



# **AGENDA**

# Executive, Audit & Risk

Monday 18 October 2021, 10am

## Executive, Audit & Risk Committee

18 October 2021 10:00 AM

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### **Purpose of Executive, Audit and Risk Committee**

This committee handles all of the administrative and financial matters relating to Council's operations and works programme. Because these matters relate to all aspects of the Council, the membership is aimed to reflect the different aspects of Council's committee structure.

### **Responsibilities**

Financial and expenditure

Capital expenditure

Work proposals and expenditure

Corporate services and personnel matters

Port Taranaki Ltd matters

General Contractual and other matters.

### **Membership of Executive, Audit and Risk Committee**

Councillor N W Walker (Chairperson)	Councillor M J Cloke
Councillor M P Joyce (ex officio)	Councillor D L Lean
Councillor C L Littlewood	Councillor M J McDonald
Councillor D N MacLeod (ex officio)	Mr B Robertson (Independent - Yarrow Stadium)

### **Health and Safety Message**

#### **Emergency Procedure**

In the event of an emergency, please exit through the emergency door in the committee room by the kitchen.

If you require assistance to exit please see a staff member.

Once you reach the bottom of the stairs make your way to the assembly point at the birdcage. Staff will guide you to an alternative route if necessary.

#### **Earthquake**

If there is an earthquake - drop, cover and hold where possible.

Please remain where you are until further instruction is given.



**Date** 18 October 2021

**Subject:** **Confirmation of Minutes - 13 September 2021**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2891300

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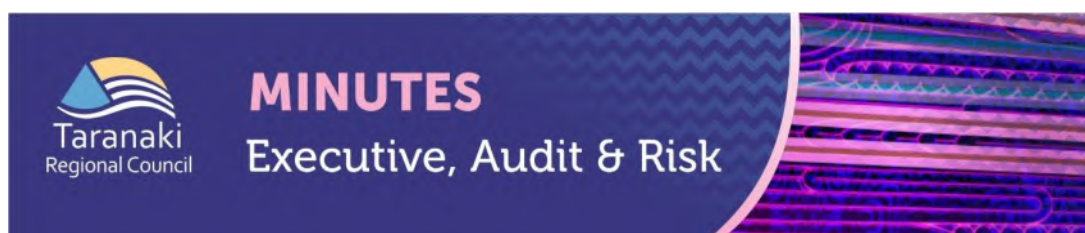
### **Recommendations**

That the Executive, Audit and Risk Committee of the Taranaki Regional Council:

- a) takes as read and confirms the minutes and resolutions of the Executive, Audit and Risk Committee held in the Taranaki Regional Council Chambers, 47 Cloten road, Stratford on Monday 13 September 2021 at 10am
- b) notes the recommendations therein were adopted by the Taranaki Regional Council on Tuesday 21 September 2021.

### **Appendices/Attachments**

Document 2867016: Minutes Executive Audit and Risk Committee - 13 September 2021



**Date** 13 September 2021, 10am  
**Venue:** Taranaki Regional Council chambers, 47 Cloten Road, Stratford  
**Document:** 2867016

<b>Members</b>	Councillors	N W Walker	Committee Chairperson
		M J Cloke	<i>via zoom</i>
		D L Lean	<i>via zoom</i>
		C L Littlewood	<i>via zoom</i>
		M J McDonald	
		D N MacLeod	<i>ex officio via zoom (arrived 10.15)</i>
		M P Joyce	<i>ex officio via zoom</i>
<b>Attending</b>	Mr	M J Nield	Director – Corporate Services
	Mr	P Ledingham	Communications Adviser
	Miss	J Mack	Committee Administrator

**Apologies**

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**Notification of Late items** Councillor Cloke sought clarification around recording of meetings.

**1. Confirmation of Minutes – 2 August 2021**

**Resolved**

That the Executive, Audit and Risk Committee of the Taranaki Regional Council:

- a) takes as read and confirms the minutes and resolutions of the Executive, Audit and Risk Committee held in the Taranaki Regional Council Chambers, 47 Cloten road, Stratford on Monday 2 August 2021 at 10am
- b) notes the recommendations therein were adopted by the Taranaki Regional Council on Tuesday 10 August 2021.  
Cloke/McDonald

**Matters arising**

Councillor McDonald sought clarification around the timing of the implementation of changes to fare zones and pricing as a result of the Covid-19 lockdown.

**2. Financial and Operational Report**

- 2.1 Mr M J Nield, Director – Corporate Services, spoke to the memorandum informing the committee of the operational and financial performance of the Council.
- 2.2 Thanks was expressed to the Communications team for their updates during lockdown.

**Recommended**

That the Taranaki Regional Council:

- a) receives the memorandum *Financial and Operational Report*
- b) notes the digital media update.

Joyce/Littlewood

**3. Health and Safety Report**

- 3.1 Mr M J Nield, Director – Corporate Services, spoke to the memorandum providing the Committee with the health and safety performance of the Council.

**Recommended**

That the Taranaki Regional Council:

- a) receives the July and August 2021 health and safety reports.

Lean/McDonald

**4. Late Item – recording of meetings**

- 4.1 Clarification was sought regarding the recording of meetings during the lockdown period and the availability to the public. Mr M J Nield, Director – Corporate Services, advised that Council have been operating under the Epidemic Notice and therefore have an obligation to record and publish those meetings.

**5. Public Excluded**

In accordance with section 48(1) of the *Local Government Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Executive, Audit and Risk Committee Meeting on Monday 2 August 2021 for the following reasons:

**Item 6 – Public Excluded Minutes – 2 August 2021**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.*

**Item 7 – Port Taranaki Ltd: Annual Report and Annual General Meeting**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information*

*would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.*

**Item 8 – Yarrow Stadium Update**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.*

McDonald/Littlewood

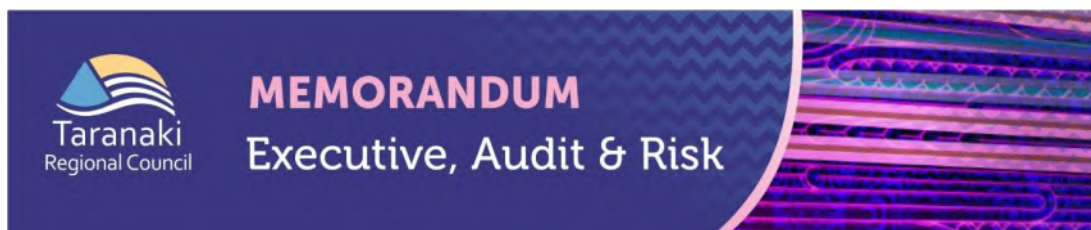
There being no further business, the Committee Chairperson, Councillor N W Walker, declared the open meeting of the Executive, Audit and Risk Committee closed at 10.20am.

**Confirmed**

**Executive, Audit &  
Risk Chairperson:** \_\_\_\_\_

**N W Walker**

**18 October 2021**



**Date:** 18 October 2021

**Subject:** **Financial and Operational Report**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2885497

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### **Purpose**

1. The purpose of this memorandum is to receive information on operational and financial performance.

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the memorandum *Financial and Operational Report* and the July and August 2021 Monthly Financial Reports
- b) notes the digital media update.

### **Background**

2. The Council produces a Monthly Financial Report outlining the financial performance for the month and year to date. This memorandum supports the Monthly Financial Report by providing additional supporting operational and financial information. The Common Seal is operated under delegated authority. Part of that delegated authority is the reporting back of the seal transactions.

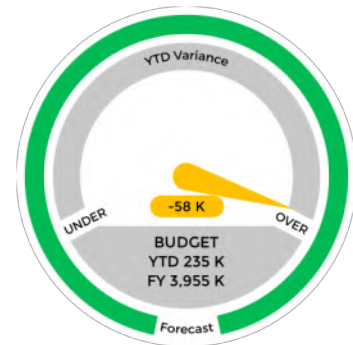
### **Discussion**

3. Attached is the Monthly Financial Reports for July and August 2021.
4. In the "Financial Indicators Section", for revenue, expenditure and operating surplus/deficit, for the whole of the Council the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates an improving trend and a red down arrow indicates a deteriorating trend.



5. The financial performance pie graphs for operating expenditure and income show the actual performance against budget and the forecast performance against budget, accumulated for all activities. The green slice indicates the number of activities where the variance is within plus or minus 5% and less than \$50,000. The yellow slice indicates the number of activities where the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. The red slice indicates the number of activities where the variance is more than plus or minus 10% and more than \$100,000.
6. For each Group of Activities (Resource management, Biosecurity and biodiversity, Transport, Hazard management, Recreation culture and heritage, and Regional representation, advocacy and investment management, in the “Financial Indicators Section”, for revenue and expenditure, for that group of activities, the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates an improving trend and a red down arrow indicates a deteriorating trend.

7. In the “Operating Expenditure by Activity” section, there is a dial for each activity comparing YTD expenditure against budget and a forecast for the rest of the year. The colours are green – variance of less than plus or minus 5%, yellow – plus or minus variance of more than 5% but less than 10% and red – plus or minus variance of more than 10%. The key components of each dial are:



- The outer ring is the forecast for the rest of the year - green OK, yellow performance at risk, red target will not be achieved
  - The pointer indicates whether the variance is over or under budget and the colour indicates the scale of the variance - the actual variance figure sits at the bottom of the pointer
  - The YTD and full year (FY) budgets are included in the grey section.
8. Financially, the Council is in-line with the estimates established for 2021/2022 in the *2021/2031 Long-Term Plan*.
  9. At 31 August 2021, the overall financial result is ahead of budget.
  10. Significant income and expenditure variances by activity (plus or minus \$100,000) are:
    - *Compliance monitoring programmes* - \$179,425 under budget due to staff vacancies and less time spent on monitoring activities than planned.
    - *Enhancement grants* - \$143,652 under budget due to the timing of Public Waterways and Eco-system Restoration funds expenditure.
    - *Government grants* - \$634,577 over budget due to revenue earned on the Public Waterways and Eco-system Restoration funds project earlier in the financial year than budgeted.
    - *Passenger transport* - \$155,497 under budget due to bus contract costs currently running lower than expected and the later timing of projects expenditure.

- *Regional Gardens* - \$227,267 under budget due to a delay in the Kaitake Trail project funding.
11. The Council is currently undertaking legal proceedings to recover outstanding debts from Nyall Hitchcock.

### Operational Report

12. It is early in the new operational year, but to date, programmes are materially on target with the planned levels of activity established for 2021/2022 in the *2021/2031 Long-Term Plan*. At this stage, there are no known adverse impacts arising from the current Covid-19 lockdown. At this early stage of the year, there is plenty of time to respond to any delays in work programmes.

### Communications and Engagement

13. Communications activities are delivered across a range of channels including publications, media releases, advertising and digital media. Some recent points of note are:
- Extensive local media coverage of the new Connector bus service connecting industry and workers.
  - The Summary Annual Report was published in community newspapers, and key outcomes will be highlighted on social media in coming weeks.
  - The outcome of the representation review was communicated via usual channels.
  - A documentary examining the impact of oil and gas exploration on the region “A Fracking Tour of Taranaki” was launched in mid-September. Former Director-Environment Quality Gary Bedford was interviewed.
  - TRC responded to an interview request regarding reported concerns that iwi are being improperly consulted regarding resource consent applications.
  - *Talking Taranaki* newsletter was published to subscribers and in community papers.
  - Freshwater-related website content has been updated, and advertising in the farming supplement of the *Daily News* has been undertaken as part of our ongoing freshwater communications programme.

### Social Media by the numbers

14. Social media continues to be an important communication channel for the Council:
- The total reach (non-unique users) across eight Facebook pages was 94,539 (compared to 156,533 for prior period).
  - The total user engagement (where users liked, shared, clicked or commented) on our posts was 3,786 (compared to 7,406 for prior period).
  - Our Facebook page fans total 16,342 (non-unique) fans across eight pages.
15. Reach and engagement (by page) are detailed in the table below:

Facebook page	Page fans	Reach	Engagement
Taranaki Regional Council	4,467 (+27)	22,392	521

Taranaki Public Transport	1000 (+16)	18,678	262
Tūpare	1,427 (+88)	19,403	1,091
Pukeiti	2,206 (+105)	12,720	508
Hollard Gardens	1,755 (+110)	3,996	143
Towards Predator-Free Taranaki	1,344 (+15)	8,962	702
Yarrow Stadium	3,706 (+8)	6,639	485
Enviroschools	437 (+20)	1,749	74

Top Facebook posts		Reach	Engaged
1	It's that time of the year again when rooks are nesting, making them easier to find. So we're asking people across Taranaki to be on high alert and report any possible sightings. Rooks are a pest animal, which in high numbers are capable of wiping out crops and horticulture...[more] [Taranaki Regional Council]	16K	3,925
2	Dalroy Tours will no longer be operating from inside the Bus Centre on Ariki Street. Please visit the New Plymouth i-SITE located inside Puke Ariki for all your Bee Card and bus timetable needs. [Taranaki Public Transport]	6.2K	126
3	Are you scared of heights? 😊 Check out this awesome drone shot of the work in progress at Yarrow Stadium 🌟👉 [Yarrow Stadium]	6K	456
4	Good news. It's been <b>5 months</b> since a possum was detected in the 990 hectare area from State Highway 45 to the coast, between Timaru Stream and the Oākura township...[more] [Towards Predator Free]	5.7K	861
5	Do you love the outdoors? Are you committed to the environment? Do you enjoy meeting new people? If you're yes, yes, yes, then this could be an ideal role for you. (Pukeiti Park Ranger) ...[more] [Taranaki Regional Council]	3.5K	376
6	Stoats have been called 'public enemy number one' for New Zealand birds. That's why they are the main target of our	3K	394

Top Facebook posts		Reach	Engaged
	rural project, with Taranaki farmers doing an awesome job reducing stoat numbers by 90% in targeted areas...[more] [Towards Predator Free]		
7	Taranaki Regional Council and Dialog Fitzroy have joined forces to launch a bus service for workers travelling between some of the region's biggest industrial sites...[more] [Taranaki Regional Council]	2.2K	150
8	Well-deserved recognition for the dedicated mahi of a catchment community led by Te Korowai o Ngāruahine Trust - who was announced as a semi-finalist in the 2021 New Zealand River Awards 'River Story' category with Cawthron Institute 🌿🌱...[more] [Taranaki Regional Council]	1.6K	76
9	A glimpse behind the scenes at Pukeiti. Propagation and pollination is key to ensuring we are doing our bit in conservation. Here we are hand pollinating endangered Rhododendron cruttwellii...[more] [Taranaki Regional Council]	1.3K	33
10	We enjoyed hosting the Introduction to Permaculture workshop at Hollard Gardens on Saturday, part of the South Taranaki District Council Sustainable Living Programme... [Taranaki EnviroSchools]	1.3K	58

### Common Seal

16. There are no transactions executed under Common Seal to report.

### Financial considerations—LTP/Annual Plan

17. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### Policy considerations

18. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

### **Iwi considerations**

19. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan. Similarly, iwi involvement in adopted work programmes has been recognised in the preparation of this memorandum.

### **Community considerations**

20. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

21. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 2891447: July 2021 Monthly Financial Report

Document 2891584: August 2021 Monthly Financial Report



JULY 2021

# MONTHLY FINANCIAL REPORT

TARANAKI REGIONAL COUNCIL





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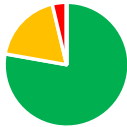







## Executive summary

### Financial performance

FINANCIAL INDICATORS					
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%					
Total revenue		Operating expenditure		Operating surplus/deficit	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:		Council’s total revenue less operating expenditure:	
Actual YTD:	Trend:	Actual YTD:	Trend:	Actual YTD:	Trend:
\$1.0M	\$212.8K over budget ↑	\$3.2M	\$354.7K under budget ↑	\$-2.2M	\$567.5K ahead of budget ↑
Against a YTD budget of \$0.8M and a full year budget of \$47.9M.		Against a YTD budget of \$3.5M and a full year budget of \$50.1M.		Against a YTD budget of \$-2.8M and a full year budget of \$-2.3M.	

FINANCIAL PERFORMANCE			
Operating Expenditure		Income	
Actual	Forecast	Actual	Forecast
Financial Performance 	Future Performance 	Financial Performance 	Future Performance 

### Commentary and variances

The financial year has started well and is tracking ahead of budget.

## Key

This section defines the symbols and colours used in the Executive Summary and the Groups of Activities.

### Introduction

In the "Financial Indicators Section", for revenue, expenditure and operating surplus/deficit, for the whole of the Council the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates and improving trend and a red down arrow indicates a deteriorating trend.

The financial performance pie graphs for operating expenditure and income show the actual performance against budget and the forecast performance against budget, accumulated for all activities. The green slice indicates the number of activities where the variance is within plus or minus 5% and less than \$50,000. The yellow slice indicates the number of activities where the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. The red slice indicates the number of activities where the variance is more than plus or minus 10% and more than \$100,000.

The operational performance pie graphs for levels of service and individual activities show the actual performance against budget and the forecast performance against budget, accumulated for all activities. The green slice indicates the number of levels of service/activities where the actual performance is on target. The yellow slice indicates the number of levels of service/activities where the actual performance is at risk of not being achieved. The red slice indicates the number of levels of service/activities where the actual performance is not meeting the target.

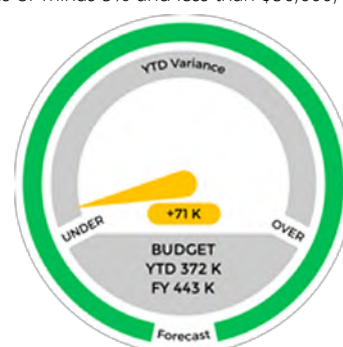
### For each Group of Activities:

In the "Financial Indicators Section", for revenue and expenditure, for that group of activities, the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates and improving trend and a red down arrow indicates a deteriorating trend.

In the "Operating Expenditure by Activity" section, there is a dial for each activity comparing YTD expenditure against budget and a forecast for the rest of the year. The colours are green – variance of less than plus or minus 5% and less than \$50,000, yellow – plus or minus variance of more than 5% and between \$50,000 and \$100,000 but less than 10% and red – plus or minus variance of more than 10% and \$100,000.

The key components of each dial are:

- The outer ring is the forecast for the rest of the year – green OK, yellow performance at risk, red target will not be achieved
- The pointer indicates whether the variance is over or under budget and the colour indicates the scale of the variance – the actual variance figure sits at the bottom of the pointer
- The YTD and Full Year (FY) budgets are included in the grey section.



The operational performance pie graphs for levels of service and individual activities show the actual performance against budget and the forecast performance against budget, accumulated for all activities within that group of activities. The green slice indicates the number of levels of service/activities where the actual performance is on target. The yellow slice indicates the number of levels of service/activities where the actual performance is at risk of not being achieved. The red slice indicates the number of levels of service/activities where the actual performance is not meeting the target.

## Statement of comprehensive revenue and expense

This statement summarises performance against budget for the month and for the year to date.

	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Cost of services</b>							
Resource management	1,707,424	1,848,317	140,893	1,707,424	1,848,317	140,893	26,168,383
Biosecurity and biodiversity	432,570	494,410	61,840	432,570	494,410	61,840	7,959,256
Transport	365,498	461,523	96,025	365,498	461,523	96,025	5,668,046
Hazard management	76,795	86,378	9,583	76,795	86,378	9,583	1,062,244
Recreation culture and heritage	386,582	471,139	84,557	386,582	471,139	84,557	6,987,506
Regional representation advocacy and investment management	194,077	155,872	-38,205	194,077	155,872	-38,205	1,822,543
<b>Total operating expenditure</b>	<b>3,162,947</b>	<b>3,517,639</b>	<b>354,692</b>	<b>3,162,947</b>	<b>3,517,639</b>	<b>354,692</b>	<b>49,667,978</b>
<b>Revenue from exchange transactions</b>							
Direct charges revenue	243,780	301,190	-57,410	243,780	301,190	-57,410	4,729,359
Rent revenue	100,549	93,749	6,800	100,549	93,749	6,800	1,125,000
Dividends	0	0	0	0	0	0	8,000,000
<b>Revenue from non-exchange transactions</b>							
General rates revenue	0	0	0	0	0	0	10,937,289
Targeted rates revenue	0	0	0	0	0	0	4,366,647
Direct charges revenue	94,259	182,076	-87,817	94,259	182,076	-87,817	12,820,150
Government grants	521,712	174,060	347,652	521,712	174,060	347,652	5,229,709
Vested assets	0	0	0	0	0	0	0
<b>Total income</b>	<b>960,301</b>	<b>751,075</b>	<b>209,226</b>	<b>960,301</b>	<b>751,075</b>	<b>209,226</b>	<b>47,208,154</b>
<b>Operating surplus/(deficit) before finance income/expenses &amp; taxation</b>	<b>-2,202,646</b>	<b>-2,766,564</b>	<b>563,918</b>	<b>-2,202,646</b>	<b>-2,766,564</b>	<b>563,918</b>	<b>-2,459,824</b>
Finance income	18,176	14,583	3,593	18,176	14,583	3,593	647,417
Finance expense	0	0	0	0	0	0	-472,417
Net finance expense	18,176	14,583	3,593	18,176	14,583	3,593	175,000
<b>Operating surplus before taxation</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,284,824</b>
<b>Other gains/losses</b>							
Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0
<b>Operating surplus before taxation</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,284,824</b>
Income tax expense	0	0	0	0	0	0	10,000
<b>Surplus/(deficit) for the period</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,294,824</b>
<b>Other comprehensive income</b>							
Revaluation of property, plant and equipment	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating surplus/(deficit)</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,184,470</b>	<b>-2,751,981</b>	<b>567,511</b>	<b>-2,294,824</b>

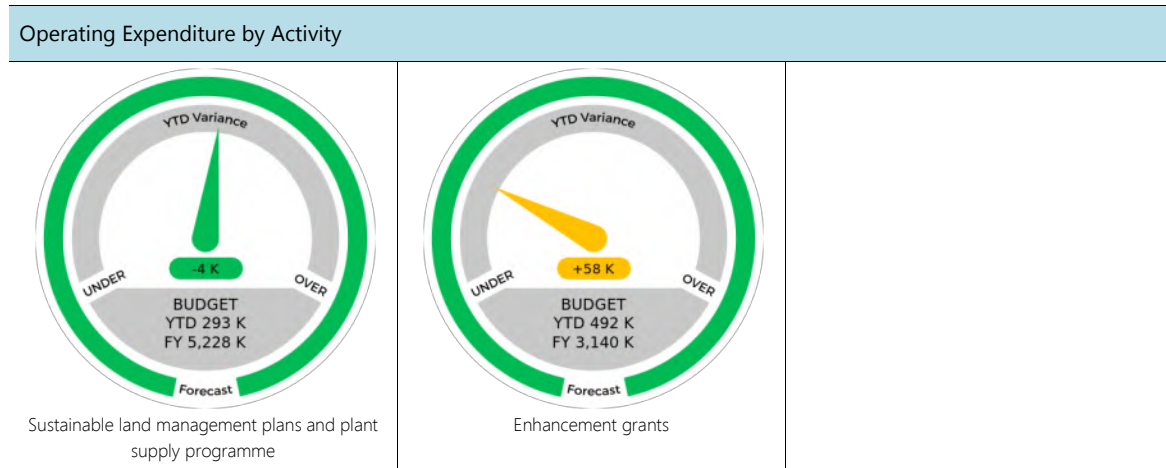
## Resource management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.6M	\$287.8K over budget ↑	\$1.7M	\$140.9K under budget ↑
Against a YTD budget of 0.3M and a full year budget of 16.0M.		Against a YTD budget of 1.8M and a full year budget of 26.2M.	

Operating Expenditure by Activity					
<p>YTD Variance +13 K BUDGET YTD 100 K FY 1,159 K Forecast</p>	<p>YTD Variance +2 K BUDGET YTD 115 K FY 1,174 K Forecast</p>	<p>YTD Variance +83 K BUDGET YTD 398 K FY 4,632 K Forecast</p>	<p>YTD Variance -2 K BUDGET YTD 98 K FY 1,134 K Forecast</p>	<p>YTD Variance -28 K BUDGET YTD 292 K FY 3,417 K Forecast</p>	<p>YTD Variance +19 K BUDGET YTD 59 K FY 702 K Forecast</p>
Resource management planning	Consent processing and administration	Compliance monitoring programmes	Pollution incidence and response	State of the environment monitoring	Resource investigations and projects

RESOURCE MANAGEMENT



Key	YTD Variance
■	< 5% and less than \$50,000
■	≥ 5% < 10% and between \$50,000 and \$100,000
■	≥ 10% and greater than \$100,000

Commentary and variances

Overall resource management expenditure is under budget. Material activity variances (> or < than \$100,000) are:

Government grants - \$365,617 over budget due to revenue earned on the Public Waterways and Eco-system Restoration funds project earlier in the financial year than budgeted.

## RESOURCE MANAGEMENT

## Cost of services statement

RESOURCE MANAGEMENT							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Resource management planning	87,457	100,248	12,791	87,457	100,248	12,791	1,158,681
Consent processing and administration	113,241	114,777	1,536	113,241	114,777	1,536	1,173,890
Compliance monitoring programmes	315,192	398,489	83,297	315,192	398,489	83,297	4,632,383
Pollution incidents and response	99,877	98,034	-1,843	99,877	98,034	-1,843	1,133,675
State of the environment monitoring	320,393	292,068	-28,325	320,393	292,068	-28,325	3,416,636
Resource investigations and projects	40,004	59,486	19,482	40,004	59,486	19,482	702,239
Sustainable land management plans and plant supply programme	296,856	293,163	-3,693	296,856	293,163	-3,693	5,228,414
Waitara River catchment	25	0	-25	25	0	-25	5,582,207
Enhancement grants	434,380	492,052	57,672	434,380	492,052	57,672	3,140,258
<b>Total expenditure</b>	<b>1,707,424</b>	<b>1,848,317</b>	<b>140,893</b>	<b>1,707,424</b>	<b>1,848,317</b>	<b>140,893</b>	<b>26,168,383</b>
<b>Income</b>							
General rates	729,372	729,372	0	729,372	729,372	0	4,965,037
Direct charges	270,980	348,772	-77,792	270,980	348,772	-77,792	13,199,566
Government grants	365,617	0	365,617	365,617	0	365,617	2,836,000
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	-10,471	0	-10,471	-10,471	0	-10,471	-75,000
Investment funds	351,926	770,173	-418,247	351,926	770,173	-418,247	5,242,780
<b>Total income</b>	<b>1,707,424</b>	<b>1,848,317</b>	<b>-140,893</b>	<b>1,707,424</b>	<b>1,848,317</b>	<b>-140,893</b>	<b>26,168,383</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$11.3K under budget ↓	\$0.4M	\$61.8K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 3.0M.		Against a YTD budget of 0.5M and a full year budget of 8.0M.	

Operating Expenditure by Activity		
<p>Biosecurity and biodiversity planning</p>	<p>Biosecurity/pest management</p>	<p>Biodiversity</p>
<p>Towards Predator-Free Taranaki</p>	<p>Key YTD Variance</p> <ul style="list-style-type: none"> <li>■ &lt; 5% and less than \$50,000</li> <li>■ ≥ 5% &lt; 10% and between \$50,000 and \$100,000</li> <li>■ ≥ 10% and greater than \$100,000</li> </ul>	

### Commentary and variances

Overall biosecurity and biodiversity expenditure is under budget. There are no material activity variances (> or < than \$100,000).



## BIOSECURITY AND BIODIVERSITY

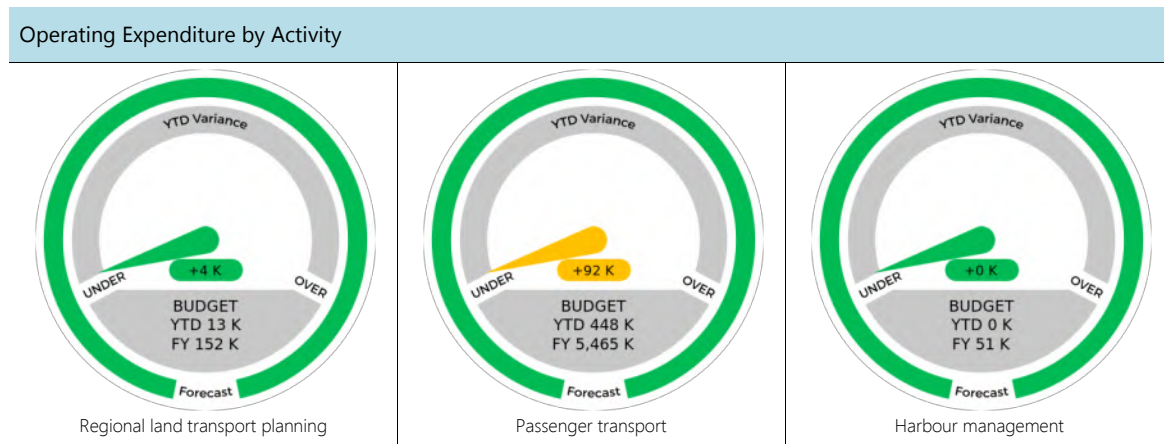
## Cost of services statement

BIOSECURITY AND BIODIVERSITY							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Biosecurity and biodiversity planning	323	6,677	6,354	323	6,677	6,354	77,645
Biosecurity/pest management	170,170	166,713	-3,457	170,170	166,713	-3,457	2,180,261
Biodiversity	119,146	110,984	-8,162	119,146	110,984	-8,162	1,765,513
Towards Predator-Free Taranaki	142,932	210,036	67,104	142,932	210,036	67,104	3,935,837
<b>Total expenditure</b>	<b>432,570</b>	<b>494,410</b>	<b>61,840</b>	<b>432,570</b>	<b>494,410</b>	<b>61,840</b>	<b>7,959,256</b>
<b>Income</b>							
General rates	230,994	230,994	0	230,994	230,994	0	2,426,731
Direct charges	8,199	19,500	-11,301	8,199	19,500	-11,301	2,970,043
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	193,377	243,916	-50,539	193,377	243,916	-50,539	2,562,482
<b>Total income</b>	<b>432,570</b>	<b>494,410</b>	<b>-61,840</b>	<b>432,570</b>	<b>494,410</b>	<b>-61,840</b>	<b>7,959,256</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Transport

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● $\geq 5\%$ and ● $< 10\% \geq 10\%$			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.2M	\$50.3K under budget ↓	\$0.4M	\$96.0K under budget ↑
Against a YTD budget of 0.3M and a full year budget of 3.5M.		Against a YTD budget of 0.5M and a full year budget of 5.7M.	



Key	YTD Variance
■	< 5% and less than \$50,000
■	$\geq 5\%$ < 10% and between \$50,000 and \$100,000
■	$\geq 10\%$ and greater than \$100,000

### Commentary and variances

Overall transport expenditure is under budget. There are no material activity variances (> or < than \$100,000).

## TRANSPORT

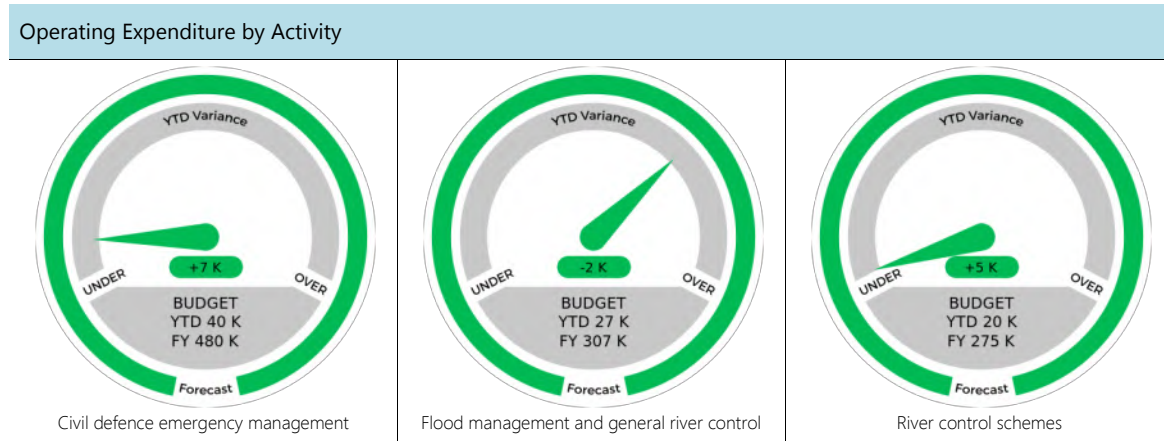
## Cost of services statement

TRANSPORT							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional land transport planning	9,205	13,068	3,863	9,205	13,068	3,863	152,418
Passenger transport	356,132	447,955	91,823	356,132	447,955	91,823	5,464,628
Harbour management	161	500	339	161	500	339	51,000
<b>Total expenditure</b>	<b>365,498</b>	<b>461,523</b>	<b>96,025</b>	<b>365,498</b>	<b>461,523</b>	<b>96,025</b>	<b>5,668,046</b>
<b>Income</b>							
General rates	95,137	95,137	0	95,137	95,137	0	356,499
Targeted rates	0	0	0	0	0	0	1,438,997
Direct charges	59,557	91,868	-32,311	59,557	91,868	-32,311	1,102,400
Government grants	156,095	174,060	-17,965	156,095	174,060	-17,965	2,393,709
Government grants for capital	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	54,709	100,458	-45,749	54,709	100,458	-45,749	376,441
<b>Total income</b>	<b>365,498</b>	<b>461,523</b>	<b>-96,025</b>	<b>365,498</b>	<b>461,523</b>	<b>-96,025</b>	<b>5,668,046</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Hazard management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● $\geq 5\%$ and ● $< 10\% \geq 10\%$			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$0.1K over budget ↑	\$0.1M	\$9.6K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.0M.		Against a YTD budget of 0.1M and a full year budget of 1.1M.	



Key	YTD Variance
■	$< 5\%$ and less than \$50,000
■	$\geq 5\% < 10\%$ and between \$50,000 and \$100,000
■	$\geq 10\%$ and greater than \$100,000

### Commentary and variances

Overall hazard management expenditure is under budget. There are no material activity variances ( $>$  or  $<$  than \$100,000).

## HAZARD MANAGEMENT

## Cost of services statement

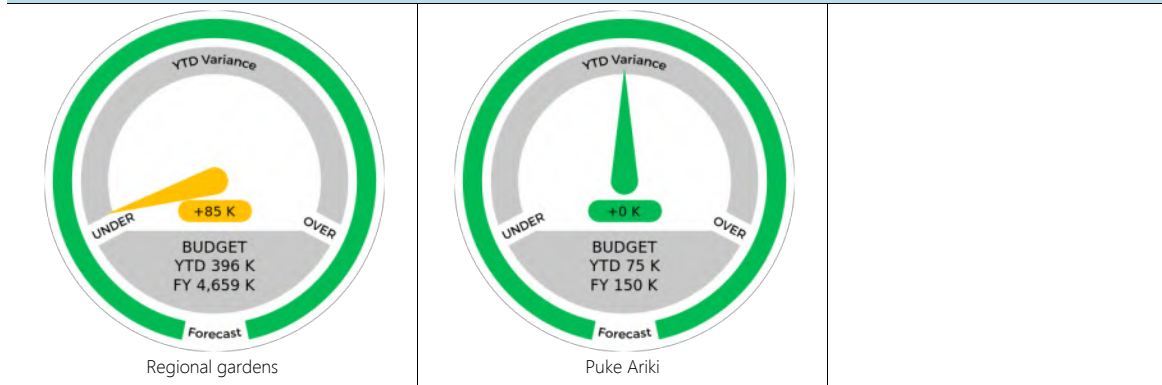
HAZARD MANAGEMENT							
	Month			Year to date			2020/2021
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Civil defence emergency management	33,170	40,000	6,830	33,170	40,000	6,830	480,000
Flood management and general river control	29,134	26,830	-2,304	29,134	26,830	-2,304	306,799
River control schemes	14,491	19,548	5,057	14,491	19,548	5,057	275,445
<b>Total expenditure</b>	<b>76,795</b>	<b>86,378</b>	<b>9,583</b>	<b>76,795</b>	<b>86,378</b>	<b>9,583</b>	<b>1,062,244</b>
<b>Income</b>							
General rates	31,881	31,881	0	31,881	31,881	0	98,523
Targeted rates	0	0	0	0	0	0	748,981
Direct charges	82	0	82	82	0	82	0
Government grants	0	0	0	0	0	0	0
Transfer from reserves	23,216	20,833	2,383	23,216	20,833	2,383	250,000
Transfer to reserves	0	0	0	0	0	0	-50,515
Investment funds	21,616	33,664	-12,048	21,616	33,664	-12,048	104,034
<b>Total income</b>	<b>76,795</b>	<b>86,378</b>	<b>-9,583</b>	<b>76,795</b>	<b>86,378</b>	<b>-9,583</b>	<b>1,151,023</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,779</b>

## Recreation, culture and heritage

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$7.5K under budget ↓	\$0.4M	\$84.6K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.2M.		Against a YTD budget of 0.5M and a full year budget of 7.0M.	

### Operating Expenditure by Activity



Key	YTD Variance
■	< 5% and less than \$50,000
■	≥ 5% < 10% and between \$50,000 and \$100,000
■	≥ 10% and greater than \$100,000

### Commentary and variances

Overall recreation, culture and heritage expenditure is under budget. There are no material activity variances (> or < than \$100,000).

