

Thursday 12 June 2025, 8.30 am

The meeting will be held at Hato Hone St Johns, 35 Bowen Street, Feilding, and a video recording made available on www.mdc.govt.nz.

www.mdc.govt.nz

MEMBERSHIP

Chairperson

Councillor Stuart Campbell

Deputy Chairperson

Mr John Fowke

Members

Councillor Lara Blackmore Councillor Colin McFadzean Her Worship the Mayor, Helen Worboys Councillor Grant Hadfield Councillor Alison Short

TERMS OF REFERENCE

Purpose

To check and ensure continuity of business, enhance governance framework, risk management practices and the controls used to monitor Council's achievements.

Responsibilities

Analysing the financial reports in line with the Council's strategic direction and national accounting standards, including the following:

- a. long term planning including the financial strategy;
 - b. appropriateness of accounting policies;
 - c. annual report; and
 - d. internal report (monthly and/or quarterly)
- 2 Risk management and the system of internal controls:
 - a. setting the Council's appetite for risk;
 - b. understanding the key risk areas including likelihood and consequences;
 - c. effectiveness of internal controls; and
 - d. fraud risk and procurement risk.
- 3 External audit:
 - a. relationship with auditor;
 - b. understanding scope and engagement;
 - c. review significant audit findings /recommendations; and
 - d. monitor progress on recommendations.
- 4 Internal audit:
 - a. appointment and relationship with internal auditor;
 - b. scope of work; and
 - c. responses to internal audit recommendations.

Delegated Authority

Shoyalle

Committee delegated authority to act on all matters within its Terms of Reference (except those excluded by Clause 32(1) Schedule 7, Local Government Act 2002).

Quorum

Four members of the committee.

Shayne Harris
Chief Executive

ORDER OF BUSINESS

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1.	MEETI	NG OPENING	
2.	APOLO	OGIES	
	Recon	nmendation	
	That t	he apology from Cr Stuart Campbell be approved.	
3.	CONFI	RMATION OF MINUTES	6
	Recon	nmendation	
		he minutes of the Audit & Risk Committee meeting held 13 March 2025 opted as a true and correct record.	
4.	DECLA	RATIONS OF INTEREST	
	Notific	cation from elected members of:	
	4.1	Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and	
	4.2	Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968	
5.	PRESE	NTATIONS	
	5.1	SAFETY AND WELLBEING DEEP DIVE PRESENTATION – MAKINO	
		Presentation by General Manager – People and Corporate.	
6.	NOTIF	ICATION OF LATE ITEMS	
		e an item is not on the agenda for a meeting, that item may be dealt that meeting if:	
	6.1	The Committee by resolution so decides; and	
	6.2	The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.	
7.	OFFIC	ER REPORTS	
	7.1	SAFETY AND WELLBEING QUARTERLY REPORT	14
		Report of the General Manager – People and Corporate	
	7.2	COMMITTEE WORKPLAN (SUMMARY)	17
		Report of the General Manager – People and Corporate	

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7.3	DRAFT ANNUAL REPORT 24/25 AUDIT PLAN	22
	Report of the Chief Financial Officer	
7.4	QUARTERLY PERFORMANCE REPORT TO 31 MARCH 2025	50
	Report of the Chief Financial Officer	
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8. CONSIDERATION OF LATE ITEMS

9. NOTIFICATION OF ITEMS FOR RISK REGISTER

10. NOTIFICATION OF ITEMS FOR NEXT MEETING

11. PUBLIC EXCLUDED BUSINESS

COMMITTEE TO RESOLVE:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- 1. Confirmation of Minutes; 13 March 2025
- 2. Key Projects Report

That the general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		ch Reason for passing this resolution in relation to each matter		
12.1	Confirmation of Minutes; 13 March 2025	To consider the accuracy of the minutes of the public excluded Audit & Risk Committee meeting on 13 March 2025	s48(1)(a)	
12.2	Key Projects Report	s7(2)(f)(ii) – effective conduct of public affairs	s48(1)(a)	
		s7(2)(h) – commercial activities		
		This report is public excluded as it contains detailed information on the status of key project reports, which may nuclide sensitive and/or commercially-related information		

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

13. MEETING CLOSURE



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

Minutes of a meeting of the Audit & Risk Committee meeting held on Thursday 13 March 2025, which commenced at 8.30 am at Hato Hone St Johns, 35 Bowen Street, Feilding.

PRESENT: Cr Stuart Campbell Chairperson

Mr John Fowke Independent Member

Cr Lara Blackmore Cr Grant Hadfield Cr Alison Short

APOLOGIES: Mayor Helen Worboys, Cr Colin McFadzean

IN ATTENDANCE: Cr Michael Ford

Cr Steve Bielski

Shayne Harris Chief Executive

Hamish Waugh General Manager – Infrastructure

Frances Smorti General Manager – People and Corporate

Lyn Daly General Manager – Community

Amanda Calman Chief Financial Officer

Ash Garstang Governance and Assurance Manager

Andrew Leighton Safety and Wellbeing Adviser
Joel Richards Management Accountant
Dianne McKay Information Officer

Matthew Mackay Principal Policy Planner

ARC 22-25/181

MEETING OPENING

ARC 22-25/182

APOLOGIES

RESOLVED

That the apologies for Mayor Helen Worboys and Cr Colin McFadzean be approved.

Moved by: Cr Grant Hadfield

Seconded by: Cr Alison Short

CARRIED (5-0)

ARC 22-25/183

CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Audit & Risk Committee meeting held 13 March 2025 be adopted as a true and correct record.

Moved by: Cr Lara Blackmore

Seconded by: Cr Grant Hadfield



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

CARRIED (5-0)

ARC 22-25/184

DECLARATIONS OF INTEREST

There were no declarations of interest.

ARC 22-25/185

SAFETY AND WELLBEING DEEP DIVE PRESENTATION - RE-ROOF PROJECT

Frances Smorti (General Manager – People and Corporate) and Andrew Leighton (Safety and Wellbeing Adviser) provided an overview of the MDC Admin Building re-roof project. Highlights included:

- Covered the due diligence requirements of elected members.
- Major risks for the reroof project include working at heights and falling objects. For staff in the office, construction noise is a hazard.
- In response to a question, Mr Leighton advised that staff seemed to be dealing with the construction noise well. Call centre staff have been relocated as noise would have been an issue for them when talking to the public. Phases 2 and 3 may bring unique issues as this will involve different parts of the building closing and various teams needing to move.
- There are a lot of warning signs and physical barriers to help discourage people from wandering onto the construction site. There are cameras operating as well.
- Noise monitoring will continue throughout the project.

ARC 22-25/186

INSURANCE RENEWAL UPDATE

Shayne Harris provided an overview of the insurance renewals. Highlights included:

- Material damages cover is getting more expensive. The addition of assets to the schedules obviously increases the cost. There is a component of business interruption insurance.
- Fortunately the premium rates are relatively stable.
- MW LASS (Manawatū-Whanganui Local Authority Shared Services) purchases insurance on behalf of the councils in the region (in addition to most other councils across the country). A lot of insurance is now being purchased directly from Singapore, and other insurance from the UK.



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

ARC 22-25/187

NOTIFICATION OF LATE ITEMS

There were no late items of business notified for consideration.

ARC 22-25/188

COMMITTEE WORKPLAN 2025

Report of the General Manager – People and Corporate.

RESOLVED

That the Committee Workplan for 2025 be adopted without amendment.

Moved by: Cr Stuart Campbell

Seconded by: Mr John Fowke

CARRIED (5-0)

ARC 22-25/189

REPORT ON THE AUDIT OF MDC ANNUAL REPORT 30 JUNE 2024

Report of the Chief Financial Officer.

RESOLVED

That the Audit and Risk Committee receives the Audit New Zealand Management Report on the Manawatū District Council for the year ended 30 June 2024, noting the findings and management comments in the report.

Moved by: Cr Lara Blackmore

Seconded by: Cr Alison Short

CARRIED (5-0)

ARC 22-25/190

QUARTERLY PERFORMANCE REPORT TO 31 DECEMBER 2024

Report of the Chief Financial Officer.

RESOLVED

The Audit and Risk Committee recommends that the Council:

Receive the Quarterly Performance Report and Treasury Report to 31 December 2024

Moved by: Cr Alison Short



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

Seconded by: Mr John Fowke

CARRIED (5-0)

ARC 22-25/191

SAFETY AND WELLBEING QUARTERLY REPORT Q2

Report of the General Manager – People and Corporate.

RESOLVED

That the Audit and Risk Committee receives the Safety and Wellbeing report for quarter two of the 2024-25 year.

Moved by: Cr Grant Hadfield

Seconded by: Cr Alison Short

CARRIED (5-0)

ARC 22-25/192

LGOIMA REQUESTS 23 NOVEMBER 2024 – 21 FEBRUARY 2025

Report of the General Manager – People and Corporate.

Cr Hadfield left the meeting at 9.52 am and returned at 9.53 am.

RESOLVED

That the report detailing the requests for information received under the Local Government Official Information and Meetings Act 1987 from 23 November 2024 – 21 February 2025 be received.

Moved by: Mr John Fowke

Seconded by: Cr Lara Blackmore

CARRIED (5-0)

ARC 22-25/193

INTERNAL CONTROLS UPDATE

Report of the General Manager – People and Corporate.

RESOLVED

That the Committee receives the Internal Controls Update, covering the period 25 November 2024 to 03 March 2025.

Moved by: Cr Lara Blackmore



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

Seconded by: Cr Alison Short

CARRIED (5-0)

ARC 22-25/194

INTERNAL AUDIT PROGRAMME (SUMMARY)

Report of the General Manager – People and Corporate.

Mr John Fowke left the meeting at 9.59 am.

RESOLVED

That the Committee receives the Internal Audit Programme (Summary).

Moved by: Cr Lara Blackmore

Seconded by: Cr Grant Hadfield

CARRIED (4-0)

Mr John Fowke returned to the meeting at 10.00 am.

ARC 22-25/195

REVIEW AND READOPT RISK APPETITE

Report of the General Manager – People and Corporate.

RESOLVED

That the Risk Appetite Statement (Annex 1 to the Risk Management Policy) be readopted without amendment.

Moved by: Cr Grant Hadfield

Seconded by: Mr John Fowke

CARRIED (5-0)

ARC 22-25/196

STRATEGIC RISKS - DEEP DIVE

Report of the General Manager – People and Corporate.

RESOLVED

That the Committee receives the 'Strategic Risks - Deep Dive' report.

Moved by: Cr Alison Short

Seconded by: Cr Grant Hadfield



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

CARRIED (5-0)

ARC 22-25/197

OPERATIONAL RISKS

Report of the General Manager – People and Corporate.

RESOLVED

That the Audit & Risk Committee receives the Operational Risks report.

Moved by: Cr Lara Blackmore

Seconded by: Mr John Fowke

CARRIED (5-0)

The meeting adjourned at 10.24 am and reconvened at 10.44 am.

ARC 22-25/198

CONFLICTS OF INTEREST

Report of the General Manager – People and Corporate.

RESOLVED

That the Committee receives the Conflict of Interest report.

Moved by: Cr Stuart Campbell

Seconded by: Cr Lara Blackmore

CARRIED (5-0)

ARC 22-25/199

CONSIDERATION OF LATE ITEMS

There were no late items notified for consideration.

ARC 22-25/200

UPDATE FROM GOVERNANCE HEALTH AND SAFETY REPRESENTATIVE

Cr Grant Hadfield noted that Andrew Leighton does a great job in this space.

ARC 22-25/201

NOTIFICATION OF ITEMS FOR RISK REGISTER

There were no items to be added to the risk register.



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

ARC 22-25/202

NOTIFICATION OF ITEMS FOR NEXT MEETING

There were no additional items to be added to the agenda for the next meeting.

ARC 22-25/203

PUBLIC EXCLUDED BUSINESS

RESOLVED

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- 1. Confirmation of Minutes; 12 December 2024
- 2. Key Project Reporting

That the general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution
13.1	Confirmation of Minutes; 12 December 2024	To consider the accuracy of the minutes of the public excluded Audit & Risk Committee meeting on 12 December 2024	s48(1)(a)
13.2	Key Project Reporting	s7(2)(f)(ii) – effective conduct of public affairs s7(2)(h) – commercial activities This report is public excluded as it contains detailed information on the status of key project reports, which may include sensitive and/or commercially-related information	s48(1)(a)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

Moved by: Cr Stuart Campbell

Seconded by: Mr John Fowke



MEETING MINUTES	
AUDIT & RISK COMMITTEE	TIME
THURSDAY 13 MARCH 2025	8:30 AM

CARRIED (5-0)

The meeting went into public excluded session at 10.54 am. For items ARC 22-25/204 to ARC 22-25/206 refer to public excluded proceedings. The meeting returned to open session at 11.53 am.

ARC 22-25/207

MEETING CLOSURE

The meeting was declared closed at 11.53 am.

Meeting Video

https://www.mdc.govt.nz/about-council/meetings-agendas-and-minutes/videos-of-council-and-committee-meetings/audit-and-risk-committee-meeting-videos



Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: People and Corporate

Date Created: 20 May 2025

Safety and Wellbeing Quarterly Report

Purpose Te Aronga o te Pūrongo

The purpose of this report is to update the Audit and Risk Committee on the latest Safety and Wellbeing information relating to the operations of Council.

Significance of Decision Te Hira o te Whakataunga

The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Recommendations Ngā Tūtohinga

That the Audit and Risk Committee receives the Safety and Wellbeing report for quarter three of the 2024-25 year.

Report prepared by: Andrew Leighton Safety and Wellbeing Adviser

Approved for submission by: Frances Smorti General Manager - People and Corporate

- Contribution to Community Well-being and Council's Community Outcomes Te Tühono ki ngā Whāinga a te Kaunihera mō te Oranga Hapori me te Whakawhanake Hapori
- 1.1 Relationship to Council's strategic priorities (community outcomes):

A place to belong and grow He kāinga e ora pai ai te katoa	
A future planned together He kāinga ka whakamaherea tahitia tōna anamata e te hapori tonu	
An environment to be proud of He kāinga ka rauhītia tōna taiao	
Infrastructure fit for future He kāinga ka tūwhena tonu ōna pūnahahanga, haere ake nei te wā	
A prosperous, resilient economy He kāinga ka tōnui tōna ōhanga	
Value for money and excellence in local government He kāinga ka eke tōna kāwanatanga ā-rohe ki ngā taumata o te kairangi	

1.2 Manawatū District Council strives to lead in the Safety and Wellbeing space within the Local Government sector.

2 Te Kīwai (o te kete)

2.1 There are no known cultural considerations associated with the matters addressed in this report. No engagement with Māori is necessary.

Safety and Wellbeing Dashboard

For the period ending 31 March 2025



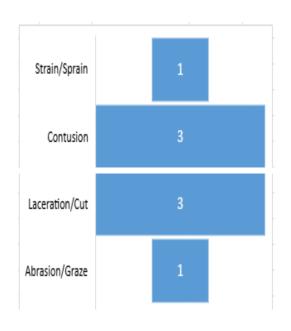
Lead and Lag Indicators

Indicator	Goal	Current
Notifiable incidents (lag)	0	0
Inductions for new staff	100%	100%
Contractors pre-qual	100%	96%
H&S engagement score	80%	77%

Significant Incidents:

There have been no significant incidents this quarter.

Injuries This Quarter



Strategic Activities

- **1.2** Risk workshops run with teams across council. Actions list has been created through feedback from the workshops that is being worked through.
- **4.1** The 2025 Ask Your Team survey results showed a 3% increase in satisfaction in the Health, Safety and Wellbeing category rising from 74% in 2024 to 77% in 2025.
- 10.2 Work is underway to strengthen processes and guidance for volunteers. A new procedure has been developed that aligns with WorkSafe NZ's recently released guidance on volunteer health and safety. Existing documents are also being reviewed and updated as needed.

Wellness & Communication

- Lung Function Testing: 3
- Vitae: 8
- GP Health Checks: 5
- Eye Tests: 3
- Noise Cancelling Headphones: 14

Training

- Certified Handler: 4
- First Aid: 4
- My Everyday Wellbeing Webinars: 3
- Inductions: 10

Audits & Compliance

Site Audits

Makino Aquatic Centre

SafePlus Assessment

The MWLASS Health, Safety and Wellbeing Practitioners Forum have been working to identify the next date in 2025 for the SafePlus audit to be conducted.

Deep Dive

The deep dive presented on this quarter was on the Makino Aquatic Centre.

Events Reported





Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: People and Corporate

Date Created: 21 May 2025

Committee Workplan (Summary)

Purpose Te Aronga o te Pūrongo

The Committee Workplan lays out the 2025 reporting schedule for the Committee. The Workplan is updated throughout the year as required, and an update is being provided to this meeting for the Committee's reference.

Recommendations Ngā Tūtohinga

That the Committee Workplan (Summary) be received.

Report prepared by: Ash Garstang Governance and Assurance Manager

Approved for submission by: Frances Smorti General Manager - People and Corporate

- 1 Background Ngā Kōrero o Muri
- 1.1 The Committee Workplan for 2025 was adopted by the Committee at its meeting 13 March 2025. The Workplan (and any updates) is presented to each Committee meeting for receipt.
- 2 Strategic Fit Te Tautika ki te Rautaki
- 2.1 This report lays out the workplan for reporting to the Audit & Risk Committee, which furthers the Council's strategic priority of "value for money and excellence in local government", by supporting informed decision-making and accountability.
- 3 Updates Ngā Whakahōu
- 3.1 There is one update since the last update in March 2025.
 - Added "Local Water Done Well" as a standing item, from September 2025 onwards.
- 4 Risk Assessment Te Arotake Türaru
- 4.1 Not applicable for this report item.
- 5 Engagement Te Whakapānga

Significance of Decision

5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Māori and Cultural Engagement

There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

Community Engagement

- 5.3 There are no aspects of this report or its contents that warrant community engagement.
- 6 Operational Implications Ngā Pānga Whakahaere
- 6.1 Additions or amendments to the Workplan may be subject to the capacity of officers.
- 7 Financial Implications Ngā Pānga Ahumoni
- 7.1 There are no financial implications.

- 8 Statutory Requirements Ngā Here ā-Ture
- 8.1 Items on the Workplan are subject to various legislative requirements, which will be detailed within their individual reports.
- 8.2 The Council's compliance with legislation will be reported on to the Committee meeting scheduled for 11 December 2025.
- 9 Next Steps Te Kokenga
- 9.1 The next Workplan Update will be presented to the Committee in September 2025.
- 10 Attachments Ngā Āpitihanga
 - Audit and Risk Committee Workplan 2025

Audit and Risk Committee

Workplan 2025

Meeting date	March	June	September	December
Governance	Committee Workplan (full)	Committee Workplan (summary)	Committee Workplan (summary)	Committee Workplan (summary)
Audit NZ and Compliance	Review external audit findings for 2023/24	Draft Audit Plan for 2024/25	Review the management representation letter from the CEO/CFO to the external auditors Review draft Annual Report 2024/25 and release for external audit	Review external audit findings for 2024/25
Audits	Internal Audit Programme (summary)	Internal Audit Programme (full)	Internal Audit Programme (summary)	Internal Audit Programme (summary)
	Review of audit reports	Review of audit reports	Review of audit reports Overview of IT-related reviews and tests	Review of audit reports
Risk Management	Review risk appetite Strategic risk deep dive	Strategic risk deep dive	Strategic risk deep dive Operational risks	Strategic risk deep dive
	Operational risks (tranche 2)			
Internal Controls	Key Project Reporting	Key Project Reporting	Key Project Reporting	Key Project Reporting -
	Internal Controls Update	Internal Controls Update	Internal Controls Update	Internal Controls Update

	 Cyber Breaches Policy refresh work programme Protected disclosures etc Privacy breaches Conflicts of Interest	 Cyber Breaches Policy refresh work programme Protected disclosures etc Privacy breaches 	 Cyber Breaches Policy refresh work programme Protected disclosures etc Privacy breaches 	 Cyber Breaches Policy refresh work programme Protected disclosures etc Privacy breaches
Financial and Performance reporting	Quarterly Performance Report, for December quarter • Management Accounts • Compliance with Treasury Mgmt Policy	Quarterly Performance Report, for March quarter • Management Accounts • Compliance with Treasury Mgmt Policy	Quarterly Performance Report, to review year-end financial statements and accounting policies • Management Accounts • Compliance with Treasury Mgmt Policy	Quarterly Performance Report, for September quarter • Management Accounts • Compliance with Treasury Mgmt Policy
Health and Safety Reporting Including Deep Dives	Safety and Wellbeing Quarterly Report	Safety and Wellbeing Quarterly Report	Safety and Wellbeing Quarterly Report	Safety and Wellbeing Quarterly Report
Insurances	Review Insurance renewals			Review Insurance Renewals
Legislative Compliance				Review the effectiveness of the system for monitoring legislative compliance
Local Government Official Information and Meetings Act 1987 – Requests for Information	LGOIMA Report	LGOIMA Report	LGOIMA Report	LGOIMA Report
Reforms			Local Water Done Well	Local Water Done Well



Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: Finance Date Created: 22 May 2025

Draft Audit Plan for 30 June 2025

Purpose Te Aronga o te Pūrongo

To present to the Audit and Risk Committee the Audit Plan from Audit New Zealand, for the year ending 30 June 2025.

Recommendations Ngā Tūtohinga

That the Committee receive the Audit Plan for 30 June 2025, noting the timelines outlined on page 20 and noting that some of the milestones in the plan have already been achieved.

Report prepared by: Amanda Calman Chief Financial Officer

Approved for submission by: Amanda Calman Chief Financial Officer

- 1 Background Ngā Kōrero o Muri
- 1.1 Audit New Zealand is the approved audit provider for Manawatu District Council.
- 1.2 The role of Audit New Zealand is to give an independent opinion on the financial statements and performance information contained within the Annual Report to 30 June 2025. This opinion is required to be included in the Annual Report before Council adopts the document.
- 1.3 The annual report is required to be adopted on or before 31 October 2025.
- 2 Strategic Fit Te Tautika ki te Rautaki
- 2.1 Not applicable as this is a legislative / operational item.
- 3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia
- 3.1 There are four key focus areas outlined in the audit plan:
 - 3.1.1 Valuation of Infrastructure Assets the methodology and recording of the valuation
 - 3.1.2 Building and Resource consents the noted system issues that resulted in a qualified opinion being issued in the 30 June 2022-2024 audits.
 - 3.1.3 Accounting for Impairment, capitalisation of costs and recognition of completed assets
 - 3.1.4 The risk of management override of internal controls testing journal approvals, estimates and one of transactions
- 3.2 Other areas of interest that will be monitored include:
 - 3.2.1 Amendment to the PBE IPSAS 1 (accounting standard) with regard to disclosure of audit fees enhanced requirement to disclose the audit fees incurred and description of the what the services were for.
 - 3.2.2 Mutual Liability Riskpool Scheme review of disclosures that council may make with regard to the risk of being required to pay towards historical claims.
 - 3.2.3 Councils' disclosure and treatment of Local Waters Done Well Council will be required to disclose the intention of the inhouse business house model now that here is a council resolution supporting it.
 - 3.2.4 Benchmark reporting potential for additional areas of focus due to the Department of Interna Affairs due to issue a report mid 2025 outlining additional benchmarking requirements going forward.

- 3.2.5 Fraud Risk obtain reasonable (not absolute) assurance that the financial statements and performance information is free from material misstatement.
- 3.2.6 Legislative Compliance Consider compliance with laws and regulations that directly affected the annual report.
- 3.2.7 Integrity self-assessment survey Manawatu District Council is one of the councils that has been selected to be surveyed.
- 3.3 The materiality thresholds for this audit the limits have been set at: specific group materiality of \$2,050,000 and specific parent materiality of \$1,950,000 for all items not related to the fair value of property, plant and equipment. A lower specific materiality is also determined separately for some items due to their sensitive nature. For example, a lower specific materiality is determined and applied for related party and key management personnel disclosures.
- 3.4 The materiality threshold for performance information is outlines on pages 11-13 of the audit plan.
- 3.5 Audit New Zealand covers the group as a whole which includes Manawatu Community Trust.
- 4 Risk Assessment Te Arotake Tūraru
- 4.1 The annual audit process is one of the tools to assist in mitigating risks across the organisation, the focus of the audit is on accuracy and compliance with legislation.
- 5 Engagement Te Whakapānga

Significance of Decision

5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this

Māori and Cultural Engagement

5.2 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

Community Engagement

- 5.3 No community engagement is required, however the outcome of the audit engagement and subsequent financial report has a communication plan around how and when the document published for the community.
- 5.4 The adopted Annual Report with the audit opinion contained within it, is legislatively required to be published on the Council website within 28 days of adoption.
- 6 Operational Implications Ngā Pānga Whakahaere
- 6.1 The interim and end of year audit is a business as usual activity for Council and the staff which requires careful planning and consideration alongside other timelines.

- 6.2 The interim audit started on 3 March 2025 for two weeks however due to sickness within the audit team, some work was not able to progress and is planned to be completed in the two weeks starting 30 June 2025.
- 6.3 The meetings with the Mayor, Chair of Audit and Risk Committee and the Executive Leadership team have occurred as outlined on page 18 of the Audit Plan.
- 6.4 The timelines are outlined on page 20 of the audit plan and outline an Audit Opinion being issued on 30 October 2025. This means that it is not possible to adopt the Annual Report for 30 June 2025 before the local body elections occur.
- 7 Financial Implications Ngā Pānga Ahumoni
- 7.1 The cost of the annual audit is contained within the operating budget.
- 8 Statutory Requirements Ngā Here ā-Ture
- 8.1 The Local Government Act outlines that Council is required to adopted an audited Financial Report for the year ending 30 June 2025 by or on 31 October 2025.
- 9 Attachments Ngā Āpitihanga
 - Audit Plan for the year ending 30 June 2025.



Executive Summary

I am pleased to present our audit plan for the audit of Manawatu District Council and group (the District Council) for the year ending 30 June 2025. Our role as your auditor is to give an independent opinion on the financial statements and performance information. Our work improves the performance of, and the public's trust in, the public sector. We also recommend improvements to the internal controls relevant to the audit.

