

PŌTITANGA KAWANATANGA Ā ROHE  
2022 LOCAL GOVERNMENT ELECTIONS

*He pūrongo i mua i ngā pōti*  
**Pre Election Report**

*He korero mā ngā kaipōti me ngā kaitono pōti*  
Information for voters and potential candidates



# Contents

About this report	1
From the Chief Executive	2
What issues face us	3
Key Council directions	8
Key Council projects	10
Key financial information	12

# About this report

This Pre-election Report provides voters and candidates with information about the key issues facing Hastings District Council, its financial position and its major projects scheduled in the next three years.

Its purpose is to promote informed public discussion in the lead up to the local body elections on 8 October this year.

Preparation of this report is a legal requirement of the Local Government Act 2002, and is a report prepared by the Chief Executive independent of the Mayor and Councillors.

## WHERE TO FIND OUT MORE

Our website [www.hastingsdc.govt.nz](http://www.hastingsdc.govt.nz) contains a wealth of information about the Council. It also includes copies of the following relevant documents:

Long Term Plan 2021-2031

Annual Plan 2022/2023

Annual Report 2020/2021

# From the Chief Executive

Kia ora, talofa lava, warm greetings.



Inside you will see the Council's assessment of the present and future needs of our community and the recent progress and future planned programme of work to meet these challenges.

Council's role is both as a deliverer of well-maintained infrastructure and well performing core services, and in ensuring that our communities can meet future challenges and capitalise on future opportunities.

Some of these challenges arise in the form of future environmental impacts (climate change, energy availability, environmental degradation), in social service type areas (housing, community safety, health, education and employment), in demographic changes to our community and in stimulating our economy into the future.

More recently new challenges have arisen in the form of the global Covid-19 pandemic and its impact on supply chains, the delivery of some Council services and facilities and its impact on communities more generally. Escalating inflation and interest rates are also having an impact on the Council work programme.

## With all challenges come opportunities.

Structural changes within the local government sector will also need to be worked through in the next Council term, including three water reform and any outcomes that come from the wider reform process being undertaken by Central Government.

New challenges present opportunities for new technologies in some cases; in others, opportunities for the return of more traditional ways of thinking. The settlement of historic treaty claims is presenting Māori with an opportunity to be major economic players, unlikely to sell valuable economic assets.

As long as we can mitigate and adapt to climate change impacts and water availability pressures, the growing global population will likely mean Hawke's Bay's strengths in primary production and related manufacturing should have markets for some time to come. Despite the challenges of Covid-19 the popularity of Hawke's Bay as a place to live and visit remains strong.

Across our district there's a huge amount of construction activity as we work to bring a variety of houses to the market. Managing growth and its impacts is a key issue facing the district.

The last year saw record levels of spending and around \$100m of Central Government funding was secured to build roads, housing, pool facilities, water infrastructure, cycleways and to upgrade rural halls and marae and more.

Whilst the Hastings District Council's primary focus is on the integrated delivery of core infrastructure and services, it also considers itself an enabler. It works with communities and community groups, businesses, other agencies and organisations to attempt to improve well being for its communities and people.



# What issues face us?

## Delivering core services on a cost effective basis

Much of Council's infrastructure was built in the 1950s and 60s. As it ages, higher demands are being placed on Council's renewal and maintenance funds to sustain the levels of service.

Overall, in spite of the fact a portion of the assets are in the twilight of their useful life, our asset network is still providing a good level of service to the ratepayers at good value for money.

Increased focus is needing to be placed on managing the increasing risks that ageing infrastructure can bring. The Council's 30 year Infrastructure Strategy recognises these challenges.

## Progress so far

The rollout of Council's renewal investment plan is broadly on track but delays brought about by the Covid pandemic are impacting on some delivery timeframes. The Council's capital plan has been recast to better align budgeting with the likely delivery of the work programme. Critical renewals are being prioritised.

Waka Kotahi historically fund about half of the Council's roading programme. An emerging disconnect exists between the asset data being collected on our roads (which indicate the level of investment required), and the funding support being received from Waka Kotahi. This is an issue the incoming Council needs to be aware of and which may need the consideration of alternative options to be implemented to address it.

## KEY RENEWALS PROGRAMMED IN THE STRATEGY ARE:

- Wastewater trunk mains (ongoing annual programme)
- Wastewater treatment plant ( Years 1-3, 11-15 and 21-30)
- Wastewater pump stations (Years 4-10, 11-15)
- Water supply AC pipe (fibro cement) (Years 11-30)
- Stormwater sump renewals (Years 1-10), other renewals commence (Years 11-30)
- Bridge strengthening programme (Years 1-3)
- Road pavement renewal escalation (Years 1-10)
- Parks renewal escalation (Years 1-3)

## Transitioning to a different water future

### SAFE DRINKING WATER INVESTMENT

The contamination of the water supply in Havelock North has had a profound impact on how we deliver and manage our water supply in the future.