## RECREATION, CULTURE AND HERITAGE

## Cost of services statement

RECREATION CULTURE AND HERITAGE							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional gardens	311,582	396,139	84,557	311,582	396,139	84,557	4,658,837
Puke Ariki	75,000	75,000	0	75,000	75,000	0	150,000
Yarrow Stadium	0	0	0	0	0	0	2,178,669
<b>Total expenditure</b>	<b>386,582</b>	<b>471,139</b>	<b>84,557</b>	<b>386,582</b>	<b>471,139</b>	<b>84,557</b>	<b>6,987,506</b>
<b>Income</b>							
General rates	220,870	220,870	0	220,870	220,870	0	2,239,529
Targeted rates	0	0	0	0	0	0	2,178,669
Direct charges	9,530	17,043	-7,513	9,530	17,043	-7,513	204,500
Investment funds	156,182	233,226	-77,044	156,182	233,226	-77,044	2,364,808
<b>Total income</b>	<b>386,582</b>	<b>471,139</b>	<b>-84,557</b>	<b>386,582</b>	<b>471,139</b>	<b>-84,557</b>	<b>6,987,506</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Regional representation, advocacy and investment management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● $\geq 5\%$ and ● $< 10\% \geq 10\%$			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$5.9K under budget ↓	\$0.2M	\$38.2K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.1M.		Against a YTD budget of 0.2M and a full year budget of 1.8M.	

Operating Expenditure by Activity		
<p>Investment management</p>	<p>Community engagement</p>	<p>Advocacy and response</p>
<p>Governance</p>	<p>Key</p> <ul style="list-style-type: none"> <li>YTD Variance</li> <li>■ <math>&lt; 5\%</math> and less than \$50,000</li> <li>■ <math>\geq 5\% &lt; 10\%</math> and between \$50,000 and \$100,000</li> <li>■ <math>\geq 10\%</math> and greater than \$100,000</li> </ul>	

### Commentary and variances

Overall regional representation and advocacy expenditure is over budget. There are no material activity variances ( $>$  or  $<$  than \$100,000).



## REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT

## Cost of services statement

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Investment management	4,275	500	-3,775	4,275	500	-3,775	6,000
Community engagement	48,784	38,213	-10,571	48,784	38,213	-10,571	448,517
Advocacy and response	44,521	31,960	-12,561	44,521	31,960	-12,561	362,771
Governance	96,498	85,199	-11,299	96,498	85,199	-11,299	1,005,255
<b>Total expenditure</b>	<b>194,077</b>	<b>155,872</b>	<b>-38,205</b>	<b>194,077</b>	<b>155,872</b>	<b>-38,205</b>	<b>1,822,543</b>
<b>Income</b>							
General rates	72,857	72,857	0	72,857	72,857	0	850,970
Direct charges	187	6,083	-5,896	187	6,083	-5,896	73,000
Investment funds	121,033	76,932	44,101	121,033	76,932	44,101	898,573
<b>Total income</b>	<b>194,077</b>	<b>155,872</b>	<b>38,205</b>	<b>194,077</b>	<b>155,872</b>	<b>38,205</b>	<b>1,822,543</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of financial position

This statement summarises the Council's assets, liabilities and residual equity. The statement is split between current items (those expected to be realised within 12 months) and non-current items (expected to last longer than 12 months).

	Month End Actual \$	2021/2022 Estimates \$	2020/2021 Annual Report \$
<b>Current Assets</b>			
Cash and cash equivalents	3,852,825	527,792	2,787,307
Current portion of investments	26,658,201	-	23,231,671
Trade and other receivables	2,435,015	2,000,000	8,443,489
Inventories	98,976	150,000	98,976
Loan to Taranaki Stadium Trust	-	-	5,000,000
Prepayments	318,757	100,000	262,887
Work in progress	304,829	400,000	195,100
<b>Total current assets</b>	<b>33,668,603</b>	<b>3,177,792</b>	<b>40,019,430</b>
<b>Non-current assets</b>			
Treasury investments	125,000	18,395,467	-
Port Taranaki Ltd	26,000,000	26,000,000	26,000,000
Civic Assurance Ltd	1,000	1,000	1,000
Regional Software Holdings Ltd	798,118	798,118	798,118
Loan to Taranaki Stadium Trust	5,000,000	17,000,000	-
Investment properties	21,305,000	19,559,000	21,305,000
Intangible assets	579,360	1,855,701	605,075
Property plant and equipment	33,892,582	38,019,734	33,964,020
Deferred tax asset	117,739	80,499	117,739
<b>Total non-current assets</b>	<b>87,818,799</b>	<b>121,709,519</b>	<b>82,790,952</b>
<b>Total assets</b>	<b>121,487,402</b>	<b>124,887,311</b>	<b>122,810,382</b>
<b>Current liabilities</b>			
Trade and other payables	8,181,118	5,000,000	7,241,384
Work-in-progress	943,910	600,000	1,019,752
Employee entitlements current	1,091,346	1,150,000	1,093,749
Borrowings	-	-	5,000,000
<b>Total current liabilities</b>	<b>10,216,374</b>	<b>6,750,000</b>	<b>14,354,885</b>
<b>Non-current liabilities</b>			
Employee entitlements term	470,600	564,100	470,600
Borrowings	5,000,000	17,000,000	-
<b>Total non-current liabilities</b>	<b>5,470,600</b>	<b>17,564,100</b>	<b>470,600</b>
<b>Total liabilities</b>	<b>15,686,974</b>	<b>24,314,100</b>	<b>14,825,485</b>
<b>Public equity</b>			
Retained earnings	70,205,525	67,478,937	72,377,248
Reserves	30,255,841	27,877,402	30,268,587
Asset revaluation reserves	5,339,062	5,216,872	5,339,062
<b>Total public equity</b>	<b>105,800,428</b>	<b>100,573,211</b>	<b>107,984,897</b>
<b>Total liabilities and equity</b>	<b>121,487,402</b>	<b>124,887,311</b>	<b>122,810,382</b>

## Capital expenditure and disposals

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Capital expenditure in excess of \$10,000 for the month was:

DESCRIPTION	AMOUNT \$
HPE DL380 Server	24,119
Can Am Defender Pro	32,288

Fixed asset disposals in excess of \$10,000 for the month were:-

DESCRIPTION	AMOUNT \$
Nil	

## Local Authorities (Members' Interests) Act 1968

Additions to the *Creditors Detail List* for June and July were:

CODE	CREDITOR NAME	ADDRESS	DATE ESTABLISHED
3852	L A & L M Cooper	1170 Richmond Road, Inglewood	1-Jun-21
3853	Cooper, Mr Lee	132 Cross Road, Lepperton	1-Jun-21
3854	Ahu Conservation Limited	303 Lower Ahu Ahu Road, New Plymouth	3-Jun-21
3855	TR & MS Holdings Limited	73 Nelson Street, Blenheim	3-Jun-21
3856	Central Audiology Taranaki	P O Box 511, New Plymouth	4-Jun-21
3857	ILX Group PTY LTD	730 Springvale Road, Mulgrave, Melbourne	15-Jun-21
3858	Electronic Timers Limited	P O Box 3173, Ohope	15-Jun-21
3859	Well Stay 189 Limited	189 Manukau Road, Epsom, Auckland	15-Jun-21
3860	Inglewood Primary School	P O Box 48, Inglewood	15-Jun-21
3861	Puma Roa Trust	289 Ngawhini Road, Hawera	17-Jun-21
3862	Burns & Ferrall Limited	P O Box 13140, Auckland	17-Jun-21
3863	Ecotech New Zealand Limited	32 Antonio Street, Stratford	17-Jun-21
3864	CL 7 Hockly Trust	66 Scott Road, Hawera	17-Jun-21
3865	Packaging Matters Limited	42 Napuka Road, Auckland	21-Jun-21
3867	MW & LK Horo	P O Box 68041, Rahotu	22-Jun-21
3868	Quality Visions Limited	321A Mangorei Road, New Plymouth	22-Jun-21
3869	Sarnia Farms Limited	259 Parsons Road, Patea	22-Jun-21
3870	AD & AM Hurley Partnership Trust	313 Otauto Road, Patea	23-Jun-21
3871	Kevin & Jennifer Murphy	2009 State Highway 3, Waverley	23-Jun-21
3872	Shodan Nurseries	2 Motukeri Place, Onaero	23-Jun-21
3873	Absolute IT	51 Shortland Street, Auckland	23-Jun-21
3874	TMS Native Plant Nursery	728 Maata Road, Eltham	23-Jun-21
3875	Ngati Awa Tourism Limited	P O Box 529, Whakatane	25-Jun-21
3876	Taranaki Electrical Services Ltd	52d Leach Street, New Plymouth	25-Jun-21
3877	Enviro Tools Limited	32 Fitzherbert Street, Petone, Lower Hutt	25-Jun-21
3878	GR & MT Dey Ltd T/A Can-am Taranaki	337 Broadway, Stratford	25-Jun-21
3879	Berridge, Mr David	120 Hurford Road, Omata	28-Jun-21
3880	Exhibit by Design	3 Butler Lane, Mangawhai Heads	28-Jun-21
3881	Mangatui Limited	611 Bristol Road, Inglewood	29-Jun-21
3882	Amberhay Limited	326 Finnerty Road, Stratford	29-Jun-21
3883	Nakiland Agriculture Limited	12 Paynters Ave, Strandon	30-Jun-21
3884	Osflo Fertiliser Limited	P O Box 204, Inglewood	30-Jun-21
3885	Taranaki By-Products Limited	P O Box 996, New Plymouth	1-Jul-21

Executive, Audit & Risk Committee - Financial and Operational Report

3886	City Care Ltd	P O Box 7669, Christchurch	1-Jul-21
3888	Travel Electrical Solutions Limited	48 Leach Street, New Plymouth	6-Jul-21
3889	Titoki Education and Learning	27 Rangataua Street, Tauranga	6-Jul-21
3890	G & D Newton Farms	P O Box 211, Urenui	7-Jul-21
3891	Shakee Pear Cafe	3912 Mountain Road, RD 23, Stratford	7-Jul-21
3893	Excel at Work Limited	P O Box 108, Rolleston	12-Jul-21
3894	Icon Conference & Event Management	P O Box 44195, Point Chevalier, Auckland	12-Jul-21
3895	Te Runanga o Ngati Ruanui	74 Princes Street, Hawera	13-Jul-21
3896	Avey Manning Limited	1878 Mangorei Road, New Plymouth	13-Jul-21
3897	Agrecovery	P O Box 25642, Wellington	13-Jul-21
3898	Otago Polytechnic	P O Box 1910, Dunedin	14-Jul-21
3899	Hitchon International Limited T/A Topmaq	32 Hammersmith Drive, Christchurch	15-Jul-21
3900	Lusty & Blundell Limited	38 Tawa Drive, Albany Auckland	20-Jul-21
3901	Resource Management Group Limited	P O Box 908, Christchurch	20-Jul-21
3902	West, Mr Shane	2014 Manaia Road, RD 29, Hawera	22-Jul-21
3903	Tropical Treasures Taranaki	816 Carrington Road, New Plymouth	27-Jul-21
3904	Stratford Business Association	61 Miranda Street, Stratford	27-Jul-21
3905	Aerial Surveys Limited	P O Box 302072, North Harbour, Auckland	27-Jul-21
3906	Collab Hospitality Limited	32 Gaine Street, New Plymouth	30-Jul-21
3907	Rhodohill Nursery	569 Paradise Valley Road, Rotorua	30-Jul-21

Notes:

1. The schedule of all previously listed creditors for the purpose of the Local Authorities (Members' Interests) Act 1968 is available for Members' perusal.
2. The schedule excludes any staff who may have become a creditor.
3. Under the terms of Section 6 and Section (1) of the Local Authorities (Members' Interests) Act 1968, members are required to declare if they hold directly or indirectly, a pecuniary interest other than an interest in common with the public.

## Financial delegations

The following payments were made during the period to 31 July 2021 that exceeded the budgeted approved delegated authority levels:

DESCRIPTION	AMOUNT \$
Nil	

## Aged debtors analysis

The total debtors outstanding at 31 July 2021 were aged as follows:

DESCRIPTION	AMOUNT \$	PERCENT %
Current balance	77,945	11
30 days balance	446,857	63
60 days balance	31,266	4
90 days and over balance	156,170	22
<b>Total debtors</b>	<b>712,238</b>	<b>100</b>

## Reserves

As at 31 July 2021 the following reserve balances were held:

DESCRIPTION	AMOUNT \$
Contingency/Disaster Reserve	1,086,000
North Taranaki/Waitara River Control Scheme Reserve	1,299,775
South Taranaki Rivers Control Scheme Reserve	(7,717)
Dividend Equalisation Reserve	6,250,063
Egmont National Park Control Reserve	713,000
Endowment Land Sales Reserve	2,470,000
Waitara Lands Act 2018 Reserve	18,444,720
<b>Total reserves</b>	<b>30,255,841</b>

## Bank and investment balances

As at 31 July 2021 the following cash, bank and investment balances were held:

	% OF TOTAL	INVESTED \$	YIELD %	MATURITY DATE
Bank of New Zealand:				
Call Account	10	3,003,330	0.3	On Call
Current accounts	3	779,858	0.1	On Call
Waitara Lands Account		1,046	0.1	On Call
Waitara Lands Term Investment	4	1,364,769	1.0	29/04/2022
TSB Bank:				
Cheque Accounts		731		On Call
Call Account		67,334	0.3	On Call
Term Investment	5	1,629,818	0.9	09/10/2021
Waitara Lands Term Investment	7	2,225,001	0.8	31/01/2022
ASB Bank:				
Cheque Account		50		On Call
Term Investment	5	1,501,381	1.1	30/12/2021
Term Investment	7	2,017,552	1.1	03/12/2021
Term Investment	3	1,064,077	0.9	18/08/2021
Waitara Lands Term Investment	7	2,133,253	1.0	07/11/2021
Waitara Lands Term Investment	4	1,167,732	0.9	18/02/2022
Waitara Lands Term Investment	14	4,369,982	1.1	30/01/2022
Westpac:				
Waitara Lands Account		475	0.1	On Call
Term Investment	7	2,002,174	1.2	30/06/2022
Waitara Lands Term Investment	9	2,675,463	0.8	06/10/2021
Waitara Lands Term Investment	7	2,261,810	0.8	22/01/2022
Waitara Lands Term Investment	7	2,245,189	0.8	22/12/2021
LGFA:				
Borrower Note		50,000	1.1	15/04/2024
Borrower Note		75,000	0.9	15/05/2028
<b>Total</b>	<b>100</b>	<b>30,636,026</b>	<b>0.9*</b>	

All investments are in accordance with the *Investment Policy*. \* Weighted average interest rate.

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AUGUST 2021

# MONTHLY FINANCIAL REPORT

TARANAKI REGIONAL COUNCIL





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## Executive summary

### Financial performance

FINANCIAL INDICATORS					
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%					
Total revenue		Operating expenditure		Operating surplus/deficit	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:		Council’s total revenue less operating expenditure:	
Actual YTD:	Trend:	Actual YTD:	Trend:	Actual YTD:	Trend:
\$5.9M	\$409.5K over budget ↑	\$6.8M	\$688.9K under budget ↑	\$-0.9M	\$1098.4K ahead of budget ↑
Against a YTD budget of \$5.5M and a full year budget of \$47.9M.		Against a YTD budget of \$7.5M and a full year budget of \$50.1M.		Against a YTD budget of \$-2.0M and a full year budget of \$-2.3M.	

FINANCIAL PERFORMANCE			
Operating Expenditure		Income	
Actual	Forecast	Actual	Forecast
Financial Performance 	Future Performance 	Financial Performance 	Future Performance 

### Commentary and variances

The financial year has started well and is tracking ahead of budget.

## Key

This section defines the symbols and colours used in the Executive Summary and the Groups of Activities.

### Introduction

In the "Financial Indicators Section", for revenue, expenditure and operating surplus/deficit, for the whole of the Council the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates and improving trend and a red down arrow indicates a deteriorating trend.

The financial performance pie graphs for operating expenditure and income show the actual performance against budget and the forecast performance against budget, accumulated for all activities. The green slice indicates the number of activities where the variance is within plus or minus 5% and less than \$50,000. The yellow slice indicates the number of activities where the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. The red slice indicates the number of activities where the variance is more than plus or minus 10% and more than \$100,000.

The operational performance pie graphs for levels of service and individual activities show the actual performance against budget and the forecast performance against budget, accumulated for all activities. The green slice indicates the number of levels of service/activities where the actual performance is on target. The yellow slice indicates the number of levels of service/activities where the actual performance is at risk of not being achieved. The red slice indicates the number of levels of service/activities where the actual performance is not meeting the target.

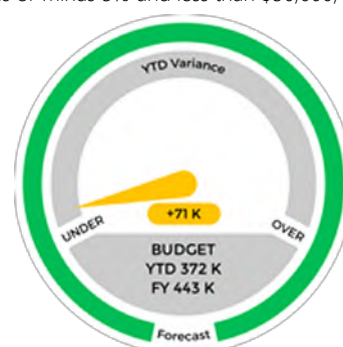
### For each Group of Activities:

In the "Financial Indicators Section", for revenue and expenditure, for that group of activities, the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates and improving trend and a red down arrow indicates a deteriorating trend.

In the "Operating Expenditure by Activity" section, there is a dial for each activity comparing YTD expenditure against budget and a forecast for the rest of the year. The colours are green – variance of less than plus or minus 5% and less than \$50,000, yellow – plus or minus variance of more than 5% and between \$50,000 and \$100,000 but less than 10% and red – plus or minus variance of more than 10% and \$100,000.

The key components of each dial are:

- The outer ring is the forecast for the rest of the year – green OK, yellow performance at risk, red target will not be achieved
- The pointer indicates whether the variance is over or under budget and the colour indicates the scale of the variance – the actual variance figure sits at the bottom of the pointer
- The YTD and Full Year (FY) budgets are included in the grey section.



The operational performance pie graphs for levels of service and individual activities show the actual performance against budget and the forecast performance against budget, accumulated for all activities within that group of activities. The green slice indicates the number of levels of service/activities where the actual performance is on target. The yellow slice indicates the number of levels of service/activities where the actual performance is at risk of not being achieved. The red slice indicates the number of levels of service/activities where the actual performance is not meeting the target.

## Statement of comprehensive revenue and expense

This statement summarises performance against budget for the month and for the year to date.

	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Cost of services</b>							
Resource management	1,633,294	1,893,673	260,379	3,340,718	3,741,990	401,272	26,168,383
Biosecurity and biodiversity	566,746	417,095	-149,651	999,316	911,505	-87,811	7,959,256
Transport	388,601	454,482	65,881	754,099	916,005	161,906	5,668,046
Hazard management	79,608	83,373	3,765	156,403	169,751	13,348	1,062,244
Recreation culture and heritage	776,172	918,882	142,710	1,162,754	1,390,021	227,267	6,987,506
Regional representation advocacy and investment management	152,479	142,477	-10,002	346,556	298,349	-48,207	1,822,543
<b>Total operating expenditure</b>	<b>3,596,900</b>	<b>3,909,982</b>	<b>313,082</b>	<b>6,759,847</b>	<b>7,427,621</b>	<b>667,774</b>	<b>49,667,978</b>
<b>Revenue from exchange transactions</b>							
Direct charges revenue	257,522	313,690	-56,168	501,302	614,880	-113,578	4,729,359
Rent revenue	111,291	93,749	17,542	211,840	187,498	24,342	1,125,000
Dividends	0	0	0	0	0	0	8,000,000
<b>Revenue from non-exchange transactions</b>							
General rates revenue	2,734,322	2,734,322	0	2,734,322	2,734,322	0	10,937,289
Targeted rates revenue	1,091,662	1,091,662	0	1,091,662	1,091,662	0	4,366,647
Direct charges revenue	223,918	239,576	-15,658	318,177	421,652	-103,475	12,820,150
Government grants	439,038	174,060	264,978	960,750	348,120	612,630	5,229,709
Vested assets	0	0	0	0	0	0	0
<b>Total income</b>	<b>4,857,753</b>	<b>4,647,059</b>	<b>210,694</b>	<b>5,818,054</b>	<b>5,398,134</b>	<b>419,920</b>	<b>47,208,154</b>
<b>Operating surplus/(deficit) before finance income/expenses &amp; taxation</b>	<b>1,260,853</b>	<b>737,077</b>	<b>523,776</b>	<b>-941,794</b>	<b>-2,029,487</b>	<b>1,087,693</b>	<b>-2,459,824</b>
Finance income	24,201	38,204	-14,003	42,377	52,787	-10,410	647,417
Finance expense	-2,461	-23,621	-21,160	-2,461	-23,621	-21,160	-472,417
Net finance expense	21,740	14,583	7,157	39,916	29,166	10,750	175,000
<b>Operating surplus before taxation</b>	<b>1,282,592</b>	<b>751,660</b>	<b>530,932</b>	<b>-901,878</b>	<b>-2,000,321</b>	<b>1,098,443</b>	<b>-2,284,824</b>
<b>Other gains/losses</b>							
Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0
<b>Operating surplus before taxation</b>	<b>1,282,592</b>	<b>751,660</b>	<b>530,932</b>	<b>-901,878</b>	<b>-2,000,321</b>	<b>1,098,443</b>	<b>-2,284,824</b>
Income tax expense	0	0	0	0	0	0	10,000
<b>Surplus/(deficit) for the period</b>	<b>1,282,592</b>	<b>751,660</b>	<b>530,932</b>	<b>-901,878</b>	<b>-2,000,321</b>	<b>1,098,443</b>	<b>-2,294,824</b>
<b>Other comprehensive income</b>							
Revaluation of property, plant and equipment	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating surplus/(deficit)</b>	<b>1,282,592</b>	<b>751,660</b>	<b>530,932</b>	<b>-901,878</b>	<b>-2,000,321</b>	<b>1,098,443</b>	<b>-2,294,824</b>

## Resource management

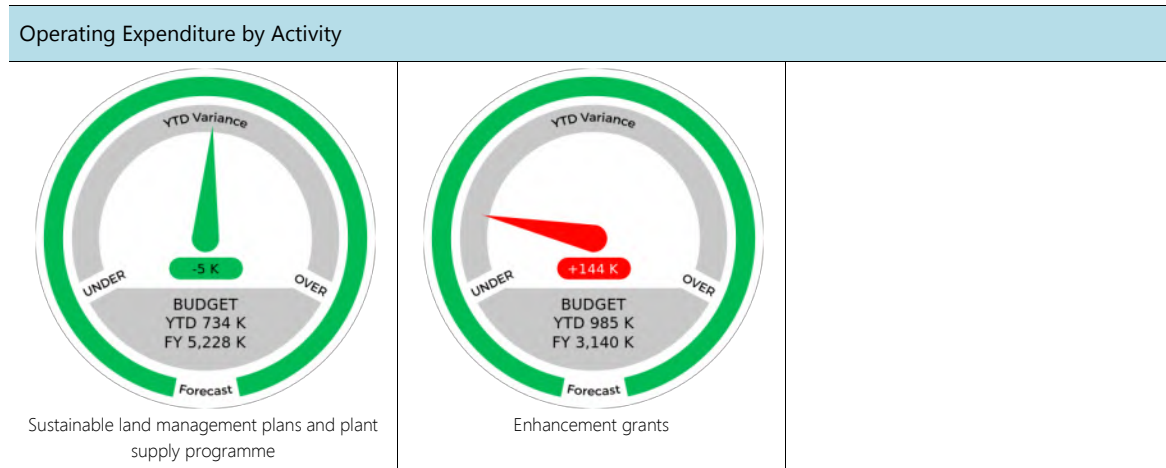
### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$1.3M	\$542.4K over budget ↑	\$3.3M	\$401.3K under budget ↑
Against a YTD budget of 0.8M and a full year budget of 16.0M.		Against a YTD budget of 3.7M and a full year budget of 26.2M.	

Operating Expenditure by Activity					
<p>YTD Variance +30 K BUDGET YTD 191 K FY 1,159 K Forecast</p>	<p>YTD Variance +12 K BUDGET YTD 205 K FY 1,174 K Forecast</p>	<p>YTD Variance +179 K BUDGET YTD 761 K FY 4,632 K Forecast</p>	<p>YTD Variance +3 K BUDGET YTD 187 K FY 1,134 K Forecast</p>	<p>YTD Variance -13 K BUDGET YTD 563 K FY 3,417 K Forecast</p>	<p>YTD Variance +51 K BUDGET YTD 118 K FY 702 K Forecast</p>
Resource management planning	Consent processing and administration	Compliance monitoring programmes	Pollution incidence and response	State of the environment monitoring	Resource investigations and projects



RESOURCE MANAGEMENT



Key	YTD Variance
■	< 5% and less than \$50,000
■	≥ 5% < 10% and between \$50,000 and \$100,000
■	≥ 10% and greater than \$100,000

Commentary and variances

Overall resource management expenditure is under budget. Material activity variances (> or < than \$100,000) are:

Compliance monitoring programmes - \$179,425 under budget due to staff vacancies and less time spent on monitoring activities than budgeted.

Enhancement grants - \$143,652 under budget due to the timing of Public Waterways and Eco-system Restoration funds expenditure.

Government grants - \$634,577 over budget due to revenue earned on the Public Waterways and Eco-system Restoration funds project earlier in the financial year than budgeted.

## RESOURCE MANAGEMENT

## Cost of services statement

RESOURCE MANAGEMENT							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Resource management planning	73,063	90,387	17,324	160,520	190,635	30,115	1,158,681
Consent processing and administration	79,801	89,893	10,092	193,042	204,670	11,628	1,173,890
Compliance monitoring programmes	265,913	362,041	96,128	581,105	760,530	179,425	4,632,383
Pollution incidents and response	83,354	88,524	5,170	183,230	186,558	3,328	1,133,675
State of the environment monitoring	255,660	271,070	15,410	576,053	563,138	-12,915	3,416,636
Resource investigations and projects	26,950	58,521	31,571	66,955	118,007	51,052	702,239
Sustainable land management plans and plant supply programme	442,078	440,783	-1,295	738,933	733,946	-4,987	5,228,414
Waitara River catchment	0	0	0	25	0	-25	5,582,207
Enhancement grants	406,475	492,454	85,979	840,854	984,506	143,652	3,140,258
<b>Total expenditure</b>	<b>1,633,294</b>	<b>1,893,673</b>	<b>260,379</b>	<b>3,340,718</b>	<b>3,741,990</b>	<b>401,272</b>	<b>26,168,383</b>
<b>Income</b>							
General rates	717,385	717,385	0	1,446,757	1,446,757	0	4,965,037
Direct charges	404,398	418,772	-14,374	675,378	767,544	-92,166	13,199,566
Government grants	268,960	0	268,960	634,577	0	634,577	2,836,000
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	-14,184	0	-14,184	-24,655	0	-24,655	-75,000
Investment funds	256,735	757,516	-500,781	608,661	1,527,689	-919,028	5,242,780
<b>Total income</b>	<b>1,633,294</b>	<b>1,893,673</b>	<b>-260,379</b>	<b>3,340,718</b>	<b>3,741,990</b>	<b>-401,272</b>	<b>26,168,383</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$25.7K under budget ↓	\$1.0M	\$87.8K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 3.0M.		Against a YTD budget of 0.9M and a full year budget of 8.0M.	

Operating Expenditure by Activity		
<p>Biosecurity and biodiversity planning</p>	<p>Biosecurity/pest management</p>	<p>Biodiversity</p>
<p>Towards Predator-Free Taranaki</p>	<p>Key</p> <ul style="list-style-type: none"> <li>YTD Variance</li> <li>■ &lt; 5% and less than \$50,000</li> <li>■ ≥ 5% &lt; 10% and between \$50,000 and \$100,000</li> <li>■ ≥ 10% and greater than \$100,000</li> </ul>	

### Commentary and variances

Overall biosecurity and biodiversity expenditure is under budget. There are no material activity variances (> or < than \$100,000).



## BIOSECURITY AND BIODIVERSITY

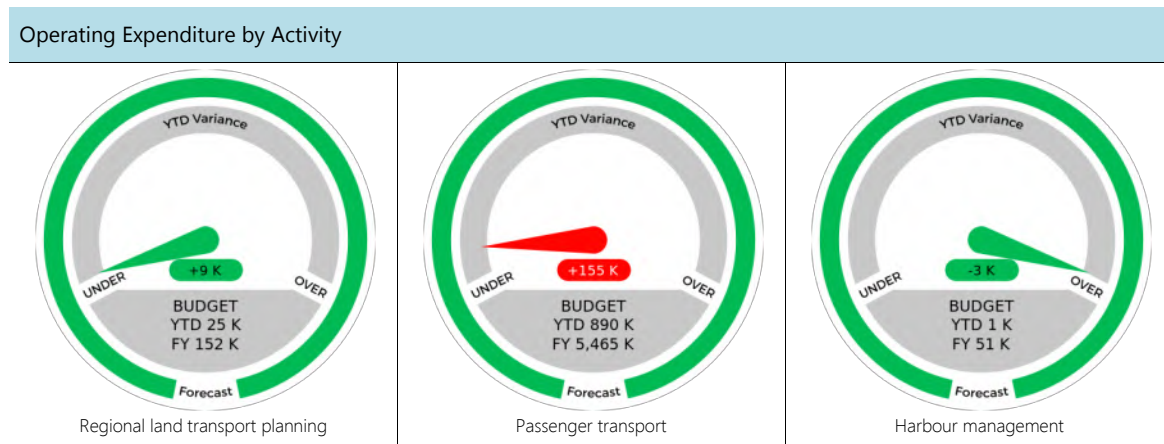
## Cost of services statement

BIOSECURITY AND BIODIVERSITY							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Biosecurity and biodiversity planning	0	6,062	6,062	323	12,739	12,416	77,645
Biosecurity/pest management	154,887	153,119	-1,768	325,056	319,832	-5,224	2,180,261
Biodiversity	95,275	103,707	8,432	214,421	214,691	270	1,765,513
Towards Predator-Free Taranaki	316,584	154,207	-162,377	459,516	364,243	-95,273	3,935,837
<b>Total expenditure</b>	<b>566,746</b>	<b>417,095</b>	<b>-149,651</b>	<b>999,316</b>	<b>911,505</b>	<b>-87,811</b>	<b>7,959,256</b>
<b>Income</b>							
General rates	193,387	193,387	0	424,381	424,381	0	2,426,731
Direct charges	5,088	19,500	-14,412	13,287	39,000	-25,713	2,970,043
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	368,271	204,208	164,063	561,648	448,124	113,524	2,562,482
<b>Total income</b>	<b>566,746</b>	<b>417,095</b>	<b>149,651</b>	<b>999,316</b>	<b>911,505</b>	<b>87,811</b>	<b>7,959,256</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Transport

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): <span style="color: yellow;">●</span> ≥5% and <span style="color: red;">●</span> <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.5M	\$73.4K under budget 	\$0.8M	\$161.9K under budget 
Against a YTD budget of 0.5M and a full year budget of 3.5M.		Against a YTD budget of 0.9M and a full year budget of 5.7M.	



Key	YTD Variance
<span style="color: green;">■</span>	< 5% and less than \$50,000
<span style="color: yellow;">■</span>	≥ 5% < 10% and between \$50,000 and \$100,000
<span style="color: red;">■</span>	≥ 10% and greater than \$100,000

### Commentary and variances

Overall transport expenditure is under budget. Material activity variances (> or < than \$100,000) are:

Passenger transport - \$155,497 under budget due to bus contract costs currently running lower than expected and the later timing of projects expenditure.

## TRANSPORT

## Cost of services statement

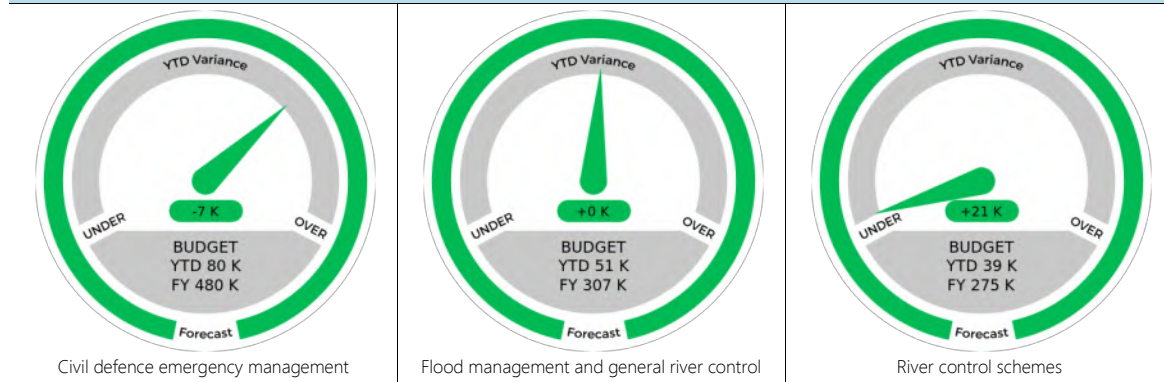
TRANSPORT							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional land transport planning	6,666	12,001	5,335	15,871	25,069	9,198	152,418
Passenger transport	378,307	441,981	63,674	734,439	889,936	155,497	5,464,628
Harbour management	3,629	500	-3,129	3,789	1,000	-2,789	51,000
<b>Total expenditure</b>	<b>388,601</b>	<b>454,482</b>	<b>65,881</b>	<b>754,099</b>	<b>916,005</b>	<b>161,906</b>	<b>5,668,046</b>
<b>Income</b>							
General rates	-83,269	-83,269	0	11,868	11,868	0	356,499
Targeted rates	359,749	359,750	-1	359,749	359,750	-1	1,438,997
Direct charges	72,695	91,868	-19,173	132,252	183,736	-51,484	1,102,400
Government grants	170,078	174,060	-3,982	326,173	348,120	-21,947	2,393,709
Government grants for capital	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	-130,653	-87,927	-42,726	-75,943	12,531	-88,474	376,441
<b>Total income</b>	<b>388,601</b>	<b>454,482</b>	<b>-65,881</b>	<b>754,099</b>	<b>916,005</b>	<b>-161,906</b>	<b>5,668,046</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Hazard management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$0.2K over budget ↑	\$0.2M	\$13.3K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.0M.		Against a YTD budget of 0.2M and a full year budget of 1.1M.	

### Operating Expenditure by Activity



Key	YTD Variance
■	< 5% and less than \$50,000
■	≥ 5% < 10% and between \$50,000 and \$100,000
■	≥ 10% and greater than \$100,000

### Commentary and variances

Overall hazard management expenditure is under budget. There are no material activity variances (> or < than \$100,000).

## HAZARD MANAGEMENT

## Cost of services statement

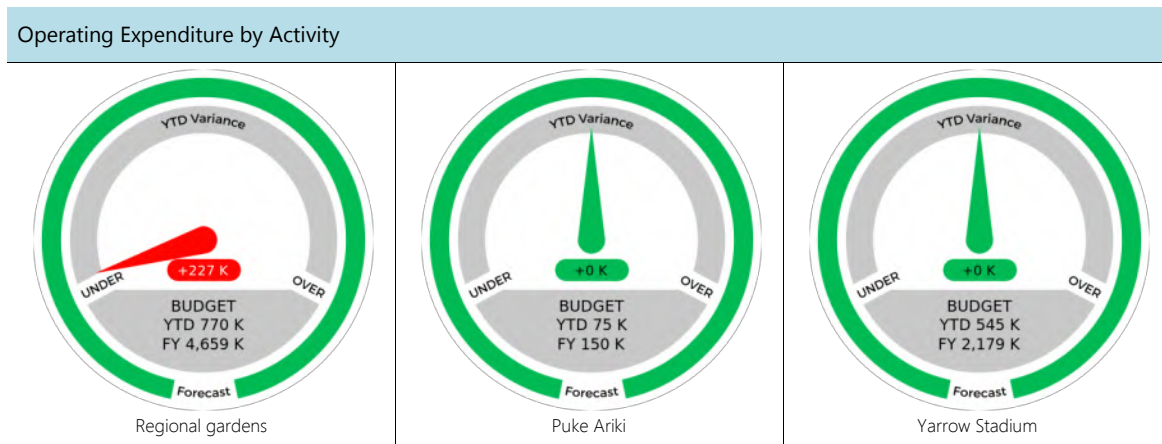
HAZARD MANAGEMENT							
	Month			Year to date			2020/2021
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Civil defence emergency management	53,856	40,000	-13,856	87,027	80,000	-7,027	480,000
Flood management and general river control	22,191	24,139	1,948	51,325	50,969	-356	306,799
River control schemes	3,561	19,234	15,673	18,052	38,782	20,730	275,445
<b>Total expenditure</b>	<b>79,608</b>	<b>83,373</b>	<b>3,765</b>	<b>156,403</b>	<b>169,751</b>	<b>13,348</b>	<b>1,062,244</b>
<b>Income</b>							
General rates	-49,860	-49,860	0	-17,979	-17,979	0	98,523
Targeted rates	187,245	187,245	0	187,245	187,245	0	748,981
Direct charges	89	0	89	171	0	171	0
Government grants	0	0	0	0	0	0	0
Transfer from reserves	0	20,833	-20,833	23,216	41,666	-18,450	250,000
Transfer to reserves	-177,034	0	-177,034	-177,034	0	-177,034	-50,515
Investment funds	141,364	-52,649	194,013	162,980	-18,985	181,965	104,034
<b>Total income</b>	<b>101,804</b>	<b>105,569</b>	<b>-3,765</b>	<b>178,599</b>	<b>191,947</b>	<b>-13,348</b>	<b>1,151,023</b>
<b>Operating surplus/(deficit)</b>	<b>22,196</b>	<b>22,196</b>	<b>0</b>	<b>22,196</b>	<b>22,196</b>	<b>0</b>	<b>88,779</b>



## Recreation, culture and heritage

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$11.4K under budget ↓	\$1.2M	\$227.3K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.2M.		Against a YTD budget of 1.4M and a full year budget of 7.0M.	



