



KAWERAU DISTRICT COUNCIL

Te Kaunihera ā rohe o Kawerau

TAONGA O TE WHENUA - TREASURE OF THE LAND

**The Meeting of the
Audit and Risk Committee will be
held on Monday 9 June 2025
commencing at 1.00pm**

A G E N D A

AUDIT AND RISK COMMITTEE

Her Worship the Mayor – F K N Tunui

Councillor C J Ion

Councillor A Rangihika

Councillor B J Julian

Philip Jones – Consultant - P J Associates (Chair)

KAWERAU DISTRICT COUNCIL

**The Meeting of the Audit and Risk Committee
will be held on Monday 9 June 2025
commencing at 1.00pm**

AGENDA

1 Karakia Timatanga | Opening Prayer

2 Apologies

3 Declarations of Conflict of Interest

Any member having a “conflict of interest” with an item on the Agenda should declare it, and when that item is being considered, abstain from any discussion or voting. The member may wish to remove themselves from the meeting while the item is being considered.

4 CONFIRMATION OF AUDIT AND RISK COMMITTEE MINUTES

4.1 Audit and Risk Committee – 7 April 2025

Pgs. 1 - 4

Recommendation

That the minutes of the Audit and Risk Committee Meeting held on 7 April 2025 be confirmed as a true and accurate record.

5 Health, Safety and Wellbeing Report for period – 1 April 2025 to 31 May 2025 (Group Manager, Regulatory and Planning) (509500)

Pgs. 5 - 14

Attached is the report from the Group Manager, Regulatory and Planning covering Health, Safety and Wellbeing Report for period – 1 April 2025 to 31 May 2025.

Recommendation

That the report “Health, Safety and Wellbeing Report for period – 1 April 2025 to 31 May 2025” be received.

6 Treasury Report to 31 March 2025 and 30 April 2025 (Group Manager, Finance and Corporate Services) (110551)

Pgs. 15 - 19

Attached is the report from the Group Manager, Finance and Corporate Services covering Treasury Report to 31 March 2025 and 30 April 2025.

Recommendation

That the report “Treasury Report to 31 March 2025 and 30 April 2025” be received.

7 Audit Management Report for the Long Term Plan Consultation Document 2025-2034 (Group Manager, Finance and Corporate Services) (201000)

Pgs. 20 - 32

Attached is the report from the Group Manager, Finance and Corporate Services covering the Audit Management Report for the Long Term Plan Consultation Document 2025-2034.

Recommendation

That the report “Audit Management Report for the Long Term Plan Consultation Document 2025-2034” be received.

8 Proposed Timetable for Annual Report to 30 June 2025 (Group Manager, Finance and Corporate Services) (110400)

Pgs. 33 - 36

Attached is the report from the Group Manager, Finance and Corporate Services covering the Proposed Timetable for Annual Report to 30 June 2025.

Recommendation

That the report “Proposed Timetable for Annual Report to 30 June 2025” be received.

9 Long Term Plan 2025 – 2034 Update (Group Manager, Finance and Corporate Services) (110555)

Pgs. 37 - 40

Attached is the report from the Group Manager, Finance and Corporate Services covering the Long Term Plan 2025 – 2034 Update.

Recommendation

That the report “Long Term Plan 2025 – 2034 Update” be received.

10 Audit and Risk Review Timetable from June 2025 to April 2026 (Group Manager, Finance and Corporate Services) (101300)

Pgs. 41 - 43

Attached is the report from the Group Manager, Finance and Corporate Services covering the Audit and Risk Review Timetable from June 2025 to April 2026.

Recommendation

That the report “Audit and Risk Review Timetable from June 2025 to April 2026” be received.

11 Annual Plan Performance for the nine months ended 31 March 2025 (Group Manager, Finance and Corporate Services) (110400)

Pgs. 44 - 47

Attached is the report from the Group Manager, Finance and Corporate Services covering the Annual Plan Performance for the nine months ended 31 March 2025.

Recommendation

That the report “Annual Plan Performance for the nine months ended 31 March 2025” be received.

12 **Exclusion of the Public**

Recommendation

That the public is excluded from the following part of the proceedings of this meeting, namely:

1. Local Water Done Well – updated risk profile for 2025.

The general subject of the matter to be considered while the public is excluded; the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1) of the Local Government Information & Meetings Act 1987 for the passing of this resolution is as follows:

<i>General Subject of the matter to be considered</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
<i>1. Local Water Done Well – updated risk profile for 2025.</i>	<i>Maintain the effective conduct of public affairs through the free and frank expression of opinions.</i>	<i>That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48 (1) (a) (i)</i>

This resolution is made in reliance on Section 48(1) (a) of the Local Government Official Information & Meetings Act 1987 and the particular interest or interests protected by Section 7 (2) (b) (i) of that Act.

13 **Karakia Whakamutunga | Closing Prayer**

M Godfery

Chief Executive Officer

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**Kawerau District Council Minutes of an
Audit and Risk Committee held on 7 April 2025
commencing at 1.00pm**

Present: Philip Jones – P J Associates (Chair)
Her Worship the Mayor – F K N Tunui
Deputy Mayor – A Rangihika
Councillor C Ion
Councillor B J Julian

In Attendance: Chief Executive Officer (M Godfery) – via Zoom
Group Manager, Finance and Corporate Services (L Butler)
Group Manager, Regulatory and Planning (M Glaspey)
Group Manager, Operations and Services (R Nel)
Administration Officer (L Kerei)
Renè van Zyl (Audit Director from Audit New Zealand)

1 Karakia Timatanga | Opening Prayer

Her Worship the Mayor opened the meeting with a prayer.

2 Apologies

No Apologies were received.

3 Declarations of Conflict of Interest

No Conflicts of Interest were received.

4 CONFIRMATION OF AUDIT AND RISK COMMITTEE MINUTES

4.1 Audit and Risk Committee – 10 February 2025

Resolved

That the minutes of the Audit and Risk Committee Meeting held on 10 February 2025 be confirmed as a true and accurate record.

**Chair Jones / Her Worship the Mayor
CARRIED**

**5 Health, Safety and Wellbeing Report for period – 1 February 2025 to 31 March 2025
(Group Manager, Regulatory and Planning) (509500)**

Committee discussed the report from the Group Manager, Regulatory and Planning covering Health, Safety and Wellbeing Report for period – 1 February 2025 to 31 March 2025.

Staff Updates:

- Staff are currently in the process of drafting plans for the car park at the Maurie Kjar Aquatics Centre to bring to Council.
- There have been bollards added to the Skatepark parking area to avoid vehicles driving through the car park from Plunket Street to Glasgow.

Resolved

That the report “Health, Safety and Wellbeing Report for period – 1 February 2025 to 31 March 2025” be received.

**Her Worship the Mayor / Councillor Ion
CARRIED**

6 Treasury Report to 31 January 2025 and 28 February 2025 (Group Manager, Finance and Corporate Services) (110551)

Committee discussed the report from the Group Manager, Finance and Corporate Services covering Treasury Report to 31 January 2025 and 28 February 2025

Resolved

That the report “Treasury Report to 31 January 2025 and 28 February 2025” be received.

**Councillor Julian / Deputy Mayor Rangihika
CARRIED**

7 Long Term Plan 2025 – 2034 Update (Group Manager, Finance and Corporate Services) (110555)

Committee discussed the report from the Group Manager, Finance and Corporate Services covering Long Term Plan 2025 – 2034 Update.

Audit Director Renè van Zyl provided an update on the audit of the Long Term Plan consultation document.

Resolved

That the report “Long Term Plan 2025 – 2034 Update” be received.

**Councillors Julian / Ion
CARRIED**

8 Audit and Risk Review Timetable from April 2025 to February 2026 (Group Manager, Finance and Corporate Services) (101300)

Committee discussed the report from the Group Manager, Finance and Corporate Services covering Audit and Risk Review Timetable from April 2025 to February 2026

The committee suggested to have the “Update on LTP Risks & issues” moved to the August 2025 meeting and renamed to “LTP Risks and Management Letter Debrief”.

Resolved

That the report “Audit and Risk Review Timetable from April 2025 to February 2026” be received as amended.

**Her Worship the Mayor / Deputy Mayor Rangihika
CARRIED**

9 Update on Audit Management for the year ended 30 June 2024 (Group Manager, Finance and Corporate Services) (201000)

Committee discussed the report from the Group Manager, Finance and Corporate Services covering Update on Audit Management for the year ended 30 June 2024.

Action items:

- Page 26 – Add “ or Chief Executive Officer” as someone that can approve all Ozone access forms.
- Page 27 – Add that the disposal of assets are approved by the Chief Executive Officer and Group Manager Operations and Services.

Resolved

That the report “Update on Audit Management for the year ended 30 June 2024” be received.

**Her Worship the Mayor / Chair Jones
CARRIED**

10 Local Water Done Well – risk profile for 2025 (Chief Executive Officer) (404000)

Committee discussed the report from the Chief Executive Officer covering Local Water Done Well – risk profile for 2025.

Action items:

- Add “A loss of Community Trust with our water services delivery” as a risk.
- Add “Explaining something to Kawerau that was not of this Council’s making” as a risk.
- Another risk is, between the Department of Internal Affairs and Commerce Commission, we can be forced into a multi model.

Resolved

That the report “Local Water Done Well – risk profile for 2025” be received.

**Councillors Julian / Ion
CARRIED**

11 Review of Council's Asset Management Plans (Group Manager, Operations and Services) (110551)

Committee discussed the report from the Group Manager, Operations and Services covering Review of Council's Asset Management Plans.

Resolved

1. *That the report "Review of Council's Asset Management Plans" be received.*
2. *That the Audit & Risk Committee thank the Chief Executive Officer and his team, particularly the asset team on producing a comprehensive asset management plans.*

**Her Worship the Mayor / Deputy Mayor Rangihika
CARRIED**

12 Key Underlying Documents for Long Term Plan 2025 – 2034 (Group Manager, Finance and Corporate Services) (110553)

Committee discussed the report from the Group Manager, Finance and Corporate Services covering Key Underlying Documents for Long Term Plan 2025 – 2034.

Corrections:

- Page 224 – Add a "0" to the "Borrowing (\$)" for the year 2026/27, to read \$10,000,000.
- Page 224 – Remove a "0" from the "Sensitivity in interest expense to a 1% change in interest rates (external)" for the year 2025/26, to read \$80,000.

Resolved

That the report "Key Underlying Documents for Long Term Plan 2025 – 2034" be received.

**Councillors Ion / Julian
CARRIED**

13 Karakia Whakamutunga | Closing Prayer

Her Worship the Mayor closed the meeting with a karakia | prayer at 2.38pm

P Jones

Chairperson

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Meeting: Audit and Risk Committee

Meeting Date: 9 June 2025

Subject: **Health, Safety and Wellbeing Report for period – 1 April 2025 to 31 May 2025**

File No: 509500

1 Purpose

This report provides a summary of the activities Kawerau District Council undertakes to meet the requirements of the Health and Safety at Work Act 2015 and our efforts to ensure everyone goes home healthy and safe.

2 Executive Summary

The core systems and controls in place to manage Council's health, safety and wellbeing risks include:

- Ensuring Elected Members and all Council Staff are aware of their specific and general duties under current Health and safety legislation, through inductions and training.
- Development of a health and safety culture that encourages the identification, reporting and mitigation of new and existing health, safety and wellbeing risks, with ongoing risk monitoring and reviews.
- Dedicated Health and Safety Officer engaged to monitor compliance with health and safety legislation, driving continuous improvement and continual learning.
- Maintaining an effective Health and Safety Committee by engaging with staff, which enables participation and provides leadership, guidance and support across the organisation to better inform health and safety decisions and policies for Council staff, contractors and visitors.
- Implementation of health, safety, and wellbeing software (BWARE) to enable reporting, investigation and ongoing monitoring of identified risks.
- Provision of an employee assistance programme, a wellbeing service, policies and training for staff.
- Health and safety monitoring of contractors engaged by Council, through random site audits.

