



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

AGENDA

COUNCIL MEETING

Wednesday 24 June 2026, at 10am

reconvening (if required) on

Thursday 25 June 2026, at 10am

**Council Chamber
Liardet Street, New Plymouth**

Chairperson:	Mayor Max	Brough
Members:	Cr EJ	Barrett
	Cr Sam	Bennett
	Cr Gina	Blackburn
	Cr Gordon	Brown
	Cr David	Bublitz
	Cr Graham	Chard
	Cr Murray	Chong
	Cr Christine	Fabish
	Cr Damon	Fox
	Cr Moira	George
	Cr Te Waka	McLeod
	Cr Dinnie	Moeahu
	Cr Kerry	Vosseler
	Cr John	Woodward

Purpose of Local Government

The reports contained in this agenda address the requirements of the Local Government Act 2002 in relation to decision making. Unless otherwise stated, the recommended option outlined in each report meets the purpose of local government and:

- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.
 - Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, or transfer the ownership or control of a strategic asset to or from Council.
-

OPENING

The chairperson, or a person authorised by the chairperson will open the meeting.



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

Health and Safety Message / Te Whaiora me te Marutau

In the event of an emergency, please exit through the main entrance.

Once you reach the footpath please turn right and walk uphill, towards Pukekura Park, congregating outside the Spark building, directly next door.

Council staff will guide you to an alternative route if necessary.

If there is an earthquake, please remember - drop, cover and hold. Stay where you are until further instructions are given and be mindful of the glass overhead.

Finally, please be respectful of others, follow the Chair's direction, and help us maintain a safe and orderly meeting environment built on mutual trust and respect between elected members, staff, and the public.

Thank you

APOLOGIES / NGĀ MATANGARO

None noted

Elected Members Declaration of Interests (ECM 9631686)

as at 8 June 2026

(please advise the Governance Team of any amendments)

Mayor and Councillors

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
EJ Barrett	No declaration advised	
Sam Bennett	Speaking Made Easy Full Circle Bespoke Life Events Heart of Brooklands New Plymouth Operatic Society Celebrants Aotearoa (CANZ) Celebrants Aotearoa (Taranaki) Residential Property Owner APJ and DM Bennett and PJ Bennett Age Concern Justice of the Peace for New Zealand Institute of Directors Taranaki Age Concern Taranaki New Plymouth Club FENZ Taranaki Local Advisory Committee (LAC) Taranaki Chamber of Commerce Francis Douglas Memorial College Foundation member Funeral Director Vosper’s Funeral Home Len Lye Centre GBAG Communio – Coronial Support Deceased/Tūpāpaku Funeral Directors Association of New Zealand	Ownership of company Ownership of Company Ownership of Company Sponsorship Manager Member Member Family Trust Board member Ministerial duties and Nominated Person Oranga Tamariki Member Chairperson Member Chairperson Member Board member Contractor Friend member Contractor Member

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Gina Blackburn	Te Kotahitanga o Te Atiawa Trust Te Rūnanga o Ngāti Mutunga Te Whiringa o Ngāti Mutunga Charitable Trust Te Uru o Te Rangī Waitara East School Blackburn Ventures Ltd Residential Property Interests	Employee Trustee Chairperson, Trustee Member Trustee Shareholder
Gordon Brown	Taranaki Chamber of Commerce New Plymouth Bowls Club Writing Services Ltd	Contracting work Member Director
Max Brough	Aluminium Imports (NZ) Ltd Edging Systems (NZ) Ltd Waste Minimisation (NZ) Ltd Knight Ridge Orchard Ltd Fitzroy Kiosk Ltd Max Brough Family Trust Residential properties	Director Director Director Director Director
David Bublitz	New Plymouth Boys' High School old boys assoc. New Plymouth Golf Club Residential Property owner Bublitz Family Trust Basketball Taranaki	Member Member Trustee GM

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Graham Chard	New Plymouth and Districts RSA NPRSA Support Trust NPRSA Poppy Trust Okato Community Trust Chardz Holdingz Ltd Chardz Investmentz Ltd Taranaki Iwi Trust New Plymouth Club Kaitake Community Sports Hub NZMCA Pukeiti Rhododendron Trust	President Chairman, Trustee Chairman, Trustee Vice Chairman, Trustee Managing Director Director Affiliate Executive Committee Member Social Member Member Member
Murray Chong	ZenVest Adviser Services Ltd T2X Productions Taranaki Chamber of Commerce NZMCA	Co-Director Director Member Member
Christine Fabish	Dudley District Hall Society Hudson Essex Terraplane Club Family residence Inglewood First Trust	Member Member Trustee
Damon Fox	Salvation Army Bridge Programme ACT Local	Employee Member

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Maira George	Residential properties New Plymouth and Kairakau Beach, Central Hawkes Bay George Partnership Trust Taranaki Chamber of Commerce Govett Brewster Foundation (Purpose purchasing art for the gallery)	Trustee Member Member
Te Waka McLeod	Puna Hau Ltd Residential property interests	
Dinnie Moeahu	Te Kotahitanga o Te Atiawa Te Korowai o Ngaruahine Te Kahui o Taranaki Ngāti te Whiti Ngati Moeahu Ngati Manuhiakai Te Maruata Roopu Whakahaere Te Aroha Connections LGNZ National Council	Affiliate Affiliate Affiliate Affiliate Affiliate Affiliate National Board Member Ownership of Company Member

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Kerry Vosseler	PIHMS (Chef tutor) Family Trust East End Surf Club	Employee Trustee Member
John Woodward	No declaration advised	

Community Boards Declaration of Interests (ECM 9631686)

as at as 8 June 2026

(please advise the Governance Team of any amendments)

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Mike Anderson (KCB)	Taranaki Regional Council	Contractor
Mike Baker (PBBCB)	Family Residence Bowls New Zealand Waitara Bowling Club Bell Block Community Pool Charitable Trust	Taranaki Umpires Group Level One Club Member / Bar Manager Trustee
Ian Cummings (CCB)	Family Residence (Onaero)	
Ewen Darling (KCB)	Paneltech Panelbeaters Lifestyle Autos NP Sportfishing and Underwater Club Vintage Car Club of NZ Taranaki Vintage Car Club Frankleigh Star Indoor Bowling Club Lighthouse Independent Baptist Church	

Name of Member	Interest Being Declared	Nature of Interest/Transaction (includes positional or transactional interests eg funding agreements, proposals and other relationships)
Rebecca Dearden (ICB)	Emission Insights NZ Providence Bay Farm Equestrian Stratford District Council Inglewood Pony Club Dudley Districts Hall Society Taranaki Mounted Games Association Taranaki Masters Hockey Club Residential property owner New Zealand Pony Clubs Association Sustainable Taranaki	Business owner – sole trader Business owner – sole trader Employee Member Member Committee Member Member Board Member Volunteer
Paul Lobb (KCB)	Asset Plus NZ King Salmon Residential Properties Oakura Board riders Club Kaitake Ranges Conservation Trust NZ Plant Protection Society	Life member Member Member
Trevor Dodunski (WCB)	No declaration advised	

Teresa Goodin (KCB)	No declaration advised	
Teresa Hayston (CCB)	Urenui Beach Camp & Store Urenui Community Centre Waitara Citizens and Services Club	Joint owner Treasurer Member
Donald McIntyre (ICB)	No declaration advised	
Lance Mepham (PBBCB)	Pride Taranaki Charitable Trust	Deputy Chair, Treasurer and Current Trustee
Dale Michielsen (WCB)	Michielsens Transport Ltd Waitara Soccer Club Western Central Districts Road Carriers	Director Vice President Committee Member
Tyla Nickson (CCB)	Tongapōrutu Hall Society	Member
Tiri Porter (WCB)	Te Kōwhatu Tū Moana Trust Te Reo Irirangi o Taranaki Charitable Trust Waitara Taiohi Trust He Rau Oranga Trust North Taranaki Sport and Recreation Incorporated	Employee Employee Board member Board member Board member

Joe Rauner (WCB)	ANZCO Foods (Eltham) Joe's Cycles	Employee Owner
Greg Robinson (ICB)	Balance Agri Nutrients Family Trust	Employee Trustee
Murray Seamark (CCB)	MW & CJ Seamark Family Trust Tongaporutu Hall Society Inc Family residence	
Michael Self (ICB)	No declaration advised	
Adrian Sole (PBBCB)	Squirt Products MA & AE Sole Trust Residential Property Red Rabbit Coffee Co Ltd	Director
Kim Sowman (PBBCB)	Frankley School Residential Property Bell Block Community Facebook Page TSB Showplace	Employee Administrator Volunteer

CONFLICTS OF INTEREST / NGĀ ARA KŌNATUNATU

1. People who fill positions of authority must undertake their duties free from real or perceived bias. Elected members must maintain a clear separation between their personal interests and their duties as an elected member. Failure to do so could invalidate a Council decision and leave the elected member open to prosecution and ouster from office.
2. An elected member is entitled to interact with the Council as a private citizen. However, they cannot use their position as an elected member to gain an advantage not available to the general public.
3. Elected and appointed members will:
 - Declare any interest whether pecuniary or non-pecuniary at a meeting where the interest is relevant to an item on that agenda.
 - Exclude themselves from any informal discussions with elected members relating to a matter they have an interest in.
 - Seek guidance from the Chief Executive if they are unclear of the extent of any interest.
 - Seek guidance or exemption from the Office of the Auditor General if necessary.

ADDRESSING THE MEETING

Requests for public forum and deputations need to be made at least five days prior to the meeting. The Chairperson has authority to approve or decline public comments and deputations in line with the standing order requirements.

PUBLIC FORUM / ĀTEA Ā-WĀNANGA

Public Forums enable members of the public to bring matters to the attention of the committee which are not contained on the meeting agenda. The matters must relate to the meeting's terms of reference. Speakers can speak for up to 5 minutes, with no more than two speakers on behalf of one organisation.

- Elaine Gill - proposed sale of TSB Bank

DEPUTATIONS / MANUHIRI

Deputations enable a person, group or organisation to speak to the meeting on matters contained on the agenda. An individual speaker can speak for up to 10 minutes. Where there are multiple speakers for one organisation, a total time limit of 15 minutes, for the entire deputation, applies.

- Gareth Jones (multi person deputation) - YMCA's night shelter, Te Whare o Tapatahi Tab 2

PREVIOUS COUNCIL MINUTES / NGĀ MENETI O MUA

Recommendation:

That the minutes of the following meeting of the Council, and the proceedings of the said meeting, as circulated, be taken as read and confirmed as a true and correct record:

Council	28 May 2026
CE Liaison Joint Committee	11 June 2026
CE Performance Review Committee	16 June 2026
Council (Briefing)	17 June 2026

COMMITTEE MINUTES

Recommendation

That the minutes of the following meetings, as circulated be received and:

- a) Decisions made under delegated authority by the committees be incorporated in the minutes of this meeting of the Council.**

Kaitake Community Board	8 June 2026
Clifton Community Board	9 June 2026
Inglewood Community Board	9 June 2026
Puketapu-Bell Block Community Board	10 June 2026
Waitara Community Board	12 June 2026
Finance, Audit & Risk Committee	18 June 2026

REPORTS

- 1 Proposed Cemeteries and Crematoria Bylaw 2020 and Handbook – Deliberations and Adoption
 - 2 Rough Sleeping | YMCA Te Whare o Tapatahi Annual Report
 - 3 Proposed Amendment to the Dog Control Bylaw 2022 – Change from Prohibition to Leashed Controlled within the New Plymouth Central Business Area
 - 4 Strategic Framework (Vision and Goals /Community Outcomes) for the Long-Term Plan 2027-2037
 - 5 Supplementary report: Statement of Expectations for Wai Hononga Water Services Ltd and Administrative Amendments to the Adopted Constitution
 - 6 Electoral Officers 2025 Triennial Election
 - 7 Legislative Compliance Review
 - 8 Health, Safety and Wellbeing Report
 - 9 Revised Insurance Framework
 - 10 Q3 Treasury Management Report
 - 11 Q3 Treasury Management Policy Compliance
 - 12 Q3 Performance Report
 - 13 Treasury Management Policy Amendments
 - 14 Tax Risk Framework and Mangement Strategy
 - 15 S & P Global Ratings Assessment
 - 16 Exemption for Wai Hononga Water Services
 - 17 CCO’s Strategic Oversight Committee Terms of Reference
 - 18 Annual Plan 2026 – 2027 – Adoption and Setting of Rates
 - 19 Exclusion of the Public for the Remainder of the Meeting
-
-

PROPOSED CEMETERIES AND CREMATORIA BYLAW 2020 AND HANDBOOK – DELIBERATIONS AND ADOPTION

MATTER / TE WHĀINGA

1. The matter for consideration is the adoption of the proposed Cemeteries and Crematoria Bylaw 2020 and accompanying Cemeteries and Crematoria Handbook 2020 following consultation with the community.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report Council:

- a) **Notes the submissions received on the proposed Cemeteries and Crematoria Bylaw and Handbook (Appendix 1 ECM 9803790).**
 - b) **Determines that the required special consultative procedure as set out in the Local Government Act 2002 has been followed.**
 - c) **Determines that the reviewed Cemeteries and Crematoria Bylaw 2020 does not give rise to any implications under the New Zealand Bill of Rights Act 1990.**
 - d) **Determines under section 155(2) of the Local Government Act 2002, that having determined that a bylaw is the most appropriate way to address the perceived problem, that the proposed Cemeteries and Crematoria Bylaw 2020 is the most appropriate form of bylaw.**
 - e) **Notes that no changes to the Cemeteries and Crematoria Bylaw are proposed in light of the submissions received.**
 - f) **Notes the minor updates to the Cemeteries and Crematoria Handbook.**
 - g) **Adopts the reviewed Cemeteries and Crematoria Bylaw 2020 and Cemeteries and Crematoria Handbook 2020 (Appendix 4 ECM 9803790).**
 - h) **Approves the commencement date of **Day Month** 2026 for the reviewed Cemeteries and Crematoria Bylaw and Handbook, noting that public notice on the making of the Bylaw and Handbook will be given prior to this date.**
-

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Adopt the Cemeteries and Crematoria Bylaw and Handbook. 2. Adopt the Cemeteries and Crematoria Bylaw and Handbook with amendments.
Affected persons	The persons who are affected by or interested in this matter are: <ul style="list-style-type: none"> • Funeral directors and other cemetery/crematoria stakeholders • Members of the public who use and visit Council's cemeteries and crematoria facilities.
Recommendation	This report recommends option one adopt the reviewed Cemeteries and Crematoria Bylaw and Handbook 2020 for addressing the matter.
Long-Term Plan / Annual Plan Implications	No.
Significant Policy and Plan Inconsistencies	No.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

2. This report recommends that Council adopt the reviewed Cemeteries and Crematoria Bylaw 2020 (the Bylaw) and accompanying Cemeteries and Crematoria Handbook (the Handbook) in order to ensure continued bylaw coverage of this matter. Taking this approach will provide a clear framework as to the management and regulation of cemeteries and crematoria in the district.
3. Public consultation was undertaken as part of the review process, with a number of key points raised by submitters. Where these were relevant, appropriate, and practical to implement, they have been incorporated into the recommendations. Some suggestions fall outside the scope of this review or are not considered suitable changes within the broader context of the activity.

-
4. No changes are proposed to the Bylaw.
 5. Minor changes are proposed to the Handbook.
 6. While technically outside the scope of this review, a number of improvements and changes have been proposed to how information is provided to the public, particularly through Council's website.
 7. The next steps are to give public notice of the making of the Bylaw, stating the date on which the Bylaw will come into operation. The Bylaw and Handbook will also be updated on all relevant Council information portals. Submitters will be informed of the Council decisions regarding their submissions.

BACKGROUND / WHAKAPAPA

Current Bylaw

8. The Cemeteries and Crematoria Bylaw 2020, as a new standalone bylaw separated out from the New Plymouth District Bylaw 2008 in 2020, must be reviewed within five years of its implementation. Without completing the review, the Cemeteries and Crematoria Bylaw 2020 will be revoked under section 160A of the Local Government Act 2002 (LGA) on 21 April 2027
9. A review was initiated through resolution C/2025/011 at the Council meeting of 25 March 2025.
10. The current situation comprises a standalone bylaw, with an associated operational handbook referenced within the Bylaw to manage the district's cemeteries and crematorium. This allows a separation of high-level bylaw matters from everyday operational activities, and allows for minor changes to operational procedures to be undertaken without the need for the full consultative procedures associated with changes to a bylaw.
11. This bylaw is made under sections 145 and 146 of the LGA, and section 16 of the Burial and Cremation Act 1964 (BCA).
12. No changes were proposed to the existing bylaw or handbook prior to public consultation being undertaken.

Engagement and Submissions

13. The Bylaw was presented to:
 - a) All Community Boards
 - b) Ngā Kaitiaki
 - c) Age and Accessibility Working Group
-

-
14. No changes were made as a result of feedback from the groups, committees, and boards consulted, as the feedback received was not actionable within the scope of this review.
 15. All funeral directors and monumental masons known to Council's operations team were directly contacted informing them of the review and the consultation process.
 16. Public consultation closed on Monday 15 September 2025, at which time one submission had been received. A request was received the following week from one person asking if Council would accept a late submission. The Corporate Planning and Policy Lead agreed to receive a late submission from the requester. Staff were subsequently provided with a further nine submissions from individuals associated with the same group.
 17. Overall, ten submissions were received. One within the consultation timeframe from the NZ Master Monumental Masons Association and nine from individuals associated with the Death Without Debt lobby group. These included two submissions from the same person and one from the Deputy Chair of the Kaitake Community Board.
 18. Full copies of the submissions received are included in Appendix 1 (ECM 9803790)
 19. A summary of submissions received, officer responses and recommendations are described in the Appendix 2 (ECM 9803783).
 20. The primary points raised by submitters and a concise officer assessment are briefly described below

Issue	Assessment
<ul style="list-style-type: none"> • Council processes, requirements and specifications can be unclear. 	<ul style="list-style-type: none"> • Council processes, requirements, and specifications could be more clearly defined and communicated, particularly the process from initial contact with Council through to final burial or cremation. • Due to the number of cemeteries and historical differences in permitted monuments from when they were managed by various entities prior to coming under New Plymouth District Council, it is not practical to outline all restrictions in detail. Doing so may create confusion without direct engagement with Council staff.

<ul style="list-style-type: none"> • Council should not require the use of funeral directors. 	<ul style="list-style-type: none"> • Council does not require the use of a funeral director. There are existing options available for people to manage end-of-life arrangements themselves; however, these options may not be widely known.
<ul style="list-style-type: none"> • Funeral directors have a monopoly on the industry, and it should be more open to alternative end-of-life practitioners. 	<ul style="list-style-type: none"> • Funeral directors provide a specialised service that requires significant training and experience. This should not be underestimated, as the end-of-life process involves more than the final act of burial or cremation. They offer professional knowledge, skills and assurance that are not typically available to the general public. • Allowing individuals without relevant training, medical background or public liability insurance to confirm the state of the deceased could expose Council to significant risk.
<ul style="list-style-type: none"> • Fees are too high. 	<ul style="list-style-type: none"> • This matter is outside the scope of a bylaw review, as fees and charges are set through a separate annual process. • Fees are already significantly subsidised by rates. Costs vary between councils due to factors such as location, population, land availability, service levels, and operational expenses. Council also has an ongoing obligation to maintain cemeteries in perpetuity once they are closed, without future revenue from associated fees and charges.
<ul style="list-style-type: none"> • Council should do more to guide people through the end-of-life process and provide additional services to deal with the deceased prior to interment or cremation. 	<ul style="list-style-type: none"> • Council does not have the responsibility, specialist knowledge, or resources to guide the general public through all aspects of the end-of-life process, particularly those involving medical matters or direct interaction with the deceased. • However, Council could improve its public-facing information and processes to help people better understand its requirements and make informed decisions about the approach they wish to take.
<ul style="list-style-type: none"> • Council levels of service should be increased. 	<ul style="list-style-type: none"> • Any increase in levels of service would require additional operational funding, either through higher rates or increased user fees. This presents a challenge, as fees are already considered too high by many, including some who are also seeking expanded Council services.

<ul style="list-style-type: none"> • There should be more scope for allowing alternative end-of-life processes to be undertaken. 	<ul style="list-style-type: none"> • Council does not set the laws governing end-of-life practices; these are determined by central government through the Burial and Cremation Act and related legislation. • The regulatory framework is designed to ensure health and safety, the respectful treatment of the deceased, proper chain of custody, confirmation of cause of death, appropriate consent, and the safety of those involved. Given the seriousness of death, it is essential that all standards and procedures are consistently followed to maintain public confidence in the systems managing the disposal of human remains.
<ul style="list-style-type: none"> • Only qualified master masons should be permitted to undertake memorial work. 	<ul style="list-style-type: none"> • Provided the work meets Council's specified standards, it should be acceptable regardless of who undertakes it. • Standards and enforcement should be applied consistently, without exemptions for individuals based on their professional status.

Recommended Changes

21. No changes are recommended to the Bylaw.
22. The following changes are recommended to the handbook. Many are in response to matters raised within submissions. These changes aim to improve publicly available information, provide greater guidance for families. Other changes have been suggested to clean up some minor peculiarities in the handbook wording.
 - a) Removal of ambiguous or unclear phrasing, terms, requirements and dependencies from the handbook to make it as clear and understandable as possible.
 - b) Clarification of who is considered an approved person, and to have this include people who have undertaken a Council induction session relating to funeral processes.
 - c) Inclusion of all Council cemeteries – including those administered by Trustees for completeness of the asset class description.
 - d) Description of items and matters that Council is not responsible for prior to cremation or interment.

-
- e) Clarification of the circumstances under which pre-purchasing of plots may be permitted.
 - f) Expanding “inappropriate behaviours” to include interference with other’s property and disturbing a funeral.
 - g) Removing consideration for most persons to enter cemeteries for the purposes of trade.
 - h) Clarification of minimum depth of cover above caskets.
 - i) Clarification of maximum number of ash interments permitted in a burial plot.
 - j) High level description of monument standards (from NZS4242:2018 Headstones and Cemetery Monuments).
 - k) Adding ability for Council to determine if people undertaking memorial works in cemeteries have an appropriate background to enable them to carry out work competently.
 - l) Addition of clause allowing removal of decorations likely to cause offence to cemetery visitors.
 - m) Addition of clause clarifying that unauthorised people may not interfere with memorials or plots.
 - n) Correction/modification of impervious lining requirement to remove reference to 100mm minimum depth.
 - o) Clarification that plywood is not an acceptable material within natural burial areas.
 - p) Modification of commercial filming clause to consider general cemetery-wide location filming in addition to filming of specific funerals.
 - q) A requirement that if a funeral director does not sign off that a body and casket/coffin undergoing cremation do not contain any restricted items, then it must be signed off by a medical professional capable of determining that the body does not contain any restricted items and whoever prepared the casket/coffin confirming that the casket/coffin and anything contained within does not include any restricted items.
 - r) Minor points of clarification to more explicitly describe current operational procedures and interpretation of clauses.
-

-
- s) Addition of clauses outlining responsibilities for ensuring that no prohibited items are included for cremation and any subsequent consequences, especially if a funeral director is not used.
23. The following changes are recommended to Council's online information.
- a) Addition of process flowchart outlining each step and who is responsible for undertaking actions at each step (hopefully making it easier for families to consider if they would like to undertake their own funeral preparations).
- b) Provide information on all types of interment including natural burial.
- c) General improvements to make information more accessible, relevant and consistent.
24. Staff do not recommend adopting some requests. The reasons for these recommendations are outlined in Appendix 2 (ECM 9803783). The relevant requests are as follows:
- a) Direct engagement with alternative end-of-life practitioners in future reviews and staff training.
- b) More direction on obtaining medical referee certificates and removal of bio-aids.
- c) Open publication of memorial specifications.
- d) Online portal for bookings and payments.
- e) Form a working party for cemeteries and crematoria.
- f) Carry out further public consultation.
- g) Adopt the best practice guidelines of the Death Without Debt lobby group.
- h) Council to obtain Medical Referee approval.
- i) Weekend bookings and payments must be accepted.
- j) Council must accept bodies for burial or cremation on Monday morning if death occurred on Friday or Saturday and must store bodies if required.
- k) Council must undertake inspections to ensure no prohibited items enter the cremator.
-

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

25. There are no climate change impacts or considerations.

NEXT STEPS / HĪKOI I MURI MAI

26. Once the Bylaw and Handbook are adopted the next step is to give public notice of the making of the Bylaw stating the date on which the Bylaw will come into operation. The Bylaw and Handbook will also be updated on all relevant Council information portals. Submitters will be informed of the Council decisions regarding their submissions.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

27. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of moderate importance because:

- a) Its nature is 'business as usual';
- b) It applies to many people within the district, but there are no disproportionate impacts on specific groups.
- c) There may be some limited public interest, but it is unlikely to prove controversial.
- d) It does not affect a strategic asset.

OPTIONS / KŌWHIRINGA

Option 1 Adopt the reviewed Cemeteries and Crematoria Bylaw and Handbook

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

28. There are no financial implications associated with the adoption of the Bylaw and Handbook. Some staff resourcing will be needed to update relevant sections of the Council website to achieve desired public facing outcomes.

Risk Analysis / Tātaritanga o Ngā Mōrearea

29. There are no risks associated with the adoption of the Bylaw and Handbook.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

30. The Bylaw and Handbook are consistent with Council's strategic framework and community outcomes.

Statutory Responsibilities / Ngā Haepapa ā-ture

31. If adopted, the Council must give public notice of the making of the Bylaw and the date of which it will come into operation.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

32. This option is consistent with Council policies and plans.

Participation by Māori / Te Urunga o Ngāi Māori

33. The bylaw proposal was presented to Nga Kaitiaki. No feedback was received.
34. It should be noted that the bylaw does not cover urupa or any other private burial sites.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

35. Ten submissions were received. These have been addressed in the background section.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

36. Adopting the Bylaw and Handbook will ensure that it will be in operation prior to 21 April 2027 when the existing bylaw would lapse. Concluding this matter will free up resources to address other Council work.
37. There are no known disadvantages with adopting the Bylaw and Handbook.

Option 2 Adopt the reviewed Cemeteries and Crematoria Bylaw and Handbook with amendments

Financial and Resourcing Implications

38. The financial and resourcing implications of any amendments would need to be considered.

Risk Analysis

39. Amendments would have to be assessed for any risks. Any significant amendments should only be made in light of the submissions received.
-

Promotion or Achievement of Community Outcomes

40. Any amendments would have to be assessed for their promotion of the Community Outcomes.

Statutory Responsibilities

41. Any amendments would need to be assessed for their significance and their justification against the submissions received. If any significant amendments are proposed that do not relate to the submissions then further consultation may be required.

Consistency with Policies and Plans

42. Any amendments would have to be assessed for their consistency with policies and plans.

Participation by Māori

43. Any amendments would not have been considered by Māori. If amendments are made, they will need to be assessed to determine their significance to Māori.

Community Views and Preferences

44. Community views and preferences may not be known in relation to any amendments.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

45. Any amendments may require further assessment. This could take additional resources and would impact on timeframes.

Recommended Option

This report recommends option one **adopt the reviewed Cemeteries and Crematoria Bylaw and Handbook** for addressing the matter.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Full copy of submissions received (ECM 9596160)

Appendix 2 Full summary of submissions received and associated officer responses and recommendations (ECM 9803783)

Appendix 3 Cemeteries and Crematoria Bylaw 2020 (no changes) (ECM 8277981)

Appendix 4 Draft reviewed Cemeteries and Crematoria Handbook 2020 (changes highlighted) (ECM 9803790)

Report Details

Prepared By: Nathan Mourie (Open Spaces Planner)
Team: Corporate Planning & Policy
Reviewed By: Mitchell Dyer (Corporate Planning & Policy Lead)
Approved By: Renee Davies (Strategic Planning Manager)
Ward/Community: District wide
Date: 3 June 2026
File Reference: ECM 9803794

-----*End of Report*-----

Cemeteries and Crematoria Bylaw submissions

Submission No: 1

Belinda Price

Organisation: Leaving Legacies

Wish to speak to the Council: No

Submission on the Cemeteries and Crematoria Bylaw 2020 Review

To: New Plymouth District Council

1. Introduction

I am writing as an end-of-life doula and community member. I appreciate the opportunity to comment on the review of the Cemeteries and Crematoria Bylaw 2020 and the accompanying Handbook.

2. General Position

I note that Council has proposed no changes to the existing bylaw or handbook. While I support the intent of the bylaw to ensure safe and respectful management of cemeteries and crematoria, I believe this review provides an important opportunity to ensure policies and practices reflect changing community needs, cultural values, and expectations around death, dying, and bereavement.

3. Changing Attitudes and Family-Led Funerals

In recent years, attitudes toward death and dying have been shifting from a largely medicalised, professionally managed process to one that is more personal, holistic, and family-centred. Many people are questioning the traditional, commercially driven funeral model and seeking rituals that better reflect the values, culture, and individuality of the deceased.

Family-led funerals—where loved ones take an active role in caring for the body, planning the ceremony, and creating meaningful farewells—are becoming more common. These gatherings often take place at home or in community spaces, and emphasise simplicity, authenticity, and participation over formality.

This movement reflects a broader desire to reclaim death as a natural part of life, to honour the deceased in ways that feel intimate and true, and to support the grieving process by fostering connection, creativity, and shared responsibility.

For the New Plymouth District Council, the rise in family-led funerals and changing attitudes toward death and dying mean taking a more transparent, open, and responsive approach to end-of-life services and regulations. The current bylaw and handbook should not only uphold public health and safety, but also ensure that whānau are empowered to make meaningful choices that reflect their culture, values, and traditions.

4. Recommendations

4.1 Family-Led Funeral Resources

I recommend that the Cemeteries and Crematoria Handbook be updated to include clear, accessible information for family-led funerals so that individuals and families can plan ahead and feel supported at the time of death. This could include:

- Specifications for caskets and shroud boards (materials, dimensions) and other practical matters otherwise handled by funeral directors.

- Step-by-step instructions on processes, forms, timeframes, and requirements (e.g., booking a cremation, registering a death).
- Updates made in collaboration with community groups such as Death Without Debt, Taranaki Death Café, and community-led practitioners such as death doulas, celebrants, and chaplains to ensure all relevant questions are addressed.
- Creation of a stand-alone, user-friendly Council resource on family-led funerals. As an example, Whakatāne District Council provides guidelines for families arranging a cremation or burial without a funeral director.

4.2 Inclusion of Community-Based Practitioners

According to the current Cemeteries and Crematoria Handbook, a funeral director must be present to access the chapel at the Crematoria. Increasingly, whānau are engaging community-based practitioners instead of funeral directors.

I recommend that the role of “funeral director” be broadened to include end-of-life doulas, home-funeral guides, celebrants, chaplains, and similar practitioners. This could include a Council-approved training or certification process to ensure these people are familiar with relevant regulations and facilities.

I also recommend that NPDC engage directly with community practitioners, cultural leaders, and bereavement groups in future reviews and staff training, ensuring the bylaw and handbook reflect the full diversity of community practice.

4.3 Cultural and Environmental Sensitivity

- Continue working with iwi and hapū to ensure tikanga Māori and other cultural practices are respected in cemetery and crematoria management.
- Explore environmentally sustainable options such as natural burials, eco-friendly memorials, and low-emission cremation practices.

5. Conclusion

I acknowledge the review undertaken by Council and the importance of retaining respectful and well-managed cemeteries and crematoria. I encourage Council to go further by ensuring that the bylaw and handbook reflect the growing movement toward family-led funerals, provide clear and accessible information for families, and formally recognise the role of community-based practitioners such as end-of-life doulas in supporting whānau through death and bereavement.

I don't wish to be heard in support of my submission.

Belinda Price, End of Life Doula

Cemeteries and Crematoria Bylaw submissions

Submission No: 2

Diana Wynyard

Organisation: Concerned resident

Wish to speak to the Council: Yes

I support the inclusion of community based practitioners being included in the bylaw change. A funeral director is unnecessary , expensive and removes an opportunity for a family based approach. freeing up the bylaw would help. Death of a family member is an intensely private time. Choices should be available!
The current bylaws are archaic .

Cemeteries and Crematoria Bylaw submissions

Submission No: 3

Pete Egli

Organisation: Family Health Centre New Plymouth

Wish to speak to the Council: Yes

After working as a GP for 30 years, I'm writing about the importance of empowering family-led funerals. One of the biggest barriers I can see is the lack of clarity about the forms required. You must fill out four forms for a cremation, but it's unclear from the council website, which states that only two forms are required under cremation procedures, not the necessary four. But when you go to the burials and cremation forms page, there are 4 forms required. The fees are not clearly outlined individually and as a total cost package. When people are grieving, having this information in one place would make the process easier.

When arranging a family-led funeral, it's unclear how to obtain a medical referee's certificate without the assistance of a funeral director. I presume if the family provides the 4 forms required by the Council, then they are responsible for getting the medical referee's certificate. Also, it is not clear for those doing a family-led funeral how they get a biomedical aid removed .

A new handbook needs to be written in collaboration to make this all clear and user-friendly for all.

Cemeteries and Crematoria Bylaw submissions

Submission No: 4

Mike Stewart-Jacks

Wish to speak to the Council: Yes

I would like the Bylaw and Handbook review to include the following information:

- 1) The specifications for a DIY coffin / casket to be made freely available on the NPDC website,
- 2) The pre-approval process for the DIY coffin / casket to be made freely available on the NPDC website,
- 3) The Handbook needs to include all the necessary steps that must be taken, in sequential order and time-frames, for a Family-led burial or cremation without the involvement of the Funeral Home or Funeral Director. Ideally this should be a flow-charted process with supporting descriptive text.

Cemeteries and Crematoria Bylaw submissions

Submission No: 5 **Rex Healy**

Organisation:

Wish to speak to the Council: Yes

SETTING OF BURIAL FEES

New Plymouth District Council has the highest burial fees in New Zealand, which has attracted media attention in 2023, 2024 and 2025.

It appears that burial and plots are treated as a "user pays" service by NPDC rather than a social service, and it has no guideline which it is working to in order to set the fees. Burial plots are on existing council land, purchased with ratepayer funds, and are unjustifiably high (currently around \$4200).

The bylaw provisions need to ensure that proportion of costs for both plots and burial are coming from an appropriate place (rating vs user pays), and that there is equity between the cost of plots and burial when compared with other councils in New Zealand.

Cemeteries and Crematoria Bylaw submissions

Submission No: 6 **Rex Healy**

Organisation:

Wish to speak to the Council: Yes

The bylaw appears not to consider the discriminatory effects of high burial fees on people of religion for whom burial is very important, and which is protected by legislation in New Zealand.

New Plymouth council's burial fees have attracted media attention three years in a row for being the highest in the country.

I am a terminal cancer patient under palliative care, so may not be around as this bylaw update process progresses, but appreciate any opportunity provided, and your consideration of the points raised.

Kindest regards

Cemeteries and Crematoria Bylaw submissions

Submission No: 7

Mel Foster

Organisation: NZ Master Monumental Masons Association

Wish to speak to the Council: No

We wish to make the following comments:

We note in Item 8 "Memorials shall not exceed one metre above the lowest part of the memorial strip or ground level, including the levelling base." However, there is no minimum size specified.

We note that in 7.1 "The memorial's design, type and location on the plot meets the Council's requirements, and" – however there are no specific details around materials used in the Bylaw Handbook or Bylaw. Given we see products that are entering the market that are not durable, we suggest that there is a clear policy specified on this. The Association supports the use of natural stone, in particular granite, for its sound and proven durability. The Association's view aligns with the current NZS:4242 requirements – section 2.3. We recommend that only a suitably qualified monumental mason, who complies with the council's Health and Safety approval requirements, and preferably a member of the New Zealand Master Monumental Masons Association, may undertake work associated with a monument.

We request consistent monitoring and enforcement of standards by Council staff for headstones and adornments and encourage New Plymouth Council to engage NZMMA as part of the audit process. NZMMA are in the process of developing a new app to give our members a vehicle to be able to feed through reports including photographic evidence of correct installation to councils.

NZMMA are developing a Best Practice Manual which can be used by Council staff to help them manage the installation of headstones in their cemeteries. These will be supplied to councils when available.

A large percentage of older memorials have differing material qualities and various inscription methods such as beaten lead lettering. Dealing with these factors requires specialist skills to both clean and repair time-worn memorials. We recommend that Council staff and Friends groups consult with specialist NZMMA members for professional advice. We request that Council ensures information to consumers on the options available at the cemetery are current and comprehensive.

We would encourage the Council to consult with NZMMA when developing new areas in cemeteries to avoid impractical rules or long-term problems.

NZ Master Monumental Masons Association members are happy to be involved in on-going discussions and would like to have further input into final policy prior to adoption.

Cemeteries and Crematoria Bylaw submissions

Submission No: 8 **Teresa Goodin**

Organisation:

Wish to speak to the Council: Yes

Submission to Cemeteries and Crematoria Bylaw & Handbook Review

Submitted by Teresa Goodin, Buddhist Chaplain, Death Cafe Facilitator and Deputy Chair of the Kaitake Community Board.

Preamble

In recent years, attitudes toward death and dying have been shifting from a largely medicalised, professionally managed process to one that is more personal, more affordable and family-centred. Many people are questioning the traditional, commercially driven funeral model and seeking rituals that better reflect the values, culture, and individuality of the deceased.

Family-led funerals, where loved ones take an active role in caring for the body, planning the ceremony, and creating meaningful farewells, are becoming more common. These gatherings often take place at home or in community spaces and emphasise simplicity, authenticity, and participation over formality.

This movement reflects a broader desire to reclaim death as a natural part of life, to honour the deceased in ways that feel intimate and true, and to support the grieving process by fostering connection, creativity, and shared responsibility.

Timely Review

For the New Plymouth District Council, the rise in family-led funerals and changing attitudes toward death and dying means taking a more transparent, open, and responsive approach to how end-of-life services and regulations are managed. The review of the Cemeteries and Crematoria Bylaw is an opportunity for council to ensure its policies and practices support a variety of cultural and personal choices rather than relying solely on conventional funeral industry norms.

Clear, accessible information about regulations, specifications and facilities, such as cemeteries, natural burial areas, and crematoria, becomes essential so families can plan meaningful farewells without unnecessary barriers. Being responsive also involves engaging with diverse community voices, including Māori, other cultural groups, and faith traditions, to co-design policies that reflect local values.

By embracing this openness, councils can help residents feel empowered to create authentic, family-led ceremonies while maintaining public health and environmental standards.

My Personal Experience

In September 2024 I had the privilege of organising a dear friend's home funeral and cremation and many of the recommendations in my submission come from my first hand experience of dealing with council during this process. I'm also involved in a local Death Café and on many occasions questions, queries and issues have been raised around cremation and burial in the New Plymouth District.

Death Cafés are informal group-directed discussions dedicated to raising community awareness about death. Death Café began in London in 2011 and since then over 32 countries have offered Death Cafés based on the London model. Two Death Café groups currently meet every month in New Plymouth, one at the Puke Ariki Library and the other at Taranaki People's Health Alliance.

My deceased friend attended a Death Café in New Plymouth approximately 9 months before she passed away and shortly after her cancer diagnosis. At that particular Death Cafe I spoke about my passion for reviving old traditions, rituals and ceremonies around death and creating new ways of honouring death that are modern, secular and spiritual.

The discussion at the Death Café inspired my friend and when doctors told her she had a few days to live, she called on me to help organise her funeral and final farewell. She ended up living for another 3 months before she passed and during that time I was involved in her palliative care with a group of close friends, which gave us an opportunity to record her thoughts and wishes around her passing and help her plan her funeral. No professional funeral services were used, she was not embalmed, she had a home funeral and she was given a direct cremation at the New Plymouth Crematoria.

After her death my friend wanted to be wrapped in a shroud and cremated. I contacted the council on the day she died to arrange her cremation. I spoke with the Cemetery & Crematorium Officer to check that she could be cremated in a shroud (supported by a shroud board). I had done quite a bit of research and I knew that other councils allowed people to be cremated in shrouds without caskets so I was not expecting it to be an issue. Shrouds and shroud boards are becoming a popular and cost effective alternative to caskets. Many people are starting to build their own caskets too, rather than purchasing expensive caskets through funeral directors.

Initially I was told she could not be cremated without a casket and was met with resistance to the idea. I mentioned I knew other councils allowed it and that I was a member of the Kaitake Community Board (yes I did pull that card!) After some discussion we were given permission to cremate my friend in a shroud on a shroud board, on the condition that the shroud board design was pre-approved. It is my understanding that she was the first person to be cremated without a casket at the Taranaki Crematorium.

The shroud board had to be built within specific dimensions to ensure it could fit inside the cremation chamber, it needed to be made of approved materials and it needed to be sturdy enough to support the body. It also had to have a push board at both ends to ensure that shroud board could be manually pushed into the cremation chamber as we don't have automated casket rollers at the Taranaki Crematorium.

You can purchase shroud boards in New Zealand but I was not able to find a commercial shroud board with push boards at each end, most were just flat boards with handles on the sides, so we had to make a custom shroud board. My friend's husband and son went to work constructing a shroud board to the specifications given by council. They were able to complete the shroud board within 24 hours and get it approved by the Cemetery & Crematorium Officer the day before the cremation.

They constructed a wooden shroud board, with push boards at the head and end of the board and shallow walls on the sides with cut out handles to carry it. The shroud board was essentially a large wooden tray to hold her body, the dimensions were 1950mm x 650mm x 300mm. Please see the photo below.



A local weaver made my friend a waka kawē from harakeke, my friend's shrouded body was placed inside the waka kawē, which was then placed on the shroud board. At the funeral her family and friends covered her shrouded body with fresh flowers and this is how she arrived at the crematorium, shrouded in linen, cocooned within a harakeke waka kawē and covered in flowers, carried on a custom made handcrafted wooden shroud board. All present were touched by the natural, simple and beautiful way her body was presented.

My friend died at home and we had to arrange for her GP to visit the home to confirm the cause of death and ensure no suspicious circumstances. To get permission to cremate a doctor must complete and sign the Certificate of Medical Practitioner Form. One of the issues we were faced with around this aspect of her cremation was the doctor sent the form to the enquiries@npdc.govt.nz email and it did not reach the Cemetery & Crematorium Officer immediately.

This internal delay in forwarding this email to Cemetery & Crematorium Officer meant that I had to follow up with the doctors clinic and get them to send it again directly to me so I can forward it on to Cemetery & Crematorium Officer to ensure he could confirm the booking for the Crematorium before the deadline, which is 24 hours or one working day before the cremation. As well as the Certificate of Medical Practitioner, I emailed the Application for Cremation Form and Register of Cremations Form to the Cemetery & Crematorium Officer.

My friend died on Thursday morning, the doctor arrived Thursday night to confirm her death and all documentation was sent to council before 8am on Friday to ensure the booking for her cremation was confirmed for 1pm on Saturday. It was a tight timeframe and because my friend was not embalmed and was kept at home leading up to her funeral and cremation, there was less flexibility around timeframes, especially so close to the weekend.

Another issue that caused delays and unnecessary stress was a form that I was not told about initially when I had asked for everything that was required to cremate my friend. I found out on Friday morning, a few hours before the deadline to book the cremation that I also needed to fill out the Permission to Cremate Form and send it with the 3 other forms to the only Ministry of Health approved Medical Referee for the Taranaki Crematorium to get permission to cremate.

I was told that if the cremation was not approved by midday then my friend could not be cremated on Saturday, and we would have to wait until Monday. Because my friend was not embalmed and her body was being kept at home instead of a funeral home, this was an issue. Thankfully the MOH Medical Referee reviewed the documents and signed off the cremation in time.

Not being informed about this 4th and final form was probably just an oversight, but it created unnecessary stress for the family at the 11th hour and could have jeopardised the timely nature of my friend's cremation. I also had to travel from Okato to the Civic Centre in New Plymouth by midday to pay for the cremation so the booking could be confirmed. Surely in this day and age I could have organised an electronic payment?

My friend had what is called a 'direct cremation', which means the funeral service was held at home and there was no ceremony at the crematorium. Because a Funeral Director was not going to be present I was told her body needed to be driven to the back door at the crematorium by only one person. I found this rule not very family friendly, it would have been much more appropriate and dignified for her immediate family (her husband and two young adult children) to escort her body together and deliver her body through the front entrance.

I appreciate the patience, understanding and assistance I received from the Cemetery & Crematorium Officer at Council, and his willingness to work with the family to achieve an unconventional cremation for my friend. However through the process I was able to identify opportunities to make it easier for families and more efficient when a funeral director isn't involved in a family-led funeral.

Recommendations for NPDC to better support family-led funerals and end-of-life practices:**1. Update the Cemeteries and Crematoria Handbook**

The Handbook is reviewed and updated to include clear information for family-led funerals so that individuals and families can plan their burials or cremations ahead of time and at the time of death. The Handbook includes specifications for caskets and shroud boards (e.g materials, dimensions, design) and any other practical matters otherwise handled by Funeral Directors. The Handbook includes clear step-by-step instructions on the processes and forms that need to be filled out and who they need to be sent to and the timeframes around these processes (e.g booking cremation).

2. Create a Family-led Funeral Resource

New Plymouth District Council creates a stand-alone resource for Family-led Funerals, a user friendly guide on what you need to know to plan a family-led funeral. A good example of this type of resource is 'Guidelines for families arranging a cremation or burial without a funeral director' by Whakatane District Council. https://www.whakatane.govt.nz/files/documents/services/cemeteries-and-crematorium/cemeteries/guidelines_for_families_arranging_cremation_or_burial_without_funeral_director.pdf

3. Online Portal for Documentation and Automation

New Plymouth District Council creates an online portal for the public to upload and submit documentation for burials and cremations. The portal would include a checklist of all documents required, ensuring that council receives the necessary documentation. The Cemetery & Crematorium Officer and Medical Referee for the Taranaki Crematorium would have access to all documents submitted on the portal and would receive instant notification of applications for burials and cremations. An online portal would create efficiencies and eliminate internal delays at Council. Families could indicate preferred days and times for booking burials and cremations and if any of the times are available Cemetery & Crematorium Officer could send a booking notification to accept. Families could also pay for burials and cremations online through this portal, rather than having to come to the Civic Centre and pay in person, making this process easier at a time when families are grieving and busy organising funerals. Ideally much of the process could be done through an online portal and automated.

4. Recognise Community-based Practitioners

According to the current Cemeteries and Crematoria Handbook a Funeral Director must be present to access the chapel at the Crematoria. It is becoming increasingly common for whanau to engage community-based practitioners instead of Funeral Directors therefore I recommend that the role of Funeral Director in this context be expanded to include Death Doulas, Home-funeral Guides, Celebrants, Chaplains and the like. This could include an external education/training and certification process, pre-approved by council, to ensure these people understand regulations and facilities.

5. Form a Working Party for Cemeteries and Crematoria

New Plymouth District Council forms a Working Party for Cemeteries and Crematoria made up of industry representatives, community practitioners and community groups to provide advice on policy, advocacy for the community and support for the cemeteries and crematoria team. The first task of the Working Party should be to review the Cemeteries and Crematoria Bylaw and update the Cemeteries and Crematoria Handbook to reflect current trends and shifts in values around burials and cremations. I recommend that New Plymouth District Council engage death doulas, celebrants, cultural leaders, and death-related community groups in the policy review, and when updating the handbook or creating resources.

Summary

Attitudes toward death in our district are shifting, with more people seeking personal, more affordable, holistic and family-led funerals that reflect the values, culture, and individuality of the deceased.

The recent review of the New Plymouth District Council Cemeteries and Crematoria Bylaw & Handbook provides an opportunity to better support these practices. My recommendations include updating the Handbook with clear guidance for family-led funerals, creating online portals for submitting documentation, recognising community-based practitioners such as death doulas and celebrants, and forming a working party to ensure policies reflect diverse community needs.

Personal experience organising a friend's home funeral and direct cremation has highlighted both the possibilities and practical challenges of family-led funerals, demonstrating the need for transparent, accessible, and family-friendly council processes.

Thank you for the opportunity to make this submission.

I would like to speak to my submission.

Cemeteries and Crematoria Bylaw submissions

Submission No: 9 **Jeffery Robert Simpson**

Wish to speak to the Council: No

I support any additions/alterations to the NPDC's regulations that make funerals more family friendly.

Although my planned funeral wil not indirecty involve NPDC.

There will be a service in a church in NP, then my family will transport my body to the Waikato. There my wife and I have already purchased adjacent plots. Such was not possible with NPDC.

Allow funerals to be more family friendly.

Cemeteries and Crematoria Bylaw submissions

Submission No: 10 **Kim Maunder**

Organisation: Death Without Debt Taranaki

Wish to speak to the Council: Yes

Submission from Death Without Debt Taranaki

Cemetery and Crematoria bylaw review

Contact: Kim Maunder

Death Without Debt Taranaki is part of the national Death Without Debt network with representatives throughout NZ. The Kaupapa is working to build community capacity to run family-led funerals through workshops and by working with councils and government to remove the institutional barriers that give the funeral industry a captive market, block family-led funerals, and push up the cost of dying.

Death Without Debt is not “anti” the funeral industry. In fact, the network includes many funeral directors who can see that the current dysfunction not only negatively impacts families and communities, but the funeral industry itself.

Death Without Debt Taranaki has the support of hospice/palliative care staff and 80 Taranaki people who travel across the region to attend two workshops over the last year.

Death Without Debt has:

- Critiqued the official MoH and Law Commission review of death, burial, and cremation which failed to ask why the funeral industry enjoys a captive market.
- Briefed the Health Select Committee on funeral poverty. The briefing resulted in an HSC investigation and a final report, which endorsed our recommendations.
- Distributed more than 2000 60-page guides for the general public.
- Run over 50 public workshops from Keri Keri in the north to Invercargill in the South. New Plymouth has benefited from two of these workshops. These workshops attract medical professionals, including palliative care professionals, budget advice agencies etc. The workshops also constitute the public consultation process missing from the (drawn-out and ongoing) official review of Death, Burial and Cremation run by the Law Commission and Ministry of Health.
- Brought over 100 NGOs, community groups, and health professionals to better support making dying affordable to farewell loved ones with mana.

1) We would like to thank the New Plymouth District Council for the opportunity to submit.

2) We would like to speak to our submission.

3) Extension of submission deadline.

A regrettable oversight by the council in the course of our active communication on this topic, in alerting us to the submission process, has now been addressed by the extension of the submission deadline. We commend council staff for righting this situation.

4) Overview

The average cost of a funeral in Aotearoa is \$13000 (according to the Funeral Directors Association of NZ).

A combination of factors prevents people from realising that they may have a choice, and those factors also tend to prevent those who DO realise they may have a choice from actually exercising choice:

a) **Secrecy and confusion around the pre-cremation sign-off process.** Given approx. 80% of NZers are cremated, this is a major reason why the funeral industry, who largely control the pre-cremation paperwork process and thus enjoys the position of middlemen (or women), enjoys a captive market.

b) **Medical default to funeral directors.** The medical profession, when confirming a death and reporting the cause of it, has, inadvertently, without malign intent, over time, defaulted their responsibilities to the bereaved and handed these responsibilities over to the funeral industry. Specifically, bereaved are referred to funeral directors to get them through the pre-cremation and pre-burial paperwork process. The Health and Disability Commission's code of patient rights should be followed so that families are provided with adequate care. Death Without Debt has trialled this; it takes around two minutes extra, and doctors report gratitude for being alerted to the matter, as they wish to do right by whanau.

3) **Council defaults to funeral directors.** As funeral practices have been commercialised, and an accident of regulatory history (see Roles and Responsibilities of Medical Referees), funeral directors have become the default point of contact for the council, for almost all funerals. As a result, councils have, understandably, neglected the task of ensuring that those families (etc) who wish to act as the funeral directors themselves are catered for with consideration.

Myths: Promulgated by the funeral industry for commercial reasons.

You must hire a (commercial) funeral director

You must embalm.

You cannot carry a body in your own vehicle.

You need special permission to carry a body in your own vehicle.

You must have a coffin.

The paperwork around death, burial, and cremation requires lawyer-level professional expertise.

Funeral Industry Strategy

To meet the rise in interest in family-led (DIY) funerals, many in the industry have adopted a policy of NOT unbundling their services to protect their financial interests. Thus, it is difficult to find funeral directors who will supply only one service – eg. sell a coffin, without insisting that the family pay for an entire funeral package.

Lack of precedent

The above obstacles have led to DIY being difficult to contemplate, let alone achieve. This means there are few precedents for families to follow. As a result, know-how and confidence are eroded.

5) Current Council Practice.

Current council practice has been shaped by a number of commercial and societal influences.

Unfortunately, in the face of public demand for autonomy from the funeral industry, council staff have behaved regrettably. One staff member has on several occasions, misinformed the public by stating that families “must hire a funeral director”.

Staff have refused to provide coffin and shroud board specifications and then informed the family that he has the right of refusal.

Staff have also, on occasion, failed to supply the necessary papers for families, then used the absence of essential forms provided by the family to justify a refusal of further service.

Our recommendations to NP District Council

1) More public consultation.

As mentioned above, despite recent engagement by the community with the council on cemetery and crematorium matters, council staff failed to mention that submissions were being called for. This, and other submissions, have therefore been written in haste on the afternoon of the deadline (extended).

It is in the public interest that the council extend and widen the consultation process.

2) Adopt Death Without Debt's Council Best Practice Guidelines.

These guidelines have been developed through five plus years of consultation with the MoH, DIA, medical professionals, NGO, and care-giving organisations as well as through 50-plus public workshops run from Northland to Invercargill.

These public workshops constitute the consultation process that the Law Commission and the Ministry of Health failed to undertake (no pun intended) in their (ongoing) review of Death, Burial and Cremation.

Council Best Practice:

1) Friendly, family-led funeral information up front on the landing page for cemetery and crematorium enquiries. Any links or attachments easy to read.

The council should make it clear that families are entitled to act as funeral directors as long as they are responsible, follow guidelines, and council staff are not exposed or impacted by any potential family disharmony around the funeral process.

Nevertheless, given the lack of precedent (see above) around family-led funerals, families should be encouraged to engage a funeral director or direct cremation company, or a funeral guide if there is any doubt about their ability to carry out the process in a respectful, dignified and orderly manner.

2) The council must sort Medical Referee approval of cremations as per the 1973 regulations. It is ***not*** OK not to do this, and it is ***not*** OK to put forms to be filled by doctors and nurse practitioners on public-facing pages.

This confuses the public and exposes the process to the potential of undue influence.

- 3) Families must be informed that shroud-boards are permitted for cremation and burial (and for burial, also stretcher and shrouds). Coffin and shroud board requirements and specifications must be clear, simple, and justified.
- 4) Phone calls and emails from families organising or preparing to organise a funeral process need to be answered promptly, not the next day, or in several weeks, or never.
 - 5) In the case of deaths occurring on Fridays and Saturdays, weekend bookings and payment must be handled by the council. Three days is the maximum amount of time a family should be expected to hold a body before burial or cremation. Council must accept bodies for cremation or burial on Monday morning if the death occurred on Friday or Saturday

Switchboard operators need to be appropriately trained.

- 6) If necessary, the council can consider a max \$250 bond for DIY/family-led parties if there is concern about staff workload related to family-led parties. The public's responsibilities need to be clearly outlined. Subject to a trial period.

Specifics:

Pacemaker form: Needs to allow for embalmers etc to remove.

3.2 Cemetery Office

Booking and payment need to be accepted through the weekend. i.e., switchboard staff need to be appropriately trained, and systems created. Three days is the maximum that families can be expected to hold the deceased. Families need to receive the assurance that the council will accept the body for cremation or burial on Monday. Where there is a Monday overload, the council must still accept the body and store it onsite.

3.3 Notification period. See above.

3.4: It is not appropriate to have medical professionals' forms on public-facing webpages. It not only confuses the public but also compromises the integrity of the process.

3.5 DWD commends the council for providing Saturday cremations and burials.

4.1 We commend the council for accepting bodies on a Monday in the case of the death occurring on the last day of the working week prior.

Funeral Director as coordinator and controller – approved person, additional costs.

This paragraph and the matters related to it require a thorough review. On the face of it, this seems unreasonable.

5.3 Vehicles

Needs to be rewritten to include family-led funerals so ordinary cars are used instead of hearses.

6 We commend the council for allowing family, friends, or an approved person to open the ground for burial. Staff should be canvassed on this topic.

6.1 We commend the council on its apparent openness to include families in the filling of graves.

6.11 – We commend the council for providing the natural burial option and for the safeguards around environmental integrity.

12.2 Cremation, if no funeral director. This seems unreasonable. Discussion with the community is needed.

12.5 Council needs to establish a process for ensuring that no prohibited items enter the crematorium oven. We suggest an inspection protocol.

Draft Responses to Submissions on Cemeteries and Crematoria Bylaw and Handbook Review 2026		
No.	Submission	Response
1	<p>a. Rise in family-led funerals</p> <p>b. Update CCH to include information for family-led funerals</p> <ul style="list-style-type: none"> • Include specifications • Step-by-step instructions on requirements • Updates made in collaboration with community groups • Provide a resource with guidelines for family-led funerals <p>c. Expand scope of funeral director definition to include other council-approved people</p> <p>d. NPDC engage directly with alternative end-of-life service providers in future reviews and staff training</p> <p>e. Continue working with iwi to ensure cultural practices are respected</p> <p>f. Explore sustainable options such as natural burial, eco-friendly memorials and low-emission cremation practices</p>	<p>a. Council data does not show this to be the case. Council are committed to providing all reasonably practicable options for end-of-life wishes and work actively with families to achieve this.</p> <p>b. Agree, although information should be online, not in handbook – but scope of information needs to be relevant to the issue and define limitations on what Council can provide</p> <ul style="list-style-type: none"> • Create flowchart of process • No need for further collaboration with groups after consultation on bylaw and handbook is completed as no further changes are anticipated during the life of the documents. <p>c. Agree – Council could expand the definition of “approved person” to include people who have completed a council certification process. This process would need to be developed and defined. Currently site inductions are considered suitable for most activities.</p> <p>d. Council already regularly interacts with all types of service providers, and the scope of training for staff already covers all the necessary activities that council undertakes.</p> <p>e. Staff are already well-versed with different cultural practices and support, as far as is reasonably practicable, different cultural requirements</p> <p>f. Council already provide for natural burials, although this option is not very clearly described in public facing documents. Council are continually looking for efficiencies and environmentally sustainable improvements to practices. Cremation by its nature is a resource intense process, but suitable alternatives are not currently widely available (although resomation (water cremation) is becoming more financially accessible).</p>
2	<p>a. Supports the inclusion of community-based practitioners being included</p>	<p>a. Provisionally Agree – with conditions and safeguards.</p>
3	<p>a. Lack of clarity about required forms and costs on Council’s website</p> <p>b. Unclear how to obtain a medical referee’s certificate</p> <p>c. Unclear how to get a biomedical aid removed</p>	<p>a. Agree – the process for arranging interment or cremation could be made clearer.</p> <p>b. It may be possible to expand on how to find a medical referee.</p>

Draft Responses to Submissions on Cemeteries and Crematoria Bylaw and Handbook Review 2026		
No.	Submission	Response
		c. This is not a responsibility of Council, nor would staff want to become involved in any discussion or activity around medical procedures as it is far beyond the remit, knowledge and responsibilities of council staff.
4	<ul style="list-style-type: none"> a. Include specifications for DIY coffins and caskets b. Pre-approval process for coffins and caskets c. Include steps to be taken, including timeframes, for a funeral without the aid of a funeral director 	<ul style="list-style-type: none"> a. Agree – specifications for caskets could be more clearly available. b. Unsure what this would entail – if the specifications are met then a coffin or casket will be accepted. c. Agree that the process for council requirements and timeframes could be more clearly provided.
5	<ul style="list-style-type: none"> a. Fees and charges are too high and treated as a “user pays” service rather than a “social service” and fees should be equitable when compared with other NZ councils 	<ul style="list-style-type: none"> a. Fees and charges are set by council through the LTP and Annual Plan processes and are beyond the remit of this review.
6	<ul style="list-style-type: none"> a. High burial fees are discriminatory 	<ul style="list-style-type: none"> a. Fees and charges are set by council through the LTP and Annual Plan processes and are beyond the remit of this review. Financial assistance is available from central government agencies for those who are unable to meet the costs. NPDC has never refused to undertake an inter or cremation due to lack of funds, although there may be limitations placed on memorial provision if the full costs are not met.
7	<ul style="list-style-type: none"> a. No minimum size specified for memorials b. No specific details around materials etc. although 7.1 states that memorials must meet Council’s requirements c. Only suitably qualified monumental mason’s preferably members of NZ Master Monumental Masons Association (NZMMA), should be permitted to undertake monument work d. Request consistent monitoring and enforcement of memorial standards and adornments by Council, and encourages Council to engage NZMMA as part of the audit process e. Consult with NZMMA in when developing new areas to avoid impractical rules or long-term problems f. NZMMA would like to have further input into the final policy prior to adoption 	<ul style="list-style-type: none"> a. There are many possible specifications due to the historical variance of the districts many cemeteries. There is a risk if all size restrictions are published that some confusion may arise with the public. Therefore specifications are provided upon speaking to a staff member who can ensure that no misinterpretations occur. b. Council’s requirements could be explicitly stated – however the primary considerations of safety and durability are open to various interpretations for materiality and construction. c. If a person is able to demonstrate that they can undertake the work safely, meet council’s requirements for working in a cemetery, and to the required standard of NZS:4242 council should continue to permit them to carry out works even if they are not a qualified mason – although it is the preference of council that qualified mason’s do undertake work d. Standards should be consistently applied, although this is an operational matter outside the scope of this review. Council staff are

Draft Responses to Submissions on Cemeteries and Crematoria Bylaw and Handbook Review 2026		
No.	Submission	Response
		<p>already well versed in the required standards and are unlikely to need external assistance in any auditing processes</p> <p>e. This is beyond the scope of this review and Council is unaware of any major existing issues – although Council will take into consideration all relevant aspects during development</p> <p>f. All submitters have the option to speak in person to elected members, and if significant changes are made to the Bylaw and Handbook, they will likely go through another round of consultation which will give NZMMA the opportunity to provide further input. It is unknown what further input would be provided beyond this submission however</p>
8	<p>a. Update handbook to provide clear information for family-led funerals</p> <p>b. Online portal for documentation and automation</p> <p>c. Recognise community-based practitioners</p> <p>d. Form a working party for cemeteries and crematorias</p>	<p>a. Agree that the process for council requirements and timeframes could be more clearly provided.</p> <p>b. This is not currently achievable – the specific requirements associated with burials and cremations dictate that the process needs to be handled personally by a staff member, and automation could lead to situations whereby critical aspects are overlooked or conflicts arise that cannot be anticipated by an automated system.</p> <p>c. Council works with any person appointed by a family. However if there is a desire for community-based practitioners to be given greater authority similar to accredited funeral directors, they must meet minimum council requirements to become an “approved person”. This would likely take the form of an induction and/or training and some form of public liability insurance. These would likely incur costs to any such practitioners.</p> <p>d. It is not considered that there is any reason to create a working party, there are very few items for discussion once the Bylaw and Handbook are adopted. Council staff are always willing to speak to individuals or groups with specific concerns. A formal working party is considered excessive given the scope of the activity and any potential outcomes.</p>
9	<p>a. Make funerals more family friendly</p> <p>b. Allow purchases of adjacent plots</p>	<p>a. Council already works actively with families to provide multiple end-of-life options and approaches that respond to this.</p> <p>b. Council already makes provision for this, although this is not made clear in council documentation and this could be improved.</p>

Draft Responses to Submissions on Cemeteries and Crematoria Bylaw and Handbook Review 2026		
No.	Submission	Response
10	<ul style="list-style-type: none"> a. More public consultation b. Adopt Death Without Debts's Council Best Practice Guidelines c. Council should make it clear that families are entitled to act as funeral directors d. Council must sort Medical Referee approval as per 1973 regulations e. It is not okay to put forms to be filled by medical professionals on public-facing pages as this confuses the public and exposes the process to undue influence f. Families must be informed that shroud boards are permitted for cremation and burial g. Weekend bookings and payments must be accepted by Council h. Council must accept bodies for burial or cremation on Monday morning if death occurred on Friday or Saturday. Where there is a body overload Council must accept and store the body i. Allow ordinary cars in addition to hearses to drive on the cemetery j. Council needs to establish a process to ensure no prohibited items enter the cremator, an inspection protocol is recommended 	<ul style="list-style-type: none"> a. Council has followed all necessary public consultation procedures. There has been no interest shown from the public, including funeral directors, apart from NZMMA and individuals associated with the Death Without Debt organisation. b. Council has its own procedures and guidelines which meet Council's requirements and legislative responsibilities which expand far beyond the narrow focus of the Death Without Debt organisation. c. Families are entitled to act as funeral directors, although there is scope for providing clearer information for those who do not wish to use the services of a funeral director. d. Council is only obliged to appoint a Medical Referee, the duties of a any such person, or the organising of forms to be filled out by a Medical Referee are not the responsibility of Council. e. This seems at odds with the apparent intent of making funeral processes more transparent, and allowing non-funeral directors to organise funerals. Council has never had any complaints about these forms being made publicly available. f. Some specifications for funerals are not as clear as they could be – this could be rectified in appropriate circumstances. g. Council makes provision wherever possible to accommodate requests, it is not possible however to always have the appropriate people available 24/7 to process funeral bookings or payments. h. Council has limited ability to hold over bodies as there are not extensive facilities available. i. Council does not restrict access for vehicles carrying bodies, although the definition of a hearse could be more clearly stated. j. Council is not able, nor should non-medically trained staff be expected, to inspect bodies for prohibited items prior to cremation or burial.

New Plymouth District Council

Cemeteries and Crematoria Bylaw 2020



Te Kaunihera-ā-Rohe o Ngāmotu
**New Plymouth
District Council**

DOCUMENT HISTORY

Meeting	Date	Decision	Next Review
Council	21 April 2020	Adopt Bylaw	

Cemeteries and Crematoria Bylaw 2020

New Plymouth District Council

The purpose of this bylaw is to facilitate the orderly, safe, and efficient management of cemeteries and crematoria under the control of the Council; and minimise the potential for offensive behaviour in cemeteries and crematoria under the control of the Council.

1. Title and commencement

- 1.1. This bylaw is the New Plymouth District Council Cemeteries and Crematoria Bylaw 2020.
- 1.2. This bylaw comes into force on 1 May 2020.

2. Authority

- 2.1. This bylaw is made under:
 - a) Sections 145 and 146(b)(v) of the Local Government Act 2002; and
 - b) Sections 16 and 40 of the Burial and Cremation Act 1964

3. Purpose

- 3.1. The purpose of this bylaw is to:
 - a) Facilitate the orderly, safe, and efficient management of cemeteries and crematoria controlled by the Council; and
 - b) Minimise the potential for offensive behaviour in cemeteries and crematoria controlled by the Council.

Note: Please refer to the Burial and Cremation Act 1964 and Cremation Regulations 1973 for general rules and procedures relating to burial and cremation.

4. Application of this bylaw

- 4.1. This bylaw applies to all cemeteries and crematoria controlled by the Council.
- 4.2. This bylaw does not apply to urupa or any other cemetery, crematorium or burial ground that is not controlled by the Council.
- 4.3. Nothing in this bylaw shall derogate from any provision of or compliance with the:
 - a) Burial and Cremation Act 1964;
 - b) Burial and Cremation (Removal of Monuments and Tablets) Regulations 1967;
 - c) Cremation Regulations 1973; or
 - d) Health (Burial) Regulations 1946.

- 4.4. A reference to a repealed enactment, standard or document is a reference to an enactment, standard or document that, with or without modification, replaces, or that corresponds to, the enactment, standard or document repealed.

5. Interpretation

Definitions

- 5.1. In this bylaw, unless the context otherwise requires:

Act means the Burial and Cremation Act 1964.

Approved Person means a person who is approved by the Council to carry out works or undertake activities in any cemetery or crematorium and shall include any funeral director.

Assignee means the person or persons to whom an exclusive right of burial is transferred to on the death of the holder of the exclusive right of burial.

Body has the same meaning as defined in the Act.

Bylaw means the New Plymouth District Council Cemeteries and Crematoria Bylaw 2020.

Council means the New Plymouth District Council.

Designated natural burial area means an area in a cemetery designated by the Council to be a natural burial area.

Exclusive Right of Burial means the right of burial in a surveyed plot within a Council cemetery record, sold by the Council under section 10 of the Act.

Memorial means any tombstone, headstone, memorial, monument, tablet, plaque, kerbing or other memorial or erection.

Physical works means the installation, modification, maintenance, repair, or removal of any plot or memorial.

Plot means a lot in a cemetery that is surveyed for the purposes of interment and shown on the official cemetery plan deposited in the cemetery office.

Purchaser means a purchaser of the Exclusive Right of Burial in a plot, and owner of such exclusive right, and may include their executors, administrators and assignees.

6. The Council may make rules relating to cemeteries and cremation

- 6.1. The Council may make, amend or revoke a cemeteries and crematoria handbook that provides rules for the use of cemeteries and crematoria controlled by the Council. The handbook may include rules relating to the following non-exhaustive list of matters:
- a) Days and hours of operation for cemeteries and crematoria;

- b) The process for purchasing a plot, including the notification period required before a burial may be made at a cemetery or a cremation at a crematorium;
 - c) Burial warrants;
 - d) Behaviour in cemeteries, including rules relating to appropriate behaviour, trade, vehicles, animals, and photography or filming;
 - e) Interment and disinterment;
 - f) Undertaking physical works in a cemetery;
 - g) The placement, maintenance and removal of tributes, decorations, trees and shrubs, including donated plants;
 - h) Cremation; and
 - i) Natural burial.
- 6.2. The council must, before making, amending or revoking a handbook in clause 6.1:
- a) comply with the relevant requirements under Subpart 1 of Part 6 of the Local Government Act 2002;
 - b) be satisfied that the rules ensure that the purpose of the bylaw will be met;
 - c) have regard to:
 - i) the feasibility and practicality of effecting a transition from current practices to new practices and any adverse effects that may result from such a transition; and
 - ii) any other matters considered relevant by the council.
- 6.3. A cemeteries and crematoria handbook made, amended or revoked under clause 6.1 must be made publicly available.

7. Conditions of burial

Exclusive Rights of Burial and burial warrants

- 7.1. Any body may be buried in a plot provided that:
- a) Either:
 - i) The Exclusive Right of Burial has been purchased for that plot; or
 - ii) The consent of the purchaser of that Exclusive Right of Burial or their assignee for that plot has been obtained; and
 - b) A burial application has been received by the Council, in addition to any other notification required under rules made by the Council under this bylaw; and
 - c) The burial complies with any rules made by the Council under this bylaw; and
 - d) All applicable fees have been paid or arrangements for the fees to be paid have been made with the Council.

Note: Section 10 of the Act applies to the sale of the exclusive right of burial in any part of a cemetery.

8. Disinterment of bodies or remains

Licence required

- 8.1. Before a body or the remains of a body may be removed from its burial place in a cemetery a licence must be obtained from the Minister of Health under section 51 of the Act. A copy of that licence shall be provided to the Council.
- 8.2. Prior written approval of the Council must be obtained before the disinterment.

Disinterment procedure

- 8.3. Council may specify a disinterment procedure in the cemeteries and crematoria handbook as per clause 6.1 of this bylaw. Any disinterment must follow this procedure.

9. Physical works associated with plots

- 9.1. Physical works may only be undertaken in a cemetery by an approved person, who has obtained written approval from the Council for the physical works and must be undertaken in accordance with the requirements of this bylaw or the handbook made by Council under clause 6.1 of this bylaw.
- 9.2. If an approved person undertaking physical works fails to comply with any conditions of the approval given under clause 9.1, the Council may revoke that approval and remove any physical works or any part of them that fails to meet any conditions.

Council may remove unauthorised works

- 9.3. The Council may remove any unauthorised physical works, or any other physical works which, in the opinion of the Council, may cause offence or be a safety hazard to visitors to the cemetery.

10. Fees

- 10.1. The Council may, in accordance with the provisions of section 150 of the Local Government Act 2002, set prescribed fees for all services provided for the operation and maintenance of cemeteries controlled by the Council.

11. Offences and penalties

- 11.1. Any person who fails to comply with the requirements of this bylaw or the handbook made by Council under clause 6.1 of this bylaw commits a breach of this bylaw, and is liable to a penalty under the Local Government Act 2002.

**Insert cover page and contents
once confirmed**

1 Introduction

Cemetery services are delivered by council's parks and open spaces team. This handbook contains information relating to the key operational areas of cemeteries and crematoria controlled by council, and provides rules to facilitate the orderly, safe and efficient management of these cemeteries and crematoria. It is intended as an operational document.

This handbook does not apply to urupa or any other cemetery, crematorium or burial ground that are not controlled by council.

This handbook has been made in accordance with clause 6 of the New Plymouth District Council Cemeteries and Crematoria Bylaw 2026 ('the bylaw'). This handbook should be read in conjunction with the bylaw and other regulations and legislation relevant to the management of cemeteries and crematoria, including:

- The Burial and Cremation Act 1964;
- Radiation Protection Act 1965;
- The Burial and Cremation (Removal of Monuments and Tablets) Regulations 1967;
- Cremation Regulations 1973;
- New Zealand Standard: Headstones and Cemetery Monuments (NZS 4242:2018);
- The Local Government Act 2002;
- Health and Safety at Work Act 2015;
- Veteran's Affairs New Zealand memorials handbook;
- Applicable Taranaki Regional Council Resource Consents; and
- New Plymouth District Council Dog Control Bylaw.

2 Definitions

In this handbook, council means the New Plymouth District Council, and cemetery and crematorium means any cemetery or crematorium controlled by the Council.

Term	Definition
Approved Person	A person who is approved by council to carry out works or undertake activities in any cemetery or crematorium. Such people may be required to undertake a council induction and/or prove to council's satisfaction their credentials.
Ashes	The cremated remains of a deceased person.
Assignee	The person or persons to whom an exclusive right of burial is transferred to on the death of the holder of the exclusive right of burial.
Bylaw	The New Plymouth District Council Cemeteries and Crematoria Bylaw 2026.
Casket	A container used for viewing, transporting, and burying or cremating a deceased person. For simplicity, within this policy it also refers to coffins.
Cremation Area	A part of any cemetery designated by council for the interment of ashes only.
Decorate/Decoration	Any flowers, vase, figurine, ornament or adornment.
Embalmer	A person holding a New Zealand Diploma in Embalming, or equivalent qualification or experience.
End of Life Practitioner	A person, who in the course of their business, carries out funeral services, burials and related matters, and has undertaken an induction with council.
Exclusive Right of Burial	The right of burial in a surveyed plot within a council cemetery, sold by council under section 10 of the Burial and Cremation Act.
Funeral Director	Any person holding a New Zealand Diploma in Funeral Directing, or equivalent qualification or experience.
Gardens of Remembrance	An area at Taranaki Crematorium used for the interment or scattering of ashes. There are no individual monuments in this area.
Hearse	A vehicle used to carry the body of a deceased person to a funeral or graveside service.
Limited Lawn	A part of any cemetery designated by council for burial and/or ash interments which have memorials placed on a memorial strip provided by council. The majority of landscaping consists of mown grass. Memorials are predominantly headstones of a limited maximum size.
Memorial	Any tombstone, headstone, memorial, monument, tablet, plaque, kerbing or other memorial or erection.
Memorial Strip	The concreted ground area surveyed by council in numbered order for placement of memorials.
Natural Burial	The burial of a body with the following characteristics: <ul style="list-style-type: none"> • a shallow grave is used; and • the body is not embalmed and is contained in a biodegradable casket; and • the grave is over planted; and • no memorial is erected at the grave site.

Natural Burial Area	A part of any cemetery designated by council for natural burial interments only.
Open Memorial Area	A part of any cemetery designated by council for burial and/or ash interments which have minimal restrictions memorial size and type. These are typically older parts of a cemetery with historic monuments of various styles.
Physical Works	The installation, modification, maintenance, repair, or removal of any plot or memorial.
Plot	A lot in a cemetery that is surveyed for the purposes of interment and shown on the official cemetery plan deposited in the cemetery office.
Public Holiday	Any day defined as a public holiday under the Holidays Act 2003.
Purchaser	The purchaser of an exclusive right of burial, and owner of such exclusive right, and may include their executors, administrators and assignees.
Returned Services Cemetery	All portions of a cemetery set aside for service personnel and their partners and in which no kerbing, fences or memorials other than headstones provided by Veterans' Affairs New Zealand may be constructed.
Urn	A vessel designed to hold cremated remains.
Working Day	Has the same meaning as section 29 of the Interpretation Act 1999, and generally means Monday to Friday excluding public holidays.

3 General information

3.1 Cemeteries and crematoria

Council administers the Taranaki Crematorium and 13 cemeteries throughout the district. Four cemeteries on council land are administered by trustees for each cemetery with council support.

Cemetery	Location	Description
Council Administered		
Awanui 1958	Awanui Street New Plymouth	New Plymouth's main public cemetery. It is a lawn cemetery located in the city within a rural setting.
Inglewood 1879	Rata Street Inglewood	Adjacent to Jubilee Centennial park, it has an historic monumental area linking to local heritage.
Mangapouri 2011	Plantation Road Between New Plymouth & Inglewood	New Plymouth's newest cemetery. Limited development potential due to low lying land next to river.
Oakura 1888	Butlers Lane Oakura	A small cemetery at the top of a steep slope facing the Oakura River.
Okato 1881	SH45 Okato	On the left of SH3 entering Okato from the north. Council accepted control from the Okato Cemetery Board in 2006.
Purangi 1898	Tapu Road (unformed) Purangi	20 recorded burials with only three visible monumental remains. Entire cemetery grazed as part of adjacent farm.
Tarata 1888	Wiri Road (unformed) Tarata	Rural cemetery with minimal development.
Te Henui 1861	Watson & Lemon St New Plymouth	New Plymouth's first public cemetery. It is a heritage site set in a park environment.
Urenui 1882	Totara & Ngapapa St Urenui	Situated a few kilometres north of Waitara, it remains a strong focal point for the local heritage.
Waireka 1932	Waireka Road West South of Omata	Rural cemetery with minimal development.
Waitara 1885	Bayly Street Waitara	Waitara's main cemetery, offering an historic monumental area and a more modern lawn cemetery.
Closed		
Old Waitara 1871	McLean Street Waitara	Historic cemetery closed in 1982.
Tataraimaka 1902	Lower Timaru Road South of Oakura	Small rural cemetery with dense vegetation. Closed since 1968.

Cemetery	Location	Description
Trustee Administered		
Huirangi 1878	Bayley Street Huirangi	Rural cemetery. Managed by Trustees
Lepperton 1881	Cross Street Lepperton	Small village cemetery. Managed by Trustees
Tikorangi 1882	Inland North Road Tikorangi	Small rural cemetery. Managed by Trustees
Tongaporutu 1897	Pilot Road Tongaporutu	Small rural cemetery. Managed by Trustees

*While these cemeteries are managed by trustees, council is still the first point of contact for interment requests. Council then organises contact with the relevant administrators of the cemetery. Council also provides financial support and undertakes the operational aspects of casket interments.

Crematoria	Location	Description
Taranaki	Junction Road/SH3 New Plymouth	Offers cremation services, a chapel (capacity 200) and the gardens of remembrance for the interment of ashes).

3.2 Requests

All requests for cemetery information or services should be referred to council's cemeteries office in the first instance.

Council's cemetery office organises purchase and allocation of burial plots, bookings and provides information about cemeteries and requirements.

The cemeteries office is available 8am-5pm Monday to Friday except public holidays.

3.3 Notification period

An application for an intended burial or cremation must be received by council at least one clear working day prior to the time set for the funeral, the cremation, or the burial.

3.4 Fees and forms

All forms are on the New Plymouth District Council website.

Fees are set by the Council each year and are available on the council website or by contacting council's customer service centre. Fees must be paid prior to any burial or cremation takes place.

3.5 Days and hours for burials and cremations

Cemeteries controlled by the New Plymouth District Council are open to the public for visitors seven days a week.

- Burial services take place between 8am-3pm, Monday to Friday, and 8am-1pm on Saturday.
- Cremation services take place between 9am-4pm, Monday to Friday, and 8am-1pm on Saturday.
- No burials or cremations will be scheduled on public holidays.
- When a death occurs on the last day of the working week, the weekend or on a public holiday, the burial **or cremation** will need to be held over. The earliest a burial **or cremation** could occur, depending on circumstances, is 2.00pm on the first working day of the following week.

Burials and cremations outside of the days and hours above may be approved on specific request. **This will generally be only in exceptional circumstances and council is under no obligation to accept any such request.** An additional fee may be charged to cover extra costs associated with the request.

4 Purchase and allocation of plots

4.1 Application

Where a person other than a funeral director **or approved person?** is organising a burial or cremation, that person will need to contact the cemetery office, complete the required forms and pay all fees prior to the burial or cremation taking place, which may include a staff presence cost recovery fee. Time must be allowed for council to confirm payment has been received. **This timing cannot be predicted or assumed due to differing payment timing and methods.**

It is the responsibility of the applicant to ensure that all responsibilities are met prior to burial or cremation. **Council is not responsible for:**

- **Ensuring paperwork is correctly completed.**
- **Providing advice on medical processes and requirements.**
- **Liaison with and signing off by medical referees (council may provide contact details for medical referees if consent is granted by the referee).**
- **Removal of medical aids (pacemakers etc.).**
- **Holding over bodies.**
- **Manufacture, material and durability of caskets, coffins, shroud boards etc.**

Funeral director's running a company may have an account rendered which will be subject to council's typical accounting processes.

A completed burial application form for a burial warrant must be received by council no fewer than one clear working day (at least eight working hours) prior to the time of the interment.

The funeral director, **end of life practitioner** or person organising the interment must submit the burial application form.

Where the services of a funeral director or end of life practitioner have not been engaged to coordinate the funeral service and control the activities at the grave site, an approved person will be supplied by council. The use of an approved person requires adherence to conditions relating to the specified cemetery or crematorium site, and may involve additional costs.

4.2 Exclusive Right of Burial

An ash or burial plot can be secured by way of purchase from council of an exclusive right of burial. Exclusive rights of burial **may be** subject to terms and conditions decided by council.

Funeral directors or end of life practitioners, if used, may organise the purchase the exclusive right of burial on behalf of the holder or assignee.

Individuals may contact the cemetery office or look on council's website for the exclusive right of burial application form and for more information.

An exclusive right of burial will lapse and revert to council if a burial does not take place within 60 years of the purchase date.

The holder or assignee of an exclusive right of burial may, with the **prior** consent of council, transfer those rights to another person. This **may** incur a fee.

4.3 Allocation of plots

Plots are allocated by council. Where there is a request to obtain a plot in a particular area, that request may be accommodated **at the sole discretion of council**, providing there is no conflict with the control and management of the cemetery.

No pre-sales of exclusive rights of burial will be permitted for plots in council-controlled cemeteries unless there has been a recent interment of a spouse, partner or other close family member. This is at the sole discretion of council and will only be considered if it is possible to offer an adjacent plot or plots without significantly compromising available burial space and ongoing control and management of the cemetery.

5 Behaviour in cemeteries

5.1 Appropriate behaviour

Cemeteries are both individual and community memorial spaces. Everyone visiting our cemeteries must maintain appropriate and respectful standards of behaviour that will not detrimentally impact the visitor experience or cause undue offence.

No person may behave in a manner, or bring an item into a cemetery or crematorium, that does any of the following:

- Is a nuisance or is offensive to another person.
- Damages any property, asset or memorial.
- **Interferes with any property, memorial or decoration which is not on a plot which that person is responsible for, or is part of council's infrastructure or assets.**
- **Disturbs or otherwise interrupts a funeral, burial or cremation.**

5.2 Animals

No domestic animals other than dogs are allowed into a cemetery or crematorium unless they have received written permission from council. Dogs must be under control and on-leash within all cemeteries and crematorium areas with the exception of Te Henui which allows dogs to be under control and off-leash.

Further information is available within council's Dog Control Bylaw.

5.3 Vehicles

No private vehicle is to be left or taken into any cemetery after the cemetery gates are closed.

Except for a hearse, council authorised vehicle or memorial mason undertaking approved work, vehicles are only permitted on marked roadways or any open area clearly designated for vehicles. The indicated speed limit and traffic rules are to be observed at all times. If there is no indicated speed limit, a vehicle may not exceed 15km/h.

The drivers of all vehicles must yield right of way to any funeral procession (cortege) in any cemetery. Drivers must comply with any request of council officers.

5.4 Commercial photography or filming

Any person using a council-controlled cemetery or crematorium for the purpose of commercial photography or filming, or photography or filming for a media purpose, must first obtain written approval from council. If filming a funeral service, consent must also be obtained from the family or organising funeral director. Funeral directors may only authorise the taking of photographs or film after they have consent from all affected persons.

5.5 Trading

No person may enter a cemetery or crematorium for the purposes of trade or monetary reward or other consideration with the exception of:

- Council staff and approved contractors undertaking council associated activities.
- Monumental masons, funeral directors and end of life practitioners directly related to a specific interment with prior council notification and approval.
- Commercial recording with prior council notification and approval.

Council's approval may be subject to conditions.

6 Interments and Disinterment

6.1 Interments

The following persons may open any grave or the ground opened for a burial:

- Council staff or approved contractors.
- An approved person having obtained prior written permission from council.

The following persons may close any grave or the ground opened for a burial:

- Council staff or approved contractors.
- An approved person who has prior written permission from council.
- Any person, including the family or friends of the deceased, under the supervision of council staff or approved person.

A minimum of 1000mm of soil shall be placed on top of a body interred in any plot which is not a natural burial. This is measured from the top of any casket to the average surrounding ground level.

6.2 Burial plot depth

Plot depths can vary depending on environmental factors, consenting requirements and other factors relevant to a specific plot location. Plot depth is prescribed by council when surveying relevant plots.

Unless the survey provides otherwise, plot depths are as follows:

- For plots which are able to have two interments, the minimum depth of a grave for the first interment is 1.8 metres.
- For single interment plots, the depth of a grave will be 1.2 metres.

6.3 Subsequent interments

Council may permit a second interment in a plot provided there is at least one metre of soil covering the topmost casket, measured from the top of the casket to the average surface level of the immediately surrounding ground. Only single interments are available in a natural burial area.

6.4 Ash interments

Cremation plots may hold up to four interments provided there is a minimum cover of 600mm of soil from the top of the highest urn to the natural ground level.

The number of ash interments in a burial plot is dependent on the depth of the plot, but shall not exceed eight ash interments.

6.5 Stillborn babies

Stillborn babies, or those born before 20 weeks of pregnancy have a number of interment options available. Council's cemeteries office should be contacted to discuss options.

6.6 Returned service areas

Burial in a services cemetery is available to those who have served as a member of His Majesty's Forces on certain deployments, and the spouse or partner of those who have.

The standard burial or ash burial fee will apply as determined by council's fees and charges policy.

For more information on rules and eligibility contact council or the New Zealand Veterans' Affairs Office.

6.7 Disinterment

Before a body or the remains of a body can be removed, a licence must be obtained from the Minister of Health under section 51 of the Burial and Cremation Act 1964 and copy of this licence must be provided to council.

Disinterment will only take place in the presence of the relevant funeral director or approved person, necessary staff, the relevant Ministry of Health staff, and any other person who has the prior written approval from council to be present.

Council must give written approval before any disinterment takes place and will work with the licence holder to arrange an appropriate time for a disinterment to occur. This gives council the opportunity to make sure all information is correct, that proper health and safety precautions are taken, and to ensure that a disinterment will not interfere with any other funeral services.

Once a body or the remains of a body have been removed from a burial plot, the exclusive right of burial will be revert back to council. Council is not liable to refund any fees for the original exclusive right of burial, but may choose to refund the original purchase price of the plot with no allowance made for inflation or any other price increases over the intervening period. Any subsequent purchaser will be told the plot has previously been used for a burial.

The person holding the disinterment licence under section 51 of the Burial and Cremation Act 1964 is liable for any council costs associated with the removal of the body or the remains.

7 Physical Works and Memorials

7.1 Installing and remediation of memorials

Physical works including their foundations must be completed to the satisfaction of council and must be compliant with the New Zealand Standard: Headstones and Cemetery Monuments (NZS 4242:2018).

Installation and renovation of memorials shall only be undertaken by a person able to install **and repair** such memorials in a manner that complies with New Zealand Headstones and Cemetery Monuments Standard (NZS 4242:2018), and who has completed a site and safety induction before undertaking any physical works.

NZS 4242:2018 specifies minimum structural design criteria, performance and renovation requirements for all monuments. At a minimum all structural materials should have a minimum service life of 50 years, and are expected to last much longer. It also specifies that monumental work shall be carried out by appropriately trained personnel.

In order to ensure that the memorial is placed on the correct plot, and that it complies with the bylaw and handbook, a plan and a copy of the design of the memorial must be submitted to council and approved by council in writing. A permit is granted to an approved person to install the physical works on behalf of the holder of the exclusive right of burial or their assignee. Before granting a permit, council will confirm that:

- The correct owners of the exclusive right of burial are requesting the work on behalf of all owners.
- The memorial's design, type and location on the plot meet council's requirements.
- That the approved person has the appropriate training to competently carry out the work.
- All outstanding fees and charges are paid.

Council has the sole right to determine if a design and materials meet NZS 4242:2018 requirements.

Before commencing any physical works associated with the installation of a memorial, verbal notice of presence on the cemetery site must be given to the cemetery office. This is to allow council to have knowledge of who is working on site, and to ensure that the work will not interfere with other funeral services or other cemetery management activities

An approved person undertaking physical works, including the placement of memorials associated with any plot shall:

- Adequately protect the surrounding plots, memorials and cemetery infrastructure.
- Not deposit any tools, debris, or materials on any adjacent plot, without prior approval from the holder of the exclusive right of burial or their assignee to that adjacent plot.
- Remove all tools, debris, or materials used for the physical works as soon as practicable on the completion of the physical works.
- Not obstruct any footpath or roadway when carrying out physical works unless prior written approval has been obtained from council.
- **Not interfere with or otherwise disrupt an ongoing funeral service.**

On completion of the physical works, photographs of the front and side profiles of the memorial must be sent to the cemetery office to confirm the positioning of the memorial in relation to the plot and that the construction is in line with the submitted plans.

7.2 Permitted physical works

Memorial strips shall be provided by council and shall not protrude above ground level.

Memorials will not be pinned to the memorial strip without prior written approval from council.

The following applies to any physical works in a cemetery:

- No memorials may be placed within the gardens of remembrance.
- Fences, kerbs or vaults may be constructed in an open memorial area **only**.
- No fence or enclosure may exceed 1 metre in height.

In those areas designated as a Returned Services Cemetery, all memorials shall be constructed in accordance with the requirements of the Veteran's Affairs New Zealand memorials handbook.

All memorials shall require prior approval of council before any physical works are undertaken. Council will provide details of requirements upon enquiry. As there are many cemeteries throughout the district, each with a diverse range of developments being carried out prior to their administration being undertaken solely by New Plymouth District Council. This has led to a variety of memorial types being installed during the history of each cemetery which influence the type of future memorials suitable for each space. The differing types of permitted memorial mean that it is not currently feasible to set standard memorial specifications which cover all cemeteries.

8 Decorating plots

8.1 Decorations and tributes

Decorations or tributes placed on a plot or memorial strip must not inhibit the maintenance and management of the cemetery, **nor encroach on any adjacent plot.**

Decorations and/or tributes may only be placed on the memorial strip of the concrete berm provided, except for during the five day period following interment, when decorations, tributes and other objects may be placed on the plot.

The exclusive right of burial holder or assignee has the right to maintain and decorate the memorial and the plot so long as the decorations do not impede on the maintenance and management of the cemetery. After the five day period following interment, any decoration or tribute (including floral tributes) must be removed, or placed on or within the memorial strip, while providing at least 150mm clearance from the front and back edges of the memorial strip. **This allows space for council to mow and maintain the cemetery without being impeded by or damaging decorations or memorials.**

8.2 Temporary markers

Temporary markers that do not exceed the memorial specifications described in section 7 of this handbook are permitted to remain in place until the permanent memorial is erected.

8.3 Removal of decorations

The Council may remove any decorations that are not on the memorial strip or which, in the opinion of council, have been neglected, are unsafe, **or may be likely to cause offence to cemetery visitors.**

No person may remove any fixed item or plant growing in a cemetery, including kerbs, memorials or plants, without the prior written approval of council.

No person may remove any decoration from any plot with the exception of friends and family of the deceased, who may remove decorations and tributes from the relevant plot.

8.4 Donated plants

Any person may donate (subject to the written approval of council), memorial plants, shrubs, trees or flowers, for placing in a cemetery or garden of remembrance. **Council is not obliged to accept any such offer.** The placement of these will be restricted to areas **deemed appropriate by council.**

For safety reasons and in order to ensure that maintenance can occur, council may be required to trim, remove or cut back vegetation (including donated plants, shrubs, trees or flowers) placed in a cemetery or garden of remembrance. **Council is not obliged to replace any removed vegetation.**

9 Maintenance of plots, graves and memorials

9.1 Maintenance & removal of memorials

Memorials must be kept in good repair. Council does not take any responsibility for **deterioration, damage, or vandalism** to any memorial.

The holder of an exclusive right of burial (or their assignee) is responsible for regularly maintaining all decorations, memorials and other physical works associated with their plot. This includes appropriately securing all decorations and ensuring that the decorations do not prevent the proper maintenance of the cemetery. The plot must be appropriately maintained so that it does not fall into a state of disrepair or create a health and safety risk to any person visiting the cemetery.

Where a memorial has fallen into a state of disrepair and council determines that it is a health and safety risk, council may give the person responsible (the owner, their agent or assignee) three month's written notice to repair or remove the item. Failure to comply with a notice, or if the repairs have not been carried out to council's satisfaction within the period stated in the notice, may result in council undertaking any physical works necessary to maintain or repair the memorial, and recovering the associated costs of undertaking any such work from the person responsible for the plot..

In the event that council is unable to determine who is responsible for a plot (e.g. historic plots or those with no known assignees). Council may carry out works to ensure that a memorial is made safe so that it no longer presents a risk to cemetery users. This will typically be the minimum possible intervention required to make a memorial safe and is very unlikely to involve repair or restoration.

The council may also carry out works to **make safe** or remove any memorial that is considered **immediately** dangerous to those frequenting and working within a cemetery **before making contact** with the person responsible for the plot. In this case council will make contact as soon as reasonably practicable after the work has taken place to advise the person responsible for the plot.

No person may remove any memorial strip from any plot or grave unless they have permission from council.

Council may remove **and dispose of** any unauthorised memorials. **If a responsible person can be identified, council may seek to recover costs associated with removal, disposal and remediation.**

Where council removes any memorial, no responsibility will be taken for any damage sustained during removal, **nor shall any recompense be payable.**

The removal of memorials shall be undertaken in compliance with the Burial and Cremation (Removal of Monuments and Tablets) Regulations 1967.

No person shall interfere with any memorial or plot of which they are not the holder of an exclusive right of burial, or an assignee, or another person approved by any such person, without the prior approval of council. For the avoidance of doubt this includes any cleaning or restoration of any headstone, memorial or plot, including those in historic areas.

10 Natural Burial

10.1 Designated natural burial areas

Council offers natural burials in designated natural burial areas. A key goal for natural burials is that the burial process is environmentally friendly. This is achieved by not introducing anything synthetic to the ground, by promoting natural decomposition processes, and by restoring the surface to a natural flora and fauna environment (a native bush reserve or park).

10.2 Natural burial applications

In addition to the requirements for burials set out above, natural burial applications must include:

- A death certificate or other documentation relating to the release of the body; and
- Relevant information where a person died of a communicable disease; and
- Written confirmation by the applicant that the requirements have been met.

10.3 Plot allocation

Each new natural burial will be adjacent to the most recent burial. Prior to planting, sites, plots and graves will be maintained in long grass. Council does not offer the option of reserving or selecting plots, or adjacent plots, in designated natural burial areas, or the purchase of an exclusive right of burial for an adjacent plot at a time of recent bereavement and interment. **This is due to the way natural burial sites are managed, the interment methods, and the difficulties in carrying out interments once the sites have matured with vegetation.**

10.4 Natural burial interment

Only one interment of a casket or shroud is allowed in each plot in a designated natural burial area. There must be a minimum of 750mm depth of soil between the top of the casket or shroud and the natural ground level. Natural burial plot dimensions are to be 2.5m long by 1.8m wide.

To ensure natural burials are environmentally friendly and safe for people handling bodies, caskets or shrouds for natural burial must meet the following standards:

- Caskets and shrouds must be made from untreated or natural materials with no synthetic finishes, **adhesives or fixings**, including attachments such as handles and linings. **Plywood is not acceptable as the glues used in construction are not compatible with natural burial.** Natural oil **(without resin or urethanes)** finishes are acceptable.
- Shrouds must have a solid base, such as untreated timber, and must be fixed to the shroud, so that it remains stable during the burial.
- Caskets or shrouds that are leaking fluids or have an unpleasant odour will not be accepted.
- The use of embalming fluids is not permitted with natural burials.
- Only non-synthetic materials which will biodegrade quickly shall be placed within or on a plot.

Applications for additional ash interments in a natural burial plot may be approved by council. All ash interments in natural burial plots are to be contained in a biodegradable urn. Applications may be approved depending on the progressive establishment of natural vegetation after burials and maintenance considerations.

10.5 Decorations and memorials

In a designated natural burial area, no person may place any memorial or decorate any plot. A temporary wooden grave marker made of untreated timber will be maintained for a maximum period of one year from the date of burial; and will not be replaced when it deteriorates.

10.6 Planting

A tree or shrub will be planted at the natural burial site. The planting will occur at a time when each cemetery row is occupied with burials or within five years from the date of the first burial, whichever comes first. The plant is to be selected will be **of a species suitable to** each designated natural burial area, **and species may change depending on the time of planting, the maturity of the surrounding vegetation and the location within the natural burial area.**

The choice of plants will vary along the boundary of the designated natural burial area where lower growing plants will be used. Council staff will supply and plant the tree or shrub, the cost of purchase and maintenance is included in the plot purchase fee. Over time, new trees and shrubs will be planted around and over sections of used plots to promote revegetation.

Plant selection will consider those that benefit native bird species **and indigenous biodiversity.** Planting will be undertaken **at the time most likely to result in the survival and ongoing health of the selected species.** **It will not occur** between late autumn and early winter.

10.7 Maintenance of designated natural burial areas

Council will maintain the designated natural burial area **with the ultimate intent of it developing** as a bush revegetation site **requiring minimal ongoing intervention**. Care and maintenance of the **planted trees** will be undertaken until **the bush area is sufficiently developed to be largely self-sustaining**. Ongoing control of plant pests may be necessary. Any tree pruning from the area will be mulched and applied to the site.

Council will attend to planting and maintenance. If a tree or shrub does not survive, the decision to replace the plant is at the sole discretion of council. This will be dependent on whether surrounding plants are sufficiently occupying the area, so that a replacement is unnecessary **to ensure the viability of the bush site**.

11 Crematorium

11.1 Application

Council's cemetery office organises bookings and provides information about cemeteries, cremations, **ash interments** and use of the chapel. Cemetery office hours are: 8am-5pm Monday to Friday.

A Cremation Application form and all necessary certification required by the Cremation Regulations 1973 must be completed and received by council no less than one working day prior to the time of the cremation.

Fees will be as specified within council's revenue and financing policy. Current costs and information associated with a cremation shall be available on council's website. A cremation may only take place if all applicable fees have been paid, or prior arrangement for payment has been made with council.

11.2 Cremation

If there is no funeral director **or end of life practitioner** present during a chapel service, two council staff members are required to be present at the applicant's cost.

Subject to written approval from council, representatives of the deceased person may see the casket placed in the charging hall, but no inspection of the actual process of the cremation is permitted.

11.3 Caskets

The following criteria must be met to ensure the safe handling of the deceased.

The casket must:

- Be constructed from materials free of PVC and contaminants that will cause excessive smoke when combusted and will not exceed the limits of the crematorium's air discharge permit or any subsequent amendment to the permit.
- Have a flat bottom and not exceed 220cm long x 80cm wide (including handles) x 68cm deep.
- Be constructed of robust material so it will not distort or collapse whilst being handled in the events leading up to the cremation.
- Be lined internally with a suitable impervious material to prevent any leakage from the casket.
- Have a **clearly legible** name plate, label or inscription stating the family name and at least one other name of the deceased whose remains are to be cremated in the casket **which is able to be read and understood by council staff**.

Council may require casket furnishings to be removed prior to cremation.

Materials that are unsuitable for cremation may be used on the exterior of a casket if they can be removed easily **by council staff** prior to cremation. **Funeral organisers should check with council prior to the service if they are in any doubt.**

If you wish to have any items returned to you, please request this in writing prior to the cremation.

11.4 Medical enquiries required

Because of responsibilities under The Health and Safety at Work Act 2015, council requires that before a body will be accepted for cremation, a certificate must be produced confirming that enquiries have been made of the family or medical practitioner in relation to whether the deceased has been treated with strontium-89 (for bone metastases), or iodine-125 (for prostate cancer).

If these treatment have been received by the deceased, the medical practitioner who prescribed the treatment, **or a suitable alternative practitioner if the prescribing practitioner is unavailable**, must provide confirmation of the safety of undertaking a cremation before a cremation may proceed. Any such practitioner must be licensed under The Radiation Protection Act 1965.

In the case of a cremation not being able to be safely undertaken, alternative arrangements must be made for the deceased.

11.5 Items prohibited for cremation

To ensure the cremator remains in good operational order, to prevent breakdowns, minimise environmental impacts and ensure that ashes are inert, there are a various items which are prohibited from entering the cremation chamber.

Council's cemetery office, or a funeral director if used, can provide guidance on items which are prohibited for cremation. **If in doubt, the person responsible for the funeral should contact council's cemetery office for advice. A prohibited item is any item which may result in damage to the cremator or other facilities, harm to staff, other facility users or the environment or a breach of council's consent conditions.**

Items and materials which cannot be placed into the cremator include, but are not limited to, the following:

- Alcohol.
- Ammunition or explosive material.
- Batteries.
- Computers.
- Crash helmets/hardhats.
- Large metal items.
- Footwear made of PVC/rubber.
- Work/garden implements.
- Glass.
- Lighters.
- Mattresses (usually external).
- Mobile phones.
- Motorcycle leathers.
- Pacemakers.
- Prosthetic limbs.
- PVC in all forms.
- Soft toys greater than 300mm across their largest dimension.
- Wet suits and surfboards.
- Products containing polystyrene foams.
- Volatile material and fluids which may explode, burn fiercely or be otherwise hazardous.

The person responsible for the funeral shall ensure that no prohibited items form part of, or are within or on the casket, or are within or on the body of the deceased. If a funeral director is not used, signed documentation from an appropriately qualified medical practitioner confirming that no prohibited items are present on or within the body of the deceased shall be required by council prior to accepting any body for cremation.

If prohibited objects are present in or on the casket during a service, they must be removed by the person responsible for the service prior to committing the deceased to the care of council staff for cremation.

The person responsible for the funeral will need to provide a declaration to council that the casket contains no prohibited items prior to cremation taking place. The person responsible may be a funeral director, end of life practitioner or any other person who has taken responsibility for the funeral.

In the event that a prohibited item is presented for cremation which results in damage to the cremator, other facilities, harm to people or the environment or a breach of council's consent conditions; the person responsible for the funeral shall be held responsible for any associated costs and repercussions of any event associated with cremation of a prohibited item.

11.6 Remembrance garden

The fee for cremation in council's crematorium includes ashes placement in the garden of remembrance. Placement of ashes from cremations conducted elsewhere will incur a fee. No memorials are permitted within the garden of remembrance.

ROUGH SLEEPING IN THE CBD | YMCA'S TE WHARE O TAPATAHI ANNUAL REPORT

PURPOSE/ TE WHĀINGA

1. The purpose of this report is to provide an update on the progress of the YMCA's night shelter, Te Whare o Tapatahi, 12 months after Council's financial investment was approved.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

2. This report is provided for information purposes only and has been assessed as being of some importance.

BACKGROUND / WHAKAPAPA

3. Homelessness is a complex issue with different individual, social and economic factors. People who are homeless and sleeping without shelter experience many barriers to accessing the support they need. Research emphasises the importance of holistic solutions that address the root cause as being the most likely to succeed in long-term solutions.
 4. Over the past 24-36 months, rough sleeping and homelessness has become more visible in the New Plymouth Central Business District (CBD) and across the district.
 5. This has been primarily seen through large congregations of people on the street, property stored in vacant building doorways and distressing behaviours including public intoxication, violence and intimidation.
 6. Night shelters play a vital role in providing immediate relief to people experiencing homelessness and in reducing the number of individuals sleeping in public spaces. By meeting basic needs - such as access to food, a safe place to sleep, and personal hygiene facilities - and delivering trauma-informed support, shelters help address both immediate hardship and underlying challenges. These services contribute to improved wellbeing, including reduced hunger and fatigue, enhanced personal dignity and self-esteem, and greater capacity for individuals to engage positively with the community and make constructive decisions. Collectively, this results in a more positive community experience, including reduced tension and fewer visible impacts of homelessness in public spaces.
-

New Plymouth District Council's Response

7. At the extraordinary Council meeting on 1 April 2025 Council approved funding of up to \$350,000 to establish the shelter and operational costs of:
 - Year 1: \$200,000,
 - Year 2: \$150,000, and
 - Year 3: \$100,000.
 8. Between April and September 2025, the YMCA conducted the redevelopment of their site into a service that can sleep up to 20 men.
 9. During this period the YMCA were able to deliver supports in stages including showering and laundry services and food provision. In this 6-month span the YMCA engaged 114 unique individuals who identified as homeless.
 10. In October 2025 the night shelter – Te Whare o Tapatahi – opened for sleeping, initially for three nights a week and has since increased to four nights per week. Between October 2025 and April 2026, 127 unique individuals used their services with 626 overnight stays recorded.
 11. In partnership with On the House, the YMCA provided approximately 1,800 meals over the 12-month period. The YMCA's full annual report is available in Appendix 1.
 12. Following the opening of Te Whare o Tapatahi, Council had a 31% decrease in Service Requests related to Homelessness/rough sleeping between October 2025 and April 2026, compared with the same months from the year before.
 13. The shelter has proven to be a well-utilised and important service; however, as a night-time offering, it forms one part of a wider response and does not fully address all impacts of homelessness within the community. Council has therefore supported a range of complementary initiatives, including services to assist with the storage of personal belongings.
 14. In May 2026, Council approved \$65,000 from the Agility Fund to continue contracting the YMCA to deliver this service to improve street conditions and reduce public congregation.
 15. Council has also supported the YMCA to establish outreach services and a weekend day centre, and officers continue to work collaboratively with stakeholders to develop a coordinated district wide strategy and action plan.
-

Exacerbating Circumstances for Taranaki

16. The increase in people experiencing homelessness in the district and wider Taranaki region is influenced by a range of factors. At a system level, these include Taranaki having been a lower priority for central government housing investment in recent years, as outlined below.
17. **Closure of the New Plymouth Emergency Shelter**
In 2023, the New Plymouth Emergency Shelter Trust closed after 47 years of service due to changes in regulatory and legislative requirements, creating a significant gap in the availability of immediate shelter and support.
18. **Public Housing**
During and after the COVID pandemic, numbers on the public housing register across the country grew significantly. In March of 2020 the number of people/families on the Public Housing Register in New Plymouth was 194. As of March 2026, this number has increased by 143% to 471. In 2018 the Government launched a Public Housing Delivery Plan. Taranaki had the lowest number of planned builds (126), and as of 2025 also ranked lowest in the country with a 74.6% delivery rate (94).
19. **Transitional Housing**
The Transitional Housing stock for Taranaki in January 2018 was just 19, the lowest in the country. As of March 2026, this number has increased to 66 (+47) but remains the lowest number of transitional houses available in New Zealand.
20. **Housing First**
The Housing First programme which houses chronically homeless individuals and provides wrap-around support, was first introduced to New Zealand in 2017. To date, Taranaki has never had a Housing First programme in the region.
21. **Emergency Housing**
In August 2024 the Government introduced a new approach to Emergency Housing which is more prescriptive and reduces case manager discretion. These changes also included the "causing your own homelessness" rule which allows MSD to decline emergency housing if they believe the person "caused or contributed" to their housing need, or the situation was reasonably foreseeable or avoidable. The result of these changes has seen a sharp rise in the number of declines in emergency housing.

Strategic Framework and Community Outcomes

22. Investment in Te Whare o Tapatahi helps New Plymouth District Council deliver on its vision of "Thriving Today, Resilient Tomorrow" and impacts directly on three of the current Community Outcomes – Trusted, Thriving Communities and Culture, and Prosperity.
-

-
23. In the context of ongoing cost-of-living pressures, economic headwinds, and continued constraints in housing supply within the region, services such as Te Whare o Tapatahi remain essential to support the most vulnerable members of the community.
 24. Council's investment into an issue that creates emotional responses from a wide-array and diverse range of constituents delivers wider community benefits, including improved confidence for property owners in securing tenants, enabling businesses to focus on their customers and operations, enhancing the experience for visitors in the district's main streets, and contributing to a greater sense of safety and ease of movement within the CBD.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

25. There are no climate change impacts or considerations associated with this matter although it is well documented that climate change will disproportionately affect marginalised communities such as those that utilise these types of services.

NEXT STEPS / HĪKOI I MURI MAI

26. The second-year commitment towards operational costs will be paid in the next financial year upon receipt of a valid invoice.
27. Council officers will continue to work alongside and support the YMCA to seek Central Government investment for the long-term sustainability of Te Whare o Tapatahi.
28. Council officers will continue to work alongside the YMCA to develop a Day Centre to work in conjunction with Te Whare o Tapatahi.
29. The second annual report on Te Whare o Tapatahi will be provided to Council in June 2027.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

30. There are no financial or resourcing implications associated with this matter.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

31. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
 - Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
-

-
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 YMCA's Annual Report – Te Whare o Tapatahi (ECM 9807617)

Report Details

Prepared By: Riley McGregor (Community Development Advisor)
Team: Community & Economic Development
Approved By: Damien Clark (Community & Economic Development Manager)
Ward/Community: District Wide
Date: 29 May 2026
File Reference: ECM 9807627

-----*End of Report*-----



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

Te Whare o Tapatahi

New Plymouth District Council Outcome Report

Reporting Period

July 2025 – June 2026

Prepared by

Dr Gareth Jones
Project Lead – YMCA Taranaki

Preamble: Understanding Rough Sleeping

Before considering the operational activity of the YMCA Taranaki's Te Whare o Tapatahi, it is important to acknowledge the broader context in which rough sleeping and housing instability occur.

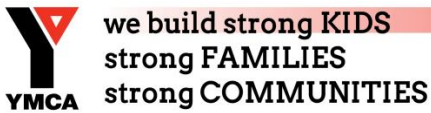
Research and frontline experience consistently demonstrate that homelessness is often linked to a combination of trauma, family violence, mental health challenges, addiction, financial hardship, family breakdown, housing insecurity, and disconnection from support systems. Rough sleeping is rarely the result of a single issue and is frequently associated with multiple overlapping vulnerabilities.

Individuals experiencing homelessness often face significant barriers to engaging with housing and support systems, including limited identification, poor access to transport or communication, chronic health conditions, and long-term disconnection from services. For many individuals, stabilisation and trust-building are necessary before meaningful engagement with housing or recovery pathways can occur.

Te Whare o Tapatahi operates within this context as a kaupapa Māori, trauma-informed service focused on immediate safety, practical support, relational engagement, and connection into wider wellbeing and support systems.

1. Overview of Service Delivery

During the reporting period, YMCA Taranaki continued to operate Te Whare o Tapatahi as a structured and supervised homelessness response service prioritising wellbeing, safety, and stabilisation.



YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

The service currently operates through two interconnected service streams:

Night Shelter Operations

- Safe overnight accommodation
- Wellbeing checks and welfare monitoring
- Kai provision
- Shower access
- Laundry services
- Basic needs support
- Relational engagement and pastoral support

Outreach and Community Engagement

- Street-based outreach and engagement activity
- Community de-escalation and wellbeing support
- Advocacy and referral services
- Connection to health, housing and social service providers
- Support for individuals experiencing housing instability or vulnerability
- Prevention-focused engagement aimed at reducing the risk of homelessness

Together, these service streams provide a continuum of support that addresses both immediate safety needs and longer-term pathways towards wellbeing, stability, and housing security.

The shelter currently operates four nights per week and continues to provide a consistent point of engagement for individuals experiencing homelessness and housing instability within Ngāmotu / New Plymouth.

The service operates within a kaupapa Māori and trauma-informed framework, recognising the importance of relational engagement, dignity, manaakitanga, and culturally grounded practice.

2. Assessment Against NPDC Deliverables and Outcomes

Outcome 1:

YMCA is Resourced Adequately to Operate a Night Shelter that Prioritises Wellbeing and Safety for All

Assessment: Outcome Delivered



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
 ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

During the reporting period, YMCA Taranaki successfully maintained operational delivery of Te Whare o Tapatahi and continued to provide a safe and structured service environment.

The shelter provided:

- Safe overnight accommodation
- Access to hygiene facilities
- Laundry services
- Kai provision
- Relational and wellbeing support
- De-escalation support where required

The service continued to operate with:

- Trained frontline staff
- Health and safety procedures
- Security processes
- Trauma-informed operational practices
- Multi-agency coordination and engagement

YMCA Taranaki also continued to pursue and secure additional funding and partnership support to assist with ongoing operational sustainability.

The operational data and continued delivery of services during the reporting period indicate that YMCA Taranaki met this deliverable.

Outcome 2:

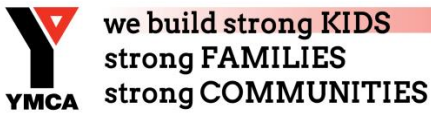
YMCA Ensures the Shelter and its Operation Meets Applicable Regulatory Requirements Including Health and Safety Policies and Security Processes

Assessment: Outcome Delivered

Throughout the reporting period, YMCA Taranaki maintained operational systems and procedures intended to support compliance, safety, and responsible service delivery.

This included:

- Health and safety processes
- Security monitoring and oversight
- Staff training and supervision
- De-escalation practices
- Incident management procedures
- Coordination with relevant agencies where required



YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

During the reporting period:

- No major operational incidents were recorded
- No significant adverse impacts on neighbouring areas were identified
- No substantial increase in community disturbance associated with the shelter was reported

The service also continued to operate within relevant privacy and operational obligations, including considerations under the Privacy Act 2020.

Based on operational performance during the reporting period, YMCA Taranaki considers this deliverable to have been achieved.

Outcome 3:

Accountability and Outcome Reporting is Completed for Stakeholders Including NPDC

Assessment: Outcome Delivered

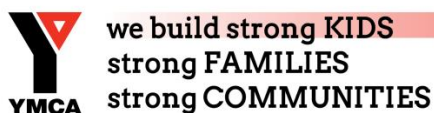
YMCA Taranaki has maintained operational reporting and monitoring processes to support accountability obligations and stakeholder reporting requirements.

Between 3 October 2025 and 28 February 2026, Te Whare o Tapatahi engaged with 127 unique individuals through homelessness response and prevention-focused activity.

Table 1: Unique Individuals Engaged

Category	Unique Individuals
Tāne experiencing homelessness	112
Wāhine experiencing street homelessness	5
Wāhine experiencing housing instability (KO/EH/Couch Surfing)	4
Tāne technically housed but requiring repeat wellbeing checks	6
Total Unique Individuals Engaged	127

The inclusion of individuals who are technically housed reflects prevention-focused activity with individuals identified as vulnerable or at risk of returning to homelessness.



YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

Table 2: Operational Activity Across 66 Service Nights

Service Activity	Total
Tāne visits to the Whare	1,235
Kai provided onsite	989
Kai drop-offs – street homelessness	180
Kai drop-offs – KO/EH couch surfing	600
Showers provided	623
Laundry services	416
Overnight stays	626

On average, approximately 19 tāne engaged with the Whare per service night.

These figures represent service interactions rather than unique individuals, as many individuals accessed multiple forms of support across the reporting period.

The above figures demonstrate that YMCA Taranaki has continued to record and monitor operational activity, service utilisation, and engagement patterns consistent with accountability and reporting expectations.

YMCA Taranaki therefore considers this deliverable to have been met.

Outcome 4:

YMCA's Planned Annual Impact Reporting is Implemented and Shared with Council to Identify Short, Medium and Long-Term Impacts

Assessment: Outcome In Progress and Being Implemented

During the reporting period, YMCA Taranaki continued developing its impact monitoring and reporting framework associated with Te Whare o Tapatahi.

Current reporting processes include monitoring:

- Shelter utilisation
- Outreach engagement
- Basic needs provision
- Repeat service engagement
- Community impact observations
- Wellbeing and vulnerability indicators



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
 ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

Short-Term Indicators

- Immediate shelter and safety access
- Access to kai, showers, and laundry
- Reduced immediate harm
- Engagement with frontline support

Medium-Term Indicators

- Increased engagement with health and housing services
- Improved wellbeing stability
- Reduced crisis presentations
- Increased consistency of support engagement

Long-Term Indicators

- Housing stability outcomes
- Reduced return to homelessness
- Improved long-term wellbeing outcomes
- Reduced reliance on emergency and crisis systems

Given the relatively early operational stage of the service, long-term outcomes are still emerging. However, the reporting framework itself has been implemented and initial monitoring processes are active.

YMCA Taranaki therefore considers this deliverable to be actively underway and appropriately implemented during the reporting period.

Outcome 5:

Provide Regular Reporting to Council Officers Regarding Complaints, Community Concerns, and Moderate or Major Incidents

Assessment: Outcome Delivered

YMCA Taranaki acknowledges the importance of maintaining communication and accountability with Council officers and stakeholders regarding operational matters.

Throughout the reporting period:

- No major operational incidents requiring escalation were recorded
- No significant increase in complaints relating to shelter operations was identified
- No substantial adverse impacts on neighbouring areas were observed



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
 ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

Where concerns or operational matters arose, these were managed through:

- Staff engagement and de-escalation
- Operational review processes
- Stakeholder communication
- Coordination with relevant agencies where required

Based on the operational record during the reporting period, YMCA Taranaki considers this deliverable to have been achieved.

3. Outreach, Prevention and Community Engagement

In addition to overnight shelter operations, Te Whare o Tapatahi continued to undertake outreach and prevention-focused activity across the community.

This included:

- Street-based engagement
- Wellbeing checks
- Kai distribution
- Support for vulnerable housed individuals
- Advocacy and referral support
- Relationship-based engagement and de-escalation

The reporting period highlights that a portion of service activity involved individuals who were technically housed but remained vulnerable to housing instability and social disconnection.

This reflects the importance of early intervention and preventative support alongside homelessness response services.

4. Operational Observations

The reporting period demonstrates:

- Continued visible homelessness within Ngāmotu / New Plymouth
- Strong utilisation of basic needs services
- Ongoing demand for low-barrier engagement
- The importance of outreach and prevention activity



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
 ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

- Continued repeat engagement from individuals experiencing chronic vulnerability

The data also highlight that homelessness response increasingly requires preventative engagement with individuals who may be technically housed but remain highly vulnerable to housing instability and social disconnection.

5. Conclusion

During the reporting period, YMCA Taranaki continued to operate Te Whare o Tapatahi as a structured homelessness response service focused on safety, wellbeing, outreach, and relational engagement.

Based on operational delivery, recorded service activity, compliance processes, reporting activity, and community engagement during the reporting period, YMCA Taranaki considers that the core New Plymouth District Council operational outcomes and deliverables were delivered or appropriately implemented.

The service continues to demonstrate ongoing demand for homelessness response and prevention-focused support within Ngāmotu / New Plymouth, while maintaining operational stability and community coordination.

YMCA Taranaki remains committed to continued reporting, stakeholder engagement, and ongoing service development in partnership with New Plymouth District Council and wider community stakeholders.

Prepared by:

Dr Gareth Jones | Project Lead – YMCA Taranaki

Joanne Dusterhoft | CEO – YMCA Taranaki

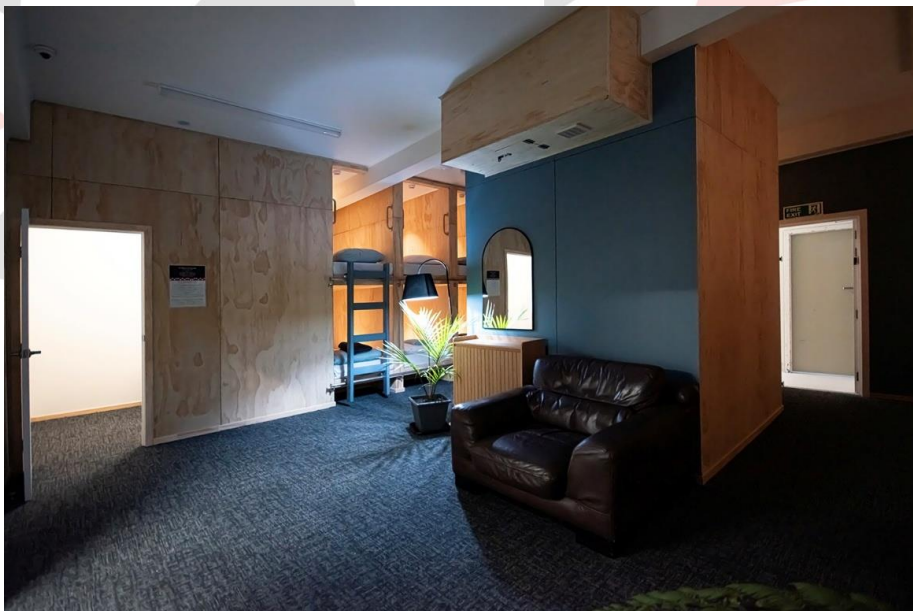
For:

YMCA Taranaki | NPDC – Te Whare o Tapatahi



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz



childcare centre | after school care | holiday programmes | youth development | youth education
fitness centre | sports leagues | climbing wall | squash courts | gymnastics



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz

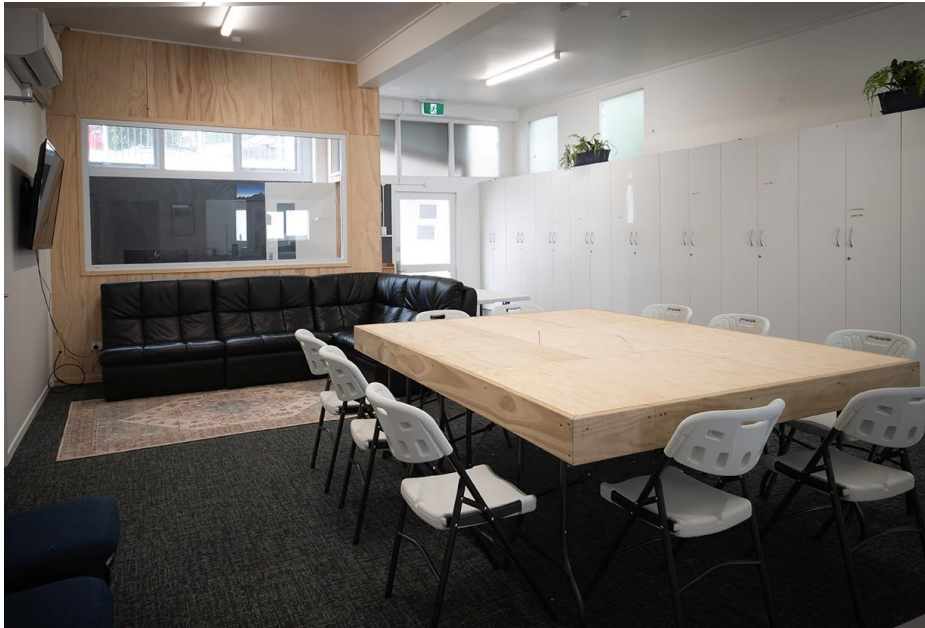


childcare centre | after school care | holiday programmes | youth development | youth education
fitness centre | sports leagues | climbing wall | squash courts | gymnastics



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz



childcare centre | after school care | holiday programmes | youth development | youth education
fitness centre | sports leagues | climbing wall | squash courts | gymnastics



we build strong KIDS
strong FAMILIES
strong COMMUNITIES

YMCA Taranaki | PO Box 474 | 83 Liardet Street New Plymouth 4310
ph/fax 06 758 3666 | mail@ymcataranaki.org.nz | www.ymcataranaki.org.nz



childcare centre | after school care | holiday programmes | youth development | youth education
fitness centre | sports leagues | climbing wall | squash courts | gymnastics

PROPOSED AMENDMENT TO THE DOG CONTROL BYLAW 2022 – CHANGE FROM PROHIBITION TO LEASHED-CONTROLLED WITHIN THE NEW PLYMOUTH CENTRAL BUSINESS AREA

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is whether to adopt the Statement of Proposal for consultation on a proposed amendment to the Dog Control Bylaw 2022 - to change from prohibited to leashed-controlled dogs within the New Plymouth Central Business Area.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Notes that on 6 May 2026 the NPDC Going for Growth Committee passed the following resolution requesting “that the Chief Executive prepare a Statement of Proposal to amend the Dog Control Bylaw 2022 for changing the New Plymouth Central Business Area from prohibition to leashed-control”.**
- b) **Do nothing, noting that the Dog Control Bylaw 2022 is due for a five year review to be initiated before 8 March 2027.**
- c) **Determines that the amendments to the Dog Control Bylaw 2022 as proposed, do not give rise to any implications under the New Zealand Bill of Rights Act 1990.**
- d) **Notes that if approved, the consultation will run for one month as required by the Local Government Act 2022 consultation requirements.**

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of moderate importance.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1) Do nothing noting that the Dog Control Bylaw 2022 is due for a five year review to be initiated before 8 March 2027. 2) Adopt the Statement of Proposal on amending the Dog Control Bylaw 2022 to change from prohibition to leashed-control within the New Plymouth Central Business Area.

COMPLIANCE / TŪTOHU	
Affected persons	The persons who are affected by or interested in this matter are people and businesses using the New Plymouth Central Business Area, New Plymouth District residents and dog owners.
Recommendation	This report recommends option One for addressing the matter.
Long-Term Plan / Annual Plan Implications	No.
Significant Policy and Plan Inconsistencies	Yes – if consultation is approved and following that the decision to amend the Bylaw is taken, Appendix 1 of the Dog Control Policy will require updating to ensure consistency.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

2. This report provides the option for Council to adopt a Statement of Proposal (SOP) for consultation on amending the Dog Control Bylaw 2022 (the Bylaw) to change the current regulation of dogs in the New Plymouth Central Business Area from prohibited to leashed-control (excluding dangerous and menacing dogs) see Appendix 1 (ECM_9808641).
3. This report is in response to the request of the 6 May 2026 New Plymouth District Council Going for Growth Committee that the Chief Executive prepare a Statement of Proposal to amend the Dog Control Bylaw for changing the New Plymouth Central Business Area from prohibition to leashed-control.
4. There is no risk in adopting the SOP and carrying out the consultation. Depending on what conclusions are drawn from the submissions, Council may determine to retain the prohibition of dogs in the New Plymouth Central Business Area or amend the bylaw to allow leashed-control dogs in the New Plymouth Central Business Area.
5. Should the Council adopt the SOP, the consultation will proceed, there will be an opportunity for any submitters wishing to speak to be heard by Councillors. Following this, the outcome of the consultation will be reported back to Council for deliberations and final decision on whether or not to adopt the proposed amendment to the Bylaw.
6. Should the Council do nothing the matter would be considered within the Dog Control Bylaw 2022 five year review that is required to be initiated by 8 March 2027.

BACKGROUND / WHAKAPAPA

Dog Control Bylaw

7. The purpose of the Dog Control Bylaw (the Bylaw) is to give effect to the Council's Dog Control Policy by regulating the keeping of dogs for the protection of the health and safety of the public. The Bylaw currently contains a prohibition of dogs within the New Plymouth Central Business Area defined as all places within the area bounded by and including:
- Ariki Street and Gill Street between Egmont Street and Gover Street.
 - Devon Street between Robe Street and Gover Street.
 - Egmont Street from Ariki Street to Devon Street.
 - Puke Ariki Landing.
8. The Bylaw also contains a note stating that this prohibition shall not apply to any dog being led directly along Liardet Street, or to any dog registered at a residential address in the New Plymouth Central Business Area being led directly out of or into the area, provided that the dog is on a leash and does not constitute a nuisance or endanger any person. In addition, the Bylaw outlines Liardet Street from Leach Street to Molesworth Street/St Aubyn Street as a leashed-control area. See map below.



-
9. It is noted that, during the 2021/2022 bylaw consultation and deliberation process, specific consideration was given to shifting from a prohibition to a leash-controlled approach within the New Plymouth Central Business Area. To inform this decision, a trial was undertaken from 13 November to 12 December 2021, allowing dogs under leash control in the Central Business Area (excluding dogs classified as dangerous or menacing). One incident was recorded during the trial period, related to dog excrement in the Central Business Area.
 10. In the special consultative procedure associated with the Bylaw, 72 per cent of submitters supported switching from prohibition to leashed-control in the Central Business Area. However, when the DCB was adopted, Council at the time did not approve leashed-control dogs and retained the historical approach of prohibiting dogs in the Central Business Area. The Council decision was to continue with a prohibition within the Central Business Area in the Bylaw.
 11. On 21 March 2026, Government Minister, Simon Watts emailed Councils indicating that the Dog Control Act 1996 was no longer fit for purpose, needed significant change, and signalling that Government will undertake a comprehensive review of the Act. Minister Watts also indicated that he was particularly keen that all councils specify in their dog control policy that menacing dogs must be neutered, and to consider this within the next policy review. No further Government announcements have been made to date. Council will consider a requirement that menacing dogs must be neutered as a change to the Dog Control Policy as a part of the upcoming 2027 review.

Going for Growth Committee

12. On 6 May 2026 the New Plymouth District Council Going for Growth Committee requested that the Chief Executive prepare a Statement of Proposal to amend the Dog Control Bylaw 2022 for changing the New Plymouth Central Business Area from prohibition to leashed-control.
13. It is understood that this request arose from the view that changing the Central Business Area from a prohibited area for dogs to one allowing dogs under leash control could provide economic benefits.

Additional information and considerations

Upcoming review of the Bylaw

14. Under section 158 of the Local Government Act 2002 the Bylaw is due for a five year review that is required to be initiated by 8 March 2027. This review is required to be completed by 8 March 2029, or the Bylaw would be revoked under section 160A of the LGA.
-

15. As the Bylaw is almost due for its five year review, Council may wish to put off the consultation that is being proposed at this time and combine it with a full, more thorough review of the whole bylaw in the near future. This approach is arguably more resource efficient than carrying out two separate processes.
16. Should the change to leashed-control be approved (following consultation), this would be subject to the upcoming five year review of the bylaw.

Proposed amendment to the Dog Control Bylaw

17. The proposed amend to the bylaw is to amend the **Schedule 1: Area rules** of the bylaw to include an additional New Plymouth Central Business Area as leashed-control and to amend the current prohibited New Plymouth Central Business Area to be for dangerous and menacing dogs – see snip below. Appendix 1, Area Rules, of the Dog Control Policy would also be updated accordingly for consistency.

Area and description	At all dates and times	At specific dates and times
New Plymouth		
<p>New Plymouth Central Business Area, all public places within the area bounded by and including:</p> <ul style="list-style-type: none"> • Ariki Street and Gill Street between Egmont Street and Gover Street. • Devon Street between Robe Street and Gover Street. • Egmont Street from Ariki Street to Devon Street. • Puke Ariki Landing. <p><u>Dangerous and menacing dogs.</u></p> <p><i>Note: This prohibition shall not apply to any dog being led directly along Liardet Street, or to any dog registered at a residential address in the New Plymouth Central Business Area being led directly out of or into the area, provided that the dog is on a leash and does not constitute a nuisance or endanger any person.</i></p>	Prohibited	
<p>New Plymouth Central Business Area, all public places within the area bounded by and including:</p> <ul style="list-style-type: none"> • <u>Ariki Street and Gill Street between Egmont Street and Gover Street.</u> • <u>Devon Street between Robe Street and Gover Street.</u> • <u>Egmont Street from Ariki Street to Devon Street.</u> • <u>Puke Ariki Landing.</u> <p><u>All other dogs, excluding dangerous and menacing dogs.</u></p>	Leashed control	

18. It is recommended to still continue with prohibiting dangerous and menacing dogs from the New Plymouth Central Business Area to reduce the risk of an incident occurring. This recommendation is consistent with the 2021/2022 trial and consultation that was undertaken on allowing leashed-control dogs in the Central Business Area.
19. It is also noted that the following bylaw rules would still apply:
 - a) Faeces must be removed immediately and disposed of in a sanitary manner.
 - b) Leashed-control as defined in the Bylaw means: that the dog is kept on a secure leash held by a person who is in total control of the dog at all times so as to prevent it being a nuisance or annoyance.

-
- i) i.e. dogs may not be tied up and left outside businesses – as per the definition of leashed-control in the Bylaw. Dogs tied up outside businesses may cause obstruction on footpaths.

Background data in relation to the Bylaw amendment

20. Council officers looked at the service request data and staff reporting on dogs in the Central Business area since the Bylaw came into effect on 9 April 2022 to 12 May 2026. During this time there were:
- a) **49** reports in relation to dogs in the New Plymouth Central Business Area.
 - b) **Four** of these were from members of the public.
 - i) Two of which were enquiries.
 - ii) Two reports of dogs in a prohibited area.
 - c) **45** of these were staff reports of speaking to people who had their dogs in a prohibited area – one of these dogs was also off-leash. These reports are often the result of proactive patrolling by Animal Control Officers that are logged for records purposes.

Potential risks

21. Although the Going for Growth Committee consider there could be economic benefit in allowing leashed-control dogs into the Central Business Area the potential consequences and risks must be considered too:
- a) Potential for harm
 - i) Competing uses of the area – wherever there are conflicting or competing uses of a space there is potential for harm. The Central Business Area is a busy area with businesses, people and vehicles, including bikes, prams, skateboards, scooters. Therefore, introducing dogs to the Central Business Area may increase the risk that an incident, causing harm or injury, could occur.
 - ii) It is for this reason that dogs have historically been prohibited from busy / populated areas such as children's playgrounds, leisure beach areas. The potential for conflict between users would be further exacerbated during busy events such as Americarna, Christmas parades etc.
-

-
- iii) The historical approach of prohibiting dogs from the Central Business Area aligns with objectives 2 and 4 of the [NPDC Dog Control Policy](#) – to minimise danger, distress and nuisance to the community generally and to enable as far as is practicable the public to use the streets and public amenities without fear of attack or intimidation by dogs.
 - iv) Dangerous and menacing dogs – Should a decision be made to allow leashed-control dogs within the Central Business Area, it is recommended that dogs classified as dangerous or menacing be prohibited. However, it is acknowledged that a small number of individuals may not comply with the rules. As dangerous and menacing dogs are not easily identifiable, there remains a risk that such dogs could enter the highly populated Central Business Area area. This presents an increased potential risk to public safety.
 - v) Fear of dogs – some people are afraid of dogs, allowing dogs in the Central Business Area may trigger that fear and make the Central Business Area an uncomfortable space for some people, to the point that they may avoid the area.
- b) Fouling in the New Plymouth Central Business Area
- i) Excrement – although clause 15 of the Bylaw stipulates that excrement must be immediately removed and disposed of in a sanitary manner, there may be incidents where this does not occur. This would result in unpleasant smells for people and businesses in the area, and the potential for it to be trod on (and walked into businesses).
 - ii) Urine – dogs frequently urinate on objects like lamp posts, trees or walls to leave their scent behind, the build-up of urine may result in unpleasant odours at particular features within the Central Business Area (such as walls, planter boxes etc.). The Transport Team have advised that there is the possibility of some porous absorption or urine by the blue stone pavers, but this is low compared to other stone paver types. The blue stones are classed as effectively impervious for urban design footpath purposes.
-

Summary

22. The flow on effects of allowing leashed-control dogs in the Central Business Area must be considered in conjunction with the results from the consultation. In addition, Appendix 1, Area Rules, of the Dog Control Policy will require updating if the decision to amend the bylaw is approved following consultation – this matter will be addressed in the deliberations report to Council following consultation.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

23. There are no climate change implications from this matter.

NEXT STEPS / HĪKOI I MURI MAI

24. If Council approves the Statement of Proposal for consultation the next steps are to notify the public and key stakeholders of the consultation which will run for one month as per the Local Government Act 2002 Special Consultative Procedure consultation requirements.
25. Following consultation, submissions will be analysed, those who wish to speak to their submission will have the opportunity to be heard, and a report presented back to Council for consideration and deliberation on a final decision in relation to allowing leashed-control dogs in the New Plymouth Central Business Area, or retaining the prohibition.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

26. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance. Dogs and the New Plymouth Central Business Area are both matters that generate a high level of public interest. Carrying out the consultation will provide the public and key stakeholders with the opportunity to express their views on the matter.
27. The consultation can be run through baseline budgets. However, it is noted that if following consultation, Council determines to allow leashed-control dogs in the Central Business Area, there may be increased regulatory requirements to enforce the new rules, these are outlined in the options assessment below.

OPTIONS / KŌWHIRINGA

Risk Analysis / Tātaritanga o Ngā Mōrearea

28. There is no significant risk for either of the options.
-

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

29. Both options align with the Community Outcome of Thriving Communities and Culture, specifically the 'safe and active communities' in managing the potential problems and nuisances associated with dogs and safety around dogs.

Option 1 Do nothing noting that the Dog Control Bylaw 2022 is due for a five year review to be initiated before 8 March 2027.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

30. There are no financial and resourcing implications for this option.

Statutory Responsibilities / Ngā Haepapa ā-ture

31. There are no statutory responsibilities associated with this option. However, the Bylaw would be reviewed in accordance with the bylaw review requirements of section 158 of the LGA and must be initiated by 8 March 2027.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

32. This option is consistent with Council's policies and plans.

Participation by Māori / Te Urunga o Ngāi Māori

33. There would be no opportunity for participation by Māori at this time under this option.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

34. There would be no opportunity for the community to express their views and preferences at this time under this option.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

35. The advantage of this option is that no further staff time is required to carry out the consultation / reporting back of submissions. Another advantage is that to do nothing at this time means that processes are not duplicated.
36. The disadvantage of this option is that community views and preferences will not be sought at this time and any decisions regarding the regulation of dogs in the Central Business Area will be put on hold until the five year Bylaw review.
-

Option 2 Adopt the Statement of Proposal on amending the Dog Control Bylaw 2022 to change, from prohibition to leashed-control, within the New Plymouth Central Business Area.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

37. The consultation can be run through existing budgets. Officer time is required to carry out the consultation, submission analysis and report writing. If the decision is approved following consultation, there are regulatory financial implications:
- a) Signage – would need to renew signage, would aim to coordinate this with New Plymouth Central Business Area signage updates.
 - b) Enforcement – Animal Control Officers proactively patrol the Central Business Area where and when they can, there may be greater patrol requirements if the Central Business Area is approved as a leashed-control area as the Bylaw amendment beds in, and to ensure that other rules are being adhered to e.g. around excrement, leash control.
 - c) Dog excrement bins – no changes required, but if incidents / issues arise from fouling, then dog excrement bins could be considered in the future.
38. It is noted that the Bylaw is due for the five year review, and this must be initiated by 8 March 2027 under section 158 of the Local Government Act 2022. Therefore, running this consultation is a potential duplication of process, as consultation will be required as part of the upcoming Bylaw review.

Statutory Responsibilities / Ngā Haepapa ā-ture

39. Council must undertake any consultation on amending a bylaw in accordance with section 156 of the LGA – these obligations would be met through this option and the special consultative procedure.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

40. If the decision is taken following consultation to amend the Bylaw to allow leashed-control dogs in the Central Business Area, then appendix one of the Dog Control Policy 2022 would require updating to ensure it is consistent with the Dog Control Bylaw 2022.

Participation by Māori / Te Urunga o Ngāi Māori

41. There would be opportunity for participation by Māori as part of the special consultative procedure.
-

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

42. The community would have the opportunity to express their views and preferences as part of the special consultative procedure.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

43. The advantage of this option is that community views and preferences are sought on the matter and correct process is being followed which would allow the Council to make an informed decision on whether to amend the Bylaw to allow leashed-control dogs in the New Plymouth Central Business Area. Another advantage would be that the information collected from allowing leashed-control dogs in the Central Business Area would be considered within the Dog Control Bylaw 2022 five year review that is required to be initiated by 8 March 2027.
44. The disadvantage of this option is that the bylaw is due for review next year, so it is duplicating a process that could be run next year.

Recommended Option

This report recommends option One - Do nothing, noting that the Dog Control Bylaw 2022 is due for a five year review to be initiated before 8 March 2027.

APPENDICES / NGĀ ĀPITI HANGA

- Appendix 1 Statement of Proposal: Amendment to the Dog Control Bylaw 2022 – New Plymouth Central Business Area prohibition of dogs to allow leashed-control dogs (ECM 9808641)

Report Details

Prepared By: Jo Eagar (Policy Adviser)
 Team: Corporate Planning and Policy, Community Health and Animal Services
 Reviewed By: Mitchell Dyer (Lead: Corporate Planning and Policy), Kimberley Laurence
 Community Health and Animal Services Lead
 Approved By: Renee Davies (Strategic Planning Manager)
 Ward/Community: District wide
 Date: May 2026
 File Reference: ECM 9808599

-----*End of Report*-----



Proposed amendment to the Dog Control Bylaw 2022

Changing the New Plymouth Central Business
Area from a prohibited area to a leashed
control area

Statement of Proposal

npdc.govt.nz



Introduction

The Bylaw

The New Plymouth District Council Dog Control Bylaw 2022 (DCB) gives effect to the Council's Dog Control Policy by regulating the keeping of dogs for the protection of the health and safety of the public. NPDC is required to have a Dog Control Bylaw as per the Dog Control Act 1996. A Dog Control Bylaw is able to regulate and control dogs in public places.

The NPDC DCB was last reviewed and adopted in 2022.

Reason for consulting on amending the Dog Control Bylaw

Under the DCB dogs are prohibited in the New Plymouth Central Business Area (CBA), as outlined in the map below. Recently Councillors at NPDC have considered that permitting dogs under leashed control into the New Plymouth CBA may provide some economic benefits to the area.

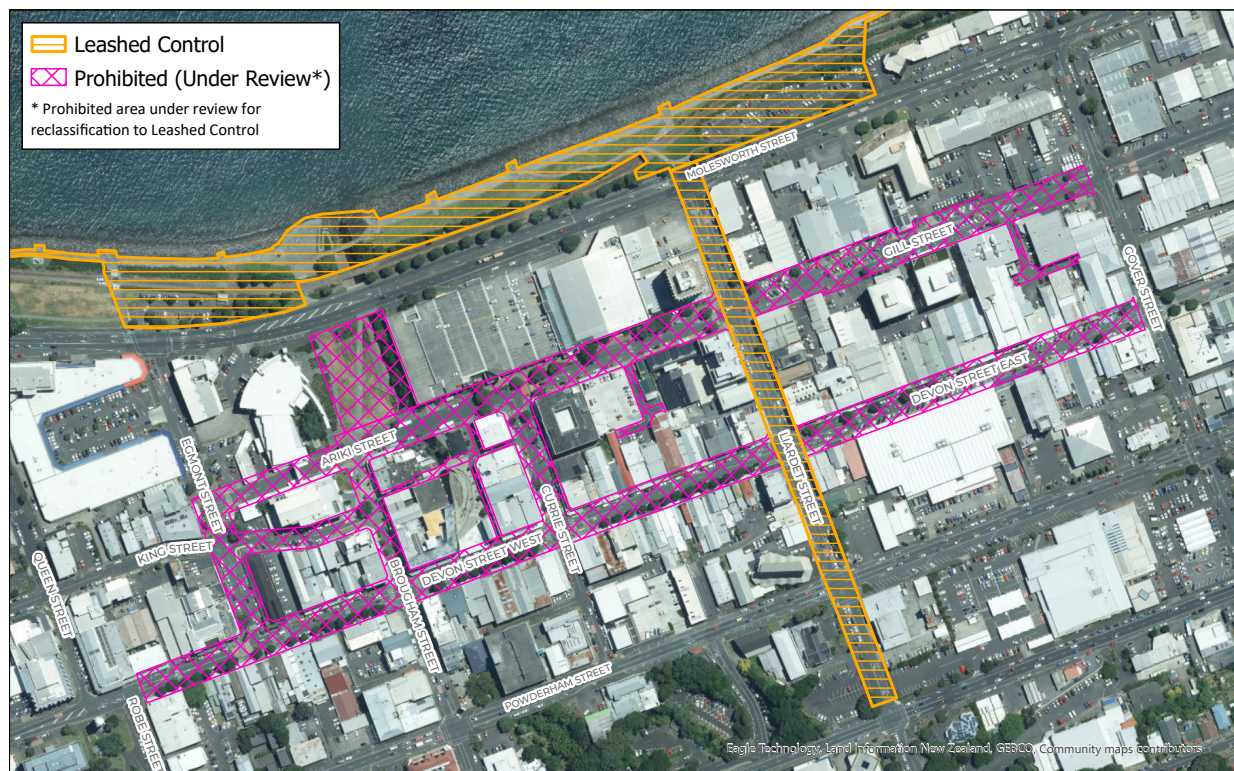
In order to see what the community think of this idea we are running a consultation on amending the DCB to allow leashed control dogs (excluding dangerous and menacing dogs) in the New Plymouth CBA. Section 156 of the Local Government Act 2002 requires council to use the special consultative procedure when consulting on amending a bylaw.

The amendment to leashed control

The below map shows the area proposed for change.

If the DCB is amended from prohibiting dogs in the New Plymouth CBA to allowing leashed control dogs the following provisions would apply:

- Leashed control mean that the dog is kept on a secure leash held by a person who is in total control of the dog at all times, so as to prevent it being a nuisance or annoyance, i.e. dogs cannot be left tied up outside of shops.
- Dangerous and menacing dogs would still be prohibited from the New Plymouth CBA.
- The Dog Control Bylaw rules apply – faeces must be removed immediately and disposed of in a sanitary manner.





Additional background information

When the DCB was last reviewed in 2021/2022 Council carried out a trial which allowed leashed control dogs (excluding dangerous and menacing dogs) in the New Plymouth CBA. The trial was run from 13 November to 12 December 2021. The trial was in response to public requests to permit dogs in the CBA and was supported by pre-consultation that was carried out for the DCB. The trial was considered a success, and only one incident was recorded over the trial period which related to dog excrement. In addition, allowing leashed control dogs in the CBA was supported by the consultation results.

However, when the DCB was adopted, Council at the time did not approve leashed control dogs and retained the historical approach of prohibiting dogs in the New Plymouth CBA.

Where can I get more information?

More information is available at www.npdc.govt.nz/HaveYourSay or phone 06-759 6060.

This document is also available for viewing at the Civic Centre, Liardet Street, New Plymouth and at library and service centres in Bell Block, Inglewood and Waitara.

Options

Two options were considered.

Option 1

Do nothing and retain the status quo - dogs prohibited from the New Plymouth Central Business Area.

Option 2

Consult on amending the Dog Control Bylaw 2022 Central Business Area prohibition to allow dogs (excluding dangerous and menacing dogs) under leashed control.

When determining the best approach, consulting on amending the Dog Control Bylaw 2022 Central Business Area prohibition to allow dogs (excluding dangerous and menacing dogs) under leashed control, was considered the most appropriate.

A summary of the options analysis is shown on the following pages.

**Option
1**

Do nothing and retain the status quo - dogs prohibited from the New Plymouth Central Business Area

This option reflects the status quo and would involve Council retaining the bylaw in its current form with no amendments.

Advantages

- Retain consistency in the approach to regulation.
- The public and key stakeholders have certainty in what the regulations are.
- This approach would not require any change to the current regulatory approach. Any increase in resource would be in response to a change in dog owner practices.
- Does not duplicate process.

Disadvantages

- The community would not have the opportunity to express their views and preferences on the matter.
- The bylaw approach to regulating dogs in the CBA might be outdated in terms of how dogs are regulated in central business areas.
- This option is not reflective of the communities' indicated preference from 2022.



**Option
2**

Consult on amending the Dog Control Bylaw 2022 Central Business Area prohibition to allow dogs under leashed control

This option involves carrying out a consultation on whether or not to amend the current provisions for dogs in the New Plymouth CBA. The proposed amendment is to change the provisions from prohibiting dogs in the CBA to allowing leashed control dogs in the CBA.

Advantages

- Any decision made can be considered again at the five-year bylaw review.
- The community will have the opportunity to express their views and preferences on the matter.
- This option provides an opportunity for the community to revisit a matter which was popular in 2022.
- The rules for dogs moving through the area will be consistent, i.e. at present there is a leashed control strip through the prohibited area. The consistency will make it easier for the public to know what rules apply.
- Potential economic benefits.
- Will provide information to inform future review of the DCB.

Disadvantages

- Officer time and resource to carry out the consultation, analysis and reporting.
- Costs and issues associated with enforcing the amendments.
- The bylaw is due for review in 2027, so this is duplicating a process which could be carried out in the near future.
- Regulation of the proposed amendment may require some increased resource for the Animal Control Team.
- There may be some negative impacts from allowing dogs in the CBA, e.g. fouling, potential for conflict.

Option 2 is the preferred option. Under this option, Council would consult on an amendment to the Dog Control Bylaw 2022 Central Business Area prohibition to allow dogs under leashed control (excluding dangerous and menacing dogs).



Have your say

The proposed amendment to the NPDC Dog Control Bylaw 2022 is now open for public consultation.

NPDC would like to know what the community thinks about changing the New Plymouth Central Business Area from a prohibited area for dogs to a leashed control area for dogs.

This would mean that dogs (excluding dogs classified as dangerous or menacing) could go into the New Plymouth Central Business Area, but must be under leashed control which means that the dog is kept on a secure leash held by a person who is in total control of the dog at all times so as to prevent it being a nuisance or annoyance.

Please take the time to get involved and have your say.

There are several ways you can have your say. You can fill in the submission form on the next page or you can complete your submission online.

To get your submission to us, either:

- Do it online:
www.npdc.govt.nz/HaveYourSay
- Email it to:
submissions@npdc.govt.nz
- Post it to:
NPDC Dog Control Bylaw,
Reply Paid DX, DX Box NR59001, New Plymouth
- Deliver it to:
NPDC Civic Centre, Liardet Street, New Plymouth; or
a library and service centre in Bell Block, Inglewood or Waitara.

Be sure to get your submission to the Council by XXXXXXXX 2026

Late submissions will not be accepted.

TUKUA
TŌ
KŌRERO

HAVE
YOUR
SAY

[npdc.govt.nz/
HaveYourSay](http://npdc.govt.nz/HaveYourSay)

NPDC



Proposed Amendment to Dog Control Bylaw 2022

Submission Form

Submissions close at XXXXXXXXXXXX 2026

Your details

Your submission must include your name and contact details (preferably email and phone)

First name: Last name:

Organisation (if applicable):

Postal address:

Phone: Email address:

Do you want to speak to the Council about your submission? (please tick one) Yes No

If you don't select an option, we will assume you don't want to be heard.

Your views

Do you support the proposal of changing the current prohibition of dogs in the New Plymouth Central Business Area to leash control, but retaining the prohibition for dangerous and menacing dogs? (as outlined on the map)

Yes - allow leashed control dogs in the New Plymouth Central Business Area (excluding dangerous and menacing dogs)

No - prohibit dogs from the New Plymouth Central Business Area

Comments:

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

All submissions (including your name, address and contact details) are provided to Council officers and elected members for the purpose of analysing feedback. Your personal information will also be used for the administration of the engagement and decision-making process. Submissions (with individuals names only) will be available online. If requested, submitter details may be released under the Local Government Official Information and Meetings Act 1987. If there are good reasons why your details and/or submission should be kept confidential please contact our Privacy Officer on 06-759 5688 or through enquiries@npdc.govt.nz

Thank you for your submission



CONTACT

-  06-759 6060
-  enquiries@npdc.govt.nz
-  84 Liardet Street, New Plymouth 4310
-  npdc.govt.nz
-  [NewPlymouthDistrictCouncil](#)
-  Antenna



STRATEGIC FRAMEWORK (VISION AND GOALS /COMMUNITY OUTCOMES) FOR THE LONG-TERM PLAN 2027-2037

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is to adopt a revised Strategic Framework for the Long-Term Plan 2027-2037 (LTP 2027).

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Adopts the following as the New Plymouth District Council Strategic Framework (effective 1 July 2026) to inform development of the Long-Term Plan 2027-2037:**

Vision: **Thriving Today, Resilient Tomorrow**
Matomato i te ao, manawaroa i te pō

Goals (community outcomes)

People live well, now and into the future	Needs are met and people feel physically, socially and economically secure.
Core infrastructure is reliable and fit for purpose	Essential services are efficient, resilient and future-ready.
A strong, diverse economy that is agile in a changing world	Employment, innovation, private sector partnerships and enterprise support people and businesses to thrive.
Communities are connected, heard, and proud to live here	Our decisions reflect community voices, strong partnerships, and care for people, place and the natural environment.

- b) **Notes that the existing vision and community outcomes in the Strategic Framework will remain in place for the purposes of the Annual Plan 2026/27 (Year 3 of the Long-Term Plan 2024-2034), with an outline of the new vision included in the Annual Plan 2026/27.**
 - c) **Delegates authority to the Mayor and Co-Chairs of Te Huinga Taumatua to approve a te reo Māori translation of the community outcomes.**
-

- d) **Directs the use of both the English and te reo Māori vision, goals (community outcomes) side-by-side in Council documents and reports as appropriate.**
- e) **Revokes the previous Strategic Framework adopted in 2023, effective from 1 July 2026.**

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being significant.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Adopts the Strategic Framework. 2. Adopt the Strategic Framework with amendments.
Affected persons	The persons who are affected by or interested in this matter are all residents and ratepayers of New Plymouth District.
Recommendation	This report recommends option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	Yes. The Strategic Framework will guide the development of the Long-Term Plan 2027-2037.
Significant Policy and Plan Inconsistencies	No.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

- 2. Adoption of the Strategic Framework at this time will enable early alignment of projects, service reviews, and financial policy development with Council’s long-term direction.
- 3. The Strategic Framework comprises a vision and set of goals (community outcomes) that together articulate Council’s long-term intent and provide the strategic context for decision-making.

4. The Mayor and Councillors propose the following Strategic Framework:

Vision:

*Thriving Today, Resilient Tomorrow
Matomato i te ao, manawaroa i te pō*

Goals (community outcomes)

People live well, now and into the future	Needs are met and people feel physically, socially and economically secure.
Core infrastructure is reliable and fit for purpose	Essential services are efficient, resilient and future-ready.
A strong, diverse economy that is agile in a changing world	Employment, innovation, private sector partnerships and enterprise support people and businesses to thrive.
Communities are connected, heard, and proud to live here	Our decisions reflect community voices, strong partnerships, and care for people, place and the natural environment.

5. The report also seeks delegation for the Mayor and Co-Chairs of Te Huinga Taumatua to approve a te reo Māori translation that will be used along side the English-language version.

BACKGROUND / WHAKAPAPA

6. On 4 March 2026, Council adopted phase one of a refreshed Strategic Framework for NPDC, approving a new vision of *Thriving Today, Resilient Tomorrow* to guide development of the LTP 2027. That decision recognised the importance of a clear, contemporary strategic direction to support prioritisation, investment decisions, and trade-offs in an increasingly constrained and uncertain operating environment. Council also delegated authority to the Co-chairs of Te Huinga Taumatua to approve a Te Reo translation of the vision, which has now been confirmed as *Matomato i te ao, manawaroa i te pō*.
7. At the same meeting, Council resolved that further work would be undertaken as phase two of the Strategic Framework refresh to review and update the mission and goals (community outcomes). This work was identified as necessary to ensure that the Strategic Framework is complete, internally coherent, and aligned with the intent of the new vision ahead of development of the LTP 2027. Together with the vision, the goals provide the primary strategic lens through which Council prioritises investment and measures progress over time.

Strategic Framework refresh – phase two

8. Since adoption of the vision, work has been underway to revise the goals (community outcomes) that sit beneath the vision and articulate the outcomes Council seeks for the district. Community outcomes are a core component of the Strategic Framework and are required to be described in the Long-Term Plan under the Local Government Act 2002.
9. As part of this phase two work, a Council briefing was held on 29 April 2026 to support Elected Members to work through the formulation of potential community outcomes. The briefing built on earlier discussions and enabled refinement and alignment of the proposed outcomes with the adopted vision of *Thriving Today, Resilient Tomorrow - Matomato i te ao, manawaroa i te pō*, informing the proposed goals presented in this report.
10. Subject to adoption, the new Strategic Framework will guide development of the LTP 2027, including early project prioritisation, early engagement activities, and the development of the Consultation Document. The previous Strategic Framework will be revoked once the new framework is fully adopted.

Relationship with existing planning documents

11. The existing Strategic Framework, including the current vision and community outcomes, will continue to apply for the purposes of the Annual Plan 2026/27 (Year 3 of the LTP 2024). This reflects the interrelationship between the vision, community outcomes, levels of service, and performance measures embedded within the current Long-Term Plan

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

12. The proposed Strategic Framework includes goals of “Essential services are efficient, resilient and future-ready” and “Our decisions reflect community voices, strong partnerships, and care for people, place and the natural environment”. that relate to considerations that are and care for people that directly or indirectly to climate change mitigation and adaptation (for example: resilience and natural environment), while still allowing flexibility to ensure the most up to date requirements for climate change considerations can be integrated into Council’s work programme. As the goals represent Council’s community outcomes, addressing climate change will need to be considered across Council activities and services in a range of ways.

NEXT STEPS / HĪKOI I MURI MAI

13. The Strategic Framework will be an integral part of the LTP 2027 process. It will inform early project prioritisation, and the goals (community outcomes) will be used in the Revenue and Financing Policy.
-

14. Officers will organise a te reo Māori translation of the community outcomes, to be authorised by the Mayor and Co-Chairs of Te Huinga Taumatua under delegated authority.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

15. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being significant because it impacts on the interests of the district, with flow-on implications for levels of service, projects and other matters in the LTP 2027.
16. This report does not recommend direct community engagement on the Strategic Framework. Consultation is proposed to occur through the LTP 2027 Consultation Document, where the implications of the Strategic Framework can be demonstrated through proposed services, projects, and funding trade-offs. Community consultation remains available as an option.

OPTIONS / KŌWHIRINGA

17. Not having a Strategic Framework is not considered a reasonably practicable option, as there are legal and planning requirements that rely on Council having community outcomes.
18. There are two options available for consideration. This report identifies and assesses the following reasonably practicable options for addressing the matter:

Option 1: Adopts the Strategic Framework.

Option 2: Adopt the Strategic Framework with amendments.

19. The following issues are considered together in relation to Options 1 and 2.

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

20. The Strategic Framework will guide decision-making and will shape funding requirements and priorities of the LTP 2027. The existing Strategic Framework will remain in place for the purposes of the Annual Plan 2026/27.

Risk Analysis / Tātaritanga o Ngā Mōrearea

21. There are minimal risks associated with adopting the Strategic Framework to guide development of the LTP 2027. Option 2 has some risks depending on the degree of amendment required that it may not respond to earlier considerations by Council.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

22. The proposed Strategic Framework replaces the existing community outcomes, while retaining continuity in strategic intent.

Statutory Responsibilities / Ngā Haepapa ā-ture

23. There are no legal implications to adopting a new strategic framework to guide the development of the LTP 2027.
24. The Local Government Act 2002 requires councils to describe community outcomes they seek to achieve in their Long-Term Plan and to demonstrate a clear linkage between outcomes, activities, levels of service and financial strategies.
25. Local Government New Zealand and the Office of the Auditor-General emphasise that a clear vision and well-defined community outcomes provide critical strategic context and support transparency and accountability over time.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

26. Adoption of a new Strategic Framework is timely to inform early engagement on the LTP 2027 and the Consultation Document.
27. The Strategic Framework will sit above Council's policies and plans.

Participation by Māori / Te Urunga o Ngāi Māori

28. Opportunities to engage with iwi on the application of the Strategic Framework will occur through development of the LTP 2027.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

29. Council has not directly engaged with the community on the proposed Strategic Framework.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

30. The proposed Strategic Framework represents a synthesis of Elected Members views and provides a clear foundation for LTP development.

31. The following table outlines the advantages and disadvantages of each option.

Option	Advantages	Disadvantages
<p>Option 1: Adopts the Strategic Framework.</p>	<ul style="list-style-type: none"> • Provides immediate clarity and direction for LTP 2027 development, enabling early alignment of projects, budgets and policies. • Reflects consensus of the mayor and councillors, as the framework brings together and synthesises prior discussions and workshop outcomes. • Supports timely LTP programme delivery, avoiding delays to prioritisation, engagement and consultation. • Ensures internal coherence, with goals already aligned to the adopted vision. 	<ul style="list-style-type: none"> • Limited opportunity for further refinement, particularly if elected members wish to revisit wording or emphasis. • No additional testing of community views at this stage, as direct engagement has not yet occurred. • May constrain flexibility if future adjustments are needed once LTP work is more advanced.
<p>Option 2: Adopt the Strategic Framework with amendments.</p>	<ul style="list-style-type: none"> • Allows refinement and improvement, ensuring the framework fully reflects elected member intent. • Provides flexibility to respond to any outstanding concerns or emerging priorities. • May strengthen alignment with future LTP decisions if amendments better reflect desired direction. 	<ul style="list-style-type: none"> • Risk of delays to LTP 2027 development if amendments require further iteration or agreement. • Potential misalignment with earlier Council direction, depending on the scale of changes. • Reduced certainty for staff and workstreams, affecting early prioritisation and planning. • May extend decision-making timeframes, impacting consultation preparation.

Recommended Option

This report recommends Option 1 – Adopts the Strategic Framework for addressing the matter.

Report Details

Prepared By: Renee Davies (Manager Strategic Planning)
Team: Strategic Planning
Approved By: John Scott (General Manager Finance and Planning)
Ward/Community: District Wide
Date: 2 June 2026
File Reference: ECM 9809003

-----*End of Report*-----

SUPPLEMENTARY REPORT: STATEMENT OF EXPECTATIONS FOR WAI HONONGA WATER SERVICES LTD AND ADMINISTRATIVE AMENDMENTS TO THE ADOPTED CONSTITUTION

MATTER / TE WHĀINGA

1. This report is supplementary to the report "Statement of Expectations for Wai Hononga Water Services Limited and Administrative Amendments to the Adopted Constitution" that was laid on the table at the 6 May 2026 Council meeting. This supplementary report provides additional information for Elected Members and recommends that the report be uplifted from the table and that the original recommendation be approved, with minor amendments to clarify wording related to community consultation.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Uplifts the matter, of the Statement of Expectations for Wai Hononga Water Services Limited and Administrative Amendments to The Adopted Constitution Terms of Reference, from the table.**
 - b) **Notes that Council officers have reviewed and considered the information presented by the New Plymouth Ratepayers Alliance during their deputation on 6 May 2026 (Appendix 2) (ECM 9810199). This has been assessed in the context of the Local Government (Water Services) Act and Council's Significance and Engagement Policy, and has informed the preparation of an amended Statement of Expectations.**
 - c) **Adopts the Statement of Expectations (SOE) for Wai Hononga Water Services Limited (Appendix 3) (ECM 9810301) noting the amendments made in response to the deputation.**
 - d) **Approves the administrative amendments to the Constitution (Appendix 1.2) (ECM 9723731).**
 - e) **Delegates authority to the Interim Chief Executive to make and execute any administrative changes to documentation required to implement this resolution.**
-

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of moderate importance.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Adopt the Wai Hononga SOE as presented in the report on 6 May, (with no amendments) and approve the administrative amendments to the Constitution (Appendix 1.2) (ECM 9723731). 2. Adopt the Wai Hononga SOE and approve the administrative amendments to the Constitution with amendments made to one or both documents. 3. Do not adopt the Wai Hononga SOE and do not approve the administrative amendments to the Constitution. 4. Adopt the Wai Hononga SOE with amendments made in response to the deputation (Appendix 3) (ECM 9810301), and approve the administrative amendments to the Constitution (Appendix 1.2) (ECM 9723731).
Affected persons	The persons who are affected by or interested in this matter are the shareholder – New Plymouth District Council, Wai Hononga Board of Directors, Wai Hononga Establishment Chief Executive, the New Plymouth District community and the Ratepayers Alliance, which made the deputation on 6 May 2026.
Recommendation	This report recommends Option 4 for addressing the matter.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

2. The New Plymouth Ratepayers Alliance made a deputation at the Council meeting on 6 May 2026 regarding the proposed Statement of Expectations for Wai Hononga Water Services Ltd. During the deputation, they tabled a document prepared by Franks Ogilvie Commercial and Public Law, which proposed wording amendments to item 21 of the Statement of Expectations and outlined justification for what was described as a more directive approach to consultation with consumers, the community, and representative groups. Following the deputation, Council resolved to leave the report "Statement of Expectations for Wai Hononga Water Services Limited and Administrative Amendments to the Adopted Constitution" on the table.
3. This supplementary report resubmits the report Statement of Expectations for Wai Hononga Water Services Limited and Administrative Amendments to The Adopted Constitution with an amended version of the Statement of Expectations which includes amended wording to item 21.

BACKGROUND / WHAKAPAPA

The Role of the Statement of Expectations

4. The Statement of Expectations is intended to operate as a high-level governance document rather than a detailed operational one. Its role is to set direction and expectations, not to prescribe how the water organisation delivers engagement in practice. The legislative framework anticipates that the detail of engagement processes will sit in Wai Hononga's own Significance and Engagement Policy.
 5. There is a need to preserve Wai Hononga's operational and financial independence. While the shareholder can set expectations, the Board must retain discretion to determine how it engages, how it prioritises resources and how it delivers services. Overly prescriptive engagement obligations, particularly ones that could be interpreted as requiring ongoing engagement with multiple groups, risk constraining that discretion.
 6. When considering the Statement of Expectations, we need to consider the issue of consistency with Council's own Significance and Engagement Policy which says that engagement is intended to be proportionate to the significance of the matter and that Council will not engage on every decision because doing so would be inefficient and costly. For matters of moderate importance, engagement may be targeted or may not occur at all. The options tabled will be inconsistent with Council's Significance and Engagement Policy as they would create expectations of more routine or ongoing engagement regardless of significance.
-

-
7. The argument in support of more directive approach is contained in paragraph 9 of the memo from Franks Ogilvie (Appendix 2 ECM 9808343) which notes that the clauses relating to hapū and iwi engagement are more directive than the clauses relating to community.
 8. The hapū and iwi specific provisions are included as they reflect statutory obligations under the Local Government Act (including section 81) and Treaty considerations.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

9. There are no changes to this section of the report.

NEXT STEPS / HĪKOI I MURI MAI

10. As noted in the original report (Appendix 1 ECM 9723733) the next steps are for Council to adopt the Statement of Expectations. This is due to be adopted by 5 August 2026 being six months since the establishment of Wai Hononga, in line with s225 (2) (b) of the Local Government (Water Services) Act 2025.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

11. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of moderate importance.
12. Consideration was given to the administrative nature of this matter, noting that the Statement of Expectations is a regulatory requirement for a Council-Controlled Organisation, and that the decision to establish the CCO has already been made. Public interest in this matter was considered low, with 0.41% of eligible voters making submissions during the consultation process on the establishment of the CCO. The matter is also reversible, as the SOE can be amended and is subject to regular review by Council. However, recognising that the SOE imposes obligations on the CCO, and that there has been broader public interest in Three Waters reform, the matter was assessed as being of moderate importance.

OPTIONS / KŌWHIRINGA

13. The original report identified three reasonably practicable options. Following a deputation from the New Plymouth Ratepayers Alliance, a fourth option has been added for consideration in this report.

Option 1 Adopt the Wai Hononga SOE as presented in the report on 6 May, (with no amendments) and approve the administrative amendments to the Constitution (Appendix 1.2) (ECM 9723731).

-
- | | |
|-----------------|---|
| Option 2 | Adopt the Wai Hononga SOE and approve the administrative amendments to the Constitution with amendments made to one or both documents; |
| Option 3 | Do not adopt the Wai Hononga SOE and do not approve the administrative amendments to the Constitution; |
| Option 4 | Adopt the Wai Hononga SOE with amendments made in response to the deputation (Appendix 3) (ECM 9810301), and approve the administrative amendments to the Constitution (Appendix 1.2) (ECM 9723731). |

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

14. There are no specific financial implications arising from this decision; however, future financial impacts may occur if changes result in increased consultation requirements for matters of a minor nature.

Risk Analysis / Tātaritanga o Ngā Mōrearea

15. There is a risk that the wording proposed by the Ratepayers Alliance is sufficiently broad that its future interpretation could result in consultation requirements that are disproportionate to the significance of the issues. This risk can be mitigated by maintaining a high-level, principles-based clause or by including explicit references to proportionality and significance. A clause addressing this has been proposed.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

16. This aligns with the decision to create a Council Controlled Organisation to achieve community outcomes relating to water and wastewater services.

Statutory Responsibilities / Ngā Haepapa ā-ture

17. This options is consistent with Council's statutory responsibilities.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

18. This option is consistent with Council's Policies and Plans, in particular Council's Significance and Engagement Policy.
19. It is noted that Wai Hononga Water Services Ltd is obligated to develop its own Significance and Engagement Policy.
-

Participation by Māori / Te Urunga o Ngāi Māori

20. This amended version of the Statement of Expectations is consistent with the views previously provided, and no changes have been made to the wording proposed by Ngā Kaitiaki and Te Huinga Taumatua.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

21. This option acknowledges the concerns raised by the Ratepayers Alliance in their deputation. It recognises the view that more directive wording has been incorporated into the Statement of Expectations in relation to iwi, and that this may be perceived as inequitable in comparison to other groups.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

22. The proposed amended wording provides additional assurance that Wai Hononga acknowledges its obligations to offer the community opportunities to contribute to significant decisions, while also ensuring alignment with Council's responsibilities to enable hapū and iwi participation in decision-making processes.

Recommended Option

This report recommends option 4 - Adopt the Wai Hononga SOE with amendments made in response to the deputation (Appendix 3) (ECM 9810301), and approve the administrative amendments to the Constitution (Appendix 1.2) (ECM 9723731).

APPENDICES / NGĀ ĀPITI HANGA

- Appendix 1 Original Report – Statement of Expectations for Wai Hononga Water Services Limited and Administrative Amendments to the Adopted Constitution (ECM 9723733)
- Appendix 1.1 Appendix attached to the original report
Wai Hononga Statement of Expectations (ECM 9721376)
- Appendix 1.2 Appendix attached to the original report (superseded version)
WaterCo1 Constitution with administrative amendments tracked (ECM 9723731)
- Appendix 2 Memorandum from Franks Ogilvie Commercial and Public Law;
Subject: New Plymouth water organisation – Statement of Expectations (ECM 9810199)
- Appendix 3 Wai Hononga Water Services Ltd Statement of Expectations (Amended version) (ECM 9810301)
-

Report Details

Prepared By: Mark Hall (Strategic and Te Tiriti Partnership Director)
Team: Operational Excellence
Approved By: Sarah Downs, GM Operational Excellence
Ward/Community: District Wide
Date: 2 June 2026
File Reference: ECM 9808343

-----*End of Report*-----

STATEMENT OF EXPECTATIONS FOR WAI HONONGA WATER SERVICES LIMITED AND ADMINISTRATIVE AMENDMENTS TO THE ADOPTED CONSTITUTION

MATTER / TE WHĀINGA

1. The matter for Council consideration is the adoption of the Statement of Expectations (SOE) for the New Plymouth Water Services Council Controlled Organisation (WSCCO), under its new name, Wai Hononga Water Services Limited, and to approve associated administrative amendments to the Constitution.

OFFICER RECOMMENDATION FOR CONSIDERATION/ NGĀ WHAIKUPU
That, having considered all matters raised in the report, Council:

- a) **Adopts the Statement of Expectations (SOE) for Wai Hononga Water Services Limited (Appendix 1 ECM 9721376).**
- b) **Approves the administrative amendments to the Constitution (Appendix 2 ECM 9723731).**
- c) **Delegates authority to NPDC’s Chief Executive to make and execute any administrative changes to documentation required to implement this resolution.**

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being moderate importance
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Adopt the Wai Hononga SOE and agree the administrative amendments for the Constitution as appended to this report. 2. Adopt the Wai Hononga SOE and agree the administrative amendments for the Constitution with amendments. 3. Do not adopt the Wai Hononga SOE and do not agree the administrative amendments for the Constitution.
Affected persons	The persons who are affected by or interested in this matter are the shareholder – New Plymouth District Council, Wai Hononga Board of Directors, Wai Hononga Establishment Chief Executive, and the New Plymouth District community.

COMPLIANCE / TŪTOHU	
Recommendation	This report recommends option one for addressing the matter.
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

2. This report asks Council to adopt the Statement of Expectations (SOE) for the New Plymouth Water Services Council-Controlled Organisation (WSCCO), now named Wai Hononga Water Services Limited, and to approve minor administrative amendments to the Constitution. The SOE is a core shareholder governance instrument through which Council sets its expectations for Wai Hononga's performance, outcomes, and accountability, and is required by legislation to be given effect to by the company.
3. The SOE is particularly significant at this stage of establishment as it will guide the development of Wai Hononga's inaugural Water Services Strategy (WSS). The WSS, will set out Wai Hononga's long-term approach to service delivery, investment, and performance, and must align with legislative requirements and Council's strategic direction. Adoption of the SOE provides clarity of direction to the Board and supports the effective progression of strategic planning during the establishment phase.
4. Council officers developed the SOE in accordance with the Local Government (Water Services) Act 2025 and provided the Wai Hononga Board with the opportunity to review and comment on the draft Statement. The draft SOE has been considered through Council's established governance arrangements, including the WSCCO Oversight Group¹, and has also undergone legal review to confirm consistency with legislative and constitutional requirements.
5. The report also asks Council to approve minor administrative amendments to the adopted Constitution. These amendments are technical in nature, do not alter the intent or governance framework previously adopted by Council, and are intended to improve clarity, consistency, and readability.

¹ Council's established WSCCO governance arrangements comprising Councillors Chard, Bublitz, Woodward, and Moeahu

-
6. Adoption of the SOE and approval of the administrative amendments will enable Wai Hononga to progress its establishment roadmap, support compliance with the Water Services Delivery Plan, and provide confidence to Council, regulators, and stakeholders as the organisation moves into its next phase of development.

BACKGROUND / WHAKAPAPA

7. At its meeting on 18 December 2025, Council adopted the Constitution for WaterCo1 (temporary holding name), formally establishing the governance parameters for the New Plymouth Water Services Council Controlled Organisation (WSCCO). The Constitution is a foundational document that sets out the roles, responsibilities, and accountabilities of the Shareholder and the Board, and provides the framework within which the organisation is required to operate. Adoption of the Constitution marked a key milestone in the establishment of the WSCCO and enabled the transition from legal incorporation to strategic and operational planning.
 8. Through the Statement of Expectations (SOE), Council sets its performance expectations for the water organisation as shareholder. Statements of Expectations are issued by Shareholders on a three-yearly cycle and are intended to inform and guide the decisions of the Board, while preserving the Board's statutory responsibility for the governance and management of the organisation. The SOE provides clarity on Council's priorities, desired outcomes, and expectations regarding performance, reporting, and the relationship between the Shareholder and the WSCCO.
 9. This SOE is particularly significant as it will guide the development of Wai Hononga's inaugural Water Services Strategy (WSS). The Strategy will be a critical document for the WSCCO, setting out its long-term approach to service delivery, investment, and performance in alignment with legislative requirements and Council's strategic direction. The SOE therefore plays an important role in shaping the early strategic focus of the organisation and ensuring alignment between Council's objectives and the WSCCO's planning and decision-making.
 10. The accountability framework for Water Organisations as sourced from the Department of Affairs (DIA) is below and highlights the SOE as a key accountability mechanism within the Local Water Done Well (LWDW) Framework.
-

Figure 1. Accountability Framework for Water Organisations



NAME CHANGE TO WAI HONONGA WATER SERVICES LIMITED

11. As part of establishment, WSCCO management undertook a process to identify a te reo Māori name reflecting the organisation’s purpose and aspirations. Engagement occurred with mana whenua representative who supported a tikanga-based naming process.
12. The gifted name Wai Hononga draws on te reo Māori, with wai referring to water as the life force flowing from the maunga to the moana, and hononga meaning to join or connect, reflecting water’s role in connecting people, places, and generations. The name provides strong cultural grounding and has been assessed as enduring and scalable over time. The accompanying English descriptor, Water Services Limited, supports clarity for stakeholders and aligns with established sector naming conventions.
13. With the support of the WSCCO Oversight Group, officers presented the proposed name and its whakapapa to the WSCCO Board on 11 February 2026, and the Board formally adopted the name at its inaugural meeting on 17 March 2026.

DEVELOPMENT OF THE WAI HONONGA STATEMENT OF EXPECTATIONS

14. The SOE is a key planning mechanism through which Council, as shareholder, influences Wai Hononga's priorities and strategic direction. This is because Wai Hononga is required by legislation to give effect to the SOE.
15. The Local Government (Water Services) Act 2025 sets out a range of mandatory matters that a SOE must address, including outcomes that the shareholders expect the company to achieve through its delivery of water services. The SOE can also address other matters, such as a requirement to undertake community or customer engagement, and the contents of that engagement. The proposed SOE is appended to this report.
16. The SOE has been prepared by Council officers in accordance with the requirements of the Local Government (Water Services) Act 2025, which provides that shareholders must give the water organisation a reasonable opportunity to review the draft Statement and provide comments. Consistent with this requirement, the draft SOE was provided to the WSCCO Board of Directors for review, and their feedback was invited and considered as part of the development process.
17. In addition, the draft SOE has been considered through Council's established governance arrangements, including review by the WSCCO Oversight Group, comprising Councillors Chard, Bublitz, Woodward, and Moeahu. In finalising the SOE, Council has had regard to the statutory requirement to consider any comments provided by the water organisation before issuing the Statement.
18. To provide further assurance, the draft SOE has also undergone legal review to confirm consistency with relevant legislation and to ensure alignment with the Wai Hononga Constitution and applicable statutory requirements.

ADMINISTRATIVE AMENDMENTS TO THE ADOPTED WATERCO1 CONSTITUTION

19. The report also asks Council to approve a set of minor administrative amendments to the WaterCo1 Constitution. These proposed changes are minor and technical in nature and do not alter the intent, governance framework, or substantive provisions of the Constitution as previously adopted by Council. The amendments are limited to correcting grammatical and formatting issues and removing clauses that are duplicated within the document, to improve clarity, consistency, and readability.
 20. A marked-up version of the Constitution, showing the proposed administrative changes, is appended to this report for transparency. These amendments ensure the Constitution remains a clear and coherent governance document without changing Council's agreed policy position or the respective roles of the Shareholder and the Board.
-

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

21. The Statement of Expectations directs Wai Hononga to embed climate mitigation and adaptation into its planning, operations, and decision-making. It requires the organisation to consider environmental outcomes alongside service delivery, with an explicit focus on protecting the health and wellbeing of water bodies, and to align its approach with relevant Council and national strategies.

NEXT STEPS / HĪKOI I MURI MAI

22. Following Council's adoption of the SOE, the key next steps are to:
- a) Provide the final SOE, as adopted by Council, to Wai Hononga to inform the preparation of its Water Services Strategy, including the development of its strategic priorities.
 - b) Publish the final SOE on the NPDC website, along with information outlining the process followed by Council as shareholder in developing the SOE.
23. If the administrative amendments to the Constitution are agreed, an updated version will be lodged within the Companies Office and provided to Wai Hononga.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

24. Under Council's Significance and Engagement Policy, this decision is identified as moderate importance.
25. The SOE is a foundational governance document for the WSCCO. It sets out the Council's expectations for performance, outcomes, and accountability, and is issued in accordance with legislative requirements. Once adopted, Wai Hononga is required by law to give effect to the SOE in the exercise of its functions, decision-making, and strategic planning.
26. Council exercises its role as community representatives when considering this decision.

OPTIONS / KŌWHIRINGA

27. There are three reasonably practicable options:

Option 1 Adopt the Wai Hononga SOE and agree the administrative amendments for the Constitution as appended to this report;

Option 2 **Adopt the Wai Hononga SOE and agree the administrative amendments for the Constitution with amendments;**

Option 3 **Do not adopt the Wai Hononga SOE and do not agree the administrative amendments for the Constitution.**

All three options have been assessed together below.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

28. There is no budget considerations associated with the recommendations of this paper.

Risk Analysis / Tātaritanga o Ngā Mōrearea

29. The SOE is a key planning mechanism, setting out Councils expectations of Wai Hononga and is required by legislation within six months of Company Incorporation. The SOE plays an important role in shaping early strategic focus and alignment Council objectives with Wai Hononga planning and decision making.

30. Delaying or deferring adoption of the SOE introduces the following risks:

- a) **Governance and accountability risk — weakened shareholder direction.** Delaying the SOE weakens Council’s ability to exercise its role as sole shareholder through the core accountability documents (the Constitution, SOE, and WSS). Without an adopted SOE, Council’s expectations are not clearly articulated, the Board lacks firm direction for early strategic and operational decisions, and shareholder accountability levers are less effective. This creates ambiguity during establishment and increases the risk of misalignment that may later require formal intervention to correct.
- b) **Strategic direction risk – delayed guidance for the Water Services Strategy (WSS).** Deferring the SOE delays the setting of shareholder expectations that are intended to guide development of the WSS. In the absence of an adopted SOE, Wai Hononga must progress WSS development without confirmed direction from Council, increasing the risk of strategic misalignment, rework once expectations are clarified, and slower development of coherent long-term strategic planning.

- c) **Compliance and assurance risk — misalignment with the Water Services Delivery Plan (WSDP).** The adopted WSDP signaled that the SOE would be adopted by 30 June 2026. Delaying adoption beyond this timeframe risks signaling non-compliance with the WSDP to the Department of Internal Affairs and the Secretary for Local Government. This creates avoidable regulatory and reputational risk at a critical stage of the transition and establishment process.
- d) **Establishment and transition risk — pressure on the overall timeline.** Delaying SOE adoption compresses the establishment timeline by pushing consequential work - such as WSS development, strategic assumptions, and planning alignment - into later phases, where other dependencies, including Transfer Agreement milestones, are already emerging. This increases delivery risk by deferring key strategic decisions rather than resolving them early through a clear and timely SOE.

Promotion or Achievement of Community Outcomes / Hāpaitia / Te Tutuki o Ngā Whāinga ā-hāpori

31. By adopting the SOE, Council clearly sets expectations for Wai Hononga that align with New Plymouth District Council's community outcomes, including:
- **Environmental Excellence:** Providing clear strategic direction that guides Wai Hononga's future decisions and supports climate resilience and long-term environmental sustainability.
 - **Thriving Communities and Culture:** Embedding expectations to uphold Te Tiriti o Waitangi and to deliver water services that reflect and respect Te Ao Māori value.
 - **Trusted:** Providing for transparent governance and accountability, supporting trusted relationships with iwi, hapū, and key stakeholders.
 - **Prosperity:** Setting the foundation for efficient, sustainable water service delivery that supports long-term economic wellbeing for the district.

Statutory Responsibilities / Ngā Haepapa ā-ture

32. The SOE meets the requirements to satisfy the statutory objectives in Subpart 1, Section 224 - 229 of the Local Government (Water Services) Act 2025.

-
33. Timely adoption ensures Wai Hononga can progress with the development of its strategic planning and WSS, and meet the sequencing set out in the WSDP. Delaying this decision risks misalignment with regulatory milestones and undermines Council's ability to meet the planned full establishment start date of 1 July 2027.

Participation by Māori / Te Urunga o Ngāi Māori

34. Council engaged with Te Tiriti Partners through the Ngā Kaitiaki Forum and Te Huinga Taumatua.
35. Feedback on the draft SOE by Ngā Kaitiaki included the following:
- a) Clear recognition of mana whenua, hapū and iwi as the primary relationship holders and the removal of references to Māori organisations, Māori entities and similar collective terms.
 - b) Strengthening of language to ensure clauses use clear, definitive purpose statements rather than aspirational phrasing.
 - c) Defined expectations for engagement, including regular reporting on engagement outcomes and how mana whenua perspectives have informed decision-making.
36. Feedback from the Ngā Kaitiaki Forum was endorsed by Te Huinga Taumatua and has been incorporated into the final SOE.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

37. Adoption of Wai Hononga's SOE is a statutory requirement and provides the strategic direction for water service delivery. Because this decision relates to a legislated governance instrument, Council did not specifically seek community views or preferences.
38. Council recognises the importance of transparency and maintaining public trust and will continue to provide clear, timely information and engage with the community as Wai Hononga is established.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

39. By adopting the SOE, Council enables Wai Hononga to progress strategic planning and continue its establishment roadmap. It clearly articulates shareholder expectations and guides the development of the inaugural Wai Hononga WSS.
-

-
40. This step aligns with the WSDP approved by the Department of Internal Affairs (DIA), specifically Phase 2 (Contract Delivery Model) and supports Council's commitment to meeting the legislative requirements for water services delivery.
 41. A thorough legal review has been completed on the SOE to ensure it meets statutory obligations.
 42. Not adopting the SOE risks delays in the establishment process, creates uncertainty for the Board, and increases the risk of non-compliance. It could also undermine public and stakeholder confidence in Council's ability to deliver on its water reform commitments.

Recommended Option

This report recommends **Option one** - Adopt the Wai Hononga SOE and agree the administrative amendments for the Constitution as appended to this report.

APPENDICES

- Appendix 1: Wai Hononga Statement of Expectations (ECM 9721376)
- Appendix 2: WaterCo1 Constitution with administrative amendments tracked (ECM 9723731)

Report Details

Author: Helen Gray, Manager Transformation
Team: Chief Executive's Office
Approved By: Sarah Downs, GM Operational Excellence
Ward/Community: District Wide
Date: 2 April 2025
File Reference: ECM 9723733

-----*End of Report*-----

Reference: ECM 9721376

30 April 2026

STATEMENT OF SHAREHOLDER EXPECTATIONS FOR WAI HONONGA WATER SERVICES LIMITED

1. New Plymouth District Council (**Council**), as the 100% shareholder of Wai Hononga Water Services Limited (**the Company**), is required by section 224 of the Local Government (Water Services) Act 2025 (**LG(WS) Act**) to prepare and adopt a Statement of Expectations (**SOE**).
2. This SOE has been developed with input from the Company. Its purpose is to set out the Council's expectations as to the Company's strategic direction over the period between 2026 to 2036, including the preparation by the Company of its Water Services Strategy (**WSS**).
3. The Company must not take any action inconsistent with this SOE without the prior written approval of Council as shareholder.
4. This SOE was approved by Council on {date} 2026.

Purpose

5. This SOE provides guidance and sets out expectations as to how Council and the Company will work together to achieve strategic alignment, including through regular communication, reporting, and engagement. In addition, it provides guidance as to how the Company should engage with key stakeholders and the community.
6. The Company is a publicly owned utility with a primary purpose of long-term infrastructure stewardship, protection of public health, and intergenerational equity. The Company, once its operational establishment has been completed, will be responsible for delivering reticulated drinking water and wastewater services within the New Plymouth district in alignment with the objectives set out in section 17(1) of the LG(WS) Act, and in compliance with all other applicable regulatory requirements.

Outcomes to be achieved

7. The Company exists to deliver safe, reliable, and resilient drinking water and wastewater services in the long-term interests of the New Plymouth district community and in accordance with section 17(1) of the LG(WS) Act.

8. The Company's financial management must align with the guiding principles and vision outlined within Council's Long-Term Plan (LTP)¹, ensuring services are delivered in a financially sustainable manner, maintaining value for money while ensuring long-term resilience. The Company must prioritise resilience, renewals, and regulatory compliance over short-term financial optimisation.
9. Subject to applicable legislation (including any subsequent change), the Company will ordinarily apply Council's Development Contributions Policy for growth-related infrastructure. Any proposal to depart from that approach (including alternative cost-recovery mechanisms) requires prior Council resolution.
10. The Company is expected to demonstrate value for money for its customers through efficient service delivery, innovation, and continuous improvement.
11. In setting its charges, the Company will be transparent about cost drivers and will have regard to affordability and equity for current and future consumers, where practicable.
12. The Company is to focus on delivering its services in a manner that minimises adverse environmental effects as far as is reasonably practicable.
13. Proactive planning for climate events, infrastructure risks, and emergency preparedness and response must be embedded in the Company's operational practices and strategic planning, so that operational resilience is provided to consumers of its services.
14. While its initial focus is on achieving a successful establishment, the Company is to explore future opportunities to achieve greater efficiency and scale, including through the potential investigation of opportunities to share services or partner with other water service providers to provide more cost-effective services to the people of New Plymouth district.

Alignment with Council Resource Management and Land Use Planning

15. The Company must align its planning, investment, and service delivery, as far as practicable, with Council's existing resource management and land use planning. This is to be achieved by:
 - a. Considering and engaging with Council's LTP, Infrastructure Strategy, and strategic growth-related strategies, and working collaboratively to input into the Council's strategic planning work.
 - b. The Company will work in collaboration with Council and, when planning and delivering services, align with Council's LTP, Infrastructure Strategy, Future Development Strategy and District Plan.

¹ [long-term-plan-2024_2034.pdf](#), pg. 30

- c. Maintaining regular communication with Council in relation to the alignment of its delivery of new infrastructure with Council's delivery of stormwater services and new infrastructure.
- d. Supporting Council's policy and planning functions by providing completed, accurate and timely technical and strategic advice to assist in Council decision making.
- e. Consulting with Council when making submissions on any future relevant Government reform.
- f. Supporting and measuring its performance against Council's climate change initiatives and targets, where possible.

Alignment with Council Values

16. In exercising its governance role, the Council expects the Company and directors to act in a manner that:
 - a. Maintains a high standard of integrity, transparency and accountability, consistent with public sector expectations.
 - b. Prioritises the stewardship of public assets and a long-term, intergenerational perspective.
 - c. Aligns with the Council's values, recognising that Directors retain independent duties under various legislation including the Companies Act and Local Government (Water Services) Act.
17. The Council expects the Board to:
 - a. Periodically assess its own performance and capability.
 - b. Maintain skills and experience appropriate to a publicly owned water services utility.
 - c. Foster a culture of continuous improvement and sound risk management"

Information required in half-yearly report

18. The Company's half-yearly report is to include:
 - a. Progress being made by the Company in the development and implementation of its establishment plan;
 - b. A dashboard report showing performance by the Company relative to its WSS;
 - c. The status of the Company's capital delivery programme;
 - d. Regulatory compliance;

- e. Any critical risks facing the Company (and any proposed mitigation of these) including health, safety and wellbeing risk reporting;
- f. The Company’s current customer engagement activities, including any customer insights; and
- g. The Company’s forecast expenditure and lending for the remainder of the then current financial year and implications for water service charges for the following financial year.
- h. Council has a strategic goal “Environmental Excellence Te Kounga ā-Taiao”. Council’s Environmental Sustainability Policy outlines Council’s main environmental priorities. The Company is expected to contribute to the achievement of these priorities where and when appropriate through the provision, operations and management of high quality water and wastewater network services. The extent to which the Company does this should be reported on in the Company’s half-yearly reports.

General Expectations

19. Governance and Accountability

- a. The Company must manage its operations in accordance with its Constitution, and relevant legislation.
- b. The Company will work closely with Council when developing its Significance and Engagement Policy under the LG(WS) Act to ensure that it draws on Council’s experience with community engagement in the New Plymouth district, and it is workable for the district’s communities.
- c. The Company is expected to prepare a WSS that reflects the priorities outlined in this SOE.
- d. The WSS will set strategic priorities and intended levels of service, and include indicative financial outlooks required by legislation. Detailed performance measures and formal budgets will be determined by the Board.

20. Sustainability and Climate Impacts

- a. The Company must incorporate climate impact mitigation and adaptation into its planning and operations, taking into account relevant Council and national strategies.
- b. The Company must consider environmental outcomes in all of its decision-making, ensuring the health and wellbeing of water bodies is prioritised.
- c. The Company must assess and report annually on its strategic climate risks and opportunities. This includes assessing risks arising from natural hazards that are being exacerbated by climate impacts as well as the risks from transitioning to a low-emissions and climate-resilient community.

- d. Council is in the process of joining the Local Government Funding Agency's Climate Action Loans scheme to provide an interest rate discount for Council debt. This requires all of Council's CCOs to be included within Council's emissions boundary. Therefore, Council expects the Company to monitor, report on, and reduce operational emissions (including scope 1, 2 and 3 emission sources) in a cost-effective and practical manner, prioritising emission reductions through existing projects and new initiatives that result in other operational benefits or operational cost savings.

21. Relationships and Engagement

- a. Relationship with Council:
 - i. To ensure strong communications and alignment, the Council expects that a designated Council observer will be invited to attend all Board meetings. The observer will not have voting rights and will not participate in decision-making but may contribute to discussions where appropriate.
 - ii. The Company's Board Chair, or in their absence another Board member, must attend Council's Finance, Audit and Risk Committee (or its equivalent) meetings quarterly to present critical risk updates. The Company's Chief Executive should also attend such meetings if required by Council to do so, to answer questions relating to these matters.
 - iii. A mutual 'no surprises' protocol applies. Each party will, wherever possible, notify the other within five working days of material matters likely to affect public health, service continuity, compliance, or public confidence.
- b. Relationship with New Plymouth District Community:
 - i. The Council expects the Company to operate in a manner that is socially responsible, by having regard to the interests of the New Plymouth district community and endeavoring to accommodate those interests when it is able to.
 - ii. As far as possible, the Company is expected to undertake its operations, and make decisions, with the best interests of the New Plymouth district's current and future communities in mind.
 - iii. The Company is to engage with consumers and the community (including recognised representative groups) in line with its Significance and Engagement Policy and in a manner proportionate to the nature and significance of the matter, including by maintaining awareness of relevant stakeholders, providing timely and accessible information appropriate to the audience, seeking input on significant matters where appropriate, and reporting annually, at an appropriate level of detail, on engagement activities and how feedback has informed decision-making

- c. Relationship with mana whenua, hapū and iwi:
- i. The Council expects the Company to formally recognise the whakapapa and mauri of wai as a taonga, and commits to restoring, protecting and enhancing the health, quality and integrity of catchments for present and future generations.
 - ii. The Council expects the Company to maintain effective relationships as defined in partnership with mana whenua, hapū and iwi including through regular engagement to support the effective design, delivery and operation of the Company's water networks and systems.
 - iii. The Company is to engage with mana whenua, hapū and iwi in a manner that is respectful, inclusive, and consistent with Te Tiriti o Waitangi partnership, participation and protection principles. This includes:
 - a. Identifying and establishing meaningful and enduring relationships with mana whenua, hapū and iwi partners that have a significant interest in the Company's activities.
 - b. Ensuring timely and transparent sharing of information that impact on mana whenua, hapū, iwi and māori community interests in the New Plymouth district and seek their advice and input on strategic initiatives, projects, and decisions that affect them.
 - c. Supporting mana whenua, hapū and iwi to uphold their tikanga, rangatiratanga, kaitiakitanga, mana motuhake and mana whakahaere aspirations through collaboration, co-design, resourcing and shared decision-making particularly in matters relating to te taiao, with their kaitiaki responsibilities.
 - d. Reporting annually on its engagement activities and outcomes with mana whenua, hapū and iwi including how their perspectives or input have influenced the Company's decision-making with consideration given to mechanisms that enable them to provide feedback on engagement effectiveness.

22. Employer obligations

The Company is expected to be a good employer and must comply with all applicable employment-related legislation, including but not limited to the Employment Relations Act 2000, Health and Safety at Work Act 2015, Holidays Act 2003, and Human Rights Act 1993. The Company is expected to ensure that all of its employment agreements are lawful, fair, and consistent with good employer practices.

23. Sensitive Expenditure

While noting that CCOs operate in a different market than the Council, the Company is expected to be cognisant of the public environment in which it operates and to be aware of the Council's Sensitive Expenditure Policy.

24. Statutory and Third-Party Obligations

The Company must always act in a manner which has due regard to the statutory obligations of Council and to Council's obligations pursuant to agreements with third parties, including mana whenua, hapū, Iwi.

ORIGINAL APPENDIX 1.1

CONSTITUTION

~~WaterCo1~~ Wai Hononga Water Services Limited

Certified as the Constitution of ~~WaterCo1~~ Wai Hononga Water Services Limited by ~~Gareth Green~~ Steve Ruru (as the applicant for the registration of Wai Hononga Water Services ~~WaterCo1~~ Limited) by:

Signature – ~~Gareth Green~~ Steve Ruru

CONTENTS

WATERCO1 LIMITED CONSTITUTION 1

1. DEFINITIONS AND INTERPRETATION 1

2. WATER ORGANISATION REQUIREMENTS 4

3. REPORTING REQUIREMENTS 5

4. SHARES 5

5. CALLS ON SHARES 6

6. SUSPENSION OF RIGHT TO DISTRIBUTIONS, LIEN AND FORFEITURE 7

7. DISTRIBUTIONS 8

8. COMPANY ACQUIRING ITS OWN SHARES 8

9. SHAREHOLDER MEETINGS 8

10. DIRECTORS 9

11. PROCEEDINGS OF THE BOARD 11

12. NOTICES 12

13. LIQUIDATION 12

14. METHODS OF CONTRACTING 12

15. AUDITOR 12

16. INFORMATION 13

17. AMENDMENT 13

SCHEDULE 1 14

 Board Proceedings 14

 1. NOTICE OF MEETING 14

 2. METHOD OF HOLDING MEETINGS 14

 3. QUORUM 14

 4. VOTING 15

 5. MINUTES 15

 6. RESOLUTIONS 15

 7. OTHER PROCEEDINGS 15

Appendix 1.2

WAI HONONGA WATER SERVICES WATERCO1 LIMITED CONSTITUTION

1. DEFINITIONS AND INTERPRETATION

1.1 In this Constitution, unless the context otherwise requires:

Appointment and Remuneration of Directors of Council Organisations Policy means the New Plymouth District Council's (Council) Shareholder's policy for the appointment and removal of directors of council organisations, as amended by resolution of the Shareholder-Council from time to time.

Board means Directors who number not less than the required quorum, acting together as a board of Directors.

Board Skills Matrix means a matrix setting out the skills which are required to be represented on the Board, by being held by one or more Directors in office, as adopted and amended from time to time by the Shareholder(s).

Business Day means any day (other than a Saturday, a Sunday or a public holiday) in New Plymouth, New Zealand.

Chair means the chair of the Board appointed in accordance with clause 10.910:9.

Companies Act means the Companies Act 1993.

Company means WaterCo1 Wai Hononga Water Services Limited, a company incorporated in New Zealand under company number.

Constitution means this constitution of the Company as amended from time to time in accordance with the Companies Act.

Director means a person appointed as a director of the Company in accordance with this Constitution.

Financial Year has the meaning set out in the LG(WS) Act.

Independent Director means a person who is appointed as a director of the Company and who is neither:

- a) a current elected member or employee of any Local Authority that is a Shareholder; nor
- b) a current employee of the-any Shareholder or of the Company.

LGA means the Local Government Act 2002.

LG(WS) Act means the Local Government (Water Services) Act 2025.

Local Authority has the meaning set out in the LGA.

Major Transaction has the meaning given to that term in the Companies Act.

Related Company has the meaning given to that term in the Companies Act.

Service Area has the meaning set out in the LG(WS) Act and, as at the date of ~~adoption of this Constitution~~ incorporating of the Company, is the New Plymouth district (within the meaning of the LGA).

Shares means the shares in the Company.

Shareholder means any person for the time being registered in the Company's share register as the holder of one or more Shares in the Company.

Statement of Expectations has the meaning given to it in LG(WS) Act.

Subsidiary has the meaning given to that term in the Companies Act.

Water Organisation has the meaning given to it in the LG(WS) Act.

Water Services has the meaning given to it in the LG(WS) Act.

Water Services Annual Budget has the meaning given to it in the LG(WS) Act.

Water Services Annual Report has the meaning given to it in the LG(WS) Act.

Water Services Half-yearly Report has the meaning given to it in the LG(WS) Act.

Water Services Strategy has the meaning given to it in the LG(WS) Act.

1.2 **Interpretation:** In this Constitution, the following rules of interpretation apply, unless the context requires otherwise:

- (a) headings are for convenience only and do not affect interpretation;
- (b) the singular includes the plural and vice versa, and a gender includes other genders;
- (c) another grammatical form of a defined word or expression has a corresponding meaning;
- (d) words in this Constitution have the same meaning as in the Companies Act;
- (e) a reference to a party, person or entity includes:
 - (i) an individual, firm, company, trust, partnership, joint venture, association, corporation, body corporate, estate, state, government or any agency thereof, municipal or local authority

and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and

- (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person, entity;
- (f) a reference to a clause or schedule is to a clause or schedule of this Constitution (and each schedule forms part of this Constitution);
- (g) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (h) references to the word 'include' or 'including' are to be construed without limitation;
- (i) a reference to any form of law is to New Zealand law, including as amended or re-enacted;
- (j) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (k) "written" and "in writing" include any means of reproducing words, figures or symbols in a tangible and visible form;
- (l) any obligation falling due for performance on or by a day other than a Business Day will be performed on or by the Business Day immediately following that day; and
- (m) an obligation not to do something includes an obligation not to allow or cause that thing to be done.

1.3 **Conflict:** If there is any conflict:

- (a) between a provision in this Constitution and a mandatory provision in the Companies Act, the LG(WS) Act or the LGA, then the mandatory provision in the Companies Act, the LG(WS) Act or the LGA will prevail; ~~and~~or
- (b) between:
 - (i) a provision in this Constitution and a provision in the Companies Act which is expressly permitted to be altered by this Constitution; or
 - (ii) a word or expression defined or explained in the Companies Act and a word or expression defined or explained in this Constitution,

then the provision, word or expression in this Constitution will prevail.

2. WATER ORGANISATION REQUIREMENTS

- 2.1 **Purpose:** As at the date of its incorporation, the Company is a Water Organisation in terms of section 44 of the LG(WS) Act.
- 2.2 **Business of the Company:** The Company must not carry on any business other than the provision of, or preparation for the provision of, Water Services in the Service Area and activities that are related to, or necessary for, the provision of, or preparation for the provision of, Water Services in the Service Area, in accordance with the objectives set out in section 17 of the LG(WS) Act.
- 2.3 **Obligations:** The Company must comply with:
- (a) its obligations under the LGA and LG(WS) Act, including preparing, adopting and publishing its Water Services Strategy, Water Services Annual Budget, Water Services Half-yearly Report and Water Services Annual Report;
 - (b) all applicable statutory and regulatory obligations relating to Māori and the Te Tiriti o Waitangi, including those set out in the LGA and LG(WS) Act; and
 - (c) Parts 1 – 7 of the Local Government Official Information and Meetings Act 1987.
- 2.4 **Shareholder Input:**
- (a) ~~The A~~ Shareholder is entitled to comment on the Company's draft Water Services Strategy and draft Water Services Annual Budget, and the Company must consider those comments. However, Shareholders will not have the power to require changes or approve the final Water Services Strategy or final Water Services Annual Budget.
 - (b) Where ~~a Shareholder Council~~ raises serious concerns relating to service delivery, public health or safety, regulatory compliance, financial sustainability or consistency with the Statement of Expectations, the Board must explain to Shareholders in writing, how those concerns have been addressed or managed and provide further information or assurance if requested.
 - (c) The Company must also seek input from other stakeholders as appropriate, including the Commerce Commission and Taumata Arowai (the Water Regulator), and must consider and act on that input as required.
- 2.5 **Financial Obligations:** The Company must, while it is a Water Services Provider, act in accordance with the following financial obligations:

- (a) the Company must spend the revenue it receives from, and funding it receives for, providing Water Services on the ~~w~~Water ~~S~~Services it provides (including on maintenance, improvements, infrastructure renewal, servicing debt relating to the Water SServices it provides, and providing for growth);
- (b) the Company must ensure that the revenue and funding it applies to providing Water Services is sufficient to sustain the ~~provider's~~ Company's long-term investment in its water services while meeting all regulatory requirements;
- (c) the Company's revenue and funding (including from charges), expenses, and dividends (if applicable) must be transparent to the public; and
- (d) the Company must be accountable to Shareholders for its revenue, funding, and expenses ~~to its shareholders~~.

2.6 **Use and Ownership of Assets:** The Company must not:

- (a) use any of the assets of its Water Services networks as security for any purpose; or
- (b) transfer the ownership of its Water Services infrastructure or of any other interest in a Water Service to any third party,

except to the extent permitted by the LG(WS) Act.

2.7 **Statement of Expectations:** The Board must ensure that the Company gives effect to and carries out its objectives in a manner which is consistent with the Statement of Expectations provided to it by its Shareholder(s).

3. REPORTING REQUIREMENTS

3.1 **Reporting:** Subject to clause 3.2, the Board must:

- (a) Within 8 months after the start of each Financial Year, prepare, adopt, and deliver to each Shareholder a Water Services Half-yearly Report under section 248 of the LG(WS) Act, and must publish such report in accordance with section 223 of the LG(WS) Act;
- (b) Within 3 months after the end of each Financial Year, prepare, adopt, and deliver to each Shareholder a Water Services Annual Report under the Companies Act and section 246 of the LG(WS) Act, and must publish such report in accordance with section 223 of the LG(WS) Act,

and the Board must prepare any additional reports requested in a written notice given by any Shareholder, provided such notice complies with section 249(4) of the LG(WS) Act.

- 3.2 **Exempt Information:** The reports referred to in clause 3.1 need not include information lawfully withheld under the Local Government Official Information and Meetings Act 1987.

4. SHARES

- 4.1 **Initial Shares on Issue:** All ~~s~~Shares at the time of incorporation of the Company will be fully paid, ordinary shares which are equal ranking in all respects.
- 4.2 **Pre-emptive Rights:** Section 45 of the Companies Act does not apply to the Company.
- 4.3 **Issue of Shares:** The Board may issue Shares only with the prior approval of the Shareholder and in accordance with this Constitution and the LG(W.S) Act.
- 4.4 **Transfer of Shares:** No Shares may be transferred to any person without the prior approval of the Shareholder.
- 4.5 **Shareholder Meetings:** Each Shareholder has the right to receive notice of and attend every meeting of the Shareholders.
- 4.6 **Rights Attaching to Shares:** Subject to the ~~rights~~ terms of issue of any of Shares which confer special rights, each Share confers on the holder the right to:
- (a) one vote on a poll at a meeting of the Shareholders on any resolution, including any resolution to:
 - (i) appoint or remove a Director ~~or auditor~~;
 - (ii) adopt a constitution;
 - (iii) alter the Company's constitution;
 - (iv) approve a Major Transaction;
 - (v) approve an amalgamation of the Company under section 221 of the Companies Act; or
 - (vi) put the Company into liquidation; and
 - (b) an equal share in the distribution of the surplus assets of the Company.
- 4.7 **Types of Shares:** Subject to this Constitution and the written approval of the Shareholder(s) (other than in the case of the initial issue under clause [4.1](#)), the Board may:
- (a) issue Shares at any time to ~~the any~~ Shareholder and in any number;
 - (b) issue Shares in different classes which have different rights; and

- (c) divide existing Shares into different classes which have different rights.

5. CALLS ON SHARES

- 5.1 **Company May Make Calls:** The Company may from time to time make such calls as it thinks fit on ~~the any~~ Shareholder in respect of any amount unpaid on its Shares and not, by the conditions of issue, made payable at a fixed time or times. The Shareholder must, subject to receiving at least 14 days' written notice specifying the time or times of payment, pay to the Company at the time or times so specified any amount so called. A call may be revoked or postponed as the Company may determine. The Shareholder will be liable to pay, in accordance with the relevant notice, every call and will remain liable to do so notwithstanding the subsequent transfer of the relevant Shares.
- 5.2 **Terms of Issue:** Money payable in accordance with the terms of issue of a Share will be deemed to be a call made and payable in accordance with the terms of issue.
- 5.3 **Interest:** If an amount called in respect of a Share is not paid before or at the time appointed for payment, the person from whom the amount is due must pay:
- (a) interest on that amount from the time appointed for payment to the time of actual payment at such rate as the Company, acting reasonably, may determine; and
 - (b) all expenses which the Company has incurred or may incur because of non-payment.

The Company may waive payment of any such interest wholly or in part.

6. SUSPENSION OF RIGHT TO DISTRIBUTIONS, LIEN AND FORFEITURE

- 6.1 **Suspension of Distributions:** If ~~the a~~ Shareholder has defaulted in paying any money due to the Company, the Board may suspend payment of any distribution to the Shareholder until the default is remedied.
- 6.2 **Satisfaction of Money Due:** The Company may apply any such suspended payment in full or part satisfaction of the money due by the Shareholder to the Company.
- 6.3 **Liability Not Extinguished:** A Shareholder's liability for all money owing under a call made under clause 5 is not extinguished by a transfer of the Share in respect of which the money is owed.

~~6.4 **End of Suspension:** When the total distributions withheld and applied under clause 6.2 equal the amount due by the Shareholder, any suspension of the rights will end.~~

6.56.4 Lien: The Company has a first lien on (and on the proceeds of sale and all distributions declared in respect of) every Share registered in the name of a Shareholder, for:

- (a) all money payable to the Company by the Shareholder in respect of that Share;
- (b) all other money payable by the Shareholder to the Company; and
- (c) any money the Company may be required to pay under any statute or regulation in respect that Share or the Shareholder,

whether or not the time for the payment has arrived.

6.66.5 Company May Sell Shares: The Company may sell any Share on which the Company has a lien. The Company may not make such a sale:

- (a) unless money in respect of which the lien exists is due for payment; and
- (b) until it has given notice to the registered Shareholder requiring payment of the money in respect of which the lien exists within 20 Business Days of the notice.

6.76.6 Director's Certificate: A certificate signed by a Director stating that the power of sale in clause 6.65 has arisen and is exercisable by the Company is conclusive evidence of the facts stated in the certificate.

6.86.7 Authority to Complete Transfer: The Board may authorise any person to complete a transfer of Shares to a purchaser to give effect to any sale under clause 6.56.

7. DISTRIBUTIONS

7.1 The Company must not pay any dividend or distribute any surplus in any way, directly or indirectly, to the Shareholder.

8. COMPANY ACQUIRING ITS OWN SHARES

8.1 ~~Company May Acquire its Own Shares:~~ With the prior written approval of the Shareholder, the Company may acquire its own Shares and any Shares so acquired will be deemed to be cancelled immediately on acquisition.

9. SHAREHOLDER MEETINGS

9.1 **Annual Meeting:** The Board must hold an annual Shareholder meeting in accordance with section 120 of the Companies Act unless, in the case of any annual meeting, everything required to be done at that meeting (whether by way of

resolution or otherwise) is done by written resolution in accordance with section 122 of the Companies Act.

9.2 **Special Meetings:** A special Shareholder meeting:

- (a) may be called at any time by the Board; and
- (b) must be called by the Board on the written request of the Shareholder.

9.3 **Proceedings at Shareholder Meetings:** The provisions of ~~the~~ Schedule 1 of the Companies Act, as modified by this Constitution, govern proceedings at Shareholder meetings.

10. DIRECTORS

10.1 **Independent Directors:** All Directors must be Independent Directors.

10.2 **Number of Directors:** The maximum number of Directors will be six, and from the date the Company becomes a ~~W~~Water ~~S~~services provider within the meaning of LG(WS) Act, the minimum number of Directors will be three.

10.3 **Board Purpose:** The Board is responsible for the strategic governance, oversight, and stewardship of Water Service delivery in accordance with the expectations of the Shareholder and the legislative framework under the LG(WS) Act.

10.4 **Best Interests:** A Director, when exercising powers or performing duties in his or her capacity as a Director, must act in a manner which that Director believes to be in the best interests of the Company and consistent with section 59 of the LGA.

10.5 **Appointment and Removal of Directors:**

- (a) **By Shareholder:** The Shareholder may appoint, remove or replace any Director at any time by resolution in accordance with the Appointment and Remuneration of Directors of Council Organisations Policy and by notice in writing to the Company. ~~The Shareholder will ensure that each Director is appointed on the basis of their competency to perform the role, and so that the Board collectively has an appropriate mix of skills, knowledge, and experience in relation to providing Water Services.~~
- (b) **By Board:** The Board may appoint any person to be a Director to fill a temporary vacancy in (and only in) circumstances where the number of Directors falls below the minimum number set out in clause [10.2](#). This can be at any time during a three-month period prior to the next annual general meeting (but not otherwise). Subject to their earlier resignation, retirement, disqualification or removal in accordance with this Constitution, any Director appointed under this clause ~~10.5(b)~~[10.5\(b\)](#) will cease to hold office at the commencement of the next annual meeting of

the Company or at the next special meeting of the Company, whichever is earlier.

- (c) **Removal:** Every Director will hold office subject to the provisions of this Constitution and may at any time be removed by the Shareholder(s) under clause ~~10.5(a)~~10.5(a). Section 156 of the Companies Act will not apply to the Company.

10.6 **Skills of Directors:** The Shareholder(s) will ensure that each Director is appointed on the basis of their competency to perform the role, and so that the Board collectively has an appropriate mix of skills, knowledge, and experience in relation to providing Water Services, with the aim of ensuring that the Board as a whole has the skills required by the Board Skills Matrix.

10.7 **Term of Appointment:**

- (a) Each Director will be appointed for a **Term** which is no longer than 3 years, provided however the Directors appointed at the time of incorporation of the Company will be appointed for a ~~T~~term as agreed in writing with the Shareholder(s).
- (b) A Director may be reappointed at the expiry of their Term, provided that no Director may be appointed for more than 3 consecutive Terms.

10.8 **Tenure of Office:** Each Director will hold office as such until they:

- (a) resigns by written notice to the Company. The notice is to be effective when it is received by the Company or at a later time specified in the notice;
- (b) ~~is~~are removed from office in accordance with clause 10.5;
- (c) becomes disqualified from being a Director pursuant to section 151 of the Companies Act; or
- (d) dies.

10.9 **Appointment of Chair:**

- (a) The Shareholder must appoint a Chair.
- (b) The Chair will hold office until:
- (i) they cease to be a Director of the Company; or
- (ii) a new Chair is appointed by the Shareholder.

10.10 **Indemnity and Insurance of Directors and Employees:** The Company may indemnify and effect insurance for any Director and for any employee of the

Company in accordance with section 162 of the Companies Act, provided that the Board may impose any conditions in relation to any indemnity or insurance if the conditions do not contravene the Companies Act.

For the purposes of this clause [10.101.1](#) "Director" includes any former Director, "employee" includes any former employee of the Company and "Company" includes any related company.

10.11 **Disqualification of Directors:** A person will be disqualified from holding the office of Director if they are or become disqualified from being a Director under any provision of the Companies Act, LGA or the LG(WS) Act.

10.12 **Remuneration of Directors:**

- (a) The Shareholder(s) will determine the remuneration of the Board each year and the Board may not exercise any of its powers under section 161 of the Companies Act without the written approval of the Shareholder(s).
- (b) The Board may authorise the reimbursement by the Company of reasonable travelling, hotel and other expenses incurred by any Director in attending any Board meeting, Shareholder meeting or in relation to any other Company matters.

11. PROCEEDINGS OF THE BOARD

11.1 **Board Proceedings:** The provisions of Schedule 3 of the Companies Act as modified by this Constitution, including the rules set out in Schedule 1 of this Constitution, govern proceedings of the Board.

11.2 **Disclosure of Interests:** A Director must disclose particulars of any interest which he or she has in a transaction or proposed transaction of the Company in accordance with section 140 of the Companies Act.

11.3 **Interested Directors:** A Director who is interested in a transaction entered into, or to be entered into, by the Company must not do any of the following:

- (a) sign a document relating to that transaction on behalf of the Company; or
- (b) do any other thing in his or her capacity as a Director in relation to that transaction,

provided that a Director may vote, sign documents and otherwise do any other thing in his or her capacity as a Director with regard to any matter relating to the following:

- (c) any payment or other benefit of the type referred to in section 161 of the Companies Act where this has been approved or authorised in accordance with clause [10.12](#);

- (d) the entry into an indemnity or insurance arrangement in respect of that Director in his or her capacity as a director of the Company in accordance with clause [10.10](#); or
- (e) transactions in which a Director is interested solely in their capacity as a director of a Subsidiary of the Company.

11.4 **Quorum:** No prohibition under clause [11.3](#) will prevent the attendance of a Director at a Board meeting from counting for quorum purposes.

12. NOTICES

12.1 **Service:** Notices may be served by the Company on any Director or ~~on the~~ Shareholder, either by personal delivery or by email to the email address of such Director or ~~the~~ Shareholder.

12.2 **Service by Email:** A notice served by email will be deemed to have been served on the day following completion of its transmission or, if such day is not a Business Day in the place of intended receipt, then on the next Business Day at that place. In proving service by email, it will be sufficient to prove confirmation of delivery to the recipient's email address from the transmitting system.

13. LIQUIDATION

13.1 **Distribution of Surplus Assets:** Subject to clause [13.2 of this Constitution](#), on the liquidation of the Company, the assets, if any, remaining after payment of the debts and liabilities of the Company and the costs of winding up will be distributed to the Shareholder.

13.2 **Distribution in Specie:** On a liquidation of the Company, the liquidator, with the approval of the Shareholder and subject to any other sanction required by law, may distribute some or all of the assets of the Company in specie to the Shareholder.

14. METHODS OF CONTRACTING

14.1 A deed which is to be entered into by the Company may be signed on behalf of the Company by:

- (a) two or more Directors;
- (b) a Director, and any person authorised by the Board, whose signatures must be witnessed; or
- (c) one or more attorneys appointed by the Company.

15. AUDITOR

- 15.1 The Auditor-General will be the auditor of the Company in accordance with the LG(WS) Act. In accordance with the LGA or the LG(WS) Act (as applicable), the Company's ~~relevant financial~~ or annual report will contain a ~~report~~ copy of the Auditor-General's audit report.

16. INFORMATION

- 16.1 Parts 1 to 7 of the Local Government Official Information and Meetings Act 1987 apply to the Company while it is a Water Organisation.
- 16.2 The Ombudsman Act 1975 applies to the Company while it is a Water Organisation.

17. AMENDMENT

- 17.1 This ~~C~~onstitution may only be amended by special resolution of the Shareholder(s).

Appendix 1.2

SCHEDULE 1

Board Proceedings

1. NOTICE OF MEETING

- 1.1 A Director or, if requested by a Director to do so, an employee of the Company, may convene a meeting of the Board by giving notice in accordance with this clause.
- 1.2 At least seven Business Days' notice of a meeting of the Board must be given to every Director who is in New Zealand or, if not in New Zealand, is readily contactable by the Company. The notice must include the date, time and place of the meeting and the matters to be discussed.
- 1.3 An irregularity in the notice of the meeting is waived if all Directors attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.
- 1.4 The notice of meeting must be a written notice delivered to the Director, or sent to the postal or email address which the Director provides to the Company for that purpose, or if a postal or email address is not provided, then ~~a-the~~ written notice must be sent to their last place of residence known to the Company.

2. METHOD OF HOLDING MEETINGS

A meeting of the Board may be held in any of the following ways:

- 2.1 **Physical Meeting:** by a number of the Directors who constitute a quorum being assembled together at the place, date and time appointed for the meeting;
- 2.2 **Other Means:** by means of audio, or audio and visual, communication by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting; or
- 2.3 **Combination:** a combination of 2.1 and 2.2.

3. QUORUM

- 3.1 At any meeting of Directors:
 - (a) a quorum will only be present if at least a majority of Directors are present; and
 - (b) any resolution, unless otherwise specified in this Constitution, will be passed if a majority of the votes cast on it are in favour of it.

- 3.2 If a quorum is not present within 30 minutes of the scheduled start time of the Board meeting, the Chair can decide to adjourn the meeting to the same day and time of the following week, or to another date, time, and place. No business can be conducted if a quorum is not present.

4. VOTING

- 4.1 Every Director has one vote.
- 4.2 The Chair does not have a casting vote.
- 4.3 A resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it.
- 4.4 A Director who abstains from voting is not presumed to have voted in favour of the relevant resolution of the Board.

5. MINUTES

- 5.1 The Board will ensure that minutes are kept of all proceedings at meetings of the Board.

6. RESOLUTIONS

- 6.1 A resolution in writing and signed or assented to by all Directors is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- 6.2 A copy of every Directors' resolution must be entered in the minute book of Board proceedings.

7. OTHER PROCEEDINGS

Subject to any contrary provision in this Constitution and to any contrary rule of law, the Board may regulate its own proceedings.



PO Box 10388
The Terrace
Wellington
New Zealand

Memorandum

5.2

To: Sheridan George, Communications Manager, NP District Ratepayers Alliance

From: Marcus Ganley; Max Pakinga-Barber

Client: New Plymouth Ratepayers Alliance

Date: 5 May 2026

Subject: New Plymouth water organisation – Statement of Expectations

NEW PLYMOUTH WATER ORGANISATION – STATEMENT OF EXPECTATIONS

1. In March 2026, the New Plymouth District Council circulated a draft statement of expectations (“SOE”) for the New Plymouth water organisation.¹ The SOE includes several high-level obligations in respect of community and consumer engagement,² but no specific or operational requirements relating to community or consumer engagement.
2. You have asked us
 - a) whether it would be legally permissible for the Council to include more specific or operational community and consumer engagement requirements; and
 - b) If so, how the Council could implement these requirements in the SOE.

A MORE DIRECTIVE PROVISION IS PERMISSIBLE

3. There is nothing in the statutory framework to prevent the Council from adopting a more directive policy for consumer and community engagement in the SOE.
4. Section 227 of the Local Government (Water Services) Act 2025 (“Act”) sets out content requirements for statements of expectations for water organisations. Subsection (2) relevantly states:

(2) A statement of expectations may include any other matters the shareholders decide, including, for example,—

- (a) how the shareholders require the water organisation to conduct its relationships with—
 - (i) the shareholders;
 - (ii) the shareholders’ communities or any specified stakeholders within those communities;
 - (iii) hapū, iwi, and other Māori organisations;
 - (iv) consumers in the water organisation’s service area;

¹ Wai Hononga Water Services Limited, referred to the SOE as “the company”.

² SOE cll 7, 19(b), and 21(b).

5. Subsection (2) allows (but does not require) shareholding councils to include anything they choose in a statement of expectations, including requirements and expectations relating to the water organisation’s relationships with the stakeholders listed in paragraph (a). This is subject only to the implied limit that inclusions cannot be inconsistent with the text and purpose of the Act. For example, it could not include requirements or expectations that compromise the financial independence of a financially independent water organisation.³
6. Paragraphs (2)(a)(ii) and (iv) directly contemplate provisions in a statement of expectations around consumer and community engagement. The text of paragraph (a) contemplates operational directives – “how the shareholders *require* the water organisation to *conduct* its relationships”. There is no suggestion that this would be inconsistent with the Act.
7. While detailed provision for engagement can be expected in the significance and engagement policy adopted by the water organisation, that policy must comply with shareholder directives.⁴ The statement of expectations provides the mechanism by which shareholders can direct the organisation in that regard.
8. The water organisation’s significance and engagement policy is an important document. It is expected to set out a relatively detailed approach to community engagement.⁵ While not legally enforceable, the water organisation is required to identify and give reasons for significant departures from the policy in its decision-making.⁶ In the context of local government, these policies are often relevant to judicial review of local authority decision-making under the Local Government Act 2002.⁷
9. It is clear that the Council already regards a more directive approach as permissible in the context of relationships with shareholding councils and with Māori. Clause 21(a) and 21(c) are significantly more directive than cl 21(b) (which governs relationship with the community). Clause 21(a) provides for council observers to attend water organisation board meetings. Meanwhile, cl 21(c) sets out a checklist for engagement with Māori, from identifying relevant stakeholder groups through to reporting on how engagement has informed decision-making.
10. Other water organisations have adopted a more directive approach to consumer engagement. For example, the Tiaki Wai (the new water organisation for the metropolitan Wellington area) statement of expectations requires:

8.2 It is expected that:

(c) Tiaki Wai will establish and maintain a customer reference group that includes representatives from communities across the service area.

(d) Tiaki Wai will engage in open, collaborative consultation on significant issues or projects with directly affected or interested communities (in line with its Significance and Engagement Policy).

³ Section 228(2).

⁴ Section 35(4).

⁵ Section 36.

⁶ Section 38.

⁷ For example, *Thorndon Quay Collective Inc v Wellington City Council* [2024] NZCA 316.

(e) Tiaki Wai will communicate with customers in an open and timely way, and in a manner that is appropriate for the audience, about intended activities that may affect them, with clear explanations about key issues and drivers for activities, and opportunities for engagement with Tiaki Wai.

11. The Tiaki Wai SOE, confirmed on 18 December 2025, can serve as a useful precedent for other water services CCOs throughout the country.

OPTIONS FOR STRENGTHENING CONSUMER AND COMMUNITY ENGAGEMENT

12. There are several means by which consumer and community engagement obligations could be strengthened in the SOE. We set these out below. Options (1) and (2) can be pursued individually or in combination. Option (3) is predicated on option (2) being adopted.

1) Replicating requirements of cl 21(c)

13. This option replicates Clause 21(c) of the draft SOE, which provides for consultation with Māori. Aside from references to the Treaty of Waitangi, there is no reason the same obligations cannot be transposed to consumer and community groups as follows:

21. Relationships and engagement

b. Relationship with New Plymouth District Community:

i. The Council expects the Company to maintain effective relationships with water consumers and the broader community (including representative groups), including through regular engagement with a view to supporting the effective design, delivery and operation of water networks and systems.

ii. the Company is to engage with consumers and the community in accordance with the following principles:

a. Identifying and establishing meaningful relationships with key stakeholders that have an interest in the company's activities.

b. Ensuring timely and transparent sharing of information that may impact on consumer and community interests.

c. Seeking advice and input from groups representing consumers and the community on strategic initiatives, projects, and decisions that affect water consumers and the community.

d. the Company is expected to report annually on its engagement activities and outcomes with consumers, community, and representative groups including how those perspectives or input have influenced the company's decision-making.

2) Establishing a consumer reference group

14. The Tiaki Wai statement of expectations provides for a consumer reference group. The text of this provision is taken from that statement of intent. It could be added either instead of or in addition to the revised cl 21(b) proposed above.

21. Relationships and engagement

b. Relationship with New Plymouth District Community:

iii. The Company will establish and maintain a customer reference group that includes representatives from community organisations across the service area. The Company will proactively engage with the consumer reference group in accordance with its Significance and Engagement Policy

3) Explicitly requiring consultation on significant decisions

15. The draft provision below is an enhancement of the concept of the consumer reference group, but provides for greater detail about how consultation would be undertaken. The principles are drawn from other early consultation regimes, including that which applies in certain consultation processes under the Resource Management Act 1991.⁸ The water organisation would be required to incorporate these expectations into its significance and engagement policy when one is produced.
16. This explicitly builds on the proposed consumer reference group.

21. Relationships and engagement

b. Relationship with New Plymouth District Community:

iv. The Council expects that the Company to provide for consultation with the customer reference group on significant decisions relating to debt levels, significant investments or expenditure, or use/divestment of profits, in accordance with the following principles:

- a. Consultation should occur early in the decision-making cycle*
- b. Key information should be provided in a timely manner and in sufficient detail to enable informed engagement;*
- c. The Company should allow adequate time and opportunity for the consumer reference group to consider the decision and provide advice.*
- d. The Company should indicate how it has responded in its decision-making to issues identified by the group*

⁸ See Resource Management Act 1991, Sch 1 cl 3, 3B, and 4A.

Reference: ECM 9721376

30 April 2026

STATEMENT OF SHAREHOLDER EXPECTATIONS FOR WAI HONONGA WATER SERVICES LIMITED

1. New Plymouth District Council (**Council**), as the 100% shareholder of Wai Hononga Water Services Limited (**the Company**), is required by section 224 of the Local Government (Water Services) Act 2025 (**LG(WS) Act**) to prepare and adopt a Statement of Expectations (**SOE**).
2. This SOE has been developed with input from the Company. Its purpose is to set out the Council's expectations as to the Company's strategic direction over the period between 2026 to 2036, including the preparation by the Company of its Water Services Strategy (**WSS**).
3. The Company must not take any action inconsistent with this SOE without the prior written approval of Council as shareholder.
4. This SOE was approved by Council on {date} 2026.

Purpose

5. This SOE provides guidance and sets out expectations as to how Council and the Company will work together to achieve strategic alignment, including through regular communication, reporting, and engagement. In addition, it provides guidance as to how the Company should engage with key stakeholders and the community.
6. The Company is a publicly owned utility with a primary purpose of long-term infrastructure stewardship, protection of public health, and intergenerational equity. The Company, once its operational establishment has been completed, will be responsible for delivering reticulated drinking water and wastewater services within the New Plymouth district in alignment with the objectives set out in section 17(1) of the LG(WS) Act, and in compliance with all other applicable regulatory requirements.

Outcomes to be achieved

7. The Company exists to deliver safe, reliable, and resilient drinking water and wastewater services in the long-term interests of the New Plymouth district community and in accordance with section 17(1) of the LG(WS) Act.

8. The Company's financial management must align with the guiding principles and vision outlined within Council's Long-Term Plan (LTP)¹, ensuring services are delivered in a financially sustainable manner, maintaining value for money while ensuring long-term resilience. The Company must prioritise resilience, renewals, and regulatory compliance over short-term financial optimisation.
9. Subject to applicable legislation (including any subsequent change), the Company will ordinarily apply Council's Development Contributions Policy for growth-related infrastructure. Any proposal to depart from that approach (including alternative cost-recovery mechanisms) requires prior Council resolution.
10. The Company is expected to demonstrate value for money for its customers through efficient service delivery, innovation, and continuous improvement.
11. In setting its charges, the Company will be transparent about cost drivers and will have regard to affordability and equity for current and future consumers, where practicable.
12. The Company is to focus on delivering its services in a manner that minimises adverse environmental effects as far as is reasonably practicable.
13. Proactive planning for climate events, infrastructure risks, and emergency preparedness and response must be embedded in the Company's operational practices and strategic planning, so that operational resilience is provided to consumers of its services.
14. While its initial focus is on achieving a successful establishment, the Company is to explore future opportunities to achieve greater efficiency and scale, including through the potential investigation of opportunities to share services or partner with other water service providers to provide more cost-effective services to the people of New Plymouth district.

Alignment with Council Resource Management and Land Use Planning

15. The Company must align its planning, investment, and service delivery, as far as practicable, with Council's existing resource management and land use planning. This is to be achieved by:
 - a. Considering and engaging with Council's LTP, Infrastructure Strategy, and strategic growth-related strategies, and working collaboratively to input into the Council's strategic planning work.
 - b. The Company will work in collaboration with Council and, when planning and delivering services, align with Council's LTP, Infrastructure Strategy, Future Development Strategy and District Plan.

¹ [long-term-plan-2024_2034.pdf](#), pg. 30

- c. Maintaining regular communication with Council in relation to the alignment of its delivery of new infrastructure with Council's delivery of stormwater services and new infrastructure.
- d. Supporting Council's policy and planning functions by providing completed, accurate and timely technical and strategic advice to assist in Council decision making.
- e. Consulting with Council when making submissions on any future relevant Government reform.
- f. Supporting and measuring its performance against Council's climate change initiatives and targets, where possible.

