Risk and Assurance Committee Agenda

13 August 2026

WESTLAND
District Council | Te Kahui o Poutini

Risk and Assurance Committee

Meeting to be held on **Thursday 13 August 2026** commencing at **9.30 am** in the Council Chambers, 36 Weld Street, Hokitika and via Zoom

Chairperson:	**David Ward**
Members:	Her Worship the Mayor
	Councillor Martin
	Councillor Mackenzie
	Kaiwhakahaere Tumahai

In accordance with clause 25A of Schedule 7 of the Local Government Act 2002, members may attend the meeting by audio or audio-visual link.

Council Vision

By investing in our people, caring for the environment, respecting the Mana Whenua Cultural heritage, and enabling investment, growth, and development we will enrich our district and the people that reside here.

Purpose

The Council is required to give effect to the purpose of local government as prescribed by section 10 of the Local Government Act 2002. That purpose is:

(a) To enable democratic local decision-making and action by, and on behalf of, communities; and

(b) To promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

1. WELCOME AND APOLOGIES

2. WHAKAPUAKITANGA WHAIPĀNGA
DECLARATIONS OF INTEREST

Members need to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to review the matters on the agenda and assess and identify where they may have a pecuniary or other conflict of interest, or where there may be a perception of a conflict of interest.

If a member feels they do have a conflict of interest, they should publicly declare that at the start of the meeting or of the relevant item of business and refrain from participating in the discussion or voting on that item. If a member thinks they may have a conflict of interest, they can seek advice from the Chief Executive (preferably before the meeting). It is noted that while members can seek advice the final decision as to whether a conflict exists rests with the member.

3. NGĀ MENETI O TE HUI KAUNIHERA
MINUTES OF MEETINGS

Risk and Assurance Committee Meeting Minutes – 7 May 2026 **(6 - 11)**

4. ACTION LIST **(12)**

5. CHAIR'S REPORT **(13 - 14)**

Independent Chair to speak to the report.

6. PŪRONGO KAIMAHI
STAFF REPORTS

6.1 Quarterly Financial Report **(15 - 42)**

Chief Financial Officer to speak to the report.

6.2 Draft Policy and Bylaw Framework **(43 - 63)**

Quality Assurance Manager to speak to the report.

6.3 Policies for adoption **(64 - 66)**

Quality Assurance Manager to speak to the report.

- Sensitive Expenditure Policy **(67 - 94)**
- Proactive Release Policy **(95 - 99)**
- Customer and Community Conduct and Communications Policy **(100 - 108)**
- Elected Member, Iwi Representative and Staff Interaction Policy **(109 - 115)**

6.4 Treasury Management Policy **(116 - 157)**

Chief Financial Officer, to speak to the report.

Also in attendance will be Brett Johanson FCA, Executive Director, Corporate Treasury and Rajeev Verma, Associate Director, Corporate Treasury, PwC.

7. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI
RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Resolutions to exclude the public: Section 48, Local Government Official Information and Meetings Act 1987.

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – 7 May 2026	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Policy Updates	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
3.	CE's Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
4.	Business Continuity Plan	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
5.	Cyber Security Deep Dive	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
6.	Insurance Deep Dive	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest	Section
1, 2, 3, 4	Protect the privacy of natural persons, including that of deceased natural persons.	(S. 7(2)(a))
1	Avoid prejudice to measures protecting the health or safety of members of the public.	(S. 7(2)(d))
5	Avoid prejudice to measures that prevent to mitigate material loss to members of the public; and	(S. 7(2)(e))
1	Maintain the effective conduct of public affairs through: (ii) The protection of such members, officers, employees, and persons from improper pressure of harassment.	(S. 7(2)(f))
1	Maintain legal professional privilege.	(S. 7(2)(g))
1, 6	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	(S. 7(2)(h))
5	Prevent the disclosure or use of official information for improper gain or improper advantage.	(S. 7(2)(j))

DATE OF NEXT RISK AND ASSURANCE COMMITTEE MEETING – 8 OCTOBER 2026
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM

RISK AND ASSURANCE COMMITTEE MEETING MINUTES

MINUTES OF THE RISK AND ASSURANCE COMMITTEE MEETING OF WESTLAND DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM ON THURSDAY, 7 MAY 2026 COMMENCING AT 9:30am

The Committee Meeting was live streamed to the Westland District Council YouTube Channel and presentations are made available on the council website.

1. MEMBERS AND APOLOGIES

Chairperson:	David Ward
Members:	Her Worship the Mayor Councillor Martin Councillor Mackenzie Kaiwhakahaere Tumahai

NGĀ WHAKAPAAHA
APOLOGIES

Apologies received from Kaiwhakahaere Tumahai who is unable to attend and Her Worship the Mayor who will be late.
Her Worship the Mayor joined the meeting at 9:38am.

Moved Cr Martin, seconded Chair Ward and **Resolved** that the apologies from Kaiwhakahaere Tumahai and Her Worship the Mayor be received and accepted.

