

Finance Committee Agenda

Date: Tuesday, 29 April, 2025

Time: 1:30 pm

Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

Elected Members: Cr Paul Yovich (Chairperson)
Cr Phil Halse (Deputy Chairperson)
His Worship the Mayor Vince Cocurullo
Cr Ken Couper
Cr Deborah Harding
Cr Patrick Holmes
Cr Simon Reid

For any queries regarding this meeting please contact the Whangarei District Council on (09) 430-4200.

1. Declarations of Interest / Take Whaipānga	
2. Apologies / Kore Tae Mai	
3. Confirmation of Minutes of Previous Finance Committee Meeting / Whakatau Meneti	
3.1 Minutes Finance Committee meeting held on 5 March 2025	7
4. Information Reports / Ngā Pūrongo Kōrero	
4.1 Local Government Funding Agency – Half Yearly Report to 31 December 2024	11
4.2 Local Government Funding Agency – Draft Statement of Intent 2025-28	45
4.3 Financial Report for the 9 months ending 31 March 2025	67
4.4 Capital Projects Report for the 9 months ending 31 March 2025	99
4.5 Operations Report - Corporate Group - April 2025	113
5. Public Excluded Business / Rāhui Tangata	
6. Closure of Meeting / Te katinga o te Hui	

Finance Committee – Terms of Reference

Membership

Chairperson	Councillor Paul Yovich
Deputy Chairperson	Councillor Phil Halse
Members	His Worship the Mayor Vince Cocurullo Councillors Ken Couper, Deborah Harding, Patrick Holmes and Simon Reid
Meetings	Monthly
Quorum	4

Purpose

To ensure than Council finances and other corporate support functions are well managed.
 Management of disposal and purchase of individual properties within Council's commercial property portfolio.

Key responsibilities

- Manage the budget process including the co-ordination and preparation of budgets and financial statements for the Annual Plan and Long-Term Plan.
- Preparation of the financial component of Council's Annual Report.
- Operational reporting for the Corporate Group within Council.
- Operational accountability of performance including:
 - Health and Safety
 - Regular reporting on service delivery
 - Compliance
 - Sustainability
 - Finance
- Procurement – general procurement relating to the areas of business of this committee, within delegations.
- Shared Services – investigate opportunities for shared services for recommendation to council.

- Council's commercial property portfolio, including:
 - The purchase and disposal of commercial properties specifically identified in the Long Term Plan
 - The purchase and disposal of commercial properties as authorised by Council, where these are not specifically identified in the Long Term Plan.
 - Recommendations to Council for the purchase and disposal of any other commercial properties.
- Council Controlled Organisations (CCOs) – monitoring the financial and non-financial performance of CCOs whose functions would otherwise fall under the scope of this committee. Includes trading CCOs (CCTOs) and those CCOs exempted under the LGA. Responsibilities include:
 - advising on the content of annual Statement of Expectations to CCOs
 - monitoring against the Statement of Intent
 - for exempted CCOs, monitoring and reporting as agreed between Council and the organisation
 - quarterly reporting on performance

CCO accountable to this committee:

- Local Government Funding Agency (LGFA)
**Statement of Intent agreement to council*

Delegations

- (i) All powers necessary to perform the committee's responsibilities, including:
 - (a) Approval of expenditure of less than \$5 million plus GST.
 - (b) Purchase and disposal of commercial properties as identified above and within the budget limits identified in the Long Term Plan.
 - (c) Establishment of working parties or steering groups.

The Committee does not have:

- I. The power to establish sub-committees.
- II. The powers Council is expressly prohibited from delegating as outlined in Clause 32(1)(a)-(h) of Schedule 7 of the Local Government Act 2002; being:
 - the power to make a rate
 - the power to make a bylaw
 - the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan

- the power to adopt a long-term plan, annual plan or annual report
- the power to appoint a chief executive the power to adopt policies required to be adopted and consulted on under the Local Government 2002 in association with the long-term plan or developed for the purpose of the local governance statement
- the power to adopt a remuneration and employment policy.

Finance Committee Meeting Minutes

Date: Wednesday, 5 March, 2025
Time: 9:00 a.m.
Location: Civic Centre, Te Iwitahi, 9 Rust Avenue

In Attendance
 Cr Paul Yovich (Chairperson)
 Cr Phil Halse (Deputy Chairperson)
 His Worship the Mayor Vince Cocurullo
 Cr Deborah Harding
 Cr Simon Reid

Not in Attendance
 Cr Ken Couper
 Cr Patrick Holmes

Scribe N. Pestana (Team Leader, Democracy)

1. **Declarations of Interest / Take Whaipānga**

No interests were declared.

2. **Apologies / Kore Tae Mai**

Cr Patrick Holmes and Cr Ken Couper.

Moved By Cr Paul Yovich

Seconded By Cr Deborah Harding

That the apologies be sustained.

Carried

3. **Confirmation of Minutes of Previous Finance Committee Meeting / Whakatau Meneti**

3.1 **Minutes Finance Committee meeting held 4 December 2024**

Moved By His Worship the Mayor

Seconded By Cr Phil Halse

That the minutes of the Finance Committee meeting held Wednesday 4 December 2024, including the confidential minutes, having been circulated be taken as read and now confirmed and adopted as a true and correct record of proceedings of that meeting.

Carried

4. Information Reports / Ngā Pūrongo Kōrero

4.1 Financial Report for the 7 months ending 31 January 2025

Moved By Cr Paul Yovich

Seconded By His Worship the Mayor

That the Finance Committee notes the operating results for the seven months ending 31 January 2025.

Carried

4.2 Capital Projects Report for the 7 Months ending 31 January 2025

Moved By Cr Deborah Harding

Seconded By His Worship the Mayor

That the Committee notes the Capital Projects Report for the period ending 31 January 2025.

Carried

4.3 Operations Report - Corporate Group - March 2025

Moved By His Worship the Mayor

Seconded By Cr Phil Halse

That the Finance Committee notes the Corporate Group operations report for March 2025 which contains statistics up to 31 January 2025.

Carried

5. Public Excluded Business / Rāhui Tangata

There was no business concluded in public excluded.

6. Closure of Meeting / Te katinga o te Hui

The meeting concluded at 9.30am.

Confirmed this 29th day of April 2025

Cr Paul Yovich (Chairperson)

4.1 Local Government Funding Agency – Half Yearly Report to 31 December 2024

Meeting: Finance Committee
Date of meeting: 29 April 2025
Reporting officer: Delyse Henwood (Manager – Finance)

1 Purpose / Te Kaupapa

To provide the half yearly report for the Local Government Funding Agency (LGFA) to 31 December 2024.

2 Recommendation / Whakataunga

That the Finance Committee notes the Local Government Funding Agency half yearly report to 31 December 2024.

3 Background / Horopaki

Section 66 of the Local Government Act (2002) advises that Council Controlled Organisations (CCOs) must deliver a report to council on their half yearly operations. To that end, the half yearly report for the 2024-25 financial year for the LGFA, of which Council has a shareholding, is included as Attachment 2. A letter to Shareholders accompanying the half yearly report is included as Attachment 1.

Alan Adcock, General Manager Corporate / CFO has a governance relationship with LGFA as a Non-Independent Director on the LGFA Board.

Any potential conflicts of interest this causes are dealt with as circumstances dictate.

4 Financial/budget considerations / Ngā pānga pūtea/tahua

The Local Government Funding Agency (LGFA) is jointly owned by the Crown and 30 local authorities. Council is a shareholder of the LGFA and is a party to the guarantee of all borrowings of the entity. The LGFA raises debt funding either domestically and/or offshore in either New Zealand dollars or foreign currency and provides debt funding to New Zealand local authorities.

Council borrows the majority of its debt from LGFA. Council's external debt is secured by way of a debenture trust deed over the rates of Council.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – LGFA letter to Shareholders dated 28 February 2025 to accompany Half Yearly Report to 31 December 2024

Attachment 2 – LGFA Half Yearly Report to 31 December 2024

28 February 2025

Dear LGFA Stakeholder

LGFA 2024-25 Half Year Report

Please find attached the following link to our Half Year Report for the six-month period to December 2024.

[LGFA Half Year Report – 31 December 2024](#)

We are pleased to highlight a positive six-month period for LGFA including the following:

1. Increased lending to council and CCO borrowers

As at 31 December 2024, LGFA had loans outstanding to councils and CCO members of \$22.3 billion with lending of \$2.1 billion over the six-month period. We added two new CCOs as members, bringing the number of members to seventy-two councils and seven CCOs.

2. A financial position tracking to forecast.

Net Operating Profit for the six-month period was a record \$8.6 million, in line with our SOI forecast and an increase of 65.4% on the comparable prior period. We expect to meet the full year SOI forecast by June 2025. LGFA is in a strong financial position with assets of \$26.5 billion and shareholder equity of \$120.7 million as at 31 December 2024.

3. A continued focus on sustainability.

We have added staff to the Sustainability Team and are scheduling a series of Sustainable Finance workshops for our members during March 2025.

Our two sustainable lending products remain well supported by councils and CCOs. Our Climate Action Loan (CAL) product incentivise borrowers through a lower loan margin if they have an approved greenhouse gas (GHG) emission reduction plan in place and are meeting their reduction targets. As at 31 December 2024, we had CALs outstanding of \$3.2 billion across seven councils and CCOs. Our Green, Social and Sustainable (GSS) loans provide a discounted borrowing margin to councils and CCOs for eligible projects. As at 31 December 2024, GSS loans totaled \$401.2 million across six councils.

We also reported under Climate Related Disclosure requirements for the first time in the 2024 Annual Report that was published in August 2024.

4. Working with our stakeholders.

We have been assisting Central and Local Government with the implementation of the water reform programme and with councils and CCO members on promoting sustainability.

We have negotiated an increase in the size and extension of the term to our Crown Liquidity Facility and shareholders approved changes to our Foundation Policies to assist high growth councils at the November 2024 Annual Meeting.

Our focus remains on adding value to the local government sector through:

- Providing cheaper loans.
- Enabling easier access to markets.
- Providing reliable financing.
- Underpinning confidence.
- Encouraging sustainability.
- Enhancing capital markets.
- Being a centre of expertise.

To achieve the above, we require the support of all our stakeholders and thank you for your contribution and assistance over the past six months.

Please do not hesitate to contact me if you have any comments or questions.

Kind regards

A handwritten signature in black ink, appearing to read 'Mark Butcher', followed by a stylized flourish.

Mark Butcher
Chief Executive

HALF YEAR REPORT 31 December 2024

**Benefiting communities through
delivering efficient financing
for local government.**

**Ka whiwhi painga ngā hapori
mā te whakarato pūtea
tōtika ki ngā kaunihera.**

LGFA



New Zealand Local
Government Funding Agency
Te Pūtea Kāwanatanga ā-rohe

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Message from the Chair and Chief Executive

He karere mai i te Toihau me te Tumuaki

For the six-months ended 31 December 2024

The six-month period to 31 December 2024 was an important period for LGFA. We enjoyed a constructive relationship with Central Government and improved our credit quality through our Stand Alone Credit Profile (SACP) increasing two notches under the revised S&P Global Ratings methodology.

We also made significant progress assisting councils with Local Water Done Well, assisting high growth councils with future borrowing to invest in growth infrastructure, negotiating a term extension and volume upsize to the Crown Liquidity Facility and taking steps to broaden our sources of borrowing in offshore markets.

Domestic market conditions are more settled as the RBNZ has commenced its monetary policy easing cycle. However, the significant amount of current and projected borrowing by the New Zealand Government has made New Zealand dollar (NZD) issuance more challenging for us and is reflected in the widening in borrowing spreads for the sector.

Council and Council Controlled Organisation (CCO) borrowing from LGFA continues to increase and we remain focussed on delivering value to both our members and our investor base while meeting our financial targets.

On behalf of the directors and staff of LGFA, we are pleased to highlight the following developments over the past six month period.

Financial and Operational Performance

LGFA's total interest income for the six-month period to 31 December 2024 of \$683.2 million was an 18.2% increase over the 2023 comparable period (\$578.1 million), while net operating profit of \$8.6 million for the six-month period was a 65.4% increase on the 2023 comparable period (\$5.2 million).

The increase in net operating profit reflected the growth in the balance sheet and the positive impact from the increase in the base lending margin on 1 July 2024.

Net operating profit was \$142k above budget with total operating income below budget by \$14k, with total operating expenses \$156k under the budget. We are confident we will meet budget by the end of the current financial year. As our borrowing requirement has increased, we are having to source a greater proportion of our borrowing requirement from offshore markets. As a result, our Approved Issuer Levy (AIL) payment to Central Government is now our single largest expense. The AIL payment was \$2.54 million for the six month period compared to \$0.54 million for the comparable period a year ago.

The financial strength of LGFA was affirmed by Fitch Ratings who maintained our domestic currency credit rating at AA+ in October 2024. S&P Global Ratings affirmed our AAA/AA+ ratings in September 2024 and under their revised methodology, our SACP improved from AA- to AA+. Our credit ratings from both rating agencies remain the same as the New Zealand Government.

We are on track to meet almost all of our twenty-one performance objectives, with the only objectives not currently on track being the number of new Green, Social and Sustainability (GSS) loans and the amount of council lending. We recognise that it is a busy time for the Local Government sector and have therefore increased our sustainability capability through the appointment of a

Senior Manager Sustainable Finance. This will allow us to provide greater support to council and CCO members regarding sustainability and assist them with identifying eligible projects for GSS loans.

We continue to support the sector and promote best practice with our quarterly business updates, the annual shareholder borrower day, and economic updates for council and CCO members.

Lending to the sector

LGFA was established in 2011 to provide long-dated borrowing, certainty of access to markets and to reduce the borrowing costs for the local government sector. The original 31 shareholders including the Crown remain as shareholders. We now have 77 councils (all NZ councils but Chatham Islands) and seven CCOs as members. In the last six months Far North District Holdings Limited and Timaru District Holdings Limited joined as CCO members. There was no change to the 72 councils who are guarantors during the past six months.

Long-dated lending to council and CCO members over the six-month period was \$2.1 billion provided to sixty-two council and CCO members. This was below our forecast lending for the period of approximately \$2.5 billion. Our estimated market share of total council borrowing of 88% remains above the long-term average. The average tenor of long-dated borrowing by councils of 4.41 years over the six-month period was shorter than prior periods.

Short-dated lending for terms less than 12 months continues to be supported by councils. As at 31 December 2024, LGFA had \$672 million of short-term loans outstanding to 39 council and CCO members.

LGFA has \$22.155 billion of loans outstanding to 79 council and CCO borrowers as well as \$742 million of standby facilities.

Our borrowing activity

LGFA issued NZ\$1.63 billion of NZD bonds over the past six months and outstandings now total NZ\$21.14 billion (including \$1.4 billion of treasury stock) across eleven maturities ranging between 2025 to 2037. It is pleasing to note that the average term of our NZD bond issuance during the six month period at 6.8 years was significantly longer than the 2023-24 full year period of 5.93 years.

LGFA commenced issuing under our Australian Medium Term Note programme in August 2023 to diversify our funding sources. We have four bond maturities outstanding and during the six month period we successfully increased the amount on issue of the 2027 bond by A\$500 million and the 2034 bond by A\$350 million. Our A\$ outstandings are now A\$3.45 billion.

LGFA has the largest amount of New Zealand dollar (NZD) bonds on issue after the New Zealand Government and our individual bond tranches are amongst the largest and most liquid NZD debt instruments available for investors. Secondary market activity in our bonds continues to rise, assisting investors' access to our bonds throughout the year.

The performance of LGFA bonds over the past six months was heavily influenced by the significant amount of NZ Government Bond (NZGB) issuance. As would be expected with the large amount of NZGB issuance, LGFA spreads to NZGB have narrowed, but LGFA spreads to swap have widened. LGFA bond spreads to NZGB have narrowed on average by 5 bps but our spread to swap is wider on average by 25bps. The outright yields on LGFA bonds declined between 144 bps (2026s) and 27 bps (2037s) over the six-month period as the RBNZ eased monetary policy and short dated yields closed the six month period on their lows with the 2026 LGFA bond at 3.73% while the 2037 LGFA bond yield closed in the middle of the six month trading range at 5.09% on 31 December 2024.

Our role in assisting Local and Central Government

The local government sector continues to face a period of change and uncertainty having to deal with climate-related events, rising cost pressures and managing its waters assets during the reform process.

LGFA is assisting both Central Government and our council members with the Local Water Done Well Programme. In August 2024, we jointly announced with the Minister of Local Government that we would lend to water CCOs that are financially supported by their parent councils. In December 2024 we provided guidance on how we would lend to water CCOs.

LGFA shareholders approved changes to the Foundation Policies at the November 2024 Annual Meeting to allow the LGFA Board to grant a bespoke Net Debt/Total Revenue covenant up to 350%. This increase over the previous 280% level is intended to provide support to a small number of high growth councils if required.

LGFA continues to assist the local government sector-led initiative in developing a Ratepayer Assistance Scheme that may provide some financial relief to ratepayers.

We welcomed the announcement by the Minister of Local Government in November 2024 of the intention to extend and increase the Crown Liquidity Facility for LGFA.

New products and initiatives

We launched Green, Social and Sustainable (GSS) lending in October 2021 and Climate Action Loans (CALs) for councils and CCOs in December 2022. Both lending products offer discounted loan margins to councils and CCOs. As at 31 December 2024 we have undertaken \$401.2 million of GSS Loans to six councils and \$3.217 billion of CALs to seven councils and CCOs. We continue to work with council and CCO members to assist them with their eligibility for sustainable lending. Our sustainable loans now comprise 16.9% of our total long term loans to councils and CCOs.

In October 2024 we issued our second Sustainable Financing Bond (SFB) under our innovative SFB Framework. The \$800 million May 2032 SFB was acknowledged at the 2024 KangaNews Awards for the NZD Rates Bond Deal and the NZ Sustainability Deal of the year.

We have been establishing a Euro Medium Term Notes (EMTN) Programme and intend to have this completed in early 2025. This will allow further diversification to our sources of foreign currency borrowing beyond the current Euro Commercial Paper (ECP) and Australian Dollar Medium Term Notes (AMTN) programmes.

Increasing focus on sustainability

Sustainability plays an important part within the local government sector and at LGFA. We have undertaken several initiatives over the past year, including maintenance of Net Carbon Zero certification from Toitū Envirocare, and actively marketing our GSS loan product. We published our second Annual Impact Review Report and our first report under the Climate Related Disclosure requirements for the Financial Year ending 30 June 2024.

Acknowledgments

The Agency's work cannot be implemented without the support of our Shareholders Council, board directors, staff, Central Government and LGNZ, all whose efforts are acknowledged.

We believe LGFA's future remains positive and look forward to working with our stakeholders to deliver value to our council and CCO members by providing ease of access to low cost, long dated financing.



Craig Stobo
Chair, LGFA Board



Mark Butcher
Chief Executive

Performance against objectives

Ko ngā whakatutukinga ki ngā whāinga

The statement of service performance provides a summary of LGFA's performance against the objectives and performance targets set out in the LGFA Statement of Intent 2024-27 (SOI)

2024-25 Objectives and performance targets

LGFA objectives and performance targets for 2024-25 fall within the following five strategic priorities which encompass our shareholders' foundation objectives and guide the LGFA Board and management in determining our strategy:

- Governance, capability and business practice
- Optimising financing services for local government
- Environmental and social responsibility
- Effective management of loans
- Industry leadership and engagement

Our quarterly reports to shareholders provide more detail on our performance against objectives and performance targets. The reports for the two quarters ended December 2024 are available on the LGFA website.

Governance, capability and business practice

LGFA is committed to best-practice corporate governance underpinned by sound business practice to ensure its long-term sustainability and success.

Objectives	Our performance to 31 December 2024
Demonstrate best-practice corporate governance.	<p>LGFA is committed to best-practice corporate governance and we report annually on our compliance with the eight core principles underpinning the NZX Corporate Governance Best Practice Code.</p> <p>The 2024 Annual Report is the most recent report with commentary on our compliance with the NZX Code.</p>
Set and model high standards of ethical behaviour.	<p>LGFA has adopted a formal Code of Ethics, incorporating its Conflicts of Interest and Code of Conduct policies, which sets out the standards and values that directors and employees are expected to follow.</p>
Achieve the shareholder-agreed objectives and performance targets specified in the Statement of Intent.	<p>Our performance against shareholder-agreed objectives and performance targets, as specified in the Statement of Intent, is reported quarterly to shareholders and annually in this section of our Annual Report.</p>
Ensure products and services offered to participating borrowers are delivered in a cost-effective manner.	<p>LGFA prepares annual operating budgets and monitors progress against these. Our performance against our financial performance targets for the six months ended 31 December 2024 is summarised under each of the targets.</p>
Be a good employer by providing safe working conditions, training and development and equal opportunities for staff.	<p>LGFA is committed to being a good employer. We report our employment practices in our Annual Report.</p> <p>The 2024 Annual Report is our most recent report outlining our health and safety and wellbeing practices and policies, compliance with the Health and Safety at Work Act, diversity and inclusion and capability and development.</p>

Performance targets	2024-2025 target	Our performance to 31 December 2024
Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.	No breaches.	Met.
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.	Met.
A succession plan be put in place for the Board and staff and be reviewed annually.	Plan established. Staff plan shared with Board and Board Plan shared with Shareholders' Council.	On track.
LGFA's total operating income for the period to 30 June 2025.	>\$31.4 million	On track. \$16.4 million as at 31 December 2024.
LGFA's total operating expenses (excluding AIL) for the period to 30 June 2025.	<\$11.5 million	On Track. \$5.2 million as at 31 December 2024.



Waimea Community Dam in operation, August 2024. Tasman District Council

Optimising financing services for local government

LGFA's primary objective is to optimise the terms and conditions of the debt funding it provides to participating borrowers. Amongst other things, LGFA will achieve this by delivering operational best practice and efficiency across our lending products and services.

Objectives	How we measure our performance																																																																																																																																																																																																																
Provide interest cost savings relative to alternative sources of financing.	<div>LGFA's borrowing margins compare favourably to other high-grade issuers in the New Zealand capital markets.</div> <div>Comparison to other high-grade NZD issuers – secondary market spread to swap (bps)</div> <table><tr><th>31 Dec 24</th><th>2025</th><th>2026</th><th>2027</th><th>2028</th><th>2029</th><th>2030</th><th>2031</th><th>2032</th><th>2033</th><th>2034</th><th>2035</th><th>2037</th></tr><tr><td>LGFA (AAA)</td><td>17</td><td>22</td><td>40</td><td>56</td><td>68</td><td>78</td><td>86</td><td>91</td><td>95</td><td>96</td><td>97</td><td>105</td></tr><tr><td>Kainga Ora (AAA)</td><td>19</td><td>24</td><td>31</td><td>48</td><td></td><td>63</td><td></td><td></td><td></td><td></td><td>88</td><td></td></tr><tr><td>Asian Development Bank (AAA)</td><td>10</td><td>16</td><td>22</td><td>31</td><td></td><td></td><td>48</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>IADB (AAA)</td><td>11</td><td>19</td><td>24</td><td>35</td><td></td><td>43</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>International Finance Corp (AAA)</td><td>11</td><td>16</td><td>24</td><td>35</td><td>39</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>KBN (AAA)</td><td>11</td><td>17</td><td>26</td><td></td><td></td><td>50</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Nordic Investment Bank (AAA)</td><td>10</td><td></td><td></td><td></td><td>35</td><td>40</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Rentenbank (AAA)</td><td>10</td><td></td><td>25</td><td></td><td>39</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>World Bank (AAA)</td><td>11</td><td>15</td><td>23</td><td>27</td><td></td><td>42</td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>ASB (AA-)</td><td></td><td>29</td><td>51</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>ANZ (AA-)</td><td></td><td></td><td></td><td>61</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>BNZ (AA-)</td><td>23</td><td>32</td><td>51</td><td>72</td><td>89</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Westpac Bank (AA-)</td><td>25</td><td>30</td><td>52</td><td></td><td>88</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>SSA Average</td><td>11</td><td>17</td><td>24</td><td>32</td><td>38</td><td>44</td><td>48</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Bank Average</td><td>24</td><td>30</td><td>51</td><td>67</td><td>89</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	31 Dec 24	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2037	LGFA (AAA)	17	22	40	56	68	78	86	91	95	96	97	105	Kainga Ora (AAA)	19	24	31	48		63					88		Asian Development Bank (AAA)	10	16	22	31			48						IADB (AAA)	11	19	24	35		43							International Finance Corp (AAA)	11	16	24	35	39								KBN (AAA)	11	17	26			50							Nordic Investment Bank (AAA)	10				35	40							Rentenbank (AAA)	10		25		39								World Bank (AAA)	11	15	23	27		42							ASB (AA-)		29	51										ANZ (AA-)				61									BNZ (AA-)	23	32	51	72	89								Westpac Bank (AA-)	25	30	52		88								SSA Average	11	17	24	32	38	44	48						Bank Average	24	30	51	67	89							
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KBN (AAA)	11	17	26			50																																																																																																																																																																																																											
Nordic Investment Bank (AAA)	10				35	40																																																																																																																																																																																																											
Rentenbank (AAA)	10		25		39																																																																																																																																																																																																												
World Bank (AAA)	11	15	23	27		42																																																																																																																																																																																																											
ASB (AA-)		29	51																																																																																																																																																																																																														
ANZ (AA-)				61																																																																																																																																																																																																													
BNZ (AA-)	23	32	51	72	89																																																																																																																																																																																																												
Westpac Bank (AA-)	25	30	52		88																																																																																																																																																																																																												
SSA Average	11	17	24	32	38	44	48																																																																																																																																																																																																										
Bank Average	24	30	51	67	89																																																																																																																																																																																																												
Offer flexible short and long-term lending products that meet the borrowing requirements for borrowers.	<div>LGFA provides members with short term loans (less than one year), long term loans on either a floating or fixed rate basis (between one year and April 2037), Green Social and Sustainable Loans, Climate Access Loans and standby facilities.</div> <div><ul style="list-style-type: none">Over the six months ended 31 December 2024, our members borrowed \$2,186.7 billion in 184 long term loans with an average term of 4.2 years.As at 31 December 2024 there was \$663 million short-term loans outstanding to 39 members.As at 31 December 2024, standby facilities totalled \$742 million across 14 members.</div>																																																																																																																																																																																																																
Deliver operational best practice and efficiency for lending services.	<div>Over the six months ended 31 December 2024, LGFA operations staff successfully:</div> <div><ul style="list-style-type: none">settled 1,271 new trades with a gross value of \$19 billion,processed 8,842 cash flows with a gross value of \$32 billion, andrate set 6,630 existing trades.</div>																																																																																																																																																																																																																
Ensure certainty of access to debt markets, subject always to operating in accordance with sound business practice.	<div>There was strong activity in LGFA bonds in both the primary market (tender or syndicated issuance) and secondary market (between banks and investors). Over the six months ended 31 December 2024, we issued NZD 1,535 million of NZD retail bonds across nine maturities, AUD 800 million of Medium-Term Notes and secondary market turnover in our NZD retail bonds totalled \$8.78 billion.</div>																																																																																																																																																																																																																

Performance targets	2024-2025 target	Our performance to 31 December 2024
Share of aggregate long-term debt funding to the Local Government sector.	> 80%	Met. 87.7% as at 31 December 2024.
Total lending to Participating Borrowers.	> \$23,957 million	Annual target. \$22,342 million as at 31 December 2024.
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score	Met. 94% score in December 2024 survey.
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%	Met.
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%	Met.

Environmental and social responsibility

LGFA recognises the risks inherent in climate change for councils and supports New Zealand's shift to a low-carbon economy. LGFA will exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.

