

Mā tō tātou takiwā  
**For our District**

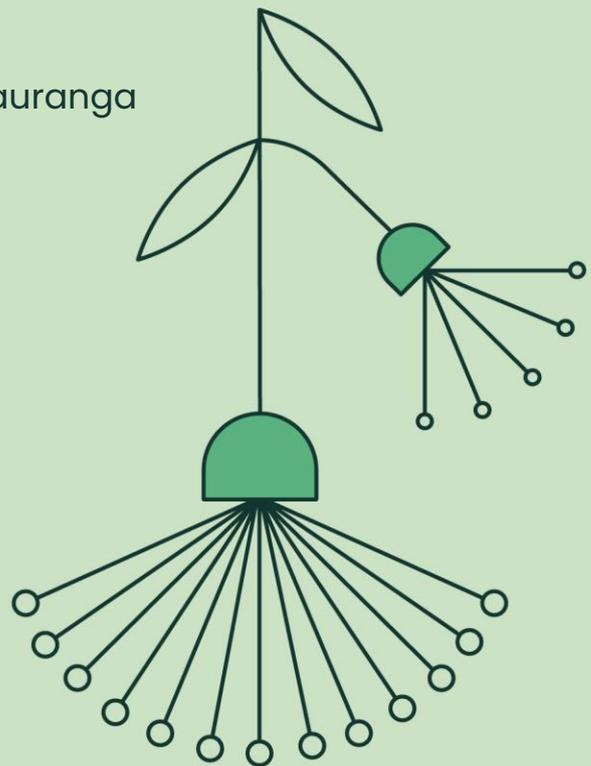
## Council

Te Kaunihera

CL25-3

Tuesday, 18 March 2025, 9.30am

Council Chambers, 1484 Cameron Road, Tauranga



# Council

## Membership:

<b>Chairperson</b>	Mayor James Denyer
<b>Deputy Chairperson</b>	Deputy Mayor John Scrimgeour
<b>Members</b>	Cr Tracey Coxhead Cr Grant Dally Cr Murray Grainger Cr Anne Henry Cr Rodney Joyce Cr Margaret Murray-Benge Cr Laura Rae Cr Allan Sole Cr Don Thwaites Cr Andy Wichers
<b>Quorum</b>	Six (6)
<b>Frequency</b>	Six weekly

## Role:

The Council is responsible for:

- Ensuring the effective and efficient governance and leadership of the District.
- Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

## Power to Act:

To exercise all non-delegable functions and powers of the Council including, but not limited to:

- The power to make a rate;
- The power to make a bylaw;
- The power to borrow money, purchase, or dispose of assets, other than in accordance with the Long Term Plan;
- The power to adopt a Long Term Plan, a Long Term Plan Amendment, Annual Plan or Annual Report and to receive any related audit report;
- The power to appoint a chief executive;
- The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the Local Governance Statement;

- The power to adopt a remuneration and employment policy;
- The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991;
- The power to approve or amend the Council's Standing Orders;
- The power to approve or amend the Code of Conduct for Elected Members;
- The power to appoint and discharge members of committees;
- The power to establish a joint committee with another local authority or other public body;
- The power to make a final decision on a recommendation from the Parliamentary Ombudsman where it is proposed that Council not accept the recommendation.
- To exercise all functions, powers and duties of the Council that have not been delegated, including the power to compulsorily acquire land under the Public Works Act 1981.
- To make decisions which are required by legislation to be made by resolution of the local authority.
- To authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council, or included in Council's Long Term Plan or Annual Plan.
- To make appointments of members to Council Controlled Organisation Boards of Directors/ Trustees and representatives of Council to external organisations.
- To monitor the performance of and make decisions on any matters relating to Council Controlled Organisations (CCO), including recommendations for modifications to CCO or other entities' accountability documents (i.e. Letter of Expectation, Statement of Intent), including as recommended by the Strategy and Policy Committee.
- To approve joint agreements and contractual arrangements between Western Bay of Plenty District Council and Tauranga City Council and/or any other local authority including the requirement to review the terms of any such agreements or contractual arrangements.
- To approve the triennial agreement.
- To approve the local governance statement required under the Local Government Act 2002.
- To approve a proposal to the Remuneration Authority for the remuneration of Elected Members.
- To approve any changes to the nature and delegations of Committees.

**Procedural matters:**

Approval of elected member training/conference attendance.

**Mayor's Delegation:**

Should there be insufficient time for Council to consider approval of elected member training/conference attendance, the Mayor (or Deputy Mayor in the Mayor's absence) is delegated authority to grant approval and report the decision back to the next scheduled meeting of Council.

**Power to sub-delegate:**

Council may delegate any of its functions, duties or powers to a subcommittee, working group or other subordinate decision-making body, subject to the restrictions on its delegations and any limitation imposed by Council.

Notice is hereby given that a Meeting of Council will be held in the  
Council Chambers, 1484 Cameron Road, Tauranga on:  
Tuesday, 18 March 2025 at 9.30am

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**1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Āe

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.  
Yes

**2 PRESENT**

**3 IN ATTENDANCE**

**4 APOLOGIES**

**5 CONSIDERATION OF LATE ITEMS**

**6 DECLARATIONS OF INTEREST**

**7 PUBLIC EXCLUDED ITEMS**

**8 PUBLIC FORUM**

## 9 REPORTS

### 9.1 SUBMISSION ON THE LOCAL GOVERNMENT (WATER SERVICES) BILL

File Number: A6659424

Author: Ariell King, Strategic Advisor: Legislative Reform and Special Projects

Authoriser: Rachael Davie, Deputy CEO/General Manager Strategy and Community

#### EXECUTIVE SUMMARY

For the information of Council, this report presents the submission made by the Western Bay of Plenty District Council (WBOPDC) on the Local Government (Water Services) Bill.

#### RECOMMENDATION

1. That the Strategic Advisor: Legislative Reform and Special Projects' report dated 18 March 2025 titled 'Submission on the Local Government (Water Services) Bill, be received.
2. That the submission, shown as **Attachment 1** and **Attachment 2** to this report, is received by the Council and the information is noted.

#### ATTACHMENTS

1. **WBOPDC Submission on the Local Government (Water Services) Bill**  
2. **WBOPDC Financial Contributions attachment prepared by Simpson Grierson**  
3. **Council - Workshop Notes - 18 February 2025**  



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21 February 2025

Committee Secretariat  
Finance and Expenditure Committee  
Parliament Buildings  
Wellington  
ATTENTION: [fe@parliament.govt.nz](mailto:fe@parliament.govt.nz)

Name: Mayor James Denyer  
Organisation: Western Bay of Plenty District Council  
Postal Address: Private Bag 12803, TAURANGA 3143  
Daytime telephone: 0800 926 732  
Email address: [ariell.king@westernbay.govt.nz](mailto:ariell.king@westernbay.govt.nz)

### **Western Bay of Plenty District Council submission on the Local Government (Water Services) Bill**

The Western Bay of Plenty District Council (Council) thanks the Select Committee for the opportunity to submit on the Local Government (Water Services) Bill.

We would like to note our general support for the *Taituarā – Local Government Professionals Aotearoa (Taituarā)* submission.

We would also like to note our general support for the *Local Government New Zealand* submission, highlighting the following matters they raised:

- The objectives of a water services organisation should be broader and include reference to wider outcomes like environmental and cultural matters.
- There should be a statutory requirement for the water services organisation regarding housing and planning for growth.

One of the key matters that Council wishes to raise with the Committee is the silence of the Bill regarding financial contributions. Council has only ever collected financial contributions under the Resource Management Act 1991 (RMA). The attached submission points have been prepared by Simpson Grierson on our behalf (Attachment One).

We would also support a change in approach regarding development contributions whereby these apply to the Crown. Multiple facilities (e.g. education, health) have growth components that require connection to water infrastructure. Therefore, it is appropriate that the Crown pays development contributions (or financial contributions) in recognition of the infrastructure capacity they will be using.

Views expressed by Te Kāhui Mana Whenua o Tauranga Moana and Te Ihu o te Waka o Te Arawa (our partnership forums with our Treaty Partners) were regarding a desire for participation and involvement in a potential Water Services Council-Controlled Organisation. Council would like to ensure that the proposed legislation does not preclude our ability to make decisions on such matters.

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We also wish to ensure that all agreements between the Council and Tangata Whenua that exist now e.g. Te Ohu Waiora (the Katikati Wastewater arrangement), and other agreements or requirements set out in existing resource consent conditions, settlement deeds and any other arrangements must be passed to any new entity and are honored with the original intent. We would support an amendment to the legislation in this regard.

There are a number of overlaps between clauses and between different pieces of legislation that need to be resolved. An exhaustive list is not provided, rather it is recommended that there is a legislative review of all requirements to ensure that there is greater clarity, simplicity and the removal of duplicate processes. This could include the repeal of other Acts to provide easier and more streamlined processes and requirements such as the 1908 Land Drainage Act and 1910 Bylaws Act.

Examples include:

- The decision-making requirements for a water service delivery model under the Local Government (Water Services Preliminary Arrangements) Act and the proposed requirements in the Bill.
- Responsibilities for Trade Waste Plan – it is unclear why this doesn't automatically transfer to a water organisation. At this stage the Council must decide to delegate the preparation of the plan. It will also create uncertainty for trade waste customers if they must agree to a new plan with a CCO at the outset. We suggest that agreements are transferred to a CCO and that the CCO is given three years to review and amend agreements. It should be noted that favourable conditions have been utilised in Trade Waste Plans to support economic development.
- Ability for a new entity to develop a Water Services Strategy, set direction etc. but also MUST meet the requirements set out in the Statement of Expectation.

Section 73 provides for the transfer of data via the authority's rating information database. It is assumed that this ensures that Council is not breaching any Privacy Act requirements. However, not all water users will be on the rating information database e.g. tenants of businesses, or situations where there is only one water meter that is utilised for a multi-unit apartment complex. It is unclear how a potential new water entity will access these consumers and if there is a need for further exemptions to the Privacy Act.

It is also unclear how this is managed on an on-going basis with new connections i.e. does the new property owner contact Council and we pass the information onto a potential CCO or does the new property owner directly contact the potential CCO.

We also suggest that Clause 25 (b) should allow a change proposal to consider '*becoming a shareholder in a water organisation by other territorial authorities in a different region*'.

Yours sincerely,



James Denyer

**Mayor**

Western Bay of Plenty District Council



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## Western Bay of Plenty District Council (WBOPDC) - submission on Financial Contributions

### Summary of issue

WBOPDC relies on a financial contributions model under the Resource Management Act 1991 (**RMA**) to collect revenue to fund the infrastructure required to support growth.

As currently drafted, the Local Government (Water Services) Bill (**Bill**) provides extensively for development contributions, with virtually no recognition of the role of financial contributions in funding growth, despite the fact that both mechanisms are currently used to fund growth related capital expenditure for water services infrastructure.

WBOPDC considers that there is a need for clarity in terms of how financial contributions are treated under the Bill, including whether they can continue to be collected by councils, or how they should be transitioned to new water organisations.

### Background

Financial contributions (**FCs**) are enabled under the RMA, based on provisions that are incorporated in district plans. They are enforced as conditions of resource consent and intended (in WBOPDC's case) to capture the costs required to provide for growth associated with land use, development and subdivision.

Development contributions (**DCs**) are required in accordance with Development Contributions Policies adopted under Part 8 of the Local Government Act 2002 (LGA).

FCs serve a similar purpose to development contributions but are subject to different statutory frameworks and requirements. There is an important distinction.

Some territorial authorities (TA's) only rely on DCs. Others use FCs in parallel with DCs. A minority of TAs use FCs exclusively, and do not have separate DC Policies. WBOPDC is one such TA, that relies exclusively on financial contributions.

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As a consequence, WBOPDC has a desire for clarity around how financial contributions should be 'grandfathered' in the Bill.

### **WBOPDC's use of financial contributions**

Practically, WBOPDC uses a very similar methodology for its FCs as other TA's do for DCs, and it could therefore be regarded as administering something akin to a 'hybrid' model.

The methodology used by WBOPDC imposes levies on developers for the capital costs of growth driven by increased network and community infrastructure demand. Each growth catchment has an assessment made around capital projects that benefit growth within that catchment, with the relevant interest costs recovered over the planning period by FCs.

Due to current resource constraints, and the uncertainty currently surrounding the Local Waters Done Well decision-making and legislation, combined with the emergence of potential new infrastructure funding tools and RMA uncertainty, WBOPDC has deferred any development of a new DCs framework.

Consequently, WBOPDC is intending on continuing to collect FCs until a new arrangement is confirmed. It therefore needs clarity around its intended approach, and whether – if it decides to establish a new water organisation – it is able to allow that water organisation to use FCs collected by it, and for what purpose.

For WBOPDC, this is of critical importance, so that it can properly prepare to transition to a new model and address its legacy funding issues in a way that will achieve financially sustainable water service delivery, as is expected by the Local Water Done Well policy.

### **Clarification sought to the Bill**

There are extensive references in the Bill to DCs (462 references in 37 clauses).

The only references to financial contributions in the Bill are in clause 82. Subclauses 82(5) to (7) 82 provide:

- (5) A water organisation may use the following contributions only for the purposes for which they were collected:

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- (a) development contributions collected by a territorial authority that has transferred water services infrastructure and the associated development contributions to the water organisation:
  - (b) **financial contributions collected under the Resource Management Act 1991.**
- (6) A territorial authority must not require a development contribution or financial contribution for the same purpose for which a water organisation has required and received a development contribution.
- (7) In this section, **financial contribution** has the meaning given in section 108(9) of the Resource Management Act 1991.

While WBOPDC is generally supportive of the DCs regime, aside from issues raised by Taituarā, LGNZ and other council submissions, more is required to provide certainty around the continued collection and use of FCs. It is implicit in clause 82 that FCs can be required, and for the same purpose as DCs, but it would be preferable if it were expressly stated that FCs collected by TAs can be used by any new water organisation for the same purpose as they were collected.

WBOPDC would support the inclusion of new provisions, that work in tandem with clause 82, that replicate or reflect sections 58, 59 and 60 of the Local Government (Auckland Transitional Provisions) Act 2010, which clarify that:

- Any financial contributions collected or held (including debt) by a territorial authority for water services can be transferred to a water organisation for the same purpose they were collected.
- A territorial authority can, even after a water organisation is established, continue to collect financial contributions and transfer any water related financial contributions to a water organisation.
- The ability for a territorial authority to collect and transfer financial contributions will apply up until the date that a water organisation adopts a development contributions policy that requires a contribution for the same purpose.

It would also be helpful if the Bill could be clarified so that the content of a transfer agreement in Schedule 2 expressly contemplates the transfer of any financial contributions held by a territorial authority, as well as debt associated with financial contributions.

**COUNCIL WORKSHOP**

<b>DATE:</b>	Tuesday 18 February 2025 at 12.45pm
<b>HELD:</b>	Council Chambers and Via Zoom
<b>TOPICS:</b>	1. Local Government (Water Services) Bill – Draft Submissions Matters
<b>GENERAL MANAGER RESPONSIBLE:</b>	J Holyoake (Chief Executive)
<b>FORUM MEMBERS PRESENT:</b>	Mayor J Denyer, Cr G Dally, Cr T Coxhead, Cr M Grainger, Cr A Henry, Cr R Joyce, Deputy Mayor Scrimgeour, Cr A Sole, Cr D Thwaites, Cr M Murray-Benge, Cr L Rae and Cr A Wichers.
<b>STAFF IN ATTENDANCE:</b>	J Holyoake (Chief Executive), R Davie (Deputy CEO/GM Strategy and Community), A Henderson (GM Corporate Services), A Curtis (General Manager Regulatory Services), C Crow (General Manager Infrastructure Services), E Watton (Strategic Policy and Planning Programme Director), A King (Strategic Advisor: Legislative Reform and Special Projects), H Wi Repa (Governance Systems Advisor), and P Osborne (Senior Governance Advisor).

Council Workshop – Local Government (Water Services) Bill – Draft Submissions Matters – 18 February 2025

**1. Local Government (Water Services) Bill – Draft Submissions Matters**

The Strategic Advisor: Legislative Reform and Special Projects, supported by the Chief Executive Officer, was in attendance to provide the Councillors with an opportunity for Council to consider the Local Government (Water Services) Bill and potential submission matters.

**Summary of Key Themes**Local Waters Bill Feedback Strategy

The council discussed the third Local Waters Bill and their approach to submitting feedback. Council's submission would focus on matters specific to Western Bay, particularly the involvement and participation of partners at various levels of the new water entity. Staff were awaiting advice on FinCos, which was a key part of the submission. The Council generally supported the submission and aimed to ensure existing agreements were carried forward to the new arrangements. There was some discussion about the appointment of directors to a Council-Controlled Organisation, with staff clarifying that the Council would still be responsible for appointments, but the policy could be amended to include specific representation for Tangata Whenua.

Water Services Bill Governance Discussion

The council discussed their submission on the Water Services Bill, focusing on Tangata Whenua involvement and governance issues. They decided to reflect that Tangata Whenua had expressed interest in involvement with the CCO but emphasised that the council should have the opportunity to make decisions on this when the time came. The discussion also covered the need for clarity and simplicity in the bill, addressing potential conflicts between different acts, and updating outdated legislation, like the 1908 Land Drainage Act, to align with the proposed new water entities.

Water Services Entity Pricing Concerns

Councillors discussed various aspects of a proposed Water Services Entity, focusing on pricing, regulation, and data transfer. They expressed concerns regarding future price increases and the need for affordability measures. The discussion touched on the importance of including social, environmental, and cultural responsibilities in the entity's objectives, as well as aligning water infrastructure with housing and development growth. The group also debated the potential shift away from property valuations for

Council Workshop – Local Government (Water Services) Bill – Draft Submissions Matters – 18 February 2025

water charges and the likelihood of water metering. They decided to seek clarity on the government’s intentions regarding charging methods. The submission would include points on these issues, as well as technical advice on financial contributions (FinCos).

Councillors decided not to comment on consumer trusts, as it was not currently relevant to their situation.

Local Water Services Consultation Update

The Council discussed the upcoming consultation process for Local Water Services. The following three options would be presented:

- Status quo (which was not viable but must be included);
- A standalone Council-Controlled Organisation (CCO); and
- A Multi-Council CCO.

The consultation would provide high-level information and potential benefits without specific financial details for each scenario. The Council aimed to address public concerns regarding governance, costs, and control while explaining the need for change. They would continue discussions with potential partner councils during the consultation process and communicate updates to the public. The Council also discussed the inclusion of stormwater services in the new entity, noting that decisions regarding transferring services, or keeping charging within the council, would be made at a later date.

Councils & Multi Criteria Analysis

There was discussion regarding the multi criteria analysis and the potential for other councils to establish a CCO with. They agreed that there needed to be a method of valuing councils based on their asset value, debt, and costs, to bring them up to standard. Councillors expressed that even financially struggling councils should not be ruled out as partners, emphasising the importance of economies of scale. It was noted that once professional boards were in place, harmonisation of rates and other requirements would start to happen.