STAFF PRESENT
B. Phillips, Chief Executive; D. Maitland, Quality Assurance Manager; S. Lewis, Chief Financial Officer; S. Hewett, Governance Administrator.

2. WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

The updated Interest Register had been circulated. There were no changes made to the Interest Register.

3. NGĀ MENETI O TE HUI KAUNIHERA MINUTES OF MEETINGS

Inaugural Risk and Assurance Committee Meeting Minutes – 27 March 2026

Moved Her Worship the Mayor, seconded Councillor Martin and **Resolved** that the Minutes of the Inaugural Risk and Assurance Committee Meeting held on **27 March 2026** be confirmed as a true and correct record of the meeting.

4. ACTION LIST

Independent Chair David Ward provided the following updates to the Action List:

- Item 1: will be discussed later in today's meeting.

- Item 2: The committee is satisfied that this work has been completed.
- Item 3: an update will come back to committee in August.

5. CHAIR'S REPORT

The Independent Chair spoke to the report, updating the committee on the meeting held with the council's external auditors where discussions covered what the focus areas are for this year, non-financial reporting, the timing of reports, and frequency of staff meetings - recommending that staff and auditors should be meeting twice a week.
The Chair also mentioned the ongoing conflict in the Middle East and the effects it is having on global oil prices and inflation, highlighting that this will need to be accounted for in the annual plan.

Moved Chair Ward, seconded Councillor Martin and **Resolved** that the Chair's Report be received.

6. PŪRONGO KAIMAHI
STAFF REPORTS

<u>Quarterly Financial Report</u>

The Chief Financial Officer (CFO) spoke to the report, going through page by page with the committee. The following items were discussed in the report:

Annual Plan and Long-Term Plan (LTP)

- The Annual Plan is currently under consultation, with 14 submissions received and two requests to speak at hearings.
- Inflation was set at 2.6% at draft stage and is now estimated at 3.2%. This will continue to be monitored and updated prior to adoption.
- Preparatory work for the LTP has commenced, with internal meetings underway. A report will be presented to Council in due course.
- The proposed establishment date of the Water Council Controlled Organisation (CCO) may have implications for planning assumptions.

Financial Position and Performance

- A draft balance sheet has been prepared reflecting anticipated asset position post-July 2027, with further work ongoing to ensure accuracy.
- An error in depreciation calculations during budget preparation has been identified and is being corrected. While processes were followed, one incorrect figure affected outcomes and has had flow-on impacts.
- Performance against budget at Quarter Three is tracking positively.
- Cashflow is tracking in line with forecasts.
- In response to rising fuel costs, some road maintenance work may be delayed where possible. Any significant cost increases requiring additional funding will be reported to Council for approval.

Audit and Compliance

- The audit management letter was signed and returned by the mayor in late March.
- The primary audit concern relates to NZTA claims, which is being addressed through strengthened internal processes.
- Most audit items are complete (green), with remaining items expected to be completed by year-end (yellow). These are not considered areas of concern but relate to process review and documentation improvements.
- A water-related item will be completed but falls outside the current financial year due to timing.

Capital and Borrowing

- Capital project reporting was noted as a snapshot overview.
- Borrowing enables intergenerational equity by spreading costs of long-term assets.
- Criteria are in place to determine when borrowing is appropriate versus funding through rates.
- Some loans matured in April and have been rolled over in accordance with the LTP.
- Council remains slightly outside compliance limits due to loan structuring and the transitional nature of Three Waters; this is considered acceptable by LGFA.
- Loans are currently generating interest income.

Reserves and Insurance

- Council maintains ring-fenced reserves for specific purposes.
- Insurance provided to Destination Westland Ltd is fully recovered.
- Council participates in a collective insurance scheme for water assets with other South Island councils to achieve better rates.
- Insurance brokers provide regular updates on market conditions.

Performance Measures

- New LTP performance measures are being considered, including statutory and locally determined measures.
- The Committee reviewed measures in detail and discussed their relevance and usefulness.
- There is a need to ensure measures reflect meaningful performance outcomes and are not unnecessarily burdensome.
- Despite the future transfer of water services to a CCO, Council will continue to set and monitor reporting requirements. It was requested by the committee that the CFO prepare a draft balance sheet on for the August committee meeting that shows the difference between now and 1 July 2027 when 3 Waters is moved to the CCO.
- Consideration was given to whether strong performance may influence insurance premiums.

Disclosure Statement and Benchmarks

- The Disclosure Statement is current to the end of April.
- The CFO is proposing simplification of financial benchmarks.
- Affordability benchmarks were not met in the previous year as anticipated but are expected to improve.

Treasury and Debt Management

- Monthly meetings are held with Treasury advisors.
- Some loans are moving into the three-year term bracket, contributing to minor non-compliance.
- Interest exposure is split across variable and fixed rates.
- LGFA has indicated flexibility regarding compliance due to Three Waters reforms.