Objectives	Our performance to 31 December 2024
Assist the local government sector in achieving their sustainability and climate change objectives.	<p>On 30 September 2024, LGFA published our second 'Annual Impact Report – Green, Social and Sustainability Loans and Climate Action Loans financed with Sustainable Financing Bonds'. This report provides information about the allocation of proceeds from LGFA's Sustainable Financing Bond issuance as at June 2024.</p> <p>Over the six months to December 2024, advances under existing GSS loans increased to \$401.2 million out of an approved total value of \$572.3 million. New Zealand's first Green Star rated swimming pool (Naenae Pool and Fitness Centre) was opened in December 2024, partly funded by a GSS loan.</p> <p>A further \$471.2 million was advanced under the CAL lending programme. As at December 2024, we have approved CAL loans to seven councils, with CAL-qualifying loans totalling \$3.218 billion.</p>
Improve sustainability outcomes within LGFA.	<p>In 2021, LGFA directors committed to reducing our carbon emissions over time, with our target of cutting per employee emissions by 30% by 2030, compared with a 2018/19 base year. We are on track to meet our reduction target for the 2024-25 year.</p> <p>In November 2024, a further highly experienced member was added to the Sustainability team.</p>

Performance targets	2024-2025 target	Our performance to 31 December 2024
Comply with the Health and Safety at Work Act 2015.	No breaches.	Met.
Maintain Toitū Carbon Zero certification.	Carbon-zero certification maintained.	Met.
Meet reduction targets outlined in our carbon reduction management plan.	Reduction targets met.	Met.
Increase our GSS lending book and Climate Action Loans.	Two new GSS loans undertaken.	Not met. No new CAL borrowers or new GSS loan eligible projects approved.
Meet all mandatory climate reporting standards.	100%	Met.
Provide annual seminar for councils updating them on latest sustainability developments, climate change impact and LGFA reporting requirements.	One seminar for councils and CCOs.	On track. Seminar planning complete and dates confirmed with councils.

Effective management of loans

LGFA will ensure its loan book remains at a high standard by ensuring it understands each participating borrower's financial position and managing assets within an appropriate risk management framework to ensure shareholder value is not compromised.

Objectives	Our performance to 31 December 2024
Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies. Analyse finances at the Council group level where appropriate and report to shareholders.	LGFA received compliance certificates in respect of the LGFA financial covenants from all council and CCO members with debt outstanding at June 2024. All councils and CCOs were compliant with their financial covenants. Seven certificates were provided from councils based upon unaudited financial statements. These will need to be verified once their annual reports are adopted. None of the 75 councils with debt as at 31 December 2024 has requested that its financial covenants be measured at group level.
Endeavour to meet each participating borrower annually, including meeting with elected officials as required, or if requested	LGFA conducted 50 meetings with council and CCO members in the six months ended December 2024.
Ensure a smooth transition of water-related loans if the Local Water Done Well Reforms progresses over forecast period.	LGFA provided guidance to councils on how LGFA can assist with the financing of different water models that are available to councils.

Performance targets	2024-2025 target	Our performance to 31 December 2024
Review each Participating Borrower's financial position.	100%	On Track.
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%	Met.

Industry leadership and engagement

LGFA will take a proactive role to enhance the financial strength and depth of the local government debt market and will work with key central government and local government stakeholders on sector issues.

Objectives	Our performance to 31 December 2024
Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.	Over the six months, LGFA conducted quarterly updates webinars as well as our annual Borrower Day in November which was well attended by members. LGFA has continued to provide input into the proposed Ratepayers Assistance Scheme.
Assist the local government sector with significant matters such as the Local Water Done Well Reforms and Future for Local Government	LGFA provided councils with guidance on how it will be able to assist the sector with their proposed models for managing water assets.
Maintain productive relationships with central government representatives.	LGFA continues to work closely with the Minister of Local Government, Treasury, and the Department of Internal Affairs, and their advisers, regarding Water Reforms.
Support councils and CCOs in the development of reporting disclosures of the impacts of sector activity on climate change.	LGFA has assisted individual councils with advice on emissions inventory reporting and promoting Climate Action Loans. LGFA has also encouraged councils to consider their own impacts and risks relating to climate change. During March 2025, LGFA will host four educational sessions to highlight importance of developing emissions reduction plans and an increasing focus on the sustainability of their new projects.

Performance targets	2024-2025 target	Our performance to 31 December 2024
Provide input into Local Water Done Well Legislation.	Provide feedback to DIA and Treasury during legislation drafting.	Met.
Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA.	Four quarterly updates to councils and CCOs.	Met.
Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister's office to discuss sector issues from an LGFA perspective.	Nine meetings across stakeholders.	On track.

Mills Street Stop Bank, Te Wai Takamori o Te Awa Kairangi. Greater Wellington Regional Council



Financial statements

Nga tauki pūtea

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Income statement

For the six months ended 31 December 2024 in \$000s	Note	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Interest income		683,225	578,134
Interest expense		668,958	568,323
Net interest income	4	14,267	9,811
Other operating income	5	753	753
Gains / (losses) on financial instruments	6	1,380	-
Total operating income		16,400	10,564
Operating expenses	7	7,782	5,355
Net operating profit		8,617	5,209

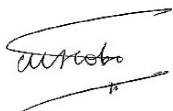
Statement of comprehensive income

For the six months ended 31 December 2024 in \$000s	Note	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Net operating profit		8,617	5,209
Items that may be re-classified subsequently to the Income Statement			
Net change in cash flow hedge reserve	8	(7,327)	-
Cost of hedging	8	8,091	-
Total comprehensive income		9,381	5,209

These statements are to be read in conjunction with the notes to the financial statements.

Due to rounding, numbers presented in the financial statements and associated notes may not add up precisely to the reported totals.

The Board of Directors of the New Zealand Local Government Funding Agency Limited authorised these statements for issue on 28 February 2025.



Craig Stobo, Director
Board Chair



Linda Robertson, Director
Chair, Audit and Risk Committee

Statement of changes in equity

For the six months ended 31 December 2024 in \$000s

	Note	Share capital	Cash flow hedge reserve	Cost of hedging reserve	Retained earnings	Total equity
Equity as at 1 July 2023		25,000	-	-	80,847	105,847
Net operating profit					10,050	10,050
Other comprehensive income/(expense)			5,536	(6,531)		(995)
Total comprehensive income for the year			5,536	(6,531)	10,050	9,055
Transactions with owners					-	-
Dividend paid on 1 September 2023					(1,713)	(1,713)
Equity as at 1 July 2024		25,000	5,536	(6,531)	89,185	113,190
Net operating profit					8,617	8,617
Other comprehensive income/(expense)			(7,327)	8,091		763
Total comprehensive income for the year			(7,327)	8,091	8,617	9,381
Transactions with owners					-	-
Dividend paid on 2 September 2024					(1,843)	(1,843)
Equity as at 31 December 2024	19	25,000	(1,791)	1,560	95,959	120,728

Statement of financial position

As at 31 December 2024 in \$000s

	Note	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Assets			
Financial assets			
Receivables	9	3,270	378
Cash and cash equivalents		361,403	473,609
Cash pledged as collateral		97,960	251,605
Marketable securities		2,440,896	1,397,045
Deposits		961,149	718,493
Derivatives in gain		314,797	116,090
Loans to members	10	22,342,273	20,549,350
Other financial assets		-	-
Non-financial assets			
Other assets	11	1,747	1,245
Total assets		26,523,496	23,507,816
Equity			
Share capital	18	25,000	25,000
Current earnings		8,617	-
Reserves	8	(231)	(995)
Retained earnings		87,342	89,185
Total equity		120,728	113,190
Liabilities			
Financial liabilities			
Payables and provisions	12	60,927	9,609
Bond repurchases	15	273,958	58,302
Derivatives in loss		1,121,498	1,526,526
Debt securities issued:			
At amortised cost	13	23,272,327	20,490,507
At fair value through income statement	14	1,068,972	815,175
Borrower notes	16	603,005	492,614
Non financial liabilities			
Other liabilities	17	2,081	1,891
Total liabilities		26,402,767	23,394,625
Total equity and liabilities		26,523,496	23,507,816

These statements are to be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the six months ended 31 December 2024 in \$000s

	Note	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Cash flows from operating activities			
Cash applied to loans	10	(1,712,402)	(2,407,840)
Interest paid on bonds issued		(362,576)	(243,566)
Interest paid on bills issued		(60,011)	(26,733)
Interest paid on borrower notes		(1,359)	(558)
Interest paid on bond repurchases		(5,067)	(5,303)
Interest received from loans		595,193	475,616
Interest received from cash & cash equivalents		15,551	12,273
Interest received from marketable securities		31,048	19,511
Interest received from deposits		24,482	16,943
Net interest on derivatives		(235,073)	(247,902)
Cash proceeds from provision of standby facilities		753	753
Payments to suppliers and employees		(8,640)	(6,011)
Net cash flows from operating activities	20	(1,718,101)	(2,412,818)
Cash flows from investing activities			
Purchase of marketable securities		(1,004,550)	(458,717)
(Purchase)/maturity of deposits		(82,122)	(458,062)
Net cash flows from investing activities		(1,086,672)	(916,778)
Cash flows from financing activities			
Cash proceeds from bonds issued	13,14	2,359,930	1,485,329
Cash proceeds (outflows) from bills issued	13,14	(88,884)	74,264
Cash proceeds (outflows) from bond repurchases		215,420	(168)
Cash proceeds from borrower notes		95,352	59,984
Dividends paid		(1,843)	(1,712)
Cash applied to derivatives		112,589	1,845,365
Net cash flows from financing activities		2,692,564	3,463,063
Net increase/(decrease) in cash		(112,209)	133,467
Foreign exchange gains / (losses) on cash balances		3	-
Net cash flows from all activities		(112,206)	133,467
Cash, cash equivalents at beginning of year		473,609	226,222
Cash, cash equivalents at end of year		361,403	359,688

These statements are to be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1. Reporting entity

The New Zealand Local Government Funding Agency Limited (LGFA) is a company registered under the Companies Act 1993 and is subject to the requirements of the Local Government Act 2002.

LGFA is controlled by participating local authorities and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002. LGFA is a limited liability company incorporated and domiciled in New Zealand.

The primary objective of LGFA is to optimise the debt funding terms and conditions for participating borrowers.

The registered address of LGFA is Level 11, City Chambers, 142 Featherston Street, Wellington Central, Wellington 6011.

These financial statements were authorised for issue by the Directors on 28 February 2025.

2. Statement of compliance

The interim financial statements are for the six months ended 31 December 2024 and are to be read in conjunction with the annual report for the year ended 30 June 2024.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and in compliance with NZ IAS 34 Interim Financial Reporting.

3. Basis of preparation

MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis modified by the revaluation of certain assets and liabilities.

The financial statements are prepared on an accrual basis.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless separately identified. The functional currency of LGFA is New Zealand dollars.

FOREIGN CURRENCY CONVERSIONS

Transactions denominated in foreign currency are translated into New Zealand dollars using exchange rates applied on the trade date of the transaction.

CHANGES IN ACCOUNTING POLICIES

There have been no changes to accounting policies.

EARLY ADOPTION STANDARDS AND INTERPRETATIONS

LGFA has not early adopted any standards.

STANDARDS NOT YET ADOPTED

LGFA does not consider any standards or interpretations in issue but not yet effective to have a significant impact on its financial statements.

FINANCIAL INSTRUMENTS

Financial assets

Financial assets, other than derivatives, are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents include cash on hand, bank accounts and deposits with an original maturity of no more than three months.

Cash provided by LGFA as security for financial arrangements remains a financial asset of LGFA and is recognised as cash pledged as collateral in the Statement of Financial Position, separate from cash and cash equivalents.

Purchases and sales of all financial assets are accounted for at trade date.

At each balance date, an expected credit loss assessment is performed for all financial assets and is calculated as either:

- Credit losses that may arise from default events that are possible within the next 12 months, where no significant increase in credit risk has arisen since acquisition of the asset, or
- Credit losses that may arise from default events that are possible over the expected life of the financial asset, where a significant increase in credit risk has arisen since acquisition of the asset.

Impairment losses on financial assets will ordinarily be recognised on initial recognition as a 12-month expected loss allowance and move to a lifetime expected loss allowance if there is a significant deterioration in credit risk since acquisition.

Financial liabilities

Financial liabilities, other than derivatives, are recognised initially at fair value less transaction costs and subsequently measured at either:

- Amortised cost and subsequently measured at amortised cost using the effective interest rate method; or
- Fair value through income statement (FVTIS).

LGFA chooses to classify financial liabilities as FVTIS if the use of the classification removes or significantly reduces an accounting mismatch. This classification includes debt issues that are designated at FVTIS where LGFA has economically hedged the foreign exchange and interest rate risk using derivatives, but hedge accounting is not applied. Any such classification is made on the date of initial recognition and is irrevocable.

OTHER ASSETS

Property, plant and equipment

Items of property, plant and equipment are initially recorded at cost.

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its remaining useful life.

Intangible assets

Intangible assets comprise software and project costs incurred for the implementation of the treasury management system. Capitalised computer software costs are amortised on a straight-line basis over the estimated useful life of the software (three to seven years). Costs associated with maintaining computer software are recognised as expenses.

OTHER LIABILITIES

Employee entitlements

Employee entitlements to salaries and wages, annual leave and other similar benefits are recognised in the profit and loss when they accrue to employees.

Approved issuer levy

Approved Issuer Levy is a function of securities held by offshore holders of certain LGFA bond maturities.

REVENUE

Interest income

Interest income is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

EXPENSES

Expenses are recognised in the period to which they relate.

Interest expense

Interest expense is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

Income tax

LGFA is exempt from income tax under Section 14 of the Local Government Borrowing Act 2011.

Goods and services tax

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

SEGMENT REPORTING

LGFA operates in one segment being funding of participating borrowers in New Zealand.

JUDGEMENTS AND ESTIMATIONS

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts. For example, the fair value of financial instruments depends critically on judgements regarding future cash flows, including inflation assumptions and the risk-free discount rate.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and these estimates and underlying assumptions are reviewed on an ongoing basis. Where these judgements significantly affect the amounts recognised in the financial statements they are described in the following notes.

Revenue and expenditure

4. Net interest income

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Cash and cash equivalents	15,624	16,804
Cash pledged as collateral	3,033	-
Marketable securities	47,092	33,313
Deposits	28,338	20,237
Derivatives	-	-
Loans	589,138	507,780
Total interest income	683,225	578,134
Interest expense		
Bills	80,660	26,733
Bond repurchase transactions	5,303	5,415
Lease liability	73	17
Derivatives	147,176	227,217
Bonds	422,351	298,564
Borrower notes	13,396	10,377
Total interest expense	668,958	568,323
Net interest income	14,267	9,811

5. Other operating income

As at 31 December 2024, LGFA had provided standby facilities totalling \$742 million (2023: \$747 million) to selected councils. As at balance date, there were no drawdowns outstanding under the facilities.

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Standby facilities fee income	753	753
Total other operating income	753	753

6. Gains / (losses) on financial instruments

Gains and losses on financial instruments primarily represents any hedge ineffectiveness of derivatives, as well as any revaluation on instruments accounted for at fair value through the profit and loss.

7. Operating expenses

Issuance and on-lending expenses are those costs that are incurred as a necessary expense to facilitate the ongoing issuance of LGFA debt securities.

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Issuance & onlending expenses		
Approved issuer levy ¹	2,540	541
Rating agency fees	372	343
NZDM facility fee	542	750
Legal fees - issuance	306	502
NZX	442	402
Trustee fees	59	56
Regulatory, registry, other fees	213	184
	4,475	2,779
Other operating expenses		
Information technology	485	360
Consultants	150	131
Directors fees	263	249
Insurance	53	49
Legal fees	104	23
Other expenses	354	204
Auditors' remuneration		
Statutory audit	-	60
Advisory services	-	-
Personnel	1,899	1,500
	3,308	2,577
Total operating expenses	7,782	5,355

1. The amount of Approved Issuer Levy is a function of securities held by offshore holders of certain LGFA bond maturities.

8. Hedge accounting

LGFA uses derivatives to establish economic hedges to manage its interest rate and foreign exchange risk. LGFA's risk management strategy with respect to hedge accounting is to minimise income statement volatility.

Hedge accounting is implemented to manage the following risks:

- Interest rate risk due to a mismatch between fixed and floating interest rates on assets and liabilities; and
- Combined risk on assets or liabilities with interest rate risk that are denominated in currencies other than New Zealand dollars.

FAIR VALUE HEDGE

Under a fair value hedge, the hedged item is revalued at fair value in respect of the hedged risk. This revaluation is recognised in the Statement of comprehensive income to offset the mark-to-market revaluation of the hedging derivative, except for any adjustment on the hedging derivative relating to credit risk.

CASH FLOW HEDGE

Under a cash flow hedge, the effective portion of gains or losses from remeasuring the fair value of the hedging instrument is recognised in Other Comprehensive Income and accumulated in the cash flow hedge reserve. Accumulated gains or losses are subsequently transferred to the Consolidated Income Statement when the hedged item affects the Income statement, or when the hedged item is a forecast transaction that is no longer expected to occur.

Any future gains or losses will be processed through the hedge equity reserves as long as the existing cash flow hedge relationships remain effective.

A reconciliation of the cash flow reserve is shown in the following table:

	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Opening balance at 1 July	(6,531)	-
Changes in cash flow hedges	8,091	(6,531)
Closing balance	1,560	(6,531)

COST OF HEDGING

The cost of hedging reserve captures changes in the fair value of the cost to convert foreign currency to NZD of LGFA's cross currency interest rate swaps on the AUD bonds.

A reconciliation of movements in the cost of hedging reserve is shown in the table below:

	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Opening balance at 1 July	5,536	-
Change in currency basis spreads	(7,327)	5,536
Closing balance	(1,791)	5,536

HEDGING INSTRUMENTS

in \$000s	Life to date values as at 31 December 2024		
	Carrying amount of the hedging instrument		
	Nominal amount of hedging instrument	Asset / (liability)	Change in value for hedge ineffectiveness
Fair value hedges			
Interest rate swaps – domestic bonds hedge	16,446,000	(441,216)	(441,216)
Interest rate swaps – loans hedge	1,083,000	(21,778)	(21,778)
Interest rate swaps – marketable securities hedge	1,101,850	(7,896)	(7,896)
Fair value and cash flow hedges			
Fair value hedges – foreign currency	AUD 3,450,000	32,731	32,731
Cash flow hedges – foreign currency	NZD 3,746,630	74,120	74,120

in \$000s	Life to date values as at 30 June 2024		
	Carrying amount of the hedging instrument		
	Nominal amount of hedging instrument	Asset / (liability)	Change in value for hedge ineffectiveness
Fair value hedges			
Interest rate swaps – domestic bonds hedge	15,228,000	(1,007,019)	(1,007,019)
Interest rate swaps – loans hedge	700,200	25,510	25,510
Interest rate swaps – marketable securities hedge	611,480	5,917	5,917
Fair value and cash flow hedges			
Fair value hedges – foreign currency	AUD 2,650,000	(6,381)	(6,381)
Cash flow hedges – foreign currency	NZD 2,861,000	35,271	35,271

in \$000s	Year to date values recognised during the six months to 31 December 2024				
	Hedge effectiveness in reserves			Hedge effectiveness	Hedge effectiveness
	Cost of hedging reserve	Cash flow hedge (OCI)	Cash flow hedge reclassified to income statement	Fair value hedge recognised in Income statement	Recognised in Income Statement
Fair value hedges					
Interest rate swaps – domestic bonds hedge	-	-	-	561,300	-
Interest rate swaps – loans hedge	-	-	-	(33,406)	-
Interest rate swaps – marketable securities hedge	-	-	-	(23,191)	-
Fair value and cash flow hedges					
Fair value hedges – foreign currency				(42,783)	
Cash flow hedges – foreign currency	(8,091)	7,327	(26,365)	-	(777)

in \$000s	Year to date values recognised during the year ended 30 June 2024				
	Hedge effectiveness in reserves			Hedge effectiveness	Hedge effectiveness
	Cost of hedging reserve	Cash flow hedge (OCI)	Cash flow hedge reclassified to income statement	Fair value hedge recognised in Income statement	Recognised in Income Statement
Fair value hedges					
Interest rate swaps – domestic bonds hedge	-	-	-	333,352	-
Interest rate swaps – loans hedge	-	-	-	(12,340)	-
Interest rate swaps – marketable securities hedge	-	-	-	(16,956)	-
Fair value and cash flow hedges					
Fair value hedges – foreign currency	-	-	-	6,381	-
Cash flow hedges – foreign currency	6,531	(5,536)	(34,497)	-	(859)

9. Receivables

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Borrower notes to be received	3,000	-
Trade debtors	270	378
Total receivables	3,270	378

10. Loans

in \$000s	Unaudited as at 31 December 2024		Audited as at 30 June 2024	
	Short-term loans	Loans	Short-term loans	Loans
Ashburton District Council	7,023	119,633	12,062	119,743
Auckland Council	-	3,648,723	-	3,655,028
Bay of Plenty Regional Council	87,765	225,706	50,506	219,044
Buller District Council	-	20,025	-	20,037
Canterbury Regional Council	8,631	96,451	5,085	92,416
Carterton District Council	-	24,804	-	24,839
Central Hawkes Bay District Council	3,081	45,444	5,132	39,401
Central Otago District Council	5,016	35,549	5,019	30,450
Christchurch City Council	-	2,701,904	-	2,511,678
Clutha District Council	13,526	121,410	11,585	108,398
Dunedin City Treasury	-	322,711	-	293,104
Far North District Council	25,167	115,823	32,703	90,518
Far North Holdings Ltd	53,945	15,928	-	-
Gisborne District Council	9,909	164,853	-	174,991
Gore District Council	8,543	46,937	8,554	46,998
Greater Wellington Regional Council	-	1,048,847	-	941,217
Grey District Council	3,964	31,802	3,972	28,807
Hamilton City Council	-	1,009,763	-	950,852
Hastings District Council	-	476,033	-	397,160
Hauraki District Council	-	124,078	-	101,092
Hawkes Bay Regional Council	6,010	105,743	-	110,708
Horizons Regional Council	9,938	62,001	9,906	62,026
Horowhenua District Council	21,086	192,591	21,199	182,674
Hurunui District Council	10,018	67,679	10,067	57,666
Hutt City Council	-	598,065	-	515,520
Infrastructure Holdings Ltd	9,886	109,481	9,989	104,463
Invercargill City Council	29,569	116,398	47,502	104,262
Invercargill City Holdings Ltd	-	-	48,252	48,403
Kaikoura District Council	-	9,382	-	7,374

in \$000s	Unaudited as at 31 December 2024		Audited as at 30 June 2024	
	Short-term loans	Loans	Short-term loans	Loans
Kaipara District Council	-	44,432	-	54,639
Kapiti Coast District Council	-	358,442	-	323,722
Kawerau District Council	-	6,075	-	4,051
Mackenzie District Council	4,017	19,298	4,040	16,257
Manawatu District Council	11,580	85,923	13,014	83,139
Marlborough District Council	14,613	231,633	14,694	190,067
Masterton District Council	-	62,254	-	63,357
Matamata-Piako District Council	-	72,173	-	66,201
Napier City Council	-	55,365	-	20,191
Nelson City Council	-	282,144	-	262,320
New Plymouth District Council	-	363,598	10,117	293,577
Northland Regional Council	-	24,743	-	24,741
Opotiki District Council	7,077	10,591	-	12,595
Otago Regional Council	44,337	104,048	35,739	104,122
Otorohanga District Council	10,119	2,019	9,110	-
Palmerston North City Council	-	311,476	-	273,466
Porirua City Council	-	334,754	-	269,807
Queenstown Lakes District Council	94,395	595,005	76,334	575,080
Rangitikei District Council	-	44,392	-	44,358
Rotorua District Council	-	468,875	1,889	448,948
Ruapehu District Council	10,044	54,198	8,050	50,214
Selwyn District Council	15,103	201,681	20,035	166,778
South Taranaki District Council	-	150,467	-	140,634
South Waikato District Council	-	44,408	-	44,469
Southland District Council	-	76,460	-	36,153
South Wairarapa District Council	11,161	19,115	8,190	27,166
Stratford District Council	-	38,931	-	36,908
Taranaki Regional Council	984	52,946	-	31,780
Tararua District Council	-	78,642	-	69,986
Tasman District Council	21,909	343,146	25,379	325,787
Taupo District Council	-	180,504	-	165,543
Tauranga City Council	-	1,278,181	-	1,050,800
Thames-Coromandel District Council	-	91,952	-	84,003
Timaru District Council	17,331	219,776	19,340	202,822
Timaru District Holdings Ltd	8,018	-	-	-
Upper Hutt City Council	-	204,904	-	180,900
Waikato District Council	-	242,171	-	207,254
Waikato Regional Council	-	39,384	-	32,384

in \$000s	Unaudited as at 31 December 2024		Audited as at 30 June 2024	
	Short-term loans	Loans	Short-term loans	Loans
Waimakariri District Council	-	242,081	-	202,169
Waimate District Council	-	5,046	-	3,541
Waipa District Council	25,529	363,561	15,009	313,011
Wairoa District Council	-	11,134	-	11,100
Waitaki District Council	13,331	73,166	7,483	64,158
Waitomo District Council	6,025	27,208	6,103	27,246
Wellington City Council	-	1,655,158	-	1,595,914
West Coast Regional Council	2,989	14,715	2,986	14,715
Western Bay Of Plenty District Council	-	151,509	10,009	106,249
Westland District Council	4,508	32,628	4,713	32,666
Whakatane District Council	10,106	175,175	6,011	149,114
Whanganui District Council	7,569	198,853	7,560	176,878
Whangarei District Council	9,934	267,399	9,922	257,756
Fair value hedge adjustment		9,011	-	(25,510)
	663,756	21,678,517	597,257	19,952,093

Short-term loans are loans that have a term to maturity of less than 12 months at origination. Loans have a term to maturity greater than 12 months at origination. As at 31 December 2024, all short term loans and \$2,756 million of loans will mature within 12 months.

11. Other assets

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Prepayments	1,374	987
Right-of-use lease asset	374	258
Total other assets	1,747	1,245

12. Payables and provisions

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Loans/purchases to be advanced	60,000	8,190
Trade creditors	521	1,170
Credit provision	406	249
Total payables	60,927	9,609

13. Debt securities issued at amortised cost

Unaudited as at 31 December 2024 in \$000s	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
NZD Fixed interest bonds					
15 April 2025	2,719,000	(8,573)	16,023		2,726,450
15 April 2026	2,755,000	(53,508)	8,855		2,710,348
15 April 2027	2,321,000	37,448	22,381		2,380,829
15 May 2028	1,693,000	(66,347)	4,946		1,631,599
20 April 2029	1,992,000	(101,686)	5,992		1,896,306
15 May 2030	1,960,000	(42,677)	11,451		1,928,774
15 May 2031	2,195,000	(221,443)	6,412		1,979,969
14 May 2032	650,000	(4,083)	3,878		649,795
14 April 2033	1,735,000	(18,925)	13,179		1,729,254
15 May 2035	590,000	(32,513)	2,298		559,785
15 April 2037	1,130,000	(130,769)	4,843		1,004,074
Fair value hedge adjustment				(445,719)	(445,719)
	19,740,000	(643,076)	100,260	(445,719)	18,751,464
AUD Fixed interest bonds					
8 September 2027	1,103,666	(2,405)	15,427		1,116,688
1 August 2028	1,103,666	(2,228)	21,566		1,123,004
28 November 2030	717,383	(2,275)	3,436		718,544
8 March 2034	882,932	(6,710)	14,024		890,247
	3,807,646	(13,619)	54,454	-	3,848,482
Total Fixed interest bonds	23,547,646	(656,695)	154,714	(445,719)	22,599,946
NZD Bills					
15 January 2025	220,000	-	(398)		219,602
30 January 2025	20,000	-	(83)		19,917
5 February 2025	70,000	-	(307)		69,693
13 February 2025	80,000	-	(402)		79,598
18 February 2025	20,000	-	(116)		19,884
27 February 2025	20,000	-	(136)		19,864
7 March 2025	105,000	-	(785)		104,215
20 March 2025	58,000	-	(524)		57,476
24 March 2025	25,000	-	(237)		24,763
7 May 2025	25,000	-	(363)		24,637
Total NZD Bills	643,000	-	(3,350)		639,650
Total debt securities issued at amortised cost	24,190,646	(656,695)	151,364	(445,719)	23,239,596

Audited as at 30 June 2024 in \$000s	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
NZD Fixed interest bonds					
15 April 2025	2,719,000	(23,467)	15,731		2,711,264
15 April 2026	2,755,000	(73,596)	8,694		2,690,098
15 April 2027	2,261,000	46,176	21,405		2,328,581
15 May 2028	1,653,000	(72,604)	4,750		1,585,146
20 April 2029	1,932,000	(103,640)	5,701		1,834,061
15 May 2030	1,660,000	(45,881)	9,321		1,623,439
15 May 2031	2,095,000	(222,442)	6,020		1,878,578
14 April 2033	1,605,000	(6,347)	11,972		1,610,625
15 May 2035	550,000	(27,458)	2,107		524,649
15 April 2037	960,000	(84,540)	4,039		879,499
Fair value hedge adjustment				(1,013,400)	(1,013,400)
	18,190,000	(613,800)	89,741	(1,013,400)	16,652,540
AUD Fixed interest bonds					
8 September 2027	546,456	(1,140)	7,514		552,830
1 August 2028	1,092,912	(3,193)	21,309		1,111,028
28 November 2030	710,393	(1,560)	3,347		712,180
8 March 2034	546,456	(4,451)	8,538		550,543
	2,896,217	(10,344)	40,708	-	2,926,581
Total Fixed interest bonds	21,086,217	(624,144)	130,449	(1,013,400)	19,579,121
NZD Bills					
5 July 2024	25,000	-	(15)		24,985
12 July 2024	130,000	-	(171)		129,829
19 July 2024	190,000	-	(489)		189,511
1 August 2024	55,000	-	(252)		54,748
7 August 2024	40,000	-	(225)		39,775
16 August 2024	50,000	-	(338)		49,662
29 August 2024	20,000	-	(181)		19,819
6 September 2024	75,000	-	(749)		74,251
18 September 2024	55,000	-	(659)		54,341
26 September 2024	50,000	-	(666)		49,334
2 October 2024	25,000	-	(348)		24,652
7 October 2024	40,000	-	(587)		39,413
6 November 2024	25,000	-	(481)		24,519
4 December 2024	55,000	-	(1,292)		53,708
19 December 2024	85,000	-	(2,158)		82,842
Total NZD Bills	920,000	-	(8,614)		911,386
Total debt securities issued at amortised cost	22,006,217	(624,144)	121,836	(1,013,400)	20,490,507

14. Debt securities issued at fair value through income statement

Unaudited as at 31 December 2024 in \$000s	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
USD Euro Commercial Paper	1,075,880		(7,329)	422	1,068,972

As at 30 June 2024 in \$000s	Face Value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
USD Euro Commercial Paper	835,052	-	(14,303)	(5,574)	815,175

15. Treasury stock and bond repurchases

Periodically, LGFA subscribes for LGFA bonds as part of its tender process and holds these bonds as treasury stock. LGFA bonds held by LGFA as treasury stock are derecognised at the time of issue and no liability is recognised in the statement of financial position. As at 31 December 2024, \$1,400 million of LGFA bonds had been subscribed as treasury stock.