Direction	Responsible
<ul style="list-style-type: none"> <li>• Draft a letter summarising the submission points discussed and circulate to Councillors for review.</li> <li>• Submit the finalised submission by Friday 21 February.</li> </ul>	Strategic Advisor: Legislative Reform and Special Projects

Council Workshop – Local Government (Water Services) Bill – Draft Submissions Matters – 18 February 2025

Relevant Actions	Responsible
<ul style="list-style-type: none"><li>• Circulate submission points to Councillors for review.</li><li>• Send through the technical advice on FinCos to Councillors once received.</li></ul>	Strategic Advisor: Legislative Reform and Special Projects

The workshop finished at 1.42pm.

Council Workshop – Local Government (Water Services) Bill – Draft Submissions Matters – 18 February 2025

## 9.2 LOCAL WATERS DONE WELL – APPROVAL OF THE CONSULTATION DOCUMENT FOR THE WATER SERVICE DELIVERY MODEL CONSULTATION

**File Number:** A6665645

**Author:** Ariell King, Strategic Advisor: Legislative Reform and Special Projects

**Authoriser:** Adele Henderson, General Manager Corporate Services

### PURPOSE

For Council to approve the consultation document for the water service delivery model consultation.

### RECOMMENDATION

1. That the Strategic Advisor: Legislative Reform and Special Projects' report dated 18 March 2025 titled 'Local Waters Done Well – Approval of the consultation document for the water service delivery model consultation' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
3. That Council approves the consultation document for the water service delivery model consultation with the community from 24 March to 24 April 2025 (**Attachment 1** of this report).
4. That Council delegates to the Chief Executive Officer to make amendments to the draft consultation document as requested and to make any minor editorial changes as required.

### BACKGROUND

1. Local Water Done Well is the coalition government's approach to the future management of three waters in New Zealand. The approach is provided for in the Local Government (Water Services Preliminary Arrangements) Act (the Act) and the Local Government (Water Services) Bill released in December 2024.
2. The Act requires Council to prepare a Water Service Delivery Plan (WSDP). This plan must include the delivery model for water services that will meet the requirements of the Act i.e. financial sustainability, compliance with regulatory standards for water, wastewater, and stormwater.
3. At the Council meeting on 3 March 2025, Council considered the analysis and modelling that demonstrated that the preferred option for delivery of water services is a joint Council Water Services Council-Controlled Organisation (WSCCO). This is also referred to as a 'multi-Council WSCCO in the reports prepared by MartinJenkins).

4. Council decided to consult on three water service delivery models:
  - (a) retaining the current model;
  - (b) moving to a single Council Water Services Council-Controlled Organisation; and/or
  - (c) establishing a joint Council Water Services Council-Controlled Organisation (**preferred model**).

### SIGNIFICANCE AND ENGAGEMENT

5. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
6. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
7. In terms of the Significance and Engagement Policy the decision to approve the consultation document for the water service delivery model consultation is procedural (noting the legal requirement for Council to consult on a water service delivery model prior to completing the Water Service Delivery Plan). Therefore, this decision is considered to be of **low** significance.
8. However, Council does recognise that a decision to potentially change the water service delivery model is likely to generate a high level of interest within our community. This is reflected in the significance assessment in the Council agenda item 9.2 '*Local Water Done Well – Water service delivery models for consultation*' on 3 March 2025.

### ENGAGEMENT, CONSULTATION AND COMMUNICATION

9. The Act provides an alternative set of requirements for decision-making and engagement (sections 62 – 64). If these requirements are met, Council does not need to comply with the corresponding requirement in the Local Government Act 2002.
10. The Act also sets out the information that must be made publicly available including how proceeding (or not proceeding) with the proposal is likely to affect the authority's rates, debt, and levels of service; and any charges for water services; the implications for communities throughout the joint service area of a joint WSCCO; a description of potential accountability or monitoring arrangements the authority will use to assess the performance of the WSCCO (i.e. Statement of Expectation); and any other relevant implications of the proposal that the authority

considers will be of interest to the public. This information has been included in the draft consultation document.

11. Consultation will be undertaken from 24 March to 24 April 2025. This is a similar timeframe to Tauranga City Council (28 March to 28 April 2025) and illustrates the level of collaboration between the two councils on this matter.
12. Key consultation methods that will be utilised:
  - **Community information sessions:** offer kanohi ki te kanohi (face to face) and virtual meetings to discuss the options and gather community feedback.
  - **Survey:** digital and paper-based surveys to collect detailed community input.
  - **Social Media:** Promote the overall Local Water Done Well kōrero, purpose of consultation, and upcoming community events. These posts will be shared on both Council and community Facebook pages.
  - **District-wide mailout:** information brochure sent to all ratepayers and non-resident ratepayers (print or email)
13. Supporting consultation methods include:
  - **Media Releases:** Regular press releases to local media outlining the progress and key phases of the consultation.
  - **Digital advertising:** for example, utilise Google Ads, Metservice and social media advertising to reach a wider audience.
  - **Print advertising:** Lizard News, Weekend Sun, Te Puke and Katikati inserts in the Weekend Sun
  - **Antenno**
  - **E-newsletter:** Council's fortnightly electronic newsletter
  - **Community outreach:** Engage community leaders and influencers to help spread the word and encourage participation.

## ISSUES AND OPTIONS ASSESSMENT

14. Council can choose to:
  - (a) approve the draft consultation document (with any amendments resulting from the Council meeting) for consultation with the community; or,
  - (b) not to approve the draft consultation document for consultation with the community.
15. The advantages and disadvantages of each option are set out below:

Option 1: Approve the draft consultation document (with any amendments resulting from the Council meeting) for consultation with the community (**recommended option**)

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• Ensures that Council has an appropriate amount of time to consult with the community and consider the feedback.</li> <li>• Ensures that Council will be able to comply with the legislative requirement to submit a Water Services Delivery Plan by September 3, 2025.</li> <li>• Enables the community to make an informed assessment between water service delivery models and the potential implications.</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>

Option 2: Not to approve the draft consultation document for consultation with the community **(not recommended)**.

<b>Advantages</b>	<b>Disadvantages</b>
<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• Would reduce the amount of time available to consult with the community and consider the feedback. This may also limit the community’s ability to consider and understand the water service delivery models and potential implications.</li> <li>• Would have potential impact on achieving the legislative requirement to submit a Water Service Delivery Plan by September 3, 2025. The timing of this process is affected by the interregnum prior to the local elections in October.</li> </ul>

**STATUTORY COMPLIANCE**

16. The recommendations of this report meet the legislative requirements set out in the Local Government Act 2002 and the Local Government (Water Services Preliminary Arrangements) Act.
17. In particular, the Local Government (Water Services Preliminary Arrangements) Act requires Council to adopt a Water Services Delivery Plan by 3 September. Due to the local elections, it is prudent and reasonable for Council to make a final decision on the Water Services Delivery Plan, prior to the interregnum period (mid August – October 2025).

**FUNDING/BUDGET IMPLICATIONS**

18. The costs associated with consultation will be met within existing operational budgets.
19. The implications of the substantive water service delivery options for consultation are set out in the consultation document.

**ATTACHMENTS**

1. **Wai - LWDW consultation document 13 March 2025**  

**WBOPDC**

**LWDW Consultation Document**

***Draft text version***

***Wai.***

***Our biggest decision  
in a generation***

***Sub-head (bottom of the document):  
Local Water Done Well - a proposal to change the way  
water services are delivered***

**Table of contents**

- Our biggest decision in a generation
- At a glance: our water services right now
- This change is an opportunity for us to deliver even better
- The waters journey so far
- Where we're at – the options
- What's next
- How to join the kōrero

*This topic is important, but we know that discussing the best structure for delivering water services can be complex. While we've summarised the key points, the analysis that informed these options is detailed and subject to change as further analysis is completed. If you're interested in exploring the full financial data and technical assessments, we encourage you to review the independent analysis provided to Council. Check out our Your Place Tō wāhi page (url and QR code below) which includes these reports and more information about Local Water Done Well:*

<https://yourplace.westernbay.govt.nz/local-water-done-well>



## **Our biggest decision in a generation**

Kia ora,

Wai (water) runs through the heart of our communities. It sustains us, nurtures our environment, and keeps our economy afloat.

The decisions we make now about the delivery and funding of water services will shape the future of our District for generations to come. To be clear, when we talk about water services, we mean – drinking water, wastewater, and stormwater

We pride ourselves on the mahi (work) we've done looking after our District's water services and infrastructure. Western Bay has safe drinking water and reliable wastewater and stormwater systems.

Thanks to our investment and foresight, we're in a strong position today. But with growth comes cost. To keep pace with our growing communities and maintain high-quality water services, we need to make significant investments over the next few years as regulation changes are coming

That means finding the most sustainable way forward – one that balances financial affordability with continuing to deliver safe, high quality water services to every household.

Local Water Done Well represents some of the most significant changes to local government in recent times. One crucial insight from the community has been the importance of keeping water services under local control, which is at the heart of this proposal.

Which is why this decision is driven by four key priorities we've heard from you over the course of this waters reform journey:

- keeping costs as low as possible for our community,
- ensuring our community retains a strong voice in water service delivery,
- maintaining public ownership of water assets with clear protections against privatisation,
- and meeting new national water standards to continue delivering safe, high-quality drinking water.

The Government requires councils across Aotearoa to adopt a financially sustainable model for delivering water services. While we don't have a choice in whether change happens, we do have a choice in how we shape it to work best for our community – now and into the future.

The reality is, staying with our current model isn't an option – even if we wanted to, we don't have the financial capacity to fund what's required on our own.

This is where a potential multi council water organisation comes in. By working together with other councils, we can unlock greater financial capacity to invest in essential infrastructure, ensuring our water services remain strong and future-proofed. Pooling resources allows us to operate more efficiently, reducing the financial burden on our community.

While water costs will rise no matter what, they will be lower under a multi council model than if we were to continue on our own.

We understand concerns about losing local control. That's why this kōrero is so important.

Under a multi council model, our community will still have a voice. We would be a shareholder, involved in setting priorities, selecting leadership, directing priorities, and ensuring our local needs are met.

This consultation is about deciding the best model for delivering our water services. To meet our legislative requirements, we need a plan in place by 3 September to move forward.

We know this is a complex issue, so in this document, we've broken it down as simply as possible, providing the key information to help you understand the options ahead. We've also answered some of the key issues and concerns we've heard up until this point and addressed any misconceptions out in the community.

However, if you want to take a deeper dive into this topic, we've compiled a comprehensive package of supporting information including, a detailed independent analysis report, and frequently asked questions. Check out our Your Place Tō wāhi page for all this and more: <https://yourplace.westernbay.govt.nz/local-water-done-well>.



This process is evolving, and as we work alongside other councils, further details will be agreed. But what's clear is that a multi council model provides the best opportunity to keep water affordable, safe, and in public ownership.

The decisions we make today will have lasting impacts on the health of our waterways and the future of our communities.

Let's get this right - together.

James Denyer

**Western Bay of Plenty District Mayor**

**At a glance: our water services right now**

We pride ourselves on the mahi (work) we’ve done looking after our District’s water services and infrastructure. Western Bay has safe drinking water and reliable wastewater and stormwater systems.

What do we mean when we say three waters?

- **Drinking water** is the clean water that flows from your tap.
- **Wastewater** is everything that goes down the drain—from toilets, sinks, and showers—collected and treated before being safely returned to the environment.
- **Stormwater** is the rainwater that runs off roads, roofs, and driveways, managed through drainage systems to prevent flooding and protect waterways.

**What do our water services look like today? [infographic to be inserted]**

*The following metrics will be designed up into three tables of graphics for drinking, waste and stormwater*

	<b>Water supply</b>	<b>Wastewater</b>	<b>Stormwater</b>
<b>Contribution to local community outcomes</b>	Water supply provided to the community in a suitable manner	Wastewater services are well planned and maintained to ensure a clean and healthy environment	A stormwater management system that manages flood risk contributes to improving water quality and contributes to enhancing ecological and cultural values
<b>Services</b>	17,778 connected properties in 2022/23	10,195 wastewater connections in 2022/23	12,781 stormwater connections in 2022/23

*Existing asset values*

- Water supply assets: \$302.4m (five drinking water networks and eight treatment plants)

- Wastewater assets: \$262.5m (seven wastewater networks and five treatment plants)
- Stormwater assets: \$166.8m (four major stormwater areas and 10 pump stations)

#### Water supply

- Council owns, operates and maintains eight water treatment plants, 18 bores, 23 reservoirs, 28 booster pump stations, and 915km of pipes

#### Wastewater

- Council owns, operates and maintains five wastewater treatment plants, 63 pump stations, 712 grinder pumps and 307.8km of pipes

#### Stormwater

- Council owns and operates 10 pump stations and 231km of stormwater pipes

**Tangata Whenua are kaitiaki of our wai and partners in shaping its future.**

Water connects us all, and Tangata Whenua have long upheld their role as kaitiaki, protecting the mauri (life force) of our waterways. For Māori, water is a taonga – deeply tied to identity, whakapapa, and wellbeing. From the Kaituna River to the Wairoa River, these life-giving waters have long provided sustenance, connection, and purpose.

To make sure that we look after our waterways and the sustenance that they provide, we need to invest in the right infrastructure. Without quality pipes and effective water treatment, our waterways – and the communities that rely on them – will suffer.

This kaupapa is more than just a kōrero (talk) about infrastructure though, it's about honouring our partnership with Tangata Whenua and ensuring water services are managed in a way that respects and protects its mana and mauri for generations to come. We've been working to ensure iwi have a role in shaping the future of water services, and this will be an ongoing kōrero – one that recognises the value of Māori expertise in delivering sustainable, future-focused water solutions.

## **This change is an opportunity for us to deliver even better**

### **[Pop out fact box:]**

- **What is financial sustainability?** *Financial sustainability means there's enough money coming in, either from rates or from specific water charges, to cover the maintenance and depreciation of infrastructure and investment in new water services assets. The new legislation means only revenue raised for water services can be spent on water services.*

Under the Government's Local Water Done Well programme, councils must kōrero (talk) to their communities about how water services will be managed in the future. This programme follows the repeal of the Three Waters legislation in February 2024.

The goal of the new legislation is to improve water quality, secure long-term investment in water infrastructure, and retain local control of water services and assets. It also sets new requirements that councils must meet to ensure water services are financially sustainable.

To meet these requirements, councils must submit a Water Services Delivery Plan by 3 September 2025. These plans must outline how water services will be delivered in the future and include a commitment to an implementation plan.

While we understand that change can be challenging, this is an opportunity for us to strengthen our water services, ensuring they remain affordable, sustainable, and reliable for generations to come. It's not just about meeting regulations – it's about improving how we manage our water and ensuring we're ready for the future.

At its core, this mahi (work) is about protecting the services we all rely on every day. It's about making sure that when you turn on the tap, clean water flows out. That when you flush the toilet, it works as expected. And that when it rains, stormwater is carried away safely to prevent flooding. These essential services may often go unnoticed, but they require careful planning, investment, and management to keep them running smoothly.

However, as our rohe (District) grows, so too do the demands on our water services. Large-scale projects like the Te Puke Wastewater Treatment Plant upgrade, the Katikati Wastewater Disposal Future Directions project, and ongoing water treatment plant improvements are already underway to

support this growth. But meeting future needs will require even greater investment, particularly as new environmental and drinking water regulations increase the costs of maintaining and upgrading infrastructure.

At the same time, we must renew aging underground water assets, comply with evolving water quality standards, and strengthen our infrastructure against climate change and extreme weather events. Limited resources make delivering a large-scale capital programme complex, and regulatory uncertainty, particularly around wastewater, adds to these challenges.

While we are in a strong position now, we must plan ahead. The reality is the status quo isn't an option. The current model won't meet the new legislative requirements, and we simply won't have the financial capacity to meet future infrastructure demands if we remain as we are. The Government's financial rules require councils to demonstrate a sustainable long-term approach to funding water services, and without change, we won't be able to comply.

Balancing these pressures, regulations, and financial constraints while keeping water services affordable and locally controlled is at the heart of this kōrero. This is about securing safe, reliable water services – not just for today, but for the future of our communities.

### What we've done so far

We continually assess the quality and sustainability of our water infrastructure to ensure it meets the needs of our communities. This is not a new process – it's part of how we responsibly manage our water services.

However, with the different versions of water reform over recent years – Three Waters Reform, Affordable Water Reforms, and now Local Water Done Well – we've taken an even deeper dive into how our infrastructure measures up against the Government's new rules and financial requirements.

To plan for the future of our water services, we've been assessing the current state of our infrastructure and our ability to continue delivering water under these new regulations. This has meant running detailed analysis and modelling to understand how different options might impact our community.

Throughout the journey of water reform, we've kept past conversations with our communities at the forefront. We've heard you and understand what matters most, and these priorities have guided our decision-making.

These are the four things we know are most important to our community:

- **Ownership** – Water services and assets will remain in Council ownership, with clear safeguards against privatisation.
- **Control** – Ensuring our community continues to have a strong voice in how water services are delivered.
- **Cost** – Keeping water services as affordable as possible and minimising future increases.
- **Quality** – Meeting national standards and ensuring we continue to provide safe, high-quality drinking water and wastewater.

Our analysis and modelling work so far has helped us build a clear picture of what's needed to secure the future of water services in the Western Bay. This process has put us in a strong position to identify and assess the options thoroughly, determine the best way forward, and ensure we meet the new legislative requirements

When we looked at the options, we also focused on some of the longer-term challenges we have including our ability to be resilient to natural

hazards (especially for our coastal communities), the effects of climate change and ensuring that growth is well supported.

We know that cost, control, ownership, and quality are the key priorities for our community, so we've used them as the basis for comparing each model. Over the following pages, you'll see how each option stacks up against these important measures, as well as others we've considered.

*This topic is important, but we know that discussing the best structure for delivering water services can be complex. While we've summarised the key points, the analysis that informed these options is detailed and subject to change as further analysis is completed. If you're interested in exploring the full financial data and technical assessments, we encourage you to review the independent analysis provided to Council. Check out our Your Place Tō wāhi page (url and QR code below) which includes these reports and more information about Local Water Done Well:*



<https://yourplace.westernbay.govt.nz/local-water-done-well>

## What are our options?

As we look ahead to the future of water services, we have carefully considered the best way to deliver these essential services to our community over the long term.

The reality is, keeping things as they are is not an option. The current model does not meet the Government's new financial sustainability requirements, meaning we must transition to a different structure to ensure we can continue delivering safe, high-quality, and affordable water services.

Regardless of which model is chosen, water charges will increase. This is due to rising costs for maintaining and upgrading infrastructure, meeting stricter standards, population growth, and ensuring long-term financial sustainability under new legislative requirements.