This event prompted the development of a new Water Strategy that has been put together based on learnings from the contamination event, findings from the government enquiry and potential changes being signaled across the country in terms of new drinking standards.

An investment package is contained within the Council's Long Term Plan which is being rolled out over a four year period.

### Progress so far

The Council's safe drinking water investment programme is approaching its final phase of implementation. The focus for the coming year is on:

- Completion, testing and commissioning of the Frimley Water treatment plant, reservoir, bores and pipelines at Frimley Park;
- Completion, testing and commissioning of the Waiaroha Water treatment plant, reservoirs, bore and pipelines at the Southampton Street site, and significant progress on the associated education centre;
- Completion of the Small Communities water upgrade programme with a focus on Whakatu.

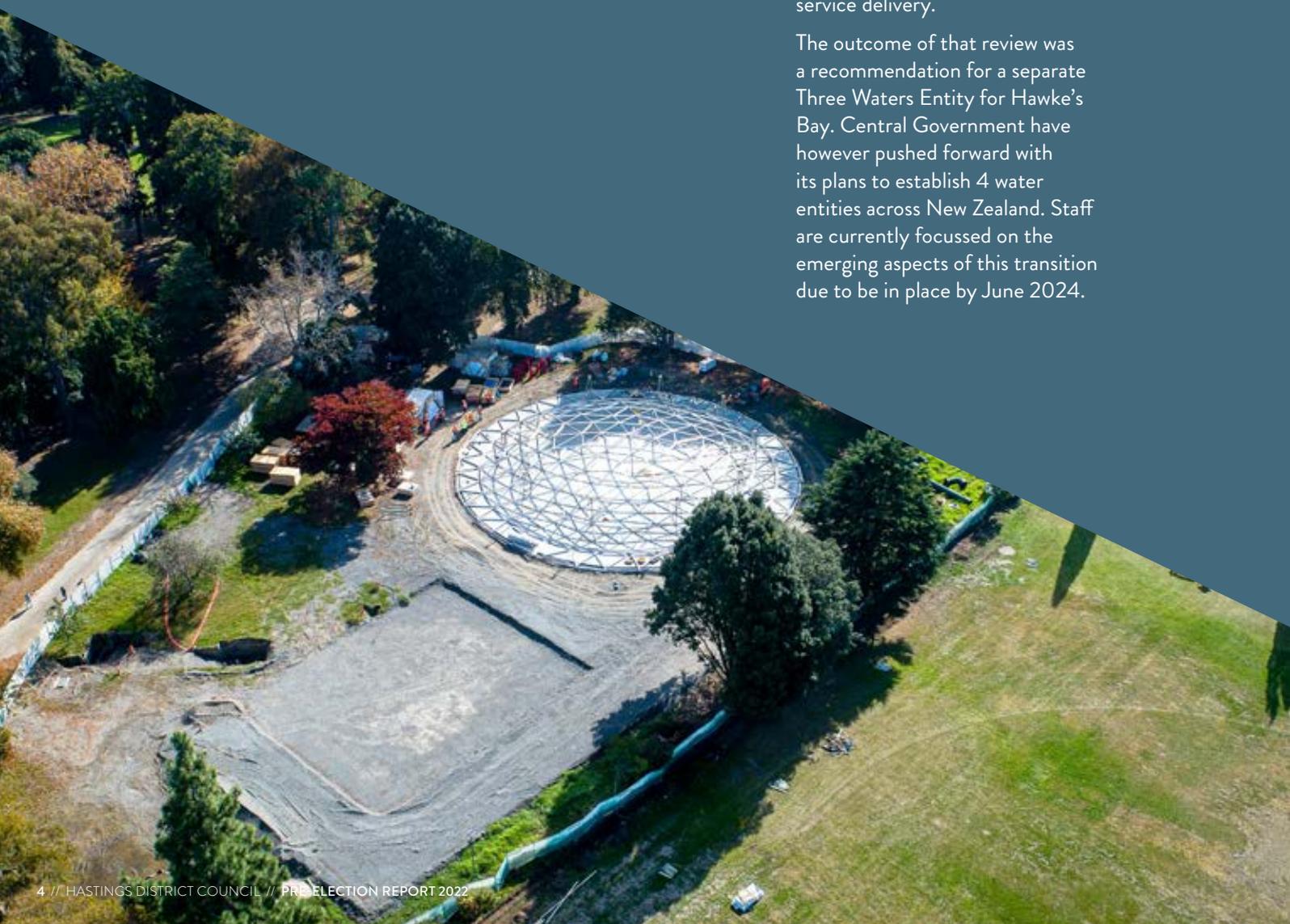
### THREE WATERS REFORM

The New Zealand Government is currently reviewing how the three waters (drinking water, wastewater and stormwater) are managed. There is likely to be major structural reform of the local government water sector.

