

# Annual Report Summary

## | Whakarāpopototaka o te Rīpoata ā-tau



2021 – 2022

# Contents

## | Rāraki take

### OVERVIEW WHAKARĀPOPOTOKA

Chief Executive's Report	4
Fact File	9
Our Elected Members	10
QLDC Financial Results at a Glance	14
Contact Us	16

### STATEMENT OF SERVICE PERFORMANCE | TE TAUĀKĪ Ā KĀ RATOKA KAUNIHERA

Vision Beyond 2050	18
Key Strategies	20
Community Services and Facilities	25
Environmental Management	27
Regulatory Functions and Services	29
Infrastructure	31
Water Supply	33
Wastewater	36
Stormwater	38
Transport, including Roothing, Parking and Footpaths	40
Waste Minimisation and Management	42
Economy	44
Local Democracy	46
Finance and Support Services	49

### FINANCIAL STATEMENTS | KĀ TAUĀKĪ AHUMONI

Summary Statement of Financial Performance	54
Summary Statement of Other Comprehensive Revenue and Expense	55
Summary of Financial Position	56
Summary Statement of Changes in Equity	57
Summary Statement of Cash Flows	58
Notes to the Financial Statements	59
Auditor's Report	61

Section 98(4)(b) of the Local Government Act 2002 requires Council to make publicly available a summary of the information contained in its annual report. The specific disclosures included in the summary annual report have been extracted from the full annual report adopted by Council on 6 October 2022. The summary annual report cannot be expected to provide a detailed understanding as provided by the full annual report. The full financial report dated 6 October 2022 has received an unqualified audit report. A copy of the full annual report can be obtained on the Council website – [www.qldc.govt.nz](http://www.qldc.govt.nz)

This summary annual report has been examined by the auditor for consistency with the full annual report. The auditor's report is included with this summary. The Council's full annual report has been compiled in line with NZ GAAP and stated explicitly that it complies with Public Benefit Entity (PBE) Standards for Tier 1 entities. The summary annual report complies with PBE FRS 43 – Summary Financial Statements.

*Te Reo Māori translation: Please note, QLDC uses the local Kāi Tahu dialect which replaces 'Ng' with 'K', e.g. tākata (people) instead of tāngata*

# Overview

# Whakarāpopototaka



# Chief Executive's Report



The financial year 2021-2022 has once again been a period heavily defined and influenced by the ongoing effects of the COVID-19 global pandemic. This is the case for many aspects of Council activity and functions, such as economic development, community development, and infrastructure investment. Whether it's been projects to support recovery or projects delayed because of workforce shortages and global supply chain issues, one doesn't have to look far to see the broad reach the pandemic continues to have.

However, Council started the year with an eye to democratic representation by consulting with the community in July on how it wanted to be represented around the Council table. It was agreed to increase the number of Councillors to 11 to reflect growth in the district's population, form new ward boundaries, and retain the Wānaka Community Board.

It was encouraging to see a lot of interest in this process with robust debate happening in every corner of the district. The final model, which will be reflected in the upcoming local government elections was adopted by Full Council in September.

COVID-19 challenged many Council plans as August saw the country at Alert Level 4, whilst the Government announced its plans to reconnect Aotearoa New Zealand with the rest of the world. This announcement was commended by the Mayor and Councillors in an attempt to halt the devastating effect the pandemic had on the local economy.

The Council's Economic Development Unit was a driving force behind many initiatives in the last year in response to these issues. In July 2021, the unit launched Home for Healthier Business, a collaborative long-term project supported by Destination Queenstown, Lake Wānaka Tourism and Startup Queenstown Lakes. With \$75k support funding from the Ministry of Business, Innovation and Employment for the pilot, the diversification campaign is dedicated to attracting business leaders, employers, and talent to Queenstown Lakes with an aim to broaden future economic prospects in the district.

This programme included free webinars in October for individuals looking to move some or all of their business to the district, and more in November aimed at the technology sector.

In March, Queenstown Lakes District Council (QLDC) was appointed one of four lead agencies in the South Island to administer a \$49M kick start fund on behalf of Government. Grants valued between \$10k and \$50k were made available to eligible businesses who were ready to scale up operations or come out of hibernation in preparation for the return of international visitors.

Film Queenstown Lakes (Council's in-house film office) launched a new initiative in July 2021. In partnership with great southern Television, the Tāhuna Writers' Residency was launched to bring a selection of screenwriters from across New Zealand to the Queenstown Lakes to create television project ideas either inspired by the district or set within it. From 150 applicants, five successful writers participated in the residency in Queenstown from 21 March until 14 April 2022.

As beneficiaries of the Government's "Shovel Ready" COVID-19 recovery funding through the Crown Infrastructure Partners, the Queenstown CBD street upgrades and arterials are both keystone projects that have made significant progress throughout the last financial year. Construction of the Queenstown Town Centre Arterial Road (stage one) commenced in September, starting with installation of underground services. Then in March a significant change was seen with the Kā Huanui a Tāhuna alliance of QLDC, Waka Kotahi and industry stakeholders creating a new layout at the busy intersection of Frankton Road and Melbourne Street, as the 200m stretch of Frankton Road between Suburb Street and Melbourne Street began its transformation into the gateway to the first stage of the new road.

Allowing a break over the busier Christmas and summer holiday period, work has continued throughout the year on the upgrades to Beach Street, Brecon Street, Park Street and Rees Street. At the time of writing this report, Park Street had reopened to the public and the end was in sight for Beach Street.

Council has acknowledged delays throughout the programme which was challenged by staff absences due COVID-19, along with supply chain issues, and encountering historic infrastructure throughout the programme that required significant work to rectify in partnership with private property owners. These upgrades are still on track to deliver the core projects within the original timeframes and Council is confident that the final outcome will be worth the inconvenience and disruption caused.

Managing our impact on the climate and local biodiversity has continued to be a priority for Council in the last year. A guiding document for this organisational commitment is the Climate and Biodiversity Plan (formerly the Climate Action Plan) which was published for community feedback in March. The Climate and Biodiversity Plan 2022-2025 sets out how the district is going to respond to climate change and includes actions ranging from reducing carbon emissions through more effective land-use planning and infrastructure design, to regenerating native forest. In June, the Council adopted the plan whilst at the same time committing an additional \$420k to the plan's actions through the 2022-2023 Annual Plan process.

In October, QLDC provided funding for the WAO Aotearoa Climate Action Initiative giving local businesses and schools the knowledge and tools to calculate their greenhouse gas emissions and take action to reduce them. The aim of the Climate Action Initiative was to establish a district-wide baseline for greenhouse gas emissions and support everyone in the community to make a meaningful impact on reducing them.

Waste minimisation and education is a key part of Council's work in reducing the effects of climate change. In July 2021, nine new projects designed to reduce waste across the district received funding from the QLDC Waste Minimisation Community Fund totaling \$60k. The fund was created in 2018 in response to a call for Council to support more community-driven initiatives and the selected projects were initiatives from a variety of organisations, including community groups, charities, education facilities, and businesses. The projects included reducing construction landfill waste, reducing commercial food waste, reducing single-use plastics, waste education and workshops.

A further round of funding was announced in March this year, with an increased available grant fund of \$120k. This included up to \$100,000 for community projects that encourage enduring change in behaviour, and up to \$20,000 for commercial waste minimisation or resource recovery projects.

In January, QLDC (with funding from the Glass Packaging Forum) undertook an audit which revealed glass collected locally for recycling was of a high quality with an impressively low contamination rate of just 0.35%. Of the 145,730kg audited this represented just 515kg that could not be recycled. This analysis meant that Council could gain an improved understanding of areas that require focus, such as ongoing operational and education initiatives.

In a similar vein, kerbside recycling bin check trails were undertaken in May to help reduce contamination in general recycling. Bin checkers lifted the lid on yellow bins as the three-month trial got underway to assess how residents were doing in sorting rubbish from recycling and to help educate them and reduce contamination. Checked bins were stickered as either superstar recyclers, almost awesome, or contaminated recycling.

Ensuring robust and resilient Three Waters infrastructure with capacity to meet the needs of a

growing community is also a core programme of work to protect our natural environment. In December 2021, QLDC successfully completed the \$19M Recreation Ground Wastewater Pump Station and Rising Main upgrade in Queenstown. The new infrastructure provided a significant improvement to the long-term resilience of Queenstown's Wastewater network by providing 550m<sup>3</sup> of emergency storage, additional pumping capacity and 2km of new wastewater pipe, all of which reduced demand on the Marine Parade Pump Station located close to Lake Whakatipu. The new pump station now conveys wastewater from north of the town centre from areas such as Arthurs Point and parts of Queenstown Hill and will also pump flows from Sunshine Bay and Fernhill in the future.

Work also commenced in April on improved drinking water supply and infrastructure in the western part of Wānaka. This included a new pump station located on Wānaka-Mount Aspiring Road and pipeline along Golf Course Road through to Anderson Road. Both the pump station and pipeline are expected to be completed by November 2022.

The first stage of a major wastewater upgrade in Wānaka also started in April, as part of a wider plan to accommodate growth and provide more resilience across the district's wastewater network.

This first stage of the project involved the upgrade and replacement of existing wastewater pipes and lateral pipes that connect the public system to residential houses on Aubrey Road, from Rata Street corner down to the lakeside. The programme of work included installing a new water supply pipe to connect to the existing pipe under Sir Tim Wallis Drive roundabout, as well as a new wastewater connection to the existing network near the Albert Town wastewater pump station. A new pump station is also planned as a later stage of the upgrade and work is underway to finalise the next steps for this part of the project.

The last financial year saw a lot of activity in the parks, reserves, and tracks and trails space. This started in July with the funding announced of \$2.4M for tourism and recreational infrastructure in the district from Central Government. The district's lakefronts were the area of focus for this funding, complimenting Council's own work on projects such as the Wānaka Lakefront Development. Projects marked as recipients for the funding included improving and upgrading the boat ramp facilities at Glenorchy and Lake Wānaka, upgrading and increasing capacity of the public toilets, signage and lighting at Marine Parade in Queenstown, and upgrades to the carpark facilities at the Wānaka Tree with improved access for pedestrians and cyclists.

July also saw the new lookout at Bennetts Bluff opened for locals and visitors to pull over safely and enjoy views of Whakatipu. Council invested \$1.6M to develop a new carpark, toilet block and picnic area and planting, while Department of Conservation Te Papa Atawhai (DOC) funded the walking track and viewing area. Council is reintroducing 4,000 native plants to the area and is also working with the Glenorchy Community Association to develop an information board about the history of the Glenorchy-Queenstown Road.

