



Our reference  
F19/13/03-D21/26182

5 December 2024

**Ordinary Meeting of Council**

Notice is hereby given that the Policy and Services Committee Meeting will be held in the **Function Facility, War Memorial Centre, Miranda Street, Stratford** on **Tuesday 10 December 2024** beginning at **3.00 pm**.

**Timetable for 10 December 2024 as follows:**

1.00pm	Workshop <ul style="list-style-type: none"><li>- Tapuae Roa – Regional Economic Development</li><li>- Three Waters</li></ul>
3.30pm	Ordinary Meeting

Yours faithfully

Sven Hanne  
**Chief Executive**

# 2024 - Agenda - Ordinary - December - Open

10 December 2024 03:30 PM



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# AGENDA

## Ordinary Meeting of Council



F22/55/05 – D24/54609

Date: 10 December 2024 at 3.30 PM

Venue: War Memorial Centre, 55 Miranda Street, Stratford

1. Welcome

- 1.1 Opening Karakia  
D21/40748 Page 8
- 1.2 Health and Safety Message  
D21/26210 Page 9

2. Apologies

3. Announcements

4. Declarations of Members Interest

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda.

5. Attendance Schedule

Page 10

Attendance schedule for Ordinary and Extraordinary Council meetings.

6. Confirmation of Minutes

**6.1 Ordinary Meeting of Council – 12 November 2024**

PE D24/54610 Open D24/52016 Page 11

**Recommendation**

THAT the minutes of the Ordinary Meeting of Council held on Tuesday 12 November 2024 be confirmed as a true and accurate record.

/  
Moved/Seconded

**6.2 Audit and Risk Committee – 19 November 2024**

D24/53107 Page 18

**Recommendations**

- 1. THAT the unconfirmed minutes of the Audit and Risk Committee meeting held on Tuesday 19 November 2024 be received.
- 2. THAT the recommendations in the minutes of the Audit and Risk Committee meeting held on Tuesday 19 November 2024 be adopted.

/  
Moved/Seconded

**6.3 Policy and Services Committee – 26 November 2024**  
D24/53930 Page 25

**Recommendations**

1. THAT the unconfirmed minutes of the Policy and Services Committee meeting held on Tuesday 26 November 2024 be received.
2. THAT the recommendations in the minutes of the Policy and Services Committee meeting held on Tuesday 26 November be adopted.

/  
Moved/Seconded

**7. District Mayor's Report**  
D24/50188 Page 32

**Recommendation**

THAT the report be received.

/  
Moved/Seconded

**8. Information Report – Solid Waste Analysis Protocol (SWAP) Survey**  
D24/54032 Page 36

**Recommendations**

THAT the report be received.

/  
Moved/Seconded

**9. Information Report – Percy Thomson Trust – Annual Report 2023/24**  
D24/52987 Page 46

**Recommendation**

THAT the Percy Thomson Trust Annual Report for the year ended 30 June 2024 be received.

**Recommended Reason**

The Percy Thomson Trust is a Council Controlled Organisation of the Stratford District Council and the audit of their Annual Report for the year ended 30 June 2024 was completed by Deloitte.

/  
Moved/Seconded

10. Decision Report – Adopt Annual Report 2023/24

D24/52989 Page 73

**Recommendations**

1. THAT the report be received.
2. THAT the Annual Report 2023/24 be received and approved for adoption, subject to any further changes as requested by Deloitte, the independent auditors.
3. THAT the Mayor and the Chief Executive be given authority to sign the Annual Report, incorporating any late, minor, changes that may be required by Deloitte.
4. THAT the Chief Executive be authorised to publish an audited Summary Annual Report within one month of adopting the Annual Report 2023/24.

**Recommended Reason**

Section 98(3) of the Local Government Act 2002 requires Council to adopt the Annual Report 2023/24 by 31 October 2024. However Council resolved to delay the adoption to 31 December 2024, as an extension was granted as a result of the Water Services Acts Repeal Act 2024. The audited Annual Report gives the community transparency on the Council's performance for the year. It is a statutory requirement for a local authority to, within one month after the adoption of its Annual Report; make publicly available a summary of the information contained in its Annual Report.

/  
Moved/Seconded

11. Decision Report – Americarna 2025 – Proposed Road Closures

D24/44575 Page 253

**Recommendations**

1. THAT the report be received.
2. THAT pursuant to Section 342(1) (b) in accordance with Schedule 10 clause 11(e) of the Local Government Act 1974, approval is hereby given that the Stratford District Council proposes to close the following roads on Friday 21 February 2025, between the hours of 7.00am and 3.00pm for the purpose of the 2025 Americarna event.
  - SH3 Broadway between Seyton Street and Fenton Street.
  - Regan Street between Miranda Street and Juliet Street between the hours of 7am to 3:00pm
  - Miranda Street between the Seyton Street and Fenton Street.
3. THAT the Council approves the alternative routes detailed below:
  - **Southbound traffic** – Left into Seyton Street, right into Juliet St, left on to Celia and right on to Orlando, continue along Orlando Street, on to Hills Road, returning to SH3.
  - **Northbound traffic** – Left onto Fenton St, right into Portia St, continue to Pembroke Road, turn right on Pembroke Road and rejoin SH3.

**Recommended Reason**

In order for the Stratford Business Association to host Americarna, it is necessary to close the roads listed above for safety reasons and for the participants to exhibit their vehicles via a static display. The proposed road closures require formal endorsement by a Council resolution.

/  
Moved/Seconded

12. Decision Report – Policy Reviews – December 2024  
D24/54679 Page 264

**Recommendations**

1. THAT the report be received.
2. THAT the following, updated and new policies, being the:
  1. Child Protection Policy
  2. Mayor’s Relief Fund Policy

be adopted.

2. THAT the following policies, being the:
  1. Petitions in Council Buildings Policy
  2. Conferences, Seminars, Tours Policy

be withdrawn.

**Recommended Reason**

This is part of council’s rolling review of policies. Policies require review from time to time to ensure they still reflect current legislation and best practice, as well as elected members’ views and meet the business needs of the organisation. Any policies recommended for withdrawal have either been found to be not required, amalgamated into an existing policy or replaced by a new policy as outlined in the body of this report.

/  
Moved/Seconded

13. Decision Report – Percy Thomson Trust - Letter of Expectation  
D24/55309 Page 287

**Recommendations**

1. THAT the report be received.
2. THAT elected members determine to present Percy Thomson Trust with a Letter of Expectations for the 2025/2026 financial year.
3. THAT elected members adopt the attached Letter of Expectations

**Recommended Reason**

Elected Members have voiced concerns regarding certain areas of Percy Thomson Trust’s performance and operations for some time now. A Letter of Expectations is the appropriate mechanism for a council to express its expectations to a council controlled organisation.

/  
Moved/Seconded

14. Questions

15. Closing Karakia  
D21/40748 Page 293

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**Our reference**  
F19/13/03-D21/40748

**Karakia**

Kia uruuru mai  
Ā hauora  
Ā haukaha  
Ā haumāia  
Ki runga, Ki raro  
Ki roto, Ki waho  
Rire rire hau Paimārire

I draw in (to my being)  
The reviving essence  
The strengthening essence  
The essence of courage  
Above, Below  
Within, Around  
Let there be peace.





**Our reference**  
F19/13/03-D22/17082

### **Health and Safety Message**

In the event of an emergency, unless guided to an alternative route by staff, please exit through the main entrance. Once outside the building please move towards the War Memorial Centre congregating on the lawn area outside the front of the council building.

If there is an earthquake, please drop, cover and hold where possible. Remain indoors until the shaking stops and you are sure it is safe to exit or remain where you are until further instruction is given.

**5. Attendance schedule for 2024 Ordinary and Extraordinary Council meetings.**

Date	13/02/24	12/03/24	9/04/24	14/05/24	20/06/24	25/06/24	11/06/24	9/07/24	23/07/24	13/08/24	10/09/24	8/10/24	12/11/24	10/12/24
<b>Meeting</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>E</b>	<b>E</b>	<b>O</b>	<b>O</b>	<b>E</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>	<b>O</b>
Neil Volzke	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(AV)	✓	
Steve Beck	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Grant Boyde	✓	✓	✓	✓	✓	✓	✓	✓	A	A	✓	✓	A	
Annette Dudley	✓	✓	✓	✓	✓	✓	A	✓	✓	✓	✓	(AV)	✓	
Jono Erwood	✓	A	✓	✓	✓	✓	✓	✓	✓	✓	A	✓	✓	
Ellen Hall	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Amanda Harris	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Vaughan Jones	✓	✓	✓	✓	✓	✓	✓	✓	✓	A	✓	✓	✓	
Min McKay	✓	✓	✓	✓	✓	✓	✓	A	✓	✓	✓	✓	✓	
John Sandford	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Clive Tongaawhikau	✓	A	A	A	A	✓	A	✓	✓	✓	✓	A	A	
Mathew Watt	✓	✓	✓	✓	A	✓	✓	✓	✓	✓	A	✓	✓	

Key	
O	Ordinary Meeting
E	Extraordinary Meeting
EM	Emergency Meeting
✓	Attended
A	Apology/Leave of Absence
AB	Absent
S	Sick
(AV)	Meeting held, or attended by, by Audio Visual Link

# MINUTES

## Ordinary



**Date:** 12 November 2024 at 3.30 PM

**Venue:** Council Chambers, 63 Miranda Street, Stratford

### Present

The District Mayor N C Volzke (the Chairperson), The Deputy Mayor M Mckay, Councillors: S J Beck, J M S Erwood, V R Jones, A M C Dudley, A K Harris, E E Hall, W J Sandford and M J Watt.

### In attendance

The Chief Executive – Mr S Hanne, the Director – Assets – Mrs V Araba, the Director – Environmental Services – Mr B Sutherland, the Acting Director – Corporate Services – Mrs C Craig, the Acting Director – Community Services – Mrs E Bishop, the Committee Secretary – Ms E Coulton, the Roading Asset Manager – Mr S Bowden, the Planner – Environmental Services – Ms C Marner, one member of the Media (Stratford Press) and 6 members of the public.

#### 1. Welcome

The Deputy Mayor welcomed Elected Members, members of the public, staff and the media to the meeting.

The opening karakia was read.

The Deputy Mayor reiterated the health and safety message and emergency procedures.

#### 2. Apologies

An apology was received from Councillor C M Tongaawhikau and an approved leave of absence for Councillor G W Boyde.

### Recommendation

THAT the apologies be received.

VOLZKE/HARRIS  
Carried  
CL/24/133

#### 3. Announcements

There were no announcements.

#### 4. Declarations of Members Interest

Elected members to declare any real or perceived conflicts of interest relating to items on this agenda. There were no conflicts of interests declared.

#### 5. Attendance Schedule

The attendance schedule for Ordinary and Extraordinary Council meetings was attached.

6. Confirmation of Minutes

**6.1 Ordinary Meeting of Council – 8 October 2024**

**Recommendation**

THAT the minutes of the Ordinary Meeting of Council held on Tuesday 8 October 2024 be confirmed as a true and accurate record.

ERWOOD/JONES  
Carried  
CL/24/134

The Committee Secretary undertook to make the following amendments:

- Councillor Jones is missing from the attendance list.

**6.2 Executive Committee – 11 October 2024**

As these minutes were public excluded, it was agreed to move into public excluded to discuss the minutes at the end of this meeting.

**6.3 Policy and Services Committee – 22 October 2024**

**Recommendations**

1. THAT the unconfirmed minutes of the Policy and Services Committee meeting held on Tuesday 22 October 2024 be received.

McKAY/HALL  
Carried  
CL/24/135

2. THAT the recommendations in the minutes of the Policy and Services Committee meeting, including those in the public excluded section, held on Tuesday 22 October 2024 be adopted.

SANDFORD/JONES  
Carried  
CL/24/136

**6.4 Sport New Zealand Rural Travel Fund Assessment Committee – 5 November 2024**

**Recommendations**

1. THAT the unconfirmed minutes of the Sport NZ Rural Travel Fund Committee meeting held on Tuesday 5 November 2024 be received.

HARRIS/ERWOOD  
Carried  
CL/24/137

2. THAT the recommendations in the minutes of the Sport New Zealand Rural Travel Fund Committee meeting held on Tuesday 5 November 2024 be adopted.

HARRIS/McKAY  
Carried  
CL/24/138

1 member of the public joined the meeting at 3.39 pm.

Councillor Harris noted the following:

- This round of applications has been quiet with only 2 applications coming forward for consideration.
- They have been allocated \$9,500 per year for the next 4 years and we should encourage our district to take advantage of the allocation.

**6.5 Taranaki Solid Waste Management Committee – 22 August 2024**

**Recommendation**

THAT the unconfirmed minutes of the Taranaki Solid Waste Management Group Committee meeting held on Tuesday 22 August 2024 be received.

McKAY/ERWOOD  
Carried  
CL/24/139

- The District Mayor noted that only 2 members were present of the last meeting, he questioned if this is sufficient requirements to form a quorum. The Deputy Mayor noted that this meeting was the week of the LGNZ conference hence the lack of attendees, she also noted that upon reading the minutes she too had that thought as she was under the impression they had to have 3 members present to have a quorum. It was noted that the Deputy Mayor will address at the upcoming meeting on Thursday.

**6.6 Taranaki Emergency Management Group Joint Committee – 5 September 2024**

**Recommendation**

THAT the unconfirmed minutes of the Taranaki Emergency Management Group Joint Committee meeting held on Tuesday 5 September 2024 be received.

VOLZKE/HARRIS  
Carried  
CL/24/140

The District Mayor noted:

- There was nothing out of the ordinary discussed at this meeting and it was business as usual.

**6.7 Regional Transport Committee – Thursday 12 September 2024**

**Recommendation**

THAT the unconfirmed minutes of the Regional Transport Committee held on Thursday 12 September 2024 be received.

VOLZKE/HALL  
Carried  
CL/24/141

The District Mayor noted:

- The Speed Management Plan was discussed with proposed changes, he noted that elected members will hear more about this in due course at the next Policy and Services meeting.

7. District Mayor's Report

**Recommendation**

THAT the report be received.

VOLZKE/SANDFORD  
Carried  
CL/24/142

The District Mayor noted the following:

- Te Korowai o Ngāruahine's development of the residential building on Juliet Street has begun. He noted that they intend to renovate the existing building and have up to 25 rooms for displaced members of the community and transitional housing. This project is self-funded and run by Ngāruahine.
- A letter was received from Living Streets Aotearoa giving the council positive reinforcement about the upgrade to the Broadway pedestrian crossing. He noted that it is great to get an outside perspective and that several similar positive letters have been received from various outside parties.

8. Decision Report – Proposed Road Closure for the 2024 Christmas Parade

**Recommendations**

1. THAT the report be received.  

McKAY/BECK  
Carried  
CL/24/143
2. THAT pursuant to Section 342(1) (b) in accordance with Schedule 10 clause 11(e) of the Local Government Act 1974, approval is hereby given that the Stratford District Council closes the following roads on Friday 6th December 2024, between the hours of 4.30pm and 7.30pm for the purpose of the 2024 annual Christmas Parade.
  - Miranda Street between Regan Street and Fenton Street
  - Fenton Street between Portia Street and Juliet Street
  - Broadway (State Highway 3) between Seyton Street and Page Street
3. THAT Council approves the use of Seyton Street, Juliet Street, Celia Street, Orlando Street and Hills Road as the alternative route for SH3 traffic for both northbound and southbound traffic, whilst the Christmas Parade is in progress.

ERWOOD/HALL  
Carried  
CL/24/144

**Recommended Reason**

In order for the Stratford Business Association to hold its annual Christmas Parade, it is necessary to close the roads listed above. The proposed road closures require formal endorsement by a Council resolution.

9. Decision Report – Ordering of Candidate Names for Local Elections 2025

<p><b>Recommendations</b></p> <p>1. <u>THAT</u> the report be received.</p> <p style="text-align: right;">DUDLEY/HALL Carried <u>CL/24/145</u></p> <p>2. <u>THAT</u> Council resolves to adopt either:</p> <p style="padding-left: 40px;">(i) The alphabetical order of candidate names; or <del>(ii) The pseudo-random order of candidate names; or</del> <del>(iii) The random order of candidate names,</del></p> <p style="padding-left: 40px;">to be displayed on the voting documents for the 2025 triennial election, as permitted under regulation 31 of the Local Electoral Regulations 2001.</p> <p style="text-align: right;">McKAY/ERWOOD <i>8 for 2 against</i> Carried <u>CL/24/146</u></p>
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The Chief Executive noted:

- This report is one of multiple reports set to be discussed in regards to the upcoming local election. This report discusses in what way do elected members see most appropriate to have candidates' names arranged on the ballots. The default way is alphabetical, however we have the option to also do Pseudo- Random which would create a random list to be printed on the ballot or True-Random which would create a different random list on each ballot – therefore making each ballot candidate ordering different.

Points noted in discussion:

- Councillor Beck noted that he does not see an issue with alphabetical ordering and should stay as is. The Deputy Mayor noted that she is also in support of leaving as is, she emphasised that voters typically utilise an alphabetical system to look at candidates and it is a typical system used.
- Councillor Jones questioned what system has been used in the past. The Chief Executive noted that typically SDC uses alphabetical. Councillor Jones questioned if there are any extra associated costs with the options. The Chief Executive noted that there is no additional costs associated with any options. Councillor Jones expressed that he is in favour of randomising.
- Councillor Sandford noted that he believes that the order of candidates' names does not matter as the best candidates get through regardless. He emphasised that alphabetical minimises voters confusion. Councillor Erwood agreed.
- The District Mayor noted that he has been a long time supporter of changing from alphabetical to random and would like to see a random approach taken.

10. Public Forum Response

- **Sport Taranaki**

Acknowledgement and thanks to the organisation for taking the time to provide us with updates.

- **Stratford Park**

Acknowledgement and thanks to the organisation for taking the time to provide us with updates. Councillor Sandford noted that we should encourage them to come on a more regular basis to keep the updates consistent.

11. Questions

- Councillor Sandford questioned if there is a policy or by-law that restricts the selling of fireworks by outside of Stratford retailers that park on the side of the street. The Director - Environmental Services noted that we do not have any way of restricting this currently and they are within their right to do so.

6 members of the public & the member of the media left the meeting at 4.04pm

12. Resolution to Exclude the Public

**Recommendation**

THAT the public be excluded from the following parts of the proceedings of this meeting, namely: Agenda Item No: 6.2

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

General subject of each matter to be considered	Reason for passing this resolution to each matter	Grounds under section 48(1) for the passing of this resolution
Confirmation of Minutes – Executive Committee (Purchase of land)	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 and to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	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 for which good reason for withholding would exist, under section 6 and section 7 of the Act - specifically Section 7(2)(b)(ii) and Section 7(2)(h). (Section 48(1)(a) Local Government Official Information and Meetings Act 1987.

ERWOOD/HALL  
Carried  
CL/24/147

**6.2 Executive Committee – 11 October 2024**

**Recommendation**

THAT the minutes of the Executive Committee meeting held on Tuesday 11 October 2024, including the public excluded section, be confirmed as a true and accurate record

VOLZKE/ERWOOD  
Carried  
CL/24/148



**Recommendation**

THAT the open meeting resume.

VOLZKE/SANDFORD  
Carried  
CL/24/149

13. Closing Karakia

The closing Karakia was read.

The meeting closed at 4.27 pm

# MINUTES

## Audit and Risk Committee



F22/55/06 – D2453107

**Date: Tuesday 19 November 2024 at 2pm**  
**Venue: Council Chambers, 63 Miranda Street, Stratford**

### Present

Mr P Jones (the Chair), the District Mayor N C Volzke, the Deputy Mayor M McKay, Councillors: G W Boyde, J M S Erwood, and V R Jones.

### In attendance

Councillors: S J Beck, A M C Dudley, E E Hall, A K Harris, C M Tongaawhikau and W J Sandford.

The Chief Executive – Mr S Hanne, the Acting Director – Corporate Services – Mrs C Craig, the Director – Environmental Services – Mr B Sutherland, the Acting Director – Community Services – Mrs E Bishop, the Acting Committee Advisor and Executive Assistant – Mrs Carissa Reynolds the Project Manager – Mr S Taylor, the Audit and Risk Advisor – Mrs T Radich, the Communications Manager – Ms G Gibson, and one member of the media (Stratford Press).

#### 1. Welcome

The opening karakia was read.

The Chair welcomed the District Mayor, Councillors, staff and the media to the meeting.

The Chair reiterated the health and safety message and emergency procedures.

#### 2. Apologies

An apology was noted from Councillor M J Watt.

#### 3. Announcements

There were no announcements

#### 4. Declarations of Members Interest

The Chair requested councillors to declare any real or perceived conflicts of interest relating to items on this agenda.

There were no conflicts of interest declared.

#### 5. Attendance Schedule

Attendance schedule for Audit and Risk Committee meetings was attached.

6. Programme of Works  
D21/42807 Page 10

**Recommendation**

THAT the Audit and Risk Committee's rolling programme of works up to September 2025 be received.

P JONES/ERWOOD  
Carried  
A&R/24/44

The Audit and Risk Advisor noted:

- The internal Audit for 2024 has been cancelled due to internal resources. It is expected to resume in 2025. It was clarified that this is a self-imposed requirement to conduct an internal audit.
- The Chair requested that the water delivery options covered during the workshop should be highlighted in the March Audit and Risk meeting. Mr Hanne agreed this would be beneficial.

7. Confirmation of Minutes

7.1 Audit and Risk Committee – 17 September 2024  
D24/44750 Page 12

**Recommendation**

THAT the minutes of the Audit and Risk Committee Meeting held on Tuesday 17 September 2024 be confirmed as a true and accurate record.

BOYDE/P JONES  
Carried  
A&R/24/45

8. Matters Outstanding  
D18/27474 Page 38

**Recommendation**

THAT the matters outstanding be received.

P JONES/McKAY  
Carried  
A&R/24/46

9. Information Report – Health, Safety and Wellbeing  
D24/49599 Page 39

**Recommendation**

THAT the report be received.

McKAY/BOYDE  
Carried  
A&R/24/47

The Chief Executive noted the following:

- Incidents have been lower than normal this quarter.

Questions/Points of Clarification:

- Councillor Boyde noted at the previous meeting he mentioned the lone worker devices, is there a safety protocol in place, as it was reported not a lot of people are using the devices. Mr Hanne advised the devices are still available, however they are not the only tool available to staff. Staff make informed decisions depending on where they are going to whether to use them or not. He advised both neighbouring Councils are working through similar reviews on Lone Worker solutions now, so it would be prudent to wait for their decisions.
- The Chair noted site health and safety audits are on hold and questioned if it is possible for the project/asset manager to do this. Mr Hanne advised this is already happening, however this is not reported through to the Audit and Risk Committee but can be done in the future.

10. Information Report – Risk Management  
D24/51841 Page 43

**Recommendation**

THAT the report be received.

**Recommended Reason**

To provide an update to the Audit and Risk Committee of any risk events or threats in relation to significant risks on Council's risk register, as part of Council's risk management processes.

ERWOOD/P JONES  
Carried  
A&R/24/48

The Audit and Risk Advisor noted the following:

- This report covers some risks which are actively managed but not covered by the risk register.

Questions/Points of Clarification:

- Councillor Hall questioned how security measures at the old pool are funded. It was advised comes out of the day to day operational budget.
- Councillor Boyde noted his concern of the work that the Chief Executive is doing over and above his current role. He questioned if it is a risk for Council if he is 'getting down in the weeds' rather than managing at a high level, and he is also concerned about the burn out of Elected Members only staff member. Mr Hanne advised it is normal for him to have operational parts to his day, but noted he is currently doing more than he normally would, however it is normal for people to take on more tasks when there are vacancies.

11. Information Report – Capital Works Programme – Key Projects Update  
D24/50322 Page 48

**Recommendation**

THAT the report be received.

**Recommended Reason**

To provide an update on the progress of our main capital projects for the 2024/25 financial year and assess Council's ability to complete them on time and within budget.

BOYDE/V JONES  
Carried  
A&R/24/49

The Projects Manager noted the following:

- The incorrect appendix was attached to the report, the correct attachment was tabled.

Questions/Points of Clarification:

- The Chair advised one thing missing from 4.2 is significant public interest.

12. Information Report – Policies Status – Annual Review  
D24/50982 Page 59

**Recommendation**

THAT the report be received.

**Recommended Reason**

This report provides an update to the Committee on the review status for all external-facing Council policies.

McKAY/ERWOOD  
Carried  
A&R/24/50

The Chief Executive noted the following:

- There are still overdue policies but the number of these have been reduced. The introduction of a new part time role will address this issue by managing the current policies, new policies and managing legislative changes.

Questions/Points of Clarification:

- The Chair questioned if the Procurement Policy will come through this committee. It was noted there was an Audit and Risk workshop on the policy and the plan was to take it to the Policy and Services Committee for feedback. Mr Hanne advised it was currently on hold until the Director – Corporate Services started. The Chair advised his recommendation would be to have the risks identified in the policy listed and advised how they have been addressed.

13. Information Report – Annual Report 2023/24 - Update

D24/50322 Page 69

**Recommendation**

THAT the report be received.

THAT the Committee review the performance results presented in the draft Annual Report 2023/24, and consider the potential for risks within the information presented.

**Recommended Reason**

The Audit and Risk Committee is responsible for providing oversight of compliance with statutory responsibilities relating to financial requirements and to exercise due diligence in the accuracy of financial information and reporting.

McKAY/BOYDE  
Carried  
A&R/24/51

Questions/Points of Clarification:

- The Chair questioned if there are any outstanding issues with the auditors. The Acting Director – Corporate Services advised any queries from the auditors have been addressed as they come in.
- The Mayor noted on page 78 of the agenda it mentions Ngā Kaiwhakatere o Taranaki, however he does not believe this should be included as this group has not worked together in the last 12 months.
- The Chair questioned how difficult the revaluations have been compared to previous revaluations. Mr Hanne noted the valuation was fairly straightforward, and the roading valuation went through auditors well, however the waters revelation has had a few questions from auditors where Council has had to be in the middle of the auditors and the valuers. It was discussed that while the auditors questioned the valuations, if they had the same local knowledge as the valuers.
- Councillor Harris questioned if Council had similar issues with Audit NZ. Mrs Craig advised there are always issues with auditors, however this is on a new level. Councillor Harris noted this all adds up to hours on the auditors books, Mr Hanne noted the bill from the valuer will also be higher because of this.
- The Chair advised when revaluations are not done fair value assessments need to be used, he noted some auditors are questioning these as if they are revaluations and a conversation is required with the Office of the Auditor General as to what risk is trying to be managed here. He advised he and some of his colleagues are meeting in Wellington and this will be on the agenda.

14. Information Report – Three Waters Reforms – State of Play and current developments

D24/48561 Page 215

**Recommendation**

THAT the report be received.

**Recommended Reason**

This report is for information purposes only but gives elected members insight into the current state of three waters including current and future legislative changes as well as regional discussions regarding potential shared delivery models.

McKAY/ERWOOD  
Carried  
A&R/24/52

The Chief Executive noted the following:

- While this subject has been discussed, this report is taking a risk approach to the subject matter.
- The risks in item five are outside of the corporate risk register.

Questions/Points of Clarification:

- The District Mayor requested to stop referring to this as Three Waters, it is Local Water Done well, by referring to it as Three Waters old arguments are going to be conjured up. Mr Hanne noted he will take that into account, however in the industry the services are called three waters.
- The Chair requested now that the template has been created it would be nice for the risks to come back to the next meeting and to ascertain if they have increased or decreased and if there are new risks.

15. Decision Report – Review Risk Management Policy

D24/51083 Page 222

**Recommendation**

1. THAT the report be received.
2. THAT the amended Risk Management Policy be reviewed and approved.

**Recommended Reason**

The Policy is due for review, and was last reviewed in August 2021.

BOYDE/McKAY  
Carried  
A&R/24/52

Questions/Points of Clarification:

- The Chair questioned when this policy is going to be reviewed. The Audit and Risk Advisor advised it is due for review in 2027, however it can be called for a review at any time. The Chair noted a review is probably needed post-election and post-election some key things may need to be looked at also.
- Councillor Boyde noted on page 227 Insurance Management has been removed, he questioned if anything would be put in its place. The Audit and Risk Advisor noted this responsibility has been moved to the Senior Leadership Team.

16. Correspondence

There was no correspondence.

17. General Business

There was no general business

18. Questions

There were no questions.

19. Closing karakia

The closing Karakia was read.

*The Meeting closed at 3.10pm.*

P Jones  
**Chairman**

Confirmed this 18<sup>th</sup> day of March 2025.

N C Volzke  
**District Mayor**



# MINUTES

## Policy and Services Committee



F22/55/06 – D24/53930

**Date: Tuesday 26 November 2024 at 3.00pm**  
**Venue: Council Chambers, 63 Miranda Street, Stratford**

### Present

The Deputy Mayor – M McKay (the Chairperson), the District Mayor N C Volzke, Councillors: S J Beck, A K Harris, E E Hall, A M C Dudley, W J Sandford, V R Jones, G W Boyde and M J Watt.

### In attendance

The Chief Executive – Mr S Hanne, the Director – Assets – Mrs V Araba, the Acting Director - Corporate Services – Mrs C Craig, the Acting Director – Community Services – Mrs E Bishop, the Director – Environmental Services – Mr B Sutherland, the Committee Secretary – Ms E Coulton, the Roading Asset Manager – Mr S Bowden, the Parks and Projects Manager – Mr S Taylor, the Communications Manager – Ms G Gibson, the Community and Economic Development Manager – Ms S Azal (*part meeting*), the Community Development Officer – Ms L Browne (*part meeting*), the Community Engagement and Development Lead – Ms A Cranne (*part meeting*), the General Manager Economic Development - Venture Taranaki – Ms J Patterson and one member of the media (Stratford Press).

### 1. Welcome

The opening karakia was read.

The Deputy Mayor welcomed the Chief Executive, Councillors, staff, and the media.

The Deputy Mayor reiterated the health and safety message and emergency procedures.

### 2. Apologies

An apology was received from Councillor C M Tongaawhikau and an approved leave of absence noted for Councillor J M S Erwood.

#### Recommendation

THAT the apologies be received.

DUDLEY/HARRIS  
Carried  
P&S/24/254

### 3. Announcements

The District Mayor announced that Minister Reiti will be visiting Stratford this Thursday to officially open the new development at the Stratford Health Centre.

The District Mayor shared that the Council has received a letter from the Police, thanking Wai o Rua for hosting their road patrol rewards day, and to Council being a continued support of the initiative.

The Chief Executive noted that item 9 will be withdrawn due to incorrect numbers found within the report, this item will be presented at a future meeting.

#### 4. Declarations of members interest

Elected members were asked to declare any real or perceived conflicts of interest relating to items on this agenda. There were no conflicts of interest declared.

#### 5. Attendance Schedule

The Attendance schedule for Policy and Services Committee meetings, including Hearings, was attached.

#### 6. Confirmation of Minutes

##### 6.1 Policy and Services Committee – 22 October 2024

###### Recommendation

THAT the minutes of the Policy and Services Committee Meeting held on Tuesday 22 October 2024 be confirmed as a true and accurate record.

BOYDE/HALL  
Carried  
P&S/24/255

The Committee Secretary undertook to make the following amendments:

- Councillor Dudley noted that she sought clarification on the decline in booking cancellations, not the decline in bookings in general.

#### 7. Matters Outstanding

###### Recommendation

THAT the Matters Outstanding be received.

BOYDE/HALL  
Carried  
P&S/24/256

- Councillor Sandford noted that he has heard a number of complaints regarding the carparks adjacent to the new pedestrian crossing, he questioned if the parking by-law would be an appropriate place to discuss placing restrictions on these parks. The Chief Executive noted that this can be discussed with the by-law.

8. Quarterly Report – Economic Development Quarterly Report – Quarter One 2024/25

**Recommendation**

THAT the report be received.

SANDFORD/HARRIS  
Carried  
P&S/24/257

The Acting Director – Community Services noted the following:

- This is the first quarter where the results will be presented in this manner. The full regional quarterly report will be available once adopted by New Plymouth District Council.
- Quarterly data results will be presented by a representative of Venture Taranaki as soon as possible after the quarter has finished.
- Council Officers are currently in the final stages of negotiating the new partnership contract with Venture Taranaki. This will include a provision for more Stratford presence by having clinics here.

Ms Patterson noted the following:

- The presentation is a snippet of things from the quarter one report.
- The strategic areas Venture Taranaki focus on include energy, food and fibre, destination and enabler and emergent.
- Within the food focus, Venture Taranaki have been working alongside Massey University to develop new agritech, more specifically looking into agrivoltaics which experiment with the use of solar energy for food production. It was noted that Stratford may be used as a trial site for this but is in its early stages currently.
- The branching out initiative have their year 2 trials underway with year 1 producing great paddock to product success stories through the likes of Juno Gin etc. Year 2 will see Ngāti Maru obtain a trial site as well.
- Destination has been tracking well with Venture Taranaki working alongside a group of Taiwanese travel agents and opening up connections with them.
- Venture Taranaki have also been working with Ahipara who are a New Zealand based luxury travel agent. Working with Ahipara allows for kiwis from around the country to visit us, with a few groups having successfully completed a trip booked through Ahipara already.
- Taranaki summer events are ramping up with Te Matatini in February, Americarna and WOMAD in March. She noted that these are strong events and the region should be preparing accordingly.
- Through the enabler and emergent focus category, Venture Taranaki have recently assisted Taranaki Fieldtorque obtain their intellectual property with their newly engineered road cone system.
- The Venture Taranaki team recently came to Stratford to work together with the Stratford Business Association to do some workshops and hold some conversations.
- There is lots coming up for Venture Taranaki including another cruise ship being docked in port and their adjacent podcast season 5 being underway.
- Ms Patterson modelled some new merch scheduled to be released as a collaboration between Game Changer and Venture Taranaki. She noted that this merch can be a retail opportunity for all business and is available to be stocked by any business.

Questions/Points of Clarification:

- The Acting Director – Community Services noted that next month a workshop is scheduled for Elected Members to go over and learn about the Tapuae Roa refresh.

9. Information Report – Solid Waste Analysis Protocol (SWAP) Survey

**Recommendations**

THAT the report be received.

10. Decision Report – Adoption of 2025 Meeting Schedule

**Recommendations**

1. THAT the report be received.

HARRIS/JONES  
Carried  
P&S/24/258

2. THAT Council confirm the 2025 Meeting Schedule as presented but with the following amendments:

- April being the Policy and Services Committee to be moved to 29 April 2025.
- Annual Plan Hearing 3 June to be moved to 20 May.
- Farm and Aerodrome Committee amended to Farm Committee.

BOYDE/BECK  
Carried  
P&S/24/259

**Recommended Reason**

Meetings are required to be held to effectively and efficiently conduct Council business in a clear and open manner.

It is the intention of this resolution to hold two-monthly Audit and Risk Committee Meetings, monthly Ordinary Council meetings, monthly Policy and Services Committee meetings and three times a year Farm Committee meetings, to ensure efficiency of implementing decisions made by all Committees and to minimise meetings falling on the same day.

The Chief Executive noted the following:

- This decision report is to confirm the meeting schedule for 2025.
- The June 3<sup>rd</sup> meeting set for annual plan discussions requires to be moved to the 20<sup>th</sup> of May.
- The meeting on the 22<sup>nd</sup> April is amongst Easter week and Anzac day, he is anticipating a low head count of both Elected Members and Council Officers if this meeting was to go ahead. He noted that he believes we would be able to facilitate this meeting, however if there is appetite to move the meeting we can.

*The Community and Economic Development Manager and Ms Paterson left the meeting at 3.33pm.*

Questions/points of Clarification:

- Councillor Boyde noted that the meeting schedule notes the Farm and Aerodrome Committee, however due to their name change this requires to be changed to Farm Committee.
- Councillor Harris suggested the Easter meeting could be brought forward to the 15<sup>th</sup> of April. Councillor Boyde noted that it may make more sense to move it to the 29<sup>th</sup> of April as this follows a similar timeline of breaks between meetings.
- It was noted and agreed upon that the April 22<sup>nd</sup> meeting will be moved to April 29<sup>th</sup>.

11. Decision Report – Te Ara o Maru Walkway Stage Two, Whangamomona

**Recommendations**

1. THAT the report be received.

SANDFORD/VOLZKE  
Carried  
P&S/24/260

2. THAT Council confirms its appointment as the Controlling Authority for Stage 2 of the Te Ara o Maru Walkway and authorises walking and mountain biking as permitted activities, **subject to** formalising a maintenance agreement between Council, Taranaki Trails Trust and Kingheim Limited.

3. THAT Council authorises the Chief Executive to sign all necessary agreements with the Walking Access Commission, Taranaki Trails Trust, and Kingheim Limited.

BOYDE/HARRIS  
Carried  
P&S/24/261

**Recommended Reason**

The Taranaki Trails Trust and Kingheim Limited have requested that Stage 2 of the Te Ara o Maru Walkway be opened for walking and mountain biking activities. This walkway will connect Mangare Road through to Whangamomona township. To facilitate this, the Walking Access Commission requires that a Controlling Authority is appointed as per Section 35 of the Walking Access Act 2008.

Although an easement has been lodged for walking and mountain biking activities, the Walking Access Commission is requesting Council's approval, to formally permit mountain biking activities, in addition to the existing authorisation for walking on this section.

The Projects Manager noted the following:

- The Taranaki Trails Trust and Kingheim have approached SDC to enquire as to whether they are able to open stage 2 of the walkway as not only a walkway but a cycling trail as well.
- The decision report has three options presented, not confirm to be the controlling authority, confirm to be the controlling authority for walking only or confirm to be the controlling authority for all, subject to formalising a maintenance agreement.

Questions/Points of Clarification:

- Councillor Harris queried as to how long is the length of stage 2. She noted it states 12km but is unsure if that is just stage 2 or the entire walkway. The Projects Manager noted that it would be safe to assume that the 12km encapsulates stage 1 and 2.
- The District Mayor noted that he likes the idea of a cycle trail however, is concerned on the cost moving forward. He expressed that he is aware that they have indicated that they will front all costs however, Kingheim's track record is not great and what if they fail to do this. The Projects Manager noted that if Kingheim or Taranaki Trails backs out, ultimately it would come back to SDC to make a decision on whether we would like to keep it open etc.

## 12. Monthly Reports

### 12.1 Assets Report

#### Recommendation

THAT the report be received.

WATT/JONES  
Carried  
P&S/24/262

#### Questions/Points of Clarification:

- Councillor Boyde noted the sharemilkers of the Council farm have invested money into obtaining some GPS halters for their stock, this means that they will be able to work towards being fenceless as the halters essentially tell the stock where they can and can not go.
- Councillor Hall questioned as to how the stock are prevented from moving to specific areas, she inquired if it was via shocks. Councillor Boyde clarified that it is through vibration and noise.
- The Deputy Mayor noted that it is great to see the cap collection competition be well received and extend to outside the region.
- Councillor Dudley questioned if the Parks and Reserves traps were run by SDC or TRC. It was clarified that the traps are TRCs responsibility.

### 12.2 Community Services Report

#### Recommendation

THAT the report be received.

DUDLEY/McKAY  
Carried  
P&S/24/263

#### The Acting Director – Community Services noted the following:

- A video created by SDYC recapping their Wellington trip was played at the meeting.
- Upcoming events in the works for this summer include the A&P Show is this weekend, a jam packed school holiday programme, the Christmas parade, carols and market on 6 December, summer nights music and movies in January.
- With the Stratford Press potentially closing it places SDC in a tricky spot as we legally have to advertise certain things in print format, which we currently do through Central Link in the Stratford Press. She noted that due to this our advertising expenses will inevitably increase as we will have to look elsewhere. She took this opportunity to thank the Stratford Press team for their contribution to the community and their ongoing support and partnership with SDC.

#### Questions/Points of Clarification:

- Councillor Boyde questioned if the District Mayor would be interested in sending a feedback letter expressing the Elected Members disappointment with the notion of the Stratford Press closing down. The District mayor noted that he is happy to put something forward as long as the council as a collective are happy to endorse. It was decided unanimously to put forward a submission on behalf of council.
- Councillor Sandford gave an update on the Ostler Garden Trust. He noted that one of the trusts concerns is the Enviroschools programme falling off at high school level, he emphasised that the Ostler Garden Trust have supported Taranaki Diocesan and Stratford High to pursue their Enviroschools journey. He noted that both schools are doing extremely well with the initiative.

- Councillor Hall questioned about the grants received from TOI and TET, she enquired as to whether they were fully funded or partially funded. The Acting Director – Community Services clarified that they were partially funded with no set allocation for the approved items.
- Councillor Jones noted that he is concerned about the direction of council communications if the Stratford Press closes. He questioned if Antenno will be pushed at the A&P Show tent. The Acting Director – Community Services noted that plan b is to push other channels, however we do have a legislative requirements for certain advertisements/public notice to be printed in a newspaper, it is also important to remember those in our community who do not use technology.

### 12.3 Corporate Services Report

#### Recommendation

THAT the report be received.

BOYDE/BECK  
Carried  
P&S/24/264

#### Questions/Points of Clarification:

- Councillor Dudley noted that there is a large amount of outstanding water bills, she questioned if this is due to the timing in water bills being sent out. The Corporate Accountant noted that this is one of the bigger reasons.

### 12.4 Environmental Services Report

#### Recommendation

THAT the report be received.

WATT/HALL  
Carried  
P&S/24/265

#### The Director – Environmental Services noted:

- The local alcohol policy now has South Taranaki District Council on board, therefore it is looking to become a regional alcohol policy.

### 13. Questions

There were no questions.

### 14. Closing Karakia

The closing Karakia was read.

*The meeting closed at 4.23pm.*

M McKay  
**Chairperson**

Confirmed this 28<sup>th</sup> day of January 2025.

N C Volzke  
**District Mayor**

# MONTHLY REPORT

## District Mayor



F22/55/04-D24/55252

To: Council  
 From: District Mayor  
 Date: 10 December 2024  
 Subject: District Mayor Monthly Report – November 2024

### Recommendation

THAT the report be received.

\_\_\_\_\_  
 Moved/Seconded

#### 1. Local Government New Zealand Zone meeting

The Local Government Zone 3 meeting was held recently in Napier. While it was a little light in political speakers, we did have a key note speaker in former Mayor of Wellington City and now NZ First Member of Parliament, Andy Foster. He spoke of the various dynamics between local government and central government and issues where collaboration opportunities exist. Also on the speaking agenda were Hastings Councillor Michael Fowler (Napier's history), Lawrence Yule ( Crown Manager in Hawkes Bay), Jodi Mitchel (NZTA National Performance Manager), James Kitty (Powerco Chief Executive) and Hamish Saxton (Hawkes Bay Tourism). The round the region reports delivered by the Mayors were very informative and inspiring. There is an amazing amount of diverse work being done across the Zone. Local government certainly does not appear to have slowed down.

#### 2. Local Government New Zealand Rural and Provincial meeting

The Local Government Combined Sector meeting was held recently in Wellington. Local Government Minister Simeon Brown gave a broad update on issues affecting the sector including the RMA Reforms, Local Water Done Well, road speed limits and pending changes to the Local Government Act. We also heard speeches from Minister Shane Jones and opposition spokesman Kieran McAnulty. A presentation from treasury officials gave some sobering reminders that the New Zealand economy is far from being in a good place and the current recession is likely to last for some time yet.

#### 3. Infrastructure Fund presentation- Minister Shane Jones

Minister Shane Jones, along with Ministers Potaka and Costello, as well as a number of members of parliament visited New Plymouth last month. This was part of regional tour being undertaken by Minister Jones where he talked about the governments infrastructure fund and the potential benefits that existed for this region. Other conversation centred around economic development, growth, productivity and removing barriers to development. The Minister left no doubt as to his desire to ramp up our economy and facilitate growth in the energy sector, mining, aquaculture and exports in general. About 80 business leaders and others attended to roadshow. There was also the challenge to the region to put forward growth projects and supporting business cases that may be able to attract government co-funding and other support measures.

#### 4. TSB Business Awards

The 2024 TSB Business Awards were held last month in New Plymouth. The long running annual event featured some really great nominations in the various categories and the accolades were plentiful for the nominees in each. A slight disappointment for me, was the lack of nominee businesses from Central and South Taranaki. I am sure we have businesses that are suitable to enter and are good enough to be successful in the competition, but we need to encourage them to enter. As chair of the Mayoral Forum, it was my pleasure to present the Mayoral Award to Suzanne Porter for her regional promotional work associated with the arts and Womad.



**5. Tapuae Roa launch**

The regional economic development strategy known as Tapuae Roa has been reviewed and the refreshed document was officially launched last week. There was a fair amount of hype around this, as this was the first significant refresh since the original document was written in 2017.

During the lead up discussions, there was a reflection on what had been achieved over the last five or six years and a resetting of new goals and strategies that can have influence in our fast changing world. The introductory commentary from the Mayoral Forum used the words "adapt or perish" which I believe sums up our situation really well. The regions future is in our hands. Our reliance on the dairy industry and the sunset industries relating to fossil fuels that have dominated our past, needs to be better balanced. Diversification in the food sector and the new green energy industries being key pathways moving forward.

**6. Opening of the Stratford Health Centre building project**

The Stratford Health Trust that owns the Stratford Health Centre has completed its major building renovation and the new facilities have been officially opened. It was fitting to have the Minister of Health Shane Reti open the facility and hear his support for the model of care that is being provided from the centre and in particular, the medical services provider, The practice is still growing and is offering new services to the 7,500 patients registered on its books.

The building project was managed by former Mayor Brian Jeffares and I acknowledge him for the voluntary hours he has put into the project, they have been huge. The Health Trust received funding from the Toi Foundation and the Taranaki Electricity Trust to compliment their own funds and deliver this project successfully on time and within budget.

**7. Opening of the Te Ramanui Ruaputahanga building**

South Taranaki District Council has completed its outstanding building project known as Te Ramanui Ruaputahanga. The new library, information centre, art gallery and café in Hawera has been officially opened. The building is located in the heart of the CBD and with the foot traffic the services provided from the building will generate, it will undoubtedly enhance and help revitalise the commercial centre around it. The building itself is large, functional and attractive; it is a credit to all those involved with the project. Congratulations to our southern neighbours.

**8. Citizenship Ceremony**

The final citizenship ceremony of the year was held in November where four people from South Africa, one from England and one from Fiji became New Zealanders. This is always a very special occasion for those people as they change their citizenship and begin to enjoy life as a Kiwi. All of the group reside in Stratford, adding to the ever increasing diversity in our community.

**9. 100<sup>th</sup> Birthday for Edna Neilson**

It was my pleasure to be invited to the 100<sup>th</sup> birthday celebration of long time, former Stratford resident Edna Neilson. Edna now resides at Eltham's Mercy Jenkins Rest Home where along with family and friends she celebrated this special occasion. We don't have too many people that make it through to this grand old age, but Edna has reached the milestone with ease and is still keeping well. Congratulations.

**10. CCS Disability Action Annual General meeting**

As the patron for this organisation, I attended the Annual General meeting held in Hawera last month. The branch is South Taranaki based but it services the Stratford area from the Hawera premises. As a result of very good management and governance over many years, the branch is in a very sound financial position and the future looks bright. The demand for the support services they offer is very evident and the statistics tabled at the meeting confirm the reach and importance of the services provided to the disabled community they assist. With no branch operating directly out of Stratford

anymore, it is important to keep the close link with Hawera to ensure our disabled community is not forgotten.

**11. Correspondence**

- Stratford Volunteer Fire Brigade Call Outs – November 2024

**12. Some Events Attended**

- Attended – CCS Disability Action Annual General meeting
- Attended – Justice of the Peace training session
- Attended – Stratford Park Steering Group meeting
- Attended – TSB Business Awards
- Attended – LGNZ Zone 3 meeting in Napier
- Attended - 100<sup>th</sup> Birthday celebration for Edna Neilson
- Attended - Stratford Health Trust meeting
- Attended – LGNZ Rural and Provincial Sector meeting in Wellington
- Attended - Infrastructure Fund presentation – Minister Shane Jones
- Attended – Opening ceremony for Te Ramanui Ruaputahanga
- Attended – hosted Citizenship Ceremony
- Attended – Opening Ceremony Stratford Health Centre. Met with Minister Shane Reti.
- Met – presented Trade Graduates certificates across multiple workplaces.
- Met – with Taranaki Stock Car Club representatives
- Met - with A & P Association Executive Committee
- Met - with representatives of the New Plymouth Ratepayers Alliance
- Radio Interview - Access Radio (x1)
- Radio Interview – More FM (x1)
- Newspaper - Stratford Press Interviews and Articles (multiple)
- Newspaper - Daily News (multiple)
- Attended - Regional Mayors and Chairs weekly meeting (x2)
- Attended - Regional Mayors and Chairs, Emergency Services meeting (x1)
- Attended - Council Pre-Agenda meetings (x3)
- Attended – Workshop (x3)
- Attended – Public Forum (x1)
- Attended - Council Meetings (x3)



N C Volzke JP  
District Mayor

Date: 4 December 2024

### **Stratford Volunteer Fire Brigade Callouts November 2024**

#### **The Stratford Fire Brigade responded to 12 calls in November 2024**

- 03-11-24 Motor vehicle accident car vs. motorbike Broadway South
- 04-11-24 Motor vehicle accident car vs. barrier SH 3 Ngaere @ old overhead bridge
- 06-11-24 Tanker required alarm activation Egmont Village School Junction Road assist Inglewood and New Plymouth fire brigades stood down before arrival
- 06-11-24 Alarm activation Stratford Primary School Regan Street
- 08-11-24 Rural tanker required at hedge fire Kauae Street Manaia, assist Manaia, Hawera, Kohi and Ngamotu fire brigades
- 13-11-24 Car fire Salisbury Road
- 13-11-24 Motor vehicle accident Mountain Road Midhirst
- 15-11-24 Alarm activation New Commercial Hotel Broadway South
- 15-11-24 Assist ambulance with medical call Fenton Street stood down before arrival
- 15-11-24 Cover move Eltham fire station
- 26-11-24 Fire @ Baking Company Regan Street, assisted by the Toko and Eltham fire brigades
- 28-11-24 Rural tanker required, vegetation fire Rangatapu Street Ohawe, assist Hawera and Kohi fire brigades stood down before arrival

# INFORMATION REPORT



F16/1221 – D24/54032

**To:** Council  
**From:** Education Officer - Water and Waste  
**Date:** 10 December 2024  
**Subject:** Solid Waste Analysis Protocol (SWAP) Survey

## Recommendations

THAT the report be received.

### 1. Purpose of Report

- 1.1 The purpose of this report is to present information gathered from the Solid Waste Analysis Protocols (SWAP) survey undertaken on 23 September 2024.
- 1.2 The SWAP survey is useful in monitoring how the Council is tracking towards to achieving Central Government’s target of reducing waste to landfill by 10% per person and by 30% total by 2030, as are set out in *Te rautaki para Waste Strategy Aotearoa New Zealand 2023*.
- 1.3 Information collated from the SWAP survey confirms the community responses recorded in previous education campaigns. This information will be used to design priority actions to be implemented in the short term, to meet the Waste Management and Minimisation Plan (WMMP) 2023 targets adopted by Council.

### 2. Executive Summary

- 2.1 The main purpose of a SWAP<sup>1</sup> is to obtain quantitative estimates of the composition of solid wastes arising from domestic premises. In this instance, Council Officers have conducted a SWAP survey on general wastes collected at the kerbside in Stratford township on 23 September 2024.
- 2.2 The SWAP surveyed 1% of our kerbside collection, being 28 bins. This equates to an approximate total weight of 218kg. Please note that this is a snapshot and the waste composition derived may not necessarily be an accurate representation of the entire district waste streams in the general waste bin.
- 2.3 The summary table below shows data collected during the SWAP survey.

	Waste Stream	2024 SWAP (kg)	2024 SWAP (%)	2022 SWAP (%)
1	Recyclables - Kerbside Collection	53.6	24.6	12.3
2	Recyclables - Alternative Collection	148.1	68.1	73.7
	<b>Total Recyclables in General Waste Bin</b>	<b>202</b>	<b>92.7</b>	<b>86</b>
3	Non-recyclable/Hard to Recycle	15.98	7.3	13.9
	<b>Grand Total General Waste</b>	<b>217.63</b>	<b>100</b>	<b>100</b>

<sup>1</sup> Solid Waste Analysis Protocol; Summary Procedures: Ministry for the Environment 2000. Wellington New Zealand

- 2.4 The results show that approximately **93% by weight** (202kg) of the general waste surveyed is recyclable and could have been diverted from landfill. Only **7 %** of the bin needed to have gone to the landfill.
- 2.5 From the SWAP results, Officers have chosen key priority action areas as those with waste streams with greater than 4.9% proportion of recyclables in the general waste bin. They are:
- Putrescibles (food waste) - 48.6%;
  - Glass - 13.9%;
  - Paper and cardboard - 7.8%;
  - Green waste - 7%;
  - Soft non-recyclable plastic - 6.2%; and
  - Textiles – 4.9%
- 2.6 Of note is the 6.2% soft and non-recyclable plastic proportion by weight, which actually translates to a **high** proportion by volume. In other words, our general waste bins are being filled with a lot of soft and non-recyclable plastics.
- 2.7 SWAP surveys are proposed to be conducted on a 4-monthly basis, to capture the seasonal variations in waste disposal trends and composition. The next SWAP is proposed to be undertaken in February 2025.

### 3. Background

- 3.1 The SWAP was developed by the Ministry for the Environment (MfE). Since 2002, the SWAP survey has been used by Councils to analyse waste stream compositions, and results used to develop strategies and action plans included in the WMMPs.
- 3.2 The Council provides only certain waste collection and disposal services to the urban communities of Stratford and Midhurst.
- 3.3 The WMMP include actions to expand some of these services into the rural areas – **Behaviour Change Action 8, Collaboration and Participation Actions 4, & 12 and Accessible Services Actions 5, 6 & 12.**
- 3.4 The SWAP survey was undertaken using the following protocol:
- Bins selected randomly based on certain criteria such as location, socio economic, historical data, etc, ensure the bin sample is representative.
  - Collectors tag each bin with a unique identifier unknown to the sorting team and deliver to the Refuse Transfer Station (RTS).
  - The sorting team empty bins separately onto tarpaulins and refuse is sorted into categories pre-defined - 12 primary, and up to 46 subcategories;
  - Each category is separately weighed using electronic scales with an accuracy of  $\pm 1g$  and data recorded;
  - Each category is reported both as a total weight collected (kg) and as a percentage % of the total sample weight.
- 3.5 Reporting of data is undertaken using tables and graphs and under 3 broad categories:
- Recyclable kerbside collection waste;
  - Recyclable Alternative Collection waste; and
  - Unrecyclables - Hard to Recycle / Non-recyclable waste.

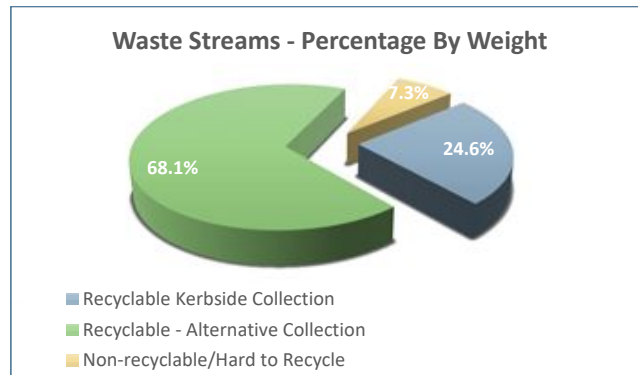
#### 4. Information Summary

Table 1: Summary of SWAP Waste Stream Proportion In the General Waste Bin

Waste Streams	Item	Waste Type	2024 SWAP (kg)	2024 SWAP (%)	2022 SWAP (%)
Recyclable Kerbside Collection	1	Paper/Cardboard	17.02	7.8	8.8
	2	*Plastics Type 1,2 or 5	3.03	1.4	0.0
	3	*Non-ferrous metal (aluminium cans)	1.38	0.6	0.0
	4	Glass	30.28	13.9	2.1
	5	Ferrous metals (tin cans)	1.87	0.9	1.5
		<b>Total</b>	<b>53.58</b>	<b>24.6</b>	<b>12.3</b>
Recyclable Alternative Collection	6	Putrescibles* (food)	105.8	48.6	67.2
	7	Garden Waste	15.15	7	0.0
	8	Textiles	10.72	4.9	2.7
	9	Timber	0.41	0.2	3.2
	10	Rubble/Concrete	0	0	0.6
	11	Household appliances / electronics	2.5	1.2	0
	12	Soft Plastics	13.49	6.2	0
		<b>Total</b>	<b>148.07</b>	<b>68.1</b>	<b>73.7</b>
		<b>Recyclables Total</b>	<b>201.65</b>	<b>92.7</b>	<b>86</b>
Un-recyclables - Hard to Recycle/Non-recyclable	13	Nonferrous metals (tin foil/aluminium plates etc)	0.56	0.3	1.9
	14	Rubber	0	0	0.1
	15	Potentially Hazardous materials (batteries, aerosol cans, medical waste etc.)	2.96	1.3	2.3
	16	Nappies and Sanitary	12.46	5.7	9.6
		<b>Un-recyclables Total</b>	<b>15.98</b>	<b>7.3</b>	<b>13.9</b>
		<b>Grand Total</b>	<b>217.63</b>	<b>100</b>	<b>100</b>

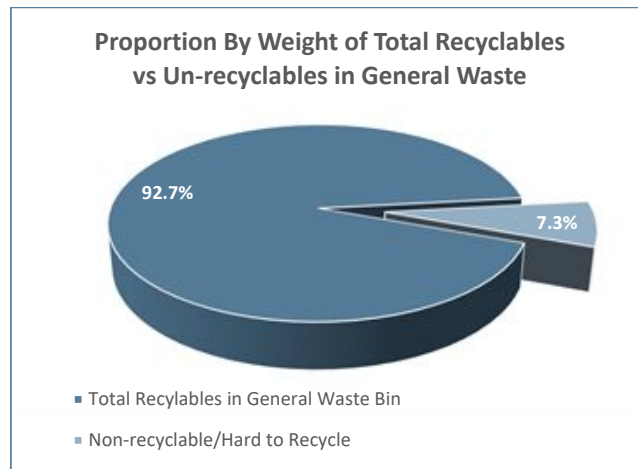
- 4.1 The table shows the waste composition of recyclable material found in the general waste bin. That :
- There is a high proportion of recyclable wastes in the general waste than necessary;
  - 25% of the wastes is currently recyclable at the kerbside, using existing service provided by Council; and
  - Over 68% of wastes is recyclable, but only through alternative collection service.