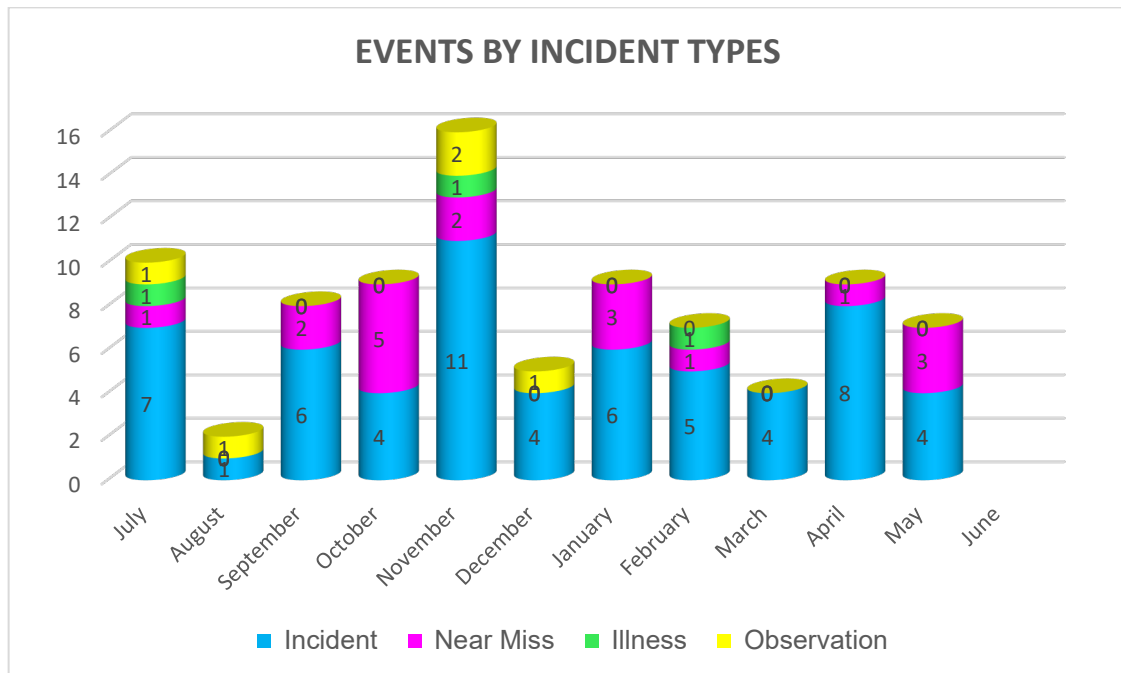
The key items which elected members should note from this report are:

- No notifiable events occurred during this period.
- A total of 16 health and safety reports were received for the period 1 April 2025 to 31 May 2025. Two further incidents were reported, however, related to operational matters rather than health and safety incidents, so have not been included in this report.
- Two contractor audits were completed for the period covered in this report. One audit was on a road contractor – Site was found to be physically safe and tidy and workers, working within safe zones. The second audit was for drain layer contractors who were found to have accurate site documentation and excavation was fenced or covered when unattended, if it was not filled back in. No issues identified, but one recommendation was made to include traffic as a hazard in their hazard register.

3 **Incident and Injury Reporting**

Incidents for period – 1 April 2025 to 31 May 2025 (Brackets – Year to Date)

Incidents 12 (60)	Near Miss 4 (18)	Illness 0 (2)	Observations 0 (5)
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Note: Illness is defined as a health condition or disease directly caused or significantly aggravated by factors in the workplace. These include breathing issues, heat exhaustion, dehydration, but do not include covid-19 cases.
Two incidents reported in BWARE have not been included in this report as they are operational matters as opposed to health and safety related incidents. (Finding a leaking tap, Cell phone dropped smashing screen)

Incidents Risk Type and Treatment for Period 1 April 2025 to 31 May 2025

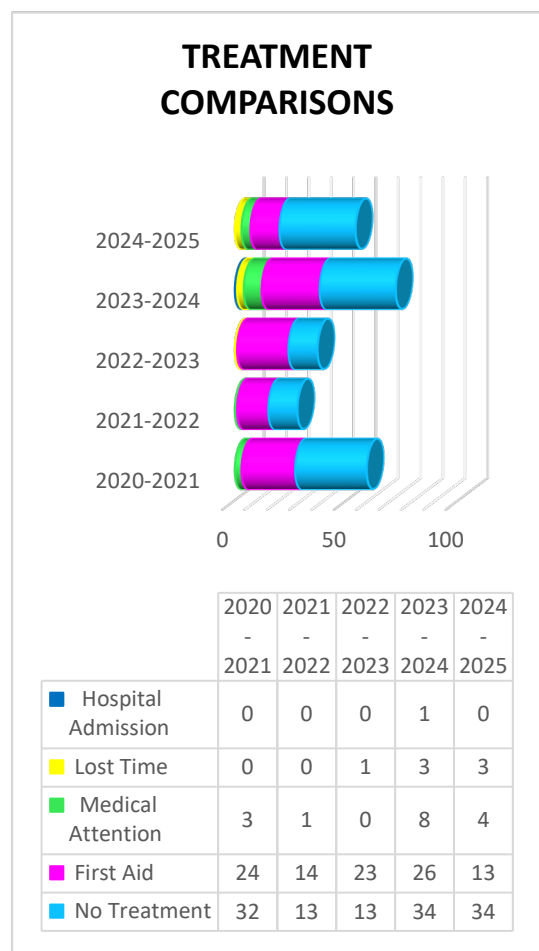
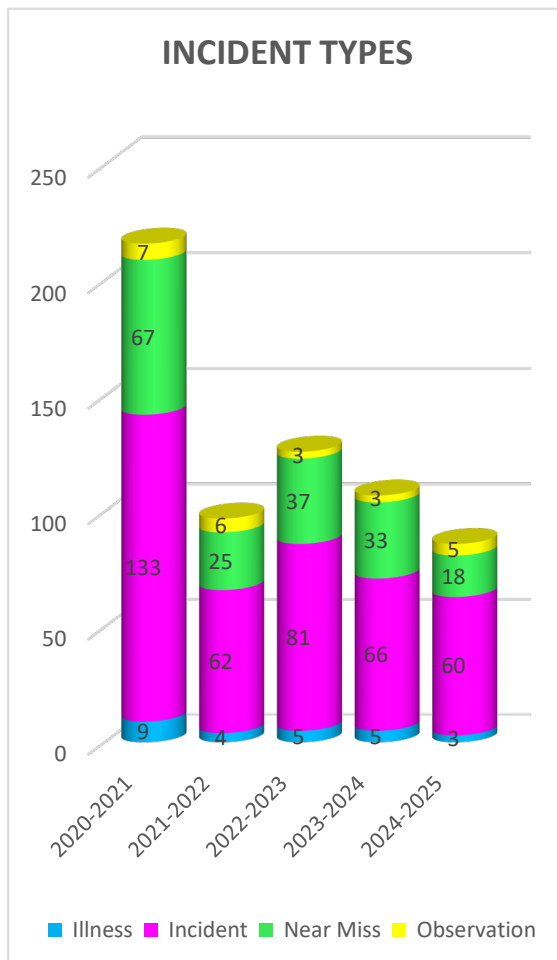
Events by Critical Risk	
Public/People/ Customers	3
Stress	0
Slips, Trips and Falls	5 [~]
Lone Working	0
Manual Handling	0
Other *	8

Outcome of Incidents	
No Treatment	7
First Aid	5
Medical Treatment	0
Lost Time	0
Hospital	0
Does not include Near Misses or Observations	
Investigations Required	
Formal Investigation	0
Work Safe Investigation	0

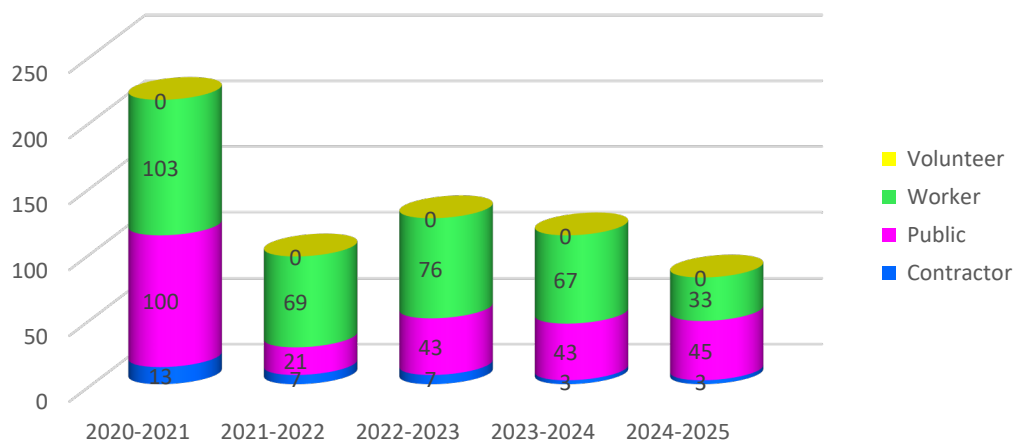
[~] 2 resulted from near misses

* Other – Choking incident, Burglary, Damage to KDC vehicle, Incorrect oil found in chainsaw petrol can, Plastic drop screens at pools cut, Scraped thumb on side of pool, Clock fell off wall, Vehicle accident

Incidents ad Treatment Comparisons

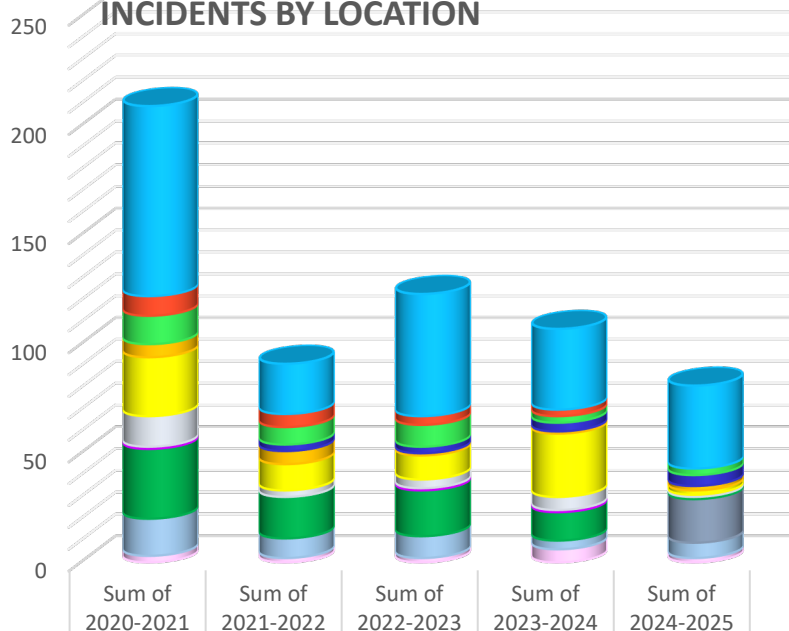


INCIDENT BY WORKER TYPE



Note: Where damage to property is reported this is coded as a worker given work is impacted by any damage.

INCIDENTS BY LOCATION



	Sum of 2020-2021	Sum of 2021-2022	Sum of 2022-2023	Sum of 2023-2024	Sum of 2024-2025
Aquatic Centre	87	23	56	37	38
Council Buildings	9	6	4	3	
Council Offices	13	8	10	3	3
Depot	0	3	3	4	5
I-Site	6	6	1	1	2
Kawerau District Area	27	12	11	29	2
Library/Museum	14	3	4	6	1
Pound	1	0	1	1	
Recreational Areas/Events	32	19	21	13	1
Streets, Roads and Footpaths	0	0	0	0	20
Three Waters	17	9	10	4	7
Transfer Station	3	2	2	6	2

Note: Prior to 2024-2025, Streets, Roads and Footpaths were reported under Kawerau District Area.