Rates and Debtors

- Reported write-offs primarily relate to rate rebates rather than unrecoverable debt.
- ‘Notice to fix’ debts can be difficult to recover; Council engages debt collection services where necessary, with costs passed on to the debtor.

The committee thanked the Chief Financial Officer and noted the quality and detail within the report. It was suggested that given the level of detail and amount of work involved in putting together this report that parts of it are only reported on annually rather than quarterly, for example only reporting on performance measures in Q3 and Q4.

Moved Her Worship the Mayor, seconded Councillor Martin and **Resolved** that the report be received.

The Chief Executive left the meeting at 10:14am and did not return.

Health and Safety Report

The Health and Safety Advisor spoke to the report, advising that hazard boards had not yet been installed at the pool however regular stand up meetings are held where staff go over hazards, council will look at implementing hazard boards before the pool reopens.
The committee asked the Health and Safety Advisor whether we are responsible for health and safety at the Westland Industrial Heritage Park or if it is covered by Destination Westland Ltd and that as we provide some funding towards it we need to ensure that the responsible party is clearly defined. Staff will investigate and come back to committee with the answer at the next meeting.

Moved Councillor Mackenzie, seconded Chair Ward and **Resolved** that the report be received.

Rolling Workplan

The Quality Assurance Manager introduced the report and the committee was satisfied that it had captured everything that had been discussed to be included at the previous meeting in March.

Moved Her Worship the Mayor, seconded Councillor Mackenzie and **Resolved** that:

1. The report be received.
2. The Committee adopt the amended Rolling Workplan for the Risk and Assurance Committee for a period of 12 months, from May 2026 to May 2027.

8. KA MATATAPU TE WHAKATAUNGA I TE TŪMATANUI RESOLUTION TO GO INTO PUBLIC EXCLUDED

(to consider and adopt confidential items)

Moved Chair Ward, seconded Councillor Martin and **Resolved** that the Risk and Assurance Committee confirm that the public were excluded from the meeting in accordance with Section 48, Local Government Official Information and Meetings Act 1987 at 10.41 am.

The general subject of the matters to be considered while the public are 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 the resolution are as follows:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
1.	Confidential Minutes – 27 March 2026	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
2.	Audit Plan	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

3.	Quarterly Report on Whistleblower Services 1 January to 31 March 2026	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
4.	Risk Report	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)
5.	Capital Projects Deep Dive	Good reason to withhold exist under Section 7	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists. Section 48(1)(a)

This resolution is made in reliance on sections 48(1)(a) and (d) of the Local Government Official Information and Meetings Act 1987 and the particular interests or interests protected by section 7 of that Act, which would be prejudiced by the holding of the relevant part of the proceedings of the meeting in public are as follows:

Item No.	Interest
1, 3, 5	Protect the privacy of natural persons, including that of deceased natural persons. (S. 7(2)(a))
1, 2, 3	Avoid prejudice to measures protecting the health or safety of members of the public. (S. 7(2)(d))
1, 3	Maintain the effective conduct of public affairs through: (ii) The protection of such members, officers, employees, and persons from improper pressure of harassment. (S. 7(2)(f))
1, 3, 4	Maintain legal professional privilege. (S. 7(2)(g))
1, 2, 6	Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. (S. 7(2)(h))

Moved Chair David Ward, seconded Her Worship the Mayor and **Resolved** that the business conducted in the 'Public Excluded Section' be confirmed and accordingly, the meeting went back to the open part of the meeting at 12.56pm

DATE OF NEXT RISK AND ASSURANCE COMMITTEE MEETING – 13 AUGUST 2026
COUNCIL CHAMBERS, 36 WELD STREET, HOKITIKA AND VIA ZOOM

MEETING CLOSED AT 12.56 PM

Confirmed by the Committee at their meeting on 13 August 2026.

David Ward **Date: 13 August 2026**
Chair

13 August 2026 Risk and Assurance Action List

Item No.	Date Added	Item	Action	Completion Target Date	Officer	Current Status	Date and Next Steps	Status
2	27.03.2026	Risk Register	Update the risk register separating out operational items from governance	7.05.2026	Quality Assurance Manager	The risk register was discussed item by item and the committee agreed which items should be operational and which are governance or both in the public excluded section of the March meeting. Items deemed operational are to be removed	The operational items have now been removed, and the Risk Register will be a standing item on the R&A Committee Agenda going forward.	Open
3	27.03.2026	Protected Disclosure Policy	Update the current protected disclosure policy	13.08.2026	Quality Assurance Manager	The protected disclosures policy is due to be reviewed and updated.	An updated version of the protected disclosures policy is to be presented to the committee at the 13 August 2026 meeting and then staff are to receive a refresher on the protected disclosures hotline.	Open
4	07.05.2026	Westland Heritage Park Health and Safety Plan	Confirm who is responsible for providing health and safety advice and assistance to the Westland Heritage Park	13.08.2026	Health and Safety Advisor	Health and Safety Advisor to get in contact with the Heritage Park and provide assistance if necessary.	Health & Safety Advisor has been working with Westland Industrial Heritage Park staff to support their H&S procedures.	Open

Noting Report to Committee

DATE: 13 August 2026

TO: Risk and Assurance Committee

FROM: Risk and Assurance Independent Chair

Independent Chair's Report

1. Summary

This report is prepared for the purpose of enabling the Independent Chair to raise matters for Committee consideration, and where appropriate, to make representation to Council. During the first two meetings of the Committee we have focused on Council's risk register, and the Council financial reporting template. We will take the appropriate amount of time to further review the outcomes to discussion on those matters, to ensure we are satisfied with both the process and the outcomes.