LGFA makes these treasury stock bonds available to banks authorised as its tender counterparties to borrow under short-term repurchase transactions. The objective of the bond lending facility is to assist with improving secondary market liquidity in LGFA bonds. Bonds lent to counterparties are disclosed as a separate stock lending liability on the face of the statement of financial position.

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
15 April 2026	4,877	-
15 May 2028	57,753	-
15 May 2030	72,641	58,302
15 May 2031	2,620	-
14 May 2032	41,614	-
14 April 2033	44,893	-
15 April 2037	49,560	-
	273,958	58,302

16. Borrower notes

Borrower notes are subordinated debt instruments which are required to be held by each local authority that borrows from LGFA in an amount equal to a fixed percentage of the aggregate borrowings by that local authority. The fixed percentage is 5% for loans issued from 1 July 2024. Prior to this date, the fixed percentage was 2.5% for loans issued from 1 July 2020, and 1.6% for all loans issued prior to this date.

LGFA may convert borrower notes into redeemable shares if it has made calls for all unpaid capital to be paid in full and the LGFA Board determines it is still at risk of imminent default.

17. Other liabilities

in \$000s	Unaudited as at 31 December 2024	Audited as at 30 June 2024
Lease liability		258
Accruals	2,081	1,633
Total other liabilities	2,081	1,891

Capital and dividends

18. Share capital

As at 31 December 2024, LGFA had 45 million ordinary shares on issue, 20 million of which remain uncalled.

All ordinary shares rank equally with one vote attached to each ordinary share. Ordinary shares have a face value of \$1 per share.

19. Shareholder information

Registered holders of equity securities	As at 31 December 2024		As at 30 June 2024	
Minister of Finance and Minister for Local Government	5,000,000	11.1%	5,000,000	11.1%
Auckland Council	3,731,960	8.3%	3,731,960	8.3%
Christchurch City Council	3,731,960	8.3%	3,731,960	8.3%
Hamilton City Council	3,731,960	8.3%	3,731,960	8.3%
Bay of Plenty Regional Council	3,731,958	8.3%	3,731,958	8.3%
Greater Wellington Regional Council	3,731,958	8.3%	3,731,958	8.3%
Tasman District Council	3,731,958	8.3%	3,731,958	8.3%
Tauranga City Council	3,731,958	8.3%	3,731,958	8.3%
Wellington City Council	3,731,958	8.3%	3,731,958	8.3%
Western Bay of Plenty District Council	3,731,958	8.3%	3,731,958	8.3%
Whangarei District Council	1,492,784	3.3%	1,492,784	3.3%
Hastings District Council	746,392	1.7%	746,392	1.7%
Marlborough District Council	400,000	0.9%	400,000	0.9%
Selwyn District Council	373,196	0.8%	373,196	0.8%
Gisborne District Council	200,000	0.4%	200,000	0.4%
Hauraki District Council	200,000	0.4%	200,000	0.4%
Horowhenua District Council	200,000	0.4%	200,000	0.4%
Hutt City Council	200,000	0.4%	200,000	0.4%
Kapiti Coast District Council	200,000	0.4%	200,000	0.4%
Manawatu District Council	200,000	0.4%	200,000	0.4%
Masterton District Council	200,000	0.4%	200,000	0.4%
New Plymouth District Council	200,000	0.4%	200,000	0.4%
Otorohanga District Council	200,000	0.4%	200,000	0.4%
Palmerston North District Council	200,000	0.4%	200,000	0.4%
South Taranaki District Council	200,000	0.4%	200,000	0.4%
Taupo District Council	200,000	0.4%	200,000	0.4%
Thames - Coromandel District Council	200,000	0.4%	200,000	0.4%
Waimakariri District Council	200,000	0.4%	200,000	0.4%
Waipa District Council	200,000	0.4%	200,000	0.4%
Whakatane District Council	200,000	0.4%	200,000	0.4%
Whanganui District Council	200,000	0.4%	200,000	0.4%
	45,000,000	100%	45,000,000	100%

20. Reconciliation of net profit to net cash flow from operating activities

in \$000s	Unaudited six months ended 31 December 2024	Unaudited six months ended 31 December 2023
Net profit/(loss) for the period	8,617	5,209
Cash applied to loans	(1,712,402)	(2,407,840)
Non-cash adjustments		
Financial instrument amortisation	(13,387)	(15,692)
Working capital movements	(929)	172
Net Cash From Operating Activities	(1,718,101)	(2,412,818)

21. Related parties

IDENTITY OF RELATED PARTIES

LGFA is related to the local authorities set out in the Shareholder Information in note 19.

LGFA operates under an annual Statement of Intent that sets out the intentions and expectations for LGFA's operations and lending to participating borrowers.

Shareholding local authorities, and non-shareholder local authorities who borrow more than \$20 million, are required to enter into a guarantee when they join or participate in LGFA. The guarantee is in respect of the payment obligations of other guaranteeing local authorities to the LGFA (cross guarantee) and of the LGFA itself.

RELATED PARTY TRANSACTIONS

LGFA was established for the purpose of raising funds from the market to lend to participating borrowers. The lending to individual councils is disclosed in note 10, and interest income recognised on this lending is shown in the statement of comprehensive income.

The purchase of LGFA borrower notes by participating borrowers. Refer note 16.

The Treasury (New Zealand Debt Management) provides LGFA with a committed credit facility and is a derivatives counterparty.

Directory

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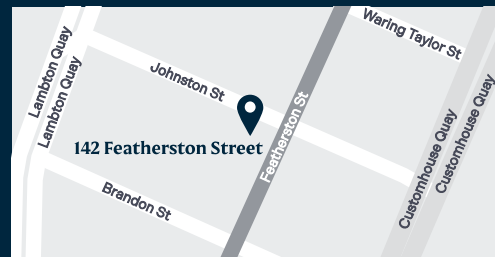
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4.2 Local Government Funding Agency – Draft Statement of Intent 2025-28

Meeting: Finance Committee
Date of meeting: 29 April 2025
Reporting officer: Delyse Henwood (Manager – Finance)

1 Purpose / Te Kaupapa

To note receipt of the Local Government Funding Agency (LGFA) Draft Statement of Intent 2025-28 and determine whether any feedback should be provided to the LGFA Board.

2 Recommendations / Whakataunga

That the Finance Committee:

1. Notes the Local Government Funding Agency Draft Statement of Intent 2025-28.
2. Authorises the Department Manager - Finance to provide feedback on behalf of Council.

3 Background / Horopaki

Section 64 of the Local Government Act (2002) advises that Council Controlled Organisations (CCOs) must have a Statement of Intent (SOI). Council can agree with the Statements of Intent or ask for modifications.

Prior to the preparation of the Draft Statement of Intent, a Statement of Expectation was sent to the LGFA Board by the Shareholders' Council. This is included as Attachment One.

The LGFA Draft Statement of Intent 2025-28, of which Council has a shareholding, is included as Attachment Two, and the cover letter as Attachment Three. This meets the obligations of Section 64 and Schedule 8 in the Local Government Act (2002).

Alan Adcock, General Manager Corporate / CFO has a governance relationship with LGFA as a Non-Independent Director on the LGFA Board.

Any potential conflicts of interest this causes are dealt with as circumstances dictate.

4 Discussion / Whakawhiti kōrero

Should Council wish to provide feedback to the Board on this draft report there are two avenues available:

- a) Directly to the Board as a shareholding council.

- b) Through the Shareholders' Council, who will aggregate and discuss all known views of shareholding councils and the Crown before preparing a response to the Board.

Option b) is recommended unless Council's views differ from those of the Shareholders' Council.

4.1 Financial/budget considerations

The Local Government Funding Agency (LGFA) is jointly owned by the Crown and 30 local authorities. Council is a shareholder of the LGFA and is a party to the guarantee of all borrowings of the entity. The LGFA raises debt funding either domestically and/or offshore in either New Zealand dollars or foreign currency and provides debt funding to New Zealand local authorities.

Council borrows the majority of its debt from LGFA. Council's external debt is secured by way of a debenture trust deed over the rates of Council.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Shareholders' Council Statement of Expectations dated 29 November 2024

Attachment 2 – LGFA Draft Statement of Intent 2025-28

Attachment 3 – LGFA letter to Shareholders dated 28 February 2025 to accompany Draft Statement of Intent 2025-28

29 November 2024

Craig Stobo
 Chair
 New Zealand Local Government Funding Agency Ltd
 P O Box 5704
 Wellington 6145

Dear Craig,

Shareholder Expectations for 2025-28

This letter sets out the Shareholders' Council's (the Council's) expectations of the Local Government Funding Agency (LGFA) Board for the 2025/26 financial year. As you undertake your business planning ahead of developing the Statement of Intent (SOI) for 2025-28, please reflect the expectations in this letter as you consider appropriate.

The Council values its positive and open working relationship with LGFA, and the on-going success of your key role of providing flexible and reliable funding to the sector, supported by a credit rating equal to the Crown. We also appreciate your on-going communication efforts, including the annual Borrower's Day and stakeholder survey, and the quarterly Update webinars.

The Government has stated its intention to reset the local government system, including impending changes to the Local Government Act 2002 which aim to "refocus local government on providing good-quality core services and infrastructure in a manner that is most cost-effective for ratepayers". At the same time, Standard & Poor's has published its concerns about the sector's institutional settings and planned borrowing levels. LGFA can prepare for these environmental factors by reviewing existing work programmes, and ensuring it remains focussed on its core activities.

Governance and succession

The Council acknowledges the work LGFA is undertaking to develop robust succession plans for its staff and directors. We look forward to being updated on your Board succession plan once it is completed, including:

- the intended limit on director tenure; and
- the approach to retaining institutional knowledge on the Board while at the same time refreshing its membership's perspectives and skills.

Where shareholders are asked to vote on director appointments at the AGM each year, we would like you to highlight how candidates meet the characteristics of your Board skills & experience matrix, and to clarify their other work commitments and time available to dedicate to the governance tasks required of LGFA board members.



Board remuneration

The Council acknowledges the importance of LGFA directors being fairly remunerated for the work that they undertake and risks they bear. However, we request that you do not lose sight of the element of public service that should legitimately be imputed into the remuneration calculations.

We would like the two-yearly Board fees review to be underpinned by robust analysis that takes into account reasonable benchmarks. You could consider whether the time is right to change your advisor to bring some fresh perspectives.

Rising costs of lending

The Council understands that a material driver of LGFA's increased lending margin and Borrower Note requirements in 2024/25 is the maturity mis-match between your bond issuance and your loans to councils. We would like you to consider what actions you might be able to take to reduce this cost pressure, for example by investigating options to incentivise councils to lengthen the average term of their borrowings.

Local Water Done Well reforms

The Council appreciates LGFA's efforts to engage with local and central government agencies to assist with the analysis of potential costs, risks, benefits, and opportunities as progress on water reforms is achieved. We expect that your involvement will reflect shareholders' relatively low risk appetite – including:

- undertaking appropriate additional due diligence when considering higher loan limits to “high growth” councils (for example, around average rates charges and development contributions revenues);
- developing and implementing appropriate bespoke lending criteria and covenants for “high growth” councils and water CCOs; and
- ensuring that your total lending to “high growth” councils and water CCOs does not exceed a prudent proportion of your total lending portfolio, and reporting this to shareholders.

Climate change

The Council would like LGFA to include in its SOI a clear statement of its emissions reduction target, and pathways towards meeting it.

The Council looks forward to discussing the content of this letter and LGFA's priorities for 2025/26.

Yours sincerely,



Kathryn Sharplin

Chair

LGFA Shareholders' Council

cc. Mark Butcher, Chief Executive LGFA



2025-2028 Statement of Intent DRAFT

1. Introduction

This Statement of Intent (SOI) sets out the nature and scope of the activities, objectives, and performance targets for the New Zealand Local Government Funding Agency Limited (LGFA) for the three-year period 1 July 2025 to 30 June 2028.

LGFA is enabled under the Local Government Borrowing Act 2011 and is a council-controlled organisation (CCO) for the purposes of the Local Government Act 2002.

The SOI is prepared in accordance with section 64(1) of the Local Government Act 2002.

2. Nature and scope of activities

LGFA raises debt funding for the purpose of providing debt financing to New Zealand local authorities and CCOs (members).

In August 2024, LGFA confirmed that it will provide financing to support water CCOs established under Local Water Done Well.

LGFA may raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency.

LGFA only lends to members that have completed required relevant legal and operational arrangements and comply with the LGFA's lending policies.

In addition, LGFA may undertake any other activities considered by the LGFA Board to be reasonably related, incidentally to, or in connection with, that business.

3. Our purpose Ta tatou kaupapa

Benefiting local communities through delivering efficient financing for local government.
Ka whiwhi painga ngā hapori mā te whakarato pūtea tōtika ki ngā kaunihera.

4. Our values Ō mātau uara

We act with integrity E pono ana mātau	We are customer focused E arotahi ana mātau ki te kiritaki	We strive for excellence E whakapau kaha mātau kia hiranga te mahi	We provide leadership He kaiārahi mātau	We are innovative He auaha mātau
We are honest, transparent and are committed to doing what is best for our customers and our company.	Our customers are our borrowers, investors, and all other organisations that we deal with. We listen to them and act in their best interests to deliver results that make a positive difference	We strive to excel by delivering financial products and services that are highly valued at least cost while seeking continuous improvement in everything we do.	We are here for our stakeholders in being strategically minded, providing resilience and executing our strategy. We embrace a high-performance culture and can be relied upon to deliver results.	To meet our ever-changing customer requirements, we will encourage innovation and provide a diverse range of financial products and services.

5. Foundation objectives

The Shareholders' Agreement is a foundation document and states that, in accordance with the Local Government Act, in carrying on its business the objectives of the Company will be to:

- (a) achieve the objectives of the Shareholders (both commercial and non-commercial) as specified in the Statement of Intent. The Shareholders agree that the Company shall carry on its business with a view to making a profit sufficient to pay a dividend in accordance with the Dividend Policy, but that the primary objective of the Shareholders with respect to the Company is that it optimises the terms and conditions of the debt funding it provides to Participating Local Authorities;
- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- (d) conduct its affairs in accordance with sound business practice.

This Statement of Intent sets out the company's strategic priorities, together with associated objectives and performance targets, which align with the foundation objectives and have been agreed with shareholders.

6. Strategic priorities

The following five strategic priorities encompass the foundation objectives and guide the LGFA Board and management in determining our strategy, objectives, and associated performance targets.

Governance, capability, and business practice

LGFA is committed to best-practice corporate governance underpinned by sound business practice to ensure its long-term sustainability and success.

Optimising financing services for local government

LGFA's primary objective is to optimise the terms and conditions of the debt funding it provides to its members. Amongst other things, LGFA will achieve this by delivering operational best practice and efficiency across our lending products and services.

Environmental and social responsibility

LGFA recognises the risks inherent in climate change for councils and supports New Zealand's shift to a low-carbon economy. LGFA will exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.

Effective management of loans

LGFA will ensure its loan book remains at a high standard by ensuring it understands each member's financial position and managing assets within an appropriate risk management framework to ensure shareholder value is not compromised.

Industry leadership and engagement

LGFA will take a proactive role to enhance the financial strength and depth of the local government debt market and will work with key central government and local government stakeholders on sector issues.

7. Objectives and performance targets

This section sets out LGFA's objectives and performance targets for SOI 2025-2028.

The financial performance targets are focused on the 2025-2026 year and, as applicable, are based on the financial forecasts outlined in section 8.

Governance, capability, and business practice

Objectives	How we measure our performance
LGFA will:	
Demonstrate best-practice corporate governance.	The Annual Report outlines our compliance with the eight core principles underpinning the NZX Corporate Governance Best Practice Code.
Set and model high standards of ethical behaviour.	LGFA has adopted a formal Code of Ethics, incorporating its Conflicts of Interest and Code of Conduct policies, which sets out the standards and values that directors and employees are expected to follow.
Achieve the shareholder-agreed objectives and performance targets specified in this Statement of Intent.	LGFA reports performance against objectives quarterly to shareholders and in our Annual Report, Half Year Report and Climate-Related Disclosures.
Ensure products and services offered to participating borrowers are delivered in a cost-effective manner.	LGFA prepares annual operating budgets and monitors progress against these monthly. Financial performance is reported quarterly to shareholders and in our Annual and Half Year Reports.
Be a good employer by providing safe working conditions, training and development and equal opportunities for staff	The Annual Report reports on our health and safety and wellbeing practices and policies, compliance with the Health and Safety at Work Act, diversity and inclusion and capability and development.

Performance targets	2025-2026 target
Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.	No breaches
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.
LGFA's total operating income, excluding unrealised gains / (losses) on financial instruments, for the period to 30 June 2026.	>\$44.9 million
LGFA's total operating expenses (excluding Approved Issuer Levy) for the period to 30 June 2026.	<\$11.9 million

Optimising financing services for local government

Objectives	How we measure our performance
LGFA will:	
Provide interest cost savings relative to alternative sources of financing.	Measure LGFA issuance spreads against other high-grade issuers in the New Zealand domestic capital markets.
Offer flexible short and long-term lending products that meet the borrowing requirements for borrowers.	Measure LGFA's share of overall council borrowing. Survey participating borrowers on an annual basis.
Deliver operational best practice and efficiency for lending services.	Monitor settlements errors for new trades and cashflows. Survey participating borrowers on an annual basis.
Ensure certainty of access to debt markets, subject always to operating in accordance with sound business practice.	Maintain a vibrant primary and secondary market in LGFA bonds. Monitor participation by investors at our tenders through bid-coverage ratios and successful issuance yield ranges.

Performance targets	2025-2026 target
Share of aggregate long-term debt funding to the Local Government sector.	> 80%
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%

Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%
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Environmental and social responsibility

Objectives	How we measure our performance
LGFA will:	
Assist the local government sector in achieving their sustainability and climate change objectives.	LGFA is committed to assist borrowers financing of projects that promote environmental and social wellbeing in New Zealand, and to encourage a reduction in greenhouse gas emissions and increase climate-resilience amongst borrowers. We do this through the development of lending products such as Green, Social & Sustainability (GSS) loans and Climate Action Loans (CALs). This objective will be measured by the number of new GSS loans and the number of new members eligible for CALs.
Improve sustainability outcomes within LGFA.	LGFA is committed to reducing our carbon emissions, increasing our resilience to climate change, and managing our climate-related risks and opportunities. To do this effectively, climate change considerations will be embedded into our governance, strategy and risk management functions.

Performance target	2025-2026 target
Health and Safety	No notifiable incidents.
Maintain Toitū Carbon Zero certification	Carbon-zero certification maintained.
Meet reduction targets outlined in our carbon reduction management plan.	< 8.7 tCO ₂ e annual per person GHG emissions.
Increase our GSS lending book and Climate Action Loans	Two new GSS loans undertaken. Two new borrowers enter into CALs.
Develop a sustainable financing option for the water sector	New sustainable financing option is available to water entities.
Understand LGFA's exposure to climate-related risks through council lending	Climate change is incorporated into LGFA's credit risk assessments.
Assess required governance skills for LGFA's climate-related risks and opportunities.	Develop directors skills matrix.

Effective management of loans

Objectives	How we measure our performance
LGFA will:	
Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies.	LGFA reviews all participating councils and CCOs financial statements on an annual basis and the agendas and management reports on an ongoing basis for all councils on the LGFA borrower watch-list. Member councils are required to complete annual compliance certificates by the end of November each year.
Analyse finances at the Council group level where appropriate and report to shareholders.	
Endeavour to meet each participating borrower annually, including meeting with elected officials as required, or if requested	Number of members visited in a year
Ensure a smooth transition of water-related loans if the Local Water Done Well Reforms progresses over forecast period.	LGFA will be able to ensure the successful transition of existing council water-related loans to the Water CCOs (if requested by a council)

Performance targets	2025-2026 target
Review each Participating Borrower's financial position.	100%
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%

Industry leadership and engagement

Objectives	How we measure our performance
LGFA will:	
Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.	<p>Report on actions undertaken and progress made on sector issues.</p> <p>Identifying any legislative or Central Government policy changes that may impact LGFA and undertake formal or informal submissions.</p> <p>Assist the local government sector with understanding any legislative or Central Government policy changes that may impact LGFA.</p>
Support the local government sector with the transition to the Local Water Done Well Reforms by assisting with the development options for the Water Services Delivery Plans and communicating our requirements (lending, financial covenants, reporting), as well as loan pricing guidance, implementation considerations and views on best practice.	Report on our sector-wide engagement and initiatives with assisting members' transition to the Local Water Done Well Reforms.

Performance targets	2025-26 target
Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA	Four quarterly updates to councils and CCOs
Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister's office to discuss sector issues from an LGFA perspective	Nine meetings across stakeholders
Support councils with Local Water Done Well by providing timely and responsible advice for on-boarding water CCOs.	On-boarding process is underway for all water CCOs who have requested it.

8. Financial forecasts

LGFA's financial forecasts for the three years to 30 June 2028:

Summary comprehensive income \$m	Jun-26	Jun-27	Jun-28
Net interest income	43.0	43.8	49.6
Other operating income	1.9	1.9	1.9
Total income	44.9	45.7	51.5
Operating expenses	21.4	25.9	28.0
Net profit	23.5	19.7	23.4

Financial position \$m	Jun-26	Jun-27	Jun-28
Liquid assets portfolio	3,458	3,998	5,204
Loans	24,791	26,771	26,997
Water loans	-	500	1,500
Other assets	-	-	-
Total assets	28,249	31,269	33,701
Bonds on issue (ex Treasury stock)	25,171	27,900	30,207
Bills & ECP on issue	1,850	1,850	1,850
Borrower notes	818	999	1,095
Other liabilities	-	-	-
Total liabilities	27,839	30,749	33,152
Capital	25	25	25
Retained earnings	132	150	172
Dividend	(2)	(2)	(2)
Shareholder equity	156	174	195

Ratios	Jun-26	Jun-27	Jun-28
Liquid assets/funding liabilities	13.3%	13.8%	16.6%
Liquid assets / total assets	12.2%	12.8%	15.4%
Net interest margin	0.17%	0.16%	0.18%
Cost to income ratio	47.7%	56.8%	54.5%
Return on average assets	0.08%	0.06%	0.07%
Shareholder equity/total assets	0.6%	0.6%	0.6%
Shareholder equity + BN/total assets	3.4%	3.8%	3.8%
Asset growth	10.6%	10.7%	7.8%
Loan growth	9.5%	8.0%	0.8%
Return on equity	17.6%	12.7%	13.5%
Capital ratio	17.2%	18.8%	19.1%

The above forecasts assume a gross bond issuance programme of \$5.1 billion (FY26), \$5.0 billion (FY27) and \$5.0 billion (FY28) based upon term gross lending to councils of \$4.9 billion (FY26), \$6.1 billion (FY27) and \$6.0 billion (FY28).

Note: The forecasts include consideration that LGFA will provide financing to support water CCOs established under Local Water Done Well. However, there is a level of uncertainty regarding the financial forecasts for both council borrowing and LGFA bond issuance due to the uncertainty relating to the timing of the establishment of water CCOS and the impact on councils.

Our council lending and LGFA bond issuance forecasts include LGFA lending to the proposed water CCOs if they meet our qualifying criteria for membership. We have assumed we will not be lending to financially independent water CCOs such as Watercare as they are unlikely to meet the qualifying criteria. As at the date of release, there have been no final decisions regarding the transfer mechanism for assets, liabilities and revenue from councils to the proposed water CCOs.

9. Dividend policy

LGFA primary objective is to maximise benefits to participating borrowers rather than shareholders. Consequently, it is intended to pay a limited dividend to shareholders.

The Board's policy is to pay a dividend that provides an annual rate of return to shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

At all times payment of any dividend will be discretionary and subject to the Board's legal obligations and views on appropriate capital structure.

10. Governance

Board

The Board is responsible for the strategic direction and control of LGFA's activities. The Board guides and monitors the business and affairs of LGFA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Local Government Borrowing Act 2011, the Company's Constitution, the Shareholders' Agreement for LGFA and this SOI.

The Board comprises seven directors with six being independent directors and one being a non-independent director.

The Board's approach to governance is to adopt best practice with respect to:

- The operation of the Board.
- The performance of the Board.
- Managing the relationship with the Company's Chief Executive.
- Being accountable to all Shareholders.

All directors are required to comply with a formal Charter.

The Board will meet on a regular basis and no fewer than six times each year.

Shareholders' Council

The Shareholders' Council is made up of between five and ten appointees of the Shareholders (including an appointee from the Crown). The role of the Shareholders' Council is to:

- Review the performance of LGFA and the Board, and report to Shareholders on that performance on a periodic basis.
- Make recommendations to Shareholders as to the appointment, removal, replacement, and remuneration of directors.
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.
- Ensure all Shareholders are fully informed on LGFA matters and to coordinate Shareholders on governance decisions.

11. Information to be provided to Shareholders

The Board aims to ensure that Shareholders are informed of all major developments affecting LGFA's state of affairs, while at the same time recognising both LGFA's obligations under NZX Listing Rules and that commercial sensitivity may preclude certain information from being made public.

Annual Report

The LGFA's balance date is 30 June.

By 30 September each year, the Company will produce an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002, the Companies Act 1993 and Financial Reporting Act 2013. The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report.
- Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts.
- Comparison of the LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Auditor's Report on the financial statements and the performance targets.
- Any other information that the directors consider appropriate.

Climate-Related Disclosures

By 30 September each year, the Company will produce Climate-Related Disclosures in accordance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board.

The Climate Standards require the Company to disclose climate-related information across the following four thematic areas:

- Governance
- Strategy
- Risk management
- Metrics and targets.