The contents of this plan should provide a good basis for discussion when we meet with you. We will be happy to elaborate further on the matters raised. If there are additional matters that you think we should include, or any matters requiring clarification, please discuss these with me.

Yours sincerely

Debbie PereraAppointed Auditor
27 March 2025

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Focus areas: risks and issues



Based on the planning work and discussions that we have completed to date, we set out in the table below the main risks and issues relevant to the audit. These will be the main focus areas during the audit.

Many of these risks and issues are relevant to the audit because they affect our ability to form an opinion on your financial statements and statement of service performance. As part of the wider public sector audit, we are also required to be alert to issues of effectiveness and efficiency, waste and a lack of probity or financial prudence.

Additional risks may also emerge during the audit. These risks will be factored into our audit response and our reporting to you.

Risk/issue	Our audit response
Valuation of infrastructure assets	
The District Council revalues its infrastructure assets whenever there is expected to be a material movement in the fair value of those assets. We understand that the District Council intends to revalue its infrastructure assets, and land and buildings assets as at 30 June 2025. The reasonableness of the valuation depends on the valuation method applied, the completeness and accuracy of the source data, and the appropriateness of key assumptions. Some valuations are inherently complex and involve the use of numerous data sources and key assumptions that can have significant impacts on valuations and the future depreciation expense. The District Council will need to collate information about the underlying assumptions and data to support the valuations. One of the key assumptions in a depreciated replacement cost valuation is the unit rate adopted for significant components. When developing the unit rates, the District Council should have a documented methodology and database of cost information to support the unit rate applied in the valuation.	 we will: review the valuation report to assess the objectivity and competence of the valuer and whether the requirements of accounting standard, PBE IPSAS 17, Property, Plant and Equipment, have been met; assess relevant quality controls that support the integrity of the underlying data and assumptions schedules used in the valuation; obtain an understanding of and test the underlying source data used in the valuation; review the methodology used to develop unit rates and test those rates back to the District Council's analysis of recent contract costs; engage with the valuers as part of assessing the reasonableness of the assumptions used as well as the reasons for movements in key asset components;

Risk/issue	Our audit response
The District Council should ensure the scope of the valuation work is sufficient and the reasons for the movement in the valuation are documented and justified. As a minimum, the reasons for the movement should identify and explain movements at an asset component level since the last valuation due to changes in source data (for example, lengths and volumes), unit rates and any other significant adjustments. Valuations prepared by a firm external to the District Council should be subject to quality reviews by the valuation firm and suitably experienced members of the District Council's management team. When a valuation is completed internally this should be peer reviewed by a suitably experienced and qualified person, for example an external valuation firm would be considered appropriate.	 review the accounting entries and the fixed asset register to ensure the values are correctly updated; and review the appropriateness of the disclosure, including any narrative.
Building and resource consents	
 The audit opinion for the 30 June 2024 Annual Report was again qualified in relation to the following measures: A performance measure on the percentage of building consent applications and code of compliance certificates that are processed and approved within the statutory 20 working days. A performance measure on the percentage of applications for resource consent under the Resource Management Act which are processed in accordance with the statutory timeframes for non-notified consents. This arose from the different systems used by the Council to record information for these measures not interfacing accurately. 	We will review the work that the Council has done to ensure that the systems issues noted in the 30 June 2022 to 2024 years have been addressed. We will review the reported results to see if they are complete and accurate.

Risk/issue

Our audit response

Accounting for impairment, capitalisation of costs and recognition of completed assets

Impairment

Assets are required to be assessed for indicators of impairment at each reporting date. In addition, work in progress (WIP) values on projects that span an extended period of time should be assessed regularly for impairment over the period of the project.

Capitalisation of costs

The District Council should ensure appropriate policies and processes are in place to identify and capitalise costs that are capital in nature. This includes both direct and indirect capital costs.

Completed projects

The District Council also needs to ensure that, as phases of a project are completed, and assets become operational, capitalisation of the WIP balance is performed in a timely manner. This will ensure that depreciation on these assets starts when the asset is complete and ready for use.

The District Council had a significant WIP balance at 30 June 2025 with a risk that some projects within the balance may have been abandoned and should be written off. The District Council should analyse the aging of WIP balances by year and consider whether any old balances should be written off or impaired.

We will:

- assess the processes used by management to assess for impairment, including all significant WIP balances and review the analysis of WIP aging;
- update our understanding of the District Council policy and processes to identify and capitalise both direct and indirect capital costs; and
- review management's processes to ensure that the capitalisation of WIP costs is performed in a timely manner.

Risk/issue	Our audit response
The risk of management override of internal controls	
There is an inherent risk in every organisation of fraud resulting from management override of internal controls. Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Auditing standards require us to treat this as a risk on every audit.	Our audit response to this risk includes: testing the appropriateness of selected journal entries; reviewing accounting estimates for indications of bias; and evaluating any unusual or one-off transactions, including those with related parties.

Other areas of interest across the local government sector

There are a number of sector wide issues significant to most local authorities. These include areas of interest that are not necessarily significant to the Council but are areas we monitor as part of our responsibility to consider the broader risks affecting local authorities. We have reviewed the specific areas of interest for the 2024/25 year and have not identified any areas of focus over and above those already covered in this plan. Should any additional areas be identified during the year we will notify the Council separately. Wider public sector areas of interest are set out on pages 6 to 7.

Amendments to PBE IPSAS 1 regarding the disclosure of audit fees

The amendments to PBE IPSAS 1 have expanded and clarified the disclosure expectations for audit fees. These changes are applicable to reporting periods beginning on or after 1 January 2024, which means they will apply to the 2025 annual report.

The enhanced disclosure requirements introduce a requirement to disclose the fees incurred for services received from audit or review firms using specific categories. Under each category of other non-audit or review services, entities reporting under Tier 1 are required to provide a description of each type of service received and the corresponding fees incurred for the reporting period.

The amendments also clarify that for the purpose of these disclosures, the fees for services received from the audit or review firm are based on the amount of fees expensed during the reporting period. This includes any disbursements incurred in connection with the services.

Mutual Liability Riskpool Scheme

Although Riskpool is in wind down, member councils have an ongoing obligation to contribute to it should a call be made in respect of any

historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme.

In August 2023, Riskpool indicated that member councils might have to provide further contributions to cover identified shortfalls whereby claims exceed reinsurance recoveries. This led to relevant councils recognising a provision or including disclosure of the situation and what it meant in their 2022/23 financial statements.

In November 2023, Riskpool made a call on member councils to fund quantified shortfalls. The amount to be funded by member councils was \$12.9 million. Riskpool reserves the right to make further calls for additional funding if needed. As of September 2024, we are not aware of any further calls being made.

The Council will need to consider its disclosures in this regard and should specifically consider whether further information is available to allow the Council to reliably measure a provision for unpaid calls.

Dealing with the "Local Water Done Well" water reforms in the 2025 annual report

Local Water Done Well is being implemented in stages:

- Stage 1 repealing the affordable water reforms (completed in February 2024);
- Stage 2 passing the Local Government (Water Services Preliminary Arrangements) Act 2024 (completed in September 2024); and
- Stage 3 introducing the Local Government Water Services Bill, which will establish the enduring settings for the new water services system (expected to be passed by mid-2025).

Depending on the status of the water reforms and the Council's response to those, we recommend the District Council provide a high-level summary of the reforms at the time of reporting. This should include that the Council must prepare, consult on aspects of, and adopt a water services delivery plan. Where the Council's intentions are well developed and formalised via Council resolution, the Council may wish to describe the anticipated or proposed model or arrangement for delivering water services, and planned timing of implementation.

We will communicate any changes in expectations to you when we have a better understanding of water service delivery plans and their possible effects on the audited information contained in the annual report.

Benchmark reporting

As part of the local government reform programme, the Department of Internal Affairs (DIA) is set to benchmark council performance. The DIA will publish a yearly report on key financial and delivery outcomes, of which the first report is to be released mid-2025. The report is expected to include several performance metrics, including rates, debt, capital expenditure, balanced budget, and road condition. Legislation is expected to be amended to allow future benchmarking reports to

include comparison of contractors and consultant expenditure, alongside other metrics.

We wish to signal to the Council that where information used in the DIA's benchmarking process is drawn from the annual report, this may create additional areas of focus for both the Council and the audit team during the audit process. Should any additional areas be identified, we will notify the Council separately.

Fraud risk

Misstatements in the financial statements and performance information can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action is intentional or unintentional. Our consideration of fraud risk covers both misstatements resulting from fraudulent reporting and misstatements resulting from misappropriation of assets.

Your responsibility

The primary responsibility for the prevention and detection of fraud and error rests with the Council, with assistance from management. In this regard, we will discuss the following questions with you:

- How does the Council see its role in relation to fraud? How do you monitor management's exercise of its responsibilities?
- Has a robust fraud risk assessment been completed? If so, is the Council satisfied that it had appropriate input into this process?
- How does management provide assurance that appropriate internal controls to address fraud risks are in place and operating?
- What protocols/procedures have been established between the Council and management to keep you informed of instances of fraud, either actual, suspected, or alleged?
- Are you aware of any actual, suspected, or alleged fraud? If so, have the results of management's investigation been reported to the Council? Has appropriate action been taken on any lessons learned?

Our responsibility

Our responsibility is to obtain reasonable, but not absolute, assurance that the financial statements and performance information are free from material misstatement, including any resulting from fraud. Our approach to obtaining this assurance is to:

- identify fraud risk factors and evaluate areas of potential risk of material misstatement;
- evaluate the effectiveness of internal controls in mitigating the risks;
- perform audit testing to address the risks identified; and
- remain alert for indications of potential fraud in evaluating audit evidence.

The Auditor-General has published useful information on fraud that can be found at oag.parliament.nz/reports/fraud-reports.

Legislative compliance

As part of the Auditor-General's mandate, we consider compliance with laws and regulations that directly affect your annual report. Our audit does not cover all of your requirements to comply with laws and regulations.

Mandatory disclosures

The annual report must contain the disclosures required under certain legislation, including:

- the Local Government Act;
- the Local Government (Financial Reporting and Prudence)
 Regulations 2014; and
- the Non-Financial Performance Measures Rules 2024.

The District Council should continue to review the legislative disclosure requirements and check that these are accurate and complete.

Integrity self-assessment survey

In December 2024, the Office of the Auditor-General (OAG) published the second edition of the integrity framework for the public sector, followed in January 2025 by a guide on monitoring integrity in public organisations. The OAG's 2024-25 Annual Plan highlighted as a priority supporting strong organisational integrity practices. Aligned with that priority, Audit New Zealand is conducting an integrity self-assessment survey (the survey) as part of the 2024-25 annual audits across 51 local authorities and 22 central government organisations. The survey aims to understand how these organisations establish a culture of integrity and

raise awareness about its importance. Manawatu District Council is one of the organisations being surveyed.

The survey results will be shared with the entity and will serve as a baseline for possible future audit work. A summary report will also be compiled from the findings across all surveyed organisations. This will be shared with the District Council.

Materiality

In performing our audit, we apply materiality. Materiality refers to information that if omitted, misstated, or obscured could reasonably be expected to:

- influence readers' overall understanding of the financial statements and service performance information; and
- influence readers in making decisions about the stewardship and allocation of resources, or assessing your performance.

This definition of materiality is broader than the one used in the private sector.

It is a matter of judgement whether information is material. We consider the nature (qualitative) and amount (quantitative) of each item judged in the surrounding circumstances and its impact. Qualitative considerations are of equal significance as quantitative considerations. Qualitative considerations are of primary importance in in the context of disclosures for transparency and accountability reasons, and in evaluating any non-compliance with laws and regulations.

The Council and management need to make their own assessment of materiality from a preparer's perspective Management and the Council should not rely on our materiality assessment as a basis for owning and making judgements about the integrity of the financial statements and service performance information.

Financial statements materiality

For planning purposes, we have set overall group materiality for the financial statements at \$116,700,000 and overall parent materiality of \$113,400,000 based on group and parent budgeted property plant and equipment. This is subject to change once the actual results for the current year are available. For this audit we are only applying this overall

Overall group materiality	\$116,700,000
Specific group materiality	\$2,050,000
Group Clearly trivial threshold	\$105,500
Parent overall materiality	\$113,400,000
Parent specific materiality	\$1,950,000
Parent clearly trivial threshold	\$97,500

materiality to the fair value of property, plant and equipment.

For this audit we have set a lower, **specific group materiality** of \$2,050,000 and **specific parent materiality** of \$1,950,000 for all items not related to the fair value of property, plant and equipment.

A lower specific materiality is also determined separately for some items due to their sensitive nature. For example, a lower specific materiality is determined and applied for related party and key management personnel disclosures.

We design our audit procedures to detect misstatements at a lower level than overall materiality. This takes account of the risk of cumulative misstatements and provides a safety net against the risk of undetected misstatements.

We will report all uncorrected misstatements to the Council other than those that are **clearly trivial**. We consider misstatements

Misstatements

Misstatements are differences in, or omissions of, amounts and disclosures that may affect a reader's overall understanding of your financial statements and service performance information. The effects of any detected and uncorrected misstatements, individually and in aggregate, are assessed against materiality and qualitative considerations.

of less than \$97,500 to be clearly trivial unless there are relevant qualitative considerations. We will ask for each of these misstatements to be corrected. Where management does not wish to correct a misstatement we will seek written representations from the governing body on the reasons why the corrections will not be made.

Audit of service performance information

Our audit work will be undertaken under Auditing Standard 1 (Revised) *The Audit of service performance information* (issued by the External Reporting Board July 2023). This standard is closely related to the accounting standard for service performance reporting (PBE FRS 48). The new standard is broadly similar to the existing standard on auditing service performance information but may result in a few changes in our

audit work, including our approach to determining which performance measures are material, or how we link the work we do on some performance measures to the work we do in related financial statement areas.

Of particular note are specific requirements relating to the measurement bases or evaluation methods used to measure or evaluate performance measures and/or descriptions. Auditors are required to assess if these are appropriate and meaningful, if they are available to intended users, and whether the service performance information is prepared, in all material respects, in accordance with these. In respect of availability to intended users, we will be looking for adequate disclosure in the annual report on the basis of measurement/evaluation methods for performance measures and/or descriptions, where this is not self-evident.

Materiality for service performance information

At an overall level, we assess whether the service performance information is suitable, given your purpose and the nature of your activities, and whether the reporting allows for an informed assessment of the Council's performance. In doing this we consider whether the information is relevant, complete, reliable, neutral, and understandable.

We set materiality for service performance information at an individual measure level based on what we expect would influence readers' overall understanding, decision making, or assessment of the District Council's performance. Because of the variety of measurement bases applied, we normally express this materiality as a percentage of the reported result.

We have identified the following measures as material and assessed materiality for planning purposes. We will reassess this during the audit.

Material measure	Materiality
Safety of drinking water 100% compliance with the bacterial and protozoal requirements of the Water Services (Drinking Water Services for New Zealand) Regulations 2022.*	0% as the result is either right or wrong
Drinking water - customer satisfaction	8%
The total number of complaints received by the local authority about any of the following:	
(a) drinking water clarity	
(b) drinking water taste	
(c) drinking water odour	
(d) drinking water pressure or flow	
(e) continuity of supply, and	
(f) the local authority's response to any of these issues	
expressed per 1000 connections to the local authority's networked reticulation system.	

Wastewater - Discharge compliance/ management of environmental impacts	5%
Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of:	
(a) abatement notices	
(b) infringement notices	
(c) enforcement orders, and	
(d) convictions,	
received by the territorial authority in relation to those resource consents.	
Wastewater - Faults are resolved in a timely	8%
manner	
Where the TA attends to sewerage overflows resulting from a blockage or other fault in the TA's sewerage system, the following median response time measured:	
Where the TA attends to sewerage overflows resulting from a blockage or other fault in the TA's sewerage system, the following median response	
Where the TA attends to sewerage overflows resulting from a blockage or other fault in the TA's sewerage system, the following median response time measured: - resolution time: from the time that the TA receives notification to the time that service personnel	8%

Roading – responsiveness to roading issues The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long-term plan.	8%
Building consents Percentage of building consent applications and code compliance certificates processed and approved – 20 working days.	5%
Resource consents Percentage of non-notified applications for resource consent under the RMA processed in accordance with the statutory timeframes.	5%

^{*}We understand that DIA are publishing guidance around the reporting of safety of drinking water measures. The District Council will need to review this guidance once it has been issued.

Group audit



Our audit report covers the group as a whole. We developed our audit approach for the group to obtain sufficient information to give an opinion on the group financial statements and service performance information. We have assessed the risks of material misstatement and have identified our approach for each component.

We will report any significant internal control deficiencies to the Council and management of the group. This will include any deficiencies

identified by the group engagement team or brought to our attention by a component auditor. We will communicate deficiencies related to:

- group-wide internal controls; or
- internal controls at each component.

We will also communicate any fraud identified by the group engagement team or brought to our attention by a component auditor.

Component	Our audit approach
Manawatu Community Trust	I am also the component auditor of Manawatu Community Trust. The audit work on this component will be a full financial statement and performance information audit.
	The significant audit risk relevant to this component is:
	Fair value of property, plant and equipment.
	The risk of management override of controls.

This table shows the work we have planned for each component. In addition to this, we will perform analytical procedures for other components.

Our audit process



Enhancing year-end processes

The year-end financial statement close process and the preparation of the annual report requires a large number of resources to be committed to complete it effectively. We want the audit process to run smoothly, and we will work with management to achieve this through bringing forward the timing of audit procedures.

Bringing forward audit procedures

Substantive audit procedures are traditionally performed after the yearend. Where possible, we will aim to bring audit procedures forward to earlier in the year. This will be focused on year-to-date transactions for expenditure and payroll. Completion of these tests earlier in the year should allow for more timely identification and resolution of errors.

We will work with management to facilitate getting the information required at the right time. We will communicate with management if information is not available as agreed, including any impact on the year-end audit.

Professional judgement and professional scepticism

Many of the issues that arise in an audit, particularly those involving valuations or assumptions about the future, involve estimates. Estimates are inevitably based on imperfect knowledge or dependent on future events. Many financial statement items involve subjective decisions or a degree of uncertainty. There is an inherent level of uncertainty which cannot be eliminated.

The term "opinion" reflects the fact that professional judgement is involved. Our audit report is not a guarantee but rather reflects our professional judgement based on work performed in accordance with established standards.

Auditing standards require us to maintain professional scepticism throughout the audit. Professional scepticism is an attitude that includes a questioning mind and a critical assessment of audit evidence. Professional scepticism is fundamentally a mind-set resulting in a questioning approach when considering information and in forming conclusions.

Exercising professional scepticism means that we will not accept everything you tell us at face value. We will ask you and management to provide evidence to support what you tell us. We will also challenge your judgements and assumptions and weigh them against alternative possibilities.

Wider public sector considerations

A public sector audit also examines whether:

- the District Council carries out its activities effectively and efficiently;
- waste is occurring or likely to occur as a result of any act or failure to act by Manawatu District Council;
- there is any sign or appearance of a lack of probity as a result of any act or omission by the District Council or by one or more of its members, office holders, or employees; and

 there is any sign or appearance of a lack of financial prudence as a result of any act or omission by the District Council or by one or more of its members, office holders, or employees.

Reporting protocols and expectations

Communication with management and the governing body

We will meet with management and the governing body throughout the audit. We will maintain ongoing, proactive discussion of issues as and when they arise to ensure there are "no surprises".

Meeting with	Planned timing
Mayor	1 April 2025
Chair – Audit and Risk Committee	1 April 2025
Chief Executive	31 March 2025
GM Infrastructure	1 April 2025
GM People and Corporate	1 April 2025
GM Community	1 April 2025
Chief Financial Officer	31 March 2025



Reports to Council

We will provide a draft of all reports to management (and the Council) for discussion/clearance purposes. In the interests of timely reporting, we ask management to provide their comments on the draft within 10 working days. Once management comments are received the report will be finalised and provided to the governing body.

At the end of the audit, we will report to the Council our views on:

- the level of prudence in key judgements made by management in preparing the financial statements; and
- the quality and timeliness of information provided for audit by management.

Expectations

For the audit process to go smoothly for both you and us, there are expectations that each of us need to meet. Our respective responsibilities are set out in our audit engagement letter.

We expect that:

- you will provide us with access to all relevant records and provide information in a timely manner;
- staff will provide an appropriate level of assistance;
- the draft financial statements, including all relevant disclosures, will be available in accordance with the agreed timetable;
- management will make available a detailed workpaper file supporting the information in the financial statements; and
- the annual report, financial statements and service performance information will be subjected to appropriate levels of quality review before being provided to us.

To help you prepare for the audit, we will liaise with management and provide them with a detailed list of the information we will need for the audit.

Health and safety



The Auditor-General and Audit New Zealand take seriously their responsibility to provide a safe working environment for audit staff.

Under the Health and Safety at Work Act 2015, we need to make arrangements with management to keep our audit staff safe while they are working at your premises.

We expect you to provide a work environment for our audit staff that minimises or, where possible, eliminates risks to their health and safety. This includes providing adequate lighting and ventilation, suitable desks and chairs, and safety equipment where required. We also expect management to provide them with all information or training necessary to protect them from any risks they may be exposed to at your premises. This includes advising them of emergency evacuation procedures and how to report any health and safety issues.

Audit logistics and next steps



Our team

Our engagement team is selected to ensure that we have the right subject matter expertise and sector knowledge. Each member of the audit team has received tailored training to develop their expertise.

Our senior audit team members are:

Debbie Perera Appointed Auditor

Megan Wassilieff Audit Manager - Interim

Bilal Ahmad Audit Manager - Final

Sia Fatu Information Systems Audit and

Assurance

Timetable

Our proposed timetable is:

Interim audit begins	3 March 2025
Draft financial statements available for audit (including notes) with actual year-end figures	8 September 2025
Final audit begins	15 September 2025

Final financial statements available, incorporating all agreed amendments	13 October 2025
Verbal audit clearance given	20 October 2025
Annual report available, including any Chair and Chief Executive's overview or reports	13 October 2025
Audit opinion issued	30 October 2025
Draft report to the Council issued	14 November 2025

AuditDashboard

We will again use AuditDashboard for transferring files as part of the audit.

Working remotely

Covid-19 restrictions, such as lockdowns, and resultant changes to our own and our client's work locations, including increasing numbers working from home have meant we changed how we worked with our clients.

Lockdowns meant that our clients and our auditors did not always have access to their premises and information and had to work remotely. This confirmed that aspects of our audit work can be done efficiently off-site. We plan to continue to perform aspects of your audit remotely as there are some benefits to you and us of having our team off-site for parts of the audit.

During the previous audit, we were able to perform the majority of our audit work remotely. Based on our experience we found that the District Council has good systems and processes in place to facilitate any future off-site work by us.

We recognise different organisations are positioned differently to enable off-site audit work. We will be discussing and agreeing off-site working expectations in conjunction with our information requests with you. This will include our continued use of AuditDashboard to manage our information requests.

Audit timetable

Activities/deliverables		2025										
Audit NZ / Manawatu District Council	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Interim audit												
Draft financial statements available for audit												
Final audit												
Final financial statements available												
Verbal audit clearance												
Audit opinion issued												
Draft report to the governing body issued												

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Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: Finance Date Created: 12 May 2025

Quarterly Performance Report to 31 March 2025

Purpose Te Aronga o te Pūrongo

To provide a summary both financial and non-financial performance against the targets outlined within year one of the 10-year plan (Referred to as Long Term Plan 2024-34).