The primary focus for today's meeting will be receiving and discussing material presented by staff in respect to Council's policy manual, noting the process to develop and review those policies. We have also introduced a report from the Chief Executive which will encompass a number of operational matters.

I would like members to satisfy themselves that the information received on today's agenda is sufficiently detailed to enable them to complete the work programme we have adopted, and to comply with the Terms of Reference we signed off with Council.

Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2025, which are set out in the Long Term Plan 2025–2034.

2. Council Policy Manual

Staff have previously identified that they will be bringing this matter to today's meeting. The intention is to provide an outline of Council policy and procedures, as they may impact on the governance role for Committee members.

In preparing for today's presentation, staff have been briefed to consider the following drivers for policy establishment and retention:

- Why do we need this policy?
- Why was it originally written?
- Is that still a good reason to have the policy?
- Are there any statutory references associated with the policy?
- Does the policy help staff and councillors in their role or is it limiting?
- How often is it reviewed?

In addition to questions specific to each policy, Committee members may also wish to ask the presenters to articulate the process to make staff aware of the policies, access to the policy manual, and communications on these policies both internally and externally.

3. Financial Reports

During presentation from staff today, I would be interested to hear details of major capital projects planned for the new financial, and the degree of information you would like to see attached to these projects including:

- Delivery timeframe
- Project budget
- Project funding source, and associated cash flow
- Identified risks
- Contractor performance
- Community expectations
- Future years operational cost and rating impact

There has recently been a proposed piece of legislation in respect to reporting on standard groups of activities for all Councils. I am interested to hear how this may impact on this Council reporting template, and what additional demands the proposal may place on Council resources.

4. Audit Update

We will receive an update from both staff and our external auditors in respect to interim audit work undertaken thus far, and more importantly the scheduled dates for final audit work and sign off of Councils annual report.

I anticipate the Committee will need to schedule a further meeting for the specific purpose of reviewing the annual report, and making recommendations to Council, as we are required to do under our Terms of Reference.

5. Deep Dive Reports on Council's Identified Risks

Today we are receiving deep dive reports on two areas of risk requested at our previous meeting. I will be asking members to identify the next risk that you would like to receive a deep dive report on at our next scheduled meeting.

6. Recommendation

6.1. That the Independent Chair's report be received.

David Ward
Independent Chair, Risk and Assurance Committee

Report to Committee

DATE: 13 August 2026

TO: Risk and Assurance Committee

FROM: Chief Financial Officer

Quarterly Report – Q4 – 1 April 2026 - 30 June 2026

1. Summary

The purpose of this report is to inform the Committee of Council's financial and service delivery performance for the three months ended 30 June 2026 (Q4).

This issue arises from a requirement for sound financial governance and stewardship with regards to the financial performance and sustainability of a local authority.

Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2025, which are set out in the Long-Term Plan 2025–2034.

This report concludes by recommending that Committee receive the Quarterly Report Q4 April - June 2026 (Quarterly Report), attached as **Appendix 1.**

2. Background

The reason the report has come before the Committee is due to the requirement for the Committee to have current knowledge of Council's management of risk, including both financial and non-financial. The quarterly report provides information for non-financial information against targets and objectives adopted in the Long-Term Plan 2025-2034, and current financial disclosures.

3. Current Situation

3.1. The current situation is that the Committee receives a quarterly report in a consistent format.

3.2. The Quarterly Report, attached as **Appendix 1,** contains the following elements:

- 3.2.1. Update on Finance Workflow
- 3.2.2. Quarterly Financials
- 3.2.3. External Audit
- 3.2.4. Internal Control Framework
- 3.2.5. Capital Finding Update
- 3.2.6. Insurance
- 3.2.7. Performance Measures
- 3.2.8. Disclosure Statement
- 3.2.9. Treasury Report

3.3. As this report covers the final quarter of the financial year item 3.2.2, Quarterly Financials, and item 3.2.8, Disclosure Statements, are not included as staff are currently working through the year end process. The draft Annual Report covering the full financial year will be presented to committee at the October 2026 meeting prior to is adoption at the end of October.

4. Options

4.1. Option 1: The Committee does not receive the Quarterly Report Q4 April – June 2026.

4.2. Option 2: The Committee receives the Quarterly Report Q4 April – June 2026.

5. Assessment of Options

5.1. Option 1

5.1.1. Pros

- None have been identified.