Half Yearly Report

By 28 February each year, the Company will produce a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Directors' commentary on operations for the relevant six-month period.
- Unaudited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position and Statement of Cashflows.

Quarterly Report

By 31 January, 30 April, 31 July, and 31 October each year, the Company will produce a Quarterly Report. The Quarterly Report will include the following information:

- Commentary on operations for the relevant quarter, including a summary of borrowing margins charged to Participating Borrowers (in credit rating bands).
- Comparison of LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Analysis of the weighted average maturity of LGFA bonds outstanding.
- In the December Quarterly Report only, commentary on the Net Debt/Total Revenue percentage for each Participating Local Authority that has borrowed from LGFA (as at the end of the preceding financial year).
- To the extent known by LGFA, details of all events of review in respect of any Participating Borrower that occurred during the relevant quarter (including steps taken, or proposed to be taken, by LGFA in relation thereto).
- Details of any lending to CCOs during the quarter and the amount of CCO loans outstanding.
- Commentary on sustainability initiatives.

Statement of Intent

By 1 March in each year the Company will deliver to the Shareholders its draft SOI for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the Shareholders received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

Shareholder Meetings

The Board will hold an Annual General Meeting between 30 September and 30 November each year to present the Annual Report to all Shareholders.

The Company will hold a meeting with the Shareholders' Council approximately every six months – prior to the Annual General Meeting and after the Half Yearly Report has been submitted. Other meetings may be held by agreement between the Board and the Shareholders' Council.

12. Acquisition/divestment policy

LGFA will invest in securities in the ordinary course of business. It is expected that these securities will be debt securities. These investments will be governed by LGFA's lending and/or investment policies as approved by the Board and/or Shareholders.

Any subscription, purchase, or acquisition by LGFA of shares in a company or organisation will, if not within those investment policies, require Shareholder approval other than as concerns the formation of wholly-owned subsidiaries and the subscription of shares in such wholly-owned subsidiaries.

13. Activities for which compensation is sought from Shareholders

At the request of Shareholders, LGFA may (at its discretion) undertake activities that are not consistent with its normal commercial objectives. Specific financial arrangements will be entered into to meet the full cost of providing such activities.

Currently there are no activities for which compensation will be sought from Shareholders.

14. Commercial value of Shareholder's investment

LGFA will seek to maximise benefits to Participating Local Authorities as Borrowers rather than Shareholders.

Subject to the Board's views on the appropriate capital structure for LGFA, the Board's intention will be to pay a dividend that provides an annual rate of return to Principal Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

As the Shareholders will have invested in the LGFA on the basis of this limited dividend, the Board considered that at establishment the commercial value of LGFA was equal to the face value of the Shareholders' paid up Principal Shares - \$25 million.

In the absence of any subsequent share transfers to the observed share transfers on 30 November 2012, the Board considers the current commercial value of LGFA is at least equal to the face value of the Shareholders' paid up Principal Shares of \$25 million. This equates to a value per share of \$1.00.

15. Accounting policies

LGFA has adopted accounting policies that are in accordance with the New Zealand International Financial Reporting Standards and generally accepted accounting practice. A Statement of accounting policies is attached to this SOI.

[Not included in draft. To be included in final release version]

28 February 2025

Dear Shareholder

Draft Statement of Intent 2025-2028

Please find attached a copy of our draft Statement of Intent (SOI) for 2025-2028.

LGFA continues to focus on delivering strong results for both our council borrowers and shareholders.

For our borrowing councils we seek to optimize funding terms and conditions by

- Achieving savings in borrowing costs
- Providing longer dated funding and
- Providing certainty of access to markets

For our shareholders we are focused on

- Delivering a strong financial performance
- Monitoring asset quality
- Enhancing our approach to treasury and risk management, and
- Ensuring we have the correct governance framework and capital structure in place.

For our guarantors we are focused on

- Minimising the risk of a call upon the guarantee through actively monitoring and managing the business risks faced by LGFA including operational, credit, liquidity, interest rate, and funding risk.

The following points regarding the draft SOI 2025-28 are worth noting:

- This draft SOI, including financial forecasts covers the financial years 2025-26 ("FY26"), 2026-27 ("FY27") and 2027-8 ("FY28").
- The SOI forecasts assume that in the outer two years (FY27 and FY28), LGFA will commence lending to water CCOs as the Local Water Done Well Programme is implemented. There is a high level of uncertainty regarding the amount and timing of any lending as the water CCOs have yet to be established.
- Profitability is expected to be strong with projections for Net Profit of \$23.5 million, \$19.7 million, and \$23.4 million for the next three years. However, we remain cautious in placing too much emphasis on the second year (FY27) and third year (FY28) forecasts given we have \$7.9 billion of LGFA bonds and \$11.9 billion of council and CCO loans maturing over the three-year SOI forecast period. This is because assumptions regarding the amount and timing of loan refinancing and interest rates have a material impact on financial projections.

- Our forecasts for council loans (short and long term) outstanding are lower compared to last year's SOI with loans of \$24.8 billion as at 30 June 2026 and \$26.8 billion as at June 2027 (from \$26.5 billion and \$29 billion in the previous SOI) and \$28.5 billion as at June 2028.
- We are assuming gross bond issuance of \$5.1 billion (FY26), \$5.00 billion (FY27) and \$5.0 billion (FY28) based on council gross borrowing of \$4.90 billion (FY26), \$6.1 billion (FY27) and \$6.0 billion (FY28).
- Issuance and operating expenses including Approved Issuer Levy ("AIL") are forecast to be approximately \$1.9 million higher in FY26 and \$4.2 million higher in FY27 compared to the previous SOI. This is due to increased AIL paid to the New Zealand Government on our increased foreign currency issuance. AIL is expected to be our largest expense as we borrow more in offshore markets over the 3 year forecast period.
- The proposed SOI performance targets are similar to the previous SOI. The focus remains on sustainability, assisting councils to implement Local Water Done Well, stakeholder engagement, meeting the financial targets, and monitoring the credit quality of the sector.

If you have any questions or wish to provide comments by 1 May 2025 then please feel free to contact myself or any member of the Shareholders Council. The LGFA board will consider any feedback received and provide a final version of the SOI to shareholders by 30 June 2025.

Yours sincerely



Mark Butcher
Chief Executive

4.3 Financial Report for the 9 months ending 31 March 2025

Meeting: Finance Committee
Date of meeting: 29 April 2025
Reporting officer: Alan Adcock (General Manager – Corporate/CFO)

1 Purpose / Te Kaupapa

To provide the operating results for the nine months ending 31 March 2025.

2 Recommendation / Whakataunga

That the Committee notes the operating results for the nine months ending 31 March 2025.

3 Background / Horopaki

3.1 Operating Result

Year to date

The net position from operations is a year-to-date favourable variance of \$2.8 million. This is mainly due to a \$3.0 million budgeted grant to Hihiaua not paid yet.

Once non-operating items are included, the overall year-to-date position is a surplus of \$5.8 million, compared to a budgeted surplus of \$17.0 million, resulting in an unfavourable variance of \$11.2 million.

Key year-to-date variances include:

- Minimal vested asset income has been recorded in the first nine months of the year, showing an unfavourable variance of \$6.6m. This is a non-cash item dependent on when assets are vested to Council. Lower vested asset income than budget is expected to continue through to year end.
- Other Capital contributions are generally phased in accordance with the capital projects to which they relate. The receipt of this revenue will depend on satisfying milestones included within the underlying funding agreements. This can create variances between the phased budget and the year-to-date actuals. Total capital income is \$6.2m unfavourable compared to year-to date budget. This is the main contributor to the higher debt position.
- Other timing differences can also occur when the phased budget differs to the actual costs incurred. The full year forecast provides a more accurate view of anticipated results for the year.

Forecast

The forecast net surplus for the financial year ending 30 June 2025 is \$3.4 million compared to the budgeted surplus of \$25.6 million resulting in an unfavourable variance of \$22.2 million. These results are based on forecast figures provided by budget managers in March 2025.

This month's forecast result shows an unfavourable operational variance against budget of \$2.5 million (February forecast: \$4.1 million). Significant changes have been made within the transportation forecast this month. These changes impacts both revenue and expenses, however resulting in minimal change to the overall net forecast position. These changes have arisen due to two key factors:

- Unbudgeted spend and associated subsidy revenue for emergency works has reduced in this months forecast. Some of this work is expected to continue into the 2025-26 financial year. (Council approved unbudgeted spend of \$2.6m for the council share of storm damage repair across years 2024-27 in Dec 2024.)
- Ongoing work is required to better align processes and reporting used for NZTA claim purposes, with the information required for Council's financial reporting, budgeting and analysis. Process improvements will continue throughout the coming months to provide a more robust approach with increased transparency and monitoring.

The unfavourable variance for capital income (excluding non-cash items) has increased to \$10.1 million (Feb: \$8.7m). This variance is largely due to the reduced capital funding from NZTA, as well as anticipated timing of external revenue for the Springs Flat project (the majority of which is now expected to be received next financial year) and the Morningside Flood relief project.

The forecast for vested asset income has been reduced to \$3.0 million, compared to a budget of \$11.0 million. There has been low activity up until March and with this trend expecting to continue, the forecast has been reduced. This is a non-cash item to account for the value of any assets vested to Council.

Key full year forecast variances by activity include:

Details	Variance to budget	Explanation
Operating Income – \$1.5m favourable		
Transportation \$1.2m favourable		
Roading department	\$1.2m	Increased NZTA subsidies for emergency works
Solid Waste \$321k favourable		
Recycling	\$438k	Miscellaneous income
Refuse and transfer station	(\$117k)	User fees & charges
Community Facilities and Services \$451k favourable		

Community development	\$296k	Other revenue
Planning & Regulatory \$77k favourable		
Building control	(\$1.0m)	Inspections
RMA Consents	\$500k	User fees & charges
Health & bylaws	\$727k	Dog control, parking enforcement & WOF/rego infringements
Support Services (\$545k) unfavourable		
Revenue department	(\$747k)	Rates received
Business support	(\$237k)	Rent received
Treasury	\$466k	Interest received
Other Expenses - (\$6.9m) unfavourable.		
(Includes an overspend of \$3.5m other expenses, unbudgeted loss on disposal of assets of \$3.6m and an underspend of opex on projects of \$0.2m). Key variances as follows:		
Transportation (\$2.1m) unfavourable		
Emergency works	(\$2.0m)	Maintenance contracts & professional fees (due to increased subsidy)
Other cost centres	(\$557k)	Various expenses
Opex on projects	\$481k	External contractor payments
Parks & Recreation (\$835k) unfavourable		
Opex on projects	(\$800k)	External contractor payments
Loss on disposal of assets	(\$300k)	Non-cash loss on assets disposed
Public toilets	(\$263k)	Maintenance contracts and other expenses
Parks grants	\$551k	Community grants
Water (\$2.6m) unfavourable		
Other cost centres	(\$296k)	Various expenses
Opex on projects	(\$589k)	External contractors & professional fees
Loss on disposal of assets	(\$1.8m)	Non-cash loss on assets disposed
Wastewater (\$3.2m) unfavourable		
Reticulation operations	(\$1.3m)	Plant & equipment maintenance, mainly Kepa Road
Pump stations	(\$452k)	R&M and maintenance contracts

Plant operation	(\$555k)	R&M, electricity and external contractors
Loss on disposal of assets	(\$1.0m)	Non-cash loss on assets disposed
Solid Waste \$617k favourable		
Recycling	\$862k	External contractors and other expenses
Loss on disposal of assets	(\$170k)	Non-cash loss on assets disposed
Community Facilities & Services \$1.3m favourable		
Civil defence	(\$466k)	Grants & funding
Community development	\$1.4m	Grants & funding
Opex on projects	\$486k	External contractor payments
Planning & Regulatory \$411k favourable		
RMA consents	(\$448k)	Professional & legal fees
District plan	\$497k	Professional & legal fees
Various cost centres	\$366k	Various expenses
Support Services (\$536k) unfavourable		
Business Support	(\$188k)	Cleaning and security
Revenue	(\$130k)	Postage & courier
Infrastructure Development	(\$137k)	Professional fees
Capital Income – (\$16.3m) unfavourable		
Other capital contributions	(\$6.6m)	Revenue recognition of capital contributions is dependent on milestones in the various funding agreements being achieved. Any delays in capital programme delivery will impact the timing of the associated revenue.
Gain on disposal of assets	\$1.7m	Gain on sale of property.
Vested asset income	(\$7.9m)	Vested asset income is a non-cash adjustment used to recognise the value of assets vested to Council therefore does not directly impact funding or debt.
Waka Kotahi NZTA capital subsidies	(\$3.0m)	This forecast is based on the suggested approach to the roading programme upon confirmation of subsidy available from NZTA.

External Net Debt and Treasury

Total net external debt at the end of March 2025 was \$243.5 million compared to year-to-date budgeted net debt of \$238.8 million, resulting in net debt being \$4.7 million over budget.

This variance is mainly due to:

- An unbudgeted property purchase
- Timing differences between the forecasted debt (based on historical trends), and the timing of income received, and expenses incurred.

As at 31 March 2025 cash and term deposits held of \$21.5 million was comprised of:

- \$10.0 million of term deposits relating to debt repayment pre-funding
- \$1.6 million cash on hand relating to contract retentions held
- \$9.9 million of cash on hand.

4 Accounts Receivable and Arrears

Total arrears as at 31 March 2025 are \$7.8 million, \$0.8 million less than March 2024, and \$1.6 million less than last month.

Land rates arrears decreased by \$1.2 million from last month but are \$0.5 million more than March 2024. Prior years arrears decreased by \$0.1 million to \$2.0 million. Water rates arrears are \$0.1 million less than March 2024 and last month. Sundry debtors are \$0.4 million more than last month and \$1.3 million less than March 2024.

Further information is included in the Corporate Group operations report.

5 Financial/budget considerations

This agenda is informing the Council of the year-to-date financial performance, as well as full year forecast. The purpose of this report is to highlight risks and significant variances against Council's planned performance.

Finance will discuss adverse variances with the relevant areas of the business to identify causes and determine what action should be taken to remedy overspends where possible. These variances will also be highlighted to senior management.

6 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

7 Attachments / Ngā Tāpiritanga

Attachment 1 – Monthly key indicators

Attachment 2 – Monthly activity summary

Attachment 3 – Monthly income statement

Attachment 4 – Monthly income statements by activity

Attachment 5 – Quarterly cashflow statement

Attachment 6 – Quarterly balance sheet

Attachment 7 – Treasury report

MONTHLY KEY INDICATORS
MARCH 2025



	YTD to March 2025					Full Year Forecast			
	Actual	Revised Budget	Variance	YTD	YTD Trend	Full Year Forecast	Revised Budget	Variance	YTD
	YTD \$ m	YTD \$ m	YTD \$ m	Indicator	Current / previous month	2024-25 \$ m	2024-25 \$ m	2024-25 \$ m	Indicator
OPERATING									
Total Rates	107.1	107.8	(0.7)	●		145.2	145.9	(0.7)	●
Subsidies and Grants	8.6	9.8	(1.2)	●		13.6	12.6	1.0	●
User Fees	13.7	14.3	(0.6)	●		18.3	19.2	(0.9)	●
Total Operating Income	141.5	141.8	(0.3)	●	↓	194.0	192.6	1.4	●
Personnel Costs	29.3	30.5	1.2	●		38.4	39.6	1.2	●
Other Operating Expenditure	65.1	68.0	2.9	●		103.2	99.7	(3.5)	●
Total Operating Expenditure	156.6	159.7	3.1	●	↑	225.5	221.5	(4.0)	●
Surplus/(Deficit) from Operations	(15.1)	(17.9)	2.8	●	↑	(31.4)	(29.0)	(2.4)	●
Total Capital Income	24.6	30.9	(6.3)	●		39.7	49.8	(10.1)	●
Total Surplus/(Deficit)	5.8	17.0	(11.2)	●	↓	3.4	25.6	(22.2)	●
EXTERNAL DEBT FUNDING									
External Net Debt	243.5	238.8	(4.7)	●					
Net Interest on debt	6.8	8.3	1.5	●		9.5	11.0	1.5	●

KEY	
●	Favourable to budget
●	Unfavourable, but within 5% of budget
●	Unfavourable, over 5% of budget
↑	Favourable to previous month
↓	Unfavourable to previous month

Note: The above information includes excerpts taken from the Monthly Income Statement. The shaded lines above represent key totals from the Monthly Income Statement but are not totals of the lines above.

MONTHLY ACTIVITY SUMMARY MARCH 2025



	YTD to March 2025					Full Year Forecast			
	Actual Surplus/ (Deficit)	Revised Budget Surplus/ (Deficit)	Variance Surplus/ (Deficit)	YTD Indicator	YTD Trend Current / previous	Full Year Forecast Surplus/ (Deficit)	Revised Budget Surplus/ (Deficit)	Variance Surplus/ (Deficit)	Full Year Indicator
Transportation	(10.3)	(6.5)	(3.8)	●	↓	(17.4)	(7.3)	(10.1)	●
Park and Recreation	(13.0)	(13.7)	0.7	●	↓	(26.8)	(27.8)	1.0	●
Water	(0.4)	1.7	(2.1)	●	↓	(1.9)	(0.8)	(1.1)	●
Wastewater	8.0	10.1	(2.1)	●	↓	7.9	10.6	(2.7)	●
Stormwater	(4.6)	(1.9)	(2.7)	●	↓	(7.3)	(4.5)	(2.8)	●
Coastal and Flood Management	(0.9)	(0.7)	(0.2)	●	↑	(2.8)	(2.5)	(0.3)	●
Hikurangi Repo Flood Protection	0.2	0.0	0.2	●	↑	0.1	(0.1)	0.2	●
Solid Waste	(2.5)	(3.5)	1.0	●	↑	(4.5)	(5.5)	1.0	●
Community Facilities and Services	(14.0)	(17.7)	3.7	●	↓	(26.4)	(27.6)	1.2	●
Planning and Regulatory Services	(0.6)	(1.8)	1.2	●	↑	(10.6)	(11.7)	1.1	●
Governance and Strategy	(1.6)	(1.9)	0.3	●	↓	(6.2)	(5.7)	(0.5)	●
Support Services	49.3	49.2	0.1	●	↑	104.2	103.7	0.5	●

KEY:



Favourable to budget



Unfavourable, but within 5% of budget



Unfavourable, over 5% of budget



Favourable to previous month



Unfavourable to previous month



No change to previous month

Note: The above information is at Council Operations level and excludes non-cash adjustments

MONTHLY INCOME STATEMENT

31 MARCH 2025

	Actual	Revised Budget	Forecast	Revised Budget	Variance*
Council Summary	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	107,100	107,844	145,229	145,858	(628)
Subsidies and grants	8,607	9,832	13,623	12,588	1,034
Fees and charges	13,673	14,349	18,268	19,189	(922)
Interest revenue	2,010	1,423	2,695	2,234	460
Other revenue	10,081	8,344	14,226	12,693	1,534
Total operating income	141,472	141,792	194,040	192,562	1,478
Operating expenditure					
Other expenditure	65,107	68,029	103,155	99,675	(3,480)
Depreciation and amortisation	53,317	51,480	71,709	69,020	(2,688)
Finance costs	8,806	9,710	12,175	13,210	1,035
Personnel costs	29,337	30,460	38,445	39,617	1,172
Total operating expenditure	156,566	159,680	225,483	221,522	(3,960)
Surplus/(deficit) from operations	(15,094)	(17,887)	(31,442)	(28,960)	(2,482)
Plus capital income					
Development and other contributions	5,425	5,204	6,501	7,078	(577)
Other capital contributions	6,359	11,710	16,978	23,539	(6,561)
Waka Kotahi NZTA capital subsidies	12,857	13,964	16,215	19,167	(2,953)
Total capital income	24,641	30,878	39,693	49,784	(10,091)
Surplus/(deficit) including capital income	9,547	12,991	8,251	20,824	(12,573)
Plus non-cash income adjustments					
Vested assets income	1,464	8,014	3,040	10,971	(7,931)
Gain on disposal of assets	1,693	-	1,693	-	1,693
Total non-cash income adjustments	3,157	8,014	4,733	10,971	(6,238)
Less non-cash expenditure adjustments					
OPEX on capital projects**	3,416	3,980	6,008	6,163	155
Loss on disposal of assets	3,527	-	3,579	-	(3,579)
Total non-cash expenditure adjustments	6,943	3,980	9,587	6,163	(3,424)
Total non-cash adjustment	(3,786)	4,033	(4,853)	4,808	(9,661)
Total surplus/(deficit)	5,761	17,024	3,397	25,632	(22,234)

* Favourable variances are recorded as positive amounts (unfavourable variances as negative amounts)

** This expenditure is included within the Capital Projects Report

Summary Financial Performance By Activity

Activity	2024-2025 YTD		Full Year		
	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000	2024-25 \$000	2024-25 \$000
Transportation					
Revenue	10,318	11,017	16,068	14,940	1,127
Capital Income	20,907	23,241	32,570	39,537	(6,967)
Expenditure	41,554	40,789	66,071	61,737	(4,334)
Surplus/(deficit) including capital income	(10,329)	(6,531)	(17,433)	(7,260)	(10,173)
Park and Recreation					
Revenue	320	360	1,794	1,809	(16)
Capital Income	1,305	1,299	1,708	1,747	(39)
Expenditure	14,613	15,386	30,272	31,334	1,062
Surplus/(deficit) including capital income	(12,987)	(13,727)	(26,770)	(27,777)	1,007
Water					
Revenue	13,857	13,964	19,399	19,418	(19)
Capital Income	1,409	2,854	3,261	3,843	(582)
Expenditure	15,711	15,121	24,543	24,041	(501)
Surplus/(deficit) including capital income	(445)	1,697	(1,883)	(780)	(1,103)
Wastewater					
Revenue	21,617	21,418	28,904	28,729	175
Capital Income	795	1,099	1,282	1,491	(209)
Expenditure	14,406	12,427	22,240	19,651	(2,589)
Surplus/(deficit) including capital income	8,005	10,090	7,946	10,569	(2,622)
Stormwater					
Revenue	191	459	382	611	(229)
Capital Income	39	2,250	577	3,000	(2,423)
Expenditure	4,824	4,652	8,281	8,110	(171)
Surplus/(deficit) including capital income	(4,594)	(1,943)	(7,322)	(4,498)	(2,823)
Coastal and Flood Management					
Revenue	-	-	-	-	-
Capital Income	-	-	-	-	-
Expenditure	913	733	2,777	2,487	(290)
Surplus/(deficit) including capital income	(913)	(733)	(2,777)	(2,487)	(290)
Hikurangi Repo Flood Protection					
Revenue	976	965	1,301	1,287	14
Capital Income	-	-	-	-	-
Expenditure	771	941	1,250	1,349	99
Surplus/(deficit) including capital income	206	23	51	(62)	113
Solid Waste					
Revenue	3,231	3,088	6,536	6,216	321
Capital Income	-	-	-	-	-
Expenditure	5,773	6,617	11,007	11,749	742
Surplus/(deficit) including capital income	(2,543)	(3,529)	(4,471)	(5,533)	1,062
Community Facilities and Services					
Revenue	3,437	2,986	7,365	6,914	451
Capital Income	185	135	295	166	128
Expenditure	17,596	20,862	34,043	34,727	684
Surplus/(deficit) including capital income	(13,974)	(17,741)	(26,384)	(27,647)	1,263
Planning and Regulatory Services					
Revenue	10,203	9,986	14,420	14,343	77
Capital Income	-	-	-	-	-
Expenditure	10,849	11,815	25,068	26,079	1,011
Surplus/(deficit) including capital income	(646)	(1,829)	(10,649)	(11,736)	1,088

Governance and Strategy

Revenue	3,900	3,649	-	5,708	5,881	(174)
Capital Income	-	-	-	-	-	-
Expenditure	5,457	5,598	-	11,952	11,570	(382)
Surplus/(deficit) including capital income	(1,557)	(1,949)		(6,244)	(5,689)	(556)

Support Services

Revenue	79,248	79,940	-	137,914	138,460	(545)
Capital Income	-	-	-	-	-	-
Expenditure	29,924	30,776	-	33,728	34,735	1,007
Surplus/(deficit) including capital income	49,324	49,164		104,186	103,725	461

Total Council

Revenue	147,297	147,830	-	239,789	238,608	1,181
Capital Income	24,641	30,878	-	39,693	49,784	(10,091)
Expenditure	162,391	165,717	-	271,232	267,568	(3,663)
Surplus/(deficit) including capital income	9,547	12,991		8,251	20,824	(12,573)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Transportation	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	122	91	152	122	30
Subsidies and grants	8,168	9,000	12,721	11,502	1,219
Fees and charges	1,415	1,411	1,602	1,841	(239)
Interest revenue	-	-	789	789	-
Other revenue	613	515	803	686	118
Overheads recovered	-	-	-	-	-
Total operating income	10,318	11,017	16,068	14,940	1,127
Operating expenditure					
Other expenditure	15,921	15,841	23,410	20,863	(2,547)
Depreciation and amortisation	21,913	20,415	29,749	27,220	(2,530)
Finance costs	1,586	1,837	6,072	6,252	181
Personnel costs	2,135	2,697	2,943	3,506	562
Overheads charged	-	-	3,897	3,897	-
Total operating expenditure	41,554	40,789	66,071	61,737	(4,334)
Surplus/(deficit) from operations	(31,236)	(29,772)	(50,003)	(46,797)	(3,206)
Plus capital income					
Development and other contributions	2,363	2,186	2,817	2,973	(155)
Other capital contributions	5,687	7,091	13,538	17,397	(3,859)
Waka Kotahi NZTA capital subsidies	12,857	13,964	16,215	19,167	(2,953)
Total capital income	20,907	23,241	32,570	39,537	(6,967)
Surplus/(deficit) including capital income	(10,329)	(6,531)	(17,433)	(7,260)	(10,173)
Plus non-cash income adjustments					
Vested assets income	-	888	1,000	1,184	(184)
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	888	1,000	1,184	(184)
Less non-cash expenditure adjustments					
OPEX on capital projects**	142	595	411	892	481
Loss on disposal of assets	-	-	-	-	-
Total non-cash expenditure adjustments	142	595	411	892	481
Total non-cash adjustment	(142)	293	589	292	297
Total surplus/(deficit)	(10,471)	(6,238)	(16,844)	(6,968)	(9,876)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Park and Recreation	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	-	-	-	-	-
Subsidies and grants	-	-	-	-	-
Fees and charges	223	292	340	392	(52)
Interest revenue	-	-	1,323	1,323	-
Other revenue	97	68	130	94	36
Overheads recovered	-	-	-	-	-
Total operating income	320	360	1,794	1,809	(16)
Operating expenditure					
Other expenditure	8,531	8,668	14,025	14,291	265
Depreciation and amortisation	3,729	4,190	4,882	5,587	705
Finance costs	1,586	1,837	7,819	8,000	181
Personnel costs	767	691	989	899	(89)
Overheads charged	-	-	2,557	2,557	-
Total operating expenditure	14,613	15,386	30,272	31,334	1,062
Surplus/(deficit) from operations	(14,293)	(15,026)	(28,479)	(29,525)	1,046
Plus capital income					
Development and other contributions	793	689	858	934	(76)
Other capital contributions	513	610	850	813	37
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	1,305	1,299	1,708	1,747	(39)
Surplus/(deficit) including capital income	(12,987)	(13,727)	(26,770)	(27,777)	1,007
Plus non-cash income adjustments					
Vested assets income	-	-	10	286	(276)
Gain on disposal of assets	1,693	-	1,693	-	1,693
Total non-cash income adjustments	1,693	-	1,703	286	1,417
Less non-cash expenditure adjustments					
OPEX on capital projects**	835	67	873	73	(800)
Loss on disposal of assets	295	-	300	-	(300)
Total non-cash expenditure adjustments	1,130	67	1,173	73	(1,100)
Total non-cash adjustment	563	(67)	530	213	317
Total surplus/(deficit)	(12,425)	(13,795)	(26,241)	(27,564)	1,324