Potentially Critical Events/Critical Events
1 April 2025 to 31 May 2025

Event	Critical Risk	Potential Consequence	Actual Consequence	Controls and Status
Member of the public accused child of stealing towel – child upset, no injury	Violence - People/ Customers/ Visitors	High	Low	<ul style="list-style-type: none"> • Customer Conflict Training • Dealing with Abusive Customers Process <p>Staff provided customer with a towel. Lifeguard checked in on child and the Teacher. Staff approached the situation correctly and avoided escalation. No injury.</p>
Vehicle Accident – KDC vehicle parked on side of road, another vehicle attempting an overtaking manoeuvre hits KDC vehicle		High	Low	<ul style="list-style-type: none"> • Driving Policy • Operator training/care <p>No damage to vehicle, and minor harm to driver. Backache came on after incident and anti-inflammatory was taken. Worker took all appropriate steps and obtained details of offending vehicle. Offending driver while agitated by the incident, was not aggressive, and took responsibility to remove their damaged vehicle. KDC worker took appropriate action and reported incident.</p>
Member of the public fell off scooter on the way home from school. Scraped knee	Slips/Trips and Falls	High	Low	<ul style="list-style-type: none"> • User care <p>Knee cleaned up and first aid provided. Member of public reminded to be more careful. Unable to remove this risk.</p>
Member of the public gashed heel at the pools. First aid provided.	Slips/Trips and Falls	High	Low	<ul style="list-style-type: none"> • User care <p>Knee cleaned up and first aid provided. Member of public reminded to be careful. Limited details obtained from member of the public. Team continue to watch for any damage or maintenance of the facility required.</p>
Burglary waste water treatment plant. Cables and diesel taken. No one on site at the time.		Medium	Low	<ul style="list-style-type: none"> • CCTV on site and electric gates for security <p>Staff not on site at the time of incident. Offenders caught on CCTV and incident reported to Police. No witnesses. Support in place for KDC staff working in the area. Police investigation is ongoing.</p>
Member of the public slipped on the bricks by the pools. No injury	Slips/Trips and Falls	High	Low	<ul style="list-style-type: none"> • Signage at pools warning of risks <p>Member of public reminded to take care on the bricks when they are wet. Signage put out to minimise risk.</p>
KDC staff temporarily prevented from leaving Gang Pad. Police present at the time and staff left without incident after a few minutes.	Violence - People/ Customers/ Visitors	High	Low	<ul style="list-style-type: none"> • Customer Conflict Training • Dealing with Abusive Customers Process • Police attendance required in situations of this nature <p>Staff followed all processes required in undertaking their role.</p>

				Staff approached the situation correctly and allowed the Police to take lead role once on the property. No injury to those involved. Team Leader and Manager checked in with staff. This is a risk that cannot be removed but care and appropriate planning must be undertaken on a case-by-case basis.
Burglary at the waste water treatment plant and when approached offender became abusive towards staff. Stolen wash down hose. Threats to life from offender.	Violence - People/ Customers/ Visitors	Medium	Low	<ul style="list-style-type: none"> • CCTV on site and electric gates for security • Customer Conflict Training • Dealing with Abusive Customers Process Burglary in progress, staff chased offender to try to obtain details. Access to waste water treatment plant is vulnerable due to location and fencing. Staff reminded to take care.
Burglary at the waste water treatment plant. Damage to vehicle lock and ignition.		Medium	Low	<ul style="list-style-type: none"> • CCTV on site and electric gates for security Vehicle damage to door lock and ignition. Police aware of the ongoing thefts and have been updated with details. Locksmith called to repair. Staff reminded to take care, complete vehicle checks and security guards put in place while upgrades to security access.
KDC staff member choked, assistance provided and ambulance was called as a precaution		High	Low	Staff member choked as a result of a coughing fit. First aid given - Other staff quickly acted to dislodge any blockage and relax the staff member. Ambulance called and staff member assessed to be okay, although some anxiety as a result of the incident. Unable to remove this risk.

KEY:

High	Potential or actual consequence which is serious in nature and could cause medium to long term loss of time (over a week), hospitalisation or significant damage to property
Medium	Potential or actual consequence which is moderate in nature and could cause short-term loss of time (under a week), medical treatment, or damage to property.
Low	Potential or actual consequence which is minor in nature resulting in no loss of time, no medical treatment (first aid only) and minimal damage to property.

4 Health, Safety and Wellbeing Risk Related Activities

Health, Safety and Wellbeing Related Activities		
Risk	Key Activity	Planned Activity
General Health and Safety Risk Management Programme	<p>Health and Safety Awards completed for 2024/25 with the following individuals and groups being recognised:</p> <ul style="list-style-type: none"> Health, Safety and Wellbeing Champion Team <u>Customer Services Team</u> Health, Safety and Wellbeing Leader <u>Janitha Karunarathne</u> Health, Safety and Wellbeing Champion <u>Raiha Andrew</u> 	<ul style="list-style-type: none"> Finalise the top critical risks. Critical risks identified and grouped. Health and Safety committee have been unable to reduce the top 13 to 10 critical risks. Leadership Team reviewed and will be finalised in the next two months. Complete the survey, review findings, determine and schedule any system improvements required.
	<p>Commenced an internal survey on 27 May 2025 to help identify any weaknesses and provide insights for ongoing improvement of Council's Health and Safety systems. Survey concludes on 16 June 2025.</p> <p>Organisation Inductions:</p> <ul style="list-style-type: none"> Maurie Kjar Aquatic Centre Site Safety Induction (2) Water Treatment Plant, Pump House Site Safety Induction (1) Waste-water Treatment Plant Site Safety Induction (1) District Office Site Safety Induction (4) Transfer Station Site Safety Induction (1) BWARE APP & Antenna APP Induction (1) 	
	<p>Monthly meetings ongoing – fully represented by all work groups.</p>	

Risk	Key Activity	Planned Activity
Contractor Management	<ul style="list-style-type: none"> Two contractor audits completed in May <p><u>Roading Contractor</u> – Prequalification current and site documentation current. Contractor maintained a physically safe and tidy site. Workers were found to be working safely and no recommendations were made. Temporary Traffic Management in place and managed by Kawerau District Council.</p> <p><u>Drain layer Contractor</u> – Prequalification current and site documentation current. One recommendation made to identify traffic/vehicles as a hazard in their risk management system – Site manager agreed with recommendation. Site was found to be safe with fences or covers provided when diggings where unattended.</p>	<ul style="list-style-type: none"> Contractor audits to be completed monthly (except December and January). Contractor audits ongoing throughout the year.
Training	<ul style="list-style-type: none"> First Aid Training (5) Effective Lifeguard Supervision (8) Breathing Apparatus Training (2) Lock Out Tag Out – Isolations (1) Handle Hazardous Substances Safely (2) Advanced Height Training (1) Traffic Management Operator Non-Practising (1) Traffic management Operator Practising (1) Traffic Management Worker (1) Use of Safety Harness System when working at heights (4) 	<ul style="list-style-type: none"> Organise Dangerous Dog Training for Outdoor Staff. Training programme being reviewed for this year, to ensure we are targeting the right topics and training is providing benefit for staff.

Risk	Key Activity	Planned Activity
Policy Reviews	<p>Health and Safety Team completed no reviews during this period.</p> <p>Policies awaiting sign off from the Senior Leadership Team:</p> <ul style="list-style-type: none"> • Safe Driving Policy • Visual Display Unit (VDU) Policy 	<ul style="list-style-type: none"> • Sun Protection Policy is to be re-drafted as a guidance document.
Risk Reviews	<p>New Hazards Identified and Reviewed:</p> <p>New overhead power lines at the rapid infiltration basins near the green waste recycling area.</p> <p>Initial risk review and controls completed, with consultation with staff at risk being undertaken.</p>	

5 Health and Wellbeing

Health and Wellbeing

Emergency Readiness

Automatic External Defibrillators (AED's)
available at the Maurie Kjar Aquatic
Centre and District Office

General Health

Pre-employment medicals continue to be
done
Influenza Vaccination has been available
for staff from 1 April 2025

Wellbeing initiatives

Employment assistance programme
provided by Vitae.
My Everyday Wellbeing web platform
available to staff and their families.

Health Monitoring

Ongoing random drug testing and pre-
employment drug testing

6 RECOMMENDATION

That the report "Health, Safety and Wellbeing Report for period - 1 April 2025 – 31 May 2025" be received.

Michaela Glaspey

Group Manager Regulatory and Planning

Z:\KDC Taxonomy\Governance\Democratic Services\Meetings\Audit and Risk\Reports\IR-ARC - Health Safety Report June 2025-06-09.docx

Meeting: Audit and Risk Committee

Meeting Date: 9 June 2025

Subject: Treasury Report to 31 March 2025 and 30 April 2025

File No: 110551

1 **Purpose**

The purpose of this report is to inform members of the funds held by Council as at 31 March 2025 and 30 April 2025 and provide explanations for any significant variances from the previous year.

2 **Background**

The Treasury reports as at 31 March and 30 April 2025 were presented to the Regulatory and Services Committee on 16 April and 14 May 2025, respectively. The report shows the funds held and the banks where those funds are invested. All investments were made in accordance with Council's Investment Policy.

Council's investment policy allows up to 50% of total funds to be invested with any one bank but up to a limit of \$1.5 million. The exception is Council's principal bank where funds can exceed 50% and/or \$1.5 million.

Council has now raised three loans to fund the water reticulation renewals project, the first loan of \$2.0 million was raised in December 2022, and the second in October 2023, with both loans having the maturity date of 15th of April 2025. During October 2024, the third \$2.0 million loan was uplifted, which has a fixed interest rate of 4.91% with the maturity date of April 2029.

3 **Funds Held**

The following table shows Council's reserves and general funds balances as at 31 March 2025:

	March 2025	March 2024
Reserve Funds		
Depreciation Funds*	\$4,808,773	\$4,699,617
Total Special Funds	\$4,808,773	\$4,699,617
General Funds	\$166,020	(\$471,119)
Total – comprising cash & internal loans	\$4,974,793	\$4,228,498

* This includes loan funds uplifted.

The following funds were held at 31 March 2025:

Invested in	\$	Interest Rate	% External
ANZ – on call	751	1.60%	0.02%
BNZ – current & on-call	3,482,070	3.05%	99.32%
Rabobank (on-call)	22,955	2.50%	0.66%
Total Funds (Cash)	3,505,776		100.0%
Internal Loans	1,469,017		
Total Investments	4,974,793		

The following table shows Council's reserve and general funds balances as at 30 April 2025:

	April 2025	April 2024
Reserve Balances		
Depreciation Reserve Funds*	\$4,390,319	\$4,008,303
Total Reserve Balances	\$4,390,319	\$4,008,303
General Funds	(\$199,955)	(\$1,012,453)
Total (comprising funds & internal loans)	\$4,190,364	\$2,995,850

* This includes loan funds uplifted.

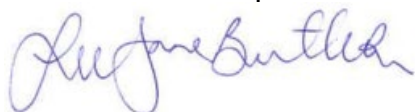
The following funds were held at 30 April 2025:

Invested in	\$	Interest Rate	% External
ANZ – on call	751	1.40%	0.03%
BNZ – current & on-call	2,705,198	2.80%	99.13%
Rabobank (on-call)	23,000	2.25%	0.84%
Total Funds (Cash)	2,728,949		100.0%
Internal Loans	1,461,415		
Total Investments	4,190,364		

The figures show that overall Council has increased funds of \$1,194,514 at the end of April when compared to the same time last year. In April 2024, Council had funds invested in Porritt Glade and Bell Street. Since August 2024, there has been full occupation of Porritt Glade and the sale of a Bell Street property, increasing cashflows. Council now has \$6m in loans funding the water asset renewals.