Significance of Decision Te Hira o te Whakataunga

The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Recommendations Ngā Tūtohinga

The Audit and Risk Committee recommends that the Council:

• Receive the Quarterly Performance Report and Treasury Report to 31 March 2025

Report prepared by: Joel Richards Management Accountant

Approved for submission by: Amanda Calman Chief Financial Officer

- Contribution to Community Well-being and Council's Community Outcomes Te Tühono ki ngā Whāinga a te Kaunihera mō te Oranga Hapori me te Whakawhanake Hapori
- 1.1 Relationship to Council's strategic priorities (community outcomes):

A place to belong and grow He kāinga e ora pai ai te katoa	
A future planned together He kāinga ka whakamaherea tahitia tōna anamata e te hapori tonu	
An environment to be proud of He kāinga ka rauhītia tōna taiao	
Infrastructure fit for future He kāinga ka tūwhena tonu ōna pūnahahanga, haere ake nei te wā	
A prosperous, resilient economy He kāinga ka tōnui tōna ōhanga	✓
Value for money and excellence in local government He kāinga ka eke tōna kāwanatanga ā-rohe ki ngā taumata o te kairangi	√

- 2 Background Ngā Kōrero o Muri
- 2.1 To provide a summary both financial and non-financial performance against the targets outlined within year one of the 10-year plan (Referred to as Long Term Plan 2024-34).
- 2.2 During the year, any adjustments to budget approved within the delegation's policy by General Managers, Chief Executive or Council, result in the forming of a revised budget, which is outlined next to the Annual Plan within the reports. A summary of these adjustments is also included within the report.
- 3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia
- 3.1 The financial result for the month ending March 2025 reflects a surplus of \$800k against a year to date budgeted deficit of \$2.4M. This is the result of higher than budgeted revenue of \$1.3M combined with lower than budget expenditure of \$2M.
 - Year-end forecast shows a \$1.8M favourable variance to budget. This is the result of forecast lower revenue of \$2M combined with forecast lower budget expenditure of \$3.8M.
- 3.2 Capital expenditure to date is \$25.5M plus commitments of \$16.1M making a total of \$47.1M against a year to date budget of \$46.9M. The annual plan budget is \$47M. The increased budget from Annual Plan to the revised budget of \$70M is outlined in the report named 'Approved Variations to Annual Plan' (page 37). Year-end forecast expects a total spend of \$43.5M. Details on individual capital projects can be found on pages 29-33.
- 3.3 Levels of service reflect 71 measures that are on track to be met by year end, 16 noted as requiring monitoring and 6 not yet met. The six not met measures are within Cemeteries (page

- 8), Building Control (page 13). and Water Supply (page 19). Details can be found within each respective section in the report.
- 3.4 Debt position at 31 March 2025 reflects a closing position of \$96.7M against a budget position of \$108.8M and debt cap of \$116.9M. The only debt drawn to date is \$1.4M for the Manawatu Community Trust loan which his being repaid by the trust at no cost to Council and was included in the Long Term Plan. Debt drawn to fund Councils capital works programme will take place during quarter 4.
- 3.5 Growth reporting has been added to the quarterly report. This will be discussed at the meeting.
- 3.6 The quarterly treasury report from Bancorp Services highlights the council cost of funds to be 3.77%, and that Council is fully compliant with its Liability Management Policy around the fixed rate hedging bands for all periods.
- 4 Te Kīwai (o te kete)
- 4.1 Te Kīwai is the engagement process which guides Council's practice and ensures the onus to engage and include Māori is shared between Council and all partners. In this manner, we progress both the articles and principles of Te Tiriti o Waitangi by maintaining the balance between Kawanatanga (Governance) of the Council and Tino Rangatiratanga (Sovereignty) of whānau, hapū, and iwi Māori.
- 4.2 There are no known cultural considerations associated with the matters addressed in this report. No engagement with Māori is necessary.
- 5 Community Engagement Te Whai Wāhitanga mai o te Hapori
- 5.1 There is no community engagement required with this report, community engagement was sought and received during the setting of the budget.
- 6 Operational Implications Te Whai Pānga Atu ki ngā Kaupapa Mahi
- 6.1 There are no capital or operational implications associated with this report.
- 7 Financial implications Te Whai Pānga Atu ki ngā Kaupapa Ahumoni
- 7.1 Any financial implications would be reported separately to Council.
- 8 Statutory Requirements Ngā Here ā-Ture
- 8.1 Quarterly reports provide an overview of results towards the Annual Report, which will be prepared and audited in accordance with the requirements of the Local Government Act 2002.
- 9 Delegations Te Mana Whakatau
- 9.1 The Audit and Risk Committee's Terms of Reference includes the responsibility for financial reporting, including the following:
 - Long term planning including the financial strategy;

- Appropriateness of accounting policies;
- Annual report; and
- Internal report (monthly and/or quarterly).
- 10 Conclusion Whakatepenga
- 10.1 Quarterly reports are a mechanism of transparently reporting against progress towards achieving targets set in the Annual Plan and the Long-Term Plan.
- 11 Attachments Ngā Āpitihanga
 - Quarterly Performance Report to 31 March 2025
 - Quarterly Treasury Report to 31 March 2025



Manawatū District Council

Quarterly Performance Report March 2025



The financial result for the quarter ending 31st March reflects a surplus of \$800k against a year to date budgeted deficit of \$2.4M. Operating expenditure was \$2M below budget and revenue was \$1.3M above budget.

Revenue - \$1.3M favourable to budget



Financial revenue is \$86k above budget reflecting a higher amount of interest received on investments.

Year end forecast is \$237k above budget.



Subsidies and Grants are \$1.7M above budget due to higher operational subsidies for waste minimisation from MFE (\$351k), higher NZTA subsidies (\$1.1M), and a grant received from Central Energy Trust for makerspace equipment (\$38k).

Year end forecast is \$617k below budget.



Development contributions are \$154k below budget as subdivision applications slowed considerably during the first 8 months of this financial year. A significant payment was received in March resulting the variance being closer to budget than prior months.

Year end forecast is \$533k above budget.

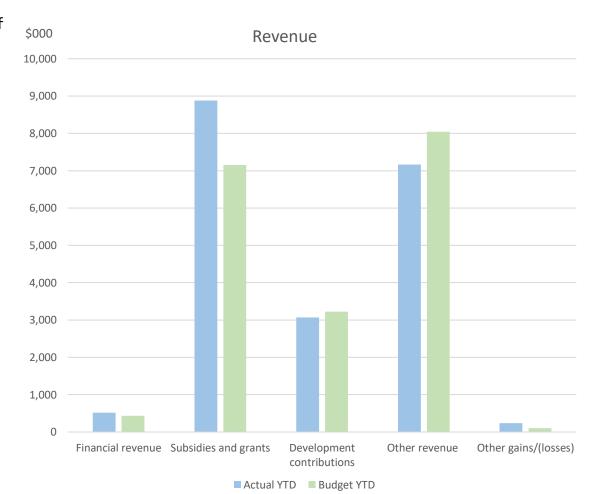


Other revenue is \$900k below budget. These variances are detailed in the activity reports; the major variances being Building Consents and Transfer Station Gate Takings both tracking below budget due to lower demand.

Year end forecast is \$2.2M under budget.



Other Gains/Losses are \$132k above budget due to Insurance Claims recoveries and gains on disposals of vehicles.



Operating Expenditure - \$2M favourable to budget



Staff costs are \$309k above budget due to the additional payrun for March.

Due to existing vacancies overall trend is still under budget with the year end forecast being \$617k under budget.



Depreciation is \$1.5M below budget because capital works in previous financial year weren't completed while the budget had assumed completion.

Year end forecast is \$2.7M below budget.



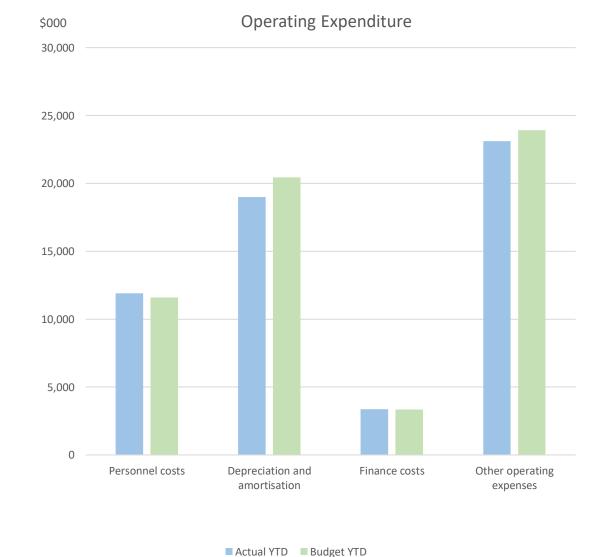
Interest costs are \$6k above budget which reflects the higher interest rates on debt, currently this is offset against the higher than budget interest revenue being earned from higher investment rates received.

Year end forecast is \$396k above budget.



Other operating expenditure is \$800k below budget, mostly related to Building control and Solid Waste with lower expenditure required due to lower demand for each service. This is partially offset by the increase in chemical costs at the Wastewater treatment plant and Makino Aquatic Centre. Detailed explanations are provided in activity reports.

Year end forecast is \$1.1M below budget.



Capital Expenditure

Spend to date is \$25.5M with commitments of \$16.1M totalling \$41.7M against a YTD budget of \$43.5M.

Total revised budget is \$70M and year end forecast is \$43.5M.

The key variances are:



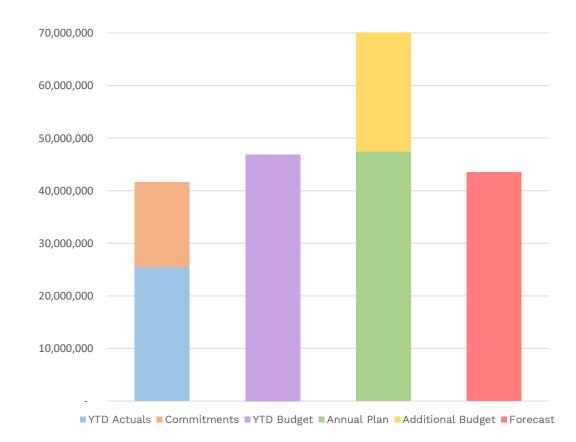
Community facilities works are \$1.2M below budget. Makino Pool renewals are \$400k below budget and Parks and Reserves are \$1M below budget.



Total 3 waters works were \$11M behind budget as most of the works were scheduled over the second half of the year.

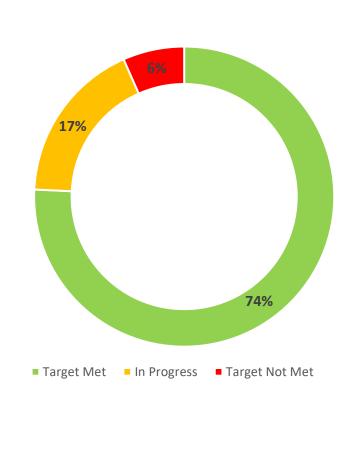


Total Roading is \$6M below budget resulting from Renewal Emergency Works being behind by \$3.7M, non subsidised road works by \$1.1M and subsidised structures renewals by \$481k.



Level of Service Indicators





Debt Management

Total Debt

\$96.7M

Annual Plan Budgeted Debt

\$108.8M

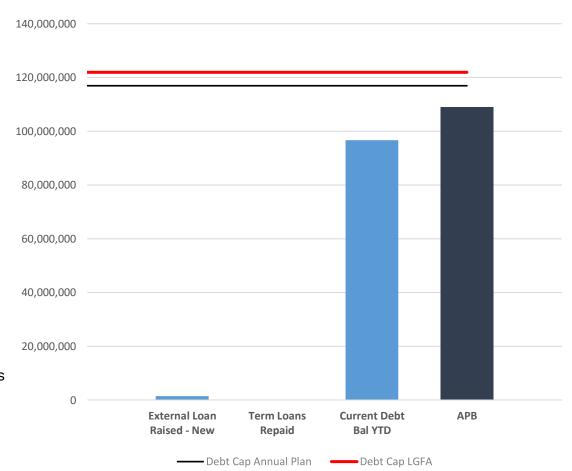
Debt Cap Annual Plan

\$116.9M

New Debt Raised

\$1.4M

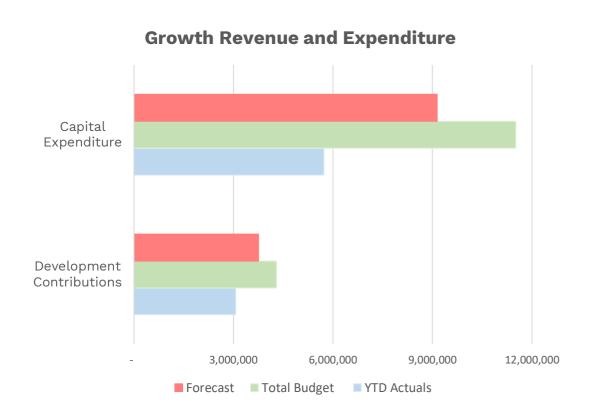
Loans Raised to date of \$1.4M relate to the funding of capital works in the 2023/24 year, with the draw in July being due to timing. Based on forecast capital expenditure \$10.7M of new loans will be required this financial year. This drawdown will take place in June 2025.

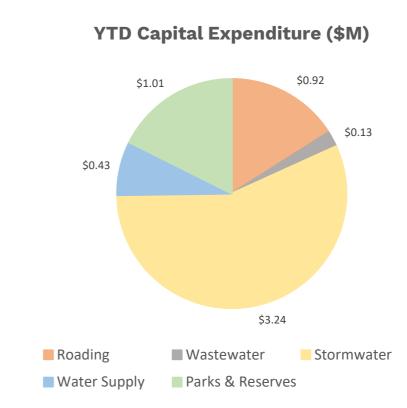


Growth Overview

Development Contributions received to the end of March 2025 total \$3M against a year to date budget of \$3M and a total budget of \$4.2M. The year end forecast is \$4.8M.

Capital expenditure totals \$5.2M against a year to date budget of \$8.1M and a total budget of \$11.5M. The year end forecast is \$9.1M. Key projects include the Turners Road extention, aquisition of land and development of walkways in precinct 4 and Roots Street development. More detail on these and other works can be found within the capital expenditure report.





Growth Reserves

	Reserve Balance 1 July 2024	Forecast Development Contributions	Forecast Interest on Loans	Forecast Capital Expenditure	Forecast Loans Raised	Forecast Loans Repaid	Reserve Balance 30 June 2025
Roading	0	(930,988)	97,214	2,009,227	(1,246,433)	70,980	0 In Fund
Wastewater	0	(791,153)	249,679	348,892	0	192,582	0 In Fund
Stormwater	0	(951,552)	504,392	4,035,708	(3,839,771)	251,223	(0) In Fund
Water Supply	0	(519,573)	42,766	925,687	(467,988)	19,108	0 In Fund
Parks & Reserves	(38,126)	(557,905)	127,565	1,821,203	(1,360,293)	7,556	0 In Fund
	(38,126)	(3,751,171)	1,021,616	9,140,717	(6,914,485)	541,449	(0)

Growth Loans Council Debt - Current Council Debt - Forecast ■ Growth Loans ■ Other Loans ■ Growth Loans ■ Other Loans **Growth Loans - 1 July 2024** 19,720,249 20% 24% Forecast Loans Raised 6,914,485 Forecast Loans Repaid (541,449)80% 76% **Closing Balance - 30 June 2025** 26,093,285

Development Contributions Calculated but not due for Payment

	\$ 16,413,842
Parks & Reserves	2,129,000
Water Supply	1,385,986
Stormwater	5,125,257
Wastewater	2,598,194
Roading	5,175,405



	Year to Date Actuals	Year to Date Budget	Variance
Revenue	1,666,634	1,628,418	38,216
Expenditure	1,877,585	1,955,097	77,512
Net Surplus/(Deficit)	(210,951)	(326,679)	115,728

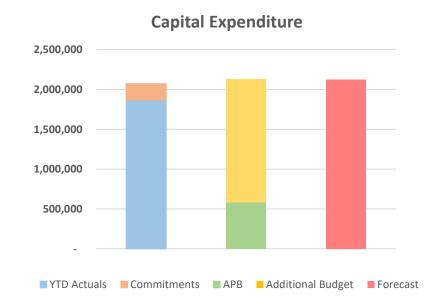
Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
2,165,964	2,170,906	2,178,806	7,900
2,473,421	2,518,891	2,494,932	23,959
(307,457)	(347,985)	(316,126)	31,859

Variance is \$115k unfavourable to budget. Revenue is \$38k above budget with a grant received from Central Energy Trust for makerspace equipment. A grant of \$900 was also received from the Tu Manawa Fund to support the Lego programme and \$4k of sponsorship was received for Family Fun Day.

Expenditure is under budget by \$78k with lower depreciation and interest costs due to timing around completion of the rebuild.

Revenue is forecast to be \$8k above budget with Makerspace and meeting room bookings exceeding budget. Expenses are forecast to be \$23k below budget with higher electricity costs and the new cleaning contract offset by lower depreciation.

Measure	Target	Prior Year Result	Q3 Result	Comment
Monitoring the number of physical and digital collection items borrowed or accessed per capita	5	10.1	In Progress	4.39 issues per capita at the end of Q3
Monitoring the number of online transactions and users of Wi-Fi and internet	49,317	49,317	Target Met	: 56,102 logins to library e-resources and apps
Number of participants satisfied with quality of their experience attending programmes, classes, exhibitions, events digital learning programmes or other social interaction groups at the Manawatū Community Hub Libraries	80%	New Measure 2024/25	Target Met	10 programmes surveyed with each receiving 100% satisfied feedback



Overall capital spend is \$1.9M with an additional \$224k in commitments

Work on the Community Hub build was finalised in January. The new carpark has been completed. Collection purchases are underway and expected to be fully spent by year end.

Annual Plan budget is \$581k with \$1.5M in approved carry forwards resulting in a total budget of \$2.1M



	Year to Date Actuals	Year to Date Budget	Variance	
Revenue	2,361,311	2,303,987	57,324	
Expenditure	2,533,854	2,540,223	6,369	
Net Surplus/(Deficit)	(172,543)	(236,236)	63,693	

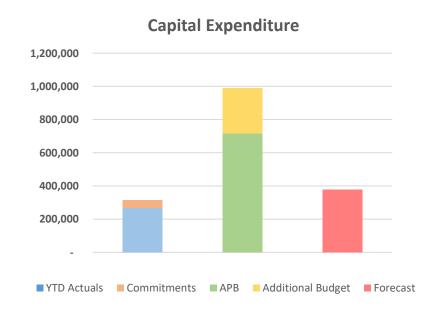
Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
3,030,303	3,033,946	3,033,946	0
3,253,162	3,274,675	3,345,679	(71,004)
(222,859)	(240,729)	(311,733)	(71,004)

Variance is \$64k favourable to budget. Revenue is \$57k above budget with admission fees, swimming lessons and lane hire revenue all tracking well ahead of budget.

Expenditure is \$6k below budget. This is mostly due to \$22k lower depreciation, with works from the last financial year not being completed by year end. There has been overspend on chemicals due to increased prices from suppliers, which has been addressed by changing chemicals used in pool treatment to a cheaper alternative, and overspend on gas prices due to the new contract having significantly higher prices than previously. The estimated impact of these increases has been incorporated into the 2025/26 Annual Plan. These overspends are currrently being offset by lower maintenance expenditure but that will deminish as planned works take place.

Forecast to be \$71k above budget due to higher than budgeted expenditure on gas. Alternative options for heating pools are being investigated

Measure	Target	Prior Year Result	Q3 Result	Comment
Pool safe accreditation	Accredited	Accredited	Target Met	Currently PoolSafe accreditation remains valid until April 2026
Participants in water activities and learning to swim programmes	51,000	45,142	In Progress	There has been a total of 38,966 participants in water activities and learning to swim programs
Percentage of customers satisfied overall with their experience at the complex	90%	92%	In Progress	The Annual Customer Satisfaction Survey will be carried out in quarter 4 to align with a combined Swim School Survey.



Overall capital spend is \$269k with an additional \$45k in commitments

\$500k related to the outdoor pool is currently under investigation

Total budget is \$989k



	Year to Date Y	Variance		
	Actuals Budget		variance	
Revenue	3,232,534	3,115,380	117,154	
Expenditure	3,081,013	3,377,592	296,579	
Net Surplus/(Deficit)	151,521	(262,212)	413,733	

Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
4,153,830	4,153,830	4,360,177	206,347
4,358,912	4,473,769	4,525,439	(51,670)
(205,082)	(319,939)	(165,262)	154,677

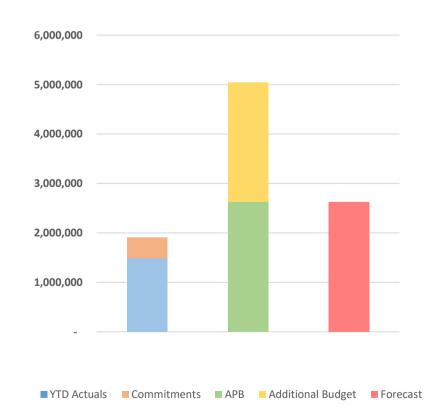
Variance is \$414k favourable to budget.

This is the result of lower depreciation and interest on loans not raised due to slower progression of capex works in 2023/24, as well as \$182k in operational projects which are to take place during the summer season. These include district wide cushionfall replacement, Kowhai Park Cricket Pavilion repaint and Pohangina Old School Pool condition assessment. There has been an increase in electricity expenditure due to additional usage of safety lighting in some areas.

Forecast to be \$154k above budget. Revenue is \$206k above budget due to higher development contribution revenue. Expenditure is \$52k above budget due to additional maintenance and electricity costs, partically offset by operational projects not expected to be completed this financial year.

Measure	Target	Prior Year Result	Q3 Result	Comment
Percentage of survey participants satisfied with Council's parks, reserves and sportsgrounds	90%	90%	Target Met	94% satisfaction in the third quarter residents survey
Monitoring the number of health and safety incidents or injuries reported that occurred due to inadequate or poor maintenance in our parks, reserves and	0	0	Target Met	No complaints received
sports grounds				

Capital Expenditure



Overall capital spend is \$1.48M with an additional \$427k in commitments. Key projects:

- -Fencing for Korotangi Park (Council contributed 50% of total cost) is completed with landscaping/planting/dog park development scheduled for Q4.
- -Detention Ponds development (Parakaraka) will follow completion of infrastructure works (\$721k). Expected to be a carried forward.
- -Waughs Rd walkway land acquisition (\$250k) (part of Oroua walkway) expected to be carried forward.
- -James Palmer walkway land acquistion complete. Development for Sherwill Street footbridge (\$223k) and Pharazyn Street walkway (\$200k) scheduled to begin Q4. A carry forward will be requested.
- -Mt Lees Freedom Camping (\$369k) waiting for proposal from NZMCA to determine direction.
- All projected work at Johnston Park is on hold until strategic plan is developed (\$593k)



	Year to Date Actuals	Year to Date Budget	Variance
Revenue	400,505	418,695	(18,190)
Expenditure	408,061	418,700	10,639
Net Surplus/(Deficit)	(7,556)	(5)	(7,551)

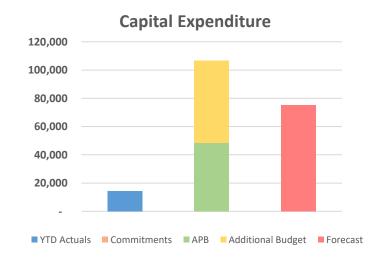
Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
558,265	558,264	543,264	(15,000)
558,265	558,266	579,223	(20,957)
0	(2)	(35,959)	(35,957)

Variance is \$7k unfavourable to budget. Revenue is \$18k below budget driven due to low number of interments. Trend is currently for more ashes interments than burials which will see a lower revenue than previously forecast.

Expenditure is \$11k below budget with operational projects at Feilding Cemetery in early stages (eg. Sexton Shed garden tidy up) and lower than expected interment costs.

Forecast to be \$36k above budget due to lower internment revenue and increased costs of contractor carrying out maintenance.

Measure	Target	Prior Year Result	Q3 Result	Comment
Percentage of responses to our residents perception survey that are satisfied with the maintenance of cemeteries	Baseline 2024/25	-	Target Met	B 7% satisfaction from the third quarter residents survey
Monitoring the number of complaints about late or inadequate interment services	No complaints	0	Target Not Met	Two complaints about inadequate interment services received during the third quarter - the incorrect plot was dug for an ash's interment in Rongotea Cemetery and dug ash's plot was prematurely filled in Feilding Cemetery



Works for Cemeteries are underway eg. Feilding garden tidy up \$25.6k, Feilding road reseal (Stage 1 complete, Stage 2 \$34.9k) and Kimbolton entrance reseal \$5.8k.

Installation of a new beam at Halcombe cemetry with further work in Q3. Pohangina - Water resilience options report have been completed and no further work required.

Total budget is \$106k



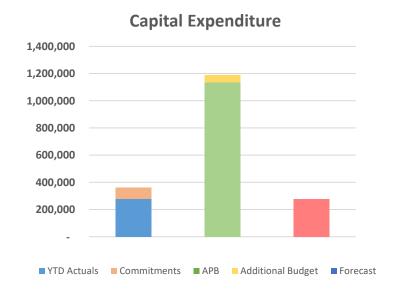
Halls and Recreation Complexes

	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	813,113	758,760	54,353	1,011,682	1,011,681	1,011,681	0
Expenditure	1,139,829	1,206,054	66,225	1,470,981	1,567,675	1,603,661	(35,986)
Net Surplus/(Deficit)	(326,716)	(447,294)	120,578	(459,299)	(555,994)	(591,980)	(35,986)

Variance is \$121k favourable to budget. Revenue is \$55k above budget with lower than budgeted rates remissions. Total expenditure is \$66K under budget with minor variances due to operational projects and scheduled maintenance planned for quarter 4. Oruoa Downs Hall investigation (\$15k) and Civic Centre exterior painting (\$22k) will be requested as a carry forward.

Forecast to be \$35k above budget due to additional maintenance and electricity costs.

Measure	Target	Prior Year	Q3 Result	Comment
Number of in-use Council-owned halls and recreational complexes that are compliant with current building warrant of fitness requirements and FENZ evacuation procedures	100%	Result 100%	Target Not Met	12 halls do not have a current BWoF. This is due to the number of non-compliances that were identified by BWoF Audit's undertaken. The majority of the work to rectify these non-compliances have been completed and the audits have been signed off. We expect BWoF's to be issued by Council's IQP in time for the next BWoF expiry however this is unlikely to occur this financial year resulting in the target not being met. All Council-owned community halls are currently compliant with FENZ requirements.



Key projects scheduled include:

- -Te Kawau Rec Centre carpet replacement has been completed (\$41k). -Civic Centre HVAC - \$770k. Majority of budget will need to carry
- forward due to coincide with seismic strengthening remedial works.
- -Himitangi Beach Surf Club roof flashing replacement \$65.6k due to take place at the end of the summer season. Likely to be a carry forward.
- -Himatagngi beach hall earthquake strengthening (\$40k) will be a carry forward.

Total budget is \$1.2M



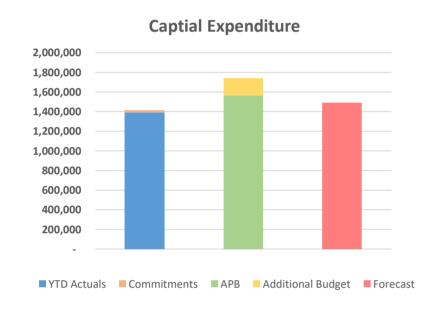
	Year to Date Actuals	Year to Date Budget	Variance	
Revenue	559,341	443,679	115,662	
Expenditure	618,212	686,358	68,146	
Net Surplus/(Deficit)	(58,871)	(242,679)	183,808	

Annual Plan Budget 591,583	Total Budget 591,581	Forecast Total 591,581	Variance to Budget
874,465	889,195	819,770	69,425
(282,882)	(297,614)	(228,189)	69,425

Variance is \$183k favourable to budget. Revenue is \$116k above budget, mostly due to with the insurance claim received for material damage at 341 Kawakawa Road, expenditure realting to this claim was carried out in the previous financial year. Total expenditure is \$68k below budget due to the Eyre Street building demolition being investigated and may result in a carry forward (\$62k).

Forecast to be \$69k below budget due to lower deprecation and delay of the demolishion of the Eyre Street building.