MONTHLY INCOME STATEMENT

Water	2024-2025 YTD		Full Year		
	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD \$000	YTD \$000	2024-25 \$000	2024-25 \$000	2024-25 \$000
Operating income					
Rates	12,724	12,743	17,910	17,790	120
Subsidies and grants	34	-	34	-	34
Fees and charges	217	151	275	201	74
Interest revenue	851	1,070	1,148	1,427	(279)
Other revenue	31	-	31	-	31
Overheads recovered	-	-	-	-	-
Total operating income	13,857	13,964	19,399	19,418	(19)
Operating expenditure					
Other expenditure	6,271	5,963	9,337	9,042	(296)
Depreciation and amortisation	7,840	7,714	10,337	10,286	(52)
Finance costs	-	-	-	-	-
Personnel costs	1,600	1,443	2,033	1,879	(154)
Overheads charged	-	-	2,834	2,834	-
Total operating expenditure	15,711	15,121	24,543	24,041	(501)
Surplus/(deficit) from operations	(1,854)	(1,157)	(5,144)	(4,623)	(521)
Plus capital income					
Development and other contributions	1,409	1,145	1,369	1,564	(195)
Other capital contributions	-	1,709	1,892	2,279	(387)
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	1,409	2,854	3,261	3,843	(582)
Surplus/(deficit) including capital income	(445)	1,697	(1,883)	(780)	(1,103)
Plus non-cash income adjustments					
Vested assets income	156	1,332	180	1,776	(1,596)
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	156	1,332	180	1,776	(1,596)
Less non-cash expenditure adjustments					
OPEX on capital projects**	272	-	589	-	(589)
Loss on disposal of assets	1,709	-	1,750	-	(1,750)
Total non-cash expenditure adjustments	1,980	-	2,339	-	(2,339)
Total non-cash adjustment	(1,825)	1,332	(2,159)	1,776	(3,935)
Total surplus/(deficit)	(2,270)	3,029	(4,043)	996	(5,038)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Wastewater	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	19,203	19,175	25,785	25,749	36
Subsidies and grants	-	-	-	-	-
Fees and charges	1,137	888	1,421	1,173	247
Interest revenue	1,276	1,353	1,696	1,804	(108)
Other revenue	1	2	2	2	(1)
Overheads recovered	-	-	-	-	-
Total operating income	21,617	21,418	28,904	28,729	175
Operating expenditure					
Other expenditure	4,690	3,103	7,219	4,981	(2,238)
Depreciation and amortisation	8,347	8,085	11,002	10,780	(222)
Finance costs	-	-	-	-	-
Personnel costs	1,369	1,239	1,742	1,614	(128)
Overheads charged	-	-	2,276	2,276	-
Total operating expenditure	14,406	12,427	22,240	19,651	(2,589)
Surplus/(deficit) from operations	7,210	8,991	6,664	9,078	(2,414)
Plus capital income					
Development and other contributions	795	1,099	1,282	1,491	(209)
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	795	1,099	1,282	1,491	(209)
Surplus/(deficit) including capital income	8,005	10,090	7,946	10,569	(2,622)
Plus non-cash income adjustments					
Vested assets income	292	1,738	350	2,317	(1,967)
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	292	1,738	350	2,317	(1,967)
Less non-cash expenditure adjustments					
OPEX on capital projects**	530	925	1,149	1,233	84
Loss on disposal of assets	1,006	-	1,010	-	(1,010)
Total non-cash expenditure adjustments	1,537	925	2,159	1,233	(926)
Total non-cash adjustment	(1,244)	813	(1,809)	1,084	(2,893)
Total surplus/(deficit)	6,761	10,903	6,137	11,653	(5,516)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Stormwater	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	-	-	-	-	-
Subsidies and grants	191	459	382	611	(229)
Fees and charges	-	-	-	-	-
Interest revenue	-	-	-	-	-
Other revenue	-	-	-	-	-
Overheads recovered	-	-	-	-	-
Total operating income	191	459	382	611	(229)
Operating expenditure					
Other expenditure	600	531	1,143	1,030	(112)
Depreciation and amortisation	3,868	3,694	5,060	4,925	(136)
Finance costs	-	-	324	324	-
Personnel costs	357	427	479	555	76
Overheads charged	-	-	1,275	1,275	-
Total operating expenditure	4,824	4,652	8,281	8,110	(171)
Surplus/(deficit) from operations	(4,633)	(4,193)	(7,899)	(7,498)	(401)
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	39	2,250	577	3,000	(2,423)
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	39	2,250	577	3,000	(2,423)
Surplus/(deficit) including capital income	(4,594)	(1,943)	(7,322)	(4,498)	(2,823)
Plus non-cash income adjustments					
Vested assets income	1,015	4,056	1,500	5,408	(3,908)
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	1,015	4,056	1,500	5,408	(3,908)
Less non-cash expenditure adjustments					
OPEX on capital projects**	327	839	778	1,119	341
Loss on disposal of assets	229	-	230	-	(230)
Total non-cash expenditure adjustments	556	839	1,008	1,119	111
Total non-cash adjustment	460	3,217	492	4,289	(3,797)
Total surplus/(deficit)	(4,134)	1,273	(6,829)	(209)	(6,620)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Coastal and Flood Management	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	-	-	-	-	-
Subsidies and grants	-	-	-	-	-
Fees and charges	-	-	-	-	-
Interest revenue	-	-	-	-	-
Other revenue	-	-	-	-	-
Overheads recovered	-	-	-	-	-
Total operating income	-	-	-	-	-
Operating expenditure					
Other expenditure	346	605	1,077	1,179	102
Depreciation and amortisation	567	-	883	374	(509)
Finance costs	-	-	86	86	-
Personnel costs	-	128	50	167	117
Overheads charged	-	-	681	681	-
Total operating expenditure	913	733	2,777	2,487	(290)
Surplus/(deficit) from operations	(913)	(733)	(2,777)	(2,487)	(290)
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	-	-	-	-	-
Surplus/(deficit) including capital income	(913)	(733)	(2,777)	(2,487)	(290)
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	18	25	26	33	7
Loss on disposal of assets	109	-	110	-	(110)
Total non-cash expenditure adjustments	127	25	136	33	(103)
Total non-cash adjustment	(127)	(25)	(136)	(33)	(103)
Total surplus/(deficit)	(1,041)	(758)	(2,913)	(2,520)	(393)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Hikurangi Repo Flood Protection	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	958	958	1,278	1,278	(0)
Subsidies and grants	-	-	-	-	-
Fees and charges	-	-	-	-	-
Interest revenue	18	6	23	9	14
Other revenue	-	-	-	-	-
Overheads recovered	-	-	-	-	-
Total operating income	976	965	1,301	1,287	14
Operating expenditure					
Other expenditure	427	465	723	704	(19)
Depreciation and amortisation	344	476	517	635	118
Finance costs	-	-	10	10	-
Personnel costs	-	-	-	-	-
Overheads charged	-	-	-	-	-
Total operating expenditure	771	941	1,250	1,349	99
Surplus/(deficit) from operations	206	23	51	(62)	113
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	-	-	-	-	-
Surplus/(deficit) including capital income	206	23	51	(62)	113
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	-	232	77	309	232
Loss on disposal of assets	-	-	-	-	-
Total non-cash expenditure adjustments	-	232	77	309	232
Total non-cash adjustment	-	(232)	(77)	(309)	232
Total surplus/(deficit)	206	(208)	(26)	(371)	345

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
	Actual	Revised Budget	Forecast	Revised Budget	Variance
Solid Waste	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	(4)	-	(3)	-	(3)
Subsidies and grants	-	-	-	-	-
Fees and charges	1,863	2,161	3,124	3,241	(117)
Interest revenue	-	-	112	112	-
Other revenue	1,372	927	3,304	2,862	441
Overheads recovered	-	-	-	-	-
Total operating income	3,231	3,088	6,536	6,216	321
Operating expenditure					
Other expenditure	5,463	6,069	9,977	10,764	787
Depreciation and amortisation	107	235	461	313	(148)
Finance costs	93	110	135	149	15
Personnel costs	110	203	176	264	88
Overheads charged	-	-	258	258	-
Total operating expenditure	5,773	6,617	11,007	11,749	742
Surplus/(deficit) from operations	(2,543)	(3,529)	(4,471)	(5,533)	1,062
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	-	-	-	-	-
Surplus/(deficit) including capital income	(2,543)	(3,529)	(4,471)	(5,533)	1,062
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	-	-	-	-	-
Loss on disposal of assets	170	-	170	-	(170)
Total non-cash expenditure adjustments	170	-	170	-	(170)
Total non-cash adjustment	(170)	-	(170)	-	(170)
Total surplus/(deficit)	(2,713)	(3,529)	(4,641)	(5,533)	892

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Community Facilities and Services	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	-	-	-	-	-
Subsidies and grants	133	126	156	145	11
Fees and charges	379	314	439	433	6
Interest revenue	365	263	489	351	138
Other revenue	2,560	2,283	3,014	2,719	296
Overheads recovered	-	-	3,266	3,266	-
Total operating income	3,437	2,986	7,365	6,914	451
Operating expenditure					
Other expenditure	9,829	13,194	15,046	15,857	811
Depreciation and amortisation	3,205	3,125	4,279	4,173	(107)
Finance costs	-	-	164	164	-
Personnel costs	4,562	4,544	5,930	5,909	(20)
Overheads charged	-	-	8,624	8,624	-
Total operating expenditure	17,596	20,862	34,043	34,727	684
Surplus/(deficit) from operations	(14,159)	(17,877)	(26,678)	(27,813)	1,135
Plus capital income					
Development and other contributions	65	85	175	116	58
Other capital contributions	120	50	120	50	70
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	185	135	295	166	128
Surplus/(deficit) including capital income	(13,974)	(17,741)	(26,384)	(27,647)	1,263
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	158	467	240	726	486
Loss on disposal of assets	9	-	9	-	(9)
Total non-cash expenditure adjustments	166	467	249	726	477
Total non-cash adjustment	(166)	(467)	(249)	(726)	477
Total surplus/(deficit)	(14,141)	(18,209)	(26,633)	(28,373)	1,741

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Planning and Regulatory Services	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	-	-	-	-	-
Subsidies and grants	-	-	-	-	-
Fees and charges	7,932	8,521	10,384	11,090	(706)
Interest revenue	-	-	-	-	-
Other revenue	2,270	1,465	2,829	2,046	783
Overheads recovered	-	-	1,207	1,207	-
Total operating income	10,203	9,986	14,420	14,343	77
Operating expenditure					
Other expenditure	5,087	5,489	7,679	8,092	413
Depreciation and amortisation	52	52	69	69	(0)
Finance costs	-	-	307	307	-
Personnel costs	5,710	6,274	7,562	8,160	598
Overheads charged	-	-	9,451	9,451	-
Total operating expenditure	10,849	11,815	25,068	26,079	1,011
Surplus/(deficit) from operations	(646)	(1,829)	(10,649)	(11,736)	1,088
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	-	-	-	-	-
Surplus/(deficit) including capital income	(646)	(1,829)	(10,649)	(11,736)	1,088
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	2	-	2	-	(2)
Loss on disposal of assets	-	-	-	-	-
Total non-cash expenditure adjustments	2	-	2	-	(2)
Total non-cash adjustment	(2)	-	(2)	-	(2)
Total surplus/(deficit)	(648)	(1,829)	(10,650)	(11,736)	1,086

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Governance and Strategy	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	-	-	-	-	-
Subsidies and grants	7	105	42	140	(98)
Fees and charges	-	-	-	-	-
Interest revenue	917	774	1,236	1,369	(133)
Other revenue	2,977	2,770	3,945	3,888	57
Overheads recovered	-	-	485	485	-
Total operating income	3,900	3,649	5,708	5,881	(174)
Operating expenditure					
Other expenditure	2,741	3,115	4,819	4,602	(216)
Depreciation and amortisation	60	59	80	78	(2)
Finance costs	195	-	433	260	(173)
Personnel costs	2,461	2,424	3,145	3,154	10
Overheads charged	-	-	3,475	3,475	-
Total operating expenditure	5,457	5,598	11,952	11,570	(382)
Surplus/(deficit) from operations	(1,557)	(1,949)	(6,244)	(5,689)	(556)
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	-	-	-	-	-
Surplus/(deficit) including capital income	(1,557)	(1,949)	(6,244)	(5,689)	(556)
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	909	695	1,383	1,341	(43)
Loss on disposal of assets	-	-	-	-	-
Total non-cash expenditure adjustments	909	695	1,383	1,341	(43)
Total non-cash adjustment	(909)	(695)	(1,383)	(1,341)	(43)
Total surplus/(deficit)	(2,465)	(2,644)	(7,628)	(7,030)	(598)

MONTHLY INCOME STATEMENT

	2024-2025 YTD		Full Year		
Support Services	Actual	Revised Budget	Forecast	Revised Budget	Variance
	YTD	YTD	2024-25	2024-25	2024-25
	\$000	\$000	\$000	\$000	\$000
Operating income					
Rates	76,751	77,454	102,904	103,651	(747)
Subsidies and grants	75	142	287	189	98
Fees and charges	507	613	682	817	(135)
Interest revenue	1,755	1,417	414	(51)	466
Other revenue	161	314	168	395	(227)
Overheads recovered	-	-	33,459	33,459	-
Total operating income	79,248	79,940	137,914	138,460	(545)
Operating expenditure					
Other expenditure	7,853	7,350	11,496	11,002	(494)
Depreciation and amortisation	3,286	3,436	4,387	4,581	194
Finance costs	8,518	9,600	1,361	2,554	1,193
Personnel costs	10,268	10,389	13,395	13,509	113
Overheads charged	-	-	3,089	3,089	-
Total operating expenditure	29,924	30,776	33,728	34,735	1,007
Surplus/(deficit) from operations	49,324	49,164	104,186	103,725	461
Plus capital income					
Development and other contributions	-	-	-	-	-
Other capital contributions	-	-	-	-	-
Waka Kotahi NZTA capital subsidies	-	-	-	-	-
Total capital income	-	-	-	-	-
Surplus/(deficit) including capital income	49,324	49,164	104,186	103,725	461
Plus non-cash income adjustments					
Vested assets income	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-
Total non-cash income adjustments	-	-	-	-	-
Less non-cash expenditure adjustments					
OPEX on capital projects**	224	135	479	437	(42)
Loss on disposal of assets	-	-	-	-	-
Total non-cash expenditure adjustments	224	135	479	437	(42)
Total non-cash adjustment	(224)	(135)	(479)	(437)	(42)
Total surplus/(deficit)	49,100	49,029	103,707	103,287	420

**QUARTERLY CASH FLOW STATEMENT
YTD TO MARCH 2025**

	Actual 2024-25	Actual 2023-24	LTP Y1 2024-25
Council Summary	YTD \$000	YTD \$000	Full Year \$000
Cash flows from operating activities			
Rates (inc metered water)	108,715	95,548	143,666
Grants & Subsidies received	31,225	32,840	52,143
Other income	30,306	32,657	36,185
Interest & dividends received from investments	1,535	1,739	2,252
Payments to suppliers and employees	(109,655)	(104,601)	(147,227)
Interest paid	(8,742)	(7,345)	(13,210)
Net cash (to) / from operating activities	53,382	50,838	73,809
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	89	48	-
Maturity of investments and loans	560	300	167
Purchase and development of fixed assets	(80,896)	(63,863)	(118,977)
Purchase of investments and loans provided	(500)	(575)	(224)
Net cash flows (to) / from investing activities	(80,748)	(64,090)	(119,034)
Cash flows from financing activities			
Loans raised	45,000	43,000	24,000
Loan repayments received	223	420	-
Repayment of public debt	(45,000)	(20,000)	-
Loans granted	(1,726)	(2,838)	-
Net cash flows (to) / from financing activities	(1,503)	20,582	24,000
Net Cash Movement increase / (decrease)	(28,867)	7,331	(21,225)
Cash Reconciliation			
Cash, cash equivalents and bank overdrafts at the beginning of the year	50,372	39,825	52,022
Cash, cash equivalents and bank overdrafts at the end of the period	21,505	47,156	30,797
Net increase / (decrease) in cash, cash equivalents and bank overdrafts	(28,867)	7,331	(21,225)

QUARTERLY BALANCE SHEET AS AT 31 MARCH 2025

Council Summary	Actual 2024-25 YTD \$000	Actual 2023-24 YTD \$000	LTP Y1 2024-25 Full year \$000
Assets			
Current assets			
Cash and cash equivalents	21,505	47,156	30,797
Debtors and receivables	31,419	30,368	34,912
Derivative financial instruments	1,015	179	179
Other financial assets	241	94	382
Other current assets	5,200	2,680	1,777
Assets held for sale	-	410	-
Total current assets	59,380	80,886	68,047
Non-current assets			
Derivative financial instruments	5,399	9,465	9,465
Investment in CCO's and similar entities	13,999	12,124	16,333
Investment in other entities	15,554	14,480	8,258
Property, plant and equipment	2,600,092	2,223,314	2,530,176
Intangible assets	9,446	7,859	10,277
Forestry assets	910	854	854
Other non-current assets	1,715	1,715	6,631
Investment properties	98,384	95,838	100,415
Total non-current assets	2,745,500	2,365,650	2,682,409
Total assets	2,804,880	2,446,537	2,750,456
Liabilities			
Current liabilities			
Payables and deferred revenue	42,598	42,500	40,996
Tax provision	-	-	392
Current borrowings	25,000	38,000	28,000
Employee benefits liabilities	3,793	3,589	4,422
Provisions	23	68	50
Total current liabilities	71,414	84,157	73,860
Non-current liabilities			
Non-current borrowings	240,000	216,000	261,000
Employee benefits liabilities	548	517	588
Provisions	461	543	437
Payables and deferred revenue	341	108	108
Total non-current liabilities	241,350	217,168	262,133
Total liabilities	312,764	301,325	335,993
Net assets	2,492,116	2,145,211	2,414,463
Equity			
Retained earnings	1,068,459	1,045,781	1,081,556
Other reserves	99,182	106,824	97,736
Asset revaluation reserve	1,324,475	992,606	1,235,171
Total equity attributable to Council	2,492,116	2,145,211	2,414,463

TREASURY REPORT

31 MARCH 2025



S&P GLOBAL RATINGS CREDIT RATING:

AA

Outlook: Stable

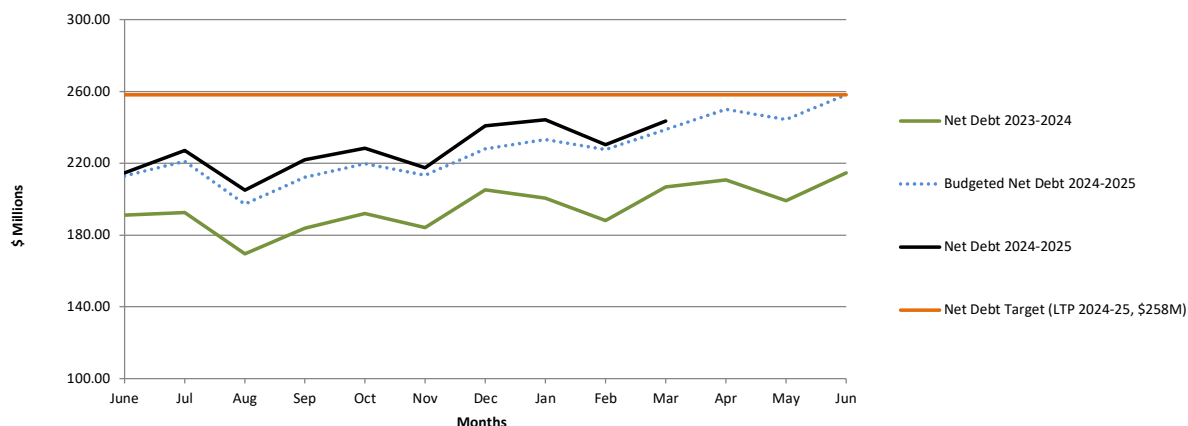
DEBT SUMMARY:**As at 31 March 2025**

External Debt		
Opening public debt as at 1 March 2025		275,000,000
Plus loans raised during month	5,000,000	
Less loan repayments made during month (Note: Facility movement has been netted)	(15,000,000)	
Net movement in external debt		(10,000,000)
Total External Debt		265,000,000
Less: Cash balances (excluding funds held on behalf)	11,504,620	
Term deposits (Funds held on deposit until required for project funding)	10,000,000	
Total cash and term deposits		21,504,620
Total Net External Debt		243,495,380

Note: Council also holds \$6.17m of LGFA borrower notes. These are not included in net external debt as per Council's Treasury Risk Management Policy.

External debt is represented by:

Less than 1 Year	25,000,000
1-3 Years	72,000,000
3-5 Years	100,000,000
Greater than 5 Years	68,000,000
Total	265,000,000

NET EXTERNAL DEBT COMPARED TO BUDGET:**Internal Funding***

Community Development Funds		11,830,556
Property Reinvestment Reserve - Committed	-	
Property Reinvestment Reserve - Available for Investment	19,143,560	
		19,143,560
Hikurangi Swamp		845,426
Waste Minimisation Reserve		1,084,134
Water Reserve		23,858,844
Wastewater Reserve		39,946,394
Total		96,708,915

*Note: Reserves Funding is disclosed to ensure transparency of Council's use of cashflow management to fund capital works.

Where funds are raised through property sales or targeted rates for Water, but they are not required for immediate investment in that asset category, Council's Revenue and Financing policy allows them to be used for other purposes, rather than being held on deposit.

To ensure total transparency of this we create Reserve Accounts so that the appropriate funding can be made available and transferred back when it is required. The timing of projects requiring these funds is set out in our Long Term Plan (LTP) and/or Annual Plan (AP).

These Reserves are not a liability to an external party, and are not part of Council's debt obligations.

The Property Reinvestment Reserve is split to record funds that have been already been committed to land purchases, and the remaining uncommitted balance that is available for other future investment purchases.

The only situation where our Net Debt would increase as a result of these Reserves is if major expenditure on Water Assets or property purchases is brought forward from the dates set out in the LTP/AP.

4.4 Capital Projects Report for the 9 months ending 31 March 2025

Meeting: Finance Committee
Date of meeting: 29 April 2025
Reporting officer: Alan Adcock (General Manager – Corporate / CFO)

1 Purpose / Te Kaupapa

To provide the Capital Projects Report for the period ending 31 March 2025.

2 Recommendation / Whakataunga

That the Committee notes the Capital Projects Report for the period ending 31 March 2025.

3 Background / Horopaki

This report provides an update on the Capital Projects expenditure to date compared with phased revised budget.

4 Discussion / Whakawhiti kōrero

Capital Projects year to date expenditure is \$11.3 million less than phased revised budget. Despite this, the year to date expenditure is greater than the two previous years, as illustrated by the Capital Projects Graph included as Attachment 1. The business continues to focus on delivering the capital programme.

The revised budget has been adjusted to capture the updated Transportation capital programme as approved in the December Council meeting.

Budget managers have revised carry forwards this month to \$21.2 million (February forecast \$23.7 million). Significant carry forwards include:

Project	Value	Comment
Springs Flat Roundabout	\$4.7m	Tender awarded later than anticipated.
OMB Fire Rebuild	\$2.1m	Construction Contractor behind schedule. Construction is scheduled for completion September 2025.

WWTP Odour Control	\$1.4m	Delay early in consent process. Due for completion late 2025.
Investment Property	\$1.3m	Associated with Commercial property budget unspent from prior year.

This month's forecast results will be used to determine the opening position, carry forwards and capital subsidies into the final 2025-26 Annual Plan budget.

It is anticipated that future capital project reports will include a multi-year summary showing the first three years of the 2024-2034 LTP, reflecting the change to a multi-year forecasting approach.

A review of the Portfolio and Expenditure by Type graphs included as Attachments 3 and 5, confirm the business is focused on achieving the renewals programme.

5 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this Agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

6 Attachments / Ngā Tāpiritanga

Attachment 1 – Capital Projects Graphs March 2025

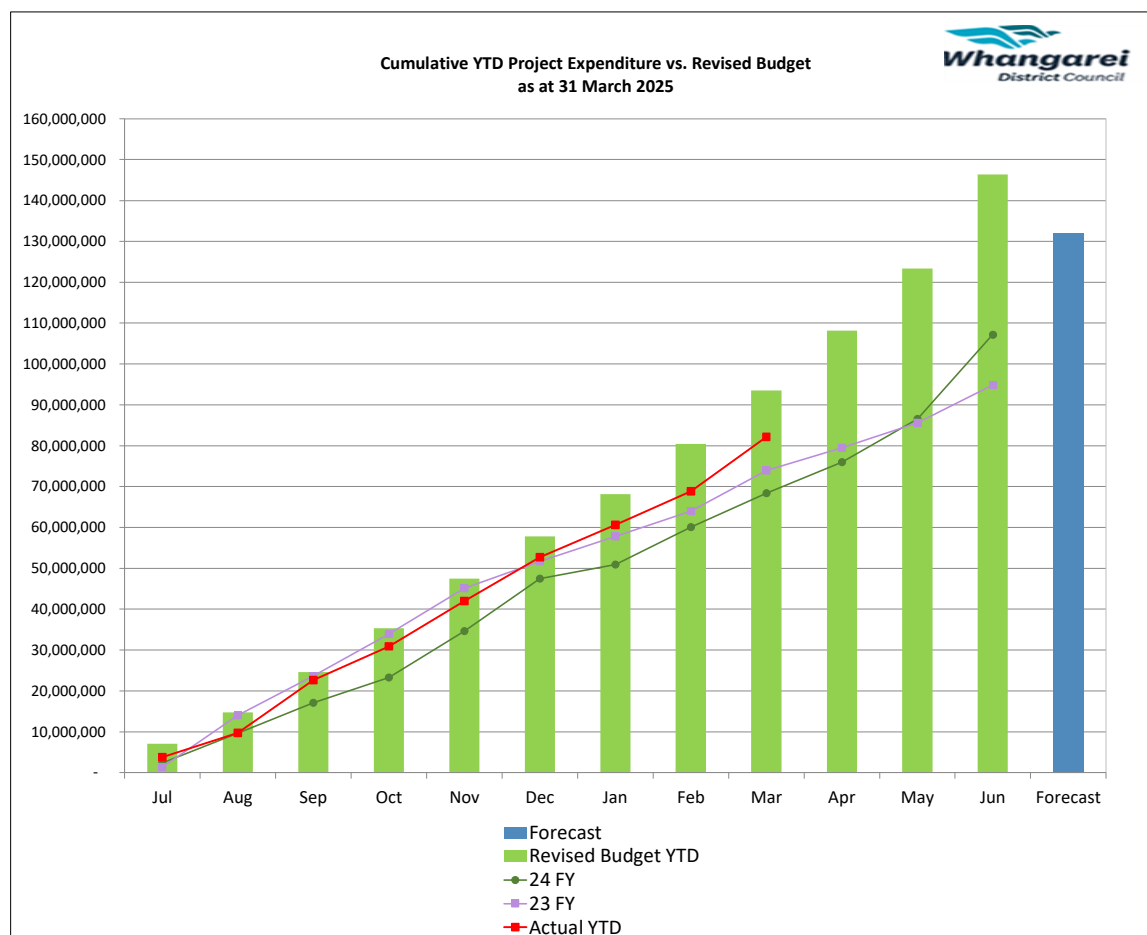
Attachment 2 – Capital Projects Report by Portfolio March 2025

Attachment 3 – Capital Projects Graph by Portfolio March 2025

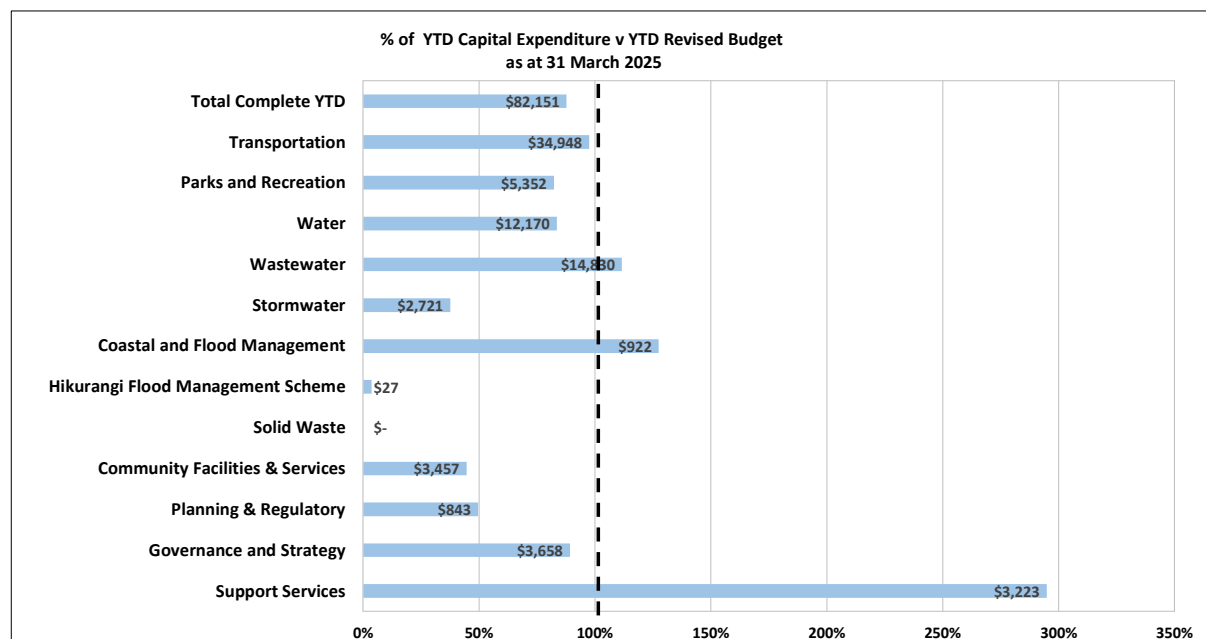
Attachment 4 – Capital Projects Report by Expenditure Type March 2025

Attachment 5 – Capital Projects Graphs by Expenditure Type March 2025

CAPITAL PROJECTS GRAPHS AS AT 31 MARCH 2025



The above graph illustrates Council's actual spend year-to-date compared to the prior year actuals, and the budget set as part of the Annual Plan/Long Term Plan. The green bars indicate the estimated timing of the budgeted spend as we progress through the year. This budget phasing occurs at the start of the financial year based on the information known at that time. The timing of the actual spend may differ to this phasing. The blue column indicates the level of capital spend expected by the end of the financial year. This forecast is updated periodically throughout the year.