4.2 **Figure 1** shows the waste stream composition of the SWAP survey.



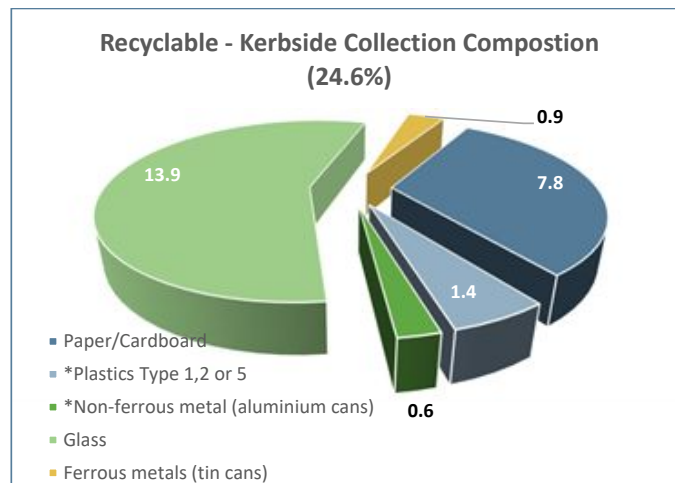
*Figure 1: Percentage by weight of recyclable material found in the general waste bin*

4.3 **Figure 2** shows the composition of recyclables vs non-recyclables of the SWAP survey.



*Figure 2: Proportion By Weight of Total Recyclables vs Un-recyclables in General Waste*

4.4 **Figure 3** shows the composition of the kerbside recyclables of the SWAP survey.



*Figure 3: Composition of 24.6% Kerbside Recyclable Collection*

4.5 **Figure 4** shows the composition of the other recyclables, excluded from kerbside collection, of the SWAP survey.

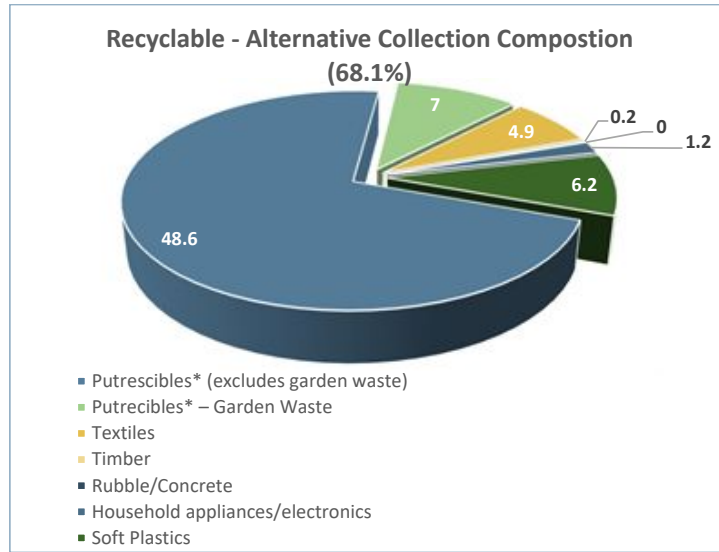


Figure 4: Composition of 68.1% Alternative Recyclable Collection

**Figure 5** provides a comparison of recyclable waste collected in the 2022 and 2024 SWAP surveys. This will help to target future actions and education campaigns in the district.

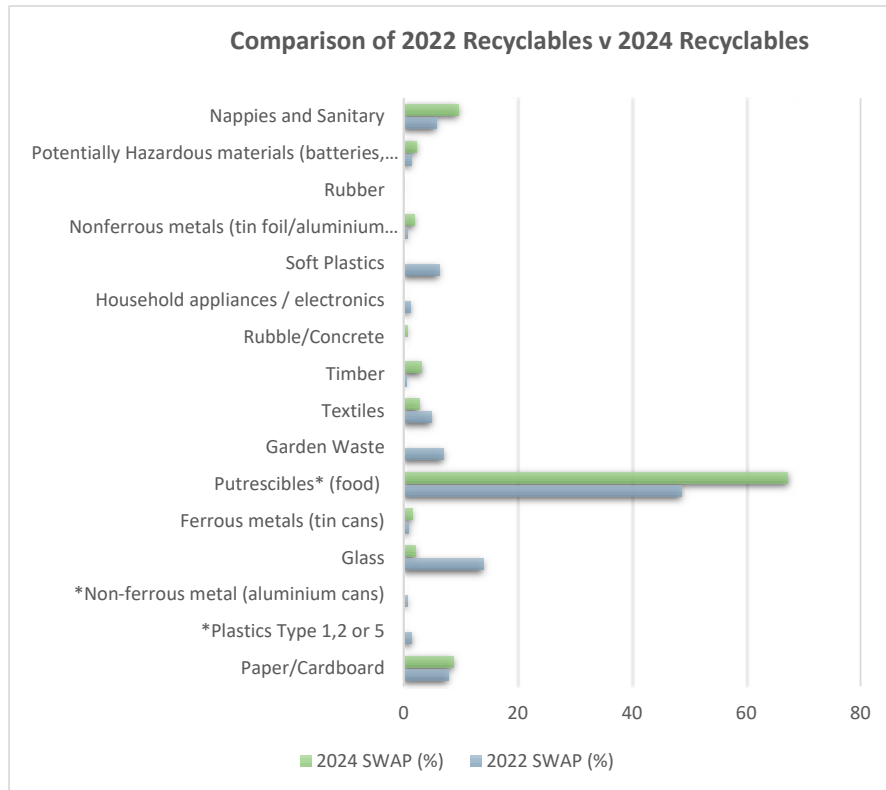


Figure 5: Comparison of 2022 Recyclables v 2024 Recyclables



## 5. Key Actions

- 5.1 Officers have interpreted the data and information gathered from the SWAP survey into suggested actions. The key actions are essentially in the introduction or facilitation of additional collection services and prioritisation of education campaigns to target the **six (6x)** recyclable categories with the highest proportion represented in the SWAP survey results.
- 5.2 The introduction *or facilitation* of additional services for collection of recyclables in the district are actions already identified in the WMMP. These actions can either be delivered by Council as additional kerbside collection and/or the Transfer Station service, or facilitated and encouraged to be delivered by others.
- 5.3 The education campaigns will focus on providing correct recycling education to the community to support better recycling habits. These campaigns will support Council's contribution to the achievement of central government's goal of reducing waste to landfill by 30% in 2030, while delivering on the WMMP actions and achieving the relevant WMMP targets.
- 5.4 The key actions comprise four **4x** service collection and three **3x** education campaign suggestions summarised in **Table 2** and detailed below, to present how they align with the WMMP Targets and Objectives of Behaviour Change; Collaboration and Participation; Leadership and Innovation and Accessible Services:
- 5.5 The **4x Service Collection** actions are:

- **Kerbside Collection – Food waste:**

This action aligns with the following in the WMMP:

- Behaviour Change actions 1, 6, 7 & 11;
- Collaboration and Participation Action 2, 6 & 7;
- Leadership and Innovation Action 1 & 11;
- **Accessible Services** Actions **2 & 3**; and
- Targets 1, 2 & 6.

This is the introduction of a food waste collection service, to target a reduction in waste to landfill. The food waste represented 48.6% of the proportion of total waste in the general waste bin. A 50% uptake will result in a landfill diversion of over 5 ton per week (260T per year). This represents a reduction of around 20% of waste to landfill. This service is currently provided in the New Plymouth and South Taranaki Districts.

- **Kerbside Collection – Green waste:**

This action aligns with the following in the WMMP:

- Behaviour Change actions 1, 6, 7 & 11;
- Collaboration and Participation Action 2, 6 & 7 ;
- Leadership and Innovation Action 1 & 11;
- **Accessible Services** Actions **2 & 3**;
- Targets 1, 2 & 6.

This is the introduction of a green/garden waste collection service. With a 50% uptake from residents kerbside, this action would likely divert over 1 tonne of waste each week. A reduction of waste to landfill of 52T per year or a further 4 to 5%.

- **Transfer Station Collection – Soft Plastics:**

This action aligns with the following in the WMMP:

- Behaviour Change actions 1, 4, 5 & 7;
- Collaboration and Participation Action 2, 5, 7 & 8;
- Leadership and Innovation Action 4;
- **Accessible Services** Actions **2 & 4**; and
- Targets 1, 2, 3, 4 & 5.

This is the introduction of a council-controlled soft plastics collection service at the Refuse transfer Station (removes vagaries of current collection service often being unavailable. With only a 50% use rate, a further 3-4% of waste could be diverted from landfill.

- **Transfer Station / Alternative Collection – Textiles.**

This action aligns with the following in the WMMP:

- Behaviour Change actions 1, 4, 7 & 11;
- Collaboration and Participation Action 2, 5, 7 & 8
- Leadership and Innovation Action 4;
- **Accessible Services** Actions **2 & 4**; and
- Targets 1, 2, 3, 4 & 5.

This is the reintroduction of collection points for recycling of textiles. With only a 50% uptake, combined with an education program of options to donate good quality textiles/clothing, this action will likely result in up to 3% of waste being diverted from landfill per year.

4.6 The **3x Education Campaign** actions are:

- **Correct Blue Crate Recycling:** This action aligns with the following in the WMMP:
  - Behaviour Change Actions 1, 2, 7, & 15;
  - Collaboration and Participation Actions 5 & 6;
  - Leadership and Innovation Action 5;
  - Accessible Services Actions 2 & 4; and
  - WMMP Targets 1, 2, 3 & 6.

This is an increase in education programs designed to encourage the correct use of the blue glass crate. This should include education on the need to empty contents, donate to foodbanks (if not expired), remove lids and types of glass that are not accepted in the blue crate. Currently these are key sources of contamination in the blue crates.

- **E-Waste, Used Appliances and Metals Recycling Hubs:** This action aligns with the following in the WMMP:
  - Behaviour Change actions 1, 2, 3, 4, 7, 11, 12 & 15;
  - Collaboration and Participation Action 7 ;
  - Leadership and Innovation Action 1;
  - Accessible Services Actions 2, 4, 6, 9, 11 & 12; and
  - Targets 1, 2, & 3.

Education programs and expansion of Repair cafe and recycle hubs for e-waste and used appliances. Combined with the use of the metals recycling capability currently at the Refuse Transfer Station could divert a further 1-2% of waste from landfill.

- **Recyclable Paper:** This action aligns with the following in the WMMP:
  - Behaviour Change Actions 1, 2, & 7;
  - Collaboration and Participation Action 2;
  - Leadership and Innovation Action 5;
  - Accessible Services Action 2 & 4; and
  - Targets 1, 2, & 3.

This action proposes that further Education programs are prioritised based on the types of paper and card that are currently recyclable in kerbside collection service. In addition to alternative disposal options, such as composting, etc., this action could result in an equivalent of up to 1 tonne being diverted from landfill each week.

4.7 Table 2 provides a summary of these **7x** suggested actions and shows their alignment with the WMMP targets and objectives.

Table 2: Summary of Key Actions and Alignment with WMMP Targets and Objectives

Key Action Groups	Item	Key Actions	WMMP Targets	WMMP Objectives			
				Behaviour Change	Collaboration and Participation	Leadership and Innovation	Accessible Services
Service Collection	1	Kerbside Collection – Food waste:	1, 2 & 6	1, 6, 7 & 11	2, 6 & 7	1 & 11	2 & 3
	2	Kerbside Collection – Green waste	1, 2 & 6	1, 6, 7 & 11	2, 6 & 7	1 & 11	2 & 3
	3	Transfer Station Collection – Soft Plastics	1, 2, 3, 4 & 5	1, 4, 5, 7	2, 5, 7 & 8	4	2 & 4
	4	Transfer Station / Alternative Collection – Textiles	1, 2, 3, 4 & 5	1, 4, 7 & 11	2, 5, 7 & 8	4	2 & 4
Education Campaign	5	Correct Blue Crate Recycling	1, 2, 3 & 6.	1, 2, 7, & 15	5 & 6	5	2 & 4
	6	E-Waste, Used Appliances and Metals Recycling Hubs	1, 2, & 3	1, 2, 3, 4, 7, 11, 12 & 15	7	1	2, 4, 6, 9, 11 & 12
	7	Recyclable Paper	1, 2, & 3	1, 2, & 7	2	5	2 & 4

**6. Local Government Act 2002**

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			
<b>Social</b>	<b>Economic</b>	<b>Environmental</b>	<b>Cultural</b>
✓	✓	✓	✓

Increasing awareness and education around the need for, and the benefits of, reducing waste to landfill will:

- empower residents to take pride in their individual behaviours;
- reduce costs to council;
- have positive effects on the environment (less degradation and pollutants); and
- support cultural values of keeping waste, particularly organic waste within the district/region.

## 7. Strategic Alignment

### 7.1 Direction

This report aligns with the Council's WMMP:

- Vision of '**Empowering Our Community To Eliminate Waste**'; and
- Target (T6) and Actions (*Facilitate Behaviour change actions 2 &7 AND Accessible Services Actions 2, 3 & 12*).

### 7.2 Annual Plan and Long Term Plan

This report aligns with the Annual plan and the Long Term Plan.

### 7.3 Sustainability Consideration

This report is consistent with the Council's Sustainability Policy **Guiding Principles 3 & 4** below:

- **Guiding Principle 3:** We enable our rangatahi (youth) to be sustainable leaders; and
- **Guiding Principle 4:** We strive to have resilient infrastructure that meets the current and future needs of the district.

### 7.4 District Plan

There is no direct relationship with the District Plan.

### 7.5 Legal Implications

There are no legal implications.

### 7.6 Policy Implications

There is no conflict with any council policies.



Peter McNamara  
**Education Officer – Water and Waste**



[Endorsed by]  
Victoria Araba  
**Director of Assets**



[Approved by]  
Sven Hanne  
**Chief Executive**

**Date 3 December 2024**



# INFORMATION REPORT



F22/55/04 -D24/52987

**To:** Council  
**From:** Acting Director – Corporate Services  
**Date:** 10 December 2024  
**Subject:** Percy Thomson Trust – Annual Report 2023/24

## Recommendation

THAT the Percy Thomson Trust Annual Report for the year ended 30 June 2024 be received.

## Recommended Reason

The Percy Thomson Trust is a Council Controlled Organisation of the Stratford District Council and the audit of their Annual Report for the year ended 30 June 2024 was completed by Deloitte.

\_\_\_\_\_  
/\_\_\_\_\_  
Moved/Seconded

## 1. Purpose of Report

To present the Annual Report for the year ended 30 June 2024 for Percy Thomson Trust to Council. This report must be delivered to the shareholders (Council) within 3 months after the end of each financial year (30 September, or if this date falls on a weekend, the next business day) and requires the Auditor's Report to be included.

Council's annual report has been postponed to 31 December 2024 due to legislative changes, as a result of the Water Services Acts Repeal Act 2024. While the deadline for CCO's was not formally postponed, the Audit and Risk Committee felt it was most appropriate to breach the deadline for Percy Thomson Trust's annual report and produce it concurrently with Council's, as they need to be audited together. As a result, there were no repercussions from this breach with Deloitte, the group's auditors.

The Report, excluding the Audit Opinion, was delivered to Council (Chief Executive and District Mayor) on 29 November 2024, via email, as per the resolution of the Audit and Risk Committee on 16 July 2024.

## 2. Executive Summary

The Annual Report of the Percy Thomson Trust was audited by Deloitte. The Percy Thomson Trust is a Council Controlled Organisation of the Stratford District Council and its performance forms part of Council's group financial statements as recorded in Council's Annual Report.

Revenue for the year was significantly less than budget, primarily due to the availability of external grant funding in the current economic climate. Total expenditure was over budget, as a direct result of the significant increase in audit fees, employee related costs, and an increase in the repairs and maintenance for the building.

Of the four performance measures, all four were achieved. This is significant for the Trust, given that only two were achieved in the previous year.

This is the third year that Deloitte has performed the audit on behalf of the Auditor-General. It seemed to be very time consuming, with a big focus on processes and internal controls, together with the valuations of the property investments.

Deloitte have identified that the property investments have been valued at cost price rather than fair value, which results in an understatement of investments of \$252,000, which has not been adjusted, to be consistent with prior years.

Attached as Appendix 2 is the relevant page from Deloitte’s Management Report, showing the areas of audit focus for Percy Thomson Trust.

However, Deloitte have stated that they will be issuing an unmodified audit opinion.

**3. Local Government Act 2002**

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
<b>Social</b>	<b>Economic</b>	<b>Environmental</b>	<b>Cultural</b>
✓	✓		✓

**4. Background**

The Local Government Act 2002 defines entities in which the Council has more than a 50 percent shareholding, or the ability to appoint more than 50 percent of the Trustees/Directors, as a Council Controlled Organisation. The Percy Thomson Trust (the Trust) meets the criteria of a CCO as Council appoints all Trustees to the Percy Thomson Trust. The Trust operates on an independent basis at arm’s length from the Council, and Council monitors the performance of the Trust.

**5. Information Summary**

**5.1 Trustee and Staff Changes**

In May 2024, Christine Craig resigned from her position as a trustee, bringing the total number of trustees down to six. At the Annual General Meeting, to be held in October 2024, this will increase to seven, the maximum allowable.

**5.2 Exhibitions**

During the year the gallery was fully booked for exhibitions. Some exhibitions that were delivered include the following:

**National –**

1. *Gathered Voices: The Fletcher Trust Collection*
2. *Rita Angus: New Zealand Modernist*

**Regional –**

1. *Abroad: what’s in the suitcase*

**Local –**

2. *Emergence – Award for Young Taranaki Artists*
3. *Taranaki Arts Trail – Preview exhibition*
4. *Stratford Art Society*
5. *Embroidery Guild Taranaki*
6. *Yours Truly*
7. *Aotearoa Quilters*

**International/Local**

1. *Kahui Mareikura: Indigenous Sisters*

The gallery is booked well into 2025 and includes local and national exhibitions.

5.3 **Financial Statements**

The Trust had a net deficit from operations of \$231,000 (after accounting for depreciation) for the 2023/24 financial year, compared to a budgeted deficit of \$84,000. In addition to the operating surplus, two proportionate ownership schemes were required to be recorded at fair value, resulting in a further loss of \$14,000, bring the total deficit for the year to \$245,000.

Total financial assets reduced from \$427,000 last year to \$383,000 at 30 June 2024.

In 2023/24, the annual report audit fee was \$22,936, compared to \$25,868 in 2022/23 (both excluding disbursements). Last year's fee was higher as there was also the property revaluation that required additional audit resources.

The Trust have also spent considerable time considering options on the roof of the building, as the cost of repairs and maintenance continually increases, due to leaks and other maintenance issues. There is now a monthly maintenance program in place, while a long term solution is investigated.

6. **Strategic Alignment**

6.1 **Direction**

The Annual Report (including the Audit Opinion from Deloitte) is a statutory requirement, as is the requirement to deliver the report to council.

6.2 **Annual Plan and Long Term Plan**

The recommendation does not have any implications concerning the Long Term Plan

6.3 **District Plan**

The recommendation does not have any implications concerning the Long Term Plan.

6.4 **Legal Implications**

There are no legal implications.

6.5 **Policy Implications**

There are no policy implications

**Attachments:**

**Appendix 1 -** Percy Thomson Trust Annual Report

**Appendix 2 -** Deloitte – Areas of audit focus



Christine Craig  
**Acting Director – Corporate Services**



[Approved by]  
Sven Hanne  
**Chief Executive**

**Date: 3 December 2024**



**Attachment One**



# **PERCY THOMSON TRUST**

• Percy Thomson Gallery    • Percy Thomson Arboretum    • Percy Thomson Herbarium

PERFORMANCE REPORT  
FOR THE YEAR ENDED  
30 JUNE 2024

# PERCY THOMSON TRUST

Performance report for the year ended 30 June 2024

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## PERCY THOMSON TRUST – CHAIRMAN'S REPORT

### For the year ended 30 June 2024

On behalf of the Trust, it is my pleasure to present the report for the twelve months ended 30 June 2024. The year was characterised by the return of operations to a more normal level with a quality range of exhibitions at the Gallery with visitor numbers exceeding 25,000, and continued enhancements at the Arboretum.

There remain concerns with the Gallery building, particularly the condition of the roof, and there has been continued pressures on income with limitations on the ability to source grant funding as outlined previously.

The Trust has commenced discussions with the District Council on the future operations and governance of the Trust and looks forward to further progress on this in the forthcoming year.

### Financials

The Statement of Financial performance shows a deficit of \$231,000. This compares with a budgeted deficit of \$84,000 and the actual deficit in 2023 of \$120,000. The negative variance of \$147,000 against budget came from lower grant income by \$86,000; increased audit fee of \$18,000; increased staffing costs of \$15,000; and increased repairs and maintenance of the Gallery building by \$16,000.

From a cash flow point of view, there was a net increase in cash of \$15,000 for the year. This was primarily due to the sale of investments.

The overall equity position now stands at \$3,135,000 as against \$3,380,000 last year.

### Gallery Operations

Visitor numbers at the gallery continued to return to more normal levels. Visitor numbers of 25,783 were 38% ahead of the 2023 level.

The exhibition programme has continued to be innovative and thought provoking and offering a valuable outlet for local artists.

### Investment Funds and Cash Balances

The investment portfolio at 30 June is:

Category	Book Value @ 30/6/24	Book Value @ 30/6/23
Bank Balances	92,000	77,000
Trading Bank Term Deposits	250,000	350,000
Bonds	-	30,000
Commercial Property through Proportionate Ownership Schemes and Property Investment Funds (based on impaired values)	383,000	397,000
<b>Total</b>	<b>\$725,000</b>	<b>\$854,000</b>

The reduction in bonds is from the maturity of a bond holding. The overall reduction reflected the deficit for the year.

The decision to participate in the various schemes and funds has the following objectives:

- To increase the cash investment returns of the overall invested funds given the reducing returns available from Bank Term Deposits and other fixed interest bonds;
- The opportunity for capital growth in these investments.

Further, in seeking such investments particular criteria included:

- The quality of the respective buildings
- The quality and security of the tenancies within each property
- The quality and experience of the managers of the respective properties

The breakdown of these investments is:

Property held by Investment Fund	Original Investment	Market Value (as at Balance Date of the investments of 31 March 2024)	Market Value (as at Balance Date of the investments of 31 March 2023)	Cash Income Return on Original Investment	Summary of Tenancies
Bush Road, Albany, Auckland – light industrial	125,000	312,624	321,930	4.70% (2023 6.8%)	- Thermo Fisher Scientific – 100%
Osterley Way, Manukau, Auckland – office building	50,000	47,655	61,628	5.125% (2023 8.69%)	- IRD – 98% - Other – 2%
Todd Park, Porirua, Wellington – light office/industrial complex	72,000	107,749	122,516	5.90% (2023 5.92%)	- Placemakers 16.38% - NZ Post (ex Hannah’s) 10.36% - Hexatronic 18.63% - Anderson & Flowers 12.53% - Mitsubishi Motors 15.86% - Fusion Interiors 10.63% - Conroy Removals 6.36% - Downer NZ 4.32% - NZ Post 2.82% - Whanau Manaaki Kindergarten 1.77% - Other 0.34%
Cameron Road, Tauranga – Office building and retail	50,000	38,350	43,914	2.0% (2023 5.92%)	- Tauranga City Council 55.11% - IRD 38.33% - Other (3) – retail & office 6.56%
Centuria NZ Industrial Fund – light industrial mainly in Auckland (Name change from Augusta Industrial Fund)	100,000	142,942	155,937	5.25% (2023 6.33%)	The 54 tenants in 19 properties across three cities but weighted 73% to Auckland include Toll, Repco, Linfox, Fujitsu, Fletcher Building Steel Group, Macpac, Vulcan Steel, and Halls Refrigeration Transport (Icepak), D&H Steel Construction, Graphic Packaging, and TCI NZ. Overall occupancy is 96%.
<b>Total</b>	<b>\$397,000</b>	<b>\$649,302</b>	<b>\$705,925</b>	Average 4.77% (2023 6.77%)	
		<b>8.0% decrease on 2023 but 63.6% increase on original investment values.</b>	(8.6% decrease on 2022)		

The overall economic situation, especially rising interest rate, has had an effect on the overall cash returns and on the valuations. The rising interest rates on bank borrowings has reduced funds available for distribution – hence the average cash return reducing from 6.77% to 4.77%.

The overall market values of the investments has seen some reduction reflecting the average reduction in the weighted average tenancy terms and increased capitalisation rates. However, the overall portfolio remains strong standing at 63.6% above the original investment costs.

**Building Works**

The Trustees have spent time considering the situation with the Gallery Building roof. There are issues with leakages from the internal gutters. Indications are that we should be considering a roof replacement in the not too distant future. For the time being we have located the major issues and upgraded the monthly maintenance schedule to minimise problems whilst we look at longer term solutions.

**Other Responsibilities**

- **The Arboretum.** New developments have been completed to enhance the visitor experience.
- **The Herbarium.** The web site continues to be operational, although it is no longer able to be updated. The Trust considers that its remit for the herbarium has been concluded.

**Summary**

The Trust has now been in existence for over 20 years so we have set in process a strategic review to focus on the Trust's current operations and on our relationship with the District Council. Discussions have progressed to the stage of seeking legal advice on what could be achieved.

I acknowledge the work of the trustees and in particular Christine Craig who retired from her position in May and Jim Clarkson who is retiring at this year's AGM.

Laura, the Gallery Director has now resigned to take another step in her professional life. We thank her for the contribution she has made over the past three years and wish her every success in the future.

We also acknowledge Amy, the Gallery assistant who is on Maternity Leave, Maree Burnand who is the acting Gallery Assistant, and now Acting Director while we seek to make a new appointment as Director, Christine Craig and her team at the Council for administrative support, and the volunteers without whom the operation of the gallery would become most difficult.

The Trust continues to make an important contribution to the life and culture of the District. Our stewardship of Percy Thomson's legacy is our key role and we acknowledge the support of the Council in making this happen.



Bruce Ellis  
**Chairman (as at 30 June 2024)**

## PERCY THOMSON TRUST – ENTITY INFORMATION

### Legal name

Percy Thomson Trust (the Trust).

### Type of entity and legal basis

The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957. The Trust is controlled by Stratford District Council and is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

### The Trust's purpose or mission

The primary objectives of the Trust are to provide the Percy Thomson Gallery, Percy Thomson Arboretum and Percy Thomson Herbarium in accordance with the bequest left by the late Percy Thomson, and to be responsible for the ongoing maintenance of these assets.

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

The Trust comprises a Board of 6 Trustees who oversee the governance of the Trust, including a Chairman who is responsible for the day-to-day operations of the Trust and reporting to the Trustees, and five other voluntary members who support the Chairman in delivering against the Trust's objectives. At least 50% of the Trustees shall not be current elected members of the Stratford District Council.

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

An operating grant received from the Stratford District Council, investment income, and other forms of grant revenue are the primary sources of funding to the Trust.

### Outputs

The Trust owns and maintains the building in which the gallery is situated and all expenses relating to this are incurred by the Trust. The Trust also promotes and exhibits various forms of art works in the gallery, and exhibition costs are also a major output for the Trust.

## PERCY THOMSON TRUST – BOARD

Chairman: Bruce Ellis - to October 2024  
Ellen Hall – from October 2024

Trustees: Jim Clarkson  
Helen Cloke  
Deborah Clough  
Doug Robinson  
Ellen Hall  
Bruce Ellis  
Christine Craig – Resigned May 2024

## PERCY THOMSON TRUST – STAFF

### As at 30 June 2024

Gallery Director – Laura Campbell

Gallery Assistant – Amy Hill (Parental Leave)  
Gallery Assistant – Maree Burnnand (Fixed Term)

#### Casual Gallery Assistants

- Donna Hitchcock
- Carina McQueen
- Gayleen Schrider
- Jacqueline McCluggage
- Justin Morgan
- Michelle Rowland
- Rhiannon Higgs
- Kayla-Leigh Love

## PERCY THOMSON TRUST – PERFORMANCE

### Statement of Service Performance

#### **Nature and Scope of the Activities**

The Percy Thomson Trust covers three activities, the Art Gallery, the Arboretum, and the Herbarium.

The Percy Thomson Gallery is located in Prospero Place, and the arboretum on Cloten Road near the intersection with Ariel Street. The herbarium is delivered through the Trust's membership of the New Zealand Plant Conversation Network, and specifically through the website, <https://www.nzpcn.org.nz/>.

The Percy Thomson Gallery is Stratford's public art gallery and was opened in June 2002. The gallery contains both exhibition areas and work areas for use by local artists and community art groups. The gallery provides an active programme of exhibitions and events that is both internally generated and toured from other art collections.

The gallery's main display area totals 178m<sup>2</sup> which can be comfortably partitioned into two areas of 116m<sup>2</sup> and 62m<sup>2</sup> respectively.

#### **Objects of the Trust**

The objects for which the Trust is established are, to the extent that they are a Charitable Purpose within New Zealand, as follows:

- to receive the Percy Thomson Arboretum, the Percy Thomson Herbarium and the Percy Thomson Gallery and to be responsible for the ongoing establishment and maintenance of an arboretum, herbarium and art gallery in Stratford;
- to manage the Trust Facilities and to create, acquire, promote, exhibit and manage the Collections for the benefit of the inhabitants of the Stratford District and the public generally;
- to endeavour to achieve the objectives the Council sets for the delivery of services in respect of the Trust Facilities as negotiated and set out in the Charter, the Business Plan, and the Strategic Plan;
- to implement the Council's policy as revised from time to time for the development and enhancement of the Trust Facilities with an emphasis on Stratford and in accordance with the Charter, Business Plan and Strategic Plan;
- to provide advice to the Council on the Council's long term policy for the development of gallery services in Stratford;
- to establish exhibition programmes and education policies for the Trust Facilities;
- to develop acquisition, de-accession and collection development policies for the Trust;
- to provide all financial, administration, marketing, technology and services required for the Trust Facilities;
- to determine charges for viewing or using any of the Trust Facilities and the Collections with a view to generating appropriate revenue and encouraging public enjoyment and utilisation of the Trust Facilities and Collections;
- to house and care for any art collections, antiquities or other articles acquired by, loaned, created or otherwise made available to the Trust and particularly to preserve and maintain the Collections (subject to any de-accession policies developed by the Trustees);
- to lease land or other assets where the Trustees determine that such land or other assets can be used in conjunction with the Trust Facilities or to promote the objectives of the Trust;
- to solicit and raise funds and carry out such activities as are necessary or conducive for the carrying out and giving effect to the objects of the Trust;
- to encourage and foster liaison and co-operative activities with related facilities, particularly those in the Stratford District; and
- generally to do all acts, matters and things that the Trustees consider may advance the objects of the Trust.

For the avoidance of doubt, the objects of the Trust expressed above are set out in no particular order or priority and do not include an intention or purpose that the Trust operates a trading undertaking with the intention or purpose of making a profit, but rather that the Trustees fairly and efficiently manage the Trust Fund, the Trust Facilities and the Collections for the benefit of the people of Stratford District.

The Trust's objects shall only be carried out in, or to benefit people in the Stratford District. The Trustees may carry out activities outside the Stratford District to promote the Trust or the Trust's activities but only if they believe that such activities will be for the ultimate benefit of people in the Stratford District.

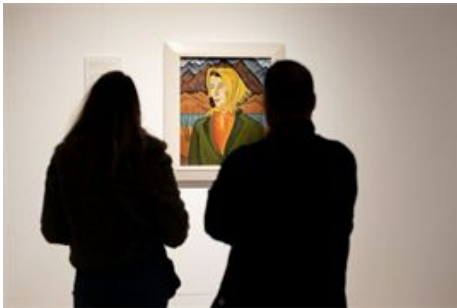


## PERCY THOMSON TRUST – PERFORMANCE

The Trust's objects shall only be carried out in, or to benefit people in the Stratford District. The Trustees may carry out activities outside the Stratford District to promote the Trust or the Trust's activities but only if they believe that such activities will be for the ultimate benefit of people in the Stratford District.

Level of Service	Performance Measures	Actual 2023/24	Target 2023/24	How Performance is measured
Delivery of art exhibitions	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	<p><i>Achieved:</i> All exhibitions were able to be delivered.</p> <p>Art exhibitions that were delivered throughout the year included the following:</p> <p><b>National –</b></p> <ol style="list-style-type: none"> <li>1. Gathered Voices: The Fletcher Trust Collection</li> <li>2. Rita Angus: New Zealand Modernist</li> </ol> <p><b>Regional –</b></p> <ol style="list-style-type: none"> <li>1. Abroad: what's in the suitcase</li> </ol> <p><b>Local –</b></p> <ol style="list-style-type: none"> <li>2. Emergence – Award for Young Taranaki Artists</li> <li>3. Taranaki Arts Trail – Preview exhibition</li> <li>4. Stratford Art Society</li> <li>5. Embroidery Guild Taranaki</li> <li>6. Yours Truly</li> <li>7. Aotearoa Quilters</li> </ol> <p><b>International/Local</b></p> <ol style="list-style-type: none"> <li>1. Kahui Mareikura: Indigenous Sisters</li> </ol> <p><b>(2022/23 – Achieved)</b></p>	<p>Deliver proposed art exhibitions which will include local, regional and at least 1 National.</p>	Art Gallery Records
	Number of visitors to the Gallery to be not less than 20,000 per year.	<p><i>Achieved:</i> There were 25,783 visitors for the year. This is an increase on the previous year as people are now attending more events.</p> <p><b>(2022/23 – Not Achieved – 18,684)</b></p>	>20,000	Door Count
Development and maintenance of arboretum	Develop and maintain the arboretum to the standards in the facilities management contract	<p><i>Achieved:</i> The arboretum has been maintained by Stratford District Council on behalf of the Trust, and meets the standards in accordance with the Facilities Management Contract between Stratford District Council and its contractors. The planting programme was also maintained, and continued on in conjunction with the plantings/replacement of native trees.</p> <p><b>(2022/23 - Achieved)</b></p>	Develop and maintain the arboretum to the standards in the facilities management contract	Meeting Minutes between Stratford District Council and Contractor
Delivery of Herbarium	Develop and maintain the relationship with the New Zealand Plant Conservation Network.	<p><i>Achieved:</i> We now consider this part of the Thomson Bequest as complete. Membership of the New Zealand Plant Network is proceeding as part of the Arboretum.</p> <p><b>2023/24 – Not achieved –</b> The Trust are in the process of becoming a member of the New Zealand Plant Conservation Network, and this will be completed in 2023/24.</p>	Develop and maintain the relationship with the New Zealand Plant Conservation Network.	Dependant on Option Selected

## PERCY THOMSON TRUST – PERFORMANCE



## PERCY THOMSON TRUST – PERFORMANCE



# PERCY THOMSON TRUST – FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL PERFORMANCE AS AT 30 JUNE 2024

	Note	Actual 2023/24 \$000	Budget 2023/24 \$000	Actual 2022/23 \$000
<b>Revenue</b>				
Funding from central or local government	1	50	50	50
Revenue from non-governmental sources for providing goods or services		50	48	46
Donations, fundraising and other similar revenue	1	2	88	45
Interest, dividends and other investment revenue		37	35	44
Other revenue	1	18	18	29
<b>Total Revenue</b>		<b>157</b>	<b>239</b>	<b>214</b>
<b>Expenses</b>				
Employee related costs	2	135	120	121
Costs related to providing goods or services	2	127	111	104
Other expenses	2	126	92	109
<b>Total Expenses</b>		<b>388</b>	<b>323</b>	<b>334</b>
<b>(Deficit) from operations</b>		<b>(231)</b>	<b>(84)</b>	<b>(120)</b>
Impairment of Investments	3	(14)	-	-
Gain on revaluation of property, plant and equipment		-	-	702
<b>Surplus (Deficit) for the year</b>		<b>(245)</b>	<b>(84)</b>	<b>582</b>

Explanations of significant variances against budget are detailed in note 9.

B Ellis  
**TRUSTEE**

E Hall  
**TRUSTEE**

# PERCY THOMSON TRUST – FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	Actual 2023/24 \$000	Budget 2023/24 \$000	Actual 2022/23 \$000
<b>Assets</b>				
<b>Current Assets</b>				
Bank accounts and cash	3	92	212	77
Debtors and prepayments	3	7	10	22
Investments	3	250	250	380
<b>Total Current Assets</b>		<b>349</b>	<b>472</b>	<b>479</b>
<b>Non-Current Assets</b>				
Property, plant and equipment	4	2,452	1,768	2,539
Non-current investments	3	383	502	397
<b>Total Non-Current Assets</b>		<b>2,835</b>	<b>2,270</b>	<b>2,936</b>
<b>Total Assets</b>		<b>3,184</b>	<b>2,742</b>	<b>3,415</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Creditors and accrued expenses	3	35	5	27
Employee costs payable	3	14	2	8
<b>Total Current Liabilities</b>		<b>49</b>	<b>7</b>	<b>35</b>
<b>Total Liabilities</b>		<b>49</b>	<b>7</b>	<b>35</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>3,135</b>	<b>2,735</b>	<b>3,380</b>
<b>Accumulated Funds</b>				
Capital contributed by owners or members	5	0.1	0.1	0.1
Accumulated Surpluses or (deficits)	5	1,226	1,440	1,471
Reserves	5	1,909	1,295	1,909
<b>Total Accumulated Funds</b>		<b>3,135</b>	<b>2,735</b>	<b>3,380</b>

The accompanying notes form part of these financial statements.

The Trust Board is approved and authorised to issue the financial statements on 4 December 2024.

B Ellis  
**TRUSTEE**

E Hall  
**TRUSTEE**

## PERCY THOMSON TRUST – FINANCIAL STATEMENTS

### STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Cash Flows from Operating Activities</b>			
<i>Cash was received from:</i>			
Funding from central or local government		50	50
Receipts from non-governmental sources for providing goods or services		54	46
Donations, fundraising and other similar receipts		2	49
Interest, dividends and other investment revenue		39	41
Other revenue		20	19
Net GST		6	(8)
<i>Cash was applied to:</i>			
Payments to Suppliers and Employees		(273)	(234)
<b>Net Cash Flows used in Operating Activities</b>		<b>(102)</b>	<b>(37)</b>
<b>Cash Flows from Investing and Financing Activities</b>			
<i>Cash was received from:</i>			
Receipts from the sale of investments		130	-
<i>Cash was applied to:</i>			
Payments to acquire investments		-	(75)
Payments to acquire property, plant and equipment		(13)	(86)
<b>Net Cash flow from Investing and Financing Activities</b>		<b>117</b>	<b>(161)</b>
<b>Net Increase in Cash</b>		<b>15</b>	<b>(198)</b>
Add opening bank accounts and cash		77	275
<b>This is presented by : Bank Accounts and Cash</b>	3	<b>92</b>	<b>77</b>

# PERCY THOMSON TRUST

## **STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2024**

### **ACCOUNTING POLICIES APPLIED**

#### Basis of Preparation

The Board 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 \$5 million.

All transactions in the financial statements are reported using the accrual basis of accounting.

The financial statements are prepared on the assumption that the Trust will continue to operate in the foreseeable future.

The financial statements are presented in NZ dollars, and all values are rounded to the nearest thousand dollars, unless stated otherwise.

#### Goods and Services Tax

The Trust is registered for GST. All amounts in the financial statements are recorded exclusive of GST, except for debtors and creditors, which are stated inclusive of GST.

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **Revenue**

##### *Grants*

Council, government, and non-government 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.

##### *Sale of goods*

Revenue from the sale of goods is recognised when the goods are sold to the customer.

##### *Commission on Sales*

Commission on exhibition sales and Percy Place sales is retained by the Trust, with the remaining proceeds passed on to the seller of the artworks. Revenue includes only amounts received and receivable by the Trust on its own account, not the amounts collected for the principal. Revenue is recognised when receivable.

##### *Sale of services*

Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

##### *Interest revenue*

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

### *Employee related costs*

Wages, salaries, and annual leave are recorded as an expense as staff provide services and become entitled to wages, salaries, and leave entitlements.

Performance payments are recorded when the employee is notified that the payment has been granted.

Superannuation contributions are recorded as an expense as staff provide services.

### *Advertising, marketing, administration, and other costs*

These are expensed when the related service has been received.

### *Bank accounts and cash*

Bank accounts and cash comprise a cheque account and deposits held at call with banks.

### *Debtors*

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.

### *Investments*

Investments are comprised of term deposits with banks, listed bonds, listed shares, short term promissory notes issued by companies and Local Authorities, real estate, and professionally managed portfolios of investments.

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.

Listed bonds and shares are initially recorded at the amount paid. If the market price of the investment falls below cost, the carrying value of the investment is reduced to the current market price. If the market price of the investment subsequently increases, the carrying amount of the investment is increased but limited to the original cost of the investment.

### *Property, plant, and equipment*

Property, plant, and equipment is initially recorded at cost or valuation, less accumulated depreciation and impairment losses. The fair value of the freehold land was determined based on the market comparable approach that reflects recent transaction prices for similar properties. The fair value of the buildings was determined from market based evidence using the cost approach, reflecting the cost to construct assets of comparable utility and age, adjusted for obsolescence.

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.

Depreciation is provided on a straight-line basis at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Furniture and fittings	10 to 20 years (5% to 10%)
Office Equipment	4 to 10 years (10% to 25%)
Buildings	10 to 80 years (1.25% to 10%).



### *Revaluation*

The Trust has adopted tier 2 standards regarding the revaluation of its land and buildings in accordance with PBE IPSAS 17.

Unless stated, valuations are carried out or reviewed by independent qualified valuers and are carried out at least on three yearly cycles. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, land or equipment within a class has a carrying value that is materially different from its fair value.

Land and buildings were valued as at 30 June 2023 by Telfer Young (Taranaki) Ltd, independent valuers at fair value as determined from the market-based evidence. Buildings have been valued using the depreciated replacement cost which is based on the modal rate. The modal rate was the rate derived from the construction cost movement from 2020 (which was the date the last valuation was performed) to 2023. Land has been valued on the basis of the open market value of that land.

Revaluation increases and decreases will be transferred to equity.

### *Creditors and accrued expenses*

Creditors and accrued expenses are measured at the amount owed.

### *Employee costs payable*

A liability for employee costs payable is recognised when an employee has earned the entitlement.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

### *Income tax*

Tax expense is calculated using the taxes payable method. As a result, no allowance is made for deferred tax.

Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

### *Budget figures*

The budget figures are derived from the statement of intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

### *Tier 2 PBE Accounting Standards applied*

The Trust has applied tier 2 accounting standards for asset revaluations only, in preparing its financial statements. This was to bring consistency in property revaluations between the Trust and its parent, the Stratford District Council.

## **CHANGES IN ACCOUNTING POLICIES**

There have been no changes to the accounting policies during the year.

## PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

### 1. Analysis of Revenue

For the year ended 30 June 2024

	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Funding from central or local government</b>		
- Stratford District Council	50	50
<b>Donations, fundraising and other similar revenue</b>		
Grant - Taranaki Electricity Trust	-	30
Grant - Taranaki Foundation	-	10
Other grants	2	4
Wages subsidy	-	1
<b>Total donations, fundraising and other similar revenue</b>	<b>2</b>	<b>45</b>
There are no unfulfilled conditions and other contingencies attached to grants recognised.		
<b>Other Revenue</b>		
- Commission Sales	18	19
- Insurance proceeds	-	10
<b>Total Other Revenue</b>	<b>18</b>	<b>29</b>

### 2. Analysis of Expenses

	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Employee related costs</b>		
Salaries and Wages	129	116
Kiwisaver Contributions	3	3
Increase (Decrease) in Employee Entitlements	3	2
<b>Total employee related costs</b>	<b>135</b>	<b>121</b>
<b>Costs related to providing goods or services</b>		
Property expenses	44	29
Art Gallery expenses	60	52
Other operating expenses	23	23
<b>Total costs related to providing goods or services</b>	<b>127</b>	<b>104</b>
<b>Other expenses</b>		
Audit Fees for Financial Statement Audit	26	25
Loss on disposal of assets	-	3
Depreciation	100	81
<b>Total other expenses</b>	<b>126</b>	<b>109</b>

## PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

### 3. Analysis of Assets and Liabilities

AS AT 30 JUNE 2024

#### Current Assets

	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Bank Accounts and Cash</b>		
Cheque Account - TSB	92	77
<b>Total Bank accounts and cash</b>	<b>92</b>	<b>77</b>
<b>Debtors and Prepayments</b>		
GST Refundable	2	8
Sundry Debtors	5	14
<b>Total Debtors and Prepayments</b>	<b>7</b>	<b>22</b>
<b>Investments</b>		
<u>Bonds</u>		
Meridian Energy Ltd - 4.88% - matures 20/03/2024	-	30
<u>Other Investments</u>		
Term Deposit TSB Bank - 5.30% - mature 4/12/2023	250	250
Term Deposit TSB Bank - 4.35% - mature 20/09/2023	-	50
Term Deposit TSB Bank - 5.65% - mature 20/12/2023	-	50
<b>Total Investments</b>	<b>250</b>	<b>380</b>
<b>Non-current Investments</b>		
<u>Other Investments</u>		
Proportionate Ownership - Albany, Auckland	50	50
Proportionate Ownership - Manukau, Auckland	48	50
Proportionate Ownership - Porirua, Wellington	72	72
Proportionate Ownership - Albany, Auckland	75	75
Proportionate Ownership - Tauranga	38	50
Proportionate Ownership - Henderson, Auckland	100	100
<b>Total Non Current Investments</b>	<b>383</b>	<b>397</b>
<b>Creditors and Accrued Expenses</b>		
Creditors	10	2
Income received in advance	1	2
Accrued Expenses	24	23
<b>Total Creditors and Accrued Expenses</b>	<b>35</b>	<b>27</b>
<b>Employee Costs Payable</b>		
Annual Leave	11	8
Payroll Accrual	3	0
<b>Total Employee Costs Payable</b>	<b>14</b>	<b>8</b>

## PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

### 4. Property, Plant and Equipment

AS AT 30 JUNE 2024

Cost or Valuation	Buildings at revalued amount	Land at revalued amount	Plant and Equipment at Cost	Total
	\$000	\$000	\$000	\$000
<b>As at 1 July 2023</b>	2,072	385	143	2,600
Additions	12	-	-	12
Disposals	-	-	-	-
Revaluation increase	-	-	-	-
<b>As at 30 June 2024</b>	<b>2,084</b>	<b>385</b>	<b>143</b>	<b>2,612</b>

Accumulated Depreciation	Buildings at revalued amount	Land at revalued amount	Plant and Equipment at Cost	Total
	\$000	\$000	\$000	\$000
<b>Balance at 1 July 2023</b>	-	-	61	61
Eliminated on disposals of assets	-	-	-	-
Depreciation expense	92	-	8	100
Depreciation reversed on revaluation	-	-	-	-
<b>Balance at 30 June 2024</b>	<b>92</b>	<b>-</b>	<b>69</b>	<b>161</b>

<b>Balance as at 30 June 2024</b>	<b>1,992</b>	<b>385</b>	<b>74</b>	<b>2,452</b>
<b>Balance as at 30 June 2023</b>	<b>2,072</b>	<b>385</b>	<b>82</b>	<b>2,539</b>

### 5. Accumulated Funds

	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Opening Equity</b>		
Revaluation Reserve	1,909	1,207
Accumulated Surpluses	1,471	1,591
<b>Total Opening Balance</b>	<b>3,380</b>	<b>2,798</b>
<b>Movements during the year</b>		
Surplus (Deficit)	(231)	(120)
Fair value movement of listed bonds	(14)	-
Revaluation during the year	-	702
<b>Total</b>	<b>(245)</b>	<b>582</b>
<b>Closing Equity</b>		
Revaluation Reserve	1,909	1,909
Accumulated Surpluses	1,226	1,471
<b>Total Closing Equity</b>	<b>3,135</b>	<b>3,380</b>

## PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

### 6. Commitments and Contingencies

AS AT 30 JUNE 2024

	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Financial Commitments</b>		
* Percy Thomson Trust will provide building space in the Complex for Sgt Peppers to operate, for the period to 1 September 2024, with two further rights of renewal of two years each.	3	-
* Percy Thomson Trust will provide building space in the Complex for Juffermans Surveyors Ltd to operate, for the period to 12 April 2026, with two further rights of renewal of three years each.	32	50
* Percy Thomson Trust will provide land outside the Complex for NZ Post to use as a box lobby, for the period to 31 May 2026, with two further rights of renewal of two years each.	2	1
<b>Total</b>	<b>37</b>	<b>51</b>
<b>Operating Leases as a Lessor</b>		
Not later than one year	23	19
Later than one year and not later than five years	14	32
Later than five years	-	-
<b>Total operating leases as a lessor</b>	<b>37</b>	<b>51</b>

#### Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at balance date (last year – nil).

### 7. Related Party Transactions

The Trust is a subsidiary of Stratford District Council and receives an operating grant from the Council to deliver its objectives as specified in the Trust Deed. The Stratford District Council is the ultimate controlling party.

Trustees that have a relationship with Stratford District Council:

- Ellen Hall, Trustee, is a Councillor
- Christine Craig, Trustee, is an employee of Stratford District Council – resigned May 2024

The following transactions were carried out with related parties at normal commercial terms:

	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Stratford District Council</b>		
Grant received from the Council	50	50
Fees paid to Council for administration services	21	21

## PERCY THOMSON TRUST – NOTES TO THE PERFORMANCE REPORT

### 8. Events After the Balance Sheet Date

There were no significant events after balance date.

### 9. Explanations of major variances against budget

Explanations for major variances from the Trust's budgeted figures in the 30 June 2024 Statement of Intent are as follows:

#### Statement of Financial Performance

- Revenue from grants was considerably less than budget due to the current market situation, however the Trust are continually seeking alternative sources of grant funding.
- Employee related costs were higher than budget, and costs related to providing the goods and services were over budget, primarily due to the repairs required on the building.
- Audit fees are considerably higher than budget, as the Statement of Intent was adopted prior to agreement of the new fee, which includes a full cost recovery.

#### Statement of Financial Position

- The cash balance was less than budget as funds were required to cover increases in expenditure, and the reduction in revenue.

### 10. Rounding Errors

Some rounding errors may occur in the financial statements due to stating dollar amounts to the nearest \$000.

# PERCY THOMSON TRUST – AUDIT REPORT

## Attachment two



## Areas of audit focus

### Percy Thomson Trust

**Risk identified**

The Percy Thomson Trust (the 'Trust') is a Council-Controlled Organisation and is consolidated as part of the Stratford District Council Group.

The Trust applies Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) ('PBE SFR-A (PS)'). This standard is replaced for periods beginning on or after 1 April 2024 by the XRB's Tier 3 (PS) Standard *Reporting Requirements for Tier 3 Public Sector Entities*.

**What it meant for our audit in 2024**

We have audited the performance report of the Trust for the financial year ended 30 June 2024.

We have reported in more detail separately to the Trustees of the Trust.

**Audit response****We have:**

- Reviewed the Trust's SSP against legislative requirements and good practice. This included checking consistency with the performance framework included in the Trust's Statement of Intent;
- Conducted appropriate audit procedures in response to identified risks of material misstatement, including revenue, financial assets, and the valuation of land and buildings; and
- Tested the appropriateness of a sample of journal entries and adjustments and made enquiries about inappropriate or unusual activities relating to the processing of journal entries and other adjustments.

**Audit findings**

The Trust holds investments in commercial property through proportionate ownership schemes and property investment funds. In the standalone financial statements of the Trust these are held at cost, as is allowed under the Trust's accounting policies and the applicable Tier 3 financial reporting standards.

The Council is subject to Tier 2 financial reporting standards. Under these standards and the Council's accounting policies, these investments should be recognised at fair value.

Consistent with prior years, these investments have not been recognised at fair value in the Group financial statements. This results in an understatement of investments to the amount of \$252k which is included as an unadjusted difference on page 19 of this report.

Other than the matter noted above, we have not identified material issues.



# DECISION REPORT



F22/55/04-D24/52989

To: Council  
From: Acting Director – Corporate Services  
Date: 10 December 2024  
Subject: Adopt Annual Report 2023/24

## Recommendations

1. THAT the report be received.
2. THAT the Annual Report 2023/24 be received and approved for adoption, subject to any further changes as requested by Deloitte, the independent auditors.
3. THAT the Mayor and the Chief Executive be given authority to sign the Annual Report, incorporating any late, minor, changes that may be required by Deloitte.
4. THAT the Chief Executive be authorised to publish an audited Summary Annual Report within one month of adopting the Annual Report 2023/24.

## Recommended Reason

Section 98(3) of the Local Government Act 2002 requires Council to adopt the Annual Report 2023/24 by 31 October 2024. However Council resolved to delay the adoption to 31 December 2024, as an extension was granted as a result of the Water Services Acts Repeal Act 2024. The audited Annual Report gives the community transparency on the Council's performance for the year. It is a statutory requirement for a local authority to, within one month after the adoption of its Annual Report; make publicly available a summary of the information contained in its Annual Report.

/  
Moved/Seconded

## 1. Purpose of Report

- 1.1 The purpose of this report is to receive, consider, and approve for adoption the Annual Report for the year ended 30 June 2024 and to authorise the publication of a Summary Annual Report.

## 2. Executive Summary

- 2.1 The financial year ended 30 June 2024 represents year 3 of the Long Term Plan 2021-31. Some of the highlights for the year include the following:
  - Draining, cleaning and refilling of Victoria Park pond
  - Redevelopment of the bowl at the Skate Park
  - Replacement work on the septic tank at the Whangamomona Camp Ground
  - Re-alignment of Cardiff Road and safety improvements on Beaconsfield Road
  - Fencing of the town's oxidation ponds
  - Midhirst cemetery pathway upgrade
  - A reduction in capital expenditure from \$13,382,000 in 2022/23 to \$8,159,000 in 2023/24, primarily due to the withdrawal of government funding for the Transport Choices project
  - The non-financial performance measures achievement rate was 71% (58% last year), with 27% of measures not achieved, and 2% not applicable.

- 2.2 In November 2024, a draft Annual Report and a summary of the highlights was presented to the Audit and Risk Committee. No further significant changes have been made to the Annual Report since then.
- 2.3 The Annual Report was audited by Deloitte to provide Council with assurance on compliance with the Local Government Act 2002, the Local Government (Financial Reporting and Prudence) Regulations 2014, and the Public Benefit Entity Standards Reduced Disclosure Regime, and is audited in accordance with the Auditor-General's Auditing Standards. At the time of writing this report, Deloitte have indicated that Council will receive an unmodified audit opinion and no major issues have been raised with Council.
- 2.4 At the time of writing this decision report, the Audit Manager was still in the final stages of reviewing the audit of the Annual Report document, so there may be some minor changes as a result of the audit process.

**3. Local Government Act 2002 – Section 10**

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:		Yes - all	
<b>Social</b>	<b>Economic</b>	<b>Environmental</b>	<b>Cultural</b>
✓	✓	✓	✓

The Annual Reporting process benefits all ratepayers in the district and organisations to whom Council is accountable for in its decision making and meets the requirements of good quality local public service and providing for Community Outcomes in relation to all four well-beings.

**4. Background**

- 4.1 The Annual Report 2023/24 is the annual document that summarises the performance of the Council in the following aspects:
  - Financial performance – including financial statements, compliance with financial benchmarks, individual Activity cost of service statements, and a summary of variations to Year 3 of the Long-Term Plan 2021-31.
  - Non-Financial performance – performance measures and outcomes for the year by activity, and a summary of non-financial performance measures that were not met.
  - Confirmation from Deloitte that the Annual Report complies with appropriate legislation and standards (not yet available).

It also includes commentary from the Mayor and Chief Executive in relation to the financial year, along with a summary of the Council Structure and Governance arrangements.

- 4.2 This is the third year with Deloitte as auditor, previously Audit New Zealand. Despite a number of challenges with the previous years audits, significant improvements do not seem to have been made in terms of the efficiency in the audit process. Additionally, the audit fee for 2023/24 has increased from \$188,240 in the previous year (being the newly negotiated fee with the Auditor General, excluding GST, disbursements and OAG Audit Standards and Quality Supports charges), to \$233,935 in the current year.

The annual audit process is becoming increasingly detailed and complex, requiring a significant amount of staff time to complete. The Office of the Auditor General has required the appointed auditors to conduct more extensive testing and rely on evidence-based audit procedures. These requirements are expected to continue and likely intensify in the future.

- 4.3 Deloitte have not raised any significant issues with regards to their audit, and staff are not aware of any auditor recommendations to be addressed to Council in the final audit report.
- 4.4 Attached as Appendix 2 is the Management Report to Council for the year ended 30 June 2024. Management will ensure all findings are actioned, and reported back to the Audit and Risk Committee.

**5. Consultative Process**

**5.1 Public Consultation - Section 82**

There is no requirement for public consultation on Council’s Annual Report, however the Summary Annual Report is an opportunity to engage with the community on Council performance for the previous year.

**5.2 Māori Consultation - Section 81**

Iwi in the Stratford District will be sent the link to the Annual Report directly.

**6. Risk Analysis**

Refer to the Council Risk Register - available on the Council website.	
•	Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
•	Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks.
•	Is there a legal opinion needed?

- 6.1 This report relates to Risk 8 – Annual Report Adoption and Publication. The Annual Report also covers Council risk management in general and is subject to a thorough audit process by Deloitte.

**7. Decision Making Process – Section 79**

**7.1 Direction**

	Explain
Is there a strong link to Council’s strategic direction, Long Term Plan/District Plan?	Yes, the Annual Report compares the actual activities and the actual performance of Council for the year ended 30 June 2024 with the intended activities and the intended level of performance as set out in year 3 of the Council’s 2021–2031 Long Term Plan.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	It provides a snapshot of the Council’s financial position, and gives a view as to Council’s financial sustainability in order to meet the current and future infrastructure needs.

7.2 **Data**

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Do we have complete data, and relevant statistics, on the proposal(s)?</li> <li>• Do we have reasonably reliable data on the proposals?</li> <li>• What assumptions have had to be built in?</li> </ul> |
|--|

Refer to the Annual Report 2023/24 attached to this report – **Appendix 1**.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long-Term Plan?	No	The decision to adopt the Annual Report in itself is not significant, as it is a matter of reporting past performance, and there are limited other options.
Is it:		
• considered a strategic asset; or		
• above the financial thresholds in the Significance Policy; or		
• impacting on a CCO stakeholding; or		
• a change in level of service; or		
• creating a high level of controversy; or		
• possible that it could have a high impact on the community?		