With that in mind, we looked at all the options available to us and have assessed two options that best meet these requirements, while maintaining local influence and ensuring the best financial outcomes for our community.

Later in this section, we will provide comparisons that show how each option stacks up cost-wise, as well as against other key factors such as ownership, control, and quality.

*[Pop out fact box]*

- **Why can't we retain the current model where Council continues to manage water services directly?** The current model does not meet the new legislative requirements for long-term financial sustainability, which means we can't choose to keep things as they are.

### The two alternative options we are considering:

- **Single Council Water Services CCO** – A separate Council Controlled Organisation (CCO) is created to manage water services. This provides some financial benefits, including increased borrowing capacity. However, this option does not address the benefits that come from being part of a larger specialist organisation or sufficiently meet long-term funding, affordability and investment needs.

- **Multi Council Water Services CCO (preferred option)** – A shared entity with potential partners such as Tauranga City Council and/or other councils. This option enhances financial sustainability while maintaining local oversight. The benefit of this over ten years could be as much as \$4000-\$5000 per water connection. Efficiencies would build over time, likely generating further savings for our community.

*This topic is important, but we know that discussing the best structure for delivering water services can be complex. While we've summarised the key points, the analysis that informed these options is detailed and subject to change as further analysis is completed. If you're interested in exploring the full financial data and technical assessments, we encourage you to review the independent analysis provided to Council. Check out our Your Place Tō wāhi page (url and QR code below) which includes these reports and more information about Local Water Done Well:*



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### **Why a multi council water services CCO is our preferred option**

Our analysis confirms that a multi council water services CCO could deliver water services at a lower cost to consumers compared to individual council-led models. This is really important as we see costs going up across the board. Additionally, a multi Council CCO allows for greater financial capacity, better access to funding, and increased investment in infrastructure, ensuring the long-term sustainability of water operations. It would also provide us with professional governance and expertise across all our water services.

A multi-council water services CCO, with potential partners like Tauranga City Council and other councils, would build on existing collaborations. These already include shared contracts for network operations and maintenance, a joint water testing laboratory, TCC treating Ōmokoroa's wastewater, and a common asset and work order management system.

Tauranga City Council has already indicated its preference for a jointly owned CCO, further strengthening the case for this model.

Other councils are facing the same challenges as us. By working together, we can create a financially sustainable and high-performing water service that better meets the needs of our growing communities while keeping costs manageable for ratepayers across our communities.

### **Who owns, governs, and controls a multi council water services CCO?**

If a multi council water services CCO is established, councils retain ownership and ultimate control over water services. Here's how it works:

- **Ownership** – Each participating council becomes a shareholder in the CCO and ownership of the water assets (such as pipes, treatment plants, and reservoirs) are transferred to the CCO. Legal protections would be in place to prevent privatisation.
- **Governance** – The CCO would have an independent board responsible for overseeing operations, ensuring efficiency, and meeting service standards. Councils would jointly appoint board members and set clear expectations for performance and accountability.
- **Control** – Councils would retain strategic decision-making power by setting objectives, service levels, and funding approach. They would also have the ability to review and adjust the CCO's strategic direction if needed. The CCO will be required to perform and report against those expectations.

This model keeps decision-making local while benefiting from shared expertise, cost savings, and improved service delivery.

### **How will the performance of the multi council water services CCO be monitored?**

The multi council water services CCO will be monitored through clear governance and reporting requirements to ensure accountability and effective service delivery. These have also been set out in legislation. While operational decisions rest with the CCO, councils retain oversight by setting objectives and performance expectations.

Key monitoring mechanisms include:

- **Governance documents:** The CCO would operate under a constitution and shareholding agreement, which define its purpose, structure, and decision-making processes.

- **Strategic direction:** Councils would issue a Statement of Expectations (SOE) to guide priorities, and the CCO responds with a Statement of Intent (SOI) outlining how it will meet performance goals.
- **Regular reporting:** The CCO will need to report to its shareholding councils quarterly, provide an audited annual report, and act consistently with statutory objectives.

These measures ensure councils maintain oversight while enabling the CCO to deliver efficient and financially sustainable water services.

### **Who would we join up with us to form a multi council water services CCO?**

We have started talking to other councils about the opportunities of working together to deliver water services. That naturally includes Tauranga City Council and other councils across the Bay of Plenty.

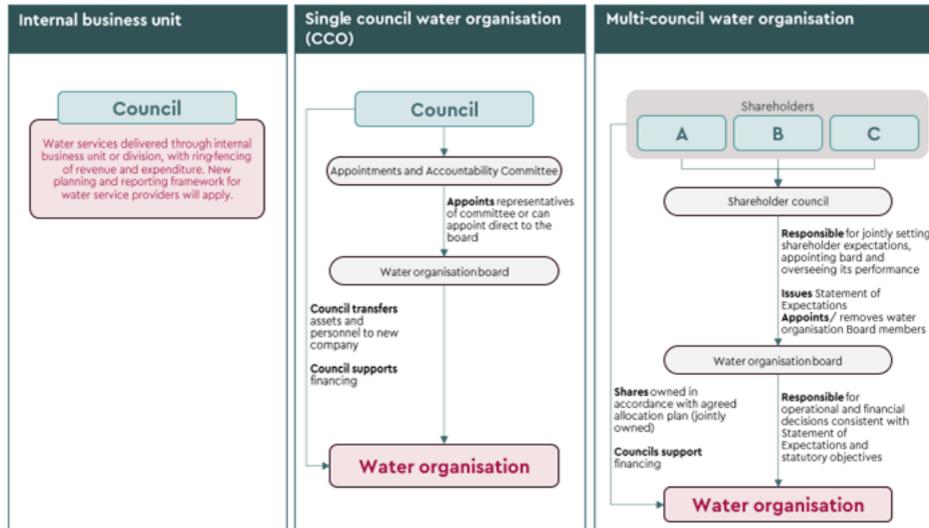
While initial financial analysis indicates that a multi council water services CCO could deliver water services at a lower cost to consumers, exactly who would be included in our partnership still needs to be confirmed.

All councils are considering these issues at the same time. Potential partners are still completing their analysis, need to consult with their communities and make decisions for themselves. We are all facing common challenges and at this stage we want to leave the door open for any opportunity.

*Ultimately, who is finally included in the multi council CCO will have an impact on our final position.*

**This is how the different water organisations would be structured:**

**Current options being analysed**



**Comparing the models: Taking a deeper dive into each option**

Here we compare each option against a number of key factors. These include things that you’ve told us are important to you: cost, control, ownership, and quality. It also includes our ability to meet new legislative requirements.

We want to make this information as clear and understandable as possible, so below we outline how each option measures up against these important metrics.

*This topic is important, but we know that discussing the best structure for delivering water services can be complex. While we’ve summarised the key points, the analysis that informed these options is detailed and subject to change as further analysis is completed. If you’re interested in exploring the full financial data and technical assessments, we encourage you to review the independent analysis provided to Council. Check out our Your Place Tō wāhi page (url and QR code below) which includes these reports and more information about Local Water Done Well:*



<https://yourplace.westernbay.govt.nz/local-water-done-well>

**Cost (and efficiencies)**

<b>Retaining the Current Model</b>	<b>Single Council Water Services CCO</b>	<b>Multi Council Water Services CCO (Preferred)</b>
<ul style="list-style-type: none"> <li>• The current model does not meet the new legislative requirements for long-term financial sustainability, which means we can't choose to keep things as they are.</li> <li>• High costs due to limited financial capacity, borrowing constraints, and inefficiencies.</li> <li>• Rates and charges are likely to rise significantly, putting pressure on households and businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• This option could offer more borrowing capacity but then much more limited operating efficiencies.</li> <li>• Council would still bear full financial responsibility.</li> <li>• Rates and charges would also rise, but greater debt would mean we could spread that cost.</li> </ul>	<ul style="list-style-type: none"> <li>• Lower costs through economies of scale, shared expertise, and better access to funding, reducing financial pressure on ratepayers.</li> <li>• A multi council CCO approach enables greater investment capacity while keeping costs more affordable.</li> <li>• We do expect charges would continue to rise but at a much lower rate than our current model over 10 years.</li> <li>• Efficiencies would build over time, likely generating further savings for our community that can fund much needed investment.</li> <li>• More financial capacity means we can invest more in water infrastructure.</li> <li>• Greater efficiencies are likely at scale, providing financial benefits to customers.</li> <li>• Partnering with neighbouring councils can support better growth planning and coordination.</li> </ul>

**What do water charges look like for all three waters if we stay the way we are?**

Under current Council arrangements, average water charges are projected to exceed \$4300 (approx.) per connection annually (in today's terms) over the next ten years. This is a huge increase on the current charges and is driven by our need to keep investing in water services. When we looked at the same investment in pipes and treatments but managed in a larger,

more specialised multi council CCO, that number reduced to \$3000 (approx.) per connection, reducing costs by up to 31%<sup>1</sup>. The benefit of this over ten years could be as much as \$4000-\$5000 per connection. This would keep water charges within a reasonable range of total proportion of median household income<sup>2</sup> which was a priority for Council.

It is clear that there are real financial benefits for us delivering water services in partnership with other councils. This additional benefit comes from the greater borrowing capacity of a joint entity which allows costs to be better spread over the life of the assets, and by the benefits of delivering water services through a specialist entity.

Taking this approach will also mean that Council will be in a better financial position, and that means different choices for what your rates may be spent on. The impact on your rates will depend on the community facilities and services that the community want to invest in moving forward.

**Control**

<b>Retaining the Current Model</b>	<b>Single Council Water Services CCO</b>	<b>Multi Council Water Services CCO (Preferred)</b>
<ul style="list-style-type: none"> <li>• Control remains with Council but would be subject to a new economic regulator.</li> <li>• Financial challenges would put pressure on future service improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Council retains ownership, meaning it still has a role in monitoring and oversight, but operational decisions are made by the CCO. Under this model governance control shifts to an independent board.</li> </ul>	<ul style="list-style-type: none"> <li>• Shared governance ensures local decision-making alongside partner councils.</li> <li>• Council retains ownership oversight, meaning it still has a role in monitoring, even if operational decisions are made by the CCO.</li> <li>• The independent board would be</li> </ul>

<sup>1</sup> Assumes a four council joint CCO approach

<sup>2</sup> A common international benchmark for the affordability of water charges is 2.5% of median household income. The median household income for the Bay of Plenty region is \$105,000

		<p>appointed jointly by participating councils on a competency basis.</p> <ul style="list-style-type: none"> <li>• Councils would set the multi council CCO's objectives and performance expectations.</li> </ul>
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**Ownership**

<b>Retaining the Current Model</b>	<b>Single Council Water Services CCO</b>	<b>Multi Council Water Services CCO (Preferred)</b>
<ul style="list-style-type: none"> <li>• Council retains full ownership.</li> </ul>	<ul style="list-style-type: none"> <li>• Council retains full ownership of a single CCO.</li> </ul>	<ul style="list-style-type: none"> <li>• Council shares full ownership of CCO with other councils.</li> </ul>
<ul style="list-style-type: none"> <li>• Legal protections would be in place to prevent privatisation under all options</li> </ul>		

**Quality**

<b>Retaining the Current Model</b>	<b>Single Council Water Services CCO</b>	<b>Multi Council Water Services CCO (Preferred)</b>
<ul style="list-style-type: none"> <li>• Increasing difficulty in meeting new standards and growth pressures due to funding limitations, risking compliance issues and potential service disruptions.</li> </ul>	<ul style="list-style-type: none"> <li>• Some improvements possible, but financial constraints may delay necessary upgrades and maintenance, or require higher charges.</li> </ul>	<ul style="list-style-type: none"> <li>• Greater investment ensures compliance with national standards, improved resilience, and better service outcomes for the community.</li> <li>• Pooling resources enables effective and efficient infrastructure upgrades and maintains levels of service to support growth.</li> </ul>

		<ul style="list-style-type: none"> <li>• The multi council CCO will be monitored to maintain high service quality, with councils setting clear performance expectations. Regular reporting, audits, and compliance with statutory objectives ensure accountability and effective service delivery.</li> <li>• Creates opportunity to consider regional-based climate investment, including potential to strengthen interface with regional council flood management.</li> </ul>
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**How do the options stack up against our legal requirements?**

The Local Government (Water Services Preliminary Arrangements) Act requires all councils to plan for the future of water services, ensuring they are financially sustainable.

The current model does not meet the new legislative requirements for long-term financial sustainability, which means we can't choose to keep things as they are.

Based on the Act's requirements, our best option is a multi council CCO, which allows us to collaborate with other councils while ensuring financial sustainability and local decision-making.

**Do these options include all Three Waters or only Two?**

Our analysis so far has assumed that drinking water, wastewater, and stormwater (all three waters) would be included in the future water

services delivery model. However, if a multi council CCO is established, which stormwater assets and operations will be included—or not—will be decided during future talks.

Regardless of whether stormwater is included in a multi Council CCO, Council will remain responsible for it. The legislation requires that the financial sustainability of all water services be considered, and our analysis to date has assessed all three waters together.

***What does this mean for stormwater?***

Councils will retain legal responsibility and control of stormwater, with flexibility to decide the best approach for managing it. This means councils can choose to:

- Continue delivering stormwater services themselves
- Contract a new water organisation to manage certain aspects of stormwater services
- Transfer parts of stormwater service delivery to a water organisation

Regardless of the approach, Council will remain responsible for funding stormwater and must do so transparently. From 1 July 2028, all water services, including stormwater, must be ringfenced – meaning their funding and expenditure must be accounted for and reported separately from other council activities. This ensures greater transparency in how funds are used.

**Timeline:**

**27 February 2024** – Repeal of Water Services Reform legislation

**2 September 2024** – Local Government (Water Services Preliminary Arrangements) legislation enacted

**10 December 2024** – Local Government (Water Services) Bill introduced

**24 March–24 April 2025** – Public consultation on a preferred water services delivery model

**13 and 15 May 2025** – Local Water Done Well consultation hearings

**July 2025**– Council decision on the water services delivery model

**3 September 2025** – Council must submit its proposed Water Services Delivery Plan to the Department of Internal Affairs

**November 2025 – July 2027** – New Water Services Delivery Plan implemented

## Where you can go to give your feedback

### Online feedback form

- Visit Council's dedicated Local Water Done Well Page from 24 April to read up on this Kaupapa and provide feedback - [Local Water Done Well | Your Place Western Bay of Plenty](#)

### Community information sessions

We'll be providing the community opportunities to kanohi ki te kanohi (speak in person) to elected members and the Council team at various locations right across our District. These events will be promoted as part of Council's communications and engagement strategy.

### Have further pātai (questions), want to give feedback in person or talk to someone?

- If you would rather fill in a paper feedback form, come and do it at one of our [locations](#): Council's Head Office at Barkes Corner, Waihi Beach Library and Service Centre, The Centre - Pātuki Manawa, Te Puke Library and Service Centre, or the Ōmokoroa Library and Service Centre.
- You can come and share your thoughts in person at the Local Water Done Well consultation hearings on 13 and 15 May 2025. This is your opportunity to speak in Council Chambers to the Mayor and Councillors. If you are interested, please email [yourplace@westernbay.govt.nz](mailto:yourplace@westernbay.govt.nz) to register by 24 April 2025.
- Otherwise, you can contact us on our freephone line: 0800 WBOPDC (0800 926 732) or email us at [yourplace@westernbay.govt.nz](mailto:yourplace@westernbay.govt.nz).

## DRAFT SURVEY QUESTIONS

### ***Wai. Our biggest decision in a generation.***

Under the Government's Local Water Done Well programme, all councils must consult on the future of their water service delivery model. While we don't have a choice about change, we do have a say in shaping the best path forward.

Your feedback will help us understand what matters most to our community when it comes to future conversations as this process moves forward. *We'll keep these in mind through-out this process, ensuring that community priorities, concerns, and values are reflected in future discussions and decision-making.*

### **Your details**

- **Name:**
- **Email:**
- **Address: (optional)**
- **Age:** (We're asking people's age as this is a decision that will impact our District for decades and different age groups may have different opinions)
  - 9 and under
  - 10-19
  - 20-29
  - 30-39
  - 40-49
  - 50-59
  - 60-69
  - 70-79
  - 80+
- **Do you live within the Western Bay of Plenty District Council boundary?**
  - Yes
  - No
- **Does Western Bay of Plenty District Council provide your drinking water and/or wastewater?**
  - Yes
  - No

## What do you think about the options?

*Please provide any comments you have on the two options we have modelled.*

- **Single Council Water Services CCO** – A new, separate Council Controlled Organisation (CCO) manages water services.
- **Multi Council Water Services CCO (Preferred Option)** – A shared entity with potential partners such as Tauranga City Council and/or other councils.

**Tell us more about what you think (free text box)**

## What matters most to you?

*(Please tick up to five things that are most important to you when considering the future of water services. We'll keep these in mind as we move forward, ensuring that community priorities, concerns, and values are reflected in future discussions and decision-making. While the choice of model is set by Government requirements, your input will help shape how we advocate for our community and influence the details of how water services are managed.)*

- **Future water costs and investment** – Managing the cost of water services and securing infrastructure funding
- **Financial sustainability** – Choosing an option that meets Government rules and avoids future financial risks.
- **Innovation** – Using new technology to make water services more efficient and sustainable.
- **Consistent water service** – Keeping or improving service levels for water, wastewater, and stormwater.
- **Cultural input** – Ensuring Tangata Whenua involvement in water decisions.
- **Community influence** – Residents having a strong voice in decision-making.
- **Growth planning** – Preparing water services for population growth.
- **Climate resilience** – Ensuring water services are prepared for climate change impacts (e.g., heavy rainfall and drought).
- **Environmental benefits** – Improving the environmental impact of water services.

- **Ensuring safe drinking water** – Meeting regulatory standards and protecting public health.
- **Strong governance and expert oversight** – Ensuring Water Services are well-managed and meet required standards.
- **Other (please specify):**

***Would you like to speak to Elected Members about your submission? We will be holding hearings on 13 and 15 May 2025.***

- Yes, I would like to attend a hearing and present my views.
- No, I do not wish to speak at a hearing.

**Privacy Act 2020:** This form and the details of your submission will be publicly available as part of the decision-making process. The information will be held at Western Bay of Plenty District Council, Head Office, 1484 Cameron Road, Tauranga. Submitters have the right to access and correct their personal information.

### 9.3 LOCAL GOVERNMENT NEW ZEALAND (LGNZ) MEMBERSHIP

**File Number:** A6678720

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#### EXECUTIVE SUMMARY

The purpose of this report is to provide the opportunity for Council to consider its continued membership of Local Government New Zealand (LGNZ).