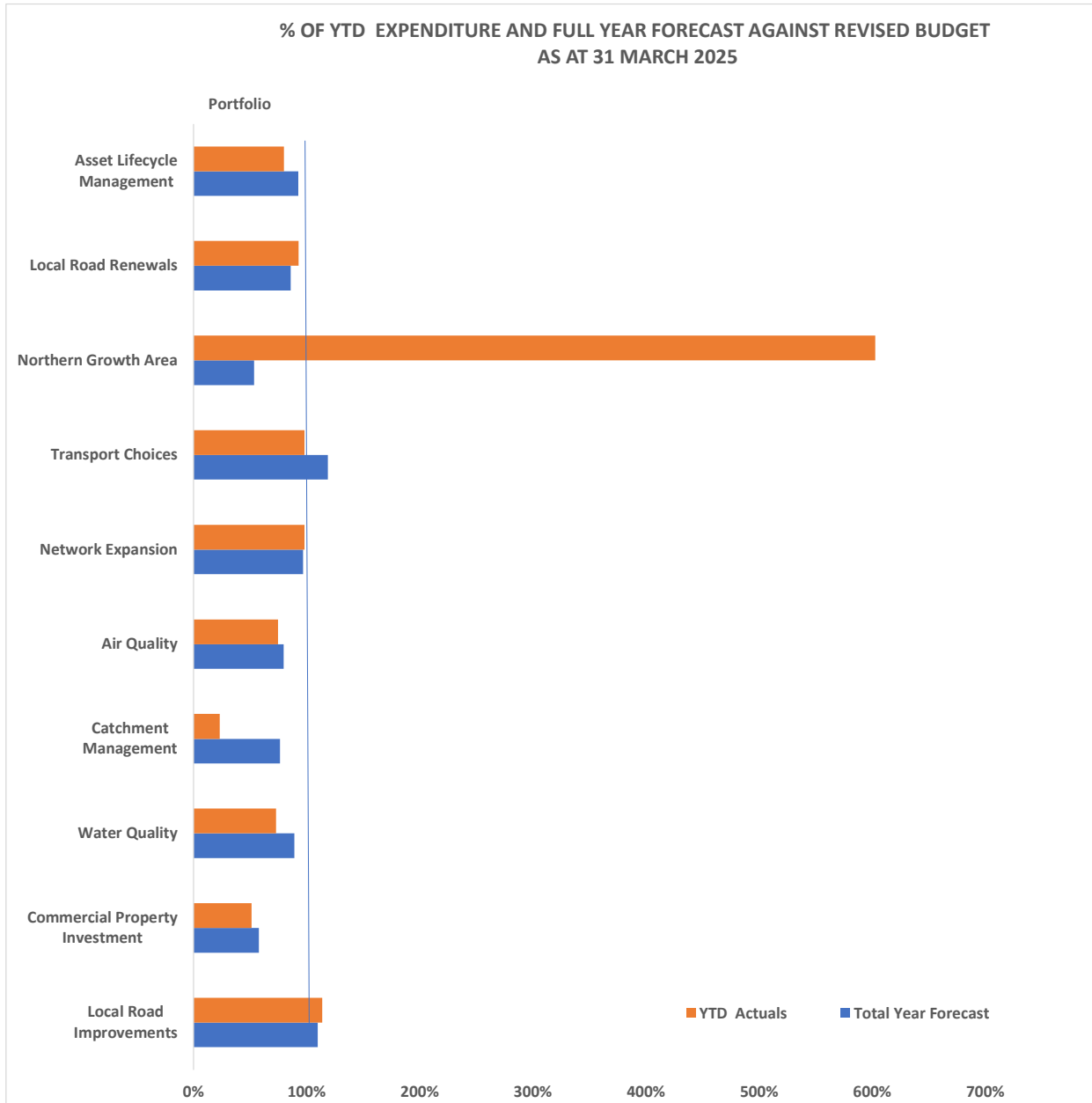
The above graph shows what percentage of the phased budgeted capital programme has been achieved year to date by Activity. This can be useful in determining a snapshot view of the year to date progress as well as to highlight timing differences between the actual spend and timing of the phased budget.

CAPITAL PROJECTS REPORT BY PORTFOLIO

AS AT 31 MARCH 2025

Portfolio	YTD Actuals	YTD Revised Budget	YTD Variance	Annual Forecast	Annual Revised Budget	Annual Variance Favourable/ (Unfavourable)	Portfolio Description
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	
Asset Lifecycle Management	19,489	24,402	4,914	31,786	34,364	2,578	Replacement of existing assets.
Local Road Renewals	20,986	22,605	1,619	24,456	28,517	4,061	NZTA subsidised renewals on existing roads.
Northern Growth Area	1,955	324	(1,631)	6,423	12,002	5,579	Works to enable growth to the north of Whangarei City.
Transport Choices	6,839	6,983	144	12,465	10,501	(1,964)	Government funded initiatives to encourage alternative travel to private vehicles.
Network Expansion	6,688	6,832	144	8,740	9,030	290	Works to that expand existing networks including Wastewater, Water, Stormwater and CCTV .
Air Quality	3,567	4,788	1,222	5,077	6,385	1,307	Initiatives contributing to the improvement of air quality.
Catchment Management	1,050	4,563	3,513	4,648	6,083	1,435	Improvements to the management of water flows predominantly stormwater and flooding.
Water Quality	2,965	4,071	1,105	5,121	5,749	628	Growth and improvements designed to improve water quality.
Commercial Property Investment	2,014	3,931	1,916	3,203	5,559	2,356	Investment and development of the commercial property portfolio.
Local Road Improvements	3,456	3,040	(416)	5,903	5,385	(518)	NZTA subsidised improvements to existing roads.
Digital Strategy	2,300	560	(1,739)	4,501	4,673	172	Development and maintenance of digital tools to enable efficient council operation.
Transportation Non- subsidised programme	1,065	1,707	643	4,003	4,054	52	Improvements to the Roding network and associated facilities fully funded by WDC.
Blue/Green Network Strategy	1,186	1,616	429	1,416	1,990	573	Implementation of the Blue Green Network Strategy including development of ecological and recreational corridors and managing flooding risks and future climate change.
Better Off Funding	477	1,217	740	924	1,733	809	Government funded initiatives to build community resilience.
Active Recreation and Sport	1,101	1,373	273	1,454	1,587	133	Implementation of the Active Recreation and Sports Strategy including facilities to encourage sports and recreation predominantly sports parks
Civil Defence & Emergency Management	528	1,079	552	1,412	1,517	106	Equipment for civil defence.
Open Space Strategy	1,108	1,055	(52)	1,128	1,280	153	Provision and improvement of open spaces for recreation.
Public Conveniences	103	309	206	1,218	1,029	(189)	Public conveniences renewals and development.
City Centre Strategy	480	728	248	630	971	341	Implementation of the CBD Masterplan including development of the Central Business District
Walking and Cycling Improvements	168	633	464	1,162	943	(219)	NZTA funded improvements to walking and cycling facilities.
Community Placemaking	131	375	244	155	816	661	Funding to enable Communities to identify and prioritise assets for their communities.
Cyclone Gabrielle	81	386	306	519	601	82	Recovery projects resulting from Cyclone Gabrielle.
Sustainability	0	309	309	153	412	259	Initiatives that contribute to a sustainable district.
Housing Strategy	0	199	199	0	285	285	Implementation of the Housing Strategy including provision of new Pensioner Housing.
Knowledge Hub	118	77	(41)	303	253	(50)	Development of the Knowledge Hub Precinct Plan including the Forum North building and surrounding area.
Pohe Island Masterplan	133	50	(83)	194	195	1	Implementation of the Pohe Island Masterplan
Transportation Investment Management	0	131	131	21	175	154	NZTA subsidised investment in strategies to manage transportation.
Marine Strategy	5	58	53	101	96	(5)	Development of strategy around provision of marine recreation facilities
Arts Culture and Heritage Strategy	40	51	10	57	54	(3)	Initiatives to implement the Arts Culture and Heritage Strategy to integrate arts culture and heritage to Council facilities.
Cemetery Strategy	7	40	34	27	51	25	Implementation of the Cemetery Strategy
Public Transport Services	3	20	17	45	51	7	NZTA funded improvements to non private vehicle transportation.
Indoor and Outdoor Courts Strategy	3	25	22	11	33	22	Implementation of the Indoor and Outdoor Courts Strategy including development of hard courts for recreation.
Total	78,044	93,538	15,494	127,257	146,376	19,119	
Council Approved Unbudgeted Expenditure	4,108	0	(4,108)	4,835	0	(4,835)	Unbudgeted expenditure approved by Council outside of the LTP
Total Current Year Expenditure	82,152	93,538	11,386	132,092	146,376	14,285	
Plus Forecast Carry Forwards into 2025-26				21,268	0	(21,268)	Budgets forecast to be carried forward into 2025-26
Grand Total	82,152	93,538	11,386	153,360	146,376	(6,983)	

CAPITAL PROJECTS GRAPHS BY PORTFOLIO



The above graph represents capital spend (actual and forecast) as a percentage of the budget for the same period:

The orange bar reflects actual spend compared to the year-to-date phased budget. If the orange bar is below 100%, it indicates either a timing difference between the budget phasing and the projects progress, or a delay in the project. Conversely, if the orange bar exceeds the 100% line, the project is ahead of schedule compared to the phased budget.

The blue bar reflects our forecasted spend by year end, and compares this to the full year budget. If the blue bar surpasses the 100% line, it suggests that spend is expected to exceed budget. If the blue bar is before the 100% line, it indicates that the full budget is not expected to be spent within this financial year, which should correlate with anticipated carry forwards.

By comparing these two data sets, we gain insight into whether the year-to-date position is expected to continue through to year end.

The portfolio's have been ordered by value, from largest to smallest, and represents the 10 portfolios with the largest budgets in the current financial year. These 10 portfolios account for 84.4% of the total annual projects budget.

Capital Projects Report By Expenditure Type

As at 31 March 2025

	Actual 000's	YTD Revised Budget 000's	Variance 000's	Total Forecast 000's	Total Revised Budget 000's	Underspent/ Overspent) 000's
Whangarei District Council						
Growth	8,710	9,528	818	16,021	23,305	7,283
Level of Service	35,018	43,566	8,548	60,006	65,694	5,688
Renewal	38,423	40,444	2,021	56,064	57,378	1,314
Grand Total	82,151	93,538	11,387	132,091	146,376	14,285

Breakdown by Expenditure Category

	Actual 000's	YTD Revised Budget 000's	Variance 000's	Total Forecast 000's	Total Revised Budget 000's	Underspent/ Overspent) 000's
Growth						
Transportation	2,798	2,483	(316)	6,925	13,446	6,521
Park and Recreation	740	1,014	274	824	1,098	273
Water	3,252	3,793	541	4,596	5,033	437
Wastewater	1,064	1,252	187	2,020	1,698	(322)
Stormwater	209	736	527	602	981	379
Coastal and Flood Management	0	0	0	0	0	0
Hikurangi Repo Flood Protection	0	0	0	0	0	0
Solid Waste	0	0	0	0	0	0
Community Facilities and Services	2	4	1	3	5	1
Planning and Regulatory Services	0	0	0	0	0	0
Governance and Strategy	154	105	(49)	205	205	(1)
Support Services	490	141	(349)	845	839	(6)
Total for Growth	8,710	9,528	818	16,021	23,305	7,283
Level of Service						
Transportation	14,632	13,940	(692)	25,729	23,195	(2,533)
Park and Recreation	3,035	3,694	659	4,704	5,458	755
Water	4,818	4,647	(171)	6,597	6,539	(58)
Wastewater	3,749	5,889	2,140	5,831	8,052	2,221
Stormwater	1,314	4,946	3,632	4,686	6,731	2,045
Coastal and Flood Management	291	121	(170)	538	249	(288)
Hikurangi Repo Flood Protection	4	70	66	27	93	66
Solid Waste	0	0	0	0	0	0
Community Facilities and Services	2,529	6,230	3,701	4,958	7,756	2,798
Planning and Regulatory Services	0	0	0	0	0	0
Governance and Strategy	3,351	3,584	233	4,475	5,213	738
Support Services	1,295	445	(850)	2,462	2,406	(55)
Total for Level of Service	35,018	43,566	8,548	60,006	65,694	5,688
Renewals						
Transportation	17,518	19,425	1,907	22,428	25,435	3,007
Park and Recreation	1,577	1,793	216	2,757	3,212	455
Water	4,100	6,117	2,017	8,555	8,473	(82)
Wastewater	10,017	6,139	(3,878)	12,699	8,632	(4,067)
Stormwater	1,198	1,552	354	2,220	2,070	(150)
Coastal and Flood Management	631	603	(29)	1,323	1,621	298
Hikurangi Repo Flood Protection	23	670	647	246	893	647
Solid Waste	0	28	28	0	28	28
Community Facilities and Services	925	1,500	575	1,926	2,304	378
Planning and Regulatory Services	843	1,700	857	1,053	1,865	812
Governance and Strategy	153	412	259	383	609	227
Support Services	1,438	506	(932)	2,474	2,235	(239)
Total for Renewals	38,423	40,444	2,021	56,064	57,378	1,314

Breakdown by Activity						
	Actual 000's	YTD Revised Budget 000's	Variance 000's	Total Forecast 000's	Total Revised Budget 000's	Underspent/ Overspent/ 000's
Transportation						
Growth	2,798	2,483	(316)	6,925	13,446	6,521
Level of Service	14,632	13,940	(692)	25,729	23,195	(2,533)
Renewals	17,518	19,425	1,907	22,428	25,435	3,007
Total for Transportation	34,948	35,847	899	55,082	62,077	6,995
Park and Recreation						
Growth	740	1,014	274	824	1,098	273
Level of Service	3,035	3,694	659	4,704	5,458	755
Renewals	1,577	1,793	216	2,757	3,212	455
Total for Park and Recreation	5,352	6,501	1,149	8,285	9,768	1,483
Water						
Growth	3,252	3,793	541	4,596	5,033	437
Level of Service	4,818	4,647	(171)	6,597	6,539	(58)
Renewals	4,100	6,117	2,017	8,555	8,473	(82)
Total for Water	12,170	14,557	2,387	19,748	20,045	297
Wastewater						
Growth	1,064	1,252	187	2,020	1,698	(322)
Level of Service	3,749	5,889	2,140	5,831	8,052	2,221
Renewals	10,017	6,139	(3,878)	12,699	8,632	(4,067)
Total for Wastewater	14,830	13,280	(1,550)	20,549	18,382	(2,168)
Stormwater						
Growth	209	736	527	602	981	379
Level of Service	1,314	4,946	3,632	4,686	6,731	2,045
Renewals	1,198	1,552	354	2,220	2,070	(150)
Total for Stormwater	2,721	7,234	4,513	7,508	9,782	2,274
Coastal and Flood Management						
Growth	0	0	0	0	0	0
Level of Service	291	121	(170)	538	249	(288)
Renewals	631	603	(29)	1,323	1,621	298
Total for Coastal and Flood Management	922	723	(199)	1,861	1,870	9
Hikurangi Repo Flood Protection						
Growth	0	0	0	0	0	0
Level of Service	4	70	66	27	93	66
Renewals	23	670	647	246	893	647
Total for Hikurangi Repo Flood Protection	27	740	713	273	987	713
Solid Waste						
Growth	0	0	0	0	0	0
Level of Service	0	0	0	0	0	0
Renewals	0	28	28	0	28	28
Total for Solid Waste	0	28	28	0	28	28
Community Facilities and Services						
Growth	2	4	1	3	5	1
Level of Service	2,529	6,230	3,701	4,958	7,756	2,798
Renewals	925	1,500	575	1,926	2,304	378
Total for Community Facilities and Services	3,457	7,734	4,278	6,888	10,066	3,178
Planning and Regulatory Services						
Growth	0	0	0	0	0	0
Level of Service	0	0	0	0	0	0
Renewals	843	1,700	857	1,053	1,865	812
Total for Planning and Regulatory Services	843	1,700	857	1,053	1,865	812

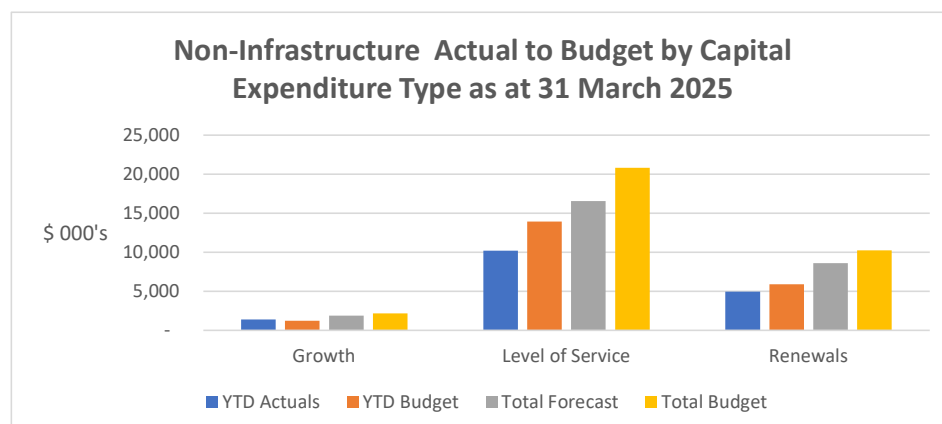
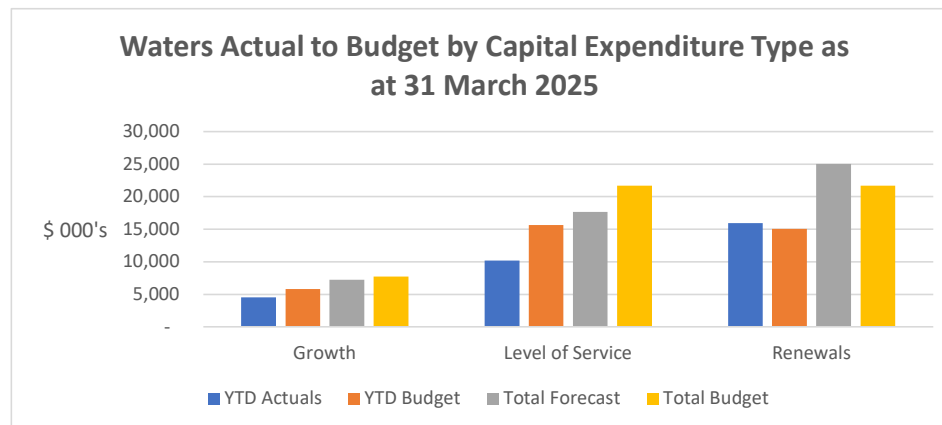
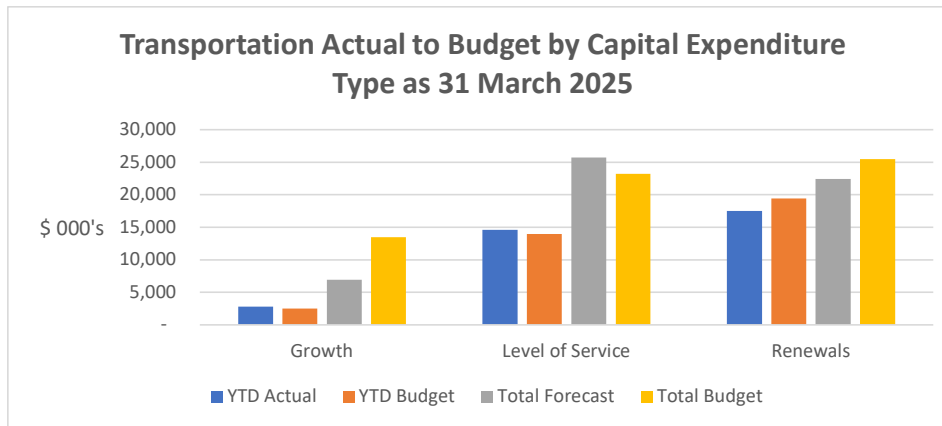
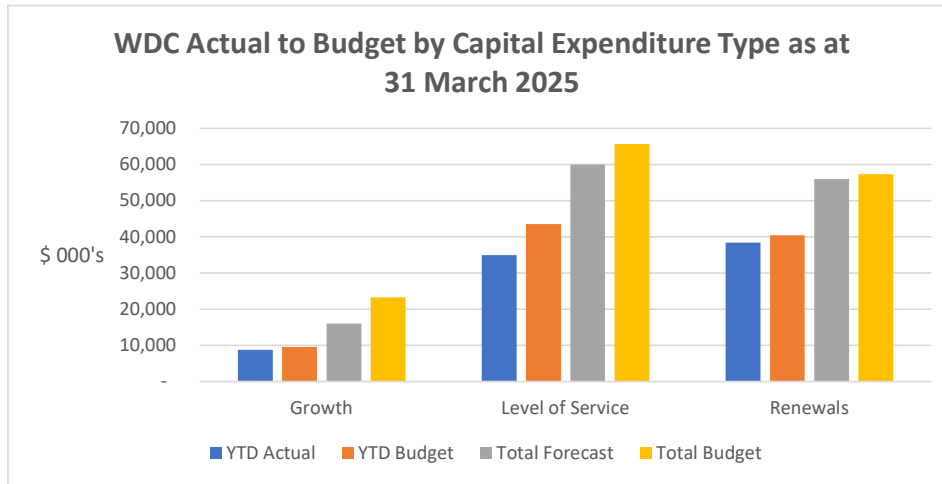
Governance and Strategy

Growth	154	105	(49)	205	205	(1)
Level of Service	3,351	3,584	233	4,475	5,213	738
Renewals	153	412	259	383	609	227
Total for Governance and Strategy	3,658	4,101	443	5,063	6,027	964

Support Services

Growth	490	141	(349)	845	839	(6)
Level of Service	1,295	445	(850)	2,462	2,406	(55)
Renewals	1,438	506	(932)	2,474	2,235	(239)
Total for Support Services	3,223	1,093	(2,130)	5,781	5,481	(300)

CAPITAL PROJECT GRAPHS BY EXPENDITURE TYPE AS AT 31 MARCH 2025



4.5 Operations Report – Corporate Group – April 2025

Meeting: Finance Committee
Date of meeting: 29 April 2025
Reporting officer: Alan Adcock (General Manager – Corporate/CFO)

1 Purpose / Te Kaupapa

To provide a brief overview of work across functions and services that the Corporate Group is responsible for.

2 Recommendation / Whakataunga

That the Finance Committee notes the Corporate Group operations report for April 2025 which contains statistics up to 31 March 2025.

3 Background / Horopaki

The Finance Committee terms of reference list key responsibilities which include provision of an operations report from the Corporate Group.

This report provides a brief overview of some of the operational highlights across functions and services of the Corporate Group, including comment on some future planned activities. This report contains statistics up to 31 March 2025 and other narrative is provided as a general update.

4 Significance and engagement / Te Hira me te Arawhiti

The decisions or matters of this agenda do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

5 Attachment / Ngā Tāpiritanga

Attachment 1 – Corporate Group Operations Report – April 2025 (statistics to 31 March 2025)

Operations Report Corporate Group

April 2025
(statistics to 31 March 2025)

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1. *Management Update*

This report contains statistics up to 31 March 2025 and other narrative is provided as a general update.

1.1 *Procurement Reporting – Contracts Approved Under Delegated Authority*

Contracts have been reviewed and there are none to report for this period.

1.2 *Current Priorities and Challenges*

The challenges and priorities for the Corporate Group are outlined in the report under each department. In summary, the main issues are:

- establishing the new Property Department
- financial modelling for the 2025/26 Annual Plan
- implementation phase of several ICT projects
- tri-annual District rating revaluation – objection phase
- contributing to work on the Water Services Delivery Plan
- working with ratepayers to minimise rates arrears, and
- managing ongoing operational cost pressures.

2. Information Communications Technology (ICT)

2.1 Current Priorities and Challenges

Our current priorities are the ongoing rollout of Windows 11 across Council, the continued work in our staged transition within Technology One from Ci to CiA, the ongoing work in implementing DxP and the successful completion of enhancements in our Health & Safety system and the completion of our Project Lifecycle Management (PLM) implementation.

2.2 Operational Activities

ICT Technical and User Support teams are immersed in training and delivering Windows 11 across Council. This has required a fresh approach to how we manage change across the organisation with the team delivering both structured and unstructured training. Enabling drop-in sessions for staff to ask questions or get one on one support has been core to the success of this upgrade.

With a focus on continuous improvement, the ICT team are committing time to improve onboarding and offboarding processes, optimising service tickets to assist with productivity gains, and ensure expenditure against the ICT budget is effectively managed.

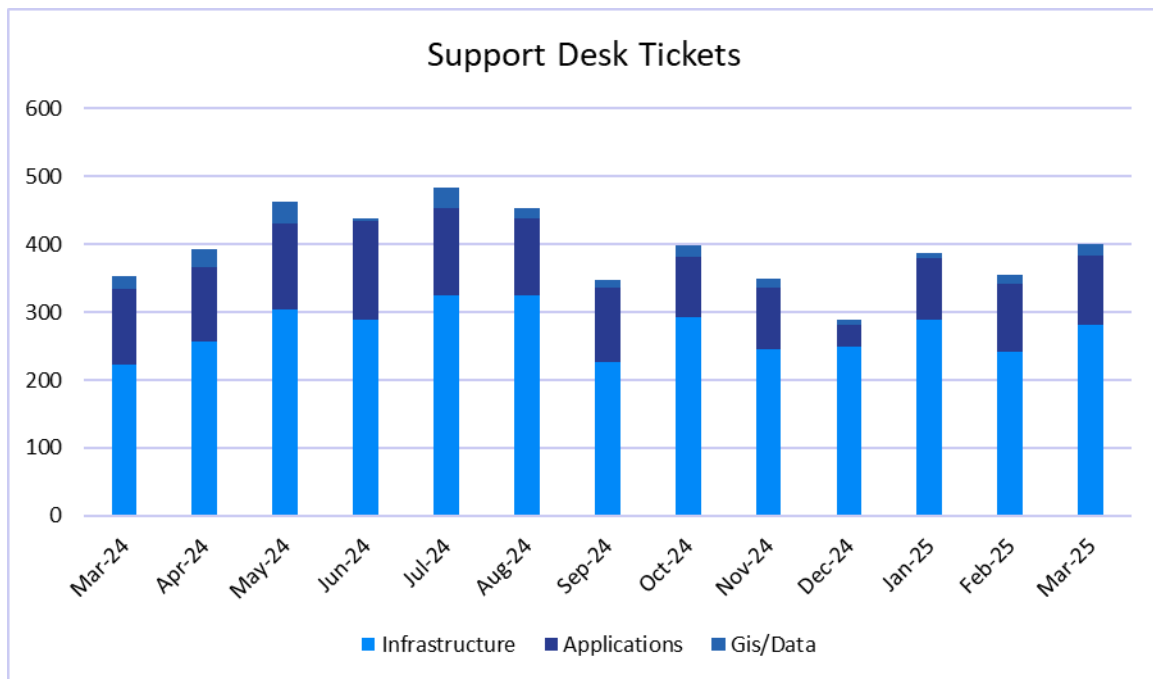
The close monitoring and management of licenses resulted in a small saving of \$4,000 which will result in a \$12,000 saving in the next financial year.