In terms of the Council’s Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 **Options**

- |   |
|---|
| <p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> <li>1. What options are available?</li> <li>2. For <b>each</b> option: <ul style="list-style-type: none"> <li>• explain what the costs and benefits of each option are in terms of the present and future needs of the district;</li> <li>• outline if there are any sustainability issues; and</li> <li>• explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?</li> </ul> </li> <li>3. After completing these, consider which option you wish to recommend to Council, and explain: <ul style="list-style-type: none"> <li>• how this option is the most cost effective option for households and businesses;</li> <li>• if there are any trade-offs; and</li> <li>• what interdependencies exist.</li> </ul> </li> </ol> |
|---|

There is a statutory requirement to adopt the Annual Report by 31 December 2024.

It is also a statutory requirement for a local authority to, within one month after the adoption of its annual report; make publicly available a summary of the information contained in its annual report.

**The recommended option** is to approve the recommendations to adopt the Annual Report 2023/24, subject to any minor changes as requested by Deloitte, and approve the other recommendations in this report.

However, if Council does not agree to adopt the Annual Report, there is limited time to make any changes, in order to comply with the legislative reporting timeframe. Note –

any further changes done at Council's request (rather than at the request of auditors) will require additional audit review by Deloitte. *Note: There is no financial penalty for not adopting the Annual Report by the legislative timeframe.*

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

By adopting this report there is minimal financial impact to Council, besides some communication and printing costs.

The total audit fee proposed for the 2023/24 audit (excluding disbursements and OAG charges) is \$233,935 (excluding GST) – an increase of 24% on the previous year.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
  - contractor's capacity to deliver; and
  - consequence of deferral?

The recommended option carries no direct implications to Council's capacity to deliver its services as proposed in the Long-Term Plan or Annual Plan.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

It is a statutory requirement under Section 98 and 98A of the Local Government Act 2002 for Council to adopt the Annual Report by 31 October. However Council resolved to delay the adoption to 31 December 2024, as an extension was granted as a result of the Water Services Acts Repeal Act 2024.

It is a statutory requirement under Section 98 (4) for a local authority to, within one month after the adoption of its Annual Report; make publicly available its Annual Report and a summary of the information contained in its Annual Report.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

N/A

**Attachments**

**Appendix 1** Annual Report 2023/24

**Appendix 2** Deloitte's Management Report to Council



Christine Craig  
**Acting Director – Corporate Services**



[Approved by]  
Sven Hanne  
**Chief Executive**

**Date** 3 December 2024



TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**

**STRATFORD**  
DISTRICT COUNCIL

# ANNUAL REPORT 2023/2024



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# From the Mayor and Chief Executive

## Tēnā koutou katoa

### Welcome to Stratford District Council's Annual Report for 2023/24.

The 2023/24 financial year was the third and final year of Council's 2021-2031 Long Term Plan.

At \$8.2 million, the actual capital expenditure for the financial year was significantly below the \$13.4 million spent in 22/23 and \$24.4 million spent in 21/22. This demonstrates the significant work programme council has gone through, and the return to a more normal and long-term sustainable level of expenditure. These figures include external funding sources, such as NZ Transport Agency Waka Kotahi subsidies and central government grants, and a significant portion of the increased spend in previous years was triggered by external one-off funding opportunities. The past 12 months have been busy with infrastructure projects that some might view as being minor but are in fact important pieces of work to keep our community ticking.

These include:

- Victoria Park pond being drained, cleaned and re-filled
- Redevelopment of the Skate Park's bowl
- Replacement work on the septic tank at the Whangamomona Camp ground
- Re-alignment of Cardiff Road and safety improvements on Beaconsfield Road
- Fencing of the town's oxidation ponds
- Midhirst cemetery pathways upgrade

Following the general election in 2023, the coalition government announced several changes to funding allocated to council projects. This resulted in some significant changes to our capital works delivery for this year, including the cancellation of \$7.7 million of funding towards Transport Choices projects. These were designed to improve walking and cycling facilities and safer connections around town. By itself, Transport Choices accounted for 47% of 2023/24's capital works programme. This cancellation therefore significantly contributed to council's reduced capital works programme delivery. Other changes resulting from the general election required \$1.45 million of central government funding allocated to Prospero Place and Broadway beautification work to be shifted to water-related projects in later years.

## Operating Results

We finished the year with a net deficit of \$57,000. Revenue was 17% below budget due to the removal of external funding for Transport Choices and a number of other projects as discussed above. Expenditure was 2%, or \$552,000 above budget due to cost increases exceeding what was forecast.

## Financial Position

All Local Government Funding Agency (LGFA) lending covenants were met during the 2023/24 financial year. Due to significant grant funding received during the year, and not all loan funded capital projects being delivered as budgeted, Council debt is lower than anticipated.

## General Performance

The results of the 2023/24 customer satisfaction survey are relatively consistent with those of the previous year, with a slight increase across most performance indicators. The overall satisfaction with Council's performance landed at 59% (up 2% from 2023) and satisfaction with quality of services and facilities reached 69% (up 2% from 2023). Of note is the fact that of all the councils the external research agency works with, Stratford District Council scored amongst the highest for customer satisfaction overall, with our Library and Visitor Information Centre scoring the highest satisfaction rating nationally.

Council achieved 71% of its performance measures for the year. The measures not achieved were across Parks, Reserves & Cemeteries, Planning and Bylaws, and Roading services and due to a wide range of factors. These included a very wet summer impacting on the performance of the farm and the aerodrome, increased reporting for complaints, requests for service and Health and Safety related events due to better and more accessible reporting tools.



**Neil Volzke**  
District Mayor



**Sven Hanne**  
Chief Executive





# Community Outcomes

## Vision

Council has spent time reviewing its vision statement for the district and will aspire to be:

**A vibrant, resilient, and connected community – in the heart of Taranaki**

## Community outcomes

To the deliver the vision we will develop strategies, policy and procedures that facilitate and encourage a:

- Vibrant Community
- Sustainable Environment
- Connected Communities
- Enabling Economy





Council has a role on behalf of the community it represents in planning, delivering and monitoring parts of this vision.

Council has held workshops to refine the outcomes to better reflect what is important to Stratford. These are then used to provide direction and inform Council on service delivery and use of resources. These community outcomes are:

Community Outcome	What council will do
<b>Vibrant community</b> 	<ul style="list-style-type: none"> <li>• We celebrate and embrace our community's cultures and traditions</li> <li>• We tell our unique story</li> <li>• We develop strong relationships with iwi, hapu and marae</li> </ul>
<b>Sustainable environment</b> 	<ul style="list-style-type: none"> <li>• Our natural resources can be enjoyed now and by future generations</li> <li>• We are committed to working towards zero waste</li> <li>• We have well planned and resilient infrastructure that meets the current and future needs of the district</li> <li>• We aim to understand and support Te Ao Māori values and principles</li> </ul>
<b>Connected communities</b> 	<ul style="list-style-type: none"> <li>• Our neighbourhoods are safe and supported</li> <li>• We enable positive healthy lifestyles, through access to health, social and recreation services</li> <li>• We have a strong sense of belonging</li> <li>• We value opportunities to be involved and work together as a community</li> </ul>
<b>Enabling economy</b> 	<ul style="list-style-type: none"> <li>• We are a welcoming and business friendly district</li> <li>• We encourage a strong and diverse local economy</li> <li>• We promote opportunities to visit, live and invest in the district</li> <li>• We support economic opportunities for Māori</li> </ul>

*Please note this vision and the community outcomes reflect what's in the 2021-31 Long Term Plan (LTP). These have been updated in the 2024-34 LTP. All reporting documents under the updated LTP will reflect the new outcomes.*

**The groups of activities contribute predominantly to the following community outcomes:**

ACTIVITIES	Vibrant community 	Sustainable environment 	Connected communities 	Enabling economy 
Recreation and Facilities	✓	✓	✓	✓
Community Development	✓		✓	✓
Democracy	✓	✓	✓	✓
Environmental Services		✓	✓	✓
Roading			✓	✓
Stormwater		✓		✓
Wastewater		✓		✓
Solid Waste		✓		✓
Water Supply		✓		✓



**The group of activities meet the purpose of the Local Government four well-beings as follows:**

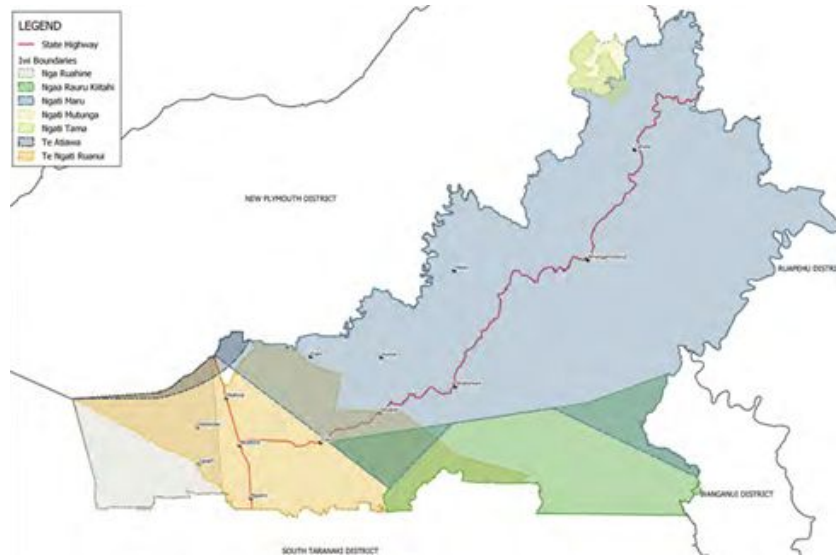
<b>ACTIVITIES</b>	<b>Cultural</b>	<b>Social</b>	<b>Economic</b>	<b>Environmental</b>
<b>Aerodrome</b>		✓	✓	✓
<b>Civic Amenities</b>	✓	✓		
<b>Library</b>	✓	✓		
<b>Parks, Reserves and Cemeteries</b>	✓	✓		✓
<b>Pool Complex</b>	✓	✓	✓	
<b>Democracy</b>	✓	✓	✓	✓
<b>Community Development</b>	✓	✓		
<b>Economic Development</b>	✓		✓	
<b>Information Centre</b>	✓	✓	✓	
<b>Rental and Investment Properties</b>		✓	✓	
<b>Building Services</b>			✓	✓
<b>Planning</b>			✓	✓
<b>Community Health and Safety</b>			✓	
<b>Civil Defence and Emergency Management</b>		✓	✓	✓
<b>Roading</b>		✓	✓	
<b>Stormwater</b>	✓	✓	✓	✓
<b>Wastewater</b>	✓	✓	✓	✓
<b>Solid Waste</b>		✓	✓	✓
<b>Water Supply</b>	✓	✓	✓	✓

# Opportunities for Māori Contribution to Decision Making Processes

As a Council, we recognise the special position of tangata whenua and the important role Māori have to play in Council's decision-making processes and aim to build and grow mutually beneficial, positive relationships with iwi and hapu situated within the Stratford District.

We acknowledge the following seven iwi as tangata whenua within the Stratford District. These are Ngāti Ruanui, Ngāruahine, Ngāti Maru, Ngāti Mutunga, Ngāti Tama, Ngā Rauru and Te Atiawa.

Council also recognises the role of Whakaahurangi Marae within the district.



## Council provides opportunities for Māori contribution to decision making in the following ways:

### Statutory

Section 81 of the Local Government Act 2002 requires Council to provide opportunities for Māori to participate in Council decision-making and consider ways we can foster the development of Māori capacity to contribute to Council's decision-making. The Resource Management Act 1991 places further requirements on Council to support Māori participation and capacity in contributing to its decision making processes.

### Significance and Engagement

The Significance and Engagement Policy sets out how Council will determine the significance of an issue, proposal, or decision and the level of engagement required with key stakeholders including iwi. This ensures a consistent approach is used when considering Māori contributions to Council's decision-making.

Council acknowledges its unique relationship with Māori and supports this through:

- Establishing and maintaining processes to provide opportunities for Māori to contribute to decision-making;
- Taking into account the relationship Māori have with their ancestral land, water, sites, waahi tapu, and other taonga, when a significant decision relates to land or a body of water; and
- Building ongoing relationships with Māori to enable early engagement in the development of appropriate plans and policies.

### Internal Capacity

To enable and enhance effective engagement of Maori in decision making processes Council has committed resource to support and guide its interactions with Māori, with a focus on building the cultural competency of our staff and elected members. This includes ensuring training on Te Ao Māori is available and supported, including basic te reo Māori, tikanga, local history, and relevant legislation. This enhances staff confidence and skills in engaging with Māori to establish and manage effective relationships.

### Working Together

Council values its relationship with mana whenua, demonstrated through involvement in significant community events such as the Puanga and te wiki o te reo Māori celebrations, through active engagement in the development of new recreational facilities as well as policy and bylaw adoption processes. Cooperation is also directly benefiting from iwi being increasingly included in regional groups such as the Taranaki Regional Executive Group, Ngā Kaiwhakatere o Taranaki and Civil Defence.

Going forward Council is committed to adopt a more formal approach to further enable Māori in decision making by having regular liaison meetings, at both governance and operational levels, and by establishing a Māori engagement framework with local iwi.

### Governance

In 2021 Council adopted a bilingual name Te Kaunihera ā Rohe o Whakaahurangi Stratford District Council, and is looking forward to continuing the conversation around bilingual language use across Council operations, services and facilities moving forward. In May 2021 Council adopted to include a Māori Ward for the 2022 and 2025 local body elections.



# District Profile

**Stratford is located at the junction of State Highway 3 and State Highway 43, in the heart of Central Taranaki, in the North Island of New Zealand.**

Stratford is the closest main centre to Egmont National Park, and the gateway to Mount Taranaki, the Manganui Ski Field, Dawson Falls, and the Forgotten World Highway (SH43) which winds its way through east Taranaki to Taumarunui.

Covering approximately 2,170 square kilometres, it has four distinct regions:

- The alpine and bush environment of the Egmont National Park.
- The dairy farming country of the Egmont ring-plain.
- The frontal hill country. This land lies between the ring plain and the eastern hill country. It is mostly utilised for sheep and beef farming.
- The relatively steep hill-country of eastern Taranaki, some areas of which are farmed mostly for sheep and beef farming. Some areas are abandoned farmland reverting to bush while some land remains in original bush.

Stratford District is one of New Zealand's smallest local authority areas, being the 58th largest district in New Zealand, of 67, based on population estimates.

Stratford District is part of the Taranaki Region. Taranaki has four Councils, made up of three territorial authorities and one regional council:

- Taranaki Regional Council
- New Plymouth District Council
- South Taranaki District Council
- Stratford District Council

The Stratford District Council is currently represented by 11 Councillors and the Mayor. Stratford district is divided into three wards – an urban ward (6 Councillors), a rural ward (4 Councillors) and a māori ward (1 Councillor). The Council has no community boards.

The Council has one Council Controlled Organisation (CCO), the Percy Thomson Trust, with control through the ability to appoint more than half of the trustees. The Trust is registered as a charitable trust, and therefore exempt from income tax.

The most recent population estimate for the district of 10,160 people is based on Statistics NZ population estimates as at 30 June 2022.



# Elected Members

As at 30 June 2024 council consisted of a District Mayor and 11 Councillors.

## District Mayor



**Neil Volzke, Mayor**  
nvolzke@stratford.govt.nz  
027 6317 418

## Māori Ward Councillor



**Clive Tongaawhikau**  
clive.tongaawhikau@stratford.govt.nz  
021 818 006

## Urban Ward Councillors



**Min McKay, Deputy Mayor**  
min.mckay@stratford.govt.nz  
027 357 6060



**John Sandford, JP**  
john.sandford@stratford.govt.nz  
027 496 2278



**Annette Dudley**  
annette.dudley@stratford.govt.nz  
027 452 6617



**Mathew Watt**  
mathew.watt@stratford.govt.nz  
027 263 1235



**Jono Erwood**  
jono.erwood@stratford.govt.nz  
027 6404 008



**Ellen Hall**  
Ellen.Hall@stratford.govt.nz  
021 817 792

## Rural Ward Councillors



**Amanda Harris**  
amanda.harris@stratford.govt.nz  
027 698 8291



**Grant Boyde, JP**  
grant.boyde@stratford.govt.nz  
(06) 765 5715



**Vaughan Jones**  
vaughan.jones@stratford.govt.nz  
027 620 2106



**Steve Beck**  
steve.beck@stratford.govt.nz  
027 444 7571





## Standing Committee Membership

As at 30 June 2024

	<b>Council</b>	<b>Policy &amp; Services Committee (includes hearings)</b>	<b>Executive Committee</b>	<b>Audit &amp; Risk Committee</b>	<b>Farm &amp; Aerodrome Committee</b>	<b>Sport New Zealand Rural Travel Fund</b>
<b>Frequency</b>	Monthly	Monthly	As required	5x per year	Quarterly	2x per year
<b>District Mayor N Volzke</b>	●	✓	●	✓		
<b>Deputy Mayor M McKay</b>	✓	●	✓	✓		
<b>Cr G Boyde</b>	✓	✓	✓	✓	●	
<b>Cr S Beck</b>	✓	✓			✓	
<b>Cr A Dudley</b>	✓	✓				✓
<b>Cr J Erwood</b>	✓	✓	✓	✓		✓
<b>Cr E Hall</b>	✓	✓				
<b>Cr A Harris</b>	✓	✓	✓			●
<b>Cr V Jones</b>	✓	✓		✓	✓	
<b>Cr W Sandford</b>	✓	✓				
<b>Cr C Tongaawhikau</b>	✓	✓				
<b>Cr M Watt</b>	✓	✓				

- = Chairperson
- ✓ = Member of committee



# Highlights

The purpose of this Annual Report is to outline the financial performance for the 2023/24 year, identify any changes from the 2021-2031 Long Term Plan (LTP), contribute to the accountability of the Council to its community, and extend opportunities for participation by the public in decision-making processes.

## Rating Base and Statistical Information For the year ended 30 June 2024 Rating Base Information

<b>Rating units within Stratford District Council at the end of the preceding financial year (30 June 2023)</b>	
- Number of Rateable Assessments	5,088
- Total Number of Rating Units	5,447
<b>Valuations of the district (including non-rateable)</b>	
- Land Value of Rating Units	\$2,228,987,650
- Improvements	\$1,561,105,350
<b>Total Capital Value of Rating Units</b>	<b>\$3,790,093,000</b>
<b>Statistical Information</b>	<b>30 June 2024</b>
<b>Land Area</b>	2,170 sq km
<b>Population (as at June 2022)</b>	10,120
<b>Rates per head of population</b>	\$3,188
<b>Public Debt / Term Liabilities</b>	\$36,700,000
<b>Debt per Head of Populations</b>	\$3,626
<b>Debt per Rateable Assessment</b>	\$7,213
<b>Debt Servicing as a Percentage of Total Revenue (limit is &lt;10%)</b>	4.74%
<b>Full Time Equivalent Staff at 30 June 2024</b>	75
<b>Roads</b>	
- Sealed	407.1 km
- Unsealed	205.7 km

The operating result for the year ended 30 June 2024 demonstrates the Council's commitment to delivering its services to the community within the financial parameters of its LTP.

For the years ended:	30 June 2024 Actual \$000	30 June 2024 Budget \$000	30 June 2023 Actual \$000
<b>Revenue</b>			
- Rates	16,219	16,168	15,040
- All other revenue	9,441	14,932	12,100
<b>Total Revenue</b>	<b>25,660</b>	<b>31,099</b>	<b>27,141</b>
<b>Total Operating Expenditure</b>	<b>25,717</b>	<b>25,166</b>	<b>23,970</b>
<b>Net Surplus (Defecit)</b>	<b>(57)</b>	<b>5,933</b>	<b>3,171</b>
<b>Capital Expenditure</b>			
<b>Working Capital</b> (excludes current portion of debt repayment which will be refinanced immediately)	8,159 5,464	16,457	13,382 3,927
Current Ratio (Budget not to be less than 1:1), the reason being due to the timing of term loan maturities.	0.95:1		0.80:1

# Financial Strategy

The Financial Strategy to which this Annual Report year was subject to is within the LTP 2021-2031 document. The objective of the Financial Strategy is to ensure that debt, revenue, and expenditure are managed in a way that ensures service levels are able to be maintained in a financially sustainable way. To achieve this, the Council has set limits on debt, rates increases, and the UAGC, as outlined below. In 2023/24, the rates measures were in compliance.

		Council's Target (limits)	LTP - 2021-31	Actual - 2023/24
<b>Debt</b>	Net debt as a % of total annual revenue	<130%	99%	89%
<b>Income &amp; Affordability</b>	% Rates Increase	<6%	4.23%	7.84%

Net debt levels are within the targeted limits. Council has gross borrowings of \$36.7 million at interest rates ranging from 1.04% to 5.67% and financial investments of \$13.7 million.

The actual rates increase of 8.90% was higher than budgeted and outside the LTP limit.

## Financial Terminology

### Net Surplus

The difference between Revenue and Operating Expenses, where Revenue is higher.

### Net Deficit

The difference between Revenue and Operating Expenses, where Operating Expenses is higher.

### Gross Debt

This is the total amount of external borrowings.

### Net Debt

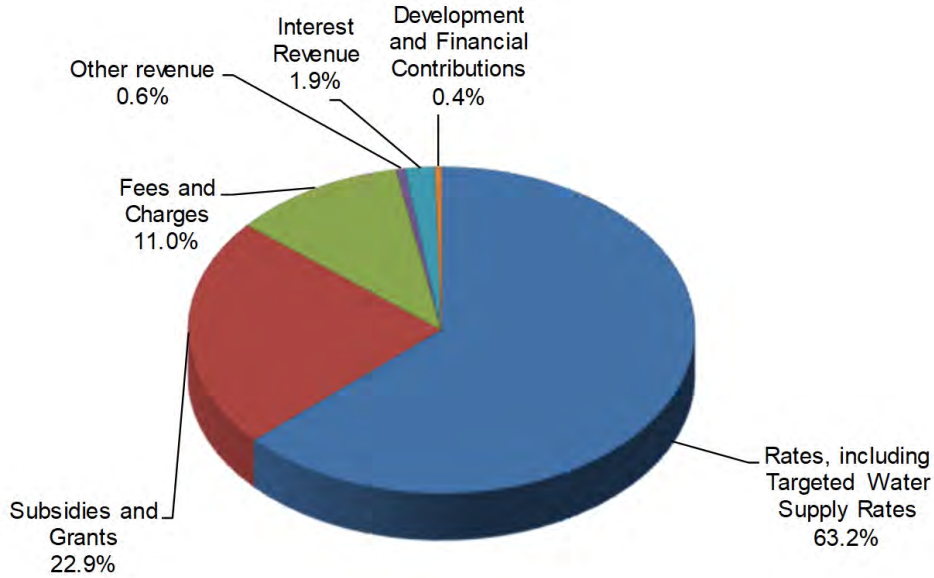
This is the total amount of external borrowings, less liquid financial investments including term deposits with registered banks and the loan to the Stratford Agricultural and Pastoral Association.

## Net Operating Deficit

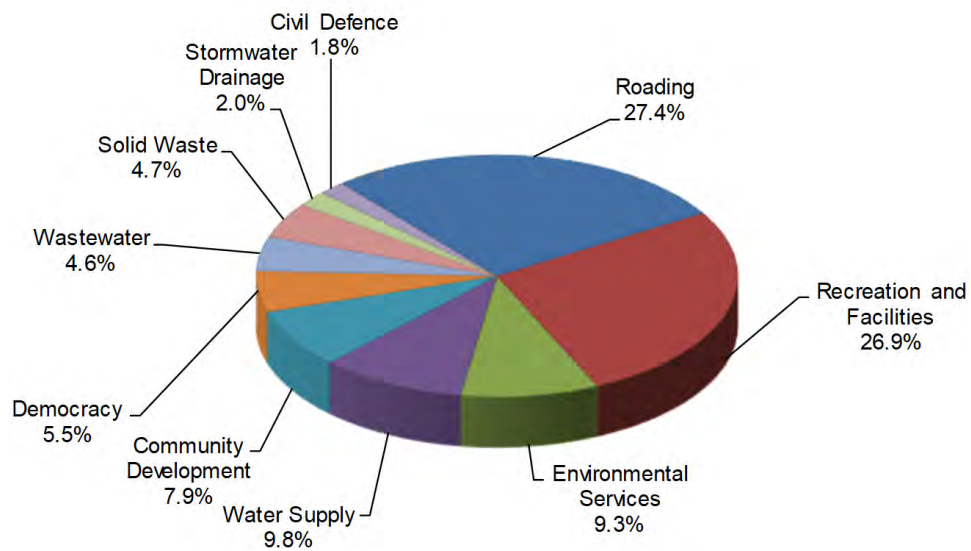
The Net Operating Deficit \$56,000 is a result of the funding for the transport choices programme of works being withdrawn by the government.

## Financial overview

### Source of revenue - Council only



### Operating Expenditure (Where the money is spent) – Council Only



# Variations to the Annual Plan

The following table shows the variances to the Annual Plan for the year ended 30 June 2024.

	Net Actual \$'000	Net Budget \$'000	Variance \$'000	Variance %
<b>Net Operating Cost</b>				
Recreation and Facilities	5,986	5,310	(676)	(13%)
Democracy	1,242	1,218	(24)	(2%)
Community Development	1,142	1,172	30	3%
Environmental Services	1,499	1,935	436	23%
Civil Defence and Emergency Management	470	432	(38)	(9%)
Roading	1,556	2,347	791	34%
Stormwater Drainage	518	499	(19)	(4%)
Wastewater	1,137	1,028	(109)	(11%)
Solid Waste	1,065	892	(173)	(19%)
Water Supply	2,033	1,802	(231)	(13%)
<b>Total</b>	<b>16,646</b>	<b>16,635</b>	<b>(13)</b>	<b>(0%)</b>
<b>Capital Expenditure</b>				
Roading	4,661	12,311	7,650	62%
Stormwater	309	589	280	48%
Water Supply	1,145	878	(267)	(30%)
Wastewater	1,059	590	(469)	(79%)
Solid Waste	13	7	(6)	(86%)
Parks and Reserves and Cemeteries	372	186	(186)	(100%)
Recreation and Facilities	372	625	253	40%
Community Development	41	1,065	1,024	96%
Corporate	187	206	19	9%
<b>Total</b>	<b>8,159</b>	<b>16,457</b>	<b>8,298</b>	<b>50%</b>



## Net Operating Costs

### Recreation and Facilities

- The operating expenditure for the Aquatic Centre activity is \$317,000 over budget due to the increased staffing costs and overhead running costs.
- The operating expenditure for Civic Amenities is over budget by \$269,000 due to the seismic assessment consultancy work undertaken that was not budgeted for. Depreciation was also higher than budget due to the building revaluation at 30 June 2023.

### Roading

- Roothing operating expenditure was less than budget as a result of the depreciation being less than anticipated, and the majority of funds allocated to the Brecon Road bridge business case were not spent.

## Capital Expenditure

Total capital expenditure was under budget by \$8,298,000. Although there were unders and overs across the council activities, significant variances are explained below.

### Roothing

- The funding for the Transport Choices project was withdrawn by the government, so the works did not proceed.

### Community Development

- Further works on the proposed subdivision were put on hold as areas of wetland were identified, requiring the concept plan to be amended.



# Statement of Compliance

## Compliance

The Council and management of Stratford District Council confirm that all the statutory requirements in relation to the Annual Report as outlined the Local Government Act 2002, have been complied with.



**Neil Volzke**  
His workshop the Mayor  
10 December 2024



**Sven Hanne**  
Chief Executive  
10 December 2024



# Council Services

## Groups of Activities

As required by the Local Government Act 2002, Council has grouped the services it provides into the following groups of activities.

Group	Activity	Services
<b>Recreation and Facilities</b>	Aerodrome Civic Amenities	Civic Amenities & Toilets Pensioner Housing
	Library Parks, Reserves & Cemeteries Pool Complex	
<b>Democracy</b>		Democracy Corporate Support
<b>Community Development</b>	Community Services Economic Development Information Centre Rental & Investment Properties	Farm Holiday Park Rental Properties
<b>Environmental Services</b>	Building Services Planning	District Plan Resource Consents
	Community Health and Safety	Food and Health Alcohol Licensing Parking and other bylaws Animal Control
<b>Civil Defence and Emergency Management</b>	Civil Defence and Emergency Management	
<b>Roading</b>	Roading	Construction, maintenance and renewal of roads, footpaths and associated infrastructure.
<b>Stormwater</b>	Stormwater	Construction and renewal of stormwater infrastructure.
<b>Wastewater</b>	Wastewater	Construction, maintenance and renewal of waste water network and treatment facilities.
<b>Solid Waste</b>	Waste Management	Kerbside collection of refuse and recycling and operation of the transfer station.
<b>Water Supply</b>	Water Supply	Construction, maintenance and renewal of water treatment plants and water reticulation network.

### Disclosure of significant negative effects on well-being

The Council is required to identify and disclose any activities undertaken to promote specific community well-beings which have potentially significant adverse effects for other outcomes.



# Performance Reporting

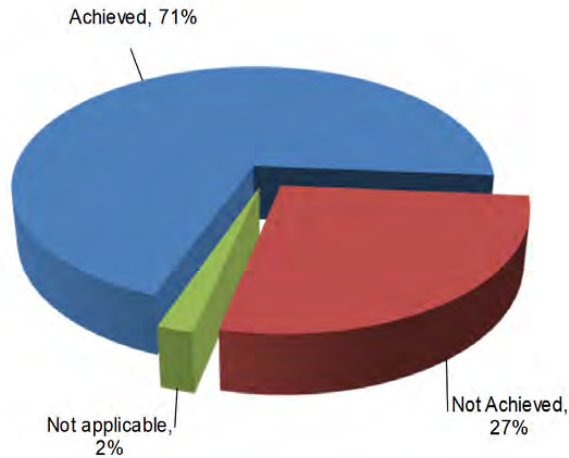
In the activities that follow, performance reporting against the Targets will be detailed as follows:

**Achieved** - Required actions have been completed and the intended level of service has been achieved.

**Not Achieved** - None of the required actions have been undertaken, or the performance measure was not met.

**Not Applicable** - No action was required during the year.

## Performance Measures Pie Chart





## Recreation and Facilities



Annual Report 2023-24

## AERODROME

### 1.1 What We Do

Council owns the aerodrome to make provision for local air transport, recreation and light commercial needs. The aerodrome is situated at Flint Road and has two grassed runways.

### 1.2 Why We Do It

This activity contributes to the community outcomes of:

- Connected Communities – by providing an alternative transport route for people to connect to the district.
- Enabling Economy – promotes district opportunities for economic growth by increasing accessibility.

### 1.3 Significant Negative Effects

The Aerodrome activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social & environmental - The Aerodrome activity has the potential to negatively impact on the social and environmental well-being of the local community through noise. To mitigate this, the aerodrome is located in a rural area and Council owns the farm surrounding the aerodrome which serves as a buffer zone.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year3 2023/24		
The aerodrome meets the needs of users	A high level of satisfaction amongst the users with the condition and maintenance of the aerodrome	>70%	<b>Achieved – 79.8% - 12 responses were received.</b> (2022/23 Achieved – 70.27% 12 responses received)	Annual aerodrome user survey.
The aerodrome is used by the Stratford community and visitors.	Number of aircraft movements during the year.	>3,500	<b>Not Achieved – 1,611</b> (2022/23 Not Achieved – 1,491)	Annual AIMM compliance reporting
<i>Continuous bad weather conditions impacted the usability of the air strip as it is not an all-weather strip. Aircraft movement data is no longer collected automatically due to the high cost of the equipment. Reported figures are based on estimates by the Aerodrome user group.</i>				

### 1.5 Projects and Other Programmes

There were no projects associated with the Aerodrome activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the Aerodrome is shown below.

### Aerodrome

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
121	<b>Operating Expenditure</b>	151	140
25	<b>Revenue</b>	25	27
<b>96</b>	<b>Net Cost of Service</b>	<b>126</b>	<b>113</b>
	<b>EXPENDITURE</b>		
83	Operating Costs	107	105
6	Depreciation	8	6
32	Allocated Overheads	36	30
<b>121</b>	<b>Total Operating Expenditure</b>	<b>151</b>	<b>140</b>
-	Capital Expenditure	-	-
<b>121</b>	<b>Total Expenditure</b>	<b>151</b>	<b>140</b>
	<b>FUNDED BY:</b>		
25	Charges for Services	25	27
<b>25</b>	<b>Total Revenue</b>	<b>25</b>	<b>27</b>
74	General Rates	112	112
-	Transfer from Depreciation Reserve	-	-
-	Other Funding	-	1
<b>99</b>	<b>Total Funding</b>	<b>137</b>	<b>140</b>

## CIVIC AMENITIES

### 1.1 What We Do

Council's Civic Amenities include a range of facilities that are fairly typical of a rural area and service town:

- Council Office (Miranda Street)
- War Memorial Centre
- TET Multi Sports Centre
- Pensioner Housing
- Centennial Rest Rooms
- Clock Tower (Glockenspiel)
- Bus Shelters
- Hall of Remembrance
- Public Toilets
- Rural Halls
- Security Cameras
- Structures/Beautification

### 1.2 Why We Do It

Council owns Civic Amenities to provide a community good or core civic functions, some of these are provided by Council because no other agencies are able or willing to provide them.

This activity contributes to the achievement of the District's civic, social and cultural needs.

This activity contributes to the community outcomes of:

- Vibrant Community
- Connected Communities

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Civic Amenities activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic and cultural well-being.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year3 2023/24		
To provide facilities that are well maintained and utilised.	Buildings legally requiring a Building WoF have a current Building WoF at all times.	100%	<b>Achieved – 100%</b> (2022/23 Achieved – 100%)	Building WoF records
	Annual booking of War Memorial Centre.	>500	<b>Not Achieved – 388</b> (2022/23 Not Achieved – 430)	Booking records
	<i>Since Covid, this measure has not been achieved. It has been removed from the 2024-34 Long term Plan, and is now based on a % of days in the year that there is a booking. The measure of a number failed to provide any context to the reader. A percentage of available days illustrates the use of the facility.</i>			
	Annual booking of Centennial Restrooms.	>200	<b>Achieved – 221</b> (2022/23 Achieved – 251)	Booking records
To provide suitable housing for the elderly.	Percentage of resident satisfaction.	>89%	<b>Achieved – 93.25%</b> (2022/23 Not Achieved – 87.03%)	Annual Survey of Pensioner Housing tenants.
	Annual Occupancy rate.	>95%	<b>Achieved – 97%</b> (2022/23 Achieved – 100%)	Tenancy records.
To provide clean, well maintained toilet facilities.	Percentage of Stratford District residents satisfied with overall level of service of toilets.	>80%	<b>Not Achieved – 71%</b> (2022/23 Not Achieved – 67%)	Annual Residents Survey
	<i>Survey respondents suggest better maintenance is required, with particular mention of Broadway toilets, Victoria Park and TET Multi-Sport Stadium. Satisfaction is highest amongst Percy Thomson Complex toilet users (96%) followed by the Centennial Restroom toilet (90%). More regular inspections are now being carried out to ensure standards are maintained.</i>			

### 1.5 Projects and Other Programmes

Project	Category	Budget 2023/24	Actual 2022/23	Notes
Stratford 2035 Projects	Level of Service	\$482,345	\$0	Project currently on hold pending purchase of land.
TET Multi Sports Centre	Level of Service	\$52,400	\$73,083	Complete
War Memorial Centre carpark upgrade to LED Lights	Level of Service	\$57,600	\$41,635	Complete
Pensioner Housing – Healthy Homes Upgrade	Level of Service	\$29,500	\$28,098	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Civic Amenities and Pensioner Housing activities are shown below. The costs of operating the Miranda Street Office are not shown here because they are allocated to the various Council functions as overheads.

### Civic Amenities

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
1,033	<b>Operating Expenditure</b>	1,359	1,090
65	<b>Revenue</b>	51	54
<b>968</b>	<b>Net Cost of Service</b>	<b>1,308</b>	<b>1,036</b>
	<b>EXPENDITURE</b>		
386	Operating Costs	515	380
15	Interest	19	27
482	Depreciation	647	533
151	Allocated Overheads	179	149
<b>1,033</b>	<b>Total Operating Expenditure</b>	<b>1,359</b>	<b>1,090</b>
20	Principal Loan Repayments	22	31
84	Capital Expenditure	142	595
<b>1,137</b>	<b>Total Expenditure</b>	<b>1,524</b>	<b>1,718</b>
	<b>FUNDED BY:</b>		
65	Charges for Services	51	54
<b>65</b>	<b>Total Revenue</b>	<b>51</b>	<b>54</b>
733	General Rates	755	752
18	Targeted Rates	19	19
227	Depreciation Funded from Reserves	335	257
118	Transfers from Depreciation Reserves	25	34
-	Grants and Donations	-	-
39	Loan Funding - Capital	115	592
12	Other Funding	4	7
<b>1,213</b>	<b>Total Funding</b>	<b>1,304</b>	<b>1,718</b>

### Pensioner Housing

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
161	<b>Operating Expenditure</b>	174	159
67	<b>Revenue</b>	71	77
<b>94</b>	<b>Net Cost of Service</b>	<b>103</b>	<b>82</b>
	<b>EXPENDITURE</b>		
68	Operating Costs	54	64
1	Interest	1	1
33	Depreciation	49	37
59	Allocated Overheads	70	57
<b>161</b>	<b>Total Operating Expenditure</b>	<b>174</b>	<b>159</b>
1	Principal Loan Repayments	1	1
-	Capital Expenditure	28	30
<b>162</b>	<b>Total Expenditure</b>	<b>203</b>	<b>190</b>
	<b>FUNDED BY:</b>		
67	Charges for Services	71	77
<b>67</b>	<b>Total Revenue</b>	<b>71</b>	<b>77</b>
34	General Rates	34	34
59	Transfers from Depreciation Reserves	69	48
-	Loan Funding - Capital	28	30
2	Other Funding	1	1
<b>162</b>	<b>Total Funding</b>	<b>203</b>	<b>190</b>

## LIBRARY

### 1.1 What We Do

The Stratford District Library is co-located with the Visitor Information Centre (i-SITE) which sees a vibrant, community hub situated in the town centre, Prospero Place. The library provides physical and digital access to a collection of lending material and information resources in a welcoming environment intended for community activities, leisure, social interaction, and study. It promotes creativity and learning through the delivery of public programmes and the provision of support facilities such as the Wi-Fi network and access to equipment and technology.

### 1.2 Why We Do It

This activity contributes to the district's overall well-being by providing access to reading material, databases and internet services that individuals are unlikely to be able to provide for themselves.

This activity contributes to the community outcomes of:

- Vibrant community
- Connected communities

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Library activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic and cultural well-being.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To provide a library service which meets the needs of and is being used by Stratford District residents	Number of items (including digital) issued annually	>40,000	<b>Achieved – 64,207</b> (2022/23 Achieved – 62,010)	Monthly statistics from Koha
	% of library users satisfied with library services.	>80%	<b>Achieved – 97%</b> (2022/23 Achieved – 96%)	Annual Residents Survey
	Number of people participating in library events and programmes	>1,200	<b>Achieved – 4,763</b> (2022/23 Achieved – 3,461)	Internal attendance records

### 1.5 Projects and Other Programmes

There were no future projects associated with the Library activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the Library's activities is shown below.

### Library

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
768	<b>Operating Expenditure</b>	712	605
15	<b>Revenue</b>	16	15
<b>753</b>	<b>Net Cost of Service</b>	<b>696</b>	<b>590</b>
	<b>EXPENDITURE</b>		
441	Operating Costs	431	346
23	Interest	26	26
76	Depreciation	88	84
228	Allocated Overheads	167	149
<b>768</b>	<b>Total Operating Expenditure</b>	<b>712</b>	<b>605</b>
32	Principal Loan Repayments	31	31
-	Capital Expenditure	-	-
<b>800</b>	<b>Total Expenditure</b>	<b>743</b>	<b>636</b>
	<b>FUNDED BY:</b>		
15	Charges for Services	16	15
<b>15</b>	<b>Total Revenue</b>	<b>16</b>	<b>15</b>
634	General Rates	545	543
37	Depreciation Funded from Reserves	38	41
-	Loan Funding - Capital	-	-
14	Grants and Donations	6	-
32	Transfer from Depreciation Reserves	31	31
17	Other Funding	3	6
<b>749</b>	<b>Total Funding</b>	<b>639</b>	<b>636</b>



## PARKS, RESERVES AND CEMETERIES

### 1.1 What We Do

Council provides a range of active and passive recreation opportunities that benefit the community's physical, social and personal quality of life. Parks, reserves and cemeteries assets include:

- (i) 36.7 hectares of passive reserves:
  - Gardens, lawns, trees, and amenity street plantings
  - 2 neighbourhood parks and 3 playgrounds
- (ii) 10 hectares of urban active reserves comprising:
  - 2 croquet greens
  - 6 netball/tennis courts
  - 4 rugby fields
  - 1 cricket wicket
  - 2 soccer fields
- (iii) 9.4 hectares of cemeteries
  - 5.1 hectares in 2 operating cemeteries
  - 4.3 hectares in 5 closed cemeteries
  - 2.73 hectares for future expansion
- (iv) 14km of walkway including 9 foot bridges.
- (v) 5.4 hectares in 19 esplanade reserves.
- (vi) Accessory structures and buildings:
  - Grandstand at Victoria Park
  - Toilet block at Victoria Park
  - Croquet pavilion at Victoria Park
  - Memorial Gates at Victoria Park
  - Malone Gates at King Edward Park
  - Netball shelters at King Edward Park
  - Stratford Gateway Structures (2)
  - Skate park at Victoria Park
  - Children's Bike Park at Victoria Park
  - Toilet Block at Children's Bike Park at Victoria Park
  - Pump Track at Victoria Park
  - Half basketball court at Victoria Park
- (vii) 34.3 hectares in rural domains and reserves.

### 1.2 Why We Do It

To provide and manage parks, reserves and cemeteries encompassing passive, active and scenic open spaces which contribute towards the desirability and attractiveness in the community.

The Parks and Reserves activity creates and provides a sense of belonging and pride, adding to social, recreational and cultural facilities in the community which are accessible to all.

This activity contributes to the community outcomes of:

- Connected communities
- Sustainable environment

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Parks, Reserves and Cemeteries activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environmental and cultural well-being.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual	How Measured
		Year 3 2023/24	2023/24	
To provide parks, sports fields and other open spaces that meet community demand	Number of complaints and requests for service.	<40	<b>Not Achieved</b> – 112 (2022/23 Not Achieved – 121)	Reporting against corporate CRM system.
	<i>There are now more ways to contact council with complaints or requests e.g. Antenno and Facebook and customers have become more comfortable reporting concerns. The target will be reviewed for the 2025/26 Annual Plan.</i>			
	Percentage of Stratford residents satisfied with:			
	• Parks;	>80%	<b>Achieved</b> – 90% (2022/23 Achieved – 90%)	Annual Residents Survey.
	• Sports fields; and	>80%	<b>Not Achieved</b> – 76% (2022/23 Achieved – 85%)	Annual Residents Survey.
<i>Survey responses suggest better maintenance is required along with requests for more and improved facilities. Council is continuing with the upgrade of the sports fields at Victoria Park, which will assist in alleviating the issues that have occurred e.g. pooling of water in field etc.</i>				
• Cemeteries.	>80%	<b>Not Achieved</b> – 74% (2022/23 Not Achieved – 68%)	Annual Residents Survey.	
<i>General comments related to improved maintenance including mowing and filling in uneven or sunken areas. Council is undertaking more frequent inspections to ensure cemeteries meet the required level of service.</i>				
Safe playgrounds are provided	All playgrounds meet NZ Safety Standards.	100%	<b>Not Achieved</b> (2022/23 Not Applicable)	Biennial playground inspection report and records provided from weekly and quarterly compliance checks by contractor.
Foot Bridges are safe.	All foot bridges meet NZ Safety standards.	100%	<b>Not Achieved</b> (2022/23 Not Applicable)	Biennial bridge inspection Report

## 1.5 Projects and Other Programmes

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Walkway Upgrade	Level of Service	\$20,000	\$17,969	Complete
Parks Upgrade	Level of Service	\$13,600	\$7,160	Complete
Whangamomona Camp Ground Septic Tank installation	Level of Service	\$121,000	\$102,433	Tank will be installed and operational in 2024/25
Cemeteries				
Midhirst Cemetery – pathway upgrade	Level of Service	\$31,400	\$35,052	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Parks and Reserves and Cemeteries activities are shown below:

### Parks and Reserves

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
929	<b>Operating Expenditure</b>	1,000	933
8	<b>Revenue</b>	8	9
<b>921</b>	<b>Net Cost of Service</b>	<b>992</b>	<b>924</b>
	<b>EXPENDITURE</b>		
588	Operating Costs	625	552
8	Interest	14	14
172	Depreciation	153	196
160	Allocated Overheads	208	172
<b>929</b>	<b>Total Operating Expenditure</b>	<b>1,000</b>	<b>933</b>
12	Principal Loan Repayments	17	16
204	Capital Expenditure	333	155
<b>1,144</b>	<b>Total Expenditure</b>	<b>1,350</b>	<b>1,104</b>
	<b>FUNDED BY:</b>		
8	Charges for Services	8	9
<b>8</b>	<b>Total Revenue</b>	<b>8</b>	<b>9</b>
765	General Rates	930	927
29	Transfer (to) from Reserves	29	16
48	Loan Funding - Capital	238	155
(10)	Transfer (to) Turf Replacement Reserve	(10)	(10)
156	Grants and Donations	94	-
10	Other Funding	4	7
<b>1,006</b>	<b>Total Funding</b>	<b>1,293</b>	<b>1,104</b>

## Cemeteries

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
211	<b>Operating Expenditure</b>	238	220
138	<b>Revenue</b>	159	145
<b>74</b>	<b>Net Cost of Service</b>	<b>79</b>	<b>74</b>
	<b>EXPENDITURE</b>		
139	Operating Costs	147	143
1	Interest	3	3
7	Depreciation	11	8
64	Allocated Overheads	77	66
<b>211</b>	<b>Total Operating Expenditure</b>	<b>238</b>	<b>220</b>
2	Principal Loan Repayments	4	4
597	Capital Expenditure	39	31
<b>811</b>	<b>Total Expenditure</b>	<b>281</b>	<b>255</b>
	<b>FUNDED BY:</b>		
138	Charges for Services	159	145
<b>138</b>	<b>Total Revenue</b>	<b>159</b>	<b>145</b>
85	General Rates	76	76
515	Transfers from Reserves - Capital	4	-
82	Loan Funding - Capital	35	31
5	Other Funding	2	3
<b>825</b>	<b>Total Funding</b>	<b>276</b>	<b>255</b>

## POOL COMPLEX

### 1.1 What We Do

Wai o Rua - Stratford Aquatic Centre opened in October 2022. Owned and operated by Council, the centre has more than twice the capacity of the old TSB Pool Complex, and is home to an 8-lane 25 metre competition pool, a 20 metre programme and hydrotherapy pool, a learn to swim pool, a toddler pool and a zero-depth splash pad, kitted out with a range of interactive water toys.

### 1.2 Why We Do It

Council owns the pool to provide aquatic recreation for its residents and visitors. Council has historically adopted the role of provider of a swimming pool complex for the district as there has been no alternative provider.

The Pool makes a valuable contribution to the overall health and wellbeing of residents and visitors providing diverse recreational activities and enhancing the attractiveness of the district.

This activity contributes to the community outcomes of:

- Vibrant Community
- Connected Communities
- Enabling Economy

### 1.3 Significant Negative Effects

Wai o Rua - Stratford Aquatic Centre has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

**Social** - Cryptosporidia and other pathogens have the potential to cause significant negative health effects. Mitigation of this risk is a critical part of the water filtration and treatment processes.

**Social** – Chlorine odour has the potential to cause significant negative health effects. The water filtration system used minimises the level of chlorine used, and keeps the chlorine odour at low levels.

**Environmental & cultural** – Any accidental or uncontrolled discharge of pool water or associated chemicals into the neighbouring Patea River would have significant negative impacts on the environmental and cultural wellbeing of the river and the community. This is managed and mitigated through compliance with existing resource consent conditions.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

#### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual	How Measured
		Year3 2023/24	2023/24	
The pool complex will be a safe place to swim.	Number of reported accidents, possible accidents and similar incidents pa.	<80	<b>Not Achieved</b> – 97 (2022/23 Not Achieved - 125)	Reported monthly to Council.
	<i>This is a result of increased reporting procedures and processes and a significant increase in patronage at the new aquatic centre. This is no longer measured and has been removed from the 2024-34 Long Term Plan. Accidents are separately reported to the Audit and Risk Committee and factors discussed as required.</i>			
	Compliance with NZS5826:2010 NZ Pool Water Quality Standards.	100%	<b>Achieved</b> – 100% (2022/23 Achieved – 100%)	Water quality register.
	PoolSafe accreditation is met	100%	<b>Achieved</b> (2022/23 Achieved – 100%)	Annual Reporting
That the pool facilities meet demand.	Percentage of pool users are satisfied with the pool.	>80%	<b>Not Achieved</b> – 75% (2022/23 Achieved – 84%)	Annual Residents Survey.
	<i>General comments request extensions to the facilities including hydrosrides, café, spa or sauna. There were also comments regarding the cost of using the facility being too high. A business plan is being developed and will consider these concerns.</i>			
	Number of pool admissions per annum.	>55,000	<b>Achieved</b> – 109,047 (2022/23 Achieved – 61,378)	Reported monthly to Council.

#### 1.5 Projects and Other Programmes

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Pool Complex	Level of Service	\$0	\$185,138	Final project completion costs
Play equipment	Level of Service	\$0	\$8,860	Complete – grant funded
Pool building software	Level of Service	\$0	\$8,710	Complete

#### 1.6 Cost of Services Statement

The detailed financial summary for the Pool Complex activities is shown below:

**Pool Complex**

<b>Actual 2022/23 \$000</b>		<b>Actual 2023/24 \$000</b>	<b>Budget 2023/24 \$000</b>
2,558	<b>Operating Expenditure</b>	3,200	2,883
355	<b>Revenue</b>	518	392
<b>2,204</b>	<b>Net Cost of Service</b>	<b>2,682</b>	<b>2,492</b>
	<b>EXPENDITURE</b>		
1,548	Operating Costs	1,971	1,615
305	Interest	344	403
477	Depreciation	450	505
228	Allocated Overheads	435	361
<b>2,558</b>	<b>Total Operating Expenditure</b>	<b>3,200</b>	<b>2,883</b>
421	Principal Loan Repayments	411	468
1,550	Capital Expenditure	201	-
<b>4,529</b>	<b>Total Expenditure</b>	<b>3,812</b>	<b>3,351</b>
	<b>FUNDED BY:</b>		
355	Charges for Services	518	392
<b>355</b>	<b>Total Revenue</b>	<b>518</b>	<b>392</b>
1,258	General Rates	2,006	1,999
150	Loan funding - capital	193	-
1,450	Grants and Donations	168	-
421	Transfers from Depreciation Reserves	454	946
16	Other Funding	6	14
<b>3,650</b>	<b>Total Funding</b>	<b>3,345</b>	<b>3,351</b>



**Democracy**



TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

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# Democracy

## 1.1 What We Do

### Democracy

Democracy includes the formal meeting processes, elections and the means for community involvement in the democratic process. The Democracy activity supports the elected members in these roles and ensures the purposes of the Local Government Act 2002 are met.

### Corporate Support

Corporate Support provides a range of professional support services to the Council and to agencies closely associated with Council. These services include financial planning, reporting, analysis and advice, the provision of accounting services, secretarial and administrative support and the development and maintenance of management information systems.

## 1.2 Why We Do It

Council is required by the Local Government Act 2002 to provide a democratic process and manage its funding and administrative services efficiently and responsibly on behalf of the district.

The Democracy activity, by its nature, contributes to all of the desired district well-beings, and community outcomes that Council aims to achieve.

Corporate Support is an internal support function that provides services to other areas of Council to assist them in the delivery of activities. The total costs are allocated to other activity areas.

This activity contributes to the community outcomes of:

- Connected Communities
- Vibrant Communities
- Enabling Economy
- Sustainable Environment

## 1.3 Significant Negative Effects

There are no significant negative effects associated with the Democracy activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To provide Democracy services in accordance with statutory deadlines.	Agendas and associated reports for all scheduled meetings are available to interested parties in accordance with statutory timeframes.	100%	<b>Achieved – 100%</b> (2022/2023 Achieved – 100%)	Meeting Register.
	All Council meetings are publicly notified in accordance with statutory timeframes.	100%	<b>Achieved – 100%</b> (2022/23 Achieved – 100%)	Meeting Register.
Opportunities for the community to participate in decision making is widely publicised	The community is satisfied with how Council keeps them informed.	>80%	<b>Not Achieved – 62%</b> (2022/23 Not Achieved – 61%)	Annual Residents Survey.
		<i>Based on survey comments, 30% would like to receive the Stratford Press more often which is outside of council's control. It was also suggested that more notifications and comms are needed, however 91% of survey respondents know where to find Council information if they're seeking it. Council will continue to encourage engagement with the community. Different platforms have also been introduced to increase engagement.</i>		
Ensure accountability documents are prepared and meet statutory requirements.	The Annual Report, Annual Plan and Long Term Plan meet statutory deadlines and receive an unmodified audit opinion.	Achieved	<b>Achieved – 100%</b> (2022/23 Achieved)	Audit Opinion.



## 1.5 Projects and Other Programmes

### Key Future Projects

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Computers and peripherals	Replacements	\$131,000	\$126,723	Complete
Vehicle replacements	Replacements	\$20,000	\$42,068	After trade in net cost was \$35,242
Miscellaneous equipment	Replacements	\$20,000	\$7,489	Complete
Miranda Street Office				
Furniture replacement	Replacements	\$3,100	\$4,525	Complete
Partial roof replacement	Replacements	\$31,400	\$0	Project did not proceed as repairs carried out instead of a replacement.

## 1.6 Cost of Services Statement

The detailed financial summary for Governance and Corporate Support's activities are shown below:

### Democracy

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
1,334	<b>Operating Expenditure</b>	1,395	1,279
37	<b>Revenue</b>	-	-
<b>1,297</b>	<b>Net Cost of Service</b>	<b>1,395</b>	<b>1,279</b>
<b>EXPENDITURE</b>			
587	Operating Costs	526	545
746	Allocated Overheads	869	734
<b>1,334</b>	<b>Total Operating Expenditure</b>	<b>1,395</b>	<b>1,279</b>
<b>FUNDED BY:</b>			
37	Charges for Services	-	-
<b>37</b>	<b>Revenue</b>	-	-
1,245	UAGC	1,260	1,250
10	Subsidies / Grants	25	-
53	Other Funding	18	29
<b>1,345</b>	<b>Total Funding</b>	<b>1,303</b>	<b>1,279</b>

### Corporate Support

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
3	<b>Operating Expenditure</b>	1	24
131	<b>Revenue</b>	155	85
<b>(128)</b>	<b>Net Cost of Service</b>	<b>(154)</b>	<b>(61)</b>
<b>EXPENDITURE</b>			
662	Operating Costs	838	759
973	- Chief Executive's Department	1,372	1,017
(1,635)	- Corporate Services Department	(2,209)	(1,751)
<b>3</b>	<b>Total Operating Expenditure</b>	<b>1</b>	<b>24</b>
227	Capital Expenditure	187	206
<b>230</b>	<b>Total Expenditure</b>	<b>188</b>	<b>230</b>
<b>FUNDED BY:</b>			
131	Charges for Services	155	85
<b>131</b>	<b>Total Revenue</b>	<b>155</b>	<b>85</b>
(87)	UAGC	(86)	(61)
227	Transfer from Depreciation Reserves	187	206
<b>272</b>	<b>Total Funding</b>	<b>256</b>	<b>230</b>



# Community Development



TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

Annual Report 2023-24

## COMMUNITY SERVICES

### 1.1 What We Do

Community Services encourages and supports groups and individuals in the district to achieve their own goals and outcomes in a sustainable way that benefits the community. It does this by providing information, advice, and support to groups and individuals, through activities such as networking, facilitation, administration support, promotion, advocacy, and event facilitation.

Examples of the current community services activities include:

- Facilitating the Positive Ageing Group and Youth Council
- Coordinating the promotion of school holiday activities
- Administration of community funds including Sport NZ Rural Travel Fund and Creative New Zealand Funding Scheme
- Working with community groups to identify the outcomes they want for the community
- Working in partnership with regional agencies to support the well-being of the community
- Providing community events such as Summer Nights and war memorial commemorations.

### 1.2 Why We Do It

This activity contributes to the district’s well-being by the Council maintaining a general overview of trends in the social well-being of the district. The aim is to actively involve people in building their own sustainable and resilient communities and initiating, usually in conjunction with others, action for enhancement whenever it considers that to be necessary, appropriate and practical.

This activity contributes to the community outcomes of:

- Vibrant community
- Connected communities

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Community Services activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual	How Measured
		Year3 2023/24	2023/24	
Event Development that supports and encourages community engagement	Deliver or facilitate community events.	>5	<b>Achieved</b> – 16 (2022/23 Achieved - 15)	Number of events held are recorded
	Percentage of residents feeling a sense of community.	>80%	<b>Not Achieved</b> – 61% (2022/23 Not Achieved – 61%)	Annual Residents Survey
<i>Comments reflected that this was in relation to council not listening to community views, not being involved in the community and a need for more events/activities. Council will continue to encourage engagement and consider event specific comments when planning future events.</i>				

### 1.5 Projects and Other Programmes

There were no projects associated with the Community Services activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the community development activity is shown below.