The Council currently pays a subscription of \$80,904.71. This includes the annual LGNZ subscription, Zone 2 subscription, committee and community board levy as well as the Mayors Taskforce for Jobs. In addition, for the period 1 April 2024 to 28 February 2025 there were costs incurred to attend the LGNZ conference (including travel and accommodation) in the sum of \$30,819.07.

This report provides further information about costs and benefits of membership. The most recent LGNZ Annual Report is included as **Attachment 1** to this report. It summarises the key achievements of LGNZ and provides the financial statements for 2023/24.

#### RECOMMENDATION

1. That the Chief Executive Officer's report dated 18 March 2025 titled 'Local Government New Zealand (LGNZ) Membership', be received.
2. That Council:
  - a. Confirms its continued membership of LGNZ

**OR**

  - b. Resigns its membership of LGNZ by giving notice.

#### BACKGROUND

1. At the Council meeting on 3 March 2025, Council accepted a Notice of Motion presented by Councillor Coxhead, directing the Chief Executive to prepare a report considering whether Council should renew (or not) its membership of LGNZ. It was agreed that the Chief Executive would report back to Council at its meeting on 18 March 2025 and would consider the value proposition to Council of LGNZ membership including a cost-benefit analysis outlining:
  - Annual membership fee and date payable,
  - Additional costs incurred as a result or condition of membership,
  - Other information Council staff rely on from LGNZ

- Any other pertinent considerations,
  - Any known or likely consequences that may arise from a decision not to renew Council's LGNZ membership.
2. The total costs relating to LGNZ for the period 1 April 2024 to 28 February 2025 are approximately \$112,000.
  3. To support debate regarding whether to continue with its LGNZ membership the President of LGNZ (Sam Broughton) and Deputy Chief Executive (Scott Necklen) presented to Council at a workshop on 11 March 2025.
  4. Funding of \$180,000 from the Mayor's Taskforce for Jobs will be at risk if Council decides **not** to renew its LGNZ membership. More information on the Mayor's Taskforce for Jobs can be found [here](#), with updates provided through the Community Committee.

### WHAT IS LOCAL GOVERNMENT NEW ZEALAND (LGNZ)

5. LGNZ is constituted as an incorporated society (New Zealand Local Government Association Inc). The LGNZ National Council employs a Chief Executive who is responsible for the staff of LGNZ.
6. The objectives of LGNZ, under the constitution are summarised as:
  - promoting the national interests of local government
  - advocating on matters affecting the national interests of local government
  - dialogue with government, parliamentarians and government agencies
  - providing information to members
  - researching matters on behalf of member authorities
  - providing advice and training opportunities
  - holding conferences.
7. The components of LGNZ are:
  - National Council, which is the governing body of LGNZ
  - National Council Committees, including Te Maruata (the Māori Committee) and Young Elected Members committees
  - Zones, which are geographical groups of councils based on local government sectors (metropolitan, provincial, regional, rural).
8. The president and vice-president are elected at an annual general meeting by ballot of member councils.
9. The National Council comprises the president and 17 members who are generally appointed by zones and sectors. The National Council employs the Chief Executive.
10. Zones and sectors generally:

- make appointments to the National Council
  - provide advice to the National Council
  - disseminate information to members
  - assist the National Council in dealing with issues
  - receive updates from LGNZ on issues facing local government.
11. The Zones and Sector Groups make their appointments to the National Council by ballot conducted by LGNZ.

### **BENEFITS OF MEMBERSHIP**

12. LGNZ comprises and represents most councils in New Zealand. It is the body that central Government Ministers consult when seeking a view from the local government sector.
13. There may be reasons for maintaining membership which are not quantifiable. Considerations might include:
- (a) Whether New Zealand should have an association of councils that represents the local government sector and, if so, whether in principle, Western Bay of Plenty District Council should support this.
  - (b) Whether there is benefit to Western Bay of Plenty District Council socialising sub-regional or district specific issues with other councils via LGNZ.
  - (c) Whether, noting the significant reform programme of government, there is merit in a sector wide approach, particularly in relation to Resource Management and Local Government Act reform
  - (d) Whether there is benefit to Western Bay of Plenty District Council in providing professional development and training opportunities for elected members, especially for new elected members and Mayors.
  - (e) Whether there is benefit to individual elected members in the advice, support and connections that LGNZ provides regarding navigating the opportunities, challenges and scrutiny of public office.
14. It is possible that if Council chose to resign its membership, there would be disbenefits from not participating in sector wide discussion and/or advocacy in relation to the continued reform programme signalled for local government.
15. Further, Council would be unlikely to be able to replicate on its own, the direct relationships and regular contact with the Prime Minister, senior Ministers (including the Ministers of Local Government, Environment, Transport and Housing) that LGNZ does.
16. Council should consider the risk of losing \$180,000 of funding from the Mayor's Taskforce for Jobs for 2025/26, noting that Council:

- (a) Has been in the programme for two years now and has developed strong systems and processes, working with local service providers.
  - (b) Funding of \$180,000 has been applied for in the 2025/26 year, to assist 25 young people into employment.
  - (c) Outcomes (and overall return on investment) are wider than just employment – these include young people getting drivers licences, learning ‘ready to work’ skills, connecting with counsellors for mental health support, and entering training and development programmes.
17. From a staff perspective, LGNZ provides invaluable advice and support for submission processes. Similarly, resources produced particularly to support the beginning of the new triennium (Standing Orders, Code of Conduct etc) are drawn on heavily as such resources generally reflect sector wide best practice.

### DETAILS OF MEMBERSHIP COSTS

18. The Notice of Motion requested that the report consider the value proposition to Council with a cost benefit analysis that included five factors, covered in the following table:

Topic	Comment
Annual membership fee and date payable	The annual fees are paid in April of each year and include: Annual LGNZ Subscription = \$74,014.58 Annual LG Zone 2 Subscription = \$1,121.25 Committee Levy = \$948.75 Community Board Levy = \$948.75 Mayor’s Taskforce for Jobs = \$3,871.38
Additional costs as a result of membership or condition of membership	For the period 1 April 2024 to 28 February 2025, the following costs relate to conferences, including travel and accommodation: Community Board Representatives = \$16,399.32 Council Representatives = \$8,167.81 Mayor = \$6,251.94
Other information Council staff rely on from LGNZ	As above.
Any other pertinent considerations	Council is a member of the Mayor’s Taskforce for Jobs. This attracts funding of \$180,000 to get 25 young people into employment.

Any known or likely consequences that may arise from a decision to NOT renew Council's LGNZ membership	Loss of Mayor's Taskforce for Jobs funding of \$180,000 for 2025/26.
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19. Further guidance on LGNZ's value proposition can be found on its web site and at <https://www.lgnz.co.nz/about-lgnz/who-we-are/>.
20. Representatives from LGNZ discussed their services and value proposition at the Council workshop held 11 March 2025.

### SIGNIFICANCE AND ENGAGEMENT

21. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
22. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
23. In terms of the Significance and Engagement Policy this decision is considered to be of low significance because it is not a matter of wide public interest whether or not Council continues to be a member of its representative body.

### ENGAGEMENT, CONSULTATION AND COMMUNICATION

24. There are no interested or affected parties outside of Council.

### FUNDING/BUDGET IMPLICATIONS

25. While the costs associated with LGNZ membership and training opportunities would be saved if Council chose to no longer be a member of LGNZ, it will conversely be putting at risk future funding to progress the Mayor's Taskforce for Jobs initiative.

### ATTACHMENTS

1. **LGNZ Annual Report 2023-24** 

# Annual report

Ko Tātou  
LGNZ.

2023-24

Choose localism

# Contents Ihirangi

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## FROM THE PRESIDENT // NGĀ KUPU A TE TUMUAKI



**Part of the privilege of becoming President has been visiting councils, seeing your place and your passion for it. If Susan and I haven't visited yet, I'm looking forward to seeing you soon!**

I was elected President at LGNZ's AGM in July 2023 and I want to acknowledge my predecessor Stuart Crosby, who served from 2020-23 during what was a very challenging time for local government.

For many members, the impacts of Cyclone Gabrielle have been felt well into the 23/24 financial year and beyond. I want to again acknowledge the leadership shown by the impacted councils: Mayors, Chairs, councillors, community board members and staff. Lessons learnt from these events must be taken on board – and changes made to emergency management planning and implementation.

The 23/24 year has also been shaped by the General Election and change of government in 2023. We've built relationships with new Ministers so we can advance local government's interests. Our advocacy has been shaped through intensive engagement with members as part of our Future **by** Local Government process in the second half of 2023, which culminated in a Special General Meeting agreeing five positions.

I've found it hugely helpful having gone through that process so that we can be really clear what matters to members and what's off the table. Naturally we're tailoring what we advocate to the interests and concerns of the current government – so some of the positions won't be advanced in this term. But having a long-term picture of where members want to go makes a big difference to the shape of LGNZ's work.

National Council reset our strategy in early 2024, defining LGNZ's purpose as to champion, connect and support members. I want to acknowledge my fellow National Council members, who are committed to serving local government, advocating for localism and making sure LGNZ acts in our national interest. We are very clear that LGNZ's advocacy on divisive issues must be member-driven, and that transparent communication and engagement with councils is key. I hope you're seeing that reflected in our work. Special mention also goes to Mayor Campbell Barry for his leadership and support as Vice President.

A personal highlight this year was representing LGNZ at Waitangi – the first time we have been there officially. As well as marking a step change in our approach to strengthening partnerships with Māori, I had many informal opportunities to engage with the Prime Minister and new Ministers.

Another highlight has been LGNZ's strong advocacy on rates rises and what's driving them. That's meant providing members with facts and figures you can use, as well as driving media coverage. We've put this challenge firmly on the national agenda. The next step is changing the funding and financing model, something we are advocating strongly for. I look forward to that challenge.

Thanks for all the support from members across the motu in my first year. I look forward to the great things we will continue to do for our communities in the coming year, and the partnership we share in leading our country to a more connected, prosperous and local future.

# FROM THE CHIEF EXECUTIVE

## // NGĀ KUPU A TE TUMU WHAKARAE



**A real highlight of the past year has been visiting many member councils and hearing what matters to you in your place.**

My job is to make sure LGNZ puts into action the strategy set by National Council and delivers for members. Visiting councils with Sam has been a tremendous way to reinforce our strategy, and really understand what matters to you.

While every council operates in a different context, some issues come to the surface time and time again – especially financial sustainability and the challenge that funding constraints place on your work. This year LGNZ has focused on making sure that central government – and the public – understand these issues, especially in the context of significant rates rises.

At its heart the strength of local government is localism. And at our SuperLocal conference last July, LGNZ launched Choose Localism – our campaign to breathe new life into localism. Localism is the opposite of centralisation; it moves decisions and delivery closer to communities when that makes sense and where it provides more value for the ratepayer or taxpayer dollar. Localism underpins everything LGNZ does.

Choose Localism also encompassed working with you on our Future **by** Local Government position in the second half of 2023. The decisions you subsequently made at the December SGM have been a game changer in giving LGNZ clear direction on advocacy priorities that will create a more sustainable future for local government. We not only appreciated your engagement and feedback; we appreciated your openness to getting involved in a different process.

When the new Coalition Government was formed at the end of 2022, we were ready, having developed a well-received briefing and started to build key relationships early. Our advocacy has had an impact in the policy space, with examples including:

- » Regulatory relief for councils following severe weather events in early 2023, including an Order in Council enabling three-year plans instead of LTPs for eight of the most-affected councils.
- » Changes to the mandatory non-performance measures, which means councils will not need to report against now-replaced Ministry of Health Drinking Water Standards.
- » Successful advocacy for more time and flexibility around LTPs, given the changes to water reform. The repeal legislation gave councils an additional three months to adopt their LTPs, an ability to forgo the audit of the consultation document, and to reduce consultation requirements on subsequent amendments.

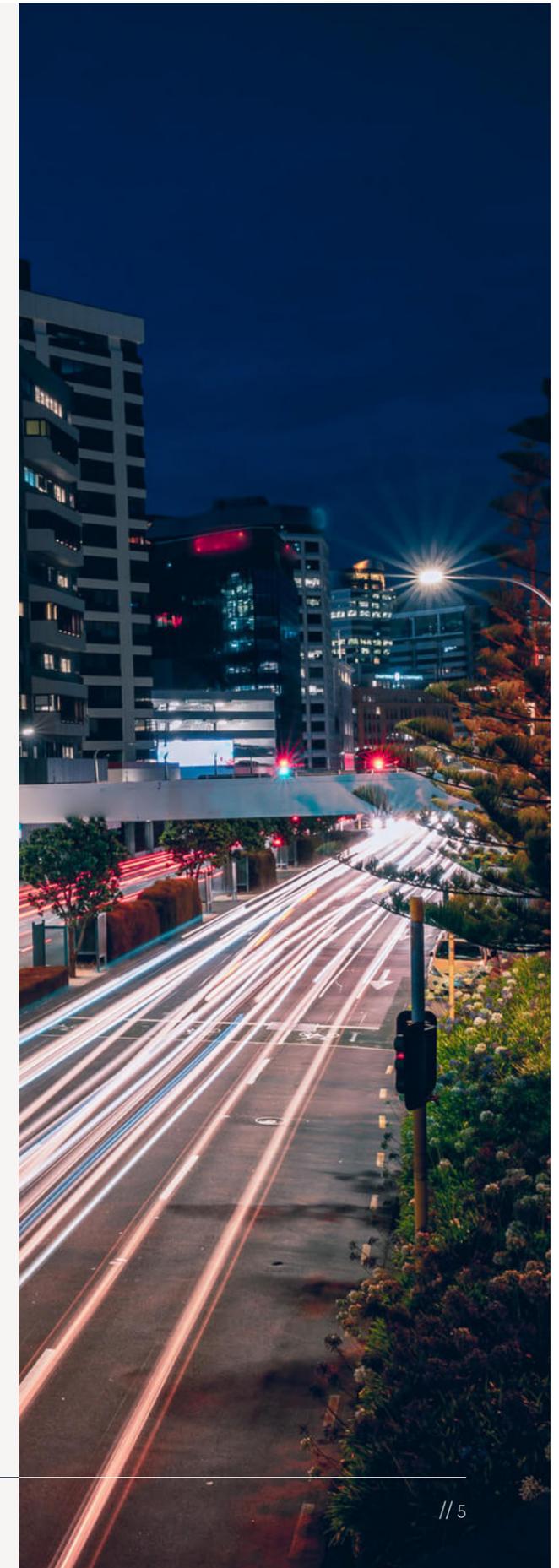
There's a lot more detail about all areas of our policy and advocacy work in this report.

We also invested time and resource in Ākona – our learning platform – based on members' feedback on what you want as topics and how you want to learn. Ākona continues to develop, with more than \$700K in course value available to members as of mid-2024.

Other highlights for me for this year included another step up in our media engagement, particularly as we took the stories to the public around the rates rises, and also through official attendance at Waitangi for the first time. Our flagship SuperLocal conference attracted more than 800 attendees; there were incredible MTFJ outcomes; we saw strong engagement with Keeping it Local and at our new Combined Sector meetings; multiple pieces of updated guidance were issued; and we made many submissions to government.

The year also saw the transition to a new President and Vice President, Sam and Campbell. I want to acknowledge outgoing President Stuart's leadership and support through a turbulent time for local government. And to thank Sam and Campbell for bringing their future-focussed energy and thoughtfulness about the bigger picture to the tasks in front of us now. And of course, a big shoutout to the LGNZ team who every day support our members with care and commitment – and elevate the place and impact of local government for the greater good of Aotearoa New Zealand.

But most of all I want to acknowledge you, our members, for what you bring to your communities every single day, often in trying circumstances full of uncertainty, change, weather events, financial constraints and more. Our communities rely on you when the chips are down and all too easily underestimate what you do every day to make the wheels of their daily worlds turn as smoothly as they can. Thank you.





18

MEDIA RELEASES ISSUED.



127

PEOPLE PART OF TE MARUATA NETWORK.



389

RESPONSES TO MEDIA QUESTIONS.



64

PEOPLE PART OF YEM.



27

SUBMISSIONS ON LEGISLATION.



1,424

EMPLOYMENT OUTCOMES FOR MTFJ.



815

PEOPLE CAME TO OUR SUPERLOCAL23 CONFERENCE.



63

MEETINGS WITH POLITICIANS.



19

ĀKONA COURSES DEVELOPED AND LAUNCHED.

Free counselling for members

97%

OF PEOPLE WHO ACCESSED THERAPY IN THE 2023 CALENDAR YEAR AND PROVIDED FEEDBACK SAID THAT IT WAS HELPFUL.



FBLG online engagement

164

PEOPLE ENGAGED WITH THE PLATFORM.

Keeping it Local open rate

1 APRIL 2023 - 31 MARCH 2024 AVERAGE =

46%



Attendees at the annual YEM hui rated it an average

9.4 / 10

# Our strategy 2022-25

## Tā mātou rautaki

### OUR VISION 2022-2025:

Reviewed and updated by National Council for 2023-24.

// To create the most active and inclusive local democracy in the world.

### OUR LONG-TERM GOALS:

**/01.**

More people value and participate in local government.

**/02.**

Central government sees local government as a valued partner.

**/03.**

Stronger Te Tiriti-based partnerships between local government and Māori.

### OUR PRIORITIES:

**/01.**

Resetting the relationship with Central Government.

**/02.**

Establishing stronger Te Tiriti-based partnerships with Iwi Māori.

**/03.**

Campaigning for greater local decision-making and localism.

**/04.**

Ramping up our work on climate change.

**/05.**

Delivering and building on our core work.

# OUR PRIORITIES – WHAT WE’VE ACHIEVED

## // Ā MĀTOU WHAKAAROTAU - NGĀ WHAKATUTUKITANGA

### // 1. **Resetting the relationship with Central Government**

The election in October 2023 split this financial year between two governments.

In the first half of the year, we held a Central/Local Government Forum and regular meetings with key Ministers and the Prime Minister.

Ahead of the election, we met with all political parties, using our Relationship Reset and Policy Priorities documents to influence their policy positions and manifestos. These documents aimed to build parties’ understanding of the challenges facing councils and opportunities if central government and local government develop a better partnership.

We finalised and shared our [Briefing to the Incoming Government](#) in late November. The briefing focussed on localism and how we can work together to further the Government’s priorities.

From December onwards, our political strategy initially focused on establishing credibility and building relationships with key Cabinet Ministers. Regular meetings between LGNZ and the Prime Minister, Local Government Minister, Infrastructure Minister and Regional Development Minister were locked in the diary for the year. A range of Ministers spoke at our March sector meetings to help set the agenda for the rest of the year.

As well as our regular formal meetings with the Prime Minister, Ministers and key officials, our broader approach has included:



Being part of political events such as Waitangi commemorations, where it’s possible to speak to a broad range of Ministers in formal and informal settings (more on Waitangi below).