4 RECOMMENDATION

That the report "Treasury Report to 31 March 2025 and 30 April 2025" be received.

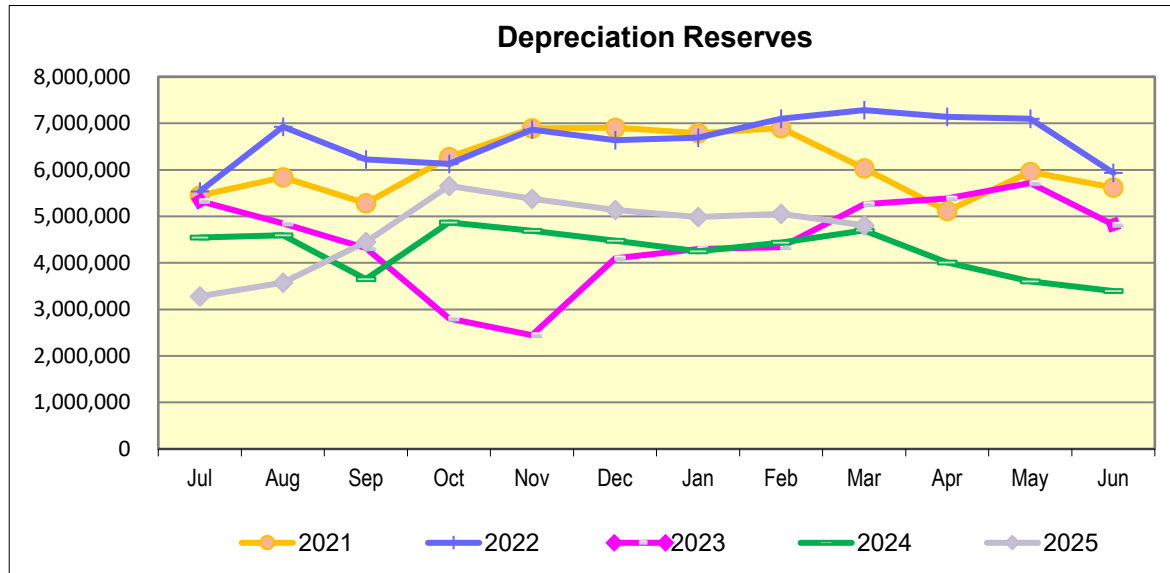


Lee-Anne Butler, CA, BMS

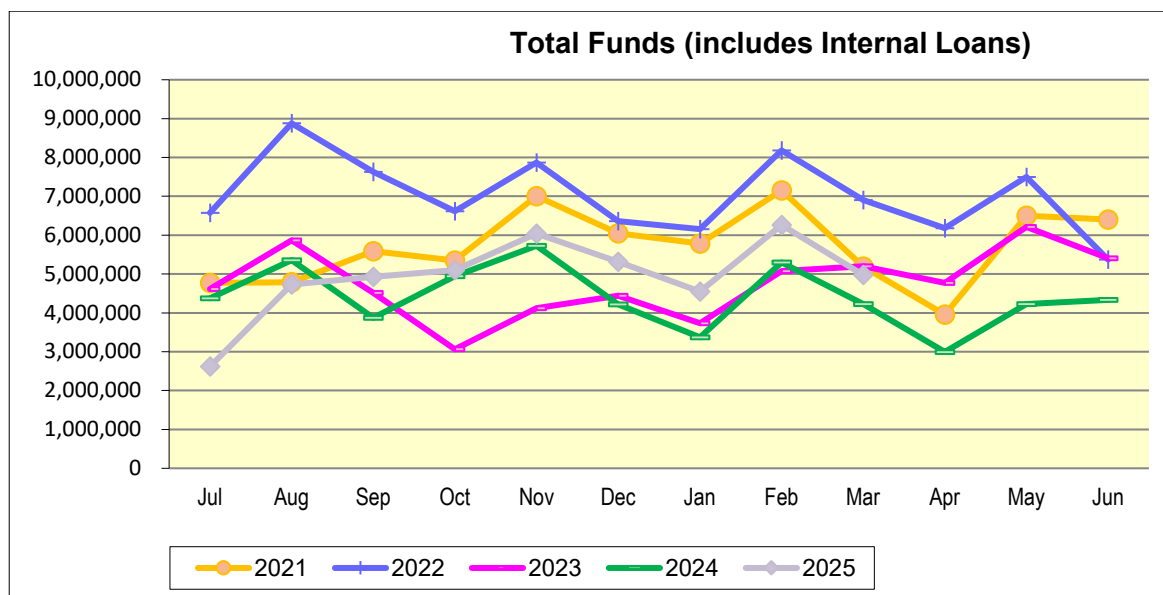
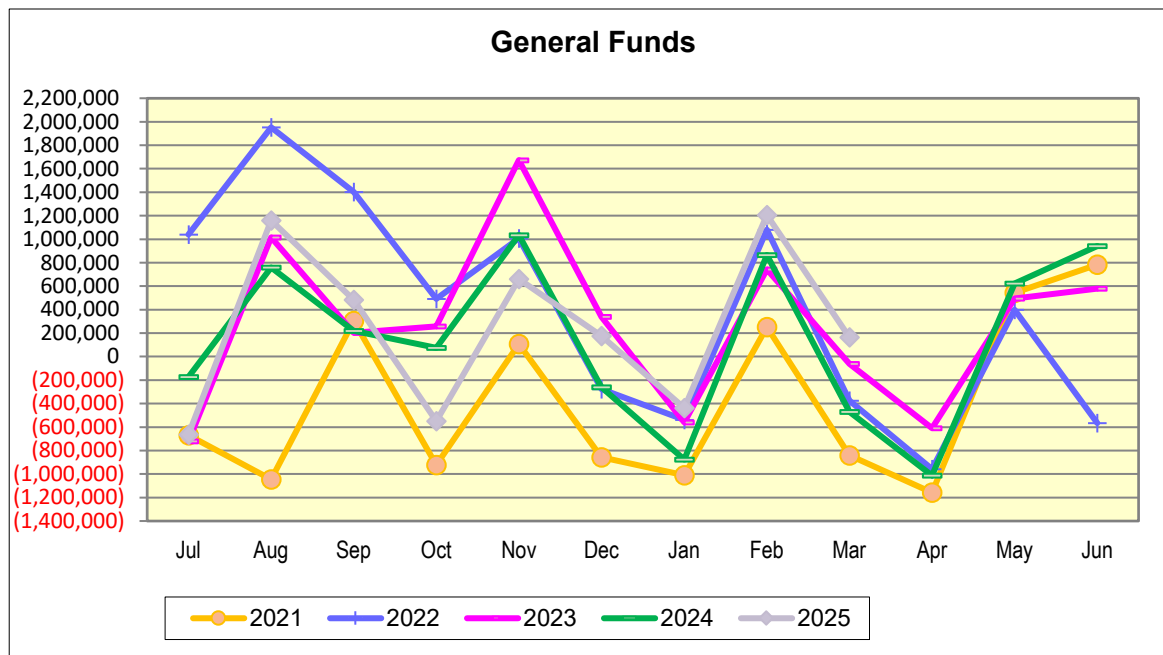
Group Manager, Finance & Corporate Services

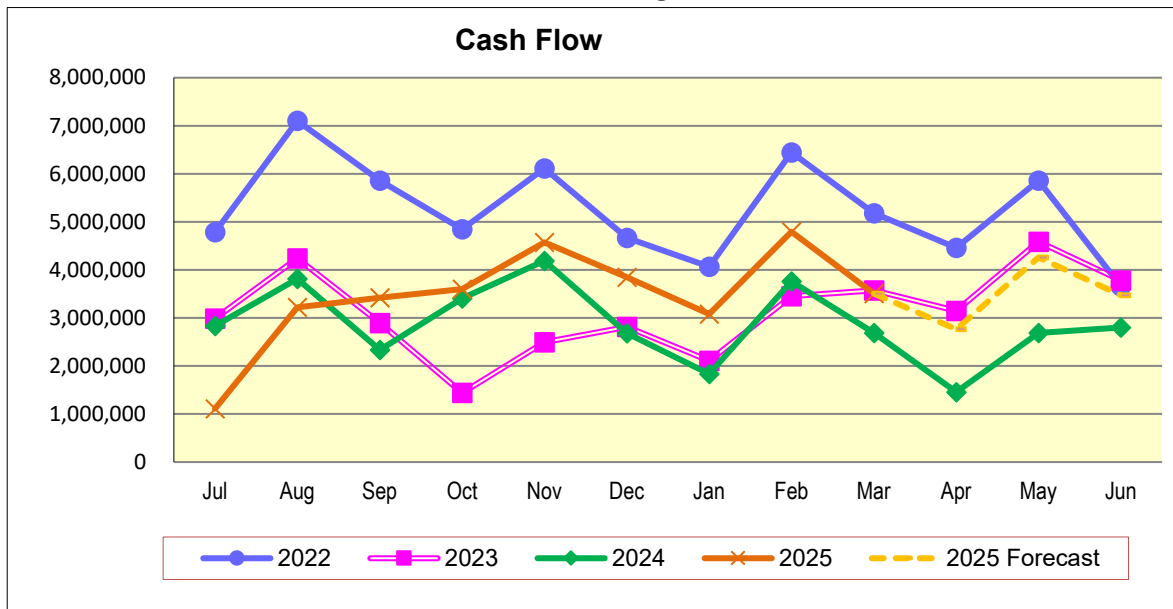
Appendix

Financial Data - March 2025



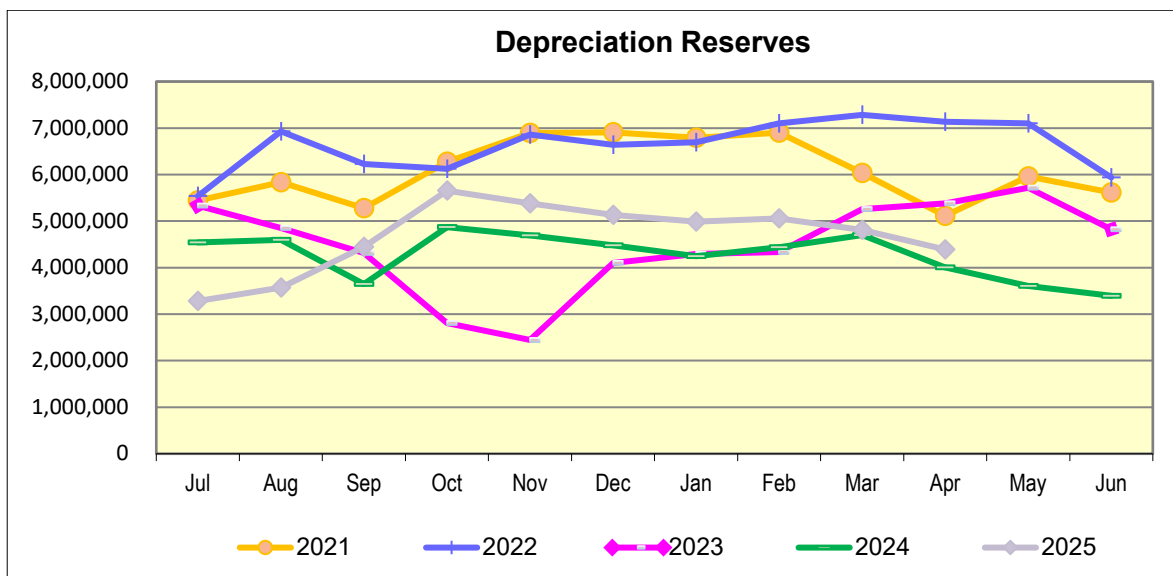
The depreciation reserves funds above includes the loan funding Council has uplifted.