Alignment with Council Values

16. In exercising its governance role, the Council expects the Company and directors to act in a manner that:
 - a. Maintains a high standard of integrity, transparency and accountability, consistent with public sector expectations.
 - b. Prioritises the stewardship of public assets and a long-term, intergenerational perspective.
 - c. Aligns with the Council's values, recognising that Directors retain independent duties under various legislation including the Companies Act and Local Government (Water Services) Act.
17. The Council expects the Board to:
 - a. Periodically assess its own performance and capability.
 - b. Maintain skills and experience appropriate to a publicly owned water services utility.
 - c. Foster a culture of continuous improvement and sound risk management"

Information required in half-yearly report

18. The Company's half-yearly report is to include:
 - a. Progress being made by the Company in the development and implementation of its establishment plan;
 - b. A dashboard report showing performance by the Company relative to its WSS;
 - c. The status of the Company's capital delivery programme;
 - d. Regulatory compliance;

- e. Any critical risks facing the Company (and any proposed mitigation of these) including health, safety and wellbeing risk reporting;
- f. The Company's current customer engagement activities, including any customer insights; and
- g. The Company's forecast expenditure and lending for the remainder of the then current financial year and implications for water service charges for the following financial year.
- h. Council has a strategic goal "Environmental Excellence Te Kounga ā-Taiao". Council's Environmental Sustainability Policy outlines Council's main environmental priorities. The Company is expected to contribute to the achievement of these priorities where and when appropriate through the provision, operations and management of high quality water and wastewater network services. The extent to which the Company does this should be reported on in the Company's half-yearly reports.

General Expectations

19. Governance and Accountability

- a. The Company must manage its operations in accordance with its Constitution, and relevant legislation.
- b. The Company will work closely with Council when developing its Significance and Engagement Policy under the LG(WS) Act to ensure that it draws on Council's experience with community engagement in the New Plymouth district, and it is workable for the district's communities.
- c. The Company is expected to prepare a WSS that reflects the priorities outlined in this SOE.
- d. The WSS will set strategic priorities and intended levels of service, and include indicative financial outlooks required by legislation. Detailed performance measures and formal budgets will be determined by the Board.

20. Sustainability and Climate Impacts

- a. The Company must incorporate climate impact mitigation and adaptation into its planning and operations, taking into account relevant Council and national strategies.
- b. The Company must consider environmental outcomes in all of its decision-making, ensuring the health and wellbeing of water bodies is prioritised.
- c. The Company must assess and report annually on its strategic climate risks and opportunities. This includes assessing risks arising from natural hazards that are being exacerbated by climate impacts as well as the risks from transitioning to a low-emissions and climate-resilient community.

- d. Council is in the process of joining the Local Government Funding Agency’s Climate Action Loans scheme to provide an interest rate discount for Council debt. This requires all of Council’s CCOs to be included within Council’s emissions boundary. Therefore, Council expects the Company to monitor, report on, and reduce operational emissions (including scope 1, 2 and 3 emission sources) in a cost-effective and practical manner, prioritising emission reductions through existing projects and new initiatives that result in other operational benefits or operational cost savings.

21. Relationships and Engagement

- a. Relationship with Council:
 - i. To ensure strong communications and alignment, the Council expects that a designated Council observer will be invited to attend all Board meetings. The observer will not have voting rights and will not participate in decision-making but may contribute to discussions where appropriate.
 - ii. The Company’s Board Chair, or in their absence another Board member, must attend Council’s Finance, Audit and Risk Committee (or its equivalent) meetings quarterly to present critical risk updates. The Company’s Chief Executive should also attend such meetings if required by Council to do so, to answer questions relating to these matters.
 - iii. A mutual ‘no surprises’ protocol applies. Each party will, wherever possible, notify the other within five working days of material matters likely to affect public health, service continuity, compliance, or public confidence.
- b. Relationship with New Plymouth District Community:
 - i. The Council expects the Company to operate in a manner that is socially responsible, by having regard to the interests of the New Plymouth district community and endeavoring to accommodate those interests when it is able to.
 - ii. As far as possible, the Company is expected to undertake its operations, and make decisions, with the best interests of the New Plymouth district’s current and future communities in mind.
 - iii. The Company is to engage with consumers and the community in line with its Significance and Engagement Policy and in a manner proportionate to the nature and significance of the matter, including by maintaining awareness of relevant stakeholders, providing timely and accessible information appropriate to the audience, seeking input on significant matters where appropriate, and reporting annually, at an appropriate level of detail, on engagement activities and how feedback has informed decision-making
- c. Relationship with mana whenua, hapū and Iwi:

- i. The Council expects the Company to formally recognise the whakapapa and mauri of wai as a taonga, and commits to restoring, protecting and enhancing the health, quality and integrity of catchments for present and future generations.
- ii. The Council expects the Company to maintain effective relationships as defined in partnership with mana whenua, hapū and iwi including through regular engagement to support the effective design, delivery and operation of the Company's water networks and systems.
- iii. The Company is to engage with mana whenua, hapū and iwi in a manner that is respectful, inclusive, and consistent with Te Tiriti o Waitangi partnership, participation and protection principles. This includes:
 - a. Identifying and establishing meaningful and enduring relationships with mana whenua, hapū and iwi partners that have a significant interest in the Company's activities.
 - b. Ensuring timely and transparent sharing of information that impact on mana whenua, hapū, iwi and māori community interests in the New Plymouth district and seek their advice and input on strategic initiatives, projects, and decisions that affect them.
 - c. Supporting mana whenua, hapū and iwi to uphold their tikanga, rangatiratanga, kaitiakitanga, mana motuhake and mana whakahaere aspirations through collaboration, co-design, resourcing and shared decision-making particularly in matters relating to te taiao, with their kaitiaki responsibilities.
 - d. Reporting annually on its engagement activities and outcomes with mana whenua, hapū and iwi including how their perspectives or input have influenced the Company's decision-making with consideration given to mechanisms that enable them to provide feedback on engagement effectiveness.

22. Employer obligations

The Company is expected to be a good employer and must comply with all applicable employment-related legislation, including but not limited to the Employment Relations Act 2000, Health and Safety at Work Act 2015, Holidays Act 2003, and Human Rights Act 1993. The Company is expected to ensure that all of its employment agreements are lawful, fair, and consistent with good employer practices.

23. Sensitive Expenditure

While noting that CCOs operate in a different market than the Council, the Company is expected to be cognisant of the public environment in which it operates and to be aware of the Council's Sensitive Expenditure Policy.

24. Statutory and Third-Party Obligations

The Company must always act in a manner which has due regard to the statutory obligations of Council and to Council's obligations pursuant to agreements with third parties, including mana whenua, hapū, Iwi.

DRAFT

ELECTORAL OFFICER’S REPORT ON 2025 TRIENNIAL ELECTION

PURPOSE/ TE WHĀINGA

1. The purpose of this report is to present the Electoral Officer’s report and general information on the 2025 Triennial Election.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

2. This report is provided for information purposes only, and has been assessed as being of some importance

BACKGROUND / WHAKAPAPA

3. The 2025 triennial election was successfully completed on Saturday 11 October 2025. The Electoral Officer’s report on the 2025 triennial election is attached to this report.
4. The Long-Term Plan includes a KPI for Governance: comply with the Local Electoral Act 2001, with no successful petitions challenging how we ran the election. The Electoral Officer ran the elections on time and met all legal and practical requirements and no petitions were received.
5. Prior to the 2025 triennial election, Parliament amended the Local Electoral Act 2001 to adjust statutory election timeframes. This enabled earlier issue of voting documents and a longer voting period, with the intent of improving participation and administrative resilience.

Nominations

6. Council received more nominations (82) when compared to the 2022 (77), 2019 (58) and 2016 (56 elections) (see below).

Election	Nominations received				2025 Vacancies
	2016	2019	2022	2025	
Mayor	5	6	8	9	1
Councillors	35	38	41	47	14
Community Board members	16*	14*	28**	26	20

* By-elections required

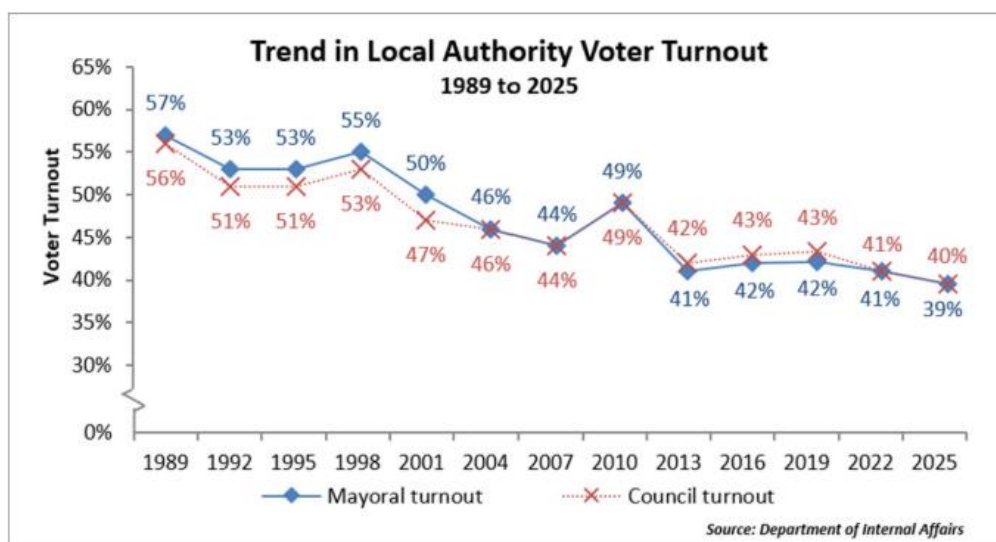
** First year of Puketapu-Bell Block Community Board

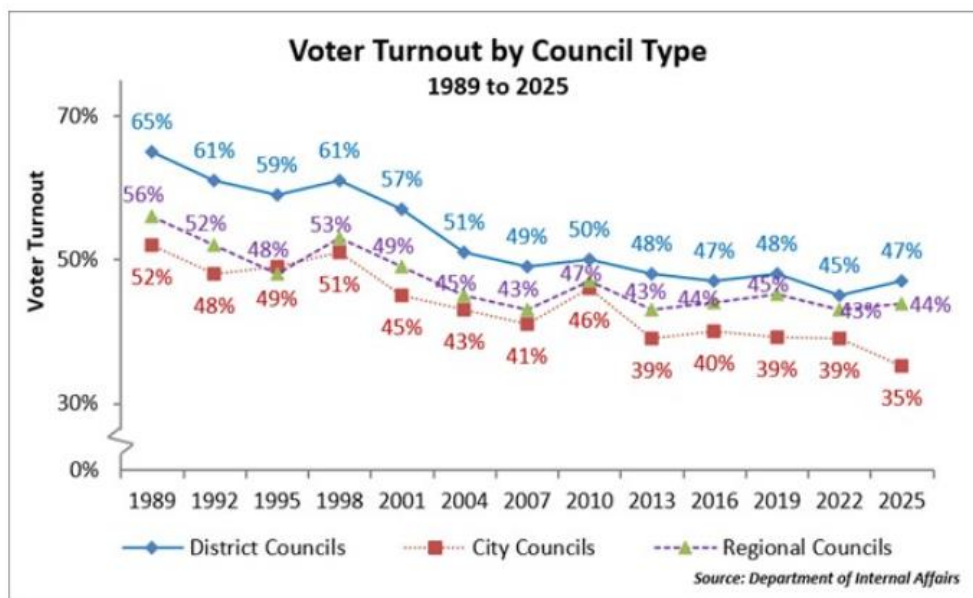
7. Council received insufficient nominations for the Clifton and Kaitake community boards resulting in by-elections. These were completed in December 2025.
8. Council received four nominations for the Puketapu-Bell Block Community Board, which equalled the four vacancies. The Electoral Officer declared the four nominees elected unopposed.

Voter Return

9. 2025 saw a small increase in voter turnout compared to the previous two elections. The table below compares voter turnout NPDC’s last four elections. The graphs show the sector-wide trend in voter turnout^[1].

Election	Number of resident and ratepayer electors (final roll)	NPDC Voter return (%)
2016	56,065	47.8
2019	57,471	45.3
2022	61,278	45.1
2025	61,619	46.1





10. While the voting period was longer, the vote return pattern was similar. In 2025 Council received about 55 per cent of voting documents in the final week.
11. Throughout the voting period NPDC provided ballot boxes (for electors to drop their voting documents into) at:

Location	Votes
The Aquatic Centre	148
Bell Block Library	1085
Inglewood Library	750
Oakura Library	280
Puke Ariki Library	817
Puke Ariki Museum	194
Urenui Library	31
Waitara Library	1007

12. Council Officers (volunteering their time) and volunteers staffed ballot boxes at the public locations below. Vote Day makes it easier for people to vote and reminds voters to return their papers before election day:

Location	Votes
Four Square Oakura	12
Four Square Okato	14
New World Inglewood	16
New World Merrilands	75
Pak n Save New Plymouth	60
The Warehouse – Bell Block	38
Woolworths Spotswood	50
Briscoes The Valley	19

13. The majority of voting documents were physically returned to Council ballot boxes (as opposed to posting). In addition to the Ballot Box returns above, ballots were returned to the Civic Centre during the voting period and on Vote Day.

Location	Votes
Civic Centre ballot box	6270 (throughout the voting period)
Civic Centre Drive through	1990 (received on Vote Day and Election Day)

14. A total of 12,909 voting documents (45 per cent) were received via NPDC ballot boxes with 55 per cent being received through postal delivery.

Māori Ward Poll

15. Legislation required New Plymouth District Council to hold a binding poll on whether to keep its Māori ward. The Council ran the poll alongside the 2025 triennial election. NPDC has had a Māori ward (Te Purutanga Mauri Pūmanawa) which Council established by resolution in 2022. Changes to electoral law required councils who had established Māori Wards by resolution to poll voters at the 2025 election on whether the Māori ward should continue. The result of the poll is legally binding.
16. 12,046 electors (44.5 per cent) voted to keep the Māori Wards and 15,004 electors (55.5 per cent) voted to remove Māori Wards.
17. The poll result does not change the Māori ward for the 2025–2028 term. The ward remains in place for the current term regardless of the outcome. The result decides whether the Māori ward continues from 2028. Council must implement the result through the 2027/28 representation review and cannot override this decision.

Special Voting Documents

18. Demand for special voting documents was high, especially in the final days of voting and on election day.
19. Council and the Electoral Officer issued special voting documents to electors who had misplaced or destroyed their voting document, or had not received papers. Electors may miss out if they moved house, turned 18 after the roll was published, or are on the unpublished roll. A number of special voters appeared not to realise they must keep their address up to date with the Electoral Commission. As a result, an increased number of special votes were invalid.

20. Special voting documents require additional time to process as the Electoral Commission must validate each declaration before the Electoral Officer can count the vote. The Electoral Officer also checks that each elector has not voted more than once.

Election	Special voting documents returned	Special voting documents allowed
2016	283	203 (71.7%)
2019	363	306 (84.3%)
2022	621	455 (73.0%)
2025	941	618 (65%)

Future elections

21. NZ Post had advised the Department of Internal Affairs it cannot reliably deliver voting papers within the current legal timeframes for 2025 and future elections, because postal volumes, staffing, and infrastructure have reduced. Although the Government has adjusted some timelines, postal voting is still vulnerable.
22. Council Officers will provide further information as it becomes available, noting that both online voting (which is unlikely to be approved) and booth voting are predicted to see large increases in the costs associated with holding elections.

Electoral System Review

23. New Plymouth District Council elections are held under the Single Transferable Vote (STV) electoral system. If Council wants to change the electoral system for the 2028 election, it must pass a resolution by 12 September 2026.
24. Regardless, Council must publish a public notice by 19 September 2026 advising of the right of electors to demand a poll on the issue

Representation Review

25. A Representation Review is a statutory process undertaken to make sure that a Council's governance arrangements provide fair and effective representation for communities across the district. A representation review determines the electoral arrangements for the district.
26. During a representation review, Council develops an initial proposal, consults with the public, considers submissions, and then adopts a final arrangement. Decisions must meet legal requires under the Local Electoral Act and can be appealed to the Local Government Commission.

27. NPDC last completed a review in 2023/24 and must complete another in the current three-year term. Council must set its initial proposal between 20 December 2026 and 31 July 2027.
28. The Representation Review will be the subject of workshop(s) and/or meeting reports later this year.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

29. There are no climate change impacts in relation to this report.

NEXT STEPS / HĪKOI I MURI MAI

30. The outcome of the Representation Review will determine the future electoral arrangements for the district.
31. Government's current reform programme explicitly positions the 2028 elections as a pivot point for system-wide reform.
32. While NPDC's representation review remains legally required (under the Local Electoral Act 2001), the Local Government Commission has announced that Government Reform (including the "Head Start" programme) may affect representation arrangements.
33. If the current structure of NPDC changes (taking effect from the 2028 election), then the electoral arrangements (determined through a representation review) may need to be revised at short notice. This may result in duplication of work and decision-making.
34. If the current structure of NPDC was amended to take effect from the 2031 election, then it is likely Council would undertake another representation review in the next triennium.
35. In the absence of clear guidance, Council Officers will continue to align the representation review to the current statutory timeframes (commencing later this year). Council Officers will be guided on advice from the Local Government Commission.
36. Council Officers will prepare reports for each of the Community Board areas relating to the 2025 election for their area.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

37. The table below shows cost per elector for NPDC's last four elections. There has been a significant increase in the cost per elector. This is largely due to the increasing postal costs.

Election	Number of resident and ratepayer electors (final roll)	Cost per elector (ex GST)	NPDC Voter return (%)
2016	56,065	\$4.69	47.8
2019	57,471	\$5.21	45.3
2022	61,278	\$4.16	45.1
2025	61,619	\$6.60 ¹	46.1

38. As noted above, elected members should be aware that large increases in the costs associated with holding elections are predicted as the sector looks likely to transition away from postal voting.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

39. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
- Council staff have delegated authority for any decisions made;
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Electoral Officer's Final report on the 2025 Triennial Election and Other Electoral Matters (ECM 9759275)

Appendix 2 Voting Document Returns – 2025 Elections (ECM 9659894)

¹ Net cost to Council for the election (excluding the two by-elections) of \$406,979 for the 2025 election.

Report Details

Prepared By: Julie Straka (Manager Governance)
Team: Governance
Approved By: John Scott (General Manager Finance and Planning)
Ward/Community: District Wide
Date: 14 April 2026
File Reference: ECM 9763434

-----*End of Report*-----



NEW PLYMOUTH DISTRICT COUNCIL



Te Kaunihera-ā-Rohe o Ngāmotu

New Plymouth District Council

6.1

FINAL REPORT

2025 Triennial Election and Other Electoral Matters

10 April 2026 | 10 Āpereira 2026

Independent Election Services Ltd.
Level 2A, 198 Federal Street, Auckland
0800 922 822 | 09 973 5212 | info@electionservices.co.nz

// bringing change

Contents

Outline.....	2
Background.....	2
Narrative.....	2
Elections Required	2
Election Timetable	3
Electoral Roll	3
Preliminary and Final Electoral Rolls	4
Nominations	5
Voting Mailers	7
Return of Voting Documents	7
Special Voting	7
Elector Turnout	7
Results	7
Māori Ward Poll.....	8
Election Costs	8
Other Electoral Matters.....	8
Conclusion and Recommendation.....	10
APPENDIX 1.....	11
APPENDIX 2.....	12
APPENDIX 3.....	18

Outline

The 2025 local government triennial elections occurred on Saturday 11 October 2025. The elections for New Plymouth District Council (NPDC) and Taranaki Regional Council (TRC), together with a Māori ward poll (NPDC) and a Māori constituency poll (TRC), were conducted satisfactorily and on time and met all legislative and practical requirements.

This report summaries the electoral process.

Background

Local government elections are required every three years, with the 2025 elections and polls occurring on Saturday 11 October 2025. The conduct of these elections and polls is prescribed by legislation and regulation to ensure public confidence and electoral integrity are maintained.

The following preliminary actions/decisions were made:

- (i) in 2023, Council resolved to retain the STV (single transferable voting) electoral system for the 2025 triennial election. In 2023 Taranaki Regional Council resolved to retain the FPP (first past the post) electoral system for the 2025 triennial election;
- (ii) in 2020, Council resolved to establish one or more Māori wards for the 2022 and 2025 triennial elections. Taranaki Regional Council also resolved in 2020 to establish one or more Māori constituencies for the 2022 and 2025 triennial elections;
- (iii) due to a legislation change in 2024, where Māori wards or constituencies had been established on/after 2020 without holding a poll, a poll was required to be held with the 2025 triennial election on whether to keep or remove Māori wards or constituencies;
- (iv) during 2021, Council undertook a representation arrangements review (a review of wards and community boards, boundaries, number of elected members etc). The arrangements for the 2022 and 2025 triennial elections comprised the mayor, nine councillors from four wards, five councillors elected 'at-large' and 20 community board members elected from five community boards;
- (v) postal voting to be used;
- (vi) the alphabetical order of candidate names to be used for New Plymouth District Council and Taranaki Regional Council.

The electoral officer appointed for New Plymouth District Council is Dale Ofoske of Election Services, with Helen Begg from Council the appointed deputy electoral officer.

With the 2025 elections and polls now complete, this report details the various electoral processes undertaken, together with election statistics for the information of Council.

Narrative

Elections Required

Elections were undertaken for:

New Plymouth District Council

- mayor (elected at large)
- councillors (14)
 - 'At-large' (5)
 - Kaitake-Ngāmotu General Ward (6)
 - Kōhanga Moa General Ward (1)
 - North General Ward (1)

- Te Purutanga Mauri Pūmanawa Māori Ward (1)
- community board members (20)
 - Clifton Community Board (4)
 - Inglewood Community Board (4)
 - Kaitake Community Board (4)
 - Puketapu-Bell Block Community Board (4)
 - Waitara Community Board (4)
- Māori ward poll

Taranaki Regional Council

- New Plymouth General Constituency (5); or
- North Taranaki General Constituency (2); or
- Taranaki Māori Constituency (1)
- Māori constituency poll

Election Timetable

Key election functions and dates were:

Nomination period

4 July – 1 August 2025

Inspection of Preliminary Electoral Roll

4 July – 1 August 2025

Delivery of voting mailers

9-22 September 2025

Special voting/early processing

9 September – 11 October 2025

Election day

11 October 2025

Preliminary count

11 October 2025

Official count

12-17 October 2025

Return of Electoral Donations & Expenses Form

by 11 December 2025

Due to a legislation change in 2024, a longer postal delivery period was permitted with the voting period extended from three-weeks to four-and-a-half weeks.

Electoral Roll

The electoral roll comprises two parts, the Residential Electoral Roll and the Ratepayer Electoral Roll.

The Residential Electoral Roll contains parliamentary electors, whose details are supplied by the Electoral Commission.

Each territorial authority is responsible for compiling its own non-resident Ratepayer Electoral Roll.

To compile the Ratepayer Electoral Roll, three actions are required:

- (i) issuing an explanatory ratepayer roll flyer with all rates notices;
- (ii) a nationwide advertising campaign on the criteria of ratepayer elector qualifications and enrolment procedures; and
- (iii) the issuing of Ratepayer Confirmation Forms to all eligible 2022 Ratepayer Electoral Roll electors, and if returned, these along with any new enrolments, form the basis of the 2025 Ratepayer Electoral Roll.

A national advertising campaign was undertaken by Taituarā during May 2025 advising readers in all major daily newspapers of the criteria and qualifications required to be eligible for the Ratepayer Electoral Roll.

In April 2025, 72 Ratepayer Roll Confirmation Forms were issued to eligible 2022 Ratepayer Electoral Roll electors. A total of 67 non-resident ratepayer electors appeared on the 2025 Final Ratepayer Electoral Roll.

Preliminary and Final Electoral Rolls

The Preliminary and Final Electoral Rolls contained elector details in alphabetical order with a flag denoting voting entitlements (ward, community board, regional council constituency).

The Preliminary Electoral Roll was available for public inspection during normal office hours between 4 July 2025 and 1 August 2025 at the following locations:

- Civic Centre, 84 Liardet Street, New Plymouth;
- Bell Block library and service centre, 188 Parklands Avenue, Bell Block;
- Inglewood library and service centre, 46 Rata Street, Inglewood;
- Waitara library and service centre, 15A Queen Street, Waitara;
- Puke Ariki library, 1 Ariki Street, New Plymouth;
- Ōākura library (16 Donnelly Street, Ōākura);
- Urenui library (Takiroa Street, Urenui).

Statistics relating to the Final Electoral Roll are as follows:

Ward	Final Roll		
	No. Residents	No. Ratepayers	Total
'At-large'	61,552	67	61,619
Kaitake-Ngāmotu General	42,531	37	42,568
Kōhanga Moa General	7,280	4	7,284
North General	6,974	23	6,997
Te Purutanga Mauri Pūmanawa Māori	4,767	3	4,770
TOTAL	61,552	67	61,619
Community Board			
Clifton	2,146	18	2,164
Inglewood	7,587	4	7,591
Kaitake	4,093	6	4,099
Puketapu-Bell Block	6,178	1	6,179
Waitara	6,361	7	6,368
Area outside community board	35,187	31	35,218
TOTAL	61,552	67	61,619

The total number of electors of 61,619 is an increase of 341 (+.56%) when compared to the 2022 Final Electoral Roll of 61,278.

Nominations

The nomination period was 4 July to noon 1 August 2025.

For the first time, candidates were available to access, complete and submit nominations 24/7 by going online to: esp.electionservices.co.nz/lge2025/NP

Nomination material was also available during this time by:

- (i) visiting one of four Council offices/libraries to uplift the material;
- (ii) downloading the material from the Council's website;
- (iii) phoning the electoral office to have the material posted out.

A detailed '2025 Candidate Information Handbook' was prepared and made available to all candidates, any interested party (e.g. media) and available online.

A joint candidate meeting with Taranaki Regional Council was held in New Plymouth on Saturday 5 July 2025. 28 members of the public attended, in addition to staff from both councils.

A total of 82 nominations were received for the 35 Council vacancies, these detailed as follows:

Issue	No. Nominations	No. Vacancies
Mayor	9	1
District-Wide Councillor	17	5
Kaitake-Ngāmotu General Ward	19	6
Kōhanga Mōa General Ward	3	1
North General Ward	6	1
Te Purutanga Mauri Pūmanawa Māori Ward	2	1
Clifton Community Board	3	4
Inglewood Community Board	7	4
Kaitake Community Board	3	4
Puketapu-Bell Block Community Board	4	4
Waitara Community Board	9	4
TOTAL	82	35

For candidate names, see Notice of Day of Election (**Appendix 2**).

The 82 nominations received for mayor, council and community board vacancies is up from the 77 nominations received at the 2022 election.

For the Puketapu-Bell Block Community Board, the number of nominations received equaled the number of vacancies, and these candidates were duly declared elected following the close of nominations. Refer Notice of Day of Election – **Appendix 2**.

However, for the Clifton Community Board and the Kaitake Community Board, there were fewer candidates than vacancies, so by-elections were required for one member of each board on 3 March 2026. When nominations closed for the by-elections on

22 December 2025, only one candidate was nominated for each vacancy, and these candidates were then duly declared elected.

Voting Mailers

Voting mailers consisting of an outward envelope, return prepaid envelope, voting document and candidate profile booklet (which included instructions in English and Māori) were posted to electors from Tuesday 9 September 2025.

The voting mailers were produced by the NZ Post Group and were consistent in design layout to all other local authorities in the country.

Return of Voting Documents

Voting documents were able to be posted back to the electoral officer or delivered to a ballot box at the following locations:

- Civic Centre, 84 Liardet Street, New Plymouth;
- Bell Block library and service centre, Parklands Avenue Shopping Centre Bell Block;
- Inglewood library and service centre, 46 Rata Street, Inglewood;
- Waitara library and service centre, 15A Queen Street, Waitara;
- Puke Ariki library, 1 Ariki Street, New Plymouth;
- Ōākura library (16 Donnelly Street, Ōākura);
- Urenui library (Takiroa Street, Urenui);
- the electoral office.

Special Voting

Special votes were available from 9 September 2025 to noon 11 October 2025 by:

- (i) visiting the Civic Centre, 84 Liardet Street, New Plymouth;
- (ii) phoning the electoral office.

There was a significant demand for special votes, especially over the last days of the voting period.

In all, a total of 938 special votes were returned prior to the close of voting, which compares to 621 special votes returned in 2022 (+51%).

Elector Turnout

Of the 61,619 electors on the Final Electoral Roll, 28,629 electors returned their vote. This represents a 46.5% return and compares to a return of 45.1% at the 2022 election (or +1.4%).

A schedule of the number of daily returned voting documents over the voting period is attached (**Appendix 1**).

Of note, the 2025 average nationwide voter turnout is 48% (compared to 45.6% for the 2022 election).

Results

With the undertaking of the early processing of returned voting documents during the voting period, progress results were able to be released on election day at around 1pm. Progress results

reflected about 70% of votes cast and did not include votes received at Council offices during the last couple of days of the voting period or special votes received.

The preliminary results were released about 4pm on Sunday following the receipt and processing of a significant number of votes received at the Council offices on election day morning. The preliminary result reflected about 98% of votes cast.

Both the progress and preliminary results were released to candidates and placed on Council’s website.

The final results (Declaration of Results of Election – see **Appendix 3**) were made on Friday 17 October 2025 and were also released to candidates and placed on Council’s website.

Māori Ward Poll

For the Māori ward poll, 12,046 electors voted to keep Māori wards (44.5%) and 15,004 electors voted to remove Māori wards (55.5%). The outcome of the poll is binding for two triennial elections (2028 and 2031) so this issue cannot be revisited until 2032 (for the 2034 triennial election).

Election Costs

The 2025 estimated election cost in January 2025 was \$520,000 + GST or for an estimated 65,000 electors, \$8.00 + GST per elector - subject to actual statistics and third-party costs.

The 2025 final election cost has now been determined at \$529,339 + GST (or for 61,619 electors, \$8.59 + GST/elector).

Of the \$529,339 + GST final cost, Council is able to recover \$122,360 + GST (23.12%) from the Taranaki Regional Council.

This leaves a net cost to Council for their election of \$406,979 + GST (76.88% of the total), or \$6.60 + GST/elector.

The cost share between organizations is determined by the nationally provided Taituarā MOU Cost Sharing Calculator.

Other Electoral Matters

Inquiry into the 2025 elections

Parliament’s Justice Committee is undertaking its standard inquiry into the conduct of the 2025 local government elections. Submissions were called and closed on Friday 27 February 2026.

The inquiry is focusing on:

- Voting processes, including:
 - Reports of people being removed from rolls or switched between them
 - Number of disallowed special votes

- Outcomes of recent changes to the delivery of voting papers and returns, such as increased use of DX mail and orange bins in supermarkets
- Use of telephone dictation for voters who are blind, visually impaired or physically unable to mark their voting paper
- The appropriateness of the use of mobile voting booths
- Electoral integrity, including disinformation and misinformation
- Consideration of the role of councils and their staff when determining voting arrangements, and their relationships with the electoral agencies responsible for conducting the voting.

Electoral System Review

Under the Local Electoral Act 2001, a local authority may resolve, before 12 September 2026, to change the electoral system used at the last election, unless a poll on the matter was recently held. Should Council wish to consider changing its electoral system, it can do so by resolution no later than 12 September 2026.

However, a public notice must be given by 19 September 2026 providing the right of electors to demand a poll on the issue.

Representation Arrangements Review

The Local Electoral Act 2001 requires every local authority to undertake a representation arrangements review at least once in every six-year period. Council last undertook a review in 2021 (to include the Māori ward) but is required now to undertake a further review in 2027 (to exclude the Māori ward).

Key dates for the review are:

- Now – 19 December 2026: informal public consultation on review scenarios
- 20 December 2026 – by 31 July 2027: formal public consultation/resolution of initial proposal
- By 8 August 2027: public notice of initial proposal. Submission period starts
- By 8 September 2027: submission period closes
- By 3 November 2027: submissions heard, resolution of final proposal, public notice of final proposal. Objection/appeal period starts

- By 3 December 2027: Objection/appeal period closes
- By 20 December 2027: if required, forward all material to the Local Government Commission
- By 11 April 2028: if required, Local Government Commission determination.

Conclusion

The New Plymouth District Council's 2025 triennial election and Māori ward poll were conducted successfully and met all legislative and practical requirements. No issues or concerns of significance arose from these elections and all tasks were completed satisfactorily and on time.

Recommendation

That the report titled '2025 Triennial Election and Other Electoral Matters' be received.

Yours sincerely,



Dale Ofoske
Electoral Officer // New Plymouth District Council
Election Services
+64 9 973 5212
dale@electionservices.co.nz

APPENDIX 1



Te Kaunihira ā-Rohi o Ngāmotu

New Plymouth District Council

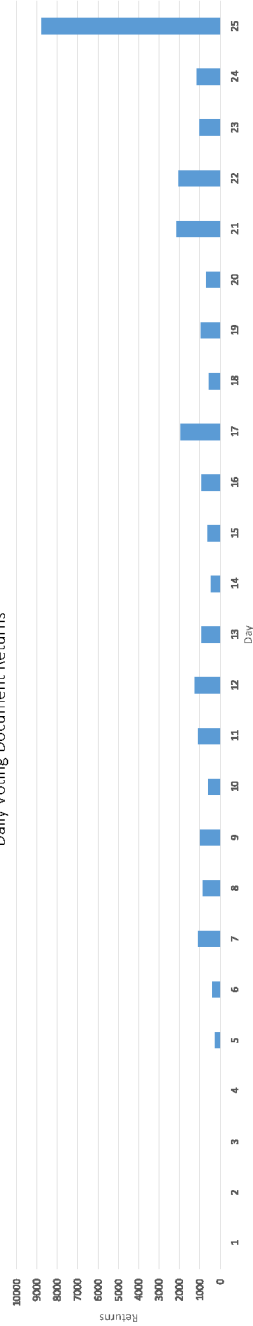
VOTING DOCUMENT RETURNS - 2025 ELECTIONS

Electoral roll
registered
Voters

WARD/ELECTORS	9-Sep	10-Sep	11-Sep	12-Sep	15-Sep	16-Sep	17-Sep	18-Sep	19-Sep	20-Sep	21-Sep	22-Sep	23-Sep	24-Sep	25-Sep	26-Sep	29-Sep	30-Sep	1-Oct	2-Oct	3-Oct	6-Oct	7-Oct	8-Oct	9-Oct	10-Oct	11-Oct
KAITAKE-NGAMOTU GENERAL	0	0	0	0	200	250	350	599	701	375	650	825	825	825	675	325	375	525	1400	2100	700	475	1525	1500	700	1025	6511
42588	0.0%	0.0%	0.0%	0.0%	0.5%	1.1%	2.8%	4.2%	5.9%	6.8%	5.3%	10.2%	11.8%	11.8%	11.8%	12.6%	13.4%	14.7%	16.0%	16.0%	20.6%	21.7%	25.3%	28.5%	30.0%	32.8%	47.7%
KOHANGA MOA GENERAL	0	0	0	0	25	50	125	175	375	450	600	750	850	900	100	50	125	125	275	75	125	100	275	275	150	75	1085
7284	0.0%	0.0%	0.0%	0.0%	0.3%	1.0%	2.7%	3.8%	5.1%	6.2%	8.0%	10.3%	11.7%	12.4%	14.1%	15.8%	16.1%	17.5%	19.6%	20.6%	22.3%	23.7%	27.5%	31.2%	33.3%	34.3%	48.5%
NORTH GENERAL	0	0	0	0	25	75	200	325	475	550	750	875	975	1000	25	175	175	150	50	75	175	175	175	100	25	852	
6997	0.0%	0.0%	0.0%	0.0%	0.4%	1.1%	2.9%	4.6%	6.8%	7.9%	10.7%	12.5%	13.9%	14.3%	16.1%	16.1%	16.1%	18.6%	20.7%	21.4%	22.5%	23.6%	27.5%	30.9%	31.4%	44.0%	
TE PURUTANGA MAURI PŪMANAWA MAŌRI	0	0	0	0	0	25	75	50	25	50	225	300	450	475	525	525	525	750	775	825	875	950	1060	1125	1150	1731	
4770	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	1.3%	3.1%	3.7%	4.7%	6.3%	9.4%	10.0%	11.0%	11.0%	13.1%	13.1%	15.7%	16.2%	17.3%	18.3%	19.9%	22.0%	23.6%	24.1%	36.3%	
TOTAL	0	0	0	0	250	375	1075	1799	2500	2875	3525	4350	4850	5025	5025	5350	5725	6250	7650	8650	9200	9225	10750	12550	12850	13975	
61619	0.0%	0.0%	0.0%	0.0%	0.4%	1.0%	2.8%	4.1%	5.7%	6.7%	8.4%	10.4%	11.8%	12.6%	13.6%	14.6%	15.1%	16.3%	18.2%	18.8%	20.7%	21.9%	25.4%	28.7%	30.3%	32.2%	46.5%

DAILY %
2025 Returns
2023 Returns

NEW PLYMOUTH DISTRICT COUNCIL 2025 ELECTION
Daily Voting Document Returns



APPENDIX 2

Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council****6.1**

NOTICE OF DAY OF ELECTION AND POLL FOR THE NEW PLYMOUTH DISTRICT COUNCIL

Nominations received

Notice is given under section 65 of the Local Electoral Act 2001 that the following persons have been duly nominated as candidates for:

MAYOR *(one vacancy)*

<i>Name</i>	<i>Affiliation</i>
BENNETT, Sam	Independent
BROUGH, Max	Independent
BUBLITZ, David	Independent
CHARD, Graham	
LUCAS, Sarah	
MACKAY, Greg	
MARRA, Peter	
SIMPSON, Bill	
WOODWARD, John	Independent

COUNCIL**District-wide** *(five vacancies)*

<i>Name</i>	<i>Affiliation</i>
BENNETT, Sam	Independent
BUBLITZ, David	Independent
CHADWICK, Simon	
CHONG, Murray	
CLARE, Shaun	
CLINTON-GOHDES, Amanda	
COSTER, Mark	Independent
FRANCIS, Steve	
GOODIN, Teresa	
HANCOCK, Debbie	Independent

JONES, Nigel	
KOCH, Tina	
MACKAY, Greg	
MOEAHU, Dinnie	
SUTHERLAND, Sarah Ruth	
WILLIAMSON, Wayne	
WOODWARD, John	Independent

Kaitake-Ngāmotu General Ward *(six vacancies)*

<i>Name</i>	<i>Affiliation</i>
BARRETT, EJ	
BROWN, Gordon Travis	Independent
BUIS, Pete	
CHARD, Graham	
DARLING, Ewen	
FOX, Damon	ACT Local
IRVING GEORGE, Moira	
JOHNSTON, Ross	
MACKIE-HUNT, Lani	
MARRA, Peter	
MCDOWELL, Mullet Muzz	
MORRESEY, Mike	
O'SULLIVAN, Michael Paul	Independent
PAYNE, David	
SOLE, Adrian	
TONKIN, Craig	
TRUMAN, Nikki	
VICKERY, Bryan	
VOSSELER, Kerry	

Kōhanga Moa General Ward *(one vacancy)*

<i>Name</i>	<i>Affiliation</i>
BROOKING, Jeremy	
FABISH, Christine Joy	
LUCAS, Sarah	

North General Ward *(one vacancy)*

<i>Name</i>	<i>Affiliation</i>
BLACKBURN, Gina Alicia	
CUMMINGS, Ian	Independent
JURY, Dayna Brent	
MARSHALL, Jonathan	Independent
PARKER-BISHOP, Jane Elizabeth	
SIMPSON, Bill	

Te Purutanga Mauri Pūmanawa Māori Ward *(one vacancy)*

<i>Name</i>	<i>Affiliation</i>
MCLEOD, Te Waka	
MOEAHU, Peter	

COMMUNITY BOARDS**Inglewood Community Board** *(four vacancies)*

<i>Name</i>	<i>Affiliation</i>
BROOKING, Jeremy	
DEARDEN, Rebecca Anne	
FABISH, Christine Joy	
MCINTYRE, Donald	
REYNOLDS, Carissa Mae	
ROBINSON, Greg	
SELF, Michael David	

Waitara Community Board (four vacancies)

<i>Name</i>	<i>Affiliation</i>
BENN, Angie	Independent
CHADWICK, Simon	
DODUNSKI, Trevor	
MARSHALL, Jonathan	Independent
MCLEOD, Te Waka	
MICHIELSEN, Dale	
PARKER-BISHOP, Jane Elizabeth	
PORTER, Tiri Moana	
RAUNER, Joe	

As there are (for each office) more candidates than there are vacancies to be filled, an election will be held between the listed candidates on Saturday, 11 October 2025, under the Single Transferable Voting electoral system by postal vote.

Elected unopposed

Clifton Community Board (four vacancies)

<i>Name</i>	<i>Affiliation</i>
HAYSTON, Teresa Dorothy	
NICKSON, Tyla	Independent
SEAMARK, Murray	

As the number of candidates does not exceed the number of vacancies, Teresa Dorothy HAYSTON, Tyla NICKSON and Murray SEAMARK are duly declared elected members of the Clifton Community Board.

A by-election will be held for the remaining vacancy on 3 March 2026.

Kaitake Community Board (four vacancies)

<i>Name</i>	<i>Affiliation</i>
ANDERSON, Mike	
GOODIN, Teresa	
LOBB, Paul	

As the number of candidates does not exceed the number of vacancies, Mike ANDERSON, Teresa GOODIN and Paul LOBB are duly declared elected members of the Kaitake Community Board.

A by-election will be held for the remaining vacancy on 3 March 2026.

Puketapu-Bell Block Community Board *(four vacancies)*

Name	Affiliation
BAKER, Michael	
MEPHAM, Lance	
SOLE, Adrian	
SOWMAN, Kim	

As the number of candidates does not exceed the number of vacancies, Michael BAKER, Lance MEPHAM, Adrian SOLE and Kim SOWMAN are duly declared elected members of the Puketapu-Bell Block Community Board.

Order of candidate names

The New Plymouth District Council has resolved under regulation 31 of the Local Electoral Regulations 2001 to adopt the alphabetical order of candidate names to appear on the voting documents.

Māori Ward Poll

Notice is also given under section 65 of the Local Electoral Act 2001, that the New Plymouth District Council is required to hold a poll on its Māori ward in conjunction with its 2025 elections. The poll will be held on Saturday, 11 October 2025 under the First Past the Post electoral system by postal vote.

The outcome of the poll will be binding and apply for the 2028 and 2031 triennial elections.

The poll is a vote to KEEP or REMOVE the New Plymouth District Council's Māori ward.

Issuing of voting documents

Voting documents will be posted to electors from Tuesday, 9 September 2025

Return of voting documents

Voting documents must be returned not later than noon, Saturday, 11 October 2025 to the electoral officer.

Voting documents can be returned by post or hand delivered at the following locations between Tuesday, 9 September 2025 and Friday, 10 October 2025 during normal business hours, and Saturday, 11 October 2025 between 9.00am – noon:

- New Plymouth District Council, Civic Centre, 84 Liardet Street, New Plymouth

- Bell Block Library and Service Centre, 188 Parklands Avenue Shopping Centre, Bell Block
- Inglewood Library and Service Centre, 46 Rata Street, Inglewood
- Waitara Library and Service Centre, 15a Queen Street, Waitara
- Puke Ariki Library, 1 Ariki Street, New Plymouth
- Ōākura Library, 16 Donnelly Street, Ōākura
- Urenui Library, Takiroa Street, Urenui (open Tuesday 9.00am – 2.00pm and Friday 12.00pm – 4.00pm).

6.1

Special voting

Special voting in terms of the Local Electoral Act 2001 and the Local Electoral Regulations 2001 may be exercised at the Civic Centre, 84 Liardet Street, New Plymouth, between Tuesday, 9 September 2025 and Friday 10 October 2025 during normal business hours and 9.00am to noon on Saturday, 11 October 2025, or by phoning the electoral office on 0800 922 822.

A person can apply to enrol as either a residential or ratepayer elector right up to and including Friday, 10 October 2025 – the day before the close of voting.

Dale Ofsoske, Electoral Officer

New Plymouth District Council, 84 Liardet Street, New Plymouth

6 August 2025

APPENDIX 3



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

6.1

DECLARATION OF RESULTS OF ELECTION AND POLL

Pursuant to section 86 of the Local Electoral Act 2001, I declare the results of the election and Māori wards poll held on 11 October 2025 to be as follows:

MAYOR *(one vacancy)*

Name	Affiliation	Status
BROUGH, Max	Independent	elected
BUBLITZ, David	Independent	excluded
LUCAS, Sarah		excluded
BENNETT, Sam	Independent	excluded
WOODWARD, John	Independent	excluded
CHARD, Graham		excluded
MARRA, Peter		excluded
MACKAY, Greg		excluded
SIMPSON, Bill		excluded

Informal votes: 61

Blank votes: 348

I therefore declare Max BROUGH to be elected.

The final quota as determined at the last iteration was 13022.

COUNCIL*District-wide (five vacancies)*

Name	Affiliation	Status
CHONG, Murray		elected
BUBLITZ, David	Independent	elected
WOODWARD, John	Independent	elected
BENNETT, Sam	Independent	elected
MOEAHU, Dinnie		elected
CLINTON-GOHDES, Amanda		excluded
COSTER, Mark	Independent	excluded
CHADWICK, Simon		excluded
GOODIN, Teresa		excluded
MACKAY, Greg		excluded
HANCOCK, Debbie	Independent	excluded
SUTHERLAND, Sarah Ruth		excluded
FRANCIS, Steve		excluded
CLARE, Shaun		excluded
KOCH, Tina		excluded
WILLIAMSON, Wayne		excluded
JONES, Nigel		excluded

Informal votes: 329

Blank votes: 533

I therefore declare Murray CHONG, David BUBLITZ, John WOODWARD, Sam BENNETT and Dinnie MOEAHU to be elected.

The final quota as determined at the last iteration was 3901.875915711.

Kaitake-Ngāmotu General Ward (six vacancies)

Name	Affiliation	Status
BROWN, Gordon Travis	Independent	elected
CHARD, Graham		elected
IRVING GEORGE, Moira		elected
FOX, Damon	ACT Local	elected
VOSELER, Kerry		elected
BARRETT, EJ		elected
VICKERY, Bryan		excluded
SOLE, Adrian		excluded
MARRA, Peter		excluded
DARLING, Ewen		excluded
JOHNSTON, Ross		excluded

TRUMAN, Nikki		excluded
MCDOWELL, Mullet Muzz		excluded
BUIS, Pete		excluded
MACKIE-HUNT, Lani		excluded
PAYNE, David		excluded
TONKIN, Craig		excluded
O'SULLIVAN, Michael Paul	Independent	excluded
MORRESEY, Mike		excluded

Informal votes: 1296

Blank votes: 1247

I therefore declare Gordon Travis BROWN, Graham CHARD, Moira IRVING GEORGE, Damon FOX, Kerry VOSSELER and EJ BARRETT to be elected.

The final quota as determined at the last iteration was 2347.361992916.

Kōhanga Moa General Ward (one vacancy)

Name	Affiliation	Status
FABISH, Christine Joy		elected
LUCAS, Sarah		excluded
BROOKING, Jeremy		excluded

Informal votes: 19

Blank votes: 327

I therefore declare Christine Joy FABISH to be elected.

The final quota as determined at the last iteration was 1482.

North General Ward (one vacancy)

Name	Affiliation	Status
BLACKBURN, Gina Alicia		elected
CUMMINGS, Ian	Independent	excluded
MARSHALL, Jonathan	Independent	excluded
JURY, Dayna Brent		excluded
PARKER-BISHOP, Jane Elizabeth		excluded
SIMPSON, Bill		excluded

Informal votes: 16

Blank votes: 190

I therefore declare Gina Alicia BLACKBURN to be elected.

The final quota as determined at the last iteration was 1017.

Te Purutanga Mauri Pūmanawa Māori Ward *(one vacancy)*

Name	Affiliation	Status
MCLEOD, Te Waka		elected
MOEAHU, Peter		excluded

Informal votes: 8

Blank votes: 62

I therefore declare Te Waka MCLEOD to be elected.

The final quota as determined at the last iteration was 831.

COMMUNITY BOARDS

Inglewood Community Board *(four vacancies)*

Name	Affiliation	Status
MCINTYRE, Donald		elected
ROBINSON, Greg		elected
DEARDEN, Rebecca Anne		elected
SELF, Michael David		elected
BROOKING, Jeremy		excluded
REYNOLDS, Carissa Mae		excluded
FABISH, Christine Joy		withdrawn

Informal votes: 19

Blank votes: 306

I therefore declare Christine Joy FABISH, Donald MCINTYRE. Greg ROBINSON and Rebecca Anne DEARDEN to be elected. However, as Christine Joy FABISH has been elected as a councillor, her preferences have been re-allocated, and the next highest polling candidate Michael David SELF has been elected.

The final quota as determined at the last iteration was 577.227211096.

Waitara Community Board *(four vacancies)*

Name	Affiliation	Status
DODUNSKI, Trevor		elected
PORTER, Tiri Moana		elected
RAUNER, Joe		elected
MICHIELSEN, Dale		elected
MARSHALL, Jonathan	Independent	excluded

CHADWICK, Simon		excluded
PARKER-BISHOP, Jane Elizabeth		excluded
BENN, Angie	Independent	excluded
MCLEOD, Te Waka		withdrawn

Informal votes: 23

Blank votes: 72

I therefore declare Trevor DODUNSKI, Tiri Moana PORTER, Te Waka MCLEOD and Joe RAUNER to be elected. However, as Te Waka MCLEOD has been elected as a councillor, her preferences have been re-allocated, and the next highest polling candidate Dale MICHIELSEN has been elected.

The final quota as determined at the last iteration was 464.133530311.

Full details of the official results of the election are available on request from the Electoral Officer.

Māori Wards Poll

Option	Affiliation	Votes Received
I vote to KEEP Māori wards		12046
I vote to REMOVE Māori wards		15004

Informal votes: 11

Blank votes: 1564

I therefore declare the option to REMOVE Māori wards for New Plymouth District Council, effective for the 2028 and 2031 triennial elections, is passed.

Dated at New Plymouth, 17 October 2025

Dale Ofsoke, Electoral Officer
 New Plymouth District Council
 84 Liardet Street, New Plymouth
 Phone: 0800 922 822



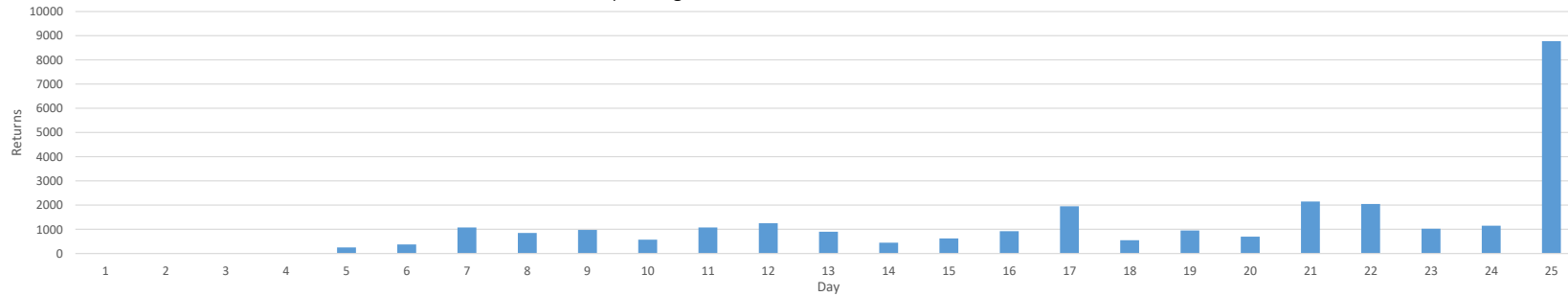
VOTING DOCUMENT RETURNS - 2025 ELECTIONS

Election Day
incl Special
Votes

WARD/ELECTORS	9-Sep	10-Sep	11-Sep	12-Sep	15-Sep	16-Sep	17-Sep	18-Sep	19-Sep	22-Sep	23-Sep	24-Sep	25-Sep	26-Sep	29-Sep	30-Sep	1-Oct	2-Oct	3-Oct	6-Oct	7-Oct	8-Oct	9-Oct	10-Oct	11-Oct
KAITAKE-NGĀMOTU GENERAL	0	0	0	0	200	250	750	599	701	375	650	825	675	325	375	525	1400	400	700	475	1525	1500	700	1025	6311
42568	0	0	0	0	200	450	1200	1799	2500	2875	3525	4350	5025	5350	5725	6250	7650	8050	8750	9225	10750	12250	12950	13975	20286
	0.0%	0.0%	0.0%	0.0%	0.5%	1.1%	2.8%	4.2%	5.9%	6.8%	8.3%	10.2%	11.8%	12.6%	13.4%	14.7%	18.0%	18.9%	20.6%	21.7%	25.3%	28.8%	30.4%	32.8%	47.7%
KŌHANGA MOA GENERAL	0	0	0	0	25	50	125	75	100	75	150	150	100	50	125	125	275	75	125	100	275	275	150	75	1035
7284	0	0	0	0	25	75	200	275	375	450	600	750	850	900	1025	1150	1425	1500	1625	1725	2000	2275	2425	2500	3535
	0.0%	0.0%	0.0%	0.0%	0.3%	1.0%	2.7%	3.8%	5.1%	6.2%	8.2%	10.3%	11.7%	12.4%	14.1%	15.8%	19.6%	20.6%	22.3%	23.7%	27.5%	31.2%	33.3%	34.3%	48.5%
NORTH GENERAL	0	0	0	0	25	50	125	125	150	75	200	125	100	25	125	175	150	50	75	75	275	175	100	25	852
6997	0	0	0	0	25	75	200	325	475	550	750	875	975	1000	1125	1300	1450	1500	1575	1650	1925	2100	2200	2225	3077
	0.0%	0.0%	0.0%	0.0%	0.4%	1.1%	2.9%	4.6%	6.8%	7.9%	10.7%	12.5%	13.9%	14.3%	16.1%	18.6%	20.7%	21.4%	22.5%	23.6%	27.5%	30.0%	31.4%	31.8%	44.0%
TE PURUTANGA MAURI PŪMANAWA MĀORI	0	0	0	0	0	25	75	50	25	50	75	150	25	50	0	100	125	25	50	50	75	100	75	25	581
4770	0	0	0	0	0	25	100	150	175	225	300	450	475	525	525	625	750	775	825	875	950	1050	1125	1150	1731
	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	2.1%	3.1%	3.7%	4.7%	6.3%	9.4%	10.0%	11.0%	11.0%	13.1%	15.7%	16.2%	17.3%	18.3%	19.9%	22.0%	23.6%	24.1%	36.3%
TOTAL	0	0	0	0	250	375	1075	849	976	575	1075	1250	900	450	625	925	1950	550	950	700	2150	2050	1025	1150	8779
61619	0	0	0	0	250	625	1700	2549	3525	4100	5175	6425	7325	7775	8400	9325	11275	11825	12775	13475	15625	17675	18700	19850	28629
	0.0%	0.0%	0.0%	0.0%	0.4%	1.0%	2.8%	4.1%	5.7%	6.7%	8.4%	10.4%	11.9%	12.6%	13.6%	15.1%	18.3%	19.2%	20.7%	21.9%	25.4%	28.7%	30.3%	32.2%	46.5%
DAILY %	0.0%	0.0%	0.0%	0.0%	0.4%	0.6%	1.7%	1.4%	1.6%	0.9%	1.7%	2.0%	1.5%	0.7%	1.0%	1.5%	3.2%	0.9%	1.5%	1.1%	3.5%	3.3%	1.7%	1.9%	14.2%
2022 Returns												0.0%	0.0%	1.1%	1.1%	3.7%	5.8%	6.2%	12.1%	14.9%	16.9%	18.2%	30.1%	32.6%	45.1%
2019 Returns												1.2%	2.4%	4.0%	7.8%	7.9%	11.0%	13.1%	15.3%	17.7%	20.9%	26.5%	30.2%	34.4%	45.3%

6.2

NEW PLYMOUTH DISTRICT COUNCIL 2025 ELECTION
Daily Voting Document Returns



LEGISLATIVE COMPLIANCE REVIEW

PURPOSE/ TE WHĀINGA

1. This report presents the findings of the Legislative Compliance Review undertaken as part of the 2025/26 Internal Audit Plan. The review assessed New Plymouth District Council's (NPDC) current approach to managing legislative compliance across the organisation and identifies opportunities to strengthen consistency, visibility, and oversight.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

3. This report is provided for information purposes only and has been assessed as being of some importance.

BACKGROUND / WHAKAPAPA

4. Deloitte conducted a review of NPDC's legislative compliance processes and controls during April and May 2026. The review assessed NPDC's processes for identifying obligations, implementing controls, monitoring compliance, and reporting to governance.
5. The overall effectiveness of NPDC's legislative compliance control environment was assessed at Grade 2 – Informal/Inadequate. This reflects a position where processes exist but are inconsistently applied, exposing the organisation to potential financial, operational, or strategic impacts if not strengthened.
6. Legislative compliance remains stable at an operational level. Business units understand their obligations and continue to manage them as part of day-to-day practice. However, the review highlights that NPDC's current approach relies heavily on decentralised knowledge and professional judgement, rather than structured oversight.
7. The review provides early visibility of areas where NPDC can strengthen its position before issues emerge, enabling a proactive rather than reactive approach.

Key findings

Findings and Risk Rating	Very High	High	Moderate	Low	Process Improvement
Number of Findings	-	-	3	-	-

8. Three moderate-rated findings were identified:
 - a) Limited enterprise-wide framework and clarity of ownership for major obligations.
 - b) An informal and decentralised approach to legislative change management.
 - c) Limited enterprise-level visibility, escalation pathways, and reporting.
9. These findings do not indicate immediate compliance failure. Rather, they highlight structural gaps that, if unaddressed, could limit NPDC's ability to respond effectively to future changes or emerging risks.

Organisational position and context

10. NPDC operates within a complex and evolving regulatory environment. Legislative change is frequent, and obligations span multiple portfolios, services, and operational teams.
11. The report acknowledges that NPDC's current level of maturity is broadly consistent with the wider local government sector and that NPDC is well positioned to progress its compliance maturity.
12. The absence of a consolidated enterprise view means that changes in legislation, compliance risks, or emerging issues may not be consistently identified or escalated.
13. Strengthening legislative compliance processes aligns with NPDC's broader governance and assurance approach, including the updated risk management framework and the organisation's focus on transparency, accountability, and readiness.

Management response and improvement approach

14. NPDC is taking a deliberate and proportionate approach to strengthening legislative compliance. The focus is on building sustainable processes that are embedded into existing practice.

15. Actions underway include clarifying roles and responsibilities, establishing a central coordination point for legislative change, and developing a centralised obligations register using existing tools as an interim step.
16. NPDC is also exploring legislative compliance software that can support centralised registers, ownership assignment, action tracking, and reporting. This will provide the foundation for improved visibility and more consistent governance reporting.
17. The emphasis is on readiness, visibility, and proportionate uplift rather than large-scale structural change at the outset.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

18. This report is administrative in nature and has been assessed as having negligible climate change impacts or considerations.

NEXT STEPS / HĪKOI I MURI MAI

19. The recommendations from the Legislative Compliance Review will be incorporated into NPDC's internal audit register and managed as part of the broader internal audit and assurance programme.
20. Initial actions are underway, including clarifying roles and responsibilities and investigating supporting system solutions.
21. Progress will be monitored internally and reported to the Finance, Audit and Risk Committee in line with the approved work programme.
22. No immediate public communication is required; however, elected members should be aware that improvements to legislative compliance processes may be referenced in future governance or assurance updates.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

23. Any financial and resourcing implications resulting from Internal Audit activities that are outside staff delegations will be reported. These require approval from the Council before being incurred. No such implications have been identified to date.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

24. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
 - Council staff have delegated authority for any decisions made;

- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Legislative Compliance Report (ECM 9802043)

Report Details

Prepared By: Gloriana Wilson (Risk and Assurance Advisor)
Team: Risk and Integrity
Approved By: Leisa Patel (Manager Risk and Integrity)
Ward/Community: District Wide
Date: 25/05/2026
File Reference: ECM 9802044

-----*End of Report*-----



New Plymouth District Council
Legislative Compliance Review

DRAFT | May 2026

Contents

Executive Summary	3
Detailed Findings	9
Appendix A – Approach and Work Performed	15
Appendix B – Risk Rating Scale	16
Appendix C – Control Effectiveness Rating Scale	17
Appendix D – Statement of Responsibility	18

DRAFT

7.1

1. Executive Summary

1.1 Background and Introduction

New Plymouth District Council ('NPDC' or 'the Council') operates within a complex legislative and regulatory environment that underpins the delivery of essential public services and the exercising of its statutory responsibilities. As a local government organisation, the Council is required to comply with a broad range of legislation including the Local Government Act 2002, alongside sector-specific obligations spanning infrastructure, health and safety, financial management, information management, and privacy.

Effective management of its obligations is fundamental to maintaining public trust, supporting sound governance, and ensuring decisions and activities remain lawful and defensible. This requires clear and structured approaches to identifying legal and regulatory obligations, establishing appropriate controls, monitoring compliance activities, and reporting to governance bodies.

In practice, legislative compliance within local government organisations is inherently complex, reflecting the breadth of services delivered and the evolving nature of regulatory requirements. Obligations often span multiple functions and require coordination across governance, finance, legal, asset management, and operational teams.

This review was undertaken as part of NPDC's FY26 Internal Audit Plan, approved by management. The purpose of this review was to assess the Council's arrangements for managing legislative compliance, including processes for identifying obligations, implementing controls, monitoring compliance and reporting to governance.

The observations in this report provide an assessment of current practices and are intended to support NPDC in continuing to strengthen its approach to managing legislative compliance obligations.

1.2 Overall Conclusion

The approach to legislative compliance (including framework, controls and monitoring) is informal and devolved across the business. There is no enterprise-wide legislative compliance framework to support consistency of managing and reporting obligations. Uplift in controls, processes, and roles and responsibilities are required to give NPDC confidence that it is consistently meeting its core obligations.

Currently, compliance is managed within business functions and reinforced by a culture of accountability and transparency as described by interviewees. However, it operates largely in isolation rather than as part of an integrated framework. This results in a compliance environment that is functioning, but not yet reliable or formalised to provide consistent assurance, visibility, consolidated reporting/escalation of issues or coordination at an organisational level.

Legislative compliance relies on knowledge held by individuals, informal and operational processes to uphold compliance outcomes. While this reflects a degree of flexibility and responsiveness within teams, it also means that organisational confidence in compliance is underpinned more by trust and professional judgement rather than by structured oversight and enterprise-level controls. This can create inconsistency in how obligations are understood, prioritised and monitored, especially where responsibilities span multiple functions, or where obligations are less clearly defined within existing processes.

It is important to acknowledge that NPDC's current level of maturity is broadly consistent with the wider local government sector. Engagement with two peer councils indicate that many organisations are at an early stage in formalising legislative compliance frameworks. In this context, NPDC is not an outlier but rather reflects a position where practices are evolving and there is increasing recognition of the need for more structured and coordinated compliance management.

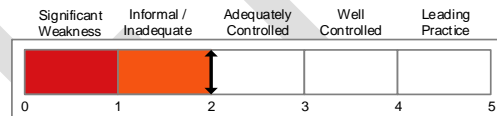
With this context, NPDC is well positioned to progress its compliance maturity. Management has acknowledged the need for uplift and is actively considering initiatives such as the implementation of a compliance tool and integration with broader assurance frameworks. These efforts, combined with the Council's cultural environment which appears to support knowledge sharing and existing controls, provide a good platform for advancing toward a more integrated, transparent and risk-informed compliance environment.

This review noted a number of positive observations currently in place at NPDC including:

- A positive organisational culture characterised by openness, accountability and a clear commitment by management to meet legislative obligations;
- A range of operational controls and processes which contribute to legislative compliance are already embedded within business functions, particularly in areas with higher regulatory exposure (e.g., finance, health and safety, infrastructure). These practices demonstrate that compliance is actively considered in day-to-day activities, even where it is not formally structured as part of an overarching framework. Despite the absence of an enterprise-level legislative compliance framework, the review did not find any significant issues in relation to legislative compliance outcomes **however, this was not an assurance engagement and should not be interpreted as confirmation of full compliance**; and
- NPDC recognises legislative compliance as an area for improvement, with initiatives underway to uplift and enhance current practices.

Notwithstanding the above, our overall conclusion based on the work performed is that legislative compliance control environment was assessed as **Informal/Inadequate** (refer to Appendix B for definitions). This means that the control environment exists but is informal or has important gaps and certain elements are below good practice or do not compare favourably to other models.

Overall Effectiveness

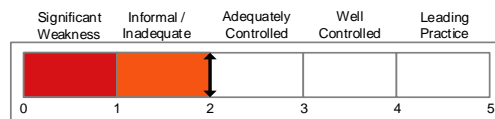


Our consideration of the findings set out in section 3 of this report contributes to our overall assessment of the control objectives as set out in the scope of our review. The detailed findings, risks and recommendations are also set out in Section 3 of this report.

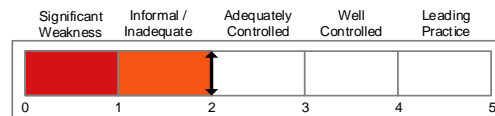
The below table outlines the individual ratings for each of the enterprise-level control objectives.

Control Areas

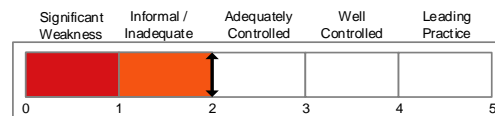
Identifying legal and regulatory obligations in a timely manner



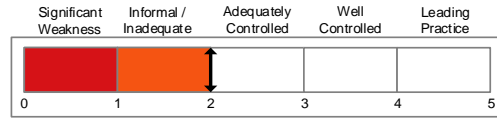
Establishing processes and controls to comply with legal and regulatory obligations



Performing ongoing monitoring over compliance activities



Reporting the results of monitoring to governance on a regular basis



7.1

1.3 Summary of Detailed Findings and Recommendations

A summary of our findings in respect of all elements of our scope of work is set out below:

Findings and Risk Rating	Very High	High	Moderate	Low	Process Improvement
Number of Findings	-	-	3	-	-

**The Risk Rating Scale is outlined in Appendix C.*

Three **Moderate** rated findings were noted:

Finding 2.1: Absence of an enterprise-wide legislative compliance framework

NPDC does not currently operate under a formal, enterprise-wide legislative compliance framework, resulting in a fragmented approach to managing compliance obligations. While some compliance activities and controls are embedded within business function processes, there is no consistent structure that defines obligations, ownership, controls and reporting/escalation expectations across the organisation. This creates variability in how compliance is managed and limits the ability to demonstrate a clear and coordinated approach to legislative compliance.

The absence of a structured framework also affects NPDC’s ability to align compliance activities with its broader risk management and governance expectations. Although governance bodies are tasked with overseeing legal compliance and internal controls, the current model provides limited transparency and consistency in how compliance is identified, monitored and reported at an enterprise level. As a result, confidence over legislative compliance relies more on decentralised practices and individual expertise rather than a clearly defined and integrated framework.

Finding 2.2: Informal Identification of legislative obligations

The identification and management of legislative obligations at NPDC is largely informal and decentralised, relying on individual awareness, professional judgement, and external information sources. While this approach is supported by a proactive and engaged management environment, it does not provide a consistent, regular, or structured mechanism to ensure that all relevant legislative requirements are identified, assessed, and communicated across the organisation. This creates a risk that obligations may be overlooked, inconsistently applied or not fully understood where they span multiple functions.

Controls designed to support compliance are typically embedded within operational processes. However, they are not always clearly linked to a defined set of legislative obligations. This limits visibility over whether all relevant requirements have been adequately addressed and reduces the ability to assess the effectiveness and completeness of controls. Varying levels of awareness across the organisation, particularly in less regulated areas, further contribute to inconsistencies in how legislative compliance is understood and implemented. For example, a new principle was added to the Privacy Act 2020 effective 1 May 2026, however, no enterprise scanning was in place that would have identified the change. We discussed with NPDC doing a case study assessment of this as an example of current controls but agreed not to progress as it is a known area of improvement.

Finding 2.3: Limited enterprise-level visibility and assurance over compliance risks

While governance structures and reporting processes are in place, there is limited enterprise-level visibility of legislative compliance across NPDC. Compliance risks, issues and breaches are primarily managed within individual business functions, with escalation and reporting practices varying across the organisation. As a result, governance oversight is dependent on the completeness and quality of information provided, which may not consistently present a full or timely picture of compliance performance and risk exposure.

The current reliance on decentralised reporting and self-assessment mechanisms limits NPDC’s ability to track compliance obligations, breaches and remediation activities in a consistent and structured manner. Although the recently updated risk management framework provides a more defined approach to risk escalation and governance reporting, legislative compliance is not yet fully integrated into this model. This limits the ability to provide comprehensive assurance to governance and increases reliance in business processes, rather than having a clear, organisation-wide visibility of compliance risks and performance.

We are aware NPDC is in the process of considering implementing a compliance tool. The recommendations set out in this report could be incorporated into a compliance tools functionality to reduce manual inputs.

1.4 The Kitteridge Compliance Framework Cycle

To support our analysis, we have considered legislative compliance frameworks as demonstrated in similar local government organisations. We have also referred to The Kitteridge Compliance Framework Cycle which is an example of a structured model that illustrates how organisations can manage legislative and regulatory compliance in a systematic and continuous way. It presents compliance as an end-to-end cycle, covering key stages such as identifying obligations, setting up appropriate controls, monitoring performance and reporting outcomes to management and governance.

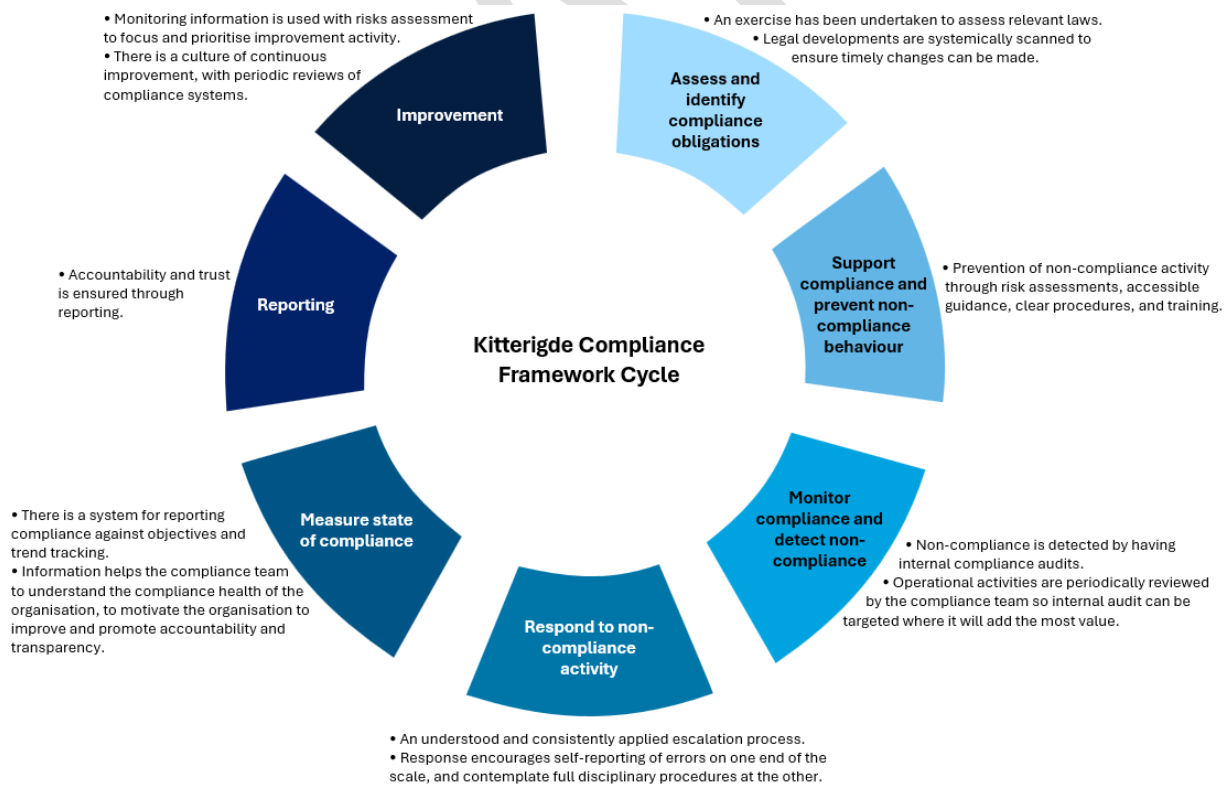


Figure 1: Kitteridge Compliance Framework Cycle

The value of the Kitteridge model lies in how it highlights the linkages between these stages. Rather than treating compliance activities as separate tasks, the cycle emphasises that each stage informs the next. For example, clearly identified obligations underpin the design of controls, which in turn form the basis for monitoring and reporting. This interconnected approach supports greater visibility, consistency and accountability across the compliance lifecycle. Organisations may adopt different approaches depending on size, complexity and risk environment. However, the principles underpinning the cycle such as clarity of obligations, defined ownership, structured monitoring and consistent reporting can support effective compliance management.

In practice, the Kitteridge Compliance Framework Cycle can be used as a reference point for what “good looks like” when these elements are aligned and operating cohesively. It provides a useful way to assess whether key components of compliance management are present, how well they are connected and whether there are any gaps or inconsistencies across the cycle.

1.5 Use of Report

We have prepared this report solely for the use of New Plymouth District Council. The report contains constructive suggestions to improve some practices, which we identified in the course of our review procedures. These audit procedures are designed to identify control weaknesses but cannot be relied upon to identify all weaknesses. We would be pleased to discuss any items mentioned in this report and to review the corrective action implemented by management.

Our assessments are based on observations from our review and collaboration of information and evidence received in the time allocated. Assessments made by our team are matched against our expectations and best practice guidelines. This includes comparison with other similar processes we have assessed. This report offers recommendations for improvements and has taken into account the views of management, with whom these matters have been discussed.

We accept or assume no duty, responsibility or liability to any party, other than New Plymouth District Council, in connection with the report or this engagement, including without limitation, liability for negligence in relation to the opinions expressed or implied in this report.

1.6 Acknowledgement

We take this opportunity to thank all the staff at NPDC who have provided support during this review.

1.7 Overall Management Comment

NPDC acknowledges the findings of this review and appreciates the clarity it provides on opportunities to strengthen our legislative compliance practices. The observations align with NPDC’s understanding of its current maturity and reflect the practical challenges faced by many local government organisations operating in complex and evolving regulatory environments.

NPDC is committed to improving the consistency, visibility, and coordination of legislative compliance across the organisation. Our approach will be staged and pragmatic, ensuring improvements are sustainable and embedded into existing processes. Initial focus will be placed on clarifying roles and responsibilities, establishing core processes for legislative change management, and improving the visibility of key obligations and compliance activities.

NPDC is currently exploring legislative compliance software that is cost-effective and capable of supporting centralised registers, ownership assignment, action tracking, and reporting. The introduction of a system will provide a strong foundation for future improvements and will enable NPDC to consolidate information and strengthen reporting to governance. Once the system and supporting processes are embedded, NPDC will consider developing an overarching enterprise-wide legislative compliance framework informed by practical experience and system capability.

NPDC values the insights provided through this review and will continue to work collaboratively across the organisation to uplift our compliance maturity in a way that is proportionate, risk-based, and aligned with our broader governance and assurance approach.

7.1

DRAFT

2. Detailed Findings

2.1 Absence of an enterprise-wide legislative compliance framework

Risk Rating	Moderate
Ease of Fix	Medium
Observations	<p>Legislative compliance at NPDC is not supported by a formal, enterprise-wide framework that defines obligations, ownership, controls and reporting expectations. Instead, compliance responsibilities are largely embedded within business function activities, with each area managing its obligations based on its own processes and experience. While this approach enables flexibility and leverages subject matter expertise, it also results in a fragmented control environment where there is no single, consistent view of what obligations exist across the organisation or how they are being managed.</p> <p>In practice, this means that key elements typically found in a structured compliance framework such as a central obligations register, defined ownership at both operational and executive levels and consistent monitoring expectations are either absent or not clearly articulated. The lack of defined accountability becomes evident for obligations that cut across multiple functions, where it can be unclear who is responsible for ensuring compliance, coordinating responses or making decisions. Discussions with management indicated that ownership is often assumed or taken on informally, rather than explicitly assigned and understood.</p> <p>This creates a dependency on individuals and teams to “do the right thing” without the support of a clearly defined framework that establishes accountability and expected behaviours. While this is currently supported by individual business processes and good organisational culture, it does not provide the level of structure required to ensure consistency and completeness across NPDC. This also limits the ability to demonstrate (at a governance level) that all legislative obligations are owned, actively managed, subject to appropriate monitoring and reporting, and new or changing legislative requirements are systematically identified and respond to.</p> <p>While some areas (e.g., finance) demonstrate structured and well-defined controls due to regulatory pressure and external oversight, other areas operate with less formality and clarity. This means that certain obligations may not receive the same level of attention or rigour. While compliance is occurring in many areas, it is not being managed in a consistent or coordinated manner across the organisation.</p>
Risks	<ul style="list-style-type: none"> When legislative obligations are not consistently identified, assigned or managed throughout the organisation, there is risk of gaps in compliance coverage that may go unnoticed by NPDC. This is particularly relevant for cross-functional or less visible obligations, and may increase the likelihood of non-compliance. Without defined ownership, there is potential ambiguity over who is ultimately responsible for managing compliance risks or responding to

7.1

	<p>breaches, particularly in the event of a material issue. This could result in key or the right people not being notified or involved in the identification, escalation, investigation and resolution of compliance risks or breaches.</p> <ul style="list-style-type: none"> • When legislative compliance is not sufficiently integrated with the Council’s broader risk management framework, the disconnect may result in compliance risks not being consistently captured, assessed or escalated to align with the Council’s established risk management practices and risk appetite.
Recommendations	<ul style="list-style-type: none"> i. Formalise an overarching legislative compliance framework that defines the NPDC’s approach to managing compliance obligations across all functions. The framework should include: <ul style="list-style-type: none"> i. Defined governance with active oversight of compliance; ii. Defined ownership of key and high-risk obligations and roles and responsibilities for management (e.g., RACI for obligations); iii. A live register of obligations including owners and compliance activity frequency. This should be regularly reviewed to identify changes and emerging obligations; iv. Enterprise-wide policy with links to related business policies (e.g., finance, H&S); and v. Defined monitoring and reporting expectations, including thresholds, timeframes and reporting lines for non-compliance and breaches.
Management’s Response	<p><i>NPDC agrees with the recommendation to strengthen its legislative compliance approach. NPDC will adopt a staged and pragmatic implementation pathway, beginning with explicitly embedding compliance expectations into policies, procedures, and operational processes. This ensures that roles, responsibilities, and compliance requirements are clearly understood and integrated into day-to-day practice before progressing to a full enterprise-wide framework.</i></p> <p><i>NPDC is currently exploring legislative compliance software that is cost-effective and capable of supporting obligation registers, ownership assignment, monitoring, and reporting. The introduction of a system will provide the foundation for improved visibility and consistency across the organisation. Once the system is embedded and operational, NPDC will consider developing an overarching enterprise-wide framework informed by practical experience and system capability.</i></p>
Action Owner	<p><i>Legal Services Lead</i></p>
Due Date	<p><i>i, ii, v – June 2027</i></p> <p><i>iii, iv – September 2027</i></p>

2.2 Informal identification of legislative obligations and controls

Risk Rating	Moderate
Ease of Fix	Medium
Observations	<p>The process for identifying legislative and regulatory obligations at NPDC is largely informal and relies heavily on individual awareness, professional networks and external training. Business functions typically become aware of legislative changes through subject matter experts bringing it to their attention, industry updates or advice from external providers. There is no structured, regular or reliable mechanisms to ensure that updates or changes to legislative obligations are captured, and all other relevant obligations are identified, assessed and communicated across the organisation in a consistent and timely manner.</p> <p>Discussions with management highlighted that there is no centralised or coordinated process for scanning legislative changes or determining their impact across different parts of the organisation. For example, updates to legislation may be shared on an ad hoc basis when an individual becomes aware of them and circulates information to relevant teams, often based on judgement of who might be impacted.</p> <p>There is also limited guidance on how identified obligations should be translated into operational controls or changes in practice. While compliance requirements are often incorporated into day-to-day processes (e.g., project milestones, procurement checks or financial controls) these are typically developed from an operational perspective rather than through a structured compliance design.</p> <p>This informal approach also contributes to gaps in organisational awareness. Some stakeholders noted uncertainty around what constitutes “good practice” in legislative compliance and highlighted areas such as privacy and information management where understanding of obligations and expectations is less developed. In the absence of a defined and coordinated process, NPDC is reliant on individuals and teams to identify and interpret obligations which may not always provide complete or consistent coverage of legislative compliance.</p>
Risks	<ul style="list-style-type: none"> • New or changing legislative requirements may not be identified in a timely or consistent manner. Reliance on individual awareness and external sources increases the likelihood that relevant obligations may be overlooked or identified too late, which can result in delayed responses, gaps in compliance activities and failure to implement required changes within expected timeframes. • Obligations impacting multiple business functions are not fully understood, consistently applied or coordinated across the organisation, especially where there is no clear expectation or process for cross-functional communication. This may result in incomplete implementation of compliance requirements or inconsistent application of controls. • Operational controls may not fully address legislative requirements. As controls are often developed from an operational perspective rather than through structured compliance design, there may be gaps between what is required by legislation and what is implemented in practice. This can

7.1

	<p>make it difficult to determine whether all relevant obligations have been addressed or whether controls are adequate and consistently applied.</p> <ul style="list-style-type: none"> • There is a risk of reduced organisational awareness and understanding of legislative compliance obligations. In the absence of a coordinated process and guidance, staff may not have a clear understanding of what constitutes compliance, particularly in emerging or lower maturity areas.
Recommendations	<p>i. Implement a regular enterprise legislative change scanning process. This includes assigning a central coordination function (e.g., Risk and Integrity, etc.) responsible for liaising with obligation owners and consolidating relevant updates and distributing them to impacted areas.</p> <p>This process should include:</p> <ul style="list-style-type: none"> • A central change log for a record of changes and actions. • Tracking actions to completion. • Reporting to Finance, Audit and Risk Committee (FARC) on material changes and associated actions. • Consideration of verification or assurance activities following change.
Management’s Response	<p><i>NPDC agrees with the recommendation to strengthen the consistency and coordination of legislative change management. NPDC will focus on establishing a clear, repeatable enterprise process for identifying, assessing, and communicating legislative changes. This work is operational in nature and will be embedded into existing roles and processes before being supported by any system enhancements.</i></p>
Action Owner	<p><i>Legal Services Lead</i></p>
Due Date	<p><i>June 2027</i></p>

2.3 Limited enterprise-level visibility and assurance over compliance, breaches, risks and reporting

Risk Rating	Moderate
Ease of Fix	Medium
Observations	<p>While compliance governance structures (e.g., FARC) and reporting processes (by way of individual business processes) are in place, there is limited visibility of legislative compliance at an enterprise level. Compliance risks, issues and breaches are escalated and reported through varying practices depending on the nature of the issue and the team involved. They are currently managed through a decentralised approach with no single, consolidated view of NPDC’s overall compliance position.</p> <p>Identification and escalation of (compliance) issues is usually driven by professional judgement, culture and relationships rather than by defined processes. For example, compliance issues or breaches may be communicated informally within teams or raised through management channels, rather than through a standardised reporting or incident management process. In some cases, information comes to central functions such as risk or governance through informal networks rather than structured reporting pathways, highlighting the reliance on trust and individual connections.</p> <p>Although governance forums such as the Finance, Audit and Risk Committee (FARC) receive periodic reporting over compliance matters, this is reliant on the completeness of information provided by business functions. The lapsed attestation process (which relies on managers self-reporting compliance issues) has its limitations where responses may be incomplete, based on limited verification or influenced by resource constraints and competing priorities.</p> <p>The absence of a centralised mechanism to capture and track obligations means that compliance information (e.g., legislative obligations, identified issues, breaches, remediation actions, etc.) are being maintained across separate business functions. There is no single ‘source of truth’ that consolidates compliance information across the organisation, and follow-up activities (such as closing out issues or tracking progress) are typically managed independently by business functions. While some areas (e.g., finance) demonstrate more mature escalation and close-out processes, this is not consistent across all functions.</p>
Risks	<ul style="list-style-type: none"> • Governance may not receive a complete and accurate view of compliance risks and issues, as reporting relies on decentralised inputs and self-reporting mechanisms which may result in incomplete or inconsistent information being escalated. The absence of centralised reporting and validation mechanisms reduces the ability to provide independent and comprehensive assurance and challenge over compliance activities. • Compliance breaches are not consistently identified, recorded or escalated. Informal escalation pathways and reliance on relationships or judgement may result in issues not being reported at the appropriate level or in a timely manner. • All risks exceeding tolerance thresholds may not be visible to governance and obligation owners. While the risk management framework defines

7.1

	<p>escalation requirements, the focus on a limited set of top enterprise risks may exclude broader compliance-related risks from governance oversight.</p> <ul style="list-style-type: none"> • Without a centralised mechanism to record breaches and actions, remediation actions may not be consistently tracked or monitored to completion, leading to limited visibility over whether issues have been appropriately resolved.
<p>Recommendations</p>	<ul style="list-style-type: none"> i. For major or high-risk legislative obligations, define an executive level owner who is accountable. An operational owner should be defined for all obligations. ii. Further to the recommendation to define the framework and develop a central obligations register, the register should include: <ul style="list-style-type: none"> • Obligation description and referenced legislations; • Obligation enterprise owner; • Risk rating; • Primary control; and • Compliance status. iii. Define escalation and breach procedures to be applied across the business, including ensuring operational and executive owners are made aware of non-compliance and actions relating to their obligations. Escalation should be risk based and reflect complexity, severity, and impact. iv. Enhance the completeness and consistency of compliance-related reporting to governance bodies, particularly the Finance, Audit and Risk Committee (FARC). This includes introducing standardised requirements for reporting compliance risks, issues and emerging concerns as part of existing reporting templates
<p>Management's Response</p>	<p><i>NPDC agrees with the recommendation to strengthen enterprise-level visibility and reporting of legislative compliance. This work will focus on clarifying ownership, improving escalation pathways, and enhancing the consistency of reporting to governance. These improvements will be implemented in a staged manner and supported by the introduction of legislative compliance software once a suitable system is selected.</i></p>
<p>Action Owner</p>	<p><i>Legal Services Lead</i></p>
<p>Due Date</p>	<p><i>i, iii - June 2027</i></p> <p><i>ii, iv – September 2027</i></p>

Appendix A – Approach and Work Performed

7.1

Scope of Review

As per the Terms of Reference, the scope of our review was to assess the design and operating effectiveness of NPDCs' systems and controls in place in:

- Identifying legal and regulatory obligations in a timely manner;
- Establishing processes and controls to comply with legal and regulatory obligations;
- Performing ongoing monitoring over compliance activities; and
- Reporting the results of monitoring to governance on a regular basis

Out of Scope

The following areas were outside the scope of this review:

- Detailed legislative compliance audit including deep dives into specific areas or functions.
- Conducting a completeness assessment to validate all relevant obligations are captured.
- Providing legal advice, interpretation or opinion.
- Assessment incident management or breach processes.
- Performing detailed control effectiveness testing on obligations
- Providing any audit or assurance opinion

Approach

We completed the following work steps:

- Conducted initial discussions to confirm scope, agree core documentation requests, and identify key stakeholders across governance, finance, legal, asset management and finance.
- Reviewed the Council's overarching compliance management practices, governance structures and relevant policies to understand how legislative obligations are identified and managed.
- Obtained an understanding of key legislation and regulatory obligations applicable to Council operations to inform expected compliance practices.
- **Note:** *Detailed control testing was not performed. Based on our assessment, legislative compliance activities are informal and embedded within operational processes, and an enterprise-wide framework to support consistent identification, management, and monitoring of obligations has not been established. As such, the review focused on understanding current practices and identifying gaps at an enterprise level.*
- Identified key risks, themes, and gaps in legislative compliance arrangements and validated these with relevant stakeholders.
- Discussed and recommended appropriate and practical solutions with key personnel.

Appendix B – Control Effectiveness Rating Scale

7.1

The assessment of the entire control environment is based on our assessment of the processes as presented and the results of judgemental sample testing. The consolidated results of testing together with the appropriateness of control responses to risk form this assessment.

Description	Rating Scale Indicator
<p>1 Significant Weakness</p> <p>The control environment either does not exist or is inadequate to manage risk related to process under review and is significantly below good practice and does not compare favourably to other models. The business is exposed to control failure and potential financial, operational, and strategic impacts.</p>	
<p>2 Informal / Inadequate Controls</p> <p>The control environment exists but is informal or has important gaps and certain elements are below good practice or do not compare favourably to other models. The business is exposed to control failure and potential financial, operational, and strategic impacts.</p>	
<p>3 Adequate Controls</p> <p>The control environment exists, and we have detected some gaps and/or areas for improvement. The environment compares favourably to other models with room for improvement. The business could be exposed to control failure and potential financial and operational impacts.</p>	
<p>4 Well Controlled</p> <p>The control environment exists, and we have detected minimal gaps and/or areas for improvement. The environment compares favourably to other models. The business may be exposed to control failure and potential financial and operational impacts.</p>	
<p>5 Leading Practice Controls</p> <p>The control environment exists, and we have not detected gaps. Control applications and processes in existence exceeded better practice and are better than other models. The business is unlikely to be exposed to control failure and potential financial and operational impacts.</p>	

Appendix C – Risk and Ease of Fix Rating Scale

7.1

Risk Rating Scale

Each finding included in the report has been ranked on the basis of the risk we perceive the organisation to be exposed to.

Rating	Description
Very High	Issue represents a severe control weakness. This could cause or is causing severe disruption to process/service, or severe adverse effect on the ability to achieve objectives.
High	Issue represents a significant control weakness. This could cause or is causing significant disruption to process/service, or significant adverse effect on the ability to achieve objectives.
Moderate	Issue represents a moderate control weakness. This could cause or is causing some disruption to process/service. There may be a level of short-term tolerance due to compensating controls or remedial plans underway.
Low	Issue represents a minor control weakness. This could cause or is causing inefficiencies in process or is a lack of formality in documentation or process.
Process Improvement	Observation represents an identified opportunity to improve process/service efficiency.

Ease of Fix Rating Scale

Deloitte's estimation of the effort required to fix the finding raised is based on our previous experiences with resolving similar findings at similar organisations. This is intended as a guide only. You should undertake your own assessment to determine the actual level of effort required.

Rating	Description
Simple	There is a simple fix for this finding, which may involve minor system changes that require limited effort to implement or test, minor costs to resolve, or minor changes to system design or business processes. Estimated timeframe for fix to be implemented is within one to three months.
Medium	There is a moderately complex fix for this finding, which may involve some time to develop, implement and test, some cost to resolve, or some changes to system design or business processes. Estimated timeframe for fix to be implemented is within three to 12 months.
Complex	The solution is complex and may involve substantial time to develop, implement and test, substantial monetary cost to resolve, or substantial changes to system design or business processes. Estimated timeframe for fix to be implemented is more than 12 months.

Appendix D – Statement of Responsibility

The procedures that we performed did not constitute an assurance engagement in accordance with New Zealand Standards for Assurance engagements, nor did it represent any form of audit under New Zealand Standards on Auditing, and consequently, no assurance conclusion or audit opinion is provided. The work was performed subject to the following limitations:

- Our assessments are based on observations from our review and sample testing undertaken in the time allocated. Assessments made by our team are matched against our expectations and best practice guidelines. This includes comparison with other similar processes we have assessed. This report offers recommendations for improvements and has taken into account the views of management, with whom these matters have been discussed.
- Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The procedures were not designed to detect all weaknesses in control procedures as they were not performed continuously throughout the period and the tests performed are on a sample basis.
- Any projection of the evaluation of the control procedures to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.
- The matters raised in the deliverable are only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud. Accordingly, management should not rely on our deliverable to identify all weaknesses that may exist in the systems and procedures under examination, or potential instances of non-compliance that may exist.

We have prepared this report solely for the use of New Plymouth District Council. The report contains constructive suggestions to improve some practices which we identified in the course of our review procedures. These procedures are designed to identify control weaknesses but cannot be relied upon to identify all weaknesses. We would be pleased to discuss any items mentioned in this report and to review the corrective action implemented by management.



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organisation”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500® and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte’s approximately 457,000 people worldwide make an impact that matters at www.deloitte.com.

Deloitte New Zealand brings together more than 1800 specialist professionals providing audit, tax, technology and systems, strategy and performance improvement, risk management, corporate finance, business recovery, forensic and accounting services. Our people are based in Auckland, Hamilton, Rotorua, Wellington, Christchurch, Queenstown and Dunedin, serving clients that range from New Zealand’s largest companies and public sector organisations to smaller businesses with ambition to grow. For more information about Deloitte in New Zealand, look to our website www.deloitte.co.nz.

© 2026. Deloitte Limited (as trustee for the Deloitte Trading Trust).

HEALTH, SAFETY & WELLBEING QUARTERLY REPORT – PERIOD ENDING MARCH 2026 (Q3)

PURPOSE/ TE WHĀINGA

1. This report presents the Health, Safety and Wellbeing Quarterly Report for the period 1 January 2026 – 31 March 2026.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

3. This report is provided for information purposes only and has been assessed as being of some importance. The material presented in this report assists the elected members, as Officers, to exercise their duty of due diligence to meet their statutory obligations under the Health and Safety at Work Act 2015.
4. The matters discussed in this report do not have implications for the Council's level of service or the financial costs for the community. Public interest in these matters is unlikely to be high.

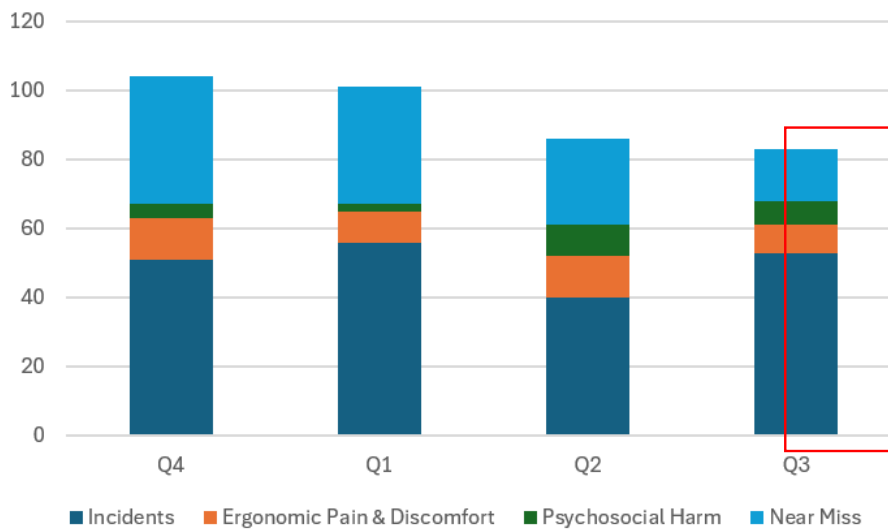
EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

5. This report highlights a continued commitment to fostering a safe, healthy and resilient work environment through risk management, incident reporting and health and wellbeing initiatives.
6. Quarter Highlights include:
 - a) Successful delivery of several health and wellbeing initiatives as seen in paragraph seventeen & eighteen.
 - b) New system, 'Flowingly', now captures the introduction of new Contractors for pre-qualification before work commences (part of a workflow process into the supplier account system in Tech1).
 - c) Two ICAM (Incident Cause Analysis Method) investigations completed.
 - d) ACC AEP Audit application and preparation work.

- e) Thirty-nine audits completed. A significant increase on Q2.
- f) Training modules on Contractor Management, 5 Whys Investigation and Pinnacle use (Health & Safety Management Software), were developed and delivered during Q3, this has assisted in the increase of audits and safety conversations.
- g) One hundred-sixty-nine safety conversations completed, a significant increase on previous quarter.

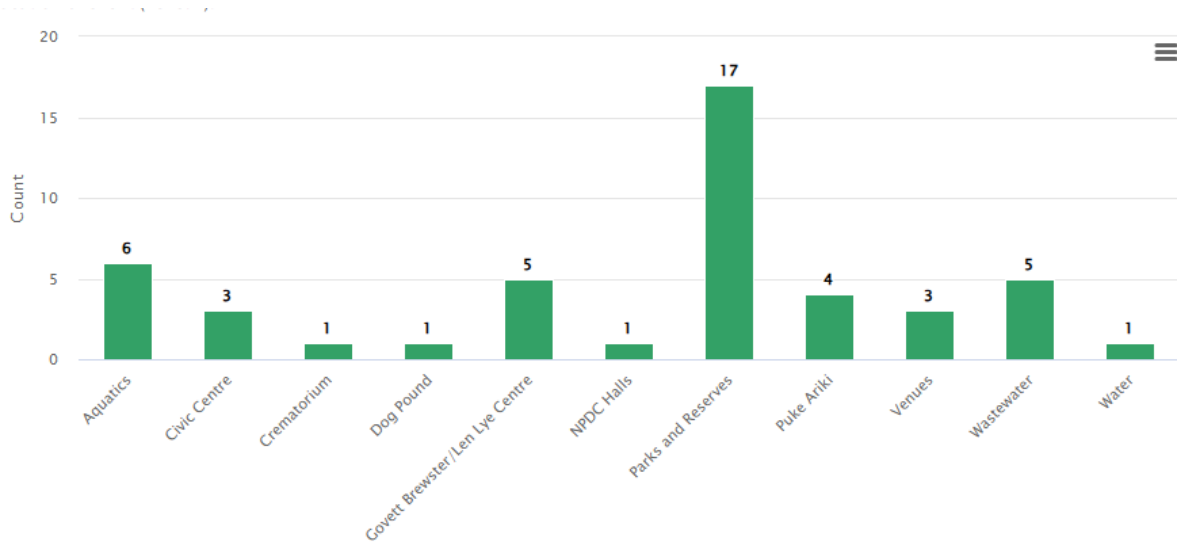
PERFORMANCE INSIGHTS

Event reporting – includes contractors.



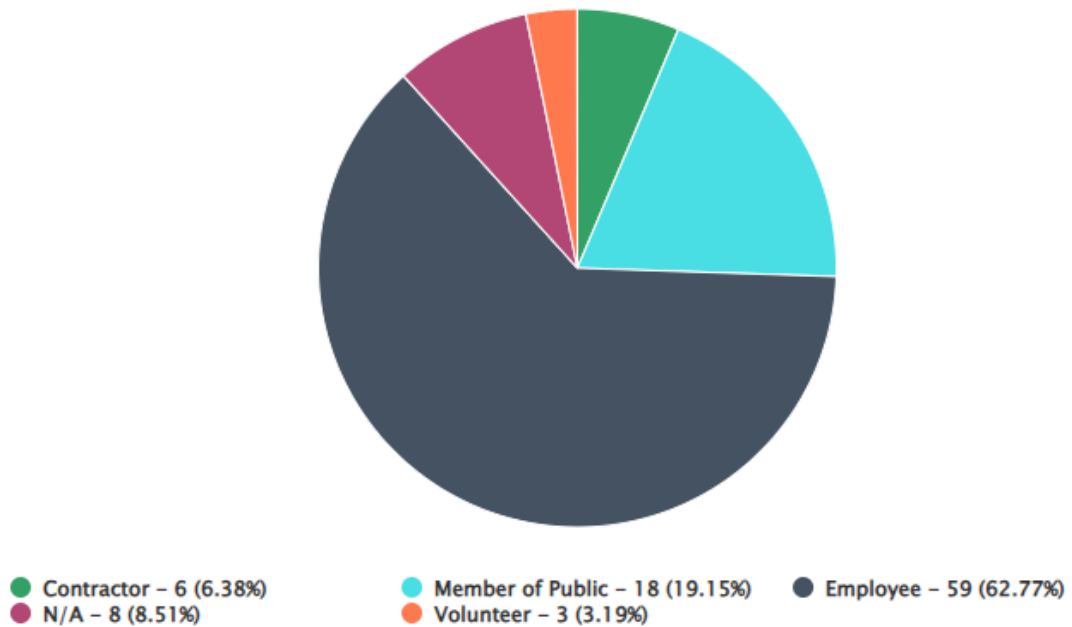
- 7. The graph above illustrates eighty-three events reports for Q3, with the majority occurring in the Parks, Aquatics and Three Waters space, this can be attributed to the strong reporting culture and physical nature of the roles within these teams. Near miss reporting has been slightly lower than previous quarters.

Incidents by Sites



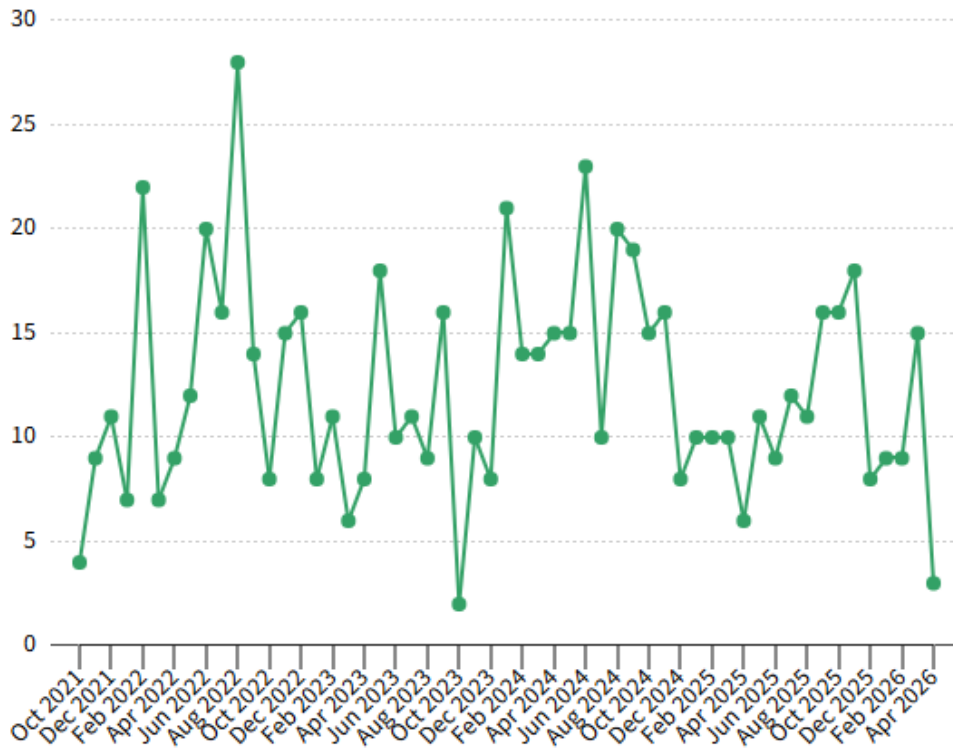
- Many incidents were reported by Parks and Reserves. These include a significant number of wasp sting events, one requiring medical attention. Other incidents within Parks and Reserves include strains and sprain due to the physical nature of the roles.

Events by Relationship



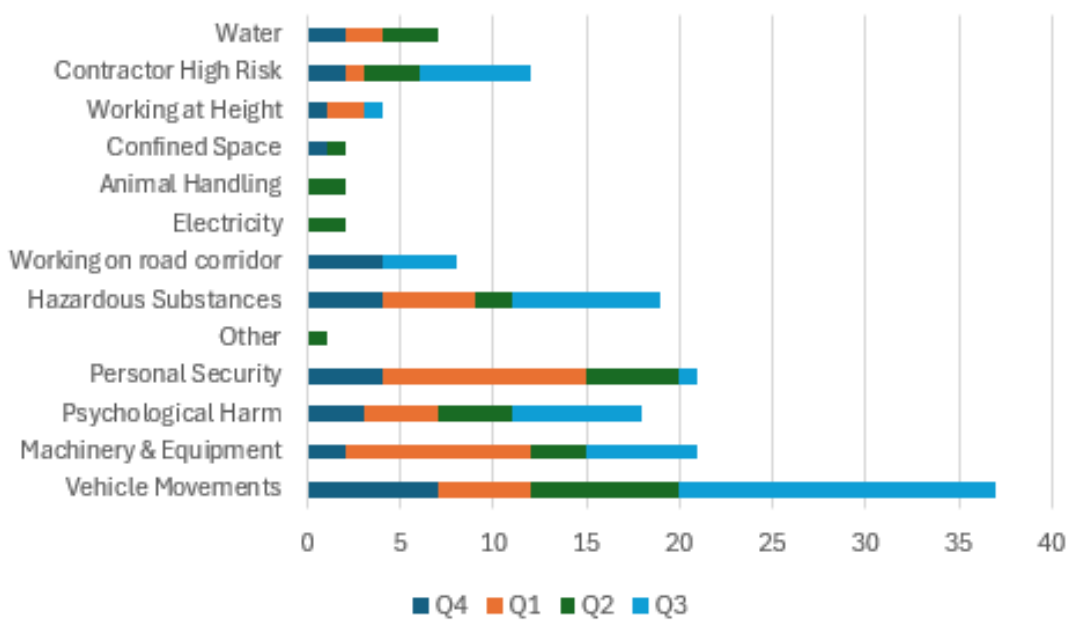
- Many events in Q3 were Employee events, with 19% involving members of the public. These events are predominantly at public facilities e.g. Aquatics and Library's involving slips trips and falls.

CRITICAL RISK EVENTS



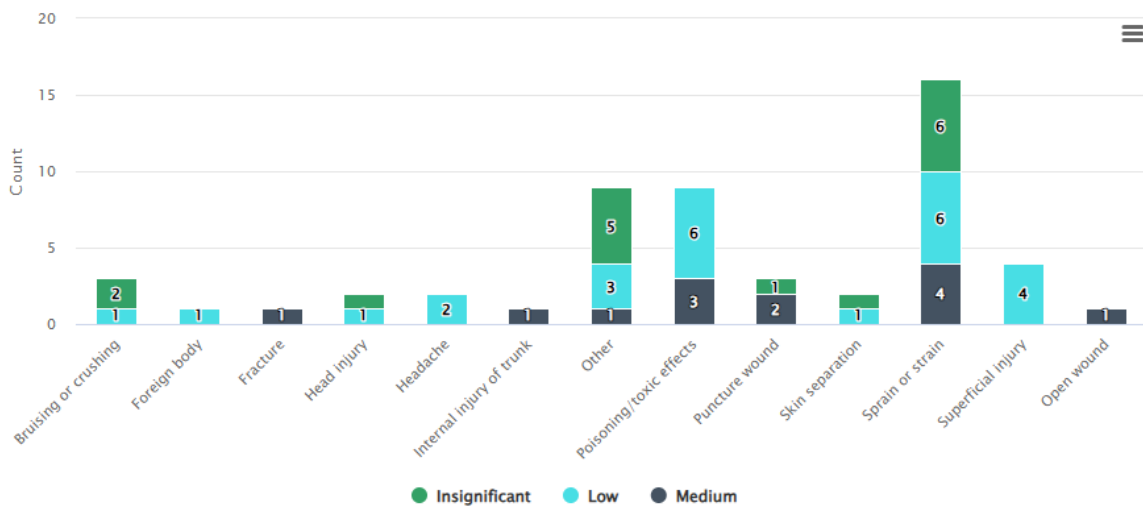
- Critical risks refer to hazards that pose a significant threat of serious harm or fatal injury in the workplace. We have updated the graph above to reflect the types of incidents and near misses associated with these critical risks. Among the identified critical risks, Driving and Vehicle movements account for the highest number of near misses. Additionally, psychological harm presents the most significant increase in risk for the critical risk incident category.

Quarterly Trending on Critical Risk Events



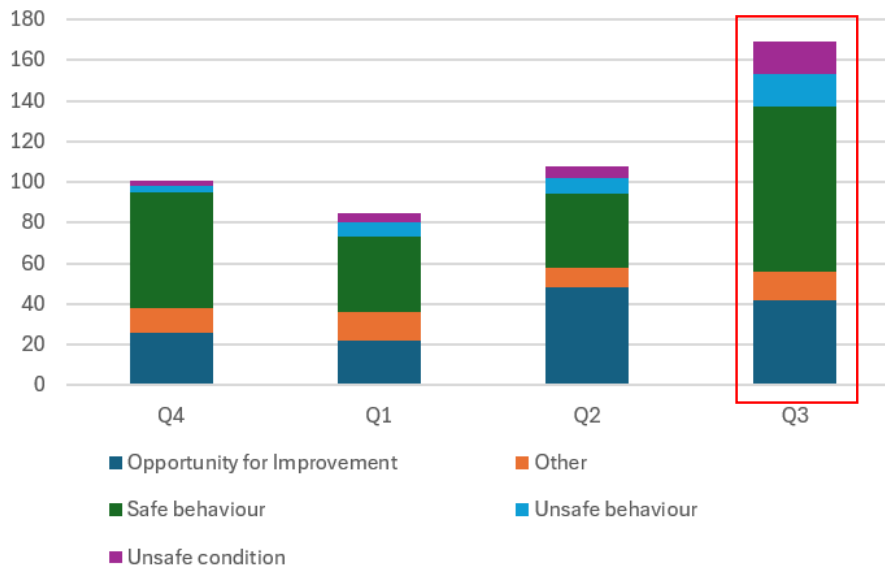
- 11. Q3 saw an increase in vehicle movement events and psychological harm events based on previous quarterly data.

INJURY TYPES AND SEVERITY



- 12. Sprain and strain injuries, particularly within Parks and Reserves teams we the major mechanism for injury this quarter, with poisoning and toxic effects related to the Wasp stinging events within the same team.

SAFETY CONVERSATIONS



13. Safety conversations capture both safe and unsafe behaviour or conditions which then require us to praise or correct what we see and identify opportunities for improvement. Having meaningful safety conversations assists in creating a positive safety culture and reporting across the organisation.
14. This quarter sees a noticeable increase in positive safety behaviour conversations compared to that of last quarter and is trending higher overall within the last 12-month period. There has been significant training being conducted in Q3 on pinnacle and how to report which has contributed to this result.

WORKSAFE & EXTERNAL UPDATE

15. **Maritime NZ vs Gibson appeal dismissed.** (**Business Leaders Health & Safety Forum – Legal insights.*)
 - a) Former Port of Auckland CEO Tony Gibson was convicted in the District Court on two major charges under the Health and Safety at Work Act 2015 – the first time a CEO of a major New Zealand company has been found guilty under the act.
 - b) Mr Gibson was found guilty on two of the three charges, following a trial and the decision was subject to appeal which was dismissed.

16. *What the Appeal decision means:*

- a) There is no “ultimate responsibility” standard – officers are not automatically liable for all organizational failures.
- b) There is no perfection or best-practice test – the legal test remains what a reasonable officer would have done in the same circumstances.
- c) Context matters – expectations increase where organizations have a track record of serious harm, repeated incidents, or known system weaknesses.
- d) The Court explicitly acknowledged that the CEO was conscientious, committed, and had led significant safety improvements over many years.

17. *The critical insight: verification, not intent*

- a) The conviction turned on insufficient verification that critical risk controls were working in practice.
- b) While systems, audits, KPIs, and external reviews existed, assurance relied too heavily on desktop reviews and aggregated reporting.
- c) There was insufficient challenge of whether controls were effective in night shifts, lower-supervision environments, and real operating conditions.
- d) Once an officer is on notice of potential system weaknesses, a reasonable officer is expected to do more to close the loop.

18. *Implications for the Board (Council) and CEO*

- a) This is not about more reporting, policy, or metrics; it is about confidence in control effectiveness for critical risks.
- b) CEOs are particularly exposed due to their role linking board intent and operational reality.
- c) Officer prosecutions remain rare; the central question is whether credible assurance was actively sought.

19. *Practical expectations signaled by the Court*

Boards (*Councils*) should expect the following for critical risks:

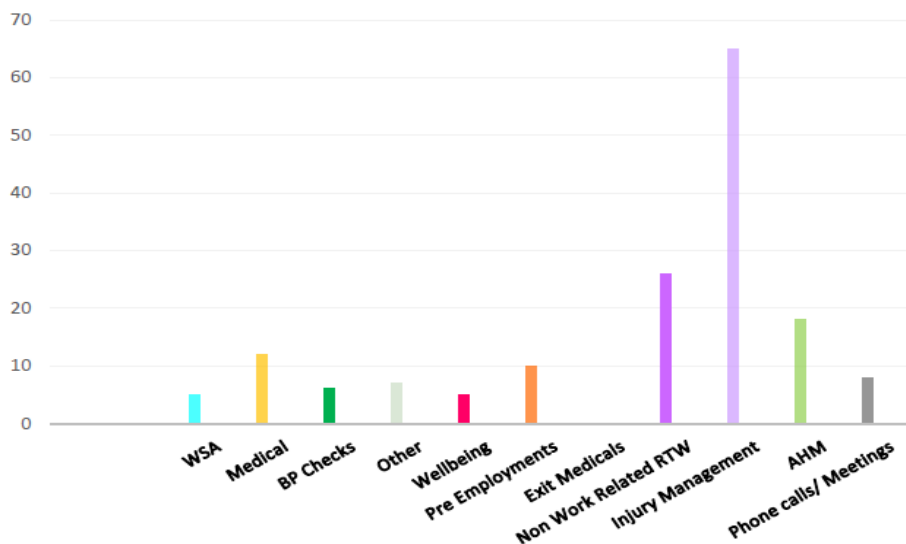
- a) Clear prioritization of a small set of risks with fatal or serious harm potential.
-

- b) Adequately resourced controls with clear ownership and accountability.
- c) Credible verification through observation of work and frontline insight.
- d) Constructive challenge of what is missing, not just what is reported.
- e) Application of a health and safety lens to management of change.
- f) Continuous learning and loop-closing from incidents and weak signals.

OCCUPATIONAL HEALTH SERVICES

- 20. The nurse clinic remains actively engaged in providing healthcare advice and support to staff.
- 21. Health monitoring has been completed for Parking and City Compliance, Animal Control, Govett Brewster Art Gallery and Puke Ariki installations. The annual health monitoring has been able to identify those at risk of health problems and prompted each worker to take responsibility for their health. Recommendations have been provided to ensure the ongoing safety and well-being of staff.
- 22. As seen below there were a high number of injury management consultations. This includes multiple contacts for complicated cases.

Nurses Clinic Events Q3 2026



WELLBEING INITIATIVES & EMPLOYEE ASSISTANCE PROGRAMME

23. Q3 saw the start of the Local Government Wellbeing Network. This forum has been developed to share key learnings and resources on wellbeing issues pertinent to local government environments.
24. The first sessions have centred around the management of change and how Councils have been including mental wellbeing into their MOC processes.
25. There was a total of twenty-two wellbeing applications from employees accessing the benefits of our people package.

Other Wellbeing Initiatives

26. Skin Cancer Screening Programme: *(This includes role risk-based screening and employee paid screening)*

Number of people:	160
Referrals, atypical lesions:	15

27. Hearing Screening:

Number of people:	59
Referrals to audiologist:	2

28. TELUS (Employee Assistance Programme) Webinars were conducted on the following:
 - a) **January:** Achieving Peak Wellness
 - b) **February:** Physical Health for Mental Health
 - c) **March:** Perimenopause and Menopause at work.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRANGA Ā-PŪTEA, Ā-RAUEMI

29. There are no financial or resourcing implications relating to the report. However, failure to meet due diligence obligations could result in fines and improvement notices.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

30. This report confirms that the matter concerned has no implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
 - Council staff have delegated authority for any decisions made.

- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter.
 - Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan.
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or would transfer the ownership or control of a strategic asset to or from the Council.
-

Report Details

Prepared By: Justine Lehmann (Health, Safety & Wellbeing Lead)
Team: People & Wellbeing
Approved By: Carol Malpas (Manager, People & Wellbeing)
Ward/Community: District Wide
Date: 25 May 2026
File Reference: ECM 9810413

-----*End of Report*-----

REVISED INSURANCE FRAMEWORK

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is endorsement of the revised Insurance Framework and supporting Insurance Policy and Insurance Process.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Endorse the revised Insurance Framework (ECM 9783912), Insurance Policy (ECM 9783911), and Insurance Process (ECM 9783913).**
- b) **Endorse the risk appetite and tolerance position for associated risks as recorded.**

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance or administrative
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Endorse the revised Insurance Framework, Insurance Policy and Insurance Process as proposed 2. Endorse the revised Insurance Framework, Insurance Policy and Insurance Process with adjustments 3. Reject the revised Insurance Framework, Insurance Policy and Insurance Process and retain the existing document
Affected persons	The persons who are affected by or interested in this matter are elected members, Council management and staff who have a responsibility for the management of assets or may otherwise be involved in an insurance claim.
Recommendation	This report recommends option one for addressing the matter.

COMPLIANCE / TŪTOHU	
Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

3. Officers recommend that Council endorse the revised Insurance Framework and supporting documents to clarify Insurance as a key financial risk treatment under Council's Risk Management Framework.
4. The new Insurance Framework provides greater confidence in the insurance portfolio as an appropriate risk treatment and provides certainty that Council Officers understand their responsibilities in this space.
5. The next steps following endorsement are for Council Officers to utilise the Framework and Process during the annual Insurance Programme review and renewal with the goal of aligning expenditure with acceptable risk and reducing overall premium expenditure to achieve the targeted \$100,000 in savings where risk is tolerable.

BACKGROUND / WHAKAPAPA

6. New Plymouth District Council maintains a portfolio of insurances to protect against financial loss resulting from damage to assets and liabilities. The insurance programme including coverage type, deductibles and limitation of liability are reviewed on an annual basis to ensure continued alignment with the strategy outlined in the Insurance Framework.
7. The current Council have highlighted a desire to achieve premium savings of \$100,000 this financial year (FY26/27). These savings should be identified through a structured, evidence-based approach to manage the potential changes to overall risk.

Documentation

8. The Insurance Framework, originally published in 2018 and updated in 2024, was reviewed as part of alignment with the Risk Management Framework. This review found that the current document is no longer fit-for-purpose. Several gaps and ambiguities were identified, creating a risk of inconsistent application due to varying interpretation and reliance on individual judgement. Retaining the existing structure would not provide the clarity, consistency, or alignment required to support effective insurance management.

9. To support alignment with the newly adopted Risk Management Framework, it is proposed that insurance-related content be restructured into three distinct documents: Framework, Policy, and Process. This approach is consistent with the broader Risk Management suite and provides a clear separation of purpose and hierarchy. The proposed structure will improve clarity, strengthen governance, and enable more consistent interpretation and application across the organisation.
10. The associated Disaster Recovery Reserve Policy has not been updated at this time.

New Content

11. The current Framework is primarily focused on the insurance of assets and lacks any detail regarding liability insurances. The new Framework has elaborated on the types of insurance available or held by Council and directly linked insurance decisions to Council's risk appetite and tolerance.
12. The current Framework does not provide guidance with respect to purchase of specialised insurance or deliberate non-purchase. The new Framework addresses this gap and provides a mechanism for tracking previously excluded insurances.
13. The current Framework does not include any discussion regarding management of claims. The new Framework describes responsibilities and actions that will be undertaken regarding notification, financing, recovery timeframes and record-keeping.
14. The current approach to insurance includes a variety of situations that fall outside of the expectations/ norm for the existing Framework. The new Framework details these known exceptions including the justification for that approach.
15. The new Insurance Policy clearly defines the principles that will be adhered to, makes a commitment to operate within defined settings and sets governance roles and accountabilities.
16. The new Insurance Process defines the specific approach that will be followed when renewing or purchasing new insurances, including defining the information that will be relied upon and actions to be undertaken. Other insurance processes that are operational in nature are or will be documented within internal systems as relevant.
17. Where new supporting documentation and processes have been identified as necessary for the implementation of the Insurance Framework, Policy and Process these items have been captured in an Improvement Register for actioning in accordance with their relative importance.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

18. Climate change is specifically relevant to the insurance of assets. Climate change is driving an increased frequency and severity of weather events, which impacts premiums by increasing the risk of damage to exposed assets. The Framework and Process outline mechanisms to ensure cover is purchased at a level appropriate to the asset by factoring in any planned managed retreat or risk mitigation strategies.
19. The Insurance Framework aims to ensure there is appropriate provision for financial recovery following an event. Decisions regarding the rebuild, relocation or abandonment of individual assets following an insurable event are made by the Asset Owner and/or Council and are outside the scope of this Framework.

NEXT STEPS / HĪKOI I MURI MAI

20. If Option One is adopted the Insurance Framework, Insurance Policy and Insurance Process will be implemented with any initial changes to be presented as part of the annual Insurance Programme review in October. Council Officers will seek to ensure that risk tolerance and coverage are aligned to reduce overall premium expenditure where risk is tolerable.
21. Council Officers will seek options for Loss Limit modelling to be undertaken to provide guidance on Probable Maximum Loss from a single catastrophic event.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

22. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance/ administrative because while changes will inform Council's future insurance approach, they are primarily clarifications and improvements upon existing processes.

OPTIONS / KŌWHIRINGA

- Option 1 Endorse the revised Insurance Framework, Insurance Policy and Insurance Process as proposed**
- Option 2 Endorse the revised Insurance Framework, Insurance Policy and Insurance Process with adjustments**
- Option 3 Reject the proposed Insurance Framework, Insurance Policy and Insurance Process and retain the existing document.**

23. These options have been assessed together below.
-

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

24. Endorsing the revised Framework does not create additional resourcing obligations. However, it does clarify recommended timeframes for actions that have a resourcing impact. In particular, the completion of Probable Maximum Loss modelling is discussed in the existing Framework but has specific timeframes for review noted in the new Framework.
25. Adopting the Asset grading approach proposed within the new Framework and Process may result in the recommendation to increase or decrease cover to better align insurance with NPDCs risk appetite and tolerance which will directly impact premiums. The decision in that case would be subject to separate consideration as part of the annual insurance programme review.

Risk Analysis / Tātaritanga o Ngā Mōrearea

26. The new Framework reduces uncertainty by clearly defining accountability, responsibility, key processes and actions to be taken and aligns those decisions to agreed risk appetite and tolerance settings.
27. Insurance is a treatment for financial risk. The new Framework provides improved confidence in the type, level and extent of cover purchased and will reduce the likelihood of an uninsured event creating negative financial outcomes for NPDC.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

28. These options align with the Strategic Framework and most strongly with the Prosperity outcome by ensuring that the Insurance portfolio and processes support long-term sustainability and confidence for recovery from damaging events.
29. Through increased visibility and improved structure, the new Framework will ensure greater alignment with desired community outcomes relative to the existing Framework.

Statutory Responsibilities / Ngā Haepapa ā-ture

30. These options support the Council's obligations for sound governance, prudent financial management, and effective stewardship. Options 1 and 2 are considered to provide an improvement over the existing Framework however there are not currently any known statutory non-compliance concerns to address.
 31. There are no future Legislative changes known or anticipated that have directly guided the proposed Framework changes.
-

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

32. Options 1 and 2 are fully consistent with existing Council policies and plans and have been written to improve alignment with the new Risk Management Policy, Framework and Process.
33. The existing Insurance Framework has inconsistencies due to a lack of relevant information regarding risk appetite and tolerance resulting in an approach that is not strongly aligned with risk.

Participation by Māori / Te Urunga o Ngāi Māori

34. There are no identified impacts to Māori that would differ between the available options. Insured losses that would result in the reconstruction or modification of structures or may otherwise directly affect Māori would be subject to a separate decision-making process that is not dictated by this Framework.
35. As a result, Council Officers have not consulted with Iwi on this matter.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

36. These Options relate to internal governance and processes and will not directly impact levels of service. Where a change is recommended because of the process documented in Option 1 or 2 that change will be subject to a separate decision-making process and is typically captured within the annual insurance programme review. Consequently, specific community feedback has not been sought.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

37. The key advantage of adopting the new Framework is the improved transparency and clarity regarding accountability, actions, timeframes, and decision-making for both the purchase of insurance and the management of claims. The new approach is both more structured and more detailed in defining responsibilities and ensuring key tasks are completed within an appropriate timeframe.
38. The new Framework provides clear risk appetite and tolerance direction aligned to the new Risk Management Framework settings which will ensure future proposals for the annual insurance programme are more closely aligned with the desired levels of coverage including neither over nor under-insuring for each relevant risk.

Recommended Option

This report recommends Option One – Endorse the revised Insurance Framework, Insurance Policy and Insurance Process as proposed for addressing the matter.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Insurance Framework CURRENT (ECM 9290882)

Appendix 2 Insurance Framework PROPOSED (ECM 9783912)

Appendix 3 Insurance Policy PROPOSED (ECM 9783911)

Appendix 4 Insurance Process PROPOSED (ECM 9783913)

Report Details

Prepared By: Andrea Humphrey (Risk and Assurance Specialist)
Team: Risk and Integrity
Approved By: Leisa Patel (Manager Risk and Integrity)
Ward/Community: District Wide
Date: 5 May 26
File Reference: ECM 9801512

-----*End of Report*-----



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

9.1

Insurance Framework

Version 4.0

Location of Controlled Copies:	No approved controlled copies, electronic only
Document Reviewer:	Executive Leadership Team
Approved By:	Version 1.0 Audit and Risk Committee approved 21 March 2018 Council resolution at Council meeting 10 April 2018
	Version 2.0 Finance, Audit and Risk Committee approved 6 April 2021 Council resolution at Council meeting 13 April 2021
	Version 3.0 Finance, Audit and Risk Committee approved 26 April 2023 Council resolution at Council meeting 2 May 2023
	Version 4.0 Finance, Audit and Risk Committee approved 30 July 2024 Council resolution at Council meeting 6 August 2024

REVISIONS

Rev	Date	Pages	Description	By
2.0	March 2021	Various	Three-yearly review of the framework	Risk, Legal and Assurance Lead
3.0	March 2023	Various	Review of the framework	Risk, Legal and Assurance Lead
4.0	August 2024	Various	Review of the framework and Policy	Insurance and Innovation Analyst

Summary

The purpose of the Insurance Framework ('the framework') is to provide a structure for determining the balance between risk retention and sharing, and the cost of doing so. At least every three years the framework will be reviewed, considering;

- Council's operating environment and risk appetite (as informed by changes to its asset base, the amount of loss that can be accepted before insurance is needed, and confidence in other sources of funding)
 - what assets are being insured and on what basis, to enable an informed decision about the deductible/premium balance
 - the alignment between asset information and the insurance programme and
- 1
- trends from claims history.

The insurance programme that flows from this framework will be renewed each year. Furthermore, the market for broking services will be tested at least every five years. This will help to ensure that Council's insurance arrangements effectively enable it and our community to recover to their pre-event state as soon as possible. The results of these reviews will be reported annually to the Finance, Audit and Risk Committee.

Introduction

This framework has been developed to outline the variety of approaches taken to protect Council's balance sheet, including transferring financial risk of damage or loss to a third party. These approaches are necessary to facilitate a timely return of Council assets and services to their pre-event state. In combination, the following provides comprehensive protection currently:

- i. Disaster Recovery Reserve – in June 2024 Council's Disaster Recovery Reserve ('the reserve') stood at ~\$1.8 million, with the last withdrawal being \$750,000 in 2016/2017 to contribute to Council's cost of recovering from the June 2015 storm event. The reserve has previously been built up over a number of years. ²
- ii. Being a member of the Local Authority Protection Programme (LAPP) mutual fund. LAPP provides some cover for losses of (generally underground) structures in the water, wastewater, stormwater and flood protection networks as a

¹ This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

² This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

consequence of a natural disaster. The potential impact of central government's 'Local Waters Done Well' legislation on LAPP is discussed later.

- iii. Purchasing commercial insurance for other assets, mainly through the Material Damage policy that covers property (commercial, community and residential). Council also purchases Public Liability and Professional Indemnity insurance to cover potential liabilities arising from Council's various activities.
- iv. The fallback options of relying on a strong balance sheet, significant borrowing capacity, and potentially the Perpetual Investment Fund (PIF) if an event causes such widespread damage that other sources of recovery funding are insufficient.

While there is some confidence about the adequacy of existing arrangements, Councils operate in a dynamic environment³ so there is a need to periodically review these arrangements and the mix of coverage (e.g. between the mutual fund and commercial options) to ensure that they are fit for purpose.

This framework outlines the elements to consider through such reviews, making it clear what the Council's approach is to retaining risk (through self-insurance or not insuring some assets) and sharing the remaining risk that it would not be prudent to accept (through the purchase of insurance). In that regard, the framework is aligned with Council's Risk Management Framework, in that residual risks that are unacceptable (and not able to be mitigated through further controls) are candidates for insurance. The framework also outlines how broking services are to be procured and periodically tested, and the overall effectiveness of the framework monitored and reported on.

Principles

The core principles on which this framework has been built are as follows:

- i. *Timely response:* Ensuring that Council is well-positioned to return to its pre-event state (or as close to it as possible) in a timely manner, regardless of the scale of an event.
- ii. *Structured decision-making:* Providing a structure for future decision-making about how we use insurance to provide cover for financial risks that, if realised, Council and the community would be unable to absorb. This includes defining alternative sources to rates to fund the restoration of community assets after damaging events.

³ For example, Treasury has indicated previously that Councils would need to take more responsibility for covering (through their own reserves and insurance) the cost of damage to underground and flood protection infrastructure from a natural disaster up to a Probable Maximum Loss, as a prerequisite for any central government contribution to the cost of repairing those assets.

- iii. *Cost-effectiveness*: Balancing the cost of insurance while ensuring adequate cover is in place for mitigating risks to achieving the organisations objectives as set out in the Long-Term Plan (LTP). This includes considering Council's ability to, and appetite for, absorbing a level of risk that matches the ability of the organisation's balance sheet to absorb financial losses from a damaging event.
- iv. *Knowledge*: Decisions relating to cover and deductibles will be informed by sound knowledge of our assets and their likely performance during a damaging event, or through consideration of advice provided by insurance specialists.

Approach to reviewing the framework

The framework is to be reviewed at least every three years to ensure that it remains fit for purpose in the context of changes in the insurance market, Council assets and activities, and the environment. The insurance programme that flows from the framework is renewed each year and is adjustable to meet Council's needs as identified during any given insurance year and as part of the framework's review.

The following should be considered when reviewing the framework:

Environmental scan

The impact of internal and external changes to the environment in which the Council operates needs to be considered as it will influence changes to cover, limits, and deductibles.

Internal changes might include those to the structure of the organisation or in the services delivered or investments made. External changes might include legislative amendments that place more responsibilities on local government (or take them away), or policy changes. This also includes changes in the insurance market brought on by the appearance or disappearance of providers, and the reaction of the market to natural disasters and pandemics e.g. removal of cover or increased premiums at renewal.

Risk appetite

As part of considering Council's context there is a need to ensure that the insurance programme matches Council's risk appetite. For example, Council currently transfers most of its natural disaster risk to the insurance market. Nevertheless, not all fixed assets are included because it has not been cost effective to do so (e.g. roading network assets). Therefore, this can be seen as a 'balanced' risk appetite. In comparison, a 'tolerant' risk appetite in this situation would involve retaining more risk through 'self-insurance' or not insuring more assets, which would then reduce premiums. However, taking that approach requires the organisation to have:

- A detailed knowledge of its asset base, especially existing levels of cover in relation to assets of critical importance to continued service delivery and a Probable Maximum Loss (PML),
- An understanding of how much financial loss Council is prepared to accept by not insuring all assets, and
- Confidence in the adequacy of other sources of funding available to Council should losses of uninsured assets be suffered.

The table below shows Council's current approach is to either transferring or retaining risk. It does not include the non-asset categories that are part of Council's insurance programme (Public Liability, Professional Indemnity, Travel, and Statutory Liability). Nevertheless the need for these types of cover – and any potentially new types of cover – to address emerging risks is considered each year as part of the renewal process.

Asset Category	Insurance status	
	Insured	Self-insured
Three Waters⁴		
Water	✓	
Wastewater	✓	
Stormwater	✓	
Flood protection	✓	
Resource Recovery	✓	
Transport		
Roading network ⁵		✓
Property		
Council facilities ⁶	✓	
Community halls ⁷	✓	✓
Forestry Joint Ventures	✓	
Papa Rererangi i Puketapu ⁸	✓	

⁴ The 'structures' included here tend to be below or in-ground assets, such as dams, intakes, treatment chambers, storage reservoirs, reticulation networks and outfalls. Although LAPP provides some 'catastrophe' cover, whether this is adequate is assessed in the lead up to the renewal of our insurance programme each year.

⁵ Includes the road surface, bridges and other roading infrastructure e.g. culverts. Although these assets are uninsured, as demonstrated during the recovery from the June 2015 flooding event Waka Kotahi (NZ Transport Agency) can provide a contribution to the cost of repairs to the roading network, refer to Appendix 2 for more information.

⁶ This covers the main Council facilities such as the Civic Centre, Puke Ariki, Aquatic Centre, and TSB Stadium.

⁷ Some community halls come under Council's programme because Council owns them, while others arrange their own insurance but apply to Council for a grant to cover the cost. Council has made the decision to remove coverage for clubs that own a building but have elected to come under Council's programme from 01 July 2024. There are some exceptions to this rule such as where the difference between the desired insurance cover and the minimum available cover are substantially different resulting in unmanageable premiums for the clubs.

⁸ Although Papa Rererangi i Puketapu is a separate entity, its significant assets (e.g. the terminal) come under Council's insurance programme.

Asset Category	Insurance status	
	Insured	Self-insured
Parks		
Tracks ⁹		✓
Structures ¹⁰	✓	
Arts		
Collections ¹¹	✓	
Other		
Motor vehicles	✓	

What to insure and how

In reviewing Council's insurance programme the treatment of specific assets needs to be considered so an appropriate response to loss can be applied e.g. replacement (like for like, taking into account building standards and technologies at that time), indemnity (no better or no worse), demolition costs only, or no insurance.

Decisions on this are informed by addressing the following questions and insuring buildings on that basis accordingly:

- i. Which buildings need to be replaced (i.e. those identified as essential assets to the ongoing delivery of services to our community)?*

Replacement value insurance is appropriate.

- ii. Which buildings need to be replaced but by something different (i.e. those identified as desirable but not essential in the short to medium term to the ongoing delivery of services to our community)?*

Functional replacement value (less than actual replacement) or indemnity value are options.

- iii. Which buildings would not be replaced?*

Indemnity value, demolition costs only, or no insurance are options.

- iv. Which buildings need to be held for future projects (e.g. acquired for roading)?*

Demolition costs or no insurance are options.

⁹ Although tracks are generally uninsured, the Coastal Walkway and other sealed tracks were covered under LAPP until recently when they were transferred to the Transport portfolio.

¹⁰ Significant structures are named in the Material Damage schedule e.g. pedestrian bridges.

¹¹ This includes collections at Puke Ariki and Govett-Brewster/Len Lye Centre, but not art in public spaces.

The annual review leading up to renewal of the insurance programme will capture additions or deletions to Council's asset holdings. It is also an opportunity to consider whether there are any significant asset groups e.g. roading, where cover should be implemented when it has not been previously because of the prohibitive cost.

Council's fixed assets are formally valued every three years. The most recent valuation was at 30 June 2022, and covered both asset and insurance values (the insurance valuation includes provisions for demolition and inflation). In between valuations, Council must identify a sound basis for calculating a percentage uplift in value, recognising that the insurers will scrutinise the values provided to confirm their accuracy. Insurance valuations for significant assets commissioned between fixed asset valuations will also be needed.

An alternative option to insuring for replacement value at asset level is to have a 'loss limit'. However, this approach requires a detailed understanding of Council's asset base and its ability (and appetite) to absorb potentially significant losses should the limit be proven to be inadequate. This approach has been considered several times previously and was rejected each time because the premium saving was insufficient to justify the increased risk Council would be taking on.

Nevertheless, at each renewal, options will be sought from the insurance market to explore whether having a loss limit will result in a material reduction of our premium. If that is the case, Council will then need to consider if the risk taken on by adopting that limit is acceptable relative to Council's risk appetite.

The deductible/premium balance

Council has a range of deductibles defined for its insurance programme. However, for its Material Damage policy (the most significant policy in terms of premium paid) Council defined its existing \$100,000 deductible as a result of a review in 2005 (increasing it from \$2,500 provided savings of \$100,000 per annum). This deductible has been reviewed multiple times since, however no changes were made because premium savings have consistently been outweighed by the financial risk of the assets that would no longer be insured.

Given the upward trend of premiums Council will continue to review the impact of increasing its deductible above \$100,000 and will also explore the potential benefits of increasing the self-insurance of assets. In each review, the categorisation of assets will be aligned with the below groups:

- i. Essential: includes predominately water and wastewater assets, office and administration facilities.
- ii. High community demand: includes mainly events, aquatic, regulatory and heritage buildings.

- iii. Moderate community need/commercial obligations: includes camp grounds, parks buildings, toilets and the like.
- iv. Non-essential: generally housing, rural halls, and clubs.
- v. Demolish-disposal: includes those assets that are to be sold or are for demolition.

The cost/benefit of reducing or increasing the natural disaster deductible is considered each year. After several renewals where the cost of reducing the deductible (if offered at all by the insurers) was considered too high for the potential savings, in 2021/22 Council determined that the increased premium was acceptable, and the deductible was reduced from five to two and a half percent of site sum insured accordingly.

Membership of LAPP

The Council has been a longstanding member of the LAPP mutual fund, which provided cover when commercial alternatives were either unavailable or not cost effective. Previously, commercial alternatives had been sought to confirm whether continued membership in LAPP represented best value for money. This was important given the impact on the fund of the Canterbury earthquakes and (to a far lesser extent) the Kaikoura earthquake, on the availability of LAPP funds for future events. The LAPP fund is now brokered by Aon, so Council has the benefit of access to Aon expertise while still benefiting from continued membership of LAPP.

As part of the Three Waters reform, it was anticipated that the transfer of Three Waters assets to another entity would result in LAPP being wound up. As future direction in this space under the new Local Waters Done Well plan is less prescriptive it is considered unlikely that the LAPP fund will become unavailable in the short term.

Aligning asset information with the insurance programme

As part of improving its asset management practice generally the Council is gradually improving the quality of its asset information to facilitate more effective management of its assets. This means that we are now better placed to complete the modelling needed to calculate the Probable Maximum Loss that will likely need to be covered (through a mix of insurance (external and self) and borrowing) potentially as a prerequisite for any central government assistance in the event of a natural disaster. Refer to Appendix 1 for further information on central government assistance.

Aside from improving decisions around asset maintenance, renewal, upgrade or replacement, higher quality information will lead to a better understanding of how resilient our assets might be during a significant natural event. This will, in turn, help our insurers to define their risk profile in this region and increase their comfort level about the accuracy of that profile.

Disaster Recovery Reserve

Council maintains a Disaster Recovery Reserve ('the reserve') as a 'self-insurance' fund that is available to be called on when uninsured losses are suffered e.g. to the roading network as a result of the June 2015 flooding event. The reserve seeks to smooth the impact on the community when the Council incurs significantly increased operating costs in recovering from a disaster.

The reserve has previously grown through a number of methods. The size of the reserve (and therefore its ability to absorb uninsured losses) contributes, along with other considerations such as Council's overall financial position, to decisions about which assets to insure and the level of deductible set. As part of the review of the framework, the purpose and size of the reserve is also considered to inform decisions about its potential use ahead of a significant event.¹²

Trend Analysis

In the lead up to renewal of the insurance programme relevant Officers are asked whether their areas have suffered any notable 'below deductible' losses (when the loss is less than the applicable deductible so no claim is made) during the previous 12 months. This information will not be detailed or complete due to challenges differentiating between reactive maintenance required due to breakdowns and reactive maintenance or renewal works occurring as a result of insurable incidents.

The available information will be combined with that on claims made to inform the decision about the deductible level set, and to assist with risk management where any trends are identified, especially about losses in a given part of the organisation.

Approach to procuring broking services

Council implements the framework through the placement of the insurance programme annually with insurance brokers. The brokers serve as a crucial conduit between the Council and the insurance market. As such, the procurement and monitoring of the broker's performance will be completed in accordance with the Council and central government's procurement requirements.

Since 2010, the Council has obtained insurance through a regional collaboration with South Taranaki and Stratford District Councils, and Taranaki Regional Council. For most of the programme, the collective uses Marsh to deliver broking services, with Aon providing the same service for LAPP cover. The broker market was tested for non-LAPP covers in 2017 using the All of Government process managed by the Ministry of Business, Innovation and Employment. This involved approaching a panel of providers with our required terms and accessing the pricing the Ministry had previously negotiated with them. The selection criteria for the broking service provider included:

- A proven record of placing insurance with local and global insurers for the full range of insurance cover potentially required e.g. natural disaster insurance;

¹² This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

- A thorough understanding of the risks facing this Council specifically as well as the local government sector generally;
- A proven record of delivering timely claims management services and responses to ad hoc requests for advice;
- A commitment to monitoring significant movements in providers and market conditions, and advising the Council of threats to existing cover (e.g. a downgrading of an insurer's credit rating) and opportunities that can be taken during the insurance year or at renewal; and
- The ability to deliver or refer the Council to expert loss modelling services as required.

As a result of the tender JLT (which has since merged with Marsh) was awarded the contract for the Taranaki Councils' insurance broker services for three years, which has since been extended to 30 June 2025. The intention is that the broker market will be approached again in time to implement any changes by 01 July 2025, while also accounting for any changes resulting from the Local Waters Done Well planning.

Monitoring and review

The framework is to be reviewed at least every three years to ensure that it remains fit for purpose in the context of changes in markets, Council assets and activities, and the operating environment generally. After each review the revised framework will be provided to the Finance, Audit and Risk Committee for approval.

An annual report will be provided to the Finance, Audit and Risk Committee that details the arrangements made in accordance with this framework and any environmental changes that could impact on those arrangements and the level of confidence that they remain appropriate. This report will be provided as soon as reasonably possible following renewal of the insurance programme in June/July each year.

The General Manager Corporate Innovation is responsible for implementing the framework and the insurance programme.

Glossary

<i>Term/Abbreviation</i>	<i>Definition</i>
<i>Broking services</i>	The core services provided by Council's broker includes risk financing, insurance management, advisory and broking services as per the Broking Contract (ECM 7362524)
<i>Deductible</i>	The amount Council must pay prior to the Insurer making a contribution toward costs, in comparison to an excess this amount is inclusive of the total payment. For example: if the deductible is \$100,000 and the policy limit is \$1M then Council pays \$100,000 and the Insurer will pay a maximum of \$900,000.
<i>Excess</i>	The amount Council must pay prior to the Insurer making a contribution toward costs. This amount is typically excluded from the policy limit. For example: if the excess is \$100,000 and the policy limit is \$1M then Council pays \$100,000 and the Insurer can pay up to a maximum of \$1M.
<i>Indemnity</i>	This is the underlying principle that determines that, following insured loss or damage, the Insured (or 3 rd party) shall be put back in the same position, no better nor worse, than immediately before the damage/ situation occurred.
<i>Insured</i>	The person or organisation that is insured. Within the scope of this framework the Insured is normally NPDC however this may also include contractors or other parties that are completing works for or on behalf of Council.
<i>Insurer</i>	The organisation that provides the insurance cover
<i>Liability</i>	Legal responsibility for something such as a physical asset or professional decision
<i>Loss limit</i>	Maximum amount of loss for which the Insurer will make a payment for a single event or year. For example: the Taranaki regional insurance group have a natural disaster loss limit of \$750M, this means that if a natural disaster occurs the maximum payment the Insurer may be required to make is \$750M cumulative across the four Councils.
<i>Operating costs</i>	Those expenses required to operate or maintain a service or existing asset. Capital expenditure on renewal or replacement of an asset is excluded. For example: If one of our community libraries burned down we would need to lease and maintain a second site in order to maintain existing Levels of Service while

	the original site is rebuilt. The rebuild is considered a capital expenditure but the costs associated with leasing and running a secondary site are primarily operational.
<i>Premium</i>	The monetary amount paid to the Insurer to secure Insurance against a given type of loss.
<i>Probable Maximum Loss (PML)</i>	A worst-case scenario loss of assets in which existing safeguards do not fail. Treasury recommends calculations in this space be based on a 1:1000 year event for earthquakes and 1:250 year event for other hazards.
<i>Risk appetite</i>	The amount of risk an organisation is willing to accept to achieve its objectives.
<i>Significant</i>	An event in which the financial consequence is graded as Moderate or Major within NPDC's Corporate Risk Management Framework (losses between \$1M and \$10M) where more severe situations are likely to be managed through the use of long-term debt or the Perpetual Investment Fund (PIF).
<i>Subrogation</i>	The right of the Insurer to take up the position of the Insured to pursue recovery of costs from any potentially at fault third parties.

Insurance Types

The below list outlines the different insurance types that are available should Council wish to have protection of that type. Insurance types marked with an asterisk indicate types of cover that Council does not currently have.

<i>Type of Insurance</i>	<i>Description of coverage</i>
<i>Business Interruption</i>	Covers accidental physical loss or damage to insured assets and cost to the business from interruption or interference resulting from that damage. Insured assets primarily include commercial, community and residential property and plant and equipment items that are not already covered by LAPP.
<i>Corporate Travel</i>	Domestic and international travel insurance including cover for including for personal liability, baggage, medical, accident, delay and cancellation.
<i>Crime*</i>	Indemnity for loss of money or property arising through fraudulent or dishonest acts committed by any employees acting alone or in collusion with others.

<i>Cyber*</i>	Provides protection against internet and network exposures and liability to third parties using Council's IT systems. Note: Cyber insurance has extremely limited availability due to the Waikato DHB incident of 2021.
<i>Employers Liability*</i>	Indemnity from claims by employees against employers for injury or illness occurring in the workplace, where cover falls outside the scope of ACC.
<i>Environmental Impairment</i>	Indemnity for legal liability in relation to property damage, clean-up and natural resource damage resulting from pollution at, on, under or migrating from NPDC premises.
<i>Fine Arts and Collections</i>	Insures against accidental physical loss or damage to collection at the declared premises or other locations, and whilst in transit.
<i>Hall Hirers Public Liability</i>	Indemnity to community groups and individuals for legal liability in relation to claims of property damage or bodily injury arising as a hirer of Council facilities.
<i>Local Authority Protection Programme</i>	Provides cover for loss of three waters structures (generally underground) from natural disasters
<i>Material Damage</i>	Covers accidental physical loss or damage to insured assets and cost to the business from interruption or interference resulting from that damage. Insured assets primarily include commercial, community and residential property and plant and equipment items that are not already covered by LAPP.
<i>Motor Vehicle</i>	Direct loss or damage to vehicles and third-party liability in connection with the motor vehicles.
<i>Personal Accident*</i>	Supplements cover available under ACC. As an ACC-accredited employer NPDC have elected to pay a discounted ACC levy in favour of funding the costs associated with all claims for injuries at work. WorkAon has been engaged to assist with workplace injury management.
<i>Professional Indemnity</i>	Indemnity for breaching Professional Duty by reason of any act, error or omission arising out of NPDC business activities. Includes defence costs.
<i>Public/General Liability</i>	Indemnity for claims from third parties for property damage or bodily injury arising out of the NPDC business activities. Includes defence costs.

<i>Standing Timber (Forestry)</i>	Direct loss or damage to standing timber (forestry) from fire, impact, lightning strike and malicious damage.
<i>Statutory Liability</i>	Indemnity against liability for allegations/ unintentional breaches of certain statutes (currently specific to the Health and Safety at Work Act) including defence costs.

¹³Appendix 2 – Government Contributions following an Emergency

When a Civil Defence emergency occurs, the Government may contribute to recovery, repair and rebuild costs through a number of mechanisms. For the purpose of providing clarity on the extent of Council's likely financial support during a major event these have been outlined below.

Essential Infrastructure Repair

Following an emergency the Government may fund eligible costs for the rebuild or repair of damaged essential infrastructure, river management systems and community assets. This includes: sewerage, water supply, stormwater, electrical and gas facilities and other structures such as essential service dependent retaining walls and tunnels.

Contributions are:

- 60% of the eligible costs, subject to cabinet approval
- Limited to the shortfall in funding after the Local Authority insurance settlement is paid.

Council's 40% funding contribution is generally made up of an insurance settlement and secondary funding for any shortfall. In order to receive a Government contribution toward repair/ replacement of above ground essential infrastructure the asset must have been comprehensively insured (where insurance is available) or Council must be able to clearly show it was unable to obtain insurance.

Eligibility is defined by the asset meeting the following criteria:

- The asset is local authority-owned and was damaged as a result of the emergency; and
- The damage impacts on the ability of the network/asset to perform and function as intended; or
- If the damage has not yet resulted in performance issues, failure of the asset is likely to be imminent

If damage does not meet the above criteria the following questions are considered as part of a risk assessment to further determine funding eligibility:

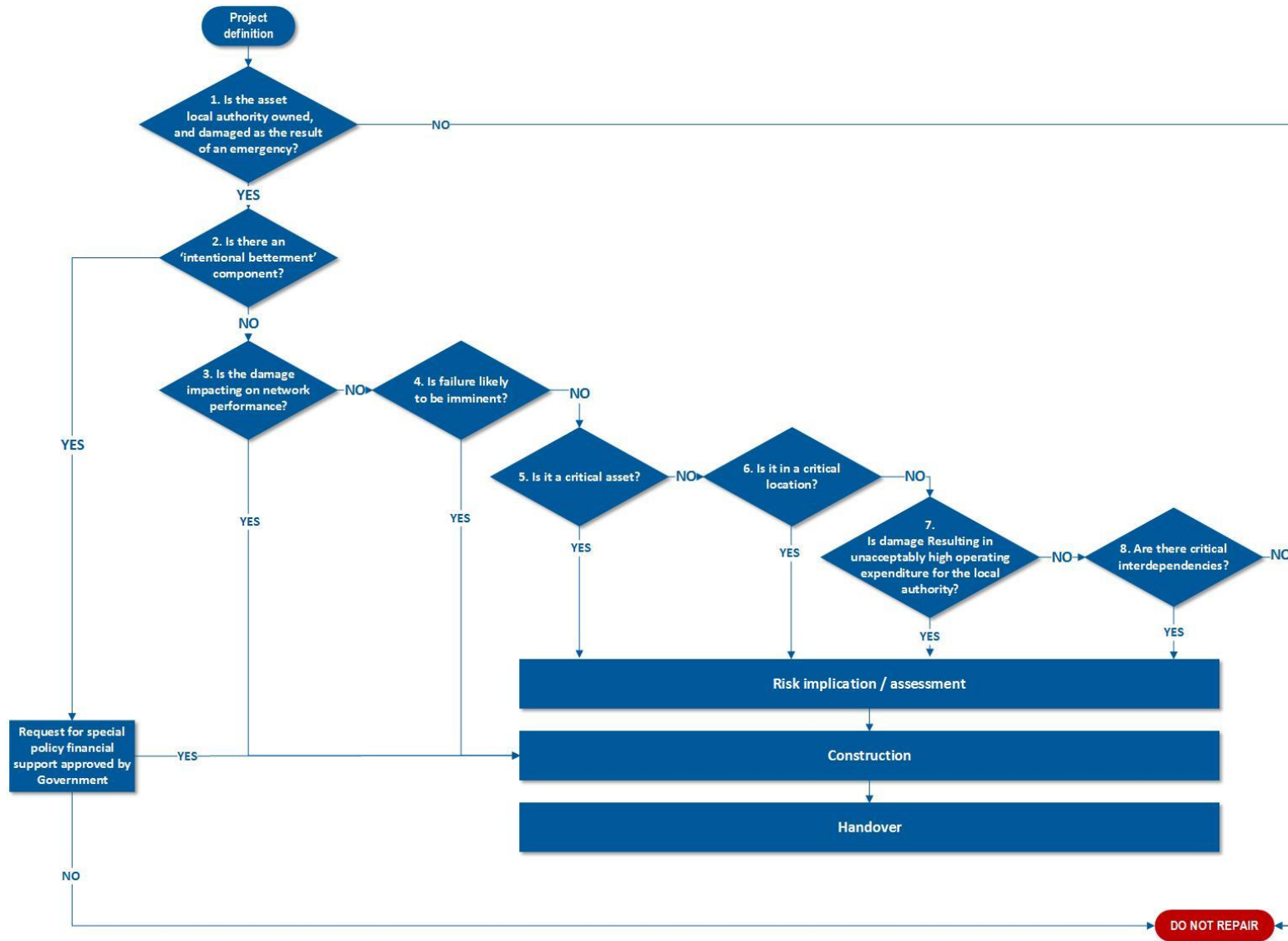
- Is it a critical asset? (e.g. main pipeline, lifeline or life safety asset)
- Is the asset in a critical location, or does it service critical community infrastructure? (e.g. hospital or school)
- Has the damage resulted in unacceptably high operating expenditure for the local authority?
- Are there critical interdependencies?

In general, government contributions may not be used for deliberate betterment (changing the asset over and above a like-for-like replacement) but may be used for unintentional betterment (such as using modern materials and construction techniques). However, there is an option to apply for special policy financial support or for Council to fund the betterment component of the work.

¹³ This section was erroneously included in the Finance, Audit and Risk Committee Agenda (30 July 2024), its removal reflects this correction.

The below flowchart outlines the key eligibility criteria and considerations to be factored into any response.

9.1



9.1

Ref 1: [Eligibility for essential infrastructure repair or rebuild following an emergency » National Emergency Management Agency \(civildefence.govt.nz\)](#)

Ref 2: [Insurance cover and Government funding assistance relating to the rebuild or repair of damaged below ground and above ground essential infrastructure » National Emergency Management Agency \(civildefence.govt.nz\)](#)

NZTA/ Waka Kotahi Work Category 141: Emergency Works

Work Category 141 enables funding from the National Land Transport Fund (NRLF) to be used in response to a defined, major, short-duration natural event (a qualifying event) that has or will reduce customer levels of service significantly.

Events that are excluded from consideration include minor events of less than \$100k total cost, damage caused by cumulative effects (such as scour, degradation or land movements), repair of work under construction or within the post-construction maintenance period, damage resulting from human intervention or incident, improvements and costs to respond to damage that are not eligible for NRLF funding.

Contributions from NZTA are based upon the funding assistance rate (FAR) as follows:

- The organisations normal FAR up to 10% of the total cost of the maintenance programme for the year (per the approved National Land Transport Programme); or
- The organisations normal FAR +20% to a maximum of 95% (enhanced FAR). This is restricted to the portion of the emergency works total cost that exceeds 10% of the approved maintenance programme.

An applied example of the above is;

- The approved maintenance programme has a total cost of \$5M
- The normal FAR is 52%
- Cumulative claims for emergency works the same year total \$700,000
- The FAR for the first \$500k is 52%
- The FAR for the remaining \$200k is 72%
- 100% of State highway costs.

The emergency works investment policy is currently under review (as of May 2024) and it is proposed to reduce the enhanced FAR to normal FAR +10%. This proposal does not prevent a higher amount being offered in cases of financial hardship or for nationally significant events.

Work Category 140: Minor events: describes the funding available for the response to activities that would otherwise qualify as emergency works except that the total cost of the works is <\$100k per event. The FAR in this case is the organisations normal FAR.

Ref 1: [WC 141: Emergency works | NZ Transport Agency Waka Kotahi \(nzta.govt.nz\)](#)

Ref 2: [Emergency works policies - review and consultation | NZ Transport Agency Waka Kotahi \(nzta.govt.nz\)](#)

Ref 3: [WC 140: Minor events | NZ Transport Agency Waka Kotahi \(nzta.govt.nz\)](#)

Response and Recovery Claims

The government will fund eligible costs associated with response and recovery as follows:

- Response (welfare) costs (caring for directly affected people) – 100% funded by Government
- Other response costs (precautions and preventive actions to reduce danger to human life, where those actions were begun immediately before or during the response period of the emergency) – 60% Government (above threshold), 40% Local Authority
- Recovery costs (essential infrastructure recovery repairs) – 60% Government (above threshold), 40% Local Authority

The Local Authority Threshold for reimbursement for a District Council is 0.0075% of the net capital value, where net capital value is equal to the capital value of all properties in the District at the time of the emergency (\$24,170,000,000 as of NPDC Annual Report 2023). This threshold is based upon the combined expenditure for both 'other response' and 'recovery' costs.

Ref: [Response, other response and recovery claims following an emergency event » National Emergency Management Agency \(civildefence.govt.nz\)](#)

Relief Funds

Mayoral or Disaster Relief Funds are founded and administered by the Local Authority (Council) or CDEM Group. Government may contribute to a Relief Fund as an additional way to quickly help impacted communities recover from an emergency.

Contributions to the fund may be:

- Up to \$100,000 (GST excl) authorised by Minister for Emergency Management, Minister of Finance or Prime Minister.
- >\$100,000 (GST excl) with Cabinet approval.

The administering group determine their own criteria to disburse the Relief Funds but should be used to support the immediate needs of affected individuals, families, community organisations and marae. They must not be used to finance a local authority's administrative/ business costs or replace other existing funding sources.

Ref: [Government contributions to Relief Funds » National Emergency Management Agency \(civildefence.govt.nz\)](#)



9.2

Risk and Integrity

Insurance Framework



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**



Contents

- [Insurance Framework.....2](#)
- [1.0 Purpose and scope2](#)
- [2.0 Key concepts2](#)
- [3.0 Insurance appetite statement3](#)
- [4.0 Insurance tolerance statement.....3](#)
- [5.0 Cover selection – Risk Assessment.....4](#)
 - [5.1 Assets4](#)
 - [5.2 Liability.....7](#)
 - [5.3 Deductibles7](#)
 - [5.4 Limitation of liability7](#)
 - [5.5 Contracts8](#)
- [6.0 Claims.....8](#)
 - [6.1 Notification.....8](#)
 - [6.2 Financing.....8](#)
 - [6.3 Timeframes.....9](#)
 - [6.4 Record keeping9](#)
- [7.0 Exceptions.....9](#)
 - [7.1 Deliberate non-purchase decisions9](#)
 - [7.2 Council Controlled Organisations.....910](#)
 - [7.3 Personal injury insurance10](#)
 - [7.4 Community Support.....10](#)
- [8.0 Applying this framework10](#)
- [9.0 Review and continual improvement.....11](#)

9.2

Insurance Framework

1.0 Purpose and scope

This Framework supports NPDC’s Risk Management Framework by defining how insurance is used as a Risk Treatment for financial, governance, legislative compliance, reputation, and technology risks

It explains how insurance:

- Aligns with risk appetite and tolerance
- Reduces financial consequence of insurable events
- Supports essential service continuity
- Protects long-term financial sustainability

This Framework applies to all NPDC assets, activities, and risk financing arrangements included in the insurance programme, including commercial insurance, LAPP participation, deductibles, and reserves.

2.0 Key concepts

Insurance applies the enterprise definitions of risk appetite, risk tolerance, and risk rating as set out in the Risk Management Framework.

The additional terms below are specific to insurance application.

Term	Purpose
Deductible/ retention/ excess	The amount Council contributes to a claim before insurance responds
Demolition-only cover	Provides funding for removal and site clearance only
Indemnity cover	Provides funding based on current fair value
Limit of Liability	The maximum an insurer is liable to pay in a claim against a policy
Probable Maximum Loss	A modelled estimate of the largest credible loss from a defined catastrophic scenario
Reinstatement cover	Provides funding for the full replacement cost
Risk financing	The structured combination of insurance, self-insurance and fallback funding such as reserves used to fund recovery from a loss

Self-insurance	Funding recovery through reserves or internal capacity rather than transferring risk
Timely	<p>Done or occurring at a time that enables the desired outcome to be achieved. Timeframes vary depending on the action – for example notification of claims within 48 hours, or responses to renewal declarations within one month.</p> <p>Timeframes must be defined and agreed up-front as part of the relevant process or request.</p>

3.0 Insurance appetite statement

Insurance decisions reflect the enterprise appetite positions set out in the Risk Management Framework.

For the financial dimension of insurable risk, NPDC:

Is averse to	Is neutral to	May be seeking where
Catastrophic uninsured financial loss affecting essential services	Moderate, controlled retention of risk where services can continue or be restored within acceptable limits	Innovative programme structures improve resilience or long-term cost efficiency without breaching tolerance
Insurance gaps that compromise recovery funding eligibility	The use of reserves where exposure is defined and affordable	Adjustment of liability limits within contracts where this increases the likelihood of securing a preferred contractor
Financial exposures that threaten long-term sustainability	Shared liability cover for risks within a major works contract	
Insurance gaps that result in a breach of contract		

NPDC has no appetite for uninsured losses that would significantly impact long-term financial sustainability or prevent timely restoration of essential services.

Insurance appetite does not override enterprise appetite in areas such as legislative compliance, health and safety, environmental protection, or reputation.

4.0 Insurance tolerance statement

Risk tolerance defines the maximum acceptable **residual financial risk rating** after insurance arrangements are applied.

Residual financial risk must:

- i. Be assessed using the enterprise likelihood and consequence criteria
- ii. Be compared to the acceptable residual risk matrix
 - a. Residual financial risk ratings use the enterprise risk rating scale (very low, low, medium, high, extreme) defined in the Risk Management Framework. These ratings are determined using the enterprise likelihood and consequence criteria and ensure consistent comparison with enterprise appetite and tolerance settings.
- iii. Be informed by the insurance grade matrix defined below OR
- iv. Be informed by the liability matrix defined below

Escalation is required when residual financial risk exceeds tolerance. The issue must be escalated to Te Ranga Urungi within 5 working days, and, where required, the Finance, Audit & Risk Committee or Council at the next available opportunity.

In practice:

- High-severity, low-frequency exposures affecting essential services are normally transferred through insurance.
- Frequent, low-severity losses are normally retained and managed through budgets, and reserves
- Insurance products that do not materially reduce residual financial risk or align to exposure may be deliberately excluded

5.0 Cover selection – Risk Assessment

Selection of the appropriate type of cover requires the combination of several key factors including:

- determining the individual approach by asset or liability
- setting suitable deductibles
- setting limits of liability/loss

Alignment of these risk factors sets the minimum acceptable level of insurance coverage, it does not limit Council's ability to purchase additional cover during soft-market periods, or when the cost-benefit ratio supports a higher degree of cover.

If the type of cover recommended results in a residual risk above Council's tolerance, then escalation is required. Where coverage is within tolerance, but a specific risk exists that is considered worth escalating, it may be done at the Risk and Integrity teams' discretion.

5.1 Assets

The insurance of assets is considered in two layers. The first relates to the acceptability of loss of a single asset; the second, relates to the large-scale loss of many assets simultaneously due to a major event.

5.1.1 Individual loss

Insurance grades classify asset categories according to essentiality and align insurance response to appetite and tolerance. Refer to the Insurance Grading Process for details. High value or unique assets are graded individually.

Insurance grade matrix:

Grade	Essentiality	Financial appetite position	Tolerance level	Insurance basis
5	Essential for statutory delivery, life safety, core infrastructure, culturally significant or contractually required	Averse	Low	Reinstatement
4	High community reliance or CDEM critical	Neutral	Low	Reinstatement
3	Essential but acceptable long-term workaround exists	Neutral	Moderate	Indemnity acceptable
2	Operationally useful; alternatives available	Neutral	Moderate	Indemnity sufficient
1	Minimal strategic value	Seeking	High	Demolition to no cover permissible

This matrix applies within the enterprise acceptable residual risk matrix. It does not allow residual financial risk above enterprise tolerance. Insurance grading supports the assessment of financial consequences when determining the residual risk and does not replace the enterprise risk rating methodology defined in the Risk Management Framework.

5.1.2 Catastrophic loss – Loss estimates

Loss estimation models the potential catastrophic loss of many assets in a single event. It is utilised to identify realistic exposure in a given situation and to assist in setting appropriate loss limits in the insurance policy.

Council will model Probable Maximum Loss for the following situations:

- Natural disaster (earthquake/ volcanic eruption)
- Flood/ Storm
- Major facility fire
- Any other situations deemed appropriate

Review models every five years or following major events as appropriate. The outcome of this testing will inform the setting of the Limit of Liability for any asset related insurances, as follows:

Situation type	Extent of impact	Infrastructure and Asset Management Risk impact	Risk Appetite	Tolerance level	Insurance decision
Natural disaster	Region-wide	Catastrophic	Neutral	Moderate	Align cover to PML

Flood/Storm	NP District	Major	Neutral	Moderate	Compare with Natural Disaster event, align with larger loss
Significant Facility fire	Localised	Major	Neutral	Moderate	Reinstatement

Loss estimation for catastrophe situations will endeavour to model Council’s total losses across all asset portfolios to create a complete picture of potential costs. This will include consideration of the different deductibles, potential central government contributions and self-insured assets that may all need to be repaired/replaced following the event.

9.2

5.1.3 Specialised Insurance

Where a specialised insurance option exists for a given type of asset or situation the use of such cover will be aligned to the insurance grade and loss estimates but will recognise the potential benefits/risks of alternative cover. Specialised insurances currently utilised/available to Council include:

- Fine Arts/ Museum – wall-to-wall cover for collections assets and loaned items
- Forestry – Forestry assets
- Local Authority Protection Programme (LAPP) – natural disaster only, for buried infrastructure assets
- Motor vehicle – Damage to fleet + third-party liability

The cost/benefit of each option will be considered as part of the annual programme review.

5.1.4 Contract Works

Council accepts a higher degree of risk with respect to Projects and Construction. The purchase of Contract Works insurance will factor in:

- the degree of risk presented by the work
- the value of the completed asset
- the value of the existing assets being worked upon
- the construction cost of the works
- the potential risk to third-party assets within the work area
- the likelihood of a claim arising

The criteria for determining when contract works insurance is needed is defined in the [Contract Works/Construction Insurance](#) wiki page. It is the responsibility of the Project Manager to identify when insurance is required for their project and to gather the necessary information to secure coverage.

5.1.5 Business Interruption

Business Interruption (BI) insurance forms part of the Material Damages policy. If damage or failure of an asset stops a service from operating BI insurance will provide cover for the resulting business losses (e.g. revenue lost), for a specified period.

The types of losses insured under this policy and the cost/benefit of maintaining insurance cover will be tested annually as part of the programme review. Decisions will align with the insurance grade and risk tolerance associated with each relevant asset.

The indemnity period will be aligned to the preferred recovery timeframe as documented in NPDC’s Business Continuity Plans where available. If there are no set timeframes or they are documented as ‘as soon as possible’ the indemnity period will be aligned to the relevant risk tolerances.

5.2 Liability

Liability insurance indemnifies against liability for damages suffered by third parties and is generally categorised by the cause of those damages. In addition to financial risk, this insurance acts as a risk treatment for Governance, Legislative Compliance, Reputation and Technology risks.

Liability coverage will be aligned with Council’s risk appetite and tolerance as follows:

Insurance type	Exposure	Risk appetite position	Tolerance level
Cyber liability	Technology	Neutral	Moderate
Directors and Officers liability	Governance of CCOs, individual liability	Averse	Low
Environmental liability	Environmental	Averse	Low
General liability (public and product)	Legal, Reputation, Financial	Neutral	Low
Professional Indemnity	Negligence, Legal, Financial	Neutral	Low
Statutory liability	Legislative compliance	Averse	Low

9.2

Credible worst-case scenarios will be modelled to identify a Maximum Realistic Risk Estimate for each insurance type. Further issues such as policy exclusions and emerging or changing risks shall also be considered.

5.3 Deductibles

Deductibles are the amount of money Council must pay toward a claim prior to the policy responding.

The maximum acceptable deductible must reflect Council’s Financial risk tolerance. Once the maximum is known, a cost-benefit analysis of all available options shall be completed with the final decision aligned to the most financially prudent option.

Deductible settings will be reviewed as part of the annual insurance programme review and approved by the Finance, Audit and Risk Committee.

5.4 Limitation of liability

Limitation of liability/ limitation of indemnity/ loss limits are a tool used by Insurers to cap their total risk within a policy. It is often an aggregate limit restricting the total amount that can be paid both for one claim and collectively across the term of the policy.

- Where the limit is voluntary – Council will align the loss limit with Probable Maximum Loss estimates.

- Where the limit is imposed – the retained risk will be compared to financial risk tolerances. Council will not accept a limitation of liability that results in a residual risk above tolerance. This may require the purchase of separate insurance policies at additional cost. Alternatives must be explored before acceptance of the additional risk can be proposed to the Finance, Audit and Risk Committee.

5.5 Contracts

Insurance and liability limitations within contracts will be structured to align with insurance risk appetite and tolerance. This will involve consideration of:

- the type and degree of risk presented by the work including potential indirect consequences beyond the immediate scope of work.
- the value of the existing assets being worked upon (if applicable)
- the value of the contract
- the likelihood of a claim arising
- applicable existing insurance including relevant exclusions

The minimum insurance requirements are documented within the [Insurance in Contracts](#) wiki page and included within contract templates or applied by the relevant team during the initial drafting process (such as by Procurement when preparing a tender, or Property when writing a lease). Variation from these requirements must be discussed with the Insurance and/or Legal team and will only be accepted where the residual risk is within tolerance. All variations must be logged in the variations register.

6.0 Claims

There are multiple options for managing claims that have been raised. This section outlines the relevant applicable policies and procedures.

6.1 Notification

It is the responsibility of the relevant operations team or their immediate supervisor to notify the insurance team of the need to raise a claim. This must be done as soon as reasonably possible following identification of the incident, regardless of whether the event is still ongoing. This will be done in accordance with Council's claims process and must also meet any individual requirements noted in the relevant insurance policy.

6.2 Financing

6.2.1 *Below deductible*

When damages occur that are below deductible expenses will be paid by the asset owner or other relevant team. Where teams do not have room within their budgets to afford repairs or pay losses the finance team may record a variation in the budget as appropriate.

6.2.2 *Routine/ low-level claim*

A routine or low-level claim is a claim impacting only one site or that fits within existing reactive maintenance and/or renewal budgets. These claims are called 'routine' as it within expectations to receive a few claims every year. Where teams do not have room within their operating budgets to afford repairs or pay losses the finance team may record a variation in the budget as appropriate.

6.2.3 *Large scale – Disaster Recovery Reserve*

The Disaster Recovery Reserve is a fund maintained by Council for the express purpose of reducing the impact of a severe event. Governance of the fund is outlined in the [Disaster Recovery Reserve Policy](#).

A release from the fund must be approved by Council resolution, on the recommendation of Council Officers, and must be for the purpose of smoothing the impact of significant increases in operating costs (caused by an event), self-insurance for self-insured or partially insured assets or for paying the deductible on a claim.

6.2.4 *Catastrophe – Perpetual Investment Fund*

Should a true catastrophe occur insurance excesses and uninsured damages may be very high. In those circumstances it may be necessary to draw on money from the Perpetual Investment Fund (PIF). The [NPDC \(Perpetual Investment Fund Act\) 2022](#) states that the purpose of the PIF is to benefit the social, economic, environmental and cultural well-being of current and future communities of the NP District. The value of the capital within the PIF may only be utilised where its use is the best available means of achieving the desired benefit (clause 7(1)(b)(ii)). If use of the PIF becomes the preferred option, the Insurance and Finance teams must prepare a proposal for review by Council.

9.2

6.3 Timeframes

6.3.1 *Recovery objectives*

Insurances purchased will be structured in such a way that restoration to the pre-event state can occur within a reasonable period. This will align with any recovery timeframe objectives documented by the Emergency Management team or within Business Continuity or Emergency Recovery Plans.

6.3.2 *Closing claims*

Claims will be closed once:

- For an asset claim: the repairs have been completed and the repairer paid, or
- For a liability claim: the case has been settled and/or the statute of limitations has expired

This will occur regardless of whether any third-party has paid their portion of the damages. This is because it is the responsibility of the insurance company to manage recovery of damages.

6.4 Record keeping

Keeping a record of claims made including the cause, parties involved, amounts paid and status is the responsibility of the insurance team. Potential claims notified to the insurer will also be recorded even where the situation does not result in a claim being made.

7.0 Exceptions

7.1 Deliberate non-purchase decisions

NPDC may deliberately choose not to purchase insurance where:

- The exposure is better managed operationally
- The market product does not materially respond to key risks
- The likelihood of claim is low relative to cost
- Coverage overlaps with statutory arrangements
- Retention produces a more sustainable financial outcome

Such decision must be supported by documented assessment and alignment with tolerance settings. Existing excluded insurances will be recorded in a register for review annually.

7.2 Council Controlled Organisations

Council controlled organisations (CCOs) are responsible for arranging and maintaining insurance in accordance with their risk profile. NPDC will set minimum standards in consultation with the CCO governance board, to align with accepted risk appetite and tolerances.

NPDC are directly involved in acquiring insurance for a CCO when specified within a Service Level Agreement or other relevant contract. NPDC may also provide support where a centralised insurance programme provides significant benefits however this will be dependent upon available resources and is not a guaranteed option.

The CCO will provide NPDC with an annual update including claims made, changed or increased exposures and confirmation of renewed cover. Where NPDC arranges cover the CCO will supply all requested information in a timely manner, and in turn NPDC will provide timely and relevant support to the CCO.

Where insurance options do not align with accepted risk tolerance the appropriate solution will be agreed between the Finance Audit and Risk Committee and the CCO board.

7.3 Personal injury insurance

Injuries or illnesses suffered by employees in the course of their work are managed by the Health and Safety team in conjunction with WorkAon. This is managed entirely separately to the rest of Council's insurances and is therefore outside of the scope of this framework.

7.4 Community Support

In some situations, insurance is provided not based on Council's risk appetite but as a community support mechanism. Support is limited to situations in which there would be a noticeable impact on the use of key community services or availability of necessary resources.

7.4.1 *Community Assets*

Community groups such as sports clubs are expected to insure their own facilities. However, insurance support may be provided where otherwise there would be a noticeable impact on the availability of key community services. This includes supporting insurance of community halls and discretionary support for facilities that cannot otherwise afford cover.

7.4.2 *Hall Hirers*

Community groups or individuals hiring Council facilities rarely have the interest or capacity to purchase liability insurance. To ensure Council facilities remain accessible and practical for use by the community Hall Hirers liability cover is purchased annually and included as part of the facility booking. Holding separate Public Liability insurance results in exclusion from cover so should only be required of long-term leaseholders.

7.4.3 *Contractor liability*

Some policies include endorsements that extend coverage to include named individuals such as Independent Committee members or uniquely qualified contractors. Inclusion of additional parties within Council policies will only occur when it is demonstrably in Council's best interest to do so. A register of additional insureds will be maintained and reviewed annually.

8.0 Applying this framework

This Framework is applied when:

- Setting or renewing the annual insurance programme

- Adjusting deductibles, limits or structure
- Adding or disposing of material assets
- Assessing catastrophe exposure
- Reviewing programme performance after significant loss events

Insurance applies the enterprise likelihood, consequence, and risk rating methodology defined in the Risk Management Framework. The stages below describe how that methodology is applied to insurable financial exposure.

1. Identify and classify exposure
2. Assess inherent financial risk
3. Apply proposed insurance structure
4. Determine residual financial risk
5. Escalation and decision-making
6. Approval and placement
7. Monitoring and review

9.2

9.0 Review and continual improvement

This Framework is reviewed:

- In alignment with the Risk Management Framework review cycle
- Following significant loss events
- Following major market or legislative change
- Where enterprise appetite or tolerance settings change

Claims data (including below-deductible loss trends) catastrophe modelling updates, reserve adequacy assessments, assurance reviews, and audit findings inform updates to grading, deductible strategy, and program structure.

Where opportunities for improvement exist but cannot be implemented immediately, they will be logged in an improvement register.

Policy owner:	Leisa Patel	Content owner:	Andrea Humphrey
Approved by:	Finance Audit and Risk Committee	Date approved:	
Review period:	3 years	Next review:	April 2029
Document No:	ECM: 9783912	Version:	1.0
Type:	Internal		

REVISIONS

Vn	Description	Written by	Revision date	Peer Reviewer	Approver	Approved date	Issue date
1.0	First published	A Humphrey	Mar 2026	G Wilson	L Patel		
1.1	Simplified version						



9.3

Risk and Integrity Insurance Policy



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

Contents

Insurance Policy.....	2
1.0 Purpose.....	2
2.0 Scope.....	2
3.0 Policy principles	2
4.0 Policy commitment.....	2
5.0 Governance and accountability	3
6.0 Material Changes and Escalation.....	4
7.0 Exceptions.....	5
8.0 Integration	5
9.0 Review.....	5
10.0 References	5

Insurance Policy

1.0 Purpose

New Plymouth District Council (NPDC) uses insurance as a financial risk treatment to protect essential services, safeguard public resources, and maintain long-term financial sustainability.

This policy establishes NPDC's commitment to sound insurance governance and defines roles and accountability. It does not describe how insurance is structured or renewed in practice. Those requirements are defined in the Insurance Framework and supporting procedures.

2.0 Scope

This policy applies to:

- All NPDC assets, activities, and insurable risks
- All risk financing arrangements, including commercial insurance, LAPP participation, deductibles, and reserves
- Elected members, employees, contractors, and delivery partners where insurance decisions affect NPDC

3.0 Policy principles

NPDC's insurance approach will align with the following core principles:

- **Timely response:** Ensuring that NPDC is well-positioned to recover from an event in a timely manner, regardless of the scale of the event.
- **Structured decision-making:** Using replicable, transparent processes that align to Council's risk appetite and tolerance
- **Cost-effectiveness:** Demonstrating prudent stewardship of Council assets and funds
- **Knowledge:** Making informed decisions on insurance requirements based on robust data, risk modelling and specialist advice where appropriate

4.0 Policy commitment

NPDC will:

- Use insurance strategically to manage financial exposure arising from insurable events
- Align insurance decisions to the Risk Management Framework

- Ensure that insurance coverage appropriately treats financial, compliance, reputation and liability risks
- Operate within defined risk appetite and tolerance settings
- Escalate and review all instances where residual financial risk exceeds tolerance
- Protect essential service delivery and statutory obligations
- Maintain eligibility for government recovery funding where applicable
- Regularly review insurance structures to ensure value for money and financial sustainability
- Factor evolving natural hazard and climate risks into setting of insurance limits

Insurance decisions must not undermine enterprise appetite for:

- Legislative compliance
- Health and safety
- Environmental protection
- Reputation and public trust

5.0 Governance and accountability

Insurance governance must align to the structure outlined in the Risk Management document suite.

Role	Accountability
Council	<ul style="list-style-type: none"> • Approves the Insurance Policy • Considers significant insurance matters escalated through governance • Approves exceptions to the Policy
Finance, Audit and Risk Committee	<ul style="list-style-type: none"> • Provides assurance on the adequacy and effectiveness of the insurance programme • Receives reports on programme performance, claims trends, and emerging exposures • Considers escalations where residual risk exceeds tolerance
Te Ranga Urungi	<ul style="list-style-type: none"> • Oversees organisation-wide insurance issues and material exposures • Escalates significant matters to the FAR Committee or Council where required
GM Finance & Planning	<ul style="list-style-type: none"> • Advises on financial impacts, affordability, and reserve adequacy • Works with Risk & Integrity and brokers on modelling and programme structure
Manager Risk & Integrity	<ul style="list-style-type: none"> • Validates insurance framework and supporting processes including grading, residual financial risk and alignment with tolerance • Oversees alignment of insurance with the Risk Management Framework • Validates annual insurance programme recommendations
Risk & Assurance Specialist	<ul style="list-style-type: none"> • Leads development and review of the annual insurance programme • Leads insurance grading process and ensures alignment with residual financial risk and tolerance

	<ul style="list-style-type: none"> • Monitors claims and reports programme adequacy to governance • Supports continuous improvement through lessons learned and review activities • Reviews broker performance and policy wording periodically • Maintains insurance records including claims history and submissions to insurers
Asset owners and Project Managers	<ul style="list-style-type: none"> • Identify and manage risks in their area of responsibility • Report material changes that affect insurance exposure or grading • Identify/ recommend insurance grades for their assets • Gather evidence to support the claims process following an event
Project Managers	<ul style="list-style-type: none"> • Identify the need for insurance for their projects per the relevant risk review process • Apply for insurance as required and ensure cover remains current
Asset information team	<ul style="list-style-type: none"> • Prepare and record valuations • Maintain asset database/ schedules as required for insurance
Procurement team	<ul style="list-style-type: none"> • Ensure liability limitation within contracts is set appropriately • Set insurance expectations within tender and contract documents
Legal team	<ul style="list-style-type: none"> • Manage potential liability claims and notify of escalation likelihood as required • Manage liability claims in conjunction with insurer nominated legal counsel
Insurance broker	<ul style="list-style-type: none"> • Provides market advice, modelling, and placement services • Documents endorsements and policy changes • Manages claims
Council Controlled Organisations	<ul style="list-style-type: none"> • Arrange and maintain insurance for their entity • Provide NPDC with an annual update of CCO cover • Supply information for renewals/ claims as needed
All staff	<ul style="list-style-type: none"> • Report incidents or asset changes that may influence insurance exposure • Shall not accept liability for incidents or losses

6.0 Material Changes and Escalation

A material change can be defined as either a:

- Risk trigger: any instance that results in the financial exposure increasing above tolerance, or
- Financial trigger: any instance that causes quoted premiums to exceed the amount budgeted in the long-term or annual plan.

Any staff member or manager with responsibility for asset ownership, insurance or financial planning may identify a material change and must thereafter notify the Risk and Assurance Specialist for review.

Following identification of a material change the issue must be escalated to the GM Finance and Planning within five working days and reported at the next scheduled meeting of the Finance Audit and Risk Committee.

7.0 Exceptions

Exceptions to this policy must be clearly documented in the Risk Register by the Risk and Assurance Specialist and may only be approved by Council. The exception shall be reviewed annually (at minimum) alongside the renewal of the insurance programme, with options for reducing or addressing the risk included in the review.

8.0 Integration

Insurance must align with:

- The Risk Management Framework
- Asset management planning
- Long-term planning and budgeting
- Project, programme and portfolio governance
- Procurement policy and processes
- Business continuity and emergency management plans
- Disaster Recover Reserve Policy
- Central Government requirements for Essential Infrastructure repair and/or Emergency Works

9.0 Review

This policy will be reviewed every three years or sooner if required by significant loss events, legislative change, market disruption, or changes to enterprise appetite.

10.0 References

- Risk Management Framework (ECM [9680386](#))
- Glossary ([Insurance Glossary](#))
- Insurance Framework (ECM 9783912)
- Insurance Wiki (Insurance policy documentation, supporting processes and procedures – [Insurance at NPDC](#))

Policy owner:	Leisa Patel	Content owner:	Andrea Humphrey
Approved by:	Finance Audit and Risk Committee	Date approved:	
Review period:	3 years	Next review:	April 2029
Document No:	ECM: 9783911	Version:	1.0
Type:	Internal		

REVISIONS

Vn	Description	Written by	Revision date	Peer Reviewer	Approver	Approved date	Issue date
1.0	First published	A Humphrey	Mar 2026	G Wilson	L Patel		
1.1	Simplified version						



9.4

Risk and Integrity

Insurance Process – Programme Review



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**



Contents

[Insurance Process – Programme Review2](#)

[1.0 Purpose.....2](#)

[2.0 Scope.....2](#)

[3.0 Operational requirements2](#)

[4.0 Review frequency.....4](#)

[5.0 Continuous improvement.....5](#)

9.4



Insurance Process – Programme Review

1.0 Purpose

This process sets out the operational requirements, system steps, and responsibilities for structuring, reviewing, approving, and monitoring NPDC’s insurance programme.

It supports the Risk Management Framework and Insurance Framework, which defines appetite, tolerance, grading, and escalation thresholds.

2.0 Scope

This process applies to:

- a. Annual insurance renewal
- b. Mid-term programme changes
- c. Asset additions, disposals, and revaluations
- d. Deductible and limit setting
- e. Claims monitoring and programme review

3.0 Operational requirements

The Insurance Framework follows the same conceptual stages as the Risk Management Framework. This process describes how those stages are applied to insurance of assets.

1. *Identify and classify exposure*

Asset Owners must:

- a. Confirm asset values and locations
- b. Confirm construction, occupancy, protection and exposure (COPE) data
- c. Identify changes in service criticality or interdependencies
- d. Confirm Insurance Grade
- e. Advise of any unreported claims

Liability holders must:

- a. Supply updated risk information/ profiles including highlighting highest risk situations
- b. Provide supporting information for proposal documents
- c. Advise of any unreported claims

Project managers must:

- a. Identify required insurances for projects
- b. Complete proposal documents and supply supporting documentation
- c. Identify new assets and provide for their insurance as of project handover

Material changes must be recorded and communicated to Risk & Integrity and Finance.

2. *Assess inherent financial risk*

The Risk and Assurance Specialist shall use enterprise likelihood and consequence criteria to:

- a. Assess financial consequence of credible loss scenarios including catastrophe modelling, interdependencies, and recovery timelines

For complex scenarios a third-party provider shall be engaged to complete Loss Estimation modelling.

3. *Apply proposed insurance structure*

Risk and Assurance Specialist, with Finance and broker input, must:

- a. Model proposed limits, deductibles, exclusions and layers
- b. Assess reserve adequacy
- c. Consider adequacy of recovery funding mechanisms (e.g., LAPP, central government cost sharing)

4. *Determine residual financial risk*

The Risk and Assurance Specialist will:

- a. Recalculate residual financial risk, taking into consideration:
 - Insurance transfer
 - Deductibles and retained exposures
 - Reserve capacity
 - Access to recovery funding
- b. Residual risk must then be compared to the Enterprise Acceptable Residual Risk matrix and aligned with the relevant tolerances.

5. *Decision-making and Escalation*

The Risk and Assurance Specialist will:

- a. Communicate recommendations for the annual programme renewal to the Finance Audit and Risk Committee for approval, including: any proposed adjustments to Council's insurance arrangements; recommendations for allocation of any premium savings and alternative options available.
- Escalate issues as they occur if residual financial risk exceeds enterprise tolerance, such as when:

- The limitation of liability in an insurance policy falls below credible probable maximum loss
- Deductibles exceed reserve capacity
- Insurance changes compromise recovery funding eligibility (including changes signalled by Central Government)

Te Ranga Urungi must escalate material matters to the Finance, Audit & Risk Committee and, where required, Council.

6. *Approval and placement*

The Finance Audit & Risk Committee will verify annual programme renewal alignment with their preferred strategic approach.

The Risk and Assurance Specialist will communicate approval and acceptance of placement to the broker, provided that:

- Programme approval follows delegated authority levels
- Covers are bound only after approval
- Endorsements, exclusions and warranties must be documented

The Chief Executive (or relevant Delegate) will approve payment of the insurance premiums.

7. *Monitoring and review*

The Risk and Assurance Specialist must:

- Monitor claims trends and emerging exposures
- Confirm reserve adequacy annually
- Review grading periodically
- Report programme adequacy to FAR Committee quarterly or as otherwise indicated.

4.0 Review frequency

Exposure type	Review frequency
Annual programme structure	Annually
Asset values and grading	Annually or on material change
Catastrophe modelling	A least every renewal cycle
Significant claims or market shifts	As required
This process	Triennial or as required

5.0 Continuous improvement

Risk & Assurance will:

- Review programme performance after significant loss events
- Incorporate lessons learned into grading and structure
- Periodically review broker performance and policy wordings
- Ensure continued alignment with enterprise appetite and tolerance

Policy owner:	Leisa Patel	Content owner:	Andrea Humphrey
Approved by:	Finance Audit and Risk Committee	Date approved:	
Review period:	3 years	Next review:	April 2029
Document No:	ECM: 9783913	Version:	1.0
Type:	Internal		

REVISIONS

Vn	Description	Written by	Revision date	Peer Reviewer	Approver	Approved date	Issue date
1.0	First published	A Humphrey	Mar 2026	G Wilson	L Patel		
1.1	Simplified version						

NPDC TREASURY REPORT FOR THE PERIOD 1 JULY 2025 TO 31 MARCH 2026

PURPOSE/ TE WHĀINGA

1. The purpose of this report is to advice of the Council's treasury performance for the period 1 July 2025 to 31 March 2026 of the 2025/26 financial year.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

3. This report is provided for information purposes only, and has been assessed as being of some importance.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

4. The treasury report provides information on Council's significant financial assets and liabilities – specifically the Perpetual Investment Fund (PIF), Waitara Perpetual Community Fund (WPCF), borrowings and associated interest rates and accounting reserves. Noteworthy points for the quarter:
 - a) One breach of Treasury Management Policy requirements – the proportion of gross debt external debt on fixed interest rates for 24-48 months from March 2026 fell below the minimum level required in the Policy. Apart from this exception, Council was compliant with all treasury management policy limits.
 - b) The PIF recorded gains of \$22.6m for the year to date and has provided distributions of \$9.2m to subsidise rates.
 - c) Council's external debt (net of prefunding) is currently \$399m and is within approved limits from Annual Plan 2025/26.
 - d) Total balance of reserves is \$1,684m. This includes budgeted funding for the current year transferred into reserves but excludes the majority of transfers out of reserves for the year to date. Transfers out of reserves are funded annually at year end, so these will be presented in the next treasury report for the 12 months ending 30 June 2026.

BACKGROUND / WHAKAPAPA

5. The treasury report provides information on Council's significant financial assets and liabilities. For the current reporting period, this covers:
 - a) Key investments – the PIF and WPCF;
 - b) Borrowings and interest costs; and
 - c) Accounting reserves.
6. In addition to performance for the quarter, the report provides background to the reported financial assets, liabilities and reserves and why these are important to Council.
7. The report also outlines compliance with Council's Treasury Management Policy (TMP). This policy identifies Council's key treasury-related risks and sets out requirements to reduce or mitigate these risks.

Compliance

8. The Council diligently oversees treasury performance, including monitoring and reporting on borrowing covenants, interest rate risk, and exposure to credit and funding risk, in accordance with TMP requirements.
9. During the quarter, the Council breached one TMP requirement. The proportion of fixed interest rates for 24 – 48 months (measured on a rolling basis) fell below the minimum level required by the Policy.
10. This breach is a necessary consequence of Council officers undertaking shorter-term borrowings to maintain flexibility prior to debt transfer to Wai Hononga Water Services Ltd (WHWS) (NPDC water/wastewater CCO). The breach will be addressed during the following quarter when debt is next drawn down.
11. Apart from this breach, the Council remains compliant with all other TMP limits and requirements. More information on Council's compliance against the TMP is included in the Treasury Report.
12. The current Treasury Report adds a forward-looking view of compliance with TMP requirements. In addition to stating whether requirements are compliant at the reporting date (31 March 2026), the report also notes how long compliance for each measure is expected to last (assuming no further action is taken).

Investments

13. The PIF achieved a closing balance of \$426.5m as at 31 March 2026, compared to an opening balance of \$403.9m at 1 July 2025. This equates to a gain of \$22.6m for the year to date.
14. For the 9-month period, Council has drawn down \$9.2m of distributions from the PIF to subsidise rates (\$12.4m for the 12 months prior to 31 March 2026). Drawdowns from the PIF are calculated annually based on a release rule designed to withdraw sustainable amounts while maintaining the value of the fund in real terms against inflation. The release rule applied for the 2025/26 year is unchanged from previous years.
15. At 31 March 2026, the WPCF has achieved cumulative net gains of \$5.4m since inception (February 2021). The closing balance of the Fund is \$25.6m. The Treasury Report provides more information about the history of the Fund, and Council's relationship to this investment.

Borrowings

16. Council's external debt (net of prefunding) is currently at \$399m, reflecting an increase of \$15m for the year to date. No borrowing was required during the quarter.
 17. Net debt includes \$35.5m on-lent by Council to council-controlled trading organisation Papa Rererangi i Puketapu (PRIP), which operates the New Plymouth Airport. During the quarter, PRIP made a principal repayment of \$500,000 against the balance of their loan from Council.
 18. During November 2025, Council officers undertook prefunding by pre-emptively borrowing \$61m to be used repay existing debt maturing in April 2026. The prefunding has temporarily increased gross debt to \$461m, which is offset by corresponding investments of \$61m, as these funds were placed on term deposit until required. This prefunding arrangement did not breach Council's internally imposed borrowing limit of \$469m. The existing (prefunded) debt will be repaid during April 2026.
 19. Total debt is currently forecast to reach \$428m by 30 June 2026, which is within the closing debt limit of \$469m approved by Council in Annual Plan 2025/26. The reduction in debt required is primarily due to slower delivery of capital projects than initially forecast in the Annual Plan.
 20. Council's weighted average cost of funds at 31 March 2026 is 3.72 per cent (reducing from 3.78 per cent at 31 December 2025). Net interest costs for the year to date are approximately \$1.55m under budget.
-

21. Council fixes interest rates charged on a portion of its debt through a combination of borrowing at fixed interest rates and by utilising interest rate swap agreements. The current report includes an educational page providing more information about Council’s interest rate swap agreements and how these instruments function.

Reserves

22. Accounting reserves represent accumulated surpluses set aside for specific future purposes, or unspent funds which have been received from a particular set of rate or levy payers.
23. Transfers into and out of Council’s various reserves for the 9 months to 31 March 2026 are shown in the Treasury Report. These include budgeted funding for the current year (transfers into reserves) but exclude appropriations from reserves for eligible expenditure incurred to date (transfers out of reserves). Further transfers will be accounted for and presented in quarter four 2025/26.
24. Council reserves have sufficient balances to meet commitments approved and are all currently in credit (47 individual reserves), with the following exceptions:

Operating Reserves	<ul style="list-style-type: none"> - TEMO Operating Fund (\$270k overdrawn) - Refuse Collection Operating Surplus (\$574k overdrawn) - Esplanade Strips (\$758k overdrawn) - Forestry Reserve Fund (\$657k overdrawn)
Renewal Reserves	<ul style="list-style-type: none"> - Transportation (\$3.3m overdrawn) - Water (\$3m overdrawn) - Wastewater (\$3.4m overdrawn)
Restricted Reserves, Trust & Bequest Funds	<ul style="list-style-type: none"> - Commercial Material Recovery Facility Reserve (\$3.8m overdrawn) - Urenui Onaero Sewer Development Fund (\$10.1m overdrawn)

25. These reserves are primarily overdrawn due to cumulative decisions made by Council to fund prior year operational losses from these activities. \$16.6m of overdrawn reserves (64% of total) relate to Water and Wastewater services. The Forestry Reserve Fund will cease to be overdrawn once planned harvesting is completed for NPDC-owned forestry blocks and joint ventures.
26. More detailed reporting on Reserves will be provided in future quarterly treasury reports.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

27. Council's investment in the PIF is a major contributor of indirect (Scope 3) greenhouse gas emissions due to investment in carbon-intensive industries. The PIF investments are estimated to account for approximately 8,500 tonnes of CO₂-equivalents, or 14 per cent of Council's total greenhouse gases (2024/25).
28. Substantially reducing financed emissions from the PIF would likely require changes in the investment mix within the Fund, which could in turn influence the returns generated by the Fund. Mercer New Zealand, who manage the PIF as fully outsourced agent, provide six-monthly Environmental, Social and Governance (ESG) reporting regarding the Fund. Mercer undertake an active approach to sustainable investment. NPDC's PIF has a stronger ESG rating than the average rating across all investments managed by Mercer.
29. Council's borrowing activities have no direct climate change implications. Council has one Green and Social (GS) loan from the Local Government Funding Agency (LGFA), relating to funding provided by Council to PRIP for their solar farm development at the New Plymouth Airport. Council officers are undertaking education to identify further capital projects which may be eligible for GS loans, and will pursue these loans where cost-effective.
30. Council officers are also pursuing eligibility for LGFA's Climate Action Loan programme, which requires a documented emission reduction plan and annual greenhouse gas emission inventories to be undertaken. This will provide financial benefits from Council pursuing its climate change objectives.

NEXT STEPS / HĪKOI I MURI MAI

31. Council officers will continue to monitor treasury performance against targets. The next treasury report, covering the year from 1 July 2025 to 30 June 2026, will be presented to Council in August 2026.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

32. There are no financial and resourcing implications associated with the treasury reporting. Finance expenses for the year to date are within budget.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

33. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
 - Council staff have delegated authority for any decisions made;

- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

REFERENCE LINKS / HONONGA TOHUTORO

A link to Council's current Treasury Management Policy is available below:

[NPDC Treasury Management Policy 2024](#) (ECM 8280048)

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 NPDC Treasury Report for the period 1 July 2025 to 31 March 2026 (ECM 9802016)

Report Details

Prepared By:	Mathew Whitmore (Treasury Accountant)
Reviewed By:	Loren Moore (Manager Financial Services)
Team:	Financial Services
Approved By:	John Scott (General Manager Finance & Planning)
Ward/Community:	District-wide
Date:	25 May 2026
File Reference:	ECM 9802027

-----*End of Report*-----



10.1

Treasury Report

Quarter 3

1 July 2025 to 31 March 2026



Te Kaunihera ā-Rohe o Ngāmotu
**New Plymouth
District Council**

Treasury governance and management

For the period ended 31 March 2026

Treasury governance framework:

- Council's treasury activity is governed by a Treasury Management Policy (TMP).
- The TMP is aligned with Council's Financial Strategy and Long-Term Plans - these documents all set out key benchmark ratios to ensure that the level of debt remains manageable and that interest costs are affordable for ratepayers.
- The TMP is reviewed every three years. The last review was completed in 2024 with support from Council's external treasury advisors at PWC.
- The current TMP was approved by Council on 18 June 2024. The next review is scheduled in 2027.
- The TMP is publicly available on NPDC's website at:

<https://www.npdc.govt.nz/council/strategies-plans-and-policies/policies/treasury-management-policy/>

Treasury requirements and benchmarks

- The TMP contains separate sections which cover: liabilities (including management of interest rates); investments; delegated authorities; climate change/sustainability; cashflow management.
- Each section identifies key (treasury-related) risks and sets out benchmarks and measures Council officers are required to meet to appropriately mitigate these risks.
- Council Officers have delegated authority to borrow funds up to the total approved in the Long-Term Plan / Annual Plan.

Liability policy - compliance summary

Risk	TMP ref.	Requirement	Compliant? (Mar-26)	Compliant until (assuming no action taken)
Interest rate risk	Pg. 8	Minimum and maximum limits for the proportion of gross external debt on fixed/floating interest rates.	✗	Not compliant
Liquidity Risk	Pg. 9	Comprehensive insurance cover in place for all assets and aspects of Council's activities as outlined in insurance strategy.	✓	Jun-26
		Access to committed bank facilities, cash and short-term deposits equivalent to one month of Council's payment commitments.	✓	Aug-27
Credit risk	Pg. 10	Investments are only to be placed with specific counterparties (and the investment amount limited based on credit rating).	✓	Indefinite
		Financial derivative contracts (e.g. interest rate swap agreements) can only be entered into with registered banks with minimum "A-1/A" credit rating.	✓	Indefinite
Debt repayment	Pg. 10	External debt is repaid as it falls due in accordance with the applicable loan agreement.	✓	Indefinite
Funding risk	Pg. 12-14	Minimum and maximum limits for the proportion of total committed funding (loans and lending facilities) maturing within x number of years.	✓	Apr-26
Foreign exchange, commodity pricing risk	Pg. 19-20	Foreign currency commitments or commodity commitments in excess of \$100k NZD will be hedged using financial instruments (where available).	N/A - no activity during quarter	Indefinite

Year (rolling)	Months (rolling)	Minimum Fixed Rate	Maximum Fixed Rate	Actual
1	0 - 12	40%	90%	46%
2	12 - 24	35%	90%	35%
3	24 - 36	30%	90%	28%
4	36 - 48	20%	85%	20%
5	48 - 60	10%	80%	11%
6	60 - 72	0%	75%	7%
7	72 - 84	0%	70%	4%
8	84 - 96	0%	65%	0%
9	96 - 108	0%	60%	0%

Counterparty	Credit rating	Policy maximum	Investment (\$)	% of total investments
ANZ	AA- (S&P)	50% / \$35m	26,000,000	43%
BNZ	AA- (S&P)	50% / \$35m	20,000,000	33%
TSB	BBB+ (Fitch)	50% / \$15m*	15,000,000	25%
Total			61,000,000	

*TMP limits investments with TSB to a maximum of \$15m due to having a credit rating below A.

Period (years)	Maturing (\$)	Minimum	Maximum	Actual
0 - 3	240,000,000	15%	60%	58%
3 - 7	164,600,000	25%	85%	40%
7 - 15	8,500,000	0%	60%	2%
Total	413,100,000			

During the quarter, the proportion of gross external debt on fixed interest rates for 24-48 months fell below the minimum level required by the Treasury Management Policy.

This breach is a consequence of Council Officers opting for shorter-term borrowings to maintain flexibility prior to debt transfer to Wai Hononga Water Services Ltd (NPDC water/wastewater CCO). The breach will be addressed in the following quarter when debt is next drawn down.

Apart from this, no breaches or exceptions of the Treasury Management Policy were identified during the quarter.

Treasury governance and management
For the period ended 31 March 2026

Liability policy - compliance summary (continued):

Borrowing limits (TMP pg 10-12):	Internal limit	Result	Compliant? (Mar-26)	Compliant until (assuming no action taken)	LGFA limit
1) Net debt as % of total revenue*	<135%	-46%	✓	> Jun-27	<285%
2) Net interest as % of total revenue	<10%	5%	✓	> Jun-27	<20%
3) Net interest as % of annual rates income	<12.5%	8%	✓	> Jun-27	<30%
4) Liquidity over external debt**	>105%	115%	✓	> Jun-27	>110%

* Result is negative, since liquid assets > borrowings (i.e. net asset position).

** LGFA permits the whole Perpetual Investment Fund (PIF) to be classed as a liquid asset. For prudency, Council classes only cash investments within the PIF to be liquid assets. Therefore, although Council's internal limit for this benchmark is nominally lower than LGFA's limit, the internal limit is actually more restrictive.

External requirements

LGFA:

- The New Zealand Local Government Funding Agency (LGFA), who provide the majority of Council's borrowing, set out similar measures to the borrowing limits in the TMP.
- For strong internal governance, Council's self-imposed limits under the TMP are more conservative than LGFA. The TMP targets are more restrictive in terms of limits and which types of financial assets are considered liquid.
- LGFA requires Council to provide an annual Compliance Certificate to demonstrate that Council is compliant with all debt covenants (borrowing limits) as outlined above.
- A Compliance Certificate for the year ended 30 June 2025 was provided to LGFA in November 2025 following completion of the audit of Council's 2024/25 Annual Report by Audit New Zealand. **Council was compliant with all borrowing limits required by LGFA.**

Covenant Trustee Services Ltd:

- One of the requirements to borrow funds from LGFA is that Council engages the services of an independent corporate trustee to supervise debt securities issues by Council as part of the formal borrowing process.
- The requirements for this arrangement are set out in a Debenture Trust Deed between Council and the corporate trustee, Covenant Trustee Services Ltd. The Debenture Trust Deed has been in place since 2009.
- Under the Debenture Trust Deed, Covenant Trustee requires 6-monthly reporting from Council, setting out total borrowings at the end of the period which is then certified by the Chief Executive. Reporting for the six months ended 31 December 2025 was provided to Covenant Trustee on 3 March 2026.
- The Debenture Trust Deed also requires that an annual assurance engagement is undertaken to ensure that NPDC are fulfilling all requirements of the Deed. The most recent assurance engagement of the Debenture Trust Deed was completed by Audit New Zealand in December 2025. **Audit NZ were satisfied from their testing that nothing indicated Council was not compliant with the Debenture Trust Deed.**

Calculation of borrowing limits*:**

Net debt = *total external debt* less *liquid funds*

Total external debt:

- Includes bank drawdowns, commercial paper, term debt.
- Excludes any debt prefunding.

Liquid funds:

- (Per Council) includes cash on hand, overnight cash deposits, term deposits no greater than 30 days, cash portion of PIF only.
- (Per LGFA) also includes full balance of PIF, LGFA borrower notes.

Total revenue:

- Includes rates, grants and subsidies, user charges, interest, dividends, financial and other revenue (including release payments from the PIF).
- Excludes non-government capital contributions (e.g. developer contributions, vested assets), realised or unrealised gains/losses arising from the PIF.

Net interest = *interest/financing costs on external debt* less *interest income*

Interest/financing costs:

- Includes interest costs on debt, cost of derivatives, costs on committed bank facilities.
- Excludes changes in fair value of derivatives.

Annual rates:

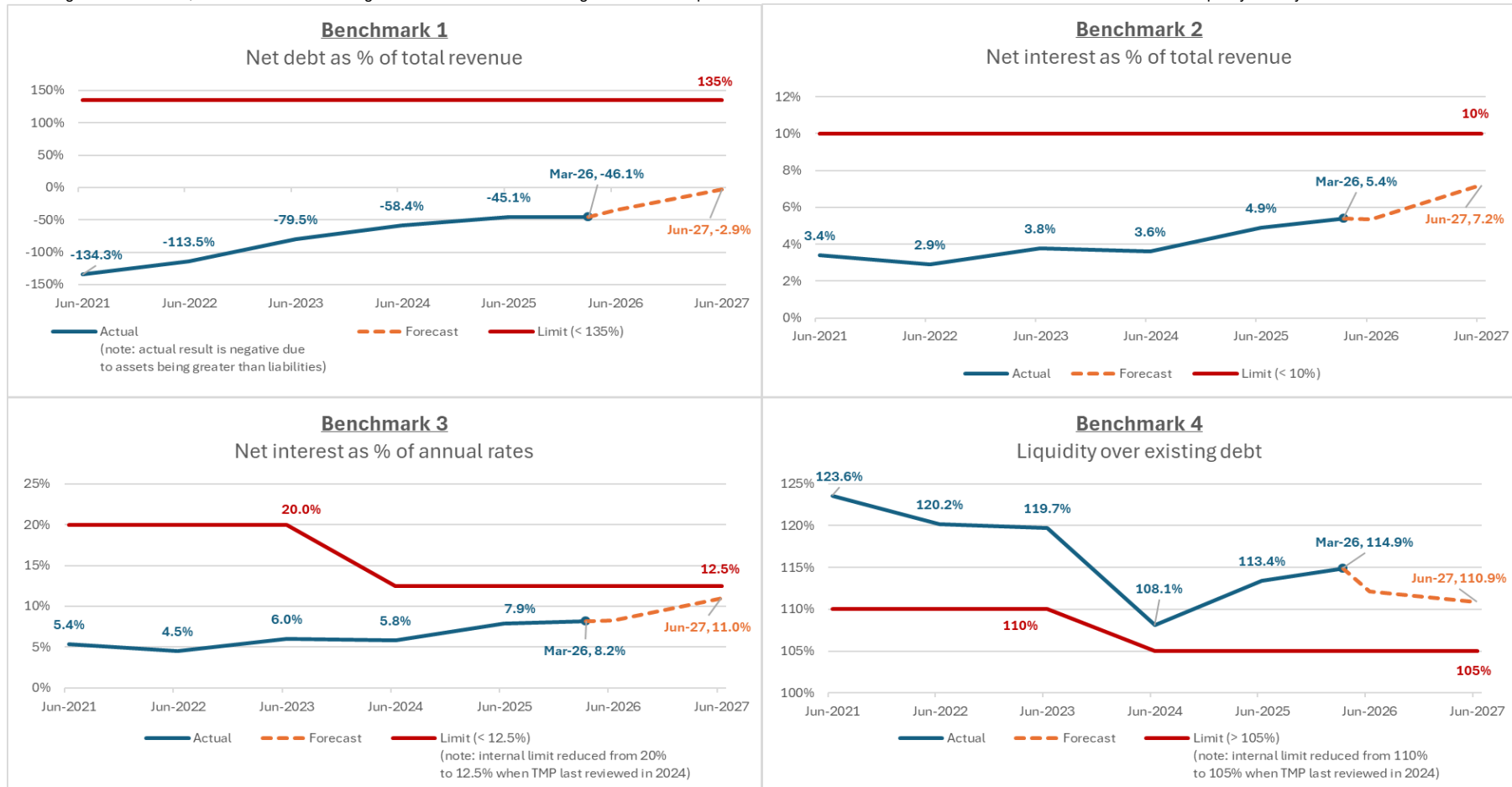
- Includes revenue from any funding mechanism permitted by the Local Government (Rating) Act 2002, revenue from any services for which Council rates (e.g. volumetric water charges).

*** Only items which are applicable in the current period have been included here for simplicity. Please see the TMP on NPDC's website for a full list of all eligible financial assets/liabilities permitted to be included when calculating the above results.

Treasury governance and management
For the period ended 31 March 2026

Background:

- Council's Treasury Management Policy (TMP) sets out key benchmark ratios to ensure that the level of debt remains manageable and affordable for ratepayers.
- The TMP is reviewed every three years. The last review was completed in 2024 with support from Council's external treasury advisors at PWC.
- During the 2024 review, the method of calculating some benchmark ratios changed. The results presented in the charts below have been calculated based on the current policy for all years listed.



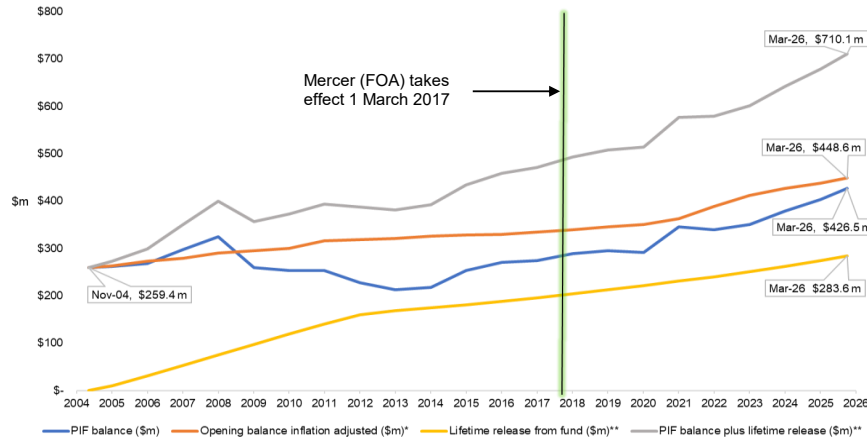
10.1

Perpetual Investment Fund (PIF) For the period ended 31 March 2026

Background:

- The Perpetual Investment Fund (PIF) is owned by Council and was created in 2004 following the sale of Council's shareholding in Powerco.
- The PIF is invested through Mercer NZ in a range of different asset classes. Mercer acts as Fully-Outsourced Agent (FOA) for the fund, and manages the various underlying fund managers.
- New Plymouth PIF Guardians Limited (PIF Guardians) is a Council-Controlled Organisation which provides independent oversight of Mercer as FOA. The PIF Guardians board is made up of directors with experience in investment markets and supporting skills.
- The PIF has a target return of CPI + 3.3% measured over a rolling 5-year average. This target ensures that the Fund maintains its real value against inflation, while allowing for distributions to Council (release payments) to be made quarterly that subsidise approximately 10% of rates required for the district.
- The PIF is governed by Statement of Investment Policies and Objectives (SIPO). The SIPO includes a formula for calculating the value of release payments, to ensure these are sustainable over the long term.
- Starting from 2024/25 onwards, a portion of the release payments from the PIF are being set aside in accounting reserves - the Disaster Recovery Reserve (\$100k per year) and the Sustainable Lifestyle Capital Reserve (\$250k in 2024/25, with the annual amount increasing by \$250k per year to an annual total of \$2.5m in 2033/34). However, the draft Annual Plan 2026/27 proposes pausing these allocations to reserves, so that the full value of release payments from the PIF are available to reduce rates revenue required from ratepayers in the district.
- The mix of asset classes within the PIF (the PIF composition) is based on Strategic Asset Allocation (SAA) determined by the PIF Guardians. Mercer periodically rebalances the mix of assets within the fund to align to the SAA (subject to limited liquidity for some asset classes e.g. Private Equity).

PIF balance, release payments compared to real value of initial balance to Mar-26



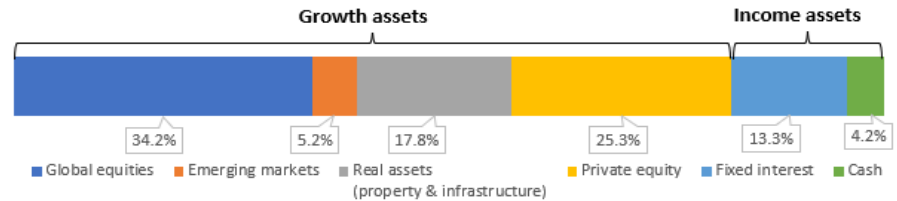
* Trend line does not include any additional investments or releases/withdrawals since the Fund was initially created.

** Trend line only adds lifetime releases from the Fund to actual balance at each year end, and therefore omits hypothetical compounding returns which would have been achieved if release amounts remained invested along with the existing balance.

PIF returns:

	Since inception (Nov 2004)	5 years	1 year
Annual returns (after fees and taxes)	7.4%	8.7%	12.4%
Relative to CPI + 3.3%	-	+0.7%	+6.0%
Distributions to Council (release payments)	\$284.6m	\$56.1m	\$12.4m

PIF composition (Mar-26):



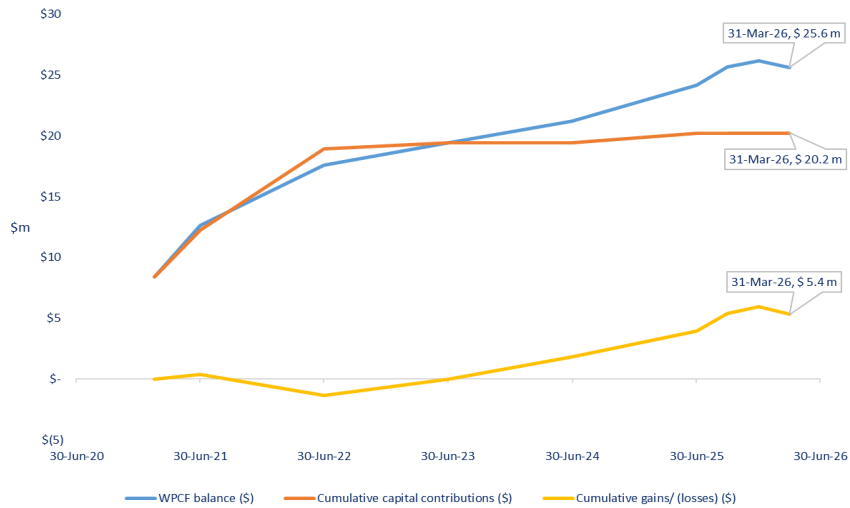
Waitara Perpetual Community Fund (WPCF) For the period ended 31 March 2026

Background:

- In 2018, the New Plymouth District Council (Waitara Lands) Act 2018 was enacted to dictate how land in Waitara confiscated during the New Zealand Land Wars and later vested to New Plymouth District Council (NPDC), as successor to a number of former local government entities, should be treated. Three funds were created by the Act - the Hapū Land Fund, the Taranaki Regional Council Waitara River Fund and the Waitara Perpetual Community Fund (WPCF). The Hapū Land Fund and the Taranaki Regional Council Waitara River Fund are not managed by NPDC, whereas the WPCF is managed by NPDC.
- The WPCF is invested through Mercer NZ in a range of different asset classes. Mercer acts as Fully-Outsourced Agent (FOA) for the fund, and manages the various underlying fund managers.
- The WPCF receives a share of income from leasehold properties and land sales in the confiscated area, and was created to benefit the Waitara community (or any part thereof) by distributing funds annually.
- Distributions from the WPCF are determined by the Te Tai Pari Board, which comprises 3 members appointed by Te Kōwhatu Tū Moana Trust and 3 members appointed by Council.
- The WPCF is governed by Statement of Investment Policies and Objectives (SIPO). The SIPO includes a formula for calculating the value of release payments, to ensure these are sustainable over the long term.
- The WPCF has a target return of CPI + 3% measured over a rolling 5-year average*. This target ensures that the WPCF maintains its real value against inflation, while allowing for distributions (release payments) to be made to the Waitara Community annually.

* For comparison, NPDC's PIF has a target return of CPI + 3.3% (5-year average). The reason for this difference is that the PIF is more aggressively structured (asset allocation within the PIF aims for 80% growth assets / 20% income assets), compared to WPCF's more conservative asset allocation of 70% growth assets / 30% income assets.

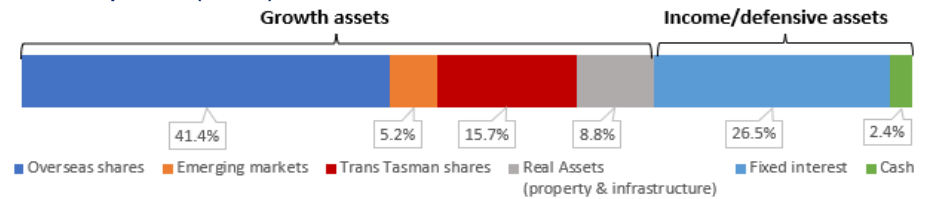
WPCF balance, capital contributions, gains/(losses) to Mar-26



WPCF returns:

	Since inception (Mar 2019)	3 years	1 year
Annual returns (before fees and taxes)	6.4%	10.5%	11.6%
Relative to CPI + 3%	-1.3%	+4.3%	+5.5%
Distributions to Waitara community (release payments)	\$0.8m	\$0.8m	\$0.4m

WPCF composition (Mar-26):



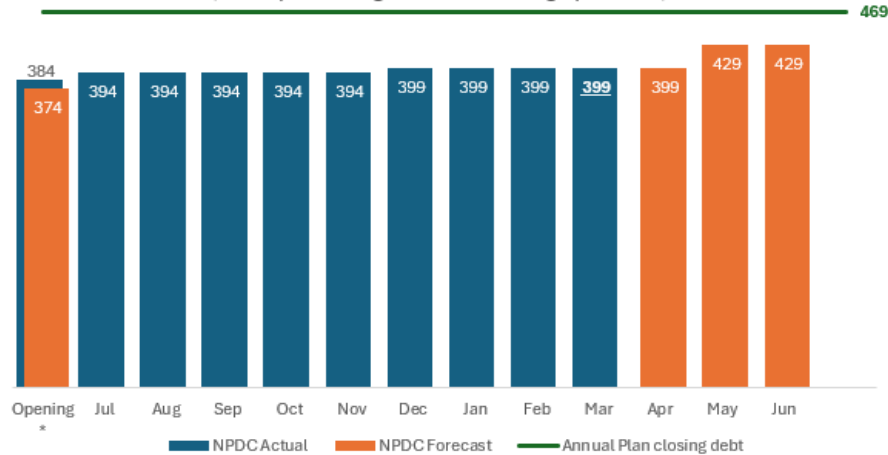
10.1

Borrowings

For the period ended 31 March 2026

2025/26 borrowings - actual/forecast \$m

(net of prefunding for debt maturing April 2026)



* Actual opening debt is higher than forecast due to additional on-lending to CCOs (PRIP) for solar farm approved in the prior year after the Annual Plan budget was prepared.

Current year borrowings - movement

	Long-term	Short-term	Loans to CCOs	Total debt
	\$m	\$m	\$m	\$m
Opening balance at 1 July 2025	322	29	33	384
New borrowing	12	10	3	25
Repayment of debt	-	(10)	-	(10)
Total debt as at 31 March 2026	334	29	36	399
Forecast repayment of debt	-	-	(1)	(1)
Forecast new borrowings	31	-	-	31
Forecast debt as at 30 June 2026	365	29	35	429
Closing debt per Annual Plan 2025/26	407	29	33	469
Additional debt required / (remaining debt available)	(43)	-	2	(41)

Borrowing facilities

Council has the following borrowing facilities available:

Same-day/overnight:

- Call advance facility with Westpac - \$15m limit,
- Standby facility with LGFA - \$5m limit.

Short-term:

- LGFA loan <1 year - fixed interest rate,
- Commercial papers (loans from private investors) - interest charged at floating rate plus margin for lender.

Long-term:

- LGFA loan >1 year - fixed or floating interest rate.

On-lending by Council

Council has facility agreements in place to provide loans to the following Council-controlled organisations. Funds loaned by Council are either provided from available cash reserves or obtained via long-term borrowing from LGFA.

Papa Rererangi i Puketapu

- For capital projects/improvements.
- \$41m limit, \$35.6m loaned at 31 March 2026.
- Interest charged at Council's average cost of borrowings, plus administration margin.
- Principal repayments of \$500,000 per quarter from March 2026 onwards.

Wai Hononga Water Services Ltd

- For organisational establishment/start-up costs, per budget limits approved by Council.
- Interest charged at Council's average cost of borrowings, plus administration margin.
- Loan facility will be repaid in full as part of transfer of water/wastewater-related debt from Council to Wai Hononga, scheduled for 1 July 2027.

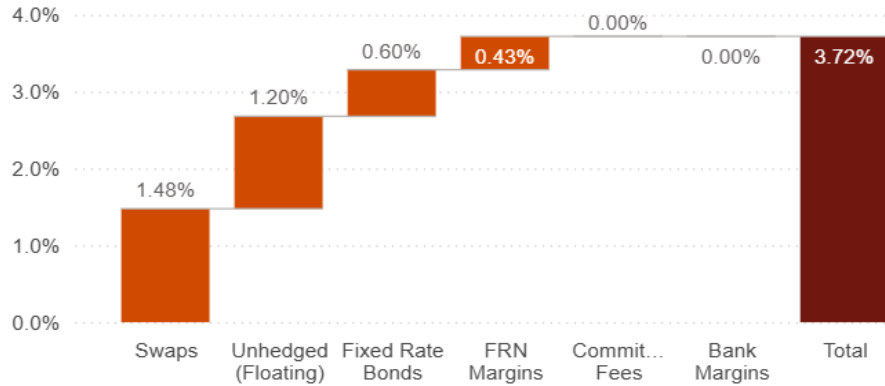
Borrowings - Interest costs

For the period ended 31 March 2026

Background:

- Council's Treasury Management Policy (TMP) requires that the risk of changes in interest rates for Council's borrowings are managed appropriately.
- The TMP sets out minimum and maximum ranges for fixed and floating interest rates, split into bands based on the time until the borrowings mature. A greater proportion of fixed interest rates are required for borrowings closer to maturity, to mitigate the risk of unexpected changes in annual interest costs.

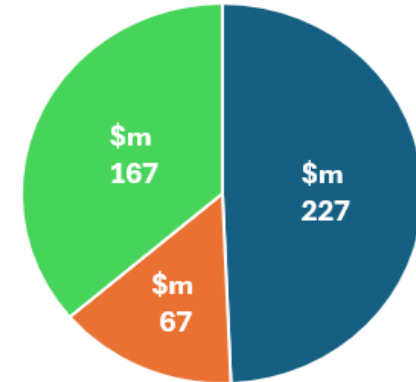
Aggregate contribution to cost of funds



Borrowing structure - proportion of fixed/floating interest rates

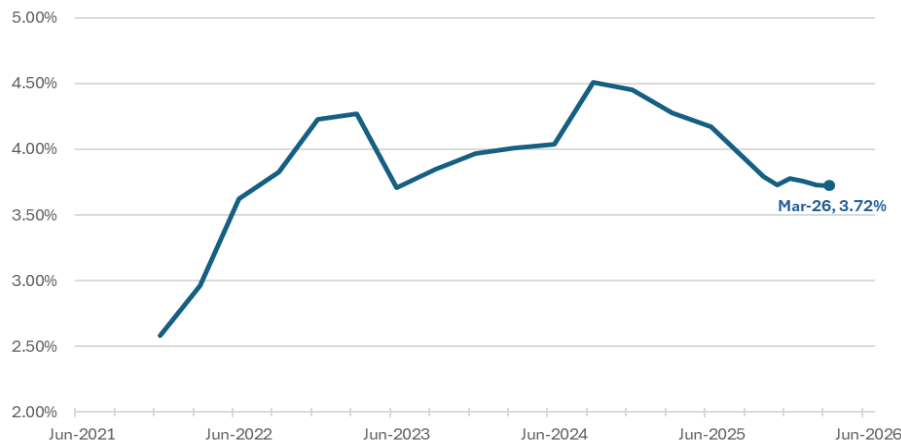
- Floating rate
- Fixed rate (bond instrument)*
- Fixed rate (via swap agreement)*

* Council obtains fixed interest rates on a portion of its borrowings through a combination of **bond instrument** and **swap agreements** (Council pays a fixed interest rate and receives a floating rate).

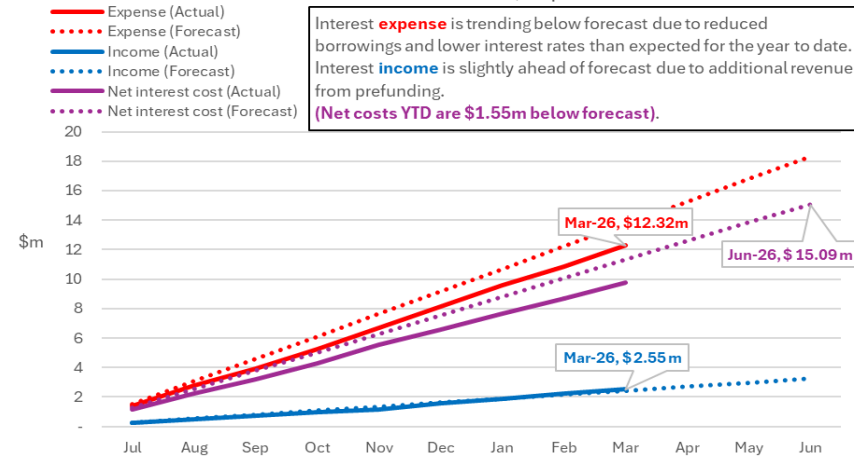


10.1

Average cost of funds over time



2025/26 interest income, expense



Borrowings - Interest rate swaps

For the period ended 31 March 2026

Background:

- Council's Treasury Management Policy (TMP) requires that the risk of changes in interest rates for Council's borrowings are managed appropriately.
- The TMP sets out minimum and maximum ranges for fixed and floating interest rates, split into bands based on the time until the borrowings mature. A greater proportion of fixed interest rates are required for borrowings closer to maturity, to mitigate the risk of unexpected changes in annual interest costs.

Interest rate swaps:

- Council can obtain fixed interest rates when first entering into a loan. However, this fixed rate then applies for the entirety of the loan term, which can be a significant duration (potentially 7+ years).
- As an alternative, Council can instead effectively obtain fixed interest rates by borrowing funds through a floating rate loan, then entering into a separate *Interest Rate Swap Agreement (IR swap)*.
- Under an IR swap, Council agrees to pay a fixed interest rate to a counterparty calculated based on an agreed (nominal) amount; in exchange the counterparty pays Council the current floating interest rate on the same amount.
- The payments between Council and the counterparty are settled net, with one party paying the difference between the fixed and floating interest rate to the other.
- Only the interest amounts are paid/received between the two parties; the nominal amount is never transferred.
- When accounting for IR swaps, each swap agreement is separately recognised as an asset or liability, depending on whether the fixed interest Council has agreed to pay is higher or lower than the floating interest rate Council receives.
- If the floating rate Council receives is higher than the fixed rate Council pays, the swap is said to be "in the money" (the counterparty pays Council); if the fixed rate is higher than the floating rate, the swap is "out of the money" (Council pays the counterparty).

Advantages:

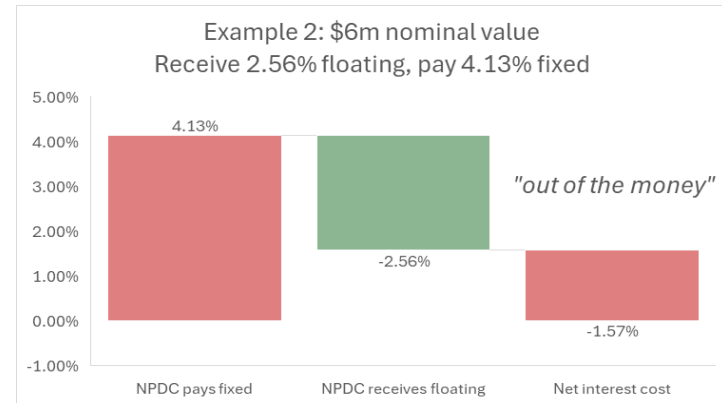
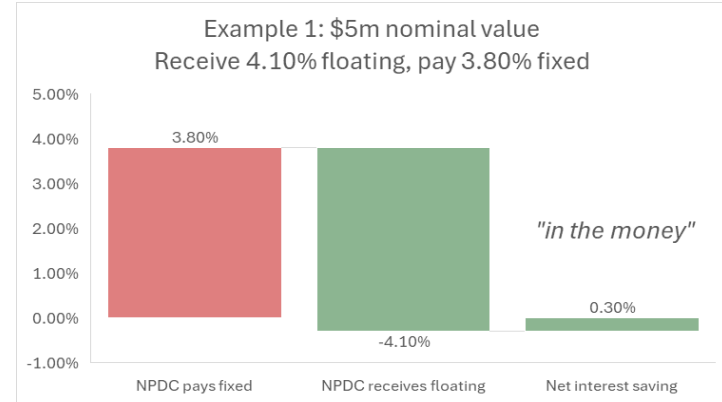
- IR swaps provide Council with greater flexibility when managing interest rates:
 - IR swaps can be agreed for different lengths and/or amounts than the underlying floating-rate borrowings being hedged.
 - If necessary, Council can use IR swaps to effectively fix interest rates mid-way through an existing loan term, rather than having to negotiate a fixed rate up front when the loan commences.
- The particulars of an IR swap can be renegotiated with the counterparty without penalty during the term of the agreement. The term can be lengthened to provide the certainty of fixed interest rates for longer ("blend and extend") or shortened to obtain a lower fixed interest rate ("squeeze and squash").

Summary of NPDC interest rate swap portfolio (March 2026):				
Counterparty	Total nominal value	Fixed rate (NPDC pays)	Floating rate (NPDC receives)	Fair value*
ANZ	41,000,000	2.80% - 4.13%	2.56% - 3.94%	(192,972)
BNZ	72,000,000	3.69% - 4.11%	2.59% - 4.00%	(266,185)
WPC	54,000,000	3.79% - 4.28%	3.83% - 4.15%	55,740
Total	167,000,000			(403,417)

Out of the money

Out of the money

In the money



The key purpose for using interest rate swap agreements is to **mitigate interest rate risk** (the potential for funding costs to deviate significantly from projections due to market movements) by **providing certainty over funding costs**.

*Note: The swaps' "fair value" are unrealised accounting movements, and will move up and down over time as interest rates change. Over the lifetime of a swap agreement, the fair value (positive or negative) reduces towards zero as the swap approaches maturity, since this value represents the remaining benefit/cost of the swap to Council relative to the current floating interest rate.

Reserves

For the period ended 31 March 2026

Background:

Council uses reserves to set aside a portion of accumulated surpluses for specific future purposes, or where funds have been received from a particular set of rate or levy payers.

Statement of Reserves:

	Balance at 1 July 25 (\$'000)	Transfers into fund (\$'000)	Transfers out of fund (\$'000)	Interest earned (\$'000)	Balance at 31 March 26 (\$'000)
Operating Reserve	2,696	1,525	(2,194)	-	2,027
Development Funds	5,009	2,166	-	-	7,175
Renewal & Disaster Funds	8,215	28,032	(813)	-	35,434
Restricted Reserves, Trust and Bequest Funds	(1,979)	(135)	(4)	58	(2,060)
Waitara Perpetual Community Fund Reserve	24,607	1,319	-	18	25,944
Property, Plant & Equipment Revaluation Reserve	1,615,651	-	(583)	-	1,615,068
Financial Assets at Fair Value through Other Comprehensive Revenue and Expense	251	-	-	-	251
Total Reserves	1,654,450	32,907	(3,594)	76	1,683,839

Purpose of each reserve:

Operating Reserve

Reserves for different areas of benefit are used where there is a discrete set of rate payers. Any surplus or deficit relating to these separate areas is applied to the specific reserves.