In addition to working within the 11 projects currently underway or completing, our Business Analysts are now working within the organisation helping departments with business process understanding and optimisation.

ICT End User Support

Business as usual support

- The User Support Team is actively hosting drop-in sessions, resolving minor user issues, and providing training as we have majority of users transitioning to Windows 11.
- We are beginning to work on the onboarding and offboarding processes, specifically focusing on roles to better facilitate workflow.
- Additionally, we are collaborating with teams within ICT and NorthCloud to optimise service tickets and train users on features to increase productivity within their teams.



Four new staff members joined Council during March and ICT provided induction and co-ordinated training as needed.

ICT Systems Engineering

Managed Events/P1 Incidents for the month

No P1 Incidents were recorded.

Availability Management

All systems at our Datacentre remained operational.

Business as usual

For the month of March, our focus continues to be on the deployment of Windows 11, this has resulted in the Systems Engineering team's workload doubling as minor issues are being addressed. The team is also working through action items as a result of the Cyber Security audit that we previously completed.

Information Management















Business as Usual







- Met with all staff involved in saving natural hazards technical reports to understand current locations being used. Next steps – review functional areas identified to agree best approach to save these reports.
- Update of Asset Management Planning workspace to make fit for purpose with current activities.
- Revamp of the way Building Consents Notices to Fix are saved and updating Kete views for better access.
- All Business Units have been updated in Kete to reflect new organisational structure.

ICT Projects

Windows 11 is now being rolled out across Council. This project has faced challenges due to significant dependencies, such as hardware updates, the Intune installation (Microsoft Intune is a Cloud-based device management system, that also manages updates and applications) and updates to ensure device alignment, over the past six months.

LEGEND:  NOT STARTED  ON TRACK  GOING OFF TRACK  OFF TRACK

Project Name	Phase	On Schedule	On Budget
Health & Safety – Phase 2	Closing		
<ul style="list-style-type: none"> Handover documentation has been completed and is being reviewed Benefits realisation meeting completed Closing steering committee planned for 31/03/2025 			
PLM (Project Lifecycle Management)	Closing		
<ul style="list-style-type: none"> Completed training for staff and loading of projects Finance working on Moving Budget rollout Benefits realisation planning in progress 			
Windows 11 Deployment (W11)	Execution		
<ul style="list-style-type: none"> Windows 11 is being deployed in stages across Council Special computers are being updated separately Issues are being resolved as they are submitted and logged 			
TechOne – NA (Data preparation for Transitions)	Execution		
<ul style="list-style-type: none"> Readiness checks are 85% reviewed and complete Name and Address data is being reviewed. 1300 of 2000 streets have been cleansed Name matching of Request contacts is being reviewed 			
TechOne – DXP	Execution		
<ul style="list-style-type: none"> Build and reformatting of “Report”, “Request” and “Apply” content pages in progress Merge Kete knowledge base on completed content pages in progress User Acceptance Testing with Customer Services team planned and to commence 			
TechOne – Ci to CiA Transition	Execution		
<ul style="list-style-type: none"> Second round of system testing to commence Priority issues being resolved and investigated TechOne resources have been boosted to work on priority issues and defects 			
HRIS – Talent and Succession	Planning		
<ul style="list-style-type: none"> Meeting with People & Capability to kick off discussion regarding accreditations, appraisals and workflows Requirements will then be used for base configuration 			
TechOne 2024B Upgrade	Planning		
<ul style="list-style-type: none"> Environment for testing has been upgraded and prepped for use Project information meeting with key business users and managers completed Upgrade to production planned for May 			

Firewall Replacement	Planning		
<ul style="list-style-type: none"> • <i>Business case being prepared</i> • <i>Planning initiated</i> 			
Rendezvous Replacement	Planning		
<ul style="list-style-type: none"> • <i>Planning initiated</i> • <i>Requirements across departments are currently being updated</i> • <i>Procurement process to commence</i> 			
Flowingly - ProMapp Replacement	Planning		
<ul style="list-style-type: none"> • <i>Planning initiated</i> • <i>Demo from Flowingly completed</i> • <i>Workflows and integration currently being investigated</i> 			

3. Finance

3.1 Current Priorities and Challenges

Key priorities this month include:

- Continued work on 2025-26 Annual Plan budgets
- Planning for 2024-25 Annual Report and associated audit
- Month end financial reports
- Ongoing work due to multi-year forecasting and budget transfers
- Continued work because of recent restructure
- Local Waters Done Well modelling
- Policy reviews
- Input into various agendas across Council's businesses.

Key challenges this month include:

- Ongoing impacts including process and reporting changes, risks and additional reconciliations as a result of the introduction of multi-year forecasting and budget transfers.

3.2 Operational Activities

2024-25 Financial Year

A financial report for the nine months ending 31 March 2025 has been included within a separate agenda. This report provides a comparison of year-to-date actuals with the phased budget, along with a full year forecast prepared by the business in March. Further information is included within that agenda.

2025-26 Annual Plan

Council adopted the Annual Plan 2025-26 consultation document and supporting documents for consultation on 27 March 2025.

With consultation now underway, Finance staff are continuing to review the draft budget and are planning for the final version, which includes:

- Revisiting the opening position for 2025-26 based on the March 2025 full-year forecast result.
- Incorporating the March 2025 forecast carry forwards into the 2025-26 capital programme. There is the potential for further review and smoothing of the capital programme being required. This work also includes adjusting for external funding and operational expenditure on projects.
- Capturing and considering agendas and decisions that have an impact on the Annual Plan budgets.
- Working through items that require resolution before the final version is completed, such as final restructure adjustments and unbudgeted high-risk items.

As part of the Annual Plan process, the business identified a number of unbudgeted high-risk items. Some of these are legislative requirements for which adequate budgets have not been allocated with the draft Annual Plan. Management is yet to determine how these will be prioritised and addressed as part of the preparation of the final Annual Plan budget. Any increase in budgeted expenditure will put further pressure on the financial parameters agreed on as part of the Long Term Plan. Further information on these high-risk items and how they will be managed will be

included within the Issues and Options agenda for further discussion as part of the Annual Plan process.

2025-26 Fees and Charges

2025-26 Proposed Fees and Charges were presented at the March Council meeting. Those fees not subject to the special consultative procedure were adopted at that meeting, with the remaining fees approved for consultation along with the Annual Plan.

2024-25 Annual Report and Audit

Initial planning for the 2024-25 Annual Report has commenced. The timing of Local Government Elections combined with the standard legislative deadline for adoption of 31 October 2025 creates additional complexity. The preparation of the Annual Report requires extensive resource from across the organisation and audit alike. Previous efforts to complete the Annual Report by September (prior to elections) have been difficult. With increasing complexity and scrutiny, along with competing priorities and workload, this is unlikely to be achievable. Management is working with Deloitte and will share the Audit Plan and timeline at the next Risk and Audit Committee meeting.

Multi-year Forecasting and Budget Transfers

Implementing multi-year forecasting as part of the wider Project Lifecycle Management (PLM) brings increased complexity. Multi-year forecasting and associated initiatives were seen as an essential step towards maximising the benefits of PLM. Working through the implementation and impacts of this has required, and will continue to require, significant resource from the Finance team. Processes and reconciliations are now being finalised to ensure adequate controls are in place to maintain financial integrity.

4. Revenue

4.1 Current Priorities and Challenges

Priorities:

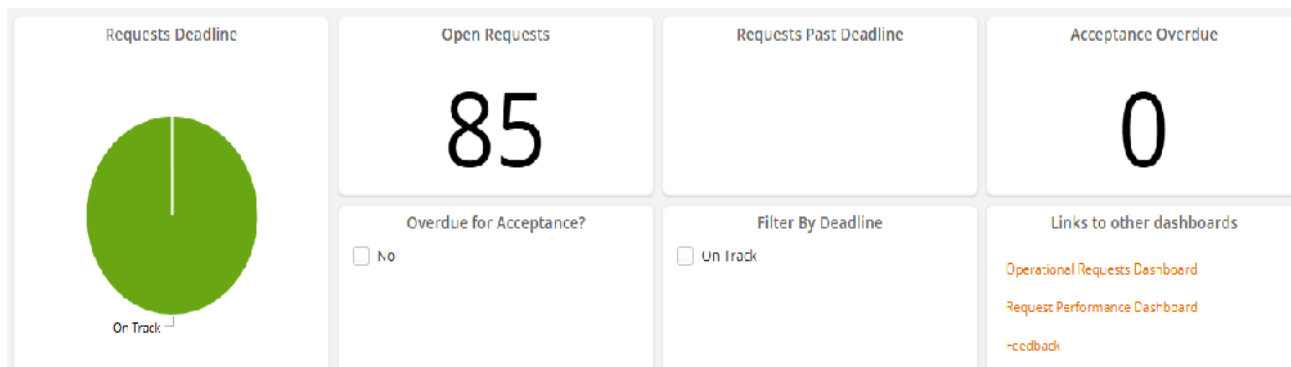
- 2025-26 Annual Plan
- 2024 General Revaluation
- Year-end and year-start tasks.

Challenges:

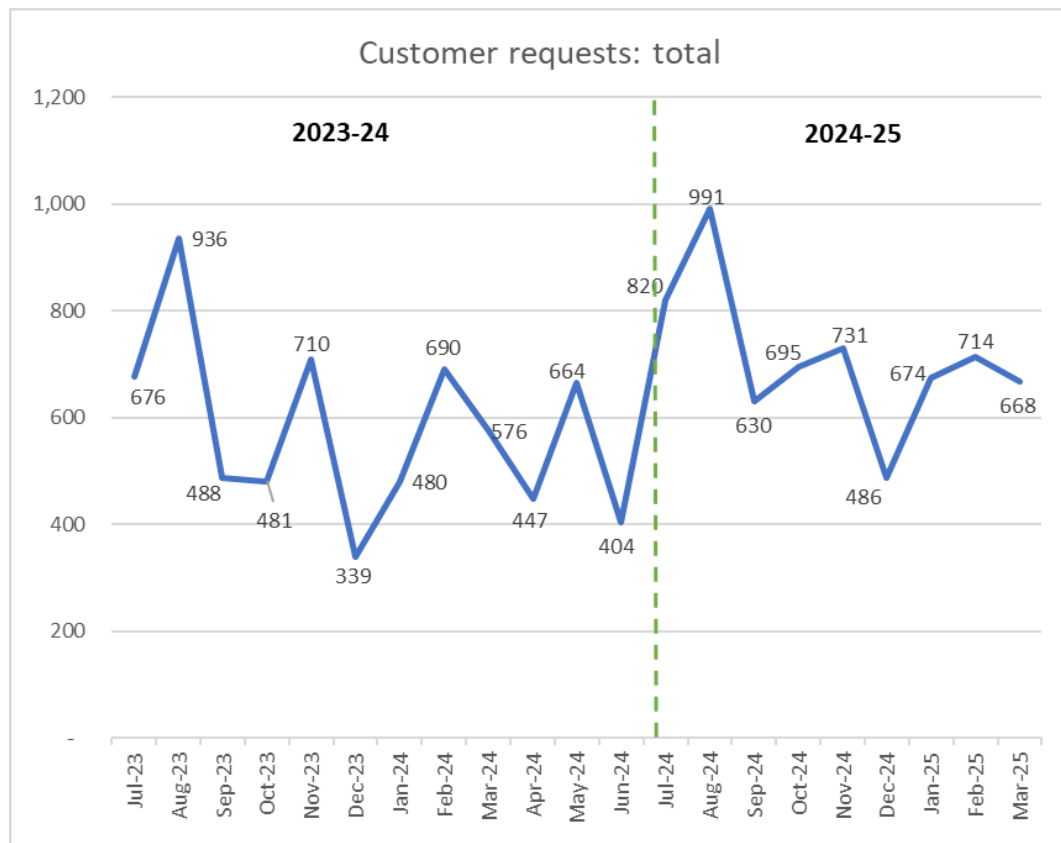
- Meeting customer expectations
- Managing workload
- Debt collection.

4.2 Request System Dashboard:

1 April 2025:



There were 1,382 online customer service requests received February to March which is 116 more than last year. The 85 unresolved requests are: 50 from March and the remaining 35 are valuation queries (required to be resolved by 30 June). The below graph shows requests are tracking higher than last year.



4.3 Operational Activities

Projects

The focus during February and March, was:

- 2025-26 Annual Plan – focus on rates funding impact statement, rates information for the consultation document and other communication channels.
- Rates Review – the rates review culminated with the report to Council summarising the process and outcomes. Typically, a review is concurrent with a Long Term Plan (LTP) and not does not coincide with a general revaluation. Circumstances did not allow this to happen this time.

Rating is complex and changes to policy impact all ratepayers. Talking to colleagues from other councils, making big changes to rating policy, e.g. changing from land value to capital value; takes time to explore options, often taking many years. If Council would like to revisit capital value rating, a rates review should start at least 18 months before consultation on options and ideally should coincide with the LTP cycle.

- TechOne CiA Implementation – planned for June 2025: Sundry Debtors and parts of Regulatory (Dog licenses and Infringements).
- 2024 General Revaluation – 837 of 852 objections to the 2024 rating valuations are unprocessed. Opteon is not progressing as quickly as we hoped due to staffing changes at the Whangarei office.
- Online credit card payments – change to processing methods.

Operations

Wandering dogs in some areas of the district have caused delay in the water meter readings. Armourguard has helped by coordinating their patrols with the meter readers visit although the meter readers are working in pairs where there is concern for their safety. This does not account for the consumption tracking lower than expected.

There were 354 property sales in February – March, tracking 17% higher than last year (the 9 months ending 31 March 2025).

Collections

At 31 March 2025, total land rates due are \$5.2 million (\$4.9 million March 2024) including prior years' arrears of \$2.0 million (\$1.9 million March 2024), a 9% year-on-year increase. Included are \$1.4 million whenua Māori arrears. Prior years' arrears decreased by \$0.2 million February-March.

Referring to the following table detailing the arrears by sector and property capital value; only 0.8% of properties have prior years arrears. The number of properties is fewer than last year but the properties without mortgages owe significantly more than last year, with 68 of these 97 debtors filed with the debt collection agency for recovery.

Land rates prior years' arrears by sector and property capital value (\$ amount/number of properties)												
Recovery group	Arrangement		Mortgage		No Mortgage		Total general		Whenua Māori		Total Properties	% with arrears
	\$		\$		\$		\$		\$			
Business (industrial and commercial)												
< \$510,000	-	-	-	-	-	-	-	-	-	-	479	0.0%
→ \$1,775,000	3,800	2	-	-	12,600	2	16,400	4	-	-	946	0.4%
> \$1,775,000	-	-	800	1	40,600	1	41,400	2	-	-	512	0.4%
Total business	3,800	2	800	1	53,200	3	57,800	6	-	-	1,937	0.3%
Rural (farming)												
< \$910,000	13,700	2	-	-	26,000	7	39,700	9	58,500	5	471	3.0%
→ \$2,267,500	700	1	400	1	23,900	5	25,000	7	44,700	2	917	1.0%
> \$2,267,500	-	-	-	-	35,300	3	35,300	3	-	-	463	0.6%
Total rural	14,400	3	400	1	85,200	15	100,000	19	103,200	7	1,851	1.4%
Residential												
< \$510,000	32,500	17	4,500	5	174,200	33	211,200	55	247,300	52	7,742	1.4%
→ \$850,000	9,600	11	18,800	9	98,300	20	126,700	40	110,700	17	15,152	0.4%
> \$850,000	7,600	4	500	1	31,700	5	39,800	10	189,400	17	7,562	0.4%
Total residential	49,700	32	23,800	15	304,200	58	377,700	105	547,400	86	30,456	0.6%
Lifestyle												
< \$700,000	33,800	9	10,100	4	24,700	12	68,600	25	445,100	50	2,408	3.1%
→ \$1,175,000	7,900	10	2,200	2	21,000	4	31,100	16	246,800	12	4,796	0.6%
> \$1,175,000	15,400	2	3,000	1	700	1	19,100	4	33,200	1	2,284	0.2%
Total lifestyle	57,100	21	15,300	7	46,400	17	118,800	45	725,100	63	9,488	1.1%
Other	-	-	4,400	1	8,200	4	12,600	5	6,400	2	492	1.0%
Total	125,000	58	44,700	25	497,200	97	666,900	180	1,382,100	158	44,224	0.8%
Last year	151,200	75	62,600	26	312,600	87	526,400	188	1,347,600	158		

The total amount overdue for this year's land rates is \$3.2 million, compared to \$2.8 million in March 2024 (12% increase). Following the arrears communications in February, current year arrears decreased by \$0.8 million.

Referring to the below table detailing the arrears by sector and property capital value; the properties with mortgages owe significantly more than last year. It is believed this is due to some mortgagee demands being paid later than previous years (December and February rather than November).

Land rates current year arrears by sector and property capital value (\$ amount/number of properties)												
Recovery group	Arrangement		Mortgage		No Mortgage		Total general land		Whenua Māori		Total Properties	% with arrears
	\$		\$		\$		\$		\$			
Business (industrial and commercial)												
< \$510,000	4,800	4	2,500	1	11,700	10	19,000	15	-	-	479	3%
→ \$1,775,000	39,900	10	43,100	5	99,200	17	182,200	32	-	-	946	3%
> \$1,775,000	20,600	5	150,300	3	109,100	7	280,000	15	-	-	512	3%
Total business	65,300	19	195,900	9	220,000	34	481,200	62	-	-	1,937	3%
Rural (farming)												
< \$910,000	14,600	11	11,700	5	25,800	13	52,100	29	24,900	7	471	8%
→ \$2,267,500	18,800	12	32,700	10	48,300	21	99,800	43	10,000	2	917	5%
> \$2,267,500	4,300	3	46,000	4	60,300	8	110,600	15	-	-	463	3%
Total rural	37,700	26	90,400	19	134,400	42	262,500	87	34,900	9	1,851	5%
Residential												
< \$510,000	111,500	127	95,100	56	187,900	138	394,500	321	89,400	62	7,742	5%
→ \$850,000	232,500	262	234,500	121	265,300	227	732,300	610	50,900	26	15,152	4%
> \$850,000	91,500	81	78,500	28	129,900	74	299,900	183	77,700	18	7,562	3%
Total residential	435,500	470	408,100	205	583,100	439	1,426,700	1,114	218,000	106	30,456	4%
Lifestyle												
< \$700,000	50,500	64	49,800	29	67,800	56	168,100	149	138,200	63	2,408	9%
→ \$1,175,000	72,200	82	70,500	37	102,900	90	245,600	209	60,400	12	4,796	5%
> \$1,175,000	32,600	27	33,200	13	36,300	24	102,100	64	8,900	1	2,284	3%
Total lifestyle	155,300	173	153,500	79	207,000	170	515,800	422	207,500	76	9,488	5%
Other	-	-	1,500	1	1,700	3	3,200	4	1,400	1	492	1%
Total	693,800	688	849,400	313	1,146,200	688	2,689,400	1,689	461,800	192	44,224	4%
Last year	780,100	1,016	324,100	40	1,289,800	891	2,394,000	1,947	413,300	222		

Collection activities are generally reactive rather than proactive, recruitment for a vacancy should help this in future months.

Other debtors - Debts over \$2,000 require Council approval before they can be written off. There are no debts to be referred for Council approval to be written off this year. However, there are 5 debts totalling \$520.19 which are statute-barred, unable to be recovered, which have been written off.

5. Business Support

5.1 Current Priorities and Challenges

Current priorities include:

- Progressing procurement process for the security contract
- Review of CCTV across Council sites
- Recruitment
- Inducting new Team Leader

Current challenges include:

- Coverage of staff with varied hours
- Procurement for Security and Related Services

5.2 Operational Activities

Procurement

Internal

- Providing general advice and support to staff involved in procurement-related projects.
- Participating in the Windows 11 Rollout test group.
- Led a full day procurement workshop for staff from WDC and KDC.
- Participated in a full-day Civil Defence training exercise as Response Manager.
- Met with Airport staff to discuss procurement policy requirements.
- Supported Transportation staff in finalising the Roding Maintenance tender.

Strategic

- The Procurement Advisor has been working closely with asset owning staff and our electricity retailer along with their subcontractor on a project to replace a significant number of electricity meters and modems. In the past this has been done by retailers one meter at a time, but this project is taking a strategic approach and treating the replacement program as one complex piece of work rather than multiple disconnected jobs.

Major work streams in procurement in February and March have included:

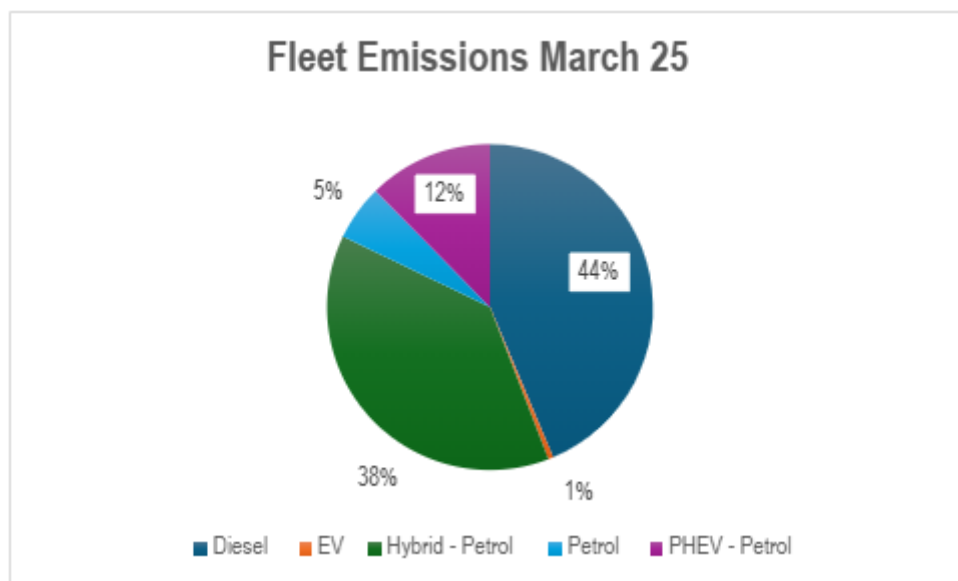
Service/Good Being Procured	Detail	Procurement Commencement Date	Business Owner	Date Advertised on GETS	Expected End Date
Security and Related Services	Security services including cash in transit, guard services and alarm monitoring	To be determined	Business Support	To be determined	To be determined
Tangata Whenua-Led Climate Planning Fund	Applying procurement decision-making methodology to fund application evaluations	BS involvement began – Dec 2024	Strategic Planning	NA	April 2025
Electricity Meter/Modem	Upgrading electricity meters and modems	Project start – December 2024	Business Support	NA	First quarter 2025

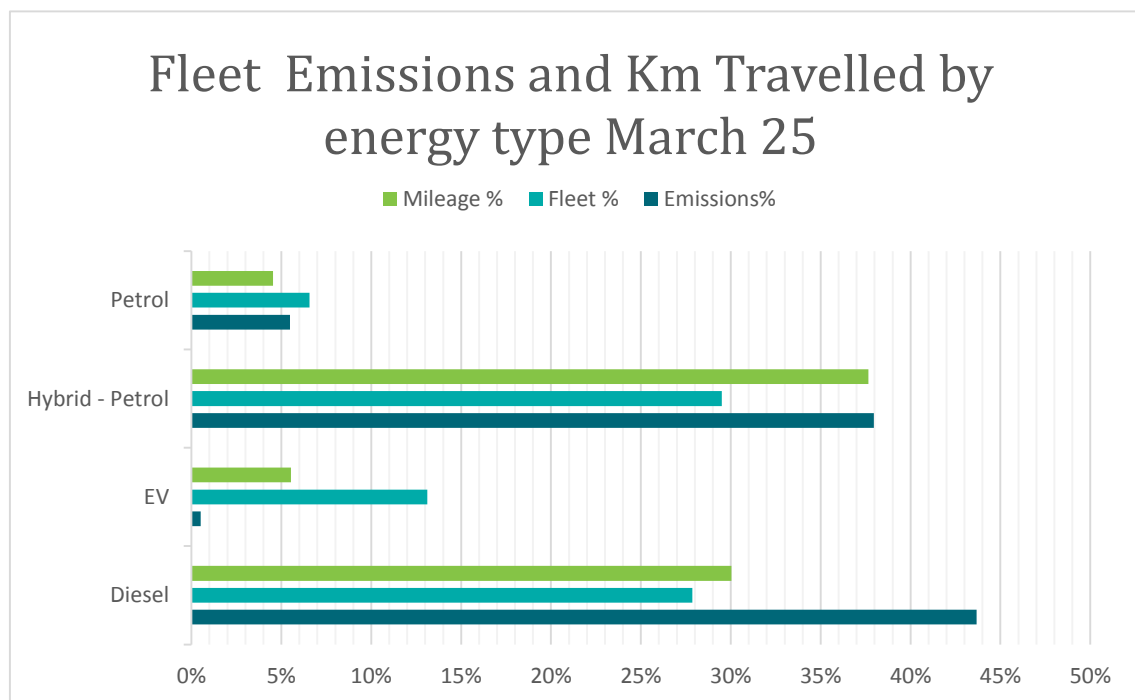
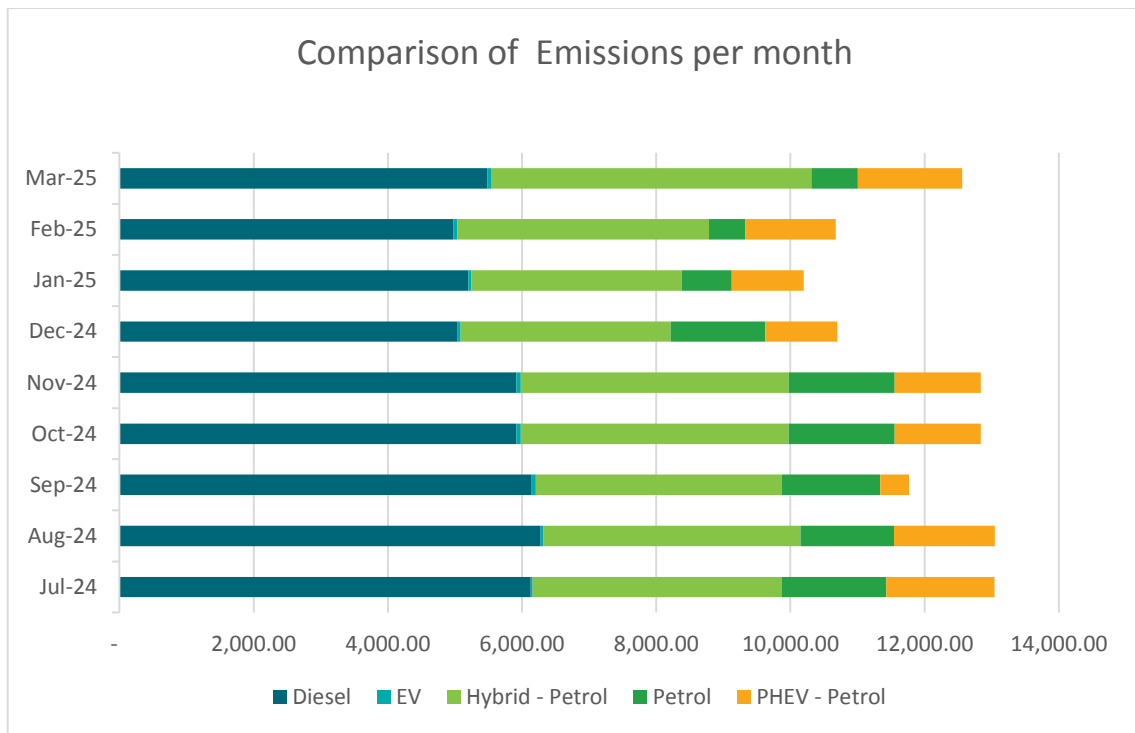
Service/Good Being Procured	Detail	Procurement Commencement Date	Business Owner	Date Advertised on GETS	Expected End Date
upgrade project	across much of Council's network				
Archaeological Evidence in Support of Sites and Areas of Significance to Maori	To procure specialist expertise to support legislative requirements regarding the district plan review	December 2024	District Plan	January 2025	March 2025
Library Flooring upgrade	To procure replacement flooring for high traffic areas	February 2025	Library/Property	Closed tender	June 2025
Pensioner Housing Tenancy Management Services	To procure tenancy management services for pensioner housing assets	June 2024	Community	06 March 2025	June 2025

Fleet

In March the fleet travelled the distance of 82,443.6 kms.