Key	YTD Variance
■	< 5% and less than \$50,000
■	≥ 5% < 10% and between \$50,000 and \$100,000
■	≥ 10% and greater than \$100,000

### Commentary and variances

Overall recreation, culture and heritage expenditure is under budget. Material activity variances (> or < than \$100,000) are:

Regional Gardens - \$227,267 under budget due to a delay in the Kaitake Trail project funding.

## RECREATION, CULTURE AND HERITAGE

## Cost of services statement

RECREATION CULTURE AND HERITAGE							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional gardens	231,505	374,215	142,710	543,087	770,354	227,267	4,658,837
Puke Ariki	0	0	0	75,000	75,000	0	150,000
Yarrow Stadium	544,667	544,667	0	544,667	544,667	0	2,178,669
<b>Total expenditure</b>	<b>776,172</b>	<b>918,882</b>	<b>142,710</b>	<b>1,162,754</b>	<b>1,390,021</b>	<b>227,267</b>	<b>6,987,506</b>
<b>Income</b>							
General rates	173,727	173,727	0	394,597	394,597	0	2,239,529
Targeted rates	544,667	544,667	0	544,667	544,667	0	2,178,669
Direct charges	13,166	17,043	-3,877	22,696	34,086	-11,390	204,500
Investment funds	44,612	183,445	-138,833	200,794	416,671	-215,877	2,364,808
<b>Total income</b>	<b>776,172</b>	<b>918,882</b>	<b>-142,710</b>	<b>1,162,754</b>	<b>1,390,021</b>	<b>-227,267</b>	<b>6,987,506</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Regional representation, advocacy and investment management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$11.8K under budget ↓	\$0.3M	\$48.2K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.1M.		Against a YTD budget of 0.3M and a full year budget of 1.8M.	

Operating Expenditure by Activity		
<p>Investment management</p>	<p>Community engagement</p>	<p>Advocacy and response</p>
<p>Governance</p>	<p>Key</p> <ul style="list-style-type: none"> <li>YTD Variance</li> <li>■ &lt; 5% and less than \$50,000</li> <li>■ ≥ 5% &lt; 10% and between \$50,000 and \$100,000</li> <li>■ ≥ 10% and greater than \$100,000</li> </ul>	

### Commentary and variances

Overall regional representation and advocacy expenditure is over budget. There are no material activity variances (> or < than \$100,000).

## REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT

## Cost of services statement

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT							
	Month			Year to date			2021/2022
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Investment management	0	500	500	4,275	1,000	-3,275	6,000
Community engagement	39,455	35,452	-4,003	88,239	73,665	-14,574	448,517
Advocacy and response	33,845	28,230	-5,615	78,366	60,190	-18,176	362,771
Governance	79,179	78,295	-884	175,677	163,494	-12,183	1,005,255
<b>Total expenditure</b>	<b>152,479</b>	<b>142,477</b>	<b>-10,002</b>	<b>346,556</b>	<b>298,349</b>	<b>-48,207</b>	<b>1,822,543</b>
<b>Income</b>							
General rates	66,341	66,341	0	139,198	139,198	0	850,970
Direct charges	187	6,083	-5,896	374	12,166	-11,792	73,000
Investment funds	85,951	70,053	15,898	206,984	146,985	59,999	898,573
<b>Total income</b>	<b>152,479</b>	<b>142,477</b>	<b>10,002</b>	<b>346,556</b>	<b>298,349</b>	<b>48,207</b>	<b>1,822,543</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of financial position

This statement summarises the Council's assets, liabilities and residual equity. The statement is split between current items (those expected to be realised within 12 months) and non-current items (expected to last longer than 12 months).

	Month End Actual \$	2021/2022 Estimates \$	2020/2021 Annual Report \$
<b>Current Assets</b>			
Cash and cash equivalents	1,873,576	527,792	2,787,307
Current portion of investments	25,614,791	-	23,231,671
Trade and other receivables	7,404,846	2,000,000	8,443,489
Inventories	98,976	150,000	98,976
Loan to Taranaki Stadium Trust	-	-	5,000,000
Prepayments	245,613	100,000	262,887
Work in progress	464,341	400,000	195,100
<b>Total current assets</b>	<b>35,702,143</b>	<b>3,177,792</b>	<b>40,019,430</b>
<b>Non-current assets</b>			
Treasury investments	125,000	18,395,467	-
Port Taranaki Ltd	26,000,000	26,000,000	26,000,000
Civic Assurance Ltd	1,000	1,000	1,000
Regional Software Holdings Ltd	798,118	798,118	798,118
Loan to Taranaki Stadium Trust	5,000,000	17,000,000	-
Investment properties	21,305,000	19,559,000	21,305,000
Intangible assets	553,657	1,855,701	605,075
Property plant and equipment	34,009,867	38,019,734	33,964,020
Deferred tax asset	117,739	80,499	117,739
<b>Total non-current assets</b>	<b>87,910,381</b>	<b>121,709,519</b>	<b>82,790,952</b>
<b>Total assets</b>	<b>123,612,524</b>	<b>124,887,311</b>	<b>122,810,382</b>
<b>Current liabilities</b>			
Trade and other payables	9,038,082	5,000,000	7,241,384
Work-in-progress	880,692	600,000	1,019,752
Employee entitlements current	1,140,130	1,150,000	1,093,749
Borrowings	-	-	5,000,000
<b>Total current liabilities</b>	<b>11,058,904</b>	<b>6,750,000</b>	<b>14,354,885</b>
<b>Non-current liabilities</b>			
Employee entitlements term	470,600	564,100	470,600
Borrowings	5,000,000	17,000,000	-
<b>Total non-current liabilities</b>	<b>5,470,600</b>	<b>17,564,100</b>	<b>470,600</b>
<b>Total liabilities</b>	<b>16,529,504</b>	<b>24,314,100</b>	<b>14,825,485</b>
<b>Public equity</b>			
Retained earnings	71,296,898	67,478,937	72,377,248
Reserves	30,447,060	27,877,402	30,268,587
Asset revaluation reserves	5,339,062	5,216,872	5,339,062
<b>Total public equity</b>	<b>107,083,020</b>	<b>100,573,211</b>	<b>107,984,897</b>
<b>Total liabilities and equity</b>	<b>123,612,524</b>	<b>124,887,311</b>	<b>122,810,382</b>

## Capital expenditure and disposals

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Capital expenditure in excess of \$10,000 for the month was:

DESCRIPTION	AMOUNT \$
2021 Ford Ranger Utes x 2	118,271
Dell Latitude Rugged Devices x 7	37,020
DustTrak DRX Desktop Aerosol Monitor	17,041
2021 Skoda Kodiaq	52,589
LiDar Data Project WIP	27,803
Aerial Photography Project WIP	23,845

Fixed asset disposals in excess of \$10,000 for the month were:-

DESCRIPTION	AMOUNT \$
Nil	

## Local Authorities (Members' Interests) Act 1968

Additions to the *Creditors Detail List* for the month were:

CODE	CREDITOR NAME	ADDRESS	DATE ESTABLISHED
3908	Horizon Trust	189 Sangster Road, RD 18, Eltham	03-Aug-21
3909	Taranaki Kiwi Trust	P O Box 308, Stratford	03-Aug-21
3910	Coachio Group Limited	P O Box 13177, Tauranga	03-Aug-21
3913	Lunch Shack Limited	153 South Road, Hawera	05-Aug-21
3914	Mene Solutions Limited	8 Nightingale Place, Christchurch	05-Aug-21
3915	Dove Electronics Limited	P O Box 33 166, Christchurch	09-Aug-21
3916	Hip Motel Limited	P O Box 826, Kerikeri	09-Aug-21
3917	Magnifiers NZ Limited	P O Box 36205, Christchurch	09-Aug-21
3918	Cross Country Rentals (2010) Limited	316-330 Queen Street, Masteron	09-Aug-21
3919	NZ Biosecurity Institute	P O Box 704, Cambridge	09-Aug-21
3921	DoubleTree by Hilton Wellington	28 Grey Street, Wellington	11-Aug-21
3922	Waikato Occupational Health Consultancy	11 Pukete Road, Te Rapa, Hamilton	11-Aug-21
3923	Jacobs Digital	9 Mokoia Road, Birkenhead, Auckland	11-Aug-21
3924	Dove Communications Limited	89 Church Road, Hamilton	12-Aug-21
3925	Maryflower Limited	232 Mark Avenue, Wellington	13-Aug-21
3926	Ifocus International Ltd	8B Bloomfield Terrace, Lower Hutt	13-Aug-21
3928	Genelec Ltd	5 Burgess Hill Road, New Plymouth	17-Aug-21
3929	Dung Beetle Innovations Ltd	94 Pomona Road, RD 1, Kumeu	17-Aug-21
3930	INTECOL Christchurch 2020	228 Papanui Road, Merivale, Christchurch	17-Aug-21
3931	Beaumonts Nurseries Ltd	RD 2, Papakura	17-Aug-21
3932	Action & Safety NZ Limited	6K Polaris Place, East Tamaki, Auckland	17-Aug-21
3933	JNG Farming Trust	700 Raupuha Road, RD 22, Stratford	24-Aug-21
3934	Manutahi Beach Trust	156 Manawapou Road, RD 2, Patea	27-Aug-21

Notes:

1. The schedule of all previously listed creditors for the purpose of the Local Authorities (Members' Interests) Act 1968 is available for Members' perusal.
2. The schedule excludes any staff who may have become a creditor.
3. Under the terms of Section 6 and Section (1) of the Local Authorities (Members' Interests) Act 1968, members are required to declare if they hold directly or indirectly, a pecuniary interest other than an interest in common with the public.

## Financial delegations

The following payments were made during the period to 31 August 2021 that exceeded the budgeted approved delegated authority levels:

DESCRIPTION	AMOUNT \$
Nil	

## Aged debtors analysis

The total debtors outstanding at 31 August 2021 were aged as follows:

DESCRIPTION	AMOUNT \$	PERCENT %
Current balance	5,978,143	94
30 days balance	10,686	
60 days balance	310,266	5
90 days and over balance	80,650	1
<b>Total debtors</b>	<b>6,379,745</b>	<b>100</b>

## Reserves

As at 31 August 2021 the following reserve balances were held:

DESCRIPTION	AMOUNT \$
Contingency/Disaster Reserve	1,086,000
North Taranaki/Waitara River Control Scheme Reserve	1,460,584
South Taranaki Rivers Control Scheme Reserve	8,509
Dividend Equalisation Reserve	6,250,063
Egmont National Park Control Reserve	713,000
Endowment Land Sales Reserve	2,470,000
Waitara Lands Act 2018 Reserve	18,458,904
<b>Total reserves</b>	<b>30,447,060</b>



## Bank and investment balances

As at 31 August 2021 the following cash, bank and investment balances were held:

	% OF TOTAL	INVESTED \$	YIELD %	MATURITY DATE
Bank of New Zealand:				
Call Account	5	1,303,796	0.3	On Call
Current accounts	2	500,123	0.1	On Call
Waitara Lands Account		1,046	0.1	On Call
Waitara Lands Term Investment	5	1,365,925	1.0	29/04/2022
TSB Bank:				
Cheque Accounts		731		On Call
Call Account		67,355	0.3	On Call
Term Investment	6	1,631,060	0.9	09/10/2021
Waitara Lands Term Investment	8	2,226,702	0.8	31/01/2022
ASB Bank:				
Cheque Account		50		On Call
Term Investment	7	2,019,348	1.1	3/12/2021
Term Investment	5	1,502,719	1.1	30/12/2021
Waitara Lands Term Investment	8	2,134,970	1.0	07/11/2021
Waitara Lands Term Investment	4	1,168,572	0.9	18/02/2022
Waitara Lands Term Investment	16	4,373,879	1.1	30/01/2022
Westpac:				
Waitara Lands Account		475	0.1	On Call
Term Investment	7	2,004,281	1.2	30/06/2022
Waitara Lands Term Investment	10	2,677,276	0.8	06/10/2021
Waitara Lands Term Investment	8	2,263,346	0.8	22/01/2022
Waitara Lands Term Investment	8	2,246,713	0.8	22/12/2021
LGFA:				
Borrower Note		50,000	1.1	15/04/2024
Borrower Note		75,000	0.9	15/05/2028
<b>Total</b>	<b>100</b>	<b>27,613,367</b>	<b>0.9*</b>	

All investments are in accordance with the *Investment Policy*. \* Weighted average interest rate.

[www.trc.govt.nz](http://www.trc.govt.nz)



**Date:** 18 October 2021

**Subject:** **Health and Safety Reporting**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2886485

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### **Purpose**

1. The purpose of this memorandum is to receive and consider reports on health and safety performance.

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the September 2021 health and safety report.

### **Background**

2. At the Executive, Audit and Risk Committee meeting it was agreed that the May 2021 report provided the required level of health and safety reporting. Any further feedback would be valuable for future reporting.

### **Discussion**

3. The September 2021 health and safety report is attached.
4. The July 2021 period includes a near miss overdue staff member. The use of technologies and our business practices around overdue staff are being reviewed. The current business practice is simple, any changes would have to meet all needs and be reasonably practicable.
5. The September 2021 report includes the response to the current COVID-19 lockdown.

### **Financial considerations—LTP/Annual Plan**

6. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### **Policy considerations**

7. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

### **Iwi considerations**

8. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan.

### **Community considerations**

9. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

10. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 2886057: September 2021 Health and Safety Dashboard



## Health and Safety Dashboard

Reporting Period:

1 – 30 September 2021

### Incidents (1 July 2021 – 30 June 2022)

<b>Illness 0 (0)</b>	<b>Incidents 2 (2)</b>	<b>Injury 3 (7)</b>
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<b>ACC Claims 0 (0)</b>	<b>Near Miss 6 (10)</b>	<b>Notifiable 0 (0)</b>
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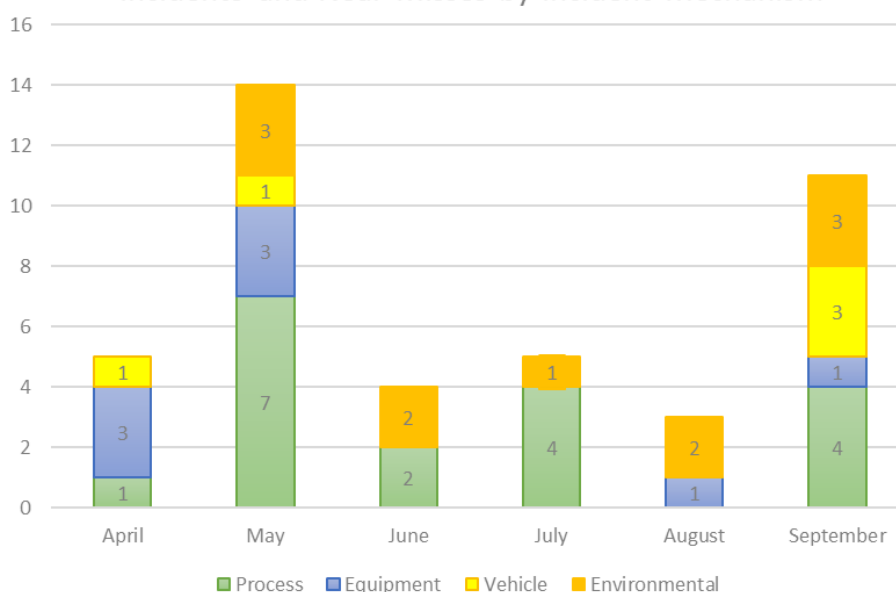
### Types of Incidents and Injuries

Slips/Trips/Falls (no injury)	-
Sprains/Strains	1
Cuts/Abrasions	-
Bruising	-
Near Miss	6
Vehicle Damage	2
Insect Stings	-
Other	2

No Treatment	2
First Aid	1
Medical Centre	-
Physiotherapy/Osteopath	-
Hospital	-

Formal Investigation	-
WorkSafe Investigation	-

Incidents and Near Misses by Incident Mechanism



Health and Wellbeing

**Wellness Initiatives**  
Mental Health Awareness Week

**Health Monitoring Assessments 3**  
Pre-employment assessments 4

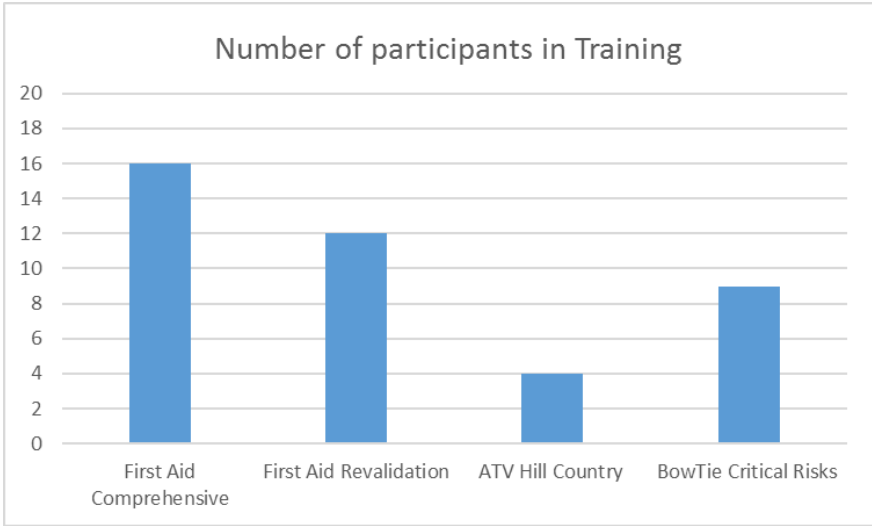
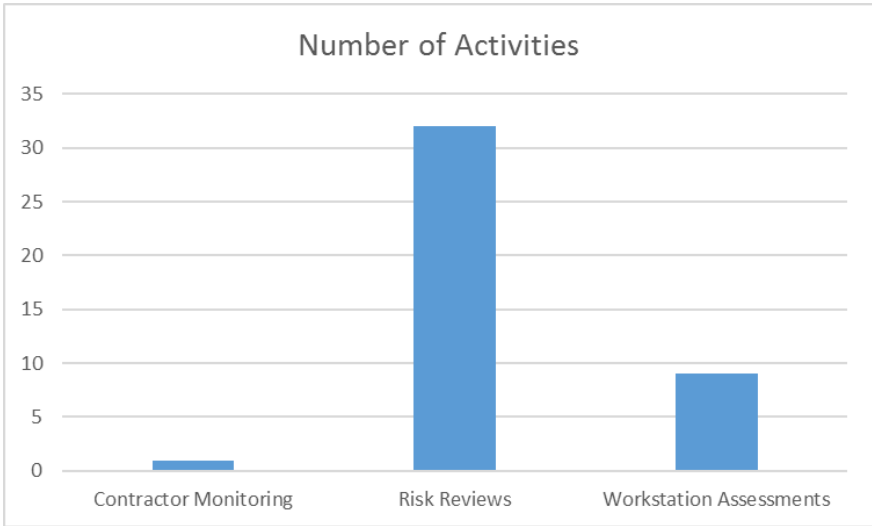
**Workplace Wellbeing**  
Mental Health

**2 non-work related return to work plans**  
in place

Health and Safety Objectives Update

**TRC wellbeing plan based on the Māori health model:**  
**Te Whare Tapa Whā**  
Wellbeing Survey conducted

**Work in Progress:**  
**On call for Inspectorate in Review**  
**Developing a Wellbeing Strategy**  
**Health & Safety strategy on a page**  
**developed and with ELT**



Critical events or have the potential to be critical			
Event	Potential Consequence	Actual Consequence	Potential Controls to implement
Near Miss – vehicle incident	Major	Low	Investigate defensive driving training for all field based staff

#### COVID-19 Response and Plan

With the announcement on Monday 6 September, Taranaki went into Level 2 Delta. There is still a lot of staff working from home during Level 2 Delta. Protocols have been updated to reflect the new requirements for businesses under Level 2 delta. The Council has operated safely and successfully within the identified protocols and Government requirements, throughout the various levels.

#### Mental Health Awareness Week

A Mental Health Awareness Week campaign was held during the last week September, which concluded in a Wellbeing survey. The results of this survey will assist in the development of the Wellbeing strategy.



**Date:** 18 October 2021

**Subject:** **Public Transport Operational Update for the Quarter Ending 30 September 2021**

**Approved by:** M J Nield, Director Corporate Services  
S J Ruru, Chief Executive

**Document:** 2891529

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### **Purpose**

1. The purpose of this memorandum is to provide members with an operational report on public transport services for the quarter ending 30 September 2021.

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the memorandum *Public Transport Operational Report for the Quarter Ending 30 September 2021*.

### **Background**

2. As part of the Council's responsibility for promoting an integrated, safe, responsive and sustainable land transport system within the region, a range of activities is required. These include provision of public transport services and the Total Mobility Scheme.

### **Covid-19**

3. Level 4 lockdown conditions meant reduced services and additional safety precautions were in place very quickly. These changes were communicated to the wider community very quickly in Taranaki and pleasingly there were no issues with poor behaviour and rule adherence. Contractors and Council alike worked within the Waka Kotahi framework and responded effectively to the changed alert levels.

### **Fare Zone Rollout**

4. Approval was given for the commencement of the adjustments to fare zones as a simpler and easier method of charging for travel in communities. This was reasonably well received within the community and work is ongoing to have this project live on 15 November 2021.



### **Technology and reporting developments**

5. Engagement has commenced with an external Transport planner to review current state, and support both increase in patronage and more service frequency. This scoping is in alignment with the feedback from the RLTP process in June 2021. Work is ongoing to look at a cost effective method of real time updates and use of technology to support bus use. Updates to the routes and a full physical stocktake and noted GPS coordinates of bus stops, shelters and routes has been undertaken in the quarter - to improve the accuracy rate from current state of 85% to 100% on the base underlying GPS data. This is a critical piece of work to establish a foundation on which to expand routes and provide reliable data feeds.

### **Citylink Services in the June - September 2021 Quarter.**

6. Across the Taranaki region, 120,570 (-17.6%) trips were taken across the New Plymouth urban routes. The 17% impact has been a direct result of the lockdown and school reopening delays. This patronage drop was not as pronounced as the April 2020 lockdown.

### **Connector (Hāwera to New Plymouth) bus service**

7. The Connector Service has 5,515 journeys in the quarter to September 2021 down -33% on 2020 Q1 data. This is related directly to lockdown and the delay in return of the WITT students. Numbers prior toward the end of September have started to recover so Q2 results will be indicative of the recovery pattern.

### **Southlink services**

8. The Southlink Services continue to run twice-weekly Waverley Hāwera Return, Ōpunake to Hāwera and Ōpunake to New Plymouth. Total patronage for the quarter was 527. This has shown a marked increase - +40.4% Waverley to Hāwera, and +55.3% Ōpunake to New Plymouth and down 29% on the Ōpunake - New Plymouth compared to 2020. Work is also commencing to rebrand, and review the accessibility of these services.

### **SuperGold Card**

9. SuperGold Cardholder patronage for services for the quarter totalled 10,668 for the quarter across all Taranaki services - although the Southlink and Connector Services are moving a higher proportion of the SGC holders on a passenger basis (between 25-42% of the smaller rural link services). Again, this was impacted by Covid-19, but not as severely as 2020.

### **Total Mobility Scheme**

10. Trips for the quarter were 6,952 and as expected to be down on the same period last year - so again continuing to show recovery in patronage. Meet and greet and feedback sessions have been offered to all TM operators individually which is being actioned in quarter 2.

**Financial considerations—LTP/Annual Plan**

11. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

**Policy considerations**

12. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the Local Government Act 2002, the Resource Management Act 1991 and the Local Government Official Information and Meetings Act 1987.

**Iwi considerations**

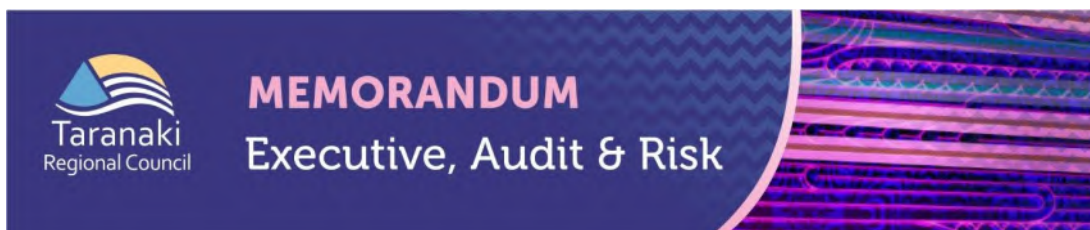
13. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the Local Government Act 2002) as outlined in the adopted long-term plan and/or annual plan.

**Community considerations**

14. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

**Legal considerations**

15. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.



**Date:** 18 October 2021

**Subject:** **Regional Software Holdings Ltd Annual Report for the year ended 30 June 2021**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2890055

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### **Purpose**

1. The purpose of this memorandum is to receive and consider *Regional Software Holdings Ltd's Annual Report* for the year ended 30 June 2021.

### **Recommendation**

That the Taranaki Regional Council:

- a) receives *Regional Software Holdings Ltd's Annual Report* for the year ended 30 June 2021.

### **Background**

2. Regional Software Holdings Ltd is a council-controlled organisation of six regional councils (Northland, Waikato, Taranaki, Horizons, West Coast and Southland). The Council has a 15.5% shareholding in Regional Software Holdings Ltd.
3. Regional Software Holdings Limited is a not-for-profit council controlled organisation (CCO) that exists to help the regional sector achieve outcomes through collaboration and operate the IRIS Programme, the Sector Financial Management System and ReCoCo on behalf of the sector. Regional Software Holdings Limited's strategic focus is to deliver a broad scope of shared services to the regional sector. Owned by six regional councils, Regional Software Holdings Limited provides services to all organisations in the regional sector.
4. Attached is the *2020/2021 Annual Report* for Regional Software Holdings Ltd (RSHL).

### **Discussion**

5. RSHL is a major shared service undertaking specifically by the Northland, Waikato, Taranaki, Horizons, West Coast and Southland regional councils and generally by the regional council sector. All sixteen regional councils/unitary authorities in New Zealand are stakeholders and customers of RSHL.

6. RSHL is responsible for the long-term maintenance and development of the Integrated Regional Information System (IRIS) product as developed for and by the shareholding councils. The six member councils have developed a software solution (IRIS) for the regional council specific functions undertaken. Hawkes Bay Regional Council also uses IRIS as an outcome. The development project has been a remarkable success.
7. As the IRIS system reaches the end of its technical useful life, RSHL has made the strategic decision to prioritise planning for the next generation of IRIS (IRIS Next Generation). Significant steps towards this goal were taken in 2020/2021.
8. RSHL also operates the Sector Financial Management System (SFMS) on behalf of the regional sector. Under this agreement, RSHL manages funding collected from the sector to support shared sector activities. The Sector Financial Management System is major step towards achieving the vision "To provide a high-quality shared service for the regional council sector (and associated agencies) that delivers value to customers, shareholders and the sector."
9. This was a year of continued growth and development for RSHL. For the legacy IRIS product, the focus continues to be on consolidation. Two releases of new functionality were delivered over the year with a total of 3 major enhancements and 28 minor enhancements. The focus for the legacy IRIS product is ensuring it remains fit for purpose for the remainder of its useful life by improving the performance of the application and making changes to enhance usability. The IRIS user survey completed in September 2020 showed a marked improvement in all categories.
10. As noted in previous annual reports, there is a need to undertake a reinvestment in the IRIS solution to ensure the underlying technology remains current and fit for purpose. The scope of IRIS Next Generation includes development of good practice processes for the regional sector, as well as selection of a vendor and partner to deliver the software solution. This approach builds on a key lesson learnt from the IRIS programme, that having councils agree on consistent good practice processes significantly reduces the cost of developing and operating IRIS software. IRIS Next Generation will be cloud based and be efficient for staff and customers. Basing the solution on sector agreed best practice processes would enable sharing of resources and training, along with continuous improvement.
11. RSHL has made good progress to identify the partner and solution for IRIS NextGen. RSHL had worked with 10 councils to short-list potential partners to help deliver IRIS NextGen. In 2020/2021, RSHL completed a formal Request for Proposal process to identify a future partner and solution. Eleven councils participated in that process. IRIS Next Generation will be a sector-wide initiative, which is why they have made every effort to involve experts from as many councils as possible, along with leaders from the Regional Sector Special Interest Group Network.
12. RSHL's strategic priorities for IRIS NextGen are to complete the RFP process and confirm the new solution and partner, to obtain the necessary buy-in from sector leaders for the development of consistent good practice process, to attract new councils to the IRIS Programme and engage them in the development of good practice, and to develop consistent good practice process for the sector, including a governance framework.
13. RSHL's philosophy is to develop only that software which is necessary to deliver a complete solution for the regional sector. With IRIS NextGen, it is expected that commercial software will be a greater proportion of the solution than is the case with IRIS.

14. It will also be necessary to develop long-term financial projections for Regional Software Holdings Ltd and consider the appropriate future structure for the company. This work was progressed this year.
15. It has previously been noted that RSHL is working with the regional sector to roll out the ReCoCo initiative. ReCoCo was superseded by the Sector Financial Management System, which incorporates ReCoCo.
16. The sector has responded to the challenges of the Covid-19 pandemic and local government reform by placing a greater emphasis on collaboration, development of shared services and more use of Council Controlled Organisations. RSHL and its shareholding councils are aligned with this direction.
17. The purpose of the Sector Financial Management System (SFMS) is to remove barriers to shared initiatives within the sector. As part of the SFMS, RSHL is responsible for the management of the funding for regional sector collaborative programmes including the Regional Sector Office, the Sector Business Plan, the River Managers Programme, ReCoCo Technology Projects, the EMaR Programme, the Bio-Managers Programme and the Bio-Control Programme.
18. Along with funding management, RSHL also supports the collaborative programme through procurement and contract management. Where appropriate RSHL also provides IT systems for programmes to use. In 2020/2021, the Ministry for the Environment contributed \$400,000 via the SFMS to the Essential Freshwater Implementation project.
19. ReCoCo is one of the programmes within the SFMS. Under the ReCoCo banner, RSHL delivers collaborative technology projects for groups of councils.
20. In 2021/2022, the Sector Financial Management System will be expanded to include the sectors Science Programme.
21. Work has begun on the appropriate future structure of RSHL. This is required to ensure that new participants in the IRIS Next Generation Programme can be accommodated. At the same time, the Regional Chief Executives Group is considering the implementation of a Regional Sector Shared Services Organisation based on RSHL. A business case was prepared and adopted in August 2021. The intention is for restructuring to occur in 2021/2022, with the new organisation in place by June 2022. This initiative would be a significant step forward in RSHL achieving its potential as a shared services vehicle for the regional sector.
22. Financially, the company continues to be in a sound position, as planned. RSHL's revenue comes from licence charges and fees from the shareholding councils. This funding is used for the maintenance and development of the IRIS product. Therefore, the company does not trade to make a profit. Rather, it charges to cover its planned level of expenditure.
23. The financial result is a deficit of \$1,022,808. This reflects the depreciating value of the investment in the IRIS product. Expenditure on the IRIS solution is no longer being treated as a capital investment. As a result, the book value of the asset is depreciating rapidly. This is appropriate as the product nears the end of its life and the company looks to reinvest in IRIS NextGen. Cash balances remain healthy as the losses are resulting from depreciation rather than trading activities.
24. The success of IRIS and RSHL is due to the collaborative approach of the six regional councils and the wider sector. The success and richness of the IRIS product reflects the

contribution, expertise, and commitment of a team of well over 100 people from all the shareholding councils, in a variety of roles.

25. The outlook for Regional Software Holdings Ltd and the IRIS product is bright and there are significant opportunities to support the activities and achievements of New Zealand regional councils and unitary authorities.

### **Financial considerations—LTP/Annual Plan**

26. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### **Policy considerations**

27. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

### **Iwi considerations**

28. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan.

### **Community considerations**

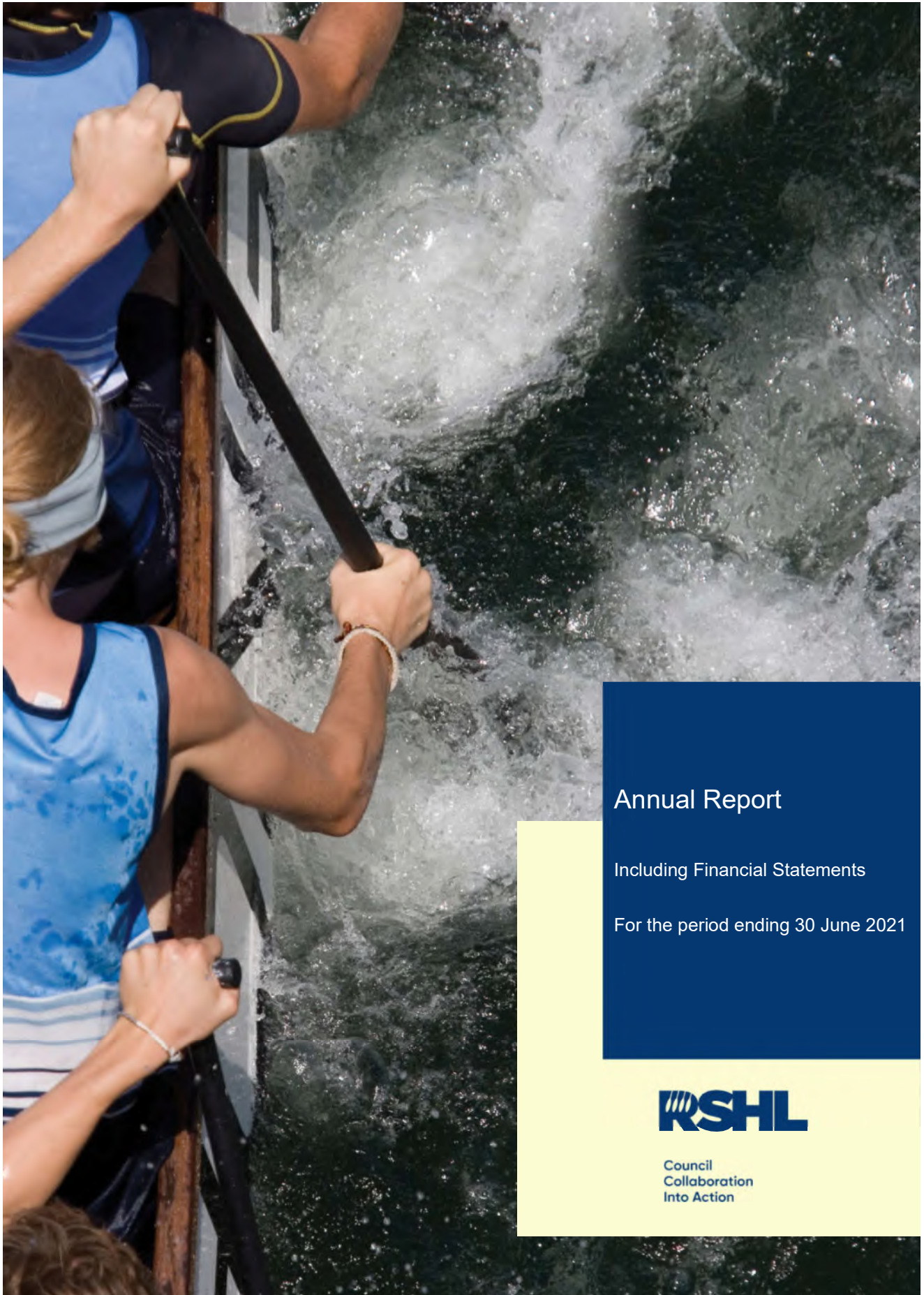
29. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

30. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 2890063: Regional Software Holdings Ltd 2020/2021 Annual Report



## Annual Report

Including Financial Statements

For the period ending 30 June 2021

**RSHL**

Council  
Collaboration  
Into Action



## Contents

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## Entity Information

### Regional Software Holdings Limited For the year ended 30 June 2021

Regional Software Holdings Limited (RSHL) was incorporated in October 2012. This report covers the twelve months from 1 July 2020 to 30 June 2021 as required by Section 66 of the Local Government Act 2002. RSHL has no subsidiaries or joint ventures.

#### Entity Type and Legal Basis

RSHL is a public limited liability company incorporated and registered under the Companies Act 1993 and is a council-controlled organisation as defined in Section 6 of Local Government Act 2002

#### Entity Structure

The Company comprises of a Board of seven Directors. The Board oversee the governance of RSHL. In addition there is a General Manager who is responsible for the day-to-day operations of RSHL reporting to the Board. Each of the six shareholder entities are entitled to separately appoint one director each, with one independent director appointed by the Board.

#### Main Sources of Entity's Cash and Resources

Funds for IRIS Programme, as well as management and administration are received by way of levies from each user council. These levies are set annually in the Statement of Intent. These are the primary source of funding to RSHL. In addition, funds for the Sector Financial Management System (including ReCoCo) are collected from all 16 regional councils and unitary authorities.