Measure	Target	Prior Year Result	Q3 Result	Comment
Council-owned buildings and properties			Taurat Nat	5 Council-owned in-use properties do not have
are compliant with the relevant safety	100%	100%	Target Not	current BWoF's. Work is scheduled to resolve non-
regulations			Met	compliance issues



Key projects:

- -Coachhouse Museum purchase has been finalised (\$1.3M) with key capital works to take place in 2025/26.
- -South Street development \$65k (as required with sale of land).
- -Feilding Depot Development \$107k. As this is dependent on Te Arawhiti and LINZ negotiations, a carry forward is likely.
- Resealing of carpaprk around the Administration Building \$15k is deferred due to the reroof project so will need to be carried forward until the project is completed.

Total budget is \$1.7M



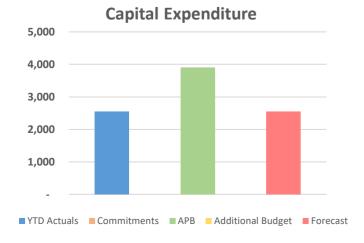
	Year to Date Actuals	Year to Date Budget	Variance
Revenue	418,389	389,949	28,440
Expenditure	352,872	377,348	24,476
Net Surplus/(Deficit)	65,517	12,601	52,916

Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
519,933 519,932	519,933 523,267	519,933 523,817	0 (550)
1	(3,334)	(3,884)	(550)

Variance of \$52k favourable to budget. Total expenditure is \$24k below budget with a range of minor variances.

Forecast to be slightly above budget due to increased cost of electricity.

Measure	Target	Prior Year	Q3 Result	Comment
		Result		
Monitoring the number of complaints we	e			Two complaints received about inadequate
receive about inadequate maintenance	< 8	7	Target Me	t maintenance and poor cleaning of our toilets in the
and poor cleaning of our toilets				third quarter



High Profile toilets refurbishment \$10k is ongoing until the end of FY2024/2025 and the Feilding CBD refurbishment is taking place Q3/4. Total budget \$3.3k with \$778 remaining.

Minor renewals to take place later in year as required.

District Development

	Year to Date \ Actuals	ear to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total
Revenue	3,544,044	3,365,121	178,923	4,486,829	4,486,829	4,667,829
Expenditure	3,198,318	3,660,240	461,922	4,112,370	4,621,335	4,282,948
Net Surplus/(Deficit)	345,726	(295,119)	640,845	374,459	(134,506)	384,881

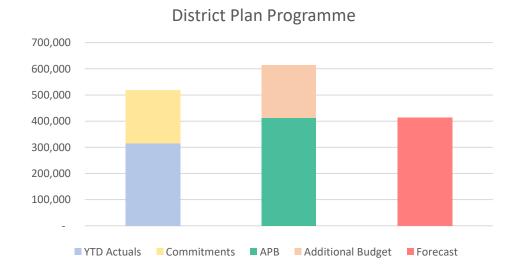
District Development encompasses district planning, community grants and economic and community development initiatives & partnerships.

Variance is \$641k favourable to budget.

Revenue is \$179k above budget with interest received on community loans (\$134k) budgeted for in treasury, and higher than budgeted grants received from Creative Communities. Expenditure is \$462k below budget. This is due to timing around the process of issuing community grants, the majority of this being community committee grants which are only issued once the committee has met criteria for recieing it's funding (note: many committee may not spend their allocation and this may not be carried forward), and progress on district plan (\$256k - outlined below).

Forecast to be \$414k favourable to budget predominantly due to interest recieved from community loans (\$181k) and lower spend on the district plan programme (\$200k) and Community Grants (\$133k).

Measure	Target	Prior Year Result	Q3 Result	Comment
Percentage of survey participants satisfied with the level of support received from Council	80%	n/a	Target Met	The annual Community Committee Satisfaction Survey will be undertaken in the third quarter and will be reported in the fourth quarter.
Percentage of survey participants satisfied with transparency of the decision-making and application process for Community Funding	80%	69%	In Progress	A survey of grant recipients for the Representative, Event, Community Development and Creative Communities will be undertaken and report in the fourth quarter.
Percentage of Results Based Accountability targets achieved under Priority Services contract	80%	95%	Target Met	89% of recipients were satisfied with the application process and the transparency of the decision making
Percentage of targets CEDA has achieved under the relevant Statement of intent	80%	93%	In Progress	Achievement is reported annually



Significant uncertainty projected over the year based on Central Government's RMA review programme & impact on project has impacted the expected work programme for the year resulting in lower than budgeted year-to-date spend.

Forecast Variance to Budget

181,000

338,387 **519,387**

Rural review hearing funding will not be fully committed this year. Forecast expects that \$200k will be requested to be carried forward to 2025/26.



	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	640,692	638,571	2,121	906,778	906,778	683,134	(223,644)
Expenditure	624,145	722,125	97,980	957,099	956,101	938,806	17,295
Net Surplus/(Deficit)	16,547	(83,554)	100,101	(50,321)	(49,323)	(255,672)	(206,349)

Variance is \$100k favourable to budget. Revenue is \$2k above budget with higher dog registration fees at the beginning of the year and higher infringment fees being offset by lower fees recieved for inpounded animals.

Expenditure is \$97k under budget due to lower depreciation (\$13K) pound costs (\$26k), contract payments and DogGone costs (\$44k).

Forecast \$206k below budget. Revenue is forecast to be \$233k under with lower than budgeted fees and charges. This variance is due to the use of reserve funding during this financial year in order to ease the transition into the new funding split agreed upon during the long term plan (from 40% rates/60% User Fees to 20% rates/80% User Fees). Reserves are not used for the 2025/26 financial year.

Measure	Target	Prior Year	Q2 Result	Comment
		Result		
Urgent requests about dog				257 requests for urgent service received and
attacks/wandering stock responded to or	0.007	0.40/	Tourist Mot	responded to within the required timeframe. A
caller contacted within 15 minutes of	90%			result of 100%
Council receiving the request (Priority 1)				result of 100%
Notification of roaming dogs responded			99% Target Met those	265 prioirity 2 requests were received and 165 of
to or caller contacted the next working	0.007	000/		
business day of Council receiving the	90%	99%		those were responded to within the required timeframe. A result of 98.5%
request (Priority 2)				timetrame. A result of 98.5%
Routine animal control issues responded				254 prioirity 2 requests were received and 177 of
to or caller contacted the next working	0.007	070/	Tourist Mot	
business day of Council receiving	90%	97%	rarget wet	those were responded to within the required
notification (Priority 3)				timeframe. A result of 97.2%



	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	1,897,754	2,314,854	(417,100)	4,195,080	4,195,080	3,275,080	(920,000)
Expenditure	2,487,278	3,081,100	593,822	4,195,080	4,105,096	3,250,773	854,323
Net Surplus/(Deficit)	(589,524)	(766,246)	176,722	0	89,984	24,307	(65,677)

Variance of \$176k favourable to budget. Revenue is \$417k below budget with the volume of building consents received being less than anticipated. This is primarily influenced by several key factors: Economic conditions, government policies (new building products, exempt small buildings) and interest rates. The impact of this has been taken into account in the 25/26 Annual Plan budget.

Total expenditure is \$594k below budget with less consultants required due to the low number of consents.

These trends are reflected with a year end forecast \$66k under budget.

Measure	Target	Prior Year Result	Q2 Result	Comment
Number of the district's commercial and public buildings holding a current compliance schedule that are audited every 3 years	95%	81%	In Progress	395 buildings need inspections for compliance schedules. 326 inspections have been completed. A detailed plan has been developed to ensure that all buildings are audited within the required timeframe, and additional resources have been allocated to support this effort.
Complaints relating to our building control service are responded to within specified timeframes	90%	92%	Target Not Met	75 complaints received and 61 were responded to within the required timeframe. Resulting in a response rate of 81.3%,
Number of residential swimming pools that are inspected every 3 years to ensure compliance with the Building Act	95%	98%	Target Met	99.4% of swimming pools have been inspected as scheduled
Number of building consent applications and code compliance certificates processed and approved within 20 working days	95%	90%	Target Met	99.2% of building consents and 98.1% of CCC's were processed and approved within 20 working days
Number of fixed fee (small works) building consent applications are processed and approved within 10 working days	95%	89%	Target Met	153 fast track building consents for small building work were received and 151 of those were processed and approved within 10 working days. A result of 98.6%



	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	248,978	251,037	(2,059)	334,712	334,713	334,713	0
Expenditure	256,085	251,543	(4,542)	334,712	334,712	334,712	0
Net Surplus/(Deficit)	(7,107)	(506)	(6,601)	0	1	1	0

A small range of minor variances in revenue and expenditure.

No changes to budget have been forecast.

Measure	Target	Prior Year Result	Q3 Result	Comment
Food premises are verified as per legislative requirements under the Food Regulations 2015	90%	93%	In Progress	There are 110 registered food premises verified by MDC. Of those, 74 verifications are due between 1 July 2024 until 30 June 2025, of which 62 have been completed.
Requests for service related to incidents that endanger public health that are responded to within 24 hours of notification	85%	95%	Target Met	7 complaint concerning incidents that endangered public health was received. These complaints were responded to within 24 hours of notification, resulting in a 100% response rate.
Urban noise complaints that are responded to within one hour of notification	85%	98%	Target Met	301 complaints of excessive noise were received for the urban area. 291 were responded to within 1 hour, achieving a response rate of 98.2%.
Requests for service related to incidents that do not endanger public health that are responded to within 48 hours of notification	85%	97%	Target Met	255 complaints were received and 252 were responded to within the required timeframe of 48 hours from notification, resulting in a response rate of 98.8%.
inspected annually to ensure compliance with the conditions of their license and to work with those who do not comply to bring them up to compliance	95%	98%	In Progress	Of the 51 licensed premises, 16 were inspected during the period from 1 July 2024 to 30 September 2024. On track to achieve a 100% inspection rate.



Alcohol Licencing

	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	195,525	204,804	(9,279)	273,065	273,065	273,065	0
Expenditure	115,806	205,057	89,251	273,065	273,064	273,064	0
Net Surplus/(Deficit)	79,720	(253)	79,973	0	1	1	0

Expenditure is \$89k below budget with less staff time charged to the activity. This variance is expected to decrease in Quarter 4 with more work being undertaken in that period.

No changes to budget have been forecast.

Parking Enforcement

	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	93,190	93,768	(578)	125,024	125,024	125,024	0
Expenditure	4,467	873	(3,594)	125,024	125,024	125,024	0
Net Surplus/(Deficit)	88,723	92,895	(4,172)	0	0	0	0

Parking Enforcement on-track to be implemented in May 2025. Costs incurred includes staff training and the purchase of software and equipment. All revenue received is rates funding of the activity.



Consents Planning Activity

	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	1,209,302	1,402,767	(193,465)	2,018,753	2,018,753	1,690,344	(328,409)
Expenditure	1,186,274	1,514,070	327,796	2,018,753	2,018,752	1,918,752	100,000
Net Surplus/(Deficit)	23,029	(111,303)	134,332	0	1	(228,408)	(228,409)

Variance for Consents Planning is \$134k favourable to budget. Revenue is \$193k under budget, with a low number of subdivison consents received.

Expenditure is \$328k below budget due to low spend on consultants and less staff time charged to activity.

These trends are reflected in the forecast, with a total forecast \$228k under budget.

Measure	Target	Prior Year Result	Q3 Result	Comment
Number of applications for permitted boundary activities under the Resource Management Act are processed in accordance with the statutory timeframes	90%	93%	Target Met	18 permitted boundary applications were received and 17 were processed within the required timeframe. A result of 94%.
Number of non-notified resource consents completed within statutory timeframes	90%	91%	Target Met	187 out of 188 consents (99.3%) processed within the statutory timeframe
Number of notified and limited notified resource consents (not requiring a hearing) completed within statutory timeframes	90%	n/a	Target Met	There were no notified or limited notified consents (not requiring a hearing) received for the period 1 July 2024 to 30 September 2024
Number of limited notified resource consents (with hearing) completed within statutory timeframes	ח 90%	n/a	Target Met	There were no notified or limited notified consents (requiring a hearing) received for the period 1 July 2024 to 30 September 2024
Number of non-notified resource consents completed within statutory timeframes	90%	n/a	Target Met	There were no notified consents received for the period 1 July 2024 to 30 September 2024

◯ Governance & Strategy

	Year to Date Actuals	Year to Date Budget	Variance
Revenue	3,241,926	3,185,568	56,358
Expenditure	3,122,550	3,192,579	70,029
Net Surplus/(Deficit)	119,376	(7,011)	126,387

Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
4,247,428	4,247,428	4,247,428	0
4,247,425	4,247,423	3,654,263	593,160
3	5	593,165	593,160

Variance is \$126k favourable to budget. Revenue is \$56k above budget due to higher rates received.

Expenditure is under budget by \$70k. This is mainly because the Council Meeting Allowance budget is \$34k below budget, Conference expenses is \$10k below budget and training for Elected Members is \$3k below budget. Other variances are minor and insignificant.

These trends are reflected in forecasted reduction to expenditure by \$103k for the year.

Measure	Target	Prior Year	Q3 Result	Comment
		Result		
100% of meeting and committee agendas made available to the public within statutory timeframes	100%		Target Met	All meeting agendas have been made publicly available in the statutory time frames.
Provide and maintain robust processes to ensure all local elections, polls and representation views are held with 100% compliance with statutory requirements and no complaints regarding statutory compliance are upheld by the Ombudsman nor the Courts.	100%		Target Met	None of these have occurred in this time frame.
100% of consultations implemented in accordance with the principles of the Local Government Act 2002	100%		Target Met	All consultations properly implemented



Emergency Management

	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	356,334	353,271	3,063	471,029	471,029	471,029	0
Expenditure	323,036	353,971	30,935	471,028	471,029	449,001	22,028
Net Surplus/(Deficit)	33,298	(700)	33,998	1	0	22,028	22,028

Variance of \$34k favourable to budget. Expenditure is \$31k below budget due to many minor variances, primarily lower depreciation, conference expenses and printing costs.

These trends are reflected in forecasted reduction to expenditure by \$22k for the year.

Measure	Target	Prior Year Result	Q3 Result	Comment
% of Incident Management Team personnel trained to at least intermediate level of the Integrated Training Framework for Emergency Management	75%	88%	Target Met	85% of IMT Intermediate trained. Reduction due to staff exits
% of survey participants involved in the development, delivery or review of Community Response and Recovery Plans that are satisfied with the level of education and information provided by Council.	New	N/A - New	Target Met	There has not been an event that has met the criteria for a survey this quarter or YTD



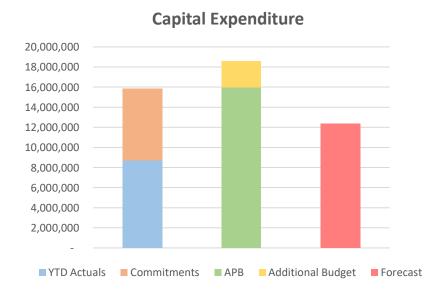
	Year to Date	Year to Date Year to Date			
	Actuals	Budget	Variance		
Revenue	16,988,728	16,360,029	628,699		
Expenditure	17,231,268	17,613,529	382,261		
Net Surplus/(Deficit)	(242,540)	(1,253,500)	1,010,960		

Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
21,479,932	22,051,089	21,324,091	(726,998)
23,479,260	23,487,420	22,900,292	587,128
(1,999,328)	(1,436,331)	(1,576,201)	(139,870)

Roading variance is \$1.01M favourable to budget. Revenue is \$629k below budget made up of lower development contributions (\$529k) and capital contributions (\$73k) offset by higher NZTA subsidies (\$1.1M). Expenditure is \$382k below due to lower depreciation as a result of delays in completion of FY2024 capital projects while budget assumed completion (\$461k) and interest costs (\$22k) overset slightly by higher operational projects (\$39k) and staff time (\$180k) with projects tracking ahead. On track to achieve both operational and subsidised capital projects budgets by year end.

Forecast to be \$140k unfavourable to budget. Revenue is forecasted to be \$727k below budget with less development contributions. Expenditure is forecasted to be \$587k below budget with lower depreciation and interest costs and slightly higher electricity costs.

Measure	Target	Prior Year Result	Q3 Result	Comment
The number of fatalities and serious injury crashes on the local road network is lower than the previous financial year, expressed as a number.	<0	0.00053	In Progress	To the end of the 3rd Quarter there have been 13 crashes reported that have resulted in 3 fatalities and 12 serious injuries.
The average quality of ride on a sealed local road network, measured by Smooth Travel Exposure (STE) index ratings (percentage of assessed network length where roughness is under the relevant threshold)	90%	97%	In Progress	This will be reported on in Quarter 4.
A percentage of the sealed local road network that is resurfaced	5%	3.5%	In Progress	The 2024-25 resealing programme started on 20th September 2024. To date the reseal programme is 99.1% complete. On completion 4.1% of the local road network will have been resurfaced.
The percentage of footpaths within the district that fall within the level of service or service standard for the condition of footpaths that is set out in Council's Activity Management Plan	95% of the districts footpaths are within acceptable defect levels (condition rating 1 – 4)	99.29%	Target Met	The 2023 Footpath Rating survey resulted in 99.29% being acceptable.
For urgent requests for service, Council's will respond within three hours of the request being lodged	90%	95%	Target Met	For the period 1 July 2024 to 31 March 2025, 183 Urgent requests were received. 172 were responded to within 3 hours. This equates to 94%
For non-urgent requests for service the contractor will include the repairs in the 3 month rolling programme or as instructed by Council's Roading Team	90%	84%	Target Met	For the period 1 July 2024 to 31 March 2025, 794 Non Urgent requests were received, of which 673 have been resolved within 3 months. Of the remaining 74 open CCR's 55 are still within the allowed 3 month time frame. This equates to 91.7%.



Overall capital spend is \$8.7M with an additional \$7.1M in commitments - totalling \$15.8M year to date.

Key projects that are currently underway:

- Root St Stage 2 (Churcher to Echo) Growth Works
- Sealed Road Resurfacing with 100% of reseals completed
- Pavement Rehabilitation
- Churchill Bridge Replacement

Total budget is \$18.9M



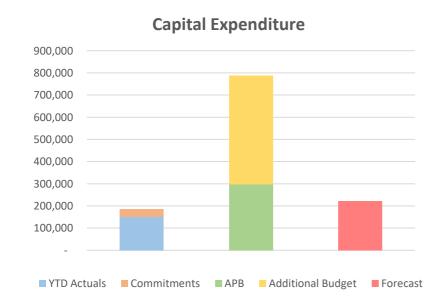
	Year to Date Actuals	Year to Date Budget	Variance
Revenue	3,584,328	3,641,955	(57,627)
Expenditure	3,273,799	3,576,641	302,842
Net Surplus/(Deficit)	310,529	65,314	245,215

Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
4,577,034	4,786,208	4,424,326	(361,882)
4,579,568	4,714,719	4,021,092	693,627
(2,534)	71,489	403,234	331,745

Solid Waste variance is \$245k favourable to budget. Revenue is \$57k below budget resulting from lower transfer station gate takings (\$333k) and blue bag sales (\$206k). This is offset by higher operational subsidies for waste minimisation from MFE (\$351k), recoveries from recyclables (\$69k) and rates (\$67k). The waste minimisation subsidy is higher than budget due to the waste levy expansion resulting in higher waste levy charges therefore receiving more based on population. New levy charges have been reflected in the 25/26 Annual Plan Budget. Expenditure is \$303k below budget due to low disposal costs as a result of lower tonnage being collected and processed which is consistent with previous years.

Forecast to be \$332k favourable to budget. Revenue is forecasted to be \$362k below budget with under anticipated blue bag sales and gate takings offset by higher recyclable recoveries and waste levy subsidies. Expenditure is forecast to be \$694k below budget

Measure	Target	Prior Year Result	Q3 Result	Comment
Percentage of actions set within the Waste Management and Minimisation Plan (WMMP) for that year that are achieved	50%	NEW	In Progress	Work on Feilding Food Waste Collection Contract is progressing well. Waste diversion trials for Polystyrene and Construction & Demolition Waste have been going well.
The number of missed collections of kerbside refuse, food waste, and recycling.	<100	NEW	In Progress	There were 12 missed collections this quarter which were all remedied the same day, or the next day.
Percentage of issues raised with Council about kerbside collection of refuse, food waste or recycling, other than a missed collection, that are responded to* within 3 days.	95%	NEW	Target Met	100% of issues raised in this quarter were responded to within 3 days.
Rural residents have convenient council refuse bag drop-off points close to their homes	90%	90%	Target Met	The present collection routes ensure this measurement is reached.
Mobile recycling centres are conveniently located within 5km of identified village centres	YES	YES	Target Met	All Mobile Recycling Centres (MRCs) are in place. Please note Halcombe MRC cannot accept glass.



Overall capital spend is \$150k with an additional \$35k in commitments - totalling \$185k year to date.

Key projects that are currently underway:

- Second Weighbridge
- Entranceway and public drop-off improvements at RRC
- Purchase of New Bins for WMMP

Total budget is \$787k.



	Year to Date \ Actuals	ear to Date/ Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	5,277,926	4,970,213	307,713	6,026,287	7,701,787	7,791,894	90,107
Expenditure	4,409,745	4,887,336	477,591	6,379,182	6,379,678	5,720,433	659,245
Net Surplus/(Deficit)	868,181	82,877	785,304	(352,895)	1,322,109	2,071,461	749,352

Variance is \$785k favourable to budget. Revenue is \$308k below budget due to many minor variances, primarily lower development contributions and higher volumetirc water billing charges. Expenditure is \$478k below budget due to lower depreciation as a result of delays in completion of FY2024 capital projects while budget assumed completion (\$510k) and lower internal interest (\$90k), this is offset by higher staff time charges(\$84k).

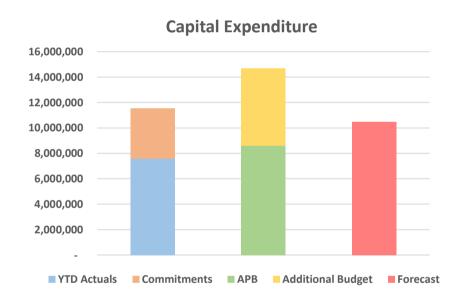
Forecast is expected to be \$749k favourable to budget. Revenue is forecast to be \$90k below with less development contribution revenue expected. Expenditure is forecast to be \$659k below budget due to lower depreciation, interest and electricity charges offset by

Water Supply - Measure	Target	Prior Year Result	Q3 Result	Comment
No Public health risk with substantiated positive E-coli detected in the water supply				
Feilding - Almadale	100%	Target Not Met	Target Not Met	Non compliant for continuous monitoring due to PLC failure
Feilding - Awa Street	100%	Target Not Met	Target Not Met	non-compliant for C.t - concentration (C) and the contact time(t) at Campbell Road bore site. The chlorination upgrade is underway cut in now scheduled for September 2025
Himatangi Beach	100%	Target Not Met	Target Met	Drop out of sensor on 8 February covered by Manual readings as required in DWQAR
Rongotea	100%	Target Not Met	Target Met	100% compliant with bacteria requirements
Stanway Halcombe	100%	Target Not Met	In Progress	New Treatment Plant Halcombee-Stanway 2025 has been fully compliant since it was commissioned on 17 February 2025
Waituna West	100%	Target Not Met	Target Met	100% compliant with bacteria requirements
Ohakea (Includes Sanson)	100%	Target Not Met	Target Met	100% compliant with bacteria requirements
New Zealand Drinking Water Standard Compliance Criteria for protozoa are met, with the exception of the Stanway- Halcombe Rural Water Supply				
Feilding - Almadale	100%	Target Met	Target Met	100% compliant with Protozoa requirements
Feilding - Awa Street	0%	Target Met	Target Met	The Newbury Line and Campbell Road bores currently have Class 1 water status and therefore don't require a protozoa barrier.
Himatangi Beach	100%	Target Met	Target Met	The Himatangi Beach bore currently has Class 1 water status and therefore does not require a protozoa barrier.
Rongotea	100%	Target Met	Target Met	The Rongotea Bore currently has Class 1 status and therefore a protozoa barrier is not required. Notwithstanding this, a protozoa barrier was installed in mid November (UV)

installed in mid November (UV)

Water Supply - Measure	Target	Prior Year Result	Q3 Result	Comment
Stanway Halcombe	100%	Target Met	In Progress	New Halcombe-Stanway WTP 2025 has been fully compliant since its commissioning on 17 February 2025
Waituna West	100%	Target Met	Target Met	Bore has Class 1 status under S3 rules
Ohakea (Includes Sanson)	100%	Target Met	Target Met	100% compliant with Protozoa requirements
Percentage of real water loss from Council's networked reticulation system. This will be calculated for each water supply scheme using Method 1 - Water Balance as per the Department of Internal Affairs guidelines				
Feilding	< 35%	16%	Target Met	12 months data required.
Himatangi Beach	< 35%	31%	Target Met	12 months data required.
Rongotea	< 35%	15%	Target Met	12 months data required.
Sanson	< 35%		In Progress	12 months data required.
Stanway Halcombe	< 35%	18%	In Progress	12 months data required.
Waituna West	< 35%	34%	In Progress	12 months data required.
Attendance time for urgent call-outs: from the time the Council receives notification to the time that service personnel reach the site	< 2 hours	0.26 hours	Target Met	Median response time = 0.88 hrs
Resolution time of urgent call-outs: from the time that Council receives notification to the time that service personnel confirm that the water supply has been reinstated.	< 9 hours	1.98 hours	Target Met	Median Resolution time = 1.85 hrs
Attendance time for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site	<5 working days	2.1 hours	Target Met	Median response (non Urgent) about 0.5 day
Resolution time for non-urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	< a further 5 working days	14.6 hours	Target Met	Median resolution time for non-urgent jobs 48 hours (2 days)
Monitoring the total number of complaints (per 1,000 connections) received by Council about any of the following: • Drinking water clarity • Drinking water taste • Drinking water odour • Drinking water pressure or flow • Continuity of supply • The local authority's response to any of these issues	<20	3.6	Target Met	Q1 complaints = 57 Q2 complaints = 125 = 182 21.4 complaints / 1000 connections Q3 complaints = 98 11.5 complaints/1000 connections

Water Supply - Measure	Target	Prior Year	Q3 Result	Comment
		Result	<u> </u>	
The average consumption of drinking				
water per day, per resident within				
Council's authority area				
Measured as litres/person/day for				
domestic supply only				
_ ,, ,,				Need 12 months data. February and March 2025 very
Feilding	<300	184	In Progress	dry so increased garden irrigation
				Need 12 months data . January to March 2025 very
Himatangi Beach	<1000	590	In Progress	dry along with increased population led to estimate
				being over 1000 L/person/day
Rongotea	<300	153	Target Met	Need 12 months data.
			Tunget met	
Sanson	<300	n/a	In Progress	Is now a Zone of the Ohakea Water supply Scheme
Stanway Halcombe	<1000	294	In Progress	Need 12 months data.
Waituna West	<1000	784	In Progress	Need 12 months data.
Ohakea	<1000	330	In Progress	Need 12 months data and Ohakea Base water use.