Significant milestones have been achieved in delivering the Wānaka Lakefront Development throughout the financial year. In October 2021, stage three of the Wānaka Lakefront was officially opened by the Mayor and Chair of the Wānaka Community Board. This section of the project from the Dinosaur Park to the Marina, saw a new boardwalk out over the lake, improvements to continuous pedestrian access and safety along Lakeside Road, improved land use, and the restoration and development of native vegetation in the area, and was blessed by Kāi Tahu at the opening ceremony with a beautiful waiata.

Also in October, community consultation took place on stage five of the development. The concept plan shared with the Upper Clutha community included the continuation of the shared pathway from the newly

completed stage three through to the Yacht Club and the start of the Eely Point track. The concept plan proposed a safer environment for pedestrians and cyclists to make their way past Wānaka Marina and the Yacht Club.

In April, Construction began on stage two of the lakefront development which has had the greatest level of community conversation. Requiring the temporary closure of Ardmore Street to shorten the construction programme and minimise the overall disruption, stage two sees the implementation of a shared pathway on the area of lakefront running from McDougall Street to Dungarvon Street, connecting Mt Aspiring Road Carpark with Wānaka's town centre and displaying new Millennium pathway tiles alongside it. 110 new car parking spaces and four accessible spaces are also being added along the lake side of Ardmore Street, opposite Pembroke Park and broken into sections to create view shafts and access points.

December 2021 saw Council agree to commence the process of purchasing Mount Iron Reserve in a 'once in a generation' opportunity. The land is 67ha on the north, west and southern flanks of Mount Iron and land running along State Highway 84, plus an additional 27ha centred on Little Mount Iron intended to be held as public reserve in perpetuity on behalf of the local community. Previously owned by

Allenby Farms Ltd, the two parties worked constructively for 18 months to reach this unique and special agreement bringing this land into community ownership. Separate to the agreement, Council commenced discussions with DOC with the prospect that QLDC take ownership of the remaining section of Mt Iron currently owned by DOC.

Once again in December, stage one of Te Kararo Queenstown Gardens opened to the public. After traversing a COVID-19 lockdown, snow, heavy rain, and then scorching temperatures, the entrance to the gardens was once again available for locals and visitors to enjoy. A blessing by Kāi Tahu later marked the opening and reflected their contribution to the design and signage. The improvements included wider pathing with reduced gradients, making it easier to walk on and improving public safety and accessibility. Specialised surfacing near the Queenstown Playspace was installed to preserve root networks of established trees nearby, and new seating, planting and trees completed the project creating an improved space for everyone to enjoy.

QLDC venues received a boost in February 2021 with Councillors giving approval for the property at 516 Ladies Mile to be developed as a community facility. An expressions of interest process from local community groups who would like

to use the new centre in the future was been approved and the local community had the opportunity to see the plans at an open day hosted by Council staff on site in March.

In the Upper Clutha, Councillors approved a lease on a building in Plantation Road, Wānaka, with a view to converting it into a new youth, community, and sports facility. The former Mitre 10 building represented an important investment for the Upper Clutha community to help meet demand now and over the coming years and is intended to complement Wānaka Recreation Centre and provide more capacity for sport and recreation in the district. At the same time as giving approval to enter into a lease agreement on the property, Councillors also approved a budget of \$4.15M to fit-out the building which was ratified by the adoption of the 2022-2023 Annual Plan in June.

Unfortunately, the planned completion of the new Luggate Memorial Centre Whare Mahana was further delayed due to COVID-19 related global supply chain issues. To meet the unique Passive House standards committed to, custom-made specialist windows were required and ultimately delays in transit from Germany were unavoidable after the original domestic supplier went out of business during the pandemic. The opening of the venue is now scheduled for Spring 2022.

Sport and Recreation launched a new community grant in August 2021 to get more people, more active, more often. As the first annual grant, the intent was to support not-for-profit organisations and charities that benefit health and wellbeing around the district – an important focus as the country was in the midst of a national lockdown. As restrictions eased, it was perfect timing for the opening of the Queenstown Event Centre all-weather turf which opened in October. This new multi-sport facility provided a much-needed venue in wet or dry conditions for hockey, futsal, football, bootcamps and much more. After many years of planning, the new turf provided a facility for the Whakatipu Hockey Club to host competition games in Queenstown which has not been available to them previously.

The Libraries team added to their facilities by creating a new pop-up library in the Wānaka Recreation Centre in November 2021 whilst work was being completed on the roof of the main Wānaka Library. Having previously used the pop-up concept in Queenstown this temporary space provided a useful option for individuals and families to borrow and return items. During December, Libraries celebrated ten years of shelving fines where staff offered an amnesty on library fines in exchange for donating non-perishable food items, vouchers, and gifts for children and adults.

Donations received went to Happiness House Queenstown Community Support Centre and Community Networks Wānaka for them to distribute to those in need.

Another important community initiative for Council started in July 2021 when QLDC was selected to participate in the Welcoming Communities Te Waharoa ki ngā Hapori programme by Immigration New Zealand, the Human Rights Commission, and the Office of Ethnic Communities. The Welcoming Communities project aims to make the district more welcoming for everyone by focusing on a range of areas, including supporting new residents with economic development, business and employment, civic engagement, and participation, creating welcoming public spaces, equitable access, and welcoming communications.

In March, Council achieved full accreditation as a committed welcoming community which was an important milestone on the district's journey to creating an environment where all residents can thrive and feel a sense of belonging. Then in June, over 130 people attend first Welcoming Communities hui at the Queenstown Events Centre.

The group came together to listen, learn about, and share ways to support newcomers to feel welcome and able to participate in the economic, civic, cultural, and social life of the district. Council also launched a new booklet profile local groups and providing details of how to connect with them and find out more.

There have been a number of key planning projects progressed throughout the financial year such as the Te Pūtahi Ladies Mile Masterplan and Planning Provisions. In a detailed and extensive process progressing throughout the 12-month period, Councillors finally adopted a revised masterplan on 30 June 2022, enabling notification to begin for changes to land use rules in the Proposed District Plan, to enable its implementation. The first iteration of the Masterplan was adopted in October; however, Councillors requested a number of matters be given further consideration. This final decision was a major step in this important process for the area.

With a focus on community resilience, the year also saw extensive consultation and consideration of planning options relating to natural hazards in an area of Gorge Road in Queenstown.

The community provided valuable feedback and insight in helping to shape a package of measures which was endorsed by Councillors in June so that further work could be progressed to better understand the costs, benefits, and implementations of the proposals.

Many New Zealanders will know the term "leaky buildings" as affecting some properties built between the late 1980s and mid-2000s. At the end of the financial year, Council faced a significant building defect claim in an increasingly common situation where local authorities are the only entity left for property owners to claim against relating to weather tightness and other building defects. Council continues to vigorously defend that and other such claims, in a way that minimises the financial impact on ratepayers. However, a material increase in operational expenditure is anticipated and must be planned for going forward to defend and resolve such claims.

Reforms led by Central Government have also shaped a lot of Council activity this year including the reform of the Resource Management Act 1991 and the Future for Local Government Review. Of most note was the proposed Three Waters

Reform which required significant consideration and work, and a number of decisions by the Council. In August 2021, the Mayors and Chairs of Otago Southland write to the Minister of Local Government to formally request a pause to the reform process. This was followed by a unanimous vote on a position statement by Council's elected members in September. Since then, Council has submitted on the Government's Water Services Entities Bill and is endeavouring to work constructively within this process. Council has used this time to plan for what changes to the system may mean for Council services and the local community and will continue to do so.

Finally, I would like to acknowledge the contribution of the elected representatives on both the Council and the Wānaka Community Board and acknowledge the dedicated and hard-working Council staff across all of Council who continue to deliver outstanding service to the district community.



**Mike Theelen**  
Chief Executive  
Queenstown Lakes District Council



# Population Data

## USUALLY RESIDENT POPULATION

Usually Resident Population	2022	2032	2042	2052
Wānaka Ward	17,111	21,797	25,933	29,864
Whakatipu/Arrowtown Wards	33,049	40,698	47,452	53,869
Whole District	50,160	62,495	73,385	83,733

## AVERAGE DAY POPULATION

Average Day Population	2022	2032	2042	2052
Wānaka Ward	20,989	29,858	35,541	40,942
Whakatipu/Arrowtown Wards	45,543	63,611	73,160	82,233
Whole District	66,532	93,469	108,701	123,176

The **average day population** for the district is expected to increase from an estimated 66,532 people in 2022 to an estimated 93,469 in 2032. This is a growth rate of 4.05% per annum. This consists of residents and visitors of all types.

Of the **average day population**, around 75% is the usually resident population. Approximately 66% of these residents will live in the Queenstown-Whakatipu Ward and Arrowtown Ward, and the remainder in the Wānaka Ward.

Source: QLDC Projections to 2053, March 2022

## PEAK DAY POPULATION

Peak Day Population	2022	2032	2042	2052
Wānaka Ward	32,786	50,764	59,649	68,094
Whakatipu/Arrowtown Wards	69,862	104,653	119,685	133,967
Whole District	102,648	155,417	179,334	202,061

The **peak day population** for the district is expected to increase from an estimated 102,348 people in 2022 to an estimated 155,417 in 2032. This is a growth rate of 5.1% per annum. This consists of residents and visitors of all types.

The peak period typically falls over the New Year period (late December/early January) and is relatively short. The projection is particularly important for infrastructure planning, ensuring that roads, waste and 3 waters are able to cope with peak activity.

## AVERAGE DAY POPULATION

Average Day Population	2022	2032
Usually Resident Population	50,160	62,495
Total Visitor	16,372	30,974
Average Day Total	66,532	93,469

## PEAK DAY POPULATION

Peak Day Population	2022	2032
Usually Resident Population	50,160	62,495
Total Visitor	52,488	92,922
Peak Day Total	102,648	155,417

# Our Elected Members



Mayor  
Jim Boulton



Deputy Mayor  
Calum MacLeod



Councillor  
Penny Clark



Councillor  
Heath Copland



Councillor  
Craig 'Ferg' Ferguson



Councillor  
Niki Gladding



Councillor  
Glyn Lewers



Councillor  
Valerie Miller



Councillor  
Niamh Shaw



Councillor  
Quentin Smith



Councillor  
Esther Whitehead





## Wānaka Community Board | Te Poari Hapori ki Wānaka



Barry Bruce  
Chair



Ed Taylor  
Deputy Chair



Calum Macleod



Chris Hadfield



Niamh Shaw



Quentin Smith



Jude Battson



## Management Group



Mike Theelen  
Chief Executive



Tony Avery  
General Manager,  
Planning & Development



Stewart Burns  
General Manager,  
Regulatory & Finance



Meaghan Miller  
General Manager,  
Corporate Services



Thunes Cloete  
General Manager,  
Community Services



Peter Hansby  
General Manager,  
Property & Infrastructure

# QLDC financial results at a glance 2021/22

## Statement of Financial Performance

QLDC recorded a surplus of \$65.8M for the year. This is well up from the \$17.8M surplus recorded last year, although down on the budget of \$72.9M. The main reasons for the lower surplus against budget, which is not profit, are related mainly to decreased revenue to budget and an increase in legal costs associated with building related claims against the Council.