### Community Services

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
688	<b>Operating Expenditure</b>	703	497
36	<b>Revenue</b>	42	-
<b>652</b>	<b>Net Cost of Service</b>	<b>661</b>	<b>497</b>
	<b>EXPENDITURE</b>		
560	Operating Costs	578	383
128	Allocated Overheads	125	113
<b>688</b>	<b>Total Operating Expenditure</b>	<b>703</b>	<b>497</b>
	<b>FUNDED BY:</b>		
36	Charges for Services	42	-
<b>36</b>	<b>Total Revenue</b>	<b>42</b>	<b>-</b>
405	General Rates	385	384
277	Grants	435	107
10	Other Funding	3	4
<b>728</b>	<b>Total Funding</b>	<b>865</b>	<b>497</b>

## ECONOMIC DEVELOPMENT

### 1.1 What We Do

Council has a leadership role in economic development. This activity supports the development and growth of the district by:

- Encouraging and supporting the establishment, retention and development of sustainable, new and existing businesses.
- Promoting business opportunities and events that benefit the local economy
- Promoting the district as a great place to live and visit.
- Supporting the Stratford Business Association
- Working in partnership with Venture Taranaki Trust to support the economic growth of the district.

### 1.2 Why We Do It

Council provides this service to enable growth in population, increase employment opportunities, and promote the district as a destination for business and visitors. This works towards enabling a local economy that is prosperous.

This activity contributes to the community outcomes of:

- Vibrant Community
- Enabling Economy

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Economic Development activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic and cultural well-being.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To support and promote the economic growth of the district.	Number of client interactions with Venture Taranaki's Business Advisory Service	100%	<b>Achieved – 19</b> (2022/23 Achieved - 7)	5 start up clinics
	Mentor matches made as requested	100%	<b>Achieved – 100% (0 matches made)</b> (2022/23 Achieved)	Venture Taranaki Quarterly reports
Enterprise Partnership and Engagement	Review the Economic Development Strategy	N/A	<b>Not Applicable</b> (2022/23 Not Applicable)	Year 1 only - Strategy approved by Council

## 1.5 Projects and Other Programmes

### .5 Key Future Projects

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Subdivision land development	Level of Service	\$1,049,000	\$24,800	Project temporarily on hold as wetlands were identified, therefore a new concept plan is required.

## 1.6 Cost of Services Statement

The detailed financial summary for Economic Development's activities is shown below:

### Economic Development

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
564	<b>Operating Expenditure</b>	513	626
-	<b>Revenue</b>	-	-
<b>564</b>	<b>Net Cost of Service</b>	<b>513</b>	<b>626</b>
	<b>EXPENDITURE</b>		
407	Operating Costs	304	430
157	Allocated Overheads	209	196
<b>564</b>	<b>Total Operating Expenditure</b>	<b>513</b>	<b>626</b>
	<b>FUNDED BY:</b>		
302	General Rates	264	262
100	Subsidies / Grants	121	94
302	UAGC	264	262
12	Other Funding	4	8
<b>716</b>	<b>Total Funding</b>	<b>653</b>	<b>626</b>

## Council Projects

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
31	Operating Expenditure	72	93
-	Revenue	-	-
<b>31</b>	<b>Net Cost of Service</b>	<b>72</b>	<b>93</b>
	<b>EXPENDITURE</b>		
-	Operating Costs	-	-
31	Interest	72	93
<b>31</b>	<b>Total Operating Expenditure</b>	<b>72</b>	<b>93</b>
-	Principal Loan Repayments	-	97
2,142	Capital Expenditure	25	1,049
<b>2,173</b>	<b>Total Expenditure</b>	<b>97</b>	<b>1,240</b>
	<b>FUNDED BY:</b>		
-	General Rates	192	191
-	Sale of sections - capital	-	-
-	Grants and Donations - Capital	-	-
2,142	Loan Funding - Capital	25	1,049
<b>2,142</b>	<b>Total Funding</b>	<b>217</b>	<b>1,240</b>

## INFORMATION CENTRE

### 1.1 What We Do

The Visitor Information Centre (i-SITE) is co-located with the Stratford District Library which sees a vibrant, community hub situated in the town centre, Prospero Place. Residents and visitors can access a wide range of travel information, booking services and complete NZTA transactions such as car registration and driver licensing.

### 1.2 Why We Do It

This activity provides a range of tourism information related to the Stratford District, Taranaki, and New Zealand. It also acts as an Automotive Association touring agent providing driver licence and vehicle licensing services that otherwise may not have been available.

This activity contributes to the community outcomes of:

- Vibrant community
- Enabling economy

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Information Centre activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To provide an Information Centre for visitors, incorporating Automobile Association Agency services that meets the needs of and is being used by the community.	Number of users of AA Agency Service is measured.	>10,000	<b>Not Achieved</b> – 8,187 (2022/23 Not Achieved - 8,607)	AA customer count records
	<i>This target has not been met since 2018/2019 due to more services being available online. This measure has been removed from the 2024-34 Long Term Plan.</i>			
	Percentage customers are satisfied with the Information Centre.	>80%	<b>Achieved</b> – 96% (2022/23 Achieved – 94%)	Annual Residents Survey

## 1.5 Projects and Other Programmes

There were no projects associated with the Information Centre activity.

## 1.6 Cost of Services Statement

The detailed financial summary for the Information Centre's activities is shown below:

### Information Centre

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
217	<b>Operating Expenditure</b>	206	252
62	<b>Revenue</b>	70	65
<b>155</b>	<b>Net Cost of Service</b>	<b>136</b>	<b>187</b>
<b>EXPENDITURE</b>			
102	Operating Costs	141	191
-	Depreciation	-	-
115	Allocated Overheads	65	60
<b>217</b>	<b>Total Expenditure</b>	<b>206</b>	<b>252</b>
<b>FUNDED BY:</b>			
62	Charges for Services	70	65
<b>62</b>	<b>Total Revenue</b>	<b>70</b>	<b>65</b>
248	General Rates	184	184
8	Other Funding	3	2
<b>318</b>	<b>Total Funding</b>	<b>257</b>	<b>252</b>

## RENTAL AND INVESTMENT PROPERTIES

### 1.1 What We Do

The Rental and Investment Properties activity manages properties council owns for strategic or commercial purposes.

Under this activity Council staff performs common landlord roles, such as the day-to-day maintenance of grounds and buildings as well as the long term planning for purchase, disposal, renewal, upgrades and redevelopment of properties.

This activity covers the following:

**Farm** - manage 160 hectares of land (132 hectares milkable) on a 50/50 share milking basis.

**Holiday Park** - operate a formal lease for the land.

**Rental Properties** - Council manages urban and rural land and commercial properties under this activity.

- Land with a Council function that generally has limited potential for any other use or is strategically important to Council.
- Land that has commercial potential and its legal status permits its availability for sale.
- Land that is currently vacant or occupied informally by an adjoining owner and has limited options for sale.

### 1.2 Why We Do It

The prudent management of Council owned properties not used in the day-to-day functions of Council ensure these do not become a nuisance and maximises commercial return for Council.

Each property is held for specific reasons and the property portfolio is regularly reviewed to ensure any properties surplus to requirements are disposed of. The key properties and the reason for Council's ownership are described below.

**Farm** - The farm is considered to be an economic investment that was purchased for the purposes of providing a financial contribution to ease the burden of rates on the community. In 2015 the farm expanded by 54 hectares when the Council purchased the neighbouring farm for the purposes of increasing economies of scale, and returns to the ratepayer. The farm contributes to the economic well-being of the district by providing rates mitigation for ratepayers.

The farm surrounds the aerodrome, therefore providing a buffer zone to allow for smooth operations of the aerodrome.

**Holiday Park** - Council has traditionally adopted the role of provider of the holiday park as there has been no alternative provider in Stratford.

**Rental Properties** - most properties have been purchased for a strategic purpose because of their location, either for Council's future use or for on selling at a later date.

This activity contributes to the community outcomes of:

- Enabling Economy

### 1.3 Significant Negative Effects

The Rental and Investment Property activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

**Environmental & cultural** - Contamination of streams that cross or border the council owned farm, from runoff from paddocks, effluent ponds or animals gaining access to the river has the potential to negatively impact the environmental and cultural wellbeing. This is mitigated by good farming practices and significant investment made in fencing and riparian planting of stream edges as well as effluent management.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.



## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 23 2023/24		
Maximum profits from the farm are returned to Council.	Milk production is maximised	>150,000 kg/ms	<b>Not Achieved – 149,307 kgs/ms</b> (2022/23 Not Achieved – 142,659kgs/ms)	Milk Supplier's Statements issued by Fonterra.
		<i>Continuous bad weather saw a slow start to the season. Council is making better use of the recently installed in-shed feeding system to ensure the condition of the stock does not decrease during periods of bad weather. This ensures milk production is less impacted by weather in the future.</i>		
The Council is meeting national Environmental standards.	The Council farm's Environmental Plan is reviewed annually	Achieved	<b>Achieved</b> (2022/23 Not Achieved)	Report to Farm and Aerodrome Committee
Leased property is safe and fit for purpose.	Number of complaints from tenants.	<5	<b>Achieved – 0</b> (2022/23 Achieved – 0)	Reporting against corporate CRM system.

## 1.5 Projects and Other Programmes

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Farm				
Landscaping and riparian planting	Level of Service	\$3,700	\$3,217	Complete
Water lines and trough upgrade	Level of Service	\$12,600	\$12,870	Complete

## 1.6 Cost of Services Statement

The detailed financial summaries for the Farm, Holiday Park and Rental Properties activities are shown below:

### Holiday Park

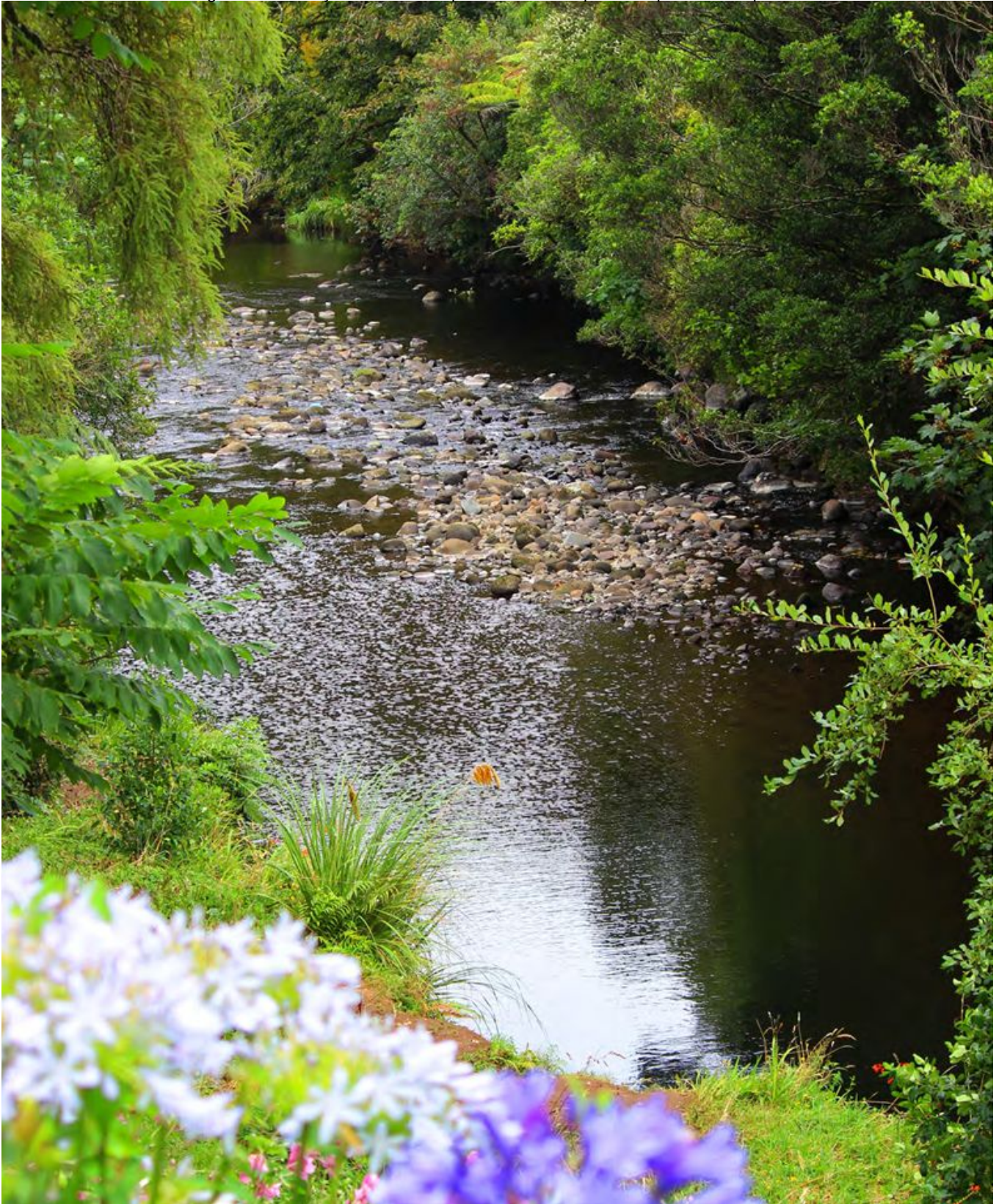
Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
3	<b>Operating Expenditure</b>	2	2
3	<b>Revenue</b>	3	3
-	<b>Net Cost of Service</b>	<b>(1)</b>	<b>(1)</b>
<b>EXPENDITURE</b>			
-	Operating Costs	-	-
3	Allocated Overheads	2	2
<b>3</b>	<b>Total Expenditure</b>	<b>2</b>	<b>2</b>
<b>FUNDED BY:</b>			
3	Charges for Services	3	3
<b>3</b>	<b>Total Revenue</b>	<b>3</b>	<b>3</b>
(1)	General Rates	(1)	(1)
(2)	Other Funding	-	-
<b>0</b>	<b>Total Funding</b>	<b>2</b>	<b>2</b>

## Farm

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
481	<b>Operating Expenditure</b>	448	461
638	<b>Revenue</b>	715	719
<b>(157)</b>	<b>Net Cost of Service</b>	<b>(267)</b>	<b>(258)</b>
<b>EXPENDITURE</b>			
304	Operating Costs	296	314
57	Interest	64	69
48	Depreciation	50	47
72	Allocated Overheads	38	31
<b>481</b>	<b>Total Operating Expenditure</b>	<b>448</b>	<b>461</b>
70	Principal Loan Repayments	116	129
25	Capital Expenditure	16	16
<b>576</b>	<b>Total Expenditure</b>	<b>580</b>	<b>606</b>
<b>FUNDED BY:</b>			
638	Charges for Services	715	719
<b>638</b>	<b>Total Revenue</b>	<b>715</b>	<b>719</b>
(149)	General Rates	(199)	(198)
14	Loan Funding - Capital	16	16
108	Transfer (to) from Reserves	69	69
<b>611</b>	<b>Total Funding</b>	<b>601</b>	<b>605</b>

## Rental Properties

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
67	<b>Operating Expenditure</b>	71	64
35	<b>Revenue</b>	43	37
<b>32</b>	<b>Net Cost of Service</b>	<b>28</b>	<b>27</b>
<b>EXPENDITURE</b>			
3	Operating Costs	5	10
17	Depreciation	25	20
47	Allocated Overheads	41	34
<b>67</b>	<b>Total Operating Expenditure</b>	<b>71</b>	<b>64</b>
-	Capital Expenditure	-	-
<b>67</b>	<b>Total Expenditure</b>	<b>71</b>	<b>64</b>
<b>FUNDED BY:</b>			
35	Charges for Services	43	37
<b>35</b>	<b>Total Revenue</b>	<b>43</b>	<b>37</b>
32	General Rates	26	26
3	Other Funding	1	1
<b>70</b>	<b>Total Funding</b>	<b>70</b>	<b>64</b>



## Environmental Services



TE KAUNIHERA Ā ROHE O  
WHAKAAHURANGI  
**STRATFORD**  
DISTRICT COUNCIL

Annual Report 2023-24

## BUILDING SERVICES

### 1.1 What We Do

The Council is registered as a building consent authority (BCA), as required by the Building Act 2004. The BCA receives and processes applications for building consents. It also involves monitoring and compliance, to ensure that all building, plumbing and drainage work in the District is undertaken in a safe, secure and proper manner. The Building Control Team also leads the preparation of Land Information Memorandums.

### 1.2 Why We Do It

The Council has a legal responsibility to ensure buildings are fit for purpose and comply with legislation. This activity contributes to the community outcomes of:

- Enabling Economy
- Sustainable Environment

### 1.3 Significant Negative Effects

The Building activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - the construction and modification of buildings and structures represents a significant investment for its owners and directly impacts the community and the natural and built environment, as well as community safety. Performance indicators have been designed to strike a balance between legal requirements, supporting the environmental and economic well-being and delivering efficiency from a customer service perspective. Maintenance of a quality management system and a structured approach to continual improvement are two measures to ensure the purpose of the Building Act is upheld.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To process applications within statutory timeframes.	Percentage of building consent applications processed within 20 days.	100%	<b>Achieved – 100%</b> , 215 out of 215 <i>(2022/23 Not Achieved – 99.6% 240 out of 241)</i>	Council Records.
	Percentage of inspection requests completed within 24 hours of request.	100%	<b>Not Achieved – 98.1%</b> , 1,090 out of 1,111 <i>(2022/23 Not Achieved – 97.4% 1,119 out of 1,149)</i>	Council Records.
	<i>This was due to customers booking their inspection more than 24 hours ahead rather than poor performance by council. The measure has now been changed to be within 24 hours of their requested time. This measure did not allow for customers booking more than 24 hours in advance. The reworded measure has the same intent as the original measure.</i>			
	Percentage of code compliance certificate applications determined within 20 working days.	100%	<b>Not Achieved – 99%</b> , 187 out of 188 <i>(2022/23 Not Achieved – 95.3% 204 out of 214)</i>	Council Records.
<i>One CCC went over time due to resourcing during annual leave. Council aims to have back-up for critical roles but this can be difficult to achieve in a small team.</i>				
To retain registration as a Building Consent Authority.	Current registration.	Confirmed	<b>Achieved – registration current</b> <i>(2022/23 Achieved)</i>	Current IANZ Certification
To process LIMs within statutory timeframes	% of LIMs processed within timeframes.	100%	<b>Achieved – 100%</b> 81 out of 81 <i>(2022/23 Achieved – 100%, 80 out of 80)</i>	Council Records
Service meets customer expectations.	Percentage of customers using building consent processes are satisfied with the service provided	>80%	<b>Not Achieved – 45%</b> <i>(2022/23 Not Achieved – 41%)</i>	Annual Residents Survey
	<i>Only 26 survey respondents said they had contacted council for a building consent process. This is an extremely low data set to inform satisfaction. Of the 26, 11 (45%) scored the service of council between Good and Excellent (7-10). This is likely due to the very high target for a regulatory service and current economic conditions. This measure has now been removed from the 2024-34 Long Term Plan.</i>			

## 1.5 Projects and Other Programmes

There were no future projects associated with the Building Services activity.

## 1.6 Cost of Services Statement

The detailed financial summary for Building Services' activities is below:

### Building Control

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
944	<b>Operating Expenditure</b>	1,043	1,008
458	<b>Revenue</b>	549	523
<b>486</b>	<b>Net Cost of Service</b>	<b>494</b>	<b>485</b>
<b>EXPENDITURE</b>			
623	Operating Costs	659	676
8	Depreciation	8	-
313	Allocated Overheads	376	332
<b>944</b>	<b>Total Operating Expenditure</b>	<b>1,043</b>	<b>1,008</b>
<b>FUNDED BY:</b>			
458	Charges for Services	549	523
<b>458</b>	<b>Total Revenue</b>	<b>549</b>	<b>523</b>
562	UAGC	476	472
23	Other Funding	8	13
<b>1,043</b>	<b>Total Funding</b>	<b>1,033</b>	<b>1,008</b>

## PLANNING

### 1.1 What We Do

This activity covers:

- The development and administration of the Stratford District Plan
- The processing of resource consents required under the District Plan.
- Monitoring of the district to ensure that the District Plan is relevant and complied with.

### 1.2 Why We Do It

All of the above functions are required by legislation.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

### 1.3 Significant Negative Effects

The Planning activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - land use and subdivision activity can impact on short and long term social, economic, environmental and cultural outcomes. Performance indicators have been designed to strike a balance between legal requirements, supporting the environmental and economic well-being, meeting the community's needs and delivering efficiency from a customer service perspective. Best social, economic, environmental & cultural practice and community expectations will also be incorporated in the future update of the District Plan which governs much of this activity.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured	
		Year3 2023/24			
To promote the sustainable management and use of land and public spaces.	To undertake a comprehensive review of the district plan, with notification within statutory timeframes.	Notification required	<b>Not Achieved</b> (2022/23 Not Applicable)	No timeframe to be met in Year 1  Reports to Council	
	<i>Work on this project was delayed due to new legislation. The legislation has since been repealed and council is now in the early planning phase for this project.</i>				
	To undertake a systematic review of bylaws and related policies as they reach their statutory review dates.	100% within review timeframes	<b>Not Achieved</b> (2022/23 Not Achieved)	Reports to Council	
	<i>Two policies were not reviewed within their statutory timeframes. The policies are the Local Approved Products Policy and the Local Alcohol Policy which are both jointly held with New Plymouth District Council. Council is currently working with New Plymouth and South Taranaki District Councils on these two policies.</i>				
To process resource consents within statutory timeframes.	% of non notified applications processed within 20 working days.	100%	<b>Not Achieved</b> – 98% 55 of 56 (2022/23 Not Achieved – 90% 76 of 84 applications)	Council records	
	<i>The application that was not processed within 20 working days was delayed waiting for advice from a service provider.</i>				
	% of notified applications processed within legislated timeframes for notification, hearings and decisions.	100%	<b>Achieved – 0 notified consent applications</b> (2022/23 Achieved – 0 notified consent application)	Council records	
	% of s223 and s224 applications processed within 10 working days.	100%	<b>Achieved – 100%</b> 22 of 22 applications. (2022/23 Achieved – 100% 51 of 51 applications)	Council records	
Service meets customer expectations	Percentage of customers using resource consent processes are satisfied with the service provided	>80%	<b>Not Achieved</b> – 46% (2022/23 Not Achieved – 22%)	Council Records	
	<i>Just 14 survey respondents said they had contacted council for a resource consent process. This is an extremely low data set to inform satisfaction. Of the 14, 6 (46%) of these respondents scored the service of council between Good and Excellent (7-10). This is likely due to the very high target for a regulatory service and current economic conditions. This measure has been removed from the 2024-34 Long Term Plan.</i>				

## 1.5 Projects and Other Programmes

There were no projects associated with the Planning and Bylaw activity.

### 1.6 Cost of Services Statement

The detailed financial summary for Planning and Bylaw's activities is below:

#### District Plan and Bylaws

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
209	<b>Operating Expenditure</b>	222	755
-	<b>Revenue</b>	-	-
<b>209</b>	<b>Net Cost of Service</b>	<b>222</b>	<b>755</b>
	<b>EXPENDITURE</b>		
91	Operating Costs	92	634
-	Interest	-	9
119	Allocated Overheads	130	112
<b>209</b>	<b>Total Operating Expenditure</b>	<b>222</b>	<b>755</b>
-	Principal Loan Repayments	-	100
<b>209</b>	<b>Total Operating Expenditure</b>	<b>222</b>	<b>855</b>
	<b>FUNDED BY:</b>		
209	UAGC	354	351
-	Loan Funding	-	500
8	Other Funding	3	4
<b>217</b>	<b>Total Funding</b>	<b>357</b>	<b>855</b>

#### Resource Consents

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
321	<b>Operating Expenditure</b>	335	353
120	<b>Revenue</b>	63	126
<b>201</b>	<b>Net Cost of Service</b>	<b>272</b>	<b>227</b>
	<b>EXPENDITURE</b>		
206	Operating Costs	164	204
115	Allocated Overheads	171	149
<b>321</b>	<b>Total Operating Expenditure</b>	<b>335</b>	<b>353</b>
	<b>FUNDED BY:</b>		
120	Charges for Services	63	126
<b>120</b>	<b>Total Revenue</b>	<b>63</b>	<b>126</b>
118	UAGC	223	221
8	Other Funding	3	6
<b>246</b>	<b>Total Funding</b>	<b>289</b>	<b>353</b>



## COMMUNITY HEALTH AND SAFETY

### 1.1 What We Do

The activities broadly cover the regulation and enforcement of various statutes and bylaws relating to health, food, alcohol, animal control, and general nuisance arising from inappropriate parking of motor vehicles and/or use of public places.

#### Health Act and Food Act

The Council:

- provides a uniform system of control to ensure that food being sold is fit for consumption and safe
- carries out premises registration, education, monitoring and enforcement activities, including complaint resolution, to avoid and mitigate actual and potential adverse effects on public health.

From time to time this activity also has to review and respond to legislative changes. Overall its main role is licencing, compliance and enforcement.

#### Sale and Supply of Alcohol Act

The Council carries out licencing, monitoring and enforcement activities, to ensure that a reasonable system of control is in place over the sale and supply of liquor to the public, with the aim of contributing to the reduction of liquor abuse in the community.

#### Parking and other Bylaw compliance

Bylaws provide an enforcement tool where specific local regulation is required. In some instances bylaws are required to give a specific local interpretation of national legislation. Others, such as the Public Places Bylaw, are passed under the Local Government Act but simply reflect a set of local expectations.

The Council receives an average of 300 complaints concerning infringements of the various bylaws each year.

#### Animal Control

The Council exercises its responsibilities under the Dog Control Act 1996 and the Council's Dog Control Bylaw. The Council controls dogs as required by legislation to avoid nuisance and minimise risk to the community.

This covers:

- registration of dogs
- providing a timely response to all complaints concerning dogs, particularly in regard to instances involving aggressive behaviour by dogs
- Enforcing obligations on dog owners designed to ensure that dogs do not cause a nuisance to any person, and do not injure, endanger or cause distress to any person or cause distress to any stock, poultry, domestic animal or protected wildlife.

The Council operates a dog pound which has capacity for six dogs. The demand for services is relatively consistent.

Under the general bylaw this activity also manages wandering stock on road reserves.

### 1.2 Why We Do It

These services are either required by statute or bylaws produced by the Council in response to either public expectations or legal requirements.

This activity contributes to the community outcomes of:

- Enabling Economy
- Sustainable Environment

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Community Health and Safety activity that may affect the social, economic, environmental or cultural well-being of the local community. This activity exists to avoid, minimise or mitigate significant negative effects of environmental or community health and safety events. Failure to deliver this activity would therefore have a significant negative impact on the economic and environment well-being.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To fulfil obligations to improve, promote and protect public health.	Percentage of premises registered under the Food Act, Health Act, Beauty and Tattoo Bylaw, to be inspected for compliance.	100%	<b>Achieved – 100% 59 out of 59</b> <i>(2022/23 Not Achieved – 99% 107 out of 108)</i>	Council Records
	Health nuisance and premise complaints are responded to within 1 working day.	100%	<b>Achieved – 100% 17 out of 17 complaints</b> <i>(2022/23 Achieved – 100% 16 out of 16 complaints)</i>	Council Records
To fulfil obligations as a District Licensing Committee.	Percentage of licensed premises inspected.	100%	<b>Achieved – 100% 28 of 28 inspected</b> <i>(2022/23 Not Achieved – 93.7% 30 out of 32 inspected)</i>	Council Records
	Percentage of applications processed within 25 working days (excluding hearings).	100%	<b>Achieved – 100% 85 of 85 applications – 1 hearing</b> <i>(2022/23 Achieved – 100% 90 out of 90 applications and 1 hearing)</i>	Council Records
To monitor and enforce bylaws.	Percentage of complaints responded to within 2 hours.	100%	<b>Achieved – 100% 263 of 263 complaints.</b> <i>(2022/23 Achieved – 100% 287 out of 287 complaints)</i>	Council Records
To ensure dogs are controlled.	Percentage of known dogs registered.	95%	<b>Achieved – 98% 2,091 of 2,148 known dogs were registered for the 2023/24</b> <i>(2022/23 Achieved – 98% 2,123 out of 2,176 dogs)</i>	Council Records
	Percentage of dog attack/wandering dog complaints responded to within an hour.	100%	<b>Achieved – 100% 351 of 351 complaints</b> <i>(2022/23 Not Achieved – 95.3% 283 out of 286 complaints)</i>	Council Records

## 1.5 Projects and Other Programmes

There were no projects associated with the Community Health and Safety activity.

## 1.6 Cost of Services Statement

The detailed financial summaries for Food and Health, Alcohol Licensing, Parking and other Bylaws and Animal Control activities are below:

### Food and Health

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
197	<b>Operating Expenditure</b>	207	189
33	<b>Revenue</b>	34	35
<b>164</b>	<b>Net Cost of Service</b>	<b>173</b>	<b>154</b>
<b>EXPENDITURE</b>			
114	Operating Costs	110	104
83	Allocated Overheads	97	85
<b>197</b>	<b>Total Operating Expenditure</b>	<b>207</b>	<b>189</b>
<b>FUNDED BY:</b>			
33	Charges for Services	34	35
<b>33</b>	<b>Total Revenue</b>	<b>34</b>	<b>35</b>
135	UAGC	152	151
6	Other Funding	2	3
<b>174</b>	<b>Total Funding</b>	<b>188</b>	<b>189</b>

### Alcohol Licensing

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
136	<b>Operating Expenditure</b>	125	124
30	<b>Revenue</b>	30	34
<b>106</b>	<b>Net Cost of Service</b>	<b>95</b>	<b>90</b>
<b>EXPENDITURE</b>			
81	Operating Costs	66	70
55	Allocated Overheads	59	54
<b>136</b>	<b>Total Operating Expenditure</b>	<b>125</b>	<b>124</b>
<b>FUNDED BY:</b>			
30	Charges for Services	30	34
<b>30</b>	<b>Total Revenue</b>	<b>30</b>	<b>34</b>
75	UAGC	88	88
4	Other Funding	1	2
<b>110</b>	<b>Total Funding</b>	<b>119</b>	<b>124</b>

### Parking and other Bylaws

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
135	<b>Operating Expenditure</b>	161	154
(15)	<b>Revenue</b>	1	1
<b>150</b>	<b>Net Cost of Service</b>	<b>160</b>	<b>153</b>
<b>EXPENDITURE</b>			
49	Operating Costs	62	69
86	Allocated Overheads	99	85
<b>135</b>	<b>Total Operating Expenditure</b>	<b>161</b>	<b>154</b>
<b>FUNDED BY:</b>			
(15)	Charges for Services	1	1
<b>(15)</b>	<b>Total Revenue</b>	<b>1</b>	<b>1</b>
142	UAGC	151	150
6	Other Funding	2	3
<b>132</b>	<b>Total Funding</b>	<b>154</b>	<b>154</b>

### Animal Control

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
220	<b>Operating Expenditure</b>	261	238
123	<b>Revenue</b>	178	167
<b>97</b>	<b>Net Cost of Service</b>	<b>83</b>	<b>71</b>
<b>EXPENDITURE</b>			
114	Operating Costs	110	111
2	Interest	2	2
4	Depreciation	4	1
100	Allocated Overheads	145	124
<b>220</b>	<b>Total Operating Expenditure</b>	<b>261</b>	<b>238</b>
2	Principal Loan Repayments	2	2
-	Capital Expenditure	-	-
<b>222</b>	<b>Total Expenditure</b>	<b>263</b>	<b>240</b>
<b>FUNDED BY:</b>			
123	Charges for Services	178	167
<b>123</b>	<b>Total Revenue</b>	<b>178</b>	<b>167</b>
66	UAGC	69	68
-	Loan funding	-	-
7	Other Funding	3	5
<b>196</b>	<b>Total Funding</b>	<b>250</b>	<b>240</b>

## CIVIL DEFENCE & EMERGENCY MANAGEMENT

### 1.1 What We Do

The overriding principle for Civil Defence and Emergency Management delivery across the Taranaki Civil Defence and Emergency Management (CDEM) Group is that it is a regionally coordinated and locally delivered approach. The Taranaki Region operates a CDEM Group Office, called the Taranaki Emergency Management Office (TEMO). TEMO is a shared service between all four councils in Taranaki that delivers Civil Defence and Emergency Management coordination throughout Taranaki on behalf of the councils in the region. The Council is obligated to plan and provide for Civil Defence and Emergency Management within the Stratford District and to ensure that it can function at the fullest possible extent during an emergency.

### 1.2 Why We Do It

Council has legal requirements to play a direct role in the prevention and management of natural hazards.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Connected Communities

### 1.3 Significant Negative Effects

There are no significant negative effects associated with the Civil Defence and Emergency Management activity that may affect the social, economic, environmental or cultural well-being of the local community. However, failure to deliver this activity would have a significant negative impact on the social, economic, environment and cultural well-being.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To maintain effective emergency capability	Recruit, train and maintain a pool of staff and volunteers capable of responding to an emergency event. Number of people trained to at least Foundational level.	>40	<b>Achieved</b> – 53 to at least foundation level, 35 trained to intermediate or higher (2022/23 Achieved)	Takatu Records
To ensure the Stratford District Emergency Operations Centre is fit for purpose.	Annual capability audit undertaken (externally) and quarterly system checks undertaken (internally).	Achieved	<b>Achieved</b> (2022/23 Achieved)	Council Records

### 1.5 Projects and Other Programmes

There were no projects associated with the Civil Defence and Emergency Management activity.

## 1.6 Cost of Services Statement

The detailed financial summaries for Civil Defence and Emergency Management's activities are below:

### Civil Defence and Emergency Management

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
316	<b>Operating Expenditure</b>	470	432
-	<b>Revenue</b>	-	-
<b>316</b>	<b>Net Cost of Service</b>	<b>470</b>	<b>432</b>
<b>EXPENDITURE</b>			
122	Operating Costs	124	126
-	Depreciation	-	1
194	Allocated Overheads	346	305
<b>316</b>	<b>Total Operating Expenditure</b>	<b>470</b>	<b>432</b>
<b>FUNDED BY:</b>			
344	UAGC	424	420
13	Other Funding	5	12
<b>357</b>	<b>Total Funding</b>	<b>429</b>	<b>432</b>



# Roading



Annual Report 2023-24

## Roading

### 1.1 What We Do

The Roothing activity encompasses the management, construction, maintenance and renewal of rural and urban roads, footpaths, kerb and channel, street lighting and associated infrastructure for the District excluding State Highways. The Roothing network managed by the Stratford District Council totals 597.8km, made up of 556.1km of rural roads and 42.41km of urban streets. State Highways 3 and 43 are maintained by the New Zealand Transport Agency (NZTA). In addition there are over 700km of unformed legal road and a number of bridges 'beyond the maintenance peg' that are not maintained by Council.

The Roothing asset includes all pavements from the sub base to, and including, the top sealed or metal surface, traffic services (lighting, street and safety signage, footpaths, kerb & channel), bridges, culverts and side drains.

	Rural	Urban	Special Purpose	Total
Sealed km	350.4	42.4	14.00	406.8
Unsealed km	<u>205.7</u>	<u>0.01</u>	<u>0.20</u>	<u>205.91</u>
	<b>556.1</b>	<b>42.41</b>	<b>14.20</b>	<b>612.71</b>

The physical works carried out on the District roads are undertaken by private contractors. Most of the work, including all routine maintenance and most renewals and planned work such as reseals and unsealed roads metal replacement, is carried out under the Roothing Facilities Management Contract.

### 1.2 Why We Do It

Council is the road controlling authority under the Local Government Act 1974 and 2002 with responsibility for all local roads in the area. It provides an integrated, safe, responsive and sustainable local land transport system for the District. This is a fundamental requirement for every District.

The main users of the network are residents, industries (particularly dairy, forestry and oil), a small commercial sector, and visitors.

This activity contributes to the community Outcomes of:

- Connected communities
- Enabling economy

### 1.3 Significant Negative Effects

#### Negative Effects

The Roothing activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

**Social, economic, environmental & cultural** - Traffic hazards and accidents have the potential to negatively impact the community's social, economic, environmental and cultural well-being. Council is actively involved in regional road safety strategies such as 'Roadsafe Taranaki', and the 'Community Road Safety Programme' and investigates injury accidents with the Police to address any roading issues that may be involved.

**Social, economic, environmental & cultural** – Dust from unsealed roads has the potential to negatively impact the community's social, economic, environmental and cultural well-being. Council is working with the rural community to manage nuisance from dust.

**Social, economic & cultural** –Road closures have the potential to negatively impact the community's social, economic and cultural well-being. Unplanned road closures are usually the result of environmental events and can be of concern, particularly for isolated rural communities. When this happens, every effort is made to have the road or alternative routes open as soon as possible. Planned road closures are generally not a significant problem as they are well notified to affected parties and council works with event organisers to reduce the impact of closures of popular routes.



**Environmental & cultural** – Earthworks and run-off from road construction and maintenance activities has the potential to impact the environmental and cultural wellbeing. To manage and mitigate this risk, all major project works are carried out under resource consent conditions and undertaken in a manner that avoids significant negative effects. Routine maintenance activities are governed by performance criteria outlined in the maintenance contract.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

#### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured	
		Year 3 2023/24			
To provide a safe roading network.	<b>Road safety</b> - The reduction from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	A reduction of at least 1	<b>Achieved – minus 2</b> there was one serious or fatal crash in the 2023/24 year. (2022/23 Achieved minus 3)	Police CAS Database	
To provide a well maintained roading network.	<b>Road Condition</b> – The average quality of ride on sealed road network, measured by smooth travel exposure.	Urban – ≥83%	<b>Not Achieved</b> – Urban – 52% (2022/23 Not Achieved – 54%)	RAMM Rating Report	
		Rural – ≥91%	<b>Achieved</b> – Rural – 92% (2022/23 Achieved -92%)		
	<i>Due to the unexpected costs to repair the rural roads affected by forestry/logging activity, funds were not available for the urban roads. In 2024-34 the target has been adjusted to ≥ 60% to address this issue.</i>				
	<b>Road maintenance</b> – The percentage of the sealed road network that is resurfaced.	≥5%	<b>Not Achieved</b> – 2.90 % (2022/23 Not Achieved 4%)	RAMM Rating Report	
<i>This is due to pressures on other budgets to repair roads damaged by Forestry activity.</i>					
	<b>Road maintenance</b> – The percentage of the unsealed road network that has been metal dressed.	≥7%	<b>Achieved</b> – 7.2% (2022/23 Not Achieved – 4.35%)	RAMM Report	
To provide a well maintained roading network.	<b>Footpaths</b> - The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (annual plan, activity management plan, asset management plan, annual works programme or long term plan)	>75%	<b>Achieved</b> – 77% (2022/23 Achieved – 89%)	RAMM Report	
	<b>Response to service requests</b> - The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan (note: this information is actually held in the asset management plan not the long term plan).	>88%	<b>Achieved</b> – 100% (2022/23 Achieved – 90%)	RAMM Report. Spreadsheet until connectivity is established between RAMM and Customer Service Requests	
	Percentage of residents who are satisfied with:			Annual Residents Survey	
	• Roothing Networks	>80%	<b>Not Achieved</b> – 37% (2022/23 Not Achieved – 30%)		
<i>The issues appear to be road maintenance, specifically potholes that need fixing, the standard of work completed and rural roads that are in poor condition. The community does not differentiate between local roads and state highways. Future surveys will be more specific ensuring that it is clear it relates to local roads only.</i>					

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
To provide a well maintained roading network.	Percentage of residents who are satisfied with:			Annual Residents Survey
	<ul style="list-style-type: none"> <li>Footpaths</li> </ul>	>80%	<b>Not Achieved – 55%</b> (2022/23 Not Achieved – 57%)	
	<i>The key issues noted were around general maintenance, uneven paving and overgrown trees/hedges/weeds. The footpath replacement programme is a 30 year project. However for the 2024/27 LTP, NZTA are funding this work activity to the same level of funding.</i>			

## 1.5 Projects and Other Programmes

### Key Future Projects

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Walking and cycling footpath improvements	Level of Service	\$156,000	\$173,143	Complete
Transport Choices	Level of Service	\$7,700,000	\$0	Project did not proceed as the government withdrew the funding
Road to Zero	Level of Service	\$0	\$606,209	Funding carried over from previous year
Unsealed Road Metalling	Replacements	\$750,000	\$883,521	Complete
Sealed Road resurfacing	Replacements	\$880,000	\$646,074	Complete
Drainage Renewals	Replacements	\$680,000	\$544,141	Complete
Pavement Rehabilitation	Replacements	\$700,000	\$76,275	Budget transferred to other roading categories
Structure Component Replacement	Replacements	\$530,000	\$726,855	Complete
Traffic Services	Replacements	\$130,000	\$111,175	Complete
Footpath renewals	Replacements	\$150,000	\$61,964	Complete
Low cost low risk roads	Replacements	\$575,000	\$633,639	Complete
Low cost low risk roads – Special Purpose Roads	Replacements	\$60,000	\$44,096	Complete
Brecon Road bridge – business case	Operating Expenditure	\$250,000	\$12,480	This was for fees to write the draft point of entry report to date.

## 1.6 Cost of Services Statement

The detailed financial summary for Roading activities is below:

## Roading

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
7,474	<b>Operating Expenditure</b>	6,594	7,176
6,406	<b>Revenue</b>	4,944	4,738
<b>1,068</b>	<b>Net Cost of Service</b>	<b>1,650</b>	<b>2,438</b>
<b>EXPENDITURE</b>			
4,383	Operating Costs	3,430	3,436
5	Interest	14	39
2,890	Depreciation	2,882	3,493
196	Allocated Overheads	268	208
<b>7,474</b>	<b>Total Operating Expenditure</b>	<b>6,594</b>	<b>7,176</b>
6	Principal Loan Repayments	16	45
6,260	Capital Expenditure	4,661	12,311
<b>13,741</b>	<b>Total Expenditure</b>	<b>11,271</b>	<b>19,531</b>
<b>FUNDED BY:</b>			
214	Charges for Services	130	168
6,193	Waka Kotahi (NZTA) Financial Assistance	4,814	4,570
<b>6,406</b>	<b>Total Revenue</b>	<b>4,944</b>	<b>4,738</b>
3,117	Targeted Rates	3,413	3,410
1,614	Depreciation funded from Reserves	1,605	1,941
1,976	Transfers from Reserves - Capital	2,678	1,774
-	Grants and Donations	-	6,410
290	Transfer from (to) reserves	(1,546)	(446)
324	Loan Funding - Capital	173	1,696
14	Other Funding	5	8
<b>13,741</b>	<b>Total Funding</b>	<b>11,272</b>	<b>19,531</b>

## Business Unit

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
294	<b>Operating Expenditure</b>	378	380
403	<b>Revenue</b>	472	470
<b>(109)</b>	<b>Net Cost of Service</b>	<b>(94)</b>	<b>(90)</b>
<b>EXPENDITURE</b>			
69	Operating Costs	162	210
3	Depreciation	6	3
223	Allocated Overheads	210	167
<b>294</b>	<b>Total Operating Expenditure</b>	<b>378</b>	<b>380</b>
<b>FUNDED BY:</b>			
400	In-house Services - NZTA Assisted	470	470
3	Charges for Services	2	-
<b>403</b>	<b>Total Revenue</b>	<b>472</b>	<b>470</b>
(25)	General Rates	(96)	(96)
16	Other Funding	6	7
<b>394</b>	<b>Total Funding</b>	<b>382</b>	<b>380</b>



# Stormwater



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## Stormwater

### 1.1 What We Do

Stormwater reticulation and collection services are provided and managed by Stratford District Council:

- To collect and disperse any excess water from a major rainfall event.
- To provide a system for the normal drainage of stormwater and groundwater, thereby enhancing the life of other infrastructure eg. roads and protecting private property (to the defined level of service).

The Stormwater reticulation system is a network of pipes and open drains that collects stormwater from developed urban areas. Collection from roads and public areas is usually via sumps and directed to reticulation. Collection from commercial and industrial properties is via reticulation manholes. Residential area stormwater is discharged to ground mainly by soak holes, although if soil or other conditions are not suitable for soak holes, discharge is carried out via runoff through sumps and reticulation.

The Stratford District Council manages around 6.7km of stormwater pipes, and 1.9km of open channels/drains in the Stratford urban area. Council is also responsible for approximately 70 metres of 450mm culvert in Midhirst.

### 1.2 Why We Do It

Stormwater assets are critical for the protection of properties and infrastructure.

The Council provides the Stormwater service to meet the needs and requirements of its customers and stakeholders. The stormwater activity goals and objectives are:

- Channelization of stormwater flows in a safe and efficient manner;
- Protection of property from impacts of flooding;
- Protection of receiving environments.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

### 1.3 Significant Negative Effects

The Stormwater activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

**Social, economic, environmental & cultural** - the Stormwater system has the potential to affect community health if existing drainage systems are inadequate and results in flooded houses and properties.

**Social, economic, environmental & cultural** - Council is aware of the areas where surface flooding occurs and is progressively working towards eliminating these events. However, there will always be localised storm events that will exceed the capacity of any system. Council recognises this potential and endeavours to take all steps to ensure the risk is minimised.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual	How Measured
		Year3 2023/24	2023/24	
Stormwater system protects property from impacts of flooding.	<b>System adequacy</b> The number of flooding events that occur in a territorial authority district. "Flooding" in this context means stormwater entering a habitable floor	0	<b>Achieved – 0</b> – No flooding events meeting the criteria (2022/23 Achieved - 0)	Reporting against corporate CRM system. Note: specific category to be set up for flooding – to separate between residential & commercial buildings and include count of habitable floors flooded (residential only).
	For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)	0	<b>Achieved – 0</b> – No flooding events meeting the criteria (2022/23 Achieved)	
	For each flooding event, the number of buildings in the central business zone affected by flooding.	0	<b>Achieved – 0</b> – No flooding events meeting the criteria (2022/23 Achieved - 0)	
<b>Discharge Compliance</b>	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: <ul style="list-style-type: none"> <li>Abatement notices</li> <li>Infringement notices</li> <li>Enforcement orders, and</li> <li>Convictions</li> </ul> received by the territorial authority in relation to those resource consents.	N/A	<b>Not Applicable</b> (2022/23 Not Applicable)	Council does not hold discharge consents for discharge from its stormwater system.
<b>Response Times</b>	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	1 hour	<b>Achieved – 0</b> – No flooding events meeting the criteria (2022/23 Achieved - 0)	Work order tracking/reporting through Council's Infrastructure asset management system.
<b>Customer Satisfaction</b>	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system.	<8	<b>Achieved - 0</b> (2022/23 Achieved - 0)	Reporting against corporate CRM system.

## 1.5 Projects and Other Programmes

### Key Future Projects

Project	Category	Budget	Actual	Notes
		2023/24	2023/24	
<b>Pipework capacity increase</b>	Level of Service	\$143,300	\$68,659	Complete
<b>Silt retention lake bypass</b>	Level of Service	\$265,400	\$92,361	Complete
<b>Safety improvements</b>	Level of Service	\$124,600	\$147,152	Complete
<b>Reticulation renewals</b>	Replacements	\$56,000	\$1,162	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Stormwater activity is shown below.

### Stormwater

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
460	<b>Operating Expenditure</b>	518	499
-	<b>Revenue</b>	-	-
<b>460</b>	<b>Net Cost of Service</b>	<b>518</b>	<b>499</b>
	<b>EXPENDITURE</b>		
50	Operating Costs	59	49
21	Interest	30	45
232	Depreciation	252	255
157	Allocated Overheads	177	149
<b>460</b>	<b>Total Operating Expenditure</b>	<b>518</b>	<b>499</b>
29	Principal Loan Repayments	36	52
72	Capital Expenditure	309	589
<b>562</b>	<b>Total Expenditure</b>	<b>863</b>	<b>1,140</b>
	<b>FUNDED BY:</b>		
430	UAGC	433	429
29	Transfer from Depreciation Reserves	36	108
23	Depreciation funded from Reserves	63	64
72	Loan Funding - Capital	309	533
10	Other Funding	4	6
<b>565</b>	<b>Total Funding</b>	<b>845</b>	<b>1,140</b>



# Wastewater



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## Wastewater (Sewerage)

### 1.1 What We Do

The Wastewater activity encompasses the planning, provision, operation, maintenance and renewal of wastewater, reticulation and treatment and disposal, and associated infrastructure for the Stratford urban area.

Stratford District Council is responsible for wastewater treatment and reticulation in Stratford Township. The Stratford wastewater system services over 2,500 properties, which is approximately 97 percent of the Stratford urban area. All other dwellings in the district are serviced by on-site wastewater treatment systems.

### 1.2 Why We Do It

Council has obligations under the Local Government Act 2002, the Health Act 1956 and the Building Act 2004 that outline general duties of a local authority to improve, promote and protect public health through the sanitary and responsible treatment and disposal of wastewater.

The Council provides the Wastewater service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Wastewater activity are:

- To collect wastewater from residential, commercial and industrial properties in a safe and efficient manner;
- To dispose of treated wastewater into the receiving environments in an environmentally friendly and sustainable manner in line with all applicable resource consent conditions.
- To facilitate the minimisation of risk and maintenance of public health through the safe disposal of wastewater into the receiving environment;
- To deliver on the agreed customer service levels

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

### 1.3 Significant Negative Effects

The Wastewater activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

**Social, economic, environmental & cultural** - The Wastewater system has the potential to affect community health. Continued efforts are made to ensure that environmental effects are minimised. This is addressed through ongoing improvements to the treatment system which form part of the resource consent.

**Social, economic, environmental & cultural** - Odour is managed through the resource consent process. The upgrade of the oxidation pond treatment system through increased aeration and screening will further minimise the possibility of odour problems.

**Social, economic, environmental & cultural** – Periodic failures in the system, such as blockages and overflows are being addressed as a priority and the immediate resolution followed up by root cause investigation to minimise the risk of future recurrence.

**Cultural** – Historically, the treatment and disposal of wastewater raised cultural concerns, such as the direct disposal of the discharge from the oxidation ponds to the Patea River. These were addressed as part of the consent consultation process and subsequent upgrades. Council will continue to give consideration to cultural aspects as part of future upgrades.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

## 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
Wastewater is managed without risk to public health.	<b>System and adequacy</b> - The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system.	<5	<b>Achieved – 0</b> (2022/23 Achieved – 1.11)	Reporting against corporate CRM system.
	<b>Discharge compliance</b> - Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of <ul style="list-style-type: none"> <li>• Abatement notices</li> <li>• Infringement notices</li> <li>• Enforcement orders; and</li> <li>• Convictions,</li> </ul> Received by the territorial authority in relation to those resource consents.	0	<b>Achieved – 0</b> (2022/23 Achieved – 0)	Consent & compliance documentation.
Fault response times	Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured:			Work order tracking/reporting through Council's Infrastructure asset management system.
	<b>Attendance time:</b> from the time that the territorial authority receives notification to the time that service personnel reach the site; and	1 hour	<b>Achieved – 22minutes</b> (2022/23 Not Achieved – 6 hours 17 minutes)	
	<b>Resolution time:</b> from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.	8 hours	<b>Achieved – 2 hours 8 minutes</b> (2022/23 Not Achieved – 8 hours 7 minutes)	
Customer satisfaction	The total number of complaints received by the territorial authority about any of the following: <ul style="list-style-type: none"> <li>• Sewage odour</li> <li>• Sewerage system faults</li> <li>• Sewerage system blockages, and</li> <li>• The territorial authority's response to issues with its sewerage system,</li> </ul> Expressed per 1000 connections to the territorial authority's sewerage system.	<5	<b>Not Achieved – 8.54</b> (2022/23 Not Achieved – 12.59)	Reporting against corporate CRM system.
		<i>This measure was not met as a result of network blockages as a result of users putting inappropriate materials into the wastewater system e.g wet wipes, grease etc. In 2024/25 the measure has been increased to &lt;6, however there will be a media campaign to educate the community on the correct usage for the wastewater system.</i>		
Trade Waste complaints response times	Attendance time: from the time that Council receives notification to the time that a Trade Waste Officer arrives on site.	<2 working days	<b>Achieved – 100%</b> (2022/23 Achieved)	Work order tracking/reporting through Assetfinda
Trade Waste consent processing	Percentage of trade waste consent applications processed within 15 working days.	100%	<b>Achieved – 100%</b> <b>1 out of 1 applications</b> (2022/23 Achieved – 100% 2 out of 2 applications)	Authority

## 1.5 Projects and Other Programmes

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Pipework increase	capacity	\$159,300	\$71,449	Stage 1 complete
Camper Van Drainage facility	Level of Service	\$7,900	\$0	No longer required
Inflow and infiltration programme	Level of Service	\$159,300	\$458,544	Complete
Stage 2 treatment upgrade	Level of Service	\$5,300	\$0	Not required
Infiltration renewals	Replacements	\$194,300	\$279,011	Complete
Pumps and Electrics	Replacements	\$31,800	\$0	Not required
Routine step/aerate renewals	Replacements	\$31,000	\$0	Not required

## 1.6 Cost of Services Statement

The detailed financial summary for Wastewater activity is shown below.

### Wastewater (Sewerage)

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
1,066	<b>Operating Expenditure</b>	1,172	1,063
38	<b>Revenue</b>	35	35
<b>1,028</b>	<b>Net Cost of Service</b>	<b>1,137</b>	<b>1,028</b>
	<b>EXPENDITURE</b>		
322	Operating Costs	340	307
41	Interest	64	59
403	Depreciation	454	432
300	Allocated Overheads	314	265
<b>1,066</b>	<b>Total Operating Expenditure</b>	<b>1,172</b>	<b>1,063</b>
56	Principal Loan Repayments	76	69
560	Capital Expenditure	1,059	590
<b>1,683</b>	<b>Total Expenditure</b>	<b>2,307</b>	<b>1,722</b>
	<b>FUNDED BY:</b>		
38	Charges for Services	35	35
<b>38</b>	<b>Total Revenue</b>	<b>35</b>	<b>35</b>
904	Targeted Rates	812	810
114	Transfer from (to) Reserves	206	100
276	Transfer (to) from Depreciation Reserves	355	327
20	Depreciation funded from Reserves	112	108
310	Loan Funding - Capital	780	332
20	Other Funding	7	11
<b>1,683</b>	<b>Total Funding</b>	<b>2,307</b>	<b>1,722</b>



# Solid Waste



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## Solid Waste (Rubbish and Recycling)

### 1.1 What We Do

The Solid Waste activity encompasses the planning and provision of solid waste services and the operation, maintenance and renewal of all associated infrastructure.

The Council provides domestic refuse and recycling services to the households in the urban area of Stratford and Midhirst. In addition, it contracts out the operations of a transfer station in Stratford which allows for the disposal of general waste, recycling and green waste. All services are provided by a contractor with all recycling transported to the Materials Recovery Facility in New Plymouth, the general waste transported to the Hawera Transfer Station, consolidated with South Taranaki Districts general waste, then taken to the Bonny Glen landfill in the Rangitikei.

### 1.2 Why We Do It

The Council provides the Solid Waste service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Solid Waste Activity as per the LTP are to ensure that the:

- Levels of waste generated are reducing; and
- waste collection services meet the needs of the community.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

### 1.3 Significant Negative Effects

The Solid Waste activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social, economic, environmental & cultural - disposal of solid waste to land has inherent negative impacts on the social, environmental and cultural wellbeing. To minimise these impacts, council only sends waste to appropriately consented sites and aims to minimise the volume of waste it sends to landfill by actively seeking further opportunities to increase waste minimisation and diversion.

Social, economic, environmental & cultural - odour, litter and noxious materials originating from historic, closed landfills can have negative impacts on the social, environmental and cultural wellbeing. These effects are controlled and minimised by resource consents and management practices.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.

### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year 3 2023/24		
The levels of waste generated are reducing.	Waste to landfill per household (municipal kerbside collection only)	<600KG	<b>Achieved – 485kg</b> (2022/23 Achieved 472kg)	Landfill invoices & transactions.
	Percentage (by weight) of council controlled waste stream that is recycled (municipal kerbside collection only).	>20%	<b>Achieved – 22%</b> (2022/23 Achieved 23.3%)	Recycling facility invoices & transactions.
The waste collection service meets the needs of the community.	Percentage of customers satisfied with the service provided.	>80%	<b>Achieved – 82%</b> (2022/23 Achieved 83%)	Annual Residents Survey

## 1.5 Projects and Other Programmes

Project	Category	Budget 2023/24	Actual 2023/24	Notes
Transfer building – Station Healthy Homes Upgrade	Level of Service	\$7,000	\$13,471	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Solid Waste activity is shown below.

### Solid Waste

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
985	<b>Operating Expenditure</b>	1,208	1,062
213	<b>Revenue</b>	143	170
<b>772</b>	<b>Net Cost of Service</b>	<b>1,065</b>	<b>892</b>
	<b>EXPENDITURE</b>		
761	Operating Costs	943	831
25	Interest	28	29
28	Depreciation	40	32
171	Allocated Overheads	197	170
<b>985</b>	<b>Total Operating Expenditure</b>	<b>1,208</b>	<b>1,062</b>
1	Landfill Aftercare Costs	4	7
35	Principal Loan Repayments	34	34
10	Capital Expenditure	13	7
<b>1,031</b>	<b>Total Expenditure</b>	<b>1,259</b>	<b>1,109</b>
	<b>FUNDED BY:</b>		
213	Charges for Services	143	170
<b>213</b>	<b>Total Revenue</b>	<b>143</b>	<b>170</b>
903	Targeted Rates	860	853
25	UAGC	24	24
-	Loan Funding - Capital	13	7
-	Transfer (to) from Depreciation Reserves	47	-
(122)	Transfers from (to) Reserves	168	49
12	Other Funding	4	7
<b>1,031</b>	<b>Total Funding</b>	<b>1,259</b>	<b>1,109</b>



# Water Supply



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## Water Supply

### 1.1 What We Do

The Water Supply activity encompasses the planning, provision, operation, maintenance and renewal of water treatment and reticulation systems, and all associated infrastructure. Council operates three urban water supplies servicing the Stratford, Toko and Midhirst townships, with river fed sources for Stratford and Midhirst and a bore supply for Toko.

### 1.2 Why We Do It

Council has assumed the role of provider of Water Supply to provide all properties in the water supply zones with a constant, safe and sustainable water supply.

The Council provides the Water Supply service to meet the needs and requirements of its customers and stakeholders. The goals and objectives of the Water Supply activity are:

- Water is safe to drink;
- A reliable water supply is provided;
- Water has a pleasant taste and odour;
- Water flow and pressure is appropriate for its intended use; and
- Water supply meets firefighting requirements.

This activity contributes to the community outcomes of:

- Sustainable Environment
- Enabling Economy

### 1.3 Significant Negative Effects

The Water Supply activity has the potential to negatively impact the social, economic, environmental or cultural well-being of the local community. The most likely significant negative effects from this activity and the mitigation measures in place, are outlined below.