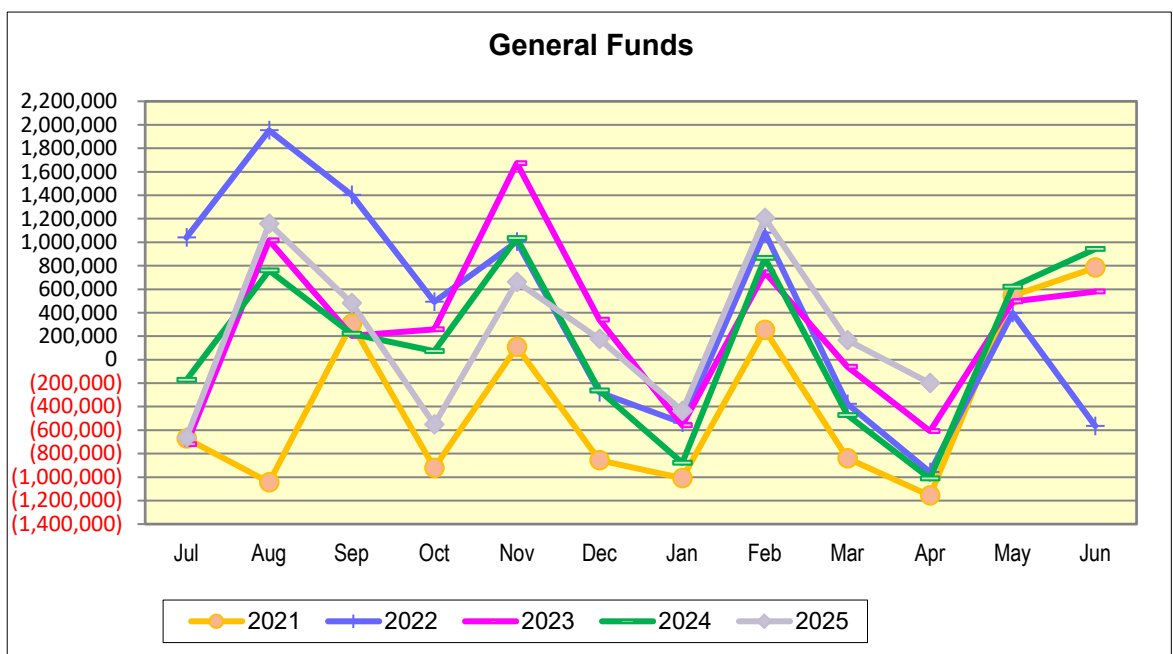


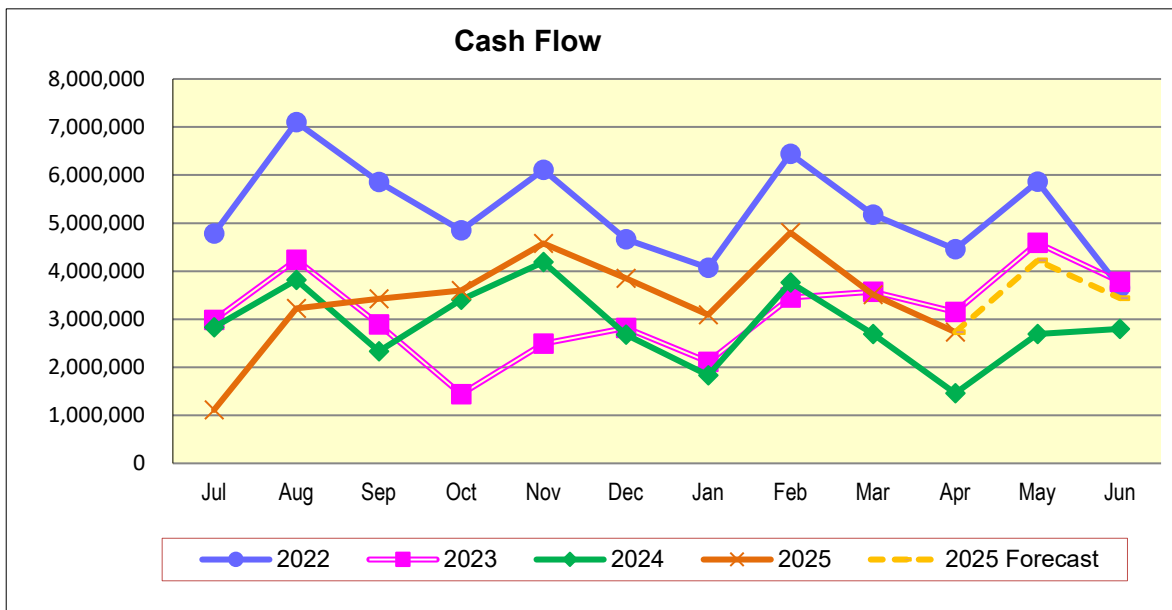
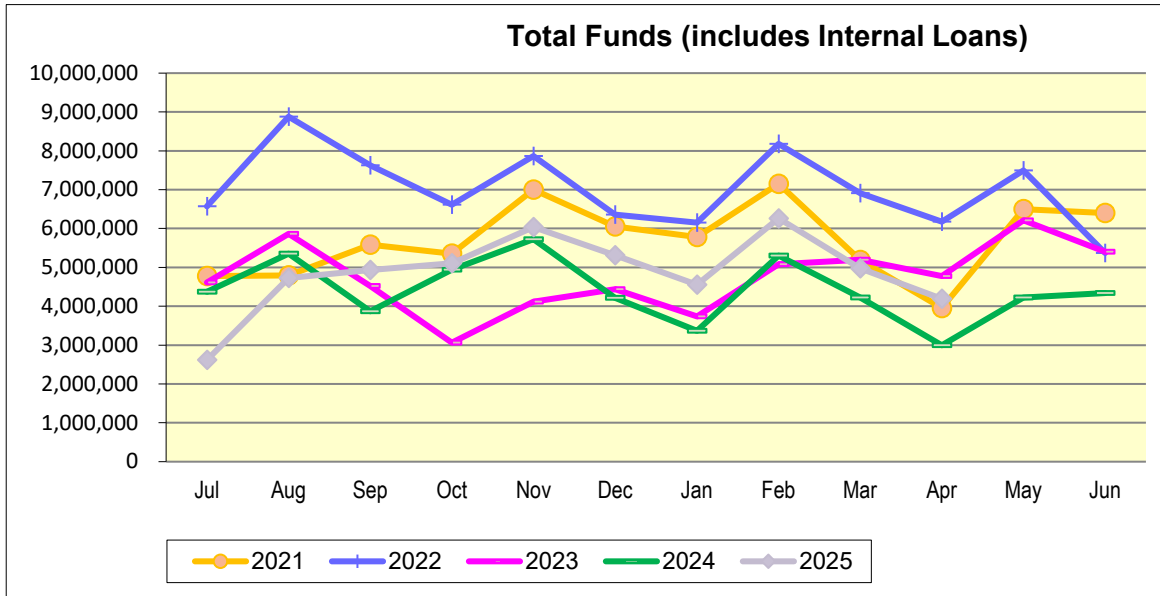
Please note that the 2024/25 actual cashflow is the same as the forecast cashflow for months year to date.

April 2025 – Financial Data



The depreciation reserves funds above includes the loan funding Council has uplifted.





Please note that the 2024/25 actual cashflow is the same as the forecast cashflow for months year to date.

Meeting: Audit and Risk Committee

Meeting Date: 9 June 2025

Subject: **Audit Management Report for the Long Term Plan Consultation Document 2025 - 2034**

File No: 201000

1 Purpose

The purpose of this report is to update the committee on the Audit New Zealand Report on the audit of the Long Term Plan Consultation Document 2025- 2034.

2 Background

The Local Government Act 2002 requires Council to prepare a Long Term Plan at least every three years and an annual plan in the years in between. Council must also consult on its Long Term Plan using the special consultative process, which includes preparing a Consultation Document and engaging with the community. There is a requirement that both the Long Term Plan and the Consultation Document must be audited.

Audit New Zealand started the audit of the Long Term Plan and Consultation Document on the 26th of February 2025, which included a 'Hot Review' by the Office of the Auditor General. Recommendations made during the audit process were implemented by management into the final Consultation Document.

The Long Term Plan Consultation Document and the underlying key documents of the Long Term Plan were prepared and adopted by Council on the 9th of April 2025, and consultation with the community commenced on the 11th of April 2025.

The auditors issued an unqualified audit opinion, with an emphasis of matter, with regards to Local Water Done Well. An emphasis of matter statement has been standard for all Councils in the preparation of Long Term Plans, due to the uncertainties that exist with the progression of the Local Water Done Well legislative requirements.

As part of the audit process, an audit management report is prepared by Council's auditors for the Long Term Plan Consultation Document, which identifies issues or recommendations for Council to address and consider to ensure Council is meeting legislative requirements and best practice.

The nine year Long Term Plan 2025-2034, must be adopted by 30 June 2025.

3 **Audit Management Report for the Long Term Plan Consultation Document 2025 - 2034**

Attached to this report is the Audit New Zealand audit management report following the audit of the Long Term Plan Consultation Document 2025 – 2034. There was one specific recommendation in the report, suggesting an opportunity to enhance the Infrastructure Strategy. Management's response to the recommendation has been included, with an overall comment to be included in Infrastructure Strategy regarding performance targets.

4 **RECOMMENDATION**

That the report "Audit Management Report for the Long Term Plan Consultation Document 2025- 2034" be received.



Lee-Anne Butler, CA, BMS

Group Manager, Finance & Corporate Services

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Report to the Council on the audit of

Kawerau District Council's Long-Term Plan Consultation Document

For the period 1 July 2025 to 30 June 2034

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2 Matters raised in the Audit Engagement Letter	7
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Key messages

We have completed the audit of the Kawerau District Council's (the District Council) Long-Term Plan Consultation Document (LTP CD) for the period 1 July 2025 to 30 June 2034. This report sets out our findings from the audit and draws attention to areas where the District Council is doing well and where we have made recommendations for improvement. It also provides the next steps in the audit process of the Long-Term Plan (LTP).

Audit opinion

We issued an unmodified audit opinion, with an emphasis of matter paragraph on 9 April 2025. We have included an emphasis of matter paragraph in the opinion to draw readers' attention to uncertainty over water service delivery.

Overall, we are of the view that the District Council produced a LTP CD that fulfilled its primary purpose of providing an effective basis for public participation in decisions on the content of the LTP. The LTP CD included all the major matters that we expected, provided preferred and alternative options to address these issues and encouraged the community to provide feedback.

Matters identified during the audit

To date the audit process of the LTP CD has gone well. Management have been open to feedback on the LTP CD and the underlying information and have demonstrated effective project management in delivering on the key milestones agreed on or renegotiating where required.

Our review over the infrastructure strategy and proposed performance framework identified some suggestions for the District Council to consider as it considers feedback and prepares its final LTP.

Future focus

As well as the opinion issued on the LTP CD we will also issue an opinion on the final LTP that will be adopted before 1 July 2025.

The District Council needs to ensure that there are systems in place to monitor its actual performance against budgets, levels of service and performance measures included in the LTP from 1 July 2025. These systems will assist with annual reporting, and internal monitoring and reporting to the Council.

The District Council's final LTP may be required to be reviewed by the Office of the Auditor-General before the audit opinion for the final LTP can be issued. It is therefore crucial for the District Council to have an appropriate project plan and be prepared as soon as possible to deliver a final LTP and appropriate supporting documentation within timeframes.