Revenue was below estimate by 4.6% or \$11.6M and expenditure was over by 1.2% or \$2.1M. Offsetting this was \$9.0M of net unrealised gains as a result of positive valuation movements for investment property and interest rate swaps as at 30 June 2022.

The following major items contributed to the revenue variance:

- > Fewer visitors due to COVID-19 saw lower operating revenue against budget (\$5.5M) particularly in turnover based rents, parking fees, infringements and refuse charges.

Increase in vested asset income of \$8.5M for the year; this non-cash income reflects the value of assets passed to Council as a result of continued high levels of development activity in the district.


- > There was also an increase for development contributions which created a favourable variance of \$5.8M.

Operating expenditure was \$2.1M (1.2%) over budget for the year ended 30 June 2022.

The major remaining operational cost variances are as follows:

- > Employee Benefits Expense was \$2.3M below budget as there were a number of staff vacancies.
- > Depreciation and amortisation expense higher than budget by \$2.8M, largely as a result of updated valuations for infrastructure assets for both Three Waters assets and roading assets.

- > Interest expense for the year is \$1.8m less than budget. This is a result of the timing of some capital works and lower than expected interest rates.
- > Other expenses \$3.5M above budget. The main variances were \$2.9M increase for legal costs associated with weather tightness, with an associated \$0.03M decrease in the leaky building loss provision. Offsetting this, commissioner costs are down by \$1.1M due to the timing of district plan hearings, which are behind original estimates.




## Statement of financial position

The main variances relate to the difference in expected asset values for the year and reduced borrowings. The following items contributed to this variance:


- > Large movements in infrastructure values as a result of infrastructure revaluations, these are summarised here:

- 2022 Increase in infrastructure value: \$337.8M with Three Waters asset values increasing by \$211.8M, and Roading asset values increasing by \$126.0M. Offsetting this, overall capital expenditure was \$160.4M which is below estimate by \$86.9M for the year ended 30 June 2022
- Borrowings are \$38.7M below forecast. Total debt as at 30 June 2022 is \$303.6M compared to a forecast of \$342.4M largely as a result of deferrals of capital expenditure spend.



## Statement of Changes in Equity

Accumulated differences between actual and budgeted net surpluses as described above, as well as the impact of infrastructure asset revaluations and reduced borrowings, has resulted in an equity variance of \$465.0M above forecast.



## Statement of Cash Flows

The budget variations explained above also contribute to budget variations in the Statement of Cash Flows, particularly cash flows from investing and financing activities. Cash payments for the purchase of property, plant and equipment (i.e. capital expenditure) were \$88.7M below estimate and consequently, net borrowings were around \$25.8M less than expected. Cashflows from operating activities were \$42.0M below budget mainly due to fewer receipts from customers as a result of a COVID-19 reduced revenues and an increase in debtors.

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[twitter.com/QueenstownLakes](https://twitter.com/QueenstownLakes)  
[instagram.com/queenstownlakes](https://instagram.com/queenstownlakes)

## QUEENSTOWN AIRPORT CORPORATION LIMITED\*

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*\* A Council-controlled trading  
organisation*

## AUDITORS

Deloitte Limited on behalf of the  
office of the Auditor General,  
Dunedin

## SISTER CITIES

Aspen, Colorado, USA  
(Queenstown)

Hangzhou, China



# Statement of service performance

## Te tauākī ā kā ratoka kaunihera





# Vision Beyond 2050



## Community Outcomes

Looking beyond the year 2050, the community vision – A Unique Place. An Inspiring Future | He Wāhi Tūhāhā. He āmua Whakaohoho – presents eight key vision statements for how people want to live, work and play in the district in the future. Each vision statement is supported by a set of community outcomes.

Community outcomes are aspirations that Council is working towards; they are future focused. They are defined in the Local Government Act 2002 as

***“outcomes that a local authority aims to achieve in order to promote the social, environmental, economic and cultural wellbeing of its district in the present, and for the future”***

These define the hopes for life in the Queenstown Lakes District, for current and future generations.

In March 2019, the Council unanimously agreed to commit to the vision as a guiding document to inform future decision-making and planning.

## Thriving people | Whakapuāwai Hapori

Ours is a community with a strong heart and whānau roots that run deep.



## Living Te Ao Māori | Whakatinana i te ao Māori

Ours is a district that realises Te Tiriti o Waitangi and champions equity for all our people, now and into the future.



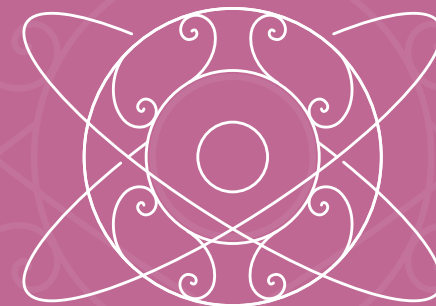
## Opportunities for all | He ōhaka taurikura

Our district is a place of social, environmental and technological enterprise.



## Breathtaking creativity | Whakaohoho Auahataka

Surrounded by the endless inspiration of our landscapes, ours is a place that nurtures the arts, culture and the spirit of invention.



## Deafening dawn chorus | Waraki

Our ecosystems flourish and are predator-free under our guardianship.



## Zero carbon communities | Parakore hapori

From Makarora to Kingston, our district sets the standard for regenerative, low-impact living, working and travel.



## Disaster-defying resilience | He Hapori Aumangea

Queenstown Lakes is a place that is ready and prepared for every emergency.



## Pride in sharing our places | Kia noho tahi tātou katoa

Our district is a place where our quality of life is enhanced by growth through innovation and thoughtful management.



Vision Beyond 2050

# Key strategies

## Spatial Plan

The first Spatial Plan for the district was adopted by Council on 29 July 2021 and endorsed by the Grow Well Whaiora Partnership Governance Group on 22 September 2021. This has been delivered in partnership with central government and Kāi Tahu and is the product of nearly three years' work. Otago Regional Council committed to joining the partnership in January 2022.

Whaiora in Te Reo Māori translates to “in the pursuit of wellness”. This is the very essence of what the Spatial Plan sets out to achieve and every priority initiative has been designed with the wellbeing of people and environment in mind.

The purpose of the plan is to align decision making and investment across local, regional and central government, whilst ensuring the best possible future for the current community and the generations that will follow. It is the first holistically designed “whole of district” Spatial Plan in New Zealand, ensuring that

future growth happens in the right place and is supported by the right infrastructure, whether that is pipes in the ground, ways of getting around, access to schools, healthcare or other community facilities.

To date, the Grow Well Whaiora Partnership has been developing and delivering its implementation plan. The following six priority initiatives were chosen by the Partnership Governance Group as the key areas to focus on:

- > Joint Housing Action Plan
- > Destination Management Plan
- > Economic Diversification Plan
- > Mode Shift Plan
- > Priority Development Areas – scoping
- > NPS-UD implementation.

## Climate and Biodiversity plan

The Climate and Biodiversity plan | Te Mahere Āhuarangi me te Rereka Rauropi sets out Council's response to biodiversity loss and climate change in Queenstown Lakes. It drives towards several of the outcomes in Visions Beyond 2050: Deafening Dawn Chorus, Disaster Defying Resilience and Zero Carbon Communities. It contains 70 actions that will contribute to achieving six outcomes:

- > QLDC demonstrates ambitious climate and biodiversity leadership
- > Our transport system is low-emission and better connected
- > Our built environment is low-emission and resilient
- > Our communities are low-emission and climate resilient
- > Low-emission businesses thrive
- > A flourishing natural environment

While the Council led the development of this plan, it belongs to the whole district and it was made possible with input from mana whenua, climate and biodiversity experts, local businesses, sustainability advocacy groups, conservation groups and the community.



# Financial Strategy and Infrastructure Strategy

## INTRODUCTION

The Financial Strategy and the Infrastructure Strategy are key to Council's planning and reporting. They are aligned to provide the strategic direction and context for planning, and lay the foundations that support prudent financial management and efficient asset management over the long-term. Both Council works strategies are integral to the way we work.

The Financial Strategy describes the challenges that will impact the district over the Ten Year Plan 2021-2031, and how the Council will respond in a responsible and affordable way. The Financial Strategy aims to achieve the following:

- > a prioritised capital programme, delivering the 'right' projects:
  - in order to achieve compliance with water supply and wastewater services within statutory timeframes
  - ahead of growth so that development is supported in appropriate areas, as identified in the Spatial Plan
- > a QLDC visitor levy introduced within four years as an alternative funding method

- > rates increases set at maximum of 9% gross (6% net) per annum (subject to changes in growth forecasts)
- > debt levels maintained at affordable levels, within borrowing limits
- > debt levels at the end of the Ten Year Plan 2021-2031 period stabilised, with sufficient headroom to provide financing flexibility for future councils.