Significant Operating Reserves include:

	Balance 31-Mar-26 (\$'000)	Purpose
Waste Levy Operating Surplus	1,748 funds available	Levies paid from central government (Ministry for the Environment) to Council toward waste minimisation projects.

Development Funds

Arise from development contributions levied by Council to contribute to growth related capital expenditure. Funds are transferred out at year-end to repay debt.

Renewal Reserves

Funding set aside to meet the renewal of infrastructural and operating assets. Funds are transferred out each year-end to fund the CAPEX renewal programme for the year.

Disaster Fund

Maintained as part of Council's insurance strategies; this reserve can be made available for specific unforeseen events.

Restricted Reserves, Trust and Bequest Funds

Created for funds which are restricted for a particular purpose such as bequests or operations in trust. Includes Waitara Perpetual Community Fund, Sale of Junction Rd properties fund, and Waste management and minimisation fund, which was set up for works associated with the District's solid waste disposal system. Also includes Urenui/Onaero Wastewater project.

Significant Restricted Reserves include:

	Balance 31-Mar-26 (\$'000)	Purpose
Commercial Material Recovery Facility Reserve	(3,750) overdrawn	Accumulated operating deficits from the Commercial Material Recovery Facility (2022-25).
Solid Waste Development Fund	946 funds available	Accumulated surpluses from operation of Colson Road landfill (closed October 2020).
Sale of Junction Rd Properties	8,872 funds available	Proceeds from land endowment sales around the Junction Rd area; funds are to be spent on roading projects benefitting the area.
Urenui Onaero Sewer Development Fund	(10,067) overdrawn	Track expenditure on construction of the Urenui-Onaero Wastewater treatment plant until a decision is made on 'who benefits and who pays' (i.e. General rates vs Targeted rates).

Property, Plant & Equipment Revaluation Reserve

Relates to the revaluation of property, plant, and equipment to fair value.

Financial Assets at Fair Value through Other Comprehensive Revenue and Expense

Comprises fair value gains and losses on Council's shareholdings in New Zealand Local Government Funding Agency (LGFA) and Civic Financial Services Ltd.

Overdrawn reserves:

Reserve category/account	Balance 31-Mar-26 (\$'000)
<i>Operating Reserve</i>	
TEMO Operational Fund	(270)
Refuse Collection Operating Surplus	(574)
Esplanade Strips	(758)
Forestry Reserve Fund	(657)
<i>Renewal & Disaster Funds</i>	
Renewal Reserve - Transport	(3,328)
Renewal Reserve - Water*	(3,043)
Renewal Reserve - Wastewater*	(3,447)
<i>Restricted Reserves, Trust and Bequest Funds</i>	
Commercial Material Recovery Facility Reserve	(3,750)
Urenui Onaero Sewer Development Fund	(10,067)
Total overdrawn reserves	(25,894)

- The above reserves are overdrawn due to decisions made by Council to fund prior year operational losses from these activities.

- \$6.5m of overdrawn reserves* (25% of total) relate to renewal of Water and Wastewater assets.

- The Forestry Reserve Fund will cease to be overdrawn once planned harvesting is completed for NPDC-owned forestry blocks and joint ventures.

TREASURY MANAGEMENT POLICY COMPLIANCE – APRIL 2026

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is to consider and approve Council’s current treasury position temporarily persisting in breach of certain requirements of the Treasury Management Policy (TMP), specifically around timing of debt maturities and minimum proportion of fixed interest rate borrowings.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report Council approve Council’s treasury position temporarily persisting in breach of the following Treasury Management Policy requirements until 1 July 2027:

- a) **Interest rates on forecast gross external debt within the 1-4 year bands below the minimum proportion of fixed interest debt (interest rate risk).**
- b) **The proportion of debt funding maturing within 1-3 years greater than the maximum level permitted (funding risk).**

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	<p>This report identifies and assesses the following reasonably practicable options for addressing the matter:</p> <ol style="list-style-type: none"> 1. Approve Council’s treasury position persisting in breach of TMP requirements around interest rate risk and funding risk until 1 July 2027. 2. Not approve the TMP breaches persisting.
Affected persons	The persons who are affected by or interested in this matter are all residents of the New Plymouth district.
Recommendation	This report recommends option one for addressing the matter.
Long-Term Plan / Annual Plan Implications	No

COMPLIANCE / TŪTOHU	
Significant Policy and Plan Inconsistencies	Yes – the matter concerns partial noncompliance with Council’s Treasury Management Policy.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

3. As at 30 April 2026, Council’s treasury position breached two requirements of the TMP. Specifically:
 - a) Interest rates on forecast gross external debt within the 1-4 year bands are below the minimum proportion of fixed interest debt (interest rate risk); and
 - b) The proportion of debt funding maturing within 1-3 years is greater than the maximum level permitted (funding risk).
4. These breaches are a consequence of maintaining required flexibility in Council’s treasury position for the pending transfer of water/wastewater related debt to Wai Hononga Water Services Ltd (WHWS). This was a strategic approach supported by Council’s external treasury advisors at PwC. The amount of debt to be transferred and the structure of the transfer is currently being assessed but is not yet known.
5. This report seeks approval from Council to persist with the current treasury position in breach of these requirements until debt is transferred to WHWS on 1 July 2027, in order to maintain existing flexibility and avoid locking into long-term debt positions prematurely. During the intervening period, Council’s TMP will be comprehensively revised during preparation of Long-Term Plan 2027-37 to assess Council’s risk appetite and debt profiles without water/wastewater related assets and associated debt.

BACKGROUND / WHAKAPAPA

6. Council’s treasury operations are governed by the TMP. This policy identifies key treasury-related risks and sets out requirements to safeguard and mitigate these risks. The current TMP was approved by Council in May 2024.
7. The specific details of Council’s TMP are internal requirements only and assume operations in the normal course of business. Unique circumstances outside of this assumption may justify temporarily diverging from the policy’s requirements.

8. For the past several years, Council's future treasury position has been subject to uncertainty due to the impact of Central Government's "Local Water Done Well" reform programme. From 1 July 2027, Council's Water and Wastewater services will instead be provided by WHWS, a council-controlled organisation. As part of the transfer of service delivery from Council to WHWS, both the existing water and wastewater assets and the portion of Council's debt funding relating to these assets will be transferred to WHWS.
9. Council officers are currently quantifying the amount of debt to be transferred. Once this is completed, officers will work with WHWS staff to determine the precise mechanism(s) for transferring the debt, as there are several different options available (or a combination thereof).
10. Given uncertainty around the amount of debt to be transferred and how this transfer will be structured, coupled with historic uncertainty around the reform programme in general, Council's external treasury advisors at PWC have consistently recommended over the past several years that when Council undertakes borrowings these are structured for shorter terms. Doing so has maintained flexibility in the debt portfolio by avoiding locking into longer-term borrowings. However, the trade-off for doing so is that the proportion of long-term fixed interest borrowings within Council's overall debt portfolio have reduced over time.
11. Based on discussions with PWC and presentations by the Local Government Funding Agency (LGFA), we understand that this approach is common across the local government sector, with borrowers opting for shorter term borrowing and refinancing to maintain flexibility around Local Water Done Well (or other proposed local government reforms).
12. The TMP is scheduled for triennial review during the 2027 calendar year. Given the significance of water and wastewater debt being transferred to WHWS, officers expect that this review will involve significant amendment to the existing policy, to ensure this appropriately reflects Council's risk appetite and debt profiles without water/wastewater assets and associated debt. This review may include revising the current requirements around minimum/maximum fixed interest rates, and/or timing of debt maturities.
13. A separate report is being presented to Council in June for decision on proposed amendments to the TMP for the 2025/26 financial year. These amendments concern other aspects of treasury management, and do not relate to the breaches identified in this report.

14. During March 2026, Council’s treasury position breached the minimum proportion of fixed interest debt in the rolling 2-3 years and 3-4 years bands. During April 2026 this breach then extended to the 1-2 years band. The requirement to maintain minimum portions of fixed interest borrowings is designed to reduce the risk of significant movements in interest rates, which would otherwise impact Council’s cost of borrowing. The table below shows the extent of this breach (at 30 April 2026):

Interest rate control limits				
Year (rolling)	Months (rolling)	Minimum Fixed Rate	Maximum Fixed Rate	Actual
1	0 - 12	40%	90%	45%
2	12 - 24	35%	90%	35%
3	24 - 36	30%	90%	28%
4	36 - 48	20%	85%	19%
5	48 - 60	10%	80%	11%
6	60 - 72	0%	75%	7%
7	72 - 84	0%	70%	4%
8	84 - 96	0%	65%	0%
9	96 - 108	0%	60%	0%

15. During April 2026, the treasury position also breached the maximum portion of debt funding maturing within 0-3 years. The requirement to limit the maximum portion of debt maturing in a given range is designed to reduce the risk that Council may not be able to secure funding at acceptable credit margins. The table below shows the extent of this breach (at 30 April 2026):

Funding maturity profile				
Period (years)	Maturing (\$)	Minimum	Maximum	Actual
0 - 3	240,000,000	15%	60%	75%
3 - 7	164,600,000	25%	85%	25%
7 - 15	8,500,000	0%	60%	0%
Total	413,100,000			

16. The TMP requires that where a breach of policy requirements does not self-correct within 90 days, that this:
- a) Be reported to Council as part of quarterly reporting; and
 - b) Requires specific Council approval.

17. These breaches are a consequence of maintaining required flexibility in Council's treasury position for the pending debt transfers to WHWS. Accordingly, officers seek Council's approval to persist with this strategy until the amount and structure of the debt transfer is confirmed, and the impact on the TMP has been assessed.
18. Opportunities to progressively resolve these breaches will be available through planned borrowings prior to completing the debt transfer to WHWS.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

19. There are no immediate and direct climate change impacts associated with this report. However, Council is expected to consider environmental implications of its activities, including climate change impacts in responsible borrowing and investing activities.

NEXT STEPS / HĪKOI I MURI MAI

20. Council officers are working to quantify the water and wastewater debt to be transferred to WHWS, targeting completion by the end of June 2026. Once confirmed, officers will work with WHWS staff to agree on the precise mechanisms for debt transfer. A decision on this is required prior to 1 July 2027, being the date that water/wastewater assets and associated debt will transfer.
21. Once the amount and structure of the debt transfer is confirmed, officers will also revise the existing TMP to reflect Council's risk appetite and debt profiles without water/wastewater assets and associated debt. The results of this review, including proposed amendments to the policy, will be presented to Council for approval before 30 June 2027, to take effect from 1 July 2027.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

22. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance. The TMP is a key policy providing direction to officers on the management of Council's liabilities and investments, and the current policy breaches increase potential interest rate and funding risk.

OPTIONS / KŌWHIRINGA

Option 1 Approve the Treasury Management Policy breaches to persist until 1 July 2027.

Option 2 Not approve the Treasury Management Policy breaches

23. These options have been assessed together below
-

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

24. Immediately resolving the policy breaches will require either early refinancing of existing debt and/or increasing debt existing debt levels to increase average fixed interest proportions and debt maturity aging. Depending on market conditions, refinancing existing debt prior to maturity will likely come at a net cost to Council. Increasing debt levels prematurely will also incur additional cost.
25. Officers anticipate that the immediate breach of minimum fixed interest requirements can be fully resolved when debt is next drawn down. Following this, officers will continue to monitor this requirement and utilise borrowing opportunities to further increase the fixed interest proportion of Council's total debt portfolio prior to the debt transfer to WHWS.
26. Opportunities to resolve the debt maturity breach progressively through planned borrowing are available and will reduce the cost to Council compared to immediately resolving the breach. Officers will also remain alert to changes in market conditions which may make early refinancing of existing debt cost neutral to Council.

Risk Analysis / Tātaritanga o Ngā Mōrearea

27. Not resolving the breaches provides flexibility that, when applied strategically, may result in lower long-term interest costs and reduce ongoing financial pressure on Council. While actions to formally resolve the breaches (particularly those involving changes to debt maturity profiles) could lead to higher costs in the short term, maintaining the current position allows Council to optimise timing and funding decisions in response to market conditions. Officers see the optimal path between these two scenarios as being to gradually restructure the debt portfolio into longer-term borrowing once we have certainty around the debt transfer to WHWS.
28. While the breach of maximum proportion of debt maturing in 0-3 years implies a higher level of funding risk, in practice this is largely mitigated by Council's ability to obtain cost-effective debt funding from LGFA. LGFA has a AA+ credit rating, which was reaffirmed by S&P Global in March 2026. Council's own credit rating of AA was likewise reaffirmed by S&P Global in April 2026, indicating a low risk of defaulting on maturing debt and entitling Council to preferential borrowing rates from LGFA. Given these factors, officers do not foresee a material risk of being unable to secure funding from LGFA at favourable interest rates as existing debt matures.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

29. Compliance with the TMP is intended to ensure financial resilience by undertaking measures to mitigate potential treasury-related risks.
30. However, given the pending debt transfer to WHWS, maintaining flexibility in Council's short-term treasury position by permitting the current breaches to persist until the impact of this transfer is known assists with financial resilience by avoiding committing Council to long-term borrowings prematurely or based on incomplete information.

Statutory Responsibilities / Ngā Haepapa ā-ture

31. The Local Government Act 2002 (LGA) requires Council to have a liability management policy, which states Council's policies around management of borrowings and other liabilities, including interest rate exposure, liquidity, credit risk exposure and debt repayment. Council's liability policy is contained within the TMP. The LGA does not set out specific requirements for the policy beyond this or enforce the requirements that Council has set out in its policy, aside from a general requirement to provide predictability and certainty around sources and levels of funding.
32. The current breaches of the TMP do not impact on Council's compliance with measures regarding debt affordability and debt servicing required under the Local Government (Financial Reporting and Prudence) Regulations 2014, or with financial covenants required of Council by LGFA.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

33. Council's current treasury position breaches requirements of the TMP around the minimum proportion of fixed interest debt, and the maximum proportion of debt maturing within 0-3 years. These breaches are a consequence of deliberate decisions by officers to maintain flexibility in Council's treasury position with regard to pending debt transfer to WHWS as part of the "Local Water Done Well" reform programme.

Participation by Māori / Te Urunga o Ngāi Māori

34. There has been no participation by Māori in relation to this matter.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

35. This matter relates to the whole New Plymouth District, since annual borrowing costs are funded using rates revenue collected from the community. The LGA specifically exempts liability management policies (either draft or amended) from requiring consultation¹.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

36. Approving the breaches of TMP requirements to persist will allow officers to maintain the current strategy of preserving flexibility in Council's treasury position until the impact of the pending debt transfer to WHWS is known.
37. Not approving the breaches of TMP requirements will require officers to immediately take action to resolve these, which may incur higher and/or additional borrowing costs, or commit Council to long-term debt positions which are less advantageous once water/wastewater-related debt has been transferred to WHWS.

Recommended Option

This report recommends option one, approve Council's treasury position temporarily persisting in breach of TMP requirements around interest rate risk and funding risk until 1 July 2027, for addressing the matter.

REFERENCE LINKS / HONONGA TOHUTORO

A link to Council's current Treasury Management Policy is available below:

[NPDC Treasury Management Policy 2024](#) (ECM 8280048)

Report Details

Prepared By:	Mathew Whitmore (Treasury Accountant)
Reviewed By:	Loren Moore (Manager Financial Services)
Team:	Financial Services
Approved By:	John Scott (General Manager Finance & Planning)
Ward/Community:	District Wide
Date:	25 May 2026
File Reference:	ECM 9802151

-----*End of Report*-----

¹ LGA 2002 s102(5).

NPDC PERFORMANCE REPORT FOR PERIOD 1 JULY 2025 TO 31 MARCH 2026

PURPOSE/ TE WHĀINGA

1. The purpose of this report is to advise of the Council's performance for the period 1 July 2025 to 31 March 2026 of the 2025/26 financial year.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the Performance Report for the period 1 July 2025 to 31 March 2026 be noted.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

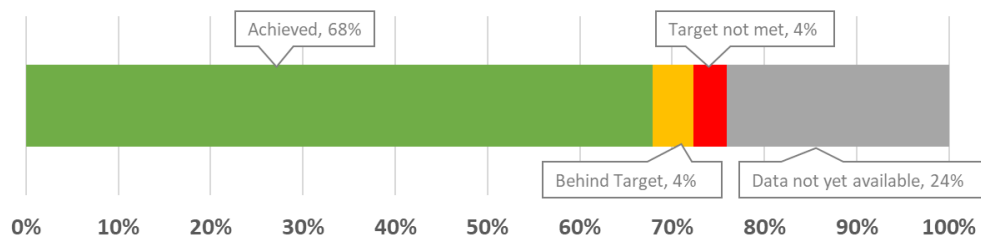
3. This report is provided for information purposes only, and has been assessed as being of some importance.

BACKGROUND / WHAKAPAPA

4. The Performance Report is presented on a quarterly basis and includes an assessment of Council's performance towards its objectives and key performance measures as set out in its Long-Term Plan 2024-2034 (LTP 2024), and its financial performance as set out in the Annual Plan 2025/26 (AP 2026).

Non-Financial Performance Measures

5. The Council has 112 non-financial performance measures of which 76 (or 68 per cent) have been achieved or are on track. Twenty-seven (or 24 per cent) do not have data available yet due to the frequency of the surveys, and will be reported in the Annual Report 2025/26.



6. Five measures (4 per cent) are behind target, relating to the following areas:
- a) Customer and Regulatory Solutions (percentage of known dogs registered). Performance remains below target, with cost-of-living pressures continuing to be the most commonly cited reason for non-payment among dog owners.
 - b) Venues and Events (number of attendees and events/bookings across all venues). Results have been influenced by the challenging financial environment facing the events and venues sector, alongside the closure of the TSB Showplace between October 2025 and May 2026 for refurbishment works.
 - c) Waste Management and Minimisation (reduction in total waste to landfill per capita in the district and reduction in waste to landfill per household). Progress towards reducing total waste to landfill per capital and per household remains behind forecast. Ongoing sector-wide and behavioural challenges continue to impact the rate of reduction achieved.
7. Four measures (4 per cent) were not met during the reporting period, relating to the following areas:
- a) Customer and Regulatory Solutions (percentage of requests for official information completed within statutory timeframes). From a total of 287 official information requests received to 31 March 2026, three requests exceeded statutory timeframes in Quarter 2. These delays primarily occurred where clarification was sought but not received from the requesters, resulting in decisions being issued after the statutory deadlines. No statutory breaches were recorded in Quarter 3.
 - b) Customer and Regulatory Solutions (percentage of building applications processed within statutory timeframes). Of the 1,935 building applications processed to 31 March 2026, 10 applications did not meet statutory timeframes in Quarter 2. The majority of these were in December due to staff implementing our new building consents system. No statutory breaches were recorded in Quarter 3.
 - c) Customer and Regulatory Solutions (percentage of non-notified resource management consents processed within statutory timeframes). Processing performance continued to improve during Quarter 3, with a reduction in the number applications exceeding statutory timeframes. This reflects ongoing refinements to processing practices, with further system enhancements continuing to be explored.
-

- d) Governance (meeting agendas are available at least two working days before every meeting). Two Community Board agendas were released later than the required two-working day timeframe due to a combination of process and technology issues.

Capital Expenditure and Work in Progress

Progress on Delivery

8. Capital expenditure as at 31 March 2026 is \$66 million, or 49 per cent of the \$135.6 million budget for the year. Management is forecasting to spend \$105 million to \$115 million by the end of the year, or 80 per cent to 85 per cent of the capital works budget.
9. The three most significant capital projects are The Coastal Walkway (Te Pae o te Rangi), Thermal Drying Facility (TDF), and the Tūparikino Active Community Hub (TACH).
10. Te Pae o te Rangi is progressing across its three stages. As at 31 March 2026 Stage 1 is currently under construction with all contracts awarded. Stage 2 has completed design and ready for tender, with negotiations underway with landowners to finalise the land purchase package. For Stage 3, negotiations with landowners are ongoing, and design work has commenced on sections of the route where land has already been secured.
11. The TDF project has completed its main works and has been handed over to the Wastewater Treatment Plant operations team. The project is expected to move into its three-month proving period in the new year.
12. Construction of the hub is planned to commence in May 2026, with an opening targeted for Autumn 2028.

Work in Progress (WIP)¹

13. A summary of WIP by Activity, the top 10 WIP projects and asset addition accruals is provided on page 63 of the appendix.
14. As at 31 March 2026, Council's WIP balance stands at \$205.3 million, reflecting a net increase of \$33.5 million since 1 July 2025. This increase comprises:
 - a) \$57.1 million in new additions to WIP, less
 - b) \$23.6 million in capitalisations.

¹ WIP represents the costs incurred towards assets that are still under construction or development.

-
15. As at 30 June 2025, Council had \$43.3 million of asset additions accrued². This balance has since been reduced by \$21.8 million, resulting in current accruals to \$21.5 million. The current accrual balance includes:
- a) \$5 million relating to the Universal Water Meter Programme,
 - b) \$1.3 million for the Tangaroa Restoration project, and
 - c) \$1.2 million for water mains in the Patterson Road Growth area.
16. These items are expected to be formally capitalised by year-end, with the potential exception of the Tangaroa Restoration project. As at 31 March 2026, \$515,000 of costs associated with this project have been written off to operating expenses relating to assets vested to private landowners.

Financial performance

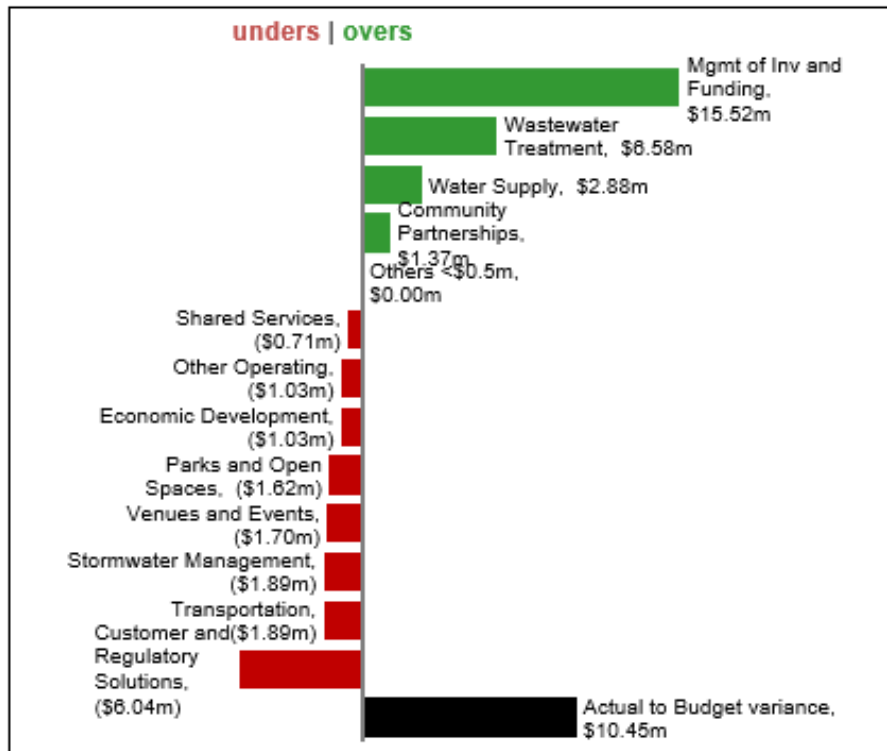
17. Council's financial results are reported in two distinct ways:
- a) Rating Surplus/(Deficit)
 - i) Presented in the Cost of Services Statement, this reflects the surplus from Council's day-to-day operations, based solely on actual cash available. It excludes funds earmarked for specific purposes (e.g. NZTA revenue for roading projects) and non-cash items such as revaluation movements in the Perpetual Investment Fund (PIF), derivatives, vested assets, and depreciation.
 - ii) In accordance with Council's Treasury Management Policy, where a general rating surplus is recorded without a specific planned or approved purpose, it should be applied to debt repayment or offset against rates requirements for any of the first three years of the LTP. General rating deficits are addressed through future year budgets and require separate Council approval. Targeted rates surpluses are transferred to their respective reserves, while deficits are addressed through those reserves in future budgets.

² Asset addition accruals occur when a project is complete and the asset is available for use, but an asset locator has not yet been created, preventing capitalisation in the fixed asset register. Using accruals ensures that Council is compliant with the requirements of asset accounting standards, namely that capital expenditure is transferred out of WIP to the appropriate asset class at the time the asset is available for use.

- b) Accounting Surplus/(Deficit)
 - i) Presented in the Statement of Comprehensive Revenue and Expense, this provides a complete financial picture in accordance with Public Benefit Entity standards (PBE IPSAS). It includes all revenue and expenses, regardless of whether they are cash-based.

Rating Deficit - Cost of Services Statement

- 18. Council aims to operate on a balanced budget, and therefore the AP 2026 budget was adopted to break even by 30 June 2026. However, the nine months to March 2026 show a rating deficit of \$102,000 compared to a budgeted rates deficit of \$1 million for the period.
- 19. The nine-month results include an automatic rates remission of \$2.3 million that was approved by Council on 22 July 2025 to arrive at an average rates increase of 9.9 per cent for the 2025/26 rating year (full-year rates remission of \$3.1 million).
- 20. Several non-cash and ring-fenced items make up the difference between the operating surplus of \$24 million and the rating deficit of \$102,000 at 31 March 2026. The reconciliation between operating surplus and rating deficit is listed at the bottom of the Cost of Services Statement.
- 21. The Cost of Services Statement is followed by graphs for each Significant Activity showing revenue and expenditure. A \$100,000 threshold is applied to revenue and expenditure variances, with commentary included below the graphs only where this level is exceeded. To summarise, the main activities contributing to this variance are presented in the graph below:



22. Noteworthy financial considerations for the nine-month period include:

Permanent differences between actual and budgeted revenue and/or expenditure

Management of Investments and Funding

- a) Expenditure is below budget due to savings in interest rates (\$1.5 million).
- b) Remaining offsetting variances for Management of Investments and Funding are primarily due to timing and non-cash accounting differences which are explained below.

Wastewater Treatment

- c) Revenue has exceeded budget due to additional revenue received from Trade Waste (\$251,000) and unbudgeted recoveries of support charges for the wastewater upgrade at New Plymouth Airport (\$115,000).
- d) Expenditure is below budget due to full year savings in Local Authority Programme insurance premiums (\$125,000).

- e) Remaining offsetting variances for Wastewater Treatment are primarily due to timing and non-cash accounting differences which are explained below.

Water Supply

- f) Expenditure is below budget due to full year savings in Local Authority Protection Programme (LAPP) Disaster Insurance premiums (\$140,000)
- g) Remaining offsetting variances for Water Supply are primarily due to timing and non-cash accounting differences which are explained below.

Waste Management and Minimisation

- h) Actual deficit of \$10.5 million is greater than the budgeted deficit of \$10.4 million by \$94,000 due to several offsetting variances:
 - i) Sorting Depot – \$1.5 million over budgeted deficit due to lower activity than forecast reducing revenue and higher disposal costs than budgeted. Officers are investigating funding options for part of this deficit to be covered by the Water Levy Reserve.
 - ii) New Plymouth Transfer Station – Net \$100,000 over budgeted deficit due to lower activity than forecast reducing revenue. This is due to revenue being \$1.2 million under budget and the disposal fee expense being \$1.1 million under budget.
 - iii) Waste Management – \$321,000 under budgeted deficit due to personnel savings and labour recoveries compared to budget.
 - iv) Remaining offsetting variances are primarily timing only.

Economic Development

- i) Revenue has exceeded budget due to receiving \$289,000 of Better Off Funding that was not budgeted for. This funding has been on paid to VTT for an unbudgeted, Council approved grant for the Hemp Thermal Dryer.
- j) Expenditure is over budget due to the following grant expenditure being approved by Council but not being budgeted for:
 - i) \$500,000 paid to VTT for the Hemp Dryer Facility.
 - ii) The agreed annual funding amount to be paid to VTT was under budgeted by \$165,000.
 - iii) The grant paid to TAFT was \$50,000 higher than budgeted.

iv) Remaining offsetting variances are primarily timing only.

Other Operating

k) Expenditure is over budget predominantly due to the automatic rates remission explained at paragraph 18 above.

Stormwater Management

l) Revenue has exceeded budget due to additional unbudgeted grant revenue recognised for the Tangaroa Restoration project (\$165,000).

m) Expenditure is over budget due to vesting of assets to private landowners from the Tangaroa Restoration project (\$515,000).

n) Remaining offsetting variances are primarily due to non-cash accounting differences and are explained below.

Customer and Regulatory

o) Revenue is under budget mainly due to the following factors:

i) Lower than expected revenue from development contributions applications from development areas. Urban infill remains on target (\$5.6 million). The Annual Plan 2026/27 has included a risk on the LTP Growth assumption (more Urban infill and less Greenfield development) to address this.

ii) Revenue is under budget for parking user fees due to lower utilisation of car parks within the central city (\$567,000), and the quantity of parking infringements decreasing due to increased fines (\$222,000).

iii) Remaining offsetting variances are primarily due to non-cash accounting differences and are explained below.

p) Expenditure is less than budgeted due to depreciation (discussed in non-cash accounting below). This has been offset by increased spend of \$503,000 in subdivision and land consent professional fees, and unbudgeted legal fees for district plan appeals (\$306,000).

Timing differences between actual and budgeted revenue and/or expenditure

Management of Investments and Funding

- q) The overall variance of \$15.5 million includes \$5.2 million less revenue than budgeted due to delay in harvesting McKay and Duthie forestry joint venture plots. This is offset by a reduction of \$3.5 million of budgeted expenditure for harvesting costs not incurred.
- r) The remaining variance is explained through non-cash accounting differences.

Wastewater Treatment

- s) Revenue has exceeded budget due to \$4 million grant funding for the TDF recognised in the current financial year, which was budgeted in the prior financial year.
- t) Expenditure is under budget due to timing of maintenance (\$650,000), and plant operations utilities and chemicals (\$150,000).

Water Supply

- u) Revenue has exceeded budget due to receiving \$687,000 of grant funding for the Patterson Road project. This is offset by water revenue being \$327,000 lower than budget.
- v) Expenditure is under budget due to timing of maintenance (\$430,000), sludge disposal (\$190,000), plant operations utilities and chemicals (\$180,000), and underspend on consultants (\$120,000).

Parks and Open Spaces

- w) Revenue is under budget due to capital expenditure not yet incurred for the Otupaiia Play Area – Phase 1 project (\$1 million), which means that revenue cannot yet be recognised. This has been offset by a reduction in appropriations to fund the project.

Transportation

- x) Revenue is under budget mostly due to the timing of local roads operating and capital subsidies from NZTA (\$2 million). This is being actively managed, with the Business Partners within the Finance Team meeting regularly with the Transportation team to forecast delivery and report on variances.

Economic Development

- y) Expenditure is over budget due to a drawdown from the Reserve of \$400,000 for a grant that was budgeted for and paid during FY25.

Non-cash accounting differences between actual and budgeted revenue and/or expenditure

Management of Investments and Funding

- z) The surplus is over budget by \$15.5 million, \$16.2 million of this is due to a \$22.6 million increase in the value of the PIF (against budgeted gains of \$6.4 million). The remaining variances are explained in the timing differences section above.

Wastewater Treatment

- aa) Expenditure is under budget primarily due to lower depreciation than forecast following the 2024/25 revaluation (\$1.5 million).

Water Supply

- bb) Expenditure is under budget primarily due to lower depreciation than forecast following the 2024/25 revaluation (\$1.2 million).

Parks and Open Spaces

- cc) The cancelation of the Kaitake Trail project through the LTP has led to \$822,000 of capital costs being written off from capital WIP. The remaining variance is primarily due to the timing of revenue recognition for Otupaia as explained above.

Shared Services

- dd) Expenditure is over budget primarily due to insufficient allocation of internal costs relating to capital projects. Internal cost allocations will be reviewed prior to year end.

Other Operating

- ee) Expenditure is over budget due to derecognition of assets (\$1.8 million actual expense less \$357,000 budgeted). These losses have been partially offset by revenue over budget for the Waitara Perpetual Community Fund (actual gains of \$1.4 million compared to budgeted gains of \$780,000).

Venues and Events

- ff) Expenditure is over budget due to the reclassification of part of the Tuparakino Active Community Hub project (\$2.5m) from capex to operating expenditure as the assets were vested to a third party.

Stormwater Management

- gg) Expenditure is over budget primarily due to higher depreciation than forecast following the 2024/25 revaluation (\$1.5 million), and write-off of capital costs incurred under the Tangaroa Restoration project for assets which have been vested to private landowners (\$515,000).

Customer and Regulatory

- hh) Expenditure is under budget due to the budget including additional depreciation expenses which have not been realised (\$671,000).

Accounting surplus - Statement of Comprehensive Revenue and Expense

23. In the AP 2026, Council adopted a budgeted accounting surplus of \$11.5 million for the year with the aim to break even in terms of rates funding by 30 June 2026.
24. For the nine months to March 2026, Council's Statement of Comprehensive Revenue and Expense reports an operating surplus of \$24.1 million, \$10.4 million above the \$13.7 million surplus forecasted in the AP 2026 for the same period.
25. Detailed explanations of the factors contributing to this variance are provided on page 61 of the appendix, as well as by activity in the Significant Activity and Expenditure section of the appendix.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

26. There are no financial and resourcing implications associated with the performance reporting.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

27. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
- Council staff have delegated authority for any decisions made;
 - Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and

- preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 NPDC Performance Report for the period 1 July 2025 to 31 March 2026 (ECM 9749449)

Report Details

Prepared By: Mitchell Dyer (Corporate Planning and Policy Lead), Kelvin Oakley (Co-Acting Financial Reporting Lead) and Kiri Engels (Co-Acting Financial Reporting Lead)

Reviewed By: Loren Moore (Manager Financial Services)

Team: Corporate Planning and Policy and Financial Accounting

Approved By: John Scott (General Manager Finance and Planning)

Ward/Community: District-wide

Date: 30 April 2026

File Reference: ECM 9749448

-----End of Report -----



Quarterly Performance Report

Quarter 3

1 July 2025 to 31 March 2026



Te Kaunihera-ā-Rohe o Ngāmotu
**New Plymouth
District Council**

12.1



This quarterly performance report provides an overview of NPDC's progress in delivering the Long-Term Plan (LTP) 2024-2034 for the first half of the 2025/26 financial year (1 July 2025 to 31 March 2026).

The LTP 2024-2034 is published on the Council's website www.npdc.govt.nz



Contents

Ngā Ihirangi

Achievements during the quarter2

Non-financial performance measures by Council Service area

Overview	5
Community Partnerships	6
Customer and Regulatory Solutions	8
Economic Development	11
Emergency Management and Business Continuance	13
Flood Protection and Control Works	15
Governance	16
Govett-Brewster Art Gallery/Len Lye Centre	17
Management of Investments and Funding	19
Parks and Open Spaces	20
Puke Ariki and Community Libraries	22
Stormwater Management	26
Transportation	29
Venues and Events	31
Waste Management and Minimisation	34
Wastewater Treatment	36
Water Supply	39

Financial performance

Cost of Services Statement	44
Statement of Comprehensive Revenue and Expense	61
Statement of Financial Position	62
Work in Progress	63



Achievements during the quarter



Non-financial performance measures



Financial performance

Achievements during the quarter

Ngā hua o tēnei wāhanga

This section provides a spotlight on work programme(s)/achievements during Quarter 3 (1 January to 31 March 2026).



Water infrastructure upgrades

We started two major water infrastructure projects to improve network resilience and reduce flood risk in Waitara. Work began to replace a collapsed stormwater pipe beneath the railway line at Autere East End Reserve in New Plymouth in January, this project will significantly reduce flooding risk for the surrounding residential area.



Work commenced on upgrade of city centre western entrance

Preparatory works were completed and construction scheduled to begin on the West End Crossing, a major city centre placemaking project designed to improve pedestrian access and amenity at the western entrance to New Plymouth. This was budgeted for \$3.5 million in the Long-Term Plan 2024-2034, but will cost about \$3 million.



Work commences on Fitzroy Beach ramp and steps

Construction of a new, safer and fully accessible pedestrian route to Fitzroy Beach began in February, improving access for families, prams, mobility scooters and wheelchairs. The project includes a 140m ramp and new steps connecting Ron Barclay Drive to the car park near the Fitzroy Surf Life Saving Club.



Major wastewater upgrade kicks-off in Inglewood

A \$13 million, 10-year project to upgrade Inglewood's wastewater system has begun, addressing longstanding issues with the network being overloaded during heavy rainfall. Guided by our digital modelling and on the ground testing, stage one will replace a defective Carrington Street main with a larger pipe.



Metro Plaza demo starts the reopening of the Huatoki in central New Plymouth

Demolition of the Metro Plaza began early March, launching a three-stage project to uncover the Huatoki awa for the first time since 1929 and create a public walkway and footbridge linking Devon and Brougham streets.



NPDC takes closer look at footpath faults

We're using a small scanning buggy to digitally survey more than 570km of public footpaths over five weeks, identifying faults such as cracks, vegetation and surface displacement. The technology records the location, size and severity of issues consistently, helping the council better prioritise maintenance and repairs.



Opening of NPDC's new thermal drying facility

In March we opened a new thermal drying facility at the New Plymouth Wastewater Treatment Plant, helping futureproof wastewater treatment for the next 25 years. Built over two and a half years to replace an ageing, hard to maintain dryer, the \$75.4m project dries excess sludge from nearly 62,000 residents.



TSB Festival of Lights sparks record economic boost for Taranaki region

Our TSB Festival of Lights delivered a record-breaking \$11.8 million contribution to regional GDP this summer, according to a new BERL report, making it the festival's strongest economic result to date. The event attracted 45,000 out-of-region visitors and generated a record 86,327 visitor nights, providing a major boost to local businesses.



Non-financial performance measures by Council Service area

Ngā tātai aronui ā te Kaunihera



Overview

Kōrero Whakarāpopoto


Performance measures help us report back on our service performance. Targets are set for the full financial year. The table below gives an overview of how we are tracking across the 16 Council service areas for the first half of the 2025/26 financial year (1 July to 31 December 2025) compared to the same period last year.

Council Service	This period (Q3 2025/26) <i>based on LTP 2024-2034</i> <i>(112 performance measures)</i>				TARGET NOT MET TREND compared to same period last year	Same period last year (Q3 2024/25) <i>based on LTP 2024-2034</i> <i>(108 performance measures)</i>			
	Achieved or on target	Behind target	Target not met	Data not available		Achieved or on target	Behind target	Target not met	Data not available
Community Partnerships	1			4	=	1			4
Customer and Regulatory Solutions	4	1	3	1	=	4	1	3	1
Economic Development	3			2	=	3			2
Emergency Management and Business Continuance	5				=	5			
Flood Protection and Control Works	3				=	3			
Governance (in 2024/25 one measure not reported on as no triennial elections)	2		1		↓	2			
Govett-Brewster Art Gallery/Len Lye Centre	4			1	=	4			1
Management of Investments and Funding	2				=	2			
Parks and Open Spaces	3			5	=	3			5
Puke Ariki and Community Libraries	10			1	=	10			1
Stormwater Management	8			1	=	8			1
Transportation	3			5	↑	2		1	5
Venues and Events	2	2		3	=	3	1		3
Waste Management and Minimisation	5	2		1	=	5			3
Wastewater Treatment	9			1	↑	8		1	1
Water Supply	12			2	=	10	2		2
Total	76	5	4	27		73	4	5	29
	68%	4%	4%	24%		66%	4%	5%	26%

● Achieved or on target ● Behind target ● Target not met ● Data not available and will be reported in the Annual Report 2025/26

Community Partnerships

Ngā rangapū ā-hapori

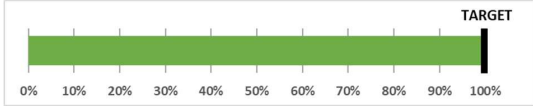
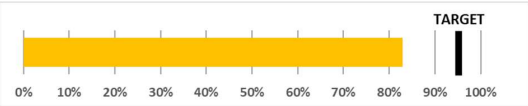
Build strategic relationships that support collaboration, capability and capacity in the community sector.		Provide a 'start-up' fund to support creativity and collaboration in new community initiatives.
<p>Not yet available</p> <p>The percentage of partners satisfied with NPDC's advice and involvement in community initiatives.</p> <p>Target: 95%</p> <p>Annual measure provided at the completion of Q4.</p>	<p>Not yet available</p> <p>The percentage of residents satisfied with NPDC's advice and support to community groups (satisfaction survey).</p> <p>Target: 90%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Achieved - 6</p> <p>The number of initiatives receiving 'start up' financial support.</p> <p style="text-align: center;">Target: 3</p>  <p>An increase from same period last year (4). The initiatives that received 'start up' financial support in this quarter was New Plymouth emergency Food Hub cold chain infrastructure project, rough sleeper outreach programme, rough sleeper gear project, Local Govt Best Practice Guide for Homelessness (collaborative project).</p> <p>Q1 (Jul to Sept 2025): One Q2 (cumulative total at end of Dec 2025): Two</p>

Community Partnerships

Provide effective funding support for community organisations and initiatives.	Effectively coordinate and administer the Housing for the Elderly service.
<p style="text-align: center;">Not yet available</p> <p>The percentage of key performance indicators achieved by recipients of the NPDC's grants (as set out in funding contracts).</p> <p style="text-align: center;">Target: 95%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of tenants satisfied with the service.</p> <p style="text-align: center;">Target: 90%</p> <p>Annual measure provided at the completion of Q4.</p>

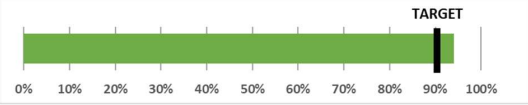
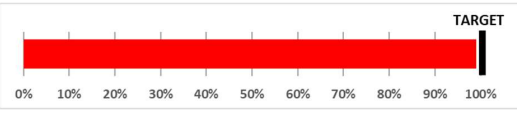
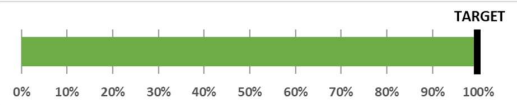
Customer and Regulatory Solutions

Ngā Whakatika i ngā Kiritaki me ngā Waeture

Animal control processes contribute to a safe and healthy community.		
<p style="text-align: center;">On target – 100%</p> <p>The percentage of dog attacks responded to within two hours.</p> <p style="text-align: center;">Target: 100%</p>  <p>Consistent with same period last year (100%).</p> <p>Q1-Q2 (Jul to Dec 2025): 100%</p>	<p style="text-align: center;">Behind target – 83%</p> <p>The percentage of known dogs registered.</p> <p style="text-align: center;">Target: 95%</p>  <p>A decrease from same period last year (90%), rounded up from 82.6%. The target is unlikely to be met, due to feedback on non-payment reported as cost of living pressures and perceived lack of value. Council is exploring alternative payment options while continuing to target non-registered dog owners, advising that infringements are being issued and that non-payment will result in loss of Select Ownership status for the next registration year. A project to roll out earlier infringements, with sufficient warning to non-registered dog owners, is underway for the next registration year.</p> <p>Q1 (Jul to Sept 2025): 79%</p> <p>Q2 (cumulative total at end of Dec 2025): 81%</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with animal control activities (satisfaction survey).</p> <p style="text-align: center;">Target: 90%</p> <p>Annual measure provided at the completion of Q4.</p>

12.1

Customer and Regulatory Solutions

Respond to logged complaints in a timely manner.	Process requests for official information within timeframes set under Local Government Official Information and Meetings Act (1987).	Conduct alcohol licensing inspections in accordance with statutory requirements.
<p style="text-align: center;">On target – 94%</p> <p>The percentage of formal complaints that receive an interim reply or are resolved within five working days.</p> <p style="text-align: center;">Target: 90%</p>  <p>An increase from same period last year (83%). There have been 137 formal complaints received to date (44 in Q1, 39 in Q2, 54 in Q3), compared to 200 for same period last year.</p> <p>To date seven formal complaints did not receive an interim reply or resolution within five working days largely due to the nature and complexity required to fully investigate before response was actioned.</p> <p>Q1-Q2 (Jul to Dec 2025): 95%</p>	<p style="text-align: center;">Target not met - 99%</p> <p>The percentage of requests for official information completed within statutory timeframe.</p> <p style="text-align: center;">Target: 100%</p>  <p>An increase from same period last year (98%). There have been 287 official information requests received to date (88 in Q1, 102 in Q2, 97 in Q3), compared to 263 for same period last year.</p> <p>As reported in Q2, three requests did not meet statutory timeframes due to minor processing and clarification delays. There were no statutory breaches recorded in Q3.</p> <p>Q1 (Jul to Sept 2025): 100% Q2 (cumulative total at end of Dec 2025): 98%</p>	<p style="text-align: center;">On target – 100%</p> <p>All businesses applying for licenses under the Sale and Supply of Alcohol Act 2012 will be inspected in accordance with statutory requirements.</p> <p style="text-align: center;">Target: 100%</p>  <p>Consistent with same period last year. We have a total of 225 licensed premises in the district. All premises are inspected when new or renewal applications are received, or on a report of non-compliance. All licensing requirements have been met.</p> <p>Q1-Q2 (Jul to Dec 2025): 100%</p>

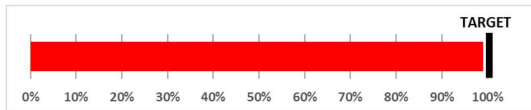
Customer and Regulatory Solutions

Process consent applications within statutory timeframes.

Target not met - 99%

The percentage of building applications processed within statutory timeframes (consents and code compliance certificates).

Target: 100%



An increase from same period last year (97%). There has been a total of 1,935 building applications processed to date, 1,925 within statutory timeframes:

- 742 in Q1 (442 building consent applications and 300 code compliance certificates).
- 619 in Q2 (423 building consent applications and 196 code of compliance certificates).
- 574 in Q3 (334 building consent applications and 240 code of compliance certificates).

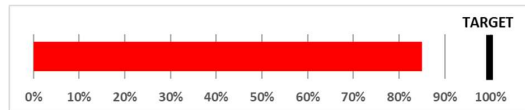
As reported in Q2, 10 applications did not meet statutory timeframes due to the need for additional professional information, resulting in minor delays. No further applications outside statutory timeframes were recorded in Q3.

Q1 (Jul to Sept 2025): 100%
Q2 (cumulative total at end of Dec 2025): 99%

Target not met - 85%

The percentage of non-notified resource management consents processed within statutory timeframes.

Target: 100%



An increase from same period last year (52%), rounded up from 84.9%. There has been a total of 334 non-notified consents processed to date, 282 within statutory timeframes:

- 120 in Q1 (31 exceeded timeframes).
- 113 in Q2 (22 exceeded timeframes).
- 101 in Q3 (8 exceeded timeframes).

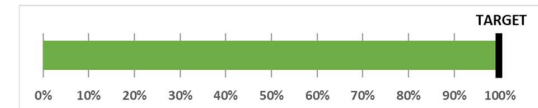
Compliance with Resource Management Act (RMA) requirements sits around 75% between quarters. Further improvements to processing systems are being explored and refined by the wider Planning and Development Group to bring further compliance with the RMA.

Q1 (Jul to Sept 2025): 74%
Q2 (cumulative total at end of Dec 2025): 75%

On target - 100%

The percentage of non-notified resource management consents where decisions to extend timeframes meet the requirements of the Resource Management Act 1991 requirements.

Target: 100%




Consistent with same period last year (100%). Any incorrect s37 (power of waiver and extension of time limits) issued are excluded from reporting. Recent changes to internal audit processes now allow early identification of such discrepancies before they are reported.

Q1-Q2 (Jul to Dec 2025): 100%

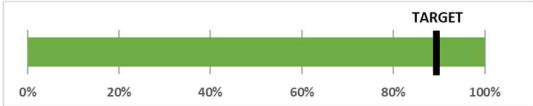
Economic Development

Whakawhanake Ohaoha

<p>Promote the New Plymouth District and the Taranaki region as a vibrant and desirable place to work, live, learn, play and invest.</p>	<p>Facilitate, promote, and support sustainable business growth, innovation, investment and employment opportunities in Taranaki.</p>	
<p style="text-align: center;">On target - 5</p> <p>The number of major events attracted or retained.</p> <p style="text-align: center;">Target: 6</p>  <p>An increase from same period last year (2). The event contracted in this quarter was the Taranaki Longboard Classic.</p> <p>Q1 (Jul to Sept 2025): Three Q2 (cumulative total at end of Dec 2025): Four</p>	<p style="text-align: center;">Not yet available</p> <p>The annual additional funding secured for the provision of regional development programmes, projects and services into Taranaki in line with regional strategy such as Tapuae Roa, subject to central government policy and funding.</p> <p style="text-align: center;">Target: 20% of total funding</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">On target – 76.4</p> <p>Client satisfaction across all business support services, events, programmes and initiatives.</p> <p style="text-align: center;">Target: Net Promoter Score (NPS) 40+</p> <p>A decrease from same period last year (83.37). This score is based on formal feedback received from Venture Taranaki events and programmes like Business StartUp Clinics and Regional Business Partners (RBP). Only events with systematised feedback were included in the calculation. The events included in Q3 was <i>Power up - Women in Business, Positioning for the future</i>.</p> <p>Q1 (Jul to Sept 2025): 85.4 Q2 (cumulative total at end of Dec 2025): 81.6</p>

12.1

Economic Development

Facilitate, promote, and support sustainable business growth, innovation, investment and employment opportunities in Taranaki.	
<p style="text-align: center;">Not yet available</p> <p>Number of events, programmes or initiatives to drive change and support regional strategy objectives such as in Tapuae Roa and Taranaki 2050.</p> <p style="text-align: center;">Target: 10</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">On target – 100%</p> <p>Performance measures and reporting requirements of external contracts (such as with central government) are achieved.</p> <p style="text-align: center;">Target: 90%</p> <div style="text-align: center;">  </div> <p>Consistent with same period last year (100%). To date there are 24 external contracts, with projects and deliverables on track.</p>

12.1



Emergency Management and Business Continuance

Whakahaere Wā Mōrearea me te Tōnuitanga Pakihi

Ensure NPDC is ready for, can respond to, and can recover from emergencies.		
<p style="text-align: center;">On target</p> <p>Emergency processes and plans are reviewed and updated annually as per review schedule.</p> <p style="text-align: center;">Target: Achieved</p> <p>All plans continue to be reviewed and updated by the process owners. The review schedule and supporting processes are currently being refined to provide clearer definitions and guidelines.</p>	<p style="text-align: center;">On target</p> <p>Recruit, train, and maintain a database of at least 150 staff and volunteers capable of responding to an emergency.</p> <p style="text-align: center;">Target: Achieved</p> <p>A slight decrease from same period last year (178). To date there are 177 recruited and trained staff and volunteers (98 trained EOC staff, 79 trained community volunteers who are aligned with Civil Defence Centre within the region).</p> <p>Training and exercising schedule for 2026 has been socialised and will continue to be promoted through the organisation.</p> <p>Q1 (Jul to Sept 2025): 152 recruited and training staff and volunteers (97 trained EOC staff, 55 trained community volunteers)</p> <p>Q2 (cumulative total at end of Dec 2025): 153 recruited and training staff and volunteers (98 trained EOC staff, 55 trained community volunteers)</p>	<p style="text-align: center;">On target</p> <p>Ensure the NPDC Emergency Operations Centre (EOC) is fit for purpose.</p> <p style="text-align: center;">Target: Complete monthly system checks and an annual EOC capability audit</p> <p>Monthly checks completed. Annual EOC capability audit due May 2026.</p>

12.1

Emergency Management and Business Continuance

<p>Ensure NPDC is ready for, can respond to, and can recover from emergencies.</p>	<p>Assist the New Plymouth community in becoming ready for, responding to, and recovering from emergencies.</p>
<p style="text-align: center;">Achieved - 8</p> <p>Develop and implement an NPDC emergency exercise programme.</p> <p style="text-align: center;">Target: Undertake two emergency exercises</p>  <p>An increase with same period last year (5). Three exercises were completed in Q3: Bowl of Brooklands exercise, including all events volunteers and partner agencies; Airport exercise involving plane ditching at sea after take-off with 50 people on board; and D4H Waitara flood event.</p> <p>Q1 (Jul to Sept 2025): Two Q2 (cumulative total at end of Dec 2025): Five</p>	<p style="text-align: center;">On target - 7</p> <p>Emergency Centres are identified, assessed and formalised with Memorandum(s) of Understanding.</p> <p style="text-align: center;">Target: 8</p>  <p>Consistent with same period last year (7). Seven Civil Defence centres identified, assessed and formalised with MOUs: Owae Marae, North Taranaki Sports and Recreation Waitara, North Point Baptist Church, Coastal School, Knox Church, Oakura Bowling Club and TET Stadium.</p> <p>Owae Marae has been assessed under the marae resilience framework developed by Nga Iwi o Taranaki.</p> <p>Q1-Q2 (Jul to Dec 2025): Seven</p>

12.1

Flood Protection and Control Works

Tiakina Waipuke me ngā Mahinga Whakahaere

Major flood protection scheme assets and systems are maintained in accordance with asset management plans and annual works programme.		Major flood protection scheme assets and systems are repaired in accordance with asset management plans and annual works programme.
<p>On target</p> <p>Assets to be maintained to full service potential in accordance with the Dam Safety Management System and Asset Management System (T1) scheduled maintenance.*</p> <p>Target: Achieved</p> <p>Maintenance is being scheduled accordingly.</p>	<p>On target</p> <p>Dam Safety Management System is updated in accordance with Dam Safety Regulation.</p> <p>Target: Achieved</p> <p>Adhering to the new regulations.</p>	<p>On target</p> <p>Following an event, damage is identified and programmed for repair.</p> <p>Target: Achieved</p> <p>Clearing debris at several intakes to prevent damage after an event.</p>

Note: Renewal works are not included in Council's asset management plans/annual programme due to the current remaining lives of the assets.

* Flood protection assets are maintained in accordance with the maintenance scheduled in NPDC's Tech 1 system.

Governance

Kāwanatanga

Effectively manage local elections in accordance with statutory requirements.	Ensure NPDC processes comply with statutory requirements.	
<p style="text-align: center;">On target</p> <p>Elections and polls comply with the provisions of the Local Electoral Act 2001 and are without successful petitions for inquiry into the conduct of elections.</p> <p style="text-align: center;">Target: Full compliance</p> <p>The 2025 local elections were completed with full compliance and no process issues reported. Additionally, by-elections for Clifton and Kaitake Community Board were initiated and completed on 22 December 2025.</p>	<p style="text-align: center;">On target</p> <p>The Long-Term Plan, Annual Plan and Annual Report are each adopted within statutory timeframes.</p> <p style="text-align: center;">Target: Full compliance</p> <p>The Annual Report 2024/25 was adopted on 10 October 2025. Preparatory work on the Annual Plan 2025/26 continued.</p>	<p style="text-align: center;">Not Achieved</p> <p>Meeting agendas are available at least two working days before every meeting.</p> <p style="text-align: center;">Target: Full compliance</p> <p>The measure was not achieved in Q3, with two Community Board agendas released later than the agreed two working day timeframe due to a combination of process and technology issues. Hard copies of agendas were available to members of the public on request.</p>

Govett-Brewster Art Gallery/Len Lye Centre

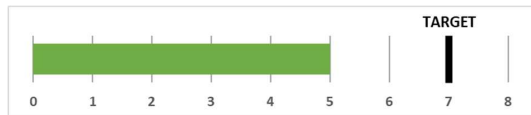
Te Whare Toi ā Govett-Brewster me Len Lye

Provide access to an engaging range of contemporary art from New Zealand and around the world.

On target – 5

The annual number of exhibitions on offer.

Target: 7



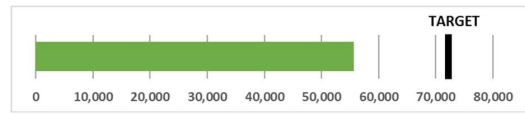
Consistent with same period last year (5). The Gallery opened three new exhibitions during the third quarter: Toiaa Taiao: *Whiria ko te iwi tuna*, the collection exhibition *Pause, act, void, event*; and the Open Window exhibition: Ziggy Lever and Lucy Meyle: *If cows didn't like mustard*.

Q1 (Jul to Sept 2025): None
Q2 (cumulative total at end of Dec 2025): Two

On target – 55,647

The annual number of visitor entries.

Target: 74,000



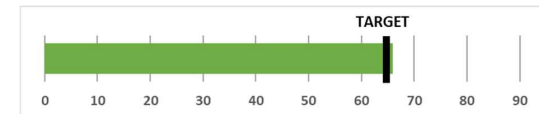
A decrease from same period last year (56,185 – target 72,000). The Gallery received a total of 19,260 visitor entries during the third quarter – 8,388 in January, 5,351 in February and 5,521 in March.

Q1 (Jul to Sept 2025): 19,153
Q2 (cumulative total at end of Dec 2025): 36,387

Achieved - 66

The annual number of audience engagement events.*

Target: 65

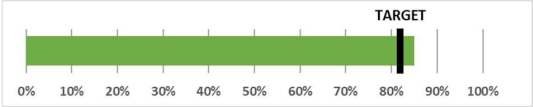


An increase from same period last year (61). The Gallery delivered three audience engagement events in January, 11 in February and two in March as well as 18 recurring events during the quarter.

Q1 (Jul to Sept 2025): 34
Q2 (cumulative total at end of Dec 2025): 50

* These include formal ticketed events such as the Monica Brewster evenings, free and paid gallery and exhibition tours, targeted free events such as Sense Art tours, Gallery Babes and Gallery Seniors, education programmes including Young Visionaries, family art and workshops, and other public talks, lectures, tours and workshops.

Govett-Brewster Art Gallery/Len Lye Centre

Provide access to an engaging range of contemporary art from New Zealand and around the world.	
<p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #808080;">Not yet available</p> <p>The percentage of residents satisfied with the service (satisfaction survey).</p> <p style="text-align: center; font-weight: bold; color: #000000;">Target: 65%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center; font-size: 1.2em; font-weight: bold; color: #008000;">On target – 85%</p> <p>The percentage of customers satisfied with their overall experience at the Govett-Brewster Art Gallery/Len Lye Centre (in-house surveys).</p> <p style="text-align: center; font-weight: bold; color: #000000;">Target: 82%</p> <div style="text-align: center;">  </div> <p>A decrease from same period last year (92%), rounded down from 85.4%. Year to date 211 visitors have been surveyed (66.4% very satisfied, 19% satisfied).</p> <p>Q1 (Jul to Sept 2025): 71% Q2 (cumulative total at end of Dec 2025): 79%</p>

12.1

Management of Investments and Funding

Whakahaere o ngā Haumitanga me ngā Pūtea Mōni

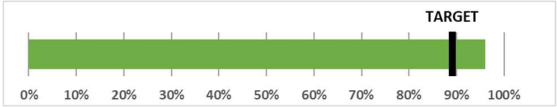
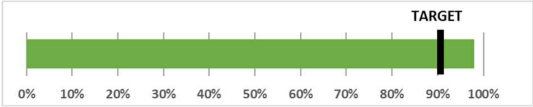
Manage the Perpetual Investment Fund (PIF) to provide sustainable NPDC revenue.	Manage NPDC’s borrowing programme in accordance with the Liability Management Policy.*
<p style="text-align: center;">On target</p> <p>The annual return from the PIF received by NPDC.</p> <p style="text-align: center;">Target: 3.3% + CPI + management fees and costs</p> <p>The fund has an unrealised gain of \$22.6m for the nine months to 31 March 2026.</p> <p>NPDC has received \$9.2m from the PIF for the year to date.</p>	<p style="text-align: center;">On target</p> <p>Debt levels comply with limits set by policy.</p> <p style="text-align: center;">Target: All measures met</p> <p>Net debt as at 31 March 2026 was \$(119)m.**</p> <ul style="list-style-type: none"> • Net debt of total revenue is (46.1)% - TMP maximum limit is 135%.** • Net interest expense on external debt is 5.4% of total revenue – TMP maximum limit is 10%. • Net interest expense on external debt of total annual rates income is 8.2% - TMP maximum limit is 12.5%. • Liquidity is 114.9% over existing debt – TMP target is to be greater than 105%.

* The Liability Management Policy is incorporated within the Treasury Management Policy (TMP) which was updated and approved by the Council on 18 June 2024.

** The result for these measures are negative as the Council's net debt is nil. This is because the Council's liquid assets are greater than borrowings

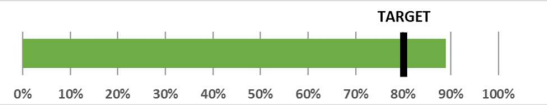
Parks and Open Spaces

Ngā Papa Rēhia me ngā Wāhi Tuwhera

Maintain quality district parks, reserves and open spaces.		
<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality of the district's parks and reserves, including the Coastal Walkway and Pukekura Park (satisfaction survey).</p> <p style="text-align: center;">Target: 95%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality of the district's urban landscapes and streets (satisfaction survey).</p> <p style="text-align: center;">Target: 90%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality of the district's sports grounds (satisfaction survey).</p> <p style="text-align: center;">Target: 90%</p> <p>Annual measure provided at the completion of Q4.</p>
<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality of the district's playgrounds (satisfaction survey).</p> <p style="text-align: center;">Target: 95%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Achieved – 96%</p> <p>The percentage of compliant playgrounds with NZ Safety Standards.</p> <p style="text-align: center;">Target: 90%</p> <div style="text-align: center;">  <p>A horizontal progress bar showing 96% completion. The x-axis ranges from 0% to 100% in 10% increments. A vertical line marks the target at 90%. The bar is filled to 96%.</p> </div> <p>An independent audit of playgrounds was completed in March 2024. This audit is completed every three years with the next audit due in 2027.</p>	<p style="text-align: center;">Achieved – 98%</p> <p>The percentage of Brooklands Zoo visitors satisfied with the zoo (in-house survey).</p> <p style="text-align: center;">Target: 90%</p> <div style="text-align: center;">  <p>A horizontal progress bar showing 98% completion. The x-axis ranges from 0% to 100% in 10% increments. A vertical line marks the target at 90%. The bar is filled to 98%.</p> </div> <p>An increase from 2024/25 (97%). A total of 163 people were surveyed. Of these respondents, 68% were residents of the New Plymouth District.</p>

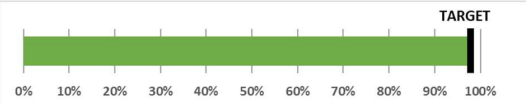
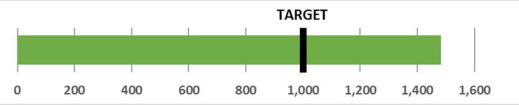
12.1

Parks and Open Spaces

Maintain access to the district's parks, reserves and open spaces.	Provide quality public toilets across the district.
<p style="text-align: center;">Achieved – 89%</p> <p>The percentage of households in the district that are within 500 metres of a park, reserve or neighbourhood open space.</p> <p style="text-align: center;">Target: 80%</p>  <p>An increase from same period last year (88%). This target is measured annually in Q1.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of the community satisfied with the quality of the district's public toilets (satisfaction survey).</p> <p style="text-align: center;">Target: 80%</p> <p>Annual measure provided at the completion of Q4.</p>

Puke Ariki and Community Libraries

Puke Ariki me ngā Whare Pukapuka ā-hapori

Provide an accessible and informative point of contact and booking service for visitors to New Plymouth District.	Ensure library collections, including digital resources, are available to meet the needs of the community.	Ensure our libraries are accessible across the district.
<p style="text-align: center;">On target – 98%</p> <p>The percentage of customers satisfied with the i-SITE Visitor Information Centre (in-house survey).</p> <p style="text-align: center;">Target: 98%</p>  <p>A decrease from same period last year (100%).</p> <p>Q1 (Jul to Sept 2025): 92% Q2 (cumulative total at end of Dec 2025): 97%</p>	<p style="text-align: center;">On target – 3.0 items</p> <p>The number of items per capita is maintained.</p> <p style="text-align: center;">Target: 3 to 3.5 items</p> <p>A decrease from same period last year (3.1 items). Total number of collection items (digital and physical) is 272,439.</p> <p>Q1-Q2 (Jul to Dec 2025): 3.0 items</p>	<p style="text-align: center;">On target – 1,483 per day</p> <p>The average number of customers per day across Puke Ariki and community libraries.*</p> <p style="text-align: center;">Target: 1,000 per day</p>  <p>An increase from same period last year (1,477 per day). To date there have been 406,216 visitors to all libraries (145,348 in Q1, 134,780 in Q2, 126,088 in Q3). Libraries closed for four days over the Christmas break.</p> <p>Q1 (average per day, Jul-Sept 2025): 1,580 per day Q2 (YTD average per day at end of Dec 2025): 1,522 per day</p>

* Physical visits to Bell Block, Waitara, Inglewood, Urenui, Ōākura community libraries and the mobile library.

Puke Ariki and Community Libraries

Provide access to online information using public computing devices.

On target

Free WiFi available and access to online information using public computers and customer devices is available.

Target: Free access at all libraries

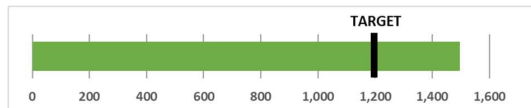
Free WiFi and access to free public computers and printing services across all libraries continues to be well used.

Offer widely accessible and engaging education programmes and public and community programmes.

Achieved – 1,498

The annual number of programmed learning opportunities on offer.

Target: 1,200



An increase from same period last year (1,281).

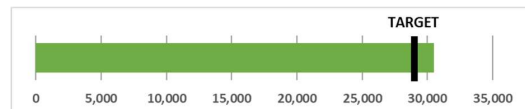
Q1 (Jul to Sept 2025): 623

Q2 (cumulative total at end of Dec 2025): 1,129

Achieved – 30,486

The number of participants attending.

Target: 29,000



An increase from same period last year (23,357)

Q1 (Jul to Sept 2025): 13,032

Q2 (cumulative total at end of Dec 2025): 23,732

Not yet available



The percentage of participants satisfied with programmes (in-house survey).

Target: 95%

Annual measure provided at the completion of Q4.

12.1

Puke Ariki and Community Libraries

Provide new, dynamic exhibitions regularly to ensure visitor engagement and repeat visits.		
<p style="text-align: center;">Achieved - 1</p> <p>Refresh of permanent galleries.</p> <p style="text-align: center;">Target: 1</p> <p>An increase from same period last year (0). <i>Whakarūamoko: Active Earth</i> exhibition opened 21 August 2025.</p> <p>Q1-Q2 (Jul to Dec 2025): One</p>	<p style="text-align: center;">On target - 1</p> <p>Temporary exhibitions annually.</p> <p style="text-align: center;">Target: 2</p>  <p>A decrease from same period last year (2). <i>Rescue</i> exhibition opened 15 November 2025 and will remain until 19 April 2026 – a very popular show with over 40,000 visitors to end March 2026. Artist experience Tuku: Open Studio to open 18 May 2026, ushering in the <i>Kiingi Tuheitia Portraiture Award</i> exhibition on 24 July 2026.</p> <p>Q1 (Jul to Sept 2025): None Q2 (cumulative total at end of Dec 2025): One</p>	<p style="text-align: center;">Achieved - 4</p> <p>Additional exhibitions per year in other Gallery spaces.</p> <p style="text-align: center;">Target: 4</p>  <p>A decrease from same period last year (7).</p> <p>Q1: Two Q2: Four (cumulative)</p>

12.1

Puke Ariki and Community Libraries

Provide online access to the heritage collection through a variety of platforms.

On target - 3

Addition of digital product/experiences and other digital platform exhibitions per year.

Target: 4



A decrease from same period last year (5). The Puke Ariki website home page was redeveloped to deliver a more engaging and action-based visitor experience.

Q1 (Jul to Sept 2025): One

Q2 (cumulative total at end of Dec 2025): Two

12.1

Stormwater Management

Whakahaere Wai Marangai

Provide a stormwater management system that protects people and property.	
<p>On target – 0</p> <p>The number of flooding events in the district per financial year.</p> <p>Target: 0</p> <p>Consistent with same period last year. There have been no flooding events in the district.</p>	<p>On target – 0</p> <p>The number of habitable floors affected in each flooding event (per 1,000 properties connected to NPDC's stormwater system).</p> <p>Target: 1 or less</p> <p>Consistent with same period last year. There have been no flooding events which have flooded habitable floors.</p>

12.1

Stormwater Management

Comply with all resource consents for discharges from our stormwater system.		
<p>On target – 0</p> <p>The number of abatement notices received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No abatement notices received.</p>	<p>On target – 0</p> <p>The number of infringement notices received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No infringement notices received.</p>	<p>On target – 0</p> <p>The number of enforcement orders received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No enforcement orders received.</p>
<p>On target – 0</p> <p>The number of convictions received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No convictions received.</p>		

12.1

Stormwater Management

Respond to service requests in a timely manner.	Ensure customers are satisfied with the performance of our stormwater system.	Provide a good quality and safe stormwater system.
<p style="text-align: center;">On target – 0.40 hours</p> <p>The median response time to a flooding event (from the time that NPDC receives notification to the time service personnel reach the site*).</p> <p style="text-align: center;">Target: One hour or less</p> <p>Consistent with same period last year (0.40 hours). Q1 (Jul to Sept 2025): 0.40 hours Q2 (cumulative total at end of Dec 2025): 0.40 hours</p>	<p style="text-align: center;">On target – 3.83</p> <p>The number of complaints received about the performance of NPDC’s stormwater system (per 1,000 properties connected).</p> <p style="text-align: center;">Target: 8 or less</p> <p>An increase from same period last year (1.94). The measure allows for 64 or less complaints for each quarter. There have been 125 to date (85 in Q1, 11 in Q2, 29 in Q3) from 32,672 connections to the wastewater system.</p> <p>Q1 (Jul to Sept 2025): 2.60 Q2 (cumulative total at end of Dec 2025): 2.94</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality and safety of the district’s stormwater supply (satisfaction survey).</p> <p style="text-align: center;">Target: 70%</p> <p>Annual measure provided at the completion of Q4.</p>

* The times shown for ‘attendance’ and ‘resolution’ are reported by NPDC’s operation and maintenance contractor as part of their contracted responsibilities. This includes travel time. The accuracy of these times has been verified by NPDC.

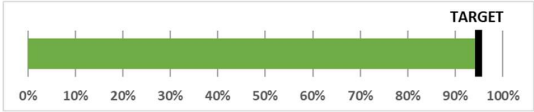
Transportation

Ngā waka kawenga

<p>Provide a local roading network that is safe for all road users.</p>	<p>Provide good quality district roads.</p>	
<p style="text-align: center;">Not yet available</p> <p>The change from the previous financial year in the number of fatality and serious injury crashes on the district’s local roading network.</p> <p style="text-align: center;">Target: Reducing</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Not yet available</p> <p>The average quality of ride on the district’s sealed local road network, as measured by smooth travel exposure.</p> <p style="text-align: center;">Target: 85%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the overall quality of the district’s roads (satisfaction survey).</p> <p style="text-align: center;">Target: 60%</p> <p>Annual measure provided at the completion of Q4.</p>
<p>Appropriately maintain the district’s sealed roads.</p>	<p>Provide a high quality and safe footpath network.</p>	
<p style="text-align: center;">Not yet available</p> <p>The minimum percentage of the sealed local road network that is resurfaced.</p> <p style="text-align: center;">Target: 5%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Achieved – 93.5%</p> <p>The percentage of footpaths that meet the levels of service and service standards in current condition surveys, as set out in the Transportation Asset Management Plan.</p> <p style="text-align: center;">Target: More than 90% of footpath length surveyed in good or excellent condition</p> <p>The footpath condition rating survey was completed in 2022/23. This survey is measured every three years. A new condition survey has been conducted during this quarter, with data currently being collated. Results will be reported in the 2025/26 Annual Report.</p>	<p style="text-align: center;">Achieved – 3%</p> <p>Footpath length recorded as failed.</p> <p style="text-align: center;">Target: 3% or less</p> <p>The footpath condition rating survey was completed in 2022/23. This survey is measured every three years. A new condition survey has been conducted during this quarter, with data currently being collated. Results will be reported in the 2025/26 Annual Report.</p>

12.1

Transportation

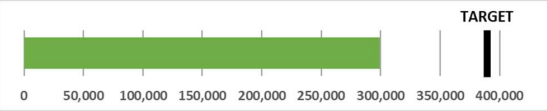
Respond to service requests in a timely manner.	Provide a quality and safe cycle network.
<p style="text-align: center;">On target - 95%</p> <p>The percentage of roading and footpath related customer service requests responded to within target timeframes.*</p> <p style="text-align: center;">Target: 95%</p>  <p>A decrease from same period last year (97%). To date there have been a total of 2,932 customer service requests, of which 70 were responded to late (1,056 requests, 28 responded to late in Q1 and 916 requests, 9 responded to late in Q2, 960 requests, 33 responded to late in Q3).</p> <p>Q1 (Jul to Sept 2025): 97% Q2 (cumulative total at end of Dec 2025): 98%</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality and safety of the district's cycle network (satisfaction survey).</p> <p style="text-align: center;">Target: 85%</p> <p>Annual measure provided at the completion of Q4.</p>

* Service request timeframes:

- one day for an electrical fault with traffic signals, flooding, diesel spills, chemical spills or a slip to be cleared.
- three days for street lighting faults and potholes.
- five days for traffic counts, bus shelter repairs, road marking enquiries, culvert maintenance, rubbish bins, reinstatement of footpaths and debris in the roadside channel.
- ten days for road surface faults, kerb and channel repairs, new kerb and channel, missing road signs and vegetation clearing.

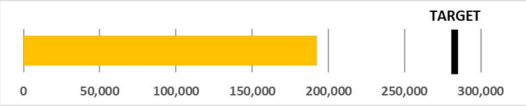

Venues and Events

Ngā hinonga me Ngā Whakaaturanga

Provide high quality pools that encourage community participation in aquatic activities.	
<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with NPDC's swimming facilities (satisfaction survey).</p> <p style="text-align: center;">Target: 85%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">On target – 299,317</p> <p>The number of pool patrons per year.</p> <p style="text-align: center;">Target: 390,000</p>  <p>A decrease from same period last year (318,878).</p> <p>Q1 (Jul to Sept 2025): 77,465 Q2 (cumulative total at end of Dec 2025): 178,961</p>

12.1

Venues and Events

<p>Provide a range of appealing events at high quality venues.</p>		<p>Provide a network of high quality venues that create opportunities for the community to attend arts, cultural, sporting and recreation activities.</p>
<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with NPDC’s events (satisfaction survey).</p> <p style="text-align: center;">Target: 95%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with NPDC’s events venues (satisfaction survey).</p> <p style="text-align: center;">Target: 96%</p> <p>Annual measure provided at the completion of Q4.</p>	<p>The number of attendees and events/bookings across all venues.</p> <p style="text-align: center;">Behind target – 192,716</p> <p style="text-align: center;">Target: 280,000 attendees</p>  <p style="text-align: center;">Behind target - 514</p> <p style="text-align: center;">Target: 1,000 events</p>  <p>There has been a decrease in attendees from same period last year (277,244) and a decrease with number of events from same period last year (549).</p> <p>Lower patron numbers are reflective of a challenging financial climate. We anticipate the target for attendees and events will not be met due to the challenging financial climate alongside the closure of the TSB Showplace between October 2025 to May 2026 due to refurbishment works.</p> <p>Q1 (Jul to Sept 2025): 113,352 attendees, 286 events Q2 (cumulative total at end of Dec 2025): 164,189 attendees, 385 events</p>

12.1

Venues and Events

Provide an accessible and attractive Festival of Lights event.

Achieved – 162,500 attendees

The number of attendees at Festival of Lights

Target: 145,000 attendees

An increase from same period last year (155,000).
The Summer Festival of Lights was delivered between December 2025 to January 2026.

Waste Management and Minimisation

Whakahaere Para me tāna Whakaitinga

Deliver waste services and education programmes to actively encourage our communities to continually minimise waste levels throughout the district.	
<p>Behind target – 4.3% decrease</p> <p>The reduction in total waste to landfill per capita in the district (measured as a year on year percentage).</p> <p>Target: 5%</p> <p>A total of 186.5kg per capita of waste was landfilled in the district during July 2025 to March 2026, compared to 194.5kg for the same period last year.</p> <p>Q1 (Jul to Sept 2025): 0.5% decrease (69.6kg)* Q2 (cumulative total at end of Dec 2025): 1.95% decrease (128.3kg)</p> <p><i>* Originally reported as 0.5% decrease (69.6kg). This has been amended to correct an inadvertent inclusion in the first-quarter; cumulative data from subsequent months now an accurate comparison to previous year.</i></p>	<p>Behind target – 0.1% decrease</p> <p>The reduction in waste to landfill per household (measured as a year on year percentage).</p> <p>Target: 5%</p> <p>A total of 205.9kg per household of waste was landfilled during July 2025 to March 2026 compared to 206.1kg for the same period last year.</p> <p>Q1 (Jul to Sept 2025): 0.8% increase (67.2kg) Q2 (cumulative total at end of Dec 2025): 0.33% increase (137.3kg)</p>

12.1

Waste Management and Minimisation

Enhance the environment through low waste and low emissions solutions.		
<p>On target – 0</p> <p>The number of abatement notices received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No abatement notices received.</p>	<p>On target – 0</p> <p>The number of infringement notices received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No infringement notices received.</p>	<p>On target – 0</p> <p>The number of enforcement orders received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No enforcement orders received.</p>
Enhance the environment through low waste and low emissions solutions.	Deliver waste management and minimisation services that customers are satisfied with.	
<p>On target – 0</p> <p>The number of convictions received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No convictions received.</p>	<p>On target – 0.51</p> <p>The number of complaints about the Council's waste management and minimisation service received (per 1,000 customers).</p> <p>Target: 2 or less</p> <p>A decrease from same period last year (0.58). The measure allows for 16 or less complaints for each quarter. There have been a total of 16 complaints to date (5 in Q1, 6 in Q2, 5 in Q3) from 31,010 customers.</p> <p>Q1 (Jul to Sept 2025): 0.16 Q2 (cumulative total at end of Dec 2025): 0.42</p>	<p>Not yet available</p> <p>The percentage of the community satisfied with the kerbside rubbish and recycling collection service (satisfaction survey)</p> <p>Target: >80%</p> <p>Annual measure provided at the completion of Q4.</p>

12.1

Wastewater Treatment

Rāwekeweke Waipara

Provide an effective wastewater treatment and disposal system.	Comply with all resource consents for wastewater discharge from our system.	
<p style="text-align: center;">On target – 0.19</p> <p>The number of dry weather sewerage overflows per 1,000 connections to the wastewater system.</p> <p style="text-align: center;">Target: 1.5</p> <p>An increase from same period last year (0.16). The measure equates to 14 or less overflows for each quarter. There have been a total of 6 dry weather overflows to date (3 in Q1, 3 in Q2, 0 in Q3) from 31,532 connections.</p> <p>Q1 (Jul to Sept 2025): 0.10 Q2 (cumulative total at end of Dec 2025): 0.19</p>	<p style="text-align: center;">On target – 0</p> <p>The number of abatement notices received.</p> <p style="text-align: center;">Target: 0</p> <p>Consistent with same period last year. No abatement notices received.</p>	<p style="text-align: center;">On target – 0</p> <p>The number of infringement notices received.</p> <p style="text-align: center;">Target: 0</p> <p>A decrease from same period last year (1). No infringement notices received.</p>

Comply with all resource consents for wastewater discharge from our system.	
<p style="text-align: center;">On target – 0</p> <p>The number of enforcement orders received.</p> <p style="text-align: center;">Target: 0</p> <p>Consistent with same period last year. No enforcement orders received.</p>	<p style="text-align: center;">On target – 0</p> <p>The number of convictions received.</p> <p style="text-align: center;">Target: 0</p> <p>Consistent with same period last year. No convictions received.</p>

12.1

Wastewater Treatment

Respond to customer and maintenance requests in a timely manner.		Ensure customers are satisfied with the wastewater treatment and disposal service
<p style="text-align: center;">On target – 0.53 hours</p> <p>The median response time to sewerage overflow callouts (from the time NPDC receives notification to the time that service personnel reach the site*).</p> <p style="text-align: center;">Target: 1 hour or less</p> <p>A decrease from same period last year (0.54 hours). Q1-Q2 (Jul to Dec 2025): 0.53 hours</p>	<p>The median resolution time for sewerage overflow callouts (from the time NPDC receives notification to the time that service personnel confirm resolution of the fault or interruption).</p> <p style="text-align: center;">On target – 1.77 hours</p> <p style="text-align: center;">Target: 4 hours or less for sewers <250 dia</p> <p style="text-align: center;">On target - 0</p> <p style="text-align: center;">Target: 8 hours or less for sewers ≥ 250 dia</p> <p>A decrease from same period last year (1.92 hours) for <250 dia, with no callouts for ≥250 dia.</p> <p>Q1 (Jul to Sept 2025): 1.79 hours, no callouts Q2 (median total at end of Dec 2025): 1.78 hours, no callouts</p> <p>dia = diameter</p>	<p style="text-align: center;">On target – 3.49</p> <p>The total number of complaints received about sewerage odour; system faults or blockages; or NPDC's response to issues with the sewerage system (per 1,000 connected properties).</p> <p style="text-align: center;">Target: 13 or less</p> <p>An increase from same period last year (3.09). The measure allows for 120 or less complaints for each quarter. There have been a total of 110 complaints to date (50 in Q1, 45 in Q2, 15 in Q3) from 31,532 connections to the wastewater system.</p> <p>Q1 (Jul to Sept 2025): 1.59 Q2 (cumulative total at end of Dec 2025): 3.01</p>

* The times shown for 'attendance' and 'resolution' are reported by NPDC's operation and maintenance contractor as part of their contracted responsibilities. This includes travel time. The accuracy of these times has been verified by NPDC.

Wastewater Treatment

Provide a good quality and safe wastewater treatment system.

Not yet available

The percentage of residents satisfied with the quality and safety of the district's wastewater treatment system (satisfaction survey).

Target: 80%

Annual measure provided at the completion of Q4.

Water Supply

Whakaputunga Wai

Provide water that is safe to drink.	Maintain the reticulated water network in good condition.	Respond to faults and unplanned interruptions to the water supply network in a timely manner.
<p style="text-align: center;">On target</p> <p>Compliance with the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and DWQAR 2022.¹</p> <p style="text-align: center;">Target: Full compliance</p> <p>No non compliances to date.</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of real water loss from NPDC's networked reticulation system.*</p> <p style="text-align: center;">Target: 20% or less</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">On target – 0.53 hours</p> <p>The median response time to urgent callouts (from the time NPDC receives notification to the time that service personnel reach the site**).</p> <p style="text-align: center;">Target: 1 hour or less</p> <p>A decrease from same period last year (0.55 hours). Q1-Q2 (median total at end of Dec 2025): 0.54 hours</p>

¹ The Department of Internal Affairs (DIA) updated this mandatory performance measure after NPDC published its LTP 2024, which sets our statement of service. The updated measure still covers the bacterial and protozoal compliance of water supplies but now is directly referenced to the relevant rules in the Drinking Water Quality Assurance Rules 2022. Our reporting for 2025/26 is, therefore, against those rules.

* Water loss calculation: We calculate the percentage of water loss by dividing the annual volume of water loss by the total amount of treated water supplied for the year (obtained from water meter records from the Water Treatment Plant). To calculate the annual volume of water loss, we determine the minimum night flow (the average flow between 2am and 4am for the lowest 20 days of the year divided by the number of connections) and subtract the legitimate night usage per property (assumed to be six litres per property per hour). The difference is the estimated volume of water loss per property.

** The times shown for 'attendance' and 'resolution' are reported by NPDC's operation and maintenance contractor as part of their contracted responsibilities. This includes travel time. The accuracy of these times has been verified by NPDC.

Water Supply

Respond to faults and unplanned interruptions to the water supply network in a timely manner.		
<p>The median resolution time for urgent callouts (from the time NPDC receives notification, to the time that service personnel confirm resolution of the fault or interruption).</p> <p>On target – 1.63 hours</p> <p>Target: 4 hours or less for mains <250 dia</p> <p>On target - 0</p> <p>Target: 8 hours or less for mains ≥ 250 dia</p> <p>An increase from same period last year (1.62 hours) for <250 dia, with no callouts for ≥250 dia.</p> <p>Q1 (Jul to Sept 2025): 1.62 hours, no callouts Q2 (median total at end of Dec 2025): 1.61 hours, no callouts</p> <p>dia = diameter</p>	<p>On target – 26.74 hours</p> <p>The median response time to non-urgent callouts (from the time NPDC receives notification to the time that service personnel reach the site).</p> <p>Target: 70 hours or less</p> <p>A decrease from same period last year (29.25 hours).</p> <p>Q1 (Jul to Sept 2025): 27.49 hours Q2 (median total at end of Dec 2025): 27.08 hours</p>	<p>On target – 66.08 hours</p> <p>The median resolution time for non-urgent callouts (from the time NPDC receives notification to the time that service personnel confirm resolution of the fault or interruption).</p> <p>Target: 116 hours or less</p> <p>A decrease from same period last year (70.62 hours).</p> <p>Q1 (Jul to Sept 2025): 67.91 hours Q2 (median total at end of Dec 2025):56.36 hours</p>

Water Supply

Ensure customers are satisfied with our water supply service.	Provide a good quality and safe water supply.	Manage demand to minimise the impact of water supply activities on the environment.
<p style="text-align: center;">On target – 8.31</p> <p>The total number of complaints (per 1,000 connections) received about any of the following:</p> <ul style="list-style-type: none"> • drinking water clarity, taste, or odour; • drinking water pressure or flow; • continuity of supply; and • NPDC’s response to any of these issues. <p style="text-align: center;">Target: 16 or less</p> <p>A decrease from same period last year (15.06). The measure allows for 118 or less complaints for each quarter. To date there have been a total of 248 complaints (100 in Q1, 105 in Q2, 43 in Q3) from 29,830 connections to the water system.</p> <p>Q1 (Jul to Sept 2025): 3.35 Q2 (median total at end of Dec 2025): 6.87</p>	<p style="text-align: center;">Not yet available</p> <p>The percentage of residents satisfied with the quality and safety of the district’s water supply (satisfaction survey).</p> <p style="text-align: center;">Target: 80%</p> <p>Annual measure provided at the completion of Q4.</p>	<p style="text-align: center;">On target – 298 litres per day</p> <p>The average consumption of drinking water per day, per resident, within New Plymouth District.</p> <p style="text-align: center;">Target: 300 litres per day</p> <p>A decrease from same period last year (319 litres per day).</p> <p>Q1 (average per day, Jul-Sept 2025): 263 litres Q2 (YTD average per day at end of Dec 2025): 296 litres</p>

Water Supply

Manage demand to minimise the impact of water supply activities on the environment.		
<p>On target - 0</p> <p>The number of abatement notices received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No abatement notices received.</p>	<p>On target - 0</p> <p>The number of infringement notices received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No infringement notices received.</p>	<p>On target - 0</p> <p>The number of enforcement orders received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No enforcement orders received.</p>

<p>On target - 0</p> <p>The number of convictions received.</p> <p>Target: 0</p> <p>Consistent with same period last year. No convictions received.</p>



Financial performance

Ngā ekenga pūtea

12.1

Cost of Services Statement					
Year-to-date March 2026					
Net operating surplus/(deficit) by Activity		Actual	Budget	Variance	
Page	Activity	(\$000)	(\$000)	(\$000)	%
44	Community Partnerships	(5,462)	(6,830)	1,368	20%
45	Customer and Regulatory Solutions	(2,184)	3,857	(6,040)	-157%
46	Economic Development	(6,327)	(5,294)	(1,033)	-20%
47	Emergency Management and Business Continuance	(753)	(903)	150	17%
48	Flood Protection and Control Works	(605)	(579)	(25)	-4%
49	Governance	(4,558)	(4,586)	28	1%
50	Govett-Brewster Art Gallery/Len Lye Centre	(4,399)	(4,371)	(28)	-1%
51	Management of Investments and Funding	32,409	16,886	15,523	92%
52	Parks and Open Spaces	(16,178)	(14,561)	(1,616)	-11%
53	Puke Ariki and Community Libraries	(11,193)	(11,167)	(27)	0%
54	Stormwater Management	(9,608)	(7,717)	(1,891)	-25%
55	Transportation	(15,320)	(13,427)	(1,893)	-14%
56	Venues and Events	(13,056)	(11,352)	(1,704)	-15%
57	Waste Management and Minimisation	(10,534)	(10,440)	(94)	-1%
58	Wastewater Treatment	(12,665)	(19,245)	6,581	34%
59	Water Supply	(11,252)	(14,132)	2,879	20%
	Other Operating ⁽¹⁾ (including Rates)	117,081	118,107	(1,027)	-1%
	Shared Services ⁽²⁾ (respread allocation)	(1,243)	(537)	(705)	-131%
NET OPERATING SURPLUS/(DEFICIT)		24,155	13,708	10,446	76%
Accounting adjustments:					
	Add: Depreciation unfunded (not transferred to the reserves)	21,214	22,462	(1,248)	-6%
	Less: Net unrealised gains in the PIF	(22,611)	(6,385)	(16,226)	-254%
	Less: Net unrealised gains in swap revaluations	(1,891)	0	(1,891)	-
	Less: Capital grants and subsidies	(16,305)	(13,969)	(2,336)	-17%
	Less: Waitara freehold sales transferred to reserves	-	(289)	289	100%
	Add: Waitara Freehold distributions	365	951	(586)	62%
	Add: Loss on disposals of assets	1,912	0	1,912	-
	Add: Impairments	(0)	44	(44)	100%
Funding entries:					
	Less: Debt repayments	(7,415)	(7,415)	-	-
	Less: Transfer to reserves	(953)	(2,400)	1,447	60%
	Less: Development Contributions	(2,166)	(7,747)	5,581	72%
	Add: Capital WIP Write-Offs	4,299	0	4,299	-
Allocated to Targeted Rates:					
	Solid waste and kerbside collection	542	0	542	-
	Water supply	(1,381)	0	(1,381)	-
	Wastewater treatment	132	0	132	-
RATING SURPLUS/(DEFICIT)		(102)	(1,039)	937	-90%

⁽¹⁾ Other Operating primarily comprises rates revenue, and includes accounting entries such as gains/(losses) on asset

⁽²⁾ Shared Services includes overhead costs related to Executive, Digital Enablement, Finance & Planning and Project teams.

Key:

On target
variance is within \$100k

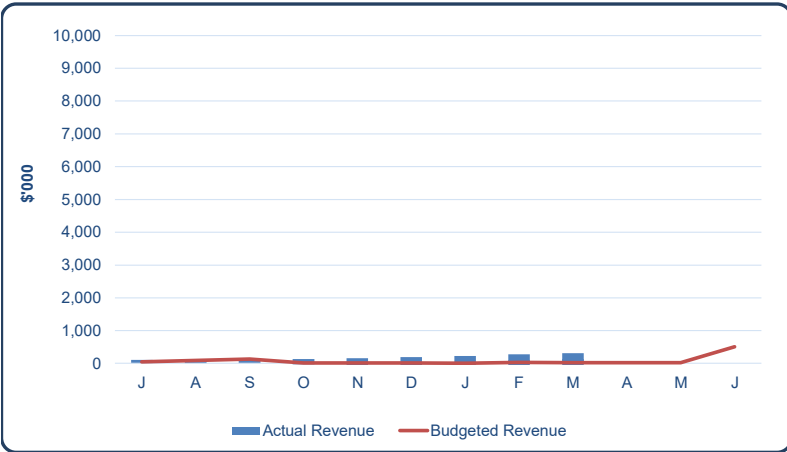
Minor variance to budget
variance greater than \$100k and within 5%

Significant favourable variance to budget
variance greater than \$100k and 5%

Significant unfavourable variance to budget
variance greater than \$100k and 5%

COMMUNITY PARTNERSHIPS

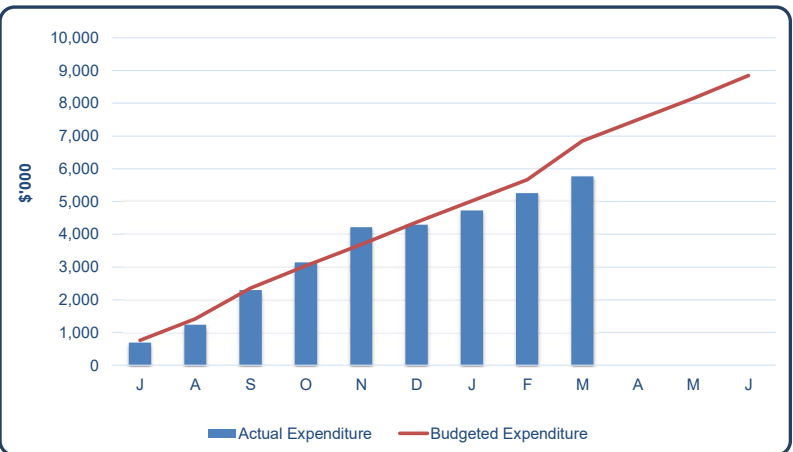
Revenue is \$285k (1,142%) more than budget



Revenue is more than budget year-to-date due to:

- +\$145K Housing for elderly leases higher than budgeted. Any surplus will be transferred to the reserve.

Expenditure is \$1,083k (16%) less than budget

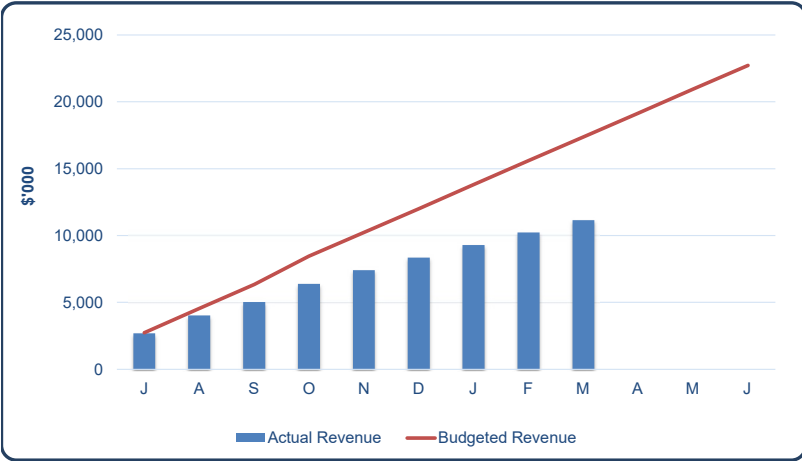


Expenditure is less than budget year-to-date due to:

- +\$502k Te Ta Pari grant still to be paid;
- +\$236K Reduced spend in housing for the elderly operations ;
- +\$178K Down in internal charges;
- +\$131K Council Concesss spending down;
- +\$123K Catalyst grant not yet utilised.

CUSTOMER AND REGULATORY SOLUTIONS

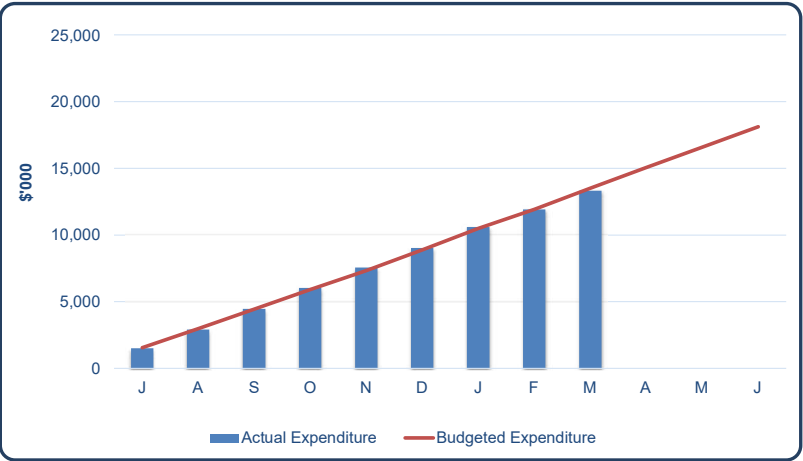
Revenue is \$6,225k (36%) less than budget



Revenue is less than budget year-to-date due to:

- -\$5.6m Development Contributions (AreaQ, Patterson Road, and Sutherland/Patterson);
- -\$570k - On-street metered parking revenue, occupancy down on budget;
- -\$250k Leased carpark revenue, occupancy lower than budgeted.

Expenditure is \$184k (1%) less than budget

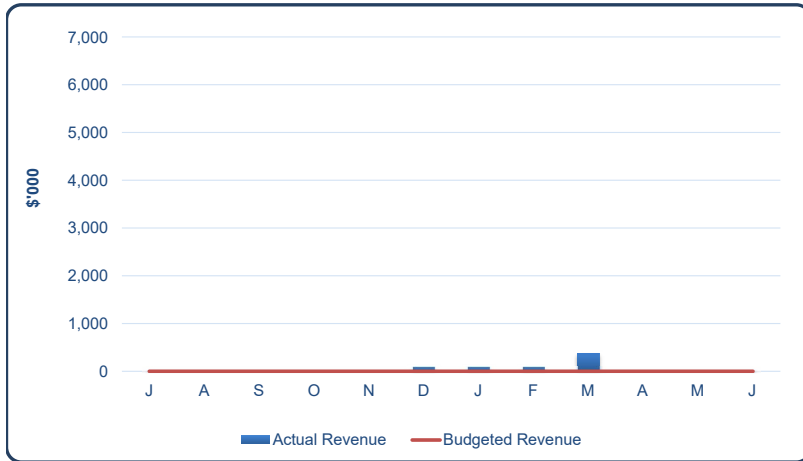


Expenditure is less than budget year-to-date due to:

- +\$672k Depreciation less than budget, budgeted figures based on pre-revaluation asset base;
- +\$127k On-street Parking Occupancy Utilities down, as is revenue.
- -\$503k Subdivision and land use consent professional fees more than budget;
- -\$306k District Plan appeals unbudgeted legal expenditure incurred;
- Remaining offsetting variances are primarily timing only.

ECONOMIC DEVELOPMENT

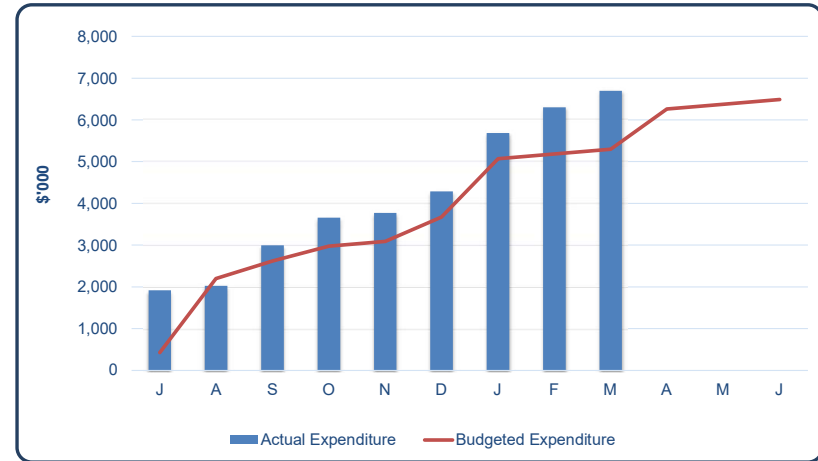
Revenue is \$289k (0%) more than budget



Revenue is more than budget year-to-date due to:

- +\$289K Better Off Funding for Branching Out project claim from VTT.

Expenditure is \$1,405k (27%) more than budget

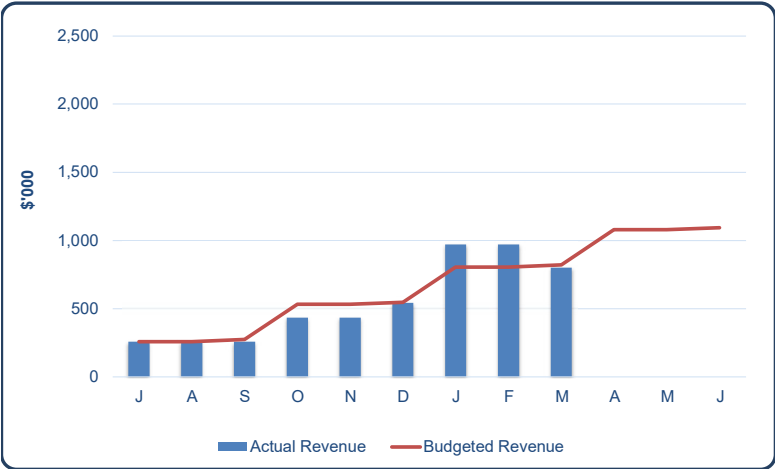


Expenditure is more than budget year-to-date due to:

- -\$50k Unbudgeted grant expenditure for TAFT event recovery, approved by Council to be funded from Events Reserve (\$550k paid, \$500k budgeted) ;
- -\$400k Drawn from Reserve for Phase 3 Branching Out funding (budgeted in previous year);
- -\$500K Unbudgeted grant to VTT Taranaki Alliance Council Approved (reserve funded);
- -\$165k Difference between the agreed annual funding amount to be paid to VTT and what was budgeted;
- -\$289k Council approved grant provided to VTT that was unbudgeted.

EMERGENCY MANAGEMENT AND BUSINESS CONTINUANCE

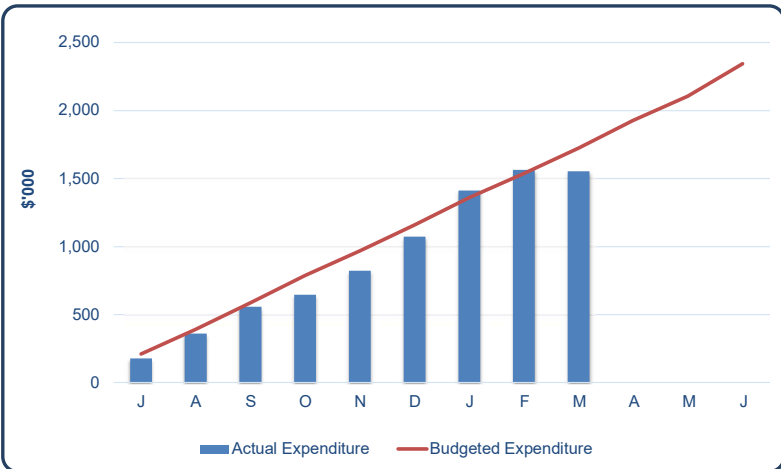
Revenue is inline with budget



Revenue is inline with budget year-to-date due to:

- No material variances.

Expenditure is \$171k (10%) less than budget



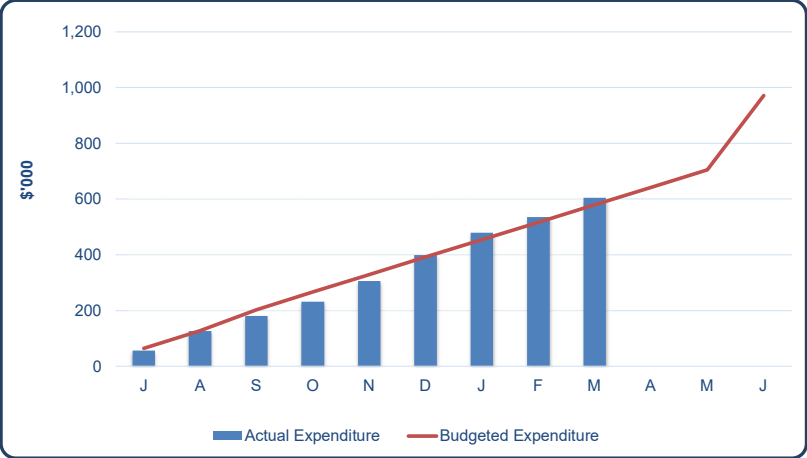
Expenditure is less than budget year-to-date due to:

- +\$99k TEMO Operating Cost Savings to put towards unbudgeted loan repayment at year end.

FLOOD PROTECTION AND CONTROL WORKS

No budgeted or actual revenue

Expenditure is inline with budget



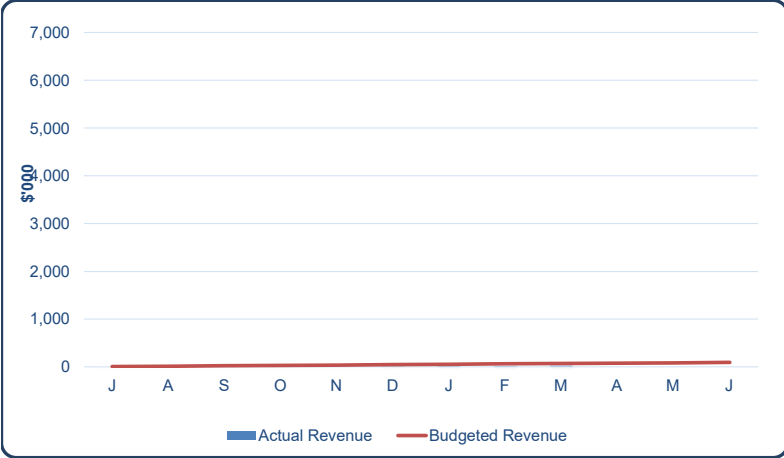
Expenditure is inline with budget year-to-date due to:

- No material variances.

12.1

GOVERNANCE

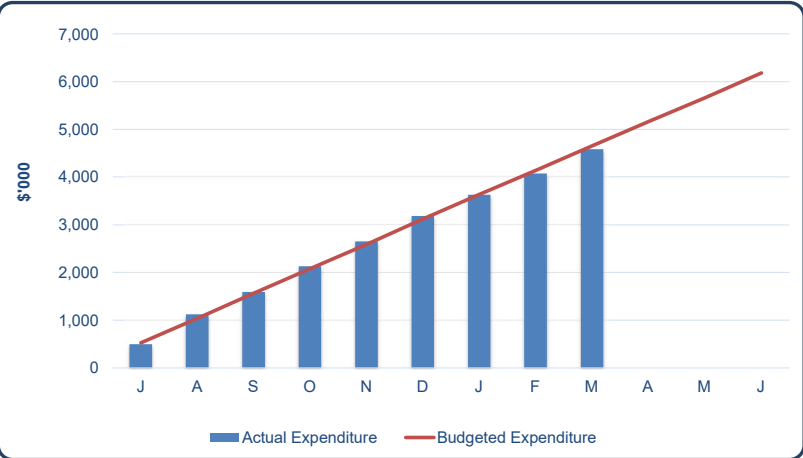
Budget and variance are immaterial



Budget and variance are immaterial.

- No material variances.

Expenditure is inline with budget

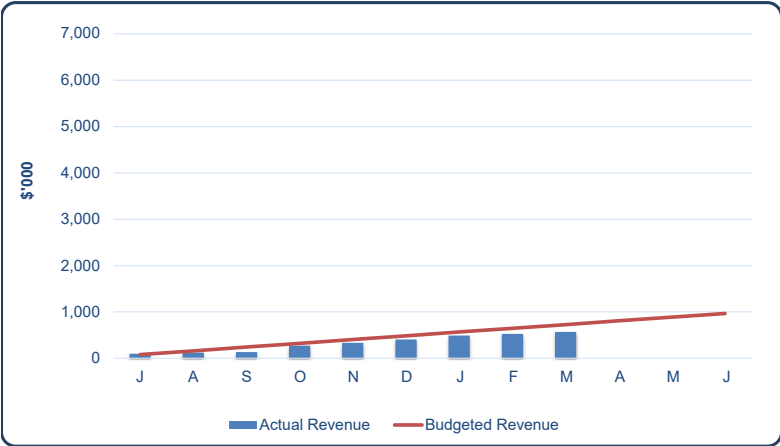


Expenditure is inline with budget year-to-date due to:

- No material variances.

GOVETT-BREWSTER ART GALLERY/LEN LYE CENTRE

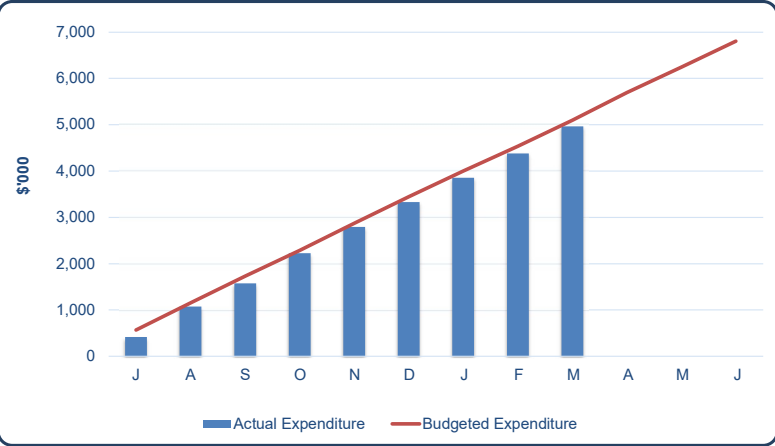
Revenue is \$162k (22%) less than budget



Revenue is less than budget year-to-date due to:

- -\$74k Admission revenue is down for the gallery entry;
- -\$30k Retail sales in store are down;
- -\$20k Commercial property (Monica's) lease payment received is less than budget (Full year impact \$28K);
- -\$21k Grants are down;
- -\$24k Sponsorship is down for operations.

Expenditure is \$134k (3%) less than budget



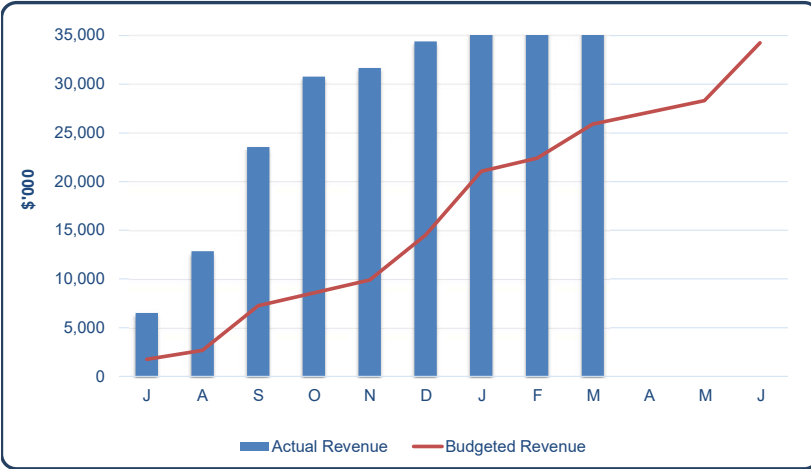
Expenditure is less than budget year-to-date due to:

- +\$125K Underspent in Exhibitions, Promotion & Marketing, CNZ & partial offset by overspent in Publications.

12.1

MANAGEMENT OF INVESTMENTS AND FUNDING

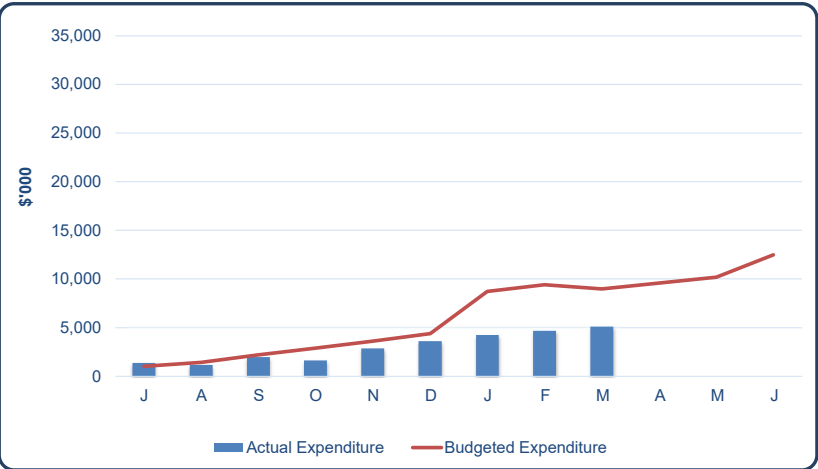
Revenue is \$11,636k (45%) more than budget



Revenue is more than budget year-to-date due to:

- +\$16.2m YTD Increase in the value of the PIF (\$22.6m YTD actual vs YTD Budget \$6.4m growth);
- +\$402k HLF interest on investment (offset OPEX);
- -\$5.2m McKay/Duthie JV harvests delayed FY27/FY28 (offset by direct costs and appropriation to forestry reserve);
- -\$583k Mercer Management fees (offset expenses);
- -\$338k Term deposit interest - interest rates lower than forecast.

Expenditure is \$3,886k (43%) less than budget



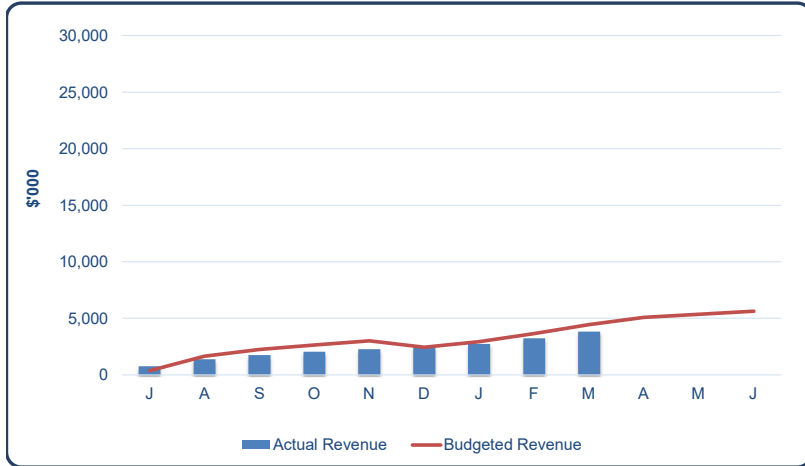
Expenditure is less than budget year-to-date due to:

- +\$3.5m McKay/Duthie JV harvests delayed until FY27/FY28 (offset other revenue)
- +\$1.4m Interest expense savings due to floating interest rates year-to-date lower than forecast;
- -\$402k HLF interest on investment distributed (offset Revenue)
- -\$385k Waitara Leases Operating Gain to distribute (offset below)

12.1

PARKS AND OPEN SPACES

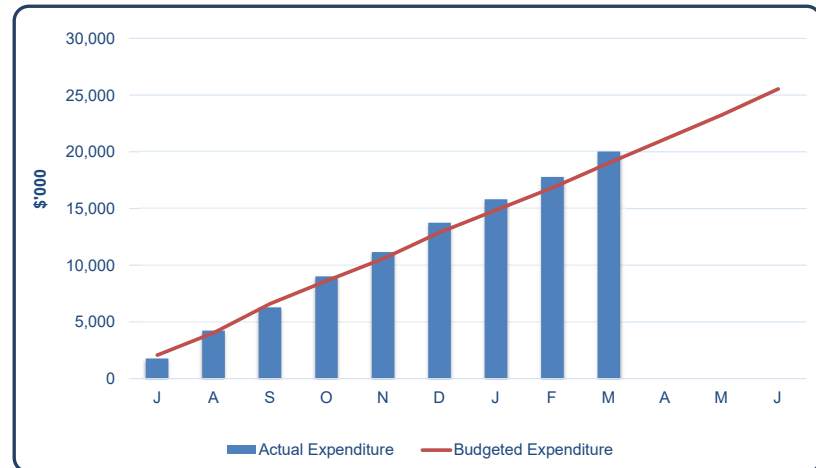
Revenue is \$617k (14%) less than budget



Revenue is less than budget year-to-date due to:

- -\$1m Otupaiia Play Area - Phase 1 (timing of capex spend) offset appropriations;
- +\$74k Burial Fees and Crematorium Fees (crem fees offset by additional gas cost);
- +\$74k Property Rent revenue better than expected for majority of camp leases.