Thank you

We would like to thank the Council, management and staff for their assistance during the audit.

A handwritten signature in black ink, appearing to read 'René van Zyl', with a stylized, cursive script.

René van Zyl
Appointed Auditor
29 April 2025

1 Our audit report

1.1 We issued an unmodified audit report



We issued an unmodified audit report on the LTP CD on 9 April 2025.

This meant that we were satisfied that the District Council's LTP CD meets the statutory purpose and provides an effective basis for public participation in the District Council's decisions about the proposed content of the 2025-34 LTP.

We also found the underlying information and assumptions used to prepare the LTP CD provided a reasonable and supportable basis for the preparation of the LTP.

We have included an emphasis of matter paragraph in the opinion to draw readers' attention to the uncertainty over water services delivery. This matter is further explained below.

1.1.1 The impact of the Local Water Done Well reform programme on the 2025-34 LTP

Under the Government's Local Water Done Well (LWDW) reform programme, the District Council is required to prepare a Water Service Delivery Plan (WSDP) that will outline how Council plans to deliver its water (water supply, wastewater and stormwater) services.

Early discussions with the community have identified the District would prefer these services to be managed and operated by the District Council as part of an in-house business unit. Therefore the District Council has prepared their LTP CD and LTP based on the assumption that water services will continue to be delivered by the District Council.

We reviewed the financial forecasts for water, wastewater and stormwater and confirmed these are consistent with the infrastructure strategy, financial strategy, financial model and other underlying information.

We have reviewed the District Council's assumption to model the waters "in" in their LTP and agree with their assumption. We also agree with the District Council's level of uncertainty for LWDW reforms disclosed as high. Due to the uncertainty associated with the delivery of water, we included an emphasis of matter paragraph in the audit opinion to draw attention to the District Council's disclosures in the LTP CD.

1.2 Uncorrected misstatements

The LTP CD is free from material misstatements, including omissions. However, in the course of the audit, we found certain misstatements that are individually and collectively not material to the LTP CD.

We have discussed any misstatements that we found with management. All misstatements identified have been corrected.

1.3 Project delivery and quality and timeliness of information provided for audit



The development of the LTP CD and LTP is a significant and complex project, and a comprehensive project plan is required for a successful LTP process.

The District Council had a detailed project plan which included key milestones, deadlines, and work streams. This contributed to producing underlying documents.

The District Council continues to be receptive to audit recommendations and is focussed on continuous improvement. In addition, Council staff were available throughout the audit and provided requested information as requested.

The next step in the audit process will be the audit of the LTP. To ensure our audit of the LTP is efficient we expect the Council to prepare a schedule of changes to the financial forecasts, draft LTP and performance framework that were the basis of the LTP CD. This will enable us to assess the extent of changes as a result of community consultation and tailor our audit work accordingly.

Under section 94(1) of the Act, our audit report on the LTP forms part of the LTP, which the Council is required to adopt before 1 July 2025 (section 93(3)). Our agreed timeframes will enable us to issue our audit report in time for the Council meeting on 25 June 2025, at which time the 2025-34 LTP will be formally adopted.

We are responsible for reporting on whether the LTP meets the statutory purpose and provides a reasonable basis for integrated decision making by the District Council and accountability to the community. We considered the quality of the underlying information and assumptions as part of the audit of the LTP CD so for the audit of the LTP we will focus on how these are reflected in the LTP. We will consider the effect of the decisions that come out of the consultation process and review the LTP to gain assurance that appropriate, material, consequential changes and disclosures have been made.

At the conclusion of the LTP audit, we will ask the District Council to provide us with a signed management representation letter on the LTP. The audit team will provide the letter template during the LTP audit.

2 Matters raised in the Audit Engagement Letter



In our audit engagement letter of 28 November 2024, we identified the following key risks and issues which were areas of emphasis during our audit.

2.1 The content of the consultation document

We reviewed the District Council's LTP CD and are satisfied the LTP CD included appropriate information to enable consultation with the public on key issues.

The LTP CD provides an effective basis for public participation in the District Council's decision making about the proposed content of its LTP, facilitates the right debate with the community, and meets the legislative requirements of the Local Government Act 2002.

2.2 Control environment

Our approach to the audit was to identify, confirm and assess the District Council's key processes and controls over the underlying information and ultimate production of both the LTP CD and the LTP. The purpose of this assessment was to enable us to plan the most effective and efficient approach to the audit work needed to provide our two audit opinions.

We found that the overall control environment is reliable for the purposes of supporting the LTP CD.

2.3 Financial strategy

We reviewed the District Council's financial strategy and considered whether it is financially prudent and allows for the right debate with the community.

The District Council's financial strategy has not significantly changed from the strategy used in the 2021-31 LTP. We reviewed the financial strategy and the links to the infrastructure strategy and are satisfied the financial strategy is financially prudent, is reflected in the forecast financial information and is adequately summarised in the LTP CD.

We also noted that the District Council has resolved to operate an unbalanced budget due to the decision not to fund depreciation on certain non-strategic assets (such as halls, the District Council's administration building, community pools and Waka Kotahi funded roads) as well as strategic assets. We are satisfied that the decision to operate an unbalanced budget has been appropriately discussed in the LTP CD. We will need to consider the reasonableness of the disclosure about this as part of the audit of the LTP.

2.4 Infrastructure strategy

We reviewed the infrastructure strategy and are satisfied that it provides an overview of the District Council's intentions regarding the management of its critical assets, including wastewater, stormwater, water supply and roading, and significant works planned for the upcoming 30 years. The document explains the issues well and substantially meets the requirements of section 101B of the Local Government Act 2002.

We have identified an opportunity to further reflect good practice or otherwise improve the District Council's infrastructure strategy. This is:

- consider further enhancement to record the levels of service targets whether they are being met and what the proposed approach is for the period of the infrastructure strategy (changes or not).

We have communicated this to management for consideration and will follow up on this as part of our work on the final LTP document.

Management comment

Council will include an overall comment in the infrastructure strategy regarding Council's commitment to meeting all performance targets set out in the Long Term Plan, particularly by maintaining current levels of service delivery and ensuring compliance with all regulatory requirements for roading, stormwater, water and wastewater services.

2.5 Assumptions

We reviewed and assessed the appropriateness of assumptions that the District Council has used as a basis for the development of the LTP CD. In particular, we tested the assumptions of the local waters done well, climate change, capital do-ability, NZTA subsidy rates, growth, inflation, and borrowing rates.

We are satisfied that the assumptions are appropriate and that they have been applied consistently in the development of the underlying information of the LTP CD.

2.5.1 Climate change

This LTP we are paying more attention to the assumptions that the District Council have made about climate change and the adequacy of other information and disclosures relating to climate change.

We noted that the District Council's climate change assumptions are that extreme rainfall events are likely to get heavier and more frequent, but there are likely to be longer dry spells and hotter weather, therefore increasing severity of droughts for the district. Therefore, the District Council has disclosed the level of uncertainty for this assumption as "medium".

We reviewed the District Council's climate change assumption and found the assumption to be reasonable and supportable. We also assessed the quality of the supporting documentation the District Council used in the development of its assumption and are satisfied the climate change assumption has been applied consistently in the development of its underlying information.

2.6 Quality of asset related forecasting information (including condition and performance information for critical assets)

A significant portion of the District Council's operations relates to the management of its infrastructure: the roading network and the "three waters" of water supply, sewerage and storm water drainage. These activities typically make up a significant percentage of the District Council's operational and capital expenditure.

We found the asset management control environment is reliable for the purposes of supporting the LTP CD. This involved assessing the quality of asset management information and the accuracy, reliability, and supportability of the flow of information from asset management planning into the LTP CD. This is based on a high-level assessment of the District Council's asset management planning systems, review of asset management plans, infrastructure strategy, and discussions with staff involved in asset management planning for key infrastructure activities.

2.7 Performance management framework

We reviewed the District Council's performance framework and made recommendations to management regarding the framework, in particular clearer targets for performance measures.

We communicated these improvements to management who have advised that they will consider addressing these as part of the final performance framework that gets adopted with the final LTP. We will follow up as part of our audit of the final LTP document.

2.8 Adopting and auditing the underlying information

The District Council prepared and adopted the underlying information necessary to support the LTP CD.

We found the majority of the documents presented for audit were of a good standard, with some updates subsequently required as a result of audit recommendations and Council decisions.

Appendix 1: Disclosures

Area	Key messages
Our responsibilities in conducting the audit	<p>We carried out this audit on behalf of the Controller and Auditor-General. We are responsible for expressing an independent opinion on the LTP CD and LTP and reporting that opinion to you. This responsibility arises from section 93C(4) of the Local Government Act 2002.</p> <p>The audit of the LTP CD and LTP does not relieve management or the Council of their responsibilities.</p> <p>Our Audit Engagement Letter contains a detailed explanation of the respective responsibilities of the auditor and the Council.</p>
Auditing standards	<p>Our audit has been carried out in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (revised): <i>Assurance Engagements Other Than Audits or Reviews of Historical Financial Information</i>, the International Standard on Assurance Engagements 3400: <i>The Examination of Prospective Financial Information</i>, and the Auditor-General's Auditing Standards.</p>
Auditor independence	<p>We are independent of the Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: <i>International Code of Ethics for Assurance Practitioners</i>, issued by New Zealand Auditing and Assurance Standards Board.</p> <p>In addition to the LTP CD and LTP audit we have carried out engagements in the areas of annual audit and the debenture trust deed assurance engagement, which are compatible with those independence requirements. Other than the audit and these engagements, we have no relationship with or interests in the District Council.</p>
Fees	<p>The audit fee, covering both the consultation document and LTP audit for the year is \$104,475 as detailed in our Audit Engagement Letter.</p> <p>We will also charge an audit fee for the audit of the annual report for the year ending 30 June 2025 during this period.</p>
Other relationships	<p>We are not aware of any situations where a spouse or close relative of a staff member involved in the audit occupies a position with the District Council that is significant to the audit.</p> <p>We are not aware of any situations where a staff member of Audit New Zealand has accepted a position of employment with the District Council during or since the end of the financial year.</p>

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

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Auckland 1140

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<u>Meeting:</u>	Audit and Risk Committee
<u>Meeting Date:</u>	9 June 2025
<u>Subject:</u>	Proposed Timetable for Annual Report to 30 June 2025
<u>File No.:</u>	110400

1 Purpose

The purpose of this report is to inform the committee of the proposed timetable for the preparation of the Annual Report for year ended 30 June 2025.

2 Background

The Local Government Act 2002 requires Council to prepare an annual report each year.

The Annual Report must be adopted within four months of the end of the financial year and be available to the public. Staff have prepared a timetable to ensure that all the necessary tasks are undertaken for the Annual Report to be adopted within the statutory deadline.

The Annual Report will include the appropriate recognition of the Porritt Glade Lifestyle Village and a separate set of audited accounts for the lifestyle village will be completed.

The Auditors have completed the audit planning and the first of two interim audit visits which was performed from 12 to 16 May 2025. The second interim audit is scheduled for 7 July to 11 July and is later due to the audit of the Long Term Plan during June. The commencement of the final audit is scheduled from 22 September to 16 October with Auditors onsite, with the audited Annual Report being adopted on 29 October 2025.

The audit of Porritt Glade Lifestyle Village will run concurrently with the Council's full audit. The final legislative date for adoption of the Porritt Glade Lifestyle Village Annual Report to 30 June 2025 is 30 November 2025. The adoption date is scheduled for 26 November 2025.

3 Proposed Timetable

The appendix to this report contains the proposed timetable for the completion of the Annual Report 2024/25. The timetable ensures the annual report will meet the Auditors' timeframes and Council's statutory reporting requirements. The timetable also includes the preparation of the annual report for Porritt Glade Lifestyle Village.

4 **RECOMMENDATION**

That the report “Proposed Timetable for Annual Report to 30 June 2025” be received.