Overall capital spend is \$7.6M with an additional \$3.9M in commitments - totalling \$11.5M year to date.

Key projects that are currently underway:

- Roots St West WTP
- Root Street Stage 2 (Churcher to Echo) Growth Works
- Stanway/Halcombe WTW New Works
- Precinct 5 Storage

Total budget is \$14.7M

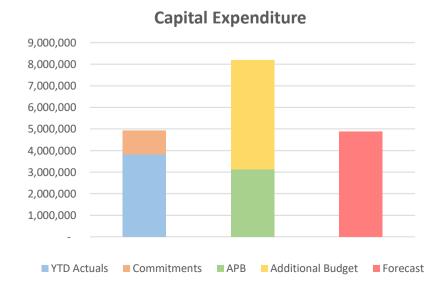
	Year to Date Actuals	Year to Date Budget	Variance
Revenue	2,410,419	2,731,727	(321,308)
Expenditure	1,414,391	1,748,326	333,935
Net Surplus/(Deficit)	996,028	983,401	12,627

Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
3,326,298	3,735,309	2,817,618	(917,691)
2,223,003	2,288,003	1,980,249	307,754
1,103,295	1,447,306	837,369	(609,937)

Variance is \$13k favourable to budget. Revenue is \$321k below budget driven by lower development contributions (\$613k) offset by sservice connection agreement revenue received for Echo Place (\$172k) and sundry revenue for Excavated Materials (\$43k). Expenditure is \$334k below budget primarily because of lower internal interest (\$226k) and depreciation (\$23k) offset by higher spend on operational projects of (\$40k).

Forecast is expected to be \$610k unfavourable to budget. Revenue is forecast to be \$918k below budget with less development contribution revenue expected. Expenditure is forecast to be \$308k below budget due lower depreciation and finance costs with

Measure	Target	Prior Year Result	Q3 Result	Comment
The number of flooding events in the district	<2	1	Target Met	0 habitable floors flooded
The number of habitable floors per 1000 properties affected by flooding per flooding event that occurred in the district	<10	0.01	Target Met	: 0 habitable floors flooded
Abatement notices received by Council in relation to resource consents. (measured per scheme)	<2	0	Target Met	No abatement notices were issued
Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of: • Infringement notices • Enforcement orders, and • Convictions received by Council in relation those resource consents (per scheme).	0	1	Target Met	: No infringement notices have been issued
The median response times to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site	<2 hours	N/A	Target Met	: O flooding events
The number of complaints received by Council about the performance of its stormwater system. (Expressed per 1,000 properties connected to Council's stormwater system).	<20	3.96	Target Met	5 complaints received in quarter 3. This results in 45 complaints (Q1+Q2+Q3). 9,267 connections, this equates to 4.8 complaints/1000 connections



Overall capital spend is \$3.8M with an additional \$1.1M in commitments - totalling \$5M year to date.

Key projects that are currently underway:

- Root Street Stage 2 (Churcher to Echo) Growth Works
- Precinct 4 Attenuation
- Ranfurly Road Stormwater Improvements
- Design work for 5 retention ponds across District

Total budget is \$8.2M



Wastewater - excluding Nursery

	Year to Date Actuals	Year to Date Budget	Variance	Annual Plan Budget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	8,037,664	6,978,591	1,059,073	9,247,916	9,333,222	10,383,547	1,050,325
Expenditure	7,955,676	7,184,572	(771,104)	9,482,955	9,486,729	10,057,280	(570,551)
Net Surplus/(Deficit)	81,988	(205,981)	287,969	(235,039)	(153,507)	326,267	479,774

Wastewater variance is \$288k favourable to budget. Revenue is \$1.1M above budget predominately due to higher development contributions due to incorrect budget loaded (\$828 not \$828,000)(\$701k) and sundry revenue relating to Ohakea Wastewater Charges and Makowhai Farm Lease (\$183k). Expenditure is \$771k above budget primarily because of higher Chemicals (\$314k), Electricity (\$191k), Insurance (\$199k) and Maintenance (\$201k). This was offset by lower depreciation as a result of delays in completion of FY2024 capital projects while budget assumed completion (\$33k) and lower internal interest (\$134k).

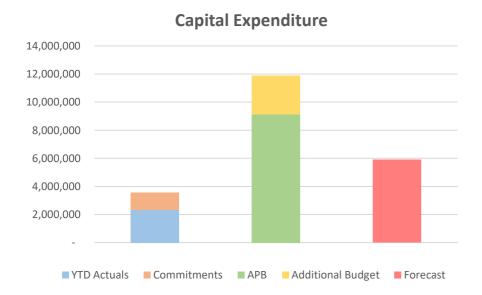
Forecast is expected to be \$480k favourable to budget with revenue forecast to be \$1.1M above budget due to higher DC Revenue and Ohakea Wastewater Charges. Expenditure is forecast to be above budget by \$571k as a result of higher electricity costs as a result of

Measure	Target	Prior Year Result	Q3 Result	Comment
Number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 sewerage connections	< 6	2	Target Met	Quarter 3 = 0 dry weather overflows
Abatement notices received by Council in relation to resource consents. (measured per scheme)	<2	1	Target Met	In quarter 2, One abatement notice was received for the Kimbolton WWTP requiring an investigation into effluent quality. No Abatement notices received in Q1 and Q3.
Compliance with the Council's resource consents for discharge from its stormwater system measured by the number of: • Infringement notices • Enforcement orders, and • Convictions received by Council in relation those resource consents (per scheme).	0	0	Target Met	No Infringement notices, enforcement orders or convictions received by Council relating to wastewater conditions.



Wastewater - excluding Nursery

Median response time to sewage overflows resulting from blockage or other faults in the Council's sewerage system (urgent)	< 2 hours	0.25 hrs	Target Met	Quarter 3 - No Urgent jobs
Median response time to sewage overflows resulting from blockage or other faults in the Council's sewerage system (non-urgent)	< 5 Days	0.9 hrs	Target Met	0.538 days
Median response time (combined)	< 5 Days	0.6 hours	Target Met	Same as above as no urgent jobs Q3 = 0.538 days
Median resolution time to sewage overflows resulting from blockage or other faults in the Council's sewerage system (from the time Council received notification to the time service personnel confirm resolution of the blockage or other fault) (urgent)	< 5 hours	1.82 hours	Target Met	Quarter 3 = No urgent jobs
Median resolution time to sewage overflows resulting from blockage or other fault in the Council's sewerage system (from the time Council received notification to the time service personnel confirm resolution of the blockage or other fault) (non-urgent).	10 Days	2.93 hours	Target Met	0.553 days
Median resolution time (combined)	10 Days	2.4 hours	Target Met	Same as above as no urgent jobs (0.553 days)
The total number of complaints received by Council about the following: • Sewage odour • Sewerage system faults • Sewerage system blockages • Council's response to issues with its sewerage system Expressed per 1,000 connections to the council	< 20 complaints in total per 1,000 connections per annum	4.2	Target Met	Q3 = 1 leak,4 odour, 2 break, 4 blockages = 11 Q1 = 7 Q2 = 7 Total = 25 25 complaints = 2.79 complaints per 1000 connections



sewerage system.

Overall capital spend is \$2.4M with an additional \$1.2M in commitments - totalling \$3.6M year to date.

Key projects that are currently underway:

- Root Street Stage 2 (Churcher to Echo) Growth Works
- Wastewater Centralisation Rongotea Design
- Wastewater Centralisation Halcombe to Mt Stewart Pipeline
 - Bio Trickling Filter Upgrade at Feilding WWTP

Total budget is \$11.9M



*The nursery is located within the wastewater budget however is reported as a separate activity

	Year to Date Actuals	Year to Date Budget	Variance	al Plan dget	Total Budget	Forecast Total	Forecast Variance to Budget
Revenue	237,601	295,833	(58,232)	448,523	448,523	432,774	(15,749)
Expenditure	294,580	478,728	184,148	448,525	444,325	423,579	20,746
Net Surplus/(Deficit)	(56,979)	(182,895)	125,916	(2)	4,198	9,195	4,997

Variance for the Nursery is \$126k favourable to budget. Reflecting \$238k of revenue and \$295k of expenditure incurred. This reflects the costs and work required up front to plant/sow the seedlings which have very little value at time of planting. The revenue is earned at sale time (most plants take between 1-2yrs to mature ready for sale). The value of the seedling is recognised as stock on hand into the balance sheet but at this time they are not worth much as their value increases as they grow and is then recognised as income at sale time. The level of stock on hand is 291k plants (last month 355k), with an average age of 18 months.

Forecast to be \$5k favourable to budget due to inventory movements as a result of firm external and internal commitments to grow plants that will be invoiced next financial year so stock on hand is recognised in the balance sheet.

	2025	2025		2025	2025	2025	
	Actual YTD	Budget	Variance	Revised	Annual Plan	Forecast	
	4000	YTD	4000	Budget	4000		
	\$000	\$000	\$000	\$000	\$000	\$000	
Revenue							
Rates revenue	38,318	37,967	351	50,623	50,623	50,623	
Financial revenue	518	433	86	575	575	812	
Subsidies and grants	8,879	7,150	1,729	10,919	8,033	10,302	
Development contributions	3,070	3,224	(154)	4,299	4,299	4,832	
Other revenue	7,163	8,043	(880)	12,031	11,947	9,819	
Other gains/(losses)	237	104	132	311	311	311	
Total revenue	58,185	56,921	1,264	78,757	75,787	76,698	
Expenses							
Personnel costs	11,914	11,605	(309)	15,525	15,438	15,056	
Depreciation and amortisation	19,003	20,456	1,452	27,274	27,274	24,555	
Finance costs	3,358	3,352	(6)	4,470	4,470	4,865	
Other operating expenses	23,106	23,927	821	32,074	31,194	30,977	
Total Expenditure	57,382	59,339	1,957	79,343	78,376	75,454	
Surplus/(deficit) before tax	803	(2,419)	3,221	(586)	(2,589)	1,244	
Income tax expense	-	-	-	-	-	-	
Surplus/(deficit) after tax	803	(2,419)	3,221	(586)	(2,589)	1,244	
Other comprehensive revenue & expense							
Gains/(losses) on the revaluation of property, plant	(1)	0	(1)	33,485	33,485	(1)	
and equipment							
Impairment losses on restricted buildings through	0	0	0	0	0	0	
other comprehensive revenue and expenses							
Total other comprehensive revenue and expense	(1)	0	(1)	33,485	33,485	(1)	
Total comprehensive revenue and expense	802	(2,419)	3,220	79 32,899	30,896	1,243	

2023/24		YTD Actuals 2024/25
	<u>Assets</u>	
	Current Assets	
8,325,642	Cash and Cash Equivalents *	4,499,465
5,839,413	Receivables and Accruals	7,901,440
571,100	Inventory on Hand	392,926
6,970,133	Other Financial Assets - Current *	309,392
3,990,526	Non-current Assets for Sale	3,824,000
25,696,814	Total Current Assets	16,927,223
	Non-current Assets	
,145,728,003	Property, Plant and Equipment	1,192,558,425
28,823	Intangible Assets	21,906
6,078,315	Other Financial Assets - Term	6,932,714
,151,835,142	Total Non-current Assets	1,199,513,044
177,531,956	Total Assets	1,216,440,267
	Current Liabilities	
8,513,074	Accounts Payable and Accruals	11,805,444
43,714	Provisions - Current Portion	446,001
1,604,519	Employee Entitlements	1,557,059
22,400,000	Borrowing - Current Position	24,500,000
32,561,307	Total Current Liabilities	38,308,504
	Non-current Liabilities	
1,536,217	Provisions - Term Portion	1,110,236
71,431,154	Borrowings - Term Portion	72,131,154
2,967,371	Total Non-current Liabilities	73,241,390
5,528,678	Total Liabilities	111,549,894
	<u>Equity</u>	
493,892,955	Retained Earnings	494,608,578
577,005,133	Other Reserves	609,478,893
1 10E 100	Current Earnings	802,901
1,105,190		
72,003,278	Total Equity	1,104,890,372

Cash and Cash Equivalents and Other Current Financial Assets comprise:

	Oncall	Short Term
Kiwibank	561	0
ASB	1,010	0
BNZ On call	4,476,689	0
ANZ On call	245	0
Westpac On call	18,825	
Float	2,135	
Total Cash and Cash Equivalents	4,499,465	
Community Loans & Receivables		309,392
Total Other Financial Assets - Current		309,392

	2025	2025		2025	2025	2025
	Actual YTD	Budget YTD	Variance YTD	Revised Budget	Annual Plan	Forecast
	\$000	\$000	\$000	\$000	\$000	\$000
Sources of operating funding						
General rates, uniform annual general charges, rates penalties	12,601	12,188	413	16,251	16,251	16,251
Targeted rates	26,036	25,989	47	34,652	34,372	34,652
Subsidies and grants for operating purposes	4,416	2,666	1,749	3,538	3,310	3,956
Fees and charges	6,084	7,104	(1,020)	10,747	10,903	8,424
Interest and dividends from investments	518	433	86	575	575	812
Local authorities fuel tax, fines, infringement fees and other	1,080	939	140	1,284	1,204	1,394
receipts Total operating funding	50,735	49,319	1,415	67,047	66,615	65,490
Applications of operating funding						
Payments to staff and suppliers	35,015	35,532	517	47,579	46,632	46,071
Finance costs	3,358	3,352	(6)	4,470	4,470	4,865
Other operating funding applications	0	0	0	0	0	0
Total applications of operating funding	38,374	38,884	510	52,049	51,102	50,936
Surplus (deficit) of operating funding	12,361	10,435	(631)	14,227	15,513	14,554
Sources of capital funding						
Subsidies and grants for capital expenditure	3,687	3,920	(233)	6,346	4,378	6,346
Development and financial contributions	3,846	3,788	58	5,334	4,484	3,909
Increase (decrease) in debt	1,400	2,447	(1,047)	17,500	9,789	9,353
Gross proceeds from sale of assets	176	0	176	139	0	176
Lump sum contributions	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0
Total sources of capital funding	9,109	10,155	(1,045)	29,318	18,651	19,783
Applications of capital funding						
Capital expenditure						
- to meet additional demand	5,727	8,190	2,463	11,512	1,634	2,659
- to improve the level of service	8,456	14,976	6,520	20,394	14,935	14,885
- to replace existing assets	14,975	27,939	12,964	38,220	30,927	17,408
Increase (decrease) in reserves	(7,687)	(30,515)	(22,828)	(26,581)	(13,332)	(12,262)
Increase (decrease) of investments	0	0	0	0	0	(193)
Total application of capital funding	21,471	20,590	(881)	43,545	34,164	34,337
Surplus (deficit) of capital funding	(12,361)	(10,435)	(1,926)	(14,227)	(15,513)	(14,554)
Funding balance	0	0	0	0	0	0

Project Type	Job	YTD Actuals	YTD Budget	YTD Variance	Total Commitments	Actual +	Total Budget	Total AP Rudget	Total Variance Forecast Comments
	Grand Total	29,152,144	51,491,082	22,338,938	16,128,031	45,280,175	70,126,168	47,495,909	43,497,949
	21. Roading Network	8,733,189	13,840,866	5,107,677	7,103,432	15,836,621	18,971,353	15,954,652	12,363,690
FALSE	CB3001. CBD Redevelopment Projects	180	385,875	385,695	0	180	514,500	514,500	180
Renewal	RD1009. Sub Unsealed Road Metalling	333,689	227,781	-105,908	-29,985	303,704	303,704	303,704	303,704 Need to journal expense to RD1002 001
Renewal	RD1010. Sub Sealed Road Resurfacing	3,624,790	2,653,020	-971,770	-104,021	3,520,769	3,537,361	3,537,361	Reseals 100% complete will need to watch budget TIO budget \$,3199,531. \$220K of FH 3,537,361 overheads to be split between drainage renew and structures replace
Renewal	RD1016. Sub Roading Footpath Renewal	26,439	41,805	15,366	7,755	34,195	55,744	55,744	33,744 TIO budget signficantly lower will CF surplus to next year
FALSE	RD1018. Subsidised Bridge Renewals	70,780	0	-70,780	0	70,780	0	0	0
FALSE	RD1025. Roading Growth	916,764	1,250,403	333,639	702,740	1,619,504	2,015,227	0	Works scheduled to be substantially complete by year end, with some minor work to be carried over into July / August. Carry forward of unspent budget requested.
FALSE	RD1030. Sub Drainage Renewals	190,838	403,227	212,389	220,031	410,868	537,632	537,632	537,632 FH overhead costs for Resurfacing code \$110K
FALSE	RD1031. Sub Structures Renewals	175,616	664,092	488,476	310,975	486,591	733,507	885,454	Underslip PVE 10.4 local share to come from this budget plus \$110K FH overheads for 433,507 resurfacing code
FALSE	RD1032. Sub Traffic Services Renewal	77,907	364,158	286,251	39,681	117,588	485,548	485,547	485,548
FALSE	RD1034. Sub Pavement Rehabilitation	1,091,563	910,314	-181,249	33,009	1,124,572	1,108,072	1,659,174	1,108,072 budget spent just FH overheads of \$11k per month
New LOS	RD1057. 357 Resilience Improvements	193,385	208,449	15,064	21,920	215,305	277,933	277,933	277,933 This will be spent
New LOS	RD1058. 451 Walking Facilities	0	0	0	0	0	0	317,438	0 Transfer to cover Feb and May EW local share shortfall
Renewal	RD1060. Sub Renewal Emergency Works	1,916,285	5,327,695	3,411,410	5,574,227	7,490,511	7,533,457	6,103,023	3,533,457 Churchill Bridge starting end Jan won't be finished till next financial year
New LOS	RD1061. Land Purchase 37 Roots St	0	45,576	45,576	2,500	2,500	60,763	0	60,763 This will be used for Root St corner splays may have excess
New LOS	RD1062. Sub New Emergency Works	0	211,626	211,626	315,600	315,600	317,438	0	Bridge replacement works starting end of Jan this is for road portion unlikely to be used this FY - carry over
Renewal	RD4021. Non Sub Road Works	102,961	878,870	775,909	0	102,961	1,171,833	1,171,833	For Roots St East - won't be done this year. Require \$102k for Banks Road footpath and \$40k possibly for Roots St splay purchase
FALSE	RD4024. Non Sub Roading New Footpaths	0	0	0	9,000	9,000	0	0	0
Renewal	RD4034. Non Subsidised Roading Renewal	11,994	254,592	242,598	0	11,994	300,790	105,309	Will need to use for the additional CBD Parking signage \$20,000 and possibly use for May EW costs. \$200k to be transferred to RD1060 002
Renewal	RD4039. Non Sub Mitigation Sealing	0	13,383	13,383	0	0	17,844	0	17,844 Any surplus to Sub Opex
	23. Solid Waste	150,047	612,163	462,116	34,754	184,801	786,818	295,816	222,699
New LOS	SW1005. Purchase of New Recycling Bins	-5,062	16,992	22,054	0	-5,062	22,660	22,660	Purchased as needed - will be underbudget at year end. Carry forward won't be required as sufficient budget for next FY.
New LOS	SW1007. Recycling Inventory	1,955	-3,708	-5,663	0	1,955	-4,944	-4,944	-1,726 Replaced as needed. Anticipated to be over budget at year end.
New LOS	SW2005. Resource Recovery Centre	147,304	223,609	76,305	34,754	182,058	315,220	0	Remaining funding from forecast underspend this FY will be requested to be CF to fund signage, traffic improvements and open drain improvements at Resource Recovery Centre.
New LOS	SW2007. Est Mobile Recycling Centres	5,850	3,206	-2,644	0	5,850	8,017	0	Forecast underspend, with remaining budget to be requested for CF to fund MRC security cameras for worst hit sites for fly tipping.
New LOS	SW2010. Himatangi RTS	0	12,834	12,834	0	0	17,110	0	Forecast underspend, with remaining budget to be requested for CF to fund MRC security cameras for worst hit sites for fly tipping.
New LOS	SW3500. New Bin Purchases	0	359,230	359,230	0	0	428,755	278,100	0 Tender now closed. Budget will fund bin purchase - likely in this financial year.