5.1.2. Cons

- If the Committee does not receive the report, there will be low oversight of the financial risk management of Council.

5.1.3. Financial Implications

- No financial implications with this option have been identified.

5.1.4. Significance and Engagement Assessment

- The level of significance has been assessed as low. The report is an administrative document for the Committee's information. No public consultation is considered necessary.

5.2. Option 2

5.2.1. Pros

- In receiving the report the committee keeps up to date with financial information relating to the Council.

5.2.2. Cons

- None have been identified.

5.2.3. Financial Implications

- No financial implications with this option have been identified.

5.2.4. Significance and Engagement Assessment

- The level of significance has been assessed as low. The report is an administrative document for the Committee's information. No public consultation is considered necessary.

6. Risk Analysis

6.1. Risk has been considered and the following risks have been identified:

6.1.1. Financial risk: mismanagement through lack of awareness of the Council's benchmarks and treasury position.

6.1.2. Reputational risk: poor activity performance through lack of oversight of how activity groups are tracking to their KPIs.

7. Preferred Option(s) and Reasons

7.1. The preferred option is Option 2.

7.2. The reason that Option 2 has been identified as the preferred option is that it provides the Committee with up-to-date information regarding Council's activities and financial disclosures at the end of Q4.

8. Recommendation(s)

8.1. That the report be received.

8.2. That Committee receive the Quarterly Report Q4 April – June 2026, attached as Appendix 1.

Stephen Lewis
Chief Financial Officer

Appendix 1: Quarterly Report Q4 April – June 2026

Westland District Council

Risk and Assurance Finance Report

April 2026 – June 2026

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Update on Finance Workflow

Schedule of WDC's main reporting workflow over the next 2 years.

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Annual Report 2025/26

The finance team are well advanced in the preparation of the Annual Report for the year ending June 2026. The EY audit team were on site in March to do pre-audit work and we continue to speak in preparation for them being on-site in September for the main audit.

Reconciliations, updates on performance measures and development of the annual report are all underway to ensure work is complete by the time EY are on-site. Infrastructure revaluations have been carried out by BECA on all infrastructure assets and District Assets and Finance are currently working through the reports to update as required.

Long Term Plan 2027/37

The first LTP Council workshop was held at the end of July and Council is actively engaging with communities in August. Council has established the following principles for the LTP 2027/37:

- Total refresh – not a rollover of what has gone before.
- Open discussion – all options are up for consideration.
- Liveability – people **want** to live in Westland.
- Affordability – people **can** live in Westland.

The draft LTP is on target to be presented to the Risk and Assurance Committee in February 2027, with formal public consultation scheduled for April 2027 and adoption of the 2027/37 LTP in June 2027.

Coast Waters CCO

WDC continues to work closely with the finance lead for Coast Waters and the Finance leads at Grey and Buller Councils in preparation for the 1 July 2027 go live date.

Most of the information gathering work has now been completed and we are looking at how the transition will take place and ensuring all 3 councils follow the same approach.

Staff met with the newly appointed Directors of Coast Waters at the end of July and gave them a tour of Westlands main water assets and an update on the main challenges in the district and significant capital projects either under way or starting within the next 12 months.

As a group we continue to work on:

- Identifying loan funding and swaps associated with three waters assets
- The legal transfer mechanism from the 3 Councils to Coast Waters
- Processes for managing billing and credit control in the handover period

As part of the Long Term Plan process staff are also looking at how to mitigate stranded overheads associated with 3 waters and how they can be reduced or reallocated.

Quarterly Financials

Statement of Comprehensive Revenue and Expense by Department

Financial Statements have not been provided in this report due to the on-going year end process. However, management and staff continue to monitor against budget.

External Audit

Management Letter 2024/25

As part of the 2024/25 audit process auditors produce a Management Letter which recommends improvements to processes and controls. These items are not failings but highlight where changes could be beneficial to the council.

The following table shows items raised at the conclusion of the 2024/25 audit and gives a status update:

Item	Status	Update	Responsible
Timely and complete review of asset in progress / additions and timely entry of asset information to RAMM	Complete	WDC is now using the AWM asset database as the single source of truth. Capitalisations take place as they happen rather than as a year end process	Chief Financial Officer
Timely and complete review of NZTA funding claims, including supporting reconciliations	Complete	Claims are being processed monthly and a new procedure has been put in place to manage the claim	Chief Financial Officer
Appropriate documentation / retention of supporting evidence for grant funding	Complete	A central store of all grant funding has been created and its now reviewed quarterly	Strategy and Transformation Manager & General Manager Business Enablement
Maintenance and regular review of contracts Masterfile list to support procurement	Ongoing	A process is ongoing to document all contracts into a central database	Quality Assurance Manager
SSP - Retention of underlying data which is reconciled to reported result - Three Waters and Land Transport	Complete	Information all now held in database (ID) with paper records from WestRoads who are also moving to the ID system	General Manager District Assets
SSP - Documentation of water testing equipment calibration / certification	Ongoing	Moving to a new system, that will hold all historic data. New data is readily available, historic data will take around 12 months to be fully loaded	General Manager District Assets
Rating Database Changes and Reconciliation	Complete	A reconciliation has been completed and a new process has been implemented that requires updates to be made as they are notified to Council	Rates Officer
Cyber security - policies, standard and guidelines	Ongoing	Policy is currently going through review and will be finalised by Jun26	General Manager Business Enablement