Social & Economic - Failure to meet Drinking Water Standards could have a significant negative impact on the social and economic well-being of its users and the district overall.

Social, economic, environmental & cultural – Discharge of contaminants to air, water or land could have a significant negative impact on the social, economic, environmental and cultural well-being of its users and the district overall.

These negative effects and any controls and mitigation in place have to be balanced against the positive impact the activity has on the social, economic, environmental and cultural well-being of its users and the district overall.



### 1.4 Statement of Service Provision

Level of Service	Performance Measure	Target	Actual	How Measured
		Year3 2023/24	2023/24	
Water is safe to drink.	The extent to which the local authority's drinking water supply complies with: Part 4 of the drinking water standards (bacterial compliance criteria), and	100%	<b>Stratford – Achieved – 100%</b> <b>Midhirst – Achieved – 100%</b> <b>Toko – Achieved – 100%</b> <i>(2022/23 Stratford – Achieved 100%</i> <i>Midhirst – Achieved 100%</i> <i>Toko – Achieved 100%)</i>	Plant & reticulation performance records in water outlook. Includes water quality sampling programme records as well as any plant non-performances.
	Part 5 of the drinking water standards (protozoal compliance criteria).	100%	<b>Achieved – 100%</b> <b>Midhirst – Achieved – 100%</b> <b>Toko – Achieved – 100%</b> <i>(2022/23 Stratford – Achieved 100%</i> <i>Midhirst – Achieved 100%</i> <i>Toko – Achieved 100%)</i>	Plant & reticulation performance records in water outlook. Includes water quality sampling programme records as well as any plant non-performances.
	<b>Maintenance of the reticulation network</b> - The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).	<25%	<b>Achieved</b> <b>Stratford –8.6%</b> <b>Midhurst –10.6%</b> <b>Toko – 4.1%</b> <i>(2022/23 Stratford – Achieved 15.3%</i> <i>Midhirst – Achieved 17%</i> <i>Toko – Not Achieved 8.2%)</i>	Calculated annually as per NZWWA Water Loss Guidelines.
A reliable water supply is provided.	<b>Fault Response Times</b> – Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: Attendance for urgent call-outs: from the time that council receives notification to the time that service personnel reach the site.	1 hour	<b>Achieved –10 minutes</b> <i>(2021/22 Not Achieved 2 hours 17 minutes)</i>	Work order tracking/reporting through Council's Infrastructure asset management system.
	Resolution of urgent call-outs: from the time that council receives notification to the time the service personnel confirm resolution of the fault or interruption.	8 hours	<b>Achieved – 4 hours 8 minutes</b> <i>(2022/23 Not Achieved 14 hours 17 minutes)</i>	Work order tracking/reporting through Council's Infrastructure asset management system.
A reliable water supply is provided.	Attendance for non-urgent call-outs: from the time that council receives notification to the time that service personnel confirm resolution of the fault or interruption	2 working days	<b>Achieved – 1 day, 5 hours</b> <i>(2022/23 Achieved 1 day, 23 hours 52 minutes)</i>	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System

Level of Service	Performance Measure	Target	Actual	How Measured
		Year 3 2023/24	2023/24	
A reliable water supply is provided.	Resolution of non-urgent call-outs: from the time that council receives notification to the time the service personnel confirm resolution of the fault or interruption	5 working days	<b>Achieved – 2 days 20 hours 58 minutes</b> (2022/23 Achieved 3 days, 2 hours 10 minutes)	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
	Number of unplanned disruptions: Minor (between 5 and 50 connections affected) *	<6	<b>Achieved – 0.33</b> (2022/23 Not Achieved – 7)	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
	Major (more than 50 connections affected) *	<3	<b>Achieved – 0.33</b> (2022/23 Achieved – 0)	Work order tracking/reporting through Council's Infrastructure asset management system. Affected property numbers provided via GIS/Asset Management System
Water has a pleasant taste and odour.	<p><b>Customer Satisfaction</b> - Total number of complaints received for:</p> <ul style="list-style-type: none"> <li>• Drinking water clarity</li> <li>• Drinking water taste</li> <li>• Drinking water odour</li> <li>• Drinking water pressure or flow</li> <li>• Continuity of supply</li> <li>• Council's response to any of these issues</li> </ul> <p>expressed per 1000 connections to council's networked reticulation system.</p> <p><i>Note: This is understood to be limited to supplied properties within the water supply zones.</i></p>	<32	<p><b>Achieved: - 1.65</b> (2022/23 Achieved – 2.5)</p> <p><i>When multiple complaints are received that relate to one specific event, these are recorded as one complaint..</i></p>	Reporting against corporate CRM system.
Demand management	<p><b>Demand management</b> - The average consumption of drinking water per day per resident within the district (in litres).</p>	<275	<p><b>Not Achieved: 297</b> (Stratford 312, Midhurst 134, Toko 102) (2022/23 Achieved – Stratford 187.24 litres Midhurst 143.69 litres Toko 147.69 litres)</p>	<p>Calculated from production records ex SCADA/Water Outlook, deducting commercial users as per water meter records as well as any other non-residential use and losses (as per bench loss), divided by number of residential connections and average number of residents per property.</p> <p><i>Council is in the process of introducing universal water metering in the Stratford urban area. The rural towns of Toko and Midhurst already have these meters in place, therefore it is expected that when meters are installed in Stratford, the demand will reduce.</i></p>

Level of Service	Performance Measure	Target	Actual	How Measured
		Year3 2023/24	2023/24	
Water flow and pressure is appropriate for its intended use.	Water pressure at 50 properties within the water supply zone, including any that have complained about pressure and or flow meets council specifications (flow>10l/min & pressure>350kpa)	100%	<b>Achieved –50 properties tested for water pressure and flow - all passed – 100%</b> <i>(2022/23 Achieved – 100%)</i>	Pressure and flow to be measured at a minimum of 50 properties per annum. Test results recorded by handheld device directly into asset management system against property's point of supply. Where test at tap inside property fails, test will be repeated at point of supply (toby/meter box) to isolate problems with private pipework from public network. Customer is advised if problem with internal plumbing.
Water supply meets firefighting requirements.	Fire hydrants meet NZFS Code of Practice conditions regarding supply.	100%	<b>Achieved – 30 hydrants were tested and all 30 passed the test – 100%.</b> <i>(2022/23 Achieved – 30 hydrants were tested and all 30 passed the test – 100%)</i>	Flow & pressure testing carried out by council contractor and or NZ Fire Service to NZ Fire Fighting Code of Practice standards.

## 1.5 Projects and Other Programmes

Project	Category	Budget 2022/23	Actual 2023/24	Notes
Universal water metering implementation	Level of Service	\$337,100	\$375,412	Complete
Street work ridermains	Level of Service	\$31,800	\$16,181	Complete
Midhirst resource consent	Replacements	\$106,200	\$12,125	Iwi report received and submitted to TRC, so will be completed in 2024/25
Hydrants	Replacements	\$15,700	\$4,684	Complete
Laterals	Replacements	\$32,500	\$2,035	Complete
Meter renewals	Replacements	\$53,100	\$12,434	Complete
Street work ridermains – 3 waters schemes	Replacements	\$270,700	\$278,670	Complete
Infrastructure general – 3 water schemes	Replacements	\$31,300	\$4,927	Complete

## 1.6 Cost of Services Statement

The detailed financial summary for the Water Supply activity is shown below.

### Water Supply

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
2,218	<b>Operating Expenditure</b>	2,477	2,293
489	<b>Revenue</b>	444	491
<b>1,729</b>	<b>Net Cost of Service</b>	<b>2,033</b>	<b>1,802</b>
	<b>EXPENDITURE</b>		
643	Operating Costs	646	597
268	Interest	324	318
720	Depreciation	805	797
587	Allocated Overheads	702	581
<b>2,218</b>	<b>Total Operating Expenditure</b>	<b>2,477</b>	<b>2,293</b>
399	Principal Loan Repayments	419	401
1,651	Capital Expenditure	1,145	878
<b>4,268</b>	<b>Total Expenditure</b>	<b>4,041</b>	<b>3,572</b>
	<b>FUNDED BY:</b>		
489	Charges for Water Usage	444	491
<b>489</b>	<b>Total Revenue</b>	<b>444</b>	<b>491</b>
1,640	Targeted Rates	1,608	1,579
36	Transfer from Depreciation Reserves	201	199
240	Grants - Capital	-	-
846	Transfers (to) from Reserves	1,104	804
978	Loan Funding - Capital	673	475
39	Other Funding	14	23
<b>4,268</b>	<b>Total Funding</b>	<b>4,044</b>	<b>3,572</b>



# Council Controlled Organisations



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**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

Annual Report 2023-24

## PERCY THOMSON TRUST

### 1.1 Background

The Local Government Act 2002 defines entities in which Council has more than a 50% shareholding, or the ability to appoint more than 50% of the directors, as Council Controlled Organisations. The Stratford District Council has one organisation that meets these criteria and is therefore a Council Controlled Organisation; the Percy Thomson Trust.

The Trust was established to fulfil the wishes and bequest of the late Percy Thomson to provide an art gallery, arboretum and herbarium. There are to be a minimum of six trustees and a maximum of seven on the trust and less than 50% of the trustees can come from elected representatives.

### 1.2 Nature and Scope of Activities

The Percy Thomson Gallery is located in Prospero Place and provides a total display area of 178m<sup>2</sup>. The arboretum has been established at Cloten Road, and the herbarium is a 'virtual' asset that can be found at [www.taranakiplants.net.nz](http://www.taranakiplants.net.nz).

The Trust Deed sets out the objectives of the Trust and the key points are:

- to manage and promote the facilities.
- to establish exhibition programmes and education policies.
- encouraging public enjoyment and utilisation of Trust facilities and collections.
- to care for any art collections loaned.
- to look at ways of raising revenue.

Council provides administration services to the Trust.

### 1.3 Why We Do It

The Percy Thomson Trust contributes to the community outcomes by providing for the cultural requirements of the District.

## 1.4 Performance Measures

Level of Service	Performance Measure	Target	Actual 2023/24	How Measured
		Year3 2023/24		
Delivery of art exhibitions	Deliver proposed art exhibitions which will include at least 1 local, 1 regional and 1 National.	Deliver proposed art exhibitions which will include local, regional and at least 1 National.	<p><b>Achieved</b> Art exhibitions that were delivered throughout the year included the following:</p> <p><b>National</b> –</p> <ol style="list-style-type: none"> <li>1. Gathered Voices: The Fletcher Trust Collection.</li> <li>2. Rita Angus – New Zealand Modernist</li> </ol> <p><b>Regional</b> –</p> <ol style="list-style-type: none"> <li>1. Abroad – what's in the suitcase</li> </ol> <p><b>Local</b> –</p> <ol style="list-style-type: none"> <li>1. Emergence - Award for Young Taranaki Artists</li> <li>2. Taranaki Arts Trail</li> <li>3. Stratford Art Society</li> <li>4. Embroidery Guild Taranaki</li> <li>5. Yours Truly</li> <li>6. Aotearoa Quilters</li> </ol> <p><b>International/Local</b></p> <ol style="list-style-type: none"> <li>1. Kahui Mareikura: Indigenous Sisters</li> </ol> <p>(2022/23 Achieved)</p>	Art Gallery Records
	Number of visitors to the Gallery to be not less than 20,000 per year	>20,000	<p><b>Achieved – 25,783</b> (2022/23 Not Achieved – 18,684)</p>	Door Count
Development and maintenance of arboretum	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	Develop and maintain the arboretum to the standards in the Facilities Management Contract.	<p><b>Achieved</b> <b>Note:</b> The arboretum has been maintained by Stratford District Council on behalf of the Trust, and meets the standards as set out in the Facilities Management Contract between Stratford District Council and its contractors. The planting programme was also maintained, and continued on in conjunction with the plantings/replacement of native trees. (2022/23 Achieved)</p>	Council Records
Delivery of Herbarium	Develop and maintain the relationship with the New Zealand Plant Conservation Network	Develop and maintain the relationship with the New Zealand Plant Conservation Network	<p><b>Achieved</b> <b>Note:</b> The Trust now considers this part of the Thomson Bequest as complete. Membership of the New Zealand Plant Network is proceeding as part of the arboretum. (2022/23 Not Achieved)</p>	Through annual subscription to the network

## 1.5 Cost of Services Statement

The Council has agreed to provide an annual grant of no more than one percent of rates to the Trust.

### Percy Thomson Trust

Actual 2022/23 \$000		Actual 2023/24 \$000	Budget 2023/24 \$000
334	<b>Operating Expenditure</b>	388	323
120	<b>Revenue</b>	70	154
<b>214</b>	<b>Net Cost of Service</b>	<b>318</b>	<b>169</b>
	<b>- EXPENDITURE</b>		
253	Operating Costs	288	239
81	Depreciation	100	84
<b>334</b>	<b>Total Operating Expenditure</b>	<b>388</b>	<b>323</b>
	<b>- FUNDED BY:</b>		
120	User Charges	70	154
<b>120</b>	<b>Total Revenue</b>	<b>70</b>	<b>154</b>
50	Council Grant	50	50
44	Investment Interest	37	35
702	Gain on revaluation of property, plant and equipment, and sale of financial assets	-	-
(582)	Transfer from (to) Accumulated Surplus	231	84
<b>334</b>	<b>Total Funding</b>	<b>388</b>	<b>323</b>





# Financial Statements



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**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

Annual Report 2023-24

## Statement of Comprehensive Revenue and Expense for the year ended 30 June 2024

	Note	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2023/24	2023/24	2022/23	2023/24	2022/23
		\$000	\$000	\$000	\$000	\$000
<b>Revenue</b>						
Rates Revenue	4	16,219	16,168	15,040	16,219	15,040
Subsidies and Grants	5	5,876	11,181	8,829	5,878	8,874
Development and Financial Contributions		101	-	97	101	97
Fees and Charges		2,823	3,373	2,628	2,853	2,653
Interest Revenue	9	490	324	419	527	463
Gains on property, plant and equipment	6	-	-	2	-	2
Vested Assets		11	-	-	11	-
Other Gains		-	-	-	18	29
Sundry Revenue	5	140	55	126	140	126
<b>Total Revenue</b>	<b>5</b>	<b>25,660</b>	<b>31,101</b>	<b>27,141</b>	<b>25,747</b>	<b>27,284</b>
<b>Expenses</b>						
Personnel Costs	7	6,196	5,789	5,562	6,332	5,683
Depreciation and Amortisation	15 & 16	6,238	6,699	5,859	6,338	5,940
Other expenses	8	12,066	11,436	11,598	12,149	11,660
Finance Costs	9	1,217	1,241	951	1,217	951
<b>Total Expenses</b>		<b>25,717</b>	<b>25,166</b>	<b>23,970</b>	<b>26,035</b>	<b>24,233</b>
<b>(DEFICIT) / SURPLUS BEFORE TAX</b>		<b>(57)</b>	<b>5,935</b>	<b>3,171</b>	<b>(288)</b>	<b>3,051</b>
Income Tax Expense	10	-	-	-	-	-
<b>(DEFICIT) / SURPLUS BEFORE TAX</b>		<b>(57)</b>	<b>5,935</b>	<b>3,171</b>	<b>(288)</b>	<b>3,051</b>
<b>Other Comprehensive Revenue and Expense</b>						
<i>Items that will not be reclassified to surplus / (deficit)</i>						
Fair value movement of listed and unlisted shares	21	(49)	-	53	(49)	53
Property, Plant and Equipment Revaluations	21	52,003	-	7,242	52,003	7,944
<b>Total Other Comprehensive Revenue and Expense</b>		<b>51,954</b>	<b>-</b>	<b>7,295</b>	<b>51,954</b>	<b>7,997</b>
<b>Total Comprehensive Revenue and Expense</b>		<b>51,898</b>	<b>5,935</b>	<b>10,466</b>	<b>51,665</b>	<b>11,047</b>
<b>Total Comprehensive Revenue and Expense attributable to:</b>						
Stratford District Council		51,898	5,935	10,466	51,665	11,047
		<b>51,898</b>	<b>5,935</b>	<b>10,466</b>	<b>51,665</b>	<b>11,047</b>
<i>The accompanying notes form part of these financial statements.</i>						
<i>Explanations of significant variances against budget are provided in note 29.</i>						

## Statement of Financial Position as at 30 June 2024

	Note	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2023/24	2023/24	2022/23	2023/24	2022/23
		\$000	\$000	\$000	\$000	\$000
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	11	1,828	1,705	615	1,920	692
Short Term Deposits	11	5,000	6,000	5,000	5,250	5,350
Receivables	12	2,509	1,678	2,594	2,516	2,618
Inventories	13	-	-	-	-	-
Prepayments		177	-	172	177	172
Other Financial Assets	14	132	-	82	132	112
<b>Total Current Assets</b>		<b>9,646</b>	<b>9,383</b>	<b>8,463</b>	<b>9,995</b>	<b>8,944</b>
<b>Non-Current Assets</b>						
Receivables	12	19	-	15	19	15
Property, Plant and Equipment	15	516,184	489,562	462,780	518,636	465,319
Intangible Assets	16	401	-	500	401	500
Other Financial Assets	14	8,467	8,253	8,423	8,864	8,820
<b>Total Non-Current Assets</b>		<b>525,071</b>	<b>497,815</b>	<b>471,718</b>	<b>527,920</b>	<b>474,654</b>
<b>Total Assets</b>		<b>534,717</b>	<b>507,199</b>	<b>480,181</b>	<b>537,915</b>	<b>483,598</b>
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Payables and deferred revenue	17	3,862	2,213	4,207	3,900	4,235
Provisions	18	7	7	7	7	7
Employee entitlements	19	313	182	322	324	329
Borrowings	20	6,000	4,122	6,000	6,000	6,000
<b>Total Current Liabilities</b>		<b>10,182</b>	<b>6,524</b>	<b>10,536</b>	<b>10,231</b>	<b>10,571</b>
<b>Non-Current Liabilities</b>						
Provisions	18	-	6	7	-	7
Employee entitlements	19	-	-	-	-	-
Borrowings	20	30,700	37,095	27,700	30,700	27,700
<b>Total Non-Current Liabilities</b>		<b>30,700</b>	<b>37,101</b>	<b>27,707</b>	<b>30,700</b>	<b>27,707</b>
<b>Total Liabilities</b>		<b>40,882</b>	<b>43,625</b>	<b>38,243</b>	<b>40,931</b>	<b>38,278</b>
<b>Equity</b>						
Accumulated Funds	21	199,963	201,936	201,080	201,204	202,553
Reserves	21	293,872	261,638	240,856	295,780	242,767
<b>Total Equity Attributable to Stratford District Council</b>		<b>493,835</b>	<b>463,574</b>	<b>441,936</b>	<b>496,984</b>	<b>445,320</b>
<b>Total Liabilities &amp; Equity</b>		<b>534,717</b>	<b>507,199</b>	<b>480,181</b>	<b>537,915</b>	<b>483,598</b>
<i>The accompanying notes form part of these financial statements.</i>						
<i>Explanations of significant variances against budget are provided in note 29.</i>						

## Statement in Changes of Equity For the Year Ended 30 June 2024

	Council			Group	
	Actual	Budget	Actual	Actual	Actual
	2023/24	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000	\$000
<b>Balance at 1 July</b>					
Accumulated Funds	201,080	197,073	197,109	202,553	198,703
Revaluation of financial assets at fair value through other comprehensive revenue and expense	(483)	-	(536)	(483)	(536)
Reserves / Special Funds	7,731	9,090	8,524	7,731	8,524
Asset Revaluation Reserves	233,608	251,366	226,366	235,517	227,573
<b>Total Equity - Opening Balance</b>	<b>441,936</b>	<b>457,529</b>	<b>431,463</b>	<b>445,321</b>	<b>434,264</b>
<b>Changes in Equity</b>					
Accumulated Funds	(1,118)	4,864	3,964	(1,349)	3,844
Revaluation of financial assets at fair value through Other Comprehensive Revenue and Expense	(49)	-	53	(49)	53
Reserves / Special Funds	1,061	1,182	(793)	1,061	(793)
Revaluation reversal of buildings disposed of during year	-	-	-	-	-
Asset Revaluation Reserves	52,003	-	7,242	52,003	7,944
<b>Total Comprehensive Revenue and Expense</b>	<b>51,897</b>	<b>6,046</b>	<b>10,466</b>	<b>51,667</b>	<b>11,048</b>
<b>Closing Balance</b>					
Accumulated Funds	199,963	201,936	201,080	201,204	202,553
Revaluation of financial assets at fair value through other comprehensive revenue and expense	(532)	-	(483)	(532)	(483)
Reserves / Special Funds	8,792	10,272	7,731	8,792	7,731
Asset Revaluation Reserves	285,611	251,366	233,608	287,520	235,517
<b>Total Equity - Closing Balance</b>	<b>493,835</b>	<b>463,574</b>	<b>441,936</b>	<b>496,984</b>	<b>445,320</b>
<i>The accompanying notes form part of these financial statements.</i>					

## Statement of Cashflows For the Year Ended 30 June 2024

	Note	Council			Group	
		Actual	Budget	Actual	Actual	Actual
		2023/24	2023/24	2022/23	2023/24	2022/23
		\$000	\$000	\$000	\$000	\$000
<b>Cash Flows from Operating Activities</b>						
Rates Revenue		16,136	16,183	15,053	16,136	15,053
Interest Received		490	324	419	528	460
Dividends Received		79	-	21	79	21
Development and Financial Contributions		101	-	97	101	97
Subsidies, Grants and Donations		6,231	10,730	7,898	6,233	7,945
Residential section sales and sale of house		-	-	-	-	-
User Charges and Sundry Revenue		2,675	3,877	2,568	2,722	2,615
Regional Council Rates		1,389	-	1,192	1,389	1,192
Payments to Suppliers and Employees		(18,167)	(17,232)	(18,116)	(18,362)	(18,279)
Interest Paid		(1,217)	(1,129)	(951)	(1,217)	(951)
Goods and Services Tax (net)		72	-	133	78	125
Regional Council Rates		(1,389)	-	(1,192)	(1,389)	(1,192)
<b>Net Cash from Operating Activities</b>		<b>6,400</b>	<b>12,737</b>	<b>7,122</b>	<b>6,298</b>	<b>7,086</b>
<b>Cash Flows from Investing Activities</b>						
Proceeds from Sale of Property, Plant and Equipment		-	-	-	-	-
Proceeds from Sale of Investments		16,000	-	7,000	16,130	7,000
Purchase of Property, Plant & Equipment		(8,187)	(16,457)	(13,417)	(8,200)	(13,503)
Acquisition of Investments		(16,000)	-	(5,000)	(16,000)	(5,075)
<b>Net Cash from Investing Activities</b>		<b>(8,187)</b>	<b>(16,457)</b>	<b>(11,417)</b>	<b>(8,070)</b>	<b>(11,578)</b>
<b>Cash Flows from Financing Activities</b>						
Proceeds from Borrowings		6,000	4,016	10,000	6,000	10,000
Repayment of Borrowings (Loans)		(3,000)	-	(8,500)	(3,000)	(8,500)
<b>Net Cash from Financing Activities</b>		<b>3,000</b>	<b>4,016</b>	<b>1,500</b>	<b>3,000</b>	<b>1,500</b>
<b>Net Increase / (Decrease) in Cash, Cash Equivalents and Bank Overdrafts</b>						
Cash, Cash Equivalents and Bank Overdrafts at the Beginning of the Year		615	1,409	3,409	692	3,684
<b>Cash, Cash Equivalents and Bank Overdrafts at the End of the Year</b>	11	<b>1,828</b>	<b>1,705</b>	<b>615</b>	<b>1,920</b>	<b>692</b>
<p>The GST (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.</p> <p><i>The accompanying notes form part of these financial statements.</i></p>						

## Notes to Financial Statements

### Note 1

#### Reporting Entity

The financial statements of the Stratford District Council are for the year ended 30 June 2024.

The Stratford District Council (Council) is a territorial local authority governed by the provisions of the Local Government Act 2002 (the Act) and is domiciled in New Zealand.

The primary objective of Council is to provide services or goods for the community for social benefit rather than making a financial return. Accordingly, having regard to the criteria set out in the PBE IPSAS, as a defined public entity under the Public Audit Act 2001, the Council is audited by the Auditor-General and is classed as a Public Sector Benefit Entity (PBE) for financial reporting purposes. Council has designated itself as a Tier 2 entity.

The operations of Council have been divided into the following activities:

- Recreation and Facilities
- Democracy
- Community Development
- Environmental Services
- Rooding
- Stormwater
- Wastewater (Sewerage)
- Solid Waste
- Water Supply

The group consist of the ultimate parent, Stratford District Council and its subsidiary Percy Thomson Trust (thereafter "the group"). The Council has designated itself and the group as a public benefit for financial reporting purposes and in complying with generally accepted accounting practice (GAAP).

The financial statements of the Council and Group are for the year ended 30 June 2024 and were authorised for issue by Council on 10 December 2024.

#### Measurement Base

The measurement base adopted is that of historical cost, modified by the revaluation of certain assets.

## **Note 2 Statement of Accounting Policies for the year ending 30 June 2024**

The following accounting policies which materially affect the measurement of results and financial position have been applied consistently to the year ended 30 June 2024 unless otherwise stated.

### **Summary of significant accounting policies**

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

### **Basis of preparation of the financial statements**

The financial statements of the Council and group have been prepared in accordance with the requirements of the LGA and Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with and comply with Public Benefit Entity Standards Reduced Disclosure Regime (PBE Standards RDR) and disclosure concessions have been applied. The Council is eligible and has elected to apply the PBE Standards RDR because its expenses are less than \$30 million and it does not have public accountability as defined by XRB A1 Application of the Accounting Standards Framework.

Although council is not publicly accountable, Council has included a separate Cost of Services Statement for each significant activity.

The functional currency of the Council and the group is New Zealand dollars. The investment in subsidiary (Percy Thomson Trust) is at cost, amounting to \$100, in the Council's parent entity financial statement.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

### **Basis of Consolidation**

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, and expenses of entities in the group on a line-by-line basis. All intragroup balances, transactions, revenues and expenses are eliminated on consolidation. The Council consolidates in the Group financial statement all entities being only the Percy Thomson Trust.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date when the council obtains control of the entity and ceases when the council loses control of the entity.

Control over an entity is determined when the council has exposure, or rights, to variable benefits from its involvement with the entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The council considers all relevant facts and circumstances in assessing whether it has power over another entity. For example, the ability to appoint or remove a majority of the entity's governance and management, binding arrangements the council enters into, group voting rights, and pre-determination mechanisms. The council reassesses whether or not it controls another entity if facts and circumstances change.

### **Presentation Currency and Rounding**

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000), other than the remuneration, severance payment and District Licensing Committee disclosures in Notes 25, 26 and 30 respectively. These disclosures are rounded to the nearest dollar.

## **Goods and Services Tax (GST)**

All items in the financial statements are exclusive of GST, except for receivables and payables which are stated as GST inclusive. When GST is not recoverable as an 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 received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cashflow in the Statement of Cashflows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget Figures**

The budget figures are those approved by the council in its 2023/24 Annual Plan. The budget figures have been prepared in accordance with GAAP, using accounting policies that are consistent with those adopted by the council in preparing these financial statements.

## **Critical Accounting Estimates and Assumptions**

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances.

As operator of the urban and rural landfills in the district, Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure.

To provide for the estimated cost of aftercare, a provision has been created, and a charge is made each year based on the estimated value of restoration works over the number of years Council is required to maintain these sites.

A number of assumptions and estimates are used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- The physical condition of the asset. This is particularly so for those assets which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of any asset.
- The remaining useful life over which the asset will be depreciated. These estimates can be impacted by local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, Council could be over or underestimating the depreciation charge recognised in the Statement of Comprehensive Revenue and Expense. To minimise this risk useful lives are determined with reference to the NZ Infrastructural Asset Valuation and Depreciation guidelines published by the National Asset Management Steering Group. Asset inspections and condition modelling are also carried out regularly as part of Council's asset management planning activities.

The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth and location.

## **Critical Judgements in Applying Accounting Policies**

Management has exercised the following critical judgements in applying accounting policies for the year ended 30 June 2024:

Classification of property:

The Council owns a number of properties held to provide housing to pensioners. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are therefore accounted for as property, plant, and equipment rather than as investment property.



## Three Waters Service Delivery Reforms

Local Water Done Well (“LWDW”) is the Government’s water services reform programme aimed at addressing New Zealand’s water infrastructure challenges.

The first stage to this was repealing the water services legislation constituting the Water Services Entities Act 2022, and the Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023. This legislation was repealed on 17 February 2024.

Following the repeal the Water Services Reforms has been replaced by Local Water Done Well water reforms which are to be implemented in two further stages.

The second stage, the Local Government (Water Services Preliminary Arrangements Act) Act 2024 (the ‘Act’), was enacted on 2 September 2024. This legislation establishes a framework and preliminary arrangements for the delivery of water services. It requires Councils to develop Water Services Delivery Plans to be approved within 12 months of the legislation being enacted.

For the third stage, the Government has indicated that it will introduce a Bill in December 2024 that will establish enduring settings for the new water services system. The Government aims to have the new water services entities in place by mid-2025.

As noted above, the Act requires territorial local authorities to submit Water Services Delivery Plans (“WSDP”) to the Secretary of Local Government by 3 September 2025. In broad terms, a WSDP must identify the current state of the council’s water services and show how the council will deliver those services in a way that:

- Meets relevant regulatory quality standards for stormwater, wastewater and water supply networks;
- Is financially sustainable;
- Ensures compliance with drinking water quality standards; and
- Supports the council’s housing growth and urban development objectives.

This WSDP requires councils to identify a financially viable pathway to delivering water services. The legislation also requires that councils are to:

- consider a minimum of two options – maintain the status quo or form a Council Controlled Organisation (as per the guidelines provided by the Department of Internal Affairs); and
- consult with the community on the options.

Stratford District Council has commenced work on its Water Services Delivery Plan in accordance with the Act and will undertake consultation before the plan is adopted.

These reforms have had no impact on the 2024 financial statements or performance information.

## Changes in Accounting Policies

There were no changes in the accounting policies.

## Note 3 Summary of Cost of Services

### Accounting Policy

The Cost of Service Statements report the net cost of services for significant activities of Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

### Cost Allocation

The Cost of Service Statements reflect the full cost of significant activities, by including direct costs, internal transfers, depreciation and indirect costs (overheads) allocated on the ‘step’ method, based on hours of service supplied to each activity.

‘Direct Costs’ are those costs directly attributable to a significant activity.

‘Indirect Costs’ are those costs which cannot be identified in an economically feasible manner with a specific significant activity.

There have been no changes to cost allocation methodology this year.

FUNCTION	Revenue		Expenditure		Net Actual	Net Budget	Net Actual
	Actual \$000	Budget \$000	Actual \$000	Budget \$000	2023/24 \$000	2023/24 \$000	2022/23 \$000
<b>Recreation and Facilities</b>							
Aerodrome	25	27	151	140	126	113	96
Civic Amenities	51	54	1,359	1,090	1,308	1,036	968
Pensioner Housing	71	77	174	159	103	81	95
Library	16	15	712	605	696	590	753
Parks and Reserves	8	9	1,000	933	992	924	921
Cemeteries	159	145	238	220	79	75	74
TSB Pool Complex	518	392	3,200	2,883	2,682	2,491	2,204
<b>Sub-Total</b>	<b>848</b>	<b>719</b>	<b>6,833</b>	<b>6,030</b>	<b>5,986</b>	<b>5,310</b>	<b>5,110</b>
<b>Democracy</b>							
Democracy	-	-	1,395	1,279	1,395	1,279	1,297
Corporate Support	155	85	1	24	(154)	(61)	(128)
<b>Sub-Total</b>	<b>155</b>	<b>85</b>	<b>1,396</b>	<b>1,303</b>	<b>1,242</b>	<b>1,218</b>	<b>1,169</b>
<b>Community Development</b>							
Economic Development	-	-	513	626	513	626	564
Community Services	42	-	703	497	661	498	652
Council Projects	-	-	72	93	72	93	31
Information Centre	70	65	206	252	136	187	155
Farm Investment	715	719	448	461	(267)	(258)	(157)
Holiday Park	3	3	2	2	(1)	(1)	(1)
Rental Properties	43	37	71	64	28	27	32
<b>Sub-Total</b>	<b>873</b>	<b>824</b>	<b>2,015</b>	<b>1,995</b>	<b>1,142</b>	<b>1,172</b>	<b>1,277</b>
<b>Environmental Services</b>							
Building Control	549	523	1,043	1,008	494	485	486
Dog Control	178	167	261	238	83	71	97
District Plan	-	-	222	755	222	755	209
Resource Consents	63	126	335	353	272	227	201
Bylaws	1	1	161	154	160	153	150
Environmental Health	34	35	207	189	173	154	164
Liquor Licensing	30	34	125	124	95	90	106
<b>Sub-Total</b>	<b>855</b>	<b>886</b>	<b>2,354</b>	<b>2,821</b>	<b>1,499</b>	<b>1,935</b>	<b>1,414</b>
<b>Civil Defence and Emergency Management</b>							
Civil defence and emergency management	-	-	470	432	470	432	316
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>470</b>	<b>432</b>	<b>470</b>	<b>432</b>	<b>316</b>
<b>Roading</b>							
Roading	4,944	4,738	6,594	7,176	1,650	2,437	1,068
Business Unit	472	470	378	380	(94)	(90)	(109)
<b>Sub-Total</b>	<b>5,416</b>	<b>5,208</b>	<b>6,972</b>	<b>7,556</b>	<b>1,556</b>	<b>2,347</b>	<b>959</b>
<b>Stormwater</b>							
Stormwater	-	-	518	499	518	499	460
<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>518</b>	<b>499</b>	<b>518</b>	<b>499</b>	<b>460</b>
<b>Wastewater (Sewerage)</b>							
Wastewater (Sewerage)	35	35	1,172	1,063	1,137	1,028	1,028
<b>Sub-Total</b>	<b>35</b>	<b>35</b>	<b>1,172</b>	<b>1,063</b>	<b>1,137</b>	<b>1,028</b>	<b>1,028</b>
<b>Solid Waste</b>							
Solid Waste	143	170	1,208	1,062	1,065	892	772
<b>Sub-Total</b>	<b>143</b>	<b>170</b>	<b>1,208</b>	<b>1,062</b>	<b>1,065</b>	<b>892</b>	<b>772</b>
<b>Water Supply</b>							
Water Supply	444	491	2,477	2,293	2,033	1,802	1,729
<b>Sub-Total</b>	<b>444</b>	<b>491</b>	<b>2,477</b>	<b>2,293</b>	<b>2,033</b>	<b>1,802</b>	<b>1,729</b>
<b>Total Activity Revenue &amp; Expenditure</b>	<b>8,769</b>	<b>8,418</b>	<b>25,415</b>	<b>25,051</b>	<b>16,646</b>	<b>16,635</b>	<b>14,233</b>
Plus: General Rates & UAGC	9,201	7,848	-	-	(9,201)	(7,848)	(8,093)
Plus: Targeted Rates	6,711	6,511	-	-	(6,711)	(6,511)	(6,583)
<b>Total Revenue and Operating Expenditure</b>	<b>24,681</b>	<b>22,777</b>	<b>25,415</b>	<b>25,051</b>	<b>734</b>	<b>2,276</b>	<b>(442)</b>

Each significant activity is stated gross of internal costs and revenues and excludes general and targeted rates attributable to activities (refer to note 4).

In order to fairly reflect the total external operations for the Council in the Statement of Comprehensive Revenue and Expense, these transactions are eliminated as shown above.

## Note 4 Rates Revenue

### Accounting Policy

The following policies for rates have been applied:

- Revenue is measured at fair value.
- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Rates collected on behalf of the Taranaki Regional Council (TRC) are not recognised in the financial statements, as the Council is acting as an agent for the TRC.

	Council and Group Actual 2023/24 \$000	Council and Group Actual 2022/23 \$000
General rates	9,045	7,961
Targeted rates attributable to activities:		
- metered water supply	444	489
- other water rates - uniform annual charge	1,608	1,640
- wastewater - uniform annual charge	812	904
- solid waste - uniform annual charge	860	903
- roading	3,413	3,117
- community halls	19	18
Rate penalties	155	131
Less rates remissions	(137)	(125)
<b>Total rates</b>	<b>16,219</b>	<b>15,040</b>
<p>Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That Deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by Council from other local authorities for services provided by Council for which those other local authorities rate. The annual rates income of the Council for the year ended 30 June 2024 for the purposes of the LGFA Guarantee and indemnity Deed disclosure is shown below:</p>		
	Council and Group Actual 2023/24 \$000	Council and Group Actual 2022/23 \$000
<b>Total Rates</b>	<b>16,219</b>	<b>15,040</b>

### **Non-Rateable Land**

Under the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. This includes schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water and refuse. Non-rateable land does not constitute a remission under Stratford District Council's rates remission policy.

Rates are "written-off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

## Note 5 Other Revenue

### Accounting Policy

Revenue is measured at fair value. The specific accounting policies for significant revenue items are explained below:

#### ***Development and Financial Contributions***

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

#### ***Waka Kotahi (New Zealand Transport Agency) roading subsidies***

The Council receives funding assistance from Waka Kotahi, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

#### ***Other grants received***

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

#### ***Building and Resource Consent revenue***

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

#### ***Entrance Fees***

Entrance fees are fees charged to users of the Council's local facilities, such as the pool. Revenue from entrance fees is recognised upon entry to such facilities.

#### ***Transfer Station Fees***

Fees for disposing of waste at the Council's landfill are recognised as waste is disposed by users.

#### ***Sales of Goods and Commission Sales***

Revenue from the sale of goods is recognised when a product is sold to the customer. Commission on exhibition sales and Percy's Place sales is retained by the group, with the remaining proceeds passed onto the seller of the artworks. Revenue includes only amounts received and receivable by the group on its own account, not the amounts collected for the principal. Revenue is recognised when receivable.

#### ***Infringement Fees and Fines***

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued. The Council recognises revenue at an amount based on the probability of collecting fines, which is estimated by considering the collection history of fines over the preceding 2 year period.

#### ***Vested or Donated Physical Assets***

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

#### ***Interest and Dividends***

Interest revenue is recognised using the effective interest method

Dividends are recognised when the right to receive payment has been established. Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment.

### Sale of Land

Revenue from the Sale of Land is recognised in full when the sale and purchase agreement becomes legally enforceable, as at the date the contract becomes unconditional.

Subsidies and Grants	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
Grants - Toi Foundation	180	-	180	-
Grants - Taranaki Electricity Trust	397	160	397	190
Grants - Other	3	-	5	14
Grants - Other capital contributions	-	-	-	-
Wages subsidies	-	28	-	29
Mayors Taskforce for Jobs	280	277	280	277
Provincial Growth Fund / MBIE / DIA	203	2,173	203	2,173
Waka Kotahi (NZTA) Rooding Subsidies	4,814	6,193	4,814	6,193
<b>Total Subsidies and Grants</b>	<b>5,876</b>	<b>8,829</b>	<b>5,878</b>	<b>8,874</b>
There are no unfulfilled conditions and other contingences attached to Waka Kotahi (NZTA) subsidies recognised.				
Sundry Revenue	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
Petrol Tax	82	71	82	71
Insurance proceeds	0	-	0	-
Sundry Corporate Services Revenue	58	55	58	55
<b>Total Sundry Revenue</b>	<b>140</b>	<b>126</b>	<b>140</b>	<b>126</b>
Revenue from Exchange and Non-Exchange Transactions				
	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
Exchange transactions	1,803	1,762	1,840	1,811
Non-exchange transactions	23,859	25,379	23,907	25,473
<b>Total Revenue</b>	<b>25,662</b>	<b>27,140</b>	<b>25,747</b>	<b>27,284</b>

### Note 6 Other Gains

	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
Gain on Disposal of Property, Plant and Equipment	-	2	-	2
<b>Total Gains</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>

## Note 7 Personnel Costs

### Accounting Policy

#### *Salaries and Wages*

Salaries and wages are recognised as an expense as employees provide services.

#### *Superannuation schemes*

Defined contribution schemes - Employer contributions to Kiwisaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
Salaries and Wages	6,205	5,522	6,337	5,641
Increase/(Decrease) in Employee Entitlements	(9)	40	(5)	42
<b>Total Personnel Costs</b>	<b>6,196</b>	<b>5,562</b>	<b>6,332</b>	<b>5,683</b>

The total paid for defined contribution plan employer contributions was \$158,400 (2022/23: \$210,382), and is included in note 8, under operating expenses.

## Note 8 Other Expenses

### Accounting Policy

#### *Grant Expenditure*

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
Losses on Disposal and other sundry expenses	731	246	731	249
Insurance premiums	363	261	380	273
Landfill Aftercare Expenses	4	1	4	1
Operating Expenses	10,968	11,091	11,034	11,137
<b>Total Other Expenses</b>	<b>12,066</b>	<b>11,598</b>	<b>12,149</b>	<b>11,660</b>

## Note 9 Interest Revenue and Finance Costs

### Accounting Policy

Borrowing costs are recognised as an expense in the period in which they are incurred.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Interest Revenue</b>				
Interest on term deposits	490	419	527	463
<b>Total Finance Income</b>	<b>490</b>	<b>419</b>	<b>527</b>	<b>463</b>
<b>Finance costs</b>				
Interest on bank borrowings	1,217	951	1,217	951
<b>Total finance costs</b>	<b>1,217</b>	<b>951</b>	<b>1,217</b>	<b>951</b>
<b>Net finance costs</b>	<b>(727)</b>	<b>(532)</b>	<b>(690)</b>	<b>(488)</b>

## Note 10 Tax

### Accounting Policy

Income tax expense includes components relating to current tax and deferred tax.

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 liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

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

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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

Both Council and its subsidiary, the Percy Thomson Trust, are exempt from income tax.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Components of Tax Expense</b>				
Current Tax Expense	-	-	-	-
Adjustments to Current Tax in Prior Years	-	-	-	-
Deferred Tax Expense	-	-	-	-
<b>Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Relationship Between Tax Expense and Accounting Surplus</b>				
Surplus/(Deficit) Before Tax	(57)	3,171	(288)	3,051
Tax at 28%	(16)	888	(81)	854
Non-deductible Expenses	16	-	81	-
Non-taxable Revenue	-	(888)	-	(854)
<b>Tax Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note 11 Cash and Cash Equivalents and Short Term Deposits

### Accounting Policy

Cash and cash equivalents includes cash on hand, deposits held with banks and other short term investments with maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as a current liability in the statement of financial position. The carrying value of cash at bank and short-term deposits with original maturities less than three months approximates their amortised cost.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
Cash at Bank and on Hand	328	615	420	692
Term Deposits Maturing Three Months or Less from Date of Acquisition	1,500	-	1,500	-
<b>Per Statement of Financial Position and Statement of Cash Flows</b>	<b>1,828</b>	<b>615</b>	<b>1,920</b>	<b>692</b>
Term Deposits Maturing More than Three Months from Date of Acquisition	5,000	5,000	5,250	5,350
<b>Total Cash and Cash Equivalents and Short Term Deposits</b>	<b>6,828</b>	<b>5,615</b>	<b>7,170</b>	<b>6,042</b>
Refer to note 14 for weighted average effective interest rate for term deposits				



## Note 12 Receivables

### Accounting Policy

Debtors and other receivables are initially measured at fair value and subsequently measured at amortised cost, less any provision for impairment.

The Council and group apply the simplified ECL model of recognising lifetime ECL for receivables. In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment. Receivables, other than rates, are written-off when there is no reasonable expectation of recovery.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current Portion</b>				
Rates Receivables	613	575	613	575
Other Receivables	1,706	1,829	1,713	1,853
Other Miscellaneous Debtors	190	190	190	190
<b>Receivables prior to impairment</b>	<b>2,509</b>	<b>2,594</b>	<b>2,516</b>	<b>2,618</b>
Less Provision for Impairment	-	-	-	-
<b>Total Current Portion of Receivables</b>	<b>2,509</b>	<b>2,594</b>	<b>2,516</b>	<b>2,618</b>
<b>Non-Current Portion</b>				
Other Receivables	19	15	19	15
<b>Total Non-Current Portion of Receivables</b>	<b>19</b>	<b>15</b>	<b>19</b>	<b>15</b>
<b>Total Receivables</b>	<b>2,528</b>	<b>2,609</b>	<b>2,535</b>	<b>2,633</b>
<b>Total Receivables Comprise:</b>				
<i>Receivables from non-exchange transactions</i>				
Rates receivables	613	575	613	575
Other receivables from non-exchange transactions	1,881	1,857	1,888	1,881
<b>Total receivables from non-exchange transactions</b>	<b>2,494</b>	<b>2,432</b>	<b>2,501</b>	<b>2,456</b>
<i>Receivables from exchange transactions</i>				
Other receivables from exchange transactions	34	177	34	177
<b>Total receivables from exchange transactions</b>	<b>34</b>	<b>177</b>	<b>34</b>	<b>177</b>
The Chief Executive approved the write-off of rates receivables during the year under the Local Government (Rating) Act 2002 as follows:				
- Section 90A:\$Nil (2023:Nil)				
- Section 90B:\$Nil (2023Nil)				

## Note 13 Inventories

### Accounting Policy

Inventories are held for distribution for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or a nominal charge) distribution or use. Inventories are measured as follows:

- Non-commercial: measured at cost, adjusted for any loss of service potential.
- Commercial: measured at the lower of cost and net realisable value. .

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down.

When land held for development and future resale is transferred from investment property/property, plant and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs, which are capitalised to property, plant and equipment.

The write-down of inventory during the year was NIL (2022/23: NIL). There have been no reversals of write-downs (2023: NIL). No inventory is pledged as security for liabilities.

## Note 14 Other Financial Assets

### Accounting Policy

Financial assets (other than shares in subsidiaries) are initially recognised at fair value.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit (FVTSD);
- amortised cost; and
- fair value through other comprehensive revenue and expense (FVTOCRE).

The classification of a financial asset depends on the purpose for which the instrument was acquired. Transaction costs are included in the carrying value of the financial asset at initial recognition, unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and group's management model for managing them. A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding, and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

### ***Initial recognition of concessionary loans***

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in surplus or deficit as a grant expense.

### ***Subsequent measurement of financial assets at amortised cost***

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

### ***Subsequent measurement of financial assets at FVTOCRE***

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except expected credit losses (ECL) and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. The Council and group do not hold any debt instruments in this category.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

### ***Subsequent measurement of financial assets at FVTSD***

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Instruments in this category include the Council and group's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds).

### ***Expected credit loss allowance (ECL)***

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group considers a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

	Interest Rate	Council		Group	
		Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current Portion</b>					
Bonds and Other Investments		-	-	-	30
LGFA Borrowers Notes					
Maturity August 2023	3.72%	-	25	-	25
Maturity April 2024	0.74%	-	25	-	25
Maturity May 2024	2.13%	-	32	-	32
Maturity April 2025	3.82%	100	-	100	-
Maturity April 2025	2.98%	32	-	32	-
<b>Total Current Portion</b>		<b>132</b>	<b>82</b>	<b>132</b>	<b>112</b>
<b>Non-current Portion</b>					
Bonds and Other Investments		-	-	397	397
LGFA Borrowers Notes					
Maturity April 2025	2.98%	-	32	-	32
Maturity April 2025	3.82%	-	100	-	100
Maturity December 2025	0.64%	93	93	93	93
Maturity April 2026	1.62%	16	16	16	16
Maturity April 2026	1.27%	25	25	25	25
Maturity April 2027	3.25%	24	24	24	24
Maturity April 2027	0.98%	16	16	16	16
Maturity April 2027	3.82%	50	50	50	50
Maturity May 2028	3.91%	50	50	50	50
Maturity May 2028	1.72%	25	25	25	25
Maturity May 2028	5.01%	25	-	25	-
Maturity May 2028	3.82%	25	25	25	25
Maturity May 2029	4.92%	50	-	50	-
Maturity May 2028	5.07%	25	25	25	25
Maturity April 2029	5.26%	25	-	25	-
Maturity May 2029	5.07%	25	25	25	25
Maturity May 2030	5.27%	75	-	75	-
Maturity May 2030	5.16%	50	-	50	-
Maturity May 2031	3.95%	50	50	50	50
Maturity December 2032	1.47%	87	87	87	87
Community Loan - Stratford A & P Association		7,180	7,180	7,180	7,180
Listed Shares		551	600	551	600
<b>Total Non-current Portion</b>		<b>8,467</b>	<b>8,423</b>	<b>8,864</b>	<b>8,820</b>
<b>Total Other Financial Assets</b>		<b>8,599</b>	<b>8,505</b>	<b>8,996</b>	<b>8,932</b>
<i>Impairment</i>					
There were no impairment provisions for other financial assets. At balance date, none of these financial assets are either past due or impaired.					
<i>Community Loan</i>					
The face value of the community loan is \$7,180,000 (2023: \$7,180,000). The purpose of the loan was to assist the Stratford A and P Association to purchase land to enable development of a multi-purpose facility, focusing on equestrian, motorsport, educational and sporting activities. This loan is secured against land owned by the Association, as a first mortgage.					
<i>Listed Shares</i>					
Listed shares are recognised at fair value. The fair values of listed shares are determined by reference to published current bid price quotations in an active market.					
<b>Maturity Analysis and Effective Interest Rates</b>					
The maturity dates for all other financial assets with the exception of equity investments and advances to subsidiaries and associates are as follows:					
	Council		Group		
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000	
<b>Short Term Deposits</b>					
Short term deposits with maturities of 3 months or less	1,500	-	1,500	-	
<i>Average maturity</i>	90 days		90 days		
<i>Weighted average Effective Interest Rate</i>	5.76%	0.00%	5.76%	0.00%	
Short term deposits with maturities of more than 3 months but less than 12 months	5,000	5,000	5,250	5,350	
<i>Average maturity</i>	309 days	120 days	284 days	132 days	
<i>Weighted average Effective Interest Rate</i>	6.19%	5.57%	6.27%	5.55%	
<b>Total</b>	<b>6,500</b>	<b>5,000</b>	<b>6,750</b>	<b>5,350</b>	

## Note 15 Property, Plant and Equipment

### Accounting Policy

Items of a capital nature over \$2,000 are treated as property, plant and equipment. Property, plant and equipment are classified into three categories:

- **Operational Assets** – These include land, buildings, library books, plant and equipment, motor vehicles, furniture and fittings, and office equipment.
- **Restricted Assets** – Restricted assets are mainly parks and reserves owned by the council and group that provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- **Infrastructure Assets** - Infrastructure assets are the fixed utility systems owned by the council and group. Each asset class includes all items that are required for the network to function. For example wastewater reticulation includes reticulation piping and wastewater pump stations.

Property, plant and equipment classes of assets whose fair value can be measured reliably shall be carried at a revalued amount (except land under roads), being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

If there is no market-based evidence of fair value because of the specialised nature of the item of property, plant or equipment, Council and group will carry those classes of assets at its cost less any accumulated depreciation and any accumulated impairment losses value.

Property, plant and equipment are valued as follows:

<b>Class</b>	<b>Method of Valuation</b>
<i>Land</i>	Fair Value
<i>Buildings</i>	Optimised Depreciated Replacement Cost
<i>Roads, Bridges and Footpaths</i>	Optimised Depreciated Replacement Cost
<i>Water Supply reticulation</i>	Optimised Depreciated Replacement Cost
<i>Water Supply treatment</i>	Optimised Depreciated Replacement Cost
<i>Wastewater reticulation</i>	Optimised Depreciated Replacement Cost
<i>Wastewater treatment</i>	Optimised Depreciated Replacement Cost
<i>Stormwater system</i>	Optimised Depreciated Replacement Cost

### Revaluation

Unless stated, valuations are carried out or reviewed by independent qualified valuers and are carried out at least three yearly. Valuations will be undertaken more regularly if necessary to ensure no individual item of property, plant or equipment within a class has a carrying value that is materially different from its fair value.

Council and group's Land and Buildings were valued as at 30 June 2023 by Telfer Young (Taranaki) Ltd, independent valuers at fair value as determined from the market-based evidence. Land was been valued on the basis of the open market value of that land.

A fair value assessment has been performed as at 30 June 2024 for council's Land and Building assets to ensure that the carrying value is not materially different from its fair value.

Council's infrastructure assets consisting of Roothing, Stormwater, Waste Water and Water Supply were revalued by Beca Projects NZ Ltd, independent valuers, as at 30 June 2024 in accordance with Financial Reporting Standard (PBE IPSAS 17) and the New Zealand Infrastructure Asset Valuation and Depreciation Guidelines.

Infrastructure assets have been valued using the depreciated cost approach. This approach uses the assessment of replacement cost new of a modern equivalent asset as the starting point and applies depreciation to adjust for asset age and remaining useful life.

The key assumptions used in this valuation were:

1. The costs of modern equivalent assets and construction methods used in the depreciated replacement cost calculations were derived from the 2021 to 2024 movement of the Infrastructures Cost Indexes from NZ Transport Agency Waka Kotahi (NZTA) for Roothing and Statistic New Zealand Capitals Goods Price Index for Stormwater, Waste Water and Water Supply, with adjustments based on Council's recent contractor rates and other similar assets in the market.

2. The useful lives of assets are calculated as the lesser of their physical lives or at the point where the assets are to be replaced for economic reasons.
3. When an asset's age has exceeded its expected life and is still providing an acceptable level of service, an adjusted remaining useful life of 2.5% of base life or a minimum one year is assigned.

The Roothing, Stormwater, Waste Water and Water Supply were valued as at 30 June 2024 by Kevin Dunn, Chartered Civil Engineer and Marvin Clough (FPINZ), Registered Plant and Machinery Valuer from Beca Projects NZ Limited.

Land under roads was valued based on fair value provided by previous valuations in 2016 of the Roothing Network. This valuation was carried out by Calibre Consultants Ltd. Council elected to use the fair value of Land under Roads as at 1 July 2016 as the deemed cost. Land under roads is no longer revalued.

### ***Public Benefit Entity Revaluation***

Where the carrying amount of a class of assets is increased as a result of a revaluation, the net revaluation increase is credited to the revaluation reserve. The net revaluation increase shall be recognised in the Statement of Comprehensive Revenue and Expenses to the extent that it reverses a net revaluation decrease of the same class of assets previously recognised in the Statement of Comprehensive Revenue and Expense. A net revaluation decrease for a class of assets is recognised in the Statement of Comprehensive Revenue and Expense, except to the extent that it reverses a revaluation increase previously recognised in the revaluation reserve to the extent of any credit balance existing in the revaluation reserve in respect of the same class of asset.

### ***Impairment***

Property, plant and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where the results in a debit balance in the revaluation reserve, the balance is recognised surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in surplus or deficit.

#### ***Value in use for non-cash generating assets***

Non cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

#### ***Value in use for cash-generating assets***

Cash generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cashflow.

### **Disposals**

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### **Subsequent Costs**

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

### **Security**

Council and Group do not have any Property, Plant and Equipment pledged as security.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

### **Additions**

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and group and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

### **Depreciation**

Depreciation is calculated on a straight line basis on all property, plant and equipment, excluding land, at rates that will write off the value of the assets, less their estimated residual values, over their useful lives.