Lee-Anne Butler, CA, BMS

Group Manager, Finance & Corporate Services

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APPENDIX**Annual Report 2025 Timetable**

Non Financial Tasks:		
Performance Target results including supporting documents	Managers	12 August
Preparation of “pro-forma” financial statements (including any changes arising from Financial Reporting Requirements)	GMFCS	22 August
Availability of Council minutes for 2024/25	GMFCS	4 September
Financial Tasks:		
Schedule of bank signatories	Accounting Team Lead	30 June
Inventories: • Carry out stock takes as @ 30 June 2024	Accounting Team Lead	30 June
GL balances agreed to Annual Report @ 1 July 2024 (opening balances)	Financial Accountant	14 July
Reconciliations completed for: • Cash • Debtors (Rates, Water & Sundry) • Inventory – includes sections • Accounts Payable • Electronic Purchase Orders • Payroll • Other liabilities and accruals • Bonds/Deposit/Suspense Accounts • GST and FBT • Council External Loans (FA) • Internal Loans (FA)	Financial Accountant & Accounting Team Lead	31 July
List of investments and cash at bank (accounts) • Shares • Impairment consideration • Split between “current” and “term”	Financial Accountant	31 July
Schedule of Debtors (Rates, water and sundry): • Aged Debtors • Doubtful debts calculation • Write-offs	Accounting Team Lead	31 July
Schedule of journal entries for year	Accounting Team Lead	12 August
Accruals for (and schedules of): • Prepayments • Creditors • Income in advance • Employee entitlements • Provisions (Doubtful debts, landfill aftercare) • Interest	Accounting Team Lead	12 August

Investment properties (& movements)	Financial Accountant	12 August
Allocation (final) of corporate overheads including: <ul style="list-style-type: none"> List “drivers” for allocating costs. List any changes to drivers from prior year annual report 	Financial Accountant	18 August
Schedule of commitments and contingencies	GMFCS	18 August
Fixed Assets including: <ul style="list-style-type: none"> Balancing of register to GL Determine if material value changes for PP&E Recognizing additions Expensing depreciation Recognizing disposals Determining if obsolete (write off) Determine “deterioration” (vs dep) Work in progress schedule Revaluation of assets updated 	Financial Accountant	1 September
Annual Report Preparation:		
Preparation of Porritt Glade Lifestyle Village Annual Report	Financial Accountant	4 September
Preparation of: <ul style="list-style-type: none"> Review of supporting documentation and all reconciliations Trial Balance – Management Book (2nd draft) FIS (for activities) Financial Statements (including notes) Cashflow and supporting documents. Financial Prudence Reports Mayor’s and CE’s report Māori Contribution to Decision-Making 	GMFCS Accounting Team Lead GMFCS GMFCS GMFCS Financial Acc Com Mgr Com Mgr	4 September 5 September 22 September 22 September 22 September 22 September 22 September
Draft Financial Statements prepared	GMFCS	22 September
Final draft Financial Statements (& Summary) – with audit changes	GMFCS	20 October
Reports and Financial Statements (including Summary) ready for adoption	GMFCS	24 October
Financial Statements adopted	Council	29 October
Financial Statements for Porritt Glade Lifestyle Village adopted	Council	26 November
Audit visits: <ul style="list-style-type: none"> Interim (first visited completed) Second Interim visit) Final commences – onsite 	Audit	12 to 16 May 7 to 11 July 22 Sept to 16 Oct

GMFCS = Group Manager Finance and Corporate Services
Com Mgr = Communication and Engagement Manager

Meeting: Audit and Risk Committee

Meeting Date: 9 June 2025

Subject: Long Term Plan 2025 – 2034 Update

File No: 110555

1 **Purpose**

The purpose of this report is to provide the committee with an update on the Long Term Plan 2025-2034 and timetable.

2 **Background**

The Local Government Act 2002 requires Council to prepare a Long Term Plan at least every three years and an annual plan in the years in between. Council must also consult on its Long Term Plan using the special consultative process, which includes preparing a consultation document and engaging with the community. There is also a requirement that the Long Term Plan and the consultation document must be audited.

The 2024/25 financial year would have been year one of the new 2024 - 2034 Long Term Plan. However, due to the Government reforms on the Three Waters Legislation, on 10 April 2024, Council resolved that “*under clauses 48 and 49 of Schedule 1AA of the Local Government Act 2002 (inserted by the Water Services Acts Repeal Act 2024)*”, to prepare an enhanced Annual Plan for 2024/25 and a nine year Long Term Plan 2025 - 2034.

The nine year Long Term Plan 2025-2034 must be adopted by 30 June 2025.

3 **Timetable for Long Term 2025 – 2034**

The appendix to this report contains the timetable for the preparation and adoption of the Long Term Plan 2025 – 2034 and shows progress to date.

The Long Term Plan Consultation Document and the underlying key documents of the Long Term Plan were prepared and adopted by Council on 9 April 2025, and consultation with the community commenced on 11 April 2025.

Audit New Zealand started the audit of the Long Term Plan and Consultation Document on 26 February 2025. Due to the timing of the audit ‘Hot Review’ the timetable for adoption of the Consultation Document, period of consultation and hearing of submissions was extended by one week. This has reduced the turnaround period to complete the final Long Term Plan by one week, however the intention is to still adopt the Long Term Plan 2025 – 2034 on 25 June 2025. The dates in the timetable have been updated to reflect this one week delay.

At the time of preparing this report, the final audit reviews of the Long Term Plan are being completed by Audit New Zealand. The Long Term Plan is also required to have a further 'Hot Review' by the Office of the Auditor-General. At this stage this hot review is scheduled for 18th June, however staff are working hard to try to have this review completed slightly earlier if possible.

4 RECOMMENDATION

That the report "Long Term Plan 2025 – 2034 Update" be received.



Lee-Anne Butler, CA, BMS

Group Manager Finance and Corporate Services

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Appendix A - Project Plan for 2025 – 2034 Long-Term Plan

Tasks	Responsible	Completion
Policy & Strategy Reviews		
Investment Policy	GMFCS	Completed
Liability Management Policy	GMFCS	Completed
Significant Forecasting Assumptions	GMFCS	Completed
Revenue and Financing Policy	GMFCS	Completed
Rates Remission & Postponement Policies	GMFCS	Completed
Infrastructure Strategy (30 years)	GMOS/GMFCS	Completed
Financial Strategy	GMFCS	Completed
Financial Contributions Policy	GMRP	Completed
Significance and Engagement Policy	CEM	Completed
Rates Review	GMFCS	Completed
Asset Management Plans		
Roading	GMOS/FA	Completed
Water Supply	GMOS/FA	Completed
Wastewater	GMOS/FA	Completed
Stormwater	GMOS/FA	Completed
Financials		
Prepare initial Budgets for 2025-2034 LTP	SLT	Completed
Budget Collation and Managers Review	GMFCS/SLT	Completed
Budget Overview	GMFCS	Completed
Rates Impact	GMFCS	Completed
Agree Budget and Rates impact for Community Consultation	GMFCS	Completed
Long Term Plan Preparation & Consultation		
Prepare Performance targets (non-financial)	All Managers	Completed
Draft LTP Consultation Document – LTP Statement of Proposal prepared and presented to Council for consideration and changes	CEM/GMFCS	Completed
Audit of LTP Statement of Proposal	GMFCS	Completed
Adoption of LTP Statement of Proposal/Draft LTP Document for Consultation	Council	Completed
Special Consultative Consultation Period: Public Meetings/Newsletter/Website/Media	CEM/GMFCS	Completed
Submissions Close		Closed

Tasks	Responsible	Completion
Advise Submitters wanting to speak	CEM/Admin	Completed
Hear, consider and deliberate submissions	Council	Completed
Implement any changes – amend LTP & prepare rates following submission deliberations		In progress
Audit of LTP 2025-2034	Auditors	In progress
Obtain Legal opinion concerning FIS & rates resolution		13/06/2025
Implement any changes – amend LTP & prepare rates	Any audit adjustments	9/06/2025 to 16/06/2025
Adopt Long Term Plan 2025-2034 & rates resolution	Council	25/06/2025
Long Term Plan on website	CEM/GMFCS	30/06/2025

GMFCS = Group Manager Finance and Corporate Services
 CM = Communications & Engagement Manager
 GMRP = Group Manager Regulatory and Planning
 FA = Financial Accountant
 SLT = Senior Leadership Team

Meeting: Audit and Risk Committee

Meeting Date: 9 June 2025

Subject: **Audit and Risk Review Timetable from June 2025 to April 2026**

File No: 101300

1 **Purpose**

The purpose of this report is to inform the committee of the proposed timetable for the review of key risks and financial policies and performance for the Audit and Risk Committee for the next 12 months.

2 **Background**

Council has appointed an Audit and Risk Committee to overview Council's finances and risks, to ensure that adequate controls are in place to safeguard the community's assets. Most Councils have an Audit and Risk committee to undertake these functions. This Council first established its Audit and Risk Committee on 8 April 2015.

The initial Proposed Audit and Risk Review Timetable for 2024 was presented to the committee at the 8 April 2024 meeting. A request was made for this report to be to be presented at each meeting as a rolling timetable of work to be completed.

3 **Proposed Audit and Risk Review Timetable**

The appendix to this report contains the proposed timetable for the review of risk management, financial policies, as well as financial reporting and planning, for the next 12 months of scheduled meetings.

There may be other policies or reviews that the committee would like to be reviewed that can be added to the schedule at any stage.

With the Council Election in October 2025, no audit and risk meeting has been scheduled. The December 2025 meeting date will be confirmed following the election.

4 **RECOMMENDATION**

That the report "Audit and Risk Review Timetable from June 2025 to April 2026" be received.



Lee-Anne Butler, CA, BMS

Group Manager, Finance & Corporate Services

Appendix

Audit & Risk Committee Meetings and Review Schedule

Topic	Tasks	9 June 2025	11 August 2025	October 2025 (Election)	December 2025	9 February 2026	13 April 2026
Risk management	Insurance renewal plan				Insurance Update Report	Report on current Council insurance policies	
	Health and safety policy and reporting requirements	Reports (monthly) monitoring Council's Health and Safety systems throughout the year					
	Review/update Risk Policy, Risk Register and Risk Framework		Review/update risk framework, register and policy			Undertake further reviews as required in line with best practice	
	Identification of risks and mitigations for significant projects	Local Water Done Well update, risks and implementation	Local Water Done Well update, risks and implementation		Residential Developments – Risks identified and mitigations & controls		Undertake further reviews as required in line with best practice
Policy Review	Sensitive Expenditure Policy		Review/update policy for committee consideration				
	Financial policies (Code of Conduct, Gifts Policy, Fraud Policy)				Review/update Council's gift policy.	Fraud and Corruption Policy Review	
	Bylaws and Policies		Update on Council Policies and By-Laws			Update on Council Policies and By-Laws	

Topic	Tasks	9 June 2025	11 August 2025	October 2025 (Election)	December 2025	9 February 2026	13 April 2026
Financial reporting and Annual Report	Treasury Reports	Reports (monthly) monitoring Council's Cash position throughout the year					
	Quarterly financial and non-financial performance	Performance report to 31 March 2025			Performance report to 30 June 2025 & 30 September 2025		
	Audit Management Report	Report on the Audit Management Report for Audit of the LTP Consultation Document	Report on Interim Audit Management Report - 2025		Final Audit Management Report 2024/25		Update on Progress of Audit Management Report to 30 June 2025
	Prepare 2024/25 Annual Report	Timetable for Annual Report					
	Timetable for the preparation and adoption of AP/LTP amendments	Update on LTP progress, timeframes, risks & issues			Timetable Annual Plan & updates		Update on Annual Plan
Internal Audit	Review and consider provision of internal audit functions					Proposed internal audit programme for Council	
Asset Management Plans	On-going programme to improve the AMIPs					Update on Capital Works programme	

Meeting: Audit and Risk Committee

Meeting Date: 9 June 2025

Subject: Annual Plan Performance for the nine months ended 31 March 2025

File No.: 110400

1 **Purpose**

The purpose of this report is to review and compare Council's actual financial and non-financial performance for the nine months to 31 March 2025 with the Annual Plan for 2024/25.

