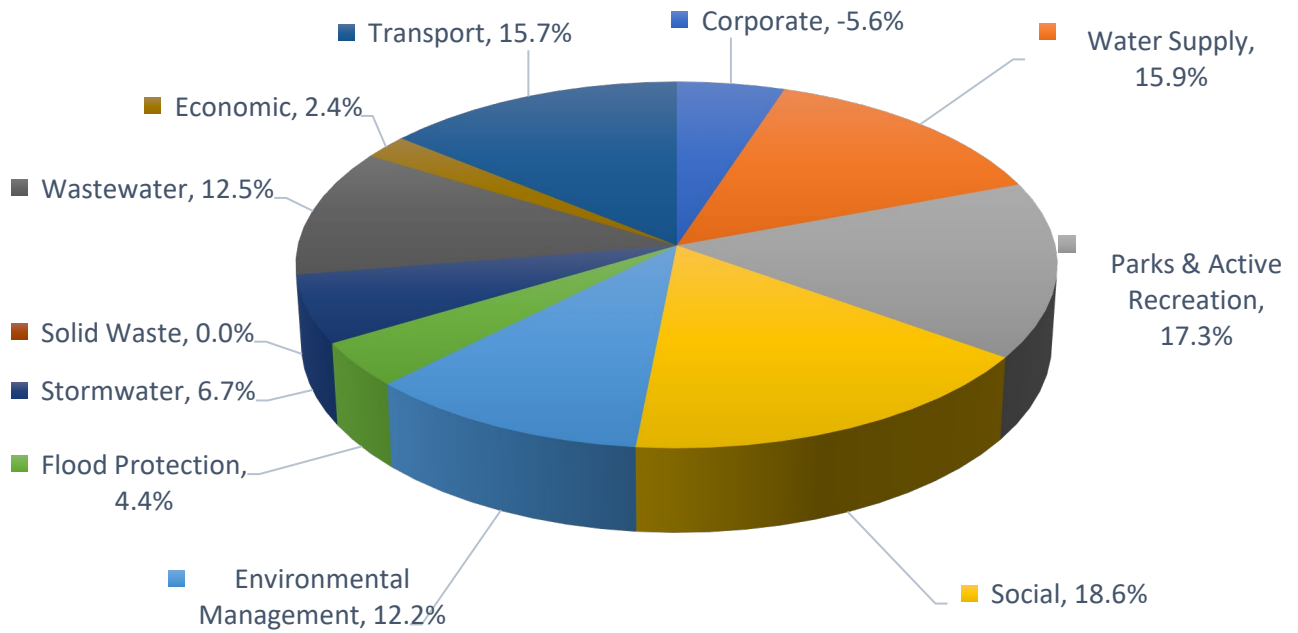
Since 30 June 2024, Nelson City Council has borrowed a further \$25.0 million of which \$10.0 million is pre-funded debt.