#### Nature and Scope of Activities to be Undertaken

RSHL provides a framework for collaboration between the shareholders and across the sector. It supports the procurement or development of shared solutions and products in a manner that provides greater consistency in how we operate our core processes. RSHL provides a more cost effective alternative than individual councils can achieve on their own.

The company operates by facilitating collaborative initiatives between councils and through managed contractual arrangements. Some councils are both customers of RSHL and providers of service to RSHL.



RSHL activities are currently grouped into three key programmes of work:

IRIS	<p>The IRIS Programme delivers the IRIS software platform to shareholder and customer councils. The IRIS software has been in use for 8 years and is currently in use at 7 councils. The 7 councils actively collaborate on the use of IRIS and the future development roadmap.</p> <p>With the IRIS NextGen Programme underway, the IRIS platform is now in sunset phase. (Being managed to retirement/replacement.)</p>
IRIS Next Generation	<p>RSHL and the member councils have determined that the IRIS software platform will need to be replaced within the next 2-4 years.</p> <p>IRIS Next Generation (NextGen) will be cloud based with better online and mobile features. IRIS NextGen will be more efficient for staff and customers.</p> <p>Along with the software solution, we will implement consistent “good practice” processes for the sector.</p> <p>Over the next two years, RSHL will identify:</p> <ul style="list-style-type: none"> <li>• The IRIS NextGen solution.</li> <li>• A transition plan for existing users.</li> <li>• A growth plan to attract new councils to the program.</li> </ul> <p>RSHL and 11 councils from the Regional Sector are working together to complete a procurement process to select a partner and solution to deliver IRIS NextGen. The outcome of the IRIS NextGen RFP was confirmed in June 2021, with due diligence, discovery, and contract negotiation to be completed.</p> <p>Implementation is not expected to start until the end of 2023.</p> <p>The IRIS NextGen program will require changes to the shareholding and membership arrangements of RSHL. RSHL will implement these changes over the next two years.</p>
Sector Shared Services	<p>In 2020 the ReCoCo Programme was superseded by the Sector Financial Management System (SFMS). As part of the SFMS RSHL is responsible for the management of the funding for regional sector collaborative programmes:</p> <ul style="list-style-type: none"> <li>• Regional Sector Office</li> <li>• Sector Business Plan</li> <li>• River Managers Programme</li> <li>• ReCoCo Technology Projects</li> <li>• EMaR Programme</li> <li>• Bio Managers Programme</li> <li>• Bio Control Programme</li> </ul> <p>The sector has a budget of over \$2.5M for these initiatives. RSHL collects this funding from councils and engages suppliers to deliver services to achieve the outcomes from each of the programmes.</p> <p>ReCoCo is one of the programmes within the SFMS. Under the ReCoCo banner RSHL delivers collaborative technology projects for groups of regional councils under the ReCoCo Programme. The ReCoCo programme is led by the Corporate and Finance Special Interest Group.</p>

## Vision

To provide a high-quality shared service for the regional council sector\* (and associated agencies) that delivers value to customers, shareholders and the sector.

\*Including unitary authorities



## Mission

Deliver shared solutions to the regional council sector along with collaborative outcomes through sector special interest groups to achieve:

- Consistent, good-practice regional council specific processes and functions
- Value through economies of scale
- Greater influence for the sector with central government through cohesion and collaboration
- Reduced risk through ensuring continuity of supply and control of the destiny of regional council sector specific software

## Values

In all RSHL decisions and interactions the Board and staff together with council participants who may be working within the RSHL framework will observe the following values and ethos:

- We are forward thinking and innovative
- We are responsive and deliver value
- We are professional and accountable
- We are flexible and open

## Guiding Principles

- The best decision is that which provides the best end result, primarily for participating councils and indirectly the communities they serve.
- Our solutions will be practical, appropriate to the scale of the problem and affordable.
- Where appropriate we will utilise codes of practice and standards produced by industry groups.
- All parties to any decision or interaction will be treated with respect, dignity, integrity and honesty.

## Objectives

The principal objective of RSHL is to deliver on the vision, mission and values.

The secondary objective of RSHL is to:

- Achieve the objective of its shareholders, both commercial and non-commercial as specified in the Statement of Intent
- Be a good employer
- Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when able to do so.



# Directors Report

## Regional Software Holdings Limited For the year ended 30 June 2021

On behalf of Regional Software Holdings Ltd (RSHL), and the six regional council shareholders, it is our pleasure to present the 2020/2021 Annual Report.

RSHL is a major shared service undertaking specifically by the Northland, Waikato, Taranaki, Horizons, West Coast and Southland regional councils and generally by the regional council sector. All sixteen regional councils/unitary authorities in New Zealand are stakeholders and customers of RSHL.

RSHL is responsible for the long-term maintenance and development of the Integrated Regional Information System (IRIS) product as developed for and by the shareholding councils. The six member councils have developed a software solution (IRIS) for the regional council specific functions undertaken. Hawkes Bay Regional Council also uses IRIS as an outcome. The development project has been a remarkable success.

As the IRIS system reaches the end of its technical useful life, RSHL has made the strategic decision to prioritise planning for the next generation of IRIS (IRIS Next Generation). Significant steps towards this goal were taken in 2020/2021.

RSHL also operates the Sector Financial Management System (SFMS) on behalf of the regional sector. Under this agreement, RSHL manages funding collected from the sector to support shared sector activities.

The Sector Financial Management System is a major step towards achieving our vision “To provide a high-quality shared service for the regional council sector (and associated agencies) that delivers value to customers, shareholders and the sector.”

This was a year of continued growth and development for RSHL.

For the legacy IRIS product, the focus continues to be on consolidation. Two releases of new functionality were delivered over the year with a total of 3 major enhancements and 28 minor enhancements. The focus for the legacy IRIS product is ensuring it remains fit for purpose for the remainder of its useful life by improving the performance of the application and making changes to enhance usability.

Pleasingly, the IRIS user survey completed in September 2020 showed a marked improvement in all categories.

As noted in previous annual reports, there is a need to undertake a reinvestment in the IRIS solution to ensure the underlying technology remains current and fit for purpose.

The scope of IRIS Next Generation includes development of good practice processes for the regional sector, as well as selection of a vendor and partner to deliver the software solution. This approach builds on a key lesson learnt from the IRIS programme, that having councils agree on consistent good practice processes significantly reduces the cost of developing and operating IRIS software.

IRIS Next Generation will be cloud based and be efficient for staff and customers. Basing the solution on sector agreed best practice processes will enable sharing of resources and training, along with continuous improvement. RSHL has made good progress to identify the partner and solution for IRIS NextGen.

We previously reported that RSHL had worked with 10 councils to short-list potential partners to help us deliver IRIS NextGen. In 2020/21 RSHL completed a formal Request for Proposal process to identify a future partner and solution. Eleven councils participated in that process.

IRIS Next Generation will be a sector-wide initiative, which is why we have made every effort to involve experts from as many councils as possible, along with leaders from the Regional Sector Special Interest Group Network.



RSHL's strategic priorities for IRIS NextGen are:

- To complete the RFP process and confirm the new solution and partner.
- To obtain the necessary buy-in from sector leaders for the development of consistent good practice process.
- To attract new councils to the IRIS Programme and engage them in the development of good practice.
- To develop consistent good practice process for the sector, including a governance framework.

RSHL's philosophy is to develop only that software which is necessary to deliver a complete solution for the regional sector. With IRIS NextGen it is expected that commercial software will be a greater proportion of the solution than is the case with IRIS.

It will also be necessary to develop long-term financial projections for Regional Software Holdings Ltd and consider the appropriate future structure for the company. This work was progressed this year and is discussed below.

We have previously noted that RSHL is working with the regional sector to roll out the ReCoCo initiative. ReCoCo was superseded by the Sector Financial Management System, which incorporates ReCoCo.

The sector has responded to the challenges of the Covid-19 pandemic, and local government reform by placing a greater emphasis on collaboration, development of shared services and more use of Council Controlled Organisations. RSHL and its shareholding councils are aligned with this direction.

The purpose of the Sector Financial Management System (SFMS) is to remove barriers to shared initiatives within the sector. As part of the SFMS, RSHL is responsible for the management of the funding for regional sector collaborative programmes:

- Regional Sector Office
- Sector Business Plan
- River Managers Programme
- ReCoCo Technology Projects
- EMaR Programme
- Bio Managers Programme
- Bio Control Programme

Along with funding management, RSHL also supports the collaborative programme through procurement and contract management. Where appropriate RSHL also provides IT systems for programmes to use.

In 2020/21 the Ministry for the Environment contributed \$400,000 via the SFMS to the Essential Freshwater Implementation project.

ReCoCo is one of the programmes within the SFMS. Under the ReCoCo banner RSHL delivers collaborative technology projects for groups of councils.

In 2021/22 the Sector Financial Management System will be expanded to include the sectors Science Programme.

To support accelerated growth and development RSHL has completed the establishment of independent business infrastructure.

- In 2019 the Board welcomed Mark Donnelly as the full-time General Manager. The benefits of having a full-time general manager can clearly be seen in the accelerated progress of the company.
- IT Systems have been transitioned from Waikato Regional Council to a cloud based Microsoft 365 environment.
- Financial services have been transitioned to ONLA Ltd, based in Palmerston North.
- RSHL has completed a branding project to create a brand and supporting collateral for RSHL.
- RSHL now has a website [www.rshl.co.nz](http://www.rshl.co.nz) to further increase the visibility of the organisation.



Work has begun on the appropriate future structure of RSHL. This is required to ensure that new participants in the IRIS Next Generation Programme can be accommodated. At the same time, the Regional Chief Executives Group is considering the implementation of a Regional Sector Shared Services Organisation based on RSHL. A business case has been prepared and will be considered in August 2021. Should this business case be approved, then the intention is for restructuring to occur in 2021/22 with the new organisation in place by June 2022. This initiative would be a significant step forward in RSHL achieving its potential as a shared services vehicle for the regional sector.

Financially, the company continues to be in a sound position, as planned. RSHL's revenue comes from licence charges and fees from the shareholding councils. This funding is used for the maintenance and development of the IRIS product. Therefore, the company does not trade to make a profit. Rather, it charges to cover its planned level of expenditure.

The financial result is a deficit of \$1,022,808. This reflects the depreciating value of the investment in the IRIS product.

Expenditure on the IRIS solution is no longer being treated as a capital investment. As a result, the book value of the asset is depreciating rapidly. This is appropriate as the product nears the end of its life and the company looks to reinvest in IRIS NextGen. Cash balances remain healthy as the losses are resulting from depreciation rather than trading activities.

The success of IRIS and RSHL is due to the collaborative approach of the six regional councils and the wider sector. The success and richness of the IRIS product reflects the contribution, expertise, and commitment of a team of well over 100 people from all the shareholding councils, in a variety of roles.

The outlook for Regional Software Holdings Ltd and the IRIS product is bright and there are significant opportunities to support the activities and achievements of New Zealand regional councils and unitary authorities.

In November 2020 Neil Selman left Environment Southland, and accordingly resigned as a director of RSHL. Neil served as a director for four years. We would like to thank Neil for his contribution to RSHL.

#### **Vale Les Gibbs**

The board and staff at RSHL wish to acknowledge the passing of board member Les Gibbs. Les passed away suddenly in November 2020. Les was a well-liked, and respected member of the regional sector whanau and his loss was deeply felt. Les was part of RSHL since inception and participated on both the board and Advisory Group. Les was also extremely active in the SIG network.

Our thoughts remain with his friends and family.

Signed on behalf of the Board of Directors:

A handwritten signature in black ink, appearing to read 'M J Nield', written over a light blue horizontal line.

M J Nield

Chairman



# Financial Statements

## Regional Software Holdings Limited For the year ended 30 June 2021

The financial statements required by section 67 of the Local Government Act 2002 are attached.

### Audit of the Annual Report

Parliament has again passed an Act to extend by two months the statutory reporting time frames in the Crown Entities Act 2004 and the Local Government Act 2002. The extensions apply to Crown entities and organisations listed in Schedule 4 and 4A of the Public Finance Act 1989 and local authorities and council controlled organisations with 30 June balance dates.

Auditors are experiencing extended high workloads due to the impact of Covid-19 and the extension of timeframes is to allow audits to be completed without compromising audit quality.

The company's auditor (Audit New Zealand) have informed RSHL that we are considered low risk and low priority. Audit NZ expect to complete our audit before the deadline of 30 November 2021.

As a result, this annual report is provided to shareholders unaudited.

### Registered Office

C/- O'Fee Next Level Accounting

PO Box 1007

Palmerston North

### Auditors

Audit New Zealand on behalf of the Controller and Auditor-General.

### Directors

The directors appointed for the period that this six monthly report covers were:

Mike Nield (Chairperson)	Taranaki Regional Council
John Crane	Waikato Regional Council
Malcolm Nicolson	Northland Regional Council
Ged Shirley	Horizons Regional Council
Jane Carroll	Environment Southland (From 23 November 2020)
Neil Selman	Environment Southland (Until 30 November 2020)
Les Gibbs	West Coast Regional Council (Until 30 November 2020)
Vincent Smith	West Coast Regional Council (From 2 February 2021)

A Aakjaer (Independent Director)

A replacement Deputy Chair (position vacated by Mike Garrett) is yet to be appointed.

## Interest Register

All directors listed their interests in the register on being appointed to the company and interest are reviewed at each board meeting. The following interests are registered:

Director	Organisation	Interest
MJ Nield	Taranaki Stadium Trust	Trustee
J Crane	-	-
MC Nicolson	Hawk Hill Estates Limited The Masters Group Holdings Limited	Director Director
G Shirley	-	-
J Carroll	JCom Limited JC's Properties Limited Voicecom Technologies Limited	Director & Shareholder Director & Shareholder Shareholder
A Aakjaer	Negotiate Limited Aakjar Trustee Company Limited Ice Bear Holdings Limited One Sheep at a Time Limited <i>Note: Negotiate Consulting may from time to time provide advisory services to Northland Regional Council and Waikato Regional Council</i>	Director & Shareholder
V Smith	-	-

The following directors received the following payments throughout the year:

A Aakjaer - \$34,000 (Last Year: \$30,000) for independent director services.

## Statement of Compliance and Responsibility

In terms of the Local Government Act 2002, the Board of Directors is responsible for the preparation of RSHL financial statements and to assist the company to meet its objectives and any other requirements in its Statement of Intent (SOI).

The Board of Directors of RSHL has the responsibility for establishing, and has established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board of Director's opinion, these financial statements fairly reflect the financial position and operations of RSHL for the twelve months ended 30 June 2021.

Signed on behalf of the Board of Directors:



MJ Nield - Chairperson



JE Crane - Director

Date: 26 August 2021





# Statement of Comprehensive Revenue and Expense

## Regional Software Holdings Limited For the year ended 30 June 2021

	NOTES	2020-21	2020-21 SOI	2019-20
<b>Revenue</b>				
Interest		631	600	308
Member Contributions	1	1,196,928	1,196,928	1,139,928
Regional Sector Shared Services	4	2,132,784	220,000	258,702
Other revenue	2	275,660	279,775	263,148
<b>Total Revenue</b>		<b>3,606,002</b>	<b>1,697,303</b>	<b>1,662,086</b>
<b>Expenses</b>				
Administration Costs	3	55,746	37,586	34,262
Audit and Legal Fees		32,765	5,900	5,589
Datacom Support Services		210,427	212,815	255,013
Environmental Charges		20,455	22,000	22,248
External Contractors		268,074	160,000	157,521
External Directors Fees	5	14,804	30,630	25,167
Management Fees		180,416	190,400	106,395
Other Direct Software Expenses		610,372	489,363	137,418
Personnel costs		144,601	158,255	120,732
Promotional costs		7,836	16,000	17,681
Regional Sector Shared Services	4	2,132,784	220,000	249,517
Travel and Meeting Costs		7,061	18,750	11,480
Depreciation	9	943,520	900,438	880,608
<b>Total Expenses</b>		<b>4,628,860</b>	<b>2,462,137</b>	<b>2,023,631</b>
<b>Surplus/(deficit) before tax</b>		<b>(1,022,858)</b>	<b>(764,834)</b>	<b>(361,545)</b>
<b>Surplus/(deficit) after tax</b>		<b>(1,022,858)</b>	<b>(764,834)</b>	<b>(361,545)</b>
<b>Surplus/(deficit) attributable to RSHL</b>		<b>(1,022,858)</b>	<b>(764,834)</b>	<b>(361,545)</b>
<b>Total comprehensive revenue and expense</b>		<b>(1,022,858)</b>	<b>(764,834)</b>	<b>(361,545)</b>

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated. Explanations of major variances against budget are provided in note 17.



# Statement of Financial Position

## Regional Software Holdings Limited

As at 30 June 2021

	NOTES	2020-21	2020-21 SOI	2019-20
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	7	685,927	630,630	601,965
Accounts Receivable and Accruals	8	2,321,647	-	203,778
Goods and Services tax		-	-	646
Income Tax Receivable	6	351	-	188
<b>Total Current Assets</b>		<b>3,007,926</b>	<b>630,630</b>	<b>806,577</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment (PPE)	9	3,485,875	3,518,909	4,453,053
<b>Total Non-Current Assets</b>		<b>3,485,875</b>	<b>3,518,909</b>	<b>4,453,053</b>
<b>Total Assets</b>		<b>6,493,801</b>	<b>4,149,539</b>	<b>5,259,630</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Payables and Accruals	10	881,228	-	230,293
Income Received in Advance	11	1,673,513	-	192,198
Goods and services tax		124,778	-	-
<b>Total Current Liabilities</b>		<b>2,679,520</b>	<b>-</b>	<b>422,491</b>
<b>Total Liabilities</b>		<b>2,679,520</b>	<b>-</b>	<b>422,491</b>
<b>Net Assets</b>		<b>3,814,281</b>	<b>4,149,539</b>	<b>4,837,140</b>
<b>Equity</b>				
Contributed Capital	12	5,149,150	5,149,150	5,149,150
Accumulated Funds	12	(1,334,869)	(996,611)	(312,010)
<b>Total Equity</b>		<b>3,814,281</b>	<b>4,149,539</b>	<b>4,837,140</b>

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated. Explanations of major variances against budget are provided in note 17.



## Statement of Changes in Equity/Net Assets

### Regional Software Holdings Limited For the year ended 30 June 2021

	NOTES	2020-21	2020-21 SOI	2019-20
<b>Equity</b>				
Opening Balance	12	4,837,140	4,914,373	5,198,685
Total Comprehensive Revenue and Expense for the year	12	(1,022,858)	(764,834)	(361,545)
<b>Balance at 30 June</b>		<b>3,814,281</b>	<b>4,149,539</b>	<b>4,837,140</b>
<b>Total Comprehensive Revenue and Expense Attributable to</b>				
Regional Software Holdings Ltd		(1,022,858)	(764,834)	(361,545)

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated. Explanations of major variances against budget are provided in note 17.



# Statement of Cash Flows

## Regional Software Holdings Limited For the year ended 30 June 2021

	2020-21	2020-21 SOI	2019-20
<b>Cash Flows from Operating Activities</b>			
Receipts from Members	1,534,935	1,696,703	1,507,855
Interest Received	631	600	308
ReCoCo Income	1,710,126	-	231,750
Other Income	-	-	141,233
Income tax received/(paid)	(163)	-	-
Payments to suppliers and employees	(2,908,251)	(1,561,699)	(1,115,210)
Interest Paid	-	-	(3)
GST	(77,617)	-	27,141
<b>Total Cash Flows from Operating Activities</b>	<b>259,660</b>	<b>135,604</b>	<b>793,074</b>
<b>Cash Flows from Investing and Financing Activities</b>			
Payments to acquire property, plant and equipment	(175,698)	(200,000)	(473,464)
<b>Total Cash Flows from Investing and Financing Activities</b>	<b>(175,698)</b>	<b>(200,000)</b>	<b>(473,464)</b>
<b>Net Increase/ (Decrease) in Cash</b>	<b>83,962</b>	<b>(64,396)</b>	<b>319,610</b>
<b>Cash Balances</b>			
Cash and cash equivalents at beginning of period	601,965	695,026	282,355
Cash and cash equivalents at end of period	685,927	630,630	601,965
Net change in cash for period	83,962	(64,396)	319,610

The accompanying notes form part of these financial statements; all figures are exclusive of GST unless otherwise stated. Explanations of major variances against budget are provided in note 17.



# Statement of Accounting Policies

## Regional Software Holdings Limited For the year ended 30 June 2021

Regional Software Holdings Limited (RSHL) is a Council Controlled Organisation (CCO), owned by:

Council	Ownership
Waikato Regional Council	32.75%
Northland Regional Council	16.75%
Horizons Regional Council	15.50%
Taranaki Regional Council	15.50%
Southland Regional Council	15.50%
West Coast Regional Council	4.00%

RSHL was incorporated on 17 October 2012. RSHL was primarily incorporated for the purposes of managing the investment and development of IRIS software, and had incorporated, and has designated itself a Public Benefit Entity (PBE), in keeping with the designation of the shareholders.

The financial statements are those of RSHL, for the twelve months ended 30 June 2021, and were authorised for issue by the Board of Directors on 26 August 2021.

### Public Benefit Entity Simple Format Reporting

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 2 entity (previously reporting under Tier 3). RSHL is not publicly accountable and expenditure is not higher than \$30 million. These financial statements comply with PBE standard.

### Basis of Preparation of the Financial Statements

The Financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period. The financial statements have been prepared on a historical costs basis. All transactions are reported using the accrual basis of accounting.

### Statement of Compliance

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 2 entity (previously reporting under Tier 3). RSHL is not publicly accountable and expenditure is not higher than \$30 million. These financial statements comply with PBE standards.

### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.



## Changes in Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

## Summary of Significant Accounting Policies

### Revenue

Revenue is measured at the fair value of consideration received or receivable.

- a) Members Contributions and other forms of revenue (excluding investment revenue), including fees, charges, and other revenues are recognised on an accrual basis.
- b) Interest revenue is recorded as it is earned.

### Expenditure

Expenditure is recognised on an accrual basis when the service was provided, or the goods received. Costs associated with maintaining the IRIS software suite are recognised as an expense when incurred.

### Bank Accounts and Cash

Cash and cash equivalents includes cash on hand, on demand or call deposits, other short-term deposits with original maturities of three months or less, and bank overdrafts. Bank overdrafts are presented as a current liability in the Statement of Financial Position.

### Receivables

Short-term receivables are recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recognised as a bad debt expense.

### Inventories

Inventory is initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling process. Goods for use or distribution are subsequently measured at cost and written down if they become obsolete.

### Goods and Services Tax (GST)

Items in the financial statements are stated exclusive of GST, except for receivables and payables which are presented on a GST-inclusive basis. Where GST paid is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or recovered from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.



## Income Tax

Income tax expense may comprise both current and deferred tax and is calculated using tax rates that were enacted or substantively enacted by balance date.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements, and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which RSHL expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination or transactions recognised in other comprehensive revenue and expense, or directly in equity.

## Payables

Short term creditors and other payables are recorded at the amount owed.

## Property, Plant and Equipment

### Software acquisition and development

Costs that are directly associated with the development of the IRIS software suite are recognised as property, plant and equipment.

From the 2020-21 year all IRIS development is now treated as operating expenses (previously recognised as property, plant and equipment). All determined IRIS development that will not enhance the asset that was previously recognised as property, plant and equipment has now been expensed in the year.

### Depreciation

Depreciation begins when the asset is available for use and ceases at the date that the asset is derecognised. The depreciation charge for each period is recognised through the Statement of Financial Performance.

The carrying value is depreciated on a straight-line basis over its useful life. The useful life and associated depreciation rate for the IRIS software suite is 10 years and 10%.

Where software in this category is replaced, upgraded or determined by RSHL to be of no further operational benefit, a change in value will be recognised through the Statement of Financial Performance. This change in value will be the difference between the carrying value of the original item and its fair value.

From the 2020-21 year all impaired assets will be depreciated on a straight-line basis at variable rates to have no residual value by 30 June 2028.



## Impairment

Under International Public Sector Accounting Standards (IPSAS) 31 and 21 the management of RSHL is required to consider whether there is an impairment to the suite of intangible assets.

RSHL has considered the external and internal sources of information under IPSAS 21 and considers it likely that on or about 30 June 2028 the current IRIS software platform and attendant e-learning software will be discontinued with no residual value. On this consideration the current IRIS asset and attendant e-learning software has been impaired.

Therefore all software assets will be depreciated so as to have a nil residual value on 30 June 2028.

All assets that will not be impacted by impairment will continue to be depreciated on a straight-line basis at 10% and have no residual value on 30 June 2028.

Impaired assets will be depreciated on a straight-line basis at variable rates to have no residual value on the 30 June 2028.

The impairment adjustment from the 2021 year will form part of the depreciation expense until 30 June 2028.

## Critical Accounting Estimates and Assumptions

In preparing these financial statements, estimates and assumption have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

## Additional Disclosure

The Companies Act 1993 requires disclosure of the amount of the donations, audit fees, fees for other services from the auditor, and the number of employees of the company who received remuneration and other benefits above \$100,000 per annum, in brackets of \$10,000.

For this financial year one staff member was employed by RSHL.

Remuneration Bracket	Staff
100,000 - 110,000	0
110,000 - 120,000	0
120,000 - 130,000	0
130,000 - 140,000	0
140,000 -150,000	0
150,000 - 160,000	0
160,000 - 170,000	0
170,000 +	1

The audit fee for the twelve month period is expected to be \$5,500 paid to Audit New Zealand.





# Notes to the Performance Report

## Regional Software Holdings Limited For the year ended 30 June 2021

	2020-21	2019-20
<b>1. Members Contributions</b>		
Member Contributions as per SOI	1,196,928	1,139,928
<b>Total Members Contributions</b>	<b>1,196,928</b>	<b>1,139,928</b>

	2020-21	2019-20
<b>2. Other Income</b>		
Northland Regional Council Data Mapping	-	4,620
Recovery of other direct software expenses	61,277	64,160
User Funding - Hawkes Bay Regional Council	154,612	136,618
Shared Licence Funding	59,771	57,750
<b>Total Other Income</b>	<b>275,660</b>	<b>263,148</b>

	2020-21	2019-20
<b>3. Administration Expenses</b>		
Accounting & Technical Support	51,210	28,363
Administration Costs	3,435	3,792
Bank Fees	138	236
Insurance	963	1,871
<b>Total Administration Expenses</b>	<b>55,746</b>	<b>34,262</b>

	2020-21	2019-20
<b>4. Regional Sector Shared Services</b>		
<b>Regional Sector Shared Services Income</b>		
Regional Sector Shared Services Income	3,786,374	269,535
Unspent Funds Transferred to Revenue in Advance	(1,653,590)	(10,833)
<b>Total Regional Sector Shared Services Income</b>	<b>2,132,784</b>	<b>258,702</b>
Regional Sector Shared Services Expenses	2,132,784	249,517
Regional Sector Shared Services	-	9,185

### 5. External Directors Fees

Part of RSHL's overhead expenditure have been allocated to Regional Sector Shared Services Expenses to equate for the expenditure incurred to operate Regional Sector Shared Services.

External Directors Fees expenditure for the year was \$34,429 of which \$19,624 has been allocated to Regional Sector Shared Services Expense.



2020-21 2019-20

## 6. Income Tax

### Income Tax Expense

Current Tax	-	-
Adjustments to current tax in prior years	-	-
<b>Total Income Tax Expense</b>	-	-

### Relationship between income tax expense and accounting surplus/(deficit)

Net surplus/ (deficit) before tax	(1,022,858)	(361,545)
Tax at 28%	(286,400)	(101,233)
<b>Plus / (less) tax effects of:</b>		
Non-deductible expenditure	16,226	43
Deferred tax on capital expenditure	192,395	98,190
Deferred tax on temporary differences	4,117	-
Effect of changes in recognised tax losses	73,648	4,176
Fixed asset adjustment	-	(1,190)
Tax credits received subject to tax	-	12
Tax Expense	-	-

Unused tax losses of \$3,871,575 (2020: \$3,608,545) are available to carry forward and offset against future taxable income.

Deferred tax assets/(liabilities)	Tax losses	Property, plant and equipment	Other temporary differences	Total
Balance at 1 July 2019	-	-	-	-
Charged to surplus or deficit	4,176	98,190	-	102,366
Derecognition of deferred tax	(4,176)	(98,190)	-	(102,366)
Charged to other comprehensive revenue and expense	-	-	-	-
<b>Balance at 30 June 2020</b>	-	-	-	-
Charged to surplus or deficit	73,648	192,395	4,117	270,160
Derecognition of deferred tax	(73,648)	(192,395)	(4,117)	(270,160)
Charged to other comprehensive revenue and expense	-	-	-	-
<b>Balance at 30 June 2021</b>	-	-	-	-



	2020-21	2019-20
<b>7. Cash and cash equivalents</b>		
Business Online Saver	280,271	80,133
Credit Card	(222)	-
Current Account	405,878	521,832
<b>Total Cash and cash equivalents</b>	<b>685,927</b>	<b>601,965</b>

Of the \$685,927 of cash on hand at 30 June 2021, \$340,345 of these funds are held for Regional Sector Shared Services.

	2020-21	2019-20
<b>8. Receivables and accruals</b>		
Accounts Receivable	2,261,876	144,007
Prepayments	59,771	59,771
<b>Total Receivables and accruals</b>	<b>2,321,647</b>	<b>203,778</b>

### 9. Property, Plant and Equipment

	E-Learning Software	IRIS Software Intellectual Property	Computer Hardware	Total
Carrying amounts as at 1 July 2019	35,438	4,847,737	2,171	4,885,346
Additions	-	448,314	-	448,314
Disposals (net accumulated depreciation)	-	-	-	-
Depreciation Expense	(4,253)	(874,816)	(1,540)	(880,608)
Work in Progress written off/impaired	-	-	-	-
<b>Carrying amount as at 30 June 2020</b>	<b>31,186</b>	<b>4,421,235</b>	<b>631</b>	<b>4,453,052</b>
Carrying amounts as at 1 July 2020	31,186	4,421,235	631	4,453,052
Additions	-	117,394	-	117,394
Disposals (net of accumulated depreciation)	-	-	-	-
Depreciation Expense	(4,253)	(938,637)	(630)	(943,520)
Work in Progress written off	-	(141,050)	-	(141,050)
<b>Carrying amount as at 30 June 2021</b>	<b>26,933</b>	<b>3,458,942</b>	<b>-</b>	<b>3,485,875</b>



At 30 June 2021 the working progress value of the IRIS Asset is \$Nil (Last Year: \$244,166) with \$227,268 (Last Year: \$547,764) capitalised during the year and \$141,050 written off during the year. The work in progress written off has been included in other direct software expenses.

The impairment adjustment of E-Learning Software and IRIS Software Intellectual Property from the 2021 year will form part of the depreciation expense until 30 June 2028.

	2020-21	2019-20
<b>10. Payables and accruals</b>		
Accounts Payable	763,691	199,651
PAYE Payable	7,082	3,942
Employee Entitlements	10,596	4,572
<b>Accrued Expenses</b>		
Audit New Zealand	11,000	5,500
West Coast Regional Council (Accountancy)	-	6,175
Waikato Regional Council (Technical Services)	-	10,453
Bay of Plenty Regional Council (ReCoCo Shared Services)	62,609	-
Environment Canterbury (ReCoCo Shared Services)	26,250	-
<b>Total Accrued Expenses</b>	<b>99,859</b>	<b>22,128</b>
<b>Total Payables and accruals</b>	<b>881,228</b>	<b>230,293</b>

	2020-21	2019-20
<b>11. Income Received in Advance</b>		
Environment Southland - Objective Subscription 2021/2022	19,924	19,924
ReCoco Revenue in Advance	1,653,590	172,274
<b>Total Income Received in Advance</b>	<b>1,673,513</b>	<b>192,198</b>

	2020-21	2019-20
<b>12. Equity</b>		
<b>Contributed Capital</b>		
Balance at 1 July	5,149,150	5,149,150
Capital Contribution	-	-
<b>Balance at end of period</b>	<b>5,149,150</b>	<b>5,149,150</b>
<b>Accumulated Funds</b>		
Balance at 1 July	(312,011)	49,534
Surplus/(deficit) for the year	(1,022,858)	(361,545)
<b>Balance at end of period</b>	<b>(1,334,869)</b>	<b>(312,011)</b>
<b>Total Equity</b>	<b>3,814,281</b>	<b>4,837,139</b>

All accumulated funds are from the activities of RSHL and IRIS projects.



	2020-21	2019-20
<b>13. Commitments</b>		
WalkerScott - IRIS BI Solutions Discovery and Planning	480	14,503
WalkerScott - Shared BI Implementation for IRIS Application Module	70,200	-
Datacom - MAJ051 IRIS Entity Framework Upgrade Investigation	-	18,527
Datacom - MAJ052 Session Management Implementation	-	17,517
Datacom - MAJ049 IRIS 4.0 Deployment Assistance	-	19,823
<b>Total Commitments</b>	<b>70,680</b>	<b>70,370</b>

#### 14. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2021 (Last year - nil).

#### 15. Related party transactions

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect RSHL would have adopted in dealing with the party at arm's length in the same circumstances.

Related Party Transactions Significant to RSHL requiring disclosure:

Shareholder	Share	2020/21	2019/20	Description of Services
Waikato Regional Council	32.75%	126,315	104,987	Management Services - IRIS PMO Manager
Waikato Regional Council	32.75%	-	96	Office Equipment Reimbursement
Waikato Regional Council	32.75%	5,852	5,997	Reimbursement for travel booked by WRC on behalf of RSHL.
Waikato Regional Council	32.75%	-	1,330	Secretarial Costs
Waikato Regional Council	32.75%	61,608	-	Reimbursement for staff member seconded to the sector farm platform project. Funded from the SFMS.
Horizons Regional Council	15.50%	173,596	-	Reimbursement of Regional Sector Office Costs, funded from the SFMS.
Taranaki Regional Council	15.50%	64,548	-	Reimbursement for staff member seconded to the IRIS NextGen Project.
Taranaki Regional Council	15.50%	2,671	-	Reimbursement of travel for staff member seconded to the IRIS NextGen Project.
Southland Regional Council	15.50%	533	-	Reimbursement of costs for the sector Essential Freshwater Implementation Project. Funded from the SFMS.
West Coast Regional Council	4.00%	6,175	20,995	Accounting Support Costs
West Coast Regional Council	4.00%	-	791	Reimbursement of Meeting Travel



Revenue of \$1,196,928 was received from the shareholder councils as member contribution as outlined in note 1.

Member contributions were received as follows:

Shareholder	Share	2020/21	2019/20
Waikato Regional Council	32.75%	440,230	419,266
Horizons Regional Council	15.50%	217,482	207,125
Northland Regional Council	16.75%	162,184	154,461
Taranaki Regional Council	15.50%	162,184	154,461
Southland Regional Council	13.55%	162,184	154,461
West Coast Regional Council	4.00%	52,665	50,157

Funding for the Regional Shared Services (ReCoCo) was \$2,132,754 (Last Year : \$258,702) from the member councils, costs of \$2,132,784 (Last Year: \$249,516) has been spent on ReCoCo projects as at 30 June 2021 and revenue in advance of \$1,653,590 (Last Year : \$10,833) has been recognised in relation to the unspent funds to be used on ongoing ReCoCo projects.

As at 30 June 2021 \$334,945 (Last Year: \$100,470) was owed to RSHL by Member Councils and \$154,833 (Last Year: \$5,185) was payable by RSHL member councils.

#### 16. Events After Balance Date

There are no significant events after balance date (Last year: Nil)

#### 17. Impact of COVID-19

Over the 2019-20 and 2020-21 financial years RSHL was impacted by the COVID-19 pandemic as follows:

Financial	Minimal impact - RSHL received all planned member contributions, license fees and ReCoCo funding as planned.
Council Engagement	<p>Minor impacts - Over the period February - May 2020 , RSHL experienced challenges in engaging with council staff to progress work programmes as staff were supporting COVID-19 response in their own councils.</p> <p>Positive impacts - The financial impacts of COVID-19 on councils have led to an increased appetite for sector shared projects, with RSHL as the delivery vehicle.</p>



## 18. Explanations of Major Variances Against Budget

Statement of Financial Performance	Actual	Budget	Variance	Explanation
Regional Sector Shared Services Revenue	\$2,132,754	\$220,000	\$1,912,754	Funding collected for the Sector Financial Management System was not included in the budget as the system was implemented after the SOI was published.
Administration Costs	\$55,746	\$37,586	\$18,160	Additional cost is for PWC advice on debt strategy and future structure.
Audit and Legal Fees	\$32,765	\$5,900	\$28,865	Unbudgeted expenditure of \$26,705 for Audit NZ probity assurance for the IRIS NextGen project.
External Contractors	\$268,074	\$160,000	\$108,074	Additional expenditure on contract resources for the IRIS NextGen Project. Originally budgeted as CAPEX, but expenditure was reclassified as OPEX.
Other Direct Software Expenses	\$610,322	\$489,363	\$120,959	Figure includes WIP write-offs of \$147k, for historic IRIS CAPEX work not progressed.
Regional Sector Shared Services Expenses	\$2,132,754	\$220,000	\$1,912,754	Costs for the Sector Financial Management System was not included in the budget as the system was implemented after the SOI was published. All expenditure was funded from Regional Sector Shared Services Revenue.
Depreciation	\$943,520	\$900,438	\$43,082	Depreciation incurred this year includes the impairment adjustment not budgeted for due to the discontinuation of IRIS and e-learning software by 30 June 2028.