The useful lives of the classes of assets have been estimated as follows:

	<b>Years</b>	<b>Rate</b>
<i>Buildings (including Arboretum)</i>	<b>10-100</b>	<b>1% to 10%</b>
<i>Plant</i>	<b>5-10</b>	<b>10% to 20%</b>
<i>Motor Vehicles</i>	<b>5</b>	<b>20%</b>
<i>Fixtures and Fittings</i>	<b>5-10</b>	<b>10% to 20%</b>
<i>Office Equipment</i>	<b>4-10</b>	<b>10% to 25%</b>
<i>Roading Base course</i>	<b>15-80</b>	<b>1.25% to 6.66%</b>
<i>Roading Seal</i>	<b>2-16</b>	<b>6.25% to 50%</b>
<i>Roading Culverts</i>	<b>20-80</b>	<b>1.25% to 5%</b>
<i>Roading Sumps</i>	<b>80</b>	<b>1.25%</b>
<i>Signs</i>	<b>10</b>	<b>10%</b>
<i>Bridges (including Tunnels)</i>	<b>60-100</b>	<b>1% to 1.66%</b>
<i>Footpaths</i>	<b>20-80</b>	<b>1.25% to 5%</b>
<i>Streetlights</i>	<b>30</b>	<b>3.33%</b>
<i>Stormwater</i>	<b>20-80</b>	<b>1.25% to 5%</b>
<i>Water Supply Treatment</i>	<b>20-120</b>	<b>0.83% to 5%</b>
<i>Water Supply Reticulation</i>	<b>20-120</b>	<b>0.83% to 5%</b>
<i>Wastewater Treatment</i>	<b>40-80</b>	<b>1.25% to 2.5%</b>
<i>Wastewater Reticulation</i>	<b>40-80</b>	<b>1.25% to 2.5%</b>
<i>Street Beautification</i>	<b>10-100</b>	<b>1% to 10%</b>

**Insurance of Assets**

The following information relates to the insurance of Council assets as at 30 June:		
	<b>2024</b>	<b>2023</b>
	<b>\$000</b>	<b>\$000</b>
The total book value of all Council assets covered by insurance contracts	44,052	44,887
The maximum amount to which insured assets are insured	85,031	73,614
The total book value of all Council assets covered by financial risk-sharing arrangements	73,548	66,092
The total replacement cost of all Council assets covered by financial risk-sharing arrangements	116,606	111,102
Maximum amount available to the Council under financial risk-sharing arrangements	46,642	44,441
Total value of assets that are self-insured	-	-
Value of funds maintained for self-insurance	-	-
<p>In the event of natural disaster, central government may contribute up to 60% towards the restoration of water, drainage, and wastewater assets, and provide a subsidy towards the restoration of roads.</p>		



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	Cost /	Accumulated	Carrying	Assets	Assets	Disposals /	Transfers	Depreciation	Depreciation	Depreciation	Revaluation	Cost /	Accumulated	Carrying
	Valuation	Depreciation and Impairment	Amount	constructed by Council	transferred to Council	Impairment			Reversed on Revaluation	Reversed on Disposal	Surplus (excl reversal of accumulated depreciation)	Valuation	Depreciation and Impairment	Amount
	1 July 2023			Current Year								30 June 2024		
2024	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council Operational Assets</b>														
Land	9,374	-	9,374	-	-	-	-	-	-	-	-	9,374	-	9,374
Buildings	9,666	-	9,666	262	-	-	-	604	-	-	-	9,928	604	9,324
Surplus Properties	303	-	303	-	-	-	-	-	-	-	-	303	-	303
Plant	849	415	434	16	-	-	-	50	-	-	-	865	465	400
Motor Vehicles	386	170	216	42	-	(24)	-	28	-	(19)	-	404	179	225
Furniture/Fittings	531	289	242	5	-	-	-	21	-	-	-	536	310	226
Office Equipment	1,139	731	408	82	-	(991)	-	82	-	(787)	-	230	26	204
Library Books	813	471	342	38	-	-	-	38	-	-	-	851	509	342
Work In Progress - Buildings	58	-	58	-	-	(58)	-	-	-	-	-	-	-	-
Work In Progress - Land	2,148	-	2,148	24	-	-	-	-	-	-	-	2,172	-	2,172
<b>Total Operational Assets</b>	<b>25,267</b>	<b>2,076</b>	<b>23,190</b>	<b>469</b>	<b>-</b>	<b>(1,073)</b>	<b>-</b>	<b>823</b>	<b>-</b>	<b>(806)</b>	<b>-</b>	<b>24,663</b>	<b>2,093</b>	<b>22,570</b>
<b>Council Restricted Assets</b>														
Land	12,928	-	12,928	-	12	-	-	-	-	-	-	12,940	-	12,940
Buildings	32,502	-	32,502	711	-	-	-	933	-	-	-	33,213	933	32,280
Street Beautification	1,731	311	1,420	24	-	(31)	-	24	-	(5)	-	1,724	330	1,394
Rubbish Bins	203	-	203	-	-	-	-	-	-	-	-	203	-	203
Work In Progress - Buildings	160	-	160	-	-	-	(27)	-	-	-	-	133	-	133
<b>Total Restricted Assets</b>	<b>47,524</b>	<b>311</b>	<b>47,213</b>	<b>735</b>	<b>12</b>	<b>(31)</b>	<b>(27)</b>	<b>957</b>	<b>-</b>	<b>(5)</b>	<b>-</b>	<b>48,213</b>	<b>1,263</b>	<b>46,950</b>
<b>Council Infrastructure Assets</b>														
Water Supply														
- Reticulation and other assets	25,449	750	24,699	787	-	(359)	-	424	(1,158)	(16)	(819)	25,058	(0)	25,058
- Treatment plants and facilities	14,583	650	13,933	412	-	(7)	-	361	(1,011)	-	1,432	16,420	-	16,420
Wastewater System														
- Reticulation and other assets	10,251	536	9,716	759	-	-	-	297	(833)	-	1,482	12,492	0	12,492
- Treatment plants and facilities	2,729	275	2,454	96	-	-	-	152	(427)	-	971	3,796	-	3,796
Stormwater System	13,081	464	12,617	404	-	(18)	-	251	(715)	-	2,313	15,780	-	15,780
Roading Network	262,110	2,524	259,586	3,934	-	-	-	2,516	(5,040)	-	20,570	286,614	0	286,614
Land Under Roads	54,384	-	54,384	-	-	-	-	-	-	-	-	54,384	-	54,384
Bridges	14,567	366	14,201	727	-	-	-	366	(732)	-	16,138	31,432	(0)	31,432
Work In Progress - Roading	4	-	4	-	-	-	(4)	-	-	-	-	-	-	-
Work In Progress - Wastewater Reticulation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work In Progress - Wastewater Treatment	42	-	42	50	-	-	-	-	-	-	-	92	-	92
Work In Progress - Stormwater	99	-	99	-	-	-	(99)	-	-	-	-	-	-	-
Work In Progress - Water Treatment	403	-	403	41	-	-	-	-	-	-	-	444	-	444
Work In Progress - Water Reticulation	240	-	240	-	-	-	(88)	-	-	-	-	152	-	152
<b>Total Infrastructure Assets</b>	<b>397,942</b>	<b>5,565</b>	<b>392,378</b>	<b>7,210</b>	<b>-</b>	<b>(384)</b>	<b>(191)</b>	<b>4,367</b>	<b>(9,916)</b>	<b>(16)</b>	<b>42,087</b>	<b>446,664</b>	<b>(0)</b>	<b>446,664</b>
<b>Total Council</b>	<b>470,733</b>	<b>7,952</b>	<b>462,781</b>	<b>8,414</b>	<b>12</b>	<b>(1,488)</b>	<b>(218)</b>	<b>6,147</b>	<b>(9,916)</b>	<b>(827)</b>	<b>42,087</b>	<b>519,540</b>	<b>3,356</b>	<b>516,184</b>
<b>Subsidiaries</b>														
Buildings	1,972	-	1,972	12	-	-	-	89	-	-	-	1,984	87	1,897
Land	385	-	385	-	-	-	-	-	-	-	-	385	-	385
Furniture & Fittings	126	52	74	-	-	-	-	7	-	-	-	126	59	67
Office Equipment	17	9	8	-	-	-	-	1	-	-	-	17	10	7
Work in Progress - buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arboretum	100	-	100	-	-	-	-	3	-	-	-	100	3	97
<b>Total Subsidiaries</b>	<b>2,600</b>	<b>61</b>	<b>2,539</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,612</b>	<b>159</b>	<b>2,452</b>
<b>Total Group</b>	<b>473,333</b>	<b>8,013</b>	<b>465,320</b>	<b>8,426</b>	<b>12</b>	<b>(1,488)</b>	<b>(218)</b>	<b>6,247</b>	<b>(9,916)</b>	<b>(827)</b>	<b>42,087</b>	<b>522,152</b>	<b>3,515</b>	<b>518,636</b>

The figures included under assets constructed by council for work in progress is the net of new work in progress additions and those capitalised during the year.

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	Cost /	Accumulated	Carrying	Assets	Assets	Disposals /	Transfers	Depreciation	Depreciation	Depreciation	Revaluation	Cost /	Accumulated	Carrying
	Valuation	Depreciation and Impairment	Amount	constructed by Council	transferred to Council	Impairment			Reversed on Revaluation	Reversed on Disposal	Surplus (incl of depreciation reversed on revaluation)	Valuation	Depreciation and Impairment	Amount
	1 July 2022			Current Year									30 June 2023	
2023	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<b>Council Operational Assets</b>														
Land	8,984	-	8,984	-	-	-	-	-	-	-	390	9,374	-	9,374
Buildings	9,410	1,230	8,180	149	-	-	-	435	(1,663)	-	109	9,666	-	9,666
Surplus Properties	152	-	152	-	-	-	-	-	-	-	151	303	-	303
Plant	670	384	286	193	-	(14)	-	44	-	(13)	-	849	415	434
Motor Vehicles	375	154	221	50	-	(39)	-	25	-	(9)	-	386	170	216
Furniture/Fittings	501	270	231	29	-	-	-	19	-	-	-	531	289	242
Office Equipment	1,081	695	386	111	-	(53)	-	78	-	(42)	-	1,139	731	408
Library Books	776	434	342	37	-	-	-	37	-	-	-	813	471	342
Work In Progress - Buildings	64	-	64	-	-	-	(6)	-	-	-	-	58	-	58
Work in progress - plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work In Progress - Land	-	-	-	2,148	-	-	-	-	-	-	-	2,148	-	2,148
<b>Total Operational Assets</b>	<b>22,013</b>	<b>3,166</b>	<b>18,846</b>	<b>2,717</b>	<b>-</b>	<b>(106)</b>	<b>(6)</b>	<b>638</b>	<b>(1,663)</b>	<b>(64)</b>	<b>650</b>	<b>25,267</b>	<b>2,076</b>	<b>23,191</b>
<b>Council Restricted Assets</b>														
Land	8,912	-	8,912	512	-	-	-	-	-	-	3,505	12,928	-	12,928
Buildings	12,789	1,379	11,410	20,561	-	(7)	-	887	(2,266)	(842)	-	32,502	-	32,502
Street Beautification	1,731	287	1,444	-	-	-	-	24	-	-	-	1,731	311	1,420
Rubbish Bins	203	-	203	-	-	-	-	-	-	-	-	203	-	203
Work In Progress - Street Beautification	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Work In Progress - Buildings	19,168	-	19,168	-	-	-	(19,008)	-	-	-	-	160	-	160
<b>Total Restricted Assets</b>	<b>42,803</b>	<b>1,666</b>	<b>41,137</b>	<b>21,073</b>	<b>-</b>	<b>(7)</b>	<b>(19,008)</b>	<b>910</b>	<b>(2,266)</b>	<b>-</b>	<b>2,663</b>	<b>47,524</b>	<b>311</b>	<b>47,213</b>
<b>Council Infrastructure Assets</b>														
Water Supply														
- Reticulation and other assets	20,680	382	20,298	4,929	-	(160)	-	373	-	(5)	-	25,449	750	24,699
- Treatment plants and facilities	14,576	322	14,254	18	-	(10)	-	331	-	(3)	-	14,583	650	13,933
Wastewater System														
- Reticulation and other assets	9,876	273	9,603	406	-	(28)	-	264	-	(1)	-	10,251	536	9,716
- Treatment plants and facilities	2,610	137	2,473	120	-	-	-	138	-	-	-	2,729	275	2,454
Stormwater System	13,067	232	12,835	14	-	-	-	232	-	-	-	13,081	464	12,617
Roading Network	256,220	-	256,220	5,890	-	-	-	2,524	-	-	-	262,110	2,524	259,586
Land Under Roads	54,384	-	54,384	-	-	-	-	-	-	-	-	54,384	-	54,384
Bridges	14,197	-	14,197	370	-	-	-	366	-	-	-	14,567	366	14,201
Work in Progress - Roading	4	-	4	-	-	-	-	-	-	-	-	4	-	4
Work In Progress - W/water Reticulation	7	-	7	-	-	-	(7)	-	-	-	-	-	-	-
Work In Progress - W/water Treatment	-	-	-	42	-	-	-	-	-	-	-	42	-	42
Work In Progress - Stormwater	41	-	41	58	-	-	-	-	-	-	-	99	-	99
Work In Progress - Water Treatment	211	-	211	192	-	-	-	-	-	-	-	403	-	403
Work In Progress - Water Reticulation	3,727	-	3,727	-	-	-	(3,487)	-	-	-	-	240	-	240
<b>Total Infrastructure Assets</b>	<b>389,598</b>	<b>1,347</b>	<b>388,252</b>	<b>12,038</b>	<b>-</b>	<b>(198)</b>	<b>(3,494)</b>	<b>4,228</b>	<b>-</b>	<b>(9)</b>	<b>-</b>	<b>397,942</b>	<b>5,565</b>	<b>392,377</b>
<b>Total Council</b>	<b>454,415</b>	<b>6,179</b>	<b>448,235</b>	<b>35,828</b>	<b>-</b>	<b>(311)</b>	<b>(22,508)</b>	<b>5,776</b>	<b>(3,929)</b>	<b>(73)</b>	<b>3,313</b>	<b>470,733</b>	<b>7,951</b>	<b>462,781</b>
<b>Subsidiaries</b>														
Buildings	1,697	215	1,482	5	-	-	-	73	(286)	-	269	1,972	-	1,972
Land	235	-	235	-	-	-	-	-	-	-	150	385	-	385
Furniture & Fittings	106	50	56	26	-	(3)	-	5	-	-	-	126	52	74
Office Equipment	17	8	9	-	-	-	-	1	-	-	-	17	9	8
Work in Progress - buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arboretum	51	4	47	58	-	-	-	2	(6)	(9)	-	100	-	100
<b>Total Subsidiaries Assets</b>	<b>2,106</b>	<b>277</b>	<b>1,829</b>	<b>89</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>81</b>	<b>(292)</b>	<b>-</b>	<b>410</b>	<b>2,600</b>	<b>61</b>	<b>2,539</b>
<b>Total Group</b>	<b>456,521</b>	<b>6,456</b>	<b>450,064</b>	<b>35,917</b>	<b>-</b>	<b>(314)</b>	<b>(22,508)</b>	<b>5,858</b>	<b>(4,221)</b>	<b>(73)</b>	<b>3,723</b>	<b>473,333</b>	<b>8,012</b>	<b>465,320</b>

The figures included under assets constructed by council for work in progress is the net of new work in progress additions and those capitalised during the year.

### Estimate of Replacement Cost

	Council	
	Most recent estimate of replacement cost 2023/24 \$000	Date of Estimate
<b>2024</b>		
Water Supply		
- Reticulation and other assets	49,364	30 June 2024
- Treatment plants and facilities	19,952	30 June 2024
Wastewater System		
- Reticulation and other assets	42,448	30 June 2024
- Treatment plants and facilities	6,592	30 June 2024
Stormwater System	30,580	30 June 2024
Roads and Footpaths	535,607	30 June 2024
<b>2023</b>		
Water Supply		
- Reticulation and other assets	44,142	30 June 2023
- Treatment plants and facilities	21,039	30 June 2023
Wastewater System		
- Reticulation and other assets	29,702	30 June 2023
- Treatment plants and facilities	10,543	30 June 2023
Stormwater System	27,162	30 June 2023
Roads and Footpaths	450,673	30 June 2022

### Depreciation and Amortisation Expense by Group of Activity

	Council	
	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Directly attributable depreciation and amortisation by group of activity</b>		
Recreation and Facilities	1,397	1,247
Democracy	-	-
Community Development	75	65
Environmental Services	4	4
Roading	2,882	2,890
Stormwater Drainage	252	232
Wastewater (Sewerage)	454	403
Solid Waste	40	28
Water Supply	805	720
<b>Total directly attributable depreciation and amortisation by group of activity</b>	<b>5,909</b>	<b>5,588</b>
Depreciation and amortisation not directly related to group of activities	329	270
<b>Total depreciation and amortisation expense</b>	<b>6,238</b>	<b>5,859</b>

## Note 16 Intangible Assets

### Accounting Policy

Acquired software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

The carrying value of an intangible asset with a finite life is amortised on a straight line basis. The amortisation charge is recognised in the Statement of Comprehensive Revenue and Expense. The useful lives of intangible assets have been estimated as follows:

- Software 3-10 years – 10% to 33 1/3%.

#### Council and Group

	Cost / Valuation	Accumulated Amortisation and Impairment	Carrying Amount	Additions	Disposals	Transfers	Current Year Impairment Charges	Depreciation Reversed on Disposal	Current Year Amortisation	Cost / Valuation	Accumulated Amortisation and Impairment	Carrying Amount
<b>2024</b>	1/07/2023			Current Year						30 June 2024		
	\$000	\$000	\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000	\$000
Computer Software	1,459	958	501	53	(583)	-	-	(522)	91	929	527	401
<b>Total</b>	<b>1,459</b>	<b>958</b>	<b>501</b>	<b>131</b>	<b>(583)</b>	<b>-</b>	<b>-</b>	<b>(522)</b>	<b>91</b>	<b>929</b>	<b>527</b>	<b>401</b>
	1/07/2022			Current Year						30 June 2023		
	\$000	\$000	\$000	\$000	\$000		\$000	\$000	\$000	\$000	\$000	\$000
Computer Software	1,328	876	452	131	-	-	-	-	82	1,459	958	501
<b>Total</b>	<b>1328</b>	<b>876</b>	<b>452</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>1459</b>	<b>958</b>	<b>501</b>
All intangible assets referring to above are computer software. There are no restrictions over intangible assets. No intangible assets have been pledged as security for liabilities.												

## Note 17 Payables and Deferred Revenue

### Accounting Policy

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

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current Portion</b>				
<i>Payables and deferred revenue under exchange transactions:</i>				
Trade Payables and Accrued Expenses	2,792	2,877	2,830	2,905
Deposits and Bonds	117	205	117	205
Revenue Received in Advance	290	107	290	107
<b>Total</b>	<b>3,199</b>	<b>3,189</b>	<b>3,237</b>	<b>3,217</b>
<i>Payables and deferred revenue under non-exchange transactions:</i>				
Other Taxes Payable (GST)	256	114	256	114
Revenue received in advance - PGF and MBIE funding	-	448	-	448
Revenue received in advance - Three Waters Reform funding	-	-	-	-
Rates in Advance	407	456	407	456
<b>Total</b>	<b>663</b>	<b>1,018</b>	<b>663</b>	<b>1,018</b>
<b>Total Current Portion</b>	<b>3,862</b>	<b>4,207</b>	<b>3,900</b>	<b>4,235</b>

## Note 18 Provisions

### Accounting Policy

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current Portion</b>				
Landfill Aftercare Provision	7	7	7	7
<b>Total Current Portion</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>Non-current Portion</b>				
Landfill Aftercare Provision	-	7	-	7
<b>Total Non-Current Portion</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>7</b>
<b>Total Provisions</b>	<b>7</b>	<b>14</b>	<b>7</b>	<b>14</b>
<b>Movements for the Landfill Aftercare provision are as follows:</b>				
	Council	Group	Council	Group
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
Opening Balance	14	20	14	20
Additional Provision Made	-	-	-	-
Amounts used	(7)	(6)	(7)	(6)
<b>Closing Balance 30 June</b>	<b>7</b>	<b>14</b>	<b>7</b>	<b>14</b>

### ***Rural Landfills***

In February 1998 Stratford District Council renewed its aftercare consents for the Pukengahu and Huiroa landfills which were closed in 1990 and 1991 respectively.

New consents have been granted by Taranaki Regional Council for the management of Council's closed landfills. These consents are valid until 2034 and set monitoring parameters with requirements for remedial action depending on the outcomes of the monitoring.

### ***Stratford Landfill***

In March 1999 Stratford District Council renewed its consent for the Swansea Road landfill. While the consent required the site to be closed by June 2005 it was actually closed on 18 March 2002.

Council has an ongoing liability to ensure the site continues to be managed in a manner that least affects the environment and the work is expected to include the following major components:

- Environmental Monitoring (surface and groundwater)
- Surface groundwater controls (drainage maintenance)
- Earthworks (in the initial years the land is expected to sink due to the refuse decomposition and filling will be required to avoid ponding).

These liabilities are expected to continue to the 2025 year following the closure of the landfill however the financial impact is expected to be greatest for the first five years.

The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking in to account existing technology and is discounted using a discount rate of 5.0% (2022/23: 5.0%).

The management of the landfill will influence the timing of recognition of some liabilities.

## Note 19 Employee Entitlements

### Accounting Policy

#### **Short-term employee entitlements**

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where the Council or group has a contractual obligation or where there is a past practice that has created a constructive obligation.

#### **Long-term employee entitlements**

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- the present value of the estimated future cash flows.

#### **Presentation of employee entitlements**

Annual leave is classified as a current liability. Retirement gratuities expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Provision is made in respect of Council and Group's liability for annual leave, and retirement gratuities. Annual leave has been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on an actuarial basis.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current Portion</b>				
Annual Leave	313	322	324	329
<b>Total Current Portion</b>	<b>313</b>	<b>322</b>	<b>324</b>	<b>329</b>
<b>Non-Current Portion</b>				
Retirement Gratuities	-	-	-	-
<b>Total Non-Current Portion</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Employee Entitlements</b>	<b>313</b>	<b>322</b>	<b>324</b>	<b>329</b>

## Note 20 Borrowings

### Accounting Policy

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current Portion</b>				
Committed cash advance facility	-	-	-	-
Secured Loans	6,000	6,000	6,000	6,000
<b>Total Current Portion</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>
<b>Non-Current Portion</b>				
Secured Loans	30,700	27,700	30,700	27,700
<b>Total Non-Current Portion</b>	<b>30,700</b>	<b>27,700</b>	<b>30,700</b>	<b>27,700</b>
<b>Total Borrowings</b>	<b>36,700</b>	<b>33,700</b>	<b>36,700</b>	<b>33,700</b>

#### Security

The Council has entered into a Debenture Trust Deed with Trustees Executors Limited.

Under the debenture trust deed the Council has granted security over its rates and rates revenue. Trustees Executors Limited hold this security for the benefit of any holders of Stock (as that term is defined in the Council's debenture trust deed).

The Council has granted security stock (with a floating nominal amount) to each of TSB Bank Ltd and New Zealand Local Government Funding Agency (to secure all of Council's borrowings with those entities).

#### Committed cash advance facility

Stratford District Council has a CCAF (Committed Cash Advance Facility) of \$1.0m that has not been included in the financial statements.

#### Maturity Analysis and Effective Interest Rates

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
Less than one year	6,000	6,000	6,000	6,000
Later than one year but not more than five years	20,200	21,200	20,200	21,200
Later than five years	10,500	6,500	10,500	6,500
<b>Total Borrowings</b>	<b>36,700</b>	<b>33,700</b>	<b>36,700</b>	<b>33,700</b>

The weighted average effective interest rate for 2023/24 is 3.74% (2022/23 - 3.22%).

#### Internal Borrowing

During the 2012/13 year Council made an internal loan to the Water Supply activity, towards the capital costs of the new Stratford Water Treatment Plant. The loan was for \$2,000,000. Interest has been calculated on the balance outstanding as at 1 July 2023 of \$1,190,795 at the weighted average interest rate as at 31 December 2023 of 3.35%. The Water Supply activity has been charged the cost of \$39,892. The sum of \$80,000 was repaid at the end of the year. The balance as at 30 June 2024 is \$1,110,795.



A breakdown of each loan with the LGFA and respective details is listed below:					
	Maturity date	Interest rate 2023/24	Interest rate 2022/23	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Current</b>					
LGFA Bond issue	July 2023	5.40%	5.40%	0	2,000
LGFA Bond issue	August 2023	4.12%	4.12%	0	1,000
LGFA Bond issue	April 2024	1.14%	1.14%	0	1,000
LGFA Bond issue	May 2024	2.53%	2.53%	0	2,000
LGFA Bond issue	April 2025	3.38%	3.38%	2,000	0
LGFA Bond issue	April 2025	4.22%	4.22%	4,000	0
<b>Total Current borrowings</b>				6,000	6,000
<b>Non-current</b>					
LGFA Bond issue	April 2025	0.00%	3.38%	0	2,000
LGFA Bond issue	April 2025	0.00%	4.22%	0	4,000
LGFA Bond issue	December 2025	1.04%	1.04%	3,700	3,700
LGFA Bond issue	April 2026	1.67%	1.67%	1,000	1,000
LGFA Bond issue	April 2026	2.02%	2.02%	1,000	1,000
LGFA Bond issue	April 2027	1.38%	1.38%	1,000	1,000
LGFA Bond issue	April 2027	3.65%	3.65%	1,500	1,500
LGFA Bond issue	April 2027	4.17%	4.17%	2,000	2,000
LGFA Bond issue	May 2028	2.12%	2.12%	1,000	1,000
LGFA Bond issue	May 2028	4.26%	4.26%	2,000	2,000
LGFA Bond issue	May 2028	5.50%	0.00%	1,000	1,000
LGFA Bond issue	May 2028	4.23%	0.00%	1,000	1,000
LGFA Bond issue	May 2028	5.32%	0.00%	2,000	0
LGFA Bond issue	May 2028	5.41%	0.00%	1,000	0
LGFA Bond issue	April 2029	5.66%	0.00%	1,000	0
LGFA Bond issue	April 2029	5.49%	0.00%	1,000	1,000
LGFA Bond issue	May 2030	5.56%	0.00%	2,000	0
LGFA Bond issue	May 2030	5.67%	0.00%	3,000	0
LGFA Bond issue	May 2031	4.30%	4.30%	2,000	2,000
LGFA Bond issue	December 2032	1.87%	1.87%	3,500	3,500
<b>Total non-current borrowings</b>				30,700	27,700
<b>Total Borrowings</b>				36,700	33,700

## Note 21 Equity

### Accounting Policy

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- accumulated funds;
- restricted reserves;
- property revaluation reserve; and
- fair value through other comprehensive revenue and expense reserve.

#### **Restricted reserves**

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves include those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

**Property revaluation reserve**

This reserve relates to the revaluation of property, plant, and equipment to fair value.

**Fair value through other Comprehensive Revenue and Expense reserve**

This reserve comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>Accumulated Funds - 1 July</b>	201,080	197,109	202,553	198,703
Transfers to:				
Restricted Reserves	(189)	(164)	(189)	(164)
Council Created Reserves	(8,421)	(6,374)	(8,421)	(6,374)
Transfers from:				
Council Created Reserves	7,229	7,271	7,229	7,271
Restricted Reserves	320	59	320	59
Revaluation reserve disposal of building	-	-	-	-
Profit / (Loss) for the year	(57)	3,171	(288)	3,051
<b>Balance at 30 June</b>	<b>199,963</b>	<b>201,080</b>	<b>201,204</b>	<b>202,553</b>
<b>Restricted Reserves - 1 July</b>	1,224	1,119	1,224	1,119
Transfers to:				
Accumulated Funds	(320)	(59)	(320)	(59)
Transfers from:				
Accumulated Funds	189	164	189	164
<b>Balance at 30 June</b>	<b>1,093</b>	<b>1,224</b>	<b>1,093</b>	<b>1,224</b>
<b>Fair Value through other comprehensive revenue and expense - 1 July</b>	(483)	(536)	(483)	(536)
Loss / gain on sale of financial assets at fair value through other comprehensive income	-	-	-	-
Revaluation Gains/(Losses) on Investments Carried at Fair Value	(49)	53	(49)	53
<b>Balance at 30 June</b>	<b>(532)</b>	<b>(483)</b>	<b>(532)</b>	<b>(483)</b>
<b>Council Created Reserves - 1 July</b>	6,508	7,404	6,508	7,404
Transfer to Income Statement on disposal of Property, Plant and Equipment	-	-	-	-
Transfers to:				
Accumulated Funds	(7,229)	(7,271)	(7,229)	(7,271)
Transfers from:				
Accumulated Funds	8,421	6,374	8,421	6,374
<b>Balance at 30 June</b>	<b>7,700</b>	<b>6,508</b>	<b>7,700</b>	<b>6,508</b>
<b>Asset Revaluation Reserves - 1 July</b>	233,608	226,366	235,517	227,573
Revaluation Gains/(Losses)	52,003	7,242	52,003	7,944
<b>Balance at 30 June</b>	<b>285,611</b>	<b>233,608</b>	<b>287,520</b>	<b>235,517</b>
<b>Total Other Reserves - 30 June</b>	<b>293,872</b>	<b>240,856</b>	<b>295,780</b>	<b>242,767</b>
<b>Asset Revaluation Reserves consist of:</b>				
Operational Assets				
Land	7,118	7,118	7,378	7,378
Buildings	6,923	6,923	8,572	8,572
Restricted Assets				
Wastewater System	12,216	8,503	12,216	8,503
Water System	25,982	23,200	25,982	23,200
Stormwater System	14,069	11,042	14,069	11,042
Roading Network	209,606	167,125	209,606	167,125
Land	7,379	7,379	7,379	7,379
Buildings	2,318	2,318	2,318	2,318
<b>Total</b>	<b>285,611</b>	<b>233,608</b>	<b>287,520</b>	<b>235,517</b>

## **Note 21 Equity continued**

### **Purpose of Each Reserve Fund**

Council's reserve funds are classified in to three categories:

- Council Created Reserves
- Restricted Reserves
- Targeted Rate Reserves

The purposes of the reserves are as follows:

### **Council Created Reserves**

#### ***General Renewals Reserve***

This reserve has been created for the accumulation of depreciation on buildings, plant, vehicles, office equipment and furniture and fittings. The funds are set aside to provide for the ongoing replacement of operational assets in these categories, and also to maintain and enhance existing Council assets. Funds are also provided for new projects where necessary.

#### ***Roading Renewals Reserve***

This reserve has been created for the accumulation of depreciation on roads, bridges and street services assets. The funds are set aside to provide for the ongoing replacement of operational assets in these categories, and also to maintain and enhance existing Council assets. Funds are also provided for new projects where necessary.

#### ***Contingency Reserve***

This reserve has been created to assist in the event of an emergency. Purposes for which funds are currently set aside are such things as natural disasters e.g. floods, earthquakes, volcanic eruptions etc.

#### ***Asset Sales Proceeds Reserve***

The purpose of this reserve is to accumulate the net proceeds from the sale of Council assets that have not been specifically tagged for a particular purpose. These funds can then be used to acquire new capital assets.

#### ***Staff Gratuities Reserve***

These funds are for the payment of gratuities, redundancies, and farewells/recognition of long service of staff or elected members, however there are no other specific restrictions on this reserve.

#### ***Mayor's Relief Fund Reserve***

This fund has been in existence since at least 1934 and was originally set up to provide funds for the 'relief of distress' in the Stratford District. In recent years the reserve has been funded by donations and distributions of these monies has been at the Mayor's discretion.

#### ***Turf Replacement Reserve***

This reserve was created to accumulate funds annually to contribute towards the replacement of the hockey turf, when required.

### **Restricted Reserves**

#### ***Elsie Fraser Bequest Reserve***

These funds came from a bequest from Elsie Fraser in 1985 for the provision of a 'home for the less affluent old people within the Stratford community'. All surpluses from operations of these units are credited to the reserve.

#### ***RMA/Financial Contributions Reserve***

Financial contributions are required by the Stratford District Plan. Council has received these funds from the subdivision of land and various land use activities. The reserve is used to fund growth related capital works and services.

## Targeted Rate Reserves

### *Water Supply, Solid Waste and Wastewater Reserves*

These reserves represent the balance of funds collected from various targeted rates which have not yet been spent. The funds can only be used for the purpose for which they were originally levied. The reserves include depreciation on infrastructural assets, costs of any capital/renewal expenditure and any surplus/deficit from operations for the year.

## Reserve Fund Movements

2024		Balance 1 July 2023 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2024 \$000
Activities to which the reserve relates					
<b>Restricted Reserves</b>					
Elsie Fraser Bequest Reserve	Pensioner Housing	60	51	(69)	42
Financial Contributions Reserve	All activities	1,162	138	(251)	1,049
<b>Total</b>		<b>1,222</b>	<b>189</b>	<b>(320)</b>	<b>1,091</b>
<b>2024</b>					
Activities to which the reserve relates		Balance 1 July 2023 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2024 \$000
<b>Council Created /Targeted Rate Reserves</b>					
General Renewal Reserve	All activities	5,220	2,278	(1,104)	6,394
Contingency Reserve	All activities	505	16	(16)	505
Asset Sale Proceeds Reserve	All activities	706	23	-	729
Staff Gratuities Reserve	All activities	137	4	(1)	140
Mayor's Relief Fund Reserve	Community	4	0	-	4
Turf Replacement Reserve	Community	52	12	-	64
Farm Surplus	All activities	69	62	(69)	62
Stormwater Reserve	Stormwater	752	276	(100)	928
Roading Renewals Reserve	Roading	(1,021)	4,428	(4,284)	(877)
Water Supply Reserve	Water Supply	(732)	806	(890)	(816)
Solid Waste Reserve	Waste Management	168	45	(168)	45
Wastewater Reserve	Wastewater	654	471	(597)	527
<b>Total</b>		<b>6,513</b>	<b>8,421</b>	<b>(7,229)</b>	<b>7,705</b>
<b>2023</b>					
Activities to which the reserve relates		Balance 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2023 \$000
<b>Restricted Reserves</b>					
Elsie Fraser Bequest Reserve	Pensioner Housing	84	36	(59)	60
Financial Contributions Reserve	All activities	1,034	128	-	1,162
<b>Total</b>		<b>1,118</b>	<b>164</b>	<b>(59)</b>	<b>1,222</b>
<b>2023</b>					
Activities to which the reserve relates		Balance 1 July 2022 \$000	Transfers into fund \$000	Transfers out of fund \$000	Balance 30 June 2023 \$000
<b>Council Created and Targeted Rate Reserves</b>					
General Renewal Reserve	All activities	4,419	1,832	(1,031)	5,220
Contingency Reserve	All activities	505	15	(15)	505
Asset Sale Proceeds Reserve	All activities	1,183	34	(512)	706
Staff Gratuities Reserve	All activities	136	4	(4)	137
Mayor's Relief Fund Reserve	Community	4	-	-	4
Turf Replacement Reserve	Community	41	11	-	52
Farm Surplus	All activities	234	-	(165)	69
Stormwater Reserve	Stormwater	545	248	(41)	752
Roading Renewals Reserve	Roading	235	2,897	(4,153)	(1,021)
Water Supply Reserve	Water Supply	(562)	720	(890)	(732)
Waste Management Reserve	Waste Management	21	192	(45)	168
Wastewater Reserve	Wastewater	649	422	(416)	654
<b>Total</b>		<b>7,409</b>	<b>6,374</b>	<b>(7,271)</b>	<b>6,514</b>

## Note 22 Commitments

	Council		Group	
	Actual	Actual	Actual	Actual
	2023/24	2022/23	2023/24	2022/23
	\$000	\$000	\$000	\$000
<b>Financial Commitments</b>				
Not later than one year	7,624	6,243	7,624	6,243
Later than one year and not later than five years	9,244	78	9,244	78
Later than five years	4,400	-	4,400	-
<b>Total</b>	<b>21,268</b>	<b>6,321</b>	<b>21,268</b>	<b>6,321</b>
<b>Operating Leases as a Lessor</b>				
Not later than one year	3	3	27	22
Later than one year and not later than five years	12	12	26	44
Later than five years	60	63	60	63
<b>Total</b>	<b>75</b>	<b>78</b>	<b>113</b>	<b>129</b>
<b>Capital Commitments</b>				
Roading network	5,722	2,202	5,722	2,202
<b>Total</b>	<b>5,722</b>	<b>2,202</b>	<b>5,722</b>	<b>2,202</b>

### **Non-financial commitments**

- Council is committed to a 50/50 sharemilking agreement with the current sharemilker to 31 May 2027.
- Council is committed to various leases of rental properties for terms ranging up to 33 years with perpetual rights of renewal in two cases.
- Council is committed to a number of leases on reserves to various sports and other community bodies for varying terms.
- Council is committed to ground leases for the aerodrome club buildings, and private hangars for terms of up to 20 years.
- Quotable Value NZ Ltd will provide valuation services to Council for the period to 30 June 2026.
- AA Drivers Licensing have given Council an agency relationship to 30 June 2025.
- The Information Centre has various commission agreements with tourism providers.

## Note 23 Contingencies

### **Contingent Assets**

The Council operates a scheme whereby sports clubs are able to construct facilities (e.g. club rooms) on reserve land. The clubs control the use of these facilities and the Council will gain control of the asset only if the club vacates the facility. Until this event occurs, the assets are not recognised as assets in the statement of financial position. As at 30 June 2024 there are 6 properties, with 7 facilities, having an approximate value of \$1,530,900 (2023 - 6 properties with 7 facilities - \$940,000). The estimate has been based on rating valuations for the district that were performed effective June 2023.

## **Contingent Liabilities**

### ***Local Government Funding Agency (LGFA)***

The Council is a guarantor of the New Zealand Local Government Funding Agency (NZLGFA). The NZ LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a local currency rating from both Standard and Poor's and Fitch of AA+ and a foreign currency rating from both of AA+.

As at 30 June 2024, NZLGFA had 77 council members and five council controlled organisation members. Of the 77 council members, 30 are shareholders, and Council is one of the 72 who are guarantors. Together with the other guarantors, the Council is a guarantor of all of the LGFA's borrowings. At 30 June 2024, NZ LGFA had borrowings totalling \$23.84 billion (2023: \$17.57 billion).

Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- It is not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to raise sufficient funds to meet any debt obligations if further funds were required.

### ***Resource Management Act***

The Resource Management Act 1991 imposes certain obligations and liabilities on local authorities relating to the issue of resource consents. As at 30 June 2024, one matter under that Act indicating a potential liability has been brought to the Council's attention. This matter relates to some infrastructure constructed by a developer as a condition of a resource consent and which does not appear to be performing to an appropriate standard.

## **Note 24 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; and
- On terms and conditions no more or less favourable than those that is reasonable to expect the council and group would have adopted in dealing with the party at arm's length in the same circumstances.
- Further, no disclosure has been made for transactions with entities within the council group (such as funding and financing flows), where the transactions are consistent with the normal operating relationships between the entities and are on normal terms and conditions for such group transactions.

Council is the ultimate parent of the group and controls one entity, being Percy Thomson Trust and has no significant influence over any other entities.		
<b><u>Related party transactions required to be disclosed</u></b>		
	<b>Actual 2023/24 \$000</b>	<b>Actual 2022/23 \$000</b>
<b>Percy Thomson Trust</b>		
Grant to the Trust from Council	50	50
Fees paid by the Trust to Council for administration services	21	21
<b><u>Key Management Personnel Compensation</u></b>		
	<b>Actual 2023/24</b>	<b>Actual 2022/23</b>
<i>Councillors</i>		
Full time equivalent members	12	12
<i>Remuneration</i>		
Mayor - N Volzke	\$105,003	\$99,701
<i>Councillors:</i>		
J Sandford	\$24,654	\$23,208
A Jamieson (to October 2022)	\$0	\$10,230
J Erwood	\$24,654	\$23,822
G Boyde	\$28,128	\$27,149
R Coplestone (to October 2022)	\$0	\$7,307
G Webby (to October 2022)	\$0	\$7,307
P Dalziel (to October 2022)	\$0	\$7,307
A Harris	\$25,581	\$24,413
M McKay	\$33,915	\$29,778
V Jones	\$25,654	\$23,822
E Hall (from October 2022)	\$24,654	\$16,515
A Dudley (from October 2022)	\$24,654	\$16,515
S Beck (from October 2022)	\$24,654	\$16,515
C Tongawhikau (from October 2022)	\$24,654	\$16,515
M Watt (from October 2022)	\$24,654	\$16,515
	<b>\$390,859</b>	<b>\$366,619</b>
<i>Senior Management Team, including the Chief Executive</i>		
Full time equivalent members	5	5
<i>Remuneration</i>	\$990,544	\$958,451
<b>Total full time equivalent personnel</b>	<b>17</b>	<b>17</b>
<b>Total key management personnel remuneration</b>	<b>\$1,381,403</b>	<b>\$1,325,070</b>

## Note 25 Remuneration

	Actual 2023/24	Actual 2022/23
<b>Chief Executive</b>		
The Chief Executive of Stratford District Council was appointed under section 42 of the Local Government Act 2002 as from 5 January 2017, then re-appointed for a further five year term from 3 May 2022, and received the following remuneration for the year ended 30 June 2024:		
Salary	\$250,000	\$250,000
Superannuation Subsidy (Kiwisaver)	\$7,500	\$7,500
<i>As at 30 June 2024 the annual remuneration package that was being received by the Chief Executive was calculated at \$250,000. This remuneration excludes Kiwisaver contributions.</i>		
<b>Total Chief Executive Remuneration</b>	<b>\$257,500</b>	<b>\$257,500</b>
<b>Council employee remuneration by band</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
<i>Total annual remuneration by band</i>		
Less than \$60,000	50	58
\$60,000 - \$79,999	17	17
\$80,000 - \$99,999	15	10
\$100,000 - \$159,999	10	10
\$160,000 - \$239,999	4	4
\$240,000 - \$259,999	1	1
<b>Total employees</b>	<b>97</b>	<b>100</b>
<b>Council Employee Numbers</b>	<b>30 June 2024</b>	<b>30 June 2023</b>
<b>Number of employees (at 30 June)</b>	<b>Actual</b>	<b>Actual</b>
Full-time employees	48	50
Part-time employees (including casual employees)	49	50
Total employees	97	100
NB - A full-time equivalent is determined on the basis of a 40 hour working week.		
<b>Full-time equivalent employees</b>		
Full-time employees	49	50
Part-time employees (in full-time equivalents)	26	22
Total full-time equivalent employees	75	72

## Note 26 Severance Payments

For the year ended 30 June 2024, the Council made no severance payments to employees (2022/23 - one payment totalling \$20,000).



## Note 27 Events After the Balance Date

There have been no subsequent events requiring disclosure in the current year.

## Note 28 Financial Instruments

The accounting policies for financial instruments have been applied to the line items below:				
	Council		Group	
	Actual 2023/24 \$000	Actual 2022/23 \$000	Actual 2023/24 \$000	Actual 2022/23 \$000
<b>FINANCIAL ASSETS</b>				
<b>Amortised Cost</b>				
Cash and cash equivalents - Cash	1,828	615	1,920	692
Short Term Deposits	5,000	5,000	5,250	5,350
Receivables	2,509	2,594	2,516	2,618
Community Loan	7,180	7,180	7,180	7,180
LGFA Borrower Notes	868	725	868	725
<b>Total</b>	<b>17,385</b>	<b>16,114</b>	<b>17,734</b>	<b>16,565</b>
<b>Fair value through surplus and deficit</b>				
Other financial assets:				
Bonds and Other Investments	-	-	397	397
<b>Total</b>	<b>-</b>	<b>-</b>	<b>397</b>	<b>397</b>
<b>Fair value through other comprehensive revenue and expenses</b>				
Other financial assets:				
Listed shares	551	600	551	600
<b>Total</b>	<b>551</b>	<b>600</b>	<b>551</b>	<b>600</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Financial liabilities at amortised cost</b>				
Payables and deferred revenue	3,199	3,189	3,237	3,217
Borrowings:				
Secured loans	36,700	33,700	36,700	33,700
<b>Total</b>	<b>39,899</b>	<b>36,889</b>	<b>39,937</b>	<b>36,917</b>

## Note 29 Explanation of Significant Variances Between Actual and Budget

Explanations for major variations from Council's estimated figures in the 2023/24 Annual Plan are as follows:

### Statement of Comprehensive Revenue and Expense

- Income is less than budget primarily due to the decision by the government not to fund the roading "Transport Choices" project.
- Other Comprehensive Revenue and Expense is higher than budget as the Roothing and Three Waters assets were revalued a year earlier than anticipated, as the fair value movement was significant.

### Statement of Financial Position

- Property, Plant and Equipment is higher than budget as a result of performing the revaluation on the Roothing and Three Waters assets a year earlier than anticipated.
- Non-current borrowings are less than budget as the loan funded capital expenditure was less than anticipated.
- Reserves are higher than budget as a result of the revaluation of the Roothing and Three Waters assets.

## Note 30 District Licensing Committee Disclosure

	2023/24	2022/23
<b><u>Income from Fees:</u></b>		
Licence Applications	32,035	32,268
Liquor Licencing Authority Levies	-2,520	-1,795
<b>Total Income</b>	<b>29,515</b>	<b>30,473</b>
<b><u>Expenditure:</u></b>		
Licencing Inspectors	61,400	70,733
District Licensing Committee Fees	2,631	4,963
Liquor Licencing Authority Levies	-	0
Other operating Costs Relating to Enforcement	1,813	4,740
<b>Total Expenditure</b>	<b>65,844</b>	<b>80,436</b>
<i><b>This information is provided in accordance with Regulation 19 of the Sale and Supply of Alcohol (Fees) Regulations 2013. This regulation requires Territorial Authorities to prepare a report detailing income from fees, and licencing costs under the Act. This information must be publicly available.</b></i>		

### **Note 31 Joint Committee – Central Landfill**

During the 2017/18 year the Council agreed with South Taranaki District Council (STDC) and New Plymouth District Council (NPDC) tasked with developing a new landfill and operating it following the closure of the Colson Road Landfill. Each Council's share of capital contributions, distribution of any operating surplus or apportionment of any operating deficit has been agreed as follows: NPDC 66.4%, STDC 27.1% and SDC 6.5%. As at 30 June 2024, no additional capital contributions were made (2022/23: Nil).

In November 2018, the Joint Committee made the decision to suspend further development of the Central Landfill. Waste is now being disposed of at Bonny Glen, in the Rangitikei District, under a 35 year contract with Midwest Disposals Ltd who operate the landfill. As there was no alternative use for the proposed central landfill in Taranaki, all capital costs incurred have been written off to surplus or deficit. As at 30 June 2024 there are no funds retained by the Central Landfill Joint Committee for Stratford District Council's share of future operational costs (2022/23: Nil).

### **Note 32 Riskpool Update**

Stratford District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme.

The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight defects). In November 2023, Riskpool made a call to members to pay a contribution to fund the deficits, with council's contribution being \$31,536.

### **Note 33 Rounding Errors**

Some rounding errors may occur in the financial statements due to dollar amounts to the nearest \$1,000.



# Funding Impact Statement



TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

Annual Report 2023-24

## Funding Impact Statements

### Funding Impact Statement for the year ended 30 June 2024 (Whole of Council)

	Annual Plan 2022/23	Actual 2022/23	Annual Plan 2023/24	Actual 2023/24
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	7,848	8,093	9,021	9,201
Targeted rates	6,996	7,053	7,147	7,136
Subsidies and grants for operating purposes	1,833	2,935	2,045	3,040
Fees and Charges	2,820	2,628	3,373	2,823
Interest and dividends from investments	232	419	324	490
Local authorities fuel tax, fines, infringement fees, and other receipts	53	71	55	82
<b>Total operating funding (A)</b>	<b>19,782</b>	<b>21,199</b>	<b>21,964</b>	<b>22,771</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	15,087	16,914	17,225	17,531
Finance costs	735	951	1,241	1,217
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>15,822</b>	<b>17,865</b>	<b>18,466</b>	<b>18,748</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>3,959</b>	<b>3,334</b>	<b>3,498</b>	<b>4,023</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	6,688	5,894	9,136	2,837
Development and financial contributions	-	97	-	101
Increase (decrease) in debt	6,221	1,500	4,016	3,000
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>12,910</b>	<b>7,491</b>	<b>13,152</b>	<b>5,937</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	1,025	2,653	1,049	25
- To improve the level of service	9,577	4,730	9,921	2,673
- To replace existing assets	6,813	5,999	5,487	5,462
Increase (decrease) in reserves	(546)	(2,558)	193	1,799
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>16,869</b>	<b>10,825</b>	<b>16,650</b>	<b>9,959</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(3,959)</b>	<b>(3,335)</b>	<b>(3,498)</b>	<b>(4,022)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

### Funding Impact Statement - Note

The funding impact statement is required under the Local Government Act 2002 Schedule and conforms to the Local Government (Financial Reporting) Regulations 2014.

Generally accepted accounting practice does not apply to the preparation of the funding impact statement as stated in Section 111(2) of the Local Government Act.

## Funding Impact Statement for the year ended 30 June 2024 (Recreation and Facilities)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	3,678	3,584	3,858	4,458
Targeted rates	17	18	17	19
Subsidies and grants for operating purposes	-	14	-	6
Fees and Charges	508	672	580	847
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	46	62	46	20
<b>Total operating funding (A)</b>	<b>4,250</b>	<b>4,350</b>	<b>4,502</b>	<b>5,351</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	2,169	3,253	2,260	3,850
Finance costs	296	352	305	404
Internal charges & overheads applied	833	923	895	1,171
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,298</b>	<b>4,528</b>	<b>3,460</b>	<b>5,425</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>951</b>	<b>(178)</b>	<b>1,041</b>	<b>(74)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	16	1,606	34	275
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	652	(246)	104	67
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>668</b>	<b>1,360</b>	<b>138</b>	<b>342</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	673	2,276	209	615
- To replace existing assets	6	33	59	45
Increase (decrease) in reserves	940	(1,125)	911	(405)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,620</b>	<b>1,184</b>	<b>1,180</b>	<b>255</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(952)</b>	<b>178</b>	<b>(1,042)</b>	<b>87</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13</b>

## Funding Impact Statement for the year ended 30 June 2024 (Roading)

	Long Term Plan 2021 for 2022/23	Actual 2022/23	Long Term Plan 2023/24	Actual 2023/24
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties *	(9)	(25)	(13)	(96)
Targeted rates	3,026	3,117	3,344	3,413
Subsidies and grants for operating purposes	1,911	2,343	1,918	2,233
Fees and Charges	648	546	673	520
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	19	101	19	93
<b>Total operating funding (A)</b>	<b>5,595</b>	<b>6,081</b>	<b>5,941</b>	<b>6,162</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers - see note below	3,557	4,452	3,584	3,592
Finance costs	6	5	13	14
Internal charges & overheads applied	389	419	410	478
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>3,952</b>	<b>4,875</b>	<b>4,007</b>	<b>4,083</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>1,643</b>	<b>1,205</b>	<b>1,934</b>	<b>2,078</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	3,443	3,685	3,771	2,529
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	231	-	452	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>3,674</b>	<b>3,685</b>	<b>4,223</b>	<b>2,529</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	619	1,228	1,221	779
- To replace existing assets	4,983	5,033	4,920	3,882
Increase (decrease) in reserves	(285)	(1,371)	17	(54)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>5,317</b>	<b>4,889</b>	<b>6,158</b>	<b>4,607</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(1,643)</b>	<b>(1,205)</b>	<b>(1,935)</b>	<b>(2,078)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Funding Impact Statement for the year ended 30 June 2024 (Water Supply)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	1,831	2,129	1,966	2,052
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	25	39	25	14
<b>Total operating funding (A)</b>	<b>1,856</b>	<b>2,168</b>	<b>1,991</b>	<b>2,066</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	698	643	758	646
Finance costs	179	268	187	324
Internal charges & overheads applied	515	587	544	702
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,391</b>	<b>1,498</b>	<b>1,488</b>	<b>1,673</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>464</b>	<b>670</b>	<b>502</b>	<b>393</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	1,025	240	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	628	579	102	253
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>1,653</b>	<b>819</b>	<b>102</b>	<b>253</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	1,904	688	369	680
- To replace existing assets	812	423	510	445
Increase (decrease) in reserves	(599)	377	(274)	(479)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2,117</b>	<b>1,489</b>	<b>605</b>	<b>647</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(464)</b>	<b>(670)</b>	<b>(502)</b>	<b>(393)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Funding Impact Statement for the year ended 30 June 2024 (Waste Water)

	Long Term Plan 2021 for 2022/23	Actual 2022/23	Long Term Plan 2023/24	Actual 2023/24
	(\$000)	(\$000)	(\$000)	(\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	-	-	-	-
Targeted rates	985	904	1,021	812
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	75	38	77	35
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	13	20	12	7
<b>Total operating funding (A)</b>	<b>1,073</b>	<b>961</b>	<b>1,110</b>	<b>853</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	428	322	439	340
Finance costs	53	41	59	64
Internal charges & overheads applied	261	300	273	314
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>742</b>	<b>663</b>	<b>771</b>	<b>718</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>331</b>	<b>298</b>	<b>340</b>	<b>135</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	266	254	272	704
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>266</b>	<b>254</b>	<b>272</b>	<b>704</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	362	92	380	167
- To replace existing assets	252	426	258	738
Increase (decrease) in reserves	(17)	33	(26)	(65)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>597</b>	<b>551</b>	<b>612</b>	<b>840</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(330)</b>	<b>(299)</b>	<b>(340)</b>	<b>(136)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Funding Impact Statement for the year ended 30 June 2024 (Storm Water)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	367	430	387	433
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	7	10	6	4
<b>Total operating funding (A)</b>	<b>373</b>	<b>440</b>	<b>392</b>	<b>437</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	59	50	61	59
Finance costs	27	21	35	30
Internal charges & overheads applied	136	157	140	177
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>222</b>	<b>228</b>	<b>236</b>	<b>266</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>151</b>	<b>211</b>	<b>156</b>	<b>171</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	242	43	469	273
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>242</b>	<b>43</b>	<b>469</b>	<b>273</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	292	72	533	308
- To replace existing assets	55	-	56	1
Increase (decrease) in reserves	46	182	36	135
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>393</b>	<b>254</b>	<b>625</b>	<b>444</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(151)</b>	<b>(211)</b>	<b>(156)</b>	<b>(171)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Funding Impact Statement for the year ended 30 June 2024 (Solid Waste)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	20	25	20	24
Targeted rates	780	903	801	860
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	110	213	111	143
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	8	12	7	4
<b>Total operating funding (A)</b>	<b>917</b>	<b>1,153</b>	<b>939</b>	<b>1,030</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	704	761	722	943
Finance costs	19	25	18	28
Internal charges & overheads applied	156	171	162	197
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>879</b>	<b>957</b>	<b>902</b>	<b>1,168</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>38</b>	<b>196</b>	<b>38</b>	<b>(138)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(35)	(35)	(33)	(21)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(35)</b>	<b>(35)</b>	<b>(33)</b>	<b>(21)</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	-	10	-	13
- To replace existing assets	10	-	-	-
Increase (decrease) in reserves	(8)	151	4	(172)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>2</b>	<b>161</b>	<b>4</b>	<b>(159)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(37)</b>	<b>(196)</b>	<b>(37)</b>	<b>138</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Funding Impact Statement for the year ended 30 June 2024 (Democracy)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	1,172	1,158	1,155	1,174
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	10	-	25
Fees and Charges	70	168	70	155
Internal charges and overheads recovered	1,403	1,635	1,565	2,209
Local authorities fuel tax, fines, infringement fees, and other receipts	34	53	33	18
<b>Total operating funding (A)</b>	<b>2,678</b>	<b>3,024</b>	<b>2,823</b>	<b>3,581</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	1,986	2,222	2,096	2,735
Finance costs	-	-	-	-
Internal charges & overheads applied	692	746	728	869
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,678</b>	<b>2,968</b>	<b>2,823</b>	<b>3,605</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>0</b>	<b>56</b>	<b>-</b>	<b>(24)</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	-	-	-	-
- To replace existing assets	225	227	177	187
Increase (decrease) in reserves	(225)	(171)	(177)	(211)
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>-</b>	<b>56</b>	<b>-</b>	<b>(24)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>0</b>	<b>(56)</b>	<b>-</b>	<b>24</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Funding Impact Statement for the year ended 30 June 2024 (Community Development)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	1,402	1,139	1,325	924
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	377	-	535
Fees and Charges	625	773	627	875
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	21	33	21	11
<b>Total operating funding (A)</b>	<b>2,048</b>	<b>2,322</b>	<b>1,973</b>	<b>2,344</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	1,316	1,376	1,326	1,323
Finance costs	56	57	103	64
Internal charges & overheads applied	490	521	521	481
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>1,862</b>	<b>1,955</b>	<b>1,949</b>	<b>1,869</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>186</b>	<b>367</b>	<b>24</b>	<b>476</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	910	(56)	(2,177)	(100)
Gross proceeds from sale of assets	-	-	3,274	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>910</b>	<b>(56)</b>	<b>1,097</b>	<b>(100)</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	1,025	2,142	1,049	25
- To improve the level of service	549	25	499	16
- To replace existing assets	-	-	-	-
Increase (decrease) in reserves	(478)	(1,855)	(426)	335
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>1,096</b>	<b>312</b>	<b>1,121</b>	<b>376</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(186)</b>	<b>(368)</b>	<b>(24)</b>	<b>(476)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Funding Impact Statement for the year ended 30 June 2024 (Environmental Services)

	Long Term Plan 2021 for 2022/23 (\$000)	Actual 2022/23 (\$000)	Long Term Plan 2023/24 (\$000)	Actual 2023/24 (\$000)
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	1,547	1,652	1,561	1,937
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and Charges	590	749	625	855
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	48	75	48	27
<b>Total operating funding (A)</b>	<b>2,186</b>	<b>2,476</b>	<b>2,234</b>	<b>2,819</b>
<b>Applications of operating funding</b>				
Payment to staff and suppliers	1,180	1,400	1,620	1,387
Finance costs	1	2	12	2
Internal charges & overheads applied	997	1,065	1,043	1,424
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>2,178</b>	<b>2,468</b>	<b>2,675</b>	<b>2,814</b>
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>8</b>	<b>8</b>	<b>(442)</b>	<b>5</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(2)	(2)	448	(2)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>(2)</b>	<b>(2)</b>	<b>448</b>	<b>(2)</b>
<b>Applications of capital funding</b>				
Capital expenditure to:				
- To meet additional demand	-	-	-	-
- To improve the level of service	-	-	-	-
- To replace existing assets	-	-	-	-
Increase (decrease) in reserves	5	6	5	3
Increase (decrease) in investments	-	-	-	-
<b>Total applications of capital funding (D)</b>	<b>5</b>	<b>6</b>	<b>5</b>	<b>3</b>
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>(7)</b>	<b>(8)</b>	<b>442</b>	<b>(5)</b>
<b>Funding balance ((A-B) + (C-D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Annual Report Disclosure Statement

Annual report disclosure statement for year ending 30 June 2024.

### What is the purpose of this statement?

The purpose of this statement is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

### Rates affordability benchmark

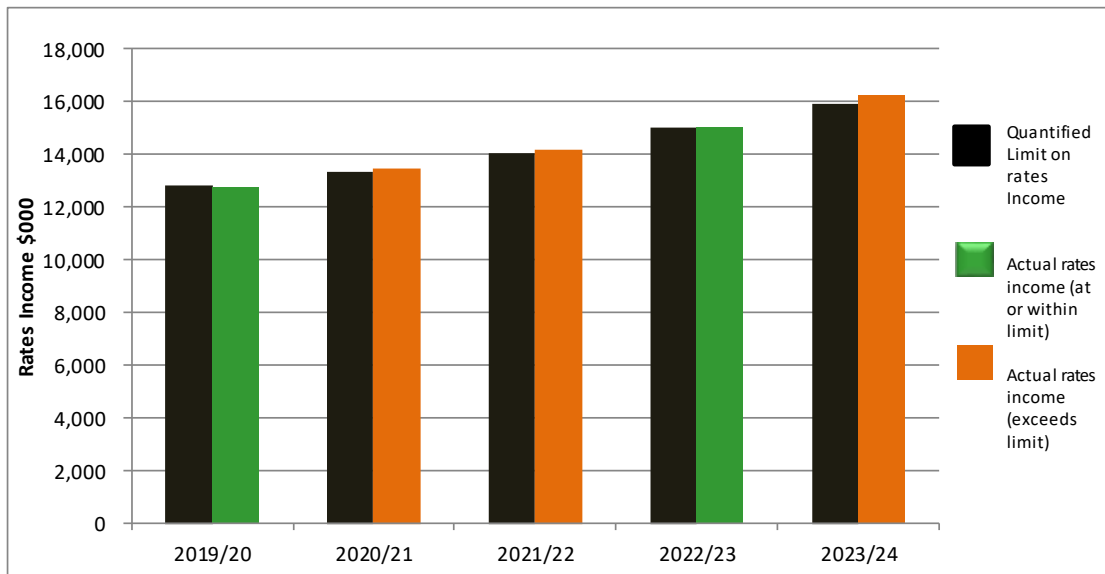
The council meets the rates affordability benchmark if –

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

#### **Rates (income) affordability**

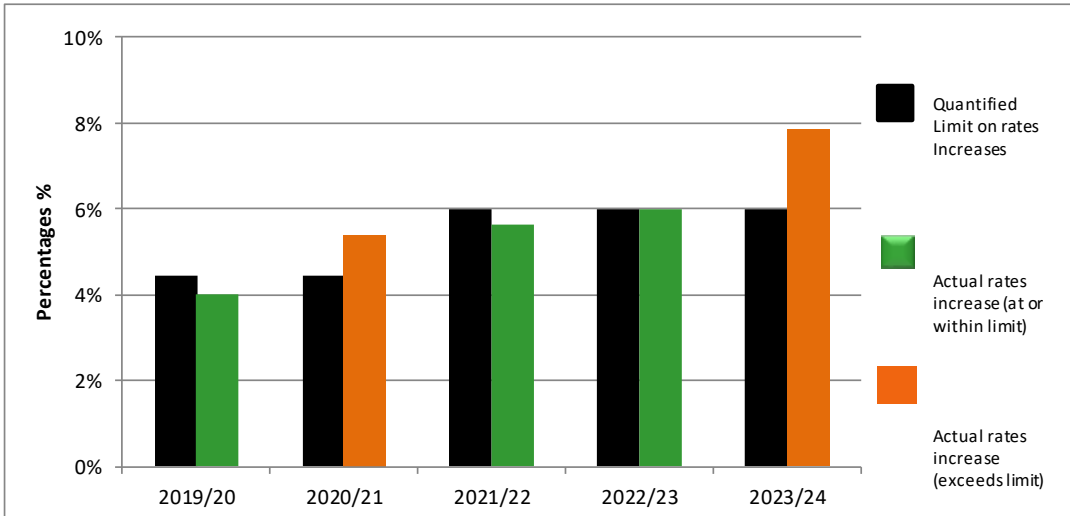
The following graph compares the Council's actual total rates income with the quantified limit on rates income as per the LTP 2021 which is previous years rates plus 6% (previous years was the previous years rates plus 4.45%).