Comments are provided where expenditure/revenue is likely to vary from budget, or the performance target is unlikely to be achieved for the year. This report was presented to the Council meeting on 28 May 2025.

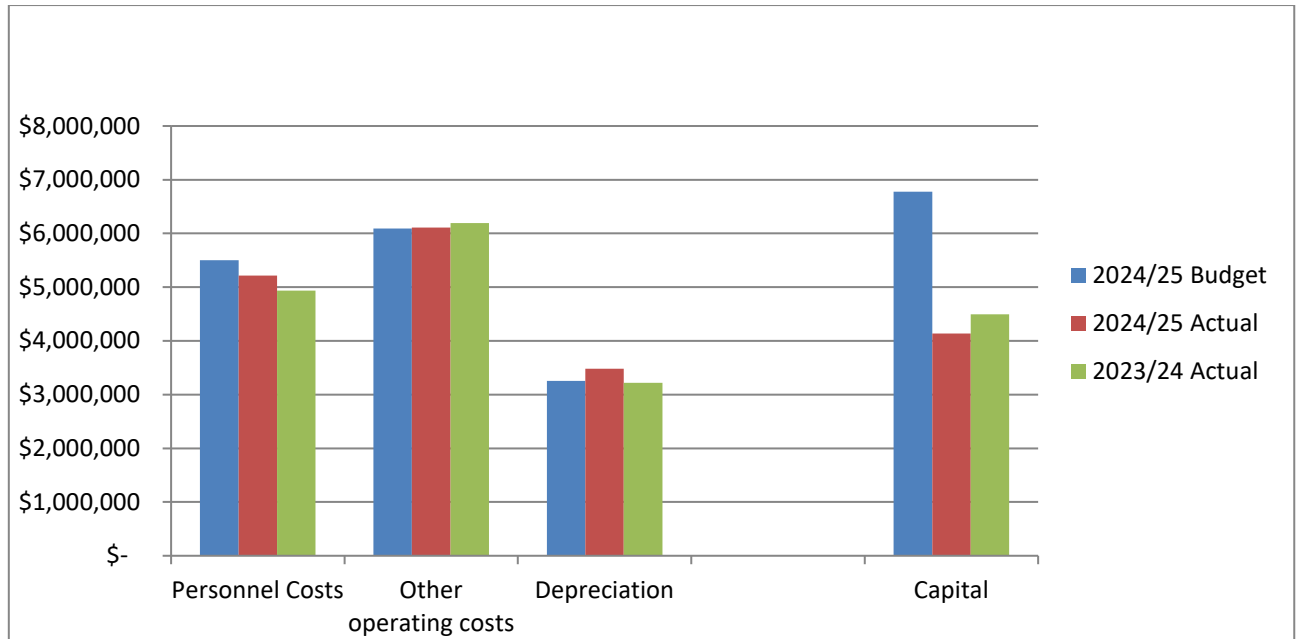
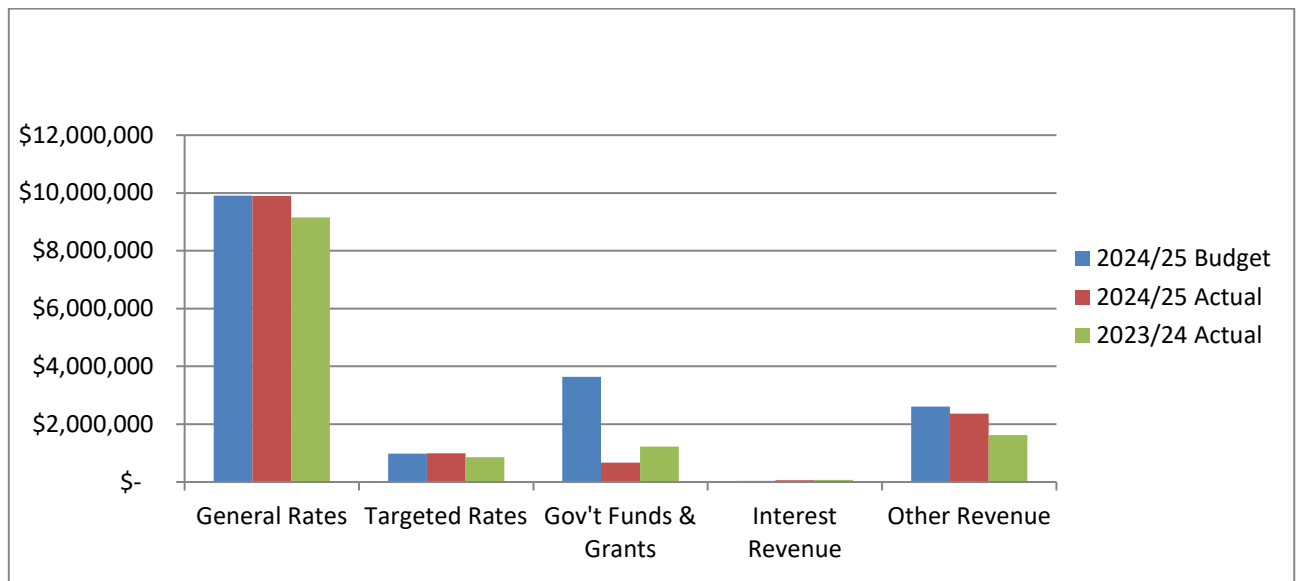
2 **Financial Performance**

2.1 **Statement of Comprehensive Revenue and Expense**

The following table shows Council's financial performance for the nine months compared to the adopted annual budget. The capital budget for 2024/25 has been amended to include the carried forward figures as well as any budget amendments approved by Council. NB: There will be timing differences for some revenue and expenditure.

	Adopted Budget	Budget 31-3-2025	Actual 31-3-2025	Comments
Revenue:	\$	\$	\$	
Rates	14,518,750	10,889,063	10,884,591	
Subsidies and Grants	4,852,850	3,639,637	673,493	Incl. Stoneham Dev Grant claim to match expense
Interest Revenue	52,000	39,000	59,030	
Fees and Charges	2,840,680	2,130,510	2,314,327	
Other Revenue	65,000	48,750	47,204	Petrol Tax
Total Revenue	22,329,280	16,746,960	13,978,645	
Expenditure:				
Personnel Costs	7,335,980	5,501,985	5,214,701	
Depreciation	4,338,620	3,253,965	3,480,236	
Finance Costs	350,000	262,500	255,507	
Other Expenses	7,770,210	5,827,658	5,852,199	Increased refuse charges & water costs.
Total Expenditure	19,794,810	14,846,108	10,382,562	
Surplus (Deficit)	2,534,470	1,900,852	(823,998)	
	Revised Budget	Budget 31-3-2025	Actual 31-3-2025	
Capital Expenditure	9,032,139	6,774,104	4,138,068	

Council's expenditure and revenue for the year to date are shown in the graphs below, compared to budget and expenditure/revenue for last year 2023/24.

Expenditure to 31 March 2025**Revenue to 31 March 2025****2.2 Statement of Financial Position**

The following table shows Council's financial position at 31 March 2025 compared to the budget.

The financial position statement does not include all the accruals for receivables and payables (which is normally only done at the end of the year).

	Budget @ 30/6/2025	Actual at 31 March 2025	Comments
Assets:			
Current assets:			
Cash & cash equivalents	\$3,482,150	\$3,379,825	
Receivables	\$2,477,970	\$1,404,616	
Inventories	\$8,742,360	\$2,232,827	Stoneham Park
Non-current assets:			
Property, plant and equipment	\$129,915,267	\$112,309,498	Revaluations 30/6
Intangible assets	\$106,430	\$90,741	
Other financial assets	\$286,250	\$236,252	
Total Assets	\$145,010,427	\$119,653,759	
Liabilities:			
Current liabilities:			
Payables, provisions & employee benefits	\$4,371,777	\$3,056,586	
Resident's Liability	\$8,245,000	\$9,037,152	Porritt Glade
Borrowing	\$17,800	\$4,008,554	Loan due - April
Non-current liabilities:			
Provisions & employee benefits	\$142,080	\$55,866	
Borrowing	\$6,068,810	\$2,033,982	\$4.0 mil loan - April
Deferred Revenue	\$62,910	\$131,429	
Total Liabilities	\$18,908,377	\$18,323,569	
Ratepayers Equity	\$126,102,050	\$101,330,190	
Total liabilities & ratepayers equity	\$145,010,427	\$119,653,759	

2.3 Statement of Cashflow

The cashflow statement shows an increase of \$577.9k in Council's cash position.

	Budget @ 30/6/2025	Actual at 31 March 2025	Comments
Cashflow from operating activities:			
Rates	\$14,384,170	\$11,000,975	
Subsidies & Grants	\$4,852,850	\$1,036,925	
Fees & Charges & Other Revenue	\$2,969,740	\$2,154,238	
Interest Received	\$51,990	\$59,030	
Payments to suppliers and employees	\$(14,859,100)	\$(11,718,111)	
Interest paid on debt	\$(350,000)	\$(255,507)	
Net cashflow from Operations	\$7,049,650	\$2,277,550	
Net cashflow from investing:			
Disposal of Assets/Contributions ORA	\$0	\$1,253,072	
Property, Plant & Equipment/Inventory	\$(8,774,680)	\$(4,952,766)	
Net Purchase of Investments			
Net cashflow from investing:	\$(8,774,680)	\$(3,699,694)	
Net cashflow from financing:			
Loans raised	6,000,000	\$2,000,000	
Debt repayment	\$(4,017,800)	\$0	
Net cashflow from financing	\$1,982,200	\$2,000,000	
Total Net cash inflow/(outflow)	\$257,170	\$577,856	
Opening balance (1/7)	\$3,224,980	\$2,801,969	
Closing cash balance	\$3,482,150	\$3,379,825	

3 **Capital Expenditure**

The following is Council's capital budget (including carry forwards and amendments) and expenditure for the nine months to 31 March 2025.

Activity	2024/25 Budget	Actual 31/3/2025	Comments
Economic & Community Development	\$12,000	\$10,018	
Environmental Services	\$596,502	\$0	New Dog Pound
Roading	\$1,822,900	\$280,142	
Stormwater	\$0	\$0	
Water Supply	\$3,579,936	\$2,342,565	Pipe renewals
Wastewater	\$1,829,392	\$838,693	WW pipe renewals
Solid Waste	\$65,000	\$17,182	
Leisure & Recreation	\$580,049	\$364,005	
Plant, PCs and Office	\$546,360	\$285,463	New plant/vehicles, PCs & office building renewals
Total	\$9,032,139	\$4,138,068	

4 **Non-Financial Performance**

The following is a summary of the non-financial targets performance to date:

Activity	2024/25 No. of Targets	On Target to Achieve 2024/25	2023/24 Achievement Rate
Democracy	3	3	67%
Economic & Community Development	5	4	100%
Environmental Services (excludes N/As)	13	10	45%
Roading (including Footpaths)	7	4	43%
Stormwater	3	3	100%
Water Supply	13	13	77%
Wastewater	7	7	86%
Solid Waste Management	2	2	100%
Leisure and Recreation	13	11	75%
TOTAL	66	58	71%

5 **RECOMMENDATION**

That the report "Annual Plan Performance for the nine months ended 31 March 2025" be received.



Lee-Anne Butler, CA, BMS

Group Manager Finance & Corporate Services

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