Statement of Financial Position	Actual	Budget	Variance	Explanation
Payable and Accruals	\$881,170	-	\$881,170	End of year expenditure to suppliers from SFMS Fund.
Income Received in Advance	\$1,673,513	-	\$1,673,513	RSHL holds unspent funds from the SFMS on behalf of the sector. This amount includes \$804k from ECAN for the National Wells Project.



# Performance Measures

## Regional Software Holdings Limited For the year ended 30 June 2021

### Performance Measures

The following performance measures were incorporated into the Statement of Intent for the 2020-2021 financial year.

	Performance Measures	For the period ending 30 June 2021
Non Financial	Undertake an annual survey of IRIS users and shareholder/customer Councils in relation to product performance, Datacom support and RSHL support. Provide a summary of the survey results in the annual report, including performance against the baseline. Survey results to be the same or better than the previous year.	Complete. The first annual survey was undertaken in July 2019. The second was conducted in September 2020 and showed improvements in user feedback in all categories. Results were discussed with the RSH: Advisory group and presented to the board.
Non Financial	Develop, approve, communicate and refine the product strategy for IRIS and IRIS NG. Draft strategy presented to the Board by 31 December 2020.	Complete. The product roadmap for IRIS was presented, discussed and agreed at the board meeting in November 2020. The Programme Plan for IRIS NextGen was approved in August 2020.
Non Financial	Prepare and adopt the annual IRIS major enhancement roadmap by 30 June for delivery in the subsequent year.	Complete. The IRIS Product Roadmap has a 3 year timeframe. It is regularly updated by the Advisory Group. The roadmap was updated by the AG in January 2021 and again in April 2021.
Non Financial	Major Enhancement projects are completed within approved budget or (for items in progress) on track against their agreed timeline and budget at 30 June of each year.	<p>Complete. 4 Major Projects that were carried over from 2019/20 were completed:</p> <ul style="list-style-type: none"> <li>• BI Solution Discovery and Planning</li> <li>• Entity Framework Upgrade Investigation</li> <li>• Session Management Implementation</li> <li>• IRIS v4 deployment assistance</li> </ul> <p>2 new 2020/21 major projects were completed.</p> <ul style="list-style-type: none"> <li>• IRIS UX/UI refresh</li> <li>• IRIS Search Enhancement</li> </ul> <p>There is one 2020/21 Major Project that is being carried over to 2021/22</p> <ul style="list-style-type: none"> <li>• BI Implementation for IRIS Applications Module</li> </ul> <p>Projects are being managed within scope and budget. Progress reports are regularly provided to the RSHL Advisory Group and Board.</p>
Non Financial	Budgets for support and minor enhancements are approved by the Board by 30 June each year and delivery within these budgets is effectively managed by the Advisory Group and the General Manager.	Complete. Representatives from all IRIS councils have been actively involved in developing the enhancement roadmap. Support and Minor Enhancement Costs are under budget.
Financial	RSHL will operate within approved budget, with any material variations approved by the Board.	Complete. Expenditure and Income for RSHL Management & Overhead and IRIS continue to be





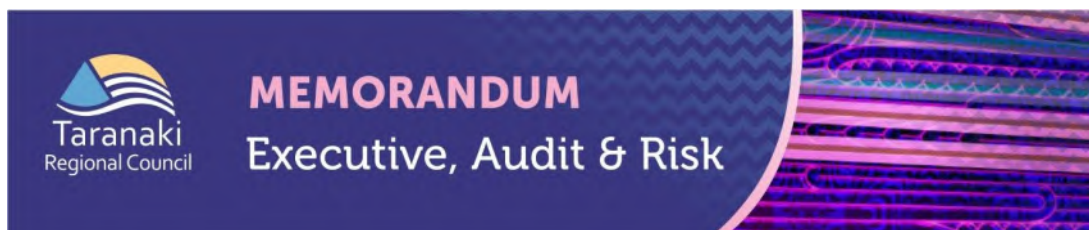
## Performance Measures

		within budgets. The Sector Financial Management System Agreement has driven significant variances in income and expenditure for ReCoCo. This does not impact on the RSHL balance sheet.
Financial	Annual charges for shareholders and customers to be at level approved by the Board and Shareholder Councils based upon the approved operating budget and budgets for major and minor enhancements.	Complete. Charges to RSHL Shareholders and IRIS Customers were as agreed in the SOI. The Sector Financial Management System Agreement has driven significant variances in income and expenditure for ReCoCo.
Growth	Monitor the regional council sector market and explore/respond to opportunities to expand the customer and/or shareholders base of RSHL.	Complete. BOPRC has advised RSHL of their intention to become a shareholder of RSHL and participate fully in the IRIS Next Gen Programme. The Sector Financial Management System has markedly increased the footprint of RSHL within the sector.
Growth	Engage with councils in the sector to evaluate options for the eventual replacement of the current IRIS software package. The objective is to identify a solution that can be adopted by an increasing number of councils in the sector.	Complete. 11 Councils participated in the RFP process to find the eventual replacement for IRIS. These were the 7 "IRIS" councils plus Bay of Plenty RC, Otago RC, Tasman DC and Nelson CC.
Growth	Be a service delivery vehicle for wider regional council sector and related council sector and related bodies information management projects (ReCoCo) and related shared services. Projects to be delivered on time and on budget as agreed in each of the Statements of Work between RSHL and the ReCoCo Advisory Group.	<p>Complete. The ReCoCo programme continues with 5 active high-profile projects. In June 2020 the RCEIs Group approves a proposal for RSHL to manage the financials for sector wide programmes:</p> <ul style="list-style-type: none"> <li>• Regional Sector Office</li> <li>• Sector Business Plan</li> <li>• River Managers Programme</li> <li>• ReCoCo Technology Projects</li> <li>• EMaR Programme</li> <li>• Bio Managers Programme</li> <li>• Bio Control Programme</li> </ul> <p>Under this agreement, RSHL is responsible for management of a budget of \$2.5M of funds collected from the 16 councils, and contract management of the suppliers providing the services to the sector.</p>



Council  
Collaboration  
Into Action

PO Box 1007, Palmerston North



**Date:** 18 October 2021

**Subject:** **Taranaki Stadium Trust 2020/2021 Annual Report**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2889793

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### **Purpose**

1. The purpose of this memorandum is to receive and consider the Taranaki Stadium Trust's *2020/2021 Annual Report*.

### **Recommendation**

That the Taranaki Regional Council:

- a) receives the Taranaki Stadium Trust's *2020/2021 Annual Report*.

### **Background**

2. The Council took over control of the Taranaki Stadium Trust on 27 June 2013. As such, the Trust is a council-controlled organisation of the Council.
3. The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.
4. Council-controlled organisations are required to produce an audited annual report within three months of the completion of each financial year.

### **Discussion**

5. The Taranaki Stadium Trust has prepared, and has had audited, its *2020/2021 Annual Report* – refer attached.
6. The Trust, the New Plymouth District Council and the Taranaki Regional Council have a partnership arrangement for the operation and the development, maintenance and enhancement of the Yarrow Stadium facilities. Under the Trust's Deed and the Management Agreement between the Trust and the New Plymouth District Council, the New Plymouth District Council operates and funds the operations of Yarrow Stadium.

The Taranaki Regional Council funds, via the Trust, the long-term maintenance and development of Yarrow Stadium.

7. This partnership for funding and operating/maintaining/developing assists in maintaining Yarrow Stadium as a premier regional sports and events venue.
8. Through 2020/2021, Yarrow Stadium operated in a limited capacity as both the stands were closed, as they are earthquake prone buildings. There continued to be a small range of events and activities at the Stadium.
9. In opting to repair and refurbish Yarrow Stadium within a budget of up to \$50 million, the Taranaki Regional Council has reaffirmed its vision for the venue. The vision was reviewed and updated in 2020/2021. It is:

*The best regional stadium in New Zealand that regularly hosts local, regional, national, and international sports and entertainment events.*

- *A stadium for both major events and community events and the premier outdoor fields for team sports codes.*
  - *A stadium that is loved by sports fans and the local community.*
  - *A stadium that is a quality experience for event promoters, participants and spectators, which is achieved through superior hospitality and event facilities, efficient and effective management, accessibility, flexibility and innovation.*
10. The repair and refurbishment project will include:
    - Repair to the earthquake-prone West Stand
    - Demolition and replacement of the East Stand
    - Replaced lighting with LED and replacement of the main field
    - Important refurbishments including additional food and beverage outlets and toilets, technology upgrades, car park improvements, maintenance and grounds storage sheds, gate improvements and new South Terrace seating.
  11. The project was put on hold during the Covid-19 pandemic, as there was a significant adverse impact on national and international events arising from Covid-19. The project was put on hold to allow a review of options to be completed. Through this review, the Council successfully applied for “shovel-ready” funding (\$20m) from Crown Infrastructure Partners.
  12. With the shovel-ready funding secured and the review of options complete, the project has recommenced. As well as bringing a cut of 45% in the Yarrow Stadium targeted rates from 1 July 2021, the funding injection has made it easier to ensure this iconic venue can continue to meet the region’s needs amid all the changing circumstances.
  13. Excellent progress has been made on the project. The West Stand repair is due to be complete by the end of December 2021. Contracts have been let for the replacement of the main field and the main field lighting (with LED lights). The East Stand has been demolished and a design team has been appointed for the new East Stand. The Stadium is planned to be open in 2022 with a repaired West Stand and the new East Stand under construction.
  14. The Trust’s 2020/2021 funding was focussed on the delivery of the repair and refurbishment project. To date the project spend is \$7.1m.

15. The delivery of the repair and recovery programme will require the Trust to borrow up to \$30m from the Taranaki Regional Council (in addition to the existing \$5m loan facility).
16. Similar to last year, the Trust's auditors have issued an unmodified audit opinion on the Trust's annual report except for the assessment of the impairment of the two stands. They note:
  - *In 2017/18 an impairment of \$15.5 million resulting from a detailed seismic assessment was recognised relating to the Eastern and Western Stands of Yarrow Stadium. In 2019/20, a valuation was obtained which identified further impairment, amounting to \$1.9m based on circumstances known to date. The valuation considered the unimpaired depreciated replacement cost but concluded that the value was significantly impaired due to known restoration requirements. However there was limited information of the extent to which the current components can be reused and the cost of restoration and thus the accuracy of the carrying value of the Eastern and Western Stands of Yarrow Stadium. In the current year, the restoration project has progressed, but uncertainty remains around the extent of use of the components and the cost of restoration. For this reason, there are limited audit procedures that we can adopt to independently confirm the reasonableness of the asset value as at 30 June 2021.*
17. The auditor is correctly noting that there is insufficient information to form an opinion on whether the impairment assessment is too much, too little or about right.
18. Yarrow Stadium and the Trust faces some challenging times ahead as the goal of returning the Stadium to full operational use is implemented.

### **Financial considerations—LTP/Annual Plan**

19. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### **Policy considerations**

20. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

### **Iwi considerations**

21. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan.

### **Community considerations**

22. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

**Legal considerations**

23. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

**Appendices/Attachments**

Document 2859332: Taranaki Stadium Trust 2020/2021 Annual Report



# Taranaki Stadium Trust



## Taranaki Stadium Trust 2020/2021 ANNUAL REPORT

## **VISION FOR YARROW STADIUM**

*The best regional stadium in New Zealand that regularly hosts local, regional, national, and international sports and entertainment events.*

*A stadium for both major events and community events and the premier outdoor fields for team sports codes.*

*A stadium that is loved by sports fans and the local community.*

*A stadium that is a quality experience for event promoters, participants and spectators, which is achieved through superior hospitality and event facilities, efficient and effective management, accessibility, flexibility and innovation.*



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Document 2859332

## Entity information for the Year Ended 30 June 2021

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### Legal name

Taranaki Stadium Trust

### Type of entity and legal basis

The Taranaki Stadium Trust (the Trust) is a charitable trust incorporated in New Zealand under the Charitable Trusts Act 1957 and is domiciled in New Zealand. The Trust is controlled by the Taranaki Regional Council and is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees.

### The Trust's purpose

The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.

### Structure of the Trust's operations, including governance arrangements

The Trust comprises a Board of two Trustees who oversee the governance of the Trust. The Trustees are appointed by the Taranaki Regional Council. The Trust does not employ any staff. All the Trust's administrative and support services are undertaken by the Taranaki Regional Council. The operation of Yarrow Stadium is undertaken by the New Plymouth District Council pursuant to a Management Agreement.

### Main sources of the Trust's cash and resources

Operating grants received from the Taranaki Regional Council are the primary sources of funding to the Trust.

### Outputs

Refer to the statement of service performance.



## Trustee's Report

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The Trustees are pleased to present the Taranaki Stadium Trust's 2020/2021 Annual Report.

The purpose of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council.

The Trust, the New Plymouth District Council and the Taranaki Regional Council have a partnership arrangement for the operation and the development, maintenance and enhancement of the Yarrow Stadium facilities. Under the Trust's Deed and the Management Agreement between the Trust and the New Plymouth District Council, the New Plymouth District Council operates and funds the operations of Yarrow Stadium. The Taranaki Regional Council funds, via the Trust, the long-term maintenance and development of Yarrow Stadium.

This partnership for funding and operating, maintaining and developing is designed to maintain Yarrow Stadium as a premier regional sports and events venue.

### Highlights

Yarrow Stadium operated in a limited capacity as both the stands were closed as they are earthquake prone buildings. There continued to be a small range of events and activities at the Stadium.

In opting to repair and refurbish Yarrow Stadium within a budget of up to \$50 million, the Taranaki Regional Council has reaffirmed its vision for the venue. The vision was reviewed and updated in 2020/2021. It is:

*The best regional stadium in New Zealand that regularly hosts local, regional, national, and international sports and entertainment events.*

- *A stadium for both major events and community events and the premier outdoor fields for team sports codes.*
- *A stadium that is loved by sports fans and the local community.*
- *A stadium that is a quality experience for event promoters, participants and spectators, which is achieved through superior hospitality and event facilities, efficient and effective management, accessibility, flexibility and innovation.*

The repair and refurbishment project will include:

- Repair to the earthquake-prone West Stand
- Demolition and replacement of the East Stand
- Replaced lighting with LED and replacement of the main field
- Important refurbishments including additional food and beverage outlets and toilets, technology upgrades, car park improvements, maintenance and grounds storage sheds, gate improvements and new South Terrace seating.

And the Council will ask the Yarrow Stadium operator, New Plymouth District Council, to seek ways to encourage increased use of the facility by a wider range of sporting and non-sporting organisations.

The implementation of the repair and refurbishment project commenced with the establishment of a Project Steering Group and detailed design and analysis work.

The project was put on hold during the Covid-19 pandemic as there was a significant adverse impact on national and international events arising from Covid-19. The project was put on hold to allow a review of options to be completed. Through this review, the Council successfully applied for "shovel-ready" funding (\$20m) from Crown Infrastructure Partners.

With the shovel-ready funding secured and the review of options complete the project has recommenced. As well as bringing a cut of 45% in the Yarrow Stadium targeted rates from 1 July 2021, the funding injection has made it easier to ensure this iconic venue can continue to meet the region's needs amid all the changing circumstances.

## Trustee's Report



Excellent progress has been made on the project. The West Stand repair is due to be complete by the end of December 2021. Contracts have been let for the replacement of the main field and the main field lighting (with LED lights). The East Stand has been demolished and a design team has been appointed for the new East Stand. The Stadium is planned to be open in 2022 with a repaired West Stand and the new East Stand under construction.

### Financial Highlights

The Trust's 2020/2021 funding was focussed on the delivery of the repair and refurbishment project. To date the project spend is \$7.1m.

The delivery of the repair and recovery programme will require the Trust to borrow up to \$30m from the Taranaki Regional Council (in addition to the existing \$5m loan facility). The servicing of this debt will come from rates sourced Taranaki Regional Council funding.

### Looking Ahead

Yarrow Stadium and the Trust faces some challenging times ahead as the goal of returning the Stadium to full operational use is implemented.

**Elvina Van Der Leden**  
Trustee  
21 September 2021

**Michael Nield**  
Trustee  
21 September 2021

## Statement of Service Performance

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### Performance Targets

The performance of Taranaki Stadium Trust has been judged against the following measures:

*The presence of a Management Agreement with the New Plymouth District Council for the operation of the Stadium*

An agreement for the management and operation of Yarrow Stadium, between the Trust and the New Plymouth District Council, is in place. The original agreement for the Council to manage and operate the stadium was signed in 2004 and the latest renewal came into effect from 27 June 2013. New Plymouth District Council operated Yarrow Stadium in accordance with the Management Agreement during 2020/2021.

*The provision of funding for a programme of agreed maintenance and long-term development of the Stadium. The programme of maintenance and long-term development is to be agreed upon by the Taranaki Regional Council and the New Plymouth District Council.*

The Taranaki Regional Council has approved a \$50m repair and refurbishment project for Yarrow Stadium. The New Plymouth District Council and the Taranaki Regional Council have agreed upon a long-term maintenance and development programme for the ten years from 2016/2017 to 30 June 2025. The Taranaki Regional Council provided funding of \$3,942,720 to the Taranaki Stadium Trust.

Asset management planning for Yarrow Stadium is on hold while the repair and refurbishment project is delivered. Funding has been used to deliver the repair and refurbishment project. The focus has been on getting the Stadium operational again.



### Statement of Financial Performance for the Year Ended 30 June 2021

	Notes	Actual \$ 2020/2021	Actual \$ 2019/2020
<b>Revenue</b>			
Council funding	1	3,942,720	3,942,719
Interest revenue		1,780	69
Donated plant and equipment		-	41,262
Sundry income		26,100	-
<b>Total revenue</b>		<b>3,970,600</b>	<b>3,984,050</b>
<b>Expenses</b>			
Depreciation	6	912,492	978,477
Finance expenses	2	26,025	149,183
Other expenses	3	711,833	606,172
Impairment of turf	6	161,738	-
Losses on revaluation of buildings	6	-	1,890,148
<b>Total expenses</b>		<b>1,812,088</b>	<b>3,623,980</b>
<b>Surplus/(deficit)</b>		<b>2,158,512</b>	<b>360,070</b>
<b>Other comprehensive revenue</b>			
Gains on revaluation of land	6	-	380,000
<b>Total other comprehensive income</b>		<b>-</b>	<b>380,000</b>
<b>Total comprehensive income/(deficit)</b>		<b>2,158,512</b>	<b>740,070</b>
Total comprehensive income/(deficit) attributable to:			
Taranaki Regional Council		2,158,512	740,070
<b>Total comprehensive income/(deficit)</b>		<b>2,158,512</b>	<b>740,070</b>

### Statement of Changes in Equity for the Year Ended 30 June 2021

	Notes	Actual \$ 2020/2021	Actual \$ 2019/2020
Balance at 1 July		12,849,804	12,109,734
Surplus/(deficit) for the year		2,158,512	360,070
Other comprehensive income		-	380,000
<b>Total comprehensive income/(deficit)</b>		<b>2,158,512</b>	<b>740,070</b>
<b>Balance at 30 June</b>	<b>4</b>	<b>15,008,316</b>	<b>12,849,804</b>

The accompanying notes form part of these financial statements.

### Statement of Financial Position as at 30 June 2021

	Notes	Actual \$ 2020/2021	Actual \$ 2019/2020
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	495,498	11,558
Debtors and other receivables	7	155,697	4
<b>Total current assets</b>		<b>651,195</b>	<b>11,562</b>
<b>Non-current assets</b>			
Property, plant and equipment	6	20,753,249	17,337,870
<b>Total non-current assets</b>		<b>20,753,249</b>	<b>17,337,870</b>
<b>Total assets</b>		<b>21,404,444</b>	<b>17,349,432</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors and other payables	8	1,395,796	344,315
Borrowings	9	5,000,332	4,155,313
<b>Total current liabilities</b>		<b>6,396,128</b>	<b>4,499,628</b>
<b>Total liabilities</b>		<b>6,396,128</b>	<b>4,499,628</b>
<b>Net assets</b>		<b>15,008,316</b>	<b>12,849,804</b>
<b>Equity</b>			
Accumulated funds	4	13,658,316	11,499,804
Asset Revaluation Reserve	4	1,350,000	1,350,000
<b>Total equity attributable to the Trust</b>	<b>4</b>	<b>15,008,316</b>	<b>12,849,804</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows for the Year Ended 30 June 2021

	Notes	Actual \$ 2020/2021	Actual \$ 2019/2020
<b>Cash flows from (used in) operating activities</b>			
Taranaki Regional Council		3,942,720	3,942,719
Interest received		1,778	66
Payments to suppliers		(345,635)	(349,020)
Interest paid		(26,038)	(149,170)
Goods and services tax (net)		(260,746)	105,663
<b>Net cash from (used in) operating activities</b>	<b>10</b>	<b>3,312,079</b>	<b>3,550,258</b>
<b>Cash flows from (used in) investing activities</b>			
Purchase of property, plant and equipment		(3,673,158)	(3,788,124)
<b>Net cash from (used in) investing activities</b>		<b>(3,673,158)</b>	<b>(3,788,124)</b>
<b>Cash flows from (used in) financing activities</b>			
Applied to borrowings		(154,981)	(3,759,977)
Provided from borrowings		1,000,000	4,000,000
<b>Net cash from (used in) financing activities</b>		<b>845,019</b>	<b>240,023</b>
Net (decrease)/increase in cash and cash equivalents		483,940	2,157
Opening cash and cash equivalents		11,558	9,401
<b>Closing cash and cash equivalents</b>	<b>5</b>	<b>495,498</b>	<b>11,558</b>

The goods and services tax (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes form part of these financial statements.



## Notes to the Financial Statements

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### Statement of accounting policies

#### Reporting entity

The Taranaki Stadium Trust (the Trust) is a charitable trust incorporated in New Zealand under the *Charitable Trusts Act 1957* and is domiciled in New Zealand. The Trust is controlled by the Taranaki Regional Council and is a Council Controlled Organisation as defined under section 6 of the *Local Government Act 2002*, by virtue of the Council's right to appoint the Board of Trustees.

Rather than making a financial return, the primary objective of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of Yarrow Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki, working in particular with the Taranaki Regional Council and the New Plymouth District Council. The Trust has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that the Trust does not have public accountability (as defined) and has total annual expenses of less than \$2 million.

The financial statements of the Trust are for the year ended 30 June 2021. The financial statements were authorised for issue by the Board of Trustees on 21 September 2021.

#### Basis of preparation

##### *Measurement base*

The financial statements have been prepared on a historical costs basis, modified by the revaluation of certain fixed assets.

##### *Functional and presentation currency*

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Trust is New Zealand dollars.

##### *New and amended accounting standards adopted*

There have been no new or amended accounting standards adopted for the year ended 30 June 2021.

##### *Changes in accounting policies*

There have been no changes in accounting policies for the year ended 30 June 2021.

#### Significant accounting policies

The following is a summary of the significant accounting policies, adopted by the Trust, in the preparation of these financial statements.

##### *Goods and services tax*

The Trust is registered for Goods and Services Tax (GST). The financial statements have been prepared exclusive of GST, with the exception of receivables and payables, which are stated inclusive of GST. The net amount of GST, recoverable from or payable to the Inland Revenue Department (IRD), is included as part of receivables or payables, in the statement of financial position. The net amount of GST, paid to or received from the IRD, is classified as an operating cash flow, in the statement of cash flows.

## Notes to the Financial Statements

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### **Revenue**

Council grants are recognised as revenue when the funding is received unless there is an obligation to return the funds if conditions of the grant are not met ("use or return condition"). If there is such an obligation, the grant is initially recorded as a liability and recognised as revenue when conditions of the grant are satisfied.

Interest revenue is recorded as it is earned during the year.

Revenue from donated assets is recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the value of the asset is readily obtainable and significant.

### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within borrowings, as a current liability, in the statement of financial position.

### **Investments**

Investments comprise investments in terms deposits with banks. Deposits with banks are initially recorded at the amount paid. If it appears that the carrying amount of the investment will not be recovered, it is written down to the expected recoverable amount.

### **Debtors and other receivables**

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

### **Property, plant and equipment**

Property, plant, and equipment is recorded at cost, less accumulated depreciation and impairment losses with the exception of land and buildings which is recorded at valuation. Donated assets are recognised upon receipt of the asset if the asset has a useful life of 12 months or more, and the current value of the asset is readily obtainable and significant. Significant donated assets for which current values are not readily obtainable are not recognised. For an asset to be sold, the asset is impaired if the market price for an equivalent asset falls below its carrying amount. For an asset to be used by the Trust, the asset is impaired if the value to the Trust in using the asset falls below the carrying amount of the asset.

Work in progress is recorded at cost. Cost includes expenditure which is directly attributable to the acquisition of an asset. Capital work in progress is not depreciated.

### **Accounting for revaluations**

The Trust elects to apply PBE IPSAS 17 *Property, Plant and Equipment* for the purposes of accounting for revaluations.

When an item of property, plant and equipment is revalued, any accumulated depreciation, at the date of the revaluation, is eliminated against the gross carrying amount of the asset. Then, the net amount is restated, to reflect the revaluation.

If the carrying amount of an item of property, plant and equipment increases, as the result of a revaluation, the increase shall be recognised in the asset revaluation reserve, within other comprehensive income. However, the increase shall be recognised in the surplus or deficit, to the extent that it reverses a revaluation decrease, of the same class of assets, previously recognised in the surplus or deficit.

If the carrying amount of an item of property, plant and equipment decreases, as the result of a revaluation, the decrease shall be recognised in the surplus or deficit. However, the decrease shall be recognised in the asset revaluation reserve, within other comprehensive income, to the extent of any credit balance in the revaluation reserve, in relation to that asset class.

## Notes to the Financial Statements

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Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

In accordance with the Trust's Statement of Intent for the year to 30 June 2020, property, plant and equipment is revalued on a three yearly cycle, with the latest occurring as at 30 June 2020.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential, associated with the item, will flow to the Trust, and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment will be recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it will be recognised at fair value as at the acquisition date.

### **Disposals**

Gains and losses on disposal are determined by comparing proceeds received, with the carrying amount of the asset. Gains and losses on disposal are included in the surplus or deficit. When revalued assets are sold, amounts included in the asset revaluation reserve, in relation to those assets, will be transferred to accumulated funds.

### **Subsequent costs**

Costs incurred subsequent to initial acquisition are capitalised if, and only if, it is probable that future economic benefits or service potential, associated with the item, will flow to the Trust, and the cost of the item can be measured reliably.

### **Impairment of property, plant and equipment**

The carrying values of property, plant and equipment are reviewed annually for impairment, with reference to internal and external factors which may indicate the carrying value exceeds depreciated replacement cost. The Trust elects to apply *Impairment of Revalued Assets including Amendments to PBE IPSASs 21 and 26* for the purposes of the impairment recognised in note 6. Any significant impairment is recognised by writing the assets down to their depreciated replacement cost and charging the impairment to the relevant revaluation reserve or to the surplus or deficit, where there is no revaluation reserve. If an asset's carrying value exceeds its recoverable amount, the asset is impaired, and the carrying amount is written down to the recoverable amount. In relation to revalued assets, the impairment loss is recognised against the revaluation reserve, for that asset class. Where that results in a debit balance, in the revaluation reserve, the balance is recognised in the surplus or deficit. In relation to assets that are not revalued, the total impairment is recognised in the surplus or deficit.

### **Depreciation and amortisation expense**

Depreciation is provided on a straight-line basis, at rates that will write-off the cost or valuation of assets, to their estimated residual values, over their useful lives. The rates of depreciation are as follows:

Buildings	1.25% to 6.67% per annum
Furniture, fittings and equipment	6.67% to 25.00% per annum
Office Equipment	15.00% to 30.00% per annum

The residual value and the useful life of an asset is reviewed, and adjusted if applicable, at the end of each financial year.

### **Creditors and other payables**

Creditors and accrued expenses are measured at the amount owed.

### **Income tax**

The Trust has been granted Charitable Status by the IRD and therefore, is exempt from income tax.

### **Loans**

Loans are recognised at the amount borrowed from the lender. Loan balances include any interest accrued at year-end that has not yet been paid.

## Notes to the Financial Statements

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### *Critical accounting estimates and assumptions*

In preparing these financial statements, the Trust has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the actual results.

Estimates and assumptions are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the value of assets and liabilities, within the next financial year, are discussed below:

Property, plant and equipment useful lives and residual values:

At each balance date, the Trust reviews the useful lives and residual values of its property, plant and equipment. To assess whether the useful lives and residual values are appropriate, the Trust considers a number of factors, such as, the physical condition of the asset, the expected period of use of the asset, and the expected disposal proceeds, from future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset and will therefore, impact depreciation expense in the statement of comprehensive income, and the carrying amount of the asset in the statement of financial position. The Trust minimises the risk of this uncertainty through physical inspection of assets. The Trust has made an impairment assessment with regard to the turf in the current financial year – refer note 6.

### *Going concern*

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future. As at 30 June 2021, the Trust's current liabilities exceeded its current assets by \$5,744,933 (2019/2020: \$4,488,066). This is mainly the result of \$332 of borrowings from a revolving facility, the \$5,000,000 of borrowings from Taranaki Regional Council and \$1,133,397 of payables relating to the repair and refurbishment project. The Trust is funded by Taranaki Regional Council to maintain Yarrow Stadium as a community asset.

Taranaki Regional Council has provided a letter of support to ensure that the Trust will continue to be provided financial support to enable it to pay its debts as they fall due. Taranaki Regional Council have also secured the funding that is required to repair the assets and the stadium as outlined in the Taranaki Regional Council 2021/2031 Long Term Plan.

On 11 March 2020, the World Health Organisation declared a global pandemic as a result of the outbreak and spread of COVID-19. In response, New Zealand has since moved through different alert levels with differing levels of restrictions on domestic activity.

The Trust has considered the impact of COVID-19 in respect of its status as a going concern. COVID-19 delayed the implementation of the repair and refurbishment project, thus providing the opportunity for the Taranaki Regional Council to apply for Government "shovel-ready" funding. This application was successful to the tune of \$20m which will reduce the debt cost to the Trust in future years. The Trust was able to continue operating throughout the different pandemic alert levels and COVID-19 has resulted in no impact on liquidity and working capital. There has been no impact on access to capital. The repair and refurbishment project faces increased costs and supply delays resulting from the impacts of COVID-19 on building and construction materials. The Trust has taken the necessary steps to mitigate and minimise these impacts. The Trust is well positioned to maintain its financial position and to continue operating through this time of business uncertainty.

## Notes to the Financial Statements

### 1. Income

	Actual \$ 2020/2021	Actual \$ 2019/2020
Annual grant from the Taranaki Regional Council	3,942,720	3,942,719
Donated plant and equipment	-	41,262

Donated goods or services not recognised:

During the year, the Trust received professional accounting and secretarial services from the Taranaki Regional Council at no charge.

### 2. Finance Expenses

	Actual \$ 2020/2021	Actual \$ 2019/2020
Interest – TSB	4,907	108,784
Interest – Taranaki Regional Council	21,118	40,399
<b>Total finance expenses</b>	<b>26,025</b>	<b>149,183</b>

### 3. Other Expenses

	Actual \$ 2020/2021	Actual \$ 2019/2020
Ancillary services	18,276	-
Audit fees for financial statement audit	12,640	16,300
Bank charges	142	190
Charities commission	44	44
Demolition expense	539,367	-
Insurance	127,615	68,911
Loss on disposal of buildings	-	284,280
General expenses	-	188,067
Stadium repairs and maintenance	4,389	48,380
Valuation Fees	9,360	-
<b>Total other expenses</b>	<b>711,833</b>	<b>606,172</b>

### 4. Equity

	Actual \$ 2020/2021	Actual \$ 2019/2020
Accumulated funds		
Balance at 1 July	11,499,804	11,139,734
Surplus/(deficit) for the year	2,158,512	360,070
Other comprehensive income/(deficit)	-	380,000
Transfers to asset revaluation reserve	-	(380,000)
<b>Balance at 30 June</b>	<b>13,658,316</b>	<b>11,499,804</b>
Asset revaluation reserve		
Balance at 1 July	1,350,000	970,000
Movement in the asset revaluation reserve	-	380,000
<b>Balance at 30 June</b>	<b>1,350,000</b>	<b>1,350,000</b>
<b>Total equity</b>	<b>15,008,316</b>	<b>12,849,804</b>

## Notes to the Financial Statements

### 5. Cash and cash equivalents

	Actual \$ 2020/2021	Actual \$ 2019/2020
TSB Bank current account	13,262	8,243
TSB Bank on call account	482,236	3,315
<b>Total cash and cash equivalents</b>	<b>495,498</b>	<b>11,558</b>

The carrying value of cash and cash equivalents approximates their fair value.

### 6. Property, plant and equipment

	Actual \$ 2020/2021	Actual \$ 2019/2020
<u>Land at valuation</u>		
Carrying amount at 1 July	3,500,000	3,120,000
Additions	-	-
Revaluation	-	380,000
<b>Carrying amount at 30 June</b>	<b>3,500,000</b>	<b>3,500,000</b>
<u>Furniture, fittings and equipment</u>		
Cost at 30 June previous year	3,340,193	3,016,940
Accumulated depreciation	1,611,960	(960,741)
Net book value previous year	1,728,233	2,056,199
Carrying amount at 1 July	1,728,233	2,056,199
Additions	-	41,262
Transfers	-	294,989
Depreciation	(664,217)	(664,217)
<b>Carrying amount at 30 June</b>	<b>1,064,016</b>	<b>1,728,233</b>
<u>Buildings at valuation</u>		
Cost at 30 June previous year	11,528,265	13,540,179
Accumulated depreciation	(2,036,085)	(1,895,588)
Net book value previous year	9,492,180	11,644,591
Carrying amount at 1 July	9,492,180	11,644,591
Additions	-	-
Transfers	-	51,997
Impairment of turf	(161,738)	-
Depreciation	(248,275)	(314,260)
Revaluation	-	(1,890,148)
<b>Carrying amount at 30 June</b>	<b>9,082,167</b>	<b>9,492,180</b>
<u>Office equipment</u>		
Cost at 30 June previous year	16,430	16,430
Accumulated depreciation	(16,430)	(16,430)
Net book value previous year	-	-

## Notes to the Financial Statements

	Actual \$ 2020/2021	Actual \$ 2019/2020		
Carrying amount at 1 July	-	-		
Additions	-	-		
Disposals	-	-		
Depreciation	-	-		
<b>Carrying amount at 30 June</b>	<b>-</b>	<b>-</b>		
<b>Work in progress</b>				
Cost at 30 June previous year	2,617,457	1,942,881		
Accumulated depreciation	-	-		
<b>Net book value previous year</b>	<b>2,617,457</b>	<b>1,942,881</b>		
Carrying amount at 1 July	2,617,457	1,942,881		
Additions	4,489,608	1,305,842		
Transfers	-	(346,986)		
Disposals	-	(284,280)		
Depreciation	-	-		
Revaluation	-	-		
<b>Carrying amount at 30 June</b>	<b>7,107,065</b>	<b>2,617,457</b>		
<b>Total property, plant and equipment</b>	<b>20,753,249</b>	<b>17,337,870</b>		
As at 30 June 2021	Cost or Valuation	Impairment	Accumulated Depreciation	Carrying Amount
Land at valuation	3,500,000	-	-	3,500,000
Furniture, fittings and equipment at cost	3,340,193	-	2,276,176	1,064,017
Buildings at valuation	11,528,265	161,738	2,284,360	9,082,167
Office equipment at cost	16,430	-	16,430	-
Work in progress at cost	7,107,065	-	-	7,107,065
<b>Total property, plant and equipment</b>	<b>25,491,953</b>	<b>161,738</b>	<b>4,576,966</b>	<b>20,753,249</b>

### Valuation

TSB Bank holds a restriction over the title of the Trust's property by way of a registered first mortgage over the property at 6 Maratahu Street, New Plymouth. No plant and equipment is pledged as security for liabilities. The land and buildings were valued, as at 30 June 2020, by Mike Drew, registered valuer, TelferYoung (Taranaki) Limited. Land and buildings were adjusted in the financial statements, for the year ending 30 June 2020, to reflect this revaluation. The valuation was performed by TelferYoung (Taranaki) Limited. TelferYoung (Taranaki) Limited are a registered experienced valuer with extensive market knowledge in the types of land and buildings owned by the Taranaki Stadium Trust. The land is valued using market based sales evidence. The land's fair value at 30 June 2020 was \$3,200,000 and gain on revaluation of \$380,000 was recognised in the asset revaluation reserve.

Buildings are valued based on the depreciated replacement cost approach using assumptions the valuer believed to be fair and reasonable at the date of valuation. Due to both the East and West stands being compromised in terms of earthquake strength the valuers have considered the impairment of the stadium assets. Due to the East Stand not being able to be used at all and the cost to earthquake strengthen the building being similar to the unimpaired fair value, there is no value allocated to these improvements. As parts of the West Stand are still useable the majority of its components have been valued at 20% of its unimpaired fair value. The total fair value of the buildings at 30 June 2020 was \$9,492,180. Loss on revaluation of the buildings of \$1,890,148 was recognised in the surplus or deficit. There remains some uncertainty regarding the extent to which the components of the stadium can be reused and the cost of restoration.