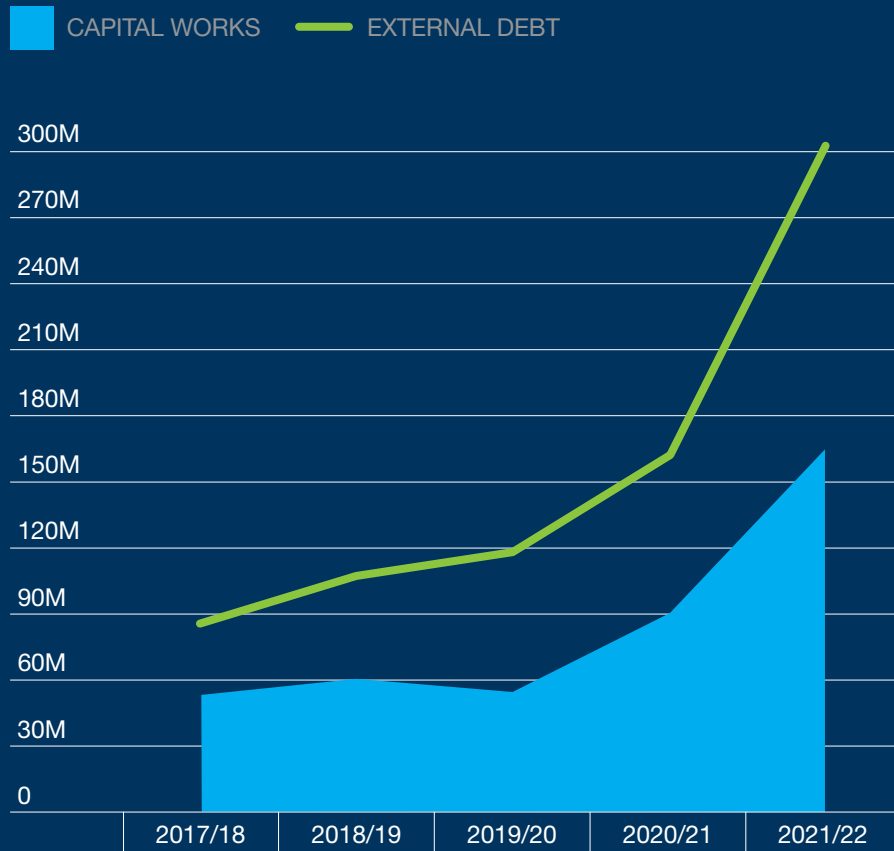
The Infrastructure Strategy details the challenges that will impact the district over the next 30 years (2021- 2051), as they relate to transport, water, wastewater, stormwater and solid waste. By covering 30 years the Infrastructure Strategy aims to accommodate both the needs of current and future generations by providing good quality, cost effective infrastructure that responds to the following:

- > a demanding natural environment
- > growth in population and visitor numbers
- > climate change adaptation and mitigation
- > the complexity of our built environment
- > our challenging economy
- > legislative changes.

### REPORTING BACK ON FINANCIAL STRATEGY

The graph above shows that the actual spend on capital projects has increased significantly for the last year compared to the previous three. The capital works result for 2021-2022 is a distinct improvement but is still some \$86.9M short of the original 2021 Ten Year Plan budget for 2021-2022. This is due to primarily to the deliberate re-programming of the Three Waters capital programme and delays in the approval process for major transport improvements in Queenstown.

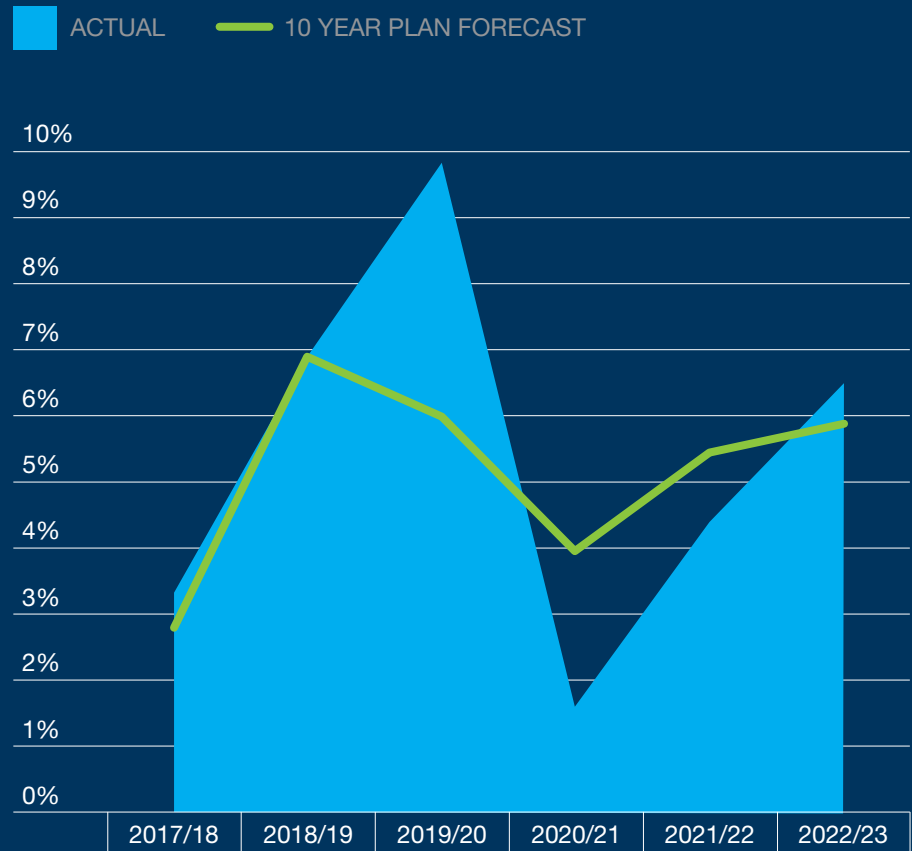
#### EXTERNAL DEBT VS CAPTIAL WORKS



### RATES

The graph below shows the actual rates increases over the past four years compared to the increases forecast in the Ten Year Plan. The total rates for 2021-2022 are lower than forecast and reflect the increased growth in the district to that forecast in the Ten Year Plan.

#### RATES INCREASE – ACTUAL AND FORECAST (AFTER ALLOWING FOR GROWTH)



## DEBT LEVELS

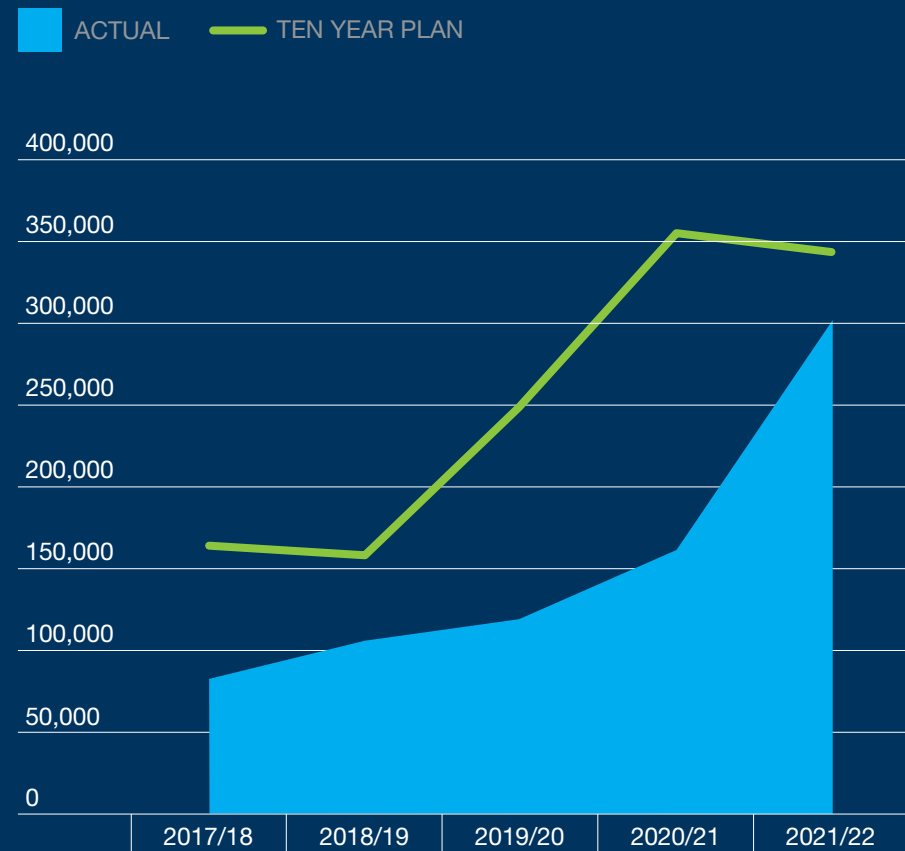
In order to deliver the large capital programme included in the 2018-2028 and 2021-2031 Ten Year Plans, the Council will need to rely on borrowing. The Council has spent a considerable amount of time and effort working through the capital programme to ensure it is affordable and deliverable. The actual external debt at 30 June 2022 was \$303.6M; this is \$141.7M more than June 2021 and \$38.7M less than the amount forecast in the 2021-2031 Ten Year Plan. This is largely due to the re-programming of the Three Waters capital programme and the delay in the approval process for major transport improvements in Queenstown (\$76.1m) but is offset by the negative impact of the cost of defending leaky building claims.

**The actual and proposed levels of debt are now within all of the Council’s borrowing limits:**

LGFA Borrowing Limits (%)	Actual 2019/20	Actual 2020/21	Actual 2021/22	Forecast 2021/22
Interest Expense/ Rates < 30%	4.5%	5.8%	6.1%	7.2%
Interest Expense/ Total Revenue < 20%	2.5%	3.2%	3.0%	3.2%
Net Debt/Total Revenue <300%	79.7%	100.3%	158.8%	157.7%

The following graph shows the forecasted debt levels compared to actual debt levels up to 2021-2022. As can be seen, actual debt levels are significantly reduced. The actual external debt at 30 June 2022 was \$303.6M and is \$38.7M less than the amount forecast in the 2021-2031 Ten Year Plan.