Expenditure is \$999k (5%) more than budget



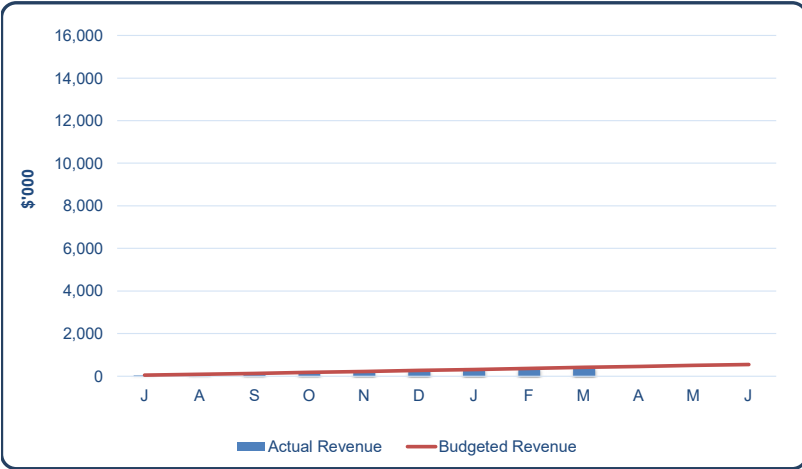
Expenditure is more than budget year-to-date due to:

- -\$829k Kaitake Trial - Capex write off to Opex;
- -\$155k Parks other Capex write off to Opex.

12.1

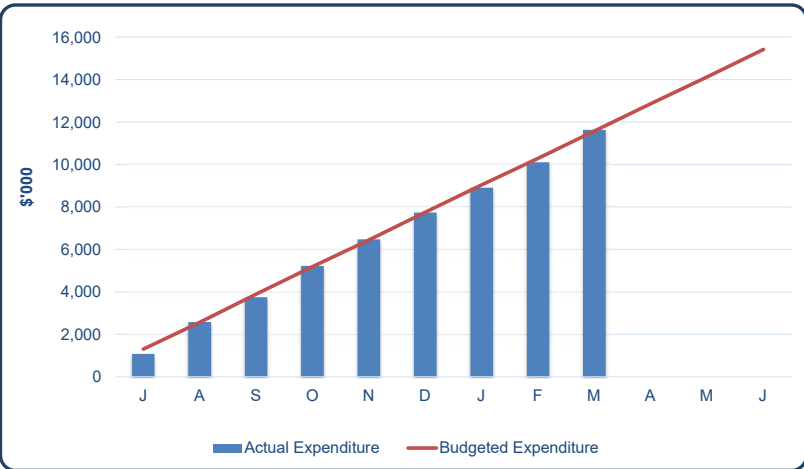
PUKE ARIKI AND COMMUNITY LIBRARIES

Revenue is inline with budget



Revenue is inline with budget year-to-date due to:
 • No material variances.

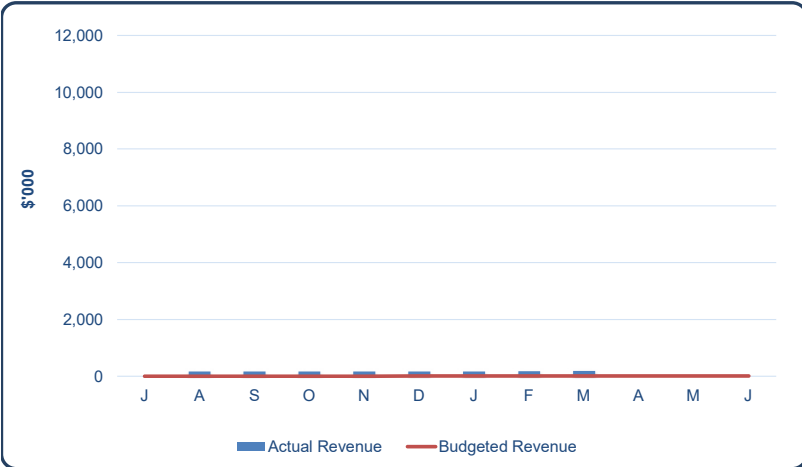
Expenditure is inline with budget



Expenditure is inline with budget year-to-date due to:
 • No material variances.

STORMWATER MANAGEMENT

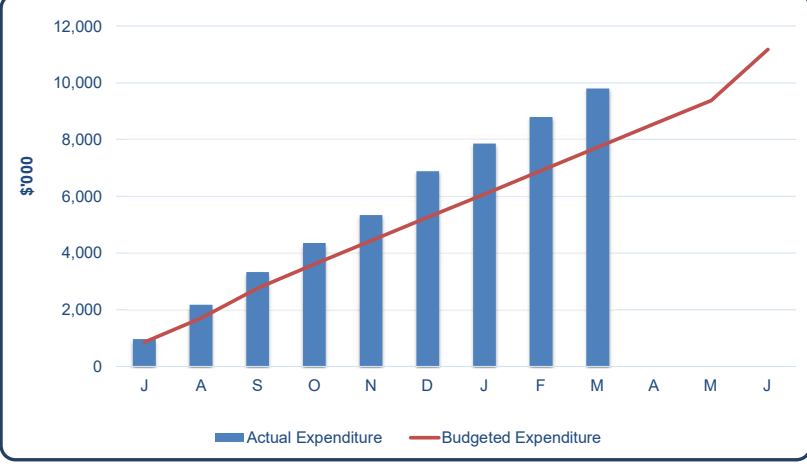
Revenue is \$182k (2,025%) more than budget



Revenue is more than budget year-to-date due to:

- +\$165k Grant recognised for Tangaroa Restoration Project.

Expenditure is \$2,072k (27%) more than budget



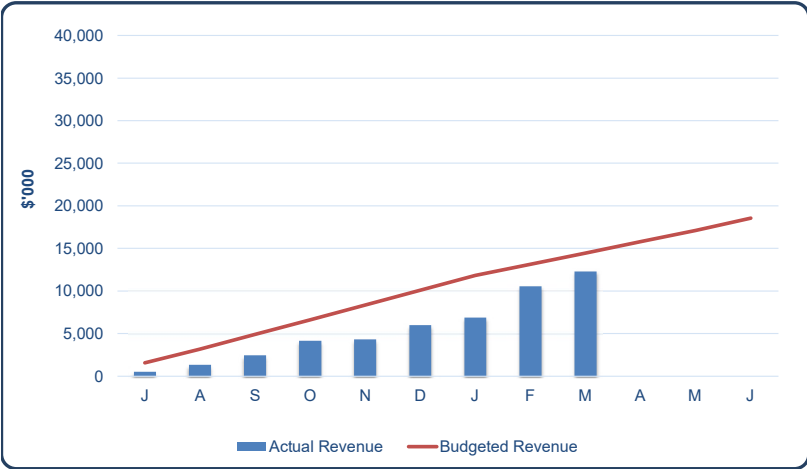
Expenditure is more than budget year-to-date due to:

- -\$1.5m Depreciation greater than budget, budgeted based on pre-reval asset base;
- -\$515k Tangaroa Section 4 write-off vested assets through operating expenditure.

12.1

TRANSPORTATION

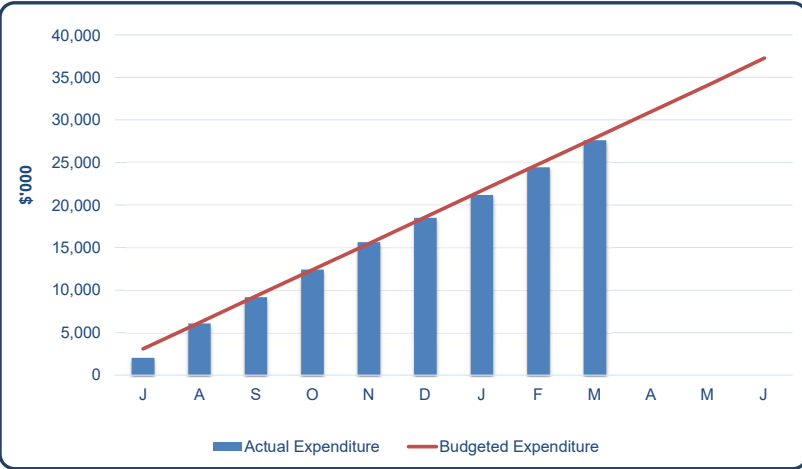
Revenue is \$2,172k (15%) less than budget



Revenue is less than budget year-to-date due to:

- -\$1.8m NZTA Local Roads - Waitara Walkway, spend less than forecast;
- -\$224k NZTA Local Roads - Operating subsidy
- -\$208k Ring River Road Crossing (Offset Expense)

Expenditure is \$280k (1%) less than budget

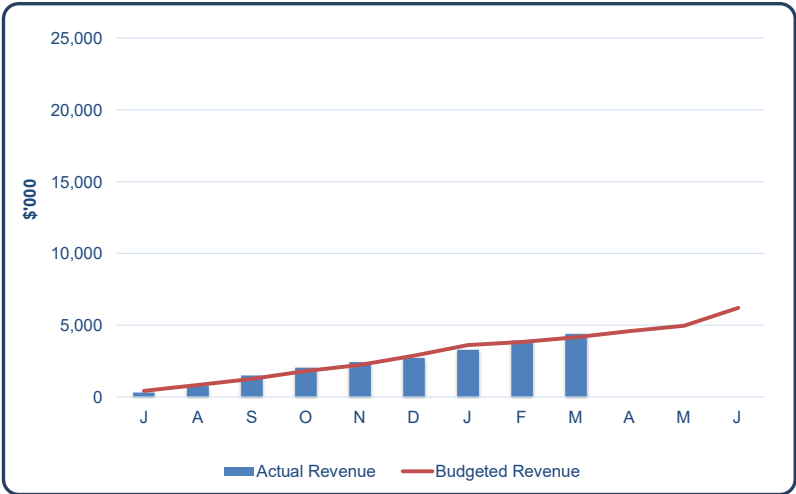


Expenditure is less than budget year-to-date due to:

- +\$332k Network Asset Management professional fees less than budget;
- +\$408k Ring River Road Crossing (Offset Revenue)
- -\$656k Depreciation more than budget, budgeted on pre-valuation asset base.

VENUES AND EVENTS

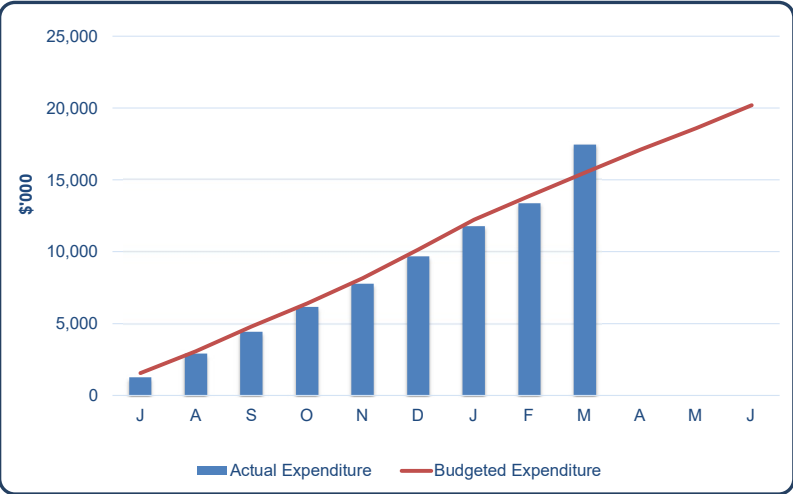
Revenue is \$237k (6%) more than budget



Revenue is more than budget year-to-date due to:

- +\$317k Bowl of Brooklands, three concerts delivered;
- +\$284k TSB Showplace Reduced budget by \$648k for the year due to shutdown (Timing of the reductions) look to only be 70k up by year end
- -\$293k Stadium Taranaki venue hire activity less than budgeted (offset expense)

Expenditure is \$1,940k (13%) more than budget



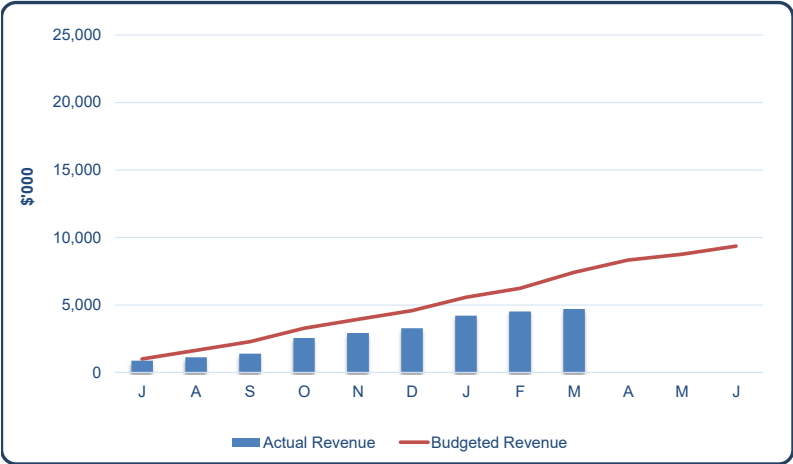
Expenditure is more than budget year-to-date due to:

- - \$2.5m Unbudgeted vesting of horse tie ups to Racing Club as part of TACH project;
- - \$479k TSB Showplace, as with shutdown revenue (Timing of Reductions)
- +\$339k Stadium Taranaki hire activity less than budgeted (offset revenue);
- +\$250k Host Fee budget for WOMAD festival not required;
- +\$216k Bowl of Brooklands, despite three concerts and extra revenue, expenses under budget;
- +\$216k Advertising and marketing less activity than budgeted;

12.1

WASTE MANAGEMENT AND MINIMISATION

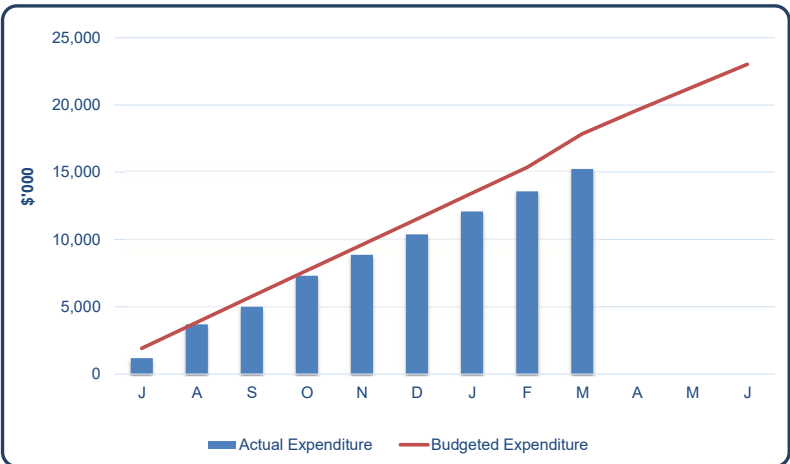
Revenue is \$2,708k (37%) less than budget



Revenue is less than budget year-to-date due to:

- -\$1.5m Sorting Depot Gate Charges Down, Facility now closed;
- -\$1.2m NP Transfer Station Portion of Bonney Glen Disposal Fees (offset by reduced expenses).

Expenditure is \$2,614k (15%) less than budget



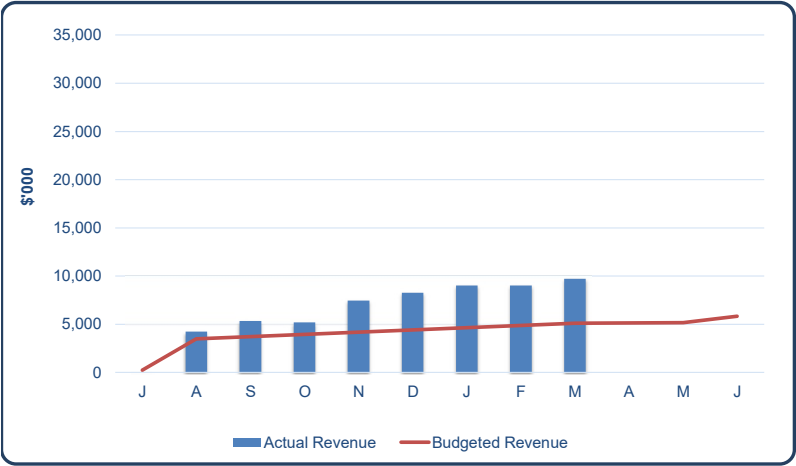
Expenditure is less than budget year-to-date due to:

- +\$1.1m NP Transfer Station Portion of Bonney Glen Disposal Fees (offset by reduced revenue)
- +\$652k Sorting Depot Contracts Operating expenses
- +\$321k Waste Management Contract down on budget
- +\$269k Recycling Contracts Operating Expenses below budget (offset revenue)
- +\$183k Solid Waste grants paid out under budget

12.1

WASTEWATER TREATMENT

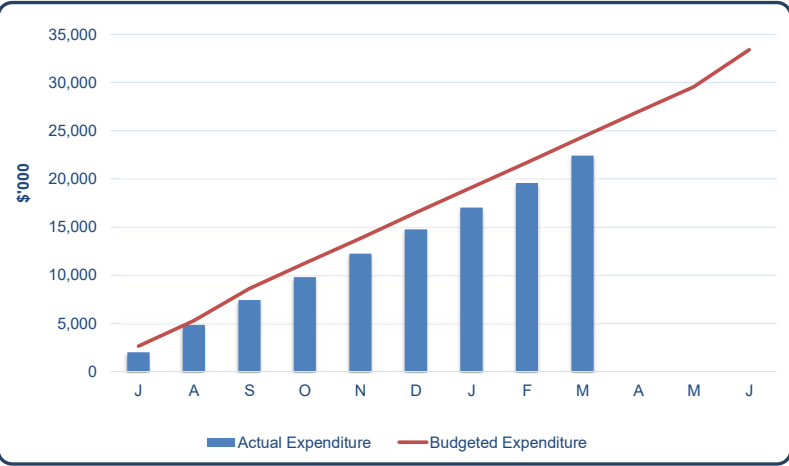
Revenue is \$4,608k (90%) more than budget



Revenue is more than budget year-to-date due to:

- +\$4M Crown Infrastructure Partners milestone grants recognised for Thermal Dryer Facility project. This revenue was budgeted in prior year and offsets capital expenditure in WIP during the current year.
- +\$251K Trade waste charges above budget
- +\$115K Unbudgeted support charges recovered for Waste Water upgrade at New Plymouth Airport

Expenditure is \$1,972k (8%) less than budget

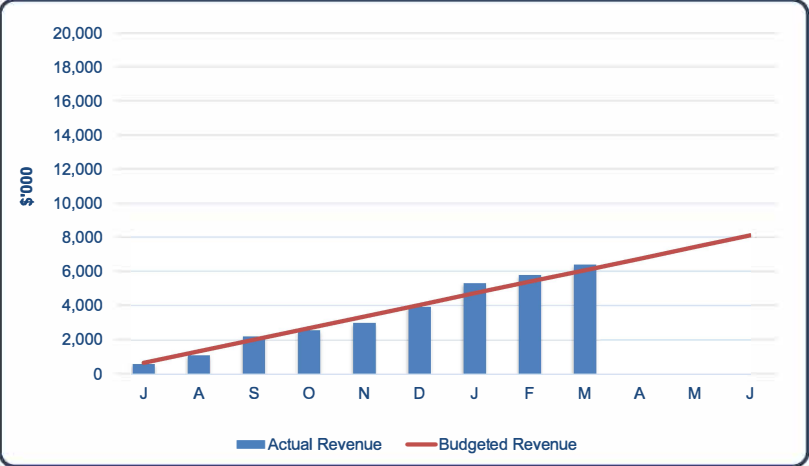


Expenditure is less than budget year-to-date due to:

- +\$1.5m Depreciation lower than budget following 2024/25 asset revaluation
- +\$650k Reactive maintenance lower than budget.
- +\$150k Plant operations and chemicals lower than budget.
- +\$125k LAPP insurance lower than budget (full year effect).

WATER SUPPLY

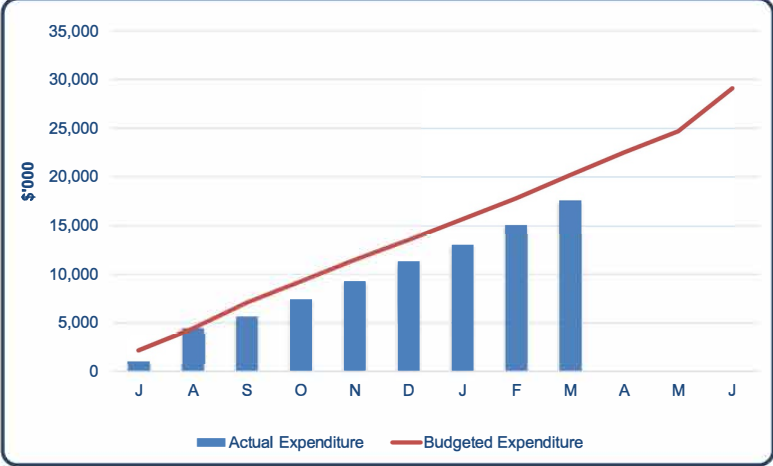
Revenue is \$318k (5%) more than budget



Revenue is more than budget year-to-date due to:

- +\$687k Unbudgeted grant funding received for Patterson Road enabling works;
- -\$327k Water by meter billing (timing only).

Expenditure is \$2,561k (13%) less than budget



Expenditure is less than budget year-to-date due to:

- +\$1.2m Budgeted depreciation based on values before the 2024/25 asset revaluation movement was determined.
- +\$430k Reactive maintenance lower than budget (timing only).
- +\$190k Sludge disposal under budget.
- +\$180k Plant chemicals under budget.
- +\$140k LAPP insurance lower than budget (full year effect).
- +\$120k Consultant underspent compared to budget (network investigation, assistance to STDC).

12.1

Statement of Comprehensive Revenue and Expense					
For the period ended 31 March 2026					
		Actual	Budget[^]	Variance	
		(\$'000)	(\$'000)	(\$'000)	(%)
Operating revenue					
Rates	(a)	120,979	120,744	235	0%
Subsidies and grants	(b)	23,353	20,743	2,610	13%
Fines and levies		1,207	1,363	(156)	-11%
Development and financial contributions	(c)	2,166	7,747	(5,581)	-72%
Other revenue	(d)	24,229	34,046	(9,817)	-29%
Interest revenue		2,554	2,423	131	5%
Investment revenue	(e)	34,644	17,377	17,267	99%
Waitara Lands Act revenue	(f)	1,055	582	473	81%
Total operating revenue		210,187	205,025	5,162	3%
Operating expenditure					
Personnel costs		54,035	53,104	(931)	-2%
Other expenses	(g)	72,335	74,205	1,870	3%
Depreciation and amortisation expense	(h)	48,055	49,316	1,261	3%
Interest costs	(i)	12,316	13,737	1,421	10%
Interest rate swaps	(j)	(1,891)	-	1,891	0%
Waitara Lands Act distributions	(f)	1,188	953	(235)	-25%
Total operating expenditure		186,038	191,315	5,277	3%
Surplus before tax		24,149	13,710	10,439	76%
Tax refund/(expense)		-	-	-	
SURPLUS AFTER TAX		24,149	13,710	10,439	76%

[^]Approved figures as per AP 2026

Council reports an operating surplus of \$24.1m for the 9 months ended 31 March 2026. This is \$10.4m higher than the budgeted surplus of \$13.7m for the same period. Key variances include:

- (a) Rates revenue is higher than budgeted due to:
 - +\$197k UAC sewerage revenue, additional connections vs budget;
 - +\$57k UAC water revenue, additional connections vs budget.
- (b) Subsidies and grants greater than budgeted due to:
 - + \$4m Thermal Dryer Facility claims (budget in previous years);
 - + \$687k Patterson Road enabling works grant funding (budget in previous years);
 - \$1m Otupaiia Play Area (timing of capital expenditure);
 - \$2m NZTA funding (timing of capital expenditure).

- (c) Development and financial contributions revenue is lower than budget due to fewer new growth area developments than anticipated across Area Q (Bell Block), Patterson Road, and Sutherland/Patterson.
- (d) Other revenue is lower than budgeted due to:
 - -\$5.2m McKay/Duthie Forestry JV harvests delayed to FY27/FY28 (offset by reduced expenses);
 - -\$1.5m Sorting Depot Gate Charges down vs budget, facility is now closed;
 - -\$1.2m NP Transfer Station Portion of Bonney Glen Disposal Fees (offset by reduced expenses)
 - -\$820k Customer & Regulatory - On-street metered and leased parking occupancies lower than budgeted;
 - -\$400k Stadium Taranaki venue hire - Bookings down vs budgeted.
- (e) Investment revenue is higher than budgeted due to:
 - +\$16.2m YTD Increase in the value of the PIF (\$22.6m YTD actual vs YTD Budget \$6.4m growth);
 - +\$0.6m YTD increase in the value of Waitara Perpetual Fund (\$1.4m YTD actual vs YTD Budget \$0.8m growth).
- (f) Waitara Lands Act revenue and distributions: Freehold sales activity is higher than budgeted, impacting both revenue received and distributions made.
- (g) Other expenses are less than budgeted due to the following factors:
 - +\$3.5m McKay/Duthie Forestry JV harvests delayed to FY27/FY28 (offset by reduced revenue);
 - +\$1.5m Digital Enablement project delays (partially offset in personnel & operating costs);
 - +\$1.9m Traffic Management CCO budgeted operating costs not required;
 - +\$740k LAPP Insurance savings vs budget (full year effect);
 - +\$408k Ring River Road Crossing (partially offset by reduced revenue).
- (h) Depreciation and amortisation: Budgeted depreciation was based on values before the 2024/25 asset revaluation movement was determined.
- (i) Interest costs: Floating interest rates YTD lower than forecast. Full year impact forecast \$2m saving.
- (j) Swaps gains or losses are not budgeted for due to the inherent uncertainties of these derivative financial instruments.

12.1

Statement of Financial Position						
As at 31 March 2026						
		2025/26 Actual 31 Mar 26 (\$'000)	2024/25 Actual 30 Jun 25 (\$'000)	Variance (\$'000)	%	2025/26 AP Budget 30 Jun 26 (\$'000)
Current Assets						
Cash and cash equivalents	(a)	39,269	34,282	4,987	15%	4,050
Debtors and other receivables		26,044	26,237	(193)	-1%	19,680
PRIP advance		-	-	-	0%	-
Term deposits	(b)	61,000	8,386	52,614	627%	-
Waitara Perpetual Community Fund	(c)	25,598	24,181	1,417	6%	25,000
Intangible assets		9	9	-	0%	-
Inventory		160	160	-	0%	150
Derivative financial assets		1	6	(5)	-83%	-
Non-current assets held for sale		-	-	-	0%	550
Total current assets		152,081	93,261	58,820	63%	49,430
Non-current assets						
Property, plant and equipment	(d)	3,811,526	3,797,562	13,964	0%	3,855,300
Intangible assets		6,642	6,459	183	3%	900
Forestry assets		4,714	4,714	-	0%	3,610
Community and other loans	(e)	787	1,866	(1,079)	-58%	-
Investment in CCOs and similar entities		63,827	63,746	81	0%	49,190
Perpetual Investment Fund (PIF)	(f)	426,536	403,925	22,611	6%	447,580
PRIP advance	(g)	35,599	33,099	2,500	8%	33,500
Derivative financial assets		131	18	113	628%	7,250
Total non-current assets		4,349,762	4,311,389	38,373	1%	4,397,330
TOTAL ASSETS		4,501,843	4,404,650	97,193	2%	4,446,760
Current liabilities						
Creditor and other payables	(h)	28,311	32,386	(4,075)	-13%	65,870
Waitara Lands Act		22,105	21,092	1,013	5%	-
Borrowings	(i)	91,685	29,000	62,685	216%	80,140
Provisions		31	158	(127)	-80%	1,020
Employee entitlements	(j)	6,083	4,585	1,498	33%	5,050
Derivative financial liabilities		142	-	142	0%	300
Total current liabilities		148,357	87,221	61,136	70%	152,380
Non-current liabilities						
Borrowings	(i)	369,100	354,500	14,600	4%	389,000
Derivative financial liabilities		685	2,599	(1,914)	-74%	30
Provisions		1,943	1,943	-	0%	2,240
Employee entitlements	(j)	302	311	(9)	-3%	520
Total non-current liabilities		372,030	359,353	12,677	4%	391,790
TOTAL LIABILITIES		520,387	446,574	73,813	17%	544,170
NET ASSETS		3,981,444	3,958,081	23,363	1%	3,902,590
Equity						
Accumulated funds		2,297,605	2,303,631	(6,026)	0%	-
Other reserves		1,683,839	1,654,450	29,389	2%	-
TOTAL EQUITY		3,981,444	3,958,081	23,363	1%	-

The Statement of Financial Position is a snapshot of the Council's financial position at a particular point in time.

Total assets are \$97.2m (2%) higher compared to 30 June 2025. The increase is predominantly due to:

(a) Cash and cash equivalents have increased overall due to \$8.8m term deposit (Junction Rd endowment fund) maturing which has not yet been reinvested. This has offset a decrease in cash due to the timing of payments and receipts - refer below decrease in trade payables.

(b) Term deposits have increased by \$61m due to a pre-funding opportunity, which has been offset by an equal increase in borrowings. Reduction in term deposits of \$8.8m due to existing term deposit (Junction Rd endowment fund) maturing which has not yet been reinvested.

(c) WPCF has increased by \$1.5m since year end due to favourable investment market fluctuations.

(d) Property, plant and equipment has increased by \$13.9m. This is due to capital expenditure, which has been partially offset by depreciation recognised for existing assets.

(e) Community and other loans have decreased by \$1m due to repayments made by ratepayers towards outstanding Home Energy Scheme (VTR) loan balances.

(f) PIF has increased by \$22.6m since year end due to favourable investment market fluctuations.

(g) Advance to PRIP (receivable) has increased by \$2.5m due to additional drawdown of funds by PRIP for completion of the solar farm construction project.

Total liabilities are \$73.8m (17%) higher compared to June 2025. The increase is predominantly due to:

(h) Trade and other payables have decreased by \$4m due timing of significant payments owed to suppliers at the end of June 2025 for capital projects (TDF, Tuparikino multi-sport hub, roading, Three Waters).

(i) Total Public debt and loans have increased by \$77.3m largely due to pre-funding of \$62.7m which is offset by the increase in term deposits outlined above and \$14.6m in Green Lending borrowing from the LGFA."

(j) Employee entitlements have increased by \$1.5m, due to the timing of fortnightly payroll dates in relation to 30 June 2025.

The Council's current ratio (the ratio of current assets to current liabilities (a measure of liquidity) stands at 1.03 as at period end (30 June 2025: 1.07).

A ratio above 1 means current assets are greater than current liabilities, and indicates that Council is in a strong current position to cover its short-term obligations.

Work in Progress

As at 31 March 2026

	2024/25 30 Jun 25	2025/26 31 Mar 26	Change	(%)
Expenditure Category				
Register #1 - Infrastructural assets, including Buildings and improvements				
Civic & Democracy	271,742	745,686	473,945	174%
Emergency Management	119,666	148,195	28,529	24%
Flood Protection and Control Works	209,933	161,177	(48,756)	-23%
Govett Brewster Art Gallery	964,721	524,229	(440,492)	-46%
Management of Investments	206,543	858,817	652,275	316%
Parks	8,558,187	9,130,532	572,345	7%
Property	11,800,409	19,984,441	8,184,032	69%
Puke Ariki	1,644,970	2,039,274	394,303	24%
Regulatory Services	691,366	0	(691,366)	-100%
Stormwater Drainage	8,908,804	9,907,938	999,133	11%
Stormwater Management	816,412	1,640,324	823,912	101%
Venues & Events	3,837,098	3,793,184	(43,914)	-1%
Waste Management and Minimisation	7,137,631	8,192,052	1,054,421	15%
Wastewater Treatment	19,424,393	22,443,807	3,019,413	16%
Wastewater Treatment - TDF	61,245,328	69,695,662	8,450,334	14%
Water Supply	29,986,225	27,195,957	(2,790,268)	-9%
Total	155,823,429	176,461,275	20,637,846	13%
Register #2 - Operating assets				
	3,494,965	2,847,396	-647,569	-19%
Includes: Fleet Operations, Digital Enablement, Procurement, Venues & Events				
Register #3 - NZTA AWM (ex RAMM)				
	12,500,280	25,964,121	13,463,840	108%
Total WIP	171,818,674	205,272,792	33,454,118	19%

Asset addition accruals (43,253,498) (21,448,099) 21,805,399 -50%

Balance of completed work from prior financial years not yet capitalised; included in the Total WIP above.

Top 10 WIP projects	Current balance
Thermal Drying Facility (TDF)	69,695,662
Tūparikino Active Community Hub (TACH)	11,499,627
Universal Water Metering	11,398,601
Construction of the Junction Permanent Building	5,099,330
Sutherland Patterson Sewer Main	4,906,377
Stormwater Network Modelling	2,649,040
Urenui & Onaero Sewer System	2,378,367
Colson Road Landfill Closure Works	2,148,990
	109,775,994

Top 10 asset addition accruals	Current balance	53%
Universal Water Metering	(5,030,578)	
Tangaroa Restoration - Section 5 Marae	(1,316,721)	
Patterson Road Growth Area Water Main	(1,204,138)	
Glen Avon - Smart Road Watermain Renewal	(951,814)	
Waitara Stormwater Upgrades	(840,174)	
South Rd Wastewater Renewal	(567,660)	
Wastewater General Renewals	(560,884)	
Long Term Galleries Refreshment	(522,822)	
Water Electrical Renewals	(511,166)	
Waitara Outfall Pump Station Renewal	(496,320)	
	(12,002,276)	

56%



CONTACT

-  06-759 6060
-  enquiries@npdc.govt.nz
-  84 Liardet Street, New Plymouth 4310
-  npdc.govt.nz
-  [NewPlymouthDistrictCouncil](https://www.facebook.com/NewPlymouthDistrictCouncil)
-  Antenna



TREASURY MANAGEMENT POLICY AMENDMENTS

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is to consider and approve the proposed amendments to the Treasury Management Policy (TMP). These amendments introduce new principles and guidance to be applied for the 2025/26 financial year onwards, specifically regarding interest charges for internal borrowings and targeted accounting reserves, and funding treatment for capital projects written off.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, Council approve the revised Treasury Management Policy.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation, subject to a report being presented to the Finance, Audit and Risk Committee (for recommendation to Council), which outlines the controls and oversight which will be established in application of the policy.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Approve the revised Treasury Management Policy. 2. Not approve the revised Treasury Management Policy.
Affected persons	The persons who are affected by or interested in this matter are all residents of the New Plymouth district.
Recommendation	This report recommends option one for addressing the matter.
Long-Term Plan / Annual Plan Implications	Yes. The TMP is used to ensure the LTP delivers liability and investment management in line with the adopted policy.
Significant Policy and Plan Inconsistencies	No; this report proposes amendments to clarify specific aspects within an existing policy, but does not change the overall intention or impact of the policy.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

3. Officers recommend that Council adopt the revised TMP in order to support ongoing treasury operations.
4. The proposed amendments will enable recognition of internal interest on targeted accounting reserves for the 2025/26 financial year. Interest will be credited to targeted reserves with surplus balances and charged to overdrawn targeted reserves (i.e. negative balances).
5. Recognising internal interest better reflects the true cost of activities undertaken by Council, by allocating either external costs incurred, or deemed opportunity costs, to the individual activity. These changes apply to targeted reserves only, and not to Council's other reserves.
6. The revised policy also specifies the funding treatment to be applied for capital expenditure which has subsequently been written off. Write-offs of capital projects may be required for various different reasons; the amendments to the TMP ensure that consistent treatment is applied to such projects, based on the nature of the capital costs and the rationale for writing these off.
7. The proposed amendments to the TMP have been peer-reviewed by Council's external treasury advisors at PwC.
8. If approved, the revised TMP will be applied when preparing Council's Annual Report 2025/26 (for the year ending 30 June 2026).
9. Further review of the TMP will occur during the 2026/27 financial year as part of preparing the Long-Term Plan 2027-37 (LTP2027) and to reflect the change in Council's debt portfolio when debt associated with Water and Wastewater services is transferred to Wai Hononga Water Services Ltd (WHWS) on 1 July 2027.

BACKGROUND / WHAKAPAPA

10. Council's treasury operations are governed by the TMP. This policy identifies key treasury-related risks and sets out requirements to safeguard and mitigate these risks. The current TMP was approved by Council in May 2024.
11. The proposed amendments to the TMP address two specific areas not previously covered within the policy: interest to be charged or credited on targeted reserves, and funding treatment for write-offs of capital projects.
12. These amendments have been peer reviewed by Council's external treasury advisors at PwC. Feedback from PwC on the proposed amendments has been incorporated into the draft policy presented as appendices to this report.

Interest on internal borrowings and targeted reserves

13. Targeted reserves are accounting reserves recognised for activities of Council where revenue received from providing the activity is ring-fenced for a particular purpose. Examples include targeted rates levied for roading or refuse collection and disposal.
14. Section 4.11 of the revised TMP expands on existing principles around centralised borrowing activity and internal borrowing, including clarifying the interest rate to be charged for internal borrowing. Furthermore, this section introduces rationale and processes for recognising interest on targeted accounting reserves – either crediting interest for targeted reserves with surplus balances or charging interest on targeted reserves with overdrawn balances.
15. Recognising interest on targeted reserves is designed to promote more equitable outcomes by reflecting the cost (either external cost or opportunity cost) from individual activities utilising or holding reserve balances.
16. Activities with overdrawn targeted reserves (i.e. negative balances) are effectively utilising Council's debt capacity. Interest on overdrawn targeted reserves will be charged at Council's weighted average cost of borrowing (WACB).
17. Activities with positive targeted reserve balances are effectively providing funding to Council. Interest will be credited to these targeted reserves at WACB less an applied margin, to balance the opportunity cost having these funds available to Council without incentivising activities to accumulate excessive cash balances. For the 2025/26 financial year, the applied margin will be 2%. This margin will be reviewed annually as part of treasury reporting.
18. Interest charges or credits will be applied to targeted reserves only. Interest will not be charged or credited to Council's other reserves.
19. Council officers will perform an annual reconciliation between internal borrowings and targeted reserve balances to ensure that any funding amount is only subject to a single interest charge (i.e. either as internal borrowings or overdrawn targeted reserve, but not both).

Write-offs of capital projects

20. Section 4.12 of the revised TMP adds principles and guidance on funding for capital work in progress (WIP) which is later written off or discontinued without asset(s) being commissioned.

21. The guidance recognises that it may be appropriate to fund capital write-offs using either debt, reserves or rates, depending on the nature of the capital expenditure and the reason for writing this off. It also provides funding treatment for already commissioned assets which are later written off, noting that this does not inherently require a change to the existing funding structure.
22. This section also adds requirements for reporting material write-offs to Council with sufficient information to support decision-making on associated funding decisions.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

23. There are no immediate and direct climate change impacts associated with this report. However, Council is expected to consider environmental implications of its activities, including climate change impacts in responsible borrowing and investing activities.

NEXT STEPS / HĪKOI I MURI MAI

24. If approved, the treasury function in the Finance team will update their operational process and treasury reporting to reflect the revised policy. Interest on internal debt and targeted reserves will be calculated and recognised for the current financial year (ending 30 June 2026) as part of preparing Council's Annual Report 2025/26.
25. Funding treatment for any capital write-offs during the current financial year will be reviewed with reference to the revised policy to ensure this remains appropriate. These write-offs will be reported to Council alongside the draft Annual Report 2025/26. Any material write-offs of capital expenditure going forward will be reported to Council to support funding decisions regarding these costs.
26. The next triennial review of the TMP is scheduled for May 2027, which aligns with preparation of LTP2027. More comprehensive changes to the Policy are expected from this review, to reflect the planned transfer of Council debt relating to Water and Wastewater assets to WHWS on 1 July 2027. Officers will present a revised TMP to Council for approval before 30 June 2027.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

27. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance. While the TMP is a key policy providing direction to officers on the management of Council's liabilities and investments, the proposed changes are focused around more fairly attributing the cost of borrowings to the activities of Council to which the borrowings relate.
-

OPTIONS / KŌWHIRINGA

28. There are two reasonably practicable options

Option 1 Approve the Treasury Management Policy

Option 2 Not approve the Treasury Management Policy

These options have been assessed together below.

Financial and Resourcing Implications / Ngā Hiraunga ā-pūtea, ā-rauemi

29. There are no financial and resourcing implications. The proposed amendments will result in interest charges or credits being recognised for individual activities of Council. However, these are non-cash accounting entries only and will therefore not have any immediate rates (i.e. cash) impact.

30. Officers expect that the additional accounting tasks the amendments establish can be accommodated within existing staffing levels.

Risk Analysis / Tātaritanga o Ngā Mōrearea

31. If the proposed amendments to the TMP are not adopted, interest cannot be charged to targeted reserves and asset write-offs cannot be funded by 30 June 2026. The consequences of not amending the existing policy are:

- a) Overdrawn targeted reserves will further utilise general ratepayer funds (i.e. specific activities will be subsidised by general ratepayers); and
- b) Increased rates deficit for the 2025/26 financial year due to asset write-offs not being funded from capex budgets.

32. The proposed revision to the TMP is additional to the regular triennial reviews required by the Policy. Regardless of whether the revised TMP is adopted by Council, a further review will occur during the next financial year.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

33. The TMP is designed to promote financial resilience by identifying and mitigating treasury-related risks. The proposed changes further support this by better reflecting the cost of significant activities undertaken by Council, irrespective of the source(s) of funding utilised for these activities.

Statutory Responsibilities / Ngā Haepapa ā-ture

34. The Liability Management Policy required by the Local Government Act 2002 (LGA) is contained within the TMP.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

35. The TMP is used to ensure the LTP delivers liability and investment management in line with the adopted policy.

Participation by Māori / Te Urunga o Ngāi Māori

36. There has been no participation by Māori in relation to this matter, however there is opportunity to provide input into the Long-term Plan through the consultative process.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

37. The TMP is consistent with statutory obligations. There is no change to the Long-Term Plan and borrowing limits presented to date from the proposed TMP changes.
38. The LGA specifically states that community consultation is not required for amendments made to Council's liability management policy, which is contained within the overall TMP¹. The proposed amendments to the TMP fall within the scope of the liability management policy.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

39. Accepting the proposed changes will require additional accounting work to be performed, but will more accurately reflect the cost of Council providing individual significant activities. Officers expect the increased work required can be completed with existing resources.
40. Not accepting the proposed changes will maintain the current status quo, which risks individual activities being cross-subsidised by other activities, depending on the mix of funding sources utilised.
41. In either case, there will be opportunity to revisit this decision when the TMP is next reviewed in 2027.

Recommended Option

This report recommends option one, approve the revised Treasury Management Policy, for addressing the matter.

¹ LGA 2002 s102(5).

REFERENCE LINKS / HONONGA TOHUTORO

A link to Council's current Treasury Management Policy is available below:

[NPDC Treasury Management Policy 2024](#) (ECM 8280048)

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Draft revised Treasury Management Policy (showing marked-up changes) (ECM 9802450)

Appendix 2 Draft revised Treasury Management Policy (mark-ups accepted) (ECM 9802453)

Report Details

Prepared By:	Mathew Whitmore (Treasury Accountant)
Reviewed By:	Loren Moore (Manager Financial Services)
Team:	Financial Services
Approved By:	John Scott (General Manager Finance & Planning)
Ward/Community:	District Wide
Date:	25 May 2026
File Reference:	ECM 9802460

-----*End of Report*-----

New Plymouth District Council Treasury Management Policy

(Incorporating the Liability Management Policy and the Investment Policy as required by Section 102 of the Local Government Act 2002)

Location of Controlled Copies:	Electronic version is the only Controlled copy (ECM 8280048)
Approved By:	Council
Previous versions:	ECM7461701_v8; adopted by Council 27/09/2017 (P17-006) ECM8280048_v8; adopted by Council 02/06/2020 (P20-002) ECM8280048_v10; as adopted by Council on 18/06/2024 (P24-004)
Current version revision date:	ECM8280048_v 10 v11; as adopted by Council on 18/06/2024xx/xx/2026 (P24P26-004xxx)
Review frequency:	Triennially

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 1 of 35
-------------	---	--------------

Table of Contents

1	INTRODUCTION.....	34
2	DELEGATED AUTHORITIES.....	46
3	TREASURY ROLES.....	68
4	LIABILITY MANAGEMENT POLICY.....	740
5	INVESTMENT POLICY.....	2726
6	CLIMATE CHANGE AND SUSTAINABILITY CONSIDERATIONS.....	32
7	CASHFLOW MANAGEMENT.....	33
8	LEGAL RISK.....	3334
9	POLICY REVIEW.....	3435
10	APPENDIX I.....	3536

1 INTRODUCTION

1.1 Purpose

This Treasury Management Policy (TMP) document sets out Council's objectives, policies, strategies and monitoring procedures for all of Council's treasury activities, encompassing liability management (Liability Management Policy) and investment activities (Investment Policy).

Council's primary obligation is to manage its treasury activities prudently and in the interest of the community. Therefore, Council must ensure that such activities are conducted with a focus on identifying, quantifying, and managing associated risks to minimise negative impacts. The Council adopts a risk-averse approach and prohibits speculative activities.

1.2 Legislative compliance

The TMP framework has been written in accordance with the statutory obligations set under the Local Government Act 2002 (LGA), particularly Part 6 (sections 101, 102, 104, 105 and 113). These obligations include:

- Ensuring prudent stewardship and efficient use of resources in the district's interest (LGA 14 (g)).
- Managing all financial matters prudently, to benefit the current and future community interests (LGA s101(1)).
- Making adequate provision for Council's expenditure needs, as outlined in the Long-Term Plan (LTP) and Annual Plan (AP) (LGA 101(2)).
- Conducting commercial transactions according to sound business practice (LGA 14 (f)).
- Meeting funding needs from appropriate sources determined by the Council (LGA 101(3)).
- Adopting Liability Management and Investment Policies to ensure predictability and certainty in funding (LGA 102(1)).
- Specifying policies regarding securities for its borrowing, financial investments, and equity securities and its quantified targets for returns as stated in the financial strategy (LGA 101A).
- Adhering to Local Government (Financial Reporting and Prudence) Regulations 2014, particularly Schedule 4.
- Following the Trustee Act 2019 (effective 30 January 2021), particularly Part 4 Investments. Subject to section 13C and 13D, 'a trustee exercising any power of investment shall exercise the care, diligence, and skill that a prudent person of business would exercise in managing the affairs of others.

A Council resolution is not required for hire purchase, credit or deferred purchase of goods if:

- the debt period is less than 91 days (including rollovers); or
- the goods or services are acquired as part of regular operations, under standard terms, and has the approval of the GM-F&P.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 3 of 35
-------------	---	--------------

1.3 Scope

This document governs the Council's treasury management activities, excluding those of the New Plymouth PIF Guardians Limited (NPG), which are covered in a separate Statement of Investment Policy and Objectives (SIPO).

1.4 Objectives

The TMP sets out guidelines to manage the Council's investments and borrowings in a prudent manner. The TMP objectives are as follows:

- Prudent, effective, and efficient management of treasury activity risks while complying with statutory obligations.
- Ensuring adequate funding to meet current and ongoing commitments.
- Maintaining the highest possible credit rating appropriate to its financial strength and nature of its operations.
- Developing and maintaining professional relationships with financial institutions, Local Government Funding Agency (LGFA), investors, and rating agencies.
- Managing investments within strategic objectives and investing surplus cash in liquid and creditworthy investments.
- Structuring external long-term funding with optimal funding margins, flexibility, and debt maturity spread.
- Monitoring, evaluating, and reporting treasury performance, including borrowing covenants compliance.

2 DELEGATED AUTHORITIES

Council may delegate powers to officers for efficient business conduct as per the LGA (Schedule 7, clause 32(3)). However, the power to borrow money, or purchase or dispose of assets, outside the LTP remain the sole responsibility of Council (Schedule 7, clause 32(1)(c)). This responsibility cannot be delegated. Delegations to Officers are approved by Council, up to the Chief Executive, and are documented in the Delegation Register.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 4 of 35
-------------	---	--------------

The Treasury Policy related delegations are outlined below. All decisions and approvals must be made in accordance with the requirements of the TMP. All activities occur as required unless stated otherwise.

Activity	Delegated authority and limit (where applicable)	Delegation register clause*
Approve policy document (triennially)	Council	
Alter policy document	Council	
Approve external borrowing programme for the year as set out in the AP / LTP	Council	
Approve charging assets as security over borrowing	Council	
Approve new and re-financed lending activity with CCO / CCTOs	Council	
Approve borrowing and interest rate transactions outside policy	Council	
Approve allowable risk management instruments	Council	
Open/close bank accounts	CE	
Approve electronic signatory positions	CE	4
Approve the refinance of existing debt	CE	4
Approve any related borrowing management activity	GM-F&P	4
Approve interest rate risk management activity	CE	4
Adjust borrowing interest rate risk profile	GM-F&P	4
Managing funding maturities	CE	4
Ensuring compliance with policy	CE GM-F&P	4
Review policy (triennially)	CE GM-F&P	4
Manage and negotiate ongoing lending arrangements to CCO / CCTOs	GM-F&P MF	
Approve borrowing or repayments [^] in terms of the AP / LTP annual borrowing programme approved by Council	CE - Within policy limits GM-F&P - \$50m MF - \$20m	1.1 – 1.3
Approve investments or liquidation [^] of investments in terms of the TMP approved by the Council	Council - unlimited CE – Within policy limits GM-F&P - \$50m MF - \$20m	2.1 - 2.3
Approve new derivative contracts [^] (borrowing and investments)	Council – unlimited CE – Within policy limits	3.1 - 3.3
ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 5 of 35

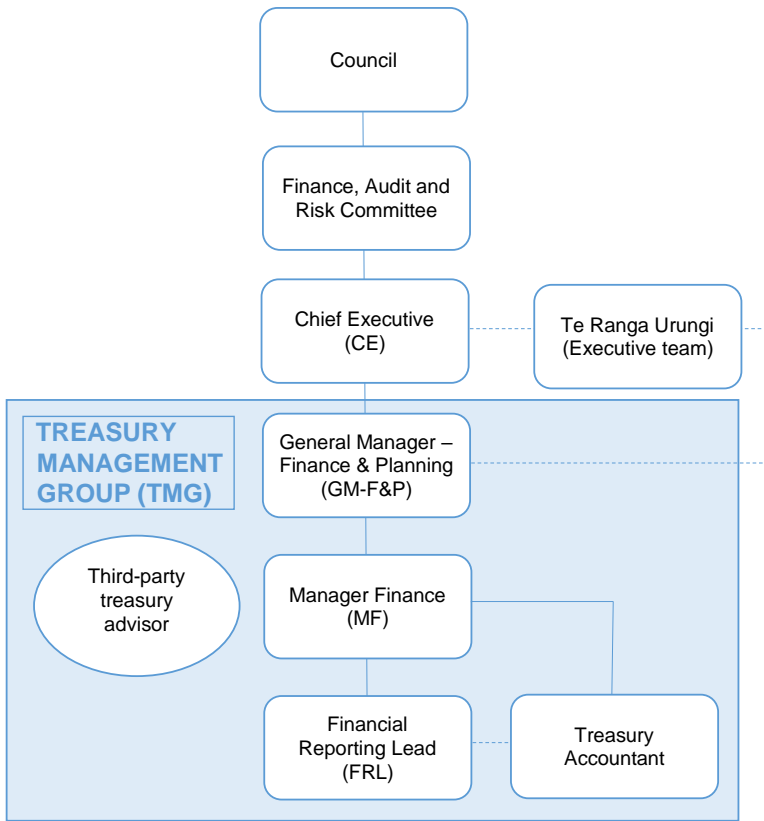
	GM-F&P - \$50m MF - \$20m	
Approve payment of already contracted interest and fees [^]	GM-F&P - \$10m MF - \$10m FRL - \$5m	5
Perform transfers of stock / register new debt issues	Third-party security stock registrar	

*These powers cannot be subdelegated.

[^] The limits specified apply per transaction.

3 TREASURY ROLES

The organisation chart showing separation of roles are outlined below:



13.1

4 LIABILITY MANAGEMENT POLICY

4.1 Purpose

The Liability Management Policy adopted under Section 102(1) of the LGA must state Council's policies for the management of both borrowings and other liabilities, including:

- Interest rate risk;
- Liquidity risk;
- Credit risk; and
- Debt repayment.

In accordance with best practice, the policy also addresses:

- Borrowing limits;
- Funding risk;
- The giving of security for lenders;
- Operational risk; and
- Several other considerations.

4.2 Objectives

The Council approach to liability management is based on the following principles:

- Maintaining debt and borrowing limits at a prudent level.
- Utilising borrowings to achieve intergenerational equity.
- Undertaking borrowings efficiently in accordance with Council's Liability Management Policy

Borrowing is undertaken to promote intergenerational equity. To achieve this, Council borrows for assets with a lifespan that exceeds ten years, such as new infrastructure assets for growth (to meet additional demand) or to upgrade existing assets (improve levels of service).

External borrowing is approved by Council during the LTP and annual planning processes. Projected debt levels are obtained from cash flow forecasts prepared during these planning processes. The authority to borrow is delegated to the Chief Executive as set out in the "Delegated Authorities" section.

In instances where long-term sustainable savings can be achieved from capital or operating projects, Council may utilise short-term borrowing to initially fund a project. However, all project borrowing must be within Council's borrowing limits and follow the appropriate Delegated Authority.

4.3 Interest rate risk

Interest rate risk refers to the potential for funding costs to deviate significantly from projections due to fluctuations in market wholesale interest rates, potentially impacting the projections included in the LTP or Annual Plan, and therefore impacting on cost control, capital investment decisions, returns and feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty in interest rate movements by fixing wholesale market interest rates. This approach protects

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 7 of 35
-------------	---	--------------

investment returns and funding costs through proactive management of underlying interest rate exposures. The interest rate management of the Perpetual Investment Fund ('PIF') is consistent with the founding principle of the fund and is outlined in the SIPO.

Management and mitigation of interest rate risk concerning debt funding costs are conducted through prescribed risk control limits. A fixed interest rate maturity profile that is outside the prescribed limits, but self corrects within 90-days is not in breach of this policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council.

Approval from Council is required for any interest rate fixing with a maturity beyond 15 years, except in cases where Council raises LGFA funding as fixed rate debt or raises an interest rate swap that is linked to floating rate LGFA debt maturing beyond 15 years.

The GM-F&P holds ultimate discretion regarding hedging percentages within these limits. Council approval will be sought if the TMG believe that hedging outside of these limits is warranted.

Benchmark	Measure																																																			
<p>Council's interest rate risk on forecast gross external debt¹ should be managed within the following fixed²/floating³ limits:</p> <table border="1" data-bbox="252 1059 782 1592"> <thead> <tr> <th colspan="3" data-bbox="252 1059 782 1115">Interest Rate Control Limits (calculated on rolling monthly basis⁴)</th> </tr> <tr> <th data-bbox="252 1115 438 1167">Rolling Period (in years)</th> <th data-bbox="438 1115 595 1167">Minimum Fixed Rate</th> <th data-bbox="595 1115 782 1167">Maximum Fixed Rate</th> </tr> </thead> <tbody> <tr><td data-bbox="252 1167 438 1193">0 – 1</td><td data-bbox="438 1167 595 1193">40%</td><td data-bbox="595 1167 782 1193">90%</td></tr> <tr><td data-bbox="252 1193 438 1220">1 – 2</td><td data-bbox="438 1193 595 1220">35%</td><td data-bbox="595 1193 782 1220">90%</td></tr> <tr><td data-bbox="252 1220 438 1247">2 – 3</td><td data-bbox="438 1220 595 1247">30%</td><td data-bbox="595 1220 782 1247">90%</td></tr> <tr><td data-bbox="252 1247 438 1274">3 – 4</td><td data-bbox="438 1247 595 1274">20%</td><td data-bbox="595 1247 782 1274">85%</td></tr> <tr><td data-bbox="252 1274 438 1301">4 – 5</td><td data-bbox="438 1274 595 1301">10%</td><td data-bbox="595 1274 782 1301">80%</td></tr> <tr><td data-bbox="252 1301 438 1328">5 – 6</td><td data-bbox="438 1301 595 1328">0%</td><td data-bbox="595 1301 782 1328">75%</td></tr> <tr><td data-bbox="252 1328 438 1355">6 – 7</td><td data-bbox="438 1328 595 1355">0%</td><td data-bbox="595 1328 782 1355">70%</td></tr> <tr><td data-bbox="252 1355 438 1382">7 – 8</td><td data-bbox="438 1355 595 1382">0%</td><td data-bbox="595 1355 782 1382">65%</td></tr> <tr><td data-bbox="252 1382 438 1408">8 – 9</td><td data-bbox="438 1382 595 1408">0%</td><td data-bbox="595 1382 782 1408">60%</td></tr> <tr><td data-bbox="252 1408 438 1435">9 – 10</td><td data-bbox="438 1408 595 1435">0%</td><td data-bbox="595 1408 782 1435">55%</td></tr> <tr><td data-bbox="252 1435 438 1462">10 - 11</td><td data-bbox="438 1435 595 1462">0%</td><td data-bbox="595 1435 782 1462">50%</td></tr> <tr><td data-bbox="252 1462 438 1489">11 - 12</td><td data-bbox="438 1462 595 1489">0%</td><td data-bbox="595 1462 782 1489">45%</td></tr> <tr><td data-bbox="252 1489 438 1516">12 – 13</td><td data-bbox="438 1489 595 1516">0%</td><td data-bbox="595 1489 782 1516">40%</td></tr> <tr><td data-bbox="252 1516 438 1543">13 – 14</td><td data-bbox="438 1516 595 1543">0%</td><td data-bbox="595 1516 782 1543">35%</td></tr> <tr><td data-bbox="252 1543 438 1570">14 – 15</td><td data-bbox="438 1543 595 1570">0%</td><td data-bbox="595 1543 782 1570">30%</td></tr> </tbody> </table> <p data-bbox="244 1615 790 1704">¹ "Forecast gross external debt" is the amount of total external debt for a given 12-month period and does not include pre-funded debt amounts. This allows for pre-hedging in advance of projected physical drawdown of new debt.</p>	Interest Rate Control Limits (calculated on rolling monthly basis ⁴)			Rolling Period (in years)	Minimum Fixed Rate	Maximum Fixed Rate	0 – 1	40%	90%	1 – 2	35%	90%	2 – 3	30%	90%	3 – 4	20%	85%	4 – 5	10%	80%	5 – 6	0%	75%	6 – 7	0%	70%	7 – 8	0%	65%	8 – 9	0%	60%	9 – 10	0%	55%	10 - 11	0%	50%	11 - 12	0%	45%	12 – 13	0%	40%	13 – 14	0%	35%	14 – 15	0%	30%	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>
Interest Rate Control Limits (calculated on rolling monthly basis ⁴)																																																				
Rolling Period (in years)	Minimum Fixed Rate	Maximum Fixed Rate																																																		
0 – 1	40%	90%																																																		
1 – 2	35%	90%																																																		
2 – 3	30%	90%																																																		
3 – 4	20%	85%																																																		
4 – 5	10%	80%																																																		
5 – 6	0%	75%																																																		
6 – 7	0%	70%																																																		
7 – 8	0%	65%																																																		
8 – 9	0%	60%																																																		
9 – 10	0%	55%																																																		
10 - 11	0%	50%																																																		
11 - 12	0%	45%																																																		
12 – 13	0%	40%																																																		
13 – 14	0%	35%																																																		
14 – 15	0%	30%																																																		

<p>² "Fixed Rate" is defined as all known interest rate obligations on forecast gross external debt where debt is borrowed on a fixed interest rate basis or where hedging instruments have fixed movements in the applicable reset rate.</p> <p>³ "Floating Rate" is defined as any interest rate obligation subject to movements in the applicable reset rate.</p> <p>⁴ Fixed interest rate percentages are calculated monthly based on the average amount of fixed interest rate obligations relative to the average forecast gross external debt amounts for the given period (as defined in the table above).</p>	
---	--

Forecast gross external debt is to be reviewed by the TMG as part of the ongoing strategic risk management process, and the specific levels of core debt deemed to be that which is not seasonal or working capital related. When changes in forecasts are approved by the GM-F&P, fixed rate cover in place may have to be adjusted to ensure compliance with the policy minimum and maximum limits.

When designing and approving the interest rate strategy, the GM-F&P or delegate can consider alternative debt forecast scenarios that make assumptions around such matters as the delivery and timing of the capital expenditure programme.

Any debt raised and on-lent to CCO/CCTOs is included in the forecast gross external debt amount and the related interest rate risk is managed within the limit framework. If fixed rate debt was raised, then the fixed rate amount would be included within the fixed rate/hedging interest rate risk position.

4.4 Liquidity risk

Liquidity risk refers to the potential inability of the Council to meet its day-to-day obligations, including debt maturities, due to unforeseen events or circumstances. This could result in loss of reputation or financial losses from asset liquidation.

Council's objective is to consistently meet its day-to-day commitments, preserve its reputation and prevent financial losses, whilst ensuring that the minimum possible cash balances are held in interest-earning accounts.

Benchmark	Measure
<p>To manage liquidity risk, Council undertakes the following:</p> <p>(a) To always have in place comprehensive insurance cover for all assets and aspects of Council's activities as outlined in Council's insurance strategy.</p> <p>(b) To have access to committed bank facilities, cash and term deposits¹ (with a term of less than 30 days) that is equivalent to approximately one month of Council's payment commitments.</p> <p>¹ Council's Treasury Investments should only be made with the counterparties outlined in APPENDIX I APPENDIX 1. For the</p>	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>

Formatted: Font: (Default) Arial

purposes of assessing Liquidity risk, funds held within the PIF investment are excluded.	
--	--

4.5 Credit risk

Credit risk arises from potential credit rating deterioration of investment entities or counterparties in financial derivative contracts, which could lead to defaults, and ultimately loss by Council in respect of anticipated interest payments, repayment of principal, or non-payment of contracted financial obligations. Therefore, Council seeks to limit its risk in the above areas and mitigate potential financial losses.

Benchmark	Measure
<p>To manage credit risk, the following standards and procedures must be followed:</p> <p>(c) Investments are only to be placed with the counterparties/issuers outlined in APPENDIX I.</p> <p>(d) Financial derivative contracts are only to be concluded with registered banks with a minimum credit rating of 'A-1/A' (S&P or equivalent). The maximum exposure to any one counterparty is set out in APPENDIX I.</p>	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>

Formatted: Font: (Default) Arial, 11 pt

Formatted: Font: (Default) Arial, 11 pt

13.1

4.6 Debt repayment

External debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the appropriate approvals and borrowing limits, a loan may be rolled over or re-negotiated as and when appropriate. Council will manage external debt on a net portfolio basis and will only borrow when it is commercially prudent to do so.

Benchmark	Measure
<p>External debt is repaid as it falls due in accordance with the applicable loan agreement.</p>	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>

4.7 Borrowing limits

The borrowing limits specified below are measured on Council only and not the consolidated group.

For calculating 'Net Debt', Council has adopted a definition for *liquid funds* that is distinct from the one employed to measure 'Liquidity'. This differentiation is intentional: the Net Debt definition focuses on Council's net debt position and available borrowing capacity, considering a range of financial assets that can offset external debt. In contrast, Council's Liquidity calculation prioritises short-term assets that can be quickly converted to cash to meet immediate obligations, reflecting a conservative approach that emphasises immediate liquidity.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 10 of 35
-------------	---	---------------

Council will manage its debt in accordance with the following Council borrowing limits and external lender covenants:

Benchmark	Council limits	LGFA covenants*	Measure
Net debt ¹ / total revenue ²	< 135%	< 280%	Compliance with benchmarks. Any breaches are noted in the Quarterly Performance Report.
Net interest ³ / total revenue ²	< 10%	< 20%	
Net interest ³ / total annual rates income ⁴	< 12.5%	< 30%	
Liquidity (external debt ⁶ + unused committed loan facilities + liquid funds ⁵) / external debt ⁶	> 105%	> 110%	

¹ "Net debt" is defined as total external debt⁶ less liquid funds⁵. When calculating net debt, the LGFA considers the following items as *liquid funds*:

- (a) cash, term deposits and any investments held within investment portfolios (whether these are ring fenced or not). Investment portfolios might include listed equities, fixed interest securities, listed property securities or units in managed funds. For the purposes of calculating Net Debt, *liquid funds* include the full balance of the PIF investment.
- (b) LGFA borrower notes.
- (c) any council lending to a Council Controlled Organisation (CCO) or Council Controlled Trading Organisation (CCTO) can also be deducted but only where the CCO or CCTO is a going concern and not dependent upon council financial support.

Council calculation of "Net Debt" is in line with the LGFA interpretations as in (a)-(c) above.

² "Total revenue" is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).

For the purposes of this calculation, "total revenue" excludes any realised or unrealised gains/losses arising from the PIF due to the revenue flow to Council from the PIF being managed through a Release Rule, which spreads out the revenue impact of value-based fluctuations over time. As these variations are less relevant to the ratios being measured, they should be excluded from the calculation. However, the revenue released to Council under the Release Rule is still included in the total revenue figure.

³ Net interest is defined as the amount equal to all interest and financing costs on external debt less interest income for the relevant period.

- (d) Interest and finance costs on external debt are calculated by adding together the value of all Council's financing costs including interest costs on debt, costs of derivatives (but not any unrealised mark to market movements) and any costs on committed bank facilities. The finance component of a lease payment may also be part of a council's interest cost, if agreed by the LGFA.
- (e) Interest income is interest Council has earned on cash, term deposits, fixed interest and dividends on non-core listed equities. Council cannot deduct any foreign exchange gains or unrealised gains on investments.

* <https://www.lgfa.co.nz/about-lgfa/risk-management>.

Council must provide an annual certificate of compliance to the LGFA to certify the covenants are met as at 30 June each year.

ECM 8280048	Approved By: TRU 'Uncontrolled' copy once printed	Page 11 of 35
-------------	---	---------------

⁴ Annual rates income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other local authorities for services provided (and for which the other local authorities rate). Council can add any revenue received from income for which Council rates (e.g. volumetric water charges).

⁵ Liquid funds:

When calculating Council's Liquidity covenant, Council defines *liquid funds* as:

- (f) Cash on hand and overnight bank cash deposits.
- (g) Bank term deposits no greater than 30days.
- (h) Bank issued registered certificates of deposits (RCDs) less than 180 days.
- (i) Cash portion/component of the PIF (not the full balance of the fund).

The length of investment refers to the number of days as per the investment agreement. This term is applied to the entire duration of the deposit, not to the remaining period of an investment at the time the liquidity measure is calculated.

For the purpose of calculating the LGFA Liquidity covenant, in addition to the above, the LGFA also allows the inclusion of:

- (j) Approved fixed interest securities.
- (k) Listed, non-core equity investments.
- (l) The full balance of the PIF and any other longer-term fixed interest securities and listed equities that are non-core and that can be sold.
- (m) Any loans to CCOs or CCTOs (that are a going concern) that mature within 12 months.

⁶ External debt is debt secured under debenture, and is the aggregate of bank drawdown amounts, issued commercial paper, term debt, capitalised finance leases and financial guarantees provided to third parties. Any debt prefunding which has been temporarily invested should be subtracted from the external debt total, since these funds are directly linked to the debt raised.

4.8 Funding risk

Funding risk management centres on the ability to refinance or raise new debt at a future time at the same or more favourable terms, regarding fees, borrowing margins and maturity terms of existing facilities and loans.

Managing Council's funding risk is important as risk factors can arise causing an adverse movement in borrowing margins, term availability and general flexibility including:

- Local Government risk is priced to a higher fee and margin level.
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons.
- A large individual lender to Council experiences their own financial or exposure difficulties resulting in Council not being able to manage their debt portfolio as optimally as desired.
- New Zealand investment community experiences a substantial "over supply" of Council investment assets.
- Financial market shocks from domestic or global events.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time. This ensures that access to funding, overall borrowing cost and desired maturity profiles are not unnecessarily compromised by market conditions.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 12 of 35
-------------	---	---------------

To achieve this Council will:

- Diversify its funding sources. Council diversifies its funding sources by having a mix of LGFA, bank and capital market sourced debt.
- Maintain cash advance facilities with multiple lenders to spread funding relationships.
- Utilise investments earmarked for special funds to meet debt commitments or to avoid raising additional debt. Only those investments that have been received by Council as a result of a bequest, or Trust, or where there is a clearly identified obligation to a third party will be retained in a separately identified investment account for that purpose.
- Have the ability to pre-fund up to 18 months of forecast debt requirements, including re-financings of existing debt.
- Maintain a spread of maturity dates in funding facilities to mitigate the risk in situations where Council may not be able to raise funding at acceptable credit margins due to changes in specific conditions relating to Council or market changes.
- Ensure total borrowings are reviewed and recalibrated annually, based on new assets built and borrowings repaid. Borrowings are to be repaid on a straight-line basis between 20 to 30 years.

The following parameters have been formulated taking into account Council's goal of maintaining a suitable S&P rating. If Council's credit rating falls below AA- then these parameters must be formally reviewed by the TMG and any changes recommended to Council. The parameters are as follows:

Benchmark			Measure
The maturity profile of the total committed funding in respect to all loans and committed lending facilities ¹ is to be controlled as follows:			Compliance with benchmark. A funding maturity profile outside these limits, but which self corrects within 90 days is not in breach of this Policy. A maturity schedule outside these limits for a period greater than 90 days requires specific Council approval and must be noted in the Quarterly Performance Report.
Period	Minimum	Maximum	
0 to 3 years	15%	60%	
3 to 7 years	25%	85%	
7 years plus	0%	60%	
¹ With regard to calculating the funding maturity profile, total committed lending facility amounts are recognised as maturing at the facility's legal expiry date.			

External debt that is raised by Council to be on-lent debt to a CCO/CCTO is included in the funding maturity profile percentage calculation. The offsetting CCO/CCTO loan asset is not included in the debt funding maturity profile.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 13 of 35
-------------	---	---------------

Once debt has been refinanced with a contracted term deposit (pre-funded), the term deposit amount will net off the maturing debt amount from the funding maturity profile percentage calculation.

4.9 The giving of security for lenders

Council's external borrowings and interest rate management instruments are secured by a charge over rates and rates revenue, offered through a Debenture Trust Deed.

Under the Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Rating Act. This security arrangement places Council's security on equally footing with other lenders.

Should Council consider it necessary to provide security by mortgaging or charging a physical asset instead of rates, (with the exception of Council's water assets, per Section 130(3)(a) of the LGA), it has the discretion to do so. Independent advice may be sought if necessary.

In cases where security is offered over specific assets, prior Council approval is required along with the following considerations:

- A direct relationship between the debt and the purchase or construction of the asset which it funds (e.g. project finance).
- Council considers a charge over physical assets to be appropriate.
- Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.
- Any lending to a CCO / CCTO will be on a secured basis and be approved by Council.

4.10 Operational risk

Operational risk is the risk potential losses due to human error (or fraud), system failures and inadequate procedures and controls.

Council's aims to minimise losses arising from mistakes, errors, and non-compliance with policies. Council mitigates operational risk by managing the following key elements:

- Clearly defined **delegation of authority** to specified individuals within the organisation.
- Adequate **segregation of duties** across the treasury function. Although, due to the small number of staff involved in treasury activity, strict segregation of duties might not always be achievable.
- Appropriate and sound **reporting systems and procedures** to enable management and senior executive to identify, manage and monitor risks. This involves ensuring the legitimacy of transactions, the level of authorisation required, and that robust systems are in place to ensure complete, timely and accurate reporting.
- **Triennial TMP reviews**, including reviewing operating guidelines on a regular basis.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 14 of 35
-------------	---	---------------

4.11 Borrowing considerations

4.11.1 Centralised borrowing and capital charge

All borrowing for activities funded from general rates is centralised for internal accounting purposes. Interest and principal repayment costs incurred at the corporate level are charged to each activity based on the proportion of long-term assets held by that operating unit compared to the total long-term assets of such activities.

Borrowing for activities funded by targeted rates is “ring-fenced” to each activity based on the actual capital expenditure and the chosen debt/rate funding ratio required for each activity.

Council uses a capital charge mechanism to reflect the cost of long-term capital employed within affected activities. The charge reflects both the interest costs and provisions for principal repayment.

4.11.2 Internal borrowing

Council manages all funding and liquidity as a centralised function to ensure cash and borrowing resources are used in an optimal manner. Some activities may effectively borrow internally against excess reserve funds rather than through instead of external borrowing externally. The capital charge mechanism is applied to activities in the same manner for both internal and external borrowings.

Where internal borrowing is recognised for an activity, the internal loan will be charged interest at the borrowing rate assumed for that activity in the relevant Annual Plan or Long-Term Plan[†].

This ensures the cost of capital charged to the activity is consistent with the funding costs provided for through rates and other funding mechanisms. This approach maintains consistency between funding assumptions, activity pricing, and capital charging, and avoids variability arising from short-term movements in Council’s actual external borrowing mix or timing.

Internal borrowing applies to the debt-funded component of approved capital expenditure and will be accounted for separately from targeted reserve balances.

4.11.3 Targeted reserves balances

Targeted reserves are accounting reserves recognised for activities of Council where revenue received from providing the activity is ring-fenced for a particular purpose. Examples include targeted rates levied for roading or refuse collection and disposal.

[†] Rationale: Using the LTP/AP borrowing rate as the internal loan rate acts as a stabilising anchor, and achieves the following objectives:

- Aligns capital charges with approved funding assumptions, not treasury timing outcomes.
- Ensures that neither windfall gains nor windfall losses arise from short term interest rate movements.
- Preserves the integrity of consultation - ratepayers pay the cost they were consulted on (no more, no less).
- Retains treasury risk (rate movements, timing, refinancing) at the corporate level, instead of passing through to individual activities.

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 15 of 35
-------------	---	---------------

Council will apply internal interest to targeted reserve balances to reflect the cost or benefit of funds utilised or held by activities and to minimise cross subsidisation between activities.

Interest on targeted reserves applies only to the reserve-funded component of an activity's funding position and does not apply to balances separately recognised as internal borrowing under clause 4.11.2.

The calculation will be applied consistently across applicable targeted reserves, subject to documented exceptions for immaterial, short-term or policy-specific balances.

4.11.4 ~~4.11.4~~ Interaction between internal borrowing and targeted reserves

Internal borrowing and targeted reserve balances represent separate funding mechanisms.

Internal borrowing reflects the borrowing-funded component of capital expenditure. Targeted reserve balances reflect the reserve-funded component of an activity's funding position, including timing differences between ring-fenced revenue, depreciation funding, and expenditure. Council will ensure that the same underlying funding exposure is not subject to both:

- an internal borrowing charge under clause 4.11.2; and
- interest on a targeted reserve balance under clauses 4.11.5 or 4.11.6.

Finance will perform an annual reconciliation between internal borrowing balances, targeted reserve balances and activity-level funding positions. Where a targeted reserve balance includes an amount already recognised as internal borrowing, that amount will be excluded from the reserve interest calculation.

4.11.5 Negative targeted reserve balances

Where a targeted reserve balance is negative (i.e. overdrawn), the activity is deemed to have utilised internally funded borrowings.

- Council will charge interest to the reserve account.
- The interest rate applied will be the Actual Weighted Average Cost of Borrowing (WACB).

Charging interest at the full WACB ensures that:

- Financing decisions properly reflect external borrowing costs faced by the organisation.
- There is no implicit subsidy from other activities or ratepayers.
- Signal alignment is maintained with funding and revenue decisions under the Revenue and Financing Policy.

4.11.6 Positive targeted reserve balances

Where a targeted reserve balance is positive, the activity is deemed to have provided internal funding to Council.

- Council will credit interest to the reserve account.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 16 of 35
-------------	---	---------------

- The interest rate applied will be the Weighted Average Cost of Borrowing (WACB) less an applied margin.

For FY26, an applied margin of 2.00% will be utilised.

The applied margin will be reviewed annually as part of treasury reporting, having regard to Council's actual WACB, achievable short-term investment returns, liquidity requirements, refinancing risk, facility costs, administrative costs and the need to avoid creating incentives for excessive reserve accumulation.

The interest crediting rate will not be less than zero.

Crediting interest at WACB less the applied margin recognises the opportunity cost of those funds while also acknowledging that:

- Internal funds do not incur the full transaction, liquidity, refinancing, or credit costs associated with external borrowing.
- Council retains discretion over overall cash and debt management, including timing and duration of borrowings.
- Applying full WACB would overstate the economic return and could incentivise excessive accumulation of cash balances within activities.

4.11.7 Scope

This section (4.11) applies only to targeted reserves that are attributable to specific activities or funding sources.

Interest will not normally be applied to:

- General rate funded reserves;
- Strategic or discretionary reserves; or
- Reserves established for policy or smoothing purposes.

4.11.8 Rational for targeted application

Targeted reserves typically arise from user-pays or beneficiary-pays funding models and reflect timing differences between funding received and expenditure incurred.

Applying interest to targeted reserves recognises that:

- Activities with negative balances are effectively utilising Council's debt capacity;
- Activities with positive balances are effectively providing funding to Council; and
- Reserve balances have an economic cost or benefit that should be attributed to the relevant activity.

This approach supports transparency, consistency with Council's Revenue and Financing Policy, and intergenerational equity.

4.11.9 Exceptions

Council may elect not to apply interest to reserves where balances are immaterial, short term, or where an explicit policy decision has been made.

Any exception will be documented and applied consistently.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 17 of 35
-------------	---	---------------

4.11.10 Review

- The WACB and applied margin will be reviewed annually as part of treasury reporting.
- This section will be reviewed as part of the Long-Term Plan or earlier if required.

4.12 Capital Work in Progress (WIP) and Asset Write-off Funding Guidelines

4.12.1 Capital Work in Progress (WIP) write-offs

Council may incur capital expenditure that is subsequently written off prior to the commissioning of an operational asset.

This section (4.12) sets out Council's approach to the funding and treasury treatment of such expenditure.

4.12.2 Scope

This section applies to:

- capital work in progress (WIP) balances;
- discontinued or abandoned capital projects;
- feasibility, investigation, design, procurement, and enabling costs written off prior to commissioning;
- costs to develop long-term assets which accounting standards require to be classified as operating expenditure; and
- partial write-offs of capital programmes.

This section does not apply to:

- impairment of commissioned assets;
- routine maintenance expenditure; or
- expenditure incorrectly capitalised.

4.12.3 Funding approach

Where capital expenditure is written off prior to asset commissioning, Council may apply one or more of the following funding sources:

- debt funding;
- reserves;
- grants or subsidies (where available); and/or
- rates.

The selected funding approach will have regard to:

- the original approved funding source;
- the nature of the expenditure;
- the extent of any ongoing benefit derived;
- impacts on rates and debt affordability; and
- intergenerational equity.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 18 of 35
-------------	---	---------------

4.12.4 Debt funding

Council may apply debt funding to written-off capital expenditure where:

- the expenditure formed part of an approved capital programme; and
- spreading the cost over time is considered equitable and financially prudent.

Where debt funding is applied:

- repayment terms will generally be materially shorter than those that would have applied had the asset been completed; and
- repayment terms will reflect the nature and extent of any ongoing benefit.

Indicative repayment terms are:

- 3–5 years for feasibility or investigation expenditure;
- 5–7 years for design or procurement activities;
- up to 10 years for advanced programme development or enabling works.

Council may approve alternative terms where justified.

4.12.5 Reserve funding

Council may apply reserve funding where:

- the original project was intended to be reserve funded;
- sufficient reserve balances exist; or
- reserve utilisation best reflects the purpose of the reserve.

Use of reserves will consider:

- sustainability of reserve balances; and
- impacts on future funding requirements.

4.12.6 Rates funding

Council may fund written-off capital expenditure directly from rates where:

- the amount is not material;
- immediate recovery is considered appropriate; or
- no alternative funding source is available.

4.12.7 Approval and reporting

Material WIP write-offs and associated funding decisions will be:

- approved through the Long-Term Plan, Annual Plan, Council resolution, or delegated authority; and
- reported to Council with sufficient information to support decision-making.

Reporting will include:

- the nature and cause of the write-off;
- proposed funding source; and

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 19 of 35
-------------	---	---------------

- proposed debt repayment terms (where applicable).

4.12.8 Accounting versus funding treatment

The accounting write-off of capital expenditure does not, in itself, determine the funding treatment.

Where Council elects to debt fund expenditure that has been written off for accounting purposes, the decision should be supported by a documented assessment of the original approved funding source, the nature of the expenditure, whether any enduring benefit has been created, the period over which any benefit is expected to arise, impacts on rates and debt affordability, consistency with the Revenue and Financing Policy, and prudent financial management.

Debt funding should not be used to reclassify routine operating expenditure, operating shortfalls or expenditure incorrectly capitalised as long-term funding items.

4.12.9 Treatment of write-offs relating to commissioned assets

Where an asset has been commissioned and funded in accordance with Council's approved funding and financing decisions, any subsequent impairment, disposal, abandonment, or write-off shall generally not invalidate the original funding treatment.

Council recognises that:

- the community received benefit from the asset over the period it was in service; and
- the original funding decision was appropriate based on information available at the time the asset was commissioned.

Accordingly:

- existing debt funding associated with commissioned assets may continue over the originally approved repayment term unless Council determines an alternative approach is warranted;
- reserve funding arrangements may continue in accordance with established reserve purposes and policies; and
- any accounting impairment or write-off does not automatically require immediate changes to the associated funding structure.

Council may reconsider funding arrangements where:

- the asset failed materially earlier than expected;
- significant recovery funding is received;
- the original assumptions underlying the funding decision materially change; or
- continued application of the original funding approach would no longer be considered prudent or equitable.

Formatted: Font: 11 pt, Not Bold, Font color: Auto

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 20 of 35
-------------	---	---------------

Other liability management considerations

4.13.1 4.11.1 Types of funding

Council has a variety of funding sources available and will utilise the most appropriate and cost-effective source from time to time, as determined by management.

These sources include:

- Short term, and medium term committed funding facilities from banks and the LGFA.
- Leasing, and hire-purchase of certain assets (including sale and leaseback where appropriate and cost effective).
- Issue of fixed and floating rate Local Authority stock or bonds to both the wholesale or retail market.
- Issue of commercial paper.
- Issue of ordinary shares, redeemable preference shares and other hybrid equity instruments by CCO's.
- The LGFA.

Other sources of financing will from time to time be offered to Council. Management is authorised to assess, and utilise such financing sources as it so determines, but within the general constraints laid down in this TMP.

4.13.2 4.11.2 Credit rating

Council holds a formal Standard and Poor's (S&P) credit rating (or equivalent), to facilitate access to the bank, LGFA and wholesale and retail investor markets. A formal credit rating offers several advantages:

- It broadens Council's sources of financing, facilitating access to the New Zealand debt capital market. This supports liquidity and funding risk management objectives and enhances Council's cost of financing.
- It establishes the Council as a highly rated entity, strengthening its negotiating position in contractual dealings with third parties. The current 'very strong' rating reinforces this advantage.
- It subjects Council's financial management practices and performance to scrutiny by credit rating agencies and the wider debt capital markets. As such, it provides a very useful 'monitoring' service to supplement Council's own internal due diligence and reporting.

4.13.3 Guarantees and underwriting

Council may from time to time provide financial guarantees to third parties. Management must ensure that the business plan of the guaranteed party aligns with Council's strategic objectives and that financial statements are received on a regular basis. Should the guarantee be called up, Council must take immediate action to recover the money.

Any significant guaranteed amounts are to be included in the definition of 'External debt' for the purpose of determining compliance with the borrowing limits set out above.

Council will approve any guarantee arrangements for indebtedness. Guarantees provided to community organisations or clubs for loans or incidental arrangements must align with Council's strategic objectives.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 21 of 35
-------------	---	---------------

For existing guarantees, Council ensures that sufficient financial capacity exists relative to LGFA lending covenants. Unless approved by Council, guarantees or financial arrangements given will not exceed any amount agreed by Council.

As set out in Section 62 of the LGA, Council does not give any guarantee, indemnity or security in respect of the performance of any obligation by a CCTO.

~~4.12.1 Centralised borrowing and capital charge~~

~~All borrowing for activities funded from general rates is centralised for internal accounting purposes. Interest and principal repayment costs incurred at the corporate level are charged to each activity based on the proportion of long term assets held by that operating unit compared to the total long term assets of such activities.~~

~~Borrowing for activities funded by targeted rates is "ring-fenced" to each activity based on the actual capital expenditure and the chosen debt/rate funding ratio required for each activity.~~

~~Council uses a capital charge mechanism to reflect the cost of long term capital employed within affected activities. The charge reflects both the interest costs and provisions for principal repayment.~~

~~Internal borrowing~~

~~Council manages all funding and liquidity as a centralised function to ensure cash and borrowing resources are used in an optimal manner. Some activities may effectively borrow internally against excess reserve funds instead of borrowing externally. The capital charge mechanism is applied to activities in the same manner for both internal and external borrowings.~~

4.13.4 New Zealand Local Government Funding Agency Limited (LGFA)

Council may borrow from the LGFA and engage in related transactions, including:

- Contributing a portion of its borrowing back to the LGFA as a loan or equity contribution to the LGFA. For example, borrower notes.
- Providing guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Committing to contributing additional equity (or subordinated debt) to the LGFA if required.
- Securing its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

4.13.5 On-lending to Council Controlled Organisations

To align with strategic and commercial objectives, Council may provide debt funding directly or indirectly to CCO or CCTOs. Guarantees of financial indebtedness to CCTOs are prohibited, but financial support may be provided by subscribing for shares as called or uncalled capital.

Any on-lending arrangement to a CCO or CCTO must be approved by Council, with the following considerations:

- Credit risk profile of the borrowing entity, and the ability to repay interest and principal amounts outstanding on due date.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 22 of 35
-------------	---	---------------

- Impact on Council's credit standing, credit rating, debt burden (particularly in relation to S&P credit assessment), lending covenants with the LGFA and other lenders and Council's future borrowing capacity.
- The form and quality of security arrangements provided.
- The lending rate, given factors such as CCO or CCTO credit profile, external Council borrowing rates, borrower note and liquidity buffer requirements, term etc.
- Lending arrangements to the CCO or CCTO must be documented on a commercial arm's length basis. A term sheet, including matters such as borrowing costs, interest payment dates, principal payment dates, security and expiry date must be agreed between the parties.
- Accounting and taxation impact of on-lending arrangement.

All on-lending arrangements must be executed under legal documentation (e.g. loan, guarantee) reviewed and approved by Council's independent legal counsel.

4.13.6 Approved financial instruments

Approved financial instruments are as follows; any other financial instrument must be specifically approved by Council on a case by-case basis. Any Council approval only applies to the one singular transaction being approved.

Category	Instrument
Cash and liquidity management and borrowing	<ul style="list-style-type: none"> • Call cash. • Call and short-term bank deposits (less than 30 days unless linked to prefunding strategy). • Bank registered certificates of deposit (RCDs). • Treasury bills.
	<ul style="list-style-type: none"> • Bank overdraft. • Committed cash advance and bank accepted bill facilities (short-term and long-term loan facilities). • Committed standby facilities from the LGFA. • Uncommitted money market facilities. • Retail and Wholesale Bond, both Fixed Rate (MTN) and Floating Rate Note (FRN) issuance (including forward start from the LGFA). • Commercial paper.
Interest rate risk management	Forward rate agreements ("FRAs") on: <ul style="list-style-type: none"> • Bank bills. Interest rate swaps including: <ul style="list-style-type: none"> • Forward start swaps. • Swap extensions and shortenings. Interest rate options ¹ on: <ul style="list-style-type: none"> • Bank bills (purchased caps and one for one collars). • Interest rate swaps (purchased swaptions and one for one collars).

Investments (term <180 days)	<ul style="list-style-type: none"> • Call and short-term bank deposits (less than 30 days unless linked to prefunding strategy). • Bank registered certificates of deposit (RCDs). • Treasury bills.
Investments (excluding the PIF)	<ul style="list-style-type: none"> • LGFA borrower notes / commercial paper / bills / bonds. <p>All unsecured investment securities must be senior in ranking. The following types of investment instruments are expressly excluded:</p> <ul style="list-style-type: none"> • Structured debt where issuing entities are not a primary borrower or issuer. • Subordinated debt (other than borrower notes subscribed from the LGFA), junior debt, perpetual notes and debt or equity hybrid notes such as convertibles.
<p>¹ Conditions on the use of interest rate instruments:</p> <ul style="list-style-type: none"> • Interest rate options must not be sold outright. However, one to one collar option structures are allowable whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out in isolation (i.e. repurchased) otherwise both sides must be closed out simultaneously. The sold option leg of the collar structure must not have a strike rate "in-the-money". • Purchased borrower swaptions mature within 18 months. • The forward start period on swap/collar strategies to be no more than 36 months, unless the forward start swap/collar starts on the expiry date of an existing swap/collar and has a notional amount which is no more than that of the existing swap/collar. • Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation. 	

4.13.7 Accounting treatment of financial instruments

Council uses financial arrangements (derivative swaps, or simply 'swaps') for the primary purpose of reducing its financial risk to fluctuations in interest rates. The purpose of this section is to articulate Council's accounting treatment of swaps in a broad sense.

Under New Zealand Public Benefit Entity (PBE) International Public Sector Accounting Standards (IPSAS) changes in the fair value of derivatives go through the Statement of Revenue and Expense unless derivatives are designated in an effective hedge relationship.

Council's principal objective is to actively manage Council's interest rate risks within approved limits and chooses not to apply hedge accounting. Council accepts that the marked-to-market gains and losses on the revaluation of swaps can create potential volatility in Council's annual accounts.

Management		Reporting
The MF, through the GM-F&P is responsible for advising the CE of any changes to relevant New Zealand Public Sector PBE Accounting Standards which may result in a change to the accounting treatment of any financial instruments.		Swaps gains or losses are reported to Council on a quarterly basis as part of the Financial Performance Report.
ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 24 of 35

All treasury financial instruments must be revalued (marked-to-market) at least every six months for risk management purposes.	
--	--

4.13.8 Agreements

Financial instruments can only be entered into with banks that have in place an executed International Swaps and Derivatives Association (ISDA) master agreement with Council. All ISDA Master Agreements for financial instruments and carbon units must be approved by Council.

4.13.9 Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements. Council must comply with all obligations and reporting requirements under existing funding facilities and legislative requirements.

4.13.10 Foreign exchange and commodity price risk

Foreign exchange risk arises when the NZD cost of a product, service, material or equipment sourced offshore increases as a result of a deterioration in the foreign exchange rate, between the time of the commitment and the time payment is made.

Commodity price risk arises where certain areas of Council’s operations are subject to the impact of commodity price fluctuations. The most significant activities affected are those involved in construction of community assets; in particular roading, which is affected due to the fluctuation of the bitumen price which is driven by oil prices and the movement in the NZD.

Council does not borrow or enter into incidental arrangements within or outside New Zealand in currency other than New Zealand currency.

Foreign exchange risk:

Council’s objective in relation to foreign exchange is to ensure that there are no material unhedged risks, from either:

- The time a tender is accepted (which includes a foreign exchange exposure for Council, either directly, or in terms of the ability of the contractor to vary NZD prices should exchange rates vary), or
- The time an approved purchase order is placed on an overseas supplier (collectively, “foreign exchange commitments”).

To avoid these risks, all recognised foreign exchange commitments in excess of the equivalent NZD100,000 that entail the purchase of foreign currency will be hedged using the following approved financial instruments:

- Foreign currency deposits
- Spot foreign exchange
- Forward foreign exchange contracts
- Purchased currency options and collars (one to one only)

Hedging should take place within two days of the commitment being recognised once the expenditure is approved, and the currency amount and timing are known.

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 25 of 35
-------------	---	---------------

Commodity price risk:

Where appropriate and to provide certainty of commodity prices Council may hedge commodities using recognised hedging instruments. Commodity hedges should match budgeted expenditure or specific contracts.

Where commodity price hedging is available and where the applicable commodity component exceeds NZD100,000, the use of hedging may be considered. Approved commodity hedge instruments include:

- Bitumen Price Index (BPI) Swaps
- Other indices that apply to affected commodities

Foreign exchange and commodity instruments:

Financial instruments other than those stipulated above require one-off Council approval prior to transacting.

- Foreign exchange options cannot be sold outright.
- Commodity swaps can be entered into by the applicable General Manager provided they are reported in the next Quarterly Performance Report. Other hedging instruments must also be approved by the Chief Executive.

All risks are to be matched by foreign exchange contracts of the same currency, equal value and term. Records of any foreign exchange commitments are to be maintained, together with a record of forward exchange contracts undertaken to hedge the risks concerned.

4.13.11 Emissions Trading Scheme (ETS)

The objective of the ETS carbon credit policy is to strike a balance between the timing of obligations and budget-setting for price allocation, ensuring price stability for the current budgetary period while allowing for strategic hedging decisions to manage carbon price risk in the medium term. It accommodates some uncertainty in emissions forecasting, ensures earlier protection, and permits purchasing cover from Year 5 with a maximum of 50% unit holding.

ETS risk is managed under the following control limits based on Council's gross liability exposure amount:

Obligation period	Compliance requirements as at (month of current year)	Minimum holding as a percentage of annual gross obligations
Current calendar year	by 30 June	75%
	by 31 December	100%
Current calendar year plus 1	by 31 December	50%

The second stage of the framework is to set a minimum and maximum level of units to be purchased and held by Council to cover future years as shown below:

Period	Minimum unit holding	Maximum unit holding
Year 3* - Year 4	25%	50%
Year 4 – Year 5	0%	50%
* Current calendar year plus 2		

Approved carbon hedge instruments include:

- New Zealand Unit (NZU), spot and forward contracts.
- New Zealand Assigned Amount Unit (NZ-AAU), forwards / spot.
- Units that are accepted by the Crown to settle obligations under the New Zealand Emissions Trading Scheme.

Currently, Council doesn't possess any ETS credits. However, the policy is in place in anticipation of the Council reconsidering its position on reestablishing the landfill.

5 INVESTMENT POLICY

5.1 Purpose

The Investment Policy adopted under Section 105 of the LGA must state Council's policies on investments, including:

- The mix of investments;
- The acquisition or disposal of new investments;
- The management and reporting of investments; and
- The assessment and management of risks.

5.2 Objectives

The investment policy is designed to ensure that Council's investments are managed prudently and in accordance with legislation. Council's investment management objectives are guided by the following fundamental principles:

- Alignment with Council's general strategic objectives as set in its LTP;
- Ensuring that associated risks remain within acceptable levels;
- Ensuring that investments serve the best interests of Council and ratepayers;
- Maintaining an appropriate level of liquidity to meet cashflow requirements; and
- Ensuring that investments do not breach the borrowing limitations outlined in Council's Liability Management Policy.

Council's specific objectives for other pure and semi-commercial investments include:

- Identifying, quantifying, and managing associated risks.
- Conducting regular reviews to maximise value or consider disposal in the most cost effective and efficient manner.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 27 of 35
-------------	---	---------------

- For semi-commercial investments, aligning the pure commercial rationale with broader community outcomes (if applicable) that could be contributed to by holding the investment in question.
- Enhance long-term investment returns and overall value.

5.3 The Mix of investments

Council categorises its investments into four relatively distinct areas, the first three being long-term in nature and the fourth more short-term:

1. **Perpetual Investment Fund (PIF):** A long-term commercial investment fund set up by Council from the proceeds from sale of Council's former shareholding in Powerco Limited in 2004. The PIF's investment policy and objectives are detailed in the Council approved SIPO. On 28 June 2023, Parliament passed the New Plymouth District Council (Perpetual Investment Fund) Bill. This Bill aims to safeguard the fund for community benefits, ensure prudent management, and mandate independent investments decisions. The Bill received Royal assent on 5 July 2023.
2. **Other pure commercial investments:** Investments aligned with Council's general strategic objectives purely for commercial returns. This includes investments in Forestry Joint Ventures and surplus property holdings. Such investments may be subjected to a broader range of active commercial reviews e.g. regular hold/sell reviews, portfolio analysis, comprehensive monitoring.
3. **Semi-commercial investments:** Investments where the commercial returns are influenced by other strategic objectives or broader community outcomes. Examples include the airport, Council's forestry estates and other properties and equities (LGFA and Civic Assurance). Such investments are subjected to a narrower range of active commercial reviews given their infrastructural or financial relationships e.g. business monitoring and long-term planning according to their scale and complexity of each business.
4. **Treasury investments:** Investments made from short-term general surplus funds, liquidity, pre-funding and restricted funds and bequests. These are typically financial instruments issued by approved counterparties.

5.4 The acquisition or disposal of investments

All new acquisitions, additions, or disposals of investments require Council approval and must follow Council's Investment Policy objectives set above.

Council policy positions for other pure or semi-commercial investments are reviewable by Council outside of this policy document and are as follows:

- **Joint venture forestry:** Harvest at maturity and not renew any joint venture agreements, or sell its interest if the joint venture partner or other party wishes to purchase at a commercial price.
- **Council forestry:** Retain the investment and continue to harvest on a rotational basis where commercially feasible (the land is generally retained for other Council purposes unless it is classified as surplus to those purposes. It would then be classified as a pure investment for eventual disposal along with other surplus property).
- **Papa Rererangi i Puketapu Limited (New Plymouth Airport):** To be managed in a commercial manner to ensure it is able to achieve all of its operational objectives.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 28 of 35
-------------	---	---------------

- **Surplus properties:** Council has an existing process for declaring properties surplus to operational or future requirements and a review process for properties declared to be surplus but not yet disposed of.

5.5 The management and reporting of investments

5.5.1 Perpetual investment fund (PIF)

The objectives for the management of the PIF are outlined in the Governance Deed entered between Council and the New Plymouth PIF Guardians Limited (The Guardians) on 1 March 2017.

Management	Reporting
<p>The Council objectives in relation to the management of the PIF are:</p> <p>(a) To at least maintain the real capital of the PIF as a sustainable perpetual investment fund (the Founding Principle) whilst generating a sufficient return to maintain a sustainable release to the Council; and</p> <p>(b) To ensure that the following principles underpin the operation of the PIF:</p> <p>(i) all investments are made on purely commercial terms; and</p> <p>(ii) the PIF will be managed on the basis of a prudent, commercial, diversified portfolio investment style and asset allocation, which manages risk to further the Founding Principle.</p>	<p>The Guardians will report on a quarterly basis to the Council Controlled Organisation Committee.</p> <p>The performance of the PIF is principally measured through The Guardians meeting the requirements of the Governance Deed with Council, annual statements of intent, and industry benchmarks for fund performance as stated in the Statement of Investment Policy and Objectives (SIPO).</p>

5.5.2 Other pure and semi-commercial investments

Management	Reporting
<p>Council will manage these investments based on investment size and nature. The Strategy and Operations Committee holds delegated authority for managing urgent commercial investments. This committee monitors the performance of the investments and receives advice on its future position from the appropriate experts.</p> <p>On major decisions such as the holding or selling of such investments, the Strategy and Operations Committee would normally make recommendations to Council.</p>	<p>Other pure commercial and semi-commercial investments will report through the Strategy and Operations Committee as required.</p> <p>The performance of other pure and semi-commercial investments is principally measured through statements of intent and appropriate benchmarks for investment performance.</p>

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 29 of 35
-------------	---	---------------

5.5.3 Treasury investments

Treasury investments include short-term surplus general funds, debt pre-funded amounts, and restricted funds and bequests where Council has resolved to maintain a separate fund for the benefit of the specific parties or activity.

The effectiveness of Council’s other treasury activities is principally measured through a mixture of subjective and objective measures. The predominant subjective measures are:

- Adherence to the TMP guidelines.
- The overall quality of treasury management information.
- The quality of relationships with the banking sector, and key participants in the debt capital markets.

Management	Reporting
<p>These investments should be managed as follows:</p> <ul style="list-style-type: none"> • Treasury instruments should only be made in NZD denominations. • Short-term surplus general funds and other funds should be invested in approved treasury investments included in section 4.4 Liquidity risk. • Investments are held with strongly credit rated banks (S&P or equivalent) of no worse than short-term A-1 / long-term A, and for terms of up to twelve months, unless linked to a debt pre-funding strategy. • Investments are spread amongst Council’s relationship banks (as per the limits in APPENDIX I) to diversify counterparty credit risk. 	<p>Quarterly reports on all treasury investments will be submitted to Council in the format determined by the TMG.</p>

Formatted: Font: (Default) Arial, 11 pt

13.1

5.6 The assessment and management of risks

The Council acknowledges that investments carry an element of risk and is committed to managing this risk responsibly. Council’s overall investment strategy aims to balance risk against long-term returns, accepting that lower risk typically yields lower returns.

The assessment and management of investment risk is in line with the elements outlined in Council’s Liability Management Policy:

- [4.4](#) Liquidity risk: by managing investment maturity terms in line with future expenditure requirements;
- [4.5](#) Credit Risk: by limiting investment with certain counterparties/issuers;
- [4.10](#) Operational risk: by having appropriate delegations in place, segregation of duties, sound reporting system and procedures, regular TMP reviews; and
- by following Council’s Investment objectives listed in point [5.2](#).

5.7 Other investment policy considerations

5.7.1 Treatment of surplus funds

Council may generate surplus funds from various sources, including:

- Operating surpluses which could arise due to a reduction in expenses or an increase in revenue against the planned budget.

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 30 of 35
-------------	---	---------------

- Sale of Council assets.
- Other one-off sources e.g. a bequest.

Where there is no specific planned or approved purpose for the use of surplus funds, such surpluses should be applied to repaying debt, or applied against rates requirements for any one or all of the first three financial years of the LTP.

5.7.2 Loan advances

Management	Reporting
<p>Council may provide strategic advances to CCOs, CCTOs, charitable trusts and community organisations, but not to individuals. Any new loan advances must be approved by Council resolution.</p> <p>In accordance with Section 63 of the LGA, Council will not provide loans or financial accommodations to a CCTO under terms and conditions that are more favourable to the CCTO than those that would apply if Council were (without charging any rate or rate revenue as security) borrowing money or obtaining the financial accommodation.</p> <p>Council regularly reviews performance of these loans to ensure alignment with strategic and economic objectives and verifies that interest and principal repayments adhere to the loan agreement.</p>	<p>Loan advances are reported to Council on a quarterly basis as part of the Financial Performance Report.</p>

5.7.3 New Zealand Local Government Funding Agency Limited (LGFA)

Council may invest in shares and other financial instruments of the LGFA and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for Council.

Because of these dual objectives, Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. If required in connection with the investment, Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

6 CLIMATE CHANGE AND SUSTAINABILITY CONSIDERATIONS

6.1 Investment

The PIF Guardians support, and expect that the appointed Fully Outsourced Agent will adhere to, the six Principles of Responsible Investment developed by the United Nations. These principles are widely recognised as the standard for incorporating responsible investment practices across investment portfolios. The PIF responsible investment policy and objectives are outlined in the Council approved SIPO. The SIPO uses the United Nations Global Compact as the benchmark for responsible conduct.

6.2 Borrowing

Council takes consideration whenever possible to finance projects that promote environmental and social wellbeing through LGFA's sustainable loan programmes accessible to member Councils and CCOs. These programs facilitate either (a) financing or refinancing specific sustainable assets and activities, or (b) incentivising GHG emissions reductions.

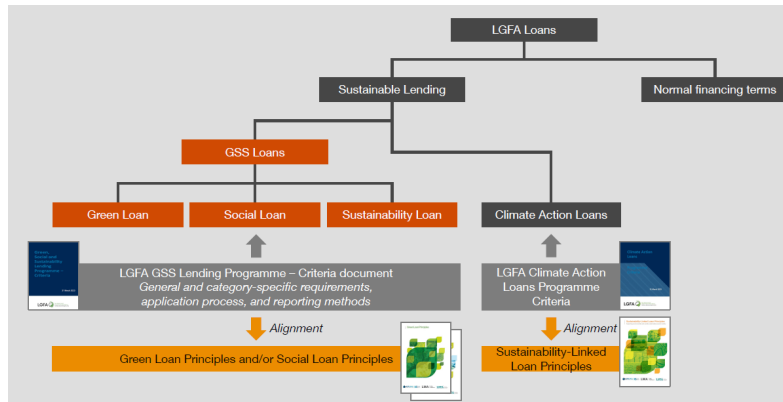
These loan programs are categorised as Green, Social & Sustainability Loans (GSS loans) and Climate Action Loans (CALs), respectively. Council must undertake a detailed eligibility assessment for either program, and a series of other criteria must be continued fulfilled throughout the life of the loan to ensure benefits from such on lending aren't compromised. GSS loans offer lending at a discounted margin[‡] of ~~(currently 5~~ basis points)[§], while CALs also feature a margin discount (currently 2 basis points).

The diagram below provides an overview of LGFA's current sustainable lending options:

[‡] <https://www.lgfa.co.nz/sites/default/files/2025-09/LGFA-GS-Loan-Criteria-f.pdf>

[§] https://www.lgfa.co.nz/sites/default/files/2023-03/RatingsDirect_NewZealandLocalGovernmentFundingAgency_54196807_Mar-02-2023-0.PDF

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 32 of 35
-------------	---	---------------



Source: PwC Guide to LGFA Sustainable Loans Programme, November 2023.

7 CASHFLOW MANAGEMENT

From time to time, Council has daily cash flow surpluses and borrowing requirements, due to the mismatch of daily receipts and payments. All cash inflows and outflows are managed through bank accounts controlled by Finance.

Council maintains a daily cash position report, and a yearly cash flow projection is prepared during the Annual Planning process. These reports determine Council's borrowing requirements and surpluses for investment for the year.

Cash management activities must be undertaken within the following parameters:

- Cash management instruments are limited to:
 - Money market call deposits with New Zealand registered banks.
 - Negotiable instruments such as registered certificates of deposit (RCDs) with a maturity no more than 180 days.
 - Term deposits with staggered maturities to provide day-to-day cash flow requirements and to avoid early break penalties.
- Overdraft facilities are utilised as little as practical.
- Interest rate risk management activity on cash management balances is not permitted.
- Cash is only invested with approved counterparties as detailed in [APPENDIX I/APPENDIX I](#).

Formatted: Font: (Default) Arial

8 LEGAL RISK

Legal risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction, usually because of prohibitions contained in legislation. While legal risks are more relevant for banks, Council may be exposed to such risks. Council will seek to minimise this risk by adopting policy regarding:

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 33 of 35
-------------	---	---------------

- The matching of third-party confirmations and the immediate follow-up of anomalies.
- The use of expert advice.

9 POLICY REVIEW

The Policy is to be formally reviewed on a triennial basis, and annually for internal purposes.

The TMG has the responsibility to prepare the annual review report that is presented to Council. The report will include:

- Recommendation as to changes, deletions and additions to the policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of policy and one-off approvals outside policy.

Council receives the report, approves policy changes and/or rejects recommendations for policy changes.

Section 102(5) of the LGA states that Council does not need to go through the special consultative process to amend the Liability Management Policy and the Investment Policy.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 34 of 35
-------------	---	---------------

10 APPENDIX I

10.1 Prudential guidelines for counterparty credit exposure limits

10.1.1 Treasury investments

To diversify counterparty credit risk, investments are spread amongst Council's relationship banks as per the limits below. Credit risk will be regularly reviewed by Council. Treasury related transactions will only be entered into with counterparties specifically approved by Council. Counterparty risks within externally managed investment funds (e.g. PIF) are managed within the parameters of the SIPO.

Counterparty / Issuers	Minimum short term / long term credit rating [^]	Maximum exposure per counterparty	Maximum % of counterparty exposure
Banks registered with the Reserve Bank of NZ*	A-1+/AA-	\$35 million	100%
Banks registered with the Reserve Bank of NZ*	A-1/A	\$20 million	100%
New Zealand Government	N/A	Unlimited	100%
Local Government Funding Agency (LGFA)	A-1/A+	Unlimited	100%

[^] As evaluated by S&P Global Ratings, sourced from [Registered banks in New Zealand - Reserve Bank of New Zealand - Te Pūtea Matua \(rbnz.govt.nz\)](#); last modified May 2024.
 * An approved exception to the above is other treasury investments made with TSB Bank Limited, currently with a A- rating with Fitch. Such investments shall be limited to a term of 12 months or less, and be for not more than \$15 million in aggregate, and never more than 5% of TSB Bank's shareholders funds.

At no point in time, no more than 50 per cent of the treasury investment portfolio will be invested with one bank counterparty.

10.1.2 Financial instruments

Financial instrument	Calculation of deemed exposure
Treasury investments (e.g. Bank call and term deposits)	Transaction principal amount (unless a legal right of set-off exists).
Interest rate swaps, Forward rate agreements, Collars, Interest rate options (purchased options)	The greater of the current market-to-market valuation of the instrument or zero.
Foreign exchange contracts – Forwards and options (<i>bought</i>) / carbon units	The greater of the current market-to-market valuation of the instrument or zero.
Commodity contracts – swaps	The greater of the current market-to-market valuation of the instrument or zero.

ECM 8280048	Approved By: ELT <i>'Uncontrolled' copy once printed</i>	Page 35 of 35
-------------	---	---------------

New Plymouth District Council Treasury Management Policy

13.2

(Incorporating the Liability Management Policy and the Investment Policy as required by Section 102 of the Local Government Act 2002)

Location of Controlled Copies:	Electronic version is the only Controlled copy (ECM 8280048)
Approved By:	Council
Previous versions:	ECM7461701_v8; adopted by Council 27/09/2017 (P17-006) ECM8280048_v8; adopted by Council 02/06/2020 (P20-002) ECM8280048_v10; as adopted by Council on 18/06/2024 (P24-004)
Current version revision date:	ECM8280048_v11; as adopted by Council on xx/xx/2026 (P26-xxx)
Review frequency:	Triennially

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 1 of 34
-------------	---	--------------

Table of Contents

<u>1</u>	<u>INTRODUCTION</u>	<u>3</u>
<u>2</u>	<u>DELEGATED AUTHORITIES</u>	<u>4</u>
<u>3</u>	<u>TREASURY ROLES</u>	<u>6</u>
<u>4</u>	<u>LIABILITY MANAGEMENT POLICY</u>	<u>7</u>
<u>5</u>	<u>INVESTMENT POLICY</u>	<u>26</u>
<u>6</u>	<u>CLIMATE CHANGE AND SUSTAINABILITY CONSIDERATIONS.....</u>	<u>31</u>
<u>7</u>	<u>CASHFLOW MANAGEMENT</u>	<u>32</u>
<u>8</u>	<u>LEGAL RISK.....</u>	<u>32</u>
<u>9</u>	<u>POLICY REVIEW.....</u>	<u>33</u>
<u>10</u>	<u>APPENDIX I.....</u>	<u>34</u>

1 INTRODUCTION

1.1 Purpose

This Treasury Management Policy (TMP) document sets out Council's objectives, policies, strategies and monitoring procedures for all of Council's treasury activities, encompassing liability management (Liability Management Policy) and investment activities (Investment Policy).

Council's primary obligation is to manage its treasury activities prudently and in the interest of the community. Therefore, Council must ensure that such activities are conducted with a focus on identifying, quantifying, and managing associated risks to minimise negative impacts. The Council adopts a risk-averse approach and prohibits speculative activities.

1.2 Legislative compliance

The TMP framework has been written in accordance with the statutory obligations set under the Local Government Act 2002 (LGA), particularly Part 6 (sections 101, 102, 104, 105 and 113). These obligations include:

- Ensuring prudent stewardship and efficient use of resources in the district's interest (LGA 14 (g)).
- Managing all financial matters prudently, to benefit the current and future community interests (LGA s101(1)).
- Making adequate provision for Council's expenditure needs, as outlined in the Long-Term Plan (LTP) and Annual Plan (AP) (LGA 101(2)).
- Conducting commercial transactions according to sound business practice (LGA 14 (f)).
- Meeting funding needs from appropriate sources determined by the Council (LGA 101(3)).
- Adopting Liability Management and Investment Policies to ensure predictability and certainty in funding (LGA 102(1)).
- Specifying policies regarding securities for its borrowing, financial investments, and equity securities and its quantified targets for returns as stated in the financial strategy (LGA 101A).
- Adhering to Local Government (Financial Reporting and Prudence) Regulations 2014, particularly Schedule 4.
- Following the Trustee Act 2019 (effective 30 January 2021), particularly Part 4 Investments. Subject to section 13C and 13D, 'a trustee exercising any power of investment shall exercise the care, diligence, and skill that a prudent person of business would exercise in managing the affairs of others.

A Council resolution is not required for hire purchase, credit or deferred purchase of goods if:

- the debt period is less than 91 days (including rollovers); or
- the goods or services are acquired as part of regular operations, under standard terms, and has the approval of the GM-F&P.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 3 of 34
-------------	---	--------------

13.2

1.3 Scope

This document governs the Council's treasury management activities, excluding those of the New Plymouth PIF Guardians Limited (NPG), which are covered in a separate Statement of Investment Policy and Objectives (SIPO).

1.4 Objectives

The TMP sets out guidelines to manage the Council's investments and borrowings in a prudent manner. The TMP objectives are as follows:

- Prudent, effective, and efficient management of treasury activity risks while complying with statutory obligations.
- Ensuring adequate funding to meet current and ongoing commitments.
- Maintaining the highest possible credit rating appropriate to its financial strength and nature of its operations.
- Developing and maintaining professional relationships with financial institutions, Local Government Funding Agency (LGFA), investors, and rating agencies.
- Managing investments within strategic objectives and investing surplus cash in liquid and creditworthy investments.
- Structuring external long-term funding with optimal funding margins, flexibility, and debt maturity spread.
- Monitoring, evaluating, and reporting treasury performance, including borrowing covenants compliance.

13.2

2 DELEGATED AUTHORITIES

Council may delegate powers to officers for efficient business conduct as per the LGA (Schedule 7, clause 32(3)). However, the power to borrow money, or purchase or dispose of assets, outside the LTP remain the sole responsibility of Council (Schedule 7, clause 32(1)(c)). This responsibility cannot be delegated. Delegations to Officers are approved by Council, up to the Chief Executive, and are documented in the Delegation Register.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 4 of 34
-------------	---	--------------

The Treasury Policy related delegations are outlined below. All decisions and approvals must be made in accordance with the requirements of the TMP. All activities occur as required unless stated otherwise.