Trust management has done an assessment of the 30 June 2020 valuation and is satisfied that this latest valuation is still materially accurate. There is no evidence to suggest that the value of the existing structure has significantly changed from 30 June 2020. It is the Trust's intention to revalue the West Stand upon completion of the repair and reinstatement project. This is scheduled for late 2021 so its next revaluation should be effective for 30 June 2022.

### Impairment

As part of the repair and refurbishment of Yarrow Stadium the Field 1 turf is being replaced and this work is expected to be completed by March 2022. Consequently the current turf is now at the end of its useful life and its impairment loss is assessed at 100%.

The total value of the impairment loss of the Field 1 turf for the year ended 30 June 2021 was \$161,738 which has been recognised in the surplus or deficit.

## Notes to the Financial Statements

### Background

During the 2017/2018 year, detailed seismic assessments were completed on the East and West Stands of Yarrow Stadium. The assessments indicated that the East Stand was 10% of new building standard and the West Stand was 20% of new building standard. As such both stands were earthquake prone buildings and were closed from use.

The Trust is committed to the repair of the stands and the investigations on the repair options has been completed. The Taranaki Regional Council has approved the repair and refurbishment of Yarrow Stadium. The project will include repairs to the earthquake-prone grandstands and consequential changes. Other important refurbishments include additional food and beverage outlets, toilets, technology upgrades, LED pitch lighting, improvements to the car park and gates, new South Terrace seating and the reinstatement of Field 1.

This work essentially restores what existed, with essential updates. The estimated total cost is \$50 million which will be funded by a \$20m "shovel-ready" grant from the Government and a 25 year loan through Taranaki Regional Council.

The repair of the West Stand is tracking well and is expected to be fully repaired by December 2021. The reinstatement of Field 1 and upgraded lights is expected to be completed by March 2022. The East Stand demolition is nearly complete with work underway on the design concepts and plans for the replacement East Stand.

The Trust anticipates that Yarrow Stadium will be operational again using the West Stand by quarter two of 2022.

### 7. Debtors and other receivables

	Actual \$ 2020/2021	Actual \$ 2019/2020
TSB Bank interest accrual	6	4
Trade debtors	30,015	-
GST refund	125,676	-
<b>Total debtors and other receivables</b>	<b>155,697</b>	<b>4</b>

### 8. Creditors and other payables

	Actual \$ 2020/2021	Actual \$ 2019/2020
Audit fee accrual	12,640	12,300
GST payable	-	135,070
Trade payables and accruals	1,383,156	196,945
<b>Total creditors and other payables</b>	<b>1,395,796</b>	<b>344,315</b>

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore the carrying values approximate their fair value.

### 9. Borrowings

	Actual \$ 2020/2021	Actual \$ 2019/2020
TSB Bank Liberty Revolving credit facility	332	155,313
Taranaki Regional Council loan	5,000,000	4,000,000
<b>Total current liability borrowings</b>	<b>5,000,332</b>	<b>4,155,313</b>

The TSB Bank Liberty Revolving credit facility has a draw down limit of \$5,000,000 and is secured by way of a registered first mortgage over the property at 6 Maratahu Street, New Plymouth. Interest is incurred at a 3.02% variable rate as at 30 June 2021 (2019/2020: 3.02%).

The Taranaki Regional Council loan has a draw down limit of \$35,000,000 and is unsecured. Interest is incurred at a 0.52% variable rate as at 30 June 2021 (2019/2020: 1.52%).



## Notes to the Financial Statements

### 10. Reconciliation of net surplus/(deficit) to net cash from operating activities

	Actual \$	Actual \$
	2020/2021	2019/2020
Surplus/(deficit)	2,158,512	360,070
<i>Add/(less) non-cash items:</i>		
Depreciation and amortisation expense	912,492	978,477
Impairment of turf (through surplus/deficit)	161,738	-
Loss on disposal of buildings	-	284,280
Losses on revaluation of buildings	-	1,890,148
Donated plant and equipment	-	(41,262)
<i>Add/(less) movements in working capital items</i>		
Creditors and other payables	235,030	78,548
Debtors and other receivables	(155,693)	(3)
Net cash from operating activities	3,312,079	3,550,258

### 11. Related parties

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

The Taranaki Regional Council is deemed to be a related party of Taranaki Stadium Trust. The Trust received \$3,942,720 of annual grant revenue from the Council for the year ending 30 June 2021 (2019/2020: \$3,942,719) The Trust has a \$5,000,000 loan from the Council as at 30 June 2021. (2019/2020: \$4,000,000).

The Trust owns Yarrow Stadium, but, the New Plymouth District Council manages and operates the Stadium, in accordance with a Management Agreement, between the two parties. In relation to the year ending 30 June 2021, no debts between the parties were written off or forgiven, and no transactions took place between the parties at nil or nominal value. The Trust does not have any employees. No Trustee fees were paid during the year.

### 12. Capital commitments

There are capital commitments of \$5,279,374 as at 30 June 2021 (2019/2020: nil).

### 13. Contingent liabilities

There are no contingent liabilities as at 30 June 2021 (2019/2020: nil).

### 14. Contingent assets

There are no contingent assets as at 30 June 2021 (2019/2020: nil).

### 15. Events after the balance sheet date

The Trust has no material events subsequent to balance date. (2019/2020 – Nil).

## Trust Directory

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### Taranaki Stadium Trust

Nature of business:	Charitable Trust
Trustees:	Elvisa Van Der Leden Michael Nield
Trust Settlement Date:	23 December 1999
Address:	C/- Taranaki Regional Council Private Bag 713 Stratford 47 Cloten Road Stratford
Bankers:	TSB Bank New Plymouth
Solicitors	Till Henderson Stratford
Auditors:	Matt Laing Deloitte Limited on behalf of the Auditor-General



## Independent Auditor's Report

### To The Readers of Taranaki Stadium Trust's Financial Statements and Statement of Service Performance for the Year Ended 30 June 2021

The Auditor-General is the auditor of Taranaki Stadium Trust (the 'Trust'). The Auditor-General has appointed me, Matt Laing, using the staff and resources of Deloitte Limited, to carry out the audit of the financial statements and statement of service performance of the Trust on his behalf.

#### Opinion

We have audited:

- the financial statements of the Trust on pages 5 to 16, that comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the statement of service performance of the Trust on page 4.

#### Qualified opinion

##### **Qualified opinion on the financial statements – Limited procedures over the carrying value of Yarrow Stadium**

In our opinion, except for the matter described in the Basis for our qualified opinion section of our report, the financial statements of the Trust on pages 5 to 16:

- present fairly, in all material respects:
  - its financial position as at 30 June 2021; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector).

#### Unmodified opinion on the statement of service performance

In our opinion, the statement of service performance of the Trust on page 4 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2021.

Our audit of the financial statements and statement of service performance was completed on 21 September 2021. This is the date at which our opinion is expressed.

The basis for our qualified opinion is explained below. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements and the statement of service performance, we comment on other information and we explain our independence.

#### Basis for our Qualified Opinion

##### **Carrying value of building assets for Yarrow Stadium**

In 2017/18 an impairment of \$15.5 million resulting from a detailed seismic assessment was recognised relating to the Eastern and Western Stands of Yarrow Stadium. In 2019/20, a valuation was obtained which identified further impairment, amounting to \$1.9m based on circumstances known to date. The valuation considered the unimpaired depreciated replacement cost but concluded that the value was significantly impaired due to known restoration requirements. However there was limited information of the extent to which the current components can be reused and the cost of restoration and thus the accuracy of the carrying value of the Eastern and Western Stands of Yarrow Stadium. In the current year, the restoration project has progressed, but uncertainty remains around the extent of use of the components and the cost of restoration. For this reason, there are limited audit procedures that we can adopt to independently confirm the reasonableness of the asset value as at 30 June 2021.

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

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

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

#### **Responsibilities of the Trustees for the financial statements and the statement of service performance**

The Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Trustees are also responsible for preparing the statement of service performance for the Trust.

The Trustees are responsible for such internal control as they determine is necessary to enable them to prepare financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the statement of service performance, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Trustee's responsibilities arise from the Local Government Act 2002.

#### **Responsibilities of the auditor for the audit of the financial statements and the statement of service performance**

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

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

We did not evaluate the security and controls over the electronic publication of the financial statements and the statement of service performance.

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

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

- We evaluate the overall presentation, structure and content of the financial statements and the statement of service performance, including the disclosures, and whether the financial statements and the statement of service performance represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

#### **Other Information**

The Trustees are responsible for the other information. The other information comprises the information included on pages 1 to 3, but does not include the financial statements and the statement of service performance, and our auditor's report thereon.

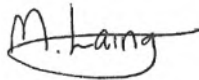
Our opinion on the financial statements and the statement of service performance does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

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

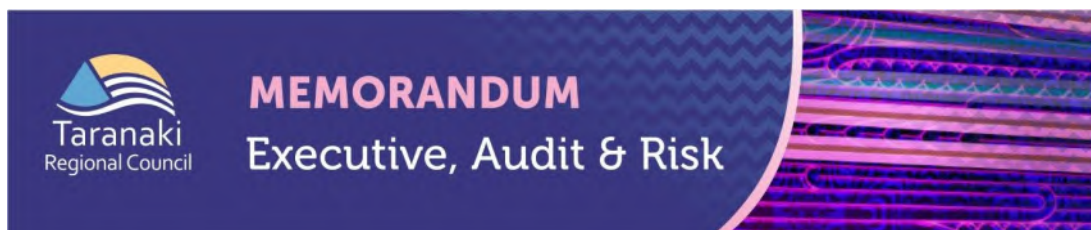
#### **Independence**

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

Other than the audit, we have no relationship with, or interests in, the Trust.



Matt Laing  
Deloitte Limited  
On behalf of the Auditor-General  
Hamilton, New Zealand



**Date** 18 October 2021

**Subject:** **Delegations Manual**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2889486

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### **Purpose**

1. The purpose of this memorandum is to receive, consider and adopt the revised Delegations Manual.

### **Recommendations**

That the Taranaki Regional Council:

- a) receives this memorandum on the Delegations Manual
- b) provides feedback to the Chief Executive on any amendments to the Delegations Manual
- c) adopts the updated Delegations Manual.

### **Background**

2. Local authorities are created by statute and can only act based upon specific statutory authority.
3. Councils can, for administrative efficiency, delegate certain matters to committees and/or officers.
4. The Delegations Manual records these delegations to ensure that they are exercised in accordance with the Council's authority and the law.
5. There are a number of matters and/or powers that the Council cannot, by law, delegate. These are also recorded in the Delegations Manual for completeness purposes.
6. A number of authorities can be sub-delegated from a committee or an officer to another officer. These powers are also recorded in the Delegations Manual.
7. If a delegation is not approved by the Council and provided for in the Manual, then that power cannot be exercised.

## **Discussion**

8. The Delegations Manual is a live document that needs to be maintained and be reviewed from time to time.
9. The Council's current Manual has not been reviewed and updated for a number of years. Consequently, there are a number of changes particularly in relation to legislative change.
10. Additionally, the previous delegations did not reflect the requirements of modern organisations particularly in areas such as banking.
11. Accordingly, a comprehensive review and updating of the Manual has been completed. This review has been undertaken in co-ordination with a number of other regional councils.
12. The resultant Delegations Manual has accommodated the changes in legislation, Council policy and by-laws. Financial limits have been modernised in-line with the growth in the Council.
13. The Manual records decisions that the Council has already made. It does not create any new delegations that have not already been considered by the Council.
14. There is an opportunity to review the Delegations Manual and provide feedback to the Chief Executive prior to its adoption and implementation. The Manual will become operational following the 2 November 2021 Ordinary Meeting.

## **Financial considerations—LTP/Annual Plan**

15. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

## **Policy considerations**

16. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

## **Iwi considerations**

17. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan.

## **Community considerations**

18. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

**Legal considerations**

19. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

**Appendices/Attachments**

Document 2762187: Delegations Manual



# Taranaki Regional Council Delegations Manual

Adopted by Council resolution: **insert date**

Document 2762187

August 2021

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## 1. Introduction

### 1.1. Purpose

This document is the Delegations Manual for Taranaki Regional Council (Delegations Manual).

The purpose of the Delegations Manual is to set out Taranaki Regional Council's (the Council) delegations given to officers (and members in some instances) in relation to certain administrative and financial matters and also the delegations made in relation to statutory duties, responsibilities and powers.

To assist staff to understand the responsibilities of the Council and its committees, this Delegations Manual also records duties, functions, and powers which cannot be delegated from the Council and the terms of reference for the Council committees including any associated delegations.

### 1.2. Background

#### 1.2.1. Definition of delegation

Delegation is the conveying of a duty of power to act to another person, including the authority that the person making the decision would themselves have had in carrying out that duty or exercising that power.

For the purposes of administrative efficiency and expediency when conducting its day-to-day business, the Council delegates certain statutory duties, responsibilities and powers to its committees, members, or staff. Likewise, the Chief Executive delegates certain duties and responsibilities to a subordinate level. These delegations are a necessary operational requirement to promote effective and expeditious decision-making. Delegations avoid administrative delays and inefficiencies that might otherwise occur if all matters have to be referred to the Council or Chief Executive every time a decision needs to be made.

#### 1.2.2. The legal basis

In most cases, the Council has the primary power of delegation as it is the body that is specified as the delegate in the empowering legislation. In some specific instances the legislation empowers the Chief Executive directly who will have the power of delegation.

The authority to delegate to standing committees, subcommittees, members or staff is principally derived from Clause 32 of Schedule 7 of the *Local Government Act 2002* (LGA 2002) which reads:

- (1) *Unless expressly provided otherwise in this Act, or in any other Act, for the purposes of efficiency and effectiveness in the conduct of a local authority's business, a local authority may delegate to a committee or other subordinate decision-making body, community board, or member or officer of the local authority any of its responsibilities, duties, or powers except—*
- (a) *the power to make a rate; or*
  - (b) *the power to make a bylaw; or*
  - (c) *the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan; or*
  - (d) *the power to adopt a long-term plan, annual plan, or annual report; or*
  - (e) *the power to appoint a chief executive; or*

- (f) *the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term plan or developed for the purpose of the local governance statement; or*
- (g) *[Repealed]*
- (h) *the power to adopt a remuneration and employment policy.*
- (2) *Nothing in this clause restricts the power of a local authority to delegate to a committee or other subordinate decision-making body, community board, or member or officer of the local authority the power to do anything precedent to the exercise by the local authority (after consultation with the committee or body or person) of any power or duty specified in subclause (1).*
- (3) *A committee or other subordinate decision-making body, community board, or member or officer of the local authority may delegate any of its responsibilities, duties, or powers to a subcommittee or to another committee or subordinate decision-making body, community board, or member or officer of the local authority, but, to avoid doubt, if doing so is itself a sub-delegation, the power to so delegate is subject to any conditions, limitations, or prohibitions imposed in connection with the primary delegation.*
- (4) *A committee, subcommittee, other subordinate decision-making body, community board, or member or officer of the local authority to which or to whom any responsibilities, powers, or duties are delegated may, without confirmation by the local authority or committee or body or person that made the delegation, exercise or perform them in the like manner and with the same effect as the local authority could itself have exercised or performed them.*
- (5) *A local authority may delegate to any other local authority, organisation, or person the enforcement, inspection, licensing, and administration related to bylaws and other regulatory matters.*
- (6) *A territorial authority must consider whether or not to delegate to a community board if the delegation would enable the community board to best achieve its role.*
- (7) *To avoid doubt, no delegation relieves the local authority, member, or officer of the liability or legal responsibility to perform or ensure performance of any function or duty.*
- (8) *The delegation powers in this clause are in addition to any power of delegation a local authority has under any other enactment.*

Other statutes also confer or limit the ability to delegate decision-making powers and duties. Of particular note are:

- Section 34 (Delegation of functions, etc, by local authorities) and 34A (Delegation of powers and functions to employees and other persons) of the Resource Management Act 1991
- Section 105 (Delegation to authorised persons) of the Biosecurity Act 1993
- Sections 42 (Delegation of powers by local authority) and 43 (Delegation of powers by officers) of the Local Government Official Information and Meetings Act 1987
- Sections 124 (Delegation of powers by local authority) and 125 (Delegation of powers by officers or local authority) of the Privacy Act 1993.

Except as provided for elsewhere in this Delegations Manual, the delegation of a power, function or duty is made under Clause 32 of Schedule 7 of the LGA.

### **1.2.3. Principles, terms and conditions**

Unless a delegation in this Delegations Manual states otherwise, the delegation is derived from the Council. Some delegations are made by the Chief Executive directly and these are recorded as such in this Delegations Manual.

When deciding to delegate any duties, responsibilities, and powers, the Council or Chief Executive will have regard to the principles outlined below.

In the exercise of any delegation, the delegate (i.e. the person given the delegation) must comply with the general terms and conditions, which are also outlined below. In addition to the general terms and conditions, the delegate must also comply with any additional terms and conditions that might apply to specific delegations.

### **Principles**

Wherever possible, delegations to staff have been made on a wide basis to promote the most effective and efficient implementation and delivery of policies and objectives.

Delegations have generally been made to the lowest level of competence, commensurate with the degree of responsibility and difficulty involved in the undertaking of the task delegated.

In deciding what is the lowest level of competence for each delegation, particular attention has been paid to the fact that the powers and duties contained in the delegation go along with the responsibilities and accountability for their correct and effective implementation and any reporting requirements.

While delegations are made to individual positions it is expected when significant or sensitive decisions are being made under delegated authority, staff will collaborate in the decision-making process to ensure the best outcome.

Where Council is expressly prohibited from delegating some or all of its powers by a particular statute, it may delegate the power to do anything precedent to, or leading up to, the exercise by the Council of that particular power or authority.

### **Terms and conditions**

No delegations shall limit the power of the Council or other delegator to exercise a function, duty or power in substitution for a delegate.

In the exercise of any delegation, the delegate will ensure they act in accordance with any binding statutory authority (in relation to each delegation, relevant sections of the Act will be identified) and any relevant policy or procedural documents (including reporting and recording) requirements.

In relation to delegations to officer level, every delegation will be to a stated officer and will be exercised in relation to the duties of their position as identified in their Position Description or when an officer has been appointed in an acting capacity.

For the avoidance of doubt, supervisors shall have the same powers of delegation as subordinate staff, unless the exercise of such delegation requires, by law, a particular qualification or registration.

Delegatees must consider the significance of the decision that they are making or the powers they are exercising. In particular, if a decision relates to a matter that is out of the ordinary, delegates are encouraged to discuss the matter with their Director or Manager.

Delegatees must exercise delegations in accordance with any relevant policy or procedure that is relevant to the delegation.

A delegation from to the Chief Executive can be sub-delegated unless specified otherwise. Any other delegation once made cannot be further sub-delegated (other than when a delegation is being exercised by a person in an acting capacity).

The Council may, at any time, revoke, suspend for a period, or amend the terms or conditions in relation to any delegation it has made. Where this occurs, it will be recorded by resolution of the Council.

The Chief Executive may revoke or suspend for a period, or amend the terms and conditions, in any delegation to subordinates that they have made.

#### 1.2.4. Sub-delegation

At times, it will be necessary for the performance of assigned duties for a staff member to have delegated authority additional to those specifically mentioned in the Delegations Manual. These situations may include staff acting temporarily in a role (such as acting Chief Executive, or when Directors or Managers are on leave, or a one-off Project Manager), or permanently, such as Project Manager of an ongoing project. Such sub-delegations will be recorded in writing, in the job description of the individual where possible, or on a more temporary basis in the form of a memo signed by the person granting the delegation, and a copy kept on the personnel file of the person receiving the delegation.

#### 1.3. Standardised delegations

Delegations are standardised across management roles (i.e. if a delegation is granted to Managers, then everyone in a Manager role holds that delegation), throughout this Manual. For clarity and to avoid confusion, the following table defines the roles the standardised delegations apply to:

<b>Role</b>	<b>Definition and inclusions</b>
Director	A person holding that title that reports to the CE.
Manager	A person holding that title that reports to a Director. For clarity, this includes the Strategy Lead, the Iwi Communications Officer and the Harbourmaster.
Team Leader	A person holding that title that reports to a Manager. For clarity, this includes the Senior Investigation Officer and the Head Gardeners.



## 2. Council and committees

This section of the Delegations Manual sets out those delegations that remain with the Council and the delegations given to standing Committees through their Terms of Reference.

### 2.1. Council

In accordance with Clause 32 of Schedule 7 of the LGA, the Council is required by legislation to make decisions on the following matters:

- the power to make a rate
- the power to make a bylaw
- the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan
- the power to adopt a long-term plan, annual plan, or annual report
- the power to appoint a chief executive
- the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term plan or developed for the purchase of the local governance statement
- the power to adopt a remuneration and employment policy.

Other legislation, including the Resource Management Act 1991, the Biosecurity Act 1993, and the Land Transport Management Act 2003, provide that certain matters cannot be delegated and that certain decisions must be made by the Council.

### 2.2. Terms of reference for Council committees

#### 2.2.1. Executive, Audit and Risk Committee

This committee handles all of the administrative and financial matters relating to the Council's operations and works programme. Because these matters relate to all aspects of the Council, the membership is aimed to reflect the different aspects of the Council's committee structure.

##### Responsibilities

- Risk Management and internal control
- Audit functions (internal and external)
- Financial and other external corporate reporting
- Governance frameworks and processes
- Compliance with legislation, policies and procedures
- Financial and expenditure
- Capital expenditure
- Corporate services and personnel matters
- Port Taranaki Ltd matters
- General contractual matters.

##### Powers

- Recommendations to Council
- Power to act in emergencies.

##### Membership

- Seven Regional Councillors including two ex-officio.

## 2.2.2. Consents and Regulatory Committee

This committee attends to all matters in relation to resource consents, compliance monitoring and pollution incidents and biosecurity monitoring and enforcement.

### Responsibilities

- Consider and make decisions on resource consent applications pursuant to the Resource Management Act 1991
- Ensure adequate compliance monitoring of resource consents pursuant to the Resource Management Act 1991
- Implement the Council's Resource Management Act Enforcement Policy 2017
- Consider and make decisions on monitoring and enforcement matters associated with plant and animal pest management
- Other matters related to the above responsibilities.

### Powers

- Delegated authority to make decisions on consent applications
- Recommendations to Council.

### Membership

- Seven regional Councillors plus two ex-officio
- Three representatives of the Iwi of Taranaki.

## 2.2.3. Policy and Planning Committee

This committee attends to all matters of resource management, biosecurity and related environment policy.

### Responsibilities

- Prepare and review policy statements, plans and strategies and convene as a Hearing Committee as and when required for the hearing of submissions
- Monitor plan and policy implementation
- Develop biosecurity policy
- Advocate, as appropriate, for the Taranaki region
- Other policy initiatives
- Develop and endorse submissions prepared in response to the policy initiatives of other organisations.

### Powers

- Recommendations to Council.

### Membership

- Seven regional Councillors plus two ex-officio
- One appointment from each Taranaki District Council (3)
- One person appointed to represent Taranaki Federated Farmers
- Three representatives of the Iwi of Taranaki.

## 2.2.4. Regional Transport Committee

As defined by the Land Transport Management Act 2003, to prepare a regional land transport plan for the region and to provide the Council with any advice and assistance

they may request in relation to its transport responsibilities. All other matters related to the above responsibilities and other transport related issues.

#### **Powers**

- Recommendations to Council.

#### **Membership**

- Two appointed Regional Councillors
- One appointment from each Taranaki District Council (3)
- One appointment from the New Zealand Transport Agency.

### **2.2.5. Taranaki Civil Defence Emergency Management Group (Joint Committee)**

Established as a joint committee of the Taranaki Regional Council, New Plymouth District Council, Stratford District Council and South Taranaki District Council. Responsible for managing civil defence emergency management at the local level across the areas of reduction, readiness, response and recovery. The Council is the administering authority for the Taranaki Civil Defence Emergency Management Group.

The functions of the Taranaki Civil Defence Emergency Management Group include the coordination of civil defence emergency management planning, programmes and activities across the region, carrying out risk management, planning for emergency management by developing, implementing, monitoring and reviewing a civil defence emergency management group plan, and delivering emergency management.

#### **Membership**

- One member of each of the Taranaki local authorities.

### **2.2.6. Taranaki Solid Waste Management Committee (Joint Committee)**

Established as a joint committee of the Taranaki Regional Council, New Plymouth District Council, Stratford District Council and South Taranaki District Council. Its purpose is to provide a forum to consider and implement waste management issues of significance to the Taranaki region, and, in particular, to collaborate in delivery functions arising from the Waste Minimisation Act 2008. The Council is administering authority for the Taranaki Solid Waste Management Committee.

#### **Membership**

- One member of each of the Taranaki local authorities.

### **2.2.7. Yarrow Stadium Joint Committee**

Established as a joint committee of the Taranaki Regional Council and the New Plymouth District Council. Its purpose is to prepare draft asset management plans and budgets for Yarrow Stadium. The New Plymouth District Council is the administering authority for the Yarrow Stadium Joint Committee.

#### **Membership**

- Two members of each of Taranaki Regional Council and New Plymouth District Council.

### **3. Administrative delegations**

This section of the Delegations Manual sets out general administrative delegations including but not limited to, employment matters, the issuing of warrants, the use of the Common Seal, correspondence (including submissions) and the release of information.

#### **3.1. People and employment delegations**

##### **3.1.1. Legislative delegation to the Chief Executive**

Pursuant to section 42(2) of the Local Government Act 2002, the Chief Executive is responsible, on behalf of the Council, for ensuring the effective and efficient management of the Council, employing staff and negotiating the terms of employment of staff.

The Chief Executive has absolute control over all employment-related matters concerning staff.

Specific delegations made by the Chief Executive in relation to people and employment under section 42(2) are prescribed below.

The Chief Executive may appoint in writing any person to be acting Chief Executive during temporary periods of absence from duties together with such of the Chief Executive's powers as he or she considers appropriate.

##### **3.1.2. Principles of people and employment delegations**

In support of, and in addition to, the principles, terms and conditions outlined in Section 1 of this Delegations Manual, the following principles, terms and conditions are applied to the delegation of employment or people management activities:

- People & Employment Delegations are standardised across management roles (i.e. if a delegation is granted to Managers, then everyone in a Manager role holds that delegation).
- People & Employment Delegations automatically apply to the person appointed to that role (i.e. no additional documentation is required beyond acceptance of the employment agreement for the role).
- People & Employment Delegations are granted to the lowest appropriate tier (with demonstrated competence to execute the delegation) to empower and enable our people managers; this authority may also be executed by all managers in a direct line above that position.
- No People & Employment Delegations may be used to self-approve – the one up rule applies.
- People & Employment Delegations must be exercised in accordance with the Working for the TRC document.

##### **3.1.3. People and employment delegations**

The Chief Executive retains the responsibility for all people and employment matters. Delegations for the Chief Executive, Directors and Managers are as follows:

Chief Executive	Directors	Managers & Team Leaders
<b>Hiring</b>		
<p>Recruitment of additional Full Time Equivalent (FTE) permanent employee numbers.</p> <p>Recruitment where a significant change has been made to a role.</p>	<p>Undertake like-for-like recruitment subject to agreement with the CE, the Financial Services Manager and Human Resources Manager.</p> <p>Approve candidate offers within market range subject to discussion with CE.</p> <p>Approve non-standard terms and conditions with the CE and Human Resources Manager's approval.</p> <p>Offer relocation expenses with Human Resources Manager's agreement.</p> <p>Engage the services of a recruitment agency with Human Resources Manager's agreement.</p> <p>Approve candidate offers outside market range subject to agreement with CE.</p> <p>Sign offers of employment.</p> <p>Approve recruitment of seasonal casual employees and/or summer students within approved budgets.</p>	<p>Nil.</p>
<b>Employment conditions</b>		
<p>Approve termination of an employment agreement.</p> <p>Approve the outcome of restructures require and set dates for an annual shutdown period.</p>	<p>Approve timesheets.</p> <p>Approve one-off or occasional work from home outside existing policy.</p> <p>Determine actions to address conflict of interest situations.</p> <p>Approve staff entering into secondary employment.</p>	<p>Approve timesheets.</p> <p>Approve one-off or occasional work from home outside existing policy.</p>

Chief Executive	Directors	Managers & Team Leaders
	<p>Deliver a verbal, first warning or final warning with Human Resources agreement subject to conversation with CE.</p> <p>Second staff to other teams or other organisations subject to conversation with CE.</p> <p>Determine the course of action following an external complaint against a staff member subject to conversation with CE.</p> <p>Approve staff to present a paper or publication referencing Taranaki Regional Council.</p> <p>Approve requests for flexible working arrangements subject to conversation with Human Resources Manager.</p> <p>Initiate a performance improvement process with Human Resources agreement subject to conversation with CE.</p>	
<b>Leave</b>		
<p>Approve corporate-wide paid leave for staff unable to work due to an emergency or severe weather situation</p> <p>Grant additional paid sick leave in situations of prolonged illness or injury approve the cash-out of annual leave</p> <p>Sign off parental leave.</p>	<p>Approve requests for leave without pay, grant paid and unpaid compassionate leave</p> <p>Approve use of partner/paternity leave</p> <p>Approve the carry-over of outstanding annual leave</p> <p>Approve use of special leave.</p>	<p>Provide a request for exemption from jury service</p> <p>Approve sick, annual, bereavement or jury service leave</p> <p>Approve staff anticipating up to 5 days sick leave in advance subject to conversation with Director</p> <p>Approve time-in-lieu leave.</p> <p>Approve contractual long service milestone leave.</p> <p>Grant additional bereavement/tangi leave</p>

Chief Executive	Directors	Managers & Team Leaders
		subject to conversation with Director.
<b>Training and development</b>		
Approve attendance of overseas learning events	Approve study applications.  Approve individual performance and development objectives for Managers and Team Leaders.	Approve attendance at internal or external learning events subject to conversation with Director.  Approve individual performance and development objectives.
<b>Health, safety and well-being</b>		
Approve consumption of alcohol for work-related functions  Decide actions following harassment or bullying investigations unless delegated to a Director or Manager.		Approve catering for meetings and functions  Approve new and replacement garments for field work.
<b>Recognition, reward &amp; remuneration</b>		
Approve overall salary increase (within set budget)	Approve well done/recognition awards  Decide appointment and amount of higher duties payments subject to conversation with CE.	

### 3.2. Information requests, correspondence, media releases and public records

#### 3.2.1. Local Government Official Information and Meetings Act 1987

Section	Function	Delegated to:
42 & 43	The authority to exercise the Council's powers and duties under Parts 2 to 5 of the Local Government Official Information and Meetings Act 1987 (except those in section 32 of that Act).	Chief Executive  Director—Corporate services
46	Public notification of meetings	Administration Manager
46A, 49, 51	Availability of agendas, reports and minutes	Administration Manager

Section	Function	Delegated to:
51A	Public notification of resolution at emergency meeting	Administration Manager

Explanatory note: The powers under Parts 2 to 5 of the Local Government Official Information and Meetings Act 1987 (LGOIMA) include the powers to:

- Transfer requests to another authority where the information is not held or is more closely connected with the functions of another local authority (section 12)
- Make decisions on requests (including to consult those affected by a proposed decision) (section 13)
- Extend time limits (section 14).

The Council, in the release or making information available to the public, will conduct its business in an open, transparent, and democratically accountable manner. As a general rule, all information may be disclosed to the public unless the following applies:

- The information is of a personal nature (e.g. names and addresses of living and deceased persons) and its release would compromise a person's right to privacy; or
- There are significant administrative difficulties in complying with the request for information; or
- The disclosure of information would be prejudicial to the maintenance of the law, including the prevention, investigation and detection of offences, and a person's right to a fair trial; or
- The disclosure of information would disclose a trade secret or be prejudicial to the commercial position of the person who supplied or who is the subject of the information; or
- The disclosure of information, of an evaluative nature, would breach and expressed or implied promise to the person who supplied the information that their identity and the information would be held in confidence; or
- The disclosure of information would be prejudicial to measures protecting the health and safety of or material loss to members of the public; or
- The disclosure of information would be prejudicial to the effective conduct of public affairs and the free and frank expression of opinions; or
- The disclosure of information would offend tikanga Maori or disclose the location of any wāhi tapu site (refer section 42, Resource Management Act 1991); or
- For any other matters listed in sections 27 to 29 of the Local Government and Official Information and Meetings Act.

The authority to determine to disclose information where any of the above circumstances might apply is delegated to:

- Chief Executive
- Director–Corporate Services



### 3.2.2. Privacy Act 2020

Section	Function	Delegated to:
201	Power to appoint Privacy Officer(s)	Chief Executive
47, 49, 50, 51, 52, 53	<ul style="list-style-type: none"> <li>Decision to refuse access to personal information</li> </ul>	Director—Corporate services  Privacy Officers
41, 43, 45, 46, 48, 55, 56, 60, 62, 63, 64, 65, 66	<ul style="list-style-type: none"> <li>To treat the requests with urgency</li> <li>To decide to transfer a request to another agency</li> <li>To decide whether the request can be granted (including the decision to impose a charge)</li> <li>Where a request has been granted, whether any information should be withheld</li> <li>Decision to extend the time limits</li> <li>Deciding the way information is to be provided</li> <li>Providing the reasons for refusal.</li> </ul>	Director—Corporate services  Privacy Officers
All	All other powers and duties under the Privacy Act 2020. This delegation may be sub-delegated.	Chief Executive  Director—Corporate services

### 3.2.3. Public Records Act 2005

The Council has certain obligations under the Public Records Act 2005, including in relation to the disposal of records.

Section	Function	Delegated to:
All	All powers, duties and functions	Chief Executive  Director—Corporate services

### 3.3. Correspondence including submissions

Authorisation to sign correspondence. Pursuant to section 42(2)(d) of the LGA 2002, the Chief Executive has determined that the following delegations to sign outward correspondence.

Section	Function	Delegated to:
Correspondence of a significant or confidential nature	Authority to sign. Correspondence with content of a 'significant and confidential nature' includes, but is not limited to: <ul style="list-style-type: none"> <li>A decision outside an officer's delegated authority</li> </ul>	Chief Executive  Directors.

Section	Function	Delegated to:
	<ul style="list-style-type: none"> <li>• Matters that might be inconsistent with a policy or plan of the Council</li> <li>• Matters that potentially impact on the Council's capacity to meet its statutory responsibilities</li> <li>• Matters that have a history of generating wide public interest within the Taranaki region or New Zealand generally</li> <li>• Matters that might unreasonably prejudice the commercial position of a person</li> <li>• Matters that might prejudice the maintenance of the law, including the prevention, investigation and detection of offences and the right to a fair trial.</li> </ul>	
All other correspondence	Authority to sign.	Chief Executive Directors, Managers and Team Leaders.

Delegated authority to make submissions. The authority to make a submission on any matters of general interest or concern to the Council proposed Government policies, discussion documents and legislation:

Section	Function	Delegated to:
General submissions	Authority to sign.	Council and Council committees Chief Executive Directors.
Resource Management Act submissions	<ul style="list-style-type: none"> <li>• Make a submission to a Board of Inquiry in relation to a proposed national policy statement under section 49 of the Resource Management Act</li> <li>• Make a further submission to a Board of Inquiry in relation to a proposed national policy statement under section 50(2) of the Resource Management Act</li> <li>• Make a submission to the Environment Court in relation to a special tribunal's report relating to a water conservation order (section 209 of the Resource Management Act)</li> <li>• Be heard at an inquiry for a proposed Water Conservation Order (section 211 of the Act); and</li> </ul>	Council and Policy and Planning Committee Chief Executive Director—Resource Management

Section	Function	Delegated to:
	<ul style="list-style-type: none"> <li>Apply for the revocation or amendment of any Water Conservation Order (section 216 of the Act).</li> </ul>	

Council is responsible for setting the region's policy direction through its regional policy statement (RPS) which territorial authorities must give effect to. An important part of implementing the RPS is through making submissions on proposed plans, plan changes, and resource consent applications. These submissions seek to implement Council's previous decisions so generally will not require further approval from Council.

Section	Function	Delegated to:
96	Lodge or withdraw a submission on a resource consent application on behalf of Council.	Director—Resource Management
Schedule 1, Clause 6 Schedule 1, Clause 8	Lodge or withdraw a submission or further submission on a proposed plan or plan change on behalf of Council.	Director—Resource Management

### 3.4. Applications for funding, grants or donations from external sources

The authority to seek and obtain external funding by way of grant or donation or other form of gifted funding for any project or programme or other activity that has been approved by Council or a committee of Council and the power to receive and/or administer grants or funding is delegated to the Chief Executive and Directors. In some cases there may be a need to seek this approval retrospectively.

From time to time the Council seeks funding for its projects and programmes identified in the Long-Term Plan and Annual Plan. This delegation is to be exercised in so far that the funding is relevant to the projects and programmes within that person's position description.

### 3.5. Grants of funding from the Council to external sources

The authority to grant external funding by way of grant or donation or other form of gifted funding for any project or programme or other activity that has been approved by the Council and is in the Long-Term Plan and Annual Plan is delegated to the Chief Executive and Directors.

In addition to receiving external funding, the Council grants funding to a range of projects. These are identified in the Long-Term Plan and/or Annual Plan. These delegations must be exercised in accordance with the Financial Delegations.