### Group

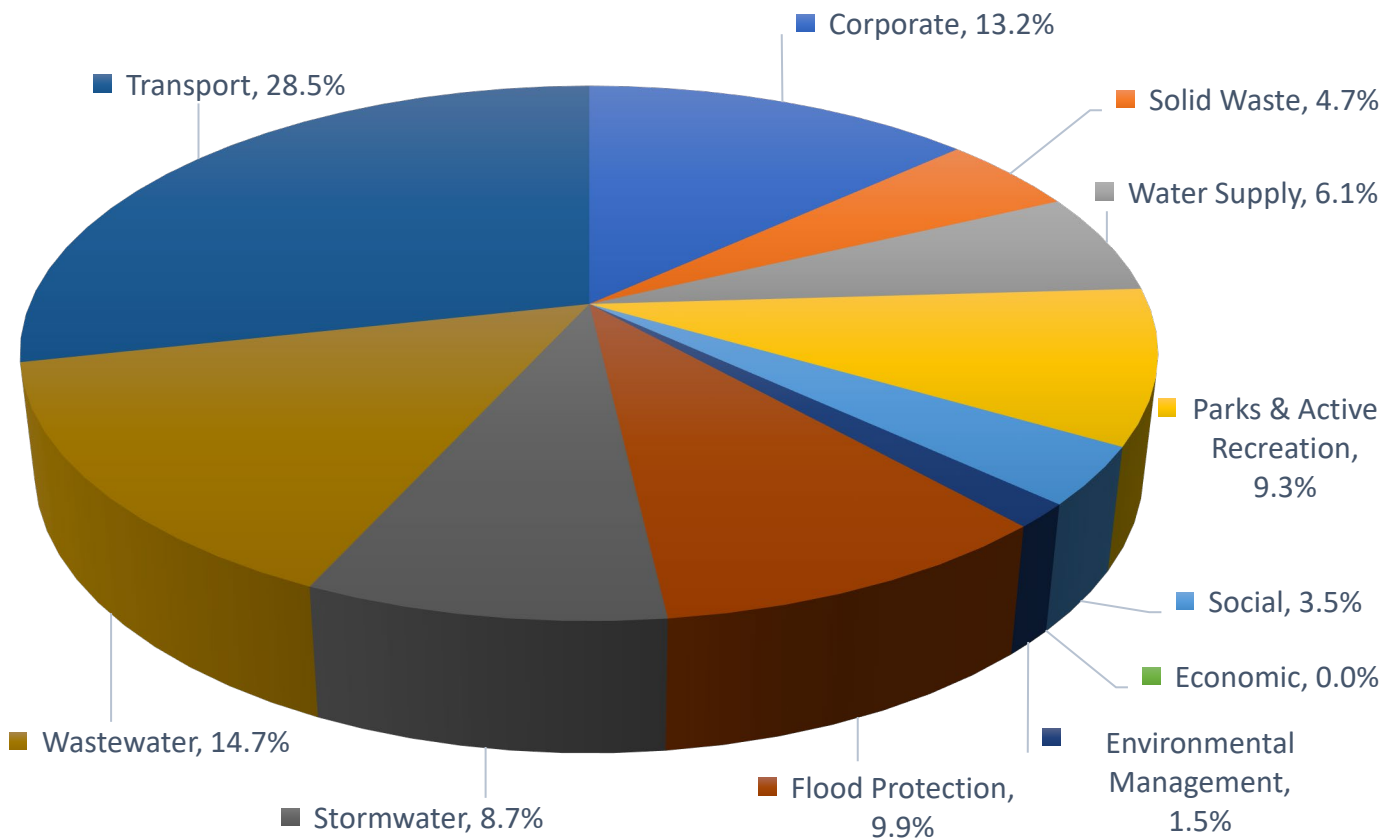
There have been no significant events after the balance sheet date that materially impact the Group's financial position.

## Expenditure Summary

How your rates dollar was spent:



## Council's Capital Expenditure



## Performance of Council Controlled Organisations

Council reports on the performance of Council Controlled Organisations are available in the full Annual Report, including details on Infrastructure Holdings Limited, Port Nelson, Nelson Airport, Nelmac, Nelson Regional Development Agency, Tasman Bays Heritage Trust, and The Bishop Suter Trust. Further information is available for each Council Controlled Organisation in their respective Annual Reports.

## Contact us

Civic House, 110 Trafalgar Street, Nelson

PO Box 645, Nelson, 7040

[enquiry@ncc.govt.nz](mailto:enquiry@ncc.govt.nz)

03 546 0200

nelson.govt.nz

### **Council Customer Service Centre**

Open from 8:30am to 5:00pm weekdays (9:00am on Wednesdays) in Civic House, corner Halifax and Trafalgar Streets.

### **Correspondence**

Written correspondence to Council should be addressed to the Chief Executive, PO Box 645, Nelson, 7040. Emails should be sent to [enquiry@ncc.govt.nz](mailto:enquiry@ncc.govt.nz)

### **Attend a Council meeting**

Council meetings are advertised in Our Nelson. Members of the public are welcome to attend meetings of Council and its Standing and Special Committees. You could be asked to leave a meeting if Council needs to discuss a confidential topic. To do that, Council would pass a resolution to that effect, under the Local Government Official Information and Meetings Act 1987. Council meetings are also streamed live on Council's YouTube channel: [youtube.com/user/NelsonCouncil](https://www.youtube.com/user/NelsonCouncil)

### **Public forums**

There is a public forum at the beginning of most ordinary Council and Committee meetings where up to 30 minutes will be available for members of the public to speak to Council. (Note that five minutes is the time limit given to an individual speaker). You need to book a time before the meeting by contacting a Council Governance Adviser on 546 0200.

### **Petitions**

The presentation of a petition to Council or its Standing Committees must also conform to certain rules. Petitions need to be provided to the Chief Executive at least five working days before the meeting it is being presented at. For more information contact a Council Governance Adviser on 546 0200.