EXTERNAL DEBT (000s)



## CAPITAL WORKS 2021-2022

Notable infrastructure projects that have been substantially advanced or completed during the 2021-2022 financial year:

Project	Cost at Year End 2022 (\$)
Queenstown Street Upgrades – Crown Infrastructure Partners	32,594,049
Qtn Town Centre Arterials – Crown Infrastructure Partners Stage 1	26,424,670
Cardrona New Wastewater Scheme	10,999,934
Reform Stimulus Delivery Plan Three Waters	7,999,835
Shotover Country Water Services New Water Treatment Plan	7,889,282
Western Wānaka Level of Service Water Services	4,553,702
Wānaka Lakefront Development Plan	4,182,786
Lakeview Development Road and Public Realm	3,346,569
Luggate Hall Replacement	3,268,908
Lakeview Storm Water upgrade	3,000,767
Project Pure Waste Water Treatment Plant Upgrade	2,969,791
Recreation Ground New Wastewater Pump Station	2,910,451
North Wānaka new Wastewater conveyance scheme	1,895,711
Lakeview Development – Other Infrastructure	1,840,930
Lucas Place Road Rehabilitation	1,784,844
Wastewater – Renewals – Queenstown	1,759,098
Ballantyne Road Reseal	1,631,513
Lucas Place Stormwater upgrades existing pipes	1,510,630
Lakeview Development Wastewater servicing	1,443,524
Whakatipu – Road to Zero Minor Improvement	1,279,495
Kawarau Place duplicate Stormwater Pipeline	1,139,248
Lakeview Development	1,036,543
Wānaka – Road to Zero Minor Improvements Programme	1,014,324
Queenstown Gardens Development Plan	925,258
Lakeview Ancil – Street Upgrades	906,732

Carry-forward projects totalling \$42.79M were approved by the Council in September for completion in 2022-2023 and 2023-2024. Projects in excess of \$500k are as follows:

Project	Budget deferred at Year End 2022 (\$)
Qtn Town Centre Arterials – Crown Investment Partner Stage 1	4,081,434
516 Ladies Mile Community Centre	3,590,275
Queenstown Street Upgrades – Crown Investment Partners	2,613,435
Lakeview Development Road & Public Realm	1,445,690
Whakatipu Public Transport	1,362,480
Beacon Point new Reservoir	1,359,373
Luggate Hall Replacement	1,298,074
Shotover Country Water Service New Water Treatment	1,229,151
Hanleys Farm Pump Station Upgrade Wastewater	1,186,121
North Wānaka new Wastewater conveyance scheme	1,158,504
Glenorchy Reservoir upgrade	1,024,666
Albert Town Retic Improvement Water Service	987,000
Queenstown Parking Improvements	955,270
Wānaka Lakefront Development Plan	863,139
Western Wānaka Level of Service Water Service	852,776
Shotover Country Rising Main (bridge)	753,832
BP Roundabout – Kawarau Bridge Reticulation Water Service	732,125
Glenorchy Water Service new Water Treatment Plant and building	680,144
Beacon Pt new Water Treatment Plant Land	642,286
Lakeview Rockfall Mitigation	627,121
Kingston Housing Infrastructure Fund Water Supply new scheme	609,542
Marine Parade – Implementation	594,915
Ballantyne Rd Recreation Centre – Wastewater Site preparation	584,892



# Community Services and Facilities



## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Library circulation per capita (including books, e-books, e-audio and magazines) (based on usually resident population)	32,580 avg per month 390,960 total	Improve year on year  2020-21 result: 490,398	485,907 Library circulation July 21-June 22	<p>Circulation of library items was slightly below target for the 21/22 year. The target was 490,398. As circulation for the year was 485,907 there was a decrease from last year of 0.9% (4,491) items checked out. This was a good result during a year of access restrictions as community navigated through various levels of COVID-19.</p> <p>There was a decrease of 5.5% (23,885) Queenstown Lakes Libraries hardcopy/physical item checkouts compared to the previous year. 430,938 Hardcopy/Physical items were checked out in 20/21 with 407,053 items checked out in 21/22.</p> <p>Central Otago Queenstown Lakes Libraries e-Item checkouts for the 20/21 year totalled 59,469 e-Items, compared to 78,854 for the 21/22 year. This is an increase of 32.6% (19,385) e-Items checked out.</p>
Percentage of RFS resolved within specified timeframe for parks, reserves, trails, gardens and playgrounds	80.6%	>85%	84%	Request for Service (RFS) volumes remained consistent with previous years with a small improvement over 2020-2021. Although this KPI was not met due to a shortfall in process and overall management of RFS within the team, performance on a monthly basis improved during the year. Internal performance grew with improvements to systems and processes along with establishing clear lines of responsibility.
Total number of gym and pool visits per capita (based on usually resident population)	New measure	Establish baseline	23,564 visits	Over the 2021-2022 financial year, there were 23,564 gym and pool visits per capita based on the usually resident population. While lower than expected based on previous year's figures, due to the impacts of COVID-19, this sets the baseline target for the KPI.
Percentage of residents who are satisfied with the range of community facilities (Pools, Sport & Rec facilities, Community venues, Libraries and Parks)	New measure	Establish baseline	71%	15% of residents were very satisfied with the range of Community Facilities and 56% were satisfied. This establishes the baseline for this KPI.
Percentage of residents who are satisfied with the financial support Council provides for the community	33%	>80%	32%	Council provided \$1.9M of funding to community groups in the last financial year. 32% of the district considered the money going towards community groups as sufficient, below the target of 80%. This was down from 40% in the year ending June 2021, however there was a marked reduction in the number who thought this was "far too little". Given 39% of the community didn't know whether this was sufficient or not, this metric will be difficult to achieve at any time.
Percentage of total community grants to operating cost, excluding salaries and wages	0.83%	>1.65%	2.08%	The amount of grants paid is marginally under the target.
Percentage of capital works completed annually, including renewals, against the annual budget adopted by the Council for community facilities and property	New measure	80%-100%	81%	Not achieved due to delays and constraints as a result of COVID-19.

# Environmental Management





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Percentage of resource consents processed within statutory timeframes	82%	100%	81.71%	The resource consents team has achieved 82% compliance this year across 1,111 decisions issued 2021-2022. The target was not met and this is a decline in performance from the 2020-2021 year. The ability to process resource consents within timeframes has been affected by resourcing constraints and a tight recruitment market. An unusually high number of applications received September through November 2021 created a back-log that took some months to clear.
Compliance with two year timeframe of notification to decision, in accordance with clause 10 of Section 1 of the RMA	New measure	Full compliance	Full compliance	All decisions to the District Plan were made within 2 years of notification as required by the Act.
The carbon budgets for QLDC's direct emissions set in the Emission Reduction Roadmap have been met	New measure baseline (2019) 2,992 tCO <sub>2</sub> e	<2581t	3003t	The 2019 baseline for this measure has been reset from 2581 to 2922 tCO <sub>2</sub> e due to the commissioning of an updated carbon inventory report. The target for direct energy emissions reduction for the 2021-2022 period was a reduction of 80 tCO <sub>2</sub> e, however an increase of 80.5 tCO <sub>2</sub> e occurred. This means that a net difference of 160.5 t CO <sub>2</sub> e was the outcome for this KPI. The target was not met.

# Regulatory Functions and Services





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Resource Consents listed as 'priority' in the Monitoring Strategy are pro-actively monitored	100%	100%	100% monitored for year	Monitoring is undertaken in accordance with Monitoring Strategy. The result was 100% monitored for the year.
Every food business that is due an audit is audited within the statutory timeframes (according to the Food Act 2014)	44%	100%	61.08%	The aggregate result for 2021-2022 has not been achieved due to COVID-19 related disruptions, however there has been significant catch-up and uplifts across each quarter. The last quarter result was 95.3% completed.
Number of RFS freedom camping complaints	120	Improve on the previous year	42	There continues to be a significant reduction in complaints compared to pre-COVID-19 levels. Results are well within the annual target. This is a reflection of the lower number of overseas visitors to New Zealand. Above the 42 freedom camping complaints that were upheld, there were an additional 34 unsubstantiated complaints, one that was on private land and one that was not a freedom camping complaint, it was incorrectly allocated as such.
		2020-21 result: 53		
Percentage of building consents processed within statutory timeframes	98%	100%	96.80%	The 100% target was not achieved due to COVID-19 related resource issues with staff and external contractors. This along with high building consent numbers resulted in the target not being achieved. The actual result was however within the 5% tolerance margin and placed QLDC in the top one third of building consent authorities in New Zealand for statutory timeframe compliance.

# Infrastructure





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Percentage of capital works completed annually, including renewals, against the annual budget adopted by the Council for 3 waters, waste management and roading.	82%	100%	69%	Did not achieve the KPI target as faced delays and constraints as a result of COVID-19.
Percentage of external contractor and internal RFS resolved within specified timeframe (3 Waters, Solid Waste, Roading)	3 Waters 94%	>95%	3 Waters 95%	RFS volumes remained consistent with previous years with a small increase over 2021-2022. Performance on a monthly basis improved during the year. Internal performance grew with improvements to systems and processes along with establishing clear lines of responsibility.
	Solid Waste 76%		Solid Waste 98%	
	Roading 83%		Roading 86%	



# Water Supply





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Average consumption of water per person per day	515 litres on avg per person per day	<510L	441L	441 litres of water were consumed on average per person per day for the 2021-2022 year. This represents an improvement on the preceding two years and meets the target set.
Compliance of each municipal water supply with the NZ Drinking Water Standards for protecting public health, specifically:				Of the nine Drinking Water supplies for the 2021-2022 reporting period. The non-compliant treatment plants were:
Bacteriological compliance; and	93%	100%	100%	<ul style="list-style-type: none"> <li>&gt; <b>Arrowtown</b> the treatment plant includes a protozoa barrier but due to periods of elevated turbidity was non-compliant for the period.</li> <li>&gt; <b>Arthurs Point</b> the treatment plant includes a protozoa barrier but due to periods of elevated turbidity was non-compliant for the period.</li> <li>&gt; <b>Glenorchy</b> current treatment process does not include a protozoa barrier and as such the plant was non-compliant for protozoal treatment</li> <li>&gt; <b>Queenstown</b> current treatment process does not include a protozoa barrier and as such the plant was non-compliant for protozoal treatment</li> <li>&gt; <b>Hāwea</b> the treatment plant includes a protozoa barrier but due to periods of elevated turbidity was non-compliant for the period.</li> <li>&gt; <b>Luggate</b> current treatment process does not include a protozoa barrier and as such the plant was non-compliant for protozoal treatment</li> <li>&gt; <b>Wānaka Airport</b> current treatment process does not include a protozoa barrier and as such the plant was non-compliant for protozoal treatment</li> <li>&gt; <b>Wānaka</b> current treatment process does not include a protozoa barrier and as such the plant was non-compliant for protozoal treatment</li> </ul>
Protozoal compliance.	14%	>35%	11%	<p>The <b>Lake Hayes</b> Supply had full compliance.</p> <p>All nine of the supplies were compliant for bacterial and chemical treatment compliance</p>
Percentage of water lost from each municipal water reticulation network	33%	<30% overall	25%	QLDC officially reports leakage as a percentage of overall water production. For 2021-22 this leakage assessment has reduced slightly to 25%. This is consistent with previous assessments and is indicative that leakage detection and repair work has achieved some performance improvements.