### 3.6. Authorisation to use the Common Seal

The Council has delegated to the Chairperson and Deputy Chairperson of the Council, Chief Executive and the Director—Corporate Services the authority to impress on any document the Common Seal of the Council to give effect to a resolution of the Council; or any delegation to the Chief Executive, which is legally required to use the common seal.

The Common Seal will be affixed to any document that is required to be executed under the Seal, including:

- Warrants to enter private land on behalf of the Council, including warrants made under the Resource Management Act 1991, the Biosecurity Act 1993, the Building Act 2004, and the Local Government Act 2002.
- When executing any Memorandum of Transfer pursuant to section 80 of the Local Government (Rating) Act 2002.
- Regional policy statements and regional plans prepared under the Resource Management Act 1991. The Common Seal is also used to certify that regional policy statements and regional plans (including proposed plans and variations) are true and correct copies of the documents.
- Bylaws prepared under the Local Government Act 2002 or other relevant statutes.
- Any documents (e.g. covenants, caveats, or consent notices) which otherwise require the use of the Common Seal.

All Common Seal transactions will be:

- Authorised and signed by either the Chairperson or Deputy Chairperson and either the Chief Executive or the Director—Corporate Services.
- Recorded on the Common Seal Register.
- Reported to the Executive, Audit and Risk Committee.

### **3.7. Professional advice and legal proceedings**

The authority to obtain professional advice, including but not limited to legal, engineering, financial, accounting and professional advice on Council's behalf is delegated to:

- Chief Executive
- Directors
- Managers.

In accordance with the general terms and conditions this delegation may only be exercised in accordance with financial delegations.

Any advice must also be sought in accordance with any arrangements that the Council has regarding the procurement of services (i.e. if there is a preferred or agreed service provider).

This delegation does not prohibit other staff members from liaising with professional advisors as part of the Council obtaining advice. Instead it is intended to operate to ensure that the engagement of the advisor has been approved by one of the above staff members.

### **3.8. Authorisation to sign legal documents**

The authority to sign on Council's behalf any routine legal administrative document is delegated to the Chief Executive, Directors and the Financial Services Manager. Where appropriate, the Chief Executive will report the circumstances to Council or a Committee where this delegation has been exercised.

Property deeds must be signed by two Councillors in accordance with section 9 of the Property Law Act 2007.

### 3.9. Authorisation to release or alter loans, mortgages and statutory land charges

The authority to release or alter loans, mortgages and statutory land charges has been delegated to the Chief Executive and the Director—Corporate Services.

### 3.10. Court proceedings

Delegations in respect of specific statutory proceedings are listed in the regulatory delegations (e.g. under the Resource Management Act 1991 and Biosecurity Act 1993). The following delegations apply to any other Court proceeding the Council may be involved with.

Section	Function	Delegated to:
Clause 32, Schedule 7 of LGA	The authority to decide whether to commence or defend any action before a Court, tribunal, arbitral panel or other such body.	Chief Executive
Clause 32, Schedule 7 of LGA	In the event the Chief Executive is unavailable or in exceptional circumstances where time does not permit consideration by the Chief Executive and where such action is necessary to protect or further Council's interests, the authority to commence or defend any action before a Court, tribunal, arbitral panel or other such body.	Director—Corporate Services
Clause 32, Schedule 7 of LGA	The authority to settle a dispute or issues at stake at mediation or other dispute resolution sessions in relation to any matter before any Court, tribunal, arbitral panel, or other such body.	Chief Executive Directors
Clause 32, Schedule 7 of LGA	The authority to initiate to have Court costs awarded and initiate legal proceedings to collect Court costs awarded.	Chief Executive Directors
Clause 32, Schedule 7 of LGA	The authority to take appropriate action within Council policy to recover debts, including, but not limited to Court and, Tribunal proceedings.	Director—Corporate Services Financial Services Manager
High Court Rule 30.3, Clause 32, Schedule 7 of LGA	Lodge, withdraw, oppose or join an application for Judicial Review with the High Court and any related applications or proceedings and be heard in relation to any application or proceedings.	Chief Executive
High Court Rule 30.3, Clause 32,	The authority to settle a dispute or issues at stake at mediation or other	Chief Executive

Section	Function	Delegated to:
Schedule 7 of LGA	dispute resolution sessions in relation to judicial review proceedings.	

The authority to settle any matter against the Council must be exercised in accordance with any financial delegations.

### 3.11. News media and digital communication platforms

Responding to or coordinating media requests are actioned by the Communications Team.

The authority to make statements to the news media and/or the placement of information on the Council's digital communication platforms is delegated to the Chief Executive, Directors and Managers (in conversation with Director). The Chief Executive or a Director may delegate to an appropriate staff member a specific media task.

Delegates are authorised to communicate with the news media and/or place information on Council's digital communication platforms, but may do so only:

- Subject to any instructions from the Council or the Chief Executive
- In relation to the duties of their position
- In accordance with their carrying out the duties of any position to which they may be appointed in an acting capacity.

### 3.12. Placement of public notices or advertisements

The authority to place public notices and advertisements in relevant newspapers, other publications or online media is delegated to:

- Chief Executive
- Directors
- Managers.

## 4. Appointments and warranting

The Council has appointed enforcement officers to carry out regulatory duties under the Resource Management Act 1991, the Biosecurity Act 1993, the Building Act 2004, and the Local Government Act 1974 and has the ability to appoint officers under the Local Government Act 2002 and to issue warrants.

The powers available to enforcement officers in relation to those statutes are limited to those specified on their warrant and will vary according to their responsibilities, experience and expertise. Outlined below is a summary of the powers that may be available to officers and the procedure for authorising the appointment of such officers.

### 4.1. Resource Management Act 1991

The authorisation and responsibilities of an enforcement officer under the Resource Management Act (RMA) are addressed in section 38(1)(a) of that Act.

As per section 34A of the RMA, the Council authorises an enforcement officer to enter onto land and carry out all, or any, of the functions and powers of the Resource Management Act outlined below. The regulatory powers available to officers are confined to those specified on their warrant of appointment.

For ease of process, the Chief Executive, in the presence of an elected member of Council, is authorised to 'warrant' such appointments, which includes the use of the Common Seal.

Powers available to enforcement officers:

Number:	Power:	Relevant section of the RMA:
1	Entry for inspection	332
2	Entry for survey	333
3	Seek information	22
4	Issue abatement notice	322
5	Invoke emergency works & power to take preventative or remedial action	330
6	Apply for Interim Enforcement Order	320
7	Apply for an Enforcement Order	316
8	Apply for a warrant for entry to search	334
9	Issue an Infringement Notice	343C

### 4.2. Biosecurity Act 1993

The appointment of an authorised person (i.e., enforcement officer) under the Biosecurity Act is addressed in sections 103(3) & (7) of that Act. The power of appointment lies with the Principal Officer (i.e., the Chief Executive).

The Chief Executive appoints an authorised person to enter onto land and carry out all, or any, of the functions and powers under the Biosecurity Act 1993 outlined in Table 3. The regulatory powers available to officers are confined to those specified on their warrant of appointment.

For ease of process, the Chief Executive, in the presence of an elected member of Council, warrants such appointments, which includes the use of the Common Seal.

Powers available to authorised persons:

<b>Number:</b>	<b>Power:</b>	<b>Relevant section of the Act:</b>
1	Duty to provide information	43
2	Inspectors, authorised persons, and accredited persons	103(3)&(7)
3	Delegation to authorised persons	105
4	Power to require assistance	106
5	Power of inspection	109
6	Warrant to inspect dwelling house, marae, etc.	110
7	Duties on exercising power of entry	112
8	Power to record information	113
9	General powers	114
10	Application of articles or substances from aircraft.	114A
11	Use of dogs and devices	115
12	Power to seize abandoned goods	119
13	Power to intercept risk goods	120
14	Power to examine organisms	121
15	Power to apply article or substance to place	121A
16	Power to give directions	122
17	Power to vaccinate, etc.	123
18	Power to act on default	128
19	Liens	129
20	Declaration of restricted place	130
21	Declaration of controlled area	131
22	Enforcement of area controls	134
23	Options for cost recovery	135
24	Failure to pay	136



Number:	Power:	Relevant section of the Act:
25	Seize evidence	118

### 4.3. Local Government Act 2002 (LGA 2002)

The appointment of an enforcement officer under the LGA 2002 is addressed in section 174 of that Act.

Pursuant to section 174 of the LGA 2002, the Council appoints an enforcement officer under this Act to exercise powers in relation to offences against, and infringement offences under, the Act, including enforcement of Council bylaws. This includes the power to enter private property.

### 4.4. Building Act 2004

The Council has responsibilities for dams under the Building Act 2004. The Council, along with other North Island councils, has transferred its Building Control Authority functions and complementary non-building control authority functions, under the Building Act, to Waikato Regional Council. Some non-Building Control Authority functions are retained by the Council.

For ease of process, the Chief Executive, in the presence of an elected member of Council, is authorised to warrant appointments under the Building Act.

Refer to the *Building Act Manual – Non-Building Consent Authority Procedures for Dams* (Document 710205).

Schedule 1 Clause 2, Decision on a Discretionary Exemption for Building Consent, is delegated to the Chief Executive and the Director-Resource Management.

### 4.5. Reserves Act 1977

The Council manages the Lower Waitara River Local Purpose Reserve under a management plan prepared under the Reserves Act 1977. The flood control assets in the Lower Waitara River are the Council's primary focus.

In terms of warranting, section 93(4) of the Act states that "... the production by any officer of his or her warrant, instrument of appointment, or other written evidence of identification shall be sufficient evidence of the authority of that officer to exercise the powers conferred by this section".

This means that any warranted officer of the Council 'may summarily interfere to prevent any actual or attempted breach of this Act or of any regulation or bylaw thereunder, and may require any person found offending to desist from the offence. If any person when so required continues the offence, they commit a further offence against this Act'.

Only the Council as administering authority can issue the warrant under section 8(9) of the Act and specify the powers provided to the officer.

#### **4.6. Soil Conservation and Rivers Control Act 1941**

This Act is relevant to the Council's responsibilities with regard to flood control schemes. Section 126 of the Act sets out the functions under the Act, including the power to construct, reconstruct, alter, repair, and maintain works to control or regulate water or to prevent or lessen the overflow or breaking of banks of any watercourse. Section 131 of the Public Works Act 1981 empowers the Council to exercise certain powers and authorities in the Soil Conservation and Rivers Control Act 1941 as well as other relevant Acts. The duties under these functions are delegated to the Chief Executive and the Director-Operations.

#### **4.7. Maritime Transport Act 1994**

The Council has responsibility for navigation safety within Port Taranaki and its approaches. The Maritime Transport Act 1994 sets out these responsibilities and the associated powers awarded to the Council.

Under section 33D of the Maritime Transport Act 1994 and section 174(1) of the Local Government Act 2002, only the Council can appoint harbourmasters and enforcement officers and issue warrants for navigation safety functions and entry of private land under the Acts.

The Council can authorise an officer appointed as a Harbour Master (or Deputy Harbour Master) and/or an enforcement officer to exercise any of the following functions and powers under the Maritime Transport Act 1994:

- Section 33E Functions of Harbour Masters
- Section 33F Harbour Masters' general powers
- Section 33H Powers of entry
- Section 33J Wreck removal
- Section 33L Remove or sell abandoned ships
- Section 33P Infringement notices
- Section 423 Infringement notices.

## 5. Financial delegations

This section of the Delegations Manual sets out financial delegations including but not limited to, contracting and agreements, financial matters (including rating) and property delegations.

### 5.1. Procurement and expenditure

The Council enters into a range of different contracts and agreements as part of undertaking its day to day business. These range from non-binding memorandum of understanding, contracts and agreements of low financial value, to high financial value contracts and agreements.

The following principles apply when procuring goods and/or services on behalf of the Council:

- Council has a responsibility to manage its resources in an effective and efficient manner, and in doing so will consider public value for money over the whole of life cycle when procuring goods and services
- Council may procure goods and services as sole procurer or in conjunction with other Councils or entities
- Council will ensure open and effective competition as a competitive procurement process, as this is likely to result in a better procurement outcome
- Council will provide a full and fair opportunity for both local and national suppliers
- Council will comply with all relevant legislation, policies and procedures when engaging in the procurement process
- Council will require sustainably produced goods and services whenever possible, having regard to economic, environmental, social and cultural impacts over their life cycle.

The Council's Procurement policies and procedures are to be complied with in addition to the delegations within this Manual.

### 5.2. Bank account signing authorities

Signing authority on all bank and investment accounts is delegated to the Chief Executive, Directors and the Financial Services Manager. The authority to:

- Bank and invest funds held in accordance with the investment policy, subject to the observance of appropriate internal controls
- Sign and countersign withdrawal notices or authorise electronic payments
- Approve payroll payments and all payroll related matters
- Approve all tax payments and tax related matters.

### 5.3. Entering into contracts and authorisation of payments

The following table sets out the authority to enter into contracts and to approve payments. Contracts and payments are to purchase specifically budgeted for routine normal expenditure (including capital expenditure) which is provided for in the Long-Term Plan or Annual Plan budget or approved annual work programme up to the stated value (exclusive of GST) in respect of any contract.

Expenditure not provided for by the Long-Term Plan or Annual Plan and work programme must first have the authorisation of a respective Director and the Chief Executive (who will also consider the need to report to Council). This does not include routine expenditure which may exceed budget.

Contracts for amounts in excess of the delegation of the Chief Executive and/or not provided for in a Long-Term Plan or Annual Plan need to be approved by the Council.

The authority to approve operating expenditure within Council approved capital and operating authorised budgets is delegated to the following officers in accordance with the identified reporting thresholds.

Officer	Delegation (GST exclusive)	Reporting to:
Chief Executive	Unlimited within approved budgets.  \$100,000 for unbudgeted expenditure.  Unlimited for investments in accordance with the Treasury and Investment Management policies.  Approval of payroll within approved budgets.  Unlimited for taxation.	Executive, Audit and Risk Committee
Directors	\$100,000 within approved budgets.  Unlimited for investments in accordance with the Treasury and Investment Management policies.  Approval of payroll within approved budgets.  Unlimited for taxation.	Chief Executive
Managers	\$20,000 within approved budgets.	Directors
Financial Services Manager	\$20,000 within approved budgets.  Unlimited for investments in accordance with the Treasury and Investment Management policies.  Approval of payroll within approved budgets.  Unlimited for taxation.	Director—Corporate Services
Team Leaders	\$5,000 within approved budgets.	Managers
Secretary Administrator Operations	\$1,000 within approved budgets.	Managers

Health & Safety Advisor		
Facilities Coordinator		

Unbudgeted operating and capital expenditure will be reported to the Executive, Audit and Risk Committee.

#### 5.4. Emergency works and response

The authority to approve contingency expenditure for an emergency including but not limited to flood events, a civil defence emergency management event, maritime oil spills or a pest animal, plant or disease outbreak is delegated to the officers identified below and in accordance with the identified reporting thresholds.

Officer	Delegation (GST exclusive)	Reporting to:
Chairperson	Unlimited	Council and/or Executive, Audit and Risk Committee
Chief Executive	Unlimited	Council and/or Executive, Audit and Risk Committee
Directors	\$100,000	Chief Executive
Managers	\$20,000	Directors
On-Scene Commander in a Tier II Oil Spill	\$100,000	Chief Executive

#### 5.5. Authority to raise revenue

The Chief Executive, Directors, Managers and Team Leaders have the authority to authorise the production of invoices where required for their normal duties, and in line with the policies in the Long-Term Plan, Annual Plan and Revenue and Financing Policy, and any established charging regimes.

#### 5.6. Bad debts

The Chief Executive and Director—Corporate Services are authorised to write off debts of less than \$5,000 where:

- the Chief Executive or Director-Corporate Services is satisfied that no prospect of collection exists
- it is uneconomic to pursue the matter further.

All other bad debts are to be referred to the Executive, Audit and Risk Committee for approval.

#### 5.7. Rates relief

The Chief Executive, Director—Corporate Services and Manager Financial Services have approval to apply all rates collection, postponement and remission policies as adopted by Council in the Long-Term Plan or Annual Plan.

## 5.8. Credit notes and waivers

Credit notes to correct errors in charges may be issued by the Chief Executive, Directors or Managers in accordance with financial delegation limits above. Credit notes may not be used to write off debt only to correct invoices issued where errors are identified.

The authority to waive or reduce fees or charges, up to a maximum of the delegated threshold, in the following situations:

- Where any activity or event is of regional benefit, the payment of fees and charges which would otherwise be payable
- Where the Council has required work to be undertaken on private property, to waive or reduce any associated fees or charges where payment would impose severe financial hardship on the property owner
- Where any person has proposed to undertake work that will result in significant benefit to the region, to waive or reduce any associated fees or charges
- Where costs are not accurate or reasonable.

## 5.9. Leases

The Chief Executive, Directors and the Financial Services Manager are authorised to issue approvals/consents in respect of leasing matters relating to sale, assignment, sub-letting, mortgage of leasehold, lessee improvements, granting, rent, rebates, review of lease rentals and appointment of lessor's arbitrator. The authority to:

- Approve the leasing or granting of any licence to occupy or tenancy or to vary the terms and conditions of any lease, licence to occupy or tenancy involving Council owned land
- Terminate any lease, licence to occupy or tenancy in respect of all non-residential property.

## 5.10. Credit cards

Delegated authority to approve credit card expenditure is assigned to the:

- Chairperson and the Director-Corporate Services for the Chief Executive's card
- Chief Executive and the Financial Services Manager for the Director-Corporate Services' card
- Director-Corporate Services and the Financial Services Manager for any other cards.

## 5.11. Use of Council property, assets and staff by outside organisations

The authority to approve:

- The use of any Council building, facility or equipment by an outside person or organisation in accordance with established guidelines
- The disposal (whether by tender or otherwise) of any motor vehicle or item of plant in accordance with a recognised programme of vehicle and plant replacement
- The disposal (whether by tender or otherwise), and the terms thereof, of any other surplus Council asset
- The hiring out, and the terms and conditions thereof, of any Council asset and staff.

Is delegated to the Chief Executive and the Directors.

### **5.12. Rating database and collection**

The authority to collect the rates set by the Council and to maintain the Rating Information Database, in relation to their district, is delegated to the New Plymouth, Stratford and South Taranaki district councils.

### **5.13. Administrative matters in relation to the rating database and collection**

The authority to resolve administrative matters in relation to the collection of the Council's rates and the administration of the Rating Information Database is delegated to the Chief Executive and the Director–Corporate Services.

## 6. Regulatory delegations – Resource Management Act 1991

### 6.1. General matters

#### 6.1.1. Administrative charges

Section	Function	Delegated to:
36(5)	Require payment of additional charges over and above any fixed charges to enable the recovery of actual and reasonable costs.	Chief Executive Director-Resource Management Director-Environment Quality Consents Manager Compliance Manager.
36AAB(1)	Waive or remit the whole or any part of any charge referred to in section 36 which would otherwise be payable.	Chief Executive Director-Resource Management Director-Environment Quality Consents Manager Compliance Manager.
36(3) and 36(5)	Authorisation to recover or write-off administrative charges.	Refer to Financial Delegations section above.
36AAB(2)	Where a charge of a kind referred to in Section 36 is payable, cease performing the action to which the charge relates until the charge has been paid in full.	Chief Executive Director-Resource Management Director-Environment Quality Consents Manager Compliance Manager.
36AA	Determine any discount under section 36AA on an administrative charge imposed under section 36.	Chief Executive Director-Resource Management Director-Environment Quality Consents Manager.

#### 6.1.2. Power to waive or extend time limits or waive requirements

Section	Function	Delegated to:
37(1)(a)	Extend time periods associated with a resource consent process, if the applicant has agreed to the extension.	Chief Executive Director-Resource Management Consents Manager
	Extend time periods associated with a resource consent process, where special circumstances exist (without agreement of the applicant to the extension).	Chief Executive Director-Resource Management Consents Manager
	Extend any other time period not associated with a resource consent process.	Chief Executive Director-Resource Management Planning Manager
37(1)(b)	In relation to resource consent processes, waive a failure to comply with a requirement regarding the time or method of services of documents.	Chief Executive Director-Resource Management Consents Manager



Section	Function	Delegated to:
	In relation to any process other than a resource consent process, waive a failure to comply with a requirement regarding the time or method of service of documents.	Chief Executive Director-Resource Management Planning Manager
37(2)	In relation to a resource consent process, waive compliance with a requirement (including a procedural requirement) to provide information or direct that the omission or inaccuracy be rectified, and the manner of the correction.	Chief Executive Director-Resource Management Consents Manager
	In relation to any process other than a resource consent process, waive compliance with a requirement (including a procedural requirement) to provide information or direct that the omission or inaccuracy be rectified, and the manner of the correction.	Chief Executive Director-Resource Management Planning Manager

### 6.1.3. Commissioning reports

Section	Function	Delegated to:
42A	Require an officer or commission a consultant or other person to prepare a report.	Chief Executive Director-Resource Management Consents Manager
42A(3) 42A(4)(b)	Waive compliance with the requirements in sections 42A(3) and 42A(4)(b).	Chief Executive Director-Resource Management Planning Manager

### 6.1.4. Protection of sensitive information

Section	Function	Delegated to:
42	<p>Make an order under this section to avoid:</p> <ul style="list-style-type: none"> <li>serious offence to tikanga Maori, or to avoid the disclosure of the location of wahi tapu</li> <li>the disclosure of a trade secret or unreasonable prejudice to the commercial position of the person who supplied, or is the subject of, the information.</li> </ul> <p>and, in the circumstances of the particular case, the importance of avoiding such offence, disclosure, or</p>	Chief Executive Director-Resource Management Planning Manager

Section	Function	Delegated to:
	prejudice outweighs the public interest in making that information available.	

### 6.1.5. Waive reporting requirements to local authority

The authority to waive compliance with time period stipulated in section 42A(5) of the Resource Management Act, subject to the delegatee not being aware of any material prejudice to a person who should have been sent a copy of the report, is delegated to the Chief Executive, the Director–Resource Management, the Consents Manager and the Planning Manager.

### 6.1.6. Power to supply information requested by the Minister

The authority to supply information as requested by the Minister under section 27 is delegated to the Chief Executive, the Director–Resource Management, the Director–Environment Quality and the Director– Operations.

## 6.2. Resource consents and certificates of compliance

Refer to the document entitled *Resource Consents Procedure Document for Council* policy and procedure (including reporting and recording requirements) relating to resource consent matters.

### 6.2.1. Committee delegations

The authority to:

- delegate, under section 34A(1), its functions, powers, and duties required to hear and decide on an the application, to Councillors and independent hearings commissioners , accredited under the Resource Management Act

Is delegated to the Consents and Regulatory Committee, the Chief Executive, and any Committee or Commissioner(s) appointed by the Consents and Regulatory Committee or the Chief Executive, for the purpose of hearing and deciding on resource consent applications.

The authority to:

- determine publicly notified resource consent applications, including those under sections 127 and 128, in accordance with sections 104A-D of the Act

Is delegated to the Consents and Regulatory Committee.

### 6.2.2. Objections

The authority to determine objections made under sections 357, 357A and 357B of the Act is delegated to the Consents and Regulatory Committee, except where the objection is made in accordance with section 357A(f) for a publicly notified application.

### 6.2.3. Officer delegations

The authority to:

- (a) Provide a discount on an administrative charge imposed under section 36 in accordance with regulations made under section 360 (1)(hj) of the Act (section 36AA(1))
- (b) To remit all or part of charges (section 36AAB(1))
- (c) To determine not to perform any action to which an unpaid charge relates (section 36AAB(2))
- (d) Extend time periods under section 37 of the Act under the circumstances prescribed (section 37A)
- (e) In consultation with the Chairperson of a hearing panel or a sole Commissioner, power to issue directions or requests to applicants and/or submitters, including to provide briefs of evidence before commencement of a hearing, and to direct certain procedural aspects of the hearing before the hearing (41B and 41C)
- (f) Where a hearing is being planned direct parties to a hearing to provide briefs of evidence within time limits (section 41B)
- (g) Provide copies of further information received before a hearing (section 41C(5) to (5C) and 42A(3) of the Act
- (h) To decide and give notice that an activity is deemed to be a permitted activity due to marginal or temporary non-compliance (Section 87BB)
- (i) Determine the adequacy of an application in accordance with section 88 of the Act
- (j) Defer the notification or hearing of an application for a resource consent under section 91 of the Act
- (k) In relation to a resource consent application, request further information and commission a report under section 92 of the Act
- (l) Set a reasonable timeframe within which an applicant must provide information requested under section 92 (Section 92A(2))
- (m) Determine whether or not to publicly notify a resource consent application under section 95A and 95C of the Act, including whether special circumstances exist and determining persons to be served
- (n) Determine whether or not to limited notify a resource consent application under section 95B, of the Act, including whether special circumstances exist and determining persons to be served
- (o) Serve notice of the application on all prescribed persons under section 2AA(2)(b) of the Act
- (p) Decide if adverse effects may be more than minor under section 95D of the Act
- (q) Decide if a person is affected person or affected order holder under sections 95E and 95F of the Act
- (r) Determine whether to hold a pre-hearing meeting under section 99 of the Act and the parties to be invited to such a meeting
- (s) Require an applicant or submitter to attend a pre-hearing meeting under section 99(2) of the Act
- (t) Decline to process an application or consider a submission in accordance with section 99(8) of the Act
- (u) Determine whether to hold a formal hearing under section 100 of the Act
- (v) Fix the commencement date and time, and the place of a hearing in accordance with section 101 of the Act
- (w) Determine whether the Council participates in a joint hearing with other consent authorities under section 102(1) of the Act, when applications for resource consents in relation to the same proposal have been made to two or more consent authorities
- (x) Determine, when a joint hearing is to be held, that another authority is to be the administrative authority (section 102(2))

- (y) Determine to hear and decide two or more consent applications together under section 103 of the Act where the resource consent applications relate to the same proposal
- (z) Determine resource consent applications, including those under section 127 of the Act, in accordance with sections 104A-D of the Act, where the application is non-notified or limited notified, and there are no submitters who wish to be heard
- (aa) Ascertain whether work carried out for the purposes of a resource consent condition has been completed satisfactorily and, in cases where the work has not been completed, determine to undertake the work and recover costs from the consent holder out of money or securities deposited with the consent authority or from money paid by the guarantor (section 109 of the Act)
- (bb) Determine to retain or refund any portion of a financial contribution paid, where a resource consent activity does not proceed (section 110 of the Act)
- (cc) Allow a resource consent holder to operate under the original resource consent while the application for a new consent and any appeals to the Environment Court are determined (section 124 (2)(e) of the Act)
- (dd) Fix a longer period before a resource consent lapses under section 125 of the Act
- (ee) Cancel a resource consent application where the consent has been exercised but has not been exercised during the preceding five years (section 126 of the Act)
- (ff) Serve notice on a resource consent holder of the Council's intention to review the conditions of a consent review in accordance with section 129 of the Act (section 128 of the Act)
- (gg) Notify the review of a resource consent in accordance with section 130 of the Act and decide on the matters to be considered in that review (section 131 of the Act)
- (hh) Change the conditions of a resource consent on a review and cancel a resource consent in accordance with section 132 of the Act
- (ii) Determine what is a minor mistake or defect in accordance with section 133A of the Act
- (jj) Issue an amended consent that corrects minor mistakes or defects in the consent, , in accordance with section 133A of the Act
- (kk) Grant the transfer of whole or any part of a consent holder's interest in water permits (other than for damming or diverting of water) in accordance with section 136 of the Act
- (ll) Grant the transfer of whole or any part of a consent holder's interest in a discharge permit in accordance with section 137 of the Act
- (mm) Refuse the surrender of part of a resource consent under section 138 of the Act
- (nn) To determine additional charges in accordance with the Long-Term Plan or Annual Plan (section 36(3)) and section 149ZD(1) of the Act
- (oo) Determine objections made under sections 357 to 357B of the Act (section 357D of the Act) where the objection has been resolved
- (pp) Estimate the additional cost of Hearing Commissioners, under section 36(1), requested under section 100A of the Act.

Is delegated to the Chief Executive, the Director–Resource Management, the Director–Environment Quality, the Consents Manager (excluding delegations (t), (z), (aa), (dd), (ee), (hh), (jj), (kk), (ll), (mm), and (oo)) and Consents Officers (delegation (l)).

#### 6.2.4. Certificates of compliance

The authority to grant a certificate of compliance and require further information before a certificate of compliance is granted under section 139 [Certificates of Compliance] of the Resource Management Act is delegated to the Chief Executive, the Director–Resource Management and the Consents Manager (Delegation (b) only).

### 6.2.5. Direct referrals to Environment Court

Under sections 87E to 87G the authority to:

- (a) return an incomplete application for a direct referral (section 87E(1) of the Act )
- (b) return the request for a direct referral (sections 87E(2) and (4) of the Act)
- (c) defer its decision on the request for a direct referral (section 87E(3) of the Act)
- (d) decide to grant or decline the request for a direct referral (sections 87E(5) and (6) of the Act)
- (e) if it grants the request for a direct referral, prepare a report (section 87F(3) of the Act)
- (f) provide copies of the report to the applicant and submitters (section 87F(5) of the Act)
- (g) provide the Environment Court with documents related to the application (section 87G(3) of the Act).

Is delegated to the Chief Executive, the Director–Resource Management and the Consents Manager.

### 6.2.6. Proposals of national significance

The authority to:

- (a) Request the Minister to call-in a matter as a proposal of national significance relating to resource consents and plans (section 142 of the Act)
- (b) Provide views to the Minister on direction of a matter of national significance (section 147 (4) of the Act)
- (c) Provide suggestions to the Minister for members of a board of inquiry (section 149K of the Act)
- (d) Make a submission or further submission to the EPA on a matter that the Minister had made a direction on (called-in) and publicly notified under section 149C (section 149E and F of the Act).

Is delegated to the Consents and Regulatory Committee for matters related to resource consent applications, the Policy and Planning Committee for matters related to regional plans and the Chief Executive excluding (a) where meeting schedules do not allow time for the decision by the appropriate committee.

The authority to:

- (e) Prepare a report on the key issues in relation to the matter called-in (section 149G of the Act)

Is delegated to the Chief Executive and the Director–Resource Management.

The authority to:

- (f) Withdraw a plan change or variation called-in no later than 5 working days after close of further submissions (section 149 I of the Act)
- (g) Provide views to a board of inquiry before the board decides to accept or reject a request for the preparation of a regional plan or change to a plan (section 149 M of the Act).

Is delegated to the Policy and Planning Committee or the Chief Executive where meeting schedules do not allow time for the decision by the committee.

The authority to:

- (h) Provide comments to a board of inquiry on a draft report (section 149 Q of the Act)
- (i) Join a matter referred to Environment Court as a section 274 party (section 149 T of the Act)
- (j) Appeal to the High Court (on points of law) against a decisions of a board of inquiry or Environment Court (section 149 V)
- (k) Recover from an applicant the costs incurred in complying with Part 6AA (section 149 ZD).

Is delegated to the Chief Executive and the Director–Resource Management.

### 6.3. Policy and planning

#### 6.3.1. Regional policy statements and plans

The authority to:

- (a) Amend a plan or proposed plan to remove duplication or conflict with a National Environmental Standard(NES) and do so without using the schedule 1 process (section 44A)
- (b) Amend the Regional Policy Statement and regional plan documents to include specific objectives and policies set out in a National Policy Statement (NPS) or that objectives and policies specified in the documents give effect to the NPS and do so without using the schedule 1 process and give public notice of amendments
- (c) If so directed by a national planning standard, power to amend any planning document (sections 58l(2) and 58l(7))
- (d) Power to provide copies of planning documents to iwi and determine time for advice (First schedule Clause 4A)
- (e) Power to fix notification date, and decide on whom public notices will be sent in relation to a policy statement or plan or a change or variation thereto, including limited notification (First schedule Clause 5, 5A)
- (f) Power to summarise for and on behalf of the local authority submissions made in respect of a policy statement or a change or variation thereto (First schedule Clause 7, 51)
- (g) Power to fix a pre-hearing meeting and attend to all associated matters regarding notification, conduct, and reporting except the power of declining a request for a pre-hearing meeting (First schedule Clause 8AA)
- (h) Power to apply for extension of time if a local authority is unable, or likely to be unable, to meet decision making obligations under Clause 10(4)(a) (First schedule Clause 10A)
- (i) Power to give public notice if Council decides to establish a collaborative group and to notify any report from a collaborative group, and any proposed planning instrument as determined under Clause 46 (First schedule Clause 43,45, and 49)
- (j) Power to publically notify a local authority decision (First schedule Clause 57)
- (k) Power to establish a review panel to consider submissions arising from a collaborative planning process (First schedule Clause 64)
- (l) Power to publically notify the Minister's decisions under the streamlined planning process (First schedule Clause 88, 90)
- (m) Power to remit the whole or part of any charge and to not commence or continue processing a private plan change application if insufficient money has been paid as required by Council's schedule of charges (section 36AAB(2))
- (n) Power to notify changes to plans as directed by any Regulation (Section 360D)
- (o) Power to consult the relevant iwi authority on whether it is appropriate to appoint a commissioner with an understanding of tikanga Maori (section 34A1 (A)).

Is delegated to the Chief Executive, the Director–Resource Management and the Planning Manager.

## **6.4. Designations, water conservation orders and reclamations**

### **6.4.1. Designations**

Where the Council has a financial responsibility for a public work, the authority to:

- (a) Give notice to a territorial authority of its requirement for a designation under 168 of the Resource Management Act
- (b) Give consent to include a requirement in a proposed plan under section 170 of the Act
- (c) Accept or reject a territorial authority's recommendation in relation to a designation in accordance with section 172 of the Act
- (d) Prepare or submit an outline plan of a public work, project or other work on designated land to a territorial authority (section 176A of the Act)
- (e) Decide whether or not to make changes to an outline plan requested by a territorial authority in accordance with section 176A of the Act
- (f) Do anything in relation to a designation that is already subject to an earlier designation or heritage order in place, or agree for other persons to do anything in relation to the designation (section 177 of the Act)
- (g) Transfer responsibility of a delegation (section 180 of the Act)
- (h) Alter a Designation (section 181 of the Act)
- (i) Remove a designation (section 182 of the Act).

Is delegated to the Chief Executive, the Director–Operations and the Director–Resource Management.

### **6.4.2. Water conservation orders**

The authority to determine who may be heard at an inquiry for a proposed water conservation order under section 211 of the Resource Management Act 1991 is delegated to the Chief Executive.

The authority to impose such conditions as are necessary to ensure that a Water Conservation Order is not breached when granting a resource consent (section 217 of the Act) is delegated to the Chief Executive, the Director–Resource Management and the Consents Manager.

### **6.4.3. Approve or decline plans of survey for reclamation**

The authority to approve or decline a plan of survey of reclamation submitted under section 245 of the Act has been delegated to the Chief Executive.

### **6.4.4. Resource management regulations**

The authority to implement the Measurement and Reporting of Water Takes Regulations 2010 is delegated to the Chief Executive, the Director—Environment Quality, the Science Manager Hydrology-Biology, the Team Leader- Hydrology and the Compliance Manager.

### **6.4.5. National environmental standards**

The Ministry for the Environment has both proposed and active NESs in place. Given these are recognized through the consent process no specific delegations are considered necessary.

## **6.5. Court proceedings**

### **6.5.1. Environment Court**

The authority to:

- (a) Settle a dispute or issues at stake at mediation or other alternative dispute resolution sessions or via direct negotiation between parties
- (b) Approve Memoranda of Counsel, draft Consent Orders and side agreements
- (c) Decide to appear at proceedings before the Environment Court and call evidence
- (d) Lodge, oppose, or withdraw a Notice of Motion (or originating application) with the Environment Court seeking an order and give or withdraw notice of a wish to be heard on an application
- (e) Lodge, withdraw, join, or oppose an application for declaration with the Environment Court

Is delegated to the Chief Executive, the Director-Resource Management, the Planning Manager, Consents Manager and Compliance Manager.

The authority to:

- (f) Lodge, withdraw, or oppose a notice of intention to become an interested party to Environment Court proceedings. Seek, withdraw, or oppose orders in accordance with sections 278 and 279
- (g) Lodge, withdraw, or oppose an application for a waiver or direction in accordance with section 281
- (h) Approve an application for costs, respond to an application for costs, or waive the pursuit of costs in Court proceedings.

Is delegated to the Chief Executive and the Director-Resource Management.

### **6.5.2. High Court**

The authority to:

- (a) Lodge, withdraw, oppose, or join an appeal to the High Court and any related applications or proceedings
- (b) Settle a dispute or issues at stake at mediation or other dispute resolution sessions
- (c) Approve Memoranda of Counsel, draft Consent Orders, side agreements, or other documents required to settle a matter
- (d) Decide to appear at proceedings before the High Court and call evidence for the Council
- (e) Give or withdraw notice of intention to appear and be heard on appeal in High Court proceedings
- (f) Lodge, withdraw, oppose, or join an appeal to the High Court
- (g) Lodge, withdraw, or respond to an application for an extension of time.

Is delegated to the Chief Executive.

### **6.5.3. Court of Appeal and Supreme Court**

The authority to:

- (a) Lodge, withdraw, join, or otherwise respond to an application for leave to appeal to the Court of Appeal, a Notice of Appeal to the Court of Appeal, or any related applications or proceedings and be heard in relation to any application or proceedings



- (b) Settle a dispute or issues at stake at mediation or other dispute resolution sessions
- (c) Approve Consent Memoranda, draft Consent Orders, side agreements, or other documents required to settle a matter

Is delegated to the Chief Executive.