The breach in 2023/24 was a result of higher than anticipated costs, which were a nationwide problem associated with the increased cost of living.



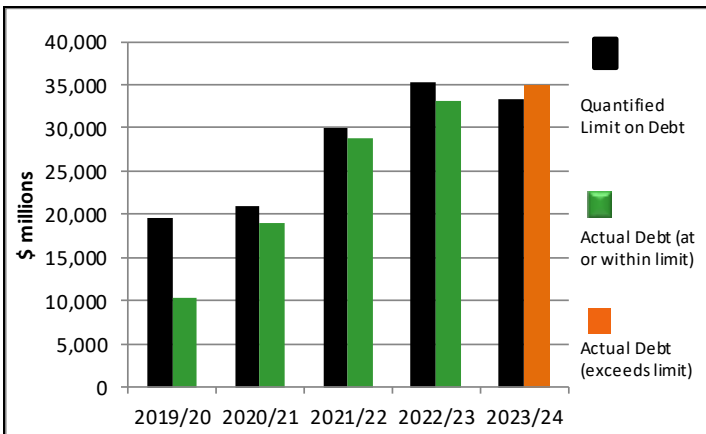
**Rates (increases) affordability**

The following graph compares the year-on-year actual, and the LTP limit (6% from 2021/22) percentage increase in the Council's total rates income. The percentage increase limit is calculated using the increase in income from the previous year. The limit of 6.00% was exceeded in 2023/24 by an actual rates increase of 7.84%.



**Debt affordability benchmark**

The following graph compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the Council's Long Term Plan. The quantified limit is net debt (total borrowings minus cash holdings) to operating revenue (excludes vested assets) will be less than 130%, expressed in \$ terms.

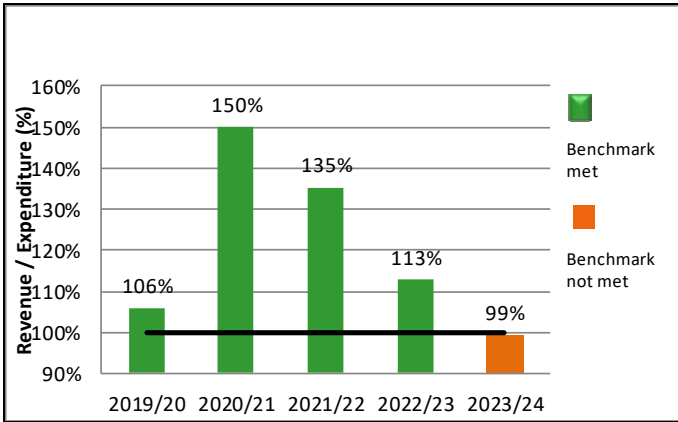




### Balanced budget benchmark

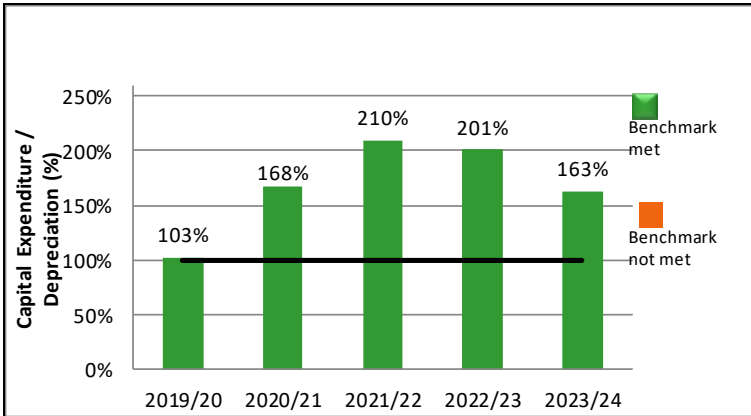
In 2023/24 the benchmark was not met, due to the funding for the Transport Choices project being withdrawn by the government.

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment). Revenue is a lot higher in proportion to expenditure in 2020/21 and 2021/22 due to the high amount of grant funding received and subdivision section sales.



### Essential services benchmark

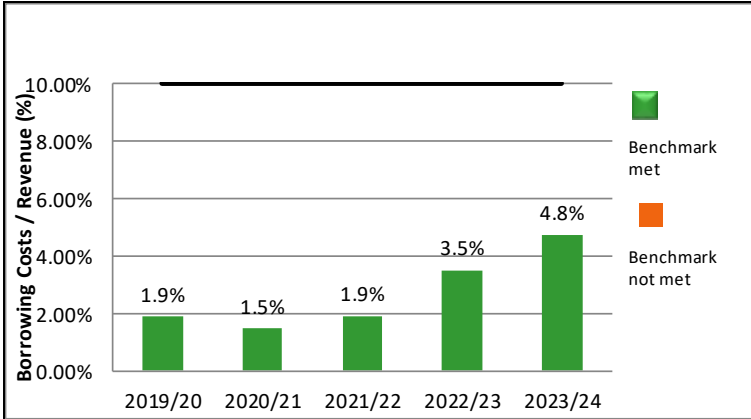
The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



### Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

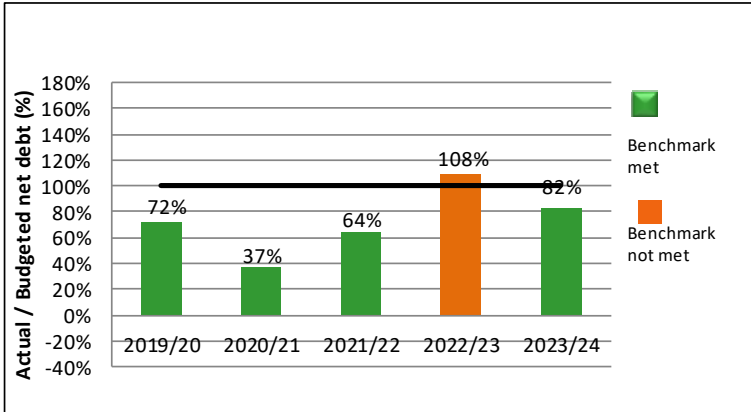
Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or is less than 10% of its revenue.



### Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables). The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

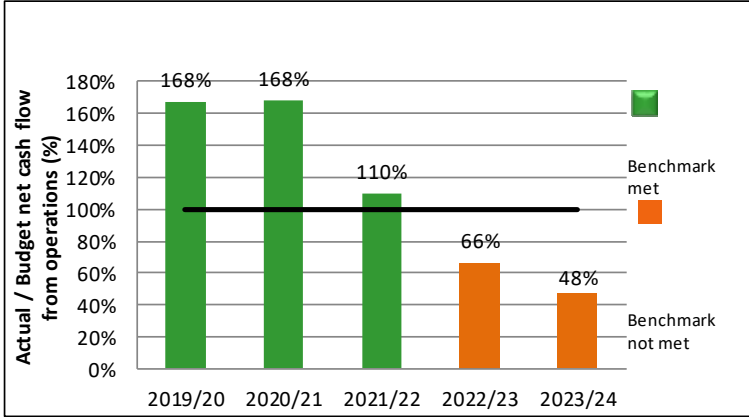
For 2022/23, the year end balance of term deposits affecting net debt was temporarily at \$5m instead of \$6m due to timing of contractor payments.



### Operations control benchmark

This graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations as per the Statement of Cash Flows. The council meets the operations control benchmark if its actual net cash flow from operations **equals or is greater** than its planned net cash flow from operations.

In 2022/23 and 2023/24, the Council did not achieve the benchmark as expenditure was higher than anticipated.



## Audit Report







TE KAUNIHERA Ā ROHE O  
**WHAKAAHURANGI**  
**STRATFORD**  
DISTRICT COUNCIL

63 Miranda Street  
PO Box 320  
Stratford 4352  
[stratford.govt.nz](http://stratford.govt.nz)



**Deloitte.**



## Stratford District Council and Group

Report to the Council  
for the year ended 30 June 2024

29 November 2024





### **Purpose of report**

*This report has been prepared for Stratford District Council's Elected Members (the 'Elected Members') and is part of our ongoing discussions as auditor in accordance with our engagement letter dated 11 July 2024 and as required by the auditing standards issued by the Auditor-General that incorporate the New Zealand auditing standards.*

*This report is intended for the Elected Members and should not be distributed further. We do not accept any responsibility for reliance that a third party might place on this report should they obtain a copy without our consent.*

*This report includes only those matters that have come to our attention as a result of performing our audit procedures and which we believe are appropriate to communicate to the Elected Members. The ultimate responsibility for the preparation of the financial statements rests with the Elected Members.*

### **Responsibility statement**

*We are responsible for conducting an audit of Stratford District Council (the 'Council') and the Percy Thomson Trust (hereafter collectively referred to as the 'Group') for the year ended 30 June 2024 in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and International Standards on Auditing (New Zealand).*

*We have performed a separate statutory audit for Percy Thomson Trust for the year ended 30 June 2024, which forms part of the consolidated financial statements.*

*Our audits are performed pursuant to the requirements of the Local Government Act 2002, Public Act 2001 and the Financial Reporting Act 2013, with the objective of forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of the Elected Members. The audit of the financial statements does not relieve management or the Elected Members of their responsibilities.*

*Our audit is not designed to provide assurance as to the overall effectiveness of the Group's controls but we will provide you with any recommendations on controls that we may identify during the course of our audit work.*



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# Our final report



## Introduction

Dear Elected Members

We are pleased to provide you with the results of the audit of Stratford District Council (the 'Council') and its subsidiary, Percy Thomson Trust, (collectively, the 'Group') for the year ended 30 June 2024. Included in this report are the results and insights arising from our audit which we consider appropriate for the attention of the Elected Members. These matters have been discussed with management and their comments have been included where appropriate. We also include those matters we are required to report to you in accordance with the auditing standards. As a result, this report is intended for the Elected Members and should not be distributed further.

This is the last year we will be involved in the year end audit. We would like to take this opportunity to extend our appreciation to management and staff for their assistance and cooperation during our tenure as your appointed auditor.

We hope the accompanying information will be useful to you, and we look forward to answering your questions about our report.

Yours sincerely,

A handwritten signature in black ink that reads "Pam Thompson".

**Pam Thompson**, Partner  
for Deloitte Limited  
Appointed Auditor  
On behalf of the Auditor-General  
Wellington | 29 November 2024





# Executive Summary

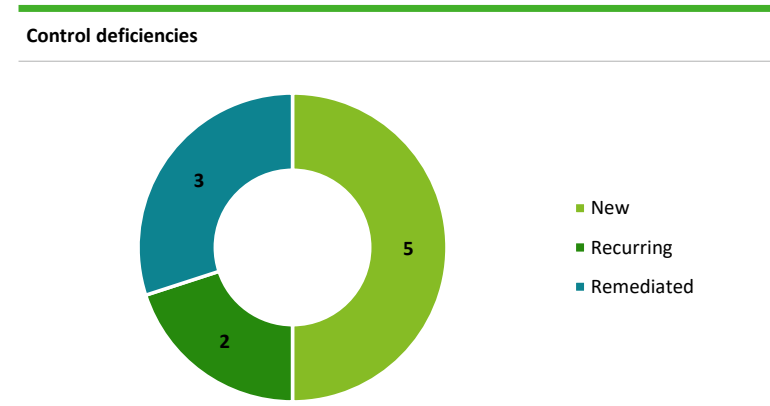
This executive summary details the key matters arising from our audit

Key areas of audit focus		Status
1	Valuation of assets	
2	Management's ability to override controls	
3	Revenue recognition	
4	Government reviews and proposals	
5	Specific OAG audit brief matters	
6	Statement of service performance	
7	Percy Thomson Trust	

	Completed, no issues noted.		Completed, insights identified.		Completed, significant findings identified.
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Misstatements and deficiencies			
(\$000)	As presented (Group)	Aggregate unadjusted misstatements	Adjusted Balance
		Previously reported	
Assets	537,915	252	538,167
Liabilities	40,931	-	40,931
Equity	496,984	252	497,236
Net (Deficit)/Surplus	(288)	-	(288)

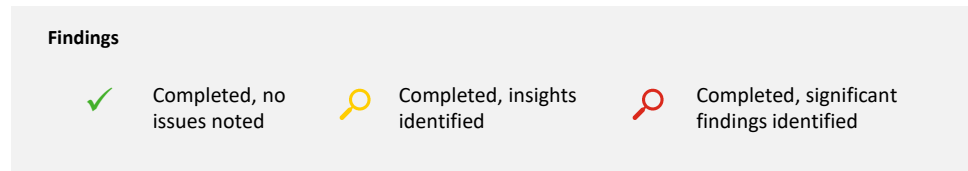
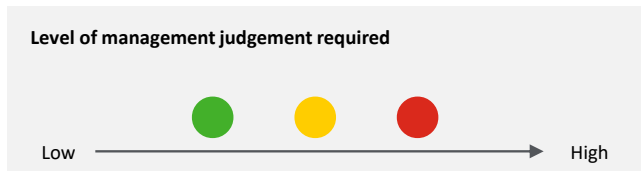




## Areas of audit focus – dashboard

The following areas of audit focus are consistent with the areas identified in our planning report. Findings in respect of the control environment are discussed later in this report.

Area of audit focus	Significant risk	Fraud risk	Level of management judgement required	Findings	Page #
Valuation of assets	✓	-	●	🔍	8
Management’s ability to override controls	✓	✓	-	✓	9
Revenue recognition	-	-	●	✓	10
Government reviews and proposals	-	-	●	✓	11
Specific OAG audit brief matters	-	-	●	✓	12
Statement of Service Performance	-	-	●	🔍	13
Percy Thomson Trust	-	-	●	🔍	14





## Areas of audit focus

### Valuation of assets

#### Risk identified

The Council has a significant asset base with several assets classes carried at fair value. These assets are revalued on a three-year cycle.

The following asset classes are carried at fair value, including the date at which they were last revalued:

- Roading assets – 30 June 2024
- Three waters infrastructure – 30 June 2024
- Land and buildings – 30 June 2023

#### What it meant for our audit in 2024

Management engaged independent valuers, Beca Projects NZ Limited, to assist with the revaluation of roading assets and three waters infrastructure in the current year. Fair value was assessed using the depreciated replacement cost (DRC) approach, where the replacement cost of a modern equivalent asset is used as the starting point and optimisation and depreciation are applied to adjust for age, condition, performance and remaining useful life.

For land and buildings, management and the Elected Members were required to perform a fair value assessment to ensure that the carrying value of the assets as at 30 June 2024 did not differ materially from their fair value. This assessment required a degree of management judgement given the various assumptions used in determining fair value and therefore input was obtained from independent experts, TelferYoung.

The fair value assessment of assets is an area that continues to receive increased focus in the sector and therefore has been identified as a significant risk in the current year.

#### Audit response

For those assets where a revaluation has been performed (roading assets and three waters infrastructure), we have:

- Read and understood the valuer's report, in particular the valuation methodology and underlying assumptions adopted;
- Obtained representation directly from the independent valuer confirming their independence and alignment of methodology with the requirements of PBE IPSAS 17 *Property, plant and equipment*;
- Reviewed the key underlying assumptions used and challenged assessments made to ensure these assumptions are reasonable and in line with the accounting standards; and
- Ensured the revaluation transaction is correctly accounted for and disclosed in the financial statements.

Specific procedures performed to assess the reasonability of the cost of a modern equivalent assets applied in the revaluations included:

- For three waters infrastructure, recalculated the Capital Good Price Index ('CGPI') indexation between 2021 and 2024, using information directly from Stats NZ;
- For roading assets, recalculated the Roading Construction Index ('RCI') applied in the valuation using the cost indices included in NZ Transport Agency Waka Kotahi's procurement tool indices; and
- For a sample of assets across both categories, calculated an independent expectation of replacement cost and depreciated replacement cost by applying our recalculated index movements to cost of specific assets per the 2021 valuation.

For land and buildings carried at fair value where no revaluation has been performed, we have:

- Obtained management's assessment of the indicative movement in fair value, supported by the reports from independent experts; and
- Assessed the assumptions and input applied to the quantitative assessment, using market-based evidence where available and agreeing to appropriate supporting documentation.

#### Audit findings

From our analysis, we have not identified any material issues in relation to the valuations or fair value assessments performed. Refer to pages 15 to 18 for control findings raised.

The valuation adjustment of \$52m arising from the Council's roading and water assets has been recorded in the financial statements.

Management's conclusion that the land and buildings assets' fair value approximates carrying value appears to be reasonable.



## Areas of audit focus

### Management’s ability to override controls

#### Risk identified

In accordance with the International Standard on Auditing (New Zealand) 240 *The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements* ('ISA (NZ) 240'), there is a presumed risk associated with management’s ability to override controls.

Management’s ability to override controls is identified as a fraud risk because it relates to those controls in which manipulation of the financial results could occur. It has a potential impact to the wider financial statements and is therefore a significant risk.

#### What it meant for our audit in 2024

This is a mandatory area of focus for all audits, and we have designed and performed audit procedures to respond to this presumed risk.



#### Audit response

We have:

- Understood and evaluated the financial reporting process and controls over journal entries and other adjustments made in the preparation of the financial statements;
- Tested the appropriateness of a sample of journal entries and adjustments and made enquiries about inappropriate or unusual activities relating to the processing of journal entries and other adjustments;
- Reviewed accounting estimates for biases that could result in material misstatement due to fraud, including assessing whether the judgements and decisions made, even if individually reasonable, indicate a possible bias on the part of management;
- Performed a retrospective review of management’s judgements and assumptions relating to significant estimates reflected in last year’s financial statements; and
- Obtained an understanding of the business rationale of significant transactions that we become aware of that are outside the normal course of business or that otherwise appear to be unusual given our understanding of the entity and its environment.

#### Audit findings

We have not identified any material issues.





## Areas of audit focus

### Revenue recognition

#### Risk identified

ISA (NZ) 240 requires us to presume there are risks of fraud in revenue recognition and therefore this is a focus area for the audit.

The Council has various revenue streams, which are required to be considered separately to ensure they are in line with the PBE Accounting Standards.

Failure to comply with rating law and the associated consultation requirements can create risks for rates revenue. Compliance with the detail of the Local Government (Rating) Act 2002 ('LGRA') is vital; if the rate is not within the range of options and restrictions provided for in the LGRA, it may not be valid.

Management and the Council need to ensure that the requirements of the LGRA are adhered to and that there is consistency between the rates resolution, the Funding Impact Statement for the year, and the Revenue and Financing Policy in the respective Long Term Plan ('LTP') or Annual Plan ('AP').

#### What it meant for our audit in 2024

A material misstatement due to fraudulent financial reporting relating to revenue recognition often results from an overstatement of revenue through, for example, premature revenue recognition or recording of fictitious revenues through, for example, improperly shifting revenues to a later period.

We have rebutted the significant risk of fraud associated with revenue recognition, due to our understanding and risk assessment of the Council's various revenue streams. However, due to the significance of revenue to the financial statements, we have identified revenue recognition as an area of audit focus.



#### Audit response

We have:

- Understood, evaluated and tested the design and implementation of relevant controls that address the risks of revenue recognition;
- Assessed the quality of information produced from the IT system and ensured accuracy and completeness of reports that are used to recognise revenue;
- Completed the 'rates questionnaire' compiled by the Office of the Auditor General, to confirm whether rates have been set correctly;
- Reviewed the meeting minutes recording the adoption of the rates resolution to ensure the rates are in accordance with the Revenue and Financing Policy, as well as reviewed any other information available with regards to rates;
- Completed analytical procedures by developing expectations based on our knowledge of the Sector and key performance measures for rates revenue;
- Performed tests of detail over transactions recorded in the general ledger by tracing these transactions to supporting documentation, including bank statements, for other material revenue streams; and
- Assessed the impact of any changes to revenue recognition policies.

#### Audit findings

No issues came to our attention regarding rates and compliance with the Local Government (Rating) Act 2002 or revenue recognition controls and processes.



## Areas of audit focus

### Government reviews and proposals

#### Risk identified

There continues to be change in the Sector with new regulatory requirements (new and updated national policy statements) in place or proposed, most notably the three waters reform in recent years, as well as other areas being considered by the Government.

This constant change makes it challenging for councils to plan ahead, particularly because of the uncertainties of regulatory settings and the significant cost implications of these changes.

#### What it meant for our audit in 2024

##### Three waters reform

Local Water Done Well ('LWDW') is the Government's water services reform programme aimed at addressing New Zealand's water infrastructure challenges.

The first stage to this was repealing the water services legislation constituting the Water Services Entities Act 2022, the Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023. This legislation was repealed on 17 February 2024.

Following the repeal the Water Services Reforms has been replaced by Local Water Done Well water reforms which are to be implemented in two further stages.

The second stage, the Local Government (Water Services Preliminary Arrangements) Act 2024 (the 'Act'), was enacted on 2 September 2024. This legislation establishes a framework and preliminary arrangements for the delivery of water services. It requires Councils to develop Water Services Delivery Plans to be approved within 12 months of the legislation being enacted.

#### Audit response

As part of our audit procedures, we have:

- Continued to follow up on the impact of these initiatives to the Council; and
- Maintained close communication with the Office of the Auditor General if there are any other areas that require further consideration.

Unlike previous years, the audit reports of affected councils no longer include an emphasis of matter paragraph to draw readers' attention to disclosures made in the financial statements setting out the affordable water reforms and their impact on the councils' operations.

#### Audit findings

These reforms have had no impact on the 2024 financial statements or performance information.

For the third stage, the Government has indicated that it will introduce a Bill in December 2024 that will establish enduring settings for the new water services system. The Government aims to have the new water services entities in place by mid-2025.

As noted, the Act requires territorial local authorities to submit Water Services Delivery Plans ('WSDP') to the Secretary of Local Government by 3 September 2025. In broad terms, a WSDP must identify the current state of the council's water services and show how the council will deliver those services in a way that:

- meets relevant regulatory quality standards for stormwater, wastewater and water supply networks;
- is financially sustainable;
- ensures compliance with drinking water quality standards; and
- supports the council's housing growth and urban development objectives.

This WSDP requires councils to identify a financially viable pathway to delivering water services. The legislation also requires that councils are to:

- consider a minimum of two options – maintain the status quo or form a Council Controlled Organisation (as per the guidance provided by the Department of Internal Affairs); and
- consult with the community on the options.



## Areas of audit focus

### Specific OAG audit brief matters

#### OAG Theme

Each year the OAG publishes a report based on a theme which we, as appointed auditors, assist to gather information as requested. Focus by the OAG in the current year is predominately on the 2024-34 Long Term Plan audits, which we have reported on previously.

Other themes in the 2023/24 audit brief remain consistent with previous periods and include:

- Water reforms (refer to previous slide); and
- Climate change and resilience of infrastructure assets to the risk of natural hazards.

#### Other areas of focus

As a public entity there are certain sector behavioural expectations placed on the Council. The following have been identified by the OAG as areas of focus:

- Effectiveness and efficiency, waste and a lack of probity or financial prudence;
- Sensitive expenditure;
- Fraud risk factors; and
- Compliance with laws and regulations.

#### Audit response

##### *OAG audit brief*

We will include a conclusion on our findings with regards to the areas of audit focus outlined in this report and will inform management and the Elected Members of any information that we may provide to the OAG.

##### *Other areas of focus*

We have integrated the OAG audit brief into our overall audit field work and interaction with the Council, this included:

- Reviewing a sample of sensitive expenditure areas and items to ensure that the expenditure is compliant with the Council's policies, procedures and best practice. Our work specifically included looking to ensure that the business purpose of expenditure is documented and all expenditure has been appropriately approved using the 'one-up' principle as recommended by the OAG;
- Performing a review of significant related party transactions including conflicts of interest to ensure all appropriate disclosures surrounding these transactions have been made in the financial statements;
- Enquiring with the Committee, management, and others within the entity regarding the risk of fraud within the Council and the processes in place to mitigate those risks;
- Evaluating the processes and monitoring procedures over legislative compliance with an aim of assessing the appropriateness and effectiveness in enabling compliance with material legislative and regulatory requirements.

##### *Reporting to the OAG*

We are required to report to the OAG the results of our audit within 72 hours of signing the reports. This reporting includes signed consolidated financial statements, audit report, summary of audit findings, and final report to the Council.

##### **Audit findings**

No issues came to our attention regarding OAG themes. Refer to pages 15 to 18 for control findings raised.



## Areas of audit focus

### Statement of service performance

#### Risk identified

PBE FRS 48 *Service Performance Reporting* includes the requirements for the selection and presentation of service performance information. It applies to Tier 1 and 2 not-for-profit PBEs and to public sector PBEs which are required by law to report service performance information in accordance with GAAP.

The Council's annual report is required to have an audited Statement of Service Performance ('SSP') which reports against the performance framework included in the Annual Plan / Long Term Plan.

The SSP is an important part of the Council's annual performance reporting and it is important it adequately 'tells the performance story' for each group of activities.

#### What it meant for our audit in 2024

Our audit opinion considers whether the service performance information:

- Is based on appropriately defined elements (outcomes, impacts, outputs), performance measures, targets/results; and
- Fairly reflects actual service performance for the year (i.e. not simply reporting against forecast).



#### Audit response

We have:

- Reviewed the Council's SSP against legislative requirements and good practice. This included checking consistency with the performance framework included in the Annual Plan and the Long Term Plan;
- Audited a sample of the reported performance measures, with a focus on the more significant groups of activities; and
- Reviewed the narrative commentary and explanatory information provided in the annual report to ensure that this provides sufficient information to the readers, i.e. 'tells the performance story'.

#### Audit findings

We have not identified any material issues. Refer to pages 15 to 18 for control findings raised.



## Areas of audit focus

### Percy Thomson Trust

#### Risk identified

The Percy Thomson Trust (the 'Trust') is a Council-Controlled Organisation and is consolidated as part of the Stratford District Council Group.

The Trust applies Public Benefit Entity Simple Format Reporting - Accrual (Public Sector)' ('PBE SFR-A (PS)). This standard is replaced for periods beginning on or after 1 April 2024 by the XRB's Tier 3 (PS) Standard *Reporting Requirements for Tier 3 Public Sector Entities*.

#### What it meant for our audit in 2024

We have audited the performance report of the Trust for the financial year ended 30 June 2024.

We have reported in more detail separately to the Trustees of the Trust.



#### Audit response

We have:

- Reviewed the Trust's SSP against legislative requirements and good practice. This included checking consistency with the performance framework included in the Trust's Statement of Intent;
- Conducted appropriate audit procedures in response to identified risks of material misstatement, including revenue, financial assets, and the valuation of land and buildings; and
- Tested the appropriateness of a sample of journal entries and adjustments and made enquiries about inappropriate or unusual activities relating to the processing of journal entries and other adjustments.

#### Audit findings

The Trust holds investments in commercial property through proportionate ownership schemes and property investment funds. In the standalone financial statements of the Trust these are held at cost, as is allowed under the Trust's accounting policies and the applicable Tier 3 financial reporting standards.

The Council is subject to Tier 2 financial reporting standards. Under these standards and the Council's accounting policies, these investments should be recognised at fair value.

Consistent with prior years, these investments have not been recognised at fair value in the Group financial statements. This results in an understatement of investments to the amount of \$252k which is included as an unadjusted difference on page 19 of this report.

Other than the matter noted above, we have not identified material issues.



# Your control environment and findings

## Details of findings identified

Our audit approach requires us to obtain an understanding of an entity's internal controls, sufficient to identify and assess the risks of material misstatement of the financial statements whether due to fraud or error. We remind you that our audit is not designed to express an opinion on the effectiveness of the controls operating within the Group, although we have reported to management any recommendations on controls that we identified during the audit. The matters being communicated are limited to those deficiencies identified that we have concluded are of sufficient importance to merit being reported. Our recommendations for improvement should be assessed by you for their full commercial implications before they are implemented.

Finding/observation	Business implication from control deficiency	Deloitte recommendation and update	Management response and remediation plan
<b>Matters identified in the prior year, recurring in the current year</b>			
<p>The Council's policies are due to be reviewed every three years. However, the following policies were not reviewed within cycle:</p> <ul style="list-style-type: none"> <li>• Procurement policy;</li> <li>• Anti-fraud and corruption policy; and</li> <li>• Presentations to elected members and staff policy.</li> </ul>	<p>The policies which are not reviewed and updated regularly may result in the policy not reflecting the changing circumstances of the Council (if any) or the updated requirements as set forth by the OAG under the Good Practice guide.</p>	<p>We recommend that the Council adheres to the policy review timelines it sets itself and adopts best practice by reviewing policies on a timely basis.</p> <p>Update: We note that the anti-fraud and corruption policy was reviewed and updated in April 2024 and the presentation to elected members policy was reviewed and updated in March 2024. We understand that the procurement policy is currently in internal review, however the process is ongoing.</p>	<p>Council is in a catch-up phase on policies after significant other workload delayed these. Council is also creating a part time policy analyst role to better address internal and external policy matters.</p>
<p>When performing procedures over the Resource Consent Reporting Measure, it was identified that there was currently no system report able to be generated to outline all resource consents issued in the period and the time frame in which they were issued.</p>	<p>There is a risk that the number of resource consents is incorrectly reported due to a consent approved being omitted when manually recalculating the measure.</p>	<p>We recommend that the Council implement a process to ensure that there is a check for completeness and accuracy of data, and evidence is retained to enable reperformance of the process.</p>	<p>This has been on the work programme for our IT team and we will prioritise this.</p>



## Your control environment and findings

### Details of findings identified cont.

Finding/observation	Business implication from control deficiency	Deloitte recommendation and update	Management response and remediation plan
<b>Matters identified in the current year</b>			
We identified an instance where the CEO's fuel card expenditure was not one-up approved by a delegated authority in line with the policy.	If expenditure is not subject to one-up approval there is a risk that inappropriate goods or services are purchased.	We recommend that all expenses are approved by an independent individual with the appropriate delegated authority.	Agreed, this was an internal oversight and was corrected for the remainder of the financial year prior to being identified as part of this audit.
<p>The current systems, asset management (AssetFinda) and the financial system, treat work-in-progress (WIP) assets differently, making it difficult to accurately match asset management and financial accounting data. The inconsistent timing of asset capitalisation undermines data comparison between systems and compromises the accuracy of asset quantity reconciliation.</p> <p>There is an expectation that this data is reconciled when the valuations are undertaken to ensure that any reconciling items are fully understood and can be explained.</p> <p>Over the last valuation cycles, we have seen a significant increase in the quantum of the variance.</p>	The inconsistencies in asset treatment can result in asset duplication and inaccurate valuations.	<p>To ensure accurate and consistent asset data, we recommend implementing a robust reconciliation process between AssetFinda and the financial accounting system.</p> <p>1. Strengthen Data Reconciliation:</p> <ul style="list-style-type: none"> <li>-Regular Data Checks: Implement a regular process to compare asset information between AssetFinda and the financial accounting system.</li> <li>- Investigate Differences: When differences are identified, particularly in areas like Work-in-Progress (WIP) capitalisation, conduct thorough investigations to determine the root cause.</li> <li>-Take corrective actions to address any issues and implement measures to prevent same problems in the future.</li> </ul> <p>2.Leverage Technology for Efficiency</p> <ul style="list-style-type: none"> <li>-Data Integration Tools: Utilise data integration tools to automate the data extraction, transformation, and comparison processes. This can significantly reduce manual effort and improve efficiency.</li> </ul>	<p>This has been raised by auditors previously and solutions investigated.</p> <p>Data integration between different software products has significant one-off as well as ongoing maintenance costs.</p> <p>There is currently no financially viable (if any) database solution on the market that achieves the proposed outcome, we do however agree with the intent.</p>



## Your control environment and findings

### Details of findings identified cont.

Finding/observation	Business implication from control deficiency	Deloitte recommendation and update	Management response and remediation plan
<b>Matters identified in the current year</b>			
<p>As part of our audit of the performance information, we performed a walkthrough of the process for how data is recorded for each measure, and ultimately feeds into the statement of performance.</p> <p>We observed that a number of measures do not have a quality assurance process over the individual items/entries recorded in the performance reporting system to ensure that the data being collected is accurate and complete.</p> <p>Council does have a number of indirect, monitoring controls in place such as regular internal reporting on non-financial measures.</p>	<p>It is critical that – similar to the financial information systems – appropriate audit trails and quality assurance processes are in place to ensure that the underlying data used to prepare the statement of performance is complete and accurate.</p>	<p>We recommend that the director responsible for each group of activities performs detailed reviews over the completeness and accuracy of the underlying data used in performance reporting.</p> <p>This finding is common across the public sector and other not-for-profit clients, and we often find that the maturity of the internal control environment for non-financial information lags behind that for the financial information – where members of the finance team often have a stronger background in, or experience of, an audit process.</p>	<p>As all non-financial measures are currently reported on monthly to Council’s Policy and Services Committee, we will ensure this information is reviewed by Senior Management on a monthly basis prior to publication of the report.</p>
<p>We observed that the review of asset valuation reports was performed by management without the input from those charged with governance, and that much reliance was placed on the expertise of the valuer.</p> <p>While management is not expected to have the expertise to reperform the valuation, they must have the knowledge and experience to sufficiently challenge and oversee the work performed by the expert. This includes being satisfied with the completeness and accuracy of the information provided to the expert, and understanding and challenging significant assumptions and judgements made by the expert.</p>	<p>Without appropriate review and challenge by management and those charged with governance there is a risk that the valuations adopted in the annual report are incomplete, inaccurate and inappropriate.</p>	<p>We recommend that the valuation reports are reviewed and challenged by both management and the Audit and Risk Committee.</p>	<p>Going forward, we will introduce an internal review/audit process to sense-check a subset of revaluation data for future revaluations.</p>





# Your control environment and findings

## IT systems

In performing our audit, we have incorporated IT specialists within our engagement team to better understand and assess the IT processes and control environment. The most notable control observations are detailed below.

Areas impacted	IT system	Completed as planned?	Deficiencies identified	Findings/Observations
<b>Matters identified in the prior year, recurring in the current year</b>				
User access management	Authority	✓	●	<p>The review identified 15 sysadmin accounts within SDC's Authority Database, some of which include inherited roles. Management has not yet completed a formal review to determine the necessity of elevated privileges for these accounts. As a result, there is a risk that some accounts may retain excessive or inappropriate access due to the lack of oversight.</p> <p>An excessive number of sysadmin accounts in the database increases the risk of unauthorised access to sensitive information. It undermines the principle of least privilege, complicates oversight, and makes it harder to detect or respond to unauthorised activities. This exposes the organisation to security vulnerabilities, non-compliance with access control policies, and risks of data breaches or operational disruptions.</p> <p>It is recommended that Management conducts a formal review of all sysadmin accounts within SDC's Authority Database to assess the necessity of elevated privileges. This review should:</p> <ol style="list-style-type: none"> <li>1. Identify and Remove Unnecessary Privileges: Determine which accounts require sysadmin access based on job roles and responsibilities, and remove unnecessary or excessive privileges from accounts that do not require them.</li> <li>2. Establish a Periodic Review Process: Implement a regular review of privileged accounts to validate that access levels remain appropriate and are aligned with current operational needs.</li> <li>3. Enhance Access Governance: Document and enforce formal policies for managing privileged accounts, including approval workflows, regular monitoring, and oversight.</li> </ol>

- Significant deficiencies reported
- Other matters for attention reported
- No significant issues identified



## Summary of unadjusted differences

We have communicated to management all misstatements accumulated during the audit and have requested that management correct those misstatements. We have obtained an understanding of the misstatements below, and management's reasons for not making the corrections, and based on our evaluations have determined that no uncorrected misstatements individually or in aggregate, have a material effect on the financial statements for the year ending 30 June 2024.

In performing our audit, no material uncorrected disclosure deficiencies were detected in the financial statements.

The unadjusted differences we have identified are set out below.

Unadjusted misstatements identified	Assets Dr/(Cr) (\$)	Liabilities Dr/(Cr) (\$)	Equity Dr/(Cr) (\$)	Profit or loss Dr/(Cr) (\$)
<b>Current year:</b>				
Percy Thomson Trust's financial assets carried at cost and not revalued for consolidation purposes	252,322		(252,322)	
<b>Total</b>	<b>252,322</b>	-	<b>(252,322)</b>	-

Note: Immaterial balance sheet and income statement reclassifications have not been included in the summary of unadjusted differences



## Our audit report

### Matters relating to the form and content of our report

Here we discuss how the results of the audit impact on our audit report.

66  
99

#### Our opinion on the financial statements

Subject to completion of outstanding matters discussed below, we expect to issue an unmodified opinion on the Stratford District Council annual report.

We anticipate that we will issue an unmodified opinion on the Percy Thomson Trust performance report.



#### Going concern

We have not identified a material uncertainty related to going concern and will report by exception regarding the appropriateness of the use of the going concern basis of accounting.

There are no matters relevant to users' understanding of the audit that we consider necessary to communicate in relation to the going concern assumption.



#### Emphasis of matter and other matter paragraphs

There are no matters we judge to be of fundamental importance in the financial report that we consider it necessary to draw attention to in an emphasis of matter paragraph.

There are no matters relevant to users' understanding of the audit that we consider necessary to communicate in an other matter paragraph.

#### Outstanding matters required before we can issue our opinions and/or report

- Procedures on subsequent events; and
- Council to approve the annual report and representation letter



# Financial reporting and other developments



# Developments in financial reporting

## Public benefit entities

The following table provides a high-level summary of the major new accounting standards, interpretations and amendments that are relevant to the Group. A full list of the standards on issue but not yet effective is released quarterly and is available here: [https://www2.deloitte.com/nz/en/pages/audit/articles/accounting-alert.html?cid=top\\_accounting-alert](https://www2.deloitte.com/nz/en/pages/audit/articles/accounting-alert.html?cid=top_accounting-alert)

Major new standard, interpretation or amendment	Effective date (periods beginning on or after)
Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)	1 January 2024

### Early implementation efforts recommended

Early effort to consider the implementation of these standards is recommended in order to provide stakeholders with timely and decision-useful information. Implementation steps are outlined opposite.

### Steps for implementation

Determine extent of impact & develop implementation plan

Monitor progress and take action where milestones are not met

Identify required changes to systems, processes, and internal controls

Determine the impact on covenants & regulatory capital requirements, tax, dividends & employee incentive schemes



## Disclosure of fees for audit firms' services

### Amendments to PBE IPSAS 1

The amendments require fees relating to services provided by the entity's audit or review firm to be disaggregated into specified categories with guidance on how to distinguish between categories, and how to determine fees. The amendments are effective for accounting periods beginning on or after 1 January 2024, and are available for early adoption for accounting periods ended on or after 15 June 2023.

#### The audit or review of financial statements

Total fees (including disbursements such as travel and accommodation) for audit or review of financial statements include all services performed by the auditor as required to enable them to issue an audit opinion or review conclusion on the financial statements and provide other required communications to those charged with governance as part of the audit or review engagement.

Examples provided of activities included as audit or review services:

- Attendance at audit committee meetings, board meetings, or annual general meetings for the purpose of discussing matters arising as a result of the financial statement audit or review engagement.
- Discussions with management about audit or accounting matters that arise during or as a result of the financial statement audit or review engagement.
- Preparation of a "management letter" to those charged with governance to report on the outcomes of the financial statement audit or review engagement, including advice and recommendations to improve the internal control environment.
- Time incurred in connection with the audit or review of the income tax accrual or deferred tax balances as reported in the financial statements.

#### Other services

Total fees for services should be split into the following categories:

- (i) Audit or review related services
- (ii) Other assurance services and other agreed-upon procedures engagements
- (iii) Taxation services
- (iv) Other services.

*RDR – to disclose total fees incurred for services other than audit or review and provide a general description of services, The above breakdown is not needed.*

It can sometimes be difficult to distinguish between categories. If judgement is required, you may want to discuss allocation with your auditor.

#### Potential impact on the Group

The Group will need to include an audit fee disclosure to comply with the new requirements.



## Tier 3 (NFP) Standard

### New standard setting out reporting requirements for tier 3 not-for-profit (NFP) entities issued

The new standard was issued in May 2023 and is mandatory for periods beginning on or after 1 April 2024 with early adoption permitted for periods ending after 15 June 2023. The keys changes are below:

Revenue recognition	Accumulated funds	Opting up	Revenue and expenses
<p>'Use or return' conditions is replaced with 'documented expectations' which needs to:</p> <ul style="list-style-type: none"> <li>• have originated from the resource provider;</li> <li>• be agreed with the entity and documented in writing;</li> <li>• specify how funding will be used and the timing of use;</li> <li>• be specific enough to be able to track progress.</li> </ul>	<p>Additional presentation and disclosures required for reserves:</p> <ul style="list-style-type: none"> <li>• How an entity manages its reserves</li> <li>• Categories of reserves introduced:                             <ul style="list-style-type: none"> <li>– Restricted and discretionary reserves;</li> <li>– PP&amp;E revaluation reserve;</li> <li>– Investment revaluation reserves;</li> <li>– Other reserves.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Impact of opting up direct through accumulated funds rather than other comprehensive income.</li> <li>• Cumulative effect of similar transactions presented as a separate reserve within accumulated funds.</li> <li>• Appendix D of the new standard includes further guidance on opting up.</li> </ul>	<p>New categories of revenue and expenses introduced. Further disaggregation beyond these categories is to be presented in the notes rather than on the primary statements.</p>

#### Potential impact on the Group

The new standard is applicable to the Percy Thomson Trust performance report. It is more prescriptive and therefore needs to be carefully considered and applied. The XRB has issued accompanying reporting templates which the Group can refer to. It is important not to deviate from the presentation and disclosure requirements, especially around the presentation of reserves and the aggregation/disaggregation of revenue and expense items.



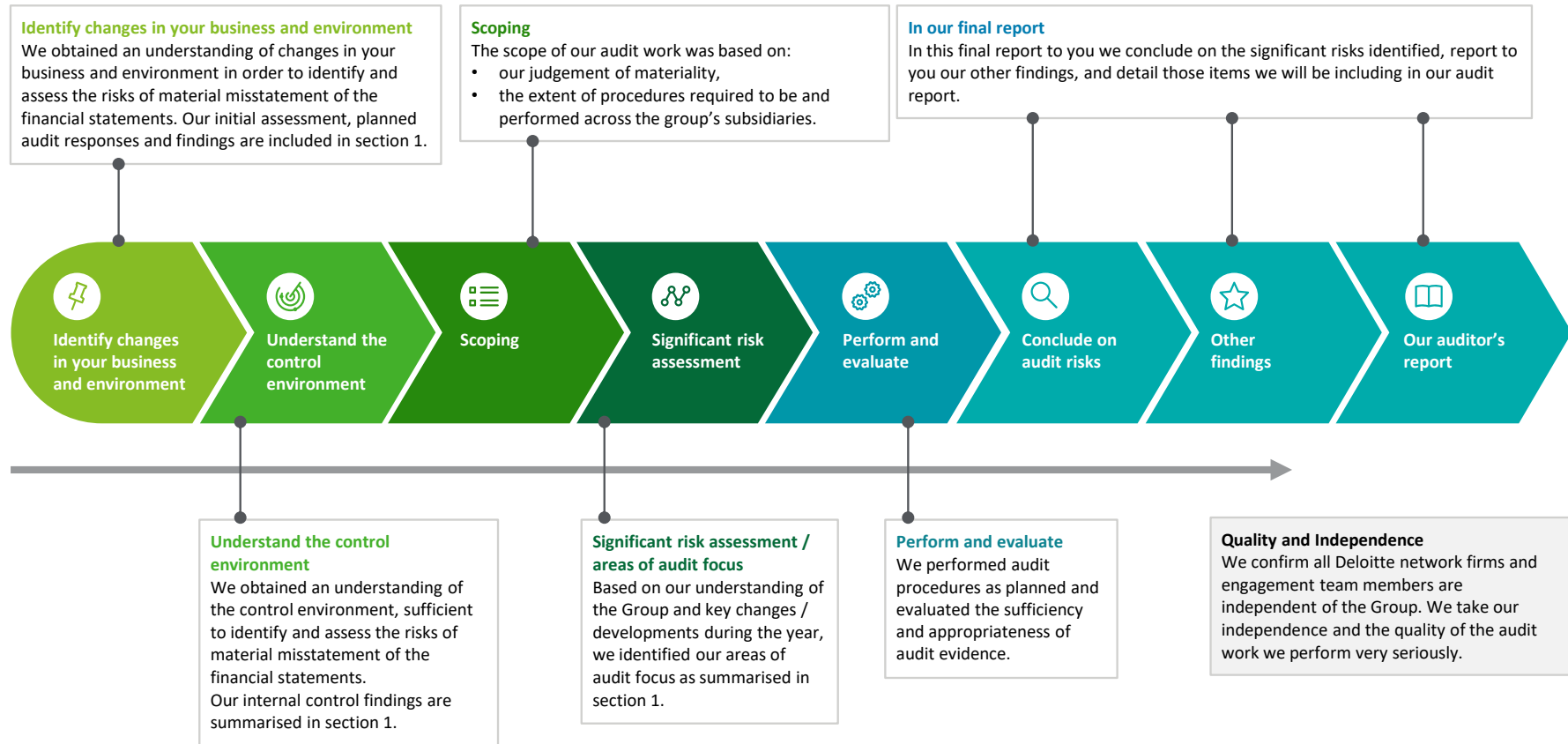
# Appendices





## Our audit explained

We tailored our audit to your business and your strategy





## Independence and fees

### Fees

The professional fees earned by Deloitte Limited in the period from 1 July 2023 to 30 June 2024 are as follows:

	CY (\$)	PY (\$)
Net audit fee for the audit of the Stratford District Council Group financial statements and performance information*	212,000	163,500
Net audit fees for the audit of the separate performance report of the Percy Thomson Trust*	21,935	24,740
<b>Total audit fees for financial statements</b>	<b>233,935</b>	<b>188,240</b>

\*Excluding OAG Audit Standards and Quality Support charge and disbursements



## Other communications

Additional matters we report to you in accordance with the requirements of New Zealand auditing standards

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### Accounting policies / Financial reporting

There were no changes in accounting policies during the year ended 30 June 2024.

We have not become aware of any significant qualitative aspects of the Group's accounting practices, including judgements about accounting policies, accounting estimates and financial statement disclosures that need to be communicated to the Elected Members.

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### Related parties

No significant related party matters other than those reflected in the financial statements came to our attention that, in our professional judgement, need to be communicated to the Elected Members.

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### Written representation

A copy of the representation letters to be signed on behalf of the Council and Trustees has been circulated separately.

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### Specialists

As planned, IT specialists assisted in the audit to the extent we considered necessary. The findings arising from their involvement are communicated in earlier sections of our report.

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### Other information

We have read the draft annual report to consider whether there are material inconsistencies with the draft financial statements.

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# DECISION REPORT



F22/55/04 – D24/44575

**To:** Council  
**From:** Senior Roading Engineer  
**Date:** 10 December 2024  
**Subject:** Americarna 2025 – Proposed Road Closures

## Recommendations

1. THAT the report be received.
2. THAT pursuant to Section 342(1) (b) in accordance with Schedule 10 clause 11(e) of the Local Government Act 1974, approval is hereby given that the Stratford District Council proposes to close the following roads on Friday 21 February 2025, between the hours of 7.00am and 3.00pm for the purpose of the 2025 Americarna event.
  - SH3 Broadway between Seyton Street and Fenton Street.
  - Regan Street between Miranda Street and Juliet Street between the hours of 7am to 3:00pm
  - Miranda Street between the Seyton Street and Fenton Street.
3. THAT the Council approves the alternative routes detailed below:
  - **Southbound traffic** – Left into Seyton Street, right into Juliet St, left on to Celia and right on to Orlando, continue along Orlando Street, on to Hills Road, returning to SH3.
  - **Northbound traffic** – Left onto Fenton St, right into Portia St, continue to Pembroke Road, turn right on Pembroke Road and rejoin SH3.

## Recommended Reason

In order for the Stratford Business Association to host Americarna, it is necessary to close the roads listed above for safety reasons and for the participants to exhibit their vehicles via a static display. The proposed road closures require formal endorsement by a Council resolution.

/  
 Moved/Seconded

## 1. Purpose of Report

- 1.1 For any street event that requires a road closure, Schedule 10 of the Local Government Act 1974 requires a Council resolution to endorse the proposed road closure. This report seeks this endorsement for the purposes of allowing the Stratford Business Association to close the roads in order to host Americarna on Friday 21 February 2025, between the times specified in the recommendation.

## 2. Executive Summary

- 2.1 In order for Americarna to be held in Stratford, the Stratford Business Association has requested that several roads are closed to enable the entrants to exhibit their vehicles for public viewing between 10.30am and 12:30pm. As SH3 Broadway has on street parking, the Stratford Business Association has requested SH3 Broadway is closed from 7am to reduce the possibility of Stratford residents parking on the street before the American cars start arriving from 10.30am. Alternative routes for northbound and southbound traffic along State Highway 3 will be sign posted for the duration of the static display.

- 2.2 Two temporary bus stops will be provided one on Portia Street for the northbound service and one on Juliet Street (outside Mitre 10) for the southbound service for the duration of the closure. This will allow for the continuation of Hawera to New Plymouth Connector bus service whilst the closure is in operation.

### 3. Local Government Act 2002 – Section 10

Under section 10 of the Local Government Act 2002, the Council’s purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes.
Social	Economic	Environmental	Cultural
✓	✓		

The report is for the purposes of providing good regulatory function, as street events such as this, require a Council resolution to endorse a proposed road closure. This year’s event is expected to attract in the order of 800 entrants.

### 4. Background

- 4.1 The Stratford Business Association approached the organisers of Americarna to request the event is brought to Stratford for a public static display of the vehicles participating in the event. The most appropriate location for the static display is Broadway, from Seyton Street to Fenton Street.
- 4.2 It is anticipated the 2024 event will be a similar size to previous events held thus far, with an anticipated number of entrants being 800.
- 4.3 At the time of writing this report, Americarna had indicated there will be in the order of 800 people will register their vehicles to participate in the event. Considering the expected number of vehicles, this will require a sufficient area in order to park the vehicles for the public display.
- 4.4 The intention is to use SH3 Broadway, from Seyton Street to Fenton Street as the primary parking area. The Stratford Business Association have also requested to close Miranda Street from the Seyton Street through to Fenton Street, as an overspill area for the static display. There will be Marshalls placed at the closure points to assist with directing traffic. Access to and from the Z service station will only be available after 9:30 am via Regan Street from the west.
- 4.4 The alternative routes for SH3 traffic for the duration of the road closure are as follows:
- **Southbound traffic** – Left into Seyton Street, right into Juliet St, left on to Celia and right on to Orlando, continue along Orlando Street, on to Hills Road, returning to SH3.
  - **Northbound traffic** – Left onto Fenton St, right into Portia St, continue to Pembroke Road, turn right on Pembroke Road and rejoin SH3.
- 4.5 As SH3 Broadway is a designated High Productivity Mass Vehicle, (HPMV), route, Stratford District Council is required to issue a memorandum to all HPMV permit holders using SH3 which provides haulage companies a consent to use the alternative routes outlined above.

## 5. Consultative Process

### 5.1 Public Consultation - Section 82

The Stratford Business Association are required to liaise with all residents and traders affected by the proposed road closure. Americarna’s road closure was advertised in the Stratford Press on Monday 4 November 2024 with the objection cut-off date Friday 29 November 2024. There have been no objections.

A letter drop was made to all businesses on Broadway and Miranda Streets and residents of Miranda Street on Tuesday 12 November 2024 informing them of the proposed road closure and Americarna event. All emergency respondents have been informed.

### 5.2 Māori Consultation - Section 81

As this event is organised by the Stratford Business Association, Council has not undertaken any specific consultation with Iwi for this event.

## 6. Risk Analysis

Refer to the Council Risk Register - available on the Council website.

- Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
- Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks.
- Is there a legal opinion needed?

### 6.1 Council Risk Register – Risk No. 29: Health, Safety and Wellbeing; Public Events.

In order for Americarna to be held in a safe manner on public roads, it is essential that these roads are closed for the times stated in the recommendation. This will safeguard the participants in Americarna as well as the public wishing to look at the vehicles in the static display.

Americarna have developed their own Safety Plan, as this is a festival which travels to several towns within the Taranaki region. This element is captured by Risk 29 – Health, Safety and Wellbeing and is covered by the organisers with their appropriate plans.

## 7. Sustainability Consideration.

7.1 The Guiding Principle 4 of the Sustainability Policy is applicable to this report. The Stratford District Council provides a resilient roading network that meets the needs of current and future community to host events such as Americarna.

## 8. Decision Making Process – Section 79

### 8.1 Direction

	Explain
Is there a strong link to Council’s strategic direction, Long Term Plan/District Plan?	Yes. This event brings the opportunity to develop a vibrant and prosperous CBD as well as creating a “feel good factor” during the summer months.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	This report supports the performance of Council by providing a regulatory function in accordance with the Local Government Act 2004.

8.2 **Data**

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Do we have complete data, and relevant statistics, on the proposal(s)?</li> <li>• Do we have reasonably reliable data on the proposals?</li> <li>• What assumptions have had to be built in?</li> </ul> |
|--|

Yes, the times of the proposed road closures are outlined in the recommendation above. The only un-known at the time of writing this report, is the number of American vehicles in the static display.

8.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	No	
Is it:	No	
• considered a strategic asset; or	No	
• above the financial thresholds in the Significance Policy; or	No	
• impacting on a CCO stakeholding; or	No	
• a change in level of service; or	No	
• creating a high level of controversy; or	No	
• possible that it could have a high impact on the community?	Yes	Some traders may be affected by Americana. However, the Business Association have encouraged the traders along Broadway to embrace the event as this could have some benefits by virtue of the entrants and the visitors coming to Stratford. The extended duration of the closure period will also benefit the traders as the cars and their passengers will be in Stratford for approximately 90minutes longer.

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓



#### 8.4 Options

An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.

1. What options are available?
2. For **each** option:
  - explain what the costs and benefits of each option are in terms of the present and future needs of the district;
  - outline if there are any sustainability issues; and
  - explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?
3. After completing these, consider which option you wish to recommend to Council, and explain:
  - how this option is the most cost effective option for households and businesses;
  - if there are any trade-offs; and
  - what interdependencies exist.

The options to be considered for this report are:

**Option 1.** Do not approve the closing of the roads listed above. If this is the option chosen, then the Stratford Business Association will not be able to host Americarna. This could have a negative impact on Stratford as a place to hold street events. There would also be an impact on the Business Association members and fellow traders seeing that approximately 800 vehicles plus occupants will not be stopping in Stratford for three hours.

**Option 2.** Endorse the proposed road closures as outlined in recommendation 2 above to indicate our support for this event. **This is the recommended option.**

#### 8.5 Financial

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

The cost of providing the traffic management will be met by the Stratford Business Association. Stratford District Council's officer time for approving the traffic management plan is met from current roading budgets.

#### 8.6 Prioritisation & Trade-off

- Have you taken into consideration the:
- Council's capacity to deliver;
  - contractor's capacity to deliver; and
  - consequence of deferral?

The Stratford Business Association has sought the assistance of Trafficr Limited to draft a Traffic Management Plan (**Appendix 3**), along with providing and monitoring that plan throughout the event.

If the traffic management contractor cannot adequately resource the road closure, there is a real possibility that this event will not be held, unless an alternative contractor can be engaged at short notice.

The local Lions Club have been engaged to assist with the parking of the cars along the roads which are proposed to be closed.

8.7 **Legal Issues**

- |  |
|--|
| <ul style="list-style-type: none"><li>• Is there a legal opinion needed?</li><li>• Are there legal issues?</li></ul> |
|--|

Pursuant to Section 342(1) (b) Schedule 10 clause 11(e) of the Local Government Act 1974, provides powers to Council to formally endorse a recommendation to close a road for the purposes of a street event.

7.8 **Policy Issues - Section 80**

- |   |
|---|
| <ul style="list-style-type: none"><li>• Are there any policy issues?</li><li>• Does your recommendation conflict with Council Policies?</li></ul> |
|---|

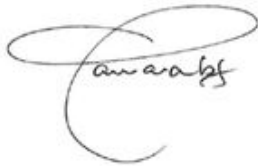
This report is consistent with the policy for Temporary Road Closures.

**Attachments:**

- Appendix 1** Letter indemnifying Stratford District Council.  
**Appendix 2** Third party Liability Insurance Certificate.  
**Appendix 3** Traffic Management Plan



Debra Taplin  
**Senior Roading Engineer**



[Endorsed by]  
Victoria Araba  
**Director – Assets**



[Approved by]  
Sven Hanne  
**Chief Executive**

**Date** 3 December 2024

Appendix 1



4 November 2024

Stratford District Council  
P O Box 320  
STRATFORD

**Attention:** Stephen Bowden

Dear Stephen

**2025 AMERICARNA (STRATFORD)**

The Stratford Business Association indemnifies the Stratford District Council and New Zealand Transport Agency against any claim whatsoever arising from the event of AmeriCARna (Stratford) to be held on Friday 21 February 2025.