Activity	Delegated authority and limit (where applicable)	Delegation register clause*
Approve policy document (triennially)	Council	
Alter policy document	Council	
Approve external borrowing programme for the year as set out in the AP / LTP	Council	
Approve charging assets as security over borrowing	Council	
Approve new and re-financed lending activity with CCO / CCTOs	Council	
Approve borrowing and interest rate transactions outside policy	Council	
Approve allowable risk management instruments	Council	
Open/close bank accounts	CE	
Approve electronic signatory positions	CE	4
Approve the refinance of existing debt	CE	4
Approve any related borrowing management activity	GM-F&P	4
Approve interest rate risk management activity	CE	4
Adjust borrowing interest rate risk profile	GM-F&P	4
Managing funding maturities	CE	4
Ensuring compliance with policy	CE GM-F&P	4
Review policy (triennially)	CE GM-F&P	4
Manage and negotiate ongoing lending arrangements to CCO / CCTOs	GM-F&P MF	
Approve borrowing or repayments [^] in terms of the AP / LTP annual borrowing programme approved by Council	CE - Within policy limits GM-F&P - \$50m MF - \$20m	1.1 – 1.3
Approve investments or liquidation [^] of investments in terms of the TMP approved by the Council	Council - unlimited CE – Within policy limits GM-F&P - \$50m MF - \$20m	2.1 - 2.3
Approve new derivative contracts [^] (borrowing and investments)	Council – unlimited CE – Within policy limits	3.1 - 3.3
ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 5 of 34

13.2

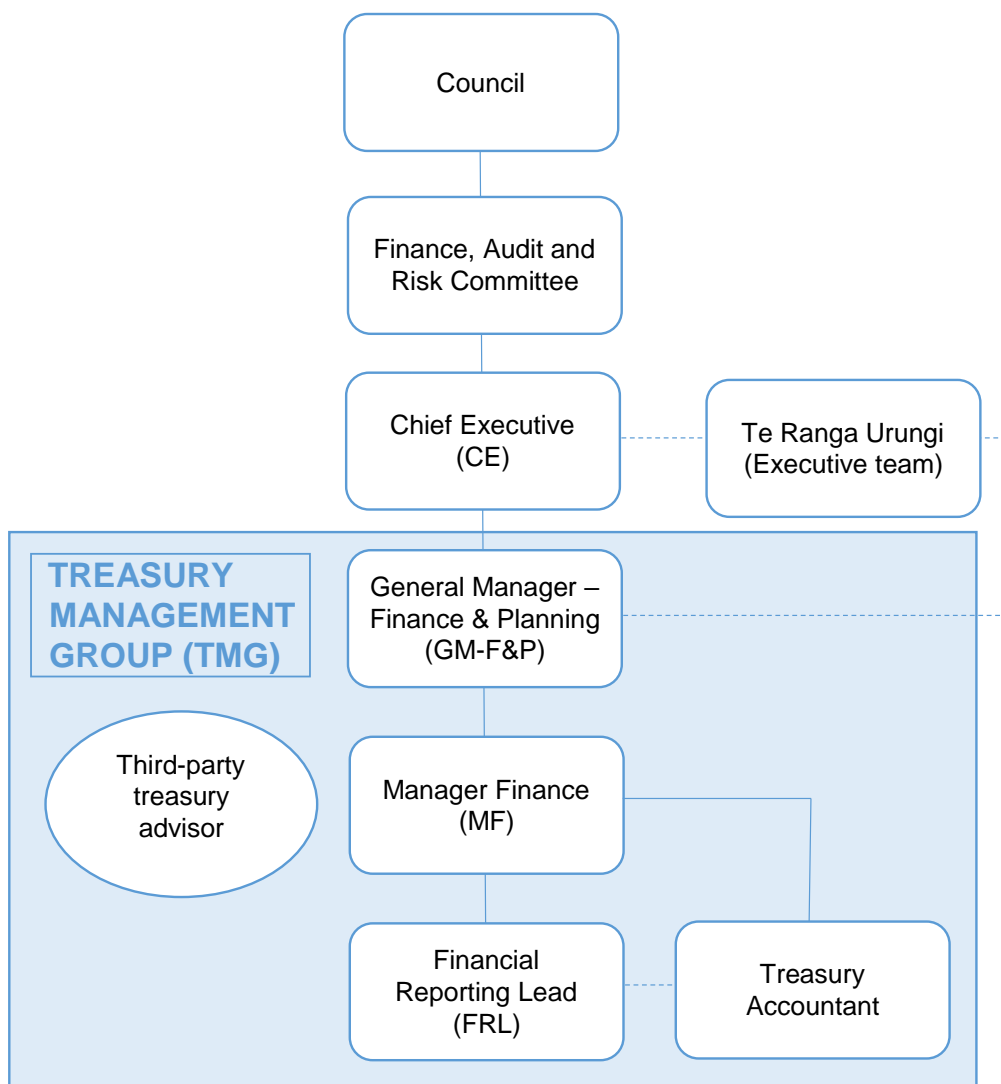
	GM-F&P - \$50m MF - \$20m	
Approve payment of already contracted interest and fees^	GM-F&P - \$10m MF - \$10m FRL - \$5m	5
Perform transfers of stock / register new debt issues	Third-party security stock registrar	

*These powers cannot be subdelegated.

^ The limits specified apply per transaction.

3 TREASURY ROLES

The organisation chart showing separation of roles are outlined below:



13.2

4 LIABILITY MANAGEMENT POLICY

4.1 Purpose

The Liability Management Policy adopted under Section 102(1) of the LGA must state Council's policies for the management of both borrowings and other liabilities, including:

- Interest rate risk;
- Liquidity risk;
- Credit risk; and
- Debt repayment.

In accordance with best practice, the policy also addresses:

- Borrowing limits;
- Funding risk;
- The giving of security for lenders;
- Operational risk; and
- Several other considerations.

4.2 Objectives

The Council approach to liability management is based on the following principles:

- Maintaining debt and borrowing limits at a prudent level.
- Utilising borrowings to achieve intergenerational equity.
- Undertaking borrowings efficiently in accordance with Council's Liability Management Policy

Borrowing is undertaken to promote intergenerational equity. To achieve this, Council borrows for assets with a lifespan that exceeds ten years, such as new infrastructure assets for growth (to meet additional demand) or to upgrade existing assets (improve levels of service).

External borrowing is approved by Council during the LTP and annual planning processes. Projected debt levels are obtained from cash flow forecasts prepared during these planning processes. The authority to borrow is delegated to the Chief Executive as set out in the "Delegated Authorities" section.

In instances where long-term sustainable savings can be achieved from capital or operating projects, Council may utilise short-term borrowing to initially fund a project. However, all project borrowing must be within Council's borrowing limits and follow the appropriate Delegated Authority.

4.3 Interest rate risk

Interest rate risk refers to the potential for funding costs to deviate significantly from projections due to fluctuations in market wholesale interest rates, potentially impacting the projections included in the LTP or Annual Plan, and therefore impacting on cost control, capital investment decisions, returns and feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty in interest rate movements by fixing wholesale market interest rates. This approach protects

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 7 of 34
-------------	---	--------------

investment returns and funding costs through proactive management of underlying interest rate exposures. The interest rate management of the Perpetual Investment Fund ('PIF') is consistent with the founding principle of the fund and is outlined in the SIPO.

Management and mitigation of interest rate risk concerning debt funding costs are conducted through prescribed risk control limits. A fixed interest rate maturity profile that is outside the prescribed limits, but self corrects within 90-days is not in breach of this policy. However, maintaining a maturity profile beyond 90-days requires specific approval by Council.

Approval from Council is required for any interest rate fixing with a maturity beyond 15 years, except in cases where Council raises LGFA funding as fixed rate debt or raises an interest rate swap that is linked to floating rate LGFA debt maturing beyond 15 years.

The GM-F&P holds ultimate discretion regarding hedging percentages within these limits. Council approval will be sought if the TMG believe that hedging outside of these limits is warranted.

Benchmark	Measure																																																			
<p>Council's interest rate risk on forecast gross external debt¹ should be managed within the following fixed²/floating³ limits:</p> <table border="1" data-bbox="311 1041 1005 1742"> <thead> <tr> <th colspan="3" data-bbox="311 1041 1005 1115">Interest Rate Control Limits (calculated on rolling monthly basis⁴)</th> </tr> <tr> <th data-bbox="311 1115 555 1182">Rolling Period (in years)</th> <th data-bbox="555 1115 762 1182">Minimum Fixed Rate</th> <th data-bbox="762 1115 1005 1182">Maximum Fixed Rate</th> </tr> </thead> <tbody> <tr><td data-bbox="311 1182 555 1216">0 – 1</td><td data-bbox="555 1182 762 1216">40%</td><td data-bbox="762 1182 1005 1216">90%</td></tr> <tr><td data-bbox="311 1216 555 1249">1 – 2</td><td data-bbox="555 1216 762 1249">35%</td><td data-bbox="762 1216 1005 1249">90%</td></tr> <tr><td data-bbox="311 1249 555 1283">2 – 3</td><td data-bbox="555 1249 762 1283">30%</td><td data-bbox="762 1249 1005 1283">90%</td></tr> <tr><td data-bbox="311 1283 555 1317">3 – 4</td><td data-bbox="555 1283 762 1317">20%</td><td data-bbox="762 1283 1005 1317">85%</td></tr> <tr><td data-bbox="311 1317 555 1350">4 – 5</td><td data-bbox="555 1317 762 1350">10%</td><td data-bbox="762 1317 1005 1350">80%</td></tr> <tr><td data-bbox="311 1350 555 1384">5 – 6</td><td data-bbox="555 1350 762 1384">0%</td><td data-bbox="762 1350 1005 1384">75%</td></tr> <tr><td data-bbox="311 1384 555 1417">6 – 7</td><td data-bbox="555 1384 762 1417">0%</td><td data-bbox="762 1384 1005 1417">70%</td></tr> <tr><td data-bbox="311 1417 555 1451">7 – 8</td><td data-bbox="555 1417 762 1451">0%</td><td data-bbox="762 1417 1005 1451">65%</td></tr> <tr><td data-bbox="311 1451 555 1485">8 – 9</td><td data-bbox="555 1451 762 1485">0%</td><td data-bbox="762 1451 1005 1485">60%</td></tr> <tr><td data-bbox="311 1485 555 1518">9 – 10</td><td data-bbox="555 1485 762 1518">0%</td><td data-bbox="762 1485 1005 1518">55%</td></tr> <tr><td data-bbox="311 1518 555 1552">10 - 11</td><td data-bbox="555 1518 762 1552">0%</td><td data-bbox="762 1518 1005 1552">50%</td></tr> <tr><td data-bbox="311 1552 555 1585">11 - 12</td><td data-bbox="555 1552 762 1585">0%</td><td data-bbox="762 1552 1005 1585">45%</td></tr> <tr><td data-bbox="311 1585 555 1619">12 – 13</td><td data-bbox="555 1585 762 1619">0%</td><td data-bbox="762 1585 1005 1619">40%</td></tr> <tr><td data-bbox="311 1619 555 1653">13 – 14</td><td data-bbox="555 1619 762 1653">0%</td><td data-bbox="762 1619 1005 1653">35%</td></tr> <tr><td data-bbox="311 1653 555 1686">14 – 15</td><td data-bbox="555 1653 762 1686">0%</td><td data-bbox="762 1653 1005 1686">30%</td></tr> </tbody> </table> <p data-bbox="311 1780 1005 1892">¹ "Forecast gross external debt" is the amount of total external debt for a given 12-month period and does not include pre-funded debt amounts. This allows for pre-hedging in advance of projected physical drawdown of new debt.</p>	Interest Rate Control Limits (calculated on rolling monthly basis ⁴)			Rolling Period (in years)	Minimum Fixed Rate	Maximum Fixed Rate	0 – 1	40%	90%	1 – 2	35%	90%	2 – 3	30%	90%	3 – 4	20%	85%	4 – 5	10%	80%	5 – 6	0%	75%	6 – 7	0%	70%	7 – 8	0%	65%	8 – 9	0%	60%	9 – 10	0%	55%	10 - 11	0%	50%	11 - 12	0%	45%	12 – 13	0%	40%	13 – 14	0%	35%	14 – 15	0%	30%	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>
Interest Rate Control Limits (calculated on rolling monthly basis ⁴)																																																				
Rolling Period (in years)	Minimum Fixed Rate	Maximum Fixed Rate																																																		
0 – 1	40%	90%																																																		
1 – 2	35%	90%																																																		
2 – 3	30%	90%																																																		
3 – 4	20%	85%																																																		
4 – 5	10%	80%																																																		
5 – 6	0%	75%																																																		
6 – 7	0%	70%																																																		
7 – 8	0%	65%																																																		
8 – 9	0%	60%																																																		
9 – 10	0%	55%																																																		
10 - 11	0%	50%																																																		
11 - 12	0%	45%																																																		
12 – 13	0%	40%																																																		
13 – 14	0%	35%																																																		
14 – 15	0%	30%																																																		

13.2

<p>² “Fixed Rate” is defined as all known interest rate obligations on forecast gross external debt where debt is borrowed on a fixed interest rate basis or where hedging instruments have fixed movements in the applicable reset rate.</p> <p>³ “Floating Rate” is defined as any interest rate obligation subject to movements in the applicable reset rate.</p> <p>⁴ Fixed interest rate percentages are calculated monthly based on the average amount of fixed interest rate obligations relative to the average forecast gross external debt amounts for the given period (as defined in the table above).</p>	
---	--

Forecast gross external debt is to be reviewed by the TMG as part of the ongoing strategic risk management process, and the specific levels of core debt deemed to be that which is not seasonal or working capital related. When changes in forecasts are approved by the GM-F&P, fixed rate cover in place may have to be adjusted to ensure compliance with the policy minimum and maximum limits.

When designing and approving the interest rate strategy, the GM-F&P or delegate can consider alternative debt forecast scenarios that make assumptions around such matters as the delivery and timing of the capital expenditure programme.

Any debt raised and on-lent to CCO/CCTOs is included in the forecast gross external debt amount and the related interest rate risk is managed within the limit framework. If fixed rate debt was raised, then the fixed rate amount would be included within the fixed rate/hedging interest rate risk position.

4.4 Liquidity risk

Liquidity risk refers to the potential inability of the Council to meet its day-to-day obligations, including debt maturities, due to unforeseen events or circumstances. This could result in loss of reputation or financial losses from asset liquidation.

Council’s objective is to consistently meet its day-to-day commitments, preserve its reputation and prevent financial losses, whilst ensuring that the minimum possible cash balances are held in interest-earning accounts.

Benchmark	Measure
<p>To manage liquidity risk, Council undertakes the following:</p> <p>(a) To always have in place comprehensive insurance cover for all assets and aspects of Council’s activities as outlined in Council’s insurance strategy.</p> <p>(b) To have access to committed bank facilities, cash and term deposits¹ (with a term of less than 30 days) that is equivalent to approximately one month of Council’s payment commitments.</p> <p>¹ Council’s Treasury Investments should only be made with the counterparties outlined in APPENDIX I. For the purposes of</p>	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>

assessing Liquidity risk, funds held within the PIF investment are excluded.	
--	--

4.5 Credit risk

Credit risk arises from potential credit rating deterioration of investment entities or counterparties in financial derivative contracts, which could lead to defaults, and ultimately loss by Council in respect of anticipated interest payments, repayment of principal, or non-payment of contracted financial obligations. Therefore, Council seeks to limit its risk in the above areas and mitigate potential financial losses.

Benchmark	Measure
<p>To manage credit risk, the following standards and procedures must be followed:</p> <p>(c) Investments are only to be placed with the counterparties/issuers outlined in APPENDIX I.</p> <p>(d) Financial derivative contracts are only to be concluded with registered banks with a minimum credit rating of 'A-1/A' (S&P or equivalent). The maximum exposure to any one counterparty is set out in APPENDIX I.</p>	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>

13.2

4.6 Debt repayment

External debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the appropriate approvals and borrowing limits, a loan may be rolled over or re-negotiated as and when appropriate. Council will manage external debt on a net portfolio basis and will only borrow when it is commercially prudent to do so.

Benchmark	Measure
<p>External debt is repaid as it falls due in accordance with the applicable loan agreement.</p>	<p>Compliance with benchmark. Any breaches are noted in the Quarterly Performance Report.</p>

4.7 Borrowing limits

The borrowing limits specified below are measured on Council only and not the consolidated group.

For calculating 'Net Debt', Council has adopted a definition for *liquid funds* that is distinct from the one employed to measure 'Liquidity'. This differentiation is intentional: the Net Debt definition focuses on Council's net debt position and available borrowing capacity, considering a range of financial assets that can offset external debt. In contrast, Council's Liquidity calculation prioritises short-term assets that can be quickly converted to cash to meet immediate obligations, reflecting a conservative approach that emphasises immediate liquidity.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 10 of 34
-------------	---	---------------

Council will manage its debt in accordance with the following Council borrowing limits and external lender covenants:

Benchmark	Council limits	LGFA covenants*	Measure
Net debt ¹ / total revenue ²	< 135%	< 280%	Compliance with benchmarks. Any breaches are noted in the Quarterly Performance Report.
Net interest ³ / total revenue ²	< 10%	< 20%	
Net interest ³ / total annual rates income ⁴	< 12.5%	< 30%	
Liquidity (external debt ⁶ + unused committed loan facilities + liquid funds ⁵) / external debt ⁶	> 105%	> 110%	

¹ "Net debt" is defined as total external debt⁶ less liquid funds⁵. When calculating net debt, the LGFA considers the following items as *liquid funds*:

- (a) cash, term deposits and any investments held within investment portfolios (whether these are ring fenced or not). Investment portfolios might include listed equities, fixed interest securities, listed property securities or units in managed funds. For the purposes of calculating Net Debt, *liquid funds* include the full balance of the PIF investment.
- (b) LGFA borrower notes.
- (c) any council lending to a Council Controlled Organisation (CCO) or Council Controlled Trading Organisation (CCTO) can also be deducted but only where the CCO or CCTO is a going concern and not dependent upon council financial support.

Council calculation of "Net Debt" is in line with the LGFA interpretations as in (a)-(c) above.

² "Total revenue" is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).

For the purposes of this calculation, "total revenue" excludes any realised or unrealised gains/losses arising from the PIF due to the revenue flow to Council from the PIF being managed through a Release Rule, which spreads out the revenue impact of value-based fluctuations over time. As these variations are less relevant to the ratios being measured, they should be excluded from the calculation. However, the revenue released to Council under the Release Rule is still included in the total revenue figure.

³ Net interest is defined as the amount equal to all interest and financing costs on external debt less interest income for the relevant period.

- (d) Interest and finance costs on external debt are calculated by adding together the value of all Council's financing costs including interest costs on debt, costs of derivatives (but not any unrealised mark to market movements) and any costs on committed bank facilities. The finance component of a lease payment may also be part of a council's interest cost, if agreed by the LGFA.
- (e) Interest income is interest Council has earned on cash, term deposits, fixed interest and dividends on non-core listed equities. Council cannot deduct any foreign exchange gains or unrealised gains on investments.

* <https://www.lgfa.co.nz/about-lgfa/risk-management>.

Council must provide an annual certificate of compliance to the LGFA to certify the covenants are met as at 30 June each year.

ECM 8280048	Approved By: TRU 'Uncontrolled' copy once printed	Page 11 of 34
-------------	---	---------------

⁴ Annual rates income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other local authorities for services provided (and for which the other local authorities rate). Council can add any revenue received from income for which Council rates (e.g. volumetric water charges).

⁵ Liquid funds:

When calculating Council's Liquidity covenant, Council defines *liquid funds* as:

- (f) Cash on hand and overnight bank cash deposits.
- (g) Bank term deposits no greater than 30days.
- (h) Bank issued registered certificates of deposits (RCDs) less than 180 days.
- (i) Cash portion/component of the PIF (not the full balance of the fund).

The length of investment refers to the number of days as per the investment agreement. This term is applied to the entire duration of the deposit, not to the remaining period of an investment at the time the liquidity measure is calculated.

For the purpose of calculating the LGFA Liquidity covenant, in addition to the above, the LGFA also allows the inclusion of:

- (j) Approved fixed interest securities.
- (k) Listed, non-core equity investments.
- (l) The full balance of the PIF and any other longer-term fixed interest securities and listed equities that are non-core and that can be sold.
- (m) Any loans to CCOs or CCTOs (that are a going concern) that mature within 12 months.

⁶ External debt is debt secured under debenture, and is the aggregate of bank drawdown amounts, issued commercial paper, term debt, capitalised finance leases and financial guarantees provided to third parties. Any debt prefunding which has been temporarily invested should be subtracted from the external debt total, since these funds are directly linked to the debt raised.

4.8 Funding risk

Funding risk management centres on the ability to refinance or raise new debt at a future time at the same or more favourable terms, regarding fees, borrowing margins and maturity terms of existing facilities and loans.

Managing Council's funding risk is important as risk factors can arise causing an adverse movement in borrowing margins, term availability and general flexibility including:

- Local Government risk is priced to a higher fee and margin level.
- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons.
- A large individual lender to Council experiences their own financial or exposure difficulties resulting in Council not being able to manage their debt portfolio as optimally as desired.
- New Zealand investment community experiences a substantial "over supply" of Council investment assets.
- Financial market shocks from domestic or global events.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time. This ensures that access to funding, overall borrowing cost and desired maturity profiles are not unnecessarily compromised by market conditions.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 12 of 34
-------------	---	---------------

To achieve this Council will:

- Diversify its funding sources. Council diversifies its funding sources by having a mix of LGFA, bank and capital market sourced debt.
- Maintain cash advance facilities with multiple lenders to spread funding relationships.
- Utilise investments earmarked for special funds to meet debt commitments or to avoid raising additional debt. Only those investments that have been received by Council as a result of a bequest, or Trust, or where there is a clearly identified obligation to a third party will be retained in a separately identified investment account for that purpose.
- Have the ability to pre-fund up to 18 months of forecast debt requirements, including re-financings of existing debt.
- Maintain a spread of maturity dates in funding facilities to mitigate the risk in situations where Council may not be able to raise funding at acceptable credit margins due to changes in specific conditions relating to Council or market changes.
- Ensure total borrowings are reviewed and recalibrated annually, based on new assets built and borrowings repaid. Borrowings are to be repaid on a straight-line basis between 20 to 30 years.

13.2

The following parameters have been formulated taking into account Council's goal of maintaining a suitable S&P rating. If Council's credit rating falls below AA- then these parameters must be formally reviewed by the TMG and any changes recommended to Council. The parameters are as follows:

Benchmark			Measure
The maturity profile of the total committed funding in respect to all loans and committed lending facilities ¹ is to be controlled as follows:			Compliance with benchmark. A funding maturity profile outside these limits, but which self corrects within 90 days is not in breach of this Policy. A maturity schedule outside these limits for a period greater than 90 days requires specific Council approval and must be noted in the Quarterly Performance Report.
Period	Minimum	Maximum	
0 to 3 years	15%	60%	
3 to 7 years	25%	85%	
7 years plus	0%	60%	
¹ With regard to calculating the funding maturity profile, total committed lending facility amounts are recognised as maturing at the facility's legal expiry date.			

External debt that is raised by Council to be on-lent debt to a CCO/CCTO is included in the funding maturity profile percentage calculation. The offsetting CCO/CCTO loan asset is not included in the debt funding maturity profile.

Once debt has been refinanced with a contracted term deposit (pre-funded), the term deposit amount will net off the maturing debt amount from the funding maturity profile percentage calculation.

4.9 The giving of security for lenders

Council's external borrowings and interest rate management instruments are secured by a charge over rates and rates revenue, offered through a Debenture Trust Deed.

Under the Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Rating Act. This security arrangement places Council's security on equally footing with other lenders.

Should Council consider it necessary to provide security by mortgaging or charging a physical asset instead of rates, (with the exception of Council's water assets, per Section 130(3)(a) of the LGA), it has the discretion to do so. Independent advice may be sought if necessary.

In cases where security is offered over specific assets, prior Council approval is required along with the following considerations:

- A direct relationship between the debt and the purchase or construction of the asset which it funds (e.g. project finance).
- Council considers a charge over physical assets to be appropriate.
- Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.
- Any lending to a CCO / CCTO will be on a secured basis and be approved by Council.

4.10 Operational risk

Operational risk is the risk potential losses due to human error (or fraud), system failures and inadequate procedures and controls.

Council's aims to minimise losses arising from mistakes, errors, and non-compliance with policies. Council mitigates operational risk by managing the following key elements:

- Clearly defined **delegation of authority** to specified individuals within the organisation.
- Adequate **segregation of duties** across the treasury function. Although, due to the small number of staff involved in treasury activity, strict segregation of duties might not always be achievable.
- Appropriate and sound **reporting systems and procedures** to enable management and senior executive to identify, manage and monitor risks. This involves ensuring the legitimacy of transactions, the level of authorisation required, and that robust systems are in place to ensure complete, timely and accurate reporting.
- **Triennial TMP reviews**, including reviewing operating guidelines on a regular basis.

13.2

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 14 of 34
-------------	---	---------------

4.11 Borrowing considerations

4.11.1 Centralised borrowing and capital charge

All borrowing for activities funded from general rates is centralised for internal accounting purposes. Interest and principal repayment costs incurred at the corporate level are charged to each activity based on the proportion of long-term assets held by that operating unit compared to the total long-term assets of such activities.

Borrowing for activities funded by targeted rates is “ring-fenced” to each activity based on the actual capital expenditure and the debt/rate funding ratio required for each activity.

Council uses a capital charge mechanism to reflect the cost of long-term capital employed within affected activities. The charge reflects both the interest costs and provisions for principal repayment.

4.11.2 Internal borrowing

Council manages all funding and liquidity as a centralised function to ensure cash and borrowing resources are used in an optimal manner. Some activities may effectively borrow internally rather than through external borrowing.

Where internal borrowing is recognised for an activity, the internal loan will be charged interest at the borrowing rate assumed for that activity in the relevant Annual Plan or Long-Term Plan[†].

This ensures the cost of capital charged to the activity is consistent with the funding costs provided for through rates and other funding mechanisms. This approach maintains consistency between funding assumptions, activity pricing, and capital charging, and avoids variability arising from short-term movements in Council’s actual external borrowing mix or timing.

Internal borrowing applies to the debt-funded component of approved capital expenditure and will be accounted for separately from targeted reserve balances.

4.11.3 Targeted reserves balances

Targeted reserves are accounting reserves recognised for activities of Council where revenue received from providing the activity is ring-fenced for a particular purpose. Examples include targeted rates levied for roading or refuse collection and disposal.

Council will apply internal interest to targeted reserve balances to reflect the cost or benefit of funds utilised or held by activities and to minimise cross subsidisation between activities.

[†] Rationale: Using the LTP/AP borrowing rate as the internal loan rate acts as a stabilising anchor, and achieves the following objectives:

- Aligns capital charges with approved funding assumptions, not treasury timing outcomes.
- Ensures that neither windfall gains nor windfall losses arise from short term interest rate movements.
- Preserves the integrity of consultation - ratepayers pay the cost they were consulted on (no more, no less).
- Retains treasury risk (rate movements, timing, refinancing) at the corporate level, instead of passing through to individual activities.

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 15 of 34
-------------	---	---------------

Interest on targeted reserves applies only to the reserve-funded component of an activity's funding position and does not apply to balances separately recognised as internal borrowing under clause 4.11.2.

The calculation will be applied consistently across applicable targeted reserves, subject to documented exceptions for immaterial, short-term or policy-specific balances.

4.11.4 Interaction between internal borrowing and targeted reserves

Internal borrowing and targeted reserve balances represent separate funding mechanisms.

Internal borrowing reflects the borrowing-funded component of capital expenditure. Targeted reserve balances reflect the reserve-funded component of an activity's funding position, including timing differences between ring-fenced revenue, depreciation funding, and expenditure. Council will ensure that the same underlying funding exposure is not subject to both:

- an internal borrowing charge under clause 4.11.2; and
- interest on a targeted reserve balance under clauses 4.11.5 or 4.11.6.

Finance will perform an annual reconciliation between internal borrowing balances, targeted reserve balances and activity-level funding positions. Where a targeted reserve balance includes an amount already recognised as internal borrowing, that amount will be excluded from the reserve interest calculation.

4.11.5 Negative targeted reserve balances

Where a targeted reserve balance is negative (i.e. overdrawn), the activity is deemed to have utilised internally funded borrowings.

- Council will charge interest to the reserve account.
- The interest rate applied will be the Actual Weighted Average Cost of Borrowing (WACB).

Charging interest at the full WACB ensures that:

- Financing decisions properly reflect external borrowing costs faced by the organisation.
- There is no implicit subsidy from other activities or ratepayers.
- Signal alignment is maintained with funding and revenue decisions under the Revenue and Financing Policy.

4.11.6 Positive targeted reserve balances

Where a targeted reserve balance is positive, the activity is deemed to have provided internal funding to Council.

- Council will credit interest to the reserve account.
- The interest rate applied will be the Weighted Average Cost of Borrowing (WACB) less an applied margin.

For FY26, an applied margin of 2.00% will be utilised.

13.2

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 16 of 34
-------------	---	---------------

The applied margin will be reviewed annually as part of treasury reporting, having regard to Council's actual WACB, achievable short-term investment returns, liquidity requirements, refinancing risk, facility costs, administrative costs and the need to avoid creating incentives for excessive reserve accumulation.

The interest crediting rate will not be less than zero.

Crediting interest at WACB less the applied margin recognises the opportunity cost of those funds while also acknowledging that:

- Internal funds do not incur the full transaction, liquidity, refinancing, or credit costs associated with external borrowing.
- Council retains discretion over overall cash and debt management, including timing and duration of borrowings.
- Applying full WACB would overstate the economic return and could incentivise excessive accumulation of cash balances within activities.

4.11.7 Scope

This section (4.11) applies only to targeted reserves that are attributable to specific activities or funding sources.

Interest will not normally be applied to:

- General rate funded reserves;
- Strategic or discretionary reserves; or
- Reserves established for policy or smoothing purposes.

4.11.8 Rational for targeted application

Targeted reserves typically arise from user-pays or beneficiary-pays funding models and reflect timing differences between funding received and expenditure incurred.

Applying interest to targeted reserves recognises that:

- Activities with negative balances are effectively utilising Council's debt capacity;
- Activities with positive balances are effectively providing funding to Council; and
- Reserve balances have an economic cost or benefit that should be attributed to the relevant activity.

This approach supports transparency, consistency with Council's Revenue and Financing Policy, and intergenerational equity.

4.11.9 Exceptions

Council may elect not to apply interest to reserves where balances are immaterial, short term, or where an explicit policy decision has been made.

Any exception will be documented and applied consistently.

4.11.10 Review

- The WACB and applied margin will be reviewed annually as part of treasury reporting.
- This section will be reviewed as part of the Long-Term Plan or earlier if required.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 17 of 34
-------------	---	---------------

4.12 Capital Work in Progress (WIP) and Asset Write-off Funding Guidelines

4.12.1 Capital Work in Progress (WIP) write-offs

Council may incur capital expenditure that is subsequently written off prior to the commissioning of an operational asset.

This section (4.12) sets out Council's approach to the funding and treasury treatment of such expenditure.

4.12.2 Scope

This section applies to:

- capital work in progress (WIP) balances;
- discontinued or abandoned capital projects;
- feasibility, investigation, design, procurement, and enabling costs written off prior to commissioning;
- costs to develop long-term assets which accounting standards require to be classified as operating expenditure; and
- partial write-offs of capital programmes.

This section does not apply to:

- impairment of commissioned assets;
- routine maintenance expenditure; or
- expenditure incorrectly capitalised.

4.12.3 Funding approach

Where capital expenditure is written off prior to asset commissioning, Council may apply one or more of the following funding sources:

- debt funding;
- reserves;
- grants or subsidies (where available); and/or
- rates.

The selected funding approach will have regard to:

- the original approved funding source;
- the nature of the expenditure;
- the extent of any ongoing benefit derived;
- impacts on rates and debt affordability; and
- intergenerational equity.

4.12.4 Debt funding

Council may apply debt funding to written-off capital expenditure where:

- the expenditure formed part of an approved capital programme; and
- spreading the cost over time is considered equitable and financially prudent.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 18 of 34
-------------	---	---------------

Where debt funding is applied:

- repayment terms will generally be materially shorter than those that would have applied had the asset been completed; and
- repayment terms will reflect the nature and extent of any ongoing benefit.

Indicative repayment terms are:

- 3–5 years for feasibility or investigation expenditure;
- 5–7 years for design or procurement activities;
- up to 10 years for advanced programme development or enabling works.

Council may approve alternative terms where justified.

4.12.5 Reserve funding

Council may apply reserve funding where:

- the original project was intended to be reserve funded;
- sufficient reserve balances exist; or
- reserve utilisation best reflects the purpose of the reserve.

Use of reserves will consider:

- sustainability of reserve balances; and
- impacts on future funding requirements.

4.12.6 Rates funding

Council may fund written-off capital expenditure directly from rates where:

- the amount is not material;
- immediate recovery is considered appropriate; or
- no alternative funding source is available.

4.12.7 Approval and reporting

Material WIP write-offs and associated funding decisions will be:

- approved through the Long-Term Plan, Annual Plan, Council resolution, or delegated authority; and
- reported to Council with sufficient information to support decision-making.

Reporting will include:

- the nature and cause of the write-off;
- proposed funding source; and
- proposed debt repayment terms (where applicable).

4.12.8 Accounting versus funding treatment

The accounting write-off of capital expenditure does not, in itself, determine the funding treatment.

13.2

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 19 of 34
-------------	---	---------------

Where Council elects to debt fund expenditure that has been written off for accounting purposes, the decision should be supported by a documented assessment of the original approved funding source, the nature of the expenditure, whether any enduring benefit has been created, the period over which any benefit is expected to arise, impacts on rates and debt affordability, consistency with the Revenue and Financing Policy, and prudent financial management.

Debt funding should not be used to reclassify routine operating expenditure, operating shortfalls or expenditure incorrectly capitalised as long-term funding items.

4.12.9 Treatment of write-offs relating to commissioned assets

Where an asset has been commissioned and funded in accordance with Council's approved funding and financing decisions, any subsequent impairment, disposal, abandonment, or write-off shall generally not invalidate the original funding treatment.

Council recognises that:

- the community received benefit from the asset over the period it was in service; and
- the original funding decision was appropriate based on information available at the time the asset was commissioned.

Accordingly:

- existing debt funding associated with commissioned assets may continue over the originally approved repayment term unless Council determines an alternative approach is warranted;
- reserve funding arrangements may continue in accordance with established reserve purposes and policies; and
- any accounting impairment or write-off does not automatically require immediate changes to the associated funding structure.

Council may reconsider funding arrangements where:

- the asset failed materially earlier than expected;
- significant recovery funding is received;
- the original assumptions underlying the funding decision materially change; or
- continued application of the original funding approach would no longer be considered prudent or equitable.

4.13 Other liability management considerations

4.13.1 Types of funding

Council has a variety of funding sources available and will utilise the most appropriate and cost-effective source from time to time, as determined by management.

These sources include:

- Short term, and medium term committed funding facilities from banks and the LGFA.
- Leasing, and hire-purchase of certain assets (including sale and leaseback where appropriate and cost effective).

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 20 of 34
-------------	---	---------------

- Issue of fixed and floating rate Local Authority stock or bonds to both the wholesale or retail market.
- Issue of commercial paper.
- Issue of ordinary shares, redeemable preference shares and other hybrid equity instruments by CCO's.
- The LGFA.

Other sources of financing will from time to time be offered to Council. Management is authorised to assess, and utilise such financing sources as it so determines, but within the general constraints laid down in this TMP.

4.13.2 Credit rating

Council holds a formal Standard and Poor's (S&P) credit rating (or equivalent), to facilitate access to the bank, LGFA and wholesale and retail investor markets. A formal credit rating offers several advantages:

- It broadens Council's sources of financing, facilitating access to the New Zealand debt capital market. This supports liquidity and funding risk management objectives and enhances Council's cost of financing.
- It establishes the Council as a highly rated entity, strengthening its negotiating position in contractual dealings with third parties. The current 'very strong' rating reinforces this advantage.
- It subjects Council's financial management practices and performance to scrutiny by credit rating agencies and the wider debt capital markets. As such, it provides a very useful 'monitoring' service to supplement Council's own internal due diligence and reporting.

4.13.3 Guarantees and underwriting

Council may from time to time provide financial guarantees to third parties. Management must ensure that the business plan of the guaranteed party aligns with Council's strategic objectives and that financial statements are received on a regular basis. Should the guarantee be called up, Council must take immediate action to recover the money.

Any significant guaranteed amounts are to be included in the definition of 'External debt' for the purpose of determining compliance with the borrowing limits set out above.

Council will approve any guarantee arrangements for indebtedness. Guarantees provided to community organisations or clubs for loans or incidental arrangements must align with Council's strategic objectives.

For existing guarantees, Council ensures that sufficient financial capacity exists relative to LGFA lending covenants. Unless approved by Council, guarantees or financial arrangements given will not exceed any amount agreed by Council.

As set out in Section 62 of the LGA, Council does not give any guarantee, indemnity or security in respect of the performance of any obligation by a CCTO.

4.13.4 New Zealand Local Government Funding Agency Limited (LGFA)

Council may borrow from the LGFA and engage in related transactions, including:

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 21 of 34
-------------	---	---------------

- Contributing a portion of its borrowing back to the LGFA as a loan or equity contribution to the LGFA. For example, borrower notes.
- Providing guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Committing to contributing additional equity (or subordinated debt) to the LGFA if required.
- Securing its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

4.13.5 On-lending to Council Controlled Organisations

To align with strategic and commercial objectives, Council may provide debt funding directly or indirectly to CCO or CCTOs. Guarantees of financial indebtedness to CCTOs are prohibited, but financial support may be provided by subscribing for shares as called or uncalled capital.

Any on-lending arrangement to a CCO or CCTO must be approved by Council, with the following considerations:

- Credit risk profile of the borrowing entity, and the ability to repay interest and principal amounts outstanding on due date.
- Impact on Council's credit standing, credit rating, debt burden (particularly in relation to S&P credit assessment), lending covenants with the LGFA and other lenders and Council's future borrowing capacity.
- The form and quality of security arrangements provided.
- The lending rate, given factors such as CCO or CCTO credit profile, external Council borrowing rates, borrower note and liquidity buffer requirements, term etc.
- Lending arrangements to the CCO or CCTO must be documented on a commercial arm's length basis. A term sheet, including matters such as borrowing costs, interest payment dates, principal payment dates, security and expiry date must be agreed between the parties.
- Accounting and taxation impact of on-lending arrangement.

All on-lending arrangements must be executed under legal documentation (e.g. loan, guarantee) reviewed and approved by Council's independent legal counsel.

4.13.6 Approved financial instruments

Approved financial instruments are as follows; any other financial instrument must be specifically approved by Council on a case by-case basis. Any Council approval only applies to the one singular transaction being approved.

Category	Instrument
Cash and liquidity management and borrowing	<ul style="list-style-type: none"> • Call cash. • Call and short-term bank deposits (less than 30 days unless linked to prefunding strategy). • Bank registered certificates of deposit (RCDs). • Treasury bills.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 22 of 34
-------------	---	---------------

	<ul style="list-style-type: none"> • Bank overdraft. • Committed cash advance and bank accepted bill facilities (short-term and long-term loan facilities). • Committed standby facilities from the LGFA. • Uncommitted money market facilities. • Retail and Wholesale Bond, both Fixed Rate (MTN) and Floating Rate Note (FRN) issuance (including forward start from the LGFA). • Commercial paper.
Interest rate risk management	<p>Forward rate agreements (“FRAs”) on:</p> <ul style="list-style-type: none"> • Bank bills. <p>Interest rate swaps including:</p> <ul style="list-style-type: none"> • Forward start swaps. • Swap extensions and shortenings. <p>Interest rate options¹ on:</p> <ul style="list-style-type: none"> • Bank bills (purchased caps and one for one collars). • Interest rate swaps (purchased swaptions and one for one collars).
Investments (term <180 days)	<ul style="list-style-type: none"> • Call and short-term bank deposits (less than 30 days unless linked to prefunding strategy). • Bank registered certificates of deposit (RCDs). • Treasury bills.
Investments (excluding the PIF)	<ul style="list-style-type: none"> • LGFA borrower notes / commercial paper / bills / bonds. <p>All unsecured investment securities must be senior in ranking. The following types of investment instruments are expressly excluded:</p> <ul style="list-style-type: none"> • Structured debt where issuing entities are not a primary borrower or issuer. • Subordinated debt (other than borrower notes subscribed from the LGFA), junior debt, perpetual notes and debt or equity hybrid notes such as convertibles.
<p>¹ Conditions on the use of interest rate instruments:</p> <ul style="list-style-type: none"> • Interest rate options must not be sold outright. However, one to one collar option structures are allowable whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out in isolation (i.e. repurchased) otherwise both sides must be closed out simultaneously. The sold option leg of the collar structure must not have a strike rate “in-the-money”. • Purchased borrower swaptions mature within 18 months. • The forward start period on swap/collar strategies to be no more than 36 months, unless the forward start swap/collar starts on the expiry date of an existing swap/collar and has a notional amount which is no more than that of the existing swap/collar. • Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate cover percentage calculation. 	

13.2

4.13.7 Accounting treatment of financial instruments

Council uses financial arrangements (derivative swaps, or simply ‘swaps’) for the primary purpose of reducing its financial risk to fluctuations in interest rates. The purpose of this section is to articulate Council’s accounting treatment of swaps in a broad sense.

Under New Zealand Public Benefit Entity (PBE) International Public Sector Accounting Standards (IPSAS) changes in the fair value of derivatives go through the Statement of Revenue and Expense unless derivatives are designated in an effective hedge relationship.

Council’s principal objective is to actively manage Council’s interest rate risks within approved limits and chooses not to apply hedge accounting. Council accepts that the marked-to-market gains and losses on the revaluation of swaps can create potential volatility in Council’s annual accounts.

Management	Reporting
<p>The MF, through the GM-F&P is responsible for advising the CE of any changes to relevant New Zealand Public Sector PBE Accounting Standards which may result in a change to the accounting treatment of any financial instruments.</p> <p>All treasury financial instruments must be revalued (marked-to-market) at least every six months for risk management purposes.</p>	<p>Swaps gains or losses are reported to Council on a quarterly basis as part of the Financial Performance Report.</p>

13.2

4.13.8 Agreements

Financial instruments can only be entered into with banks that have in place an executed International Swaps and Derivatives Association (ISDA) master agreement with Council. All ISDA Master Agreements for financial instruments and carbon units must be approved by Council.

4.13.9 Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements. Council must comply with all obligations and reporting requirements under existing funding facilities and legislative requirements.

4.13.10 Foreign exchange and commodity price risk

Foreign exchange risk arises when the NZD cost of a product, service, material or equipment sourced offshore increases as a result of a deterioration in the foreign exchange rate, between the time of the commitment and the time payment is made.

Commodity price risk arises where certain areas of Council’s operations are subject to the impact of commodity price fluctuations. The most significant activities affected are those involved in construction of community assets; in particular roading, which is affected due to the fluctuation of the bitumen price which is driven by oil prices and the movement in the NZD.

Council does not borrow or enter into incidental arrangements within or outside New Zealand in currency other than New Zealand currency.

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 24 of 34
-------------	---	---------------

Foreign exchange risk:

Council’s objective in relation to foreign exchange is to ensure that there are no material unhedged risks, from either:

- The time a tender is accepted (which includes a foreign exchange exposure for Council, either directly, or in terms of the ability of the contractor to vary NZD prices should exchange rates vary), or
- The time an approved purchase order is placed on an overseas supplier (collectively, “foreign exchange commitments”).

To avoid these risks, all recognised foreign exchange commitments in excess of the equivalent NZD100,000 that entail the purchase of foreign currency will be hedged using the following approved financial instruments:

- Foreign currency deposits
- Spot foreign exchange
- Forward foreign exchange contracts
- Purchased currency options and collars (one to one only)

Hedging should take place within two days of the commitment being recognised once the expenditure is approved, and the currency amount and timing are known.

Commodity price risk:

Where appropriate and to provide certainty of commodity prices Council may hedge commodities using recognised hedging instruments. Commodity hedges should match budgeted expenditure or specific contracts.

Where commodity price hedging is available and where the applicable commodity component exceeds NZD100,000, the use of hedging may be considered. Approved commodity hedge instruments include:

- Bitumen Price Index (BPI) Swaps
- Other indices that apply to affected commodities

Foreign exchange and commodity instruments:

Financial instruments other than those stipulated above require one-off Council approval prior to transacting.

- Foreign exchange options cannot be sold outright.
- Commodity swaps can be entered into by the applicable General Manager provided they are reported in the next Quarterly Performance Report. Other hedging instruments must also be approved by the Chief Executive.

All risks are to be matched by foreign exchange contracts of the same currency, equal value and term. Records of any foreign exchange commitments are to be maintained, together with a record of forward exchange contracts undertaken to hedge the risks concerned.

4.13.11 Emissions Trading Scheme (ETS)

The objective of the ETS carbon credit policy is to strike a balance between the timing of obligations and budget-setting for price allocation, ensuring price stability for the current budgetary period while allowing for strategic hedging decisions to manage carbon price

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 25 of 34
-------------	---	---------------

risk in the medium term. It accommodates some uncertainty in emissions forecasting, ensures earlier protection, and permits purchasing cover from Year 5 with a maximum of 50% unit holding.

ETS risk is managed under the following control limits based on Council’s gross liability exposure amount:

Obligation period	Compliance requirements as at (month of current year)	Minimum holding as a percentage of annual gross obligations
Current calendar year	by 30 June	75%
	by 31 December	100%
Current calendar year plus 1	by 31 December	50%

The second stage of the framework is to set a minimum and maximum level of units to be purchased and held by Council to cover future years as shown below:

Period	Minimum unit holding	Maximum unit holding
Year 3* - Year 4	25%	50%
Year 4 – Year 5	0%	50%
* Current calendar year plus 2		

Approved carbon hedge instruments include:

- New Zealand Unit (NZU), spot and forward contracts.
- New Zealand Assigned Amount Unit (NZ-AAU), forwards / spot.
- Units that are accepted by the Crown to settle obligations under the New Zealand Emissions Trading Scheme.

Currently, Council doesn’t possess any ETS credits. However, the policy is in place in anticipation of the Council reconsidering its position on reestablishing the landfill.

5 INVESTMENT POLICY

5.1 Purpose

The Investment Policy adopted under Section 105 of the LGA must state Council’s policies on investments, including:

- The mix of investments;
- The acquisition or disposal of new investments;
- The management and reporting of investments; and
- The assessment and management of risks.

ECM 8280048	Approved By: TRU <i>‘Uncontrolled’ copy once printed</i>	Page 26 of 34
-------------	---	---------------

5.2 Objectives

The investment policy is designed to ensure that Council's investments are managed prudently and in accordance with legislation. Council's investment management objectives are guided by the following fundamental principles:

- Alignment with Council's general strategic objectives as set in its LTP;
- Ensuring that associated risks remain within acceptable levels;
- Ensuring that investments serve the best interests of Council and ratepayers;
- Maintaining an appropriate level of liquidity to meet cashflow requirements; and
- Ensuring that investments do not breach the borrowing limitations outlined in Council's Liability Management Policy.

Council's specific objectives for other pure and semi-commercial investments include:

- Identifying, quantifying, and managing associated risks.
- Conducting regular reviews to maximise value or consider disposal in the most cost effective and efficient manner.
- For semi-commercial investments, aligning the pure commercial rationale with broader community outcomes (if applicable) that could be contributed to by holding the investment in question.
- Enhance long-term investment returns and overall value.

5.3 The Mix of investments

Council categorises its investments into four relatively distinct areas, the first three being long-term in nature and the fourth more short-term:

1. **Perpetual Investment Fund (PIF):** A long-term commercial investment fund set up by Council from the proceeds from sale of Council's former shareholding in Powerco Limited in 2004. The PIF's investment policy and objectives are detailed in the Council approved SIPO. On 28 June 2023, Parliament passed the New Plymouth District Council (Perpetual Investment Fund) Bill. This Bill aims to safeguard the fund for community benefits, ensure prudent management, and mandate independent investments decisions. The Bill received Royal assent on 5 July 2023.
2. **Other pure commercial investments:** Investments aligned with Council's general strategic objectives purely for commercial returns. This includes investments in Forestry Joint Ventures and surplus property holdings. Such investments may be subjected to a broader range of active commercial reviews e.g. regular hold/sell reviews, portfolio analysis, comprehensive monitoring.
3. **Semi-commercial investments:** Investments where the commercial returns are influenced by other strategic objectives or broader community outcomes. Examples include the airport, Council's forestry estates and other properties and equities (LGFA and Civic Assurance). Such investments are subjected to a narrower range of active commercial reviews given their infrastructural or financial relationships e.g. business monitoring and long-term planning according to their scale and complexity of each business.
4. **Treasury investments:** Investments made from short-term general surplus funds, liquidity, pre-funding and restricted funds and bequests. These are typically financial instruments issued by approved counterparties.

13.2

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 27 of 34
-------------	---	---------------

5.4 The acquisition or disposal of investments

All new acquisitions, additions, or disposals of investments require Council approval and must follow Council's Investment Policy objectives set above.

Council policy positions for other pure or semi-commercial investments are reviewable by Council outside of this policy document and are as follows:

- **Joint venture forestry:** Harvest at maturity and not renew any joint venture agreements, or sell its interest if the joint venture partner or other party wishes to purchase at a commercial price.
- **Council forestry:** Retain the investment and continue to harvest on a rotational basis where commercially feasible (the land is generally retained for other Council purposes unless it is classified as surplus to those purposes. It would then be classified as a pure investment for eventual disposal along with other surplus property).
- **Papa Rererangi i Puketapu Limited (New Plymouth Airport):** To be managed in a commercial manner to ensure it is able to achieve all of its operational objectives.
- **Surplus properties:** Council has an existing process for declaring properties surplus to operational or future requirements and a review process for properties declared to be surplus but not yet disposed of.

5.5 The management and reporting of investments

5.5.1 Perpetual investment fund (PIF)

The objectives for the management of the PIF are outlined in the Governance Deed entered between Council and the New Plymouth PIF Guardians Limited (The Guardians) on 1 March 2017.

Management	Reporting
<p>The Council objectives in relation to the management of the PIF are:</p> <p>(a) To at least maintain the real capital of the PIF as a sustainable perpetual investment fund (the Founding Principle) whilst generating a sufficient return to maintain a sustainable release to the Council; and</p> <p>(b) To ensure that the following principles underpin the operation of the PIF:</p> <p>(i) all investments are made on purely commercial terms; and</p> <p>(ii) the PIF will be managed on the basis of a prudent, commercial, diversified portfolio investment style and asset allocation, which manages risk to further the Founding Principle.</p>	<p>The Guardians will report on a quarterly basis to the Council Controlled Organisation Committee.</p> <p>The performance of the PIF is principally measured through The Guardians meeting the requirements of the Governance Deed with Council, annual statements of intent, and industry benchmarks for fund performance as stated in the Statement of Investment Policy and Objectives (SIPO).</p>

5.5.2 Other pure and semi-commercial investments

Management	Reporting
<p>Council will manage these investments based on investment size and nature. The Strategy and Operations Committee holds delegated authority for managing urgent commercial investments. This committee monitors the performance of the investments and receives advice on its future position from the appropriate experts.</p> <p>On major decisions such as the holding or selling of such investments, the Strategy and Operations Committee would normally make recommendations to Council.</p>	<p>Other pure commercial and semi-commercial investments will report through the Strategy and Operations Committee as required.</p> <p>The performance of other pure and semi-commercial investments is principally measured through statements of intent and appropriate benchmarks for investment performance.</p>

5.5.3 Treasury investments

Treasury investments include short-term surplus general funds, debt pre-funded amounts, and restricted funds and bequests where Council has resolved to maintain a separate fund for the benefit of the specific parties or activity.

The effectiveness of Council's other treasury activities is principally measured through a mixture of subjective and objective measures. The predominant subjective measures are:

- Adherence to the TMP guidelines.
- The overall quality of treasury management information.
- The quality of relationships with the banking sector, and key participants in the debt capital markets.

Management	Reporting
<p>These investments should be managed as follows:</p> <ul style="list-style-type: none"> • Treasury instruments should only be made in NZD denominations. • Short-term surplus general funds and other funds should be invested in approved treasury investments included in section 4.4 Liquidity risk. • Investments are held with strongly credit rated banks (S&P or equivalent) of no worse than short-term A-1 / long-term A, and for terms of up to twelve months, unless linked to a debt pre-funding strategy. • Investments are spread amongst Council's relationship banks (as per the limits in APPENDIX I) to diversify counterparty credit risk. 	<p>Quarterly reports on all treasury investments will be submitted to Council in the format determined by the TMG.</p>

5.6 The assessment and management of risks

The Council acknowledges that investments carry an element of risk and is committed to managing this risk responsibly. Council's overall investment strategy aims to balance risk against long-term returns, accepting that lower risk typically yields lower returns.

The assessment and management of investment risk is in line with the elements outlined in Council's Liability Management Policy:

- [4.4](#) Liquidity risk: by managing investment maturity terms in line with future expenditure requirements;
- [4.5](#) Credit Risk: by limiting investment with certain counterparties/issuers;
- [4.10](#) Operational risk: by having appropriate delegations in place, segregation of duties, sound reporting system and procedures, regular TMP reviews; and
- by following Council's Investment objectives listed in point [5.2](#).

5.7 Other investment policy considerations

5.7.1 Treatment of surplus funds

Council may generate surplus funds from various sources, including:

- Operating surpluses which could arise due to a reduction in expenses or an increase in revenue against the planned budget.
- Sale of Council assets.
- Other one-off sources e.g. a bequest.

Where there is no specific planned or approved purpose for the use of surplus funds, such surpluses should be applied to repaying debt, or applied against rates requirements for any one or all of the first three financial years of the LTP.

5.7.2 Loan advances

Management	Reporting
<p>Council may provide strategic advances to CCOs, CCTOs, charitable trusts and community organisations, but not to individuals. Any new loan advances must be approved by Council resolution.</p> <p>In accordance with Section 63 of the LGA, Council will not provide loans or financial accommodations to a CCTO under terms and conditions that are more favourable to the CCTO than those that would apply if Council were (without charging any rate or rate revenue as security) borrowing money or obtaining the financial accommodation.</p> <p>Council regularly reviews performance of these loans to ensure alignment with strategic and economic objectives and verifies that interest and principal repayments adhere to the loan agreement.</p>	<p>Loan advances are reported to Council on a quarterly basis as part of the Financial Performance Report.</p>

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 30 of 34
-------------	---	---------------

5.7.3 New Zealand Local Government Funding Agency Limited (LGFA)

Council may invest in shares and other financial instruments of the LGFA and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for Council.

Because of these dual objectives, Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. If required in connection with the investment, Council may also subscribe for uncalled capital in the LGFA and be a Guarantor.

6 CLIMATE CHANGE AND SUSTAINABILITY CONSIDERATIONS

6.1 Investment

The PIF Guardians support, and expect that the appointed Fully Outsourced Agent will adhere to, the six Principles of Responsible Investment developed by the United Nations. These principles are widely recognised as the standard for incorporating responsible investment practices across investment portfolios. The PIF responsible investment policy and objectives are outlined in the Council approved SIPO. The SIPO uses the United Nations Global Compact as the benchmark for responsible conduct.

6.2 Borrowing

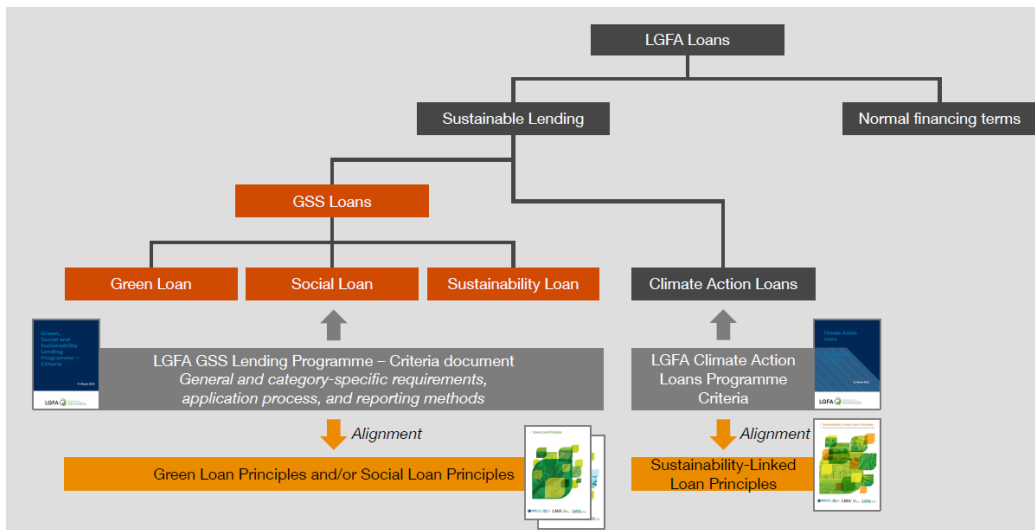
Council takes consideration whenever possible to finance projects that promote environmental and social wellbeing through LGFA's sustainable loan programmes accessible to member Councils and CCOs. These programs facilitate either (a) financing or refinancing specific sustainable assets and activities, or (b) incentivising GHG emissions reductions.

These loan programs are categorised as Green, Social & Sustainability Loans (GSS loans) and Climate Action Loans (CALs), respectively. Council must undertake a detailed eligibility assessment for either program, and a series of other criteria must be continued fulfilled throughout the life of the loan to ensure benefits from such on lending aren't compromised. GSS loans offer lending at a discounted margin[‡] (currently 5 basis points), while CALs also feature a margin discount (currently 2 basis points).

The diagram below provides an overview of LGFA's current sustainable lending options:

[‡] <https://www.lgfa.co.nz/sites/default/files/2025-09/LGFA-GS-Loan-Criteria-f.pdf>

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 31 of 34
-------------	---	---------------



Source: PwC Guide to LGFA Sustainable Loans Programme, November 2023.

7 CASHFLOW MANAGEMENT

13.2

From time to time, Council has daily cash flow surpluses and borrowing requirements, due to the mismatch of daily receipts and payments. All cash inflows and outflows are managed through bank accounts controlled by Finance.

Council maintains a daily cash position report, and a yearly cash flow projection is prepared during the Annual Planning process. These reports determine Council's borrowing requirements and surpluses for investment for the year.

Cash management activities must be undertaken within the following parameters:

- Cash management instruments are limited to:
 - Money market call deposits with New Zealand registered banks.
 - Negotiable instruments such as registered certificates of deposit (RCDs) with a maturity no more than 180 days.
 - Term deposits with staggered maturities to provide day-to-day cash flow requirements and to avoid early break penalties.
- Overdraft facilities are utilised as little as practical.
- Interest rate risk management activity on cash management balances is not permitted.
- Cash is only invested with approved counterparties as detailed in [APPENDIX I](#).

8 LEGAL RISK

Legal risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction, usually because of prohibitions contained in legislation. While legal risks are more relevant for banks, Council may be exposed to such risks. Council will seek to minimise this risk by adopting policy regarding:

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties.

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 32 of 34
-------------	---	---------------

- The matching of third-party confirmations and the immediate follow-up of anomalies.
- The use of expert advice.

9 POLICY REVIEW

The Policy is to be formally reviewed on a triennial basis, and annually for internal purposes.

The TMG has the responsibility to prepare the annual review report that is presented to Council. The report will include:

- Recommendation as to changes, deletions and additions to the policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of policy and one-off approvals outside policy.

Council receives the report, approves policy changes and/or rejects recommendations for policy changes.

Section 102(5) of the LGA states that Council does not need to go through the special consultative process to amend the Liability Management Policy and the Investment Policy.

13.2

ECM 8280048	Approved By: TRU <i>'Uncontrolled' copy once printed</i>	Page 33 of 34
-------------	---	---------------

10 APPENDIX I

10.1 Prudential guidelines for counterparty credit exposure limits

10.1.1 Treasury investments

To diversify counterparty credit risk, investments are spread amongst Council's relationship banks as per the limits below. Credit risk will be regularly reviewed by Council. Treasury related transactions will only be entered into with counterparties specifically approved by Council. Counterparty risks within externally managed investment funds (e.g. PIF) are managed within the parameters of the SIPO.

Counterparty / Issuers	Minimum short term / long term credit rating [^]	Maximum exposure per counterparty	Maximum % of counterparty exposure
Banks registered with the Reserve Bank of NZ*	A-1+/AA-	\$35 million	100%
Banks registered with the Reserve Bank of NZ*	A-1/A	\$20 million	100%
New Zealand Government	N/A	Unlimited	100%
Local Government Funding Agency (LGFA)	A-1/A+	Unlimited	100%

[^] As evaluated by S&P Global Ratings, sourced from [Registered banks in New Zealand - Reserve Bank of New Zealand - Te Pūtea Matua \(rbnz.govt.nz\)](#); last modified May 2024.
 * An approved exception to the above is other treasury investments made with TSB Bank Limited, currently with a A- rating with Fitch. Such investments shall be limited to a term of 12 months or less, and be for not more than \$15 million in aggregate, and never more than 5% of TSB Bank's shareholders funds.

At no point in time, no more than 50 per cent of the treasury investment portfolio will be invested with one bank counterparty.

10.1.2 Financial instruments

Financial instrument	Calculation of deemed exposure
Treasury investments (e.g. Bank call and term deposits)	Transaction principal amount (unless a legal right of set-off exists).
Interest rate swaps, Forward rate agreements, Collars, Interest rate options (purchased options)	The greater of the current market-to-market valuation of the instrument or zero.
Foreign exchange contracts – Forwards and options (<i>bought</i>) / carbon units	The greater of the current market-to-market valuation of the instrument or zero.
Commodity contracts – swaps	The greater of the current market-to-market valuation of the instrument or zero.

ECM 8280048	Approved By: ELT 'Uncontrolled' copy once printed	Page 34 of 34
-------------	---	---------------

TAX GOVERNANCE - ADOPTION OF TAX RISK GOVERNANCE FRAMEWORK & TAX RISK MANAGEMENT STRATEGY (JUNE 2026)

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is the adoption of New Plymouth District Council's Tax Risk Governance Framework and Tax Risk Management Strategy (June 2026) to establish and formalise Council's approach to tax governance, tax compliance and tax risk management.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Adopts the Tax Risk Governance Framework (June 2026) as Council's tax governance framework;**
- b) **Adopts the Tax Risk Management Strategy (June 2026) as Council's tax risk management strategy;**
- c) **Confirms Council's low tax risk approach, including annual and as-required reporting to the Finance, Audit and Risk Committee; and**
- d) **Notes that both documents will be reviewed three years from adoption, or earlier if required.**

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Adopt the Tax Risk Governance Framework and Tax Risk Management Strategy (recommended). 2. Defer adoption and continue without formal, Council-adopted tax governance documents.
Affected persons	The persons who are affected by or interested in this matter are Council (organisation-wide), elected members, Finance and Planning staff, and Inland Revenue.
Recommendation	This report recommends option 1 for addressing the matter.

COMPLIANCE / TŪTOHU	
Long-Term Plan / Annual Plan Implications	No.
Significant Policy and Plan Inconsistencies	No.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

3. We recommend that Council adopts the Tax Risk Governance Framework and Tax Risk Management Strategy in order to formalise Council’s tax governance expectations and operational tax risk management approach, consistent with a low tax risk posture.
4. Taking this approach will strengthen assurance over tax compliance, clarify accountability and escalation thresholds, and support transparent reporting and Inland Revenue assurance processes.
5. Without formal adoption, Council would face increased compliance, penalty and reputational risk and reduced ability to demonstrate governance maturity.
6. Next steps include implementing annual and as-required reporting and undertaking rolling independent reviews of key tax types.

14

BACKGROUND / WHAKAPAPA

7. Council is a large, high-profile organisation required to maintain exemplary governance and tax compliance standards.
8. Inland Revenue expects large organisations to integrate tax risk management into their governance frameworks and assesses this through governance questionnaires and audit activity.
9. The Tax Risk Governance Framework establishes Council’s overarching commitment to tax compliance and sets governance and reporting expectations to the Committee.
10. The Tax Risk Management Strategy operationalises the framework by defining Council’s tax risk profile, and practical approach to managing compliance with core tax legislation and other tax obligations relevant to Council’s activities.

DISCUSSION

Council's tax risk posture

11. Officers recommend that a low tax risk profile is adopted. A low risk profile includes timely filing and payment of taxes, adopting tax positions most likely to be correct under current law, and proactively mitigating material tax risks.

Governance and reporting

12. The governance framework provides for annual reporting to the Committee on tax compliance and risk management, as well as as-required reporting on significant or material tax matters.

Roles and responsibilities

13. Overall responsibility for management of Council's tax matters sits with the General Manager, Finance & Planning, with delegation arrangements as appropriate. Specific responsibilities are also defined in relation to Inland Revenue account governance.

Controls, advice and record keeping

14. The strategy sets expectations for engagement with Inland Revenue, use of external tax advice for material or uncertain matters, timely filing and payment of taxes, and robust record keeping to support compliance and audit requirements.

Independent reviews

15. Periodic independent reviews of key tax types will be undertaken on a rolling three-year cycle. The three-year frequency has been set to provide enhanced assurance over the Council's tax compliance and control environment during the transition to the new Enterprise Resource Planning (ERP) system. Following implementation, it is expected that the frequency of these reviews will reduce.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

16. This matter has no material climate change mitigation or adaptation impacts, as it relates solely to governance and policy settings.

NEXT STEPS / HĪKOI I MURI MAI

17. Following adoption, management will implement the reporting and escalation arrangements outlined in the documents, including annual reporting to the Finance, Audit and Risk Committee and the independent external tax reviews as per Appendix 2.
-

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

18. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being as it establishes an internal governance framework for statutory tax compliance. It does not directly affect service levels or the public, and no external engagement is proposed.

OPTIONS / KŌWHIRINGA

Option 1 Adopt the Tax Risk Governance Framework and Tax Risk Management Strategy (recommended)

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

19. Implementation is largely business-as-usual with periodic independent reviews and external advice managed within existing budgets.

Risk Analysis / Tātaritanga o Ngā Mōrearea

20. This option reduces compliance, penalty and reputational risk and strengthens readiness for Inland Revenue review or audit.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

21. Supports trusted governance, prudent stewardship and transparency outcomes.

Statutory Responsibilities / Ngā Haepapa ā-ture

22. Supports compliance with core tax legislation by clarifying accountability, controls and reporting arrangements.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

23. No inconsistencies were identified.

Participation by Māori / Te Urunga o Ngāi Māori

24. No specific Māori engagement required for an internal governance framework.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

25. Internally focused governance matter. No direct impact on the public or service levels.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

26. Advantages include improved assurance and clarity. Disadvantages are limited to ongoing resourcing for reporting and assurance.

Option 2 Defer adoption and continue without formalised tax governance documents

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

27. Lower immediate effort but higher potential cost exposure in the event of errors, penalties or audits.

Risk Analysis / Tātaritanga o Ngā Mōrearea

28. Increased compliance and reputational risk and reduced ability to demonstrate governance maturity.

Recommended Option

This report recommends option 1 - Adopt the Tax Risk Governance Framework and Tax Risk Management Strategy for addressing the matter.

14

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Tax Risk Governance Framework – June 2026 (ECM9742930)

Appendix 2 Tax Risk Management Strategy – June 2026 (ECM9742939)

Report Details

Prepared By:	Loren Moore (Manager Financial Services)
Team:	Finance & Planning
Approved By:	John Scott (General Manager, Finance & Planning)
Ward/Community:	District Wide
Date:	23/03/2026
File Reference:	ECM9743028

-----End of Report -----



New Plymouth District Council

Tax Risk Governance Framework

June 2026

14.1



1. Purpose

This document outlines New Plymouth District Council’s (Council) approach to the management of tax risk and constitutes the tax governance framework.

2. Background

Council is a large, high profile, organisation that is responsible for providing services to the New Zealand public. As such, Council must maintain exemplary governance and tax compliance standards.

3. Tax Governance Expectations

Inland Revenue has been explicit in their expectation that all large organisations have tax risk management incorporated within their governance framework. This expectation has been apparent from:

- The use by Inland Revenue of a “Tax Governance Questionnaire” to assess individual organisations approach to tax risk management, which is now also being used in Inland Revenue audits;
- Applying a different lens to the application of penalties for organisations that are found to be non-compliant and that do not have a formalised tax governance strategy and risk management plan;
- Commentary in the “Multinational Enterprise Compliance Focus 2024” document, that can be equally taken to apply to any New Zealand Significant Enterprise, which notes that:

“Not only is a robust tax governance framework fundamental to tax compliance, but MNEs today are expected to demonstrate tax responsibility as part of their broader environmental, social and governance (ESG) commitments, aligning with global trends towards sustainability and ethical business practices.”

14.1

4. Council’s Commitment

Council is committed to meeting all tax compliance obligations, and the expectations of the tax authorities in New Zealand, and in any overseas jurisdiction that it transacts within. This includes, but is not limited to, correctly accounting for Income Tax, Goods and Services Tax, Fringe Benefit Tax, PAYE (including KiwiSaver compliance), and a range of other withholding taxes.

This framework is consistent with Council maintaining a low tax risk profile which includes:

- Council should operate applying a low tax risk approach.
- Management has delegated responsibility to devise an appropriate tax risk management plan, to ensure that Council meets its commitment.
- Management will report and communicate on an open and transparent basis to the Finance, Audit and Risk Committee:
 - On an annual basis with a summary of the tax compliance obligations met, risk management mitigation undertaken for the preceding year and the plan for the forthcoming year.
 - On an as required basis, in relation to, but not limited to:
 - Actual material errors in the tax positions taken
 - Notification of an Inland Revenue audit or other correspondence from tax authorities of matters of significance
 - Significant developments in tax law or practice that could impact Council
 - The tax consequences of any material transaction being contemplated by Council as part of the business case / decision paper; or any other material matter.

Tax risk governance framework - adoption

Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

Next review scheduled for: (+3 years)



New Plymouth District Council

Tax Risk Management Strategy

June 2026

14.2



1. Tax risk profile

New Plymouth District Council (Council) recognises that it has an obligation to fulfil its tax compliance obligations in any tax jurisdiction that it undertakes transactions within. In New Zealand, the core tax legislation that Council is required to comply with is the Income Tax Act 2007, Goods and Services Tax Act 1985 and Tax Administration Act 1994.

A low tax risk profile is appropriate for Council. It will aim to:

- Ensure all compliance obligations are met, including filing of the various tax returns and payment of tax liabilities, on time.
- Adopt tax positions that are most likely to be correct based on current law
- Adopt practices to mitigate material tax risks.
- Have an open and transparent working relationship with Inland Revenue.
- Proactively engage with Inland Revenue regarding uncertain tax positions where appropriate and make a voluntary disclosure where a material error occurs.
- Use recognised tax advisors on an as appropriate basis, to provide technical support and provide independent evaluations of compliance.
- Have regular interactions between Management and the Finance, Audit and Risk Committee regarding material tax matters in a manner that is open, transparent and timely.

Management has devised an appropriate approach to tax risk management, and this is now established below.

2. Tax risk management strategy

2.1 Responsibility for tax issues

The General Manager, Finance & Planning has overall responsibility for the management of the tax issues of Council. As appropriate, the General Manager, Finance & Planning may delegate responsibility for tax issues to the Financial Services Manager.

Inland Revenue requires a designated individual to be Executive Office Holder (EOH) who is responsible for ensuring that appropriate staff are authorised to access requisite sections with “myIR.” The EOH for Council is the Chief Executive Officer who has overall responsibility as the myIR account owner for Council.

The Chief Executive Officer, as EOH for Council, is ultimately responsible for ensuring the administration and management of staff delegations and permissions of myIR login accounts, and for ensuring delegations are updated as and when staff leave the organisation.

2.2 Reporting tax risks to the Finance, Audit and Risk Committee

The Tax Governance Framework requires reporting on tax matters by the General Manager, Finance & Planning as follows:

- On an annual basis with a summary of:
 - Key financial information including, tax paid, any outstanding taxes due or late filing penalties, and any material interest or other penalties imposed during the year
 - Particulars of any proposed legislative tax changes which could impact Council
 - Details of any significant outstanding taxes in dispute with Inland Revenue
 - Details of significant advice sought and future matters to consider
 - A table of tax tools and services used and whether each aligns with Council’s low risk tax profile i.e. Strategy vs Achievement.

- On an as required basis, in relation to, but not limited to:
 - Actual material errors in the tax positions taken
 - Notification of an Inland Revenue audit or other correspondence from tax authorities of matters of significance
 - Significant developments in tax law or practice that could impact Council
 - The tax consequences of any material transaction being contemplated by Council as part of the business case / decision paper; or any other material matter.

Reference to “material” for these purposes is to be interpreted as when there may be a situation that results in:

- Penalties and interest potentially being imposed in excess of \$10,000
- An ‘unexpected’ tax calculation adjustment is required where the tax effect/ tax payable is in excess of \$20,000
- There is a risk of prosecution
- An accusation of tax avoidance could be levied
- There is a risk of negative publicity.

2.3 Tax awareness and training

Council will ensure that all relevant staff are provided with adequate training and resources to effectively identify and manage its tax obligations and risks. Where appropriate, this may involve sending selective staff on external courses or engaging an external speaker to conduct in-house training.

2.4 Meetings and correspondence with Inland Revenue

Council will endeavour to maintain strong working relationships with all relevant stakeholders, including but not limited to Inland Revenue, other government bodies, and related third parties. All dealings with external parties will be undertaken in a professional and timely manner.

Apart from routine PAYE, FBT and GST returns and payments, all other correspondence, meeting requests or queries from Inland Revenue must be immediately referred to the General Manager, Finance & Planning. The General Manager, Finance & Planning is the only person authorised to correspond or meet with Inland Revenue, to discuss tax matters of Council – although they may delegate this responsibility to others where appropriate.

2.5 Tax advice and rulings

Council will maintain detailed information and computations supporting all tax return filing positions. If there is any uncertainty in respect of a filing position where the amount of tax exceeds \$20,000, Council will consider whether written advice from external tax advisors is required.

Council will be transparent and fully disclose all relevant information when forming a tax position or seeking tax advice.

Council will endeavour to maintain strong working relationships with Inland Revenue, other government bodies, and related third parties. All dealings with external parties will be undertaken in a professional and timely manner.

Council will endeavour to ensure that the most tax efficient position is always adopted, applying tax law and Council’s low risk tax approach. Advice from an external tax advisor should be obtained in relation to uncertain material tax matters before a tax position is taken, as appropriate.

In some instances, the degree of uncertainty over a particular tax issue may warrant seeking a Binding Ruling from Inland Revenue (or some other Inland Revenue agreement). No approach should be made to Inland Revenue/ for a Binding Ruling without the prior approval of the General Manager, Finance & Planning.

Council will not subscribe to any tax minimisation schemes without first obtaining recommendation from the Finance, Audit and Risk Committee, having been fully informed of the associated risks and overall tax effect of the arrangement.

2.6 Tax returns and payments

Council will file all returns and pay any resulting tax liability on, or before, the stipulated due dates. When preparing and filing tax returns, Council will be transparent and fully disclose all relevant information supporting a tax position in a tax return. Council will only adopt tax positions that are likely to be correct based on current law.

Any tax payments for Council must be authorised by the General Manager, Finance & Planning, although they may delegate this in accordance with the delegated financial authority.

Tax payments must be supported by detailed tax computations and explanations which are initialled by the preparer and then countersigned by that person's superior prior to payment.

The General Manager, Finance & Planning (or someone delegated by them) will review the Inland Revenue myIR accounts on a monthly basis to ensure that all returns have been assessed by Inland Revenue and payments have been allocated appropriately. Any unreconciled items will be reported to the General Manager, Finance & Planning who will determine the steps required to achieve a reconciled myIR account.

2.7 Filing and record keeping

In terms of the Tax Administration Act 1994, Council is required to retain tax records for several years. To assist in archiving and the subsequent retrieval of relevant tax records, Council will separately file each tax return and supporting computation and advisory correspondence based on the year of assessment and tax type.

In addition, Council will maintain a detailed index of the relevant tax files to enable their efficient retrieval should they be requested by Inland Revenue in later years. Specifically, the index should contain details relating to the file reference, relevant tax period, tax type, subject of the document on file and location of the file, and evidence of review by the General Manager, Finance & Planning. This index should be maintained irrespective of whether the information is in electronic or hard copy format.

2.8 Regular reviews

The tax risks of Council potentially increase over time through a combination of personnel and legislative changes. To ensure the tax compliance procedures of Council are kept up to date and accurate, an independent external review of GST, PAYE/Withholding Taxes and FBT should be undertaken every three years. This review will tend to be undertaken in a 'rolling' format, with a different tax type being reviewed each year.

Refer to the Appendix for a draft illustration of the 2026 Tax Risk Management Strategy. A similar plan will be prepared annually, with the content and timing of the work to be undertaken determined as part of the Annual Tax Update and after considering specific risks and issues emerging at the time.

2.9 Penalties and voluntary disclosures

Wherever possible Council should endeavour to minimise any penalties and Use Of Money Interest. Accordingly, any tax discrepancies identified should be addressed and disclosed to Inland Revenue as soon as possible. Unless the discrepancy has been identified pursuant to a (current) tax investigation, Council should always consider making a Voluntary Disclosure as a means of minimising any potential penalties. While there is no formal requirement to do so, Council may choose to seek input from the Finance, Audit and Risk Committee when considering whether to make a Voluntary Disclosure.

2.10 Tax policies

To assist staff with the day-to-day tax treatment of issues specific to Council and to ensure a consistent tax treatment of items across the organisation, a set of tax policies will be maintained. These tax policies will provide an outline of common tax issues arising and how they should be treated in the various tax returns of Council.

To assist staff with the day-to-day tax treatment of issues specific to Council and to ensure a consistent tax treatment of items across the organisation, Council subscribes to PwC's Online Tax Policies. PwC maintains PAYE, GST, FBT, and KiwiSaver tax policies, and are regularly updated for legislative changes. These tax policies will provide an outline of common tax issues arising and how they should be treated in the various tax returns of Council.

3. Tax Risk Management Strategy - adoption

Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

14.2

Next review scheduled for: (+3 years)

4. Tax Risk Management Strategy - To Be Reviewed and Updated Annually

Council's tax strategy - proposed future

Financial Year to 30 June:	2026	2027	2028	2029	2030
External tax helpdesk facility	✓	✓	✓	✓	✓
Online tax policies & guides	✓	✓	✓	✓	✓
GST compliance property guide	✓	✓	✓	✓	✓
Independent tax evaluations:					
GST standard review		✓			✓
GST data analytics (optional add-on)					
PAYE - Standard	✓			✓	
Payroll analytics (optional add-on)					
FBT			✓		
Tax Control Framework Effectiveness Assessment					✓
Report to Finance, Audit and Risk Committee on tax risk management	✓	✓	✓	✓	✓
External advice sought on major issues	As required	As required	As required	As required	As required
Tax training provided to staff	✓	✓	✓	✓	✓

2026 S&P GLOBAL RATINGS ASSESSMENT FOR NEW PLYMOUTH DISTRICT COUNCIL

PURPOSE/ TE WHĀINGA

1. The purpose of this report is to present the recent credit rating update provided by S&P Global Ratings (S&P), including an overview of the rating, outlook, rationale, key statistics, and implications for the Council.

RECOMMENDATION / NGĀ WHAIKUPU

That, having considered all matters raised in the report, the report be noted.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee endorsed the Officer's recommendation.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

3. This report is provided for information purposes only, and has been assessed as being of some importance.

BACKGROUND / WHAKAPAPA

4. There are three major internationally recognised credit rating agencies: S&P Global Ratings (S&P), Moody's Investors Service and Fitch Ratings. Council has engaged S&P since 2002 to provide an annual opinion on its creditworthiness, which reflects Council's ability to meet its financial obligations in full and on time.
5. Rated councils benefit from borrowing from the Local Government Funding Agency at competitive rates and have different financial covenants compared to non-rated councils.
6. The ratings assessment issued by S&P on 22 April 2026 affirms Council with an **'AA/A-1+'** rating with a stable outlook. This is unchanged from the previous credit rating issued on 14 April 2025.
7. New Plymouth District Council remains among the highest-rated local government entities in New Zealand. As of April 2026, 5 other councils from a total of 24 rated by S&P have a 'AA/A-1+' credit rating, of which only 3 also have a stable outlook¹.

¹ AA/A-1+ Stable: Auckland Council, Taupo District Council, Whangarei District Council;
AA/A-1+ Negative: Greater Wellington Regional Council, Western Bay of Plenty District Council.

8. The Council's ratings assessment by S&P provides valuable insights into its financial standing. Compared to its peers, the Council exhibits notable strengths in several key areas, including financial management, liquidity, and economic resilience.
9. The positioning of the rating and outlook underscores the Council's proactive approach to fiscal management, via the Treasury Management Policy, and its ability to navigate economic uncertainties effectively while maintaining exceptional liquidity which is underpinned by the Perpetual Investment Fund.
10. The ratings assessment notes potential upside and downside scenarios. S&P could raise their rating if Council achieves sustained improvements in performance against budget, enabling existing debt levels to be reduced. S&P could lower their rating if Council's deficits (inclusive of capital spending) increase; for example, if the Council's capital delivery programme materially increases without corresponding increases in revenue or other savings measures.
11. S&P assesses Council's credit rating on a group basis. Their assessment therefore considers the financial position and forecast performance of significant council-controlled organisations, predominantly Papa Rererangi i Puketapu Ltd and Wai Hononga Water Services Ltd.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

12. Council is expected to consider environmental implications of its activities, including climate change impacts in responsible borrowing and investing activities. There are no immediate or direct climate change impacts associated with this report.

NEXT STEPS / HĪKOI I MURI MAI

13. In response to the credit rating results and outlook, Council officers will continue to monitor fiscal performance to enhance opportunities and mitigate risks in accordance with the Finance Strategy, Revenue and Finance Policy and Treasury Management Policy.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

14. This report is produced within existing resources and budgets.
-

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

15. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
- Council staff have delegated authority for any decisions made;
 - Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
 - Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES

Appendix 1 S&P Global Ratings Assessment NPDC April 2026 (ECM 9802168)

Report Details

Prepared By:	Mathew Whitmore (Treasury Accountant)
Reviewed By:	Loren Moore (Manager Financial Services)
Team:	Financial Services
Approved By:	John Scott (General Manager Finance and Planning)
Ward/Community:	District wide
Date:	5 May 2026
File Reference:	ECM 9802387

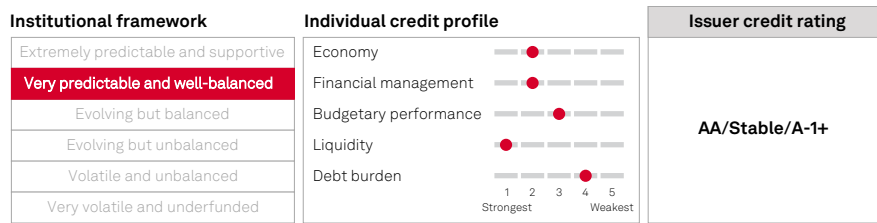
-----*End of Report*-----

New Plymouth District Council

April 22, 2026

This report does not constitute a rating action.

Ratings Score Snapshot



Primary Contact

Frank Dunne, CFA
Melbourne
61-396312041
frank.dunne@spglobal.com

Secondary Contact

Anthony Walker
Melbourne
61-3-9631-2019
anthony.walker@spglobal.com

15.1

Credit Highlights

Overview

Credit context and assumptions	Base-case expectations
Sound and diversified economy, though slightly hampered by weaker demographics than peers	Large after capital account deficits to narrow as the council pulls back capital expenditure (capex) plans from record levels and addresses operating expense pressures
Solid financial management, with exceptional liquidity thanks to a large investment fund compared with that of global peers	Liquidity will remain exceptional despite weakening temporarily as the council prepares to transfer water-related debt to a new entity from July 1, 2027.
New Zealand's institutional framework settings are strong, albeit weaker than in the past	Perpetual Investment Fund (PIF) will continue to provide budgetary flexibility, buttress liquidity coverage, and remain a key credit strength

New Plymouth's exceptional liquidity is a key rating strength. The council's PIF, which holds NZ\$430 million of financial assets as at Jan. 31, 2026, provides a large liquidity buffer and additional flexibility that supports New Plymouth's credit profile.

We expect after capital account deficits to average about 22% of total revenue over fiscals 2024-2028. This level is in line with many domestic peers', but very large on a global scale. The deficits are underpinned by New Plymouth's large capex.

The deficits should moderate over the next three years as cost pressures ease, operating margins improve, and the council reduces its capex compared to its 2024 Long-Term Plan.

New Plymouth District Council

New Plymouth's debt is likely to stabilize at higher levels. The council's debt is rising to midrange levels compared to domestic peers, but is high on a global scale. The principal driver of the rise is higher infrastructure spending.

Nevertheless, revenue increases and some pullback in the council's capital program should help to stabilize the debt burden. We project total tax-supported debt at 191% of operating revenue by fiscal 2028 (year ending June 30, 2028).

We include all water-related revenues, expenses, assets and liabilities in our financial metrics.

New Plymouth will establish a new single council-controlled water organization (WCCO) as part of the Crown's Local Water Done Well reforms. The council will hand over responsibility for the district's drinking water and wastewater services to this WCCO on July 1, 2027. The WCCO will be captured in New Plymouth's group accounts, and we believe the council would provide financial support to it in the event of financial distress. Therefore, we continue to include all water-activities in our financial metrics.

We have updated our analysis through to fiscal 2028 following the release of the council's 2025 annual report and 2027 draft annual plan.

Outlook

The stable rating outlook reflects our expectation that New Plymouth will prudently manage its budgetary performance and debt burden. Although debt will rise, the council's large investment fund will help sustain a very high level of liquidity.

Downside scenario

We could lower our ratings on New Plymouth if the council's deficits after capital accounts rise. This could occur if the council materially increases its capex without offsetting revenue increases or savings measures.

Upside scenario

We could raise our ratings on New Plymouth if we see a sustained upturn in its budgetary performance, leading to a declining debt burden.

Rationale

New Zealand's institutional settings, resilient local economy, and solid financial management support the ratings

The institutional framework in which New Zealand councils operate is a key credit strength supporting New Plymouth's creditworthiness. That said, we believe the sector's revenue and expenditure imbalance is wider and the predictability of its policy settings is weaker than in the past. This framework is still strong compared with those of global peers, ranking the second-highest assessment on our six-point scale (see "[New Zealand Local Governments Face Rising Fiscal Imbalances And Less Certain Policy Settings](#)," published March 17, 2025).

New Plymouth has one of the wealthier economies across New Zealand, due in part to the district's large oil and gas sector. According to economics consultancy Infometrics, the district had GDP per capita of about NZ\$88,400 as of March 2025, compared with the national average of NZ\$81,000.

New Plymouth District Council

New Plymouth's demographic profile is slightly weaker than the New Zealand average, with 20.4% of its population aged 65 and above, compared with 16.9% nationally. The council's mean household income is about NZ\$116,000 as of March 2025, about NZ\$19,000 lower than the national average. The district had a population of about 90,100 people as of June 2025.

We consider New Plymouth's fiscal processes to be credible and well established. The council prepares long-term plans every three years, annual plans in the intervening years, and audited end-of-year annual reports, in line with New Zealand requirements. It has internal policies that set prudent limits on external borrowing, liquidity, and interest-rate risk. New Plymouth borrows only in the local currency, in accordance with legislation. The council is currently consulting with the public on its draft 2026-2027 annual plan.

Like all New Zealand councils, New Plymouth is governed by an elected group of councilors. Day-to-day management is delegated to a chief executive. An interim chief executive, Steve Ruru was appointed in March 2026. He also serves as chief executive of Taranaki Regional Council, and will split his time between the two roles. Following local council elections in October 2025, New Plymouth elected a new mayor, Max Brough and elected seven new councilors out of 14. We expect the financial direction of the new council will be largely unchanged, with a heightened focus on driving efficiencies and minimizing property rates increases.

New Plymouth's prudent management of the PIF supports our strong assessment of the council's financial management. Assets are diversified across listed equities, fixed income, alternative assets, private equity, and cash. The council has outsourced management to Mercer (N.Z.) Ltd., and an independent "board of guardians" monitors the PIF. The New Plymouth District Council (Perpetual Investment Fund) Act 2023 was passed in the New Zealand Parliament in July 2023. The Act aims to ringfence the benefits from the PIF to current New Plymouth residents, protecting the fund from future local government amalgamations. The bill also outlines general principles for sustainable management of the fund.

New Plymouth's exceptional liquidity counterbalances its moderate deficits driven by large capex

We expect New Plymouth to strengthen its cash operating margins over fiscals 2026-2028. We forecast its operating surpluses will average about 18% of operating revenue over the period.

Large increases in property rates, including a 9.9% hike in fiscal 2026, have supported stronger operating margins. However, given the council's, and the Crown's, focus on minimizing future property rates increases, we expect a stronger commitment to containing operating expenses. This should further strengthen the council's operating position over the next two years.

New Plymouth's PIF also bolsters the council's operating revenues. The fund had a balance of NZ\$430 million as of January 2026, sufficient to cover about 220% of the council's operating expenses. PIF targets a total return on its portfolio of 3.3% a year plus inflation over the medium term. This will allow it to pay an annual "release" to the council to subsidize the latter's budgets. We expect the cash release will be about NZ\$12.5 million net of management fees in fiscal 2026.

We forecast New Plymouth's after capital deficits will average about 22% over fiscals 2024-2028. Large after capital deficits in fiscals 2024 and 2025 reflect a weaker operating position and a large capex program. This includes completing construction of a thermal dryer wastewater treatment plant for a total cost of NZ\$75 million. We expect a pullback in the capex program compared to its 2024 Long-Term Plan to lead to narrower after capital account deficits.

New Plymouth District Council

We project annual capex of NZ\$110 million-NZ\$120 million over fiscals 2026-2028. Our forecasts assume New Plymouth will underdeliver compared to budget and pullback the size of the capital program, as signaled in its 2027 draft annual plan.

We assess New Plymouth on a group basis and consolidate Papa Rererangi i Puketapu Ltd. (PRIP; New Plymouth Airport) and the future WCCO.

We believe New Plymouth has strong flexibility to adjust its budget compared with global peers. The council's largest source of revenue is property rates, which can be readily adjusted and are relatively immune to economic downturns. The Crown announced that it intends to limit growth in councils' property rates to 2%-4% per year. If legislation is enacted this year, as planned, the cap will come into effect in fiscal 2030 and is likely to constrain this revenue source.

Nevertheless, the PIF provides the council with an additional source of income and contingency funding in the case of a major natural disaster or other crisis. The council could also pull back its capex, if needed.

We forecast New Plymouth's gross debt ratio will be about 191% of operating revenues by fiscal 2028. This debt burden is high in a global context, and much higher than in the past. However, it is mid-range compared to domestic peers. Our measure of total tax-supported debt includes NZ\$36 million borrowed by the council and on-lent to PRIP, and all water-related debt. We estimate interest expenses will average about 7.5% of operating revenue over fiscals 2025-2027. Contingent liabilities are negligible.

New Plymouth's PIF underpins its strong liquidity coverage. We expect liquidity coverage to strengthen significantly over the next 12-24 months after temporarily weakening this year. The council has substantially increased its usage of short-dated commercial paper in the lead up to the establishment of its WCCO. This has weakened its debt servicing ratio for the next 12 months to about 92%, from 220% a year earlier. Once the WCCO is established, the council will transfer or novate water-related debt to the newly established entity. This will likely improve the liquidity ratio.

New Plymouth's debt-servicing needs over the next 12 months include NZ\$65 million in term debt maturing in April 2027, NZ\$93 million in short-dated commercial paper, and about NZ\$17 million in annual interest payments. In addition, the council has access to undrawn committed standby facilities totaling NZ\$20 million. Commercial paper holdings were just NZ\$29 million 12 months ago.

The New Zealand Local Government Funding Agency (LGFA) provides New Plymouth, and most of its domestic peers, with strong access to a well-established source of external liquidity. In our view, LGFA benefits from an extremely high likelihood of extraordinary central government support (see "[New Zealand Local Government Funding Agency Ltd](#)," published March 16, 2026). The agency has helped councils to both lengthen their maturity profiles and reduce borrowing costs.

New Plymouth District Council Selected Indicators

Mil. NZ\$	2023	2024	2025	2026bc	2027bc	2028bc
Operating revenue	180	191	223	243	240	273
Operating expenditure	164	172	191	198	204	216
Operating balance	16	20	33	45	35	57
Operating balance (% of operating revenue)	9.0	10.3	14.6	18.5	14.8	20.8
Capital revenue	23	26	36	22	25	26

New Plymouth District Council

New Plymouth District Council Selected Indicators

Capital expenditure	87	115	128	116	120	118
Balance after capital accounts	(48)	(70)	(60)	(49)	(60)	(36)
Balance after capital accounts (% of total revenue)	(23.5)	(32.3)	(23.2)	(18.6)	(22.6)	(11.9)
Debt repaid	40	16	32	62	129	71
Gross borrowings	100	81	85	109	186	102
Balance after borrowings	12	(5)	(7)	(1)	(2)	(4)
Tax-supported debt (outstanding at year-end)	264	332	385	434	492	523
Tax-supported debt (% of consolidated operating revenue)	146.3	173.5	172.8	178.5	205.2	191.8
Interest (% of operating revenue)	4.9	6.2	7.0	7.1	8.4	8.5
National GDP per capita (US\$)	N/A	49,113.7	49,794.0	49,872.2	50,350.2	53,224.9

The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer. bc--Base case reflects S&P Global Ratings' expectations of the most likely scenario.

Rating Component Scores

Key rating factors	Scores
Institutional framework	2
Economy	2
Financial management	2
Budgetary performance	3
Liquidity	1
Debt burden	4
Stand-alone credit profile	aa
Issuer credit rating	AA

S&P Global Ratings bases its ratings on non-U.S. local and regional governments (LRGs) on the six main rating factors in this table. In the "Methodology For Rating Local And Regional Governments Outside Of The U.S.," published on July 15, 2019, we explain the steps we follow to derive the global scale foreign currency rating on each LRG. The institutional framework is assessed on a six-point scale: 1 is the strongest and 6 the weakest score. Our assessments of economy, financial management, budgetary performance, liquidity, and debt burden are on a five-point scale, with 1 being the strongest score and 5 the weakest.

Key Sovereign Statistics

- [Sovereign Risk Indicators](http://www.spratings.com/sri). An interactive version is available at <http://www.spratings.com/sri>

Related Criteria

- [General Criteria: Environmental, Social, And Governance Principles In Credit Ratings](#), Oct. 10, 2021
- [Criteria | Governments | International Public Finance: Methodology For Rating Local And Regional Governments Outside Of The U.S.](#), July 15, 2019
- [General Criteria: Methodology For Linking Long-Term And Short-Term Ratings](#), April 7, 2017
- [General Criteria: Principles Of Credit Ratings](#), Feb. 16, 2011

New Plymouth District Council

Related Research

- [New Zealand Local Government Funding Agency Ltd. Ratings Affirmed; Outlook Stable](#), March 17, 2025
- [Various Rating Actions Taken On New Zealand Councils On Lower Institutional Framework Assessment](#), March 18, 2025
- [New Zealand Local Governments Face Rising Fiscal Imbalances And Less Certain Policy Settings](#), March 17, 2025
- [A Closer Look At Our Downgrades Of 18 New Zealand Councils](#), March 18, 2025
- [Subnational Government Outlook 2025: Developed Markets' Regional Differences Intensify](#), Jan. 16, 2025
- [Economic Outlook Asia-Pacific Q1 2025: U.S. Trade Shift Blurs The Horizon](#), Nov. 24, 2024
- [2023 Annual International Public Finance Default And Rating Transition Study](#), Aug. 20, 2024
- [Global Ratings List: International Public Finance Entities July 2024](#), July 30, 2024
- [Global LRGs Rating History List](#), June 18, 2024

In accordance with our relevant policies and procedures, the Rating Committee was composed of analysts that are qualified to vote in the committee, with sufficient experience to convey the appropriate level of knowledge and understanding of the methodology applicable (see 'Related Criteria And Research'). At the onset of the committee, the chair confirmed that the information provided to the Rating Committee by the primary analyst had been distributed in a timely manner and was sufficient for Committee members to make an informed decision.

After the primary analyst gave opening remarks and explained the recommendation, the Committee discussed key rating factors and critical issues in accordance with the relevant criteria. Qualitative and quantitative risk factors were considered and discussed, looking at track-record and forecasts.

The committee's assessment of the key rating factors is reflected in the Ratings Score Snapshot above.

The chair ensured every voting member was given the opportunity to articulate his/her opinion. The chair or designee reviewed the draft report to ensure consistency with the Committee decision. The views and the decision of the rating committee are summarized in the above rationale and outlook. The weighting of all rating factors is described in the methodology used in this rating action (see 'Related Criteria And Research').

Ratings Detail (as of April 22, 2026)*

[New Plymouth District Council](#)

Issuer Credit Rating		AA/Stable/A-1+
Issuer Credit Ratings History		
18-Mar-2025	<i>Foreign Currency</i>	AA/Stable/A-1+
18-Feb-2024		AA+/Negative/A-1+
22-Feb-2021		AA+/Stable/A-1+
18-Mar-2025	<i>Local Currency</i>	AA/Stable/A-1+
18-Feb-2024		AA+/Negative/A-1+
22-Feb-2021		AA+/Stable/A-1+

New Plymouth District Council

Ratings Detail (as of April 22, 2026)*

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

AUSTRALIA S&P Global Ratings Australia Pty Ltd holds Australian financial services license number 337565 under the Corporations Act 2001. S&P Global Ratings credit ratings and related research are not intended for and must not be distributed to any person in Australia other than a wholesale client (as defined in Chapter 7 of the Corporations Act).

New Plymouth District Council

Copyright © 2026 by Standard & Poor's Financial Services LLC. All rights reserved.

No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of Standard & Poor's Financial Services LLC or its affiliates (collectively, S&P). The Content shall not be used for any unlawful or unauthorized purposes. S&P and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by negligence) in connection with any use of the Content even if advised of the possibility of such damages.

15.1

Some of the Content may have been created with the assistance of an artificial intelligence (AI) tool. Published Content created or processed using AI is composed, reviewed, edited, and approved by S&P personnel.

Credit-related and other analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact. S&P's opinions, analyses and rating acknowledgment decisions (described below) are not recommendations to purchase, hold, or sell any securities or to make any investment decisions, and do not address the suitability of any security. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P does not act as a fiduciary or an investment advisor except where registered as such. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Rating-related publications may be published for a variety of reasons that are not necessarily dependent on action by rating committees, including, but not limited to, the publication of a periodic update on a credit rating and related analyses.

To the extent that regulatory authorities allow a rating agency to acknowledge in one jurisdiction a rating issued in another jurisdiction for certain regulatory purposes, S&P reserves the right to assign, withdraw or suspend such acknowledgment at any time and in its sole discretion. S&P Parties disclaim any duty whatsoever arising out of the assignment, withdrawal or suspension of an acknowledgment as well as any liability for any damage alleged to have been suffered on account thereof.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.spglobal.com/ratings (free of charge), and www.ratingsdirect.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.spglobal.com/usratingsfees.

STANDARD & POOR'S, S&P and RATINGSDIRECT are registered trademarks of Standard & Poor's Financial Services LLC.

EXEMPTION FOR WAI HONONGA WATER SERVICES LIMITED AS A COUNCIL CONTROLLED ORGANISATION 2025/26

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is for Wai Hononga Water Services Limited to be granted an exemption under section 7 of the Local Government Act 2002, so that the company is not deemed to be a Council Controlled Organisation (CCO), and therefore not required to produce an audited annual report 2025/26 under the Local Government Act 2002.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That, pursuant to section 7(3) of the Local Government Act 2002, and having considered all matters raised in the report, Council:

- a) **Grants an exemption to Wai Hononga, for the financial year ending 30 June 2026, from being treated as a Council Controlled Organisation for the purposes of the Act;**
- b) **Notes that it is satisfied that Wai Hononga is a recently established, small-scale organisation, with all current revenue and expenditure administered and recognised by the New Plymouth District Council; and**
- c) **Notes that the costs of complying with sections 64 to 69 of the Act, including audit fees, would outweigh the benefits to ratepayers of such compliance.**

16

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being of some importance or administrative
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: <ol style="list-style-type: none"> 1. Approve the exemption under section 7 of the Local Government Act 2002 to apply to Wai Hononga Water Services Limited, for the year ended 30 June 2026. 2. Do not approve the exemption.
Affected persons	The persons who are affected by or interested in this matter are Wai Hononga Water Services Limited and New Plymouth District Council.
Recommendation	This report recommends option 1 for addressing the matter.

Long-Term Plan / Annual Plan Implications	No
Significant Policy and Plan Inconsistencies	No

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

2. The recommendation to Council is that an exemption be granted to Wai Hononga Water Services Limited under section 7 of the Local Government Act 2002. This will have the effect of the company not being required to produce an audited annual report for the year ended 30 June 2026 under the Local Government Act 2002. The decision must be made by Council by 30 June 2026 to have effect for this financial year.
3. Wai Hononga may still be required to produce an annual report under the Local Government (Water Services) Act 2025. However, if it is determined that an annual report under this Act is not required, then Council may resolve to direct the Board of Wai Hononga to provide a short-form (unaudited) annual report.

BACKGROUND / WHAKAPAPA

Wai Hononga Water Services Limited was incorporated on 5 February 2026

4. The CCO was established and incorporated following Council's decision to outsource the service delivery and asset ownership of Council's water and wastewater activities. The sole shareholder is New Plymouth District Council (NPDC). The company constitution states that Wai Hononga is a water organisation under Section 44 of the Local Government (Water Services) Act 2025.
5. A board of directors has been appointed, and staff have been allocated by NPDC to ensure adequate and compliant systems are in place, and the company is well placed to continue water and wastewater operations from the go live date of 1 July 2027.

Reporting compliance is challenging in this financial year

6. Significant work is required to ensure compliance with regulations and legislation for CCOs. Given Wai Hononga is currently in an establishment phase and the regulations and legislation for the Water CCOs are currently unclear, it is recommended Council exempt them as a CCO for this financial year.

7. At this stage, all revenue and expenditure in relation to water and wastewater, and establishment costs are being administered and reported under NPDC. Wai Hononga has under \$50,000 of assets and liabilities. It is expected that all costs related to the initial transition and establishment of Wai Hononga be incorporated into NPDC's annual expenditure for the legislative annual report.

Audit requirements are not yet confirmed

8. For this financial year, the two waters activities will be reported as part of NPDC's Annual Report 2025/26.
9. The legislation is currently unclear as to whether Wai Hononga Water Services Limited, being a newly established water organisation, is required to produce an audited annual report for the year ended 30 June 2026. The Office of the Auditor General has not provided any specific guidance, as each water organisation's circumstances are quite different in relation to the legislation.
10. External advice from Audit New Zealand is that a Council resolution is made on behalf of Wai Hononga Water Services Limited to exempt the company as a CCO for the year ended 30 June 2026, as a precautionary measure.
11. Section 71B of the Local Government Act applies to water organisation's, and states that:

The board and shareholders of the water organization... b) must not comply with [sections 64 to 69](#) and [Schedule 8](#) of this Act."

Sections 64 to 69 relate to the provision by a Council Controlled Organisation of a Statement of Intent, an annual report, and an auditor's report. This section exists as water organisations must comply with the annual report provisions within the Local Government (Water Services) Act 2025 instead.

12. Sections 243-247 of the Local Government (Water Services) Act 2025 cover the provisions for an annual report by water organisations. Section 244(2) provides that:

Despite anything to the contrary in [section 243](#), a water organisation that is established less than 4 months before the end of a financial year must, after the end of the organisation's first full financial year, prepare and adopt an annual report that covers the period from the date on which the organisation is established until the end of the first full financial year".

13. As Wai Hononga was established more than 4 months before the end of the 2025/26 financial year, the above section, that delays the provision of the first annual report, does not apply to Wai Hononga.
-

14. However, Schedule 1, sections 6 (3-4) of the Local Government (Water Services) Act 2025 provide that:

If a water service provider's first water services strategy comes into force on or after 1 January 2027, the provider must prepare its first water services annual report for the period -

- (a) starting on the date on which the water services strategy comes into force; and
(b) ending on 30 June 2028.*

(4) However, this clause does not apply to a water organisation that is established after the date on which this clause comes into force (see [section 244](#), which applies to a water organisation in those circumstances).

15. It is possible that Wai Hononga may be required to provide an annual report for 2025/26 under section 244, but the Officer of the Auditor General has not yet confirmed this is the case. Discussions with other water organisations are that where the legislation is uncertain, they will be proposing a resolution to Council shareholders as a precautionary measure to avoid unnecessary administrative burden and compliance cost.

16. Section 7(3) of the Local Government Act 2002 allows local authorities to exempt a "small", non-trading, council from the requirements of a CCO under the Act. Note section 7(7) allows the local authority to revoke the exemption at any time after it has been granted.

7(3) A local authority may, after having taken account of the matters specified in subsection (5), exempt a small organisation that is not a council-controlled trading organisation, for the purposes of [section 6\(4\)\(i\)](#).

(4) An exemption must be granted by resolution of the local authority.

(5) The matters are—

- (a) the nature and scope of the activities provided by the organisation;
and
(b) the costs and benefits, if an exemption is granted, to the local authority, the council-controlled organisation, and the community.*

17. If compliance with section 244 is not required, for transparency to the community, and public interest, it is recommended that Wai Hononga provide a short-form (unaudited) annual report. It is recommended that this be done by 31 July 2026.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

18. Neither option has any identifiable impact on climate change considerations.
-

NEXT STEPS

19. Council approval is required by 30 June 2026 for this to take effect for legislative reporting requirements for the 2025/26 financial year. Further investigation is to be undertaken to determine whether an annual report is required under the Local Government (Water Services) Act 2025. If no such requirement applies, Wai Hononga is to provide a short-form (unaudited) annual report to Council by 31 July 2026.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

20. Although this matter is potentially of public interest, it is not a matter requiring community engagement, as it is an administrative matter. It does not trigger any of the steps to consult, within the Council's Significance and Engagement Policy.

OPTIONS / KŌWHIRINGA

21. There are two options available for consideration. This report identifies and assesses the following reasonably practicable options for addressing the matter:

Option 1: Approve the exemption under section 7 of the Local Government Act 2002 to apply to Wai Hononga Water Services Limited, for the year ended 30 June 2026.

Option 2: Do not approve the exemption

OPTION 1

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

22. Option 1 will reduce administrative and compliance costs by removing the requirement for Wai Hononga Water Services Ltd to prepare an annual report under the Local Government Act 2002.

Risk Analysis / Tātaritanga o Ngā Mōrearea

23. There is a risk that granting an exemption from producing an annual report may reduce transparency to the public. However, to maintain transparency and accountability, a short-form (unaudited) annual report will still be required.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

24. Option 1 aligns with Council's Strategic Framework to strive for operational excellence.

Statutory Responsibilities / Ngā Haepapa ā-ture

25. The resolution is within Council's legislative powers.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

26. Option 1 is consistent with the Council's Water Services Delivery Plan, which provides for the water organisation's operations to commence from 1 July 2027.

Participation by Māori / Te Urunga o Ngāi Māori

27. No engagement has been undertaken with Māori on this recommendation, due to the urgency and administrative nature of this decision.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

28. Council has not directly engaged with the community due to the urgency and administrative nature of this decision.

OPTION 2:

Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi

29. This will increase administrative and compliance costs.

Risk Analysis / Tātaritanga o Ngā Mōrearea

30. There is a risk that Wai Hononga may end up having to produce an annual report under both pieces of legislation.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

31. This option potentially creates further work and costs and does not align with Council's Strategic Framework to strive for operational excellence.
-

Statutory Responsibilities / Ngā Haepapa ā-ture

32. This option is within Council's legislative powers.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

33. This decision is inconsistent with the Council's Water Services Delivery Plan which states that NPDC will complete transitional arrangements by 30 June 2026 and the water organisation's operations will commence from 1 July 2027

Participation by Māori / Te Urunga o Ngāi Māori

34. No engagement has been undertaken with Māori on this recommendation due to the urgency and administrative nature of this decision.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

35. Council has not directly engaged with the community due to the urgency and administrative nature of this decision.

RECOMMENDED OPTION

This report recommends Option 1: Approve the exemption under section 7 of the Local Government Act 2002, to apply to Wai Hononga Water Services Limited, for the year ended 30 June 2026.

16

Report Details

Prepared By: Loren Moore (Manager Financial Services)
Team: Operational Excellence
Approved By: Sarah Downs (General Manager Operational Excellence)
Ward/Community: District Wide
Date: 18 June 2026
File Reference: ECM 9825495

-----End of Report -----

CCOS STRATEGIC OVERSIGHT COMMITTEE TERMS OF REFERENCE

PURPOSE/ TE WHĀINGA

1. The matter for consideration by the Council is approval of a Terms of Reference for the CCOs Strategic Oversight Committee.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Note that the Mayor under s41A of the Local Government Act 2002, has established a CCOs Strategic Oversight Committee and appointed the following members:**

Chairperson	Cr Graham Chard
Deputy Chairperson	Cr Gina Blackburn
Members	Mayor Max Brough
	Cr Sam Bennett
	Cr David Bublitz
	Cr Dinnie Moeahu
	Cr John Woodward

- b) **Adopt the Terms of Reference, contained in Appendix 1 (ECM_9825611).**

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

2. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being administrative. Adoption of a Committee Terms of Reference are administrative processes and decisions can be reversed if and when required.

BACKGROUND / WHAKAPAPA

CCOs Committee and oversight

3. Historically NPDC has established a CCOs Committee to undertake the main oversight of CCOs. This has included receiving draft and final statements of intent, quarterly and annual reporting and delegated authority for preparing statements of expectations.
4. Council currently undertakes those activities in the current triennium and that this is expected to continue. The Finance, Audit and Risk Committee Terms of Reference includes the following area of responsibility related to Council-Controlled Organisations:

Support Council's shareholder responsibilities by undertaking periodic, risk-and assurance-focused reviews of Council-controlled organisations. These reviews will be selective and targeted, and will focus on matters of material financial exposure, strategic risk, governance assurance, and Council risk transfer, rather than routine operational or performance reporting. It is not the role of the Committee to receive standard or regular CCO performance reports, but to provide Council with independent assurance and insight through planned annual or multi-year deep dives, or where specific issues warrant additional scrutiny.

5. No changes to the Finance, Audit and Risk Committee are proposed.

The WSCCO Oversight Group has been disestablished

6. A WSCCO Oversight Group was established to provide support during the establishment of the WSCCO and to offer advice, guidance and input into establishment process and recommendations to Council. The Group has now been disestablished.

CCOs Strategic Oversight Committee

7. The CCOs Strategic Oversight Committee has been established, to enable governance oversight of the Council's Council-Controlled Organisations (CCOs) as required. The proposed Terms of Reference aim to provide clarity of the Committee's role and to align with the Finance, Audit and Risk Committee Terms of Reference.
8. The draft Terms of Reference, (Appendix 1), are high level and enable the Committee to determine a work programme each year identifying the Committee's focus areas and tasks.
9. The Committee's focus for 2026/27 is likely to be oversight of the establishment of the water services council-controlled organisation (WSCCO) Wai Hononga Water Services Limited including:
 - a) The roadmap to day one (1 July 2027)

Are timeframes being met? Are the dependent workstreams correctly resourced and meeting expectations?
 - b) Water Services Strategy for two waters and stormwater

Are the required outcomes being achieved to support a future operating and financial model that identifies future revenue and investment requirements?

c) Transfer Agreement

Is there assurance on timeframes, progress and due diligence?

d) Service Level Agreements

Providing oversight of potential impacts in relation to the Long-Term Plan 2027-37.

Risk Analysis / Tātaritanga o Ngā Mōrearea

10. The proposed Terms of Reference has little risk as it does not provide the Committee with delegated decision-making authority.
11. There is a small risk that the Terms of Reference of the Committee and those of the Finance, Audit and Risk Committee are confused. This has been mitigated by being as clear on the role of the Committee and the ability for the Committee to refer CCO related issues to the Finance, Audit and Risk Committee for review.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

12. The matters considered in this report are administrative and no climate change impacts have been considered.

NEXT STEPS / HĪKOI I MURI MAI

13. The first meeting of the Committee would be called and a work programme for 2026/27 would be developed.

FINANCIAL AND RESOURCING IMPLICATIONS / NGĀ HĪRAUNGA Ā-PŪTEA, Ā-RAUEMI

14. Costs of holding meetings and providing support for the CCOs Strategic Oversight Committee will be met from within budgets.
15. It is not recommended to make changes to Councillor Remuneration Framework following the appointments to the Committee. If this was to occur, a separate Council decision would be required and the changes would be forwarded to the Remuneration Authority for approval and gazetting.

IMPLICATIONS ASSESSMENT / HĪRANGA AROMATAWAI

16. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
-

- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Draft CCOs Strategic Oversight Committee Terms of Reference
(ECM_9825611)

Report Details

Prepared By:	Kathryn Scown (Executive Director CE Office)
Team:	CE Office
Approved By:	Steve Ruru (Chief Executive)
Ward/Community:	District Wide
Date:	18 June 2026
File Reference:	ECM_9825612

-----*End of Report*-----

CCOS STRATEGIC OVERSIGHT COMMITTEE

Chairperson: Cr Graham Chard
Deputy Chairperson: Cr Gina Blackburn
Members: Mayor Max Brough
Cr Sam Bennett
Cr David Bublitz
Cr Dinnie Moeahu
Cr John Woodward

Quorum: Half

Meeting frequency: As required

Purpose

1. The purpose of the CCOs Strategic Oversight Committee is to support Council in its role as shareholder by providing focused oversight of matters, determined by the Committee, on significant, non-routine and strategic matters relating to Council-Controlled Organisations.
 2. The Committee's role is to give attention to major governance, ownership and implementation issues that warrant deeper consideration than can be provided through routine reporting processes.
-

Delegated authority

3. Determination of significant, non-routine and strategic matters for the Committee's consideration.
 4. Development of an annual committee work programme to determine focus areas and tasks not contained within the Finance, Audit and Risk Committee's Terms of Reference
 5. To refer CCO related issues to Council for decision or the Finance, Audit and Risk Committee for review.
-

Matters not delegated

6. The Committee has no delegated decision-making authority.

7. The Committee does not receive CCO statements of intent or quarterly or annual reports on behalf of Council.
 8. The Committee does not finalise statements of expectations on behalf of Council but may be requested to draft or provide input into statements of expectations.
-

Note

Examples of matters which the Committee may wish to consider or oversee are:

- a) The process and considerations and process for establishment of a new CCO/CCTO (noting that decision-making on final establishment rests with Council).
- b) Major implementation programmes, such as the transition to Wai Hononga Waters Services Limited.
- c) Significant or emerging issues affecting a CCO's strategic direction, governance, accountability, or alignment with Council expectations.

ANNUAL PLAN 2026/27 ADOPTION AND SETTING OF RATES

MATTER / TE WHĀINGA

1. The matter for consideration by the Council is to adopt the Annual Plan 2026/27 and then to set the rates for 2026/27.

RECOMMENDATION FOR CONSIDERATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, Council:

- a) **Notes that decisions on the contents of the Annual Plan were made at an Extraordinary Council Meeting on 18 February 2026, including determining not to consult on the Annual Plan 2026/27 (Minute Number C/2026/011).**
- b) **Notes that further adjustments to the contents of the Annual Plan were made, from the 18 February Council Meeting, at the 13 May Council Meeting.**
- c) **Notes that with rising costs and reduced income Council has continued to look for cost savings and efficiencies that has resulted in delivering a total rates rise of 4.9% for Annual Plan 2026/27 below the 10.5% provided for in Year 3 of Long-Term Plan 2024-2034.**
- d) **Adopts the Annual Plan 2026/27 (Appendix 1 ECM 9801496).**
- e) **Approves the Council Services Funding Impact Statements (Appendix 2 ECM 9801497).**
- f) **Pursuant to section 23 of the Local Government (Rating) Act 2002, and in accordance with the New Plymouth District Council's Annual Plan 2026/27, including the Rating Funding Impact Statement the New Plymouth District Council hereby sets the rates and charges as set out in this resolution; (and in accordance with sections 24 and 57 states the due dates for payment of rates and authorises the addition of penalties to unpaid rates) for the period commencing on 1 July 2026 and ending on 30 June 2027.**

The rates and charges are as follows.

1. **General rate**

A general rate set under section 13 of the Local Government (Rating) Act 2002 assessed on the land value (LV) of all rateable rating units in the district. This rate is set on a differential basis as follows.

The rating differentials per dollar of land value are set in the table below.

Differential rating category	Rate per \$ of LV 2026/27 GST incl
Commercial/Industrial	1.5393
Residential	0.5131
Small Holdings	0.4105
Farmland	0.3848

2. Uniform annual general charge

The uniform annual general charge (UAGC) is set under section 15 of the Local Government (Rating) Act 2002 and is a fixed amount assessed per (separately used or inhabited part) SUIP on all rateable rating units within the district.

Per SUIP	2026/27 GST incl
UAGC	\$100.41

3. Targeted roading rate

A fixed targeted roading rate is set under section 16 of the Local Government (Rating) Act 2002 and is assessed per SUIP on all rateable rating units within the district.