## **7. Enforcement**

Refer to the documents entitled *RMA Enforcement Policy 2017 and Enforcement provisions and procedures under the RMA (2017)* for policy and procedure (including reporting and recording requirements) relating to RMA enforcement action.

### **7.1. Prosecution**

The authority to consider and make decisions to prosecute for offences under sections 4(9) and 338 of the Resource Management Act is delegated to the Chief Executive.

Decisions to prosecute are made subject to Council policy (RMA Enforcement Policy 2017 and Enforcement Provisions and Procedures under the Resource Management Act 2017) and legal advice. Informations (charges) may be withdrawn at a later date arising from:

- (a) an Environmental Court victim impact statement
- (b) receipt of legal advice that the case will not succeed
- (c) where other informations against the same party have been laid that are worse. The Environmental Court makes the determination as to whether the informations can be withdrawn.

### **7.2. Enforcement**

#### **7.2.1. Cancellation of abatement notices**

The authority to cancel an abatement notice (sections 4(5) and 325A of the Resource Management Act) is delegated to Enforcement Officers (subject to section 322 of the Resource Management Act being identified on their warrant) or the Compliance Manager.

#### **7.2.2. Infringement notices**

The authority to issue an infringement notice (sections 4(8) and 343C of the Resource Management Act) is delegated to the Chief Executive, the Director–Resource Management and the Compliance Manager.

#### **7.2.3. Enforcement orders and interim enforcement orders**

Refer the Environment Court section above.

The authority to apply for an enforcement order against an instrument of the Crown (section 4(6)(b) of the Act) is delegated to the Chief Executive and the Director–Resource Management.

#### **7.2.4. Water shortage directions**

The authority to issue Water Shortage Directions (section 329 of the Resource Management Act) when at any time there is a serious temporary shortage of water in part of or the whole of the Taranaki region is delegated to the Chief Executive and the Director–Resource Management.

In addition to the aforementioned documents, further guidance specific to water shortage events is provided in the document entitled *Water Shortage Event Standard Operating Procedure*.

### **7.2.5. Emergency works**

The authority to enter any place and take such action (including directing the occupier to take action) as is immediately necessary and sufficient to remove the cause of, or mitigate any actual or likely adverse effect of an emergency (section 330) is delegated to Compliance Officers as per the provisions outlined in the *Enforcement, Provisions and Procedures Document*.

The authority to require reimbursement or seek compensation for any emergency action undertaken (section 331) is delegated to the Chief Executive, the Director–Corporate Services, the Director–Environment Quality, the Director–Operations, the Director–Resource Management and the Compliance Manager.

### **7.2.6. Warrant to enter and search any place or vehicle**

The authority to apply for a warrant from a District Court Judge to authorise the entry and search of any place or vehicle (section 334 of the Resource Management Act) is delegated to the Chief Executive, the Director–Environment Quality, the Director–Operations, the Director–Resource Management and the Compliance Manager.

### **7.2.7. Requirement to supply information**

The authority to require information to be supplied by a person exercising a resource consent as to the nature and extent of the activities carried out under the consent and the effects of the activities on the environment within the Taranaki region (section 388 of the Resource Management Act) is delegated to the Chief Executive, the Director–Environment Quality, the Director–Resource Management, the Consents Manager and the Compliance Manager.

The authority to supply information to the Minister of Conservation in relation to the monitoring of coastal permits, Regional Coastal Plan and recognised customary activity (Section 28A of the Act) is delegated to the Chief Executive, the Director–Resource Management and the Director–Environmental Quality.

## 8. Regulatory delegations – other legislation

This section sets out regulatory delegations under the Biosecurity Act, the Building Act, the Public Transport Management Act, the Maritime Transport Act, the Civil Defence Emergency Management Act, the Land Drainage Act and the Soil Conservation and Rivers Control Act.

### 8.1. Biosecurity Act 1993

#### 8.1.1. Biosecurity Act delegations-actions and proceedings

The authority to:

- (a) Initiate default action where the cost of that action is likely to equal or exceed \$5,000 per property per annum and recover the costs of that action (section 128 of the Act)
- (b) Initiate legal proceedings against a person that has committed an offence against section 154 [Offences] of the Act
- (c) To impose a liens under section 129[Liens] of the Act.

Is delegated to the Chief Executive and the Director–Operations (except (b)).

#### 8.1.2. Biosecurity Act delegations to officer level

The authority to:

- (a) Exempt a person from any specified requirement in a plan rule (section 78 of the Biosecurity Act)
- (b) Initiate default action where the cost of that action is likely to be less than \$5,000 per property per annum (exclusive of GST) and recover the costs of that action (section 128 of the Act)
- (c) Declare any area to be a 'controlled area' to enable the institution of movement and other controls (section 131 of the Act).

Is delegated to the Chief Executive, the Director–Operations, the Planning Manager and the Environment Services Manager.

The authority to:

- (a) Settle a dispute or issues at stake at mediation or other alternative dispute resolution sessions or via direct negotiation between parties
- (b) Approve Memoranda of Counsel, draft Consent Orders and side agreements
- (c) Decide to appear at proceedings before the Environment Court and call evidence.

Is delegated to the Chief Executive, the Director-Operations and the Planning Manager and Environment Services Manager.

## 8.2. Council bylaws

### 8.2.1. Navigation Safety Bylaws for Port Taranaki and its approaches 2020

The Navigation Safety Bylaws for Port Taranaki and its approaches 2020 establishes a range of responsibilities, obligations and rules for the purpose of ensuring maritime safety for the waters in Port Taranaki and its approaches as defined in the bylaw. Except as provided below, delegations for the Navigation Safety Bylaw 2019 are provided for in the Maritime Transport Act 1994 and the Bylaw itself.

- (a) Approve/refuse authority to temporarily suspend the application of reserved and restricted area under the Bylaws
- (b) Approve/refuse authority to temporarily reserve an area under the Bylaws
- (c) Determine, refund, remit or waive the whole or any part of any fee payable under the Bylaw
- (d) Revoke an authority granted under the Bylaw.

Is delegated to the Harbourmaster and Director–Resource Management.

### 8.2.2. River and Flood Control Bylaw 2021

The Taranaki River and Flood Control Bylaw 2021 establishes a range of responsibilities, obligations and rules for the purpose of river and flood control infrastructure managed or owned by the Taranaki Regional Council. Except as provided below, delegations for the Navigation Safety Bylaw 2019 are provided for in the Maritime Transport Act 1994 and the Bylaw itself.

The authority to:

- (a) Approve/refuse authority to carry out works under the Bylaw, including granting authority on such conditions as are considered appropriate
- (b) Determine, refund, remit or waive the whole or any part of any fee payable under the Bylaw for works carried out;
- (c) Revoke an authority granted under the Bylaw
- (d) Issue a notice to remedy noncompliance with the Bylaws
- (e) Authorize the removal of works and cost recovery as per Local Government Act 2002 delegations.

Is delegated to the Chief Executive and Director–Operations.

### 8.3. Building Act 2004

Refer to the document entitled *Building Act Manual-Non-Building Consent Authority Procedures for Dams, Dangerous Dams Policy 2006*, and the *Deed of Transfer of Building Consent Authority Functions*.

The Building Act 2004 (the Act) confers on regional authorities, functions, duties and powers in relation to dams.

The authority to:

- (a) Transfer one or more of the Council's functions, duties and powers in relation to dams (section 244 of the Act)
- (b) Make an application for registration as a Building Consent Authority (section 194 of the Act)
- (c) Appeal a decision of the CEO of the Ministry responsible for the administration of the Building Act 2004 (section 208 of the Act)
- (d) Request to change the scope of accreditation (section 252(4) of the Act)
- (e) Make submissions on a review of the regional authority (section 276(2)(b) of the Act)
- (f) Commence proceedings where an infringement notice has been issued (section 371(1))
- (g) Authorise officers to issue infringement notices (section 371B(2))
- (h) Informations for offences under the Act (section 377)
- (i) Making an application to the District Court for an injunction (section 381(1) and (2))
- (j) Make submission as an *interested person* to proposed Orders in Council or regulations (section 403(4)(b)).

Is delegated to the Chief Executive and the Director–Resource Management.

The initial decision to transfer functions under the Act (section 244) was made following appropriate processes under the LGA and consideration by the Council. Minor changes to this may be made by the Chief Executive.

The authority to:

- (a) Make the decision to take immediate action to remove danger (section 157(2) of the Act)
- (b) Require a person to carry out building work (section 220(1) of the Act)
- (c) To make an application to the District Council for an order in respect of building work required to be done (section 220(2) of the Act)
- (d) To seek recovery of costs associated with carrying out building work authorised under section 220(2) (section 220(4)(b) of the Act)
- (e) To destroy, sell, or otherwise dispose of any materials that result from carrying out building work authorised under section 220(2) (section 221(2)(a) of the Act)
- (f) To make a complaint about a licensed building practitioner (section 315(1) of the Act of the Act)
- (g) To make an application to the District Court for an injunction in respect of certain continuing breaches (section 381(1) of the Act).

Is delegated to the Chief Executive, the Director–Resource Management and the Compliance Manager.

To authority to:

- (a) Allow a period beyond 15 working days for a dam safety assurance programme re-audit (section 145(2) of the Act)
- (b) Decide whether a dam is dangerous in terms of section 153 (section 154(1) of the Act)
- (c) Make the decision to require actions specified in section 154(1) in relation to dangerous dams (section 154(1) of the Act)
- (d) Make the decision to apply to the District Court for an order enabling the regional authority to carry out building work (section 156(1) of the Act)
- (e) Make the decision to recover costs of regional authority undertaking building work in accordance with section 156(1) (section 156(3)(b) of the Act)
- (f) Make the decision to recover costs of regional authority taking action in accordance with section 157(2) (section 157(3)(b) of the Act)
- (g) Authorise officers to issue infringement notices under section 372 (section 229(1)(a) of the Act)
- (h) Commence proceedings where an infringement notice has been issued (section 371(2) of the Act)
- (i) Require further information where there has been an application for a project information memoranda (section 33(1)(b) or (c))
- (j) Re-issue a project information memoranda in certain circumstances (section 34(4))
- (k) Attach a development contribution notice to project information memoranda (section 36 of the Act)
- (l) Make the decision to issue a certificate of acceptance (section 96(1) and section 98(1) of the Act)
- (m) Specify the information that the regional authority “reasonably requires” to be lodged with an application for a certificate of acceptance (section 97(c) of the Act)
- (n) Require further information in relation to an application for a certificate of acceptance (section 98(2) of the Act)

- (o) Qualify a certificate of acceptance to the effect that only parts of the structure were able to be inspected (section 99(2) of the Act)
- (p) Specify the information that the regional authority “reasonably requires” to be lodged with an application for an amendment to a compliance schedule (section 106(3) of the Act)
- (q) Amend a compliance schedule in response to an application to do so (section 106(4) of the Act)
- (r) Make the decision to amend a compliance schedule on the regional authority's own initiative (section 107(2) of the Act)
- (s) Make the decision to accept a recommendation to amend a compliance schedule arising from the annual warrant of fitness (section 109(c) of the Act)
- (t) Require an owner of a dam to produce compliance schedule reports under section 110(a) (section 110(c) of the Act)
- (u) Make the decision to inspect dam or specified systems where a compliance schedule has been issued (section 111(1) of the Act)
- (v) Charge a fee for inspections under section 111(1) (section 111(2) of the Act)
- (w) Make the decision to allow the change of use of a dam (section 115 of the Act)
- (x) Make the decision to allow the extension of life of a dam (section 116(1) and (3) of the Act)
- (y) Make the decision to allow subdivision of land affecting a dam (section 116A of the Act)
- (z) Make the decision to approve a dam safety classification (section 136(1) of the Act)
- (aa) Allow a period beyond 15 working days for a dam safety classification re-audit (section 138(2) of the Act)
- (bb) Make the decision to approve a dam safety assurance programme (section 143(1) of the Act)
- (cc) Agree on the location of the dam safety assurance programme (section 148(a)(ii) of the Act)
- (dd) Make the decision that a notice to fix should be issued (section 164(1) of the Act)
- (ee) Make the decision that another authority should issue a notice to fix
- (ff) Determine a reasonable timeframe within which a notice to fix must be complied with (section 165(1)(b))
- (gg) Determine whether a notice to fix should include a requirement to apply for a certificate of acceptance or a building consent (or amendment to an existing building consent) (section 165(1)(c) and (d))
- (hh) Determine whether a notice to fix should include a direction to cease building work and, if so, determining if and when work is able to resume (section 165(1)(f) of the Act)
- (ii) Determine whether a notice to fix has been complied with (section 167(2) of the Act)
- (jj) Refuse to perform functions under the Building Act 2004 where fees, charges or levies are unpaid (section 240(2) of the Act).

Is delegated to the Chief Executive, the Director–Resource Management, the Consents Manager and the Compliance Manager.

#### **8.4. Land Transport Management Act 2003**

The Land Transport Management Act 2003 sets out the legal framework for managing and funding land transport activities. Through the Regional Transport Committee, the Council prepares a Regional Land Transport Plan. The Council also has responsibilities for public transport systems.

<b>Section</b>	<b>Function</b>	<b>Delegated to:</b>
116(2)	Duty of a regional council to contract for the provision of every unit on an exclusive basis.	Chief Executive Director- Corporate Services
121	Obligations regarding notification and provision of copies of plans.	Chief Executive Director- Corporate Services
127	Power to (1) require information from operators of public transport services, including patronage and fare revenue data and (2) disclose other data to a person who is registered by the regional council to tender for the provision of a unit.	Chief Executive Director- Corporate Services Transport Engagement Manager
128	Power to make decisions on the release of information and a duty to consult with relevant organisations.	Chief Executive Director- Corporate Services Transport Engagement Manager
129	Power to make decisions on release of information and duty to consult with organisation.	Chief Executive Director- Corporate Services Transport Engagement Manager
133	Authority to make decisions regarding the notification of a proposal to operate or vary exempt services.	Chief Executive Director- Corporate Services Transport Engagement Manager
134	Authority to decide on the grounds in section 134 to decline registration or variation of exempt services.	Chief Executive Director- Corporate Services Transport Engagement Manager
136	Authority regarding the registration of exempt services or variations to exempt services.	Chief Executive Director- Corporate Services Transport Engagement Manager
137	Authority to decide to deregister an exempt service and remove details of variations.	Chief Executive Director- Corporate Services Transport Engagement Manager



Section	Function	Delegated to:
138	Authority to undertake the process for deregistering exempt services or removing details of variations.	Chief Executive Director- Corporate Services Transport Engagement Manager
139	Authority to make decisions in relation to the withdrawal of exempt services	Chief Executive Director- Corporate Services Transport Engagement Manager
146, 147, 148 and 149	Authority to require a person to produce and inspect records. Authority to manage offences, including making decisions to initiate or withdraw a prosecution.	Chief Executive Director- Corporate Services

## 8.5. Maritime oil spill response and wreck removal–Maritime Transport Act 1994

Refer to the *Taranaki Marine Oil Spill Contingency Plan* for Council policy and procedure (including reporting and recording requirements) relating to marine oil response matters and the Navigation Safety Bylaws.

### 8.5.1. Appointment of Regional On-Scene Commander

Maritime NZ train and approve a person being a Regional On-Scene Commander (ROSC). The authority to appoint a ROSC for the Taranaki Region, under section 318 of the Maritime Transport Act, is delegated to the Chief Executive.

### 8.5.2. Abandoned ship and wrecks

The authority to deal with abandoned ships, under s 33L of the Act, and removing or dealing with wrecks, under s 33J, is delegated to the Chief Executive and the Harbour Master.

Note: the insurance amounts available to address wreck removal-refer to the Financial Services Manager.

### 8.5.3. Approval and monitoring of Tier One site plan documents

The Director of Maritime New Zealand has delegated to the Chief Executive the authority to:

- Grant application for issue of marine protection document in respect of approval of an oil transfer site marine oil spill contingency plan (site plan document) under rule 130B.16 of the marine protection rules for a site within the Taranaki region (section 270(1) of the Maritime Transport Act)
- Suspend or impose conditions on a site plan document for a site within the Taranaki region (section 272(1) of the Act)
- Suspend site plan document for a further period or impose further conditions (section 272(3) of the Act)
- Amend or revoke site plan document for a site within the Taranaki region as requested in writing by a holder of document (section 275(1)(a) of the Act)

- (e) Amend site plan document for a site within the Taranaki region to correct clerical errors or obvious mistake (section 275(1)(b) of the Act)
- (f) Amend or revoke site plan document for a site within the Taranaki region to reflect that privileges or duties relating to the document are no longer being carried out or able to be carried out (section 275(2) of the Act)
- (g) Require any person holding or required to hold a site plan document for a site within the Taranaki region to undergo, or carry out, inspections or audits relating to that plan or site (section 396(1) of the Act)
- (h) Carry out an inspection or audit in respect of any person holding or required to hold a site plan document for a site within the Taranaki region (section 396(2) of the Act)
- (i) Require information relevant to an inspection or audit of an oil transfer site within the Taranaki region (section 396(3)(a) of the Act).

Sub delegation of these powers requires the consent of the Director of Maritime New Zealand.

#### **8.5.4. Sub delegated powers to approve and monitor site plan documents**

The Chief Executive's delegated authority to approve and monitor site plan documents (those powers identified above) is sub delegated to the Regional On-Scene Commander.

Sub delegation of these powers requires the consent of the Director of Maritime New Zealand and will be reviewed every two years. Sub delegation cannot be further delegated. Sub delegated powers must not be exercised in any case where the delegate has a personal interest.

### **8.6. Civil Defence Emergency Management Act 2002**

The authority to represent the Council and act on its behalf on the Civil Defence Emergency Management Group (section 13 (1) of the Civil Defence Emergency Management Act 2002) is delegated to the Chairperson of the Council (or an elected member of Council approved by the Chairperson).

The Chief Executive (or a person acting on the Chief Executive's behalf) is a member of the Civil Defence Emergency Management Co-ordinating Executive Group.

The Civil Defence Emergency Management (CDEM) Group is a joint standing committee of all local authorities in Taranaki and is responsible for managing civil defence in the region. Every local authority must be a member of a Civil Defence Emergency Management Group.

The Civil Defence Emergency Management Co-ordinating Executive Group is responsible for:

- (a) Providing advice to the CDEM Group (and advisory groups) and implementing its decisions
- (b) Overseeing the development, implementation, monitoring and evaluation of the CDEM Group Plan.

### **8.7. Soil Conservation and Rivers Control Act 1941**

#### **8.7.1. Removal of obstructions, clearance of channels**

The authority to:

- (a) Determine to carry out or execute any works that the Council is empowered to undertake under the Soil Conservation and Rivers Control Act 1941 or any other Act

and exercise all the powers and authorities given to the Council by the Public Works Act 1981 (section 131)

- (b) Determine to undertake urgent work to meet an emergency in respect of any watercourse or defences against water under section 133 of the Soil Conservation and Rivers Control Act 1941
- (c) Determine to take action or do all such other matters provided for under section 135 of the Act
- (d) Approve giving notice to the relevant public body that works by the Council under the Act will interfere with a road, street, or footpath, or any other public work that the public body has control of (section 136).

Is delegated to the Chief Executive, the Director–Operations and the Rivers Manager.

The authority to consider and make decisions to take enforcement action under sections 153 and 154 of the Soil Conservation and Rivers Control Act 1941 in relation to any person preventing, obstructing or impeding the Council in carrying out any provisions of the Act or doing any work or thing authorised by the Act, is delegated to the Chief Executive.



**Date:** 18 October 2021

**Subject:** **Regional Sector Shared Services Organisation**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2890037

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### **Purpose**

1. The purpose of this memorandum is to provide an update on regional sector shared services organisation proposals.

### **Recommendations**

That the Taranaki Regional Council:

- a) notes the update on regional sector shared services organisation proposals.

### **Background/Discussion**

2. Regional councils and unitary authorities (the regional sector) are responding to an unprecedented period of challenge and change. Local government and resource management reform is occurring concurrently with implementation of new comprehensive freshwater regulations.
3. Internally, councils are struggling to attract and retain talent, while community expectations are increasing.
4. All of this is happening in the context of a global pandemic and climate change.
5. The sector has several resource sharing and collaboration programmes in place. Examples include the Special Interest Group (SIG) Network, EMAR/LAWA, Essential Freshwater Implementation Programme, the Regional Sector Office, the Sector Financial Management System and Regional Software Holdings Limited.
6. The relationship between councils in the regional sector is becoming stronger as we seek collective solutions to shared challenges. Kotahitanga (Unity) is a central theme of the Regional Sector Strategy and Business Plan.
7. The next evolutionary step is to consolidate existing collaboration programmes and put in place a fit-for-purpose structure that will enable the sector to respond quickly to shared issues and opportunities, while sharing cost and resources. Ultimately, doing more for less. This new structure will also support and enable shared services of larger scope, when it makes sense to do so.

8. There are initiatives in progress that may eventually require the creation of shared services. These include environmental data management, farm data management, consenting cubs, resource sharing, and IRIS Next Generation.
9. The regional sector intends to implement a regional sector shared services organisation. This will be a council controlled organisation based on the current Regional Software Holdings Limited model. The sector will consolidate existing collaboration and resource sharing activities under Regional Software Holdings Limited. Regional Software Holdings Limited already has much of the capability required for the shared services organisation.
10. The consolidated organisation will provide the platform for future strategic regional sector shared services initiatives.
11. Regional Software Holdings Limited is a not-for-profit council controlled organisation (CCO) that exists to help the regional sector achieve outcomes through collaboration and operate the IRIS Programme, the Sector Financial Management System and ReCoCo on behalf of the sector. Regional Software Holdings Limited's strategic focus is to deliver a broad scope of shared services to the regional sector. Owned by six regional councils, Regional Software Holdings Limited provides services to all organisations in the regional sector.
12. This change will have several benefits to councils in the regional sector, both collectively and individually. Primarily, councils can expect improved outcomes from investments in sector shared programmes. The change will increase the credibility of the sector as a trusted deliverer with a unified and consistent sector profile. The change will also reduce the lead-time for the implementation of shared services.
13. A review by PWC recommended using the current Regional Software Holdings Limited model, which will be expanded to create an organisation owned by all (or close to all) regional sector organisations. Ideally all regional councils and unitary.
14. Authorities will take a nominal shareholding in Regional Software Holdings Limited.
15. The business case recommends the creation of an organisation that all regional councils and unitary authorities will invest in, fairly sharing the benefits, costs, and risks of the investment. It is proposed that the new organisation would have a board of eight directors, appointed by the shareholding councils.
16. Based on the principle that benefit, cost and risk should be shared between councils that participate in any given project, large programmes will be contained within wholly owned trustee companies to partition benefit, cost, and risk. This simplifies asset and debt ownership.
17. It is expected that the management and administrative costs for the new organisation will be funded using existing funding for the Sector Office and the Regional Software Holdings Limited management and administration budget. As such, there will be no net increase in costs through participation in the CCO. The CCO model spreads the risks for any shared activities across the participating councils, mitigating and minimising the risk to individual councils. Regional Software Holdings Limited already has the necessary controls and processes in place to manage risk.
18. The Regional Sector Shared Services implementation project is in the initiation phase. Key activities under way include establishment of a steering group made up of Chief Executives and Regional Software Holdings Limited board members, confirmation of councils' intention to participate in the regional sector shared services organisation and detailed planning for implementation.

### **Financial considerations—LTP/Annual Plan**

19. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

### **Policy considerations**

20. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

### **Iwi considerations**

21. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan.

### **Community considerations**

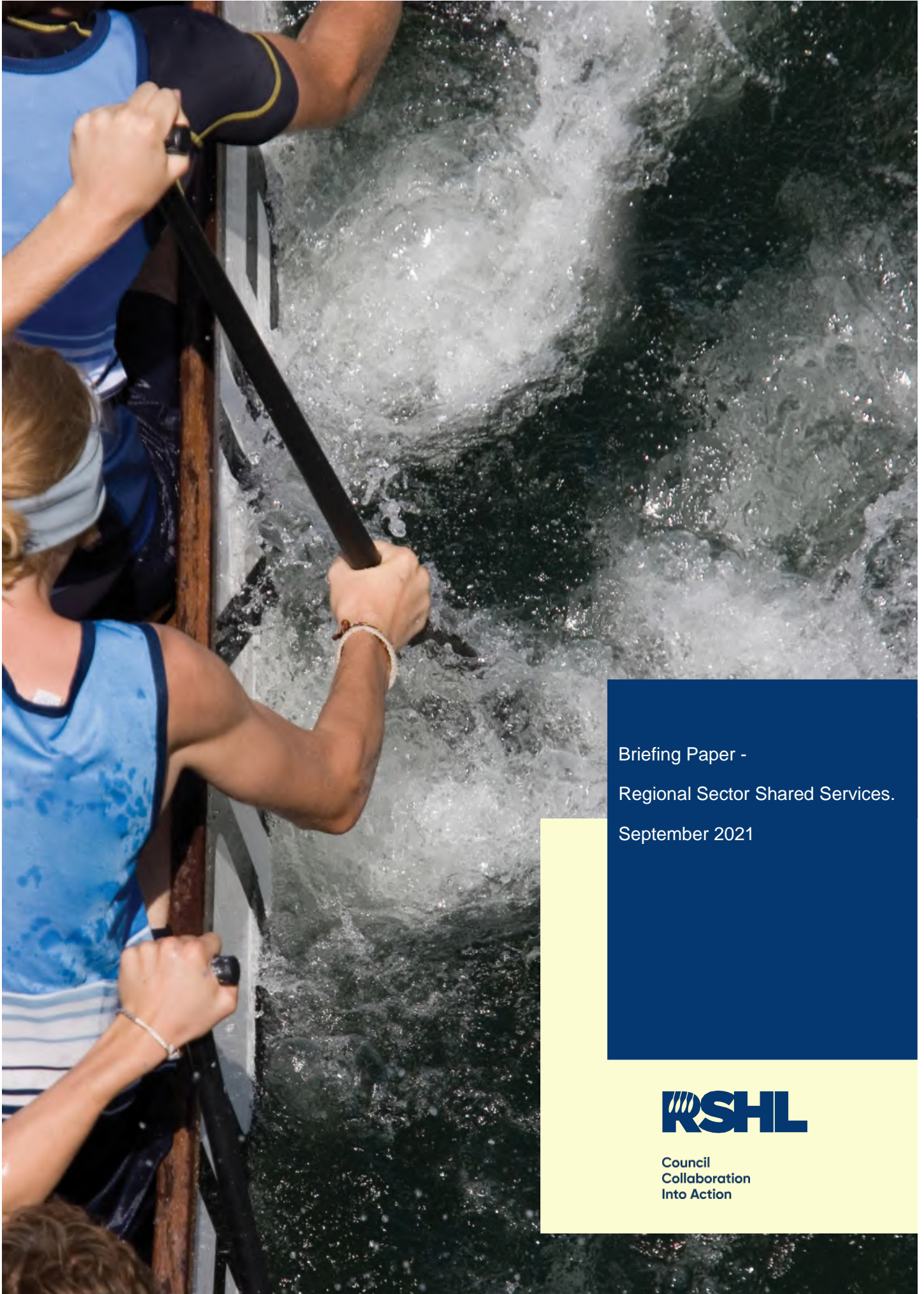
22. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

### **Legal considerations**

23. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

### **Appendices/Attachments**

Document 2883058: Regional Sector Shared Services Briefing Paper September 2021



Briefing Paper -  
Regional Sector Shared Services.  
September 2021



Council  
Collaboration  
Into Action

## Introduction

On the 3rd of August 2021 the Regional Chief Executive Officers Group approved a business case for the development of a Regional Sector Shared Services Organisation, passing the following resolutions:

- APPROVE the Regional Sector Shared Services Organisation Business Case.
- AGREE to the creation of a Regional Sector Shared Services Organisation.
- AGREE to allocate the sum of \$75k under the 2021-22 Sector Business Plan to develop the organisation.
- AGREE to seek a letter of intent from the 16 regional sector organisations to become a shareholder of the new organisation.

The purpose of this paper is to brief councils on this important initiative for the regional sector.

## Background

Regional Councils and Unitary Authorities (the regional sector) are responding to an unprecedented period of challenge and change. Local government and resource management reform is occurring concurrently with implementation of new comprehensive freshwater regulations. Internally, councils are struggling to attract and retain talent, while community expectations are increasing.

All of this is happening in the context of a global pandemic and climate change.

The sector has several resource sharing and collaboration programmes in place. Examples include the Special Interest Group (SIG) Network, EMAR/LAWA, Essential Freshwater Implementation Programme, the Regional Sector Office, the Sector Financial Management System and Regional Software Holdings Limited (RSHL).

The relationship between councils in the regional sector is becoming stronger as we seek collective solutions to shared challenges. Kotahitanga (Unity) is a central theme of the Regional Sector Strategy and Business Plan.

The next evolutionary step is to consolidate existing collaboration programmes and put in place a fit-for-purpose structure that will enable the sector to respond quickly to shared issues and opportunities, while sharing cost and resources. Ultimately, **doing more for less**.

This new structure will also support and enable shared services of larger scope, when it makes sense to do so.

There are several initiatives in progress that may eventually require the creation of shared services. These include Environmental Data Management, Farm Data Management, Consenting Hubs, Resource Sharing, and IRIS Next Generation.

The regional sector intends to implement a regional sector shared services organisation. This will be a Council Controlled Organisation<sup>1</sup> based on the current RSHL model. The sector will consolidate existing collaboration and resource sharing activities under RSHL. RSHL already has much of the capability required for the shared services organisation.

The consolidated organisation will provide the platform for future strategic regional sector shared services initiatives.

RSHL	<p>Regional Software Holdings Limited is a not-for-profit Council Controlled Organisation (CCO) that exists to help the regional sector achieve outcomes through collaboration and operate the IRIS Programme, the Sector Financial Management System and ReCoCo on behalf of the sector.</p> <p>RSHL's strategic focus is to deliver a broad scope of shared services to the regional sector.</p> <p>RSHL is currently owned by six Regional Councils but provides services to all organisations in the regional sector.</p>
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<sup>1</sup> A Council Controlled Organisation (CCO) is an entity in which local authorities control 50% or more of the voting rights or appoint 50% or more of the members of the governing body. A CCO can be a company, trust, partnership, incorporated society, joint venture, or other similar profit-sharing arrangement. The purpose of a CCO is to conduct commercial and non-commercial activities on behalf of local authorities.



### What are the drivers for change?

- Increased pressures from Central Government to input into, implement and deliver a broad range of reform packages.
- Changes to the shape and future of local government. These are posed in the form of the Resource Management Act reform and the Three Waters proposal. The Sector must consider how it is best placed to meet these challenges.
- Severe capacity and capability issues and competition between councils to attract and retain talent.
- Expectations from our communities for councils to do more with less.
- The need for the Sector to demonstrate that it can act cohesively to respond to a changing strategic landscape.

### How will this benefit councils?

This change will have several benefits to councils in the regional sector, both collectively and individually.

- Primarily, councils can expect improved outcomes from investments in sector shared programmes.
- The change will increase the credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
- The change will also reduce the lead time for the implementation of shared services.

A review by PWC recommended using the current RSHL model, which will be expanded to create an organisation owned by all (or close to all) regional sector organisations. Ideally all Regional Councils and Unitary Authorities will take a nominal shareholding in RSHL.

Recognising that not all councils will be able to complete the necessary steps to take a shareholding in RSHL immediately, the company will be structured in such a way as to allow councils to join when it is practical to do so.

### Governance and representation

The business case recommends the creation of an organisation that all regional councils and unitary authorities will invest in, fairly sharing the benefits, costs, and risks of the investment.

It is proposed that the new organisation would have a board of eight directors, appointed by the shareholding councils.

### Shared services framework

Based on the principle that benefit, cost and risk should be shared between councils that participate in any given project, large programmes will be contained within wholly owned trustee companies to partition benefit, cost, and risk. This simplifies asset and debt ownership.

### Cost and Risk

It is expected that the management and administrative costs for the new organisation will be funded using existing funding for the Sector Office and the RSHL Management & Administration budget. **As such there will be no net increase in costs to councils through participation in the CCO.**

The CCO model spreads the risks for any shared activities across the participating councils, mitigating and minimising the risk to individual councils. RSHL already has the necessary controls and processes in place to manage risk.

### Next Steps

The Regional Sector Shared Services implementation project is in the initiation phase. Key activities under way are:

- Establishment of a steering group made up of Chief Executives and RSHL board members.
- Confirmation of councils' intention to participate in the regional sector shared services organisation.
- Detailed planning for implementation.

We expect to provide further updates to councils by 30 October 2021.

If you would like further information, please contact Mark Donnelly, RSHL General Manager at [mark.donnelly@rshl.co.nz](mailto:mark.donnelly@rshl.co.nz).

Council  
Collaboration  
Into Action





**Date:** 18 October 2021

**Subject:** **2021/2022 Insurance Programme**

**Approved by:** M J Nield, Director - Corporate Services  
S J Ruru, Chief Executive

**Document:** 2891763

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### **Purpose**

1. The purpose of this memorandum is to inform Members on the placement of the 2021/2022 insurance programme.

### **Recommendations**

That the Taranaki Regional Council:

- a) notes the renewal and placement of insurance policies for 2021/2022.

### **Background**

2. The Council insures itself against various risks. The insurance programme runs from 1 July to 30 June of each year. Prior to the completion of each insurance year, the Council reconfirms the risks it wishes to insure against and the levels of cover it wishes to retain.
3. The four Taranaki Councils operate a shared service arrangement for the placement of the region's insurance needs. This acts as a bigger base to attract savings through economies of scale.

### **Discussion**

4. The insurance programme is largely unchanged from previous years, except for an increase in the material damage (commercial) policy deductible from \$5,000 to \$100,000. This was implemented due to no history of claims and to reduce premiums.
5. An increase in insurance costs has resulted from the liability policies as local government claims have been increasing. The insurance market has taken the view that the litigation environment has deteriorated causing insurers to increase liability premiums with many insurers not even prepared to offer terms. Motor vehicle insurance costs have also increased due to the Taranaki Councils claim performance during the 2020-2021 period.
6. The attached *Insurance Programme Schedule* outlines the full insurance programme for 2021/2022 including the coverage received, the insurance providers and costs.

**Financial considerations—LTP/Annual Plan**

7. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

**Policy considerations**

8. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

**Iwi considerations**

9. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted long-term plan and/or annual plan.

**Community considerations**

10. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

**Legal considerations**

11. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

**Appendices/Attachments**

Document 2891910: Insurance Premium Table 2021/2022

**Taranaki Regional Council**  
**2021/2022 Insurance Programme Schedule**

Policy	Sum Insured	Insurer	Deductible	2021/22 Premiums	2020/21 Premiums
Material Damage (Commercial)	\$43,391,985	QBE (Lead Insurer)	\$100,000, except for Natural Disaster: property after 1935 (2.5% site value), property pre 1935 (10% site value)	\$80,483	\$86,774
Material Damage (Residential)	\$3,170,000	QBE (Lead Insurer)	\$5,000, except for Natural Disaster: property after 1935 (5% site value), property pre 1935 (10% site value)	\$5,863	\$5,470
Business Interruption (consequent to damage to property insured by the material damage policy)	Additional Costs: \$10,000,000 shared limit (all Taranaki Councils)	QBE (Lead Insurer)	Various	\$618	\$591
Motor Vehicle	\$2,561,100	NZI	\$1,000	\$31,653	\$25,629
Personal Accident	Elected Members: \$50K Executive Positions: \$100K	AIG	Nil	\$600	\$600
Crime Insurance	\$500,000	QBE	\$25,000	\$9,300	\$7,750
Employers Liability	\$1,000,000 shared limit (all Taranaki Councils)	Vero	\$2,500	\$820	\$782
Statutory Liability	\$5,000,000 shared limit (all Taranaki Councils)	Vero	\$25,000 or \$75,000 for claims in respect of the Resource Management Act 1991	\$6,300	\$4,372
Hall Hirers Liability	\$1,000,000	Vero	\$500	\$2,000	\$764
Travel Insurance	Various	AIG	\$250	\$462	\$462
Marine Hull	\$50,300	Vero	\$2,500	\$690	\$690

Executive, Audit & Risk Committee - 2021/2022 Insurance Programme

Policy	Sum Insured	Insurer	Deductible	2021/22 Premiums	2020/21 Premiums
Cyber Risk	\$1,000,000	NZI	\$25,000	\$8,710	\$7,445
Public Liability, Professional Indemnity, Harbourmasters and Wreck Removal	Public Liability/Professional Indemnity: \$300,000,000, Harbourmasters: \$20,000,000, Wreck Removal: \$5,000,000	London Insurance Market	Public Liability: \$5,000, Professional Indemnity: \$10,000, Harbourmasters/Wreck Removal: \$25,000	\$45,634	\$33,803
Environmental Impairment Liability	\$1,000,000	London Insurance Market	\$25,000	\$1,820	\$1,820

## **Executive, Audit & Risk Committee Public Excluded**

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Executive, Audit and Risk Committee Meeting on Monday 18 October 2021 for the following reason/s:

### **Item 11 - Public Excluded Minutes – 13 September 2020**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.*

### **Item 12 – Yarrow Stadium Plus: Project Steering Group Report**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.*