Item	Status	Update	Responsible
Manage Access - Establish a policy to restrict and secure privileged accounts	Ongoing	Processes have been changed to manager this and a formal policy is being drafted.	General Manager Business Enablement
Monitoring and reporting of sensitive expenditure	Complete	Reviewed monthly by SLT and signed off by CE	Chief Financial Officer
Review of historical projects in assets under construction listing	Complete	Historic WIP is being reviewed as part of the new monthly process	Chief Financial Officer
Timely updates to key water rates contracts	Complete	There is only once main contract. It is currently being renegotiated.	General Manager District Assets
Alignment of the AWM (RAMM) asset database and accounting Fixed Asset Register	Complete	WDC is now using the AWM asset database as the single source of truth, reconciliation is no longer necessary	Chief Financial Officer
Incorrect capitalisation of internal consenting costs	Complete	Procedure is being reviewed and will be completed by Jun26	Chief Financial Officer
Manage Access - Establish a formal process for periodic user access review	Complete	Processes have been changed to manager this issue	General Manager Business Enablement

Complete	Completed
Ongoing	Not be resolved by Aug26
Ongoing	On going but will not be available before Coast Waters takes control

Audit 2025/26

As indicated in their audit plan EY intend to place specific emphasis on the following areas:

- Infrastructure Assets
- Integrity of Rates Strike, Rates Invoicing and Collection
- Grants and Subsidies
- Non-financial Performance Reporting
- Expenditure, Procurement and Tendring
- Debt

Several of the actions from the 2024/25 Management Letter (previous section) dealt with Infrastructure Asset issues which have now been resolved and the BECA revaluations will also give comfort that the asset values are correct at the balance sheet date.

The other areas of investigation are routinely challenged and checked by staff. Other than ensuring all information will be readily available no further specific action is needed to address these areas.

As reported during the 2025/26 financial year errors on the calculation of depreciation have been identified. Initial discussions with audit indicate that no prior year adjustments will be necessary, and corrections will be applied in the 2025/26 accounts as part of the BECA revaluation. This will have the effect of increasing the depreciation variance already reported in the accounts for 2025/26.

Internal Control Framework

Dashboard Summary

Financial Governance	
Delegated Financial Authority	Amendments
Segregation of Duties	Good
Core Financial Controls	
Accounts Payable	Good
Revenue & Rates	Good
Payroll	Good
Treasury	Good
Reporting Controls	
Month End Reconciliations	Good
General Ledger Integrity	Good
External Audit Readiness	Good
Fraud & Loss Prevention	
Vendor Audits	Good
Sensitive Expenditure	Good
Whistleblower Report	Good
Asset & Capital Expenditure	
Capitalisation Process	Good
WIP Process	Good
Disposals Process	Good

Financial Governance

The Purchase order system review was completed last quarter to ensure sufficient controls were in place and to fully align with the financial delegation's manual that was adopted by Council in February 2026.

Minor changes to the Delegation Manual will be proposed at the Council meeting in August 2026.

No further issues have been identified.

Core Financial Controls

As part of the preparation for the 2026/27 rates strike the Rates Officer has been updating the rates database and continuing to correct any anomalies found. While this is an on-going process from the reduction in the number of queries that were upheld the anecdotal evidence indicates that the integrity of the rates data has been significantly improved.

Reporting Controls

A review of month end processes and controls was carried out during the last quarter which has led to increased cross checking of workings and approvals in the accounting system. This has not only improved controls but has also helped to speed up processing time.

Improvements have been made in preparation for the 2025/26 audit mainly around timings, with as much as possible being done on an ongoing basis and specific attention being given to area's that audit identified in their audit plan for 2025/26.

Fraud and Loss Prevention

No issues have been identified.

Asset & Capital Expenditure

New systems and process have been put in place between District Assets and Finance which has created a single source of truth reducing the need for reconciliations and supplication of work and potential errors. The matters identified by EY in their management letter for 2024/25 have now all been resolved.

No further issues have been identified.

Capital Funding Update

WDC's Revenue and Finance Policy states the following on funding principles with regards to capital expenditure:

Council has determined the following basic principles to guide the appropriate use of funding sources.

- *Each generation of ratepayers should pay for the services they receive, and borrowing can assist to achieve this outcome,*
- *Capital expenditure to replace assets that reach their projected economic life is firstly funded from asset renewal reserves built up over time by funding depreciation, rates or borrowing,*
- *Capital expenditure to upgrade or build new assets is funded firstly from other sources (e.g. subsidies, grants fundraising, financial contributions) and then borrowing.*

The budgeted capital programs for 2026/27 is funded as follows:

	2026/27
Grant Funding	61%
Loans	24%
Reserves	15%

In agreeing the funding for the capital projects WDC assumes all work will be delivered in full.