Among the key issues identified were weak regulation, capability challenges (particularly for smaller councils), funding and financing issues for upgrading infrastructure.

In response to the government direction the five councils within the Hawke's Bay Region including Central Hawke's Bay District Council, Hastings District Council, Hawke's Bay Regional Council, Napier City Council and Wairoa District Council ("the Councils") collectively commenced a review of Hawke's Bay's three waters service delivery.

The outcome of that review was a recommendation for a separate Three Waters Entity for Hawke's Bay. Central Government have however pushed forward with its plans to establish 4 water entities across New Zealand. Staff are currently focussed on the emerging aspects of this transition due to be in place by June 2024.





## Building resilience to impacts from climate change

Warming of the climate and the policy settings that are being implemented to combat it both here and overseas are realities that need to be planned for. There is still much uncertainty on the degree of the impact however the key impacts for our district are likely to be:

- Increased intensity of heat waves and fire risk
- A drier climate with increased drought frequency and related impacts on primary production sectors
- More extreme rainfall and storm events

- Increased coastal erosion
- More extensive coastal inundation
- Higher storm surge flooding
- Increased drainage problems in low-lying areas
- Seawater reaching further inland in estuaries and coastal aquifers
- Changes in surface water quality, groundwater characteristics and sedimentation
- Increases in seawater temperatures

Security of water supply, impacts on the agricultural and horticultural sectors and impacts on coastal communities are likely to be the biggest issues in the Hastings District.

### Progress so far

Addressing climate change has been embedded in Councils business as usual for some time. More recently Council has moved towards a more organisational and strategic approach with the formation of the Eco-District Sub-Committee and the production of a Strategic Overview document, with an action plan in progress.

Provision is made in the Long Term Plan to ramp up dedicated resources to address actions with regional partners. Currently the Council is undertaking an emissions inventory of its own operations and contributing to a regional community emissions inventory as a starting point.



## Providing a range of housing choices whilst protecting our good soils

Hastings District is experiencing high demand for housing, and we are in a period of housing growth. With another 6,125 new residents predicted in our district by 2028, Council has identified a need to ensure enough serviced land is available to meet varying housing needs.

Council's approach to housing needs is to balance a number of factors including the need to avoid urban development over the district's productive soils, and the need to ensure the required investment in infrastructure (such as water, waste, and roads) is able to be funded through the associated levies charged on new developments.

The key elements within the Council's housing strategy are:

- Providing for an increase in households within a smaller land footprint
- Ensuring there are incentives to provide more intensive forms of housing
- Providing the same housing choices in both Napier and Hastings to maintain a balanced market
- Providing housing locations that make efficient use of servicing and transport infrastructure

## ACCOMMODATION CHALLENGES

More recent focus has been on working with others to address more specific accommodation challenges in the form of:

- Anecdotal reports of people living out of cars and living rough
- 880 people living in motels
- Highest percentage increase in whanau who have registered for public housing in the last 12 months
- 661 whanau are waiting on the public housing register
- Long term purpose built accommodation for temporary seasonal workers.

### Progress so far

The Council has had considerable success working with central government partners and the private sector unlocking new homes in the social/affordable housing sector within the Hastings Housing Plan framework. Much of this development is currently located within a number of projects in the Flaxmere area, some of which are located on Council land.

In terms of new urban development growth areas, the forward focus is on providing growth infrastructure to prepare the following areas for development:

- Howard Street
- Brookvale
- Iona/Middle Road

## Building a diverse economy and addressing social disadvantage in our community

The Hawke's Bay economy has been experiencing a period of strong economic growth over the past three years and there is an ongoing level of underlying business and consumer confidence. There are however questions around equity within our community.

Challenges for the local economy remain in the form of our reliance on the agricultural sector, the volatility of international commodity, currency and financial markets, and the impacts of climate change including droughts, flooding and possible sea level rise on our land based economy. These are all issues that need to be considered in the future.

Average weekly earnings for those in paid employment in the combined Hawke's Bay-Gisborne region are approximately 10% below the national average weekly earnings. This is reflective of our lower skilled labour force as a consequence of the dominance of primary industry.

Working with others to address skill and labour market needs being experienced within our economy is a significant issue. Council recognises that our rangatahi have enormous potential and has made significant investment into Youth Employment with the recruitment of Youth Connectors.

This team work with rangatahi to pathway them into employment. Council has also been successful in securing significant Government grants through He Poutama Rangatahi, Rangatahi ma kia eke, Mainstream and Mana in Mahi.

### Progress so far

The Hawke's Bay economy is currently performing well despite challenging macro-economic conditions. Recently the Hawkes' Bay Councils established a Regional Economic Development entity for Hawkes Bay. The new entity will focus on:

- HB Business Hub and start-up initiatives;
- Industry and sector development programmes;
- Investment and talent attraction;
- Hawkes Bay brand strategy and activation;
- Skills and employment initiatives;
- Funding to support a 'by Maori for Maori' approach to regional economic development.

This effort is complimented by Council staff working on local opportunities and providing key account services to facilitate development in Hastings. Two key projects in the delivery phase currently include Food East (HB Food Innovation Hub) and the Quest Hotel in the Hastings CBD.

The Council continues its focus on youth and community with efforts to foster success and improve wellbeing.

The focus has been on:

- Supporting and navigating rangatahi into sustainable employment and developing life skills of our young people;
- Continuation of the Youth Employment Pop-up which opened in the City Centre in 2019;
- Ongoing development and rollout of community plans across varied communities to capture their aspirations.



# Key Council directions

The Council's Long Term Plan focuses on:

---



## The economic powerhouse

Hastings is the District's centre for employment and economic growth which is a position the Council is working to hold onto and develop in the future. This involves becoming a leader in food and beverage innovation whilst also diversifying to a knowledge based economy and positioning as a centre for government relocations. Facilitating uptake and development in our key industrial zones (Ōmāhu, Irongate and Whakatu/Tomoana) is another focus.

---



## Homes for our people

The Council is working to enable the supply of a range of housing options to meet the needs of our changing community while protecting our valuable productive soils. Working with government and other partners on the Hastings Housing Strategy, transitioning to greater housing intensification, and addressing the challenges for coastal communities (within a regional framework) are key areas of focus.

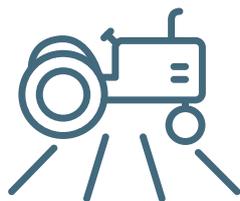
---



## Getting around

The Council is investing in core infrastructure to look after assets prudently and to meet new challenges in bridge strengthening, increasing environmental challenges and sustainable transport alternatives.

---



## Rural living

Our economic success is linked to the success of our rural areas and rural communities who the Council will support while adapting to the changing environment. Rural accessibility (roads and bridges) and connectivity (technology and communication) along with land use change, climate change and water access are key considerations.

---



## **Our natural treasures**

As a community we need to waste less and embrace a more sustainable way of living. The Council is focused on this as well as managing land use and human behaviour which impacts on water quality along with enhancing biodiversity and nurturing iconic landscapes.



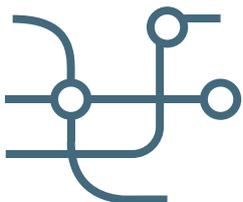
## **Hastings alive**

The Council is investing in the Hastings City Centre to help increase its vibrancy and meet the challenges of changing retail patterns and how people use the city. The ultimate goal is to get more people using and living within a multi-functional city centre.



## **Pathways for people**

The Council is working together in partnerships to connect people, skills and jobs and to improve equity in jobs, income and health.



## **Enhancing where we live**

The Council is working on the safety, health, vibrancy and attractiveness of our neighbourhoods with communities via the community planning process. Partnerships with other organisations and developing Council's land holdings are at the forefront of our approach in some neighbourhood uplift areas.

---

# Key Council projects

The Council's Long Term Plan focuses on:

---



## The economic powerhouse

**Jobs and Investment** - Ongoing investment of \$800,000pa for economic development initiatives to facilitate business investment and to grow jobs.

**Industrial Land Availability** - Ongoing infrastructure and planning support to facilitate growth in the industrial areas of Omahu, Irongate and Tomoana/Whakatu.

---



## Homes for our people

**Housing Capacity** - Implementing our growth game plan, which sees the capacity for 6,930 more homes by 2030, from a mixture of greenfield, rural and intensification.

**Housing Diversity** - Continued delivery of housing solutions in partnership with government agencies and others addressing affordable, social and emergency housing needs. Developing some of the Council's own land holdings particularly in Flaxmere.

---

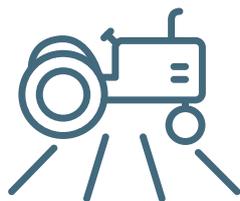


## Getting around

**Road Renewals** - A period of uplift in road renewal expenditure to address the age profile of the network.

**Walking and Cycling** - Completion of a range of projects to further advance the Council's sustainable transport objectives.

---



## Rural living

**Bridge Strengthening** - Continuation of a \$10.5 million bridge strengthening programme in our rural area.

**Road Renewals** - A significant period of uplift in road renewal expenditure spread over 6 years to address the age profile of the network.

---



## Our natural treasures

**Safe Drinking Water** - Completion of a circa \$80m infrastructural investment package.

**Stormwater Quality Improvement** - Annual programme of stormwater quality monitoring, site assessment and stormwater quality improvement.

**Stream Quality Enhancement** - Projects focused on understanding and responding to Havelock North flood flows, and maximising enhanced reserve and recreational opportunities.

**Waste Minimisation and Landfill Development** - Continued rollout of recommendations from the Waste Management and Minimisation Plan. Development of future valleys at the Omarunui Landfill.

---



## Hastings alive

**City Centre Investment** - Completion and activation of the Municipal and Opera House complex – Toi Toi. Investment of \$9.6m to develop city centre spaces (Civic Square and Central Mall), along with ongoing annual activation projects.

**City Centre Living** - Advancement of Council's Medium Density Strategy with particular focus on inner city living conversions.

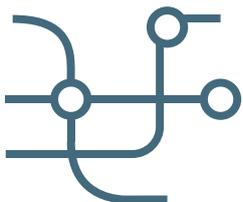
---



## Pathways for people

**Youth Employment** - Assisting youth into training and employment is being advanced in partnership with government and other agencies via a range of schemes and initiatives. Investigation underway into a Rangatahi Colab.

---



## Enhancing where we live

**Connecting Communities** - Continued rollout of new community plans to identify and implement goals and aspirations in the areas of Mahora, Raureka, and Te Pohue.

**Fabulous Flaxmere** - In tandem with new housing development, enhanced recreational facilities including new skate park and basketball facilities.

**Parks and Reserves** - Completion of programmed enhancements in Cornwall Park along with programmed actions for the Havelock North Village Green, Havelock Hills, Waimarama, Cape Coast and Raureka reserves.

---

# Key financial information

## What is the financial health of the council?

The Hastings District has one of the lowest wages per capita levels in New Zealand and the rates setting strategies recognise this lower level of community capacity. Although not a firm policy, it has been recent practice to restrict rate increases well below the capacity contained within the Council's Financial Strategy.

Council's Financial Strategy provides for annual rate increases to be capped at movements in the Local Government Cost Index plus up to 4% to provide the flexibility to meet changing requirements,

however this capacity has not historically been used. Council's efficiency programmes and baseline reviews have been releasing savings to finance cost pressures in order to maintain service levels and to fund new initiatives.

The first 4 years of the current Long Term Plan are the exception to this, given the consequence of both three waters and roading investment programmes.

Debt levels escalate in the early years of the plan but are forecast to stabilise and reduce (forecast to

peak at circa \$294m) with an asset base of approximately \$1.9b

The Statement of Financial position remains strong, despite the growth in infrastructure related debt. The Council continues to operate within prudent debt to revenue and debt to equity ratios with the headroom to borrow more in an emergency situation (such as a natural disaster). It is recent practice to use operating surpluses to repay debt in order to create further capacity on its balance sheet.

## Debt

The graph shows the projected Council debt profile based on the current 2021-31 LTP.



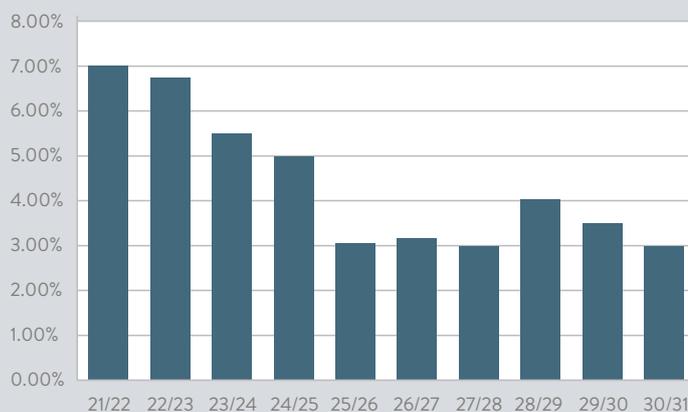


## Rates

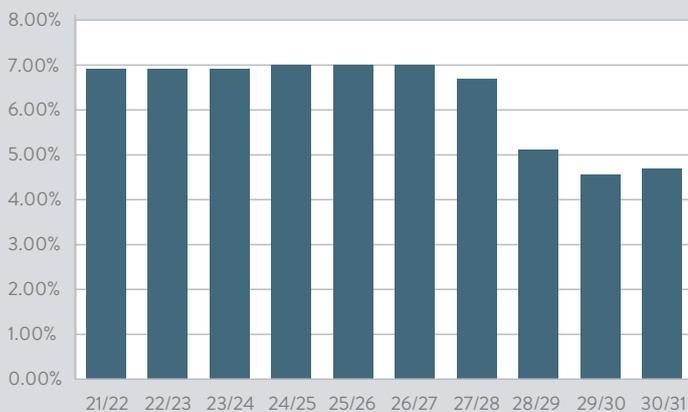
Overall forecast rates increases average 3.7% for years 4-10, after a period of increased investment.

For our rural areas 7% is forecast for the first 6 years of the Long Term Plan, driven predominantly by escalated roading investment.

### RATING AREA ONE (GREATER URBAN AREA) ANNUAL RATING REVENUE MOVEMENT



### RATING AREA TWO (RURAL AREA) ANNUAL RATING REVENUE MOVEMENT



## Basis of Preparation

Prospective financial data and discussion of major projects are drawn from the information in the current Long Term Plan and reflect the policy and service delivery decisions of the current Council at this time. Some refinement and altered staging of some aspects of the capital programme is likely at the next review of the Long Term Plan.

The first two years retrospective financial data, and three years of prospective financial data have been taken from previously audited accounts. The 2022/23 financial information is taken from the Council's adopted Annual Plan.

Financial information for the 2021/22 year has been estimated based on the forecast result as at 31 May 2022, with forecast actuals used for June 2022 at the time of publication. It is not anticipated that there will be significant changes to this and the actual result and any changes are not expected to have a material impact on the overall financial performance and position of the Council. However, changes could occur that might alter the financial situation.

The financial information shown here for 2021/22 is likely to differ from the audited 30 June year end closing position within the Council's Annual Report which will be adopted in October 2022.

Some information has been extracted or reproduced from other sources. This information is considered reliable and reproduced here in good faith. It is not considered to have a material impact on the overall financial position outlined in this report, however the Council cannot guarantee that changes to it may not occur.

**Disclaimer:** The information and projections contained within this report are correct and/or best estimates at the time of publication. Subsequent Council decision making or changes in circumstances may render the information of projections inaccurate.

## Compliance with Financial Strategy

The Council's financial strategy contained within the Long Term Plan 2021-31 sets out limits on rate requirements, rates increases and debt levels.

The information opposite for the 2021/22 year is based on predicted year end information. The information for 2022/23 is based on the Annual Plan for that year.

FINANCIAL STRATEGY LIMIT	2021/22 PREDICTED	2022/23 ANNUAL PLAN
Rates increase less than LGCI 3% + 4%	6.9%	6.9%
Net debt as a % of equity <20%	10.29%	10.58%
Net debt as a % of income <175%	149.3%	145.52%
Net interest as a % of income <15%	3.45%	5.11%
Net interest as a % of annual rates income <20%	5.79%	8.41%
Liquidity (Term debt + committed loan facilities to existing debt) 110%-170%	120%	120.19%

## Forecast funding impact statement

	ANNUAL REPORT 2019/20	ANNUAL REPORT 2020/21	FORECAST 2021/22	ANNUAL PLAN 2022/23	LTP (YR3) 2023/24	LTP (YR4) 2024/25	LTP (YR5) 2025/26
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Sources of operating funding</b>							
General Rates, uniform annual general charge, rates penalties	61,712	63,677	70,575	75,745	80,464	85,506	88,763
Targeting Rates	20,102	23,626	24,399	26,750	28,399	30,517	32,266
Subsidies and grants for operating purpose	6,615	6,916	7,742	7,570	7,814	8,331	8,522
Fees and charges	27,897	31,964	29,686	33,339	39,145	41,382	42,392
Interest and dividends from investments	604	532	104	17	18	18	74
Local authorities fuel tax, fines, infringement fees and other receipts	839	1,096	939	853	961	985	1,010
<b>Total operating funding (A)</b>	<b>117,769</b>	<b>127,811</b>	<b>133,445</b>	<b>144,274</b>	<b>156,800</b>	<b>166,739</b>	<b>173,027</b>
<b>Applications of operating funding</b>							
Payments to staff and suppliers	86,015	92,747	95,018	102,830	104,139	107,851	110,611
Finance costs	5,147	5,247	5,496	8,624	8,885	9,995	10,380
Other operating funding applications	7,196	5,996	5,799	8,267	7,579	7,779	8,177
<b>Total applications of operating funding (B)</b>	<b>98,358</b>	<b>103,990</b>	<b>106,313</b>	<b>119,721</b>	<b>120,603</b>	<b>125,625</b>	<b>129,169</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>19,411</b>	<b>23,821</b>	<b>27,132</b>	<b>24,553</b>	<b>36,197</b>	<b>41,114</b>	<b>43,858</b>
<b>Sources of capital funding</b>							
Subsidies and grants for capital expenditure	15,246	31,566	18,687	17,866	14,027	13,770	13,461
Development and financial contributions	4,201	3,771	4,855	5,515	5,571	5,592	5,614
Increase (decrease) in debt	31,193	29,895	33,863	8,813	14,623	7,119	3,181
Gross proceeds from sale of assets	786	3,581	464	306	786	505	452
Lump sum contributions	81	796	270	270	287	295	303
Other dedicated capital funding							
<b>Total sources of capital funding (C)</b>	<b>51,507</b>	<b>69,609</b>	<b>58,139</b>	<b>32,770</b>	<b>35,294</b>	<b>27,281</b>	<b>23,012</b>
<b>Applications of capital funding</b>							
Capital expenditure							
To meet additional demand	7,237	4,416	7,711	2,921	3,803	902	3,052
To improve the level of service	28,111	53,221	35,315	25,513	24,336	22,910	19,105
To replace existing assets	40,945	36,667	41,238	28,660	42,949	44,170	44,290
Increase (decrease) in reserves	(5,342)	(2,429)		1			
Increase (decrease) of investments	(33)	1,555	1,007	228	404	414	424
<b>Total applications of capital funding (D)</b>	<b>70,918</b>	<b>93,430</b>	<b>85,271</b>	<b>57,323</b>	<b>71,492</b>	<b>68,396</b>	<b>66,871</b>
<b>Suplus (deficit) of capital funding (C-D)</b>	<b>(19,411)</b>	<b>(23,821)</b>	<b>(27,132)</b>	<b>(24,553)</b>	<b>(36,197)</b>	<b>(41,114)</b>	<b>(43,858)</b>
<b>Funding balance ((A-B) + (C-D))</b>			0	0	0	-	0

## Forecast cash flow statement

	ANNUAL REPORT 2019/20	ANNUAL REPORT 2020/21	FORECAST ANNUAL REPORT 2021/22	ANNUAL PLAN 2022/23	LTP (YR3) 2023/24	LTP (YR4) 2024/25	LTP (YR5) 2025/26
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>							
Cash will be provided from							
Rates received	81,548	87,547	95,280	102,494	108,863	116,023	121,029
Receipts from customers	43,033	37,046	37,934	39,994	45,982	48,273	49,394
Interest received	477	512	87	-	-	-	-
Dividends received	126	-	17				
Subsidies grants & donations received	21,772	38,187	26,672	25,436	21,841	22,101	21,983
Goods & services tax (net)	(394)	(544)	-				
	<b>146,561</b>	<b>162,748</b>	<b>159,990</b>	<b>167,924</b>	<b>176,686</b>	<b>186,397</b>	<b>192,406</b>
Cash was applied to							
Payments to suppliers & employees	102,443	95,581	105,978	112,932	113,841	118,083	121,314
Interest paid	5,009	5,058	5,496	8,624	8,885	9,995	10,380
	107,452	100,639	111,474	121,556	122,726	128,077	131,695
<b>Net cash flows from operating activities</b>	<b>39,109</b>	<b>62,109</b>	<b>48,516</b>	<b>46,368</b>	<b>53,960</b>	<b>58,320</b>	<b>60,712</b>
<b>Cash flows from investing activities</b>							
Cash was provided from							
Sale of plant, property & equipment	1,811	2,642	467	306	786	505	452
Investments withdrawn		14,000	-	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,811</b>	<b>16,642</b>	<b>467</b>	<b>306</b>	<b>786</b>	<b>505</b>	<b>452</b>
Cash was applied to							
Purchase of property, plant & equipment & infrastructural assets	72,915	91,194	84,466	55,124	68,965	65,530	63,921
Purchase of investments	14,149	-	1,007	228	404	414	424
	<b>87,064</b>	<b>91,194</b>	<b>85,473</b>	<b>55,352</b>	<b>69,369</b>	<b>65,944</b>	<b>64,345</b>
<b>Net cash flows from investing activities</b>	<b>(88,876)</b>	<b>(74,552)</b>	<b>(85,006)</b>	<b>(55,046)</b>	<b>(68,583)</b>	<b>(65,439)</b>	<b>(63,893)</b>
<b>Cash flows from financing activities</b>							
Cash was provided from							
Loans raised	46,574	71,372	54,996	18,624	23,313	17,959	15,917
Cash was applied to							
Loans repaid	-	20,000	23,000	9,812	8,690	10,840	12,736
<b>Net cash flows from financing activities</b>	<b>46,574</b>	<b>51,372</b>	<b>31,996</b>	<b>8,813</b>	<b>14,623</b>	<b>7,119</b>	<b>3,181</b>
Reconciliation of cash flows							
Net increase (decrease) in cash held	(3,192)	38,929	(4,494)	134	-	-	0
Add cash at start of year	2,939	(254)	38,675	33,725	1,265	1,265	1,265
Cash at end of year	(254)	38,675	34,181	33,859	1,265	1,265	1,265

## Forecast statement of financial position

	ANNUAL REPORT 2019/20	ANNUAL REPORT 2020/21	FORECAST ANNUAL REPORT 2021/22	ANNUAL PLAN 2022/23	LTP (YR3) 2023/24	LTP (YR4) 2024/25	LTP (YR5) 2025/26
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>							
<b>Current assets</b>							
Cash & cash equivalents	-	38,675	34,181	33,859	1,265	1,265	1,265
Debtors & other receivables	13,241	15,839	14,403	13,514	15,997	16,874	17,418
Inventories	106	76	42	76	108	108	108
Short Term investments	14,180	-	-	-	-	-	-
	<b>27,527</b>	<b>54,590</b>	<b>48,626</b>	<b>47,449</b>	<b>17,371</b>	<b>18,247</b>	<b>18,791</b>
<b>Non current assets</b>							
Derivative financial instruments			-				
Investments in associates and CCO's	1,078	1,078	1,078	1,063	1,063	1,063	1,063
Other investments	3,172	4,727	5,734	4,772	4,053	4,467	4,891
Other non current assets	1,693	1,344	513	-	-	-	-
	<b>5,944</b>	<b>7,149</b>	<b>7,325</b>	<b>5,835</b>	<b>5,116</b>	<b>5,530</b>	<b>5,954</b>
Plant, property and equipment	250,837	384,494	397,894	398,001	334,393	341,380	346,335
Infrastructural assets	2,019,065	2,044,530	2,130,213	2,156,397	2,381,879	2,490,838	2,560,491
Intangible assets	294	604	462	509	1,916	1,587	1,411
<b>Total assets employed</b>	<b>2,303,668</b>	<b>2,491,368</b>	<b>2,584,520</b>	<b>2,608,192</b>	<b>2,740,675</b>	<b>2,857,583</b>	<b>2,932,983</b>
<b>Liabilities &amp; equity</b>							
<b>Current liabilities</b>							
Bank overdraft	254	-	-	-	-	-	-
Creditors & other payables	23,710	30,180	21,578	21,457	27,322	28,340	29,115
Employee benefit liabilities	3,398	3,761	5,777	3,761	3,398	3,398	3,398
Derivative financial liabilities	699	501	-	501	-	-	-
Public debt	20,000	23,000	21,000	24,581	27,671	28,484	28,878
	<b>48,060</b>	<b>57,442</b>	<b>48,355</b>	<b>50,300</b>	<b>58,391</b>	<b>60,222</b>	<b>61,392</b>
<b>Non current liabilities</b>							
Provisions	1,640	1,559	1,515	1,559	1,640	1,640	1,640
Employee benefit liabilities	333	684	684	684	344	350	357
Derivative financial liabilities	18,063	10,251	7,500	10,251	3,500	2,500	1,000
Public debt	132,815	182,741	216,737	221,231	249,041	256,356	259,905
	<b>152,851</b>	<b>195,235</b>	<b>226,436</b>	<b>233,725</b>	<b>254,525</b>	<b>260,846</b>	<b>262,902</b>
<b>Public equity</b>							
Retained earnings	1,239,788	1,274,751	1,293,530	1,240,979	1,269,927	1,291,348	1,314,981
Restricted reserves	3,935	3,577	3,577	3,437	2,846	2,866	2,886
Revaluation reserves	859,033	960,363	1,012,622	1,079,751	1,154,985	1,242,301	1,290,822
	<b>2,102,756</b>	<b>2,238,691</b>	<b>2,309,729</b>	<b>2,324,166</b>	<b>2,427,759</b>	<b>2,536,515</b>	<b>2,608,689</b>
<b>Total funds employed</b>	<b>2,303,668</b>	<b>2,491,368</b>	<b>2,584,520</b>	<b>2,608,192</b>	<b>2,740,675</b>	<b>2,857,583</b>	<b>2,932,983</b>

## WHERE TO FIND OUT MORE

Our website [www.hastingsdc.govt.nz](http://www.hastingsdc.govt.nz) contains a wealth of information about the Council. It also includes copies of the following relevant documents:

Long Term Plan 2021-2031

Annual Plan 2022/2023

Annual Report 2020/2021