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Median response time to attend to urgent and non urgent issues resulting from municipal water reticulation network faults and unplanned interruptions a) between the time of notification and the time when service personnel reach the site	<b>Urgent</b> 26 mins	<b>Urgent</b> <60 mins	<b>Urgent</b> 24 minutes	The median response time to attend to site for urgent issues was 24 minutes for 2021-2022. There were 96 urgent issues lodged for 2020-21. This achieved the target set.
	<b>Non-urgent</b> 1101 mins	<b>Non-urgent</b> <1,440 mins (1 day)	<b>Non-urgent</b> 994 minutes	The median response time to attend to site for non-urgent issues was 994 minutes for 2021-2022. There were 1,324 non-urgent issues lodged for 2021-22. This achieved the target set.
Median response time to attend to urgent and non urgent issues resulting from municipal water reticulation network faults and unplanned interruptions b) between the time of notification and resolution of the blockage or other fault.	<b>Urgent</b> 407 mins	<b>Urgent</b> <1,440 mins (1 day)	<b>Urgent</b> 210 minutes	The median response time for resolution for urgent issues was 210 minutes for 2021-2022. This is well within the target set.
	<b>Non-urgent</b> 3,185 mins	<b>Non-urgent</b> <10,080 mins (7 days)	<b>Non-urgent</b> 3,139 minutes	The median response time for resolution for non-urgent issues was 3139 minutes for 2021-2022. This is well within the target set.
Number of complaints per 1000 connections to a public water reticulation network about:				All categories met the annual target and were mostly consistent with the previous years results.
The clarity of drinking water	0	<4	1.05	
The taste of drinking water	0	<4	0.2	
The odour of drinking water	0.04	<4	0.07	
The pressure or flow of drinking water	2.06	<4	3.46	
The continuity of supply of drinking water	2.22	<4	2.65	
The way in which a local government organisation responds to issues with a water supply	0	<2	0	

# Wastewater



# How we performed

## HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Median response time to attend to sewerage overflows resulting from blockages or other faults of a municipal sewerage system a) between the time of notification and the time when service personnel reach the site	17.5 mins	<60 mins	26 minutes	The median response time to attend site for wastewater overflows was 26 minutes for 2021-2022 and achieved the target set.
Median response time to attend to sewerage overflows resulting from blockages or other faults of a municipal sewerage system b) between the time of notification and resolution of the blockage or other fault.	121 mins	<240 Mins	113 minutes	The median response time to resolve the wastewater overflows was 113 minutes for 2021-2022 and achieved the target set. There were 58 wastewater overflows recorded.
Annual number of dry weather overflows from a municipal sewerage system per 1000 sewerage connections	1.66	<3	1.72	There were 1.72 dry weather overflows per 1,000 sewerage connections for the 2021-2022 period. This achieved the target set.
Compliance with resource consents for discharge to air, land, or water from a municipal sewerage system, measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) successful prosecutions	87%	100%	85%	There were no new enforcement actions for wastewater compliance. However, there are two existing abatement notices on two separate Wastewater Treatment Plants in the district (Hāwea and Shotover), and as such the target set was not achieved over the period.  There are currently 13 active discharge consents, and 11 of these were compliant in the reporting period.
Number of complaints per 1000 properties connected to a municipal sewerage system about: reticulation network about:  Odour  Faults  Blockages  The territorial authority's response to issues with its sewerage system.	  0.04  3.16  2.25  0	  <5  <5  <5  <2	  1.34  3.06  1.44  0	All categories met the annual target.

# Stormwater





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Number of flooding events that occur in a territorial authority district	0	<7	0	No flooding events impacted habitable floors during the reporting period.
For each flooding event, the number of habitable floors affected. (expressed per 1000 properties connected to the territorial authorities stormwater system)	0	<2	0	
Compliance with resource consents for discharge from a municipal stormwater system, measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) successful prosecutions	100%	100%	100%	QLDC received one enforcement order and one infringement notice last year. Both of these were for the unconsented discharge of stormwater from the Hikuwai Subdivision. This was an offence against the Resource Management Act 1991, not an enforcement order against a discharge consent. As such there were no non-compliant resource consents in the reporting period.
Median response time between the time of notification and the time when service personnel reach the site when habitable floors are affected by flooding resulting from faults in a municipal stormwater system.	0 hours	<3 hours	0	No flooding events impacted habitable floors during the reporting period.
Number of complaints per 1000 properties connected to a municipal sewerage system about: a) faults (including blockages) with a municipal stormwater system.	5.13 per 1,000 properties	<5 per 1,000 properties	7.36	There were 7.36 complaints per 1,000 properties for 2021-2022. This exceeds the target set, but represents an improvement on the previous year. Improving performance in this area is a focus, in particular, to renew problematic stormwater network issues and improve preventative maintenance programming.

# Transport, including roading, parking and footpaths







## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number.	11	To report a decrease on the previous year 2020-21 result: 8	12	There was 1 fatal and 11 serious injury crashes in the 2021-2022 financial year. This is an increase up from 8 in 2020-2021. However, it should be noted that the total number of fatalities and serious injuries remains low and is consistent with previous years. As the previous year was a low number, it is difficult to achieve year on year improvement.
Average quality of ride on a sealed local road network, as measured by the Smooth Travel Exposure Index	93%	>90%	93%	The Smooth Travel Index has remained consistent over the last few years, demonstrating the high quality of the local road network.
Percentage of sealed network that is resurfaced annually	5.40%	<10%	3%	The percentage of sealed network resurfaced annually is reasonably steady and reflects Waka Kotahi's recommended quantities of network sealing at around 6%.
Percentage of local footpath network that is part of the local road network that falls within the Level of Service (LOS) or service standards for the condition of footpaths.	95.77%	>95%	95.76%	95.76% of the local footpath network is in the Excellent to Average rating. The footpath network length is increasing due to the number of new subdivisions which increases the length in 'excellent' condition.
Percentage score that meets the expected standards as set by the Road Efficiency Group framework	New measure Baseline 89%	>92%	93%	The finalised Road Efficiency Group (REG) results are yet to be sent to QLDC for the 2021-2022 financial year, the provisional result has been noted and this meets the target set.
Increased use of alternative modes of transport:	New measure	Establish baseline		Note that this data is not directly collected. As a proxy, % who daily, weekly or monthly use the alternative transport methods in their spare time has been used. Walking and bike use were both down on results from the 2020 Quality of Life survey, which were 75% and 42% respectively. Regular bus use was also marginally down from 17%. This data establishes the baselines for this KPI.
Active transport			Walk 74% Bike 32%	
Public transport			Bus 16%	
E-vehicles			E-vehicle 15%	

# Waste Minimisation and Management





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Emissions (CO <sub>2</sub> e) for waste to landfill – kerbside and transfer station tonnes	New measure	Annual reduction of 4.2%	4% reduction	<p>The data source is e-Bench and calculated from data provided by Waste Management NZ, and the Ministry for the Environment emissions factors. A target will be set once we have reviewed and updated the District Emissions Reduction Roadmap and developed our Operational Emissions Reduction Plan (Actions 1.1 and 1.14 of the Climate and Biodiversity Plan).</p> <p>For the financial year July 2021 to June 2022, 38,631 t CO<sub>2</sub>e (tonnes of carbon dioxide equivalent) were emitted from waste to landfill from the Queenstown and Wānaka transfer stations and kerbside collections (i.e. a mix of residential and some commercial waste, but doesn't include waste sent directly to landfill). This compares with 40,220 t CO<sub>2</sub>e in the previous financial year which represents a 4% decrease in emissions. During the reporting period Council has supported and enabled a number of waste reduction/circular economy initiatives.</p>
Percentage of Materials Recovery Facility recycling contaminated	New measure Baseline 28%	<20%	15.94%	On average, the total contamination per month for the 2021-2022 year was 15.94%. This is better than the target of 20% and is attributable to processing changes made that continue to achieve lower levels of contamination than previously.
Total waste diverted from landfill	7,736t	>7,800t	7,237t	On average 603 tonnes of waste was diverted from landfill per month for the 2021-2022 year. This does not achieve the target of 650 tonnes per month and 7,800 tonnes per year; it is also below what was achieved last year (616 tonnes). Closure of the facility during Alert Levels 3 and 4 early in the financial year impacted diversion opportunities. In addition, reduced volumes were processed due to the impacts of COVID-19 on waste being generated in the district.
Total waste sent to landfill	43,700t	<42,000t	40,448t	On average, the total waste to landfill per month for the year 2021-2022 was 3,371 tonnes. This is better than the target of 3,500 tonnes per month and 42,000 tonnes per year; it is also lower than the average of 3,457 tonnes last year. This is largely attributable to the impacts of COVID-19 with less waste being generated in the district.

# Economy





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Percentage of residents who have attended or performed in arts and cultural events or groups	55%	>70%	51%	51% of respondents indicated that they had participated in cultural events within the district in 2021. This is below the target of 70%, but an increase from 40% the previous year.
Satisfaction with the Economic Development programme and support given to community	New measure	Establish baseline	87%	<p>This benchmark is created from consolidation from recipients and collaborators of economic development projects including Startup Queenstown Lakes (SQL) course participants, and events and other grant recipients then averaged across all projects in which satisfaction data is collected.</p> <p><b>Startup QL</b> YTD 95% of respondents have agreed that they have improved their entrepreneurial mindset + increased confidence through the incubator programme. Lift off programme has an average post-course recommending rating by attendees of 90.05%</p> <p><b>Te Kakau</b> 76% gave an answer of 5/5 in response to the question 'How valuable did you find hui#2 on November 5th?'</p>
Return on cost of commercial property, excluding revaluation gains/losses	96.70%	Maintain/improve	26.13%	Reduction on prior year as last year Council made a gain on sale of Lakeview Development property. There was also a reduction in Lakeview camp ground commercial licence fees as a result of the development.