Per SUIP	2026/27 GST incl
Fixed targeted roading rate	\$130.48

4. Targeted stormwater rate

A fixed targeted stormwater rate is set under section 16 of the Local Government (Rating) Act 2002 and is assessed on the capital value of all urban rateable rating units.

Capital Value	2026/27 GST incl
Fixed targeted stormwater rate	0.01850/\$

5. Targeted refuse collection and disposal (including kerbside recycling) rate

A fixed targeted refuse collection and disposal (including kerbside recycling) rate set under section 16 of the Local Government (Rating) Act 2002 and is assessed per SUIP, on rating units which Council provides the service.

Per SUIP	2026/27 GST incl
Refuse collection and disposal (including kerbside recycling) rate	\$351.00

6. Targeted swimming pool compliance rate

A fixed targeted swimming pool compliance rate set under section 16 of the Local Government (Rating) Act 2002 and is assessed per SUIP on rating units which have a swimming pool/spa pool.

Per SUIP	2026/27 GST incl
Swimming pool compliance rate	\$90.00

7. Water supply

a) Targeted water supply rate

A fixed targeted water supply rate set under section 16 of the Local Government (Rating) Act 2002 and assessed per SUIP on rating units which are connected or available to be connected to a monitored metered, unrestricted water supply. A half charge will be assessed on each SUIP that is within 100 metres of a serviceable pipeline, where the service is available but not connected.

Per SUIP	2026/27 GST incl
Connected	\$799.00
Serviceable	\$399.50

For the avoidance of doubt, the monitored metered unrestricted water supply has an installed water meter used for monitoring and mock billing until 1 July 2027, after which metered invoicing will commence.

b) Targeted on demand water by meter supply rate

A fixed targeted on demand water by meter supply rate set under section 16 of the Local Government (Rating) Act 2002 and assessed per SUIP on all rating units which are connected to a metered urban or rural water supply.

Per SUIP	2026/27 GST incl
Metered water supply rate	\$87.00

For the avoidance of doubt - excludes all rating units assessed for the monitored metered unrestricted water supply targeted rate.

c) Metered water supply

A consumption rate charged per cubic metre of water supplied to each connection which is metered and connected to an urban or rural water supply. Invoiced separately from rates invoices. Set under section 19 of the Local Government (Rating) Act 2002.

Volumetric water supply per rating year	2026/27 GST incl
First 50,000m³ used	\$3.15/m³
Above 50,000m³ used	\$3.17/m³

For the avoidance of doubt - excludes all rating units assessed for the monitored metered unrestricted water supply targeted rate.

d) Waitara Industrial metered water supply

A consumption rate charged per cubic metre of water supplied to each connection which is metered and connected to the Waitara industrial untreated water supply. Set under section 19 of the Local Government (Rating) Act 2002.

Volumetric water supply	2026/27 GST incl
Per cubic metre of water supplied	\$3.41/m³

e) Targeted restricted water flow rate

A fixed targeted restricted water flow rate set under section 19 of the Local Government (Rating) Act 2002 and assessed per unit of water supplied to each SUIP on all rating units that are not metered and are connected to a monitored metered restricted rural water supply (in accordance with NPDC’s Bylaw Part 14 - Water, Wastewater and Stormwater Services). A unit is 1 cubic metre of water supplied per day.

The fixed targeted rate is assessed based on the number of units supplied for the rating year from 1 July to 30 June, with a minimum of 1 unit (1 cubic metre) of water supplied per day. The user can elect to increase the volume of water they want supplied per day by cubic metre (unit) increments and must advise the Council of their request by 31 May each year, if they require any amendments. Approval will be based on the capacity to supply.

Volumetric water supply/per rating unit	2026/27 GST incl \$/365m³
1 cubic metre of restricted water supplied per day	\$494.00

In the avoidance of doubt, a monitored metered restricted rural water supply has an installed water meter used for monitoring and mock billing until 1 July 2027, after which metered invoicing will commence.

8. Targeted sewage treatment and disposal rate

A fixed targeted sewage treatment and disposal rate set under section 16 of the Local Government (Rating) Act 2002; assessed on all rating units connected or available to be connected (serviceable) to an accessible scheme; either directly or through a private drain to a public sewage drain. The sewage treatment and disposal rate is assessed on the basis of one charge per pan, (water closet) or urinal with the exception of a single household – which shall be treated as having 1 pan or urinal. For the avoidance of doubt, the words ‘a single household’ do not restrict the charge to one pan or urinal in the situation where a rating unit has separately used or inhabited parts. In such a situation each separately used or inhabited part is regarded as a single household/residence, and the pan charge will be assessed on that basis.

Targeted sewage treatment charges are:

Rating unit connected	Factor of Liability	2026/27 GST incl
One to two pans or urinal	Per pan or urinal	\$807.00
Three pans or urinals	Per pan or urinal	\$686.00
Four pans or urinals	Per pan or urinal	\$605.00
Five pans or urinals	Per pan or urinal	\$524.00
Six to 10 pans or urinals	Per pan or urinal	\$484.00
11 to 15 pans or urinals	Per pan or urinal	\$444.00
16 to 20 pans or urinals	Per pan or urinal	\$428.00
21 or more pans or urinals	Per pan or urinal	\$403.50
Rating unit serviceable – within 100 metres of an accessible sewerage pipe	Factor of Liability	2026/27 GST incl
Available to be connected	Per SUIP	\$403.50

9. Voluntary targeted rate – Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme

The Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme rate is a targeted rate set under section 16 of the Local Government (Rating) Act 2002. The Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme rate is assessed on rating units where ratepayers have opted into the scheme that provides a way to pay for the cost of additional household sustainability initiatives, specific to their property. The targeted rate is assessed until the total amount advanced including costs are recovered. For the avoidance of doubt, this rate includes the NPDC's Voluntary Targeted Rate for Home Energy Scheme provided prior to its expansion to the current Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme, which is currently closed for new applications.

Per rating unit	2026/27 GST incl Loan amount \$713,846.31
9-year repayment period	11.1%
5-year repayment period	20%

10. Good and Services Tax GST

15% GST is included in the rates.

11. Penalties imposed on unpaid rates

The due dates and penalty dates for the four instalments for rates assessed (excluding rates for metered water supply) are set out in the table below. Pursuant to Section 57 and 58(1)(a) of the Local Government (Rating) Act 2002 a 10% penalty will be added to any part of the rates instalment that remains unpaid after the due date.

Rates instalment	Due Date	Penalty Date
One	26 August 2026	26 August 2026
Two	25 November 2026	25 November 2026
Three	24 February 2027	24 February 2027
Four	26 May 2027	26 May 2027

Pursuant to section 58(1)(b) i or ii of the Local Government (Rating) Act 2002 a further 10% penalty will be applicable to any rates (excluding rates for metered water supply) that were assessed prior to 1 July 2026 and remain unpaid as at 30 September 2026.

Pursuant to section 58(1)(c) a further 10% penalty will be added to any rates (excluding rates for metered water supply) that were assessed prior to 1 July 2026 and remain unpaid as at 31 March 2027.

The due dates and penalty dates for the targeted rates for volumetric metered water supply that are invoiced monthly are set out in the table below. Pursuant to Section 57 and 58(1)(a) of the Local Government (Rating) Act 2002 a 10% penalty will be added to any part of the rates instalment that remains unpaid after the due date.

Instalment	Due Date	Penalty Date
One	20 August 2026	20 August 2026
Two	21 September 2026	21 September 2026
Three	20 October 2026	20 October 2026
Four	20 November 2026	20 November 2026
Five	21 December 2026	21 December 2026
Six	20 January 2027	20 January 2027
Seven	22 February 2027	22 February 2027
Eight	22 March 2027	22 March 2027
Nine	20 April 2027	20 April 2027
Ten	20 May 2027	20 May 2027
Eleven	21 June 2027	21 June 2027
Twelve	20 July 2027	20 July 2027

The due dates and penalty dates for the targeted rates for volumetric metered water supply that are invoiced quarterly are set out below. Pursuant to Section 57 and 58(1)(a) of the Local Government (Rating) Act 2002 a 10% penalty will be added to any part of the rates instalment that remains unpaid after the due date.

Rates instalment	Due Date	Penalty Date
One	25 November 2026	25 November 2026
Two	24 February 2027	24 February 2027
Three	26 May 2027	26 May 2027
Four	25 August 2027	25 August 2027

COMPLIANCE / TŪTOHU	
Significance	This matter is assessed as being significant.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: 1. Adopt the Annual Plan 2026/27 and then set the rates.
Affected persons	The persons who are affected by or interested in this matter are all residents and ratepayers of New Plymouth District.
Recommendation	This report recommends option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	Yes, this report seeks the adoption of the Annual Plan 2026/27.

COMPLIANCE / TŪTOHU	
Significant Policy and Plan Inconsistencies	No. Council has already resolved that there are no significant or material variations from the Long-Term Plan 2024-2034 to the Annual Plan 2026/27.

FINANCE, AUDIT AND RISK COMMITTEE RECOMMENDATION

2. The Finance, Audit and Risk Committee has considered the assumptions, process and procedures underpinning development of the Annual Plan 2026/27. The Committee is satisfied that an appropriate process has been followed in the preparation of the Annual Plan 2026/27 and its supporting information.

EXECUTIVE SUMMARY / WHAKARĀPOPOTOTANGA MATUA

3. This report seeks the adoption of the Annual Plan 2026/27, and the setting of rates for 2026/27. The Annual Plan for adoption is consistent with the decisions made at the Extraordinary Council meetings of 18 February and 13 May 2026.
4. The ongoing economic challenges continue to affect households and businesses, placing considerable pressure on the decisions required for this Annual Plan. For Council, this is reflected in ongoing pressure from rising costs, reduced income streams, and the need to respond to ongoing government reforms. Global stability also remains uncertain, adding further pressure to the financial environment.
5. Council has continued to focus on making efficiencies and finding cost savings meaning that inflationary pressures have largely been absorbed as reflected within the 18 February initial decisions related to Annual Plan 2026/27. Subsequent to the 18 February initial decisions there has been ongoing downward trajectory forecast of the 2025/26 capital expenditure delivery combined with escalating global geopolitical uncertainty resulting in increased fuel costs along with associated inflation and supply chain disruption risk. As a result, proposed operating and capital expenditure programme adjustments were considered and agreed to at the 13 May Council meeting.
6. Therefore, despite rising costs and reduced income Council has been able to land Annual Plan 2026/27 with a total rates rise of 4.9% below the 10.5% provided for year 3 within Long-Term Plan 2024-2034 (LTP 2024).
7. The proposed total Annual Plan operating expenditure is \$272.4m (a \$12.2m increase from the forecast Long-Term Plan operating expenditure of \$260.2, including a \$5.7m depreciation expense increase). The proposed total Annual Plan capital expenditure is \$123.5m (a \$25.5m reduction from the forecast Long-Term Plan capital expenditure of \$149m).

BACKGROUND / WHAKAPAPA

8. Council made its initial decisions on the contents of the Annual Plan 2026/27 at the Extraordinary Council Meeting held on 18 February 2026 (C/2026/ 011 refers - [Agenda](#); [Minutes](#)). These decisions resulted in a total rates rise of 4.9 per cent, which is below the 10.5 per cent provided for in LTP 2024.
9. Subsequent to the 18 February initial decisions, the capital expenditure programme was actively reviewed to ensure deliverability, alongside escalating global geopolitical uncertainty affecting fuel costs, inflation, and supply chain risk. As a result, proposed operating and capital expenditure programme adjustments were considered and agreed at the 13 May Council meeting. These decisions retain the total rates increase at 4.9 per cent, which is below the 10.5 per cent provided for in LTP 2024.
10. The decisions from the 18 February and 13 May meetings have now been incorporated into the final Annual Plan, which is ready for adoption (Appendix 1). Council is also required to separately approve the budgets for each Council service (Appendix 2).
11. The Annual Plan sets Council’s annual budget and work programme. The Annual Plan 2026/27 is the third year of the LTP 2024. The LTP forms the starting point for developing the Annual Plan, with adjustments made.
12. Across Council there has been a directive to realise the savings committed to in the LTP 2024, and absorb rising cost pressures within existing funding allocation for this Annual Plan. Without these changes the rates increases would be significantly higher.
13. The Annual Plan is largely in line with LTP 2024 forecasts. Officers have made numerous minor adjustments to budgets to achieve this, meaning Council has absorbed the inflationary pressures and adjusted operating and capital work programme expenditure.
14. The following table outlines the key projects for the Annual Plan, based on the Big Calls in the Long-Term Plan 2024-2034 Consultation Document.

Big Call	Work Programme
Investing more in looking after our existing infrastructure	Increased budgets compared to LTP 2024-2034. Budget adjustments to reflect realistic cost estimates, works to support construction, complexities of design and investigation, consenting application timeframes, construction programme that is currently underway and to close out the project.

Big Call	Work Programme
	<p>Reducing rates funding for general and transport renewals to realign these closing reserve balances with LTP Year 3, a rates reduction of \$12.4m compared to LTP Year 3 (this figure is being debt funded instead)</p> <p>Projected ramping up of renewals has been slower than forecast. Projected year 3 delivery increase has been reduced to reflect the actual realities of the projected workplan delivery.</p>
Boosting the Disaster Recovery Reserve	Continued investment in Annual Plan 2026/27 with \$500k plus an additional \$300k top up from the PIF release, and \$206k from Council resolution 18 February 2026.
Climate Action Framework	While we are continuing with the commitment to our climate changes response some of the emissions reduction initiatives (heating, ventilation, air conditioning, boilers and chillers) have been paused for reconsideration in LTP 2027.
Establishing a Sustainable Lifestyle Capital Reserve	No contribution to the Sustainable Lifestyle Capital Reserve – a reduction of \$750k.
Tūparikino Active Community Hub	Tūparikino Active Community Hub construction activities continue with \$11.9m.
Brooklands Zoo	Adjustment of \$1.6m (LTP 2024-2034) to \$2m. Budget adjustment to enable continued planning activities across all three phases of the programme.

CLIMATE CHANGE IMPACT AND CONSIDERATIONS / HURINGA ĀHUARANGI

- While we are continuing with the commitment to our climate changes response, some of the emissions reduction initiatives (heating, ventilation, air conditioning, boilers and chillers) have been paused for reconsideration in LTP 2027. Preliminary project scoping identified a range of options that would improve whole of life costs and provide for operational reductions. Some of these options have budget implications, so further work was identified as desirable to be undertaken to inform options and associated costs through the upcoming LTP process.

16. Adjustments have also been made related to the timing of adaptation planning projects.

NEXT STEPS / HĪKOI I MURI MAI

17. This Annual Plan becomes Council's budget on 1 July 2026. It sets the operating and capital budgets that officers will then implement through to 30 June 2027.
18. Ratepayers will be sent four quarterly rates invoices in 2026/27, with the first rates invoice due in August 2026 (excluding volumetrically charged water rates). Volumetrically charged water rates will be invoiced either quarterly or monthly. These invoices will be in line with the rates resolution.

SIGNIFICANCE AND ENGAGEMENT / KAUPAPA WHAKAHIRAHIRA

19. In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being significant because the Annual Plan sets the levels of service (in line with the Long-Term Plan), financial costs for the community, implements and funds various strategies and plans, and has widespread community interest and implications.
20. The Local Government Act 2002 requires Council to consult the community if the Annual Plan includes significant or material variations from the indicative budgets in the relevant year of the Long-Term Plan. Council resolved on 18 February 2026 that there were no identified significant or material variations and that consultation was therefore not required

OPTIONS / KŌWHIRINGA

21. There is only one reasonably practicable option – to adopt the Annual Plan and then to set the rates. Council made initial decisions at its 18 February 2026 meeting and that was the appropriate time to consider amendments to the Annual Plan. Not adopting, or making amendments, that would require further consideration and later adoption are not considered to be reasonable options as the Annual Plan for 2026/27 would not be adopted before 30 June 2026 as required by the Local Government Act 2002 and would also risk delayed striking of rates.

Option 1 Adopt the Annual Plan 2026/27 and then set the rates*Financial and Resourcing Implications / Ngā Hīraunga ā-pūtea, ā-rauemi*

22. The following table outlines some of the key financial information in the Annual Plan for adoption:

	Long-Term Plan for 2026/27	Movement	Annual Plan 2026/27	Variation
Total rates requirement	\$178m	↓	\$169m	\$9m
Total rates increase percentage	10.5%	↓	4.9%	5.6%
Total operating expenditure	\$260m	↑	\$272m	\$12m (includes \$6m depreciation increase)
Total capital expenditure	\$149.5m	↓	\$123.5m	\$26m
PIF release	\$15m	↑	\$17m	\$2m (higher CPI increases release formula)
Gross external debt	\$503m	↑	\$483m	\$20m (lower opening debt position)
Interest expense	\$21m	-	\$21m	-

Risk Analysis / Tātaritanga o Ngā Mōrearea

23. As outlined in the 18 February 2026 report, Council has faced pressure from increasing costs and reducing revenues. Council has therefore continued to focus on making efficiencies and finding cost savings meaning that inflationary pressures have largely been absorbed.
24. The key risk with Annual Plan 2026/27 is a continuation of deficits experienced over the last few financial years.
25. There is also ongoing risk associated with central government reforms particularly related to Local Government (Systems Improvement) Bill, RMA reforms with the Natural and Environment Bill and Planning Bill with Spatial Planning requirements, and the Local Government Legislation Amendment Bill including the establishment of a Head Start pathway for reform.

26. A rates increase of 4.9 per cent provides very little headroom to respond to unforeseen events or emerging pressures. This limits the organisation's ability to absorb unplanned costs without affecting existing budgets or service levels, increasing reliance on reprioritisation.

Alignment with Strategic Framework and Promotion or Achievement of Community Outcomes / Te Hāngaitanga ki te Anga Rautaki me Te Tutuki/Whakatairanga o Ngā Whāinga ā-hāpori

27. The proposed Annual Plan 2026/27 includes capital and operating work to achieve and promote all community outcomes.

Statutory Responsibilities / Ngā Haepapa ā-ture

28. Section 95 of the Local Government Act 2002 requires local authorities to adopt an Annual Plan for each financial year (other than a Long-Term Plan year). That section, and Part 2 of Schedule 10 of the same Act, sets out the content requirements for each Annual Plan. The Annual Plan for adoption complies with these requirements.

Consistency with Policies and Plans / Te Paria i ngā Kaupapa Here me ngā Mahere

29. The Annual Plan for adoption includes capital and operating budgets to support and implement a number of policies and plans. The rates resolution is in line with the Revenue and Financing Policy and LTP 2024.

Participation by Māori / Te Urunga o Ngāi Māori

30. There has been no specific participation by Māori in the Annual Plan development process. Iwi, hapū, other Māori organisations, and Māori individuals submitted to the LTP 2024 process which forms the starting point for developing this Annual Plan. Iwi and hapū are also, or will be, involved in a number of key projects in the Annual Plan.

Community Views and Preferences / Ngā tirohanga me Ngā Mariu ā-hāpori

31. There has been no specific community engagement or consultation on the Annual Plan so far. There was consultation on LTP 2024 (including 3,222 submissions during the consultation period) which forms the starting point for developing this Annual Plan.

Advantages and Disadvantages / Ngā Huanga me Ngā Taumahatanga.

32. This Annual Plan for adoption faces continued financial pressures. A wide range of measures have been used to reduce the total rates increase down from the 10.5 per cent forecast in LTP 2024 to 4.9 per cent (as noted in the 18 February 2026 Council Meeting report). However, the financial impact on ratepayers of a 4.9 per cent total rates increase, and ongoing increases to fees and charges (in line with inflation) on the wider community may cause further difficulty and hardship for some within the community.

Recommended Option

This report recommends option one – adopt the Annual Plan 2026/27 and then set the rates for addressing the matter.

APPENDICES / NGĀ ĀPITI HANGA

Appendix 1 Annual Plan 2026/27 (ECM 9801496)

Appendix 2 Council Services' Funding Impact Statements (ECM 9801497)

Report Details

Reviewed By: Renee Davies (Strategic Planning Manager), Matthew Thomson (Finance Manager)
Team: Strategic Planning and Finance
Approved By: John Scott (General Manager Finance and Planning)
Ward/Community: District Wide
Date: 20 May 2026
File Reference: ECM 9801495

-----End of Report -----



18.1

Annual Plan

2026/27



Te Kaunihera-ā-Rohe o Ngāmotu
New Plymouth
District Council



This document is NPDC’s Annual Plan for the 2026/27 financial year.

It outlines exceptions for Year 3 (2026/27) from the Long-Term Plan 2024-2034 and is intended to be read alongside that document.

This document does not provide an exhaustive list of all of Council’s projects for 2026/27; however it does provide an overview of our key priorities and projects for the year.

Contents / Ngā Ihirangi

Our Plan / Kōrero Whakarāpopoto

Introduction from the Mayor and Chief Executive.....	4
Strategic Framework.....	5
Key changes and influences.....	6
Financial Summary.....	8



Our Plan

Financials / Te Pūrongo Pūtea

Rating Funding Impact Statement.....	16
Statement of Accounting Policies.....	25
Prospective Financial Statements.....	26
Notes to Financial Statements.....	29
Statement of Reserve Funds.....	30
Disclosure Statement.....	32
Funding Impact Statement.....	33
Reconciliation Summary.....	34



Financials

Introduction from the Mayor and Chief Executive

He kupu whakataki nā te Koromatua me te Tumu Whakarae

As we present the Annual Plan 2026/27, we do so at a time when many in our community are feeling the strain of ongoing cost pressures.

This plan reflects the reality of the environment we are operating in, the pressures our community is feeling, and our shared responsibility to balance affordability with the services and infrastructure people rely on every day.

Like councils across New Zealand, NPDC continues to face rising costs driven by inflation, higher interest rates, insurance pressures, and increasing regulatory requirements.

At the same time, our community has made it clear that ongoing, double digit rates increases are not sustainable. People want reassurance that Council is listening, tightening its belt where possible, and making careful, responsible choices.

This Annual Plan responds directly to that feedback. It includes a total rates increase of 4.9 per cent for 2026/27, which is significantly lower than what was signalled in the Long-Term Plan and represents a deliberate decision to reset our approach for this year and into the future.

Reaching this point has required us to look hard at what we deliver, how we deliver it, and what can realistically be achieved within the year ahead.

To achieve this, we have made changes across both operating and capital budgets. Some projects have been rephased or slowed to better match our capacity to deliver them in this financial year.

By aligning our programme more closely with our organisational capacity, we are aiming to improve delivery confidence, manage risk, and ensure better value for money for ratepayers.

We have paused, reduced, or reallocated funding in some areas, reviewed discretionary spending, and identified opportunities to operate more efficiently.

This has enabled us to fund some new footpaths in Waitara and boost footpath maintenance across the district.

These decisions were not taken lightly, and we acknowledge that they will have impacts. However, they are necessary to ensure the Council remains financially resilient while continuing to invest in what matters most.

Importantly, this Annual Plan still maintains a strong focus on essential services and critical infrastructure. Investment in roads, water, wastewater and stormwater networks remain a priority, alongside key projects that support growth, resilience and community wellbeing.

While this Annual Plan represents a single year, it is also a signal of the direction we intend to take as we start preparation of our next Long-term Plan.

There will continue to be challenges ahead both for our organisation and the community, particularly in light of the economic pressures fuelled by overseas conflicts, so resilience is going to be key.

We believe this Annual Plan strikes a careful balance between restraint and responsibility. It aims to support our community through a challenging period while keeping New Plymouth District moving forward.



MAX BROUGH
New Plymouth District Mayor



STEVE RURU
Interim Chief Executive

Strategic Framework

Vision: Sustainable Lifestyle Capital

Mission: Ensuring Taranaki is a place of opportunity where people want to live, learn, work, play and invest now and into the future with a focus on kaitiakitanga.

Goals (community outcomes):

Trusted



- Strengthening Te Tiriti partnerships with hapū and iwi to improve well-being
- Building trust and credibility with community, business, fellow councils and government
- Demonstrating leadership and striving for operational excellence

Thriving Communities and Culture



- Connected and engaged communities
- Safe and active communities
- An equitable and inclusive approach to delivering for all our people and communities
- Communities that embrace Te Ao Māori

Environmental Excellence



- Restoring our ecosystems
- Mitigating further environmental impacts
- Tackling the challenges of climate change
- Delivering resilient infrastructure efficiently

Prosperity



- Developing and supporting initiatives to achieve a diversified high-performing economy
- An equitable economy where people have access to quality employment and opportunities to build wealth
- Contributing to NZ Inc's environmental sustainability and economic performance

The Strategic Framework adopted through the Long-Term Plan 2024–2034 continues to apply to the Annual Plan 2026/27. On 4 March 2026, Council adopted a new vision - **Thriving Today, Resilient Tomorrow** - for the Strategic Framework to support the LTP 2027–2037. While the existing vision remains in place for this Annual Plan, the new vision is outlined to signal Council's future direction, with further work underway to update community outcomes for the next LTP.

Te anga kōkiri o Te Kaunihera ā-Rohe o Ngāmotu Moemoeā: Te Tino Rohe o te Kātū Noho Toitū

Te Whāinga: Kia whakaū ai, ko Taranaki te rohe e kaha pīrangitia ana e te tangata hei wāhi noho; kei reira te pito mata whai angitū kia pai ai te noho, ako, mahi, tākaro, haumi hoki i tēnei wā, ā, hei te āpōpō, kia arotahi atu ki te kaitiakitanga hoki.

Ngā putanga e whāia ana (e te hapori):

E whakaponotia ana



- E whakapakari ana i ngā patuitanga Tiriti ki te taha o ngā hapū me ngā iwi hei hāpai ake i te oranga
- Te whakapakari i te whakapono mai, me te whakawhirinaki mai a te hapori, a ngā pakihi, kaunihera atu anō, kāwanatanga hoki
- Te whakaatu i te hautūtanga me te whai i te kounga o te whakahaere

Ngā Hapori me te Ahurea Tōnuī



- He hapori kua tuituia, kua whai wāhi
- He hapori haumarū, ngākau hihiko anō hoki
- He ara whai ōritetanga, kauawhi hoki mō te katoa, tangata mai, hapori mai
- He hapori ka tauawhi i te ao Māori

Te Kounga ā-Taiao



- Te whakarauora i ō tātou pūnaha hauropi
- Te whakamauru i ngā pānga whakakino taiao ka puta mai
- Te whakamauru hoki i ngā uauatanga o te hurihanga āhuarangi
- Te rato i te hanganga pakari, whaihua

Tōnuitanga



- Te whakawhanake, te tautoko hoki i ngā kaupapa kia puāwai mai ai te ōhanga kanorau, whaihua nui
- He ōhanga whaiōritetanga, e taea ai e te tangata te mahi whaikounga, me te rapu ara whakatupu whairawa
- Te kōkuhu ki te toitūtanga o tō Aotearoa taiao me te whai hua o tōna ōhanga

Key changes and influences

Ngā wero me ngā aweawe matua

Our Long-Term Plan 2024-2034 (LTP 2024) sets out what we expected to deliver, how much it would cost and how it would be funded over a 10-year period. This Annual Plan is the third year of that plan.

Our intentions for Year 3 have had to be altered due to challenges outside our control. The increasing international uncertainty and tough economic times alongside ongoing Government reforms continue to result in increased costs and reduced revenues for NPDC. As a result of this we have worked hard to absorb inflationary pressures, squeeze down our costs and increase efficiency. The result of which is that we're able to deliver an Annual Plan with a total rates increase of 4.9 per cent, below the 10.5 per cent provided for within the LTP 2024.

While we will continue to deliver on the programme of work set out in the LTP 2024, the drive to bring down costs has required some changes to be made.

In particular, we have adjusted how we fund our general and transport asset renewals programme. In the past two years, rates collected, relative to delivery, have left reserves in a stronger position than expected, allowing us to draw down less debt than planned. To support a lower rates increase, we have reduced rates funding for these renewals and instead used debt to maintain the ramp-up in delivery. Overall, the general and transport asset renewals reserve position remains in line with, or better than, what was forecast by the end of Year 3 of the LTP.

In addition, we have paused the Winter Festival of Lights for 2027 and there will be no contribution to the Sustainable Lifestyle Capital Reserve.

What has changed since the LTP 2024?

The LTP 2024 projected 2026/27 would have a total operating expenditure (opex) of \$260.2m and capital expenditure (capex) of \$149m. In developing this Annual Plan, the Council has made some changes to that forecast and 2026/27 is now projected to have a total opex of \$272.4m and capex of \$123.5m.

Capital programme

In order to formulate a more realistic plan and better align our capital budget with what was projected by the LTP 2024, we have rephased parts of our 10-year capital programme to match more realistic delivery timeframes.

While increased delivery is proposed this year for the Puketapu growth area projects, Brooklands Zoo, and the Urenui Arch Bridge, the timing of other projects has been pushed back. The Housing for Elderly new units have had a decrease in capex, as well as the Kāwaroa to Belt Road seawall and the Waitara stormwater upgrades. These changes do not reflect a change in the total project budget, but reflect changing timeframes for project delivery.

Some of the key projects changes are outlined on page 12.

Climate change response

We are continuing to build momentum with our climate change response. We have undertaken a refocus our work programme, in light of the severe weather events across the country, onto the issues that matter to our community. We're planning on developing a single climate change plan early in the financial year, delivering our first Local Adaptation Plan in Urenui and Onaero, and prioritising spending towards cost saving energy management initiatives. We'll continue the rollout of Community Climate Action Fund Grants.



Working with tangata whenua

Tūparikino Active Community Hub

NPDC, in partnership with Ngāti Tūparikino, Ngāti Te Whiti and Sport Taranaki, will continue to lead the delivery of the Tūparikino Active Community Hub, with key works progressing through 2026/27. An investment of \$11.9m has been allocated to the project for the 2026/27 financial year. The hub will be a multi-purpose facility serving the sporting and active recreation community, with the new indoor arena targeted to open by mid 2028.

Te Pae o te Rangi - Bell Block to Waitara Walkway Extension

Work continues in partnership with ngā hapū Manukorihi, Otaraua, Pukerangiora and Puketapu along with iwi entity Te Kotahitanga o Te Atiawa on Te Pae o te Rangi or the 'Ledge of the Heavens' (the Bell Block to Waitara walkway extension). Phase 1 of the walkway project is in full swing and due for completion in August 2026. Four property purchases have been finalised and other property purchases are in negotiation. Stages 2 and 3, which takes the walkway from Tate and Brown roads intersection through to the end of the existing walkway at Tirimoana Crescent, are planned to be progressed in 2027.

Waiwhakaiho Wildlink Vision

The Waiwhakaiho Wildlink Vision to restore clean water, native flora and fauna, and cultural and community connection along the awa was developed in partnership with ngā hapū Puketapu, Ngāti Tawhirikura, Ngāti Te Whiti, Ngāti Tūparikino, Ngā Mahanga, Ngāti Tāiri and iwi entities Te Kotahitanga o Te Atiawa and Te Kāhui o Taranaki. With the vision now endorsed, the next stage of this work will look to engage with the process of development of the Te Papa-Kura-o-Taranaki management plan over 2026 and into 2027 and start to engage with stakeholders in further discussions to further inform the vision.

Ngāti Te Whiti Marae and Pukerangiora Pā

Council's Mana Whenua Partnerships Fund will continue to support the Ngāti Te Whiti Marae development at Ngāmotu and the Pukerangiora Pā project with \$500,000 allocated to these projects over 2026/27. The Pukerangiora Pā project is in construction with a completion date of July 2026.

Climate change initiatives

The Council will continue working in partnership with Ngāti Mutunga with the Urenui and Onaero Local Adaptation Plan (initiated in 2025/26). Our Community Climate Action Fund grants also include prioritisation for mana whenua undertaking climate action initiatives.

Tangaroa Restoration Project

The proposed budget reduction for 2026/27 reflects that we are not yet able to commence construction of the inlet structure. The inlet structure remains a critical component of the project, providing essential mitigation for stormwater issues and facilitating the reconnection of the upper and lower sections of the Tangaroa Stream.

Funding for the inlet structure will be considered in the Long-Term Plan 2027-2037, subject to the outcomes of continued engagement with the Owae Marae Trustees.



Financial summary

Whakarāpopototanga ā-pūtea

This is a summary of key financial information relating to the Annual Plan 2026/27. For more detailed information, please refer to the Financials section.

THE NUMBERS

We have total assets worth

\$4.5b

and our capital budget is

\$123.5m

Operating budget

\$272m



Total rates increase

4.9%



Gross debt

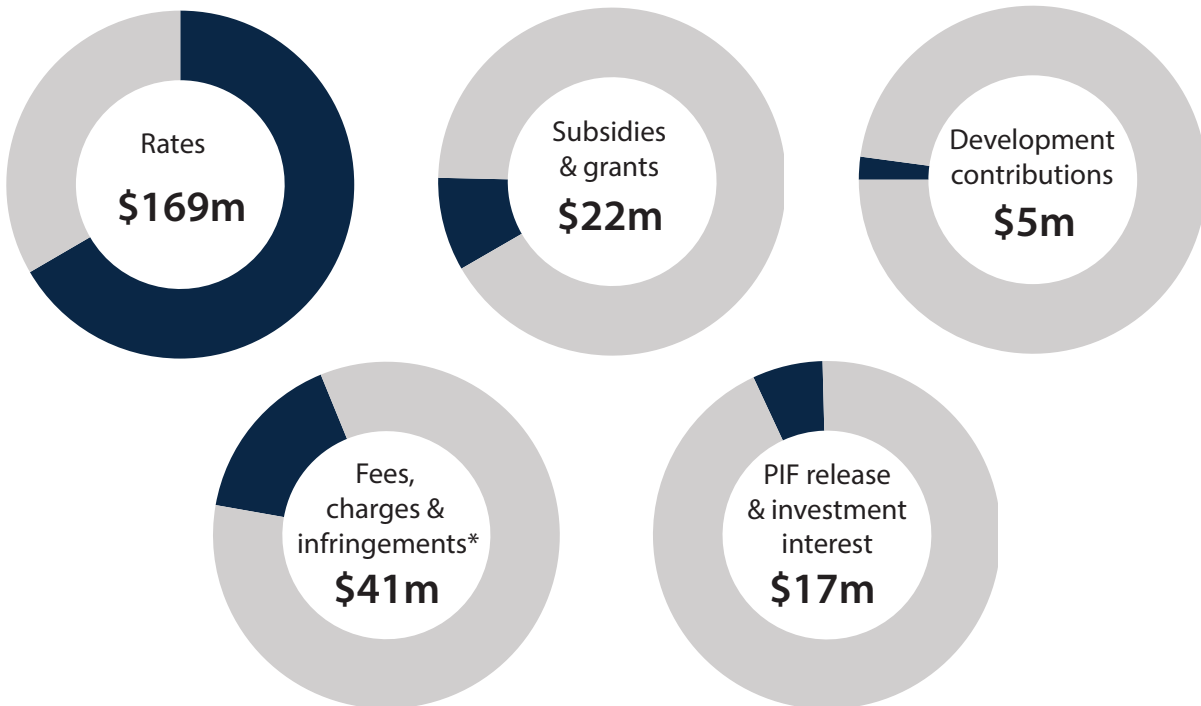
\$483m



Council's budgeted operational revenue

Where does the money come from?

Revenue is received from a mix of rates, fees, interest and dividends on Council's investments, and external sources such as financial assistance from government agencies (e.g. NZ Transport Agency Waka Kotahi). Council recognises revenue from an unrealised gain on investments (\$8.9m) and vested assets income (\$5.3m).



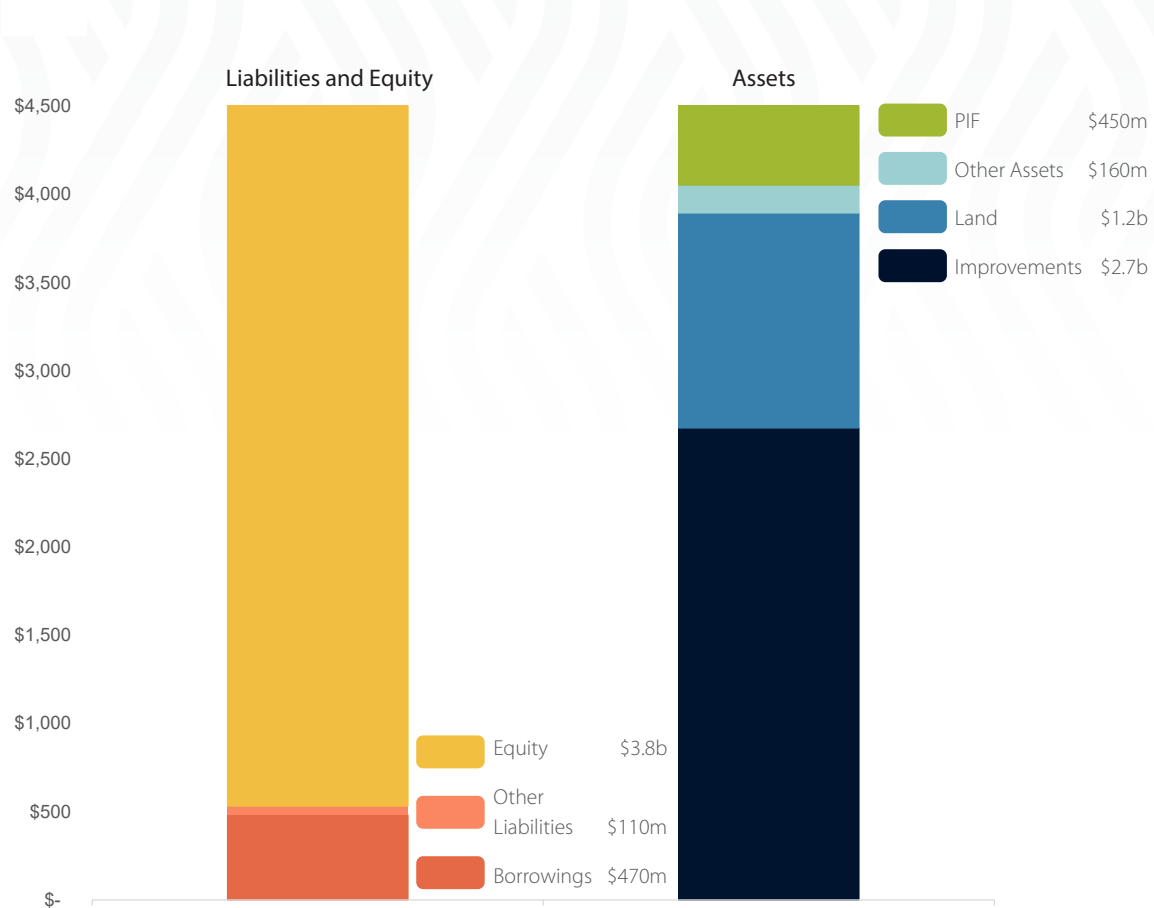
* A schedule of the fees and charges can be found on Council's website www.npdc.govt.nz.

Council’s total assets, liability and equity

What we own - what we owe

Everything NPDC owns is an asset. These assets are primarily property, plant and equipment, but also include our investments in term deposits, Council-controlled organisations and the Perpetual Investment Fund (PIF). Everything NPDC owes are liabilities, primarily our external borrowing.

The difference between our assets and liabilities is the NPDC’s positive net worth – also known as our equity.



18.1









Key changes by the numbers from the 2026/27 year of the LTP 2024

RATES REVENUE \$8.2m	▼	MAIN REASON FOR CHANGE Reduced rates to support the community through the current economic challenges.
SUBSIDIES AND GRANTS \$9.2m	▼	MAIN REASON FOR CHANGE Decrease due to less funding from NZ Transport Agency Waka Kotahi and Better Off funding received in a prior year.
OPERATING EXPENDITURE \$12m	▲	MAIN REASON FOR CHANGE Increase of depreciation expense to align with post revaluation depreciation and higher personnel costs.
CAPITAL EXPENDITURE \$26m	▼	MAIN REASON FOR CHANGE Decrease to reflect the latest forecast delivery timing of projects .





Council’s budgeted operational and capital expenditure

How will the money be spent?

Operating expenditure is used for the day to day running of services and facilities and includes the recognition of depreciation. Capital expenditure is used for renewing and improving the network infrastructure (e.g. roads, pipes and buildings).

Council services	Operating budget	Capital budget	Rates required*
 Community Partnerships	\$11.4m	\$2.3m	\$146
 Customer and Regulatory Solutions	\$17.9m	\$0.1m	\$104
 Economic Development	\$6.4m	-	\$117
 Emergency Management and Business Continuance	\$3.3m	\$0.1m	\$25
 Flood Protection and Control Works	\$1.1m	\$0.6m	\$15
 Governance	\$6.3m	\$0.4m	\$138
 Govett-Brewster Art Gallery/ Len Lye Centre	\$7.3m	\$0.3m	\$107
 Management of Investments and Funding (includes PIF release)	\$10.1m	-\$0.5m	-\$263

* Average residential rates is \$4,113 (inclusive GST)

Council services	Operating budget	Capital budget	Rates required*
 Parks and Open Spaces	\$27.4m	\$7.6m	\$428
 Puke Ariki and Community Libraries	\$16.2m	\$5.1m	\$274
 Stormwater Management	\$11.8m	\$9.3m	\$214
 Transportation	\$38.9m	\$35.7m	\$452
 Venues and Events	\$22.3m	\$15.8m	\$260
 Waste Management and Minimisation	\$24.3m	\$1.1m	\$439
 Wastewater Treatment	\$36.3m	\$20.8m	\$833
 Water Supply	\$30.9m	\$19.6m	\$825

* Average residential rates is \$4,113 (inclusive GST)

Key project changes from Year 3 of our LTP

We have made a few changes in this year's Annual Plan (2026/27) compared with what was set out in the LTP 2024–2034 (LTP 2024). Most of these changes are minor, but there are a few that may be of interest to you, which are outlined below.

2026/27 budgets reduced and deferred to future years

	Reduction	Revised Budget 2026/27		Reduction	Revised Budget 2026/27
Housing project <i>Deferred budget as revised budget is sufficient to complete current construction phase and continue planning for future sites.</i>	\$2.6m	\$1.7m	Waitara wastewater overflows programme <i>Rephased to allow modelling and planning work.</i>	\$0.8m	\$0.3m
Kawaroa to Belt Rd cliff erosion and seawall <i>Rephased to align with construction windows.</i>	\$2.8m	\$1.5m	Supplementary water source <i>Rephased to reflect changes associated with the landowner negotiations for Stage 1 drilling.</i>	\$2.2m	\$0.3m
Waitara stormwater upgrades <i>Majority of budget rephased whilst supporting ongoing planning for future works.</i>	\$3.5m	\$0.5m	Carrington Zone water supply improvements <i>Deferred as recent infrastructure investment continues to meet demand.</i>	\$2.4m	-
Estate Grove stormwater augmentation <i>Deferred to allow further analysis and identification of the most effective long-term solutions.</i>	\$2m	\$0.2m	CBD Strategy <i>Rephased to align with current programme of work which includes replacement of CBD trees and Huatoki Daylighting.</i>	\$0.4m	\$1.4m
Inglewood stormwater remedial works <i>Timing adjusted to incorporate the findings from the catchment management plan and stormwater modelling process whilst still allowing planning activities.</i>	\$0.8m	\$0.2m	Govett-Brewster Art Gallery/Len Lye Centre (GBAG/LLC) heating, ventilation and air conditioning (HVAC) boiler renewals <i>Deferred until revised options are considered in LTP 2027.</i>	\$0.5m	-
Te Pae o te Rangī Walkway Extension <i>Budget updated to reflect current delivery timeline estimates and schedule. This budget includes funding from NZ Transport Agency (NZTA)</i>	\$11.3m	\$4m	GBAG/LLC HVAC chiller renewal <i>Deferred until revised options are considered in LTP 2027.</i>	\$0.4m	-
Te Pae o te Rangī Walkway Extension <i>Reserve acquisition and contingency deferred to outer years. This budget has no associated NZTA funding.</i>	\$12m	-	Civic Centre HVAC chiller 1 <i>Deferred until revised options are considered in LTP 2027.</i>	\$0.6m	-
TSB Stadium fire and water supply issues <i>Rephased to align with Tūparikino Active Community Hub programme of works.</i>	\$1.6m	-	Civic Centre HVAC boiler <i>Deferred until revised options are considered in LTP 2027.</i>	\$0.8m	-
Waitara Landfill solution <i>Funding has been deferred to enable additional planning work and refinement of options.</i>	\$0.9m	\$0.2m	Hobson St yard bulk storage bins <i>Deferred as interim storage solution is currently adequate.</i>	\$0.5m	-
Urenui and Onaero sewer system <i>Funding deferred to allow additional planning work and consenting process.</i>	\$2.5m	\$0.5m	Wastewater resource consent renewals <i>Budget adjusted to align with the current delivery programme.</i>	\$0.8m	\$0.2m
Inglewood wastewater overflows <i>Rephased to enable staged delivery of works.</i>	\$0.7m	\$2.6m	Waimea Valley sewer extension <i>Deferred as growth is lower than originally anticipated so infrastructure not required at the moment.</i>	\$0.4m	-
			Upgrading of Huatoki Valley sewer main <i>Deferred as growth is lower than originally anticipated so infrastructure not required at the moment.</i>	\$0.1m	-
			Fleet renewals <i>Deferred to meet the current requirements.</i>	\$0.4m	\$1m

2026/27 budgets reduced and no longer required

	Reduction	Revised Budget 2026/27
Parking meter renewals <i>Parking meters are now being leased, therefore, renewal funding is no longer required.</i>	\$1.3m	-
Smart Rd reservoir - land acquisition <i>Project is no longer required following planning and modelling assessment.</i>	\$1.1m	-
Wastewater reticulation renewals <i>Reduced to align with programme of work of what can be delivered.</i>	\$2m	\$5m
West Quay Pump Station <i>Reduced to reflect what is required to complete and close out the project.</i>	\$0.2m	\$0.2m

2026/27 projects requiring additional funding

	Increase	Revised Budget 2026/27
Mangati Pump Station emergency storage <i>Increase required due to refined design, complexity and to align with critical construction timeframe to reduce risk of further wastewater overflows into the Mangati Stream.</i>	\$6.3m	\$7.1m
Reservoir refurbishments <i>Additional budget to continue backlog remediation programme to improve resilience of our water network.</i>	\$1m	\$1m
Waitara Transfer Pump Station washwater systems <i>To align with current programme of work and address health and safety issues of operators manually cleaning up raw sewerage.</i>	\$0.7m	\$0.7m
New Plymouth Water Treatment Plant (NPWTP) river intake fish screen upgrade <i>Additional budget required to support design work and to inform construction costs for consideration in LTP 2027.</i>	\$0.5m	\$0.5m
Waitara Pool heating replacement <i>Increase required to meet confirmed replacement costs.</i>	\$0.2m	\$0.9m
Tarata Rd <i>Budget updated to reflect June 2025 Council approval to use the Tarata Rd endowment fund to match NZTA contribution.</i>	\$3.6m	\$3.6m

2026/27 budget increases from funding brought forward across years

	Increase	Revised Budget 2026/27
Puketapu growth programme <i>To align with NZTA's construction programme for the De Havilland and Airport Dve roundabout, several related projects have been brought forward.</i>	\$4.2m	\$6.3m
Infrastructure refresh <i>To align with realistic cost estimates.</i>	\$0.6m	\$1.9m
Stormwater network modelling project <i>To align with schedule to support construction in outer years.</i>	\$0.2m	\$1.3m
Patterson Rd stormwater catchment <i>To align with consenting timeframes.</i>	\$1.5m	\$1.5m
NPWTP lake intake fish screen <i>To align with the construction programme currently being delivered.</i>	\$2.8m	\$2.8m
TSB Showplace seismic strengthening and foyer update <i>To align with construction schedule and close-out activities.</i>	\$0.9m	\$0.9m
Brooklands Zoo programme <i>To enable continued planning activities.</i>	\$1.6m	\$2m
Metro Plaza building demolition <i>To align with neighbouring private development works to achieve construction efficiencies.</i>	\$1m	\$1.3m
Puke Ariki Museum roof renewal <i>To align with construction timeframe.</i>	\$2m	\$3m
Urenui network arch bridge replacement <i>To align with consenting and construction timeframes.</i>	\$2.1m	\$3.8m
Transportation significant activity changes <i>Additional funding was brought forward from other financial years to maximise NZTA contributions.</i>	\$3.7m	\$3.7m (\$1.8m NPDC contribution and \$1.9m NZTA contribution)





Financials

Te Pūrongo Pūtea

Rating Funding Impact Statement	16
Statement of Accounting Policies	25
Prospective Financial Statements	26
Notes to Financial Statements	29
Statement of Reserve Funds.....	30
Disclosure Statement.....	32
Funding Impact Statement (whole of Council).....	33
Reconciliation Summary	34



Te Kaunihera-ā-Rohe o Ngāmotu
**New Plymouth
District Council**

18.1

Rating Funding Impact Statement

Tauākī Pānga mō te Putea Reiti

The rates in the dollar and amounts per rating unit as shown in this Rating Funding Impact Statement 2026/27 are indicative until the Rates are adopted by Council through the Rates Resolution for the 1 July 2026 to 30 June 2027 rating year. The purpose of this funding impact statement is to provide information about the income and funding streams Council will use and to provide an indication of the amount of funding Council will generate from each stream.

Rating policies

The statutory purpose of this document is to define the details of the rating system. All figures quoted are inclusive of GST.

Definition of Separately Used or Inhabited Part of a Rating Unit (SUIP)

A SUIP is defined as a separately used or inhabited part of a rating unit and includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, license, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. Separately used or inhabited parts include:

- A residential, small holding, or farmland property that contains two or more separately occupiable units, flats or houses, each of which is separately inhabited or is capable of separate habitation, i.e. has independent kitchen facilities.
- A commercial premise that contains separate shops, kiosks, other retail or wholesale outlets, or offices, each of which is operated as a separate business or is capable of operation as a separate business.
- A rating unit with one use or part is one separately used or inhabited part.

Particular rules for differential categories

Separate parts of a rating unit

Where separate parts of a rating unit fit within more than one category of rateable land for setting rates or where separate parts of a rating unit qualify for a rates remission, a rating division may be created to accurately assess rates and/or apply remission.

Vacant land as a result of subdivision

Upon subdivision, vacant land of less than four hectares that is in a commercial or industrial zone in the Operative District Plan will be in the commercial/industrial differential group. Properties that are not in a commercial or industrial zone will be in the residential or small holdings differential group based on the land size.

Upon subdivision, vacant land of greater than four hectares will remain in the farmland differential until it is used for a commercial/industrial purpose or is further subdivided.

It should be noted that:

Rates payments are allocated to the earliest invoice.

Penalties for late payment are suppressed for ratepayers who pay by direct debit.

The rating year runs from 1 July to 30 June.

1. General rate

A general rate set under section 13 of the Local Government (Rating) Act 2002 assessed on the land value of rateable rating units in the district. The rating valuations are produced by Quotable Value NZ and the effective date of valuation is 1 August 2025.

Differential land value categories

NPDC differentiates the general rate based on land use (Schedule 2, Clause 1, Local Government (Rating) Act 2002), or the zoning of the land under the Council's Operative District Plan (Schedule 2, Clause 2 or 3, Local Government (Rating) Act 2002). The differential categories and percentages of total general rate requirement that apply to each group are:

Categories of rateable land for setting rates	2026/27 rating differential factor	2026/27 rating differential category
Group 1: Commercial/Industrial All rating units that are used primarily for any commercial or industrial purpose.	3.00	\$24,706,437
Group 2: Residential All rating units with a land area of one hectare or less, not being rating units in Group 1, used for residential and related purposes.	1.00	\$57,287,793
Group 3: Small Holdings All rating units, not being rating units included in Groups 1 or 2, having a land area of more than one hectare but no greater than four hectares.	0.80	\$4,336,281
Group 4: Farmland All rating units, not being rating units included in Groups 1, 2 or 3, having a land area in excess of four hectares.	0.75	\$14,209,072
Total		\$100,539,583

Application of differential calculation

2026/27 differential and uniform annual general charges (UAGC) rates allocation	Group 1 Commercial/Industrial GST incl	Group 2 Residential GST incl	Group 3 Small Holdings GST incl	Group 4 Farmland GST incl
Group differential requirement	\$24,706,437	\$57,287,793	\$4,336,281	\$14,209,072
Total UAGC from Group collected	\$222,555	\$2,856,197	\$164,144	\$275,989
Group requirement from land value calculation	\$24,483,882	\$54,431,597	\$4,172,137	\$13,933,082

The rating differentials per dollar (\$) of land value (LV) are set in the table below.

Differential rating category	Rate per \$ of LV 2025/26 GST incl	Rate per \$ of LV 2026/27 GST incl	Differential factor
Commercial/Industrial	1.40231/\$	1.5393	3.00
Residential	0.46748/\$	0.5131	1.00
Small Holdings	0.37398/\$	0.4105	0.80
Farmland	0.35052/\$	0.3848	0.75

18.1

2. Uniform annual general charge

The uniform annual general charge (UAGC) is set under section 15 of the Local Government (Rating) Act 2002 and is a fixed amount assessed per SUIP on all rateable rating units within the district.

	2025/26 GST incl	2026/27 GST incl
UAGC	\$99.00	\$100.41

Both the general rate and the UAGC will be used to fund, or assist with funding, all Council activities including those funded by way of targeted rates to the extent that they are not fully self-funded.

3. Targeted roading rate

A fixed targeted roading rate is set under section 16 of the Local Government (Rating) Act 2002 and is assessed per SUIP on all rateable rating units within the district to partially fund the Transportation activity.

Per SUIP	2025/26 GST incl	2026/27 GST incl
Fixed targeted roading rate	\$127.34	\$130.48

4. Targeted stormwater rate

A fixed targeted stormwater rate is set under section 16 of the Local Government (Rating) Act 2002 and is assessed on the capital value of all urban rateable rating units to partially fund the Stormwater Management activity. A map identifying the urban areas where the targeted stormwater rate is assessed is included on page 22.

Capital Value	2025/26 GST incl	2026/27 GST incl
Fixed targeted stormwater rate	0.01849/\$	0.01850/\$

5. Targeted refuse collection and disposal (including kerbside recycling) rate

A fixed targeted refuse collection and disposal (including kerbside recycling) rate set under section 16 of the Local Government (Rating) Act 2002 and is assessed per SUIP, on rating units which Council provides the service - to partially fund the Waste Management and Minimisation activity.

Per SUIP	2025/26 GST incl	2026/27 GST incl
Refuse collection and disposal (including kerbside recycling) rate	\$302.00	\$351.00

6. Targeted swimming pool compliance rate

A fixed targeted swimming pool compliance rate set under section 16 of the Local Government (Rating) Act 2002 and is assessed per SUIP on rating units which have a swimming pool/spa pool to partially fund the Customer and Regulatory Solutions activity.

Per SUIP	2025/26 GST incl	2026/27 GST incl
Swimming pool compliance rate	\$85.00	\$90.00

7. Water supply - to partially fund the water supply activity

Note: Monitored metered, unrestricted water supply.

The New Plymouth residential water meter installation project enables volumetric water billing to commence on 1 July 2027 for all properties within the district. To help those ratepayers whose properties have not previously been connected to Council's water supply via a water meter to monitor their consumption and identify any leaks, mock sample invoices will be issued for 12 months starting from 1 July 2026.

a) Targeted water supply rate

A fixed targeted water supply rate set under section 16 of the Local Government (Rating) Act 2002 and assessed per SUIP on rating units which are connected or available to be connected to a monitored metered, unrestricted water supply. A half charge will be assessed on each SUIP that is within 100 metres of a serviceable pipeline, where the service is available but not connected.

Per SUIP	2025/26 GST incl	2026/27 GST incl
Connected	\$676.00	\$799.00
Serviceable	\$338.00	\$399.50

For the avoidance of doubt, the monitored metered unrestricted water supply has an installed water meter used for monitoring and mock billing until 1 July 2027, after which metered invoicing will commence.

b) Targeted on demand water by meter supply rate

A fixed targeted on demand water by meter supply rate set under section 16 of the Local Government (Rating) Act 2002 and assessed per SUIP on all rating units which are connected to a metered urban or rural water supply.

Per SUIP	2025/26 GST incl	2026/27 GST incl
Metered water supply	\$74.00	\$87.00

For the avoidance of doubt - excludes all rating units assessed for the monitored metered unrestricted water supply targeted rate.

c) Metered water supply

A consumption rate charged per cubic metre of water supplied to each connection which is metered (excluding rating units assessed for the monitored metered unrestricted water supply targeted rate) and connected to an urban or rural water supply. Invoiced separately from rates invoices. Set under section 19 of the Local Government (Rating) Act 2002.

Volumetric water supply per rating year	2025/26 GST incl	2026/27 GST incl
First 50,000m ³ used	\$2.66/m ³	\$3.15/m ³
Above 50,000m ³ used	\$2.69/m ³	\$3.17/m ³

For the avoidance of doubt - excludes all rating units assessed for the monitored metered unrestricted water supply targeted rate.

d) Waitara industrial metered water supply

A consumption rate charged per cubic metre of water supplied to each connection which is metered and connected to the Waitara industrial untreated water supply. Set under section 19 of the Local Government (Rating) Act 2002.

Volumetric water supply	2025/26 GST incl	2026/27 GST incl
Per cubic metre of water supplied	\$2.26/m ³	\$3.41/m ³

e) Targeted restricted water flow rate

A fixed targeted restricted water flow rate set under section 19 of the Local Government (Rating) Act 2002 and assessed per unit of water supplied to each SUIP on all rating units that are not metered and are connected to a monitored metered restricted rural water supply (in accordance with NPDC's Bylaw Part 14 - Water, Wastewater and Stormwater Services). A unit is 1 cubic metre of water supplied per day. In the avoidance of doubt, the monitored metered restricted rural water supply is where a water meter has been installed and will be used for monitoring and mock billing purposes until 1 July 2027 when water by meter invoicing will commence.

Restricted flow supply means a type of water supply connection where a small flow is supplied through a restrictor, and storage and pumping (if required) is provided by the customer to cater for the customer's demand fluctuations. A restrictor is a flow control device fitted to the service pipe to limit the flow rate of water to a customer's premises.

The fixed targeted rate is assessed based on the number of units supplied for the rating year from 1 July to 30 June, with a minimum of 1 unit (1 cubic metre) of water supplied per day. The user can elect to increase the volume of water they want supplied per day by unit increments (1 cubic metre) and must advise the Council of their request by 31 May each year, if they require any amendments. Approval will be based on the capacity to supply.

Volumetric water supply per rating year	2025/26 GST incl	2026/27 GST incl
1 cubic metre of restricted water supplied per day	\$418.00	\$494.00

In the avoidance of doubt, a monitored metered restricted rural water supply has an installed water meter used for monitoring and mock billing until 1 July 2027, after which metered invoicing will commence.

Note. For properties that are not connected to a water supply and are further than 100 metres from a serviceable pipeline, a targeted rate is not assessed.

8. Targeted sewage treatment and disposal rate

A fixed targeted sewage treatment and disposal rate set under section 16 of the Local Government (Rating) Act 2002 to partially fund the Wastewater Treatment Activity and assessed on all rating units connected or available to be connected (serviceable) to an accessible scheme; either directly or through a private drain to a public sewage drain. The sewage treatment and disposal rate is assessed on the basis of one charge per pan, (water closet) or urinal with the exception of a single household – which shall be treated as having 1 pan or urinal.

Rating unit connected	Factor of liability	2025/26 GST incl	2026/27 GST incl
One to two pans or urinal	Per pan or urinal	\$815.00	\$807.00
Three pans or urinals	Per pan or urinal	\$692.00	\$686.00
Four pans or urinals	Per pan or urinal	\$611.00	\$605.00
Five pans or urinals	Per pan or urinal	\$529.00	\$524.00
Six to 10 pans or urinals	Per pan or urinal	\$489.00	\$484.00
11 to 15 pans or urinals	Per pan or urinal	\$448.00	\$444.00
16 to 20 pans or urinals	Per pan or urinal	\$432.00	\$428.00
21 or more pans or urinals	Per pan or urinal	\$407.50	\$403.50
Rating unit serviceable - within 100 metres of an accessible sewerage pipe	Factor of liability	2025/26 GST incl	2026/27 GST incl
Available to be connected	Per SUIP	\$407.50	\$403.50

Note. For all properties that are not connected to a sewer disposal pipe and are further than 100 metres from a serviceable pipeline, a targeted rate is not assessed.

9. Voluntary targeted rate - Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme

The Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme rate is a targeted rate set under section 16 of the Local Government (Rating) Act 2002 to fund the voluntary targeted rate schemes activity. The Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme rate is assessed on rating units where ratepayers have opted into the scheme that provides a way to pay for the cost of additional household sustainability initiatives, specific to their property. The targeted rate is assessed until the total amount advanced including costs are recovered. For the avoidance of doubt, this rate includes the NPDC's Voluntary Targeted Rate for Home Energy Scheme provided prior to its expansion to the current Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme, which is currently closed for new applications.

Per rating unit	2025/26 GST incl Loan amount \$1,175,362.16	2026/27 GST incl Loan amount \$713,846.31
9-year repayment period	11.1%	11.1%
5-year repayment period	20%	20%

Lump sum contributions

The Council may accept lump sum contributions in respect of any targeted rate.

Total rates

	2025/26 GST incl	2026/27 GST incl
Uniform annual general charge	\$3,962,773	\$4,046,718
General rate	\$109,259,303	\$111,573,802
Sub total (general rates)	\$113,222,076	\$115,620,520
Targeted roading rate	\$5,097,346	\$5,258,467
Targeted stormwater rate	\$4,952,171	\$4,591,088
Targeted refuse collection and disposal (including kerbside recycling) rate	\$9,354,003	\$10,981,012
Targeted swimming pool compliance rate	\$86,349	\$88,336
Targeted water supply rate	\$21,249,942	\$25,022,906
Water by meter charge	\$7,878,379	9,594,440
Targeted sewage treatment and disposal rate	\$27,757,407	\$27,685,464
Sub total (targeted rates/charges)	\$76,375,597	\$83,221,713
TOTAL	\$189,597,673	\$198,842,233

Percentage of rates that are fixed charges

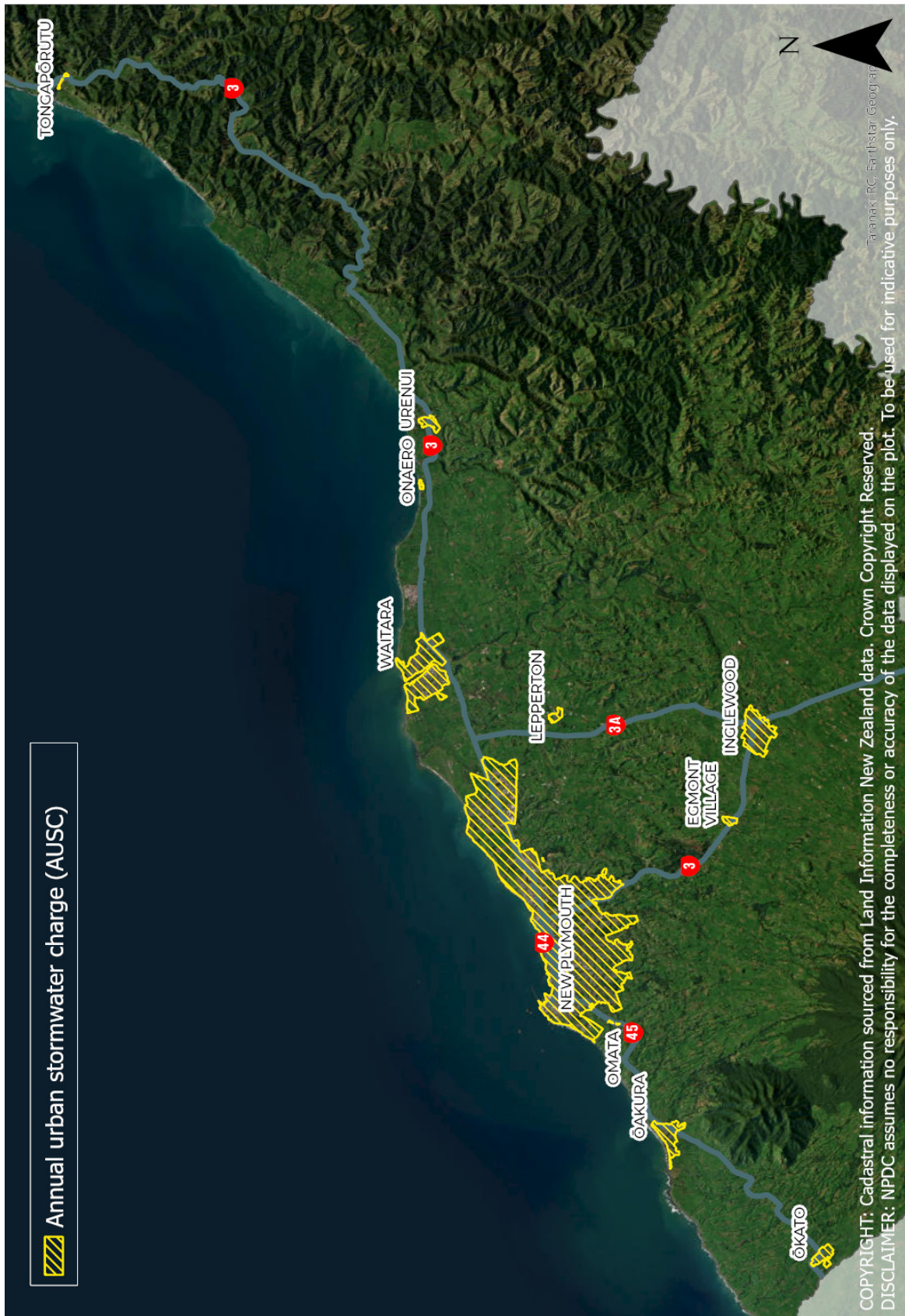
Under the Local Government Rating Act (LGRA), a maximum of 30 per cent of total rates income can come from fixed rates, such as targeted rates or fixed charges. The following table shows the fixed rates set for 2026/27 and the percentage of the total rates that these represent.

	2026/27 GST incl
Uniform annual general charge (UAGC)	\$4,046,718
Uniform annual roading charge (UARC)	\$ 5,258,467
Uniform annual refuse charge (UARC)	\$10,981,012
Swimming pool compliance charge (UAPC)	\$ 88,336
TOTAL	\$20,374,533
TOTAL RATES	\$198,842,234
Uniform rates as a percentage of total rates	10.2%

Rating base information

	2025/26*	2026/27
Projected number of rating units	37,566	37,809
Projected total capital value of rating units (\$m)	34,317	34,487
Projected total land value of rating units (\$m)	21,004	19,361

* These are the actual rates strike figures.



Properties that straddle the urban border will have the AUSC applied where the property is greater than 50 per cent urban, or has direct access off a residential road.

What does the 4.9% total rates increase mean for your property?

The 4.9% increase applies to the total amount of rates Council collects across the district. It does not mean every property will see a 4.9% increase.

Each property's rates change will be different. It depends on:

- The type of property.
- The services you receive.
- How your property's value has changed compared with others.

Property values are updated every three years by an independent valuer and checked by the Office of the Valuer General.

In this revaluation, average property values have decreased by around 9%. However, what matters most is how your property has changed compared with others:

- If your property value increased, or decreased less than average, you may pay a larger share of rates.
- If your property value decreased more than average, you may pay a smaller share.

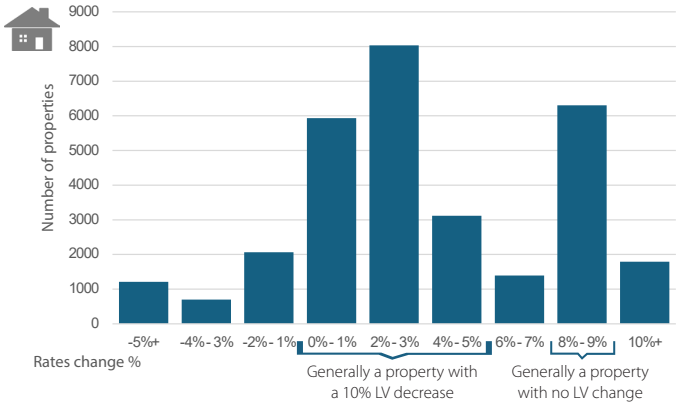
You can think of total rates like a pie. The total size of the pie is set by Council. Property values help decide how that pie is divided between ratepayers - not the size of the pie itself.

The table below shows how many properties across the district fall into different ranges of rates increases or decreases.

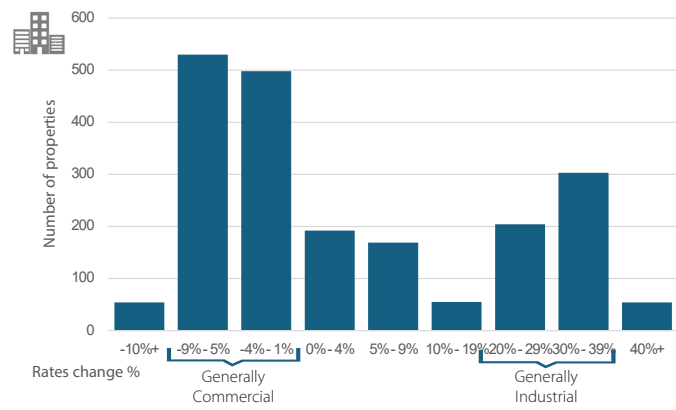
Change in rates	Proportion of properties
Decrease	20%
\$0 to \$200 increase	47%
\$201 to \$400 increase	26%
\$401 to \$600 increase	4%
Over \$600 increase	4%

The graphs show how rates are expected to change for different groups of properties following the latest revaluation. They indicate how many properties may see small, medium, or larger percentage changes to last year's rates. The change is largely driven by how a properties land value (LV) has shifted compared to others across the district.

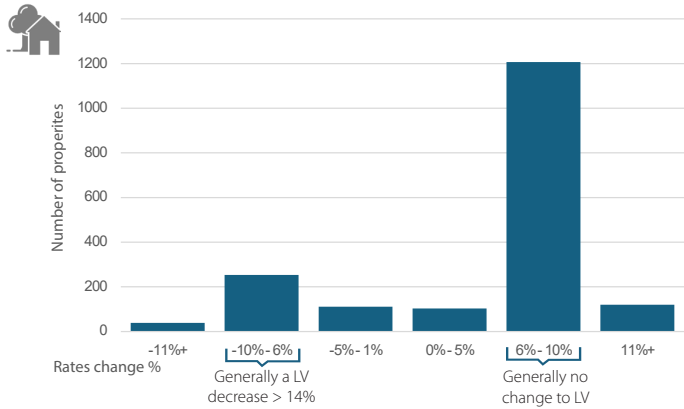
Residential



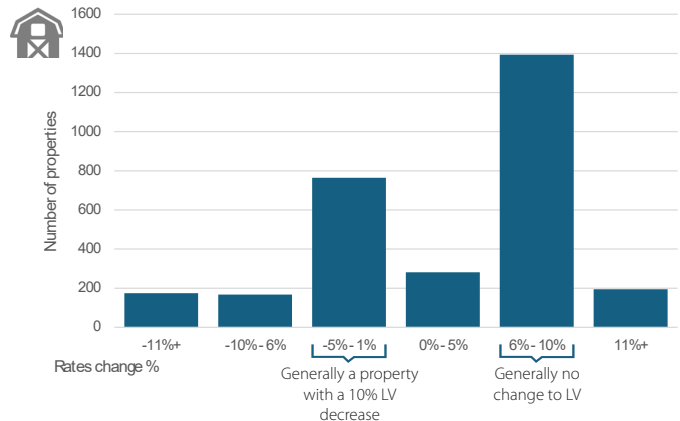
Commercial/Industrial



Small Holdings





Farmland





Indicative examples of the impact of the rating proposals (GST inclusive)

The following examples show the impact of the rating proposals on a range of properties for each differential for 2026/27 and approximate increase for each group based on average land value and pans for commercial/industrial. The examples exclude the swimming pool compliance targeted rate and the voluntary Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme targeted rate. More information about these rates can be found on page 20.

 Residential land value (LV)	\$200,000 LV <i>(previously \$225,000 LV)</i>	\$290,000 LV <i>(previously \$325,000 LV)</i>	\$350,000 LV <i>(previously \$390,000 LV)</i>	\$440,000 LV <i>(previously \$490,000 LV)</i>	\$695,000 LV <i>(previously \$770,000 LV)</i>
General rate	1,026.20	1,487.99	1,795.85	2,257.64	3,566.04
Uniform annual general charge	100.41	100.41	100.41	100.41	100.41
Targeted rates					
Uniform annual roading charge	130.47	130.47	130.47	130.47	130.47
Uniform annual sewage charge	807.00	807.00	807.00	807.00	807.00
Uniform annual urban stormwater charge	114.70	116.55	129.50	140.60	166.50
Uniform annual water charge	799.00	799.00	799.00	799.00	799.00
Uniform annual refuse charge	351.00	351.00	351.00	351.00	351.00
TOTAL	3,328.78	3,792.42	4,113.23	4,586.12	5,920.42
Increase \$ from 2025/26	139.45	146.76	144.32	143.30	141.06

 Commercial/Industrial land value (LV)	\$78,000 LV <i>(previously \$78,000 LV)</i>	\$330,000 LV <i>(previously \$330,000 LV)</i>	\$560,000 LV <i>(previously \$560,000 LV)</i>	\$980,000 LV <i>(previously \$980,000 LV)</i>	\$2,480,000 LV <i>(previously \$2,480,000 LV)</i>
General rate	1,200.65	5,079.68	8,620.07	15,085.12	38,174.59
Uniform annual general charge	100.41	100.41	100.41	100.41	100.41
Targeted rates					
Uniform annual roading charge	130.47	130.47	130.47	130.47	130.47
Uniform annual sewage charge	807.00	807.00	2,620.00	2,620.00	4,840.00
Uniform annual urban stormwater charge	41.62	105.45	601.24	395.90	2,543.72
Uniform annual water charge	799.00	799.00	799.00	799.00	799.00
TOTAL	3,079.16	7,022.01	12,871.19	19,130.90	46,588.19
Increase \$ from 2025/26	247.24	568.11	938.45	1,447.30	3,281.74

 Small Holdings land value (LV)	\$320,000 LV <i>(previously \$320,000 LV)</i>	\$490,000 LV <i>(previously \$490,000 LV)</i>	\$590,000 LV <i>(previously \$590,000 LV)</i>	\$670,000 LV <i>(previously \$670,000 LV)</i>	\$1,000,000 LV <i>(previously \$1,000,000 LV)</i>
General rate	1,313.53	2,011.35	2,421.83	2,750.21	4,104.79
Uniform annual general charge	100.41	100.41	100.41	100.41	100.41
Targeted rates					
Uniform annual roading charge	130.47	130.47	130.47	130.47	130.47
TOTAL	1,544.41	2,242.23	2,652.71	2,981.09	4,335.67
Increase \$ from 2025/26	121.56	183.68	220.22	249.45	370.02

 Farmland land value (LV)	\$280,000 LV <i>(previously \$290,000 LV)</i>	\$628,000 LV <i>(previously \$642,000 LV)</i>	\$810,000 LV <i>(previously \$840,000 LV)</i>	\$1,400,000 LV <i>(previously \$1,480,000 LV)</i>	\$3,730,000 LV <i>(previously \$3,980,000 LV)</i>
General rate	1,077.51	2,416.70	3,117.08	5,387.54	14,353.96
Uniform annual general charge	100.41	100.41	100.41	100.41	100.41
Targeted rates					
Uniform annual roading charge	130.47	130.47	130.47	130.47	130.47
TOTAL	1,308.39	2,647.58	3,347.96	5,618.42	14,584.83
Increase \$ from 2025/26	65.50	170.68	176.93	203.74	405.89

Statement of Accounting Policies

Tauākī Kaupapa Here Kaute

These prospective financial statements are for the year commencing 1 July 2026 and ending on 30 June 2027 and were authorised for issue by Council on 25 June 2026. The accounting policies used to prepare these prospective financial statements are the same as those contained in the Basis of Preparation of the Annual Report for the year ended 30 June 2025 which is available on the [Council's website](#). The changes in PBE IPSAS accounting standards that have occurred since the 30 June 2025 reporting period have no impact in the preparation of this Annual Plan.



Prospective Financial Statements

Ngā Tauākī Pūtea

Prospective Statement of Comprehensive Revenue and Expense

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Operating revenue			
<i>Revenue from exchange transactions</i>			
Interest revenue	3.23	2.35	2.81
Investment revenue	25.11	25.53	27.19
Water - targeted metered rates	7.86	9.19	9.71
Other revenue	43.30	39.31	38.97
<i>Revenue from non-exchange transactions</i>			
Rates (excluding water targeted metered rates)	153.11	168.73	159.49
Subsidies and grants	23.88	31.26	22.06
Development and financial contributions	10.33	13.31	5.39
Fines and levies	1.79	1.47	1.79
Vested assets	5.21	5.33	5.33
Total operating revenue	273.82	296.48	272.74
Operating expenditure			
Personnel costs	62.47	63.76	69.41
Other expenses	115.82	114.33	114.97
Depreciation and amortisation expenses	65.75	61.23	66.90
Interest expense	18.32	20.84	20.84
Total operating expenditure	262.36	260.16	272.12
Surplus before taxation	11.46	36.32	0.62
Taxation refund/(expense)	-	-	-
Surplus after taxation	11.46	36.32	0.62
Other comprehensive revenue and expense			
Gain/(loss) on property, plant and equipment and equipment revaluations	-	-	-
Total other comprehensive revenue and expense	-	-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	11.46	36.32	0.62

Prospective Statement of Changes in Equity

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Equity at the beginning of the year	3,866.27	3,912.68	3,970.45
Total comprehensive revenue and expense	11.46	36.32	0.62
Other comprehensive revenue and expense	-	-	-
EQUITY AT THE END OF THE YEAR	3,877.73	3,949.00	3,971.06

Prospective Statement of Financial Position

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Current assets			
Cash and cash equivalents	4.05	(1.10)	32.12
Debtors and other receivables	19.68	19.34	19.30
Other financial assets	346.92	332.83	355.80
Inventory	0.15	0.15	0.15
Non-current assets held for sale	0.55	0.57	0.57
Total current assets	371.34	351.79	407.94
Non-current assets			
Property, plant and equipment	3,855.30	4,032.67	3,895.62
Intangible assets	0.92	0.75	0.80
Forestry assets	3.61	3.72	3.72
Investments in CCOs and similar entities	82.69	62.80	84.94
Other financial assets	100.81	78.81	110.32
Derivative financial assets	7.25	7.25	0.03
Total non-current assets	4,050.58	4,186.00	4,095.43
TOTAL ASSETS	4,421.92	4,537.79	4,503.37
Current liabilities			
Creditors and other payables	65.87	76.83	40.02
Borrowings	80.14	62.05	70.00
Provisions	1.02	1.02	1.02
Employee entitlements	5.05	5.15	5.59
Derivative financial liabilities	0.30	0.30	0.30
Total current liabilities	152.39	145.35	116.93
Non-current liabilities			
Borrowings	389.00	440.88	412.82
Derivative financial liabilities	0.03	0.03	0.03
Provisions	2.24	2.01	2.01
Employee entitlements	0.52	0.52	0.52
Total non-current liabilities	391.79	443.45	415.38
TOTAL LIABILITIES	544.18	588.80	532.31
NET ASSETS	3,877.74	3,949.00	3,971.06
Public equity			
Accumulated funds	1,684.84	1,755.97	2,331.86
Ordinary and restricted reserves	40.48	40.60	6.78
Asset revaluation reserves	2,152.42	2,152.42	1,632.42
TOTAL EQUITY	3,877.74	3,949.00	3,971.06

Prospective Cash Flow Statement

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Cash flows from operating activities			
Receipts from rates revenue	160.97	177.91	169.20
Interest received	3.23	2.35	2.81
Other revenue received	81.17	85.51	70.67
Payments to suppliers and employees	(171.89)	(174.94)	(179.38)
Waitara Lands Act disbursements	(0.57)	(0.64)	(0.65)
Interest paid	(18.32)	(20.84)	(20.84)
Net cash flows from operating activities	54.59	69.35	41.81
Cash flows from investing activities			
Receipts from sale of property, plant and equipment	1.36	1.48	1.48
Investment release to Council	15.56	15.85	17.23
Receipts from sale of other financial assets	0.75	0.75	0.75
Purchase of property, plant and equipment	(135.62)	(149.52)	(123.50)
Purchase of other financial assets	(1.01)	(1.02)	(1.01)
Net cash flows from investing activities	(118.97)	(132.46)	(105.05)
Cash flows from financing activities			
Proceeds from borrowings	115.00	80.00	190.00
Repayment of borrowings	(51.00)	(25.00)	(127.69)
Net cash flows from financing activities	64.00	55.00	62.31
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(0.38)	(8.10)	(0.93)
Cash and cash equivalents at the beginning of the year	4.42	7.00	33.05
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	4.05	(1.10)	32.12

Notes to the Financial Statements

Ngā tuhituhi ki ngā Tauāki Pūtea

Group of activities combined depreciation and amortisation expense

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Community Partnerships	0.55	0.62	0.62
Customer and Regulatory Solutions	1.17	0.43	1.17
Economic Development	-	-	-
Emergency Management and Business Continuance	0.16	0.08	0.13
Flood Protection and Control Works	0.25	0.25	0.25
Governance	-	-	-
Govett-Brewster Art Gallery/Len Lye Centre	0.68	0.68	0.68
Management of Investments and Funding	-	0.01	0.01
Parks and Open Spaces	4.85	4.26	4.91
Puke Ariki and Community Libraries	2.67	2.67	2.67
Stormwater Management	6.03	6.16	6.16
Transportation	15.89	16.25	16.25
Venues and Events	2.72	2.93	2.93
Waste Management and Minimisation	1.15	1.17	1.17
Wastewater Treatment	14.26	14.28	14.28
Water Supply	10.83	8.13	11.00
Other	4.56	3.32	4.67
TOTAL DEPRECIATION AND AMORTISATION EXPENSE	65.77	61.24	66.90

Statement of Reserve Funds

Ngā Tauaki Pūtea Penapena

NPDC maintains reserve funds as a part of its equity – refer to statement of accounting policies contained in ‘other supporting information’ section. Schedule 10 Clause 16 requires certain information to be included pertaining to these reserve funds. The following presents a summary of reserve funds over the period of this plan and is followed by a breakdown into the various reserve fund types giving a brief explanation of the types of funds under each category and a table giving the opening balances, movements and closing balances.

Summary of Reserve Funds

The following is a summary of the Council’s expected reserve funds over the life of this plan.

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Opening balances	47.25	41.07	32.80
Deposits to reserves	53.27	61.32	36.24
Withdrawals from reserves	(59.45)	(61.20)	(62.48)
CLOSING BALANCES	41.07	41.19	6.56

Note. Opening balances for Budget 2026/27 have been adjusted to reflect the actual opening position at 1 July 2025 and impacts of forecast for 2025/26.

- 1. Operating reserve funds.** These are set aside to fund short-term operational matters, such as some loan repayments, or to hold short-term surpluses arising from operations.

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Opening balances	4.36	1.55	0.90
Deposits to reserves	1.28	(0.14)	(0.14)
Withdrawals from reserves	(4.09)	(1.92)	(1.97)
Closing balances	1.55	(0.51)	(1.21)

- 2. Restricted reserves, trust and bequest funds.** These are funds subject to specific conditions accepted as binding by NPDC, such as bequests or operations in trust under specific Acts, and which may not be revised by the Council without reference to the Courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. These include the Waitara Perpetual Community Fund (held by NPDC for Te Tai Pari Trust), heritage funds, proceeds from sale of Junction Road leases, Solid Waste Development Fund, Urenui and Onaero Sewer Development Fund, Central Landfill Development Fund, Ngamotu Masonic Lodge Bursary Fund and certain bequest funds: Monica Brewster, Molly Morpeth Canaday, J T Gibson. These funds are applied to infrastructural asset activities, Puke Ariki and Govett-Brewster Art Gallery.

	LTP 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Opening balances	35.76	38.22	21.45
Deposits to reserves	2.93	2.47	1.41
Withdrawals from reserves	(0.47)	(0.58)	(2.10)
Closing balances	38.22	40.11	20.76

- 3. Development funds.** These include development and financial contributions levied by NPDC for capital works and are intended to contribute to the growth related capital expenditure in the infrastructural asset activities of Roads, Flood Protection and Control Works, Parks, Venues and Events, Puke Ariki and Govett-Brewster Art Gallery, Water Supply, Wastewater Treatment, Stormwater Management.

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Opening balances	6.69	15.00	1.00
Deposits to reserves	10.33	13.31	5.39
Withdrawals from reserves	(2.02)	(2.90)	(5.39)
Closing balances	15.00	25.41	1.00

- 4. Renewal and disaster funds.** NPDC sets aside funding to meet the renewal of its infrastructural and operating assets to ensure the continued ability of the Council to provide services. In addition NPDC maintains a disaster fund as a part of its insurance strategies. The renewal funds are applied to all activities throughout NPDC.

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Opening balances	0.44	(13.70)	9.35
Deposits to reserves	38.74	45.68	29.58
Withdrawals from reserves	(52.88)	(55.80)	(53.02)
Closing balances	(13.70)	(23.82)	(14.09)

Disclosure Statement for the period commencing 1 July 2026

Tauāki Whawhāki

(Note: this Statement is unaudited)

What is the purpose of this statement

The purpose of this statement is to disclose NPDC's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations). Refer to the Regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Planned	Met
Rates affordability - income		
Total rates revenue for each year will not exceed 75% of operating revenue.	62%	Yes
Rates affordability - increases		
Average residential rates increase limit will not exceed 10%.	3.6%	Yes
Debt affordability		
Interest expense on external borrowings each year will be no more than 12.5% of rates income.	12.3%	Yes
Net external borrowings each year will be no more than 135% of total revenue.	-29.1%	Yes
Balanced budget		
The planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) equals or is greater than its planned operating expenses.	96%	No*
*Expenditure includes projects and activities being funded from debt and reserves, i.e. technology projects		
Essential services		
The planned capital expenditure on network services equals or is greater than expected depreciation on network services.	177%	Yes
Debt servicings		
The Council's planned borrowing costs are equal to or are less than 10% of its planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment).	8%	Yes

Funding Impact Statement

Ngā tuhituhi ki ngā Tauāki Pūtea

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 (Whole of Council)	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	95.44	104.94	97.25
Targeted rates	65.53	72.98	71.95
Subsidies and grants for operating purposes	8.98	11.23	9.41
Fees and charges	43.53	39.44	39.21
Interest and dividends from investments	18.79	18.19	20.05
Local authorities fuel tax, fines, infringement fees and other receipts	1.56	1.34	1.56
Total operating funding (A)	233.83	248.12	239.43
Applications of operating funding			
Payments to staff and suppliers	178.09	178.19	184.46
Finance costs	18.32	20.84	20.86
Other operating funding applications	-	-	-
Total applications of operating funding (B)	196.41	199.03	205.32
Surplus/(deficit) of operating funding (A-B)	37.42	49.09	34.11
Sources of capital funding			
Subsidies and grants for capital expenditure	14.90	20.03	12.65
Development and financial contributions	10.33	13.31	5.39
Increase/(decrease) in debt	64.00	54.99	62.31
Gross proceeds from sale of assets	1.36	1.48	1.48
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	90.59	89.81	81.83
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	15.76	12.90	9.14
- to improve the level of service	67.02	75.07	50.49
- to replace existing assets	52.85	61.55	63.68
Increase (decrease) in reserves	(9.96)	(10.62)	(7.61)
Increase (decrease) of investments	2.34	-	0.24
Total applications of capital funding (D)	128.01	138.90	115.94
Surplus/(deficit) of capital funding (C-D)	(37.42)	(49.09)	(34.11)
FUNDING BALANCE (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	LTP 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	65.75	61.23	66.90
<i>less</i> deferred/unfunded	(29.95)	(18.34)	(40.46)
NET FUNDING TRANSFERRED TO RENEWALS RESERVES	35.80	42.89	26.44

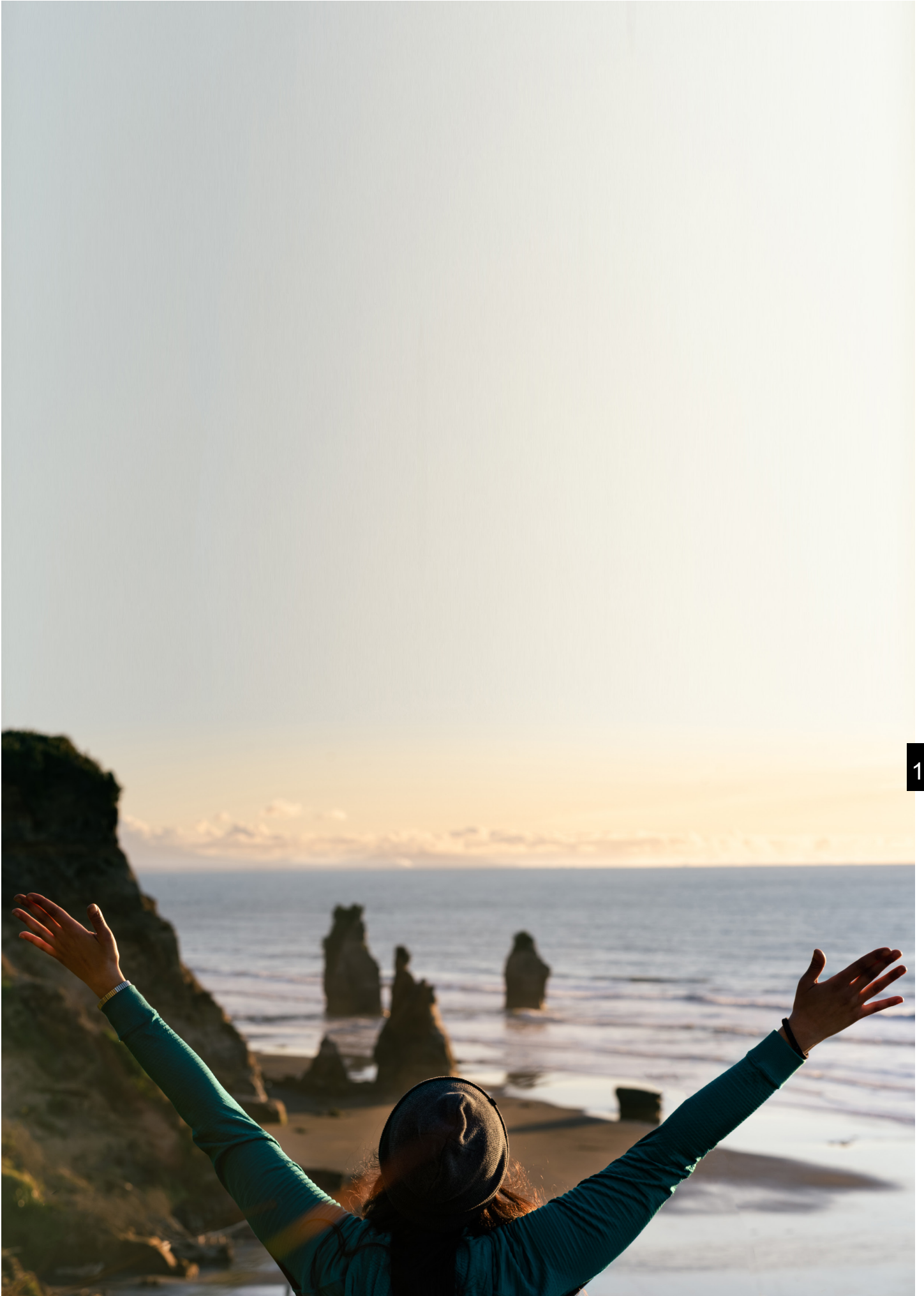
Reconciliation Summary

He Whakarāpopoto o ngā pono

Reconciliation of prospective financial plan, summary funding impact statement and prospective financial statements

PBE FRS 42: Prospective Financial Statements (specifically paragraph 40) requires reconciliation or narrative explaining differences in presentation of prospective financial information. Earlier in this section, NPDC presented its Prospective Financial Plan, Prospective Financial Statements and Summary Funding Impact Statement. The following reconciliation explains the differences in accounting treatment of the operating sections of each of the prospective financial statements.

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
Total operating funding (A)	233.83	248.11	239.41
add sources of capital funding:			
- Subsidies and grants for capital expenditure	14.90	20.03	12.65
- Development and financial contributions	10.33	13.31	5.39
add statement of comprehensive revenue and expense:			
- Unrealised gain/(loss) on investment funds	9.56	9.70	9.97
- Disposals gain/(loss) from sale of assets	-	-	-
- Vested assets	5.21	5.33	5.33
TOTAL OPERATING REVENUE AS PER STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	273.83	296.48	272.75
Applications of operating funding			
Total applications of operating funding (B)	196.41	199.03	205.33
add statement of comprehensive revenue and expense:			
- Depreciation and amortisation expenses	65.75	61.23	66.90
- Revaluation (gain)/loss on forestry	0.20	(0.10)	(0.11)
TOTAL OPERATING EXPENSE AS PER STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE	262.36	260.16	272.12



18.1



CONTACT

-  06-759 6060
-  enquiries@npdc.govt.nz
-  84 Liardet Street, New Plymouth 4310
-  npdc.govt.nz
-  [NewPlymouthDistrictCouncil](https://www.facebook.com/NewPlymouthDistrictCouncil)
-  Antenna





Council Services Funding Impact Statements 2026/27

Community Partnerships	2
Customer and Regulatory Solutions	3
Economic Development	4
Emergency Management and Business Continuance	5
Flood Protection and Control Works	6
Governance	7
Govett-Brewster Art Gallery/Len Lye Centre	8
Management of Investments and Funding	9
Parks and Open Spaces	10
Puke Ariki and Community Libraries	11
Stormwater Management	12
Transportation	13
Venues and Events	14
Waste Management and Minimisation	15
Wastewater Treatment	16
Water Supply	17

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Community Partnerships

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	7.48	7.65	8.31
Targeted rates	-	-	-
Subsidies and grants for operating purposes	0.06	0.06	0.06
Fees and charges	1.41	1.45	1.45
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	0.49	0.62	0.62
Total operating funding (A)	9.44	9.77	10.44
Applications of operating funding			
Payments to staff and suppliers	7.30	7.72	7.85
Finance costs	0.35	0.55	0.55
Internal charges and overheads applied	2.04	1.71	2.38
Other operating funding applications	-	-	-
Total applications of operating funding (B)	9.69	9.98	10.78
Surplus/(deficit) of operating funding (A - B)	(0.25)	(0.21)	(0.34)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	4.10	4.11	1.53
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	4.10	4.11	1.53
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	4.21	4.31	1.74
- to replace existing assets	0.27	0.54	0.54
(Increase)/decrease in reserves	(0.63)	(0.95)	(1.09)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	3.85	3.90	1.19
Surplus/(deficit) of capital funding (C-D)	0.25	0.21	0.34
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	0.55	0.62	0.62
<i>less</i> deferred/unfunded	(0.12)	(0.19)	(0.19)
Net funding transferred to renewals reserves	0.43	0.43	0.43

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Customer and Regulatory Solutions

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	5.33	4.52	5.57
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	11.29	11.57	10.78
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	1.03	0.81	1.03
Total operating funding (A)	17.65	16.89	17.38
Applications of operating funding			
Payments to staff and suppliers	11.22	10.45	11.76
Finance costs	0.25	0.23	0.23
Internal charges and overheads applied	5.49	5.53	4.70
Other operating funding applications	-	-	-
Total applications of operating funding (B)	16.96	16.21	16.69
Surplus/(deficit) of operating funding (A - B)	0.69	0.68	0.69
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(0.55)	(0.57)	(0.57)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(0.55)	(0.57)	(0.57)
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	0.02	1.33	0.06
(Increase)/decrease in reserves	0.12	(1.22)	0.06
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	0.14	0.11	0.12
Surplus/(deficit) of capital funding (C-D)	(0.69)	(0.68)	(0.69)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	0.40	0.43	1.17
<i>less</i> deferred/unfunded	(0.24)	(0.34)	(1.07)
Net funding transferred to renewals reserves	0.16	0.09	0.10

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Economic Development

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	6.03	5.98	6.42
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	6.03	5.98	6.42
Applications of operating funding			
Payments to staff and suppliers	5.13	4.71	4.94
Finance costs	-	-	-
Internal charges and overheads applied	1.36	1.23	1.45
Other operating funding applications	-	-	-
Total applications of operating funding (B)	6.49	5.94	6.39
Surplus/(deficit) of operating funding (A - B)	(0.46)	0.04	0.03
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	-	-
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
(Increase)/decrease in reserves	(0.46)	0.04	0.03
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	(0.46)	0.04	0.03
Surplus/(deficit) of capital funding (C-D)	0.46	(0.04)	(0.03)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	-	-	-
less deferred/unfunded	0.04	0.04	0.04
Net funding transferred to renewals reserves	0.04	0.04	0.04

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Emergency Management and Business Continuance

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	1.26	1.38	1.39
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1.62	1.63	2.00
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	2.88	3.01	3.39
Applications of operating funding			
Payments to staff and suppliers	2.27	2.37	2.56
Finance costs	0.08	0.08	0.10
Internal charges and overheads applied	0.46	0.50	0.52
Other operating funding applications	-	-	-
Total applications of operating funding (B)	2.81	2.95	3.18
Surplus/(deficit) of operating funding (A - B)	0.07	0.06	0.21
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	(0.05)	-	(0.15)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(0.05)	-	(0.15)
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	0.01	0.05	0.05
- to replace existing assets	-	-	-
(Increase)/decrease in reserves	0.01	0.01	0.01
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	0.02	0.06	0.06
Surplus/(deficit) of capital funding (C-D)	(0.07)	(0.06)	(0.21)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	0.07	0.08	0.14
<i>less</i> deferred/unfunded	(0.05)	(0.07)	(0.13)
Net funding transferred to renewals reserves	0.02	0.01	0.01

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Flood Protection and Control Works

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	0.76	1.73	0.86
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	0.76	1.73	0.86
Applications of operating funding			
Payments to staff and suppliers	0.42	0.38	0.47
Finance costs	0.03	0.05	0.05
Internal charges and overheads applied	0.26	0.24	0.29
Other operating funding applications	-	-	-
Total applications of operating funding (B)	0.71	0.67	0.81
Surplus/(deficit) of operating funding (A - B)	0.05	1.06	0.05
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	0.73	(0.02)	0.33
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	0.73	(0.02)	0.33
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	0.73	-	0.36
- to replace existing assets	0.30	0.19	0.21
(Increase)/decrease in reserves	(0.25)	0.85	(0.19)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	0.78	1.04	0.38
Surplus/(deficit) of capital funding (C-D)	(0.05)	(1.06)	(0.05)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	0.22	0.25	0.25
<i>less</i> deferred/unfunded	(0.02)	0.78	(0.22)
Net funding transferred to renewals reserves	0.20	1.04	0.03

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Governance

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	7.10	6.74	7.30
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	0.09	0.01	0.01
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	7.19	6.75	7.31
Applications of operating funding			
Payments to staff and suppliers	2.61	2.45	2.78
Finance costs	-	-	-
Internal charges and overheads applied	3.61	3.32	3.56
Other operating funding applications	-	-	-
Total applications of operating funding (B)	6.22	5.77	6.34
Surplus/(deficit) of operating funding (A - B)	0.97	0.98	0.97
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	-	-
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	0.38	0.38	0.38
- to replace existing assets	-	-	-
(Increase)/decrease in reserves	0.59	0.60	0.59
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	0.97	0.98	0.97
Surplus/(deficit) of capital funding (C-D)	(0.97)	(0.98)	(0.97)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	-	-	-
<i>less</i> deferred/unfunded	0.03	0.03	0.03
Net funding transferred to renewals reserves	0.03	0.03	0.03

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Govett-Brewster Art Gallery/Len Lye Centre

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	5.52	5.49	5.96
Targeted rates	-	-	-
Subsidies and grants for operating purposes	0.29	0.29	0.27
Fees and charges	0.67	0.74	0.72
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	6.48	6.52	6.95
Applications of operating funding			
Payments to staff and suppliers	4.11	4.19	4.32
Finance costs	0.10	0.10	0.10
Internal charges and overheads applied	1.94	1.87	2.16
Other operating funding applications	-	-	-
Total applications of operating funding (B)	6.15	6.16	6.58
Surplus/(deficit) of operating funding (A - B)	0.33	0.36	0.37
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	0.01	(0.08)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	-	0.01	(0.08)
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	0.08	0.09	0.08
- to replace existing assets	0.18	1.04	0.19
(Increase)/decrease in reserves	0.07	(0.76)	0.02
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	0.33	0.37	0.29
Surplus/(deficit) of capital funding (C-D)	(0.33)	(0.36)	(0.37)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	0.68	0.68	0.68
<i>less</i> deferred/unfunded	(0.42)	(0.40)	(0.40)
Net funding transferred to renewals reserves	0.26	0.28	0.28

New Plymouth District Council: Funding Impact Statement for 1 July 2026 to 30 June 2027 for Management of Investments and Funding

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	(13.52)	(19.20)	(23.68)
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2.56	2.21	2.66
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	18.30	17.58	19.43
Total operating funding (A)	7.34	0.59	(1.59)
Applications of operating funding			
Payments to staff and suppliers	8.19	4.77	6.54
Finance costs	2.25	1.95	1.95
Internal charges and overheads applied	1.85	1.95	1.55
Other operating funding applications	-	-	-
Total applications of operating funding (B)	12.29	8.67	10.04
Surplus/(deficit) of operating funding (A - B)	(4.95)	(8.08)	(11.63)
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	1.84	5.85	0.61
Gross proceeds from sale of assets	4.75	0.93	0.93
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	6.59	6.78	1.54
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	0.04	0.17
- to improve the level of service	0.14	0.23	1.16
- to replace existing assets	0.92	0.01	(1.86)
(Increase)/decrease in reserves	0.07	(1.57)	(9.56)
(Increase)/decrease of investments	0.51	-	-
Total applications of capital funding (D)	1.64	(1.30)	(10.09)
Surplus/(deficit) of capital funding (C-D)	4.95	8.08	11.63
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	-	0.01	0.01
<i>less</i> deferred/unfunded	(0.80)	(3.01)	(11.74)
Net funding transferred to renewals reserves	(0.80)	(3.00)	(11.73)

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Parks and Open Spaces

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	22.00	23.56	25.03
Targeted rates	-	-	-
Subsidies and grants for operating purposes	0.01	0.01	0.01
Fees and charges	2.51	2.51	2.65
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	24.52	26.08	27.69
Applications of operating funding			
Payments to staff and suppliers	14.02	14.66	15.15
Finance costs	1.79	2.10	2.10
Internal charges and overheads applied	5.07	4.32	5.21
Other operating funding applications	-	-	-
Total applications of operating funding (B)	20.88	21.08	22.46
Surplus/(deficit) of operating funding (A - B)	3.64	5.00	5.23
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1.42	1.75	0.50
Increase/(decrease) in debt	3.96	4.13	2.87
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	5.38	5.88	3.37
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	2.25	0.05	0.24
- to improve the level of service	4.64	7.57	4.87
- to replace existing assets	2.66	2.71	2.52
(Increase)/decrease in reserves	(0.53)	0.55	0.97
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	9.02	10.88	8.60
Surplus/(deficit) of capital funding (C-D)	(3.64)	(5.00)	(5.23)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	4.85	4.26	4.91
<i>less</i> deferred/unfunded	(2.50)	(0.78)	(1.41)
Net funding transferred to renewals reserves	2.35	3.48	3.50

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Puke Ariki and Community Libraries

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	14.09	15.42	15.96
Targeted rates	-	-	-
Subsidies and grants for operating purposes	0.14	0.14	0.13
Fees and charges	0.42	0.44	0.44
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	14.65	16.00	16.53
Applications of operating funding			
Payments to staff and suppliers	8.12	8.13	8.61
Finance costs	0.22	0.35	0.35
Internal charges and overheads applied	4.49	4.51	4.56
Other operating funding applications	-	-	-
Total applications of operating funding (B)	12.83	12.99	13.52
Surplus/(deficit) of operating funding (A - B)	1.82	3.01	3.01
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	0.04	0.05	0.03
Increase/(decrease) in debt	(0.07)	0.86	2.89
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	(0.03)	0.90	2.92
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	2.24	3.13	5.10
(Increase)/decrease in reserves	(0.45)	0.78	0.83
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	1.79	3.91	5.93
Surplus/(deficit) of capital funding (C-D)	(1.82)	(3.01)	(3.01)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	2.67	2.67	2.67
less deferred/unfunded	(0.84)	0.29	0.28
Net funding transferred to renewals reserves	1.83	2.96	2.95

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Stormwater Management

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	4.32	4.98	3.99
Targeted rates	4.32	4.98	3.99
Subsidies and grants for operating purposes	-	-	-
Fees and charges	0.01	0.01	0.01
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	8.65	9.97	7.99
Applications of operating funding			
Payments to staff and suppliers	2.57	2.56	2.59
Finance costs	0.96	1.27	1.27
Internal charges and overheads applied	1.62	1.52	1.74
Other operating funding applications	-	-	-
Total applications of operating funding (B)	5.15	5.35	5.60
Surplus/(deficit) of operating funding (A - B)	3.50	4.62	2.39
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	2.24	3.25	1.23
Increase/(decrease) in debt	2.36	4.34	4.26
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	4.60	7.59	5.49
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	1.14	1.69	1.58
- to improve the level of service	3.90	6.50	4.52
- to replace existing assets	3.23	5.52	3.18
(Increase)/decrease in reserves	(0.17)	(1.50)	(1.40)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	8.10	12.21	7.88
Surplus/(deficit) of capital funding (C-D)	(3.50)	(4.62)	(2.39)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	5.23	6.16	6.16
<i>less</i> deferred/unfunded	(4.24)	(2.14)	(4.36)
Net funding transferred to renewals reserves	0.99	4.02	1.80

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Transportation

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	16.50	22.91	18.09
Targeted rates	4.43	5.73	4.57
Subsidies and grants for operating purposes	5.84	8.66	6.72
Fees and charges	1.19	1.24	1.19
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	0.53	0.53	0.53
Total operating funding (A)	28.49	39.07	31.10
Applications of operating funding			
Payments to staff and suppliers	13.39	18.53	13.29
Finance costs	2.91	3.53	3.53
Internal charges and overheads applied	5.06	5.09	5.84
Other operating funding applications	-	-	-
Total applications of operating funding (B)	21.36	27.15	22.66
Surplus/(deficit) of operating funding (A - B)	7.13	11.92	8.44
Sources of capital funding			
Subsidies and grants for capital expenditure	11.90	17.38	12.65
Development and financial contributions	1.07	1.51	0.49
Increase/(decrease) in debt	9.36	16.72	7.09
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	22.33	35.61	20.23
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	3.30	2.83	2.57
- to improve the level of service	14.47	32.21	9.64
- to replace existing assets	13.03	12.20	23.51
(Increase)/decrease in reserves	(1.34)	0.29	(7.05)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	29.46	47.53	28.67
Surplus/(deficit) of capital funding (C-D)	(7.13)	(11.92)	(8.44)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	15.89	16.25	16.25
<i>less</i> deferred/unfunded	(11.02)	(9.98)	(9.98)
Net funding transferred to renewals reserves	4.87	6.27	6.27

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Venues and Events

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	13.35	16.85	16.09
Targeted rates	-	-	-
Subsidies and grants for operating purposes	1.64	1.04	1.01
Fees and charges	4.58	4.73	4.84
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	19.57	22.62	21.94
Applications of operating funding			
Payments to staff and suppliers	12.03	13.97	12.83
Finance costs	0.90	1.53	1.53
Internal charges and overheads applied	4.56	4.55	5.01
Other operating funding applications	-	-	-
Total applications of operating funding (B)	17.49	20.05	19.37
Surplus/(deficit) of operating funding (A - B)	2.08	2.57	2.57
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	0.14	0.17	0.11
Increase/(decrease) in debt	21.35	12.42	12.24
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	21.49	12.60	12.35
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	2.38	1.55	1.55
- to improve the level of service	19.39	11.65	11.41
- to replace existing assets	1.29	3.84	2.88
(Increase)/decrease in reserves	0.51	(1.87)	(0.92)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	23.57	15.17	14.92
Surplus/(deficit) of capital funding (C-D)	(2.08)	(2.57)	(2.57)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	2.72	2.93	2.93
<i>less</i> deferred/unfunded	(0.91)	(0.97)	(0.97)
Net funding transferred to renewals reserves	1.81	1.96	1.96

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Waste Management and Minimisation

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	4.53	4.75	4.62
Targeted rates	8.13	8.39	9.55
Subsidies and grants for operating purposes		0.03	-
Fees and charges	9.36	10.07	9.65
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	22.02	23.24	23.82
Applications of operating funding			
Payments to staff and suppliers	17.16	17.98	17.62
Finance costs	0.46	0.55	0.55
Internal charges and overheads applied	4.26	3.98	4.91
Other operating funding applications	-	-	-
Total applications of operating funding (B)	21.88	22.51	23.08
Surplus/(deficit) of operating funding (A - B)	0.14	0.73	0.74
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	2.25	1.23	0.62
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	2.25	1.23	0.62
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	2.49	1.52	0.91
- to replace existing assets	0.22	0.18	0.18
(Increase)/decrease in reserves	(0.32)	0.26	0.27
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	2.39	1.96	1.36
Surplus/(deficit) of capital funding (C-D)	(0.14)	(0.73)	(0.74)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	1.15	1.17	1.17
<i>less</i> deferred/unfunded	(0.99)	(1.01)	(1.01)
Net funding transferred to renewals reserves	0.16	0.16	0.16

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Wastewater Treatment

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	1.35	1.31	1.27
Targeted rates	24.14	24.82	24.07
Subsidies and grants for operating purposes	-	-	-
Fees and charges	2.83	2.89	2.89
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	28.32	29.02	28.23
Applications of operating funding			
Payments to staff and suppliers	9.06	9.59	10.31
Finance costs	3.37	3.77	3.77
Internal charges and overheads applied	6.73	6.41	7.92
Other operating funding applications	-	-	-
Total applications of operating funding (B)	19.16	19.77	22.00
Surplus/(deficit) of operating funding (A - B)	9.16	9.25	6.23
Sources of capital funding			
Subsidies and grants for capital expenditure	3.00	2.65	-
Development and financial contributions	3.60	4.38	1.95
Increase/(decrease) in debt	(0.34)	(1.12)	7.15
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	6.26	5.91	9.10
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	3.06	1.54	1.27
- to improve the level of service	10.20	5.63	9.25
- to replace existing assets	14.64	13.60	10.24
(Increase)/decrease in reserves	(12.48)	(5.61)	(5.43)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	15.42	15.16	15.33
Surplus/(deficit) of capital funding (C-D)	(9.16)	(9.25)	(6.23)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	14.26	14.28	14.28
<i>less</i> deferred/unfunded	(5.71)	(6.09)	(9.09)
Net funding transferred to renewals reserves	8.55	8.19	5.19

New Plymouth District Council: Funding Impact Statement for 1 July 2025 to 30 June 2026 for Water Supply

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Sources of operating funding			
General rates, uniform annual charges, rates penalties	1.34	0.97	1.58
Targeted rates	25.33	29.41	30.10
Subsidies and grants for operating purposes	-	-	-
Fees and charges	0.23	0.23	0.23
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total operating funding (A)	26.90	30.61	31.91
Applications of operating funding			
Payments to staff and suppliers	8.81	9.40	9.10
Finance costs	3.69	3.88	3.88
Internal charges and overheads applied	5.77	5.33	6.93
Other operating funding applications	-	-	-
Total applications of operating funding (B)	18.27	18.61	19.91
Surplus/(deficit) of operating funding (A - B)	8.63	12.00	12.00
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1.81	2.20	1.08
Increase/(decrease) in debt	6.65	6.28	5.23
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	8.46	8.48	6.31
Applications of capital funding			
Capital expenditure:			
- to meet additional demand	3.49	5.20	1.76
- to improve the level of service	5.60	4.92	6.21
- to replace existing assets	8.94	10.61	11.66
(Increase)/decrease in reserves	(0.94)	(0.25)	(1.32)
(Increase)/decrease of investments	-	-	-
Total applications of capital funding (D)	17.09	20.48	18.31
Surplus/(deficit) of capital funding (C-D)	(8.63)	(12.00)	(12.00)
Funding balance (A-B) + (C-D)	-	-	-

Other information to be provided

Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2025/26 (\$m)	LTP 2026/27 (\$m)	Budget 2026/27 (\$m)
Depreciation and amortisation expense			
Depreciation expense	10.83	8.13	11.00
<i>less</i> deferred/unfunded	(2.85)	2.21	(0.67)
Net funding transferred to renewals reserves	7.98	10.34	10.33

EXCLUSION OF THE PUBLIC FOR THE REMAINDER OF THE MEETING

PURPOSE/ TE WHĀINGA

1. This report details items that are recommended to be considered with the public excluded, and the reason for that recommendation.

RECOMMENDATION / NGĀ WHAIKUPU

That having considered all matters raised in the report, the Council hereby resolves that, pursuant to the Local Government Official Information and Meetings Act 1987, the public be excluded from the following parts of the proceedings of this meeting:

- a) **The Sorting Depot**
The withholding of the information is necessary:
 - i) **To prevent unreasonable prejudice to the commercial position of the tenderers. This particular interest being protected under section 7(2)(b)(ii) of the Act; and**
 - ii) **To enable Council to carry out its commercial activities without prejudice or disadvantage. This particular interest being protected under section 7(2)(h) of the Act.**
- b) **NPDC Citizens and Youth Award Nominations**
The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased persons. This particular interest being protected by section 7(2)(a) of the Act.
- c) **Wai Hononga Water Services Ltd – Appointment of Chairperson**
The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This particular interest being protected by section 7(2)(a) of the Act.
- d) **Chief Executive’s Q3 Report**
The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This particular interest being protected by section 7(2)(a) of the Act.
- e) **Joint Chief Executive KPI’s (2026/2027)**
The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This particular interest being protected by section 7(2)(a) of the Act.

f) Future Chief Executive Model

The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This particular interest being protected by section 7(2)(a) of the Act.

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987.

COMPLIANCE	
Significance	This matter has been assessed as being of some importance.
Options	This report identifies and assesses the following reasonably practicable options for addressing the matter: 1. Exclude the public. 2. Not exclude the public.
Recommendation	This report recommends Option 1 for addressing the matter.
Long-Term Plan / Annual Plan Implications	There are no budget considerations.
Significant Policy and Plan Inconsistencies	This report is consistent with Council's Policy and Plans.

BACKGROUND / WHAKAPAPA

- The exclusion of the public is permitted, for specific purposes, under Section 48 of the Local Government Official Information and Meetings Act 1987.

SIGNIFICANCE AND ENGAGEMENT / TOHUTOHU KAI WHAKAHAERE

- In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some importance because the exclusion of the public is a statutory procedure that will have a little or no impact on the Council's strategic issues.

OPTIONS / KŌWHIRINGA

Option 1 Pursuant to the Local Government Official Information and Meetings Act 1987, good reason exists to exclude the public for consideration of the items listed.

Option 2 The Council can choose to consider these matters in an open meeting.

Risk Analysis

4. Release of information which meets the statutory tests for withholding (under the Local Government Official Information and Meetings Act 1987) may expose the Council to legal, financial, or reputational repercussions.

Recommended Option

This report recommends Option 1 - Exclusion of the public for addressing the matters.

Report Details

Prepared By:	Carol Allen (Governance Advisor)
Team:	Governance
Approved By:	Claire Kelly (Acting Manager Governance)
Ward/Community:	District Wide
Date:	15 June 2026
File Reference:	ECM 9822100

-----*End of Report*-----

CLOSING

The chairperson, or a person authorised by the chairperson, may make a statement to close the meeting.