The total fleet emissions for the specified period amounted to 12,558.92 kg of CO2 equivalents (CO2e). A decline in the number of diesel vehicles is now evident, as reflected in the reduced emission percentages shown in the graph below.





Our hybrid and diesel vehicles cover the highest mileage, as they are primarily assigned to departmental or dedicated roles based on specific operational requirements.

We plan to replace some of our petrol and diesel vehicles with plug-in hybrid electric vehicles (PHEVs) as they become available. This transition will further contribute to reducing our overall emissions.

Our current fleet comprises 61 vehicles in total:

Diesel	17
EV	8
Hybrid	18
Petrol	4
PHEV	14

We are still awaiting the arrival of PHEV Ford Ranger Utes to be able to purchase.

6. Property

6.1 Current Priorities and Challenges

Current priorities include:

- Bedding in a new department structure and aligning responsibilities with new structure.
- Asbestos Surveys of Priority sites including Community and Commercial buildings/Premises.
- Tenanting of vacant commercial premises.
- Renewal of leases and licences – Commercial and Community.
- Finalisation of Job Descriptions and recruitment of two vacant roles.

Current challenges include:

- Resourcing is an issue while we have a Team leader absent on ACC, and recruiting for two vacant roles.

6.2 Operational Activities

Facilities Maintenance

Highlights for the team were:

- On-going Management of the Asbestos Survey Project.
- Working with the Building Compliance Team to close out historic building consents.
- Urgent, after-hours repair caused by break in at Claphams Clocks.
- Asbestos removal at George St Pensioner unit.
- The exterior walls of the Art Museum Building, the Boatshed and Serenity Café were painted this month. Damaged weatherboards have been fixed, and the roof will be painted to match the new look walls within the next year.



Before



After

Projects

Name/Location	Details	Asset Owner/ Sponsor	Status	Estimated Completion
Asbestos Surveys	Manage the Asbestos Survey of all Council owned buildings and update Asbestos database to meet legislative H&S requirements	Health and Safety	In Progress	31/12/2025
Old Municipal Building	Liaison with Project Manager on rebuild, manage tenant application process, relocate tenants as required	Community Development	In Progress	31/12/2025
Pensioner Housing Tenancy Management	Procurement Process to appoint Tenancy Management Services for Pensioner Housing portfolio	Community Development	In Progress	31/07/2025
Central City Car Park	Application of waterproofing membrane to seal car park building	District Development	Complete	30/04/2025
Pensioner Housing Grounds Maintenance	Procurement to appoint contractor for all pensioner Housing portfolio	Community Development	In Progress	31/7/2025
90 Otaika Rd	Upgrade of Café, new electrical distribution board	Property	In Progress	30/04/2025
Town Basin 6	Repair and Repaint Whangarei Art Museum and Vacant Kauri Room exterior. Roof in 2025-2026 year	Property-Commercial	Complete	30/04/205
Town Basin 1 Restaurant	Floor repair after underfloor leak - Insurance Claim	Property-Commercial	In Progress	1/8/2025
Ruakaka Hub	Install roof access ladder and 2 x air conditioning units	Business Support	In Progress	30/4/2025
Forum North	Investigate sprinkler system leak and install pump to keep pressurised until remediation is complete. On-going maintenance to maintain BWOFF for public use	Business Support	In Progress	On-going

Leases and Licences

This month, the team has continued finalising new lease arrangements, engaging with new tenants to discuss terms and outgoing. We've promptly followed up with tenants to ensure timely communication responses. Reviewed and amended draft leases in preparation for signing, updated older leases that had expired, and provided tenants with information on newly proposed commercial rents for their upcoming renewal terms.

Commercial Leases and Licences

- New Leases: Processing 22 new leases
 - 4 of which are pending a decision on who pays the legal fees (lessee or WDC) following an arbitration award.
 - 1 lease (AirNZ) is currently being finalised by the Property Group.
- Lease Surrenders: Awaiting an update on the surrender of 2 leases.
 - 1 currently managed by Property Group.
- Lease Renewals and Reviews: Managing 6 lease renewals and reviews.
 - Negotiations for 2 leases (Watson) are currently managed by the Property Group.
- Renewal with Variation: Managing 6 lease renewals and reviews.
 - Negotiations for 2 leases (Watson) are currently managed by the Property Group.
- Rent Reviews: Conducting 3 rent reviews.
- Review with Variation: Processing 1 review with variation.

Parks and Reserves Leases and Licences

- Actively processing 8 deeds of lease. 3 more are on hold until we have answers on building upgrades.
- Starting 2 new premise deeds of lease. Researching a COP/sports club that don't appear to have had a lease before. Potentially we may have to do 3 leases on the property.
- Completed 4 rent reviews.
- Currently processing 3 rent reviews and 1 renewal of lease.
- Parks and Property are working together to get leases up to date.

Community Leases and Licences

- Provide support with leases and licenses function as we transition to new Property structure.
- Held a meeting with Old Municipal Building past tenants and introduced the application process and gave an update on refurbishment progress.

7. Communications

7.1 Current priorities and challenges

Current priorities for the month include:

- Supporting Customer Services with build of TechOne DXP knowledge base content.
- Annual Plan and Local Water Done Well consultation preparation.
- Busy operational time with summer events and construction season.

7.2 Operational activities

Media coverage

- Northland eyes economic boost with regional deal proposal
- Our District is one of New Zealand's best-kept secrets
- Retirees claim Northland dream property fouled by neighbour's sewage
- Food, culture and diversity all results of positive growth
- India Consul General's visit boosts trade ties
- Future of carparking in Whangarei District
- Clapham's Clock Museum burgled over night
- Ancient trees at risk as Whangarei Hapu fights for protection
- Congestion charges move closer – could Whangarei benefit?
- Win for transparency: emergency Whangarei fluoridation meeting canned
- Whangarei council holds closed-meeting on fluoridation
- High Court reserves decision on Whangarei fluoridation
- Whangarei District Council to hold sudden closed-door fluoridation meeting
- Whangarei District Council meeting on Monday to vote on fluoridation
- Whangarei District Council back tracks on staunch fluoridation resistance
- Hundertwasser Art Centre still reliant on Council funding
- Whangarei to fluoridate water after court dismisses district council's challenge
- Fluoridation starts in Whangarei amid legal battle.

Communications and engagement projects

A summary of campaigns of note include:

Campaign	Comment
Annual Plan	Design draft consultation document and communications support
Local Water Done Well	Design draft consultation document and communications support
Maori All Blacks	Publicity to support ticket sales
Age Friendly Whangarei	Communication support to promote and run survey on our website
Cruise	Communication support for cruise season
Regional climate resilience	Comms support for Climate Adaptation Te Taitokerau joint regional working group, particular focus on making the TTCAN website live (Te Taitokerau Climate Action Network)
Coastal Protection Works Policy	Planned with NRC for a series of 'Coastal Conversations' from 3-7 March, as part of SeaWeek 2025. This series of events was designed to communicate our Coastal Protection Works Policy, build strong networks and community awareness of erosion control techniques, council processes and adaptation programmes

Campaign	Comment
	Separate joint sessions were run for EMs from NRC, FNDC, KDC and WDC, and key staff from Northland councils
Elections 2025	Comms support and planning for Elections 2025. Currently the focus is on enrolment, with elections team attending events alongside the Electoral Commission. We will be promoting STV and Māori Wards Poll as part of the next phase, which begins in April.
Whangārei Heads watermain renewal	Ongoing social comms re water shutdowns and traffic disruption to support letter drops
Ruakaka Wastewater Treatment Plant Upgrade	A community Liaison Group meeting was held in Ruakaka to update the group and seek feedback
Ngunguru Seawall restoration	Comms to community about ongoing construction of seawall. New boat ramps and beach access
Mair St and Rurumoki St Stormwater	Project page published and comms to residents immediately adjacent to works given heads up about the project via post
Parua Bay Wastewater Scheme	Community drop-in session held to update on progress
Morningside Flood Relief	Support preparations for community meeting and comms for stage 2 of the project
Welcoming Communities: Welcoming Plan	Communications support to promote series of community hui
Community Impact Partnership Programme	Design, writing and website support for this new community programme launching in early April
Puanga Matariki Festival	Design and communications support
Waste Management and Minimisation Bylaw	Design of draft consultation document and communications support to promote and run consultation
School career day promotion	Design and create content for a series of career posters, promoting different career options at Council
Knowledge Precinct Plan	Assistance with developing of a Communications Plan for this upcoming public engagement.

District pride campaign

We are increasing the focus on celebrating our place, showcasing more positive stories about our District, celebrating some of our local attractions and highlights, and encouraging the community to get behind well-known waste minimisation campaigns like Keep New Zealand Beautiful.

Activity over this period included:

- Progress on the Ngunguru seawall replacement
- Waste minimisation fund success from Tauraroa School
- Marriage proposal locations across Whangarei District
- Hanging flower baskets recycling
- Welcoming Plan hui
- Governor General dinner with youth leaders
- Civic Honours nominations
- Taste Whangarei
- Recycling of plants from flower beds

- NorthTec graduation
- New painting of Marsden Bay toilets
- Hot Grill Summer winners
- Maungatapere Mountain trust grant story
- Children's Day celebrations
- Fritter Festival
- Kiwi Art trail colouring competition winners
- Kai Ora fund now open
- Bunya nut tree at Botanica
- Pokare seat at Town Basin
- Love it Here festival wrap up.

Social media

February was a busy time with nearly 50 distinct news items. For the most part we were able to reach our target audience for each message, and we were able to collaborate effectively with the District Development and events promotion channels to invite the public to the 'Love It Here' Festival (repeated in March for 'Taste Whangarei').

March was an extraordinary month for reach and engagement on Facebook, though the high performance wasn't seen on other social media platforms. Notable topics included flower garden re-bedding (giving away mature plants), and Taste Whangarei (including our best-viewed ever Livestream video at the start of the event). A post about the Pohe Island carpark reached 24,000 people, a post about fluoride (with comments turned off) reached 16k, and a post about a new paint job on a toilet block reached nearly 15k.

Top three highest reaching Facebook posts in February 2025 - refer to Appendix 1 for screenshots.

Topic	Reach and interaction notes
Pōkare, new sculptural seat in the Town Basin	37,000 accounts reached, mostly due to the 388 reactions. About 70% non-followers of the Page.
Ngunguru seawall restoration	22,000 reached from a relatively small base of 10 shares and 11 interactions.
"Ghost busters" line-markings removal on Kamo Road (27 second video)	17,000 reached, mostly non-followers. Average watch-time was 12 seconds, long enough to get the message.

Top three highest reaching Facebook posts in March 2025 - refer to Appendix 1 for screenshots.

Topic	Reach and interaction notes
Garden bed replanting/ collect free flowers	59k reach
Taste Whangarei event hype	51k reach
Garden bed collections follow-up	44k reach

Website and digital channels

Digital transformations*

We are building website capacity to allow for more customer interactions online.

Completed digital transformations:

- New walking and cycling section on website with separate pages for each shared path
- Alcohol Licensing subscription list (eNewsletters).
- Forum North patron feedback.
- Hot Grill Summer burger people's choice award.

Process transformations underway:

- The website requests and report it sections are being moved onto the new TechOne DXP platform.
- Event Public event feedback form.
- New content for Cycling and Shared Paths section of the website.

* Updated every three months – next update May 2025.

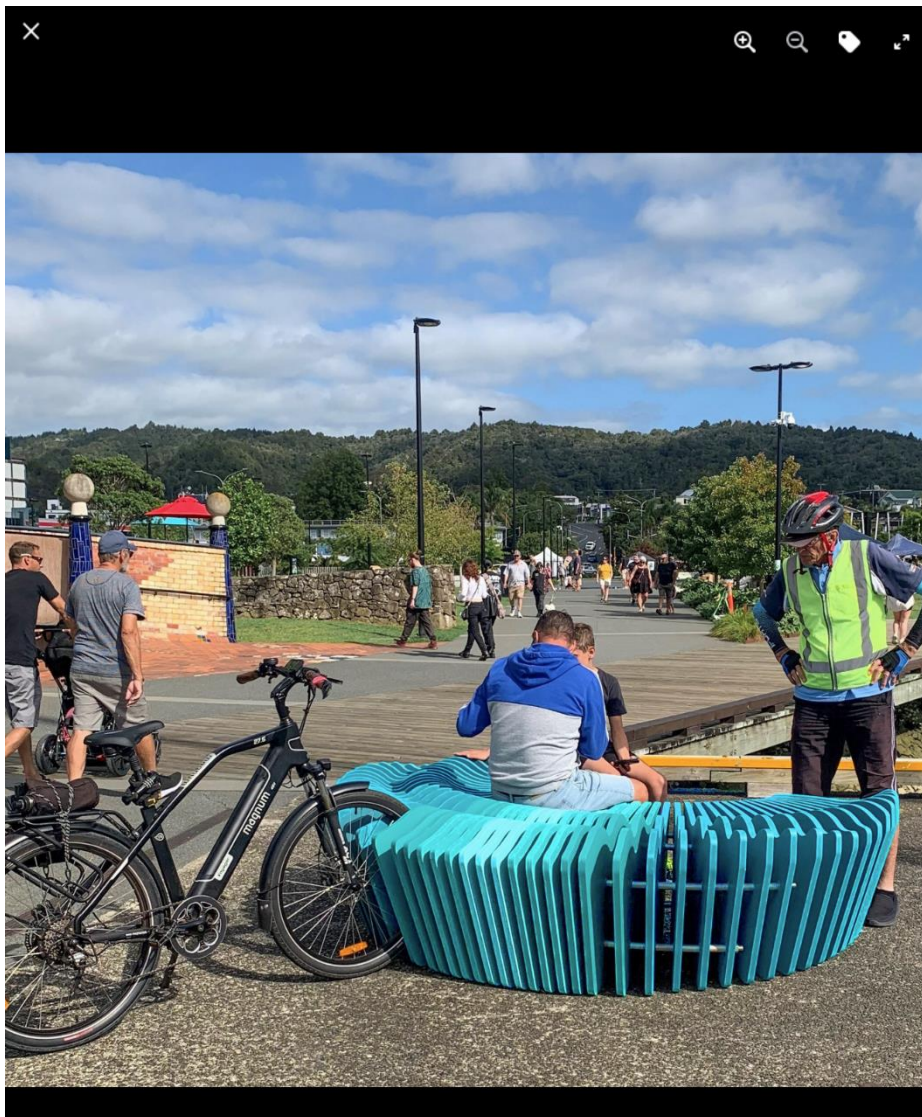
Top 5 pages visited (main website only, Google Analytics report)

*“Search”, “home” and other core functional pages are not listed.

February 2025	March 2025
Weber Brothers Circus (event listing under 'What's On Whangarei')	Rates database and search
Hot Grill Summer (burger competition)	Contact us
Rates database and search	Taste Whangarei event page
Rubbish and recycling	What's on – event listings
What's On Whangarei event guide	Northland Fritter Festival event listing
Notable: Otuihau Whangarei Falls, Freedom Camping, Love it Here Festival, Dogs on Beaches, Matapouri / Whale Bay, A-Z recycling and disposal guide.	Notable: Otuihau Whangarei Falls, online maps, fluoridation of water supply, freedom camping, ePlan, payment gateway, age-friendly Whangarei survey.

Appendix 1 - Social media (by top performing post)

Top 3 in February



· 24 February · 🌐

A surprising new object in the Town Basin! This is Pōkare, an award-winning sculptural seat featured in the New Zealand Institute of Landscape Architects Tuia Pito Ora's Te Nohonga Toru Seat Design Challenge. It was created by Council Landscape Architect Ryan Peralta and William Chrisp from Bespoke Landscape Architects, sponsored by NZILA (New Zealand Institute of Landscape Architects Tuia Pito Ora), Resene, Fabrication Specialists, Greenscene, Cut Shop, Plyman and ourselves.

The judges said, "Pōkare is a vividly coloured and elegant form. The idea of ripples, cycles and water underpins the design, and creates a very inviting nohonga (seat). We liked the way it could accommodate different ways of sitting, together or apart."

William, Ryan and their friends sacrificed their weekends for two months to sand and prime 72 plywood panels, then give them two coats each of one of four paint colours (the varying colours further emphasise ripple effect). The seat was on display at Britomart in Auckland during the competition, and has now come home to Whangārei. [See less](#)

Edit Boost post

👍❤️ 388

118 🗨️ 20 ➦



Most relevant ▾



Author

Whangarei District Council 🌐

Here's our Landscape Architect Ryan Peralta with a close-up of Pōkare. Make yourself comfortable next time you're going past!



**Whangarei District Council** ✓

Published by Craig Neilson



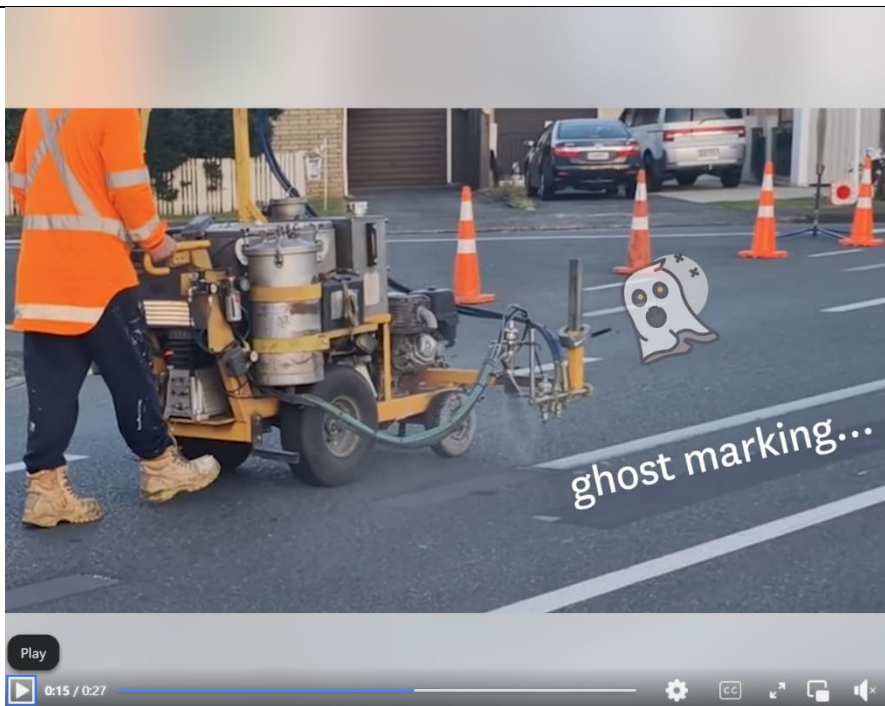
· 5 February · 🌐

We'll be starting restoration work on the Ngunguru Seawall soon, continuing until July 2025. We expect a low impact on drivers along Ngunguru Road, with work mostly being done during low tides. Project info:

 <https://www.wdc.govt.nz/Council/Projects/Ngunguru-Seawall>

[See insights and ads](#)[Boost post](#) 71

34 comments 10 shares



Whangarei District Council •
Published by Craig Neilson
· 26 February ·

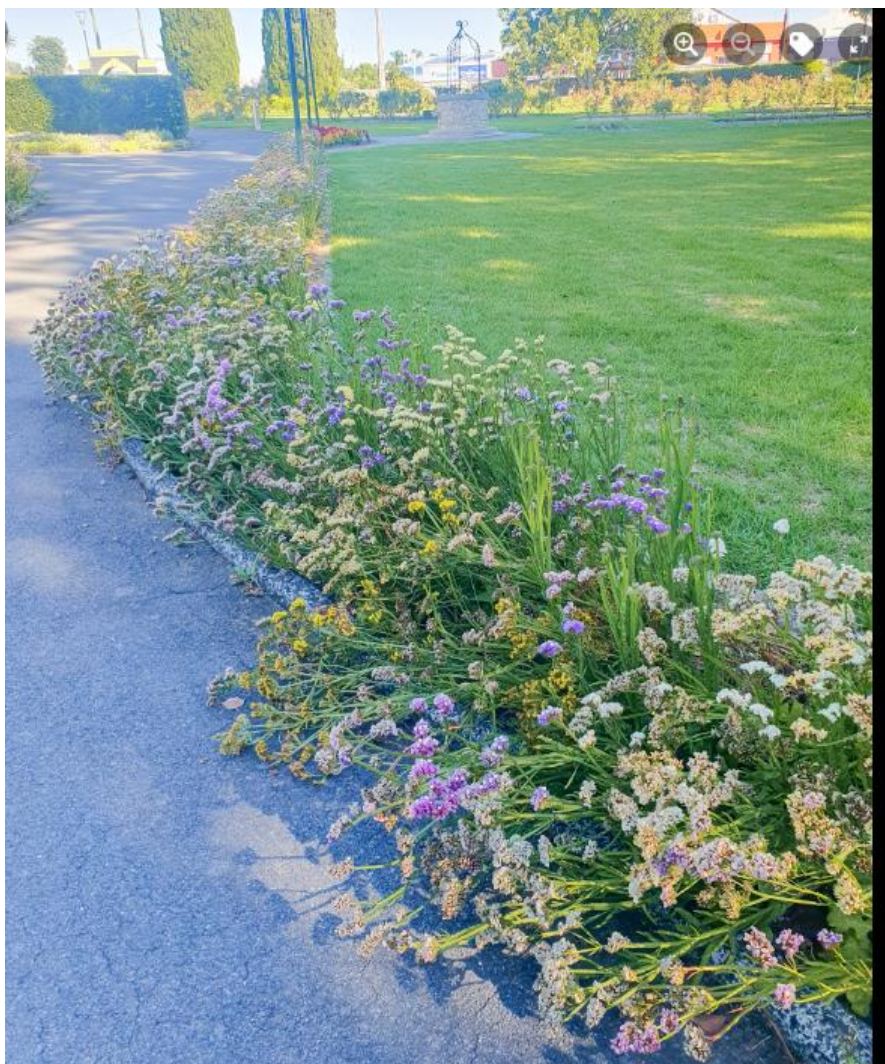
[Overview](#) [Comments](#)

🚧 Night-works on Kamo Road 🚧
We've sent in the "ghost-busters" to cover up the shiny ghost-markings that were left when previous line-markings were painted over. The team are making good progress with the fine weather.
Thanks for your patience!
[See less](#)

Most relevant ▾

Author
Whangarei District Council •
Ghost bustin' complete: the unwanted markings have been covered over with grippy, gritty textured paint and aggregate. That should be the end of the reflective "ghost" markings, thanks again for your patience and careful driving while we fixed the problem.

Top 3 in March



Whangarei District Council •
Published by Craig Neilson
· 2 March ·

This month, contractors will be removing summer's annuals from garden beds so they can get the parks ready for the Winter and spring displays.

Bedding plants usually only flower for a season and then die down, but skilled gardeners can sometimes keep them looking good for a while longer. If you would like to try extending the summer flowers' lives, collect some and have a go 🌸🌻🌼

Please note: We can't offer plants from roundabouts or traffic islands for road safety reasons, and we can't offer to hold plants for later collection - just come along at the following times if you're keen:

- 🌸 Cafier Park; Friday 7 March 2025 at 7:30am (Statice and Dianthus)
- 🌸 Forum North; Wednesday 19 March at 10:00am Geranium Apple blossom and Dianthus
- 🌸 Town Basin; Thursday 20 March 2025 at 7:30am (Begonia Gazania and Gaura)
- 🌸 Cameron Street; Thursday 27 March 2025 at 8:00am (Geranium Multibloom)
- 🌸 Airport; Thursday 27 March 2025 at 8:30am (Begonias)
- Waipu; Thursday 27 March 2025 at 10:00am (Geranium)
- 🌸 Laurie Hall Park; Friday 28 March 2025 at 7:30am (Perennial Lobelia Blue or Red) [See less](#)

[Edit](#) [Boost post](#)

👍 534 96 🗨️ 74 ➦

👍 🗨️ ➦



Whangarei District Council
Published by Craig Neilson
· 10 March at 15:00 ·

Taste Whangārei is back - a multicultural food fair with dancing in the street! 🎉🎶 Mark your calendar for a world of flavours in the Central City.

📅 Thursday 20 March 2025 from 5:00pm until 9:00pm.

This event has free entertainment for the whole family, but we encourage everyone to support local by purchasing from the food vendors and restaurants in the area.

Brought to you by Multicultural Whangārei, WINGS, English Language Partners and Whangārei District Council.

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👍❤️ 395 78 💬 63 ➦

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Whangarei District Council
Published by Craig Neilson
· 18 March at 14:36 ·

Pleased to see people are coming along ready to collect bedding plants and flowers as we replant them for the Winter and Spring displays. If you'd like to try your hand at extending their lives (or using them some other way), here are the remaining dates for free collections:

- 📍 Forum North; Wednesday 19 March at 10:00am Geranium Apple blossom and Dianthus
- 📍 Town Basin; Thursday 20 March 2025 at 7:30am (Begonia Gazania and Gaura)
- 📍 Cameron Street; Thursday 27 March 2025 at 8:00am (Geranium Multibloom)
- 📍 Airport; Thursday 27 March 2025 at 8:30am (Begonias)
- 📍 Waipu; Thursday 27 March 2025 at 10:00am (Geranium)
- 📍 Laurie Hall Park; Friday 28 March 2025 at 7:30am (Perennial Lobelia Blue or Red)

The small print:
Bedding plants usually only flower for a season and then die down, but skilled gardeners can sometimes keep them looking good for a while longer. If you would like to try extending the summer flowers' lives, collect some and have a go 🌱🌸

We can't offer plants from roundabouts or traffic islands for road safety reasons, and we can't offer to hold plants for later collection - just come along at the times above if you're keen. See less

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👍❤️ 270 74 💬 42 ➦

RESOLUTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following parts of proceedings of this meeting.

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:

1.	The making available of information would be likely to unreasonably prejudice the commercial position of persons who are the subject of the information. {Section 7(2)(c)}
2.	To enable the council (the committee) to carry on without prejudice or disadvantage commercial negotiations. {(Section 7(2)(i))}.
3.	To protect the privacy of natural persons. {Section 7(2)(a)}.
4.	Publicity prior to successful prosecution of the individuals named would be contrary to the laws of natural justice and may constitute contempt of court. {Section 48(1)(b)}.
5.	To protect information which is the subject to an obligation of confidence, the publication of such information would be likely to prejudice the supply of information from the same source and it is in the public interest that such information should continue to be supplied. {Section 7(2)(c)(i)}.
6.	In order to maintain legal professional privilege. {Section 2(g)}.
7.	To enable the council to carry on without prejudice or disadvantage, negotiations {Section 7(2)(i)}.

Resolution to allow members of the public to remain

If the council/committee wishes members of the public to remain during discussion of confidential items the following additional recommendation will need to be passed:

Move/Second

"That _____ be permitted to remain at this meeting, after the public has been excluded, because of his/her/their knowledge of Item _____.

This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because _____.

Note:

Every resolution to exclude the public shall be put at a time when the meeting is open to the public.