Project –	Job	YTD	YTD	YTD	Total	Actual	Total	Total	Total Variance
Туре		Actuals	Budget	Variance	Commitments	† Commitments	Budget	AP Rudøet	Forecast Comments
_	25. Wastewater	2,350,345	8,463,493	6,113,148	1,229,382	3,579,728	11,860,446	9,127,110	5,902,045
Renewal	WW2002. Feilding WWTP Asset Renewal	919,373	2,299,455	1,380,082	318,194	1,237,567	3,025,607	2,651,695	A number of actions/projects progressing to support the reconsenting of the MWWTP. Some projects delayed through planning processes and ensuring the National Wastewater Standards are finalised before decisions on upgrade options are made. Underspent budget will be requested as CF to support reconsenting work.
FALSE									I&I project underway for Sanson, Rongotea & Feilding. We initially focussed on the villages coming into the MWWTP to avoid overflows and now started within Feilding. Initial
	WW2003. Feilding WW Retic Renewals	75,022	420,961	345,939	93,343	168,365	561,283	416,000	321,883 assessments of the villages are good with a few minor defects but a number of issues have been found in Feilding that will be addressed next FY. CF required to allow work to be completed next FY.
Renewal	WW2009. Rongotea WWTP Renewals	19,882	15,399	-4,483	2,696	22,577	20,533	0	20,000
Renewal	WW2012. Himatangi WW Asset Replacement	4,520	19,503	14,983	0	4,520	26,000	26,000	A CF will be requested for the underspend to allow the Inlet Screen/Irrigation 5,000 Pump/Solenoid/Brush project to continue until completion forecast for August 2025.
New LOS	WW2013. Feilding WWTP Upgrade	336,557	903,527	566,970	138,770	475,327	1,332,864	1,210,297	Process design and pipeline installation underway for Feilding Trade Waste Separation. Additional wetland at MWWTP currently in planning and design stage. Forecasted to be under budget at year end, with CF to be requested to support these projects continuing into the 2025/26 financial year.
Growth	WW2016. Feilding Wastewater Growth	126,942	189,227	62,285	180,865	307,808	311,892	0	Works scheduled to be substantially complete by year end, with some minor work to be 227,892 carried over into July / August. Carry forward of unspent budget requested.
New LOS	WW2023. Wastewater New Connections	25,038	42,903	17,865	0	25,038	57,200	57,200	42,200 Tracking to be underspent at year end. At this stage, CF won't be required as sufficient budget for next FY.
Renewal	WW2031. Unplanned Renewals -Villages	812	0	-812	0	812	0	0	O Replaced as needed. Will be overspent at year end as zero budget this FY.
New LOS	WW2032. Feilding WWTP Nursery New Work	9,270	7,173	-2,097	0	9,270	9,568	9,568	Deplugging machine has been purchased. No additional expenditure required and spend will 9,568 be under budget at year end, with no CF required.
Renewal	WW2035. Kimbolton WWTP Renewals	1,965	0	-1,965	0	1,965	0	0	O Replaced as needed. Will be overspent at year end as zero budget this FY.
New LOS	WW2038. Feilding WWTP - Irrigation	171,794	249,777	77,983	104,495	276,289	341,550	337,750	Buffer track project at MWWTP progressing well, as well as biosolid vermiculture trial. 130,750 Forecast to spend total budget at year end.
Renewal	WW3004. Wastewater Centralisation	659,171	4,315,568	3,656,397	391,019	1,050,190	6,173,949	4,418,600	A number of contracts are currently in the procurement phase or have been awarded in April. Work will be committed this financial year, but will continue to next.
	26. Stormwater and Drainage	3,825,459	6,030,028	2,204,569	1,100,977	4,926,437	8,200,025	3,121,087	4,880,096
New LOS	ST1009. Stormwater Growth Feilding	3,221,469	3,152,855	60 614	070 004	4.400.400			Works scheduled to be substantially complete by year end, with some work to be carried over 3,763,598
New LOS			0,102,000	-68,614	878,931	4,100,400	4,330,472	0	into July / August. Carry forward of unspent budget requested.
New LOS	ST1012. Stormwater New Work Feilding	126,705	777,402	650,697	878,931	4,100,400 127,505	4,330,4 <i>7</i> 2 1,055,887	0 693,469	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY.
Renewal	ST1012. Stormwater New Work Feilding ST1013. Unplanned Renewals Feilding	126,705 24,989							Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in
Renewal Renewal			777,402	650,697	800	127,505	1,055,887	693,469	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this.
Renewal	ST1013. Unplanned Renewals Feilding	24,989	777,402 114,551	650,697 89,562	800	127,505 84,989	1,055,887 153,624	693,469	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future
Renewal Renewal	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages	24,989 7,191	777,402 114,551 39,000	650,697 89,562 31,809	60,000 0	127,505 84,989 7,191	1,055,887 153,624 52,000	693,469 109,747 52,000	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner designs / detailed designs for Halcombe. A number of problem areas are known with CF
Renewal Renewal New LOS	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works	24,989 7,191 76,499	777,402 114,551 39,000 736,173	650,697 89,562 31,809 659,674	60,000 0 12,943	127,505 84,989 7,191 89,442	1,055,887 153,624 52,000 981,565	693,469 109,747 52,000 894,111	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner
Renewal Renewal New LOS New LOS	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new	24,989 7,191 76,499 350,627	777,402 114,551 39,000 736,173 1,196,124	650,697 89,562 31,809 659,674	800 60,000 0 12,943	127,505 84,989 7,191 89,442 498,930	1,055,887 153,624 52,000 981,565	693,469 109,747 52,000 894,111 1,371,760	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY
Renewal Renewal New LOS	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new ST2090. Turners Road Extension Growth	24,989 7,191 76,499 350,627 17,980	777,402 114,551 39,000 736,173 1,196,124 13,923	650,697 89,562 31,809 659,674 845,497 -4,057	800 60,000 0 12,943 148,303	127,505 84,989 7,191 89,442 498,930 17,980	1,055,887 153,624 52,000 981,565 1,605,656	693,469 109,747 52,000 894,111 1,371,760 0	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY
Renewal Renewal New LOS New LOS	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new ST2090. Turners Road Extension Growth 28. Water Supply	24,989 7,191 76,499 350,627 17,980 7,602,713	777,402 114,551 39,000 736,173 1,196,124 13,923 10,458,647	650,697 89,562 31,809 659,674 845,497 -4,057 2,855,934	800 60,000 0 12,943 148,303 0 3,938,941	127,505 84,989 7,191 89,442 498,930 17,980 11,541,654	1,055,887 153,624 52,000 981,565 1,605,656 20,821 14,683,614	693,469 109,747 52,000 894,111 1,371,760 0 8,596,779	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY 10,506,499 Projects in various stages of construction and completion. A small carry forward may be 3,760,739 required for any committed but delayed works at the Roots St WTP, and minor WTP renewals that have been deferred. Forecast underspend at year end. CF will be requested to enable renewal projects to start next FY
Renewal Renewal New LOS New LOS Growth FALSE RALSE	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new ST2090. Turners Road Extension Growth 28. Water Supply WS2001. Feilding WTP Renewals WS2002. Feilding WS Reticulation Renew WS2004. Himatangi Water Asset Renewals	24,989 7,191 76,499 350,627 17,980 7,602,713 2,586,826 127,088 5,037	777,402 114,551 39,000 736,173 1,196,124 13,923 10,458,647 2,885,034 195,233 27,298	650,697 89,562 31,809 659,674 845,497 -4,057 2,855,934 298,208 68,145 22,261	800 60,000 0 12,943 148,303 0 3,938,941 1,594,863	127,505 84,989 7,191 89,442 498,930 17,980 11,541,654 4,181,689 127,088 5,037	1,055,887 153,624 52,000 981,565 1,605,656 20,821 14,683,614 4,377,903	693,469 109,747 52,000 894,111 1,371,760 0 8,596,779 2,731,933 260,306 36,400	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY 10,506,499 Projects in various stages of construction and completion. A small carry forward may be 3,760,739 required for any committed but delayed works at the Roots St WTP, and minor WTP renewals that have been deferred. Forecast underspend at year end. CF will be requested to enable renewal projects to start next FY 11,400 Forecast underspend at year end. CF will be requested to support unplanned water supply renewals in Himatangi as no LTP budget in 2025/26 for this. Planned and unplanned renewals forecast to remain under budget for FY. Anticipate that CF
Renewal Renewal New LOS New LOS Growth FALSE	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new ST2090. Turners Road Extension Growth 28. Water Supply WS2001. Feilding WTP Renewals WS2002. Feilding WS Reticulation Renew	24,989 7,191 76,499 350,627 17,980 7,602,713 2,586,826 127,088	777,402 114,551 39,000 736,173 1,196,124 13,923 10,458,647 2,885,034 195,233	650,697 89,562 31,809 659,674 845,497 -4,057 2,855,934 298,208 68,145	800 60,000 0 12,943 148,303 0 3,938,941 1,594,863	127,505 84,989 7,191 89,442 498,930 17,980 11,541,654 4,181,689	1,055,887 153,624 52,000 981,565 1,605,656 20,821 14,683,614 4,377,903 260,306	693,469 109,747 52,000 894,111 1,371,760 0 8,596,779 2,731,933 260,306	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY 10,506,499 Projects in various stages of construction and completion. A small carry forward may be 3,760,739 required for any committed but delayed works at the Roots St WTP, and minor WTP renewals that have been deferred. Forecast underspend at year end. CF will be requested to enable renewal projects to start next FY Forecast underspend at year end. CF will be requested to support unplanned water supply renewals in Himatangi as no LTP budget in 2025/26 for this. Planned and unplanned renewals forecast to remain under budget for FY. Anticipate that CF won't be required.
Renewal Renewal New LOS New LOS Growth FALSE Renewal Renewal Renewal	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new ST2090. Turners Road Extension Growth 28. Water Supply WS2001. Feilding WTP Renewals WS2002. Feilding WS Reticulation Renew WS2004. Himatangi Water Asset Renewals	24,989 7,191 76,499 350,627 17,980 7,602,713 2,586,826 127,088 5,037	777,402 114,551 39,000 736,173 1,196,124 13,923 10,458,647 2,885,034 195,233 27,298	650,697 89,562 31,809 659,674 845,497 -4,057 2,855,934 298,208 68,145 22,261	800 60,000 0 12,943 148,303 0 3,938,941 1,594,863 0	127,505 84,989 7,191 89,442 498,930 17,980 11,541,654 4,181,689 127,088 5,037	1,055,887 153,624 52,000 981,565 1,605,656 20,821 14,683,614 4,377,903 260,306 36,400	693,469 109,747 52,000 894,111 1,371,760 0 8,596,779 2,731,933 260,306 36,400	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY 10,506,499 Projects in various stages of construction and completion. A small carry forward may be 3,760,739 required for any committed but delayed works at the Roots St WTP, and minor WTP renewals that have been deferred. Forecast underspend at year end. CF will be requested to enable renewal projects to start next FY 11,400 11,400 Planned and unplanned renewals forecast to remain under budget for FY. Anticipate that CF won't be required. Planned and unplanned renewals forecast to remain under budget for FY. Reservoir solar system purchased. No CF required.
Renewal Renewal New LOS New LOS Growth FALSE RALSE Renewal Renewal	ST1013. Unplanned Renewals Feilding ST1024. SW Unplanned Renewals-Villages ST1031. Stormwater Flooding New Works ST2001. Stormwater - District wide new ST2090. Turners Road Extension Growth 28. Water Supply WS2001. Feilding WTP Renewals WS2002. Feilding WS Reticulation Renew WS2004. Himatangi Water Asset Renewals WS2007. Stanway/Halcombe RWS Renewals	24,989 7,191 76,499 350,627 17,980 7,602,713 2,586,826 127,088 5,037 28,998	777,402 114,551 39,000 736,173 1,196,124 13,923 10,458,647 2,885,034 195,233 27,298 151,515	650,697 89,562 31,809 659,674 845,497 -4,057 2,855,934 298,208 68,145 22,261 122,517	800 60,000 0 12,943 148,303 0 3,938,941 1,594,863 0 0	127,505 84,989 7,191 89,442 498,930 17,980 11,541,654 4,181,689 127,088 5,037 28,998	1,055,887 153,624 52,000 981,565 1,605,656 20,821 14,683,614 4,377,903 260,306 36,400 202,023	693,469 109,747 52,000 894,111 1,371,760 0 8,596,779 2,731,933 260,306 36,400 26,000	Planning to underspend on this budget due to delays with stormwater designs and landowner 198,737 negotiations. A number of problem areas are known with CF requested to enable work to be undertaken next FY. Planning to underspend on this budget as renewals completed as needed. CF will requested 41,077 for commitments and to support unplanned renewals for ageing Feilding stormwater assets in future years. Forecast underspend at year end. CF will be requested to support unplanned stormwater renewals in villages as no LTP budget in 2025/26 for this. Planning to underspend on this budget due to delays in getting stormwater designs, A number 181,609 of problem areas are known with CF requested to enable work to be undertaken in future years. Planning to underspend on this budget due to delays with RC for Himatangi and landowner 666,254 negotiations / detailed designs for Halcombe. A number of problem areas are known with CF requested to enable work to be undertaken next FY. 20,821 Project design is completed with work to start next FY. 10,506,499 Projects in various stages of construction and completion. A small carry forward may be 3,760,739 required for any committed but delayed works at the Roots St WTP, and minor WTP renewals that have been deferred. Forecast underspend at year end. CF will be requested to enable renewal projects to start next FY 11,400 11,400 11,400 11,400 12,604 Planned and unplanned renewals forecast to remain under budget for FY. Anticipate that CF won't be required. Planned and unplanned renewals forecast to remain under budget for FY. Reservoir solar

Project	Job	YTD	YTD	YTD	Total	Actual	Total	Total	Total Variance
Туре		Actuals	Budget	Variance	Commitments	+	Budget	AP	Forecast Comments
Туре		Actuals	Dauget	variance	Commitments	Commitments	Buaget	Rudget	Torecast comments
New LOS	WS2025. Water Supply New Connections	108,233	91,259	-16,974	0	108,233	121,680	121,680	Water supply connections completed as requested by properties. Forecast to meet budget at 121,680 year end.
New LOS	WS2029. Feilding Water Pressure Zones	47,690	272,826	225,136	51,047	98,737	363,765	363,765	Pipe procurement in progress and installation negotiations underway. Expected construction will cross into next financial year. Carry forward requested for any uncommitted budget.
Renewal	WS2039. Stanway/Halcombe RWS	0	22,797	22,797	0	0	30,400	0	No spend planned in this Job as spend occurring in WS2041. Do not currently anticipate carry forward will be required.
Renewal	WS2040. WS Unplanned Renewals-Villages	16,192	3,040	-13,152	0	16,192	10,400	10,400	20,890 Unplanned water renewals completed as required. Will be overspent at year end.
New LOS	WS2041. Stanway/Halcombe WTP New Works	3,755,662	4,032,007	276,345	784,879	4,540,541	5,464,151	3,303,085	Water Treatment Plant project now complete, with new reservoir project to be completed this
New LOS	WS2061. Ohakea RWS - Source/Treatment	-822	0	822	0	-822	0	0	FY. Forecast to underspend on budget. 0
New LOS	WS2070. Vinegar Hill RWS New Works	702	24,912	24,210	0	702	33,217	0	Work ongoing with Council providing design work to local community, will require financial input from Central Government to enable project to move forward
New LOS	WS2071. District Wide Improvements	345,980	839,181	493,201	766,545	1,112,525	1,137,591	1,040,000	Turners Reservoir project is underway and completion is scheduled for late 2025. Unspent
New LOS									commitment, and any remaining budget to be carried forward. Trunk main improvements have been identified and will be undertaken at the same time as
	WS2075. Feilding Reticulation Improvem	0	142,860	142,860	0	0	250,002	0	0 chlorination commissioning in order to avoid disruption to Feilding water customers. Carry Forward Requested.
New LOS									Land tenure and security fencing now complete for Waituna West Rural Water Scheme. One
	WS3008. Waituna West New Works	123,882	122,283	-1,599	5,088	128,971	169,907	158,562	158,039 remaining project to complete new small access track for ongoing Water Treatment Plant access. CF will be requested to enable this accessway to be constructed.
	33. District Development	25,500	20,818	-4,682	4,974	30,474	27,763	0	26,789
New LOS	CD5000. Community Trailer	0	3,727	3,727	4,974	4,974	4,974	0	4,000 Grant money - used as requried to replace equipment.
New LOS	CD5001. Community New Assets	25,500	17,091	-8,409	0	25,500	22,789	0	22,789 NZCT Funding - project complete
	35. Emergency Management	84,870	139,144	54,274	5,326	90,196	162,963	82,400	125,963
New LOS	EM1001. CDEM New Asset Purchases	67,874	67,657	-217	0	67,874	67,657	51,500	67,657
New LOS	EM3000. Civil Defence Emergency Mgmt	4,594	23,175	18,581	0	4,594	30,900	30,900	Project is now underway, due to be completed Dec 2025, full budget not going to be spent by June.
Renewal	EM4000. Emergency Management Renewals	12,402	48,312	35,910	5,326	17,729	64,406	0	Wk 2 May, work being carried out. Will likely need to carry forward remaing budget to continue work next FY
	37. Community Facilities	5,304,468	8,756,912	3,452,444	783,721	6,088,189	11,207,839	6,680,545	6,977,333
New LOS	CM3001. Feilding Cem New Works	0	39,807	39,807	0	0	53,070	0	53,070 Sub 9 development in progress
Renewal	CM4000. Feilding Cemetery Renewals	5,053	29,988	24,935	0	5,053	39,981	34,982	7,035
Renewal	CM4002. Districtwide Cemetery Renewals	9,210	5,670	-3,540	0	9,210	7,563	7,563	9,210 Works complete
Renewal New LOS	CM4012. Kimbolton Cemetery	0	4,383	4,383	0	0	5,842	5,842	5,842 Quote received and scheduled for Q4 Himatangi Beach Hall Earthquake Strengthening detailed design received. Physical works to
	HL3001. Halls New Projects	58,734	100,134	41,400	6,945	65,679	133,510	133,510	take place in 2025/26. 88,880 Compliance upgrades to community halls (as a result of BWoF Audits) to be complete before end of Q4
Renewal	HL4000. Himatangi Beach Renewals	0	49,248	49,248	0	0	65,666	65,666	0 Quote accepted for roof flashing replacement. Working on timing for contractor availabiility.
Renewal	HL4001. Hall Renewals	40,890	46,215	5,325	0	40,890	46,215	46,215	40,890 Quote accepted. PO raised 27/01/2025 for 33,375.00 (excl. GST). Planned for Q3.
Renewal	HL4004. Renewals - Halcombe Hall	4,673	9,982	5,309	0	4,673	9,982	0	Complete. Overspend to be spent at Rangiwahia Hall and stormwater drainage at Halcombe 9,982 Hall. \$5.3K to be spent on SW drainage
Renewal	HL4006. Medium-Profile Hall Renewals	0	119,615	119,615	51,350	51,350	119,615	119,615	Price has been accepted for renewals per condition assessment and priorities agreed for Stanway Hall. Awahuri Hall work scoped, awaiting quote.
Renewal	HL4007. Feilding Civic Centre	127,130	770,250	643,120	26,098	153,228	770,250	770,250	On hold to coincide with remedial work from Shand Shelton report. Draft results of DSA show potential EQ Strengthing requriements; HVAC upgrade will go on hold until ramifications of 0 DSA are fully known. Stage 1 H&S remediation work (rigging system, speaker beams, ceiling walkway and cyclorama replacement) complete Mar-25. 01/04 - rigging work, ceiling walkway and new speaker beams complete; remaining work will depended on DSA outcome
Renewal	HL8000. High Profile Hall Renewals	19,865	9,000	-10,865	0	19,865	11,997	0	19,865 Rangiwahia Hall Kitchen renewals complete

Туре		YTD	YTD	YTD	Total	Actual	Total	Total	Total Variance
Type		Actuals	Budget	Variance	Commitments	+	Budget	AP	Forecast Comments
					C	nmmitments		Rudget	
Renewal	LB1001. Library Collection Purchases	88,694	162,747	74,053	49,832	138,526	216,984	288,400	Contract with Wheelers didn't start until Nov and we are working on transition to full content support and aim to increase spend in remaining months.
New LOS	LB3000. Library New Works	158,701	193,672	34,971	88,741	247,443	258,239	185,400	258,239 Project underway due to be complete by year end
New LOS	LB3100. Library Major Dev New	7,533	0	-7,533	705	8,238	0	0	0 Project Complete
New LOS	LB3200. Community Hub New Works	456,455	360,532	-95,923	41,302	497,757	480,714	0	480,714 Project underway due to be complete by year end.
Renewal	LB4000. Library Renewals	86,789	103,815	17,026	20,793	107,581	138,415	106,863	138,415 Project underway due to be complete by year end.
Renewal	LB4100. Library Major Dev Renewal	1,070,852	774,667	-296,185	0	1,070,852	1,032,891	0	1,032,891 Project Complete
New LOS	MA3200. Outdoor Complex New Works	0	5,391	5,391	0	0	7,189	7,189	Quote for pool ramp received is 3 times the budget. Currently reassising to review steps to 7,189 make them wider and more accessible
Renewal	MA4007. Makino Pool 5yr Maint Closure	4,125	9,621	5,496	8,696	12,821	12,821	0	4,125
Renewal	MA4008. Indoor Pool - Equipment	7,162	5,445	-1,717	0	7,162	7,266	0	7,266
Renewal	MA4009. Outdoor Pool Mechanical	83,377	75,312	-8,065	7,780	91,157	100,421	0	91,421 Project currently underway
Renewal	MA4100. Indoor Complex Renewals	29,868	58,698	28,830	0	29,868	78,261	30,810	78,261
Renewal	MA4200. Outdoor Complex Renewals	121,999	561,682	439,683	29,500	151,499	748,914	644,697	Will be requested to be carried forward. If works progress it will only be after the outdoor pool is closed, therefore unlikely to take place until 2025/26.
Renewal	MA4300. Equipment Renewals	22,124	25,785	3,661	0	22,124	34,386	32,864	34,386 Upgrade confirmed and awaiting installation
Renewal	PC4000. Public Conv Renewals	2,545	2,934	389	0	2,545	3,910	3,910	2,545 Kimbolton toilet macerator completed.
New LOS									\$13K for power committed; \$20K to Ross the Builder for land recontouring. Further spend
	PP2001. South Street Development	13,624	48,780	35,156	25,370	38,994	65,043	0	20,043 dependent on sale of land. Ross investigating leveling the site and applying for resource
									consent.
	PP2006. Property Feilding Depot	0	80,451	80,451	0	0	107,264	0	O Dependent on progress of sale to Te Arawhiti. Carry forward
New LOS	PP3003. Coach House Museum	1,375,512	1,501,474	125,962	0	1,375,512	1,501,474	1,501,474	Forward works plan to be developed once purchase complete. Responsibility to be determined
Renewal	PP4000. Property Renew Projects	1,755	61,321	59,566	0	1,755	68,135	61,431	68,135 Renewals as and when needed throughout the year
Renewal	PP4001. Little Theatre Remediation	26,506	24,930	-1,576	0	26,506	33,243	0	26,506 Lance Berry Roofing - \$14,000 (FLT) & \$12,000 (Te Manawa) PO84846
Growth	PR2010. Kowhai Park Growth Projects	5,453	7,434	1,981	0	5,453	9,917	0	9,917 Bush/track works to continue throughout the year as contractor available
Growth	PR2013. Korotangi Growth	40,524	293,014	252,490	0	40,524	390,690	284,187	390,690 Works completed
Growth	PR2015. Parakaraka Growth	6,362	751,986	745,624	30,839	37,201	758,816	0	6,484 Awaiting consent. Likely to request a carry forward to 2025/26. Detention Ponds: \$4.5k planting plan earth work LA po 84485. \$3850 to stringfellows for lawn seed upgrade.
Growth	PR2017. Victoria Park Growth	29,276	20,026	-9,250	0	29,276	26,706	0	29,276 Landscaping works started; planting scheduled for Q4
	PR2018. Waughs Road Amenity Growth	0	0	0	461	461	257,744	257,744	27,744 Project initiated. Walk over to be planned to determine approach
	PR2019. Feilding Walkway Growth	927,616	1,031,577	103,961	3,365	930,981	1,381,783	571,756	1,159,349 Scheduled for Q3/Q4 once legalisation complete
	PR2020. Johnston Park Growth Projects	0	0	0	0	0	72,494	65,588	0 On hold until masterplan direction confirmed. Carry forwarfd
New LOS	·								Some signage budget will be spent Q4 (gates, closing boardwalk signs ,Rata St access),
	PR3000. AF-KP New Works	4,917	60,102	55,185	178,232	183,149	80,132	0	14,312 remainder potential carry forward. Wetland work on hold until Horizons stopwork is resolved. Carry forward likely

Project	Job	YTD	YTD	YTD	Total	Actual	Total	Total	Total Variance
Туре		Actuals	Budget	Variance	Commitments	+	Budget	AP	Forecast Comments
						Commitments		Rudget	
New LOS	PR3002. Districtwide Reserve New Works	11,889	8,730	-3,159	0	11,889	11,636	11,636	11,889 BBQ purchased for Pohangina Domain
New LOS	PR3004. Feilding Reserves New Works	0	0	0	0	0	24,967	0	Awaiting confirmed theme from Town Centre Refresh project group to ensure signs are 0 complementary
New LOS	PR3005. Feilding CBD New Works	0	0	0	19,400	19,400	0	0	0
New LOS	PR3007. Himatangi Beach Res New Works	50,223	151,651	101,428	10,800	61,023	202,206	87,243	Landscape plan complete; earthworks to commence Feb 25 followed by planting from June 149,306
	-	·			10,000				onwards PO86554 \$7.8K Landscape design
New LOS	PR3008. Johnston Park New Works	0	162,810	162,810	0	0	217,086	156,686	0 On hold until masterplan direction confirmed. Carry forwarfd
New LOS New LOS	PR3010. Kowhai Park New Work PR3011. Makino Precinct New Works	425	62,298	61,873 -41,539	0	425	83,068	83,068 0	83,068 Scheduled for Q3/Q4 129,246 Works complete
New LOS		138,469	96,930	-41,539	0	138,469	129,236		NZMCA proposal received for paid camping. Lease discussions in progress. Outcome of
200	PR3012. Mt Lees New Works	0	276,903	276,903	0	0	369,204	369,204	development will influence FC. Carry forward
New LOS									Track work completed Q2. PO86803 \$5,741 raised for materials. Planning in progress with
	PR3013. Pohangina Valley New Works	0	11,556	11,556	0	0	15,405	15,405	15,405 committee to spend remaining budget in August 2025. Remaining budget to be carried
New LOS	PR3014. Rangiwahia Res New Works	0	5,818	5,818	0	0	5,818	5,818	forward O Under investigation. May not be required
New LOS	PR3015. Rongotea Res New Works	0	6,354	6,354	0	0	8,472	8,472	8,472 To be used at skate park. Committee to confirm site meeting time/date
New LOS	•		·		•		·		
	PR3017. Sanson Res New Works	0	34,209	34,209	0	0	45,617	45,617	0 Need to confirm with Roading if their project in the Sanson main street is going ahead
Renewal	PR4000. AF-KP Renewals	2,073	27,468	25,395	5,000	7,073	36,628	0	Hand rails extra + repairs to exisitng. \$2k spent on driveways. \$5k comittment boardwalk 36,628
New LOS	DD4004 Making Dayly Dlaygrayand 9 Closes	100.071	07.001	00.000		100.000	27 242	0	repairs through GBN from 2023/24.
Renewal	PR4024. Makino Park Playground & Skate PR4037. Apiti Valley Reserve Renewals	120,971 0	27,981 0	-92,990 0	59,651 14,500	180,622 14,500	37,313 3,594	0	120,971 Works complete
New LOS	PR4038. Cheltenham Res New Works	375	20,340	19,965	14,500	375	27,125	0	27,125 Planting scheduled for Q4
Renewal	PR4039. Districtwide Res Renewals	25,935	26,172	237	0	25,935	34,908	34,908	34,908 Scheduled throughout the year
Renewal	PR4051. Johnston Park Renewals	0	0	0	0	0	303,318	303,318	0 On hold until masterplan direction confirmed. Carry forwarfd
Renewal	PR4053. Kimbolton Res Renewals	0	48,879	48,879	44,390	44,390	65,167	65,167	Meeting with community held early Dec; feedback to be incorporated into plan for their 65,167
	FR4055. Nimbolton kes kenewats	O	40,079	40,079	44,390	44,390	65,167	65,167	comment. In progress
Renewal	PR4054. Kowhai Park Renewals	0	136,629	136,629	0	0	182,169	81,710	Meeting booked with Wayne Gordon to review materials with view to revising design of
Renewal									footbridge to budget constraints. Organised through Grant S; remaining budget to be used for Kowhai Park resealing; \$50K to
	PR4055. Makino Precinct Renewals	59,517	91,584	32,067	53,323	112,840	92,900	87,624	92,900 be used for Kowhai Park roadway resealing; \$5.3K for Vic Park carpark works (Fulton Hogan).
									Project complete
Renewal	PR4056. Mt Lees Reserve Renewals	41,365	65,404	24,039	0	41,365	65,404	0	43,727 Completed
Renewal	PR4057. Pohangina Valley Renewals	15,900	30,900	15,000	0	15,900	30,900	30,900	30,900 Scheduled for Q4 after the summer season and the condition assessment
Renewal	PR4058. Rangiwahia Reserve Renewals	0	6,840	6,840	0	0	9,124	9,124	9,124 In progress. Forecast to complete Q3/4
Renewal	PR4060. Tangimoana Reserve Renewals	0	30,897	30,897	0	0	41,200	41,200	Pricing carpark construction at playground as alternative project identified by meeting with Community Committee in November. Expected to be a carry forward.
Renewal	PR4061. Timona Park Renewals	0	13,149	13,149	6,650	6,650	17,531	7,189	17,531 Scheduled for Q4 after the cricket season
Renewal	PR4064. Feilding Walkways	0	7,722	7,722	0	0	10,300	10,300	10,300 Trees in decline removed in February, planting to take place April/May
	41. Regulatory	2,624	3,204	580	0	2,624	4,277	4,277	4,277
New LOS	RG3000. Regulatory - Parking Feilding	2,624	3,204	580	0	2,624	4,277	4,277	4,277 Purchase of equipment required for parking enforcement
	61. Business Support	401,945	533,314	131,369	128,674	530,619	711,085	432,085	611,085
Renewal									We originally budgeted \$250k for server infractrusture refresh which was not going to be
									enough (costs went up and early vendor quotes were point towards \$450k). We then asked for some of the capital budget to be transferred from 23/24 to 24/25 financial year. The
	IT1001. Computer Hardware Renewal	401,945	501,904	99,959	99,674	501,619	669,210	419,210	569,210 projet kicked off, and a decision was made to move disaster recovery to the cloud, menaing
									that our footpriont on prem could be reduced. Final vedor quote accepted was \$370k and we
									now have a surplus.
FALSE	IT3001. IT - Capital New Jobs	670.993	31,410	31,410	29,000	29,000	41,875	12,875	41,875
New LOS	62. Organisational Management AB3000. MDC Admin Bldg New Works	670,983 20,356	2,632,493 13,203	1,961,510 -7,153	1,797,848 48,854	2,468,832 69,209	3,509,985 17,602	3,201,158	1,877,473 20,356 Works completed
Renewal									Work scheduled to being March 2025 with 41 week programme. Carry forward will be
	AB4000. Admin Building Renewals	223,990	2,029,086	1,805,096	1,727,959	1,951,949	2,665,440	2,705,440	1,365,440 requested for works scheduled to take place next financial year.
Renewal	AB4001. Admin Building Roof Logistics	20,135	0	-20,135	6,561	26,696	40,000	0	40,000
Renewal	MV2000. Motor Vehicle Renewals	378,780	559,298	180,518	12,959	391,739	745,743	454,518	410,477
Renewal	OM1001. General Renewals	15,361	15,453	92	1,516	16,877	20,600	20,600	20,600
New LOS	OM2001. General New Assets	12,361	15,453	3,092	0	12,361	20,600	20,600	20,600