Rates and borrowing are set on this assumption.

As per WDC's Revenue and Finance Policy the reserve amounts above were built up overtime from either rates or loan funding. If a budgeted project does not go ahead the amounts allocated to that project will remain in the reserve until such time that the project is completed.

In the event that a project is completely cancelled WDC has the option to allocate those funds to a different project which would reduce rates or loan funding required for the new project.

Due to the need to refinance loans at the end of 2025/26 Council raised additional debt to not only refinance loans falling due, but also to partially borrow funds for capital work in 2026/27. The decision was taken as interest rates were low and forecast to rise, Council was therefore able to lock in the more favourable rates.

As interest rates have risen since Council is currently earning more on bank deposits than it is paying in interest on the new loans.

Depending on the timing of capital work on some of the major projects Council could by in a position where it does not need to increase debt further in 2026/27. Instead, Council will rely on reserves from previous years and the forward borrowing already in place.

Insurance

Current State

A separate updated in insurance has been provided to the Risk and Assurance Committee.

Performance Measures

The following performance measures were set by the 2025/34 LTP. The responses shown below for the 2025/26 Annual report are draft but are not expected to change significantly.

As part of the Long Term Plan Council's performance measures will be reviewed for usefulness and relevance.

Corporate Services

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Provide accountability about Council activities	**100%** LTP, Annual Plans and Reports adopted on time.	**Not Achieved** The Annual Report 2024/2025 was adopted on 27 November 2025. (One month late) The Annual Plan 2026/27 was adopted on-time on the 25 June 2026. (on time)
	100% LTP and Annual Reports receive unqualified Auditor's Opinions.	**Achieved** The Annual Report 2024/25 received an unqualified Auditor's Opinion.

Resource Management

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Resource consents processed in accordance with relevant legislation	**100%** of resource consents processed within statutory Time frames	**Achieved** 100% of resource consents were processed within statutory time frames. 157 consents processed.

Building Control

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Timely processing of Building Consents.	**100%** of building consents processed within 20 working days as per the requirements of the Building Act	**Achieved** Consents granted =222 100% issued within the 20-day statutory timeframe
Timely processing of Code Compliance Certificates.	**100%** of Code Compliance Certificates processed within 20 working days as per the requirements of the Building Act	**Not Achieved** Certificates Issued = 173 98.91% issued within 20-day statutory timeframe. 1 CCC was issued on day 21.

Encourage compliance with health standards by undertaking inspections so that all food, liquor and other licensed premises comply with the relevant legislation.	**100%** licensed and registered premises are inspected prior to renewal of licence.	**Achieved** 100% - food premises that required inspections or visits have been completed within specified timeframes as required by MPI. **Achieved** 100% - alcohol licensed premises inspections.

Animal Control

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Keep the public safe from dogs and wandering stock	**100%** of known dogs registered, or infringed, for failure to register by 1 September each year.	**Achieved** 100% of known dogs registered or infringed

Emergency Management

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Council is prepared for and maintains an effective response capacity to manage civil defence emergencies	Council's e-text alerting system is tested twice per annum.	**Achieved**
	At least one Emergency Operations Centre (EOC), and community group activation occurs annually (event or exercise).	**Achieved**
	At least two training sessions are held annually for Council CDEM Incident Management Personnel and community groups.	**Achieved**
CDEM relationships with WC CDEM Group territorial authorities, emergency services, and life line utilities are maintained and strengthened	Council is represented at CDEMG Joint Committee meetings by the Mayor, or a nominated attendee**. 100%** of the time.	**Achieved**
	Council is represented at CEG meetings by the Chief Executive or a nominated attendee. **100%** of the time.	**Achieved**

Community Development

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Supporting Communities to improve their social and cultural wellbeing	CDA co-ordinates funding and committee process for: Creative Community Scheme funding local arts. Sport NZ Rural Travel Fund and Funding to promote events for	**Achieved** Creative Communities funding advertised and allocated. Sport NZ Rural Travel Funding advertised and allocated.)

	community well-being and social connectedness.	
Commitment to "Safer Westland"	Safer Westland Community Coalition meets bi-monthly.	**Achieved** The Coalition meets on the last Friday of every second month.