A copy of our public liability insurance Certificate of Currency is attached.

Yours faithfully,

Lynne Mackenzie Brown  
**SECRETARY**

Appendix 2



04/11/2024

To Whom It May Concern,

## CONFIRMATION OF INSURANCE CERTIFICATE

This is to certify that undermentioned Insurance Policy has been issued and is current until the date shown below.

<b>Insured's Name:</b>	Stratford Business Association
<b>Interested Parties:</b>	n/a
<b>Insurer:</b>	AMP General Insurance Limited
<b>Policy Number:</b>	HO-BIP-4126393
<b>Policy Period:</b>	29/10/2024 to 29/10/2025
<b>Class of Risk:</b>	Broadform & Statutory Liability
<b>Brief Details of Cover:</b>	Broadform Liability at \$2,000,000 Statutory Liability at \$2,000,000
<b>Premium Paid Date:</b>	28/10/2024
<b>Reference:</b>	416-C300088568-P301057422-4

*This is to certify that the above policy is current to the expiry date show above unless cancelled in the meantime, subject to the Terms and Conditions of the policy.*

A handwritten signature in blue ink, appearing to read 'Tom O'Neill', with a long horizontal flourish extending to the right.

**Tom O'Neill**  
**HTL Group Limited**

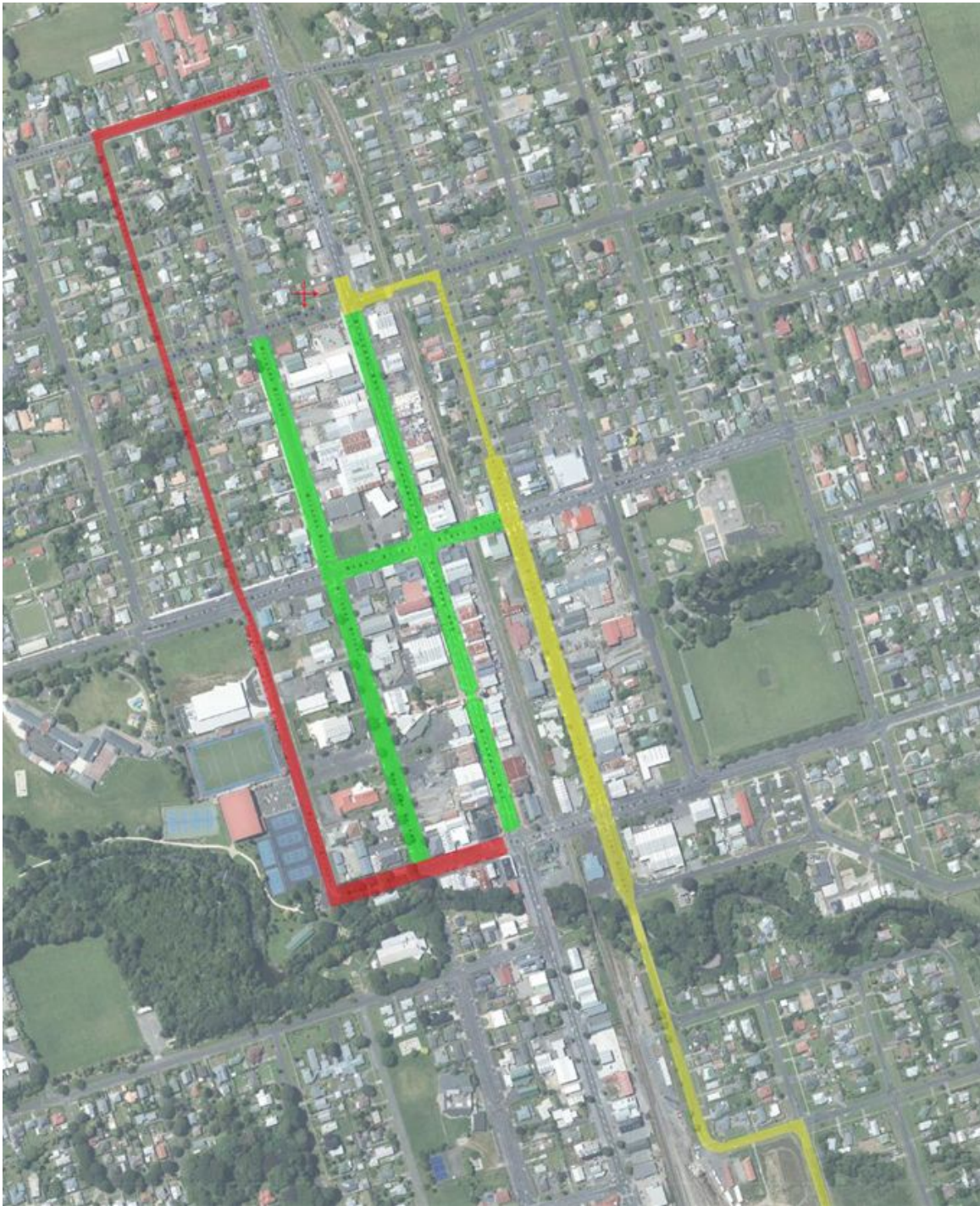
Phone:06-756 6019

Email: tom@thehtlgroup.co.nz

Appendix 3



TMP or generic plan reference





TMP or generic plan reference





TMP or generic plan reference



# DECISION REPORT



F22/55/04 – D24/54679

To: Policy and Services Committee  
From: Chief Executive  
Date: 10 December 2024  
Subject: Policy Reviews – December 2024

## Recommendations

1. THAT the report be received.
2. THAT the following, updated and new policies, being the:
  1. Child Protection Policy
  2. Mayor's Relief Fund Policy

be adopted.

2. THAT the following policies, being the:
  1. Petitions in Council Buildings Policy
  2. Conferences, Seminars, Tours Policy

be withdrawn.

## Recommended Reason

This is part of council's rolling review of policies. Policies require review from time to time to ensure they still reflect current legislation and best practice, as well as elected members' views and meet the business needs of the organisation. Any policies recommended for withdrawal have either been found to be not required, amalgamated into an existing policy or replaced by a new policy as outlined in the body of this report.

/  
Moved/Seconded

## 1. Purpose of Report

This report is part of Council's rolling review of its policies. There are a small number of policies that are reviewed as part of other processes and will not form part of this review cycle – but the majority of policies are expected to be presented this way over time. Occasionally where a policy requires significant attention, this may be done via a separate report.

## 2. Executive Summary

Policies are an essential element of Council's business processes as they communicate elected members' expectations on general business matters to staff. These require periodic review to remain current.



**3. Local Government Act 2002 – Section 10**

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:			Yes
<b>Social</b>	<b>Economic</b>	<b>Environmental</b>	<b>Cultural</b>
✓	✓	✓	✓

Up to date policies enable council to perform a good quality local public service and good quality regulatory functions.

**4. Background**

- 4.1 While Council regularly reviews its policies, a notable backlog has recently been identified. Staff are working to address this backlog to ensure policies are reviewed in the appropriate time frame.
- 4.2 Policy review cycles vary notably and part of the review of each policy will be to ensure each policy has the appropriate review cycle attached. Review of policies can be triggered outside of the normal review cycle by a range of factors, including but not limited to legislative change, operational requirements identified by staff and request by elected members.
- 4.3 All policies included in this report are summarised below. For the policies for adoption within this report, the following changes have been incorporated and are being recommended by staff:

4.3.1 Child Protection Policy – **Appendices 1 & 2**

- 4.3.1.1 New template
- 4.3.1.2 Reduction in size through the removal of internal processes and operational detail
- 4.3.1.3 Removal of specified positions as these can change over time and are assessed on a case-by-case basis
- 4.3.1.4 Changes are too significant to provide a tracked changes version, the new policy is largely a re-write. Old and proposed new version have been provided as appendices.

4.3.2 Mayor's Relief Fund Policy – **Appendix 3**

- 4.3.2.1 New template
- 4.3.2.2 No changes proposed to the core purpose of the policy. The policy wording is intentionally flexible to enable the fund to be utilised in unforeseen circumstances/contexts – in addition to those scenarios that are well understood and highlighted by the policy.
- 4.3.2.3 Addition and acknowledgement of the recently established Taranaki Regional Disaster Relief Fund via the Taranaki Foundation as the preferred conduit for donations from external donors in the context of local or regional disasters impacting Taranaki or other areas of New Zealand. This fund addresses a number of the aspects the Mayor's relief Fund has historically been used for and does this in a more efficient way, aligning with donor expectations including online payment portal and tax deductibility.

4.3.3 Petitions in Council Buildings Policy – Appendix 4

4.3.3.1 This matter is comprehensively covered in the delegations policy as a delegation to the Chief Executive

4.3.3.2 This policy is therefore surplus to requirements.

4.3.4 Conferences, Seminars, Tours Policy – Appendix 5

4.3.4.1 This matter is comprehensively covered in the Elected Members Expenses Policy which refers specifically to conferences, courses or training programmes

4.3.4.2 This policy is therefore surplus to requirements.

**5. Consultative Process**

**5.1 Public Consultation - Section 82**

Some policies will require public consultation, this determination will be made on a case-by-case basis in alignment with legislative requirements and Council's Significance and Engagement Policy.

**5.2 Māori Consultation - Section 81**

Where appropriate, direct consultation will be undertaken with Māori.

**6. Risk Analysis**

Refer to the Council Risk Register - available on the Council website.

- Does this report cover any issues that relate to any risks on the Council Risk Register, and if so which risks and what are the impacts and likelihood of eventuating?
- Does this report cover any issues that may lead to any new risks that are not on the Council Risk Register, and if so, provide some explanation of any new identified risks.
- Is there a legal opinion needed?

6.1 The key risk within this process is that legislative and or consultation requirements are overlooked or policy change creates undesired outcomes. These factors need to be managed on a policy-by-policy basis as part of the process.

**7. Decision Making Process – Section 79**

**7.1 Direction**

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	Policies form the basis of a variety of council functions including the provision of infrastructure, regulatory functions and the provision of a local public service.
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	Policies in many cases form the basis and framework to how these needs are identified, addressed and met.

7.2 **Data**

- |  |
|--|
| <ul style="list-style-type: none"> <li>• Do we have complete data, and relevant statistics, on the proposal(s)?</li> <li>• Do we have reasonably reliable data on the proposals?</li> <li>• What assumptions have had to be built in?</li> </ul> |
|--|

The review and preparation of each policy will incorporate the required research and where needed additional information and or data will be provided within the relevant context.

7.3 **Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?		
Is it:		
• considered a strategic asset; or		
• above the financial thresholds in the Significance Policy; or		
• impacting on a CCO stakeholding; or		
• a change in level of service; or		
• creating a high level of controversy; or		
• possible that it could have a high impact on the community?		

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

7.4 **Options**

- |   |
|---|
| <p>An assessment of costs and benefits for each option must be completed. Use the criteria below in your assessment.</p> <ol style="list-style-type: none"> <li>1. What options are available?</li> <li>2. For <b>each</b> option:             <ul style="list-style-type: none"> <li>• explain what the costs and benefits of each option are in terms of the present and future needs of the district;</li> <li>• outline if there are any sustainability issues; and</li> <li>• explain if the outcomes meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions?</li> </ul> </li> <li>3. After completing these, consider which option you wish to recommend to Council, and explain:             <ul style="list-style-type: none"> <li>• how this option is the most cost effective option for households and businesses;</li> <li>• if there are any trade-offs; and</li> <li>• what interdependencies exist.</li> </ul> </li> </ol> |
|---|

There is overall no alternative to having key policies. For policies which are not legislatively required, consideration needs to be given whether the effort to develop and maintain a policy exceeds the potential benefit. Within each policy, council has options how to manage events and actions stipulated by that policy. These options will be discussed with elected members for each relevant policy.

7.5 **Financial**

- Is there an impact on funding and debt levels?
- Will work be undertaken within the current budget?
- What budget has expenditure come from?
- How will the proposal be funded? eg. rates, reserves, grants etc.

There is no immediate impact other than through the actions triggered by each policy. This will be discussed on a policy-by-policy level where required.

7.6 **Prioritisation & Trade-off**

- Have you taken into consideration the:
- Council's capacity to deliver;
  - contractor's capacity to deliver; and
  - consequence of deferral?

No trade-off is being undertaken, all policies will form part of the review cycle, as outlined in the original report on this matter.

7.7 **Legal Issues**

- Is there a legal opinion needed?
- Are there legal issues?

There are no legal implications at a high (all policies) level, individual policies will have to reflect current legislation.

7.8 **Policy Issues - Section 80**

- Are there any policy issues?
- Does your recommendation conflict with Council Policies?

The subject of this report is the review of policies, their alignment, legality and timely review

**Attachments:**

- Appendix 1** – Child Protection Policy (current) – D17/14440
- Appendix 2** – Child Protection Policy (Proposed) – D24/54680
- Appendix 3** – Mayoral Relief Fund Policy – D24/54286
- Appendix 4** – Petitions in Council Buildings Policy – D20/11366
- Appendix 5** – Conferences, Seminars, Tours Policy – D20/11369



Sven Hanne  
**Chief Executive**

**Date** 3 December 2024

## Appendix 1

# STRATFORD DISTRICT COUNCIL

<b>POLICY: <u>CHILD PROTECTION</u></b>	
<b>DEPARTMENT:</b> Community Services	<b>RESPONSIBILITY:</b>
<b>REVIEW DATE:</b> 2018	<ul style="list-style-type: none"> <li>• Director Community Services</li> <li>• Human Resources</li> </ul>
<b>VERSION:</b> 1	<b>NEXT REVIEW:</b> 2020/21
	<b>APPROVAL DATE:</b> 10 October 2017

## PURPOSE

The purpose of this Children Protection Policy is to protect children and meet the requirements of the Vulnerable Children Act (2014). The Stratford District Council is committed to ensuring the wellbeing and safety of children and young people. This policy supports our staff on how to identify and respond appropriately to potential child protection concerns about the wellbeing of a child, including possible abuse or neglect. It also provides a process in the event of a claim of abuse or neglect against a staff member.

## SCOPE

This policy applies to all staff who have dealings with children, including volunteers and part-time or temporary roles and contractors. It is intended to protect all children that staff encounter, the children of adults accessing services and any other children encountered by staff as they provide their service.

## DEFINITIONS

A **Child** is anyone under the age of 18 years and who is not married or in a civil union.

**Staff** are those who are employed directly by or volunteer for Stratford District Council, as well as staff and volunteers of partner organisations whilst they are working with children and young people.

**Screening** means an internal process for identifying suitable candidates – in this case, those who can be relied on to keep children in Council’s care safe.

**Safety Checking** means the formal process of obtaining checks from another agency, e.g. the Police vetting service, criminal record checks.

**Child Abuse** is defined by the Children, Young Persons and their Families Act, 1989, as "...the harming (whether physically, emotionally, sexually), ill-treatment, abuse, neglect, or deprivation of any child or young person". The definitions set out below provide some indicators of abuse however these should not be seen as an exhaustive list or as a check list.

**Physical Abuse** is defined as any non-accidental action that may result in physical harm of a child. This includes, but is not limited to: bruising, cutting, beating, hitting, shaking, burning, drowning, suffocating, biting, poisoning, strangling or otherwise causing physical harm to a child. Physical abuse can also involve the fabrication or inducing of illness.

**Emotional Abuse** is the persistent emotional ill treatment of a child causing severe and persistent adverse effects on the child's emotional, psychological, social and intellectual functioning or development. This can include a pattern of rejecting, degrading, ignoring, isolating, corrupting, exploiting or terrorising a child. It may also include age or developmentally inappropriate expectations being imposed on children. It also includes the seeing or hearing the ill treatment of others.

**Sexual Abuse** Involves forcing or enticing a child to take part in sexual activities penetrative and non-penetrative, for example, rape, kissing, touching, masturbation) as well as non-contact acts such as involving children in the looking at or production of sexual images, sexual activities and sexual behaviours. Staff should be aware of their 'duty of care' which precludes developing a sexual relationship with or grooming of a child. A sexual relationship between an adult and a child will always be wrong, unequal and unacceptable.

**Neglect** is the persistent failure to meet a child's basic physical or psychological needs, causing long term serious harm to the child's health or development. It may also include neglect of a child's basic or emotional needs. Neglect is a lack: of action, emotion or basic needs.

**Digital Communication** is any form of electronic communicators including text message, writing, photograph, picture, recording or other matter that is communicated electronically.

The **Designated Person** is the person who holds responsibility for child protection at Stratford District Council. This function, as at April 2017 is held by Director Community Services, supported by Human Resources.

## **POLICY DETAILS**

### **1. Safe Working Practices**

Stratford District Council maintains clear and consistent expectations of staff behaviour to ensure that children, staff and volunteers are kept safe.

Stratford District Council employees, volunteers and representatives shall:

- Treat children with dignity and respect regardless of ethnicity, race, colour, gender, age, language, religion, political or other opinion, disability, or other status;
- Conduct themselves in a manner appropriate with their position as a representative of Stratford District Council in all their dealings with children;
- Immediately raise concerns regarding a child's safety or wellbeing in accordance with Stratford District Council's Designated Person for Child Protection and observe procedural fairness when engaged in decision-making;
- Be visible when working with children and, wherever possible, ensure that another adult is present when working in the proximity of children;
- Listen to children and allow them to be engaged in decisions that may affect them.
- Comply with all relevant New Zealand Government legislation, including labour laws in relation to child labour;
- Follow organisational policy for the safety of children.

## 2. **Staff and Volunteers**

A clear and consistent approach to Child Protection when employing and training staff and volunteers who will work with children as part of their employment, is crucial to ensuring that both staff and children are kept safe.

There are two types of workers defined, **Core** and **Non-Core**.

**Core** children's workers work alone with, or have primary responsibility or authority over, children. Stratford District Council identifies Core Workers as staff in the following facilities/roles:

- TSB Pool Complex staff
- Stratford Library staff
- Community Development staff
- HR Staff
- Other roles at the discretion of Human Resources staff, in conjunction with the manager of the area.

**Non-core** children's workers are those who have regular, but limited, child contact. Stratford District Council also identifies the following roles as Non-Core Workers (roles where there is likely to regular but limited contact with children).

- Assets staff
- i-SITE staff
- Customer Service staff
- Chief Executive and Directors

The above lists will be revised periodically.

## 3. **Workforce Safety Checks**

### 3.1 **New Staff and Volunteers**

Workforce Safety Checks will be undertaken when prospective employees and volunteers are recruited for Core and Non-Core roles. Responsibility for ongoing safety checking rests with the HR Manager.

The Workforce Safety Check comprises:

- Interviewing
- Reference/good character checking
- An identity check
- Police vetting
- An assessment of any risk the staff or volunteer may pose to a child (which may include consideration of applying for a Core Worker Exemption, where a person has a conviction for a Specified Offence as listed in Schedule 2 of the Act).

### 3.2 **Existing Staff**

In accordance with the Act, existing Core staff will be Safety Checked by 1 July 2019 and Non-Core staff by 1 September 2020.

**4. Training**

Staff who are identified as Core children’s workers will be required to undertake training in child protection. A one off training programme will be run for core and non-core workers followed by refresher training every three years.

Responsibility for the provision of training rests with Managers, with the assistance of the Human Resources Manager.

This training is to ensure that all staff who have interaction with children as part of their employment recognise the signs of potential child abuse or neglect and respond consistent with our Child Protection Policy, as well as ensure they operate in a way that protects themselves.

**5. Outside Providers**

In the case that outside providers are used for Stratford District Council programmes that involve children, contract documents for engaging such organisations will include a process to ensure the organisation has adequate child protection policies and procedures in place, and appropriate auditing will be undertaken.

**6. Confidentiality and Information Sharing**

Confidentiality is important when dealing with sensitive information, including that of children. It should be emphasised that children’s information should not be shared with members of the public, to ensure the safety of children.

Where informal or formal requests for assistance are made or complaints regarding child protection are laid, they are to be handled:

- As promptly as possible;
- In absolute confidentiality;
- With sensitivity yet with complete impartiality to seek a just resolution.

Confidential and/or sensitive information regarding the child will only be available to the Designated Officer for Child Protection.

Keeping children safe requires the appropriate sharing of information subject to legal restrictions and the best interests of the child.

Council recognises that all staff must act within the legal requirements such as the Privacy Act, Vulnerable Children’s Act, Children, Young Person’s and their Families Act, Health Information Act and other statutes. There are provisions within each of these acts for sharing information needed to protect children and enable other people to carry out their legitimate functions. In general, staff will not share information if they believe that by doing so this will endanger the child.

Staff may be asked to provide information to Ministry for Vulnerable Children Oranga Tamariki, the Police, Court, Lawyers or Psychologists.

All requests of information sharing should be reported to the Designated Officer for Child Protection and/or the HR Manager. Information sharing will be restricted to those who have a need to know in order to protect children.

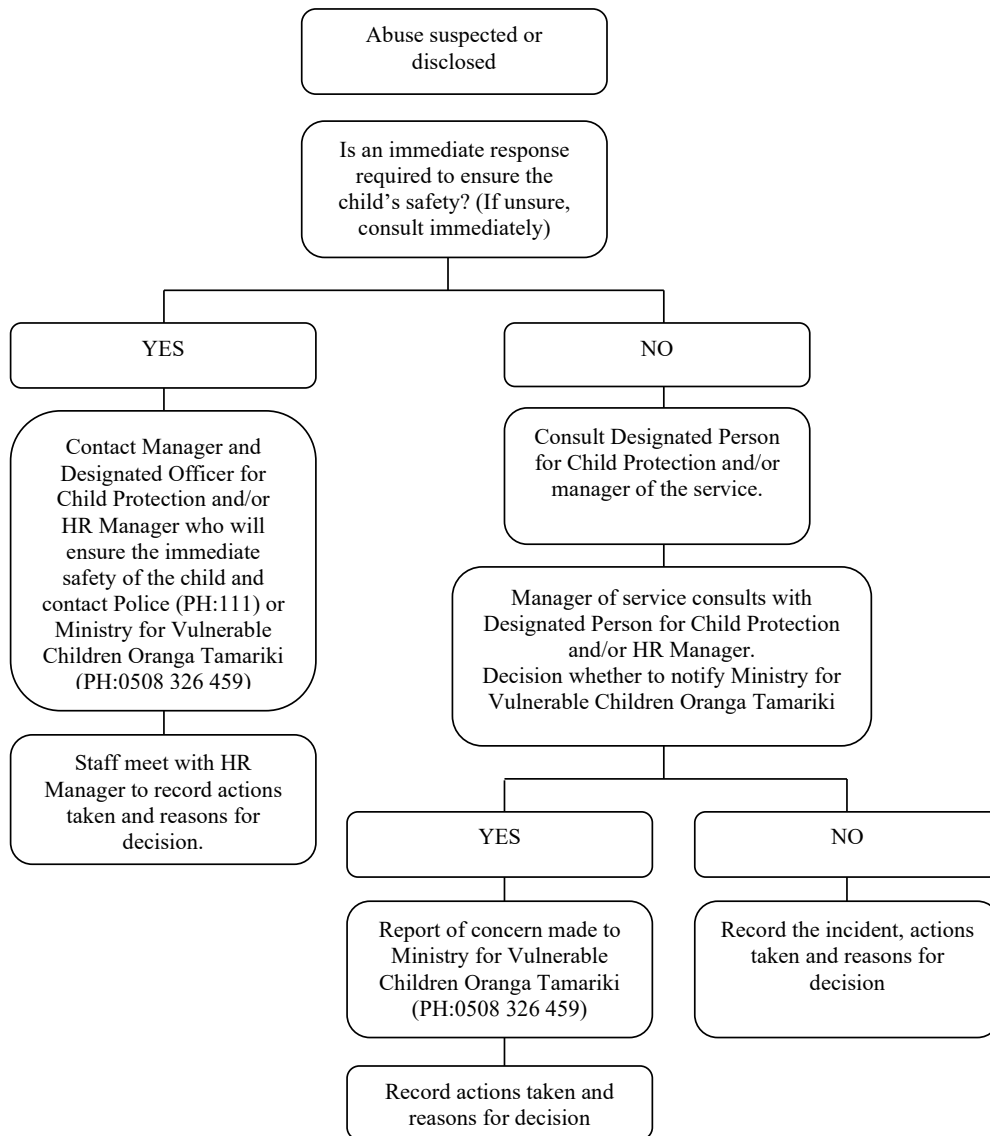


Information will be only be given after the staff member has identified the person making the request, the actual purpose of the request, what use the information will be put to, and who will see the information.

**7. Reporting and Incident Response**

Any issues of suspected child abuse must be taken seriously and handled in an appropriate manner that ensures the child’s safety. Any suspicion or disclosure of child abuse or neglect from a staff member, volunteer, or member of the public must be immediately reported to Managers who will advise the Designated Officer for Child Protection and/or the HR Manager.

The flowchart below provides guidance to decision making.

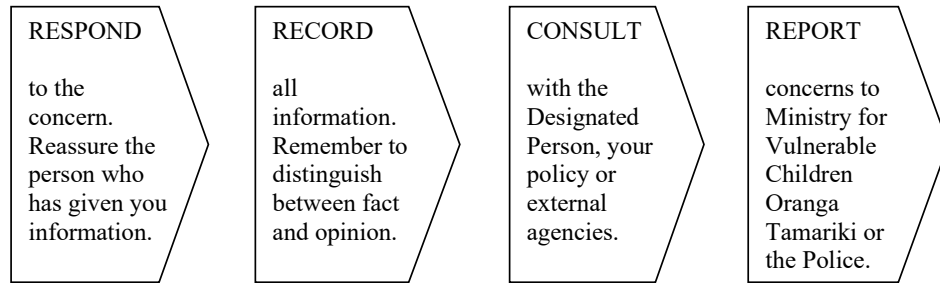


8. **Identifying child abuse and neglect**

Our approach to identifying potential abuse or neglect is guided by the following principles:

- (a) We understand that every situation is different and it is important to consider all available information about the child and their environment before reaching conclusions. For example behavioural concerns may be the result of life events, such as divorce, accidental injury, the arrival of a new sibling etc.
- (b) We understand when we are concerned a child is showing signs of potential abuse or neglect we should talk to our manager before taking action and that we should not act alone.
- (c) We recognise the signs of potential abuse.
- (d) We are aware of the signs of potential neglect.

9. **What we will do**



We will meet our commitment to protect children from abuse through the following means:

- (a) **Awareness**  
We will ensure that all relevant staff are aware of the problem of child abuse and the risks to children.
- (b) **Prevention**  
We will ensure, through awareness and good practice, that staff and others minimise the risks to children. Staff who work with children and young adults will be screened via the Police Vetting Service at the time of employment and every three years thereafter.
- (c) **Reporting**  
We will ensure that relevant staff are clear what steps to take where concerns arise regarding the safety of children.
- (d) **Responding**  
We will ensure that action is taken to support and protect children where concerns arise regarding possible abuse.

In order that the above standards of reporting and responding are met, Stratford District Council staff will ensure that they:

- i. Take seriously any concerns raised.
- ii. Take positive steps to ensure the protection of children who are the subject of any concerns.
- iii. Support children, staff or other adults who raise concerns or who are the subject of concerns.
- iv. Act appropriately and effectively in instigating or co-operating with any subsequent process of investigation.

- v. Are guided through the child protection process by the principle of 'best interests of the child'.
- vi. Listen to and take seriously the views and wishes of children.
- vii. Work in partnership with parents or carers and other professionals to ensure the protection of children.

**11. Relationships with External Agencies**

Council will not act alone, and will refer all suspected situations of child abuse to Police or Ministry for Vulnerable Children Oranga Tamariki. The safety of the child will be the primary consideration, and no person in this organisation will collude to protect an adult or an organisation from allegations or investigations being made.

**12. Associated Documents**

Human Resources Policy  
Volunteers Policy  
Vulnerable Children's Act 2014  
Health and Safety Act

## APPENDIX ONE

### 1. Guide for Dealing with Immediate Physical Harm

In the case of immediate physical risk of harm contact Police on 111.

### 2. Guide for Dealing with Disclosures of Abuse

Only a minority of children actively disclose abuse. Most child abuse is disclosed accidentally or through observation by an adult of a child's behaviour, words and physical appearance.

When a child does disclose abuse, this needs to be taken very seriously. It is important that any disclosure is dealt with appropriately, both for the wellbeing of the child and also to ensure that your actions do not jeopardise and legal action against the abuser.

There are a number of basic 'rules' that should be followed to ensure the safe handling of any disclosures of abuse from a child:

- Don't panic.
- Remember that the safety and well-being of the child comes before the interests of any other person.
- Listen to the child and accept what the child says.
  - Look at the child directly, but do not appear shocked.
  - Don't seek help while the child is talking to you.
  - Reassure them that they did the right thing by telling someone.
  - Assure them that it is not their fault and you will do your best to help.
  - Let them know that you need to tell someone else.
  - Let them know what you are going to do next and that you will let them know what happens.
  - Be aware that the child may have been threatened.
- Write down what the child says in their own words – record what you have seen and heard also.
  - Make certain you distinguish between what the child has actually said and the inferences you may have made. Accuracy is paramount in this stage of the procedure
- Tell your manager or supervisor as soon as possible.
- If appropriate, the HR Manager will refer the matter to Ministry for Vulnerable Children Oranga Tamariki or the Police.
- After making the referral to Ministry for Vulnerable Children Oranga Tamariki or the Police, look after yourself. Discuss the matter with your manager, or HR Manager.

### Important Notes

The same action should be taken if the allegation is about abuse that has taken place in the past, as it will be important to find out if the person is still working with or has access to the children.

Dealing with an allegation that a professional, staff member, foster carer or volunteer has abused a child is difficult but must be taken seriously and dealt with carefully and fairly.

### Things TO SAY when a child discloses

- 'I believe you'.
- 'I am going to try to help you'.
- 'I will help you'.
- 'I am glad that you told me'.
- 'You are not to blame'.

**Things NOT TO SAY when a child discloses**

- ‘You should have told someone before’.
- ‘I can’t believe it! I am shocked!’
- ‘Oh that explains a lot’.
- ‘No not...s/he’s a friend of mine’.
- ‘I won’t tell anyone else’.
- ‘Why? How? When? Where? Who?’

**Things TO DO**

- Reassure the child that it was right to tell you.
- Let them know what you are going to do next.
- Immediately seek help, in the first place from your Manager or the HR Manager.
- Write down accurately what the child has told you. Sign and date your notes. Keep all notes in a secure place for an indefinite period.
- Seek help for yourself if you feel you need support.

**Things NOT TO DO**

- Do not attempt to deal with the situation yourself.
- Do not formally interview the child.
- Never ask leading questions.
- Never push for information or make assumptions.
- Only necessary relevant facts should be obtained, when clarification is needed.
- Do not make assumptions, offer alternative explanations or diminish the seriousness of the behaviour or alleged incidents.
- Do not keep the information to yourself or promise confidentiality.
- Do not take any action that might undermine any future investigation or disciplinary procedure, such as interviewing the alleged victim or potential witnesses, or informing the alleged perpetrator or parents or carers.
- Do not permit personal doubt to prevent you from reporting the allegation to your Manager or the HR Manager.

**3. Procedures for Responding and Reporting Child Abuse**

- Allegations, suspicions or complaints made against staff of abuse against a child must be taken seriously and reported to a Designated Officer for Child Protection who will manage them immediately, sensitively and expediently.
- It is not the responsibility of staff to investigate allegations of child abuse.
- Allegations will be treated in such a way that the rights of adults and the stress upon the staff member are also taken into consideration.
- When abuse is suspected or an allegation made against a staff member, the first consideration will be to ensure the safety of child.
- When there are suspicions of abuse by a staff member, both staff and children’s rights are to be attended to. This means that the safety of the child is of first concern, and that the staff member must have access to legal and professional advice.
- The person managing the child abuse issue will not be the same person as that managing the employment issue.
- The suspected staff member (or volunteer) will be prevented from having further unsupervised access to children during any investigation and will be informed fully of their rights.
- Staff will declare to a senior person any situation where there could be a conflict of interest, and provision made on a case-by-case basis about who will handle the process.
- SDC will adhere to the principles of the Employment Relations Act and give the staff member all information regarding their rights.

- SDC recognises the added stress to fellow staff in such a situation, and will ensure support is available.
- The individual against whom an allegation is made must not have any contact with the child making the allegation. A risk assessment must be undertaken to determine what level of access, if any, that person should have, to other children.
- If the police decide to undertake a criminal investigation then the member of staff may be suspended on pay without prejudice, as a precautionary measure. It is important that no internal investigation is undertaken, and no evidence gathered that might prejudice the criminal investigation.
- If SDC is aware that a member of staff it has placed on precautionary suspension also works with children for another organisation, either as an employee or a volunteer, it should ensure consult with Oranga Tamariki and/or the Police regarding the information being conveyed to that organisation.
- SDC will liaise with Oranga Tamariki and the Police regarding the progress of the investigation.
- If there is insufficient evidence to pursue a criminal prosecution, then an employment disciplinary investigation may still be undertaken if there is "reasonable cause to suspect" that abuse may have occurred. The allegation may represent inappropriate behaviour of poor practice by a member of staff which needs to be considered under internal disciplinary procedures.

#### **4. Expectations of Staff to ensure their Safety**

Expectations for staff should promote professionalism in working with children, clearly establish roles and expectations of adult behaviour with children and encourage staff to keep their professional and personal lives separate.

In addition to topics specifically covered in these Guidelines, consider whether to include statements of expectation for staff about:

- a. Being alone with children.
- b. Physical contact, including comforting children in distress, and helping children to dress or use the bathroom (if a necessary part of service delivery).
- c. Taking children off site, to the staff member's home or transporting children in cars.
- d. Communicating with children, including use of telecommunications technology.
- e. Appropriate and inappropriate relationships with children, including over-familiarity, providing gifts, and fostering infatuation.
- f. The organisation's policies on safe restraint and isolation practices.
- g. Any other high-risk situations relevant to delivery of services.

Below are some examples of good child-safe practices:

- a. To avoid staff being alone with children, all staff should examine the opportunities or possible situations where staff may be alone with children. Wherever possible an open door policy for all spaces should be used (this excludes toilets). Staff should be aware of where all children are at all times.
- b. Visitors should be monitored at all times by staff, and volunteers and outside instructors should be monitored by staff.
- c. If activities require one to one physical contact (i.e., classes in swimming, gymnastics etc.) parents and caregivers should be advised.
- d. Where a child requires assistance, e.g., if they are intellectually or physically disabled, if possible involve the parents/caregivers and outside agencies (e.g., in the education sector, the Ministry of Education's Special Education group) to assist. If this assistance is not available, ensure staff members are aware of appropriate procedures when giving assistance.
- e. Staff should avoid being alone when transporting a child, unless an emergency requires it. Except in an emergency, children are not to be taken from the premises, or from the programme, without written parental consent.

# Appendix 2

# POLICY



Policy:	Child Protection Policy
Department:	Community Services
Approved by:	[Click here and type text]
Effective date:	[Click here and type text]
Next review date:	Enter next review date
Document Number:	D24/54680

## 1. Purpose

The purpose of this Child Protection Policy is to meet the requirements of the Vulnerable Children Act (2014). Stratford District Council's Child Protection policy provides guidelines so that employees and volunteers can create a safe environment for children.

This policy applies to all employees of Council including contractors, temporary employees and volunteers of the Council.

## 2. Definitions

A **Child** is anyone under the age of 18 years and who is not married or in a civil union.

**Staff** are those who are employed directly by or volunteer for Stratford District Council, as well as staff and volunteers of partner organisations whilst they are working with children and young people.

**Core children's workers** are those who work alone with, or have primary responsibility or authority over, children.

**Non-core** children's workers are those who have regular, but limited, child contact.

**Screening** means an internal process for identifying suitable candidates – in this case, those who can be relied on to keep children in Council's care safe. **Safety Checking** means the formal process of obtaining checks from another agency, e.g. the Police vetting service, criminal record checks.

**Child Abuse** the harming (whether physically, emotionally, sexually), ill-treatment, abuse, neglect, or deprivation of any child or young person.

**Physical Abuse** is defined as any non-accidental action that may result in physical harm of a child.

**Emotional Abuse** is the persistent emotional ill treatment of a child causing severe and persistent adverse effects on the child's emotional, psychological, social and intellectual functioning or development.

**Sexual Abuse** Involves forcing or enticing a child to take part in sexual activities penetrative and non-penetrative, for example, rape, kissing, touching, masturbation) as well as non-contact acts such as involving children in the looking at or production of sexual images, sexual activities and sexual behaviours.

**Neglect** is the persistent failure to meet a child's basic physical or psychological needs, causing long term serious harm to the child's health or development. It may also include neglect of a child's basic or emotional needs.

**Grooming** is when someone builds an emotional connection with a child to gain their trust for the purposes of sexual abuse or sexual exploitation. Grooming happens both online and in person.

### 3. Background

The Vulnerable Children Act (2014) was introduced as part of a series of comprehensive measures to protect and improve the wellbeing of children in New Zealand. As part of providing better protection for vulnerable children, Organisations that interact with children are required to adopt a Child Protection Policy and safety checks are to be undertaken on employees who work with children. Council's Library, Aquatic Services and Community Development teams undertake some functions that require its employees to interact with children.

### 4. Application

#### 4.1 Safe Recruitment

Stratford District Council will take all reasonably practical steps to ensure that employees who will be working with children as part of their employment are appropriately vetted and screened during the recruitment process. In addition to Council's standard recruitment checks, safety checks will be conducted in accordance with the Vulnerable Children's Act 2014.

Employees will not commence work for the Stratford District Council until the safety checks are complete.

Standard recruitment checks include:

- Reference checks – to obtain information about the applicant's recent work experience.
- Confirmation of qualifications and any professional memberships (as appropriate)
- Identity verification – valid confirmation of the applicant's identity.
- Standard police vet.

Additional safety checks will include:

- Police vet – using the Vulnerable Children Act Vetting request form located on the NZ Police website
- Risk assessment – using all information gathered, assessment of the risk the applicant would pose to the safety of children will be made.

#### *Refusal to Offer Employment*

If after undertaking the risk assessment it is concluded that an applicant may pose any risk to a child or where the applicant holds a relevant conviction as outlined in Schedule 2 of the Vulnerable Children's Act 2014, that applicant will not be employed.

#### 4.2 Safety Checks for Existing Employees

Safety checks will be undertaken on existing employees whose role involves interaction with children every three years. These checks will include:

- Confirmation of any changes of name
- A fresh Police vet
- A risk assessment based on the information gathered

If it is concluded after the checks that the employee may pose a risk to children their ongoing employment with the Stratford District Council will be reviewed.

#### 4.3 Training

Training, resources and support will be available to ensure that all employees who have interaction with children as part of their employment can carry out their roles in terms of this policy, particularly:

- Understanding child abuse and the indicators of potential child abuse or neglect
- Understanding how to report child abuse.

Stratford District Council will provide training in the following ways:

- Induction – to raise awareness around vulnerable children and child protection, all new employees will be required to read this Child Protection policy as part of their induction.
- Targeted workshops – within the first year of commencing employment, subject to course availability, employees who interact with children as part of their role will be required to participate in the Child Protection Training.



The Designated Person for Child Protection (Director Community Services) will participate in Child Protection Training.

The Activity Manager/Team Leader is responsible for ensuring all employees who work with children receive training in line with this policy.

#### 5. Reporting and Investigation of Concerns of Child Abuse

Where concerns, suspicions or allegations of child abuse exist these must be reported following the incident reporting process in appendix 2.

The Department Director is responsible for an effective and timely procedure for reporting child abuse so that children identified as vulnerable have access to services and support.

For critical incidents, the Department Director must ensure the immediate safety of the child and contact the Police or Child, Youth and Family. The procedure for reporting and responding to child abuse can be found in appendix 2.

Where an employee is the subject of an allegation, the same processes for reporting and responding to reports of child abuse or neglect will apply. If there is a need to pursue an allegation as an employer, Child, Youth and Family or the Police must be consulted before advising the person concerned. The employee must be told that they have a right to seek legal advice. They should also be informed of their right to seek support from the relevant union/representative body. It is vital to follow ordinary investigation and disciplinary policies, guided by the employment contract/collective employment contract and relevant statutory obligations. Stratford District Council will not use 'settlement agreements', where these are contrary to a culture of child protection.

#### 6. Confidentiality and Information Sharing

Keeping children safe requires the appropriate sharing of information subject to legal restrictions and the best interests of the child. Under the Privacy Act 1993 and the Children, Young Persons and their Families Act 1989 information is allowed to be shared to keep children safe when abuse or suspected abuse is reported or investigated.

All concerns and allegations of suspected child abuse or neglect must be handled in absolute confidentiality and comply with all relevant provisions of the Privacy Act 1993 the Children, Young Persons and their Families Act 1989 and other relevant statutes.

#### 7. Relevant Legislation

- Vulnerable Children's Act 2014
- Privacy Act 1993
- Children Young Persons and Their Families Act 1989

#### 8. Appendices

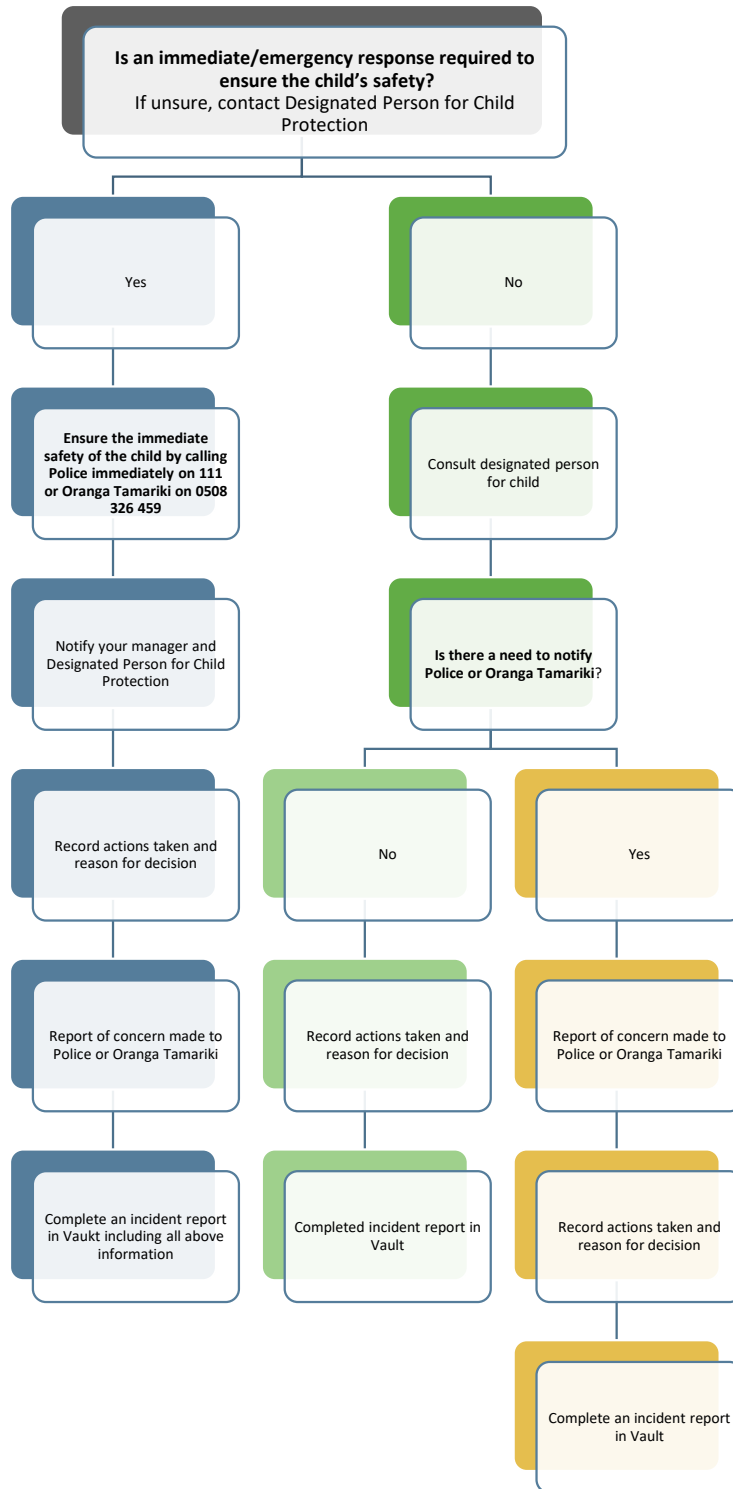
**Appendix 1 – Resources**

**Appendix 2 – Incident Reporting Process**

## Appendix 1

Agency	Phone Number	Information
New Zealand Police	111	<b>If you believe a child is in immediate danger call NZ Police on 111</b>
Oranga Tamariki	0508 326 459	If you are worried about a child and want to make a referral or report a concern, call Oranga Tamariki
Shine Helpline	0508 74 46 33	Shine can provide advice or support for anyone seeking information about family harm.
Crimestoppers	0800 55 51 11	Support to help you report a potential case of family harm anonymously.

## Appendix 2



# Appendix 3

# POLICY



Policy:	Mayor's Relief Fund
Department:	Chief Executive
Approved by:	Council
Effective date:	[Click here and type text]
Next review date:	2027/2028
Document Number:	D24/54286

1. Purpose
  - 1.1 The purpose of this policy is to provide guidelines on how the Mayor's Relief Fund is operated and distributed.
2. Scope
  - 2.1 This fund exists to provide assistance to families and individuals in the Stratford community who are undergoing extreme financial distress.
3. Objectives
  - 3.1 Priority for funding will be:
    - to help families in need for food, clothing, bedding or furniture;
    - for school camps, and uniforms;
    - for medical costs; and
    - for other crisis situations as deemed by the District Mayor.
4. Principles
  - 4.1 The requirement for funds must be one of financial hardship. The applicant must have exhausted general sources of finance, such as Work and Income, or local food banks, and their immediate family, if they are able to assist. The application must be a one-off.
  - 4.2 While the Mayor's Relief Fund can be used as a conduit for donations from external donors, wherever possible donors should be directed to the Taranaki Regional Disaster Relief Fund which exists for this purpose. The Taranaki Regional Disaster Relief Fund is managed by the four councils in the Taranaki Region (TRC, SDC, NPDC and STDC) and is hosted and administered by the Taranaki Foundation.
5. Process
  - 5.1 All requests for financial assistance from the Fund shall be approved or declined by the District Mayor.
  - 5.2 The signatories for expenditure will be the usual Council signatories. Payment will be made to the service provider for goods and services provided, not the applicant.

## Appendix 4

# STRATFORD DISTRICT COUNCIL

<b>POLICY: <u>PETITIONS IN COUNCIL BUILDINGS</u></b>	
<b>DEPARTMENT:</b> Office of the Chief Executive	<b>RESPONSIBILITY:</b> • Chief Executive
<b>SECTION:</b>	
<b>REVIEW DATE:</b> 2020/2021	<b>NEXT REVIEW:</b> 2024/2025
<b>VERSION:</b> 4	<b>APPROVAL DATE:</b> 25/02/2020

### **PURPOSE**

The purpose of this policy is to provide guidelines for requesting petitions to be left in Council buildings.

### **POLICY STATEMENT**

1. Petitions may be placed in Council buildings when Stratford District Council support the intent of the petition.
2. The decision to accept or decline petitions will be at the discretion of the Chief Executive, who will consult the District Mayor.

## Appendix 5

# STRATFORD DISTRICT COUNCIL

<b><u>POLICY: CONFERENCES, SEMINARS, TOURS</u></b>	
<b>DEPARTMENT:</b> Office of the Chief Executive	<b>RESPONSIBILITY:</b> • Chief Executive
<b>SECTION:</b>	
<b>REVIEW DATE:</b> 2019/2020	<b>NEXT REVIEW:</b> 2023/2024
<b>VERSION:</b> 6	<b>APPROVAL DATE:</b> 25/02/2020

## CONFERENCES

Conferences provide an excellent forum for members and Executive Officers to learn about changes within local government, get first hand exposure to government policy and discuss common problems and develop new strategies for the organisations.

## POLICY STATEMENT

1. That Council consider whether to send delegates to attend the Local Government NZ Annual Conference, based on the conference material providing beneficial information for this district.
2. That at least two Elected Members attend a Zone 3, or Rural, Meeting each year.
3. That selection of Elected Members at attend conferences be made by Council and subject to:
  - availability
  - number of conferences previously attended
  - interest in subject matter.
4. That Council supports the concept of organisational development through the attendance by members at seminars, training courses etc.
5. That Council supports the concept of members and Executive Officers visiting other local authorities to gain an understanding of alternative approaches and good practice within the local government context.
6. That the CEO, in consultation with the mayor, be given the delegated authority to authorise training requests by elected members within the existing budget and to a maximum expenditure of \$2,000 per elected member per annum.
7. That the CEO be given the delegated authority to authorise training requests by the mayor within the existing budget.

# DECISION REPORT



F22/55/04 – D24/55309

**To:** Council  
**From:** Chief Executive  
**Date:** 10 December 2024  
**Subject:** Percy Thomson Trust – Letter of Expectations

## Recommendations

1. THAT the report be received.
2. THAT elected members determine to present Percy Thomson Trust with a Letter of Expectations for the 2025/2026 financial year.
3. THAT elected members adopt the attached Letter of Expectations

## Recommended Reason

Elected Members have voiced concerns regarding certain areas of Percy Thomson Trust's performance and operations for some time now. A Letter of Expectations is the appropriate mechanism for a council to express its expectations to a council controlled organisation.

/  
Moved/Seconded

## 1. Purpose of Report

- 1.1 Council to decide whether to issue a Letter of Expectations to Percy Thomson Trust, and if so to confirm its content.

## 2. Executive Summary

- 2.1 A Letter of Expectations is the process for a Council to express concerns and expectations to a Council Controlled Organisation.
- 2.2 The attached DRAFT Letter of Expectations collates a number of concerns elected members have raised and formally presents the to Percy Thomson Trust.
- 2.3 Key items raised within the Letter of Intent are:
  - Percy Thomson Trust's current investments, their performance and the management overheads, especially in terms of annual reporting for Percy Thomson Trust as well as Council that arise from these investments.
  - The deteriorating financial position of the trust and the significant gap between income and expenditure.
  - The liabilities arising from the ownership of the building that houses the Percy Thomson Gallery, as it ages and requires renewals.

**3. Local Government Act 2002 – Section 10**

Under section 10 of the Local Government Act 2002, the Council's purpose is to “enable democratic local decision making by and on behalf of communities; as well as promoting the social, economic, environmental, and cultural well-being of communities now and into the future”			
Does the recommended option meet the purpose of the Local Government 4 well-beings? And which:		Yes	
<b>Social</b>	<b>Economic</b>	<b>Environmental</b>	<b>Cultural</b>
✓	✓	✓	✓

Through its various activities, Percy Thomson Trust impacts on all four well-beings.

**4. Background**

4.1 Council receives regular updates from Percy Thomson Trust as required given its status as a CCO. Council has raised a number of concerns with the trust. A Letter of Expectations formalises such concerns and requires the receiving CCO to respond to these.

**5. Consultative Process**

**5.1 Public Consultation - Section 82**

Not required.

**5.2 Māori Consultation - Section 81**

Not required.

**6. Risk Analysis**

6.1 Percy Thomson Trust is facing a range of risks, these are largely of a financial nature. The purpose of this Letter of Expectations is for Council to engage with Percy Thomson Trust on the key risks.

If the financial risks identified are not addressed by Percy Thomson Trust, they are likely to significantly impact the operations of the trust and will almost inevitably become a liability for Council.



**7. Sustainability Consideration**

7.1 This decision report is focused on governance matters. While the operations of the various aspects of the Percy Thomson Trust have positive as well as negative sustainability impacts, the decisions sought within this report are considered to be neutral regarding the environmental sustainability of this activity.

**8. Decision Making Process – Section 79**

**8.1 Direction**

	Explain
Is there a strong link to Council's strategic direction, Long Term Plan/District Plan?	yes
What relationship does it have to the communities current and future needs for infrastructure, regulatory functions, or local public services?	yes

**8.2 Data**

- Do we have complete data, and relevant statistics, on the proposal(s)?
- Do we have reasonably reliable data on the proposals?
- What assumptions have had to be built in?

Council receives regular updates on the performance of the trust and its operations are included in council's annual report that is independently audited.

**8.3 Significance**

	Yes/No	Explain
Is the proposal significant according to the Significance Policy in the Long Term Plan?	NO	
Is it:	NO	
• considered a strategic asset; or	NO	
• above the financial thresholds in the Significance Policy; or	NO	
• impacting on a CCO stakeholding; or	NO	
• a change in level of service; or	NO	
• creating a high level of controversy; or	NO	
• possible that it could have a high impact on the community?	NO	

In terms of the Council's Significance Policy, is this proposal of high, medium, or low significance?		
High	Medium	Low
		✓

8.4 **Options**

Council has the option to issue a Letter of Expectations to its CCO, this is however not a requirement.

Council has full flexibility as to what to include in a Letter of Expectations as long as this fits within its governance role.

8.5 **Financial**

The Letter of Expectations has no direct financial implications on council. The content of the draft letter focuses on financial management and efficiency of its CCO.

8.6 **Prioritisation & Trade-off**

No prioritisation or trade-off required.

8.7 **Legal Issues**

No legal issues have been identified.

8.8 **Policy Issues - Section 80**

There are no policy issues.

Attachments:

Appendix 1 Draft Letter of Expectations

[Approved by]  
Sven Hanne  
**Chief Executive**

**Date** 5 December 2024

## Office of the Mayor



Our reference

F16/1315 – D24/55290

XX December 2024

The Board of Trustees  
Percy Thomson Trust  
Stratford

Dear Trustees

### Letter of Expectations for the year ending 30 June 2026

1. This Letter of Expectations (the Letter) outlines the matters the Stratford District Council (SDC) expects the board of the Percy Thomson Trust (PTT) to address in the business planning process for the 2025/2026 financial year.
2. The Letter is intended to create an opportunity for PTT and SDC to have strategic alignment through enhanced communication and engagement.

### PTT purpose

3. PTT is responsible for the ongoing management of the Percy Thomson Gallery, the Thomson Arboretum and the Thomson Herbarium as set out in the objects of the Trust Deed.

### Focus for the remainder of the 2024/2025 financial year

4. For the remainder of the 2024/2025 financial year, we expect PTT to continue with its purpose of delivering the objects set out in the Trust Deed and its current Statement of Intent, as well as
  - Ensuring best practice governance for PTT;
  - Being transparent and accountable, including compliance with Local Government Official Information and Meetings Act 1987 (LGOIMA) and information disclosure policies;
  - Ensuring health and safety is a top priority across all of its activities, and that appropriate policies and structures are in place to support this;
  - Ensuring appropriate risk management structures are in place;
  - Ensuring prudent financial management practices are in place and adhered to;
  - In readiness for 2025/2026 year, review all financial investments by the Trust in the light of overall cost and benefit. The overall cost must consider any and all costs arising from the chosen investment type and structure, not only for PTT but also for SDC, particularly in light of required audit reconciliations for annual reports for both organisations; and
  - Positioning itself to address the items raised within this Letter of Expectations.

### Intent

In addition to the Trust's normal business, Council asks the Percy Thomson Trust trustees to:

5. Provide the analysis of PTT's current investments as per point 4 above to SDC and present its future financial and investment strategy and how this addresses SDC's concerns raised as per points 4 and 8.

6. Consider its financial position in light of eligibility for third party funding. We ask the trust to ensure that it maximises external funding opportunities and considers and explores whether the current financial support provided by council and or PTT's investments compromise eligibility for third party funding. Pending the outcome of such an assessment we further ask the Trust to consider remedies to ensure financial sustainability and longevity of the Trust's activities.
7. Ensure long-term upkeep of Trust owned facilities, especially the Gallery building. As Council holds no financial reserves or budgets for the repair or maintenance of these facilities, it expects the Trust to adhere to the appropriate maintenance and renewal practices to avoid or at least minimise any significant unbudgeted liabilities arising.

#### **Financial Prudence**

8. While we acknowledge that PTT is going through changes at the board as well as a staff level, Council is very concerned about the significant gap between the trust's income and expenditure. SDC asks PTT to ensure its budgets are set and managed in consideration of its overall financial position and appropriate financial controls are in place. Any matters that are reliant on grant funding should only proceed if such funding is successfully secured.

#### **Working with SDC**

9. We expect PTT to keep Council informed as to its financial performance and progress towards achieving the goals set in the Statements of Intent. This includes any funding shortfall as well as financial or investment matters related to these raised in PTT's or SDC's annual report.
10. We expect PTT to work on the future outlook for PTT and to provide a high level forecast of the finances for the next 1-5 years.
11. We expect PTT to provide SDC with strategic options that allow SDC to consider the implications for SDC as shareholder with a particular focus on PTT's ability to deliver the objects of the trust as well as any financial implications on SDC.
12. We require PTT to provide:
  - Half-yearly and Annual Reports in accordance with the Local Government Act 2002
  - An annual, risk-focused update to SDC's Audit and Risk committee addressing current and emerging risks to or arising from PTT's operations and any implications for SDC
  - Briefings for Councillors on matters of significance as required.

#### **Next steps**

13. The Letter of Expectations forms the basis for the development of your Statement of Intent by PTT for the year ending 30 June 2026.
14. Council considered requiring a revised Statement of Intent for the remainder of the 2024/2025 year from PTT but concluded that the delivery timelines would be too tight. Instead it is issuing this letter of expectations early to enable PTT to utilise the remainder of the 2024/2025 year to establish the foundation to deliver against the matters raised within this Letter of Expectations, especially the analysis of PTT's financial investments. Your Statements of Intent should reflect this Letter of Expectations and comply with the requirements of the Local Government Act (see s64 and Schedule 8).
15. We look forward to working with you in the coming financial year. Please contact me if you have any queries relating to this letter or Council's expectations of PTT.

Yours sincerely

N C Volzke JP  
**District Mayor**



**Our reference**  
F19/13/03-D21/40748

### **Karakia**

Kia uruuru mai  
Ā hauora  
Ā haukaha  
Ā haumāia  
Ki runga, Ki raro  
Ki roto, Ki waho  
Rire rire hau Paimārire

I draw in (to my being)  
The reviving essence  
The strengthening essence  
The essence of courage  
Above, Below  
Within, Around  
Let there be peace.