# Local Democracy





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Percentage of residents who are satisfied with the information they receive from Council	49%	>80%	41%	41% of residents were satisfied with the information they received from Council, slightly down from last year and below the target of 80%. 4% didn't know, 34% were neutral and 21% were dissatisfied with the information they received. Responses from some residents indicated a sense of dissatisfaction with specific actions taken from Council, and other responses suggested that residents felt that there could be an increase in communication and openness from Council.
Percentage of residents who are satisfied with the opportunities to have to their say	48%	>80%	37%	37% of respondents were satisfied with the opportunities to have their say. Given that 8% didn't know and 30% were neutral, this KPI will be difficult to achieve.
Percentage of residents who are satisfied with overall Council performance	37%	>80%	25%	This was down from 34% in 2021 and below the target of 80%. There is a lot of activity occurring in this space as Council is well aware of this KPI and is actively focusing on it.
Percentage of Local Government Official Information and Meetings Act 1987 requests responded to within 20 days	99.8%	100%	98%	There were 200 Local Government Official Information and Meetings Act 1987 requests for the 2021-2022 year, of which 2 were not responded to within 20 days. Whilst the majority of requests have received a decision within the statutory 20 working days, those that have not met the deadline required extensive review of materials, in particular those that are subject to legal privilege or required consultation with a third party.
Mana Whenua satisfaction with QLDC as per the agreed work programme (Aukaha and Te Ao Marama representatives)	updated measure	>80%	NA	Regular hui being held with high participation rates. Mana whenua actively participate in a number of council work programmes and initiatives. Without an appropriate measure currently available, Council intends to work with iwi on developing a measure that will strengthen our relationship and reflect the mana and aspirations of our iwi partners before the next Annual Report period.
Percentage of residents who consider themselves resilient and prepared in the event of an emergency	48%	>80%	48%	48% of respondents stated they would be prepared for an emergency, below the target of 80%. While 39% indicated they would not be prepared. A further 13% of respondents said they were unsure whether they would be prepared. There has been a significant programme around engaging with our communities on how to grow resilience, including the Get Ready initiative.

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Percentage of QLDC staff (that are part of the emergency response structure) who have participated in a response or training throughout the year	Updated measure	100%	58.50%	<p>Currently there are 99 staff on the books for the Emergency Operations Centre. There are also some externals and some from the Otago Regional Council, that are not included in these reporting figures.</p> <p>Training conducted between 1/07/21 and 30/06/22</p> <p><b>CDEM ITF (Introductory training)</b> 5 x sessions at 4 hours each, 28 pax</p> <p><b>CIMS 4</b> 2 x 2 day sessions, 30 pax</p> <p><b>D4H (Intros and Refreshers)</b> 9 sessions at 2-3 hours each session, 48 pax</p> <p><b>D4H EX</b> 1 hr per person, 16 pax</p> <p><b>Welfare function Ex</b> 3 hour session, 11 pax</p> <p><b>Needs Assessment training</b> 5 x 2 hours sessions, 15 pax</p> <ul style="list-style-type: none"> <li>&gt; Note some people have attended more than one session or training so numbers not reflective of individuals but people that attended training sessions.</li> <li>&gt; Due to lockdowns and COVID-19 restrictions some training has been cancelled or not run.</li> </ul> <p>61 Individuals from QLDC received training sessions. 61.6%</p> <p>3 of those have since left</p> <p>So of the 99 currently 58 received training so 58.5%</p>



# Finance and Support Services





## How we performed

### HOW QLDC PERFORMED AGAINST ITS KEY PERFORMANCE INDICATORS (KPIs)

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Weighted average interest rate	3.47%	<6%	2.61%	Achieved as Official Cash Rate has been historically low since July with an increase in the last quarter.
Debt servicing to rates revenue	4.5%	<15%	6.10%	Achieved as lower than budgeted borrowing costs due to timing of capital expenditure spend.
Percentage of debt owing 90 days plus	14.9%	<30%	7.43%	The target has been achieved due to increased efforts regarding debt collection (excludes rates).
Renewals capital expenditure to depreciation ratio	0.52	>1	1.03	Achieved – renewal spend on target.
Rates income complies with the limits set in the financial strategy (Affordability benchmark/rates benchmark)	56.1%	<55%	40%	Achieved as part of setting the long term plan in line with this KPI.
Debt complies with the limits set in the council's financial strategy (Affordability benchmark/rates benchmark)	79.7%	<280%	159%	Achieved as part of setting the long term plan in line with this KPI.
Rates per rating unit	\$3,006.94	<\$5,500	\$3,083	Achieved as the rates increase was set within the limits of this KPI.
Net debt per rating unit	\$4,274.96	<\$24,000	\$9,282	This remains achieved due to current level of borrowings.
Revenue (excluding income from development and financial contributions, revaluations and vested assets) exceeds operating expenditure (Sustainability benchmark/balanced budget benchmark)	89.2%	>100%	105.3%	Achieved as part of the balanced budget requirement in the Local Government Act 2002.
Capital expenditure on the five network infrastructure services equals or exceeds depreciation on those five services (Sustainability benchmark/balanced budget benchmark)	295%	>100%	436.5%	Due to an increase in capital expenditure during the 2021-2022 financial year from the infrastructure capital expenditure programme, the target was achieved.

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Borrowing costs are less than 10% of operating revenue (or 15% for those with projected growth at or above NZ average) (Sustainability benchmark. Debt servicing benchmark)	2.2%	<15%	3.02%	The target has been achieved. Results are low due to lower than expected borrowing costs and the timing of some capital works.
Net cash flow from operations equals or exceeds budget (Predictability benchmark/operations control benchmark)	65.3%	>100%	47.3%	The target has not been met. This is due to lower receipts from customers due to COVID-19 impacts offset with a reduction in finance costs.
Net debt is less than or equal to forecast net debt in the local authority's long term plan (Predictability benchmark/Debt control benchmark)	58.1%	<100%	86.3%	The target has been achieved. This remains low due to lower than expected borrowing costs and the timing of some capital works.
Percentage of complaints that are resolved within 10 working days	81%	>95%	93.6%	There were 31 complaints made in the 2021-22 year, of which 2 were not resolved within 10 working days. As the number of complaints are low, any complaint not meeting the target has a large impact on the percentage result. As a result, the target was just missed for the year, however, it is within 5% of the target.
Percentage of customer calls that meet the service level (answered within 20 seconds)	78%	>80%	86%	QLDC received 44,277 calls over the 2021-22 year, 86% of which were answered within 20 seconds. This meets the target set.
Percentage of Councillor enquiries responded to within 5 working days	87%	100%	86%	There were 79 Councillor enquiries made in the 2021-22 year, of which 11 were not resolved within five working days due to information requirements from different departments across Council. These requests are often more complex than a standard RFS which adds to delays. As the number of enquiries are low each month, any enquiry not meeting the target has a large impact on the percentage result. As a result, the target was not met.

KPIs	Baseline Performance at 30 June 2020	Target Yr 1	Annual Result 2021-2022	Commentary
Customer satisfaction with:				Achieved
Speed of response and final resolution	58%	>65%	67%	
Clarity of process and timeframes	81%	>65%	81%	
Staff knowledge and professionalism	87%	>65%	92%	
Fairness and consistency	86%	>65%	88%	
Reduction in the Total Recordable Injury Frequency Rate	6.15	<9	2.74	Achieved
Percentage of residents who are satisfied with the steps Council is taking to:				
Reduce emissions	New measure	>80%	11%	11% of residents were satisfied with the steps Council is taking to reduce emissions, below the target of 80%. 26% were dissatisfied, 31% didn't know and 32% were neutral.
Protect the environment	60%	>80%	19%	19% were satisfied with the steps Council is taking to protect the environment, below the target of 80%. 31% were dissatisfied, 29% neutral, and a further 21% didn't know.

# Summary of financial information

# Whakarāpopototaka o te pāroko ahumoni



## Summary Statement of Financial Performance

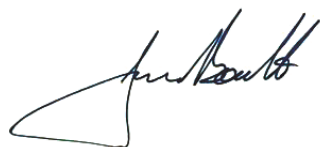
		Council 2022 \$'000	Council Budget \$'000	Council 2021 \$'000	Group 2022 \$'000	Group 2021 \$'000
<b>For the financial year ended 30 June 2022</b>						
<b>Operating revenue</b>						
<i>Revenue from non-exchange transactions</i>						
Rates revenue	2 (a)	94,757	95,869	87,664	94,324	87,204
Other revenue	2 (a)	112,047	118,175	105,930	112,515	106,133
<i>Revenue from exchange transactions</i>						
Other revenue	2 (b)	31,730	36,045	27,198	57,606	54,536
<b>Total revenue</b>		<b>238,534</b>	<b>250,089</b>	<b>220,792</b>	<b>264,445</b>	<b>247,873</b>
<b>Operating expenditure</b>						
Employee benefits expense		37,421	39,756	34,639	43,840	39,724
Depreciation and amortisation expense		45,690	42,899	42,017	54,149	51,564
Borrowing costs		5,777	7,553	5,086	7,987	7,981
Other expenses		92,772	89,319	121,232	99,792	127,076
<b>Total operating expenditure</b>		<b>181,660</b>	<b>179,527</b>	<b>202,974</b>	<b>205,768</b>	<b>226,345</b>
<b>Operating surplus before other gains/(losses)</b>		<b>56,874</b>	<b>70,562</b>	<b>17,818</b>	<b>58,677</b>	<b>21,528</b>
Other gains/(losses)		8,961	2,341	(63)	8,980	(13)
<b>Operating surplus before income tax</b>		<b>65,835</b>	<b>72,903</b>	<b>17,755</b>	<b>67,657</b>	<b>21,515</b>
Income tax expense		-	-	-	741	2,119
<b>Operating surplus for the year</b>		<b>65,835</b>	<b>72,903</b>	<b>17,755</b>	<b>66,916</b>	<b>19,396</b>
Operating surplus attributable to:						
- Council		65,835	72,903	17,755	66,647	18,987
- Non-controlling interest		-	-	-	269	409
		<b>65,835</b>	<b>72,903</b>	<b>17,755</b>	<b>66,916</b>	<b>19,396</b>

## Summary Statement of Other Comprehensive Revenue and Expense

		Council 2022 \$'000	Council Budget \$'000	Council 2021 \$'000	Group 2022 \$'000	Group 2021 \$'000
<b>For the financial year ended 30 June 2022</b>						
Surplus for the year		65,835	72,903	17,755	66,916	19,396
Other comprehensive revenue and expense		343,373	31,501	45,160	398,909	78,178
<i>May be reclassified subsequently to revenue or expense when specific conditions are met</i>						
Gain/(loss) on revaluation	19 (a)	343,373	31,501	45,160	404,710	79,755
Income tax relating to revaluation	19 (a)	-	-	-	(6,905)	(2,102)
Gain/(loss) on cash flow hedging	19 (d)	-	-	-	1,506	728
Realised losses transferred to the statement of financial performance	19 (a)	-	-	-	20	1
Income tax relating to cash flow hedging	19 (d)	-	-	-	(422)	(204)
<b>Total comprehensive income</b>		<b>409,208</b>	<b>104,404</b>	<b>62,915</b>	<b>465,825</b>	<b>97,574</b>
Attributable to:						
- Council		409,208	104,404	62,915	451,947	88,900
- Non-controlling interest		-	-	-	13,878	8,674
		<b>409,208</b>	<b>104,404</b>	<b>62,915</b>	<b>465,825</b>	<b>97,574</b>