Accounts Receivable and Rating

Outstanding Rates

Accounts Receiva	ble (Rates)				YTD Prior Year	YTD Current
					31/03/2024	31/03/2025
					\$000	\$000
Current Year's Rat	es Outstanding (i	incl Penalties)			2,450	3,091
Total Rates invoice	ed to date (incl G	iST)			36,481	43,036
Outstanding rates	as a % of total r	ates levied			6.70%	7.20%
Prior Year's Rates	Outstanding				388	394
Outstanding at Be	ginning of Year		908	1,580		
% Prior Years Arre	ars Outstanding				43%	25%
Rate Received in A	Advance				(1,220)	(1,334)
Total Rates Outsta	anding				1,618	2,151
Rates Arrears (\$0	00)					
	Arrears as at 31Dec2024	Nov2024 collections	Total paid to date	% to date collected	Arrears outstanding	% previous year
31-Mar-25	1,580	45	1178	75%	394	69.70%

Sundry Receivables (Non Rates)

Accounts Receivable (Sundry)	Current	30 day	60 day	90 day	Total
Aging (\$000)	2413	52	8	522	2995
% of Total	80.56%	1.73%	0.28%	17.42%	100.00%
Analysis					
90 day debt (incl top 10) managed					
by MDC (\$000)				522	100.00%
Managed by DMC (\$000)				-	0.00%

Approved Variation to Annual Plan

Executive Approvals

Cemetery Extension - Bring forward \$50k from Y10

Total movements to capital budget

Revised Capital Budget

These items consolidate to form the variance between Annual Plan and Revised Budget. Annual Plan Net Surplus/(Deficit) -2,588,652 deficit **Revenue Adjustments** Revenue with offset operational expenditure Future Leaders Program 11,100 Sponsorship for Family Fun Day 4,000 MFE Grant Funding Received for Food Waste Roll-Out 59,000 Revenue with offset capital expenditure Flood Resilience Co-Investment Funding 1,675,000 MFE Grant Funding Received for Food Waste Roll-Out 150.175 Additional NZTA subsidy 142,053 Development Agreement - Roots Street Growth 850,314 **Total Revenue Adjustments** 2,891,642 Revenue **Expenditure with offsetting revenue (above)** 59.000 MFE Grant Funding Received for Food Waste Roll-Out Future Leaders Program 11,100 Sponsorship for Family Fun Day 4,000 Total additional expenditure with additional funding 74,100 Council Approval Carry Forwards 807,509 Trustee Honoraria AFKPT & Civic Centre 15,300 15-Aug-24 822,809 Total additional council approved expenditure **Executive Approvals** MBIE Freedom Camping Transition Fund GM 20,000 Robert Dickson Education Trust Grant GM 1,000 **Total additional Exec approved expenditure** 21,000 **Revised Budget Net Surplus/(Deficit)** -614,919 deficit **Annual Plan Capital Budget** 47,495,910 Capital expenditure with additional external funding Flood Resilience Co-Investment Funding 1,675,000 MFE Grant Funding Received for Food Waste Roll-Out 150,655 Development Agreement - Roots Street Growth 850,314 NZTA Subsidised Renewals 142,053 Council Approval Carry forwards 18,758,745 Roots Street West Water Treatment Plant 974,545

50,000

22,601,312

70,097,222



Quarterly Treasury Report

As of 31 March 2025

STRICTLY PRIVATE AND CONFIDENTIAL





2

Economic Commentary (incorporates 2 April tariff announcements)

Global

10 Year Government Bond Rates						
	US	NZ	Australia	UK	Germany	China
31-Dec-24	4.60%	4.51%	4.36%	4.57%	2.36%	1.67%
31-Mar-25	4.06%	4.43%	4.28%	4.64%	2.72%	1.79%
Change	-0.54%	-0.08%	-0.08%	+0.07%	+0.36%	+0.12%

The key themes for the first quarter of 2025 have been Trump/US-centric. The beginning of 2025 saw US economic data cool; notably, key indicators such as retail sales and non-farm payrolls printed below market expectations. As a result, the markets appear to be reassessing the US market's growth outlook, with markets now pricing an increased possibility of a recession (Goldman Sachs now sees a 35.0% chance versus 20.0% previously). Accordingly, the market is now pricing in 3 US Federal Reserve rate cuts throughout the remainder of 2025. Markets continue to expect that further rate cuts in Europe and Australia will occur throughout the year.

Tariffs have been the paramount economic disruptor, with a general 'risk off' sentiment across financial markets. As a result, equities posted significant losses (S&P down 11.0% and the Nasdaq down 16.0%), the USD-index fell from a high of 109.9 to currently be at 102.1. Furthermore, the US 10-year Treasury yield has fallen from 4.80% to currently be at 4.05%. Trump's 2nd April "Liberation Day" implemented reciprocal tariffs on countries around the world, starting with a baseline 10.0% tariff, of which New Zealand and Australian exports will be subject to, but there was a clear discrimination amongst some countries, such as China, who saw their tariffs increase by 34.0% to 54.0%. One sobering estimate by Bloomberg Economics implied that the 54.0% tariff rate on goods from China could lead to a 90.0% decrease in US exports by 2030.

While we have some clarity around tariff levels, this is likely only the first move in what is likely to be a long-winded trade war. It appears inevitable that other nations will respond with tariffs and countermeasures of their own. While we can't be certain of much, and there is still a lot to eventuate, the resulting economic landscape is unlikely to be favourable for global growth.

	OCR	90 day	2 year swap	3 year swap	5 year swap	7 year swap	10 year swap
31-Dec-24	4.25%	4.17%	3.38%	3.38%	3.52%	3.72%	3.93%
31-Mar-25	3.75%	3.59%	3.32%	3.39%	3.58%	3.76%	3.99%
Change	-0.50%	-0.58%	-0.06%	+0.01%	+0.06%	+0.04%	+0.06%

New Zealand

New Zealand GDP increasing by 0.7% in the December 2024 quarter, greater than market expectations of a 0.4% increase, although over the December year GDP fell by 1.1%. The positive quarterly figure meant New Zealand emerged from its technical recession. Inflation appears to be under control as headline CPI remained at 2.2% in Q4 2024, well within the Reserve Banks's 1.0-3.0% target range. Markets continue to price further OCR cuts at each of the next two meetings and then cut one more time in the second half of 2025, with the likelihood that the RBNZ will pause the cutting cycle at either 3.00% or 3.25% and then become data-dependent.

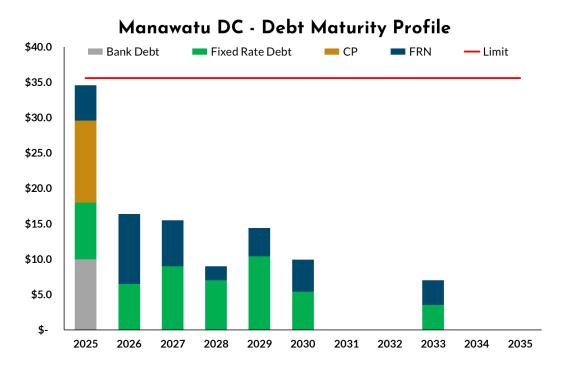
As a trading nation, New Zealand is particularly exposed to a concerning global trade backdrop. While Trump's 10% tariff on NZ goods appears to be manageable, what will be important are the indirect impacts from key trading partners in South East Asia, such as China and Vietnam, whom now have ~50.0% tariffs on exports into the US. The expanded impacts of a trade war could potentially hinder the domestic recovery.

Swap rates in New Zealand have fallen sharply following the tariffs announcement in early April, with the 2, 5 and 10 year rates falling as low as 3.02%, 3.36% and 3.84% respectively. However they have since moved higher again and are currently at 3.14%, 3.56 and 4.12% respectively.





Liquidity and Funding



Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	Yes
Is the funding maturity profile within policy control limits?	Yes
Is liquidity within policy control limits?	Yes
Are counterparty exposures within policy control limits?	Yes

External Council Core Debt

\$95.4m

External Council Drawn Debt (excludes onlending to Manawatu Community Trust)

Total LGFA Debt

\$96.8m

Funds Drawn from LGFA (includes onlending to Manawatu Community Trust)

Liquidity = cash in bank, term deposits and undrawn bank facility

\$14.52m

Liquidity Ratio (must be >110%)

115.00%

Definition: (Cash Reserves + Lines of Credit + Drawn Debt)/Drawn Debt \$96.8m)

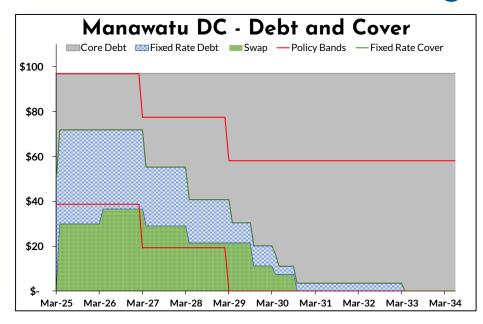
Cost of Funds as at 31 March 2025

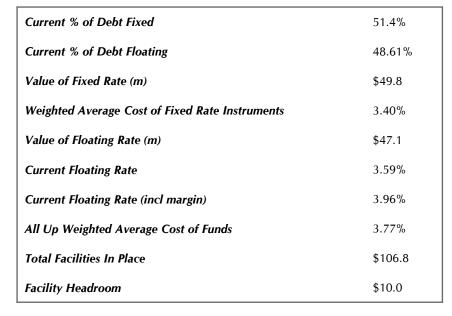
3.77%





Interest Rate Risk Management





	Manawatu DC - Interest Rate Projection
6.00%	
5.00% -	
4.00% -	
3.00% -	—Cost of funds (incl margin) —Market Linked Floating Rate Forecast
	—Floating Rate Forecast Incl Margin
2.00%	
Mai	r-25 Mar-26 Mar-27 Mar-28 Mar-29 Mar-30 Mar-31 Mar-32 Mar-33 Mar-34

Fixed Rate Hedging Bands						
Minimum Maximum Policy						
0 - 2 years	40%	100%	Compliant			
2 - 4 years	20%	80%	Compliant			
4 - 13 years	0%	60%	Compliant			



L 4



LGFA Funding Rates as at 31 March

Listed below are the credit spreads and applicable interest rates as at 31 March for Commercial Paper ("CP"), Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), at which Manawatu DC could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Margin	FRN (or CP Rate)	FRB
3 month CP	0.20%	3.81%	N∕A
6 month CP	0.20%	3.69%	N∕A
April 2025	0.48%	4.09%	4.25%
April 2026	0.61%	4.22%	4.01%
April 2027	0.72%	4.33%	4.14%
May 2028	0.88%	4.49%	4.40%
April 2029	0.94%	4.55%	4.58%
May 2030	1.04%	4.65%	4.75%
May 2031	1.10%	4.71%	4.96%
May-2032	1.16%	4.77%	5.09%
April 2033	1.23%	4.84%	5.25%
May 2035	1.29%	4.90%	5.45%
April 2037	1.37%	4.98%	5.65%





Funding

As at 31 March 2025, MDC had \$96.8 million of total debt (including the on-lending to MCT)), all of which is sourced from the LGFA using Commercial Paper ("CP"), Floating Rate Notes ("FRN's") and Fixed Rate Bonds ("FRB's"), details contained below.

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	11-Apr-25	4.19%	N/A	\$11,583,169
LGFA FRN	15-Apr-25	4.94%	0.82%	\$5,000,000
LGFA FRB	15-Apr-25	3.47%	N/A	\$5,000,000
LGFA FRB	15-Apr-25	3.05%	N/A	\$3,000,000
LGFA FRN	15-Apr-26	5.02%	0.91%	\$4,000,000
LGFA FRB	15-Apr-26	3.89%	N/A	\$4,000,000
LGFA FRN	15-Apr-26	5.00%	0.88%	\$2,000,000
LGFA FRN	15-Apr-26	4.91%	0.79%	\$2,500,000
LGFA FRB	15-Apr-26	2.90%	N/A	\$2,500,000
LGFA FRN	15-Apr-26	4.70%	0.58%	\$1,400,000
LGFA FRB	15-Apr-27	1.11%	N/A	\$7,000,000
LGFA FRB	15-Apr-27	1.95%	N/A	\$2,000,000
LGFA FRN	15-Apr-27	4.77%	0.66%	\$3,000,000
LGFA FRN	15-Apr-27	4.77%	0.65%	\$3,500,000
LGFA FRN	15-Apr-28	5.01%	0.89%	\$2,000,000
LGFA FRB	15-Apr-28	3.12%	N/A	\$2,000,000
LGFA FRB	15-Apr-28	2.20%	N/A	\$3,000,000
LGFA FRB	15-Apr-28	2.12%	N/A	\$2,000,000
LGFA FRB	20-Apr-29	2.42%	N/A	\$1,000,000
LGFA FRB	20-Apr-29	2.41%	N/A	\$2,500,000
LGFA FRN	20-Apr-29	4.69%	0.63%	\$2,000,000
LGFA FRN	20-Apr-29	4.92%	0.86%	\$2,000,000
LGFA FRB	20-Apr-29	5.45%	N/A	\$5,500,000
LGFA FRB	20-Apr-29	4.77%	N/A	\$1,400,000
LGFA FRN	15-Apr-30	4.81%	0.69%	\$4,500,000
LGFA FRB	15-May-30	5.51%	N/A	\$5,400,000
LGFA FRN	14-Apr-33	5.05%	0.94%	\$3,500,000
LGFA FRB	14-Apr-33	4.72% 94	N/A	\$3,500,000
		34		\$96,783,169





Disclaimer

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Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: People and Corporate

Date Created: 29 May 2025

LGOIMA Requests 22 February 2025 – 25 May 2025

Purpose Te Aronga o te Pūrongo

To present requests for information received by Council under the Local Government Official Information and Meetings Act 1987.

Significance of Decision Te Hira o te Whakataunga

The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Recommendations Ngā Tūtohinga

That the report detailing the requests for information received under the Local Government Official Information and Meetings Act 1987 from 22 February 2025 – 25 May 2025 be received.

Report prepared by: Dianne McKay Information Officer

Approved for submission by: Frances Smorti General Manager - People and Corporate

- Contribution to Community Well-being and Council's Community Outcomes Te Tühono ki ngā Whāinga a te Kaunihera mō te Oranga Hapori me te Whakawhanake Hapori
- 1.1 Relationship to Council's strategic priorities (community outcomes):

A place to belong and grow He kāinga e ora pai ai te katoa	
A future planned together He kāinga ka whakamaherea tahitia tōna anamata e te hapori tonu	
An environment to be proud of He kāinga ka rauhītia tōna taiao	
Infrastructure fit for future He kāinga ka tūwhena tonu ōna pūnahahanga, haere ake nei te wā	
A prosperous, resilient economy He kāinga ka tōnui tōna ōhanga	
Value for money and excellence in local government He kāinga ka eke tōna kāwanatanga ā-rohe ki ngā taumata o te kairangi	✓

The Council makes decisions on behalf of the wider public interest, taking into account the needs of current and future generations, and the strategic priorities identified by the Council. The matter addressed by this report relates to the Council's Kawanatanga (Governance) role and therefore to all of the above strategic priorities in a wider sense.

- 2 Background Ngā Kōrero o Muri
- 2.1 The Local Government Official Information and Meetings Act 1987 makes provision for public access to Council information.
- 2.2 The Act also provides requirements for how the Council must deal with any requests for access to information that it holds.
- 2.3 Details of all requests received are available on Council's website.
- 2.4 This report covers the period 22 February 2025 25 May 2025.

SUMMARY	23 November 2024 to 21 February 2025	22 February to 25 May 2025
Received	19	22
Closed	18	23
In Progress	4	3 includes 2 Ombudsman

FINANCIAL YEAR	1 July 2024 to 25 May 2025	1 July 2023 to 30 June 2024
Total	81	77
Closed	78	77
% Sent in time frame	100%	98%



2.5 Requests received and/or closed from 22 February 2025 – 25 May 2025

LGOIMA Number	Date Received	Requestor	Request Summary	Due Date	Request Status	Completed Date
LG2329	31/01/2025	Individual	Information about any Publicly notified resolutions regarding 194 Rangitikei Valley Road.	3/03/2025	Complete	24/02/2025
LG2330	4/02/2025	Individual	Information about issues with dogs in Ridge Road	14/03/2025	Complete	14/03/2025
LG2333	10/02/2025	Rangiwahia Environmental Arts Centre Trust	Request all details regarding roadside vegetation at 2489 Rangiwahia Road	26/03/2025	Complete	25/03/2025
LG2335	18/02/2025	NZ Taxpayers Union	Information around investigations for Māori Wards referendum	18/03/2025	Complete	24/02/2025
LG2336	25/02/2025	Why Waste Waimate	All information, discussions and communication pertaining to the supply of waste to fuel an Energy from Waste or Waste-to-Energy facility.	25/03/2025	Complete	25/03/2025
LG2337	28/02/2025	THEN Histories of Pāmutana	Data on petitions received by Council between 01 Jan 2015 - 31 Dec 2024	28/03/2025	Complete	23/03/2025
LG2338	28/02/2025	OB Consulting Ltd	Correspondence between MDC and LINZ regarding stopping of Opawe Road	28/03/2025	Complete	11/03/2025
LG2339	8/03/2025	Individual	Requesting reference maps for any representation reviews done by MDC since 1989	4/04/2025	Complete	31/03/2025
LG2340	13/03/2025	NZ Taxpayers Union	Rating information for 2023/24 financial year	10/04/2025	Complete	24/03/2025
LG2341	14/03/2025	Stuff	Information about raised pedestrian crossings	11/04/2025	Complete	31/03/2025
LG2342	14/03/2025	Individual	Amount paid in FY 24, FY 23 and FY 22 for music licensing fees	11/04/2025	Complete	10/04/2025

LG2343	15/03/2025	Holcim NZ Ltd	Details of consents etc for properties off McDonnell Road	11/04/2025	Complete	10/04/2025
LG2344	18/03/2025	Individual	Information regarding Bell Road East property	15/04/2025	Complete	10/04/2025
LG2345	25/03/2025	Individual	Details about Dangerous, Affected, and Insanitary Buildings in MDC area	24/04/2025	Complete	11/04/2025
LG2346	29/03/2025	Individual	A copy of resource consent decisions and conditions for various titles	5/05/2025	Complete	5/05/2025
LG2347	31/03/2025	Individual	Information around dog attack on 03 January 2025	1/05/2025	Complete	10/04/2025
LG2348	31/03/2025	Community Law Centres Aotearoa	Information about on and off licences for 2024	1/05/2025	Complete	10/04/2025
LG2349	4/04/2025	Innvex NZ Limited	Request for datafile on Landfill/Dump facility, including addresses, operating status, Resource Consents and size in hectares.	6/05/2025	Complete	28/04/2025
LG2350	4/04/2025	Individual	Details of LGOIMA and Privacy Act requests, and Ombudsman complaints from 2019 - 2024	7/05/2025	Complete	5/05/2025
LG2352	13/04/2025	Individual	Information about 'Eat Street' events	14/05/2025	Complete	30/04/2025
LG2353	29/04/2025	HAIL Magazine Charitable Trust	Information on Mobility Parking Spaces	27/05/2025	Complete	8/05/2025
LG2354	30/04/2025	Individual	Questions about Eat Street events	28/05/2025	Complete	21/05/2025
LG2356	8/05/2025	Individual	Details of BCs processed using a Licenced Building Practioner number	6/06/2025	Complete	14/05/2025
LG2357	22/05/2025	Individual	Details about the technology and staffing involved in new parking enforcement process	23/06/2025	With SME	

2.6 Ongoing Ombudsman investigations as at 25 May 2025

LGOIMA Number	Date Received	Organisation	Request Summary	Due Date	Request Status
LG2195	13/06/2023	Office of the Ombudsman	Investigation into delay in responding to complaint CCR 71998 lodged 01/08/22	22/02/2024	Ombudsman confirmed Council has not acted unreasonably – Now closed
LG2351	11/04/2025	Ombudsman Office	Preliminary inquiry - Complaint that information withheld	30/04/2025	With Ombudsman
LG2355	6/05/2025	Ombudsman Office	Inquiry - complaint about Councils calculation of rates following development in Maewa	19/05/2025	With Ombudsman



- 3 Te Kīwai (o te kete)
- 3.1 Te Kīwai is the engagement process which guides Council's practice and ensures the onus to engage and include Māori is shared between Council and all partners. In this manner, we progress both the articles and principles of Te Tiriti o Waitangi by maintaining the balance between Kawanatanga (Governance) of the Council and Tino Rangatiratanga (Sovereignty) of whānau, hapū, and iwi Māori.
- 3.2 There are no known cultural considerations associated with the matters addressed in this report. No engagement with Māori is necessary.
- 4 Community Engagement Te Whai Wāhitanga mai o te Hapori
- 4.1 There are no community engagement requirements associated with this report.
- 5 Operational Implications Te Whai Pānga Atu ki ngā Kaupapa Mahi
- 5.1 There are no operational implications associated with this report.
- 6 Financial implications Te Whai Pānga Atu ki ngā Kaupapa Ahumoni
- 6.1 There are no financial implications associated with this report.
- 7 Statutory Requirements Ngā Here ā-Ture
- 7.1 The statutory requirements for access to local authority information, and procedures for dealing with requests received for information held by local authorities is set out in Parts 1, 2, 3, 4, 5 and 6 of the Local Government Official Information and Meetings Act 1987.
- 8 Delegations Te Mana Whakatau
- 8.1 The Audit and Risk Committee has authority to consider this matter.
- 9 Conclusion Whakatepenga
- 9.1 The Requests for Information that have been received from 22 February 2025 25 May 2025 are reported to the Audit and Risk Committee for information.



Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: People and Corporate

Date Created: 21 May 2025

Internal Audit Programme Re-Adoption 2025

Purpose Te Aronga o te Pūrongo

To present the Internal Audit Programme to the Committee for re-adoption, to cover the 2025/26 year.

Recommendations Ngā Tūtohinga

That the Committee re-adopts the Internal Audit Programme (attachment 1), without amendment for the 2025/26 year.

OR

That the Committee re-adopts the Internal Audit Programme (attachment 1), with amendments below for the 2025/26 year.

Report prepared by: Ash Garstang Governance and Assurance Manager

Approved for submission by: Frances Smorti General Manager - People and Corporate

- 1 Background Ngā Kōrero o Muri
- 1.1 The current Internal Audit Programme was adopted by the Committee at its meeting 13 June 2024.
- 1.2 The programme proposed for the 2025/26 year is a continuation of the current programme.
- 2 Strategic Fit Te Tautika ki te Rautaki
- 2.1 The internal audit programme furthers the Council's strategic priority of "Value for money and excellence in local government" by providing independent assurance over the effectiveness of key systems, processes, and controls.
- 3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia
- 3.1 The Internal Audit Programme is intended to provide a continuation of audits completed in previous years, with individual audits generally (but not always) running on a fixed review schedule.
- 3.2 The programme encompasses recommendations that have been given by Audit NZ via their annual review of the Council's activities.
- 3.3 As advised in the March 2025 report, the IT programme of work will now be reported annually to the Committee in September.
- 3.4 The below updates have occurred since the last report in March 2025:

Fraud Awareness Review

 The Fraud Awareness Review is nearing completion. Deloittes have provided the draft report and management is currently preparing feedback (management comments on audit recommendations). Once this process is finalised, the report will be returned to Deloitte for completion. The final report is now scheduled to be presented to the Committee in September 2025.

Cash Handling and Receipting Processes

The Cash Handling and Receipting Processes audit is also nearing completion.
GrantThornton have provided the draft report and management is preparing feedback
(management comments on audit recommendations). Once this process is finalised,
the report will be returned to GrantThornton for completion. The final report is now
scheduled to be presented to the Committee in September 2025.

Procurement Audit

• Scoping has begun on this audit, and auditor providers will be approached in June for audit proposals.

- 4 Risk Assessment Te Arotake Tūraru
- 4.1 Re-adoption of the Internal Audit Programme supports the management of operational risks by providing assurance over key systems and processes.
- 4.2 There is a reputational risk to Council if identified issues are not addressed in a timely manner. The Internal Audit Programme provides a means of assessing key areas of Council operations that may be particularly prone to risks. It is also a mechanism that allows officers to further explore issues raised by Audit NZ during their auditing of the Council's annual reports.
- 4.3 The Fraud Awareness Review and Cash Handling Audit have experienced minor delays due to operational capacity constraints. However, these delays are not considered to pose any significant risk. Both draft reports indicate that there are no critical issues requiring urgent action, though several recommendations have been made that will support ongoing process improvement and organisational resilience.
- 5 Engagement Te Whakapānga

Significance of Decision

5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Māori and Cultural Engagement

5.2 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

Community Engagement

- 5.3 No community engagement is warranted.
- 6 Operational Implications Ngā Pānga Whakahaere
- 6.1 There are no operational implications to the re-adoption of the current programme.
- 7 Financial Implications Ngā Pānga Ahumoni
- 7.1 The internal audit budget is intended to be used for those audits that are organisational-wide, prompted from Audit NZ (via their annual audit of the Council) or are requested by the Audit and Risk Committee.
- 7.2 There was a budget of \$51,450 for 2024/25, with \$42,744 having been expended as of 04 June 2025. Officers expect another \$2,432 of expenditure for the remainder of this financial year, and so the budget will be underspent by around \$6,200.
- 7.3 The budget for 2025/26 is \$52,582.
- 7.4 Other audits are funded from existing departmental and team budgets.