Community Halls

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Community halls provide venues for a range of different activities and events and are well used by the community.	**Multipurpose Spaces** Average number of bookings for community halls remains static or increases year on year	**Not Achieved** Not Measured 2025/26: No measurement process put in place
Community halls are maintained to high standard	**Condition** 90% of buildings in average condition or above as measured in condition assessments.	**Achieved** Condition assessments undertaken at all Council owned community halls. All halls received average condition or above condition level
Community halls meet customer expectations.	**Customer Satisfaction** 70% percent customer satisfaction with community halls as measured by users.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

Cemeteries

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Residents continue to have access to a Council cemetery within a reasonable travelling distance	**Customer Proximity** A cemetery is located withing easy driving distance (10km) of district townships.	**Achieved** All cemeteries are located within 10km of district townships
Cemetery operations continue to be carried out in a respectful, accurate and efficient manner.	**Customer Satisfaction:** The number of service requests received per cemetery Hokitika: ≤ 5 Kumara: ≤ 5 Ross: ≤ 5	**Achieved** Hokitika: 4 Kumara: 1 Ross: 0
	≥70% satisfaction as recorded in an annual survey of funeral directors.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

All burials adhere to the relevant legislation	Legislative responsibilities Standards for burial adhere to Cemeteries and Cremations Act 1964 Hokitika: 100% Kumara: 100% Ross: 100%	**Achieved** 100% 35/35 Interments Hokitika: 31 Kumara: 2 Ross: 2

Museum

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Collections developed and maintained with access provided	Collections continue to grow, in line with Hokitika Museum policies.	**Achieved** 198 new objects added
	Deaccessions and disposals are aligned with Hokitika Museum policies.	**Achieved** 4 items have been deaccessioned

Parks & Reserves

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
There are sufficient open spaces to meet the needs of the district.	**Space Provision** Hectares of open space provided >=0.01 Ha per resident	**Achieved** 2025/26: 0.02 Ha per resident
The open space network meets the residents' expectations.	**Customer Satisfaction** The average number of service requests received for parks and reserves remains static or decreases year on year.	**New Baseline Established** Kumara: 3 Hokitika: 58 Harihari: 1 Franz Josef: 1 Fox Glacier: 1
	Customer Satisfaction 70% customer satisfaction with sports grounds as measured by users.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

Public Toilets

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
The number and location of public toilets is sufficient to meet the needs of local communities and visitors.	**Provision** Public toilets are provided in all major townships.	**Achieved** Public toilets in major townships (Kumara, Hokitika, Ross, Whataroa, Franz Josef, Fox Glacier, Haast as well as smaller townships such as Otira, Bruce Bay, Okarito, Paringa etc)
Public toilets are cleaned to a standard that meets user expectations.	**Customer Satisfaction** The number of complaints received per annum related to cleanliness remains static or decreases year on year	**New Baseline Established** Public Toilet Cleanliness Requests Received in 2025/26: 14

Swimming Pools

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
The number and location of swimming pools is sufficient to meet the needs of local communities and visitors.	More than one pool is available for residents across the district.	**Achieved**
There is increased use of the district pools which enables people to play, be physically active, and stay safe in the water.	The number of visits to Hokitika and Ross pool remains static or increases year on year	**Achieved** - Hokitika Pool (Ross is not a Council run facility)
	The number of participants in the learn to swim programme remains static or increases year on year.	**Not Measurable** Council do not run a learn to swim programme
New Zealand Recreation Association Pool Safe accreditation is achieved for the Hokitika Pool.	Accreditation achieved.	**Achieved**
Community pools meet customer expectations	70% customer satisfaction with swimming pools as measured by users.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

West Coast Wilderness Trail

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
The cycle trail is well used	Numbers using the trail as measured by trail counters shows growth year on year.	**Not Achieved** Counters along the trail recorded total users as 100,529. This represents a **decrease** in daily utilisation of 24.37% based on 2024/2025 total use of 132,915 users.
The visitor experience meets or exceeds expectations	Net Promotor Score and cyclist feedback is greater than 80% over a 12-month average.	**Achieved** 88.7% of feedback received are satisfied with trail experience and conditions.

Library

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
To provide access to a physical collection that is current and of appropriate quality to meet the needs of the community.	**40-45%** of physical collection items purchased in the last 5 years (excluding Local History and Stack)	**Achieved** 49.95% of physical collection has been purchased in the last 5 years
Ensure library users have access to computing technology and the internet to allow them to access relevant information, government, community, retail, recreational and communication services.	Minimum provision of: · 2 public access internet devices per 2.500 people (Westland = 7) · Printer, scanner, and BYOD print options. · Onsite Wi-Fi access.	**Achieved** Westland =7
Delivering activities that enable increased accessibility.	Number of programmes and events (excluding Book-A-Librarian): 200 programmes/events	**Achieved** 303 programmes and events
	Attendance at events (Excluding Book A Librarian): 2000 attendees	**Achieved** 3506 attendees at events

Land Transport

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
The transportation network is safe for all users in Westland District	**Road safety:** The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number.	**Achieved** 0 Serious crashes recorded, so a result of -6 0 Fatalities
The surface condition of roads in Westland is of good quality	**Road Condition:** The average quality of ride on a sealed local road network, measured by smooth travel exposure. Primary Collector >= 93% Secondary Collector >= 93% Access >= 90% Low Volume >= 89%	**Achieved** Primary Collector: 98.4% Secondary Collector: 97.1% Access: 95.5% Low Volume: 94.9%
The