## Summary Statement of Financial Position

	Council 2022 \$'000	Council Budget \$'000	Council 2021 \$'000	Group 2022 \$'000	Group 2021 \$'000
<b>As at 30 June 2022</b>					
Total current assets	58,738	24,933	33,945	65,587	43,746
Total non-current assets	2,664,054	2,259,870	2,171,463	3,125,306	2,569,371
<b>Total assets</b>	<b>2,722,792</b>	<b>2,284,802</b>	<b>2,205,408</b>	<b>3,190,893</b>	<b>2,613,117</b>
Total current liabilities	160,705	164,181	128,675	179,690	117,959
Total non-current liabilities	215,844	239,371	139,698	285,335	235,116
<b>Total liabilities</b>	<b>376,549</b>	<b>403,552</b>	<b>268,373</b>	<b>465,025</b>	<b>353,075</b>
<b>Net assets</b>	<b>2,346,243</b>	<b>1,881,250</b>	<b>1,937,035</b>	<b>2,725,868</b>	<b>2,260,042</b>
Equity attributable to:					
Council	2,346,243	1,881,250	1,937,035	2,629,648	2,177,970
Non-controlling interest	-	-	-	96,220	82,072
<b>Total equity</b>	<b>2,346,243</b>	<b>1,881,250</b>	<b>1,937,035</b>	<b>2,725,868</b>	<b>2,260,042</b>



Jim Boulton  
Mayor  
6 October 2022



Mike Theelen  
Chief Executive  
6 October 2022



## Summary Statement of Changes in Equity

	Reserves	Accumulated Funds	Attributable to Equity Holders of Parent	Non-Controlling Interest	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>For the year ended 30 June 2022</b>					
Balance at 1 July 2021	1,192,656	744,379	1,937,035	-	1,937,035
<b>Total comprehensive revenue and expense for the year</b>	343,373	65,835	409,208	-	409,208
Transfers from/(to) accumulated funds	(2,490)	2,490	-	-	-
<b>Balance at 30 June 2022</b>	<b>1,533,539</b>	<b>812,704</b>	<b>2,346,243</b>	<b>-</b>	<b>2,346,243</b>
<b>For the year ended 30 June 2021</b>					
Balance at 1 July 2020	1,146,723	727,397	1,874,120	-	1,874,120
<b>Total comprehensive revenue and expense for the year</b>	45,160	17,755	62,915	-	62,915
Transfers from/(to) accumulated funds	773	(773)	-	-	-
Disposals	-	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>1,192,656</b>	<b>744,379</b>	<b>1,937,035</b>	<b>-</b>	<b>1,937,035</b>
<b>Group</b>					
<b>For the year ended 30 June 2022</b>					
Balance at 1 July 2021	1,369,934	808,036	2,177,970	82,072	2,260,042
<b>Total comprehensive revenue and expense for the year</b>	385,031	66,647	451,678	14,148	465,826
Dividends paid	-	-	-	-	-
Reclassification to accumulated funds	-	-	-	-	-
Transfers from/(to) accumulated funds	(2,490)	2,490	-	-	-
Disposals	-	-	-	-	-
<b>Balance at 30 June 2022</b>	<b>1,752,476</b>	<b>877,172</b>	<b>2,629,648</b>	<b>96,220</b>	<b>2,725,868</b>
<b>For the year ended 30 June 2021</b>					
Balance at 1 July 2020	1,299,248	789,822	2,089,070	73,398	2,162,468
<b>Total comprehensive revenue and expense for the year</b>	69,913	18,987	88,900	8,674	97,574
Dividends paid	-	-	-	-	-
Reclassification to accumulated funds	-	-	-	-	-
Transfers from/(to) accumulated funds	773	(773)	-	-	-
Disposals	-	-	-	-	-
<b>Balance at 30 June 2021</b>	<b>1,369,934</b>	<b>808,036</b>	<b>2,177,970</b>	<b>82,072</b>	<b>2,260,042</b>

## Summary Statement of Cash Flows

	<b>Council 2022 \$'000</b>	<b>Council Budget \$'000</b>	<b>Council 2021 \$'000</b>	<b>Group 2022 \$'000</b>	<b>Group 2021 \$'000</b>
<b>For the financial year ended 30 June 2022</b>					
Net cash inflow/(outflow) from operating activities	37,672	79,705	47,243	47,644	55,601
Net cash inflow/(outflow) from investing activities	(161,983)	(247,249)	(96,101)	(158,218)	(117,588)
Net cash inflow/(outflow) from financing activities	141,706	167,545	43,241	124,706	56,241
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>17,395</b>	<b>1</b>	<b>(5,617)</b>	<b>14,130</b>	<b>(5,747)</b>
Cash and cash equivalents at the beginning of the financial year	1,007	3,511	6,624	6,072	11,811
<b>Cash and cash equivalents at the end of the financial year</b>	<b>18,402</b>	<b>3,512</b>	<b>1,007</b>	<b>20,202</b>	<b>6,064</b>

The accounting policies and notes form part of and should be read in conjunction with these financial statements.

# Notes to the financial statements

## Accounting policies

The financial statements are presented in thousands of New Zealand dollars. New Zealand dollars are the Council and Groups' functional currency.

The 2021-2022 Annual Report has been audited and gained an unmodified opinion, which means the report has met the requirements of the Local Government Act 2002.

This summary annual report has been examined by the auditor for consistency with the full annual report. The auditor's report is included with this summary. The Council's full annual report has complied with NZ GAAP and stated explicitly that it complies with Public Benefit Entity (PBE) Standards for Tier 1 entities. The summary annual report complies with PBE FRS 43 – Summary Financial Statements and PBE Standards as they relate to summary financial statements.

## Contingent Liabilities

### COUNCIL – LEGAL CLAIMS

At 30 June 2022 Council continues to evaluate a significant building defect claim for which it has been unable to reliably determine a liability position. Council is in the process of evaluating the claim made (which has been amended several times) and the evidence that has been served in support. The claim by the Plaintiff is presently alleged to be for \$158M. The claim comprises a number of unique and interrelated defect claims. The Council, in conjunction with its independent experts, is in the process of evaluating the claim submissions, including an evaluation of the alleged defects, any remedial solution required, the cost of remediation as well as determining liability for the defects.

The Council maintains its view the claim is grossly overstated. Until the independent expert evaluation of the claim submissions is complete Council is not in a position to evaluate a range of possible or likely outcomes.

The legal case will be heard in the High Court and is set down for 20 weeks from February 2023. Council intends to vigorously defend the claim.

### COUNCIL – GUARANTEES

QLDC is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AA+. See note 15 (iv) for further details.

### QAC LTD. – NOISE MITIGATION

QAC has implemented a programme of works to assist homeowners living in the inner and mid noise boundaries to mitigate the effects of aircraft sound exposure. Offers for noise mitigation have been extended to homeowners in line with the projected annual aircraft noise contours for calendar years 2021 and 2022.

### Inner Noise Mitigation

Prior to 30 June 2020, the Company had made inner noise mitigation offers to 39 properties (7 are owned by the Company), at a total cost of \$1,838,000. Aircraft noise at Queenstown Airport has decreased as a result of the reduced aircraft movement levels due to the impacts of COVID-19. Projected Annual Aircraft Noise Contours for calendar years 2021 and 2022 have not identified any Inner Noise properties eligible for works. There are no capital commitments at reporting date.

### Mid Noise Mitigation

Prior to 30 June 2020 the Company had made a commitment to provide noise mitigation works (mechanical ventilation) to 131 properties. As at 30 June 2022, 25 homeowners had replied and requested to proceed with design prior to determining whether to accept the offers.

### Lot 6

During the year ending 30 June 2021 the Company made a compensation payment of \$18.34 million for land acquired under the Public Works Act 1981 (PWA) and known as 'Lot 6'. In October 2021 the previous owner, Remarkables Park Ltd (RPL), indicated that it would seek additional compensation under the PWA. As at 6 October 2022, the Company has not received a valid claim for further compensation.



## Subsequent Events

### QUEENSTOWN AIRPORT CORPORATION LTD (QAC)

The QAC directors resolved on 16 August 2022 that the final dividend for the year ended 30 June 2022 would be \$1,354,347 (2021: \$nil). This dividend for the year ended 30 June 2022 was paid on the 30th August 2022.



## Three Waters Reform

In June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the District Council will no longer deliver three waters services or own the assets required to deliver these services. The bill is currently before Parliament and as such, the impacts of the proposed reforms are currently unclear. Additional legislation is expected later in 2022 that will provide detail on the transfer of assets and liabilities to the water service entities.

# Auditor's report





## INDEPENDENT AUDITOR'S REPORT

### TO THE READERS OF QUEENSTOWN LAKES DISTRICT COUNCIL AND GROUP'S SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

The summary of the annual report was derived from the annual report of the Queenstown Lakes District Council and group (the District Council) for the year ended 30 June 2022.

The summary of the annual report comprises the following summary statements on pages 17 to 60:

- the summary statement of financial position as at 30 June 2022;
- the summaries of the statement of financial performance, statement of other comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2022;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of 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, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

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

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

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2022 in our auditor's report dated 6 October 2022.

That report also includes emphasis of matter paragraphs that draw attention to:

- The three waters reform note on page 121 in the audited financial statements which outlines that, in June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the District Council will no longer deliver three waters services or own the assets required to deliver these services. The bill is currently before Parliament and as such, the impacts of the proposed reforms are currently unclear. Additional legislation is expected later in 2022 that will provide detail on the transfer of assets and liabilities to the water service entities.
- Note 23 (a) in the audited financial statements which outlines the Council's contingent liability disclosure for building related claims. As outlined in the note disclosure Council is unable to reliably estimate its claim liability in relation to the building related claims.

### **Council's responsibility for the summary of the annual report**

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements*.

### **Auditor's responsibility**

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out engagements in the areas of assurance services relating to reporting under trust deed, a registry audit, and a regulatory disclosure audit, that are consistent with our role as auditor. Other than these engagements we have no relationship with or interests in the District Council or its subsidiaries and controlled entities.



M Hawken  
for Deloitte Limited  
On behalf of the Auditor-General  
Dunedin, New Zealand  
6 October 2022

# There is so much more we want to tell you



Read the full Annual Report 2021-22  
at [www.qldc.govt.nz](http://www.qldc.govt.nz)