- 8 Statutory Requirements Ngā Here ā-Ture
- 8.1 There are no statutory requirements for this report.
- 9 Next Steps Te Kokenga
- 9.1 Officers will progress the Procurement audit in the first instance.
- 10 Attachments Ngā Āpitihanga
 - Internal Audit Programme 2025/26

Manawatū District Council - Audit Programme

			Previous Audit			Next Audit		
Business Unit	Audit Topic	Description	Last completed	Reported to ARC	Review schedule	Initiate Review	Status	Reported to ARC
IS	IT Programme of Work	This is a BAU programme, consisting of: 1. Internal PEN testing - annually 2. External PEN testing - annually 3. IT Maturity - as needed 4. Business Continuity and Disaster Recovery Planning - annually					Ongoing	Planned for September 2025
Finance	Fraud Awareness Review	Raise awareness of fraud and corruption risks. 1) All staff Fraud and Corruption Awareness Survey; and 2) Fraud and Corruption Gap Analysis benchmarking workshop with senior staff. 3) A third phase may follow if areas of concern are highlighted	October 2020	November 2020	3 yearly	November 2024	Underway	Planned for September 2025
Finance	Cash Handling and Receipting Processes	Compliance with policy and to assess the design and operating effectiveness of key controls identified across the following cash handling processes: - point of sale/till application - receipting - cashing up and banking - physical security - electronic payments through on-line systems - reconciliations To include the cash receipting practices at Front of House, the Makino and the Community Hub.	April 2021	May 2021	2 yearly	March - May 2025	Underway	Planned for September 2025
Organisation Wide	Procurement	The process for determining the need for the particular procurement is valid. The award procedure is as per MDC's policy and resources being spent in line with applicable criteria. Covers contract management. Description of performance, calculation of contract value, award criteria, award procedure, notification and assessment of tenders.	2019		3/4 yearly	June 2025		
Finance	Sensitive Expenditure	This will include compliance with policies, suspicious transaction analysis and compliance testing of a sample of transactions. Identified risk areas are travel and accommodation; entertainment and hospitality.	May 2022	September 2022	3 yearly	July 2025		
Utilities	Asset Revaluation Review	Looking at the methodology of Asset Revaluations. A review of the full valuation and associated report. Checks that the calculations have been carried out diligently and that the valuation process and associated report meets accounting standards. Brian Smith makes recommendations which are incorporated into an improvement plan in the valuation report. On the same three-yearly cycle as the Unit Rate Review.	2022/23		3 yearly	August 2025		
Utilities	Unit Rate Review	Looking at how MDC prices unit rates for Asset Revluations. To ensure that our rates are comparable with similar councils across the country. WSP review the base rate and provide a comment on the on-costs that are added, as well as any inflation adjustments that are needed. Following the review, the new unit rates are uploaded to the asset register and used in the valuation. On the same three-yearly cycle as the Asset Revaluation Review.	2022/23		3 yearly	October 2025		
IS	Privacy	Review of privacy maturity	December 2023		2 yearly	December 2025		
Governance & Assurance	Conflicts of Interest	Review the process surrounding Conflict of Interest (COI) in MDC and providing the assurance that COI are managed appropriately. - is the Policy fit for purpose - are the systems and processes adequete - is there sufficient engagement from stuff				December 2025		
Safety and Wellbeing	Health and Safety	Review of Health and Safety and to identify and provide the assurance that the updates in the Act is reflected in MDC's practices. Completed as part of the MWLASS initiative. The audit takes place from February - December and includes visits to various council sites/facilities	December 2023		2 yearly	December 2025		

Finance	FBT Audit	Review of FBT with focus on policies, procedures and source information and rigor of return completion. Detailed review of FBT on vehicles and employee benefits. - It is prudent to initiate own compliance to provide that systems are working as intended. Where any errors are identified, this process allows voluntary disclosure to IRD and therefore avoid any shortfall penalties that could otherwise be imposed if discovered by IRD.	August 2022 September 2022	After ERP system update
Finance	GST Audit	Review of GST with focus on both policies, procedures and source information and the rigor of the return completion. Detailed review of GST treatment, time of supply, land purchase, GST exempt supplies, second hand goods and documentation It is prudent to initiate own compliance to provide that systems are working as intended. Where any errors are identified, this process allows voluntary disclosure to IRD and therefore avoid any shortfall penalties that could otherwise be imposed if discovered by IRD.	April 2022 September 2022	After ERP system update



Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: People and Corporate

Date Created: 22 May 2025

Strategic Risks Deep Dive – Government Reform and Staffing

Purpose Te Aronga o te Pūrongo

To discuss two strategic risks in-depth with the Committee and consider updates, such as changes in the external environment and new opportunities:

- Government Reform
- Staffing

Recommendations Ngā Tūtohinga

That the Committee receives the 'Strategic Risks Deep Dive – Government Reform and Staffing' report.

Report prepared by: Ash Garstang Governance and Assurance Manager

Approved for submission by: Frances Smorti General Manager - People and Corporate

- 1 Background Ngā Kōrero o Muri
- 1.1 The Council currently has seven strategic risks. These were adopted in 2024, and this report is the second in a series of deep dives planned for 2025, with each risk being reviewed at least annually.
- 1.2 Other strategic risks will be brought to subsequent Committee meetings in 2025, with the intent to review the risks at least once each year.
- 1.3 The risks presented in this report are:
 - Government Reform ongoing central government activity affecting local government functions, roles and funding.
 - Staffing a softening labour market, with rising unemployment and slow job growth.
- 2 Strategic Fit Te Tautika ki te Rautaki
- 2.1 This review supports the strategic outcome "Value for money and excellence in local government", by ensuring that Council understands and actively manages key strategic risks.
- 3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

Government Reform

- 3.1 Government Reform refers to the unanticipated impacts of legislative reform and national direction changes on Council operations, planning, and compliance requirements.
- 3.2 The local government sector has been subject to a high degree of national reform, with consecutive governments looking to drive operational efficiencies and greater collaboration among councils. Since the 2023 general election, there have been significant reversals and new initiatives in areas such as:
 - Ending the Three Waters Reform begun by the previous Labour government
 - Proposed changes to the Resource Management Act 1991, including repealing the recently passed Natural and Built Environment Act 2023 and Spatial Planning Act 2023
 - The Local Water Done Well reform, which has included significant considerations for future local government funding (e.g., increasing the debt to revenue ratio for borrowing), and strong encouragement from the Government for local authorities to collaborate to deliver water services
 - Ongoing debates around the advantages and disadvantages of localism, regionalisation and centralisation

- 3.3 There is a lack of government funding to support local authorities in implementing reforms. For instance, the Water Levies introduced by the government to help fund the new water regulator were not anticipated in the 2024–34 Long-term Plan and equate to a 0.34% rates increase for existing ratepayers within the Annual Plan 2025/26.
- 3.4 A further challenge is that the rapid pace of change is adding complexity, increasing cost pressures, and straining resources, as the Council works to respond to reform in a clear and effective manner.
- 3.5 Similarly, there is significant uncertainty around the longevity of reform. The current government contrasted themselves strongly against the previous government, with their reforms reflecting their widening political differences. It is difficult to predict what the next government in 2026 will bring to the table. A clear example of this is the Local Water Done Well reform; the long-term outlook that councils must adopt in consideration of this reform is far-reaching (decades), and this is contrasted against the uncertainty of the reform itself it is impossible to predict whether subsequent reforms will replace this model in an earlier timeframe. This makes it hard for local authorities to rely on long-term predictions (e.g., financial performance of an in-house model vs a regional model with harmonisation) when making important decisions around future service delivery.
- 3.6 While central government's reform agenda is largely intended to improve the performance and efficiency of local government, the high pace and volume of change risks, paradoxically, undermining Council performance. Frequent and overlapping reforms create significant operational instability, place strain on already limited resources, and require councils to divert attention away from core service delivery in order to respond.
- 3.7 This also affects public perception. The instability created by successive reforms can erode community confidence, as visible outcomes are delayed or disrupted. This is further compounded by the often-public tension between central and local government. At times, local government has been subject to public criticism from central agencies, and such dialogue risks reinforcing negative sentiment while obscuring the deeper structural and funding challenges that constrain the sector.
- 3.8 Conversely, there are opportunities for improvement that arise out of government reform. It can encourage change at a local level that may otherwise be unpalatable for a local authority to undertake on their own (such as greater regionalisation and collaboration). If reforms have bipartisan support, they can provide a high degree of certainty to local authorities that allow for better strategic planning.

Controls and Enablers

- 3.9 As with other strategic risks, the Council's ability to directly influence the causes of this risk are limited. However, there are mechanisms in place to bring attention to particularly problematic pieces of legislation, and early-warning indicators to allow members and staff as much time as possible to effectively respond.
- 3.10 Council maintains strong engagement with national and sector bodies, such as Local Government New Zealand (LGNZ) and Taituarā, which not only provide insight into upcoming changes but serve as early-warning indicators for reforms that may have far-reaching implications. At an operational level, the Strategy team ensures early visibility of proposed reforms and enables timely input through submission processes.

3.11 Additionally, senior leadership (both at the executive and elected member level) have been deliberate in building and maintaining strong regional relationships. These networks become particularly valuable in a reform environment, as they enable shared advocacy, coordinated responses, and potential collaboration with neighbouring councils. This combination of anticipatory governance, sector alignment, and local leadership forms a resilient foundation to navigate ongoing and future government reform.

Risk Analysis

- 3.12 Government reform is most likely to impact the areas of Legal Compliance, Financial & Investment, People & Capability, Reputational and Service Delivery.
- 3.13 The residual risk (i.e., the risk score after accounting for controls) is **High**. The risk likelihood is **Possible** (25 74% chance of occurring within a 12-month period), and the risk impact levels are:

People & Capability: Moderate

Service Delivery: Moderate

• Reputational: Severe

Legal Compliance: Minor

Financial & Investment: Moderate

3.14 The Council's risk appetite is outlined below. In this instance, the reputational impact exceeds the Council's cautious appetite for reputational risk. This is unsurprising given the Council's lack of influence over the pace of government reform, but it serves to highlight a key area of concern:

Risk Areas	Averse	Minimalist	Cautious	Open		Ambitious
People & Capability					Open	
Service Delivery			Cautious	-Open		
Reputational			Cautious			
Legal Compliance	Averse-Min	imalist				
Financial & Investment			Cautious			
Health, Safety & Wellbeing		Minimalist				
Environmental					Open	
Cultural			Cautious			
Political					Open	

Staffing

- 3.15 Staffing refers to the ability to attract and retain qualified staff to maintain Council operations and service delivery.
- 3.16 The labour market continues to cool in 2025, following high inflation and low unemployment throughout 2022-24. The May 2025 figures from Stats NZ put the current unemployment rate at 5.1% a steady rise from its lowest recent level of 3.2% in March 2022¹. Additionally,

¹ Stats NZ, 2025. <u>Unemployment rate | Stats NZ</u>

- the Government's downsizing of the public sector throughout 2024 has increased the pool of prospective candidates for particular Council roles.
- 3.17 While these factors have eased the difficulties of recruiting qualified candidates, there are several challenges that remain with recruitment and retention:
 - Wage competition with government agencies and the private sector
 - Reputational pressures arising from greater public scrutiny of the local government sector
 - Positioning the Manawatū as an attractive place to live and work (particularly in contrast to competition in Palmerston North)
 - Industry-shortages of key professions (e.g., engineers)
 - Government reform that impacts the operational capacity and staff composition of Council
- 3.18 Large urban areas and government agencies are often able to offer higher salaries and broader career progression, which can both reduce the pool of viable candidates for Council roles and encourage existing Council staff to move to another employer.
- 3.19 The consequences of ongoing staff shortages (including the need to appoint less experienced personnel into roles traditionally filled at a senior level) can be significant. Staff shortages may lead to service delivery interruptions, increased pressure on existing staff who need to take on additional responsibilities, and difficulty in meeting project timelines. Over time, persistent vacancies and/or higher turnover can contribute to a loss of institutional knowledge, reduced staff morale and lowered wellbeing.
- 3.20 There are, however, opportunities that the Council has by virtue of its size and close connection to the community, which can attract candidates seeking meaningful and community-focused work. There is a growing perception that roles in local government are more stable than roles in central government agencies, given the degree of organisational change that takes place following newly elected governments.

Controls and Enablers

- 3.21 MDC has a strong organisational culture, visible leadership and a supportive work environment. Council offers internal professional development (e.g., in-house leadership programmes), participation in sector-training (enabled through training budgets), and encourages internal promotions.
- 3.22 The presence of this healthy organisational culture is evidenced by the Council's performance in the **Ask Your Team Survey 2025**. This survey gathers feedback on key areas such as culture, leadership, performance, and internal processes. Each council's results are benchmarked against the average scores of all participating councils, providing a meaningful measure of comparative performance:
 - Participation rate of 90% (benchmark of 67%)
 - Overall result of 70% (benchmark of 64%)

- No question in the survey scored below the sector benchmark
- The area of "performance development" (e.g., professional development, salary) was a particular stand-out for MDC, with several of these scores exceeding the benchmark by more than 10%.
- 3.23 As of March 2025, MDC has maintained a regrettable turnover rate of 9.3%, reflecting ongoing efforts to support a stable workforce.
- 3.24 Additionally, the Manawatū District's lifestyle offering, combined with our reputation for being a family-friendly employer, allows Council to appeal to professionals seeking a greater work-life balance. If leveraged appropriately, this is helpful in both attracting new staff and retaining existing staff.

Risk Analysis

- 3.25 Staffing is most likely to impact the areas of People & Capability, Service Delivery, Health Safety & Wellbeing, and Political.
- 3.26 The residual risk (i.e., the risk score after estimating the effectiveness of controls) is **Medium**. The risk likelihood is **Possible** (25 74% chance of occurring within a 12-month period), and the risk impact levels are:
 - People & Capability: Minor
 - Service Delivery: Moderate
 - Health, Safety & Wellbeing: Minor
 - Political: Minor
- 3.27 The Council's risk appetite is again outlined below. In this case, all risk levels are within Council's appetite, reflecting both the impact of MDC's controls in managing this risk and the easing of the labour market.

Risk Areas	Averse	Minimalist	Cautious	Open		Ambitious
People & Capability					Open	
Service Delivery			Cautious	-Open		
Reputational			Cautious			
Legal Compliance	Averse-Mini	malist				
Financial & Investment			Cautious			
Health, Safety & Wellbeing		Minimalist				
Environmental					Open	
Cultural			Cautious			
Political					Open	

Interdependencies

3.28 These two risks are interconnected, with pressures in one area often amplifying the vulnerabilities in the other. Government reform at the national level frequently results in new or expanded responsibilities for local authorities, which can create resource challenges – particularly when the reforms affect neighbouring councils within the region as well.

- 3.29 A compounding factor is the short time-frames that have accompanied many of the reforms. Time pressures can distract existing staff from business-as-usual work and create a need to quickly employ new permanent staff, or a need to hire temporary staff. With other councils in the region often facing similar challenges at the same time, it can be difficult to source this labour in the short-term.
- 3.30 Persistent staff shortages can similarly make it more difficult for the Council to respond to government reform, and constrained resources can force senior leadership to make trade-offs between what services and initiatives are delivered and what resources are dedicated to managing mandated change.
- 3.31 Reputational risk is a key negative outcome of government reform, and a key cause of staffing difficulties. For example, lowered public trust in council organisations makes it harder for MDC to attract high quality staff, and prospective candidates may question the stability of a job at the Council in light of local government's perceived underperformance.
- 3.32 These interdependencies highlight the need for an integrated approach to strategic risk management one that recognises how shifts in the external policy environment can directly affect internal capability, and vice versa.
- 4 Risk Assessment Te Arotake Tūraru
- 4.1 The risk assessments of both strategic risks are included in Section 3 (Discussion and Options Considered) of the report.
- 5 Engagement Te Whakapānga

Significance of Decision

5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Māori and Cultural Engagement

5.2 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

Community Engagement

- 5.3 There are no aspects of this report or its contents that warrants community engagement.
- 6 Operational Implications Ngā Pānga Whakahaere
- 6.1 There are no operational implications.
- 7 Financial Implications Ngā Pānga Ahumoni
- 7.1 There are no financial implications.

- 8 Statutory Requirements Ngā Here ā-Ture
- 8.1 While strategic risks are invariably impacted by government legislation, there are no statutory references specific to this report.
- 9 Next Steps Te Kokenga
- 9.1 Two more strategic risks will be presented to the Audit & Risk Committee meeting on 25 September 2025. While the specific risks for this report have not yet been selected, they will be drawn from the below three risks that have yet to be reported to the Committee this year:
 - Iwi Relationships
 - Climate Change
 - Local Economy
- 9.2 There are several improvement actions that staff intend to progress as time and capacity allows; currently these are planned for the beginning of 2026 (post-election and Council member induction). These include:
 - Updating and reformatting of the Strategic Risk Profiles
 - New reporting templates, with a particular focus on trends (e.g., how the Council operates within its risk appetite over time)
 - Use of AI to support establishing a custom risk-environment (for risk-testing and analysis)
 - Better integration of Control Improvement Plans
 - Improved articulation of risk interconnectedness (e.g., spider mapping) in reporting (e.g., within the Strategic Risk Deep Dives)
 - Streamlining risk reporting within Council report items
 - Pivot towards more graphical reporting on risks, and placing emphasis on demonstrating existing controls and control improvements
- 10 Attachments Ngā Āpitihanga
 - Strategic Risk Profile Government Reform
 - Strategic Risk Profile Staffing



Government Reform

The unanticipated impacts of Government legislative reforms and changes to national directions

12 December 2024

Risks - Causes and consequences

Causes

- Change of Government
- Tempo increase of policy change at a national level (e.g., regionalisation vs centralisation)
- Transfer of activity functions from Government to Council, without compensatory financial help
- Shifting priorities at a national level
- Unwillingness of regional partners to collaborate with the Council (e.g., in joint activities and services)

Consequences

- Inability to effectively plan for the long-term (See Risk: Growth)
- Unforeseen costs with compliance (See Risk: Financial Affordability)
- Reputational damage with the Community (See Risk: Iwi Relationships)

Opportunities - Causes and outcomes

Causes

- Stability of Government (e.g., multi-term Governments)
- More shared services and collaboration between local authorities
- Amalgamation of local authorities

Outcomes

- Better conditions for strategic and long-term planning
- Less compliance costs and more opportunity for efficiency gains
- Positive reputational improvements with the community

Assurance and accountability

Reporting: Deep dive report to the Audit and Risk Committee (annually)

Ongoing monitoring: Shayne Harris (Chief Executive)

Controls/enablers in place

- Regular reporting to elected members
- Anticipating impending legislation wherever possible at a political level
- Mechanisms that serve as early indicators of impending and potentially disruptive change, such as membership with LGNZ, and high participation with Taituara and other advisory bodies
- Internal capability to monitor and influence upcoming Government proposals (e.g., Strategy Team's work in submissions)
- Responding proactively to Audit NZ's recommendations that arise out of their end-of-year assessments
- Internal audit programme, and the ability to add items to this on an "as-needed" basis
- Conscious efforts by senior leadership (both elected members and executive leadership) to build regional relationships

Controls/enablers planned

Nil

Factors outside of Council's control

- National sentiment and the political change in response to this
- The occurrence of significant events in other areas that subsequently drive Government reform (e.g., 2016 Havelock North water contamination, 2010 Pike River Mine disaster)

References

Legislation

- Acts of Parliament
- National Policy Statements

Council Documentation

Long-term Plan 2024-34

Previous Reporting:

Initial Strategic Risk Update – Audit and Risk Committee 26 September 2024

Risk Appetite

Financial & Investment – Cautious Service Delivery – Cautious-Open



Staffing

The ability to attract and retain qualified Council staff

12 December 2024

Risks - Causes and consequences

Causes

- Low unemployment
- Inability to attract residents to the Manawatū (See Risk: Local Economy)
- Wage competition, particularly from Government departments (See Risk: Government Reform)
- Poor organisational leadership, culture or reputation

Consequences

- Skill shortages
- Limits or interruptions to Council services and projects
- Reduced migration to the District (e.g., families and spouses)
- Low staff morale and poor staff wellbeing
- Loss of institutional knowledge

Opportunities - Causes and outcomes

Causes

- Many qualified candidates available in the local job market
- The District being an attractive place to live and work in
- Government decentralisation
- Strong organisational reputation
- Positive organisational culture

Outcomes

- Fully staffed teams with highly qualified professionals
- Increased quality of Council services and projects
- Greater migration to the District
- High staff morale and commitment
- Longevity within Council's internal knowledge base and expertise

Assurance and accountability

Reporting: Deep dive report to the Audit and Risk Committee (annually)

Ongoing monitoring: Frances Smorti (GM – People and Corporate)

Controls/enablers in place

- Annual employee engagement survey and action plan (AskYourTeam)
- Health, safety and wellbeing strategy and programmes (Wellbeing Policy, Health Support Policy)
- Leadership development and assessment programmes (Future Leaders, Emerging Leaders, New Leaders, MDC Leaders Forum, ELT development)
- Staff development programmes (MDC Academy, Study Assistance, Professional Membership Support, Technical Training)
- Continuous application of MDC values
- Performance management processes and systems
- Annual salary and wage reviews, using benchmark data
- Succession planning and staff cross-training
- Counselling services (Vitae services)

Controls/enablers planned

- Speak up/shout out programme
- School education programme

Factors outside of Council's control

- Labour market
- District reputation
- Local government reputation
- Demographic shifts
- Education system development of relevant skills

Strategic Risk Profile - Staffing



Legislation

- Employment Relations Act 2000
- Health and Safety at Work Act 2015

Council Documentation

• Safety and Wellbeing Strategy 2024-27

Previous Reporting:

• Initial Strategic Risk Update – Audit and Risk Committee 26 September 2024

Risk Appetite

People and Capability – Open Health, Safety and Wellbeing – Minimalist





Audit and Risk Committee

Meeting of 12 June 2025

Business Unit: People and Corporate

Date Created: 22 May 2025

Internal Controls Update

Purpose Te Aronga o te Pūrongo

To provide an update to the Committee on several key internal controls, including cybersecurity breaches, policy reviews, protected disclosures and fraudulent activity.

Recommendations Ngā Tūtohinga

That the Committee receives the Internal Controls Update, covering the period 04 March 2025 to 04 June 2025.

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Approved for submission by: Frances Smorti General Manager - People and Corporate

- 1 Background Ngā Kōrero o Muri
- 1.1 This report provides a high-level summary of several key internal controls, and any notable breaches of these. The period of reporting for this update is **04 March 2025** to **04 June 2025**.
- 2 Cybersecurity Breaches
- 2.1 There have not been any cybersecurity breaches in this reporting period.
- 3 Governance Policy Work Programme
- 3.1 The Council has 34 Governance Policies, which are subject to review at set intervals. As of 04 June 2025:
 - 26 policies are current
 - 5 are overdue
 - 3 are in development
- 3.2 Refer to Attachment 1 for a breakdown of under review or in development policies.
- 4 Protected Disclosures
- 4.1 There have not been any protected disclosures in this reporting period.

Fraudulent Activity

- 5.1 There has not been any reported fraudulent activity identified in this reporting period.
- 6 Privacy Breaches
- 6.1 Three minor privacy incidents were reported during the period; none met the threshold to be classified as a privacy breach.
- 7 Attachments Ngā Āpitihanga
 - Governance Policies

Policy	Review Date Comments	
Sun Protection Policy	20-Mar-30 Current	
Dog Control Policy 2019	1-Oct-29 Current	
Community Honours Policy	1-Jul-28 Current	
Development and Financial Contributions Policy 2024	1-Apr-28 Current	
Gambling Venues Policy 2024	1-Nov-27 Current	
Waste Levy Grants Allocation Policy	1-Nov-27 Current	
Revenue and Financing Policy	20-Jun-27 Current	
Investment Policy	20-Jun-27 Current	
Liability Management Policy	20-Jun-27 Current	
Statement of Accounting Policies	20-Jun-27 Current	
Rates Remission and Postponement Policy	20-Jun-27 Current	
Community Development Policy	1-Apr-27 Current	
Road Sealing Policy	1-Mar-27 Current	
Dangerous, Affected and Insanitary Buildings Policy 2022	1-Oct-26 Current	
Marae and Hapu Committees Policy	1-Sept-26 Current	
Procurement Policy 2022	1-Sept-26 Current	
Pitbull Classification 2020	1-Sept-26 Current	
Capital Contributions Policy	1-Jun-26 Current	
Remuneration and Reimbursement for External Committee Members Policy	15-May-26 Current	
Risk Management Policy	1-Apr-26 Current	
Community Committees Policy	1-Mar-26 Current	
Significance and Engagement Policy	5-Jan-26 Current, but under review early at Council's request	
Elected Members Allowances and Expense Reimbursement Policy 2022-25	1-Nov-25 Current	
Code of Conduct (elected members)	22-Oct-25 Current	
Manawatu District Council - Standing Orders 2022	1-Aug-25 Current	
Smokefree Policy	7-Jul-25 Current and under review	
CEDA Director Appointment Policy 2025	25-May-25 Under review with PNCC	
Hall Management Policy	31-Jan-24 Under review (Community Assets)	
	This will be obsoleted in due course, as the Community Assets Team is developing a	
	new Policy with a broader scope; looking at planting across the entire District (e.g.,	
Road Planting Policy and Guidelines	31-May-23 roads, reserves, parks)	
Appointment of Directors to Council Organisations and Council-Controlled Organisations 2009	31-May-23 Under review (Community)	
	Not under review at this stage. The Significance and Engagement Policy is under	
Te Kīwai (o te kete)	1-Dec-21 review, after which it will be clearer what course of action to take with this Policy	
Vested Assets Policy	New policy in development	
	This policy was revoked, however CFO advises it should still be current and is in	
Trusts, Bequests and Special Funds Policy	development	
Asset Management Policy	New policy in development	