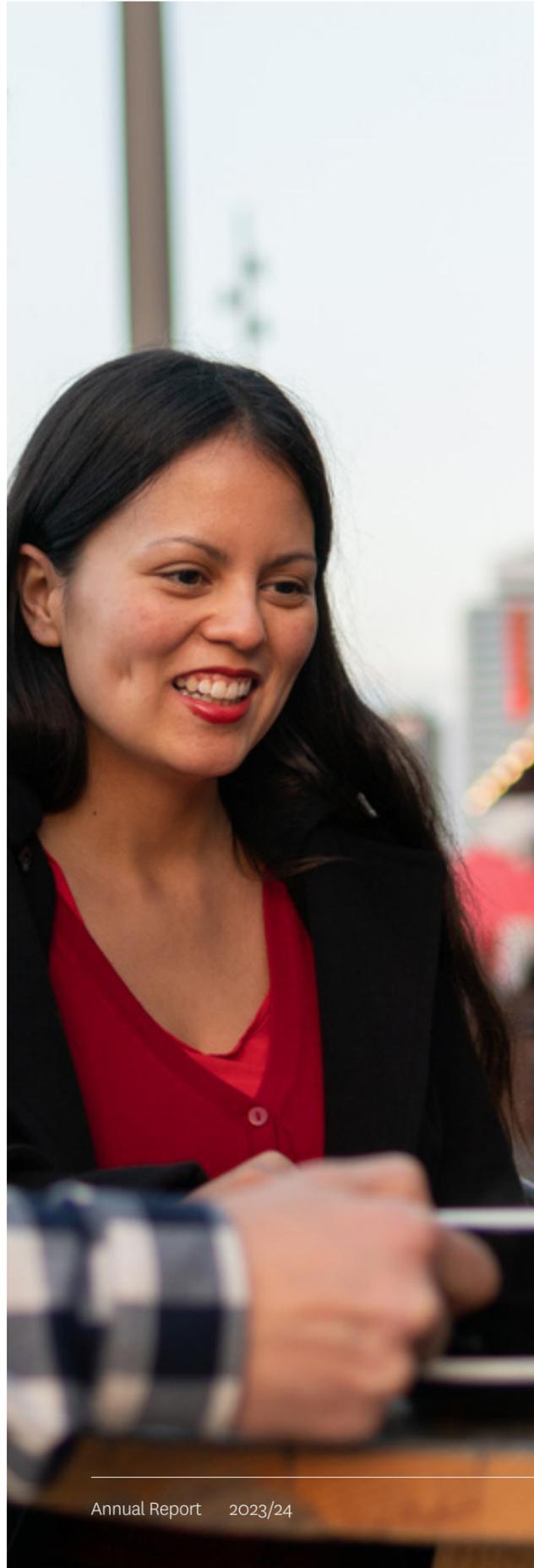


Hosting a localism briefing for new National Party MPs to bring them up to speed on what localism means, why taking a place-based approach works well and how councils can enable the delivery of government policy if the system is set up right.



Taking steps to set up a network of former members of local government who are now MPs – and who understand and can champion local government’s interests inside the Beehive. This kicked off with an informal pizza and drinks night.





**// 2. Establishing stronger Te Tiriti-based partnerships with Iwi Māori**

Our Elected Members Census identified an increase in Māori elected members from 13.5% in the previous triennium to 22.6% this triennium.

For the first time, LGNZ was officially represented at Waitangi in 2024, marking a step change in our approach to strengthening partnerships with Māori as well as providing valuable opportunities for political engagement. We hosted a panel discussion on local government’s role in honouring Te Tiriti that 100 people attended. Media coverage outlined our position on Māori wards and constituencies, which is based on treating Māori wards and constituencies the same as all other wards and constituencies.

LGNZ has appointed a Kaitohutohu Matua Māori (Principal Advisor Māori), who started in February and will lead our Te Ao Māori approach and support increased cultural capability of staff.

**Te Maruata**

Te Maruata held a whānui hui in Ōtautahi as part of SuperLocal23, with over 70 Māori elected and appointed members and other key stakeholders attending. A key focus for the hui was what the Rōpū Whakahaere should prioritise over this triennium to support its members. A key issue for Te Maruata is strong advocacy on Māori wards and constituencies, and protecting those wards and constituencies that are already in place.

Te Maruata kicked off a support programme for Māori elected members, Te Āhuru Mōwai – A Safe Haven. This is a tuakana-teina support programme to provide a culturally safe and confident space for Māori elected members to support and learn from each other through whanaungatanga and monthly online wānanga.

Te Maruata also continued to hold monthly wānanga for members. These are well-attended and provide a good opportunity for people to share experience and advice.

**// 3. Campaigning for greater local decision-making and localism**

**Choose Localism**

At SuperLocal in July, we launched Choose Localism – our campaign to breathe new life into localism. Choose Localism is about evolving localism away from simply a critique of central government towards self-determination. Localism is the opposite of centralisation; it moves decisions and delivery closer to communities, when that makes sense. Localism is LGNZ’s guiding principle and underpins all our work. It means creating long-term behaviour change at both central government and local government levels.

As part of the campaign, we released a toolkit for members to use when they’re meeting with local MPs so that they could champion localism and galvanise central politicians behind the movement. We also published a range of case studies of localism in action.

**The Future by Local Government**

Part of this work was creating a strong position on the ideas in the Future for Local Government report, to drive future advocacy. We called this process Future by Local Government and it was characterised by intensive engagement with members. This was led by an Advisory Group and included in-person workshops in September and November 2023 as well as online engagement. We shared all of the data and outputs from the events back with members. The engagement generated a draft position that was voted on at a Special General Meeting in December 2023.

These were the final results:

Section 1 – Build a new system of government that’s fit for purpose.

**93.6% in favour**, 6.4% against; 0% abstain.



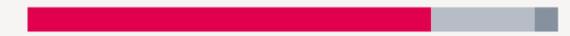
Section 2 – Rebalance the country’s tax take between central and local government.

**98.0% in favour**, 2.0% against; 0% abstain.



Section 3 – Create stronger, more authentic relationships between local government and iwi, hapū and Māori.

**76.1% in favour**, 19.5% against; 4.4% abstain.



Section 4 – Align central, regional and local government priorities.

**93.6% in favour**, 6.4% against; 0% abstain.



Section 5 – Strengthen local democracy and leadership.

**89.4% in favour**; 10.6% against; 0% abstain.



The package approved at the SGM was the start of a long-term platform for advocacy that goes beyond this current government (and the next too).

In early 2023, we [shared with members](#) what we would advocate for now, the work that local government can collectively start doing to shift towards a new future, and the things that will be longer-term advocacy priorities – including ones we might engage with future governments on.

**// 4. Ramping up our work on climate change**

During this year we engaged with members and other key stakeholders to understand how LGNZ's climate change work can deliver the most value to local government (and communities). These conversations also helped us understand the action councils are taking to adapt to and mitigate the impacts of climate change.

We had hoped that the previous government would introduce a Climate Adaptation Bill before the 2023 General Election, and were disappointed that didn't happen. Through our involvement with the Resource Management Reform Local Government Steering Group, we continued to emphasise the need for an enduring adaptation framework that clarified roles and responsibilities, including for funding adaptation action.

The inquiry into community-led retreat and climate adaptation funding kicked off by the previous Environment Select Committee was strongly supported across the House. Our submission stressed the importance of an enduring framework for climate adaptation and retreat that has cross-party support. We encouraged the new Government to continue with both the inquiry and climate adaptation work.

We submitted on the first round of consultation on a strategy to strengthen the resilience of critical infrastructure in Aotearoa New Zealand. With the impacts of climate change being increasingly felt around the country, it's clear that critical infrastructure such as roads and water treatment plants are not capable of withstanding more intense and frequent extreme weather events. We have continued to engage with DPMC to ensure that local government's needs are at the forefront of work it's doing on critical infrastructure.

In late 2023, we worked with Whakatāne District Council, Northland Regional Council, the Aotearoa Climate Adaptation Network (ACAN) and Beca to produce guidance that sets out climate change legislative requirements and reforms that councils should think about when preparing their LTPs. This guidance is a living document and will be updated to reflect the new Government's emerging policy and legislative reform programme.

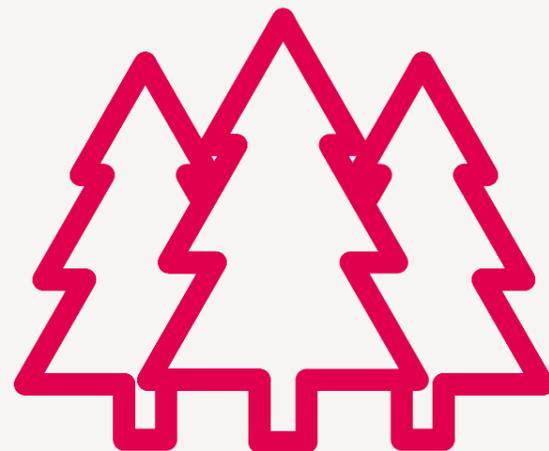
**Cyclone recovery**

We engaged with the Department of Internal Affairs on response and recovery to early 2023's severe weather events, including regulatory relief. As a result, an Order in Council enabled three-year plans instead of LTPs for eight of the most affected councils.

We also supported councils in Tairāwhiti and Hawke's Bay as they engaged in the voluntary buyout of category 3 land or residential use rights. We engaged Simpson Grierson to provide legal advice on the powers councils have available to make buyout offers, the risk of challenge, and options for clarifying powers and reducing risk. This advice made it clear that to achieve greater certainty and minimise the risk of legal challenge for affected councils, either amendments to the existing legislation or a new bespoke framework are needed.

**Forestry slash inquiry**

We worked with the Joint Forestry Project (which encompasses 17 councils with an interest in forestry issues) to provide a submission to the Government's inquiry into forestry slash. While the inquiry was limited to Tairāwhiti and Wairoa, its recommendations have the potential to impact on other parts of the country. We also worked with Gisborne DC to raise concerns about their experience with the inquiry, emphasising the need to ensure other councils don't experience similar natural justice/process issues if they're the subject of a future inquiry.



**// 5. Delivering and building on our core work**

**Local government funding and financing**

We started a nationwide conversation about rates rises in December 2023, when it became obvious nearly every council would need to lift rates significantly. We generated coverage in all major media outlets that got New Zealanders talking about cost pressures on councils and the inadequate funding of local government, with over 100 media mentions over the next four months.

We commissioned Infometrics to identify what was driving up local government's costs, launching this research in March to members and the media. Councils used our data toolkit in their own engagement with media, on social media, and in their LTP consultation documents.

**Ratepayer Assistance Scheme**

The Ratepayer Assistance Scheme is a special purpose tool allowing ratepayers to finance any local authority charge on them. With balance sheet separation, and proximity to both local and central government, it would have a very high credit rating so provide the cheapest-possible financing terms to ratepayers. It could potentially finance:

- » Development contributions to enable housing development.
- » Costs associated with healthy homes, earthquake strengthening, home insulation and solar panel installation, and water separation and storage.
- » Rates postponement for ratepayers experiencing affordability pressures.

A detailed business case supporting the RAS' viability was completed with the support of Auckland, Hamilton, Tauranga, Wellington, Christchurch councils, alongside the Local Government Funding Authority and LGNZ. With Auckland and Tauranga confirming their financial commitment to establishing the RAS, we are seeking the Government's support to enact the relevant legislation, before securing commitment from other councils.



**City and regional deals**

The Coalition Government strongly signalled interest in long-term city and regional deals as a way to partner with local government to create pipelines of regional projects. In late 2023, we commissioned Linda Meade, Director at Kalimena Advisory, to provide insight into the international experience around city and regional deals, and how this might be applied in the New Zealand context. This paper was shared widely with members and set out the key elements of city and regional deals, different options used in the United Kingdom and Australia, and takeaways for designing a city and regional deals framework for New Zealand. We also started pulling together an LGNZ thinkpiece to highlight how city and regional deals could support better alignment between central and local government – designed to influence the framework the Government was developing.

**Water services reform**

Before the election, the Labour Government introduced legislation to enact its reform, and our submissions focused on critiquing the legislation to make it work as well for local government as possible.

After the Coalition Government repealed that legislation, LGNZ successfully advocated for more time and flexibility around LTPs given the changes to water reform. This meant councils could choose between an additional three months to adopt their LTPs, the ability to forgo the audit of the consultation document, and to reduce consultation requirements on subsequent amendments. Alternatively, councils could defer development of their LTP for 12 months if they produced an enhanced Annual Plan.

**Transport**

In August 2023, the Labour Government released its draft GPS Land Transport and we developed a submission with strong input from members. At the same time, we launched our Position Statement on Transport, which had been developed in consultation with members. The position statement outlines our policy transport objectives:

- » A strategic, long-term approach to planning that joins up central and local government decision-making to address maintenance and climate adaptation needs.
- » Sufficient, long-term transport investment that prioritises resilience building, safety and better asset management across both new developments as well as maintenance and renewals.
- » Integrated transport and freight networks that support placemaking by connecting our rural communities, towns and cities and making them great places to live and work.
- » A transport network that can adapt to the future climate and prioritise decarbonisation.

In late 2023, we stood up the LGNZ Transport Forum, which includes a mix of National Council spokespeople and other representatives chaired by Mayor Neil Holdom.

The Forum supported the development in early 2024 of LGNZ’s submission on the new Government’s draft Government Policy Statement on Land Transport.

**Resource management**

Like our member councils, we submitted on Labour Government’s voluminous Natural and Built Environments and Spatial Planning Bills, which were enacted before the election. We advocated for strengthening local voice in the system and the need for more funding/resourcing to support local government through transition and implementation. We also supported the RM Reform Local Government Steering Group, which achieved the inclusion of mechanisms to ensure local input into regional planning decisions.

The Coalition Government repealed this legislation. We’ve been engaging with the Minister Responsible for RMA Reform, including encouraging him to think about how he engages with local government as he thinks about what a future resource management system looks like.

Together with Taituarā and Te Uru Kahika, we submitted on the new fast-track consenting regime that was introduced to the House in early March. The Government also worked at pace to make a number of changes to the NPS-Freshwater Management and we monitored these changes closely along with Te Uru Kahika.

**Freedom camping**

Following the introduction of the Self-contained Motor Vehicles Legislation Act, we worked with Simpson Grierson, the New Zealand Motor Caravan Association, MBIE and Taituarā to review and update our model bylaw for freedom camping, and also the good practice guide for councils and tourism operators.





**Research and good-practice guidance**

We developed or updated the following reports and guidance:

- » Local government voters 2022: This report shows the number of voters aged between 18 – 25 has grown significantly since 2001, with a big increase in the number of voters who placed their completed voting papers in a ballot or voting box (from 12% in 2016 to 28% in 2022).
- » The 2022-25 elected member census: Our triennial census of elected members looks at demographics of elected members and provides information on their priorities. There was a significant increase in the number of elected members who identify as Māori – and elected members are getting younger.
- » An elected members’ guide to representation reviews: This how-to guide strengthens elected members’ and citizens’ understanding of the representation review process.
- » Ombudsman’s report on workshops – update to standing orders guidance: In October 2023 the Ombudsman published a report “Open for Business” in which he was critical of the number of public excluded workshops held by councils. The report, while finding that there was no evidence that workshops were being used for making decisions, made several recommendations for improvements. We commissioned Simpson Grierson to review the recommendations and incorporate those that are relevant into LGNZ’s Guide to Standing Orders.

- » We updated our Guide to the LGNZ Standing Orders Templates. The updates provide councils with guidance on how to amend their standing orders to incorporate changes to the definition of a quorum (for those joining by audio visual means). They also provide guidance on the Ombudsman’s recent report on public access to workshops.
- » We started working with the Taituarā Democracy and Participation Working Group to fine tune our Standing Orders Template, with a focus on readability. The updated version will be available to councils in early 2025, giving plenty of time to be prepared ahead of the 2025 local body elections. The new template will also reflect legislative changes made since mid-2022 when the current template was drafted.
- » We completed a Guide to recruiting and managing chief executives. This is a comprehensive guide that includes relevant templates, such as a draft employment agreement, performance committee terms of reference, and guidance on performance management.

**Remits**

We’re continuing to make progress on remits – though as is always the case following a change of government, progress slowed while the new government bedded in. We are thinking carefully about how to build remits into our existing policy and advocacy work programmes to maximise limited resource across a wide number of issues.

**Media**

LGNZ’s proactive media strategy reaped results this year. When the former government released its Future for Local Government Report, we pushed stories highlighting the importance of system reform and this topic generated more than 80 stories, including editorial by third parties that we facilitated.

Our position on transport was well covered and Forum Chair Neil Holdom has been an active spokesperson. We diversified spokespeople during this year, including using Chairs to promote and highlight the leadership role Regional Councils are wanting to take in the climate and resilience space.

A large number of councils were affected by the fraudulent signing of consenting documents by engineer Jonathan Hall of Kodiak Consulting. Taupō District Council asked LGNZ to help support affected councils, which resulted in zoom meetings councils could attend and the development of a media plan with input from law firm Rice Speir.

Media proved a strong advocacy tool during the pre-election period when politicians were in the middle of campaigning. The post-election period, including when special votes came out and coalition talks were underway, was also a good opportunity to put local government issues into the political spotlight. This served dual purposes: informing political journalists about the challenges any government needs to address to ensure local government thrives; and firmly demonstrating to the incoming government that these need their attention or they risk not being able to deliver on their priorities.

As well as the rates rise work discussed above, another major piece of advocacy through media is four-year-terms for local government. Since he has been President, Sam has used every opportunity to talk about efficiencies from longer electoral terms.

**Member engagement**

Sam’s goal in his first year as President was to visit all councils, and from late 2023 onwards he and Susan embarked on an intensive period of regular travel. These visits are hugely valuable – and valued.

We concluded our long-running Leaders Zooms series in mid-2023, having hosted sessions including Raelene Castle on managing very public conflict and a mayors’ panel on managing emergencies in the week after Cyclone Gabrielle. We also hosted minor political parties including ACT and the Greens.

We achieved strong open rates for our fortnightly member email Keeping it Local, sometimes as high as 69%, which is outstanding by industry standards. As well as Keeping it Local, after Sam’s election we began a regular direct email from him to all elected members.

Our new website went live in December. It provides much more flexibility to showcase local government and all it has to offer our communities, as well as providing a home for resources, news and insights – and a powerful search function.

**Member events**

**Our SuperLocal conference in July 2023 was hugely successful, with over 800 attendees and very positive feedback.**

We also revamped the SuperLocal Awards, with new categories and criteria.

Instead of always holding separate sector meetings, in May 2023 we trialled a combined sector format, with all sectors together on Day 1 and individual sector meetings on Day 2. This was very successful and has been repeated in 2024.

### Support for elected members

In March 2023, we launched a mental health support service that offers free counselling (in person or online) plus online resources for all elected members.

We also continue to support our members with confidential advice and guidance.

### Ākona

Our professional development platform Ākona underwent massive changes during this financial year, thanks to feedback from the sector and our own strategy to deliver a quality learning experience to our members.

With support from the Ākona Advisory Group and governance groups from across the motu, we developed a bespoke capability framework. The framework provides a pathway to high performance for our members and a roadmap for us to guide the design and development of learning events.

We also moved to a new, more advanced technology platform that provides a more sophisticated, intuitive user experience. The platform also offers us the opportunity to 'ringfence' learning events to individuals, groups, regions and/or roles – something that will be invaluable as we prepare for Induction 2025. The platform also offers a new skills analysis tool that members can use to assess their skill levels against the capability framework, and be provided with recommended learning based on their results. This simple tool supports the easy navigation of the site and a way for members to track their skills growth.

On 3 April 2024, we gave all elected members access to Ākona, following National Council's decision that subscription should be rolled into the member fee. Since that time, there has been a steady flow of elected members engaging with the platform, with no less than 50 new logins every week. There's also been a steady flow of feedback, requests and questions from across local government.

Over the 2023/2024 year we developed and launched the following courses:

- » Health & safety and good governance
- » Chairing meetings
- » Asset Management
- » Designing and delivering great speeches
- » Conflicts of interest
- » Engaging with media
- » Engaging with Māori
- » Engaging with your community
- » LGOIMA
- » Financial Governance
- » Long Term Plan
- » Navigating Local Government meetings
- » Funding and Finance
- » Financial Stewardship
- » Council membership
- » Remuneration and tax for elected members
- » Te Reo Māori
- » Governance
- » What is Local Government?



Each course offers at least one multimedia module, at least one interactive Ako Hour, and a blend of infographics, templates, guides and downloadables, all designed to lift capability and confidence regardless of current skill levels. All courses have been created in response to requests from the sector and designed in conjunction with council staff, experienced elected members and/or renowned sector experts and consultants.

Many members have been directly involved in designing courses, for example:

- » Tararua District Council requested learning around Health & Safety and their Cr Scott Gilmore provided materials and invaluable feedback throughout the development of the course.
- » Queenstown Lakes District Council had developed an excellent LGOIMA resource and kindly allowed us to transform that resource into an Ākona module.
- » Mayor Janet Holborow and Cr Sophie Handford agreed to be filmed for the Chairing Meetings module, where they shared the KCDC approach to the topic.
- » Cr Dinnie Moeahu provided invaluable information and talent to the development of the Engaging with Māori module and an Ako hour that he hosted and which remains our most popular learning event to date.

A number of new course topics are currently in development and we will continue to base our development pathway on sector priorities.

Ako hours have continued to grow in popularity. The ability to interact with an expert host offers a deeper, more targeted learning experience for our members, along with the added bonus of learning alongside peers.

Over the past 12 months we have hosted Ako hours on:

- » Te Tiriti o Waitangi
- » Social media safety
- » Applied governance
- » Deliberative democracy
- » Pitfalls of pecuniary and non-pecuniary interests
- » The changing media environment

Given their popularity, we aim to run a minimum of 1 Ako hour a month.

The most popular Ākona courses have been:

- » Chairing meetings
- » Governance
- » Conflicts of interest
- » Asset management
- » LTP

The Capability Framework has also achieved a high level of engagement.

### CouncilMARK

The CouncilMARK programme is currently undergoing significant change, in response to council feedback. It will adopt a value-based approach that prioritises people, accountability, and transparency, and relaunch in 2024. The programme's renewed focus is squarely on continuous improvement.

### Libraries

Our Libraries Advisor continued to meet with libraries and councils around the country to promote the value that public libraries create for communities – and share the research that we commissioned on the role of libraries as vehicles for public service delivery. The New Zealand Libraries Partnership Programme funded a visit by the Libraries Advisor to public libraries in Australia last August, with best practice and insights from this trip shared with our councils and public libraries. The funding for this role came to an end in June 2024, and the project will wrap up with a report that will outline all the key trends identified and findings made across the three years.

**Young Elected Members**

Our Young Elected Members had a successful hui pre-conference in July 2023, with just under 40 attendees meeting for the first time in person since the 2022 local body elections.

The annual YEM hui was held in late 2023 in Waitangi, with the theme "Anga whakamua: Setting our collective course in the birthplace of Aotearoa". The YEM Committee, LGNZ and Far North District Council delivered a very successful three-day hui for around 50 YEM that included a range of panel discussions, workshops, keynote speakers, a tour of the Waitangi Treaty Grounds and visits to other culturally significant sites in the Far North. The programme content included developing the YEM Strategy and Kaupapa, effective leadership and looking after your health and wellbeing as a leader, how to effectively engage with the media and building cultural confidence and understanding. Creative New Zealand sponsored the event, which helped to keep costs down and enabled a panel session that focused on how councils can invest in arts and culture in their long-term plans to support wider economic, social and cultural wellbeing outcomes for their communities.

**CBEC**

The new Community Boards Executive Committee (CBEC) includes several members new to local government. CBEC has planned the Community Boards Conference, which will be held as part of SuperLocal 2024, and surveyed community board members to understand their experience, needs and opportunities in order to better support them. CBEC has also commissioned legal advice on the need for community board declarations, and begun working with the Remuneration Authority to improve the basis on which community board remuneration is set.

**Mayors Taskforce for Jobs**

Mayors' Taskforce for Jobs (MTFJ) Governance Group, supported by LGNZ, refreshed its five-year strategic plan, supported by insights research by TRA. The plan reconfirmed the focus of the MTFJ kaupapa firmly on rangatahi, particularly those youth who are NEET (Not in Employment, Education or Training). The Impact Lab Social Return on Investment review resulted in the very credible finding of \$5.60 return for every \$1.00 spent, alongside strong commentary on other positive key social accountability metrics.

The evidence from both pieces of research, alongside MTFJ's own data and analysis, underpin MTFJ's and our engagement with the Government to strengthen existing funding arrangements and explore new opportunities.

In late February MTFJ hosted a very successful national gathering of 80+ MTFJ coordinators, key council staff and MSD colleagues in Wellington.

**Te Uru Kahika and the LGNZ Regional Sector**

Our Regional Sector and Te Uru Kahika share three priorities: climate resilience, resource management system, Te Ao Māori. The new government's reform agenda in freshwater, water services regulation and transport are also priorities for engagement. Our team is meeting regularly with Te Uru Kahika to ensure we are joined up in our support for the Regional Sector. We continue to work together closely on submissions and engagement on central government reforms; for example, on submissions on the inquiry into community-led retreat and the proposed National Policy Statement for Natural Hazard Decision-making. We've also worked closely with Te Uru Kahika on resource management reform.



**Streetlight Profiles**

Our Electricity Authority-approved Streetlight Light Profiles when applied by councils will generate significant savings on the energy consumed by LED dimmable streetlights. Auckland have successfully installed the profiles and are realising significant savings. We are in discussion with a number of councils who will also benefit.

Without this innovative new profile, some councils that have upgraded their streetlights to include a centralised dimming function may find themselves stymied by Electricity Authority rules that deem them non-compliant. This could lead to penalties being passed on by suppliers, or even their suppliers opting out of offering dimmable streetlighting.

We started working on the Streetlight profiles nearly five years ago. It's a really complex piece of work that's involved experts and multiple attempts to get approval. Many other organisations had tried and failed before we were successful.

It is estimated that the profiles will save Auckland Transport up to \$1.1m in energy savings, whereas some smaller energy consumers, like Palmerston North City Council, will have savings in the region of \$18k per year. This will be for the life of the streetlights (usually 25 years) and does not include the carbon savings councils will be able to generate. We have just completed our implementation with Auckland Transport and are working with Christchurch, Wellington and Tauranga for the next implementations.

**Moata Carbon Portal**

We partnered with Mott MacDonald in 2021 to bring the Moata carbon portal to New Zealand. This is a tool that allows embedded (capital) carbon to be measured and monitored across any capital works programme. It enables councils to account for and reduce carbon emissions generated from water, transport and infrastructure (vertical and horizontal) projects. We have seen spreadsheets being used to do this that quickly become out of date, with emissions factors varying. The portal allows councils to make real-time decisions that can shape their future carbon emissions and make greener infrastructure choices. The added benefit is that all the models developed in the portal are shareable with other councils and industry players.

Queenstown Lakes and Tauranga have both completed carbon baselines with Mott MacDonald and we presented the results to QLDC in September. The QLDC baseline is the first carbon baseline that we are aware of in New Zealand that covers all business activities/groups across their entire long-term plan. Tauranga's baseline covered their water services only, with discussion ongoing about including transport next.

Our subscribers now include Auckland Water Care, Tauranga, Napier, Wellington Water and Queenstown Lakes. We are also having conversations with New Plymouth and Nelson councils.

ANNUAL REPORT 2023/24

# Financial statements

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## // Tātai

Local Government New Zealand (LGNZ)  
For the year ended 31 March 2024

**Nature of Business**

A membership organisation that represents local authorities in promoting the national interests of local government.

**Entity Name**

New Zealand Local Government Association Incorporated - Trading as Local Government New Zealand (LGNZ)

**Address**

Level 3  
3 Eva Street  
Te Aro  
Wellington 6011

**IRD Number**

049-455-479

**Incorporation Number**

374615

**Incorporation Date**

1 February 1988

**Status**

Registered Incorporated Society

**Chartered Accountant**

Grant Thornton New Zealand Limited

**Auditor**

Deloitte Limited (on behalf of the OAG)

**Banker**

ANZ Bank Limited

**Solicitor**

Simpson Grierson

## Consolidated Statement of Comprehensive Revenue and Expenses

// Tauākī Tōpū o te Moniwhiwhi me ngā Whakapaunga Whānui

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

	Notes	2024	2023
<b>REVENUE FROM EXCHANGE TRANSACTIONS</b>			
Annual Subscription Income		4,000,053	4,090,071
Annual Conference Income	5	1,233,399	1,044,136
CouncilMARK Assessment Income	6	23,500	58,460
EquiP Limited Partnership Income	11	1,515,506	1,821,945
Interest Income		175,191	97,573
Libraries Partnership Programme Funding	10	199,502	368,678
MTFJ Income		175,404	208,000
Pacific TA Income		86,500	346,000
Professional Development Income		114,848	352,028
Ratepayer Financing Scheme Income	8	73,927	217,953
Sundry Income		115,240	705
DIA Reform Funding	7	1,250,000	925,557
Vote 22 Funding		-	281,596
<b>Total Revenue from exchange transactions</b>		<b>8,963,070</b>	<b>9,812,702</b>
<b>Total Revenue</b>		<b>8,963,070</b>	<b>9,812,702</b>
<b>LESS DIRECT COSTS</b>			
Annual Conference Expenditure	5	908,599	783,455
Sector Events and Committee Expenditure		147,698	209,790
Communications Expenditure		16,958	66,214
CouncilMARK Expenditure	6	25,128	55,046
EquiP Limited Partnership Expenditure	11	1,468,349	1,822,298
Governance Expenditure		176,706	145,088
Libraries Partnership Programme Expenses	10	174,502	280,678
Pacific TA Expenditure		73,432	201,890
People Costs		3,263,530	2,943,745
Policy Expenditure		158,962	194,661
Ratepayer Financing Scheme Expenditure	8	73,927	217,953
DIA Reform Expenditure	7	955,686	1,021,558
Sector Engagement Projects	9	68,942	731,825
<b>Total Less Direct Costs</b>		<b>7,512,419</b>	<b>8,674,201</b>
<b>Gross Surplus</b>		<b>1,450,651</b>	<b>1,138,501</b>

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 26

	Notes	2024	2023
<b>LESS OPERATING EXPENSES</b>			
Accommodation/Occupancy		294,956	379,086
Advisory		92,729	81,928
Audit Fees Paid to Deloitte Limited		27,891	20,958
CouncilMARK LGNZ Contribution	6	121,924	189,001
Financial		206,351	24,108
Honoraria	23	154,945	125,674
Insurance		56,994	54,535
Information Technology		222,322	255,536
Library		35,821	35,369
Office		105,045	120,345
Other Expenses	12	133,920	252,547
Staff Expenses		256,045	177,133
<b>Total Less Operating Expenses</b>		<b>1,708,942</b>	<b>1,716,220</b>
<b>Total Expenses</b>		<b>9,221,361</b>	<b>10,390,421</b>
<b>Net (Deficit)/Surplus Before Tax</b>		<b>(258,291)</b>	<b>(577,719)</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>(258,291)</b>	<b>(577,719)</b>
<b>Total (Deficit)/Surplus Attributable to the Group</b>		<b>(258,291)</b>	<b>(577,719)</b>

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 27

## Consolidated Statement of Changes in Net Assets / Equity

// Tauākī Panonitanga o ngā Huarawa Tapeke

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

	2024	2023
<b>ACCUMULATED COMPREHENSIVE REVENUE AND EXPENSES</b>		
Opening Balance	2,146,312	2,448,299
<b>Comprehensive Revenue and Expenses</b>		
Surplus/(Deficit) for the Year	(258,291)	(577,719)
<b>Total Comprehensive Revenue and Expenses</b>	<b>(258,291)</b>	<b>(577,719)</b>
<b>Transfers</b>		
Transfers from (to) other Reserves	(612,955)	146,337
Transfers from Emerging Issues Reserve	-	129,395
<b>Total Transfers</b>	<b>(612,955)</b>	<b>275,732</b>
<b>Total Accumulated Comprehensive Revenue and Expenses</b>	<b>1,275,066</b>	<b>2,146,312</b>
<b>EMERGING ISSUES RESERVE</b>		
Opening Balance	370,605	500,000
Transfer to / (from) Accumulated Comprehensive Revenue and Expenses	-	(129,395)
<b>Total Emerging Issues Reserve</b>	<b>370,605</b>	<b>370,605</b>
<b>OTHER RESERVES</b>		
Opening Balance	1,243,204	1,389,541
Transfer (out) / in from Accumulated Comprehensive Revenue and Expenses	612,955	(146,337)
<b>Total Other Reserves</b>	<b>1,856,159</b>	<b>1,243,204</b>
<b>Total Equity</b>	<b>3,501,830</b>	<b>3,760,120</b>

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 28

## Consolidated Statement of Financial Position

// Tauākī Tūnga ā-Pūtea Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

	Notes	2024	2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	13	5,457,368	7,028,401
Receivables from Exchange Transactions	14	584,117	543,989
Income Tax Receivable		65,616	23,669
GST Receivable / (Payable)		236,606	297,473
Prepayments		136,709	76,435
<b>Total Current Assets</b>		<b>6,480,415</b>	<b>7,969,967</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	17	122,526	348,350
Intangibles	16	287,175	194,832
Work In Progress		-	2,844
Investments	15	1,475	1,475
<b>Total Non-Current Assets</b>		<b>411,176</b>	<b>547,501</b>
<b>Total Assets</b>		<b>6,891,591</b>	<b>8,517,468</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables from Exchange Transactions		714,090	944,125
Provision for Annual Leave		141,086	170,190
Fit-Out Loan	20	-	12,526
Community Board Executive Committee Levy		74,630	85,395
Lease Incentive	21	-	9,375
Mayors Taskforce for Jobs	18	1,953,432	2,388,315
Annual Conference Income in Advance		316,722	332,776
Pacific Technical Assistance Income in Advance	19	-	693,914
Ratepayer Financing Scheme Income in Advance	8	137,498	11,425
Libraries Partnership Income in Advance	10	52,304	109,307
<b>Total Current Liabilities</b>		<b>3,389,762</b>	<b>4,757,348</b>
<b>Total Liabilities</b>		<b>3,389,762</b>	<b>4,757,348</b>
<b>Net Assets</b>		<b>3,501,830</b>	<b>3,760,120</b>

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 29

	Notes	2024	2023
<b>NET ASSETS ATTRIBUTABLE TO THE OWNERS OF THE CONTROLLING ENTITY</b>			
Retained Earnings		1,275,066	2,146,312
Emerging Issues Reserve		370,605	370,605
Other Reserves		1,856,159	1,243,204
<b>Total Net Assets Attributable to the Owners of the Controlling Entity</b>		<b>3,501,830</b>	<b>3,760,120</b>

Signed By:



President

Date: **08 July 2024**



Chief Executive

Date: **08 July 2024**

## Consolidated Statement of Cashflows

// Tauākī Kapewhiti Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

	Notes	2024	2023
<b>CASHFLOW</b>			
<b>Cash from Operating Activities</b>			
<b>Cash was Provided from:</b>			
Receipts from Members & Stakeholders		8,095,971	9,246,249
Interest and Dividends Received		177,063	98,919
<b>Total Cash was Provided from:</b>		<b>8,273,034</b>	<b>9,345,168</b>
<b>Cash was Applied to:</b>			
Payments to Suppliers & Employees		(9,616,895)	(8,527,171)
RWT Paid		(41,947)	(14,910)
<b>Total Cash was Applied to:</b>		<b>(9,658,842)</b>	<b>(8,542,081)</b>
<b>Total Cash from Operating Activities</b>		<b>(1,385,808)</b>	<b>803,087</b>
<b>Cashflow from Investing Activities</b>			
<b>Cash was Provided from:</b>			
Proceeds from Maturity of Term Deposits		-	-
<b>Total Cash was Provided from:</b>		<b>-</b>	<b>-</b>
<b>Cash was Applied to:</b>			
Purchase of Property, Plant & Equipment		(172,699)	(178,957)
Purchase of Term Deposits		-	-
<b>Total Cash was Applied to:</b>		<b>(172,699)</b>	<b>(178,957)</b>
<b>Total Cashflow from Investing Activities</b>		<b>(172,699)</b>	<b>(178,957)</b>
<b>Cashflow from Financing Activities</b>			
<b>Cash was Applied to:</b>			
Repayment of Loans & Borrowings		(12,526)	(28,516)
<b>Total Cash was Applied to:</b>		<b>(12,526)</b>	<b>(28,516)</b>
<b>Total Cashflow from Financing Activities</b>		<b>(12,526)</b>	<b>(28,516)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,571,033)	595,614
Cash and Cash Equivalents at beginning of year		7,028,401	6,432,787
<b>Cash and Cash Equivalents</b>			
Bank and Cash		5,457,368	7,028,401
<b>Total Cash and Cash Equivalents</b>		<b>5,457,368</b>	<b>7,028,401</b>

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 30

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 31

## Notes to the Consolidated Financial Statements

### // Ngā kupu tīpoka mō ngā Tauāki Pūtea Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

#### 1. Reporting Entity

New Zealand Local Government Association Incorporated (trading as Local Government New Zealand (LGNZ)) is an incorporated society registered under the Incorporated Society Act 1908.

The Consolidated Financial Statements of Local Government New Zealand includes EquiP Limited Partnership ("the Group"). Local Government New Zealand and EquiP GP Limited are the partners of EquiP Limited Partnership. EquiP GP Limited is owned 100% by Local Government New Zealand.

Local Government New Zealand is a membership organisation that represents local authorities in promoting the national interests of local government.

These consolidated financial statements have been approved and were authorised for issue by the National Council Members.

#### 2. Statement of Compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Public Sector entities. For the purposes of complying with NZ GAAP, the Group is a public benefit public sector entity and is eligible to apply Tier 2 Public Sector PBE IPSAS on the basis that it is not defined as large.

The Group has elected to report in accordance with Tier 2 Public Sector PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

#### 3. Summary of Accounting Policies

The significant accounting policies used in the preparation of these consolidated financial statements as set out below have been applied consistently to both years presented in these financial statements.

##### 3.1. Basis of Preparation

These consolidated financial statements have been prepared on the basis of historical cost, as modified by the fair value measurement of non-derivative financial instruments.

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

##### 3.2. Functional and Presentation Currency

The consolidated financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency.

##### 3.3. Basis of Consolidation

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 March reporting date.

All controlled entities are included in the financial statements of the Group.

##### 3.4. Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

###### Revenue from exchange transactions

###### Subscription Income

Subscriptions received in exchange for annual access to members' activities are invoiced in April for the year they relate to.

Where members purchase specific services (for example, attendance at the LGNZ Conference), revenue is initially recorded as revenue in advance, and then recognised when the service is performed/event occurs.

###### Government contract revenue

Revenue from government contracts relates to income received from the Ministry of Foreign Affairs and Trade and is provided as funding for services the Group provides relating to the Pacific.

The DIA Reform Funding is an agreement between LGNZ and the Department of Internal Affairs to enable LGNZ to support the Local Government Sector with the volume of reform the government was proposing, including Three Waters, Resource Management Reform, Future for Local Government, Emergency Management Reform.

Revenue is recognised in the period the services are provided.

###### Event revenue

Entrance fees for functions and events are recorded as revenue when the function or event takes place.

###### Interest and dividend revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Dividend revenue is recognised when the dividend is received.

###### Other Revenue

All other revenue from exchange transactions is recognised when earned and is reported in the financial period to which it relates.

##### 3.5. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

###### Financial Liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, loans and borrowings and deferred revenue (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method.

**3.6. Cash and Cash Equivalents**

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**3.7. Short Term Investments**

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

**3.8. Property, Plant, Equipment and Depreciation**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a diminishing value or straight line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Computer Hardware	50% - 67%	Diminishing Value
Furniture and Fittings	10% - 40%	Diminishing Value & Straight Line
Leasehold Improvements	10% - 40%	Diminishing Value

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

**3.9. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful lives of intangible assets have been assessed as finite.

Intangible assets with finite lives are amortised on a diminishing value basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

The Group does not hold any intangible assets that have an indefinite life.

The amortisation periods for the Group's assets are as follows:

» Website	50%
» Computer Software	50%
» Governance Workshop	33%

**3.10. Leases**

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

*Lease Incentives*

The aggregate benefit of incentives as a reduction of rental expense over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern of the benefit from the use of the leased asset.

**3.11. Borrowing costs**

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**3.12. Employee Benefits**

**Wages, salaries, annual leave**

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

Employee benefits expected to be settled within twelve months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

**3.13. Income Tax**

Income tax comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Revenue and Expenses except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted at the reporting date.

A deferred tax asset is recognised when it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Group is only liable for income tax relating to non-member activities. Member income and associated expenditure is not liable for income tax. Income tax is payable on any services or goods provided to non-members and interest earned on investments.

**3.14. Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised exclusive of GST except for receivables and payables, which are stated with the amount of GST included.

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

**3.15. Equity**

Equity is the community’s interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

**Accumulated comprehensive revenue and expense**

Accumulated comprehensive revenue and expense is the Group’s accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

**Emerging Issues Reserve**

The National Council has approved creating a reserve for strategic matters. The reserve was initially \$500,000. The balance is currently \$370,605 (2023: \$370,605).

**Other Reserves**

The National Council have approved the creation of other reserves for:

Funding expected March 2024 deficits for LGNZ and Equip - \$1,130,783 (2023 deficits: \$478,480)

- » Operational / Potential Organisational ceasing - \$725,375 (2023: \$764,724)

**3.16. Operating lease commitments**

The Group has entered into a rental agreement in relation to their premises.

The Group has determined, based on an evaluation of the terms and conditions of the arrangement, such as the lease term not constituting a substantial portion of the economic life of the asset, that it does not retain all the significant risks and rewards of ownership of this property and accounts for the contract as an operating lease.

**4. Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the Group consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Income Tax Expense**

The Group has determined that the probability that future taxable profits will be available to be utilised is remote and no deferred tax asset is recognised.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

**Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- » The condition of the asset
- » The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- » The nature of the processes in which the asset is deployed
- » Availability of funding to replace the asset
- » Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Group are listed in Note 3.8 and 3.9.

**5. Annual Conference**

	<b>2024</b>	<b>2023</b>
Annual Conference Revenue	1,233,399	1,044,136
Annual Conference Expenditure	(908,599)	(783,455)
Staff Remuneration and Overheads	(267,266)	(180,092)
<b>Net Annual Conference Profit</b>	<b>57,534</b>	<b>80,589</b>

The figures shown are for the 2023 Conference held in July 2023.

Staff remuneration and overheads have been recorded in people costs in the Consolidated Statement of Comprehensive Revenue and Expenses. These relate to costs directly paid by Local Government New Zealand and part of its operations.

The 2024 Conference is scheduled to be held on 21 - 23 August 2024 and final income and expenditure will be recorded in the financial statements dated 31 March 2025. Income and expenses as at 31 March 2024 relating to this conference are recorded as income in advance and prepayments on the Consolidated Statement of Financial Position.

**6. CouncilMARK Programme**

	2024	2023
<b>CouncilMARK Assessment Income</b>		
CouncilMARK Assessment Income	23,500	58,460
<b>Total CouncilMARK Assessment Income</b>	<b>23,500</b>	<b>58,460</b>
<b>CouncilMARK Expenditure</b>		
CouncilMARK Assessment Disbursements	-	1,914
CouncilMARK Assessment Fees	(25,128)	(56,960)
<b>Total CouncilMARK Expenditure</b>	<b>(25,128)</b>	<b>(55,046)</b>
<b>CouncilMARK LGNZ Contribution</b>		
CouncilMARK Board Expenses	(77,202)	(101,000)
CouncilMark Development Costs	(43,674)	(41,246)
CouncilMark Travel Expenses	(1,047)	(46,291)
CouncilMARK Expenses Other	-	(464)
<b>Total CouncilMARK LGNZ Contribution</b>	<b>(121,924)</b>	<b>(189,001)</b>
<b>Total CouncilMARK Programme</b>	<b>(123,552)</b>	<b>(185,587)</b>

The CouncilMARK programme is designed to improve the public's knowledge of the work councils are doing in their communities and to support individual councils to further improve the value they provide to all New Zealanders.

The CouncilMARK Assessments incur a user pay fee which covers the cost of the assessment. It does not account for LGNZ time.

LGNZ contributed funds to set up the programme and continues to fund the programme manager, Board expenses and any development expenses to enhance the programme.

**7. DIA Reform Funding**

DIA Reform Funding of \$1,250,000 (2023: \$925,557) was received from the DIA in the 2024 year to support LGNZ's response to the Government's proposed Waters Services Reform programme and other major reform impacting Local Government. Funding was received in two separate instalments under the agreement with DIA. The agreement runs until June 2024 and the instalments received in the 2024 year are for the periods 01 January 2023 to 30 June 2023 and 01 July 2023 to 31 December 2023 respectively. Funding received is apportioned accordingly, based on when the expenses are incurred. There is a further instalment due to complete the contract and this will be received in the 2025 year.

As Central Government was reviewing its own position regarding the Three Waters Reform in the first quarter of 2023, there was uncertainty that the related costs incurred in January to March 2023 would be recovered from the DIA as not all the pre-conditions to the funding had been completed. Despite the uncertainty that existed at the end of 2023 the DIA were satisfied that the expenditure incurred between January and March 2023 was in line with the activity proposed and delivered by LGNZ. This and subsequent expenditure for the balance of the funding received in the 2024 year is summarised in the table below:

DIA Contract Period	Jan 23 - Jun 23	Jan 23 - Jun 23	Jul 23 - Dec 23
Actual LGNZ Financial Reporting Period	FY 2023 (Jan to Mar)	FY 2024 (Apr to Jun)	FY 2024 (Jul to Dec)
DIA Reform Funding	\$0	\$625,000	\$625,000
DIA Reform Expenditure	\$171,525	\$161,371	\$274,650 *
Related Staff Remuneration	\$122,789	\$169,315	\$350,350 *

\* The report for July to December 2023 has been received and approved by the DIA.

DIA Reform Expenditure of \$955,686 (2023: \$1,021,558) is made up of costs from Communications, Sector Events, Sector Engagement Projects and Staff Remuneration.

There was no expenditure for the January to March 2024 quarter due to the fact that the Three Waters legislation was set to be repealed in the new Government's 100 Day Action Plan and there was uncertainty over what would replace it and the level of future funding.

**8. Ratepayer Financing Scheme**

Ratepayer Financing Scheme Income \$73,927 (2023: \$217,953) is a funding tool that supports affordability of local authority charges by providing ratepayers with very attractive financing terms while keeping councils whole.

The revenue, which was funded by two councils in the 2024 year, is recognised as the costs are incurred, with the balance of the funds recorded as income in advance on the Statement of Financial Position. The income in advance balance of \$11,425 as at 31 March 2023 was recognised in 2024. The balance of funding received in the 2024 year of \$137,498 will be recognised in 2025 as we continue to advocate for its establishment.

In the 2024 financial year, total costs of \$73,927 (2023: \$217,953) were incurred relating to the Ratepayer Financing Scheme.

**9. Sector Engagement Projects**

Sector Engagement Projects are special purpose projects involving focused engagement with the sector and public for the benefit of the sector. In the 2024 year, projects included:

- » Choose Localism Campaign
- » Future by Local Government
- » Local Government/Central Government Relations
- » Development of Akona
- » Water Services Reform

In the 2024 financial year, total costs of \$68,942 (2023: \$731,825) were incurred relating to the Sector Engagement Projects.

**10. Libraries Partnership Programme**

The Libraries Partnership Programme (NZLPP) is funded by the DIA. In the 2024 year LGNZ used \$174,502 (2023: \$280,678) of total funding available of \$450,000 to cover the employment of a Libraries Advisor and associated costs for the period 01 November 2021 to 31 December 2023. The key objective of the Libraries Advisor is to promote the value of investing in public libraries to local government decision-makers, and to demonstrate the value that libraries contribute to communities' wellbeing. The revenue is recognised as the costs are incurred, with the balance of the funds \$52,304 (2023: \$109,307) recorded as income in advance on the Statement of Financial Position. Recognised as revenue in the 2024 year is \$25,000 (2023: \$88,000) (showing as surplus over expenses), being the management and administration costs of the programme.

**11. EquiP Limited Partnership**

EquiP LP is New Zealand Local Government Association Incorporated's Centre of Excellence and is a Limited Partnership and separate legal entity wholly owned by Local Government New Zealand. Its purpose is to deliver tailored services, best practice guidance, business solutions, government and management support to strengthen the local government sector.

**EquiP Limited Partnership Income**

	2024	2023
Consultancy Services Income	1,513,634	1,820,599
Interest Received	1,872	1,346
<b>Total EquiP Limited Partnership Income</b>	<b>1,515,506</b>	<b>1,821,945</b>

**EquiP Limited Partnership Operating Expenses**

	2024	2023
Accountancy Fees	20,498	7,446
Audit Fees	19,092	17,885
IT Outsourcing	2,150	5,366
Staff Remuneration	175,653	376,540
Consultancy Services Costs	1,131,020	1,307,260
Other Operating Expenses	119,936	107,801
<b>Total EquiP Limited Partnership Operating Expenses</b>	<b>1,468,349</b>	<b>1,822,298</b>

**12. Other Expenses**

	2024	2023
Emerging Issues	-	129,395
Depreciation/Amortisation	123,920	123,152
The Aotearoa Circle	10,000	-
<b>Total Other Expenses</b>	<b>133,920</b>	<b>252,547</b>

**13. Cash and Cash Equivalents**

	2024	2023
<b>Cash and Cash Equivalents</b>		
Bank	3,503,935	3,907,589
Monies held for Mayors Taskforce For Jobs	1,953,432	2,388,315
Pacific Technical Assistance Bank Account	-	731,797
Petty Cash	-	700
<b>Total Cash and Cash Equivalents</b>	<b>5,457,368</b>	<b>7,028,401</b>

**14. Receivables from Exchange Transactions**

	2024	2023
Annual Conference Debtors	352,475	285,590
Pacific Technical Assistance Debtors	-	9,216
Sundry Debtors	231,642	249,183
<b>Total Receivables from Exchange Transactions</b>	<b>584,117</b>	<b>543,989</b>

**15. Investments**

	2024	2023
Paintings/Artwork	1,475	1,475
<b>Total Investments</b>	<b>1,475</b>	<b>1,475</b>

**16. Intangibles**

	2024	2023
<b>Computer Software</b>		
Computer Software at Cost	494,695	337,039
Less Accumulated Amortisation	(247,715)	(193,799)
<b>Total Computer Software</b>	<b>246,980</b>	<b>143,240</b>
<b>Governance Workshop</b>		
Governance Workshop at Cost	415	415
Less Accumulated Amortisation	(415)	(415)
<b>Total Governance Workshop</b>	<b>-</b>	<b>-</b>
<b>Other Intangible Assets</b>		
Other Intangible Assets at Costs	71,044	71,044
Less Accumulated Amortisation	(30,849)	(19,452)
<b>Total Other Intangible Assets</b>	<b>40,195</b>	<b>51,592</b>
<b>Total Intangibles</b>	<b>287,175</b>	<b>194,832</b>

Reconciliation of the carrying amount at the beginning and the end of the period:

	2024	2023
<b>Intangibles Reconciliation</b>		
<b>Computer Software</b>		
Opening Balance	143,240	22,611
Additions	157,656	131,935
Disposals	-	-
LGNZ Amortisation	(53,885)	(11,242)
Equip Amortisation	(31)	(63)
<b>Total Computer Software</b>	<b>246,980</b>	<b>143,240</b>
<b>Other Intangible Assets</b>		
Opening	51,592	67,979
Additions	-	-
LGNZ Amortisation	(2,785)	(4,180)
Equip Amortisation	(8,612)	(12,207)
<b>Total Other Intangible Assets</b>	<b>40,195</b>	<b>51,592</b>
<b>Total Intangibles</b>	<b>287,175</b>	<b>194,832</b>

**17. Property, Plant and Equipment**

	2024	2023
<b>Furniture &amp; Fittings</b>		
Furniture & Fittings at Cost	669,757	668,652
Less Accumulated Depreciation	(547,231)	(495,992)
<b>Total Furniture &amp; Fittings</b>	<b>122,526</b>	<b>172,660</b>
<b>Leasehold Improvements</b>		
Leasehold Improvements at Cost	-	410,143
Less Accumulated Depreciation	-	(234,453)
<b>Total Leasehold Improvements</b>	<b>-</b>	<b>175,690</b>
<b>Total Property, Plant and Equipment</b>	<b>122,526</b>	<b>348,350</b>

Reconciliation of the carrying amount at the beginning and end of the period:

	2024	2023
<b>Property, Plant and Equipment Reconciliation</b>		
<b>Furniture and fittings</b>		
Opening Balance	172,660	202,235
Additions	15,964	49,139
Disposals	(14,859)	(2,958)
LGNZ Depreciation	(50,746)	(74,368)
Equip Depreciation	(494)	(1,388)
<b>Total Furniture and fittings</b>	<b>122,526</b>	<b>172,660</b>
<b>Leasehold Improvements</b>		
Opening Balance	175,690	195,395
Additions	-	-
Disposals	(168,325)	-
LGNZ Depreciation	(7,365)	(19,705)
<b>Total Leasehold Improvements</b>	<b>-</b>	<b>175,690</b>
<b>Total Property, plant and equipment</b>	<b>122,526</b>	<b>348,350</b>

**18. Mayors Taskforce For Jobs**

The Mayors Taskforce For Jobs ("the MTFJ") is separately funded and Local Government New Zealand provides management and administration services. All receipts of income and payment of expenses and grants, although separately accounted for via the MTFJ fund, are recorded through Local Government New Zealand's bank account.

For the purpose of these consolidated financial statements the monies held on behalf of the MTFJ are recorded separately within cash and cash equivalents, see note 16, in the Consolidated Statement of Financial Position along with the corresponding liability.

MTFJ is grouped with LGNZ for GST purposes and LGNZ employs the Programme Manager and Programme Advisor.

In July 2023 LGNZ signed another contract to continue the successful partnership between MTFJ and the Ministry of Social Development to provide funding to rural councils to assist them in the creation of sustainable employment placements for youth in their respective communities. The programme was initiated as part of the last Government's Covid response and has continued in recent years. In the 2024 year the programme was renamed the Community Employment Programme (2023: The Community Resilience Programme). During the year The Ministry also agreed with MTFJ to provide an Initiative Fund to assist with new initiatives specifically aimed for communities not currently participating in the Community Employment Programme.

MTFJ activity is overseen and governed by the MTFJ Governance Group and Chairperson.

	2024	2023
<b>Mayors Taskforce for Jobs</b>		
Mayors Taskforce for Jobs	1,953,432	2,388,315
<b>Total Mayors Taskforce for Jobs</b>	<b>1,953,432</b>	<b>2,388,315</b>

**19. Pacific Technical Assistance**

The Pacific Technical Assistance Programme successfully completed its extended five year programme in June 2023. The agreement was between LGNZ and the Ministry of Foreign Affairs and Trade (MFAT) and started on 08 May 2017. It was set up to provide technical assistance to local government development in Pacific Island Countries, managed and administered by two dedicated full-time LGNZ staff members funded by the programme. Staff remuneration and programme operating expenses are recorded in PacificTA Expenditure in the Financial Statements. The programme continues but from 01 July 2023 a new contract was entered into between MFAT and Taituarā by agreement between LGNZ, MFAT and Taituarā. The balance of the funds in the PacificTA bank account held by LGNZ was transferred to Taituarā in accordance with a signed agreement from MFAT.

	2024	2023
<b>Opening Balance</b>	<b>\$693,913</b>	<b>\$1,087,723</b>
Funds Received	\$Nil	\$609,000
<b>Total Funds Received</b>	<b>\$693,913</b>	<b>\$1,696,723</b>
<b>Funds Used</b>		
LGNZ Assistance	\$86,500	\$346,000
Business Case	\$1,859	\$38,884
Cook Islands	\$5,593	\$141,164
Fiji	\$40,872	\$179,714
Solomon Islands	\$49,833	\$59,311
Kiribati	\$11,777	\$0
Vanuatu	\$20,800	\$237,737
Transfer to Taituara	\$476,679	\$0
<b>Total Funds Used</b>	<b>\$693,913</b>	<b>\$1,002,810</b>
<b>Closing Balance</b>	<b>\$Nil</b>	<b>\$693,913</b>

**20. Loans**

	2024	2023
<b>Current Portion of Loans</b>		
Current Portion of Fit-Out Robt. Jones Holdings Limited	-	12,526
<b>Total Current Portion of Loans</b>	<b>-</b>	<b>12,526</b>
<b>Total Loans</b>	<b>-</b>	<b>12,526</b>

The landlord agreed to fund Local Government New Zealand's Fit-out to the amount of \$200,000. This has been funded by a loan advance to Local Government New Zealand, which is then repaid over the initial lease term of 9 years at an interest rate of 7.5% per annum. The lease expired in August 2023 and the loan was repaid. The lease was not renewed and LGNZ moved their office to 3 Eva Street, Wellington.

**21. Lease Incentive**

	2024	2023
Lease Incentive	-	9,375
<b>Total Lease Incentive</b>	<b>-</b>	<b>9,375</b>

Local Government New Zealand recorded a lease incentive liability for the rent free period of nine months, and allocated this rent free period over the term of the lease, via a reduction in the annual rental expenses. The final instalment of the lease incentive liability was applied at the end of the lease in August 2023.

**22. Leases**

At the reporting date, the Group has entered into the following non-cancellable operating leases:

	2024	2023
<b>Leases</b>		
No later than one year	75,500	131,978
Later than one year and no later than five years	-	-
Later than five years	-	-
<b>Total Leases</b>	<b>75,500</b>	<b>131,978</b>

**23. Related Parties****Equip Limited Partnership**

Local Government New Zealand received Accommodation fees of \$0 (2023: \$ 3,521) and Services Agreement fees of \$11,680 (2023: \$ 11,680) from Equip Limited Partnership.

There is net \$13,542 outstanding to/(from) Equip Limited Partnership at balance date (2023: (\$ 2,441)). These transactions are eliminated on consolidation.

**The Mayors Taskforce for Jobs**

The Mayors Taskforce for jobs ("the MTFJ") is a related party, as there is member commonality with the MTFJ Board and the National Council.

Management Fees of \$175,404 (2023: \$ 208,000) were paid from MTFJ.

**Key Management Personnel**

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosure, are the members of the governing body being the Chief Executive, two Deputy Chief Executives, Director of Advocacy and two managers in Equip. No remuneration is paid to members of the Board. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2024	2023
<b>Key Management Remuneration</b>		
Total Remuneration	1,161,092	1,234,839
Number of full-time equivalents	5	5

**Honoraria**

Honoraria of \$98,568 (2023: \$98,568) and \$29,570 (2023: \$ 27,106) were paid to the President and Vice President respectively during the year ended 31 March 2024. Honoraria of \$12,000 (2023: \$7,000) was also paid to Te Maruata Chairs, \$9,306 to YEM Chairs (2023: \$5,500) and \$5,500 to CBEC Chairs (2023: \$Nil).

No other monetary remuneration was paid to members of the National Council for their services.

**24. Categories of Financial Assets and Liabilities**

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

**Financial Assets**

	2024	2023
<b>Financial Assets measured at Amortised Cost</b>		
Cash and Cash Equivalents	5,457,368	7,028,401
Accounts Receivable	584,117	543,989
<b>Total Financial Assets measured at Amortised Cost</b>	<b>6,041,485</b>	<b>7,572,390</b>

**Financial Liabilities measured at Amortised Cost**

	2024	2023
Accounts Payable	714,090	944,125
Loans and borrowings	-	12,526
<b>Total Financial Liabilities measured at Amortised Cost</b>	<b>714,090</b>	<b>956,651</b>

**25. Income Tax Expense**

	2024	2023
<b>Components of tax expense</b>		
Adjustments to current tax in prior years	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>
<b>Relationship between tax expense and accounting surplus</b>		
Surplus before tax	(258,291)	(577,719)
<b>Tax at 28%</b>	<b>(72,321)</b>	<b>(161,761)</b>
<b>Plus / (less) tax effect of:</b>		
Non-deductible expenditure	1,244,081	1,269,652
Non-taxable revenue	(1,470,015)	(1,404,376)
Deferred tax not recorded	298,256	296,485
<b>Tax expense</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets / (liabilities)</b>		
Opening balance	-	-
Charged to surplus or deficit	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

Income Tax Receivable on the Consolidated Statement of Financial Position refers to Resident Withholding Tax receivable at balance date. Local Government New Zealand has tax losses available to offset against future taxable income of \$11,210,102 (2023: \$10,125,903). Tax losses are subject to Inland Revenue confirmation.

No deferred tax asset has been recognised for an amount of \$3,138,828 (2023: \$ 2,968,722) due to uncertainty that Local Government New Zealand will report taxable profits in the future to offset against accumulated tax losses.

**26. Capital Commitments**

There are no capital commitments at the reporting date (2023: \$nil).

**27. Contingent Assets and Liabilities**

There are no contingent assets or liabilities at the reporting date (2023: \$nil).

**28. Events after the Reporting Date**

There are no subsequent events after balance date that require disclosure.



**INDEPENDENT AUDITOR'S REPORT**

**TO THE READERS OF NEW ZEALAND LOCAL GOVERNMENT ASSOCIATION INCORPORATED'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

The Auditor-General is the auditor of New Zealand Local Government Association Incorporated (the 'Association'). The Auditor-General has appointed me, Pam Thompson, using the staff and resources of Deloitte Limited, to carry out the audit of the consolidated financial statements of the Association on his behalf.

**Opinion**

We have audited the consolidated financial statements of the Association on pages 4 to 24, that comprise the consolidated statement of financial position as at 31 March 2024, the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include accounting policies and other explanatory information.

In our opinion, the consolidated financial statements of the Association:

- present fairly, in all material respects:
  - its financial position as at 31 March 2024; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards (Reduced Disclosure Regime).

Our audit was completed on 8 July 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the National Council and our responsibilities relating to the consolidated financial statements, we comment on other information and we explain our independence.

**Basis for our opinion**

We carried out our audit 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. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of the National Council for the consolidated financial statements**

The National Council is responsible on behalf of the Association for preparing consolidated financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The National Council is responsible for such internal control as it determines is necessary to enable it to prepare consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the National Council is responsible, on behalf of the Association, for assessing the Association's ability to continue as a going concern. The National Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the National Council intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The National Council's responsibilities arise from the Incorporated Societies Act 1908.

# Deloitte.

## Responsibilities of the auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these consolidated financial statements.

We did not evaluate the security and controls over the electronic publication of the consolidated financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risk of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the National Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the National Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## Other information

The National Council is responsible for the other information. The other information comprises the information included on page 3, but does not include the consolidated financial statements, and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

# Deloitte.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Association in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



Pam Thompson  
Deloitte Limited  
On behalf of the Auditor-General  
Wellington, New Zealand

# National Council and LT Kaunihera ā-Motu me te Rōpū Ārahi

## NATIONAL COUNCIL 2022-25 // KAUNIHERA Ā-MOTU



**Stuart Crosby**  
LGNZ President  
(July 2020 to July 2023)



**Sam Broughton**  
LGNZ President (from July 2023)  
Vice President, Provincial representative (December 2022 to July 2023)



**Campbell Barry**  
Vice President (from July 2023),  
Zone 4 representative



**Moko Tepania**  
Zone 1 representative



**Dan Gordon**  
Zone 5 representative



**Toby Adams**  
Zone 2 representative



**Tim Cadogan**  
Zone 6 representative



**Craig Little**  
Zone 3 representative



**Bonita Bigham**  
Te Maruata representative

**NATIONAL COUNCIL 2022-25**  
// KAUNIHERA Ā-MOTU



**Iaeon Cranwell**  
Te Maruata representative



**Rehette Stoltz**  
Regional sector representative



**Paula Southgate**  
Metro sector representative



**Alex Walker**  
Rural sector representative



**Tory Whanau**  
Metro sector representative



**Neil Holdom**  
Provincial representative (from July 2023)



**Phil Mauger**  
Metro sector representative



**Alex Crackett**  
Young Elected Members representative



**Rachel Keedwell**  
Regional sector representative

**LEADERSHIP TEAM**  
// RŌPU ĀRAHI



**Susan Freeman-Greene**  
Chief Executive



**Scott Necklen**  
Deputy Chief Executive



**Grace Hall**  
Director Policy and Advocacy



**Bridgit Sissons**  
Deputy Chief Executive (till December 2023)



**Amanda Wells**  
Director Member Engagement (from January 2024)



**Mereana Taungapeau**  
Kaitohutohu Matua Māori (Principal Advisor Māori Capability) (from February 2024)



**Ranjani Ponnuchetty**  
Chief Advisor (on parental leave from March 2024)



## 9.4 CHIEF EXECUTIVE OFFICER APPOINTMENTS

**File Number:** A6671395

**Author:** Robyn Garrett, Governance Manager

**Authoriser:** Rachael Davie, Deputy CEO/General Manager Strategy and Community

### EXECUTIVE SUMMARY

Following the resignation of its current Chief Executive Officer, Council has appointed an interim Chief Executive Officer with effect from 31 March 2025. Council has delegated to the interim Chief Executive Officer the responsibilities, duties and powers considered appropriate to delegate and legally capable of being delegated, effective from 31 March 2025 throughout the duration of her appointment, unless reviewed and amended earlier.

Council is also formally required to appoint the incoming interim Chief Executive Officer as Council's representative to Bay of Plenty Local Authority Shared Services Limited (BOPLASS), and as an Executive Board Member of Priority One.

### RECOMMENDATION

1. That the Governance Manager's report dated 18 March 2025 titled 'Chief Executive Officer Appointments' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council approves the appointment of the incoming interim Chief Executive Officer, Miriam Taris, as Council's representative to Bay of Plenty Local Authority Shared Services Limited.
4. That Council approves the appointment of the incoming interim Chief Executive Officer, Miriam Taris, as an Executive Board Member of Priority One.
5. That Council resolves that John Holyoake ceases being Chief Executive and Council's representative on Bay of Plenty Local Authority Shared Services Limited, Co-LAB and Executive Board Member of Priority One, effective 31 March 2025.

### BACKGROUND

1. Under the Local Government Act 2002, for the purposes of efficiency and effectiveness in the conduct of a local authority's business, Council may delegate to the Chief Executive Officer any of its responsibilities, duties, or powers except those expressly excluded by statute.
2. At the Council meeting on 18 February 2025, Council appointed Miriam Taris as its interim Chief Executive Officer, with effect from 31 March 2025. As part of the

appointment, Council delegated various of its responsibilities, duties, or powers to the interim Chief Executive Officer. The Chief Executive Officer financial and non-financial delegations are outlined in **Attachment 1** titled 'Interim Chief Executive Officer Delegations 2025.'

3. The incoming interim Chief Executive Officer has been invited to hold the position of Council's representative to BOPLASS. The office of Chief Executive Officer also holds an Executive Board Member position on the board of Priority One.

### SIGNIFICANCE AND ENGAGEMENT

4. Under the Significance and Engagement Policy this decision is considered to be of low significance as it is consistent with requirements under the Local Government Act 2002 and established practice.

### STATUTORY COMPLIANCE

5. The Local Government Act 2002 allows Council to delegate any of its responsibilities, duties or powers to the Interim Chief Executive for the purposes of efficiency and effectiveness in the conduct of a local authority's business, except those expressly excluded by statute.

### ATTACHMENTS

1. **Interim Chief Executive Officer Delegations 2025**  

## Appendix A



### Delegations

#### Interim Chief Executive Officer (CEO)

##### Delegation

By separate resolution, the Council delegates to the Interim Chief Executive Officer (the Contractor), all of its responsibilities, duties and powers which are legally capable of being delegated, to act on any matter, subject to the Exclusions and Conditions set out in this delegation.

The delegation to the Interim Chief Executive Officer is a general one, and the Interim Chief Executive Officer may sub-delegate any of the responsibilities, duties or powers delegated to them, unless sub-delegation is not legally permitted or is expressly excluded or restricted in this delegation.

The Interim Chief Executive's Officer's general delegation is subject to the specific Exclusions and Conditions set out in this delegation and applies in addition to any more particular delegations made by resolution of the Council from time to time.

##### Purpose

This general delegation enables the Interim Chief Executive Officer to make the majority of the statutory and operational sub-delegations to officers.

All statutory and operational delegations that are not required to be made by a Council resolution, will be made (and subsequently varied or revoked as and when necessary) by the Interim Chief Executive by way of sub-delegation. The reason being that delegations made by the Interim Chief Executive are able to be varied more effectively and efficiently to respond to organisational, position title and legislative changes.

The Interim Chief Executive Officer will use their discretion when deciding whether or not to exercise the delegated authority in any particular case.

##### Interim Chief Executive Officer

The Interim Chief Executive Officer may sometimes be unavailable because of incapacity, absence or for some other reason. This general delegation to the Interim Chief Executive Officer also applies to the Deputy Chief Executive Officer, or any Acting Chief Executive Officer formally nominated as such by the Interim Chief Executive Officer, when acting in the capacity of the Interim Chief Executive Officer. Any temporary delegations must be documented and appropriately communicated.

**Schedule of Specific Delegations (noting that all values are excluding GST)**

<b>Financial Delegations</b>		
1.	≤\$10,000,000	One-off specific purchases under specific endorsement by Council.
2.	≤\$2,000,000	Expenditure against remuneration (including payroll) against prior approved/existing LTP and operating budgets.
3.	≤\$1,000,000	Expenditure against prior approved/existing LTP and operating budgets.
4.	≤\$200,000	Unbudgeted expenditure with Mayor's approval.
5.	≤\$100,000	Unbudgeted expenditure without Mayor's approval.
<b>Contractual</b>		
6.	≤\$1,000,000  Contractual commitments (per contract) for goods /services/works – <b>Budgeted</b>	Commitment no greater than \$1,000,000 if included in LTP, Annual Plan and Budget.  This limit also applies to all processes leading to the commitment e.g. Procurement Plans.
7.	>\$1,000,000  Contractual commitments (per contract) for goods/services/works – <b>Budgeted</b>	Contractual commitment (including payments) greater than \$1,000,000 if included in LTP, Annual Plan and Budget <b>and</b> specifically approved by Council.  This limit also applies to all processes leading to the commitment e.g. Procurement Plans.
8.	Contractual commitments (per contract) for goods/services/works ≤\$100,000 – <b>UnBudgeted</b>	Contractual commitments (per contract) of goods/services/works up to \$100,000 (Unbudgeted) <b>without</b> Mayor's approval.  This limit also applies to all processes leading to the commitment e.g. Procurement Plans.
9.	Contractual commitments (per contract) for goods/services/works ≤\$200,000 – <b>UnBudgeted</b>	Contractual commitments (per contract) of goods/services/works up to \$200,000 (Unbudgeted) <b>with</b> Mayor's approval.  This limit also applies to all processes leading to the commitment e.g. Procurement Plans.

10.	Contractual commitments (per contract) for goods/services/works >\$200,000 - <b>UnBudgeted</b>	Contractual commitments (per contract) of goods/services/works over \$200,000 (Unbudgeted) approved by Council.  This limit also applies to all processes leading to the commitment e.g. Procurement Plans.
11.	Dispensation from Procurement Policy (>\$100k)	Authorisation of all Procurement Plan dispensations for procurements over \$100,000.
<b>Operating and Finance Lease Commitments</b>		
12.	≤\$1,000,000 per annum commitment for up to three years	Finance Leases and Operating Leases (including rollovers/extensions) in accordance with Long Term Plan.
<b>Borrowing and Debt</b>		
13.	≤\$20,000,000 borrowing	Authorised to borrow up to and including \$20,000,000 with prior approval by Council. Borrowing must be in accordance with LTP and exercised with Chief Financial Officer.
14.	≤\$50,000	Debt write off – to a maximum of \$50,000 per debtor in one financial year in accordance with the LTP.
15.	>\$50,000	Write off debt over \$50,000 per debtor in one financial year with approval of Council provided the following occurs: <ul style="list-style-type: none"> <li>Interim Chief Executive Officer reports quarterly to the Committee a schedule of write-offs.</li> </ul>
16.	\$10,000 (per property per financial year)	Rates write off – cumulative to a maximum of \$250,000 in any one per year.
17.	\$50,000 per property per financial year	Rate Penalty write off – to maximum of \$50,000 per property per financial year. In addition the Interim Chief Executive Officer has the power to write off rates under s90A and s90B of LGA(rating) Act. This is a new section inserted 14 April 2021.
18.	\$10,000 per property per year	Write-off of debt owed to Council including penalties and charges.
<b>Asset Management</b>		
20.	≤\$20,000	Disposal of Operational Assets outside of LTP or annual plan and budget.

21.	≤\$20,000	Disposal of Assets - Non-Budgeted (based on net book value at time of disposal).
22.	≤\$500,000	Disposal of land related to roading as identified in Land Purchase Construction programme.
<b>Financial Management</b>		
23.	Adjusting interest rate risk profile	Must be in accordance with Council's Treasury Policy and exercised with Chief Financial Officer.
24.	Managing funding maturities	Must be in accordance with Council's Treasury Policy;
25.	Transferring stock and registering new debt securities	Must be in accordance with Council's Treasury Policy and exercised with Chief Financial Officer.
26.	Opening or closing bank accounts	Must be exercised with the Chief Financial Officer.
<b>Grants</b>		
27.	≤\$20,000 per project	Specified amount, provided total budget is not exceeded and in accordance with Community Grant policies.
<b>Property Delegations</b>		
28.	Grant of leases or licences of Council land	Term of lease or licence must be no more than 10 years.
29.	Renewal of leases or licences	Renewal term must not be significantly different to the term in lease or licence being renewed and must not exceed 10 years.
<b>Other delegations</b>		
30.	Powers and functions under Local Government (Rating) Act 2002	May not be sub-delegated, except for S90C of the LGRA which states the Chief Executive can delegate the powers they have under s90A and 90B.
31.	Powers and functions under Resource Management Act 1991	May not be sub-delegated, except for S90C of the LGRA which states the Chief Executive can delegate the powers they have under s90A and 90B.
32.	Resource Management Act 1991: authority to negotiate and settle appeals or other proceedings in the Environment Court or higher	Outcome must be reported back to Committee originating the decision

	courts and to sign consent orders	
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6. The exercise of the delegated authority is subject to:
- a) all applicable limitations, restrictions and conditions detailed in the full Council staff delegations register;
  - b) all applicable Council policies.



**10 INFORMATION FOR RECEIPT**

**11 RESOLUTION TO EXCLUDE THE PUBLIC**

**RESOLUTION TO EXCLUDE THE PUBLIC**

**RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting. The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under section 48 for the passing of this resolution</b>
11.1 - Affordable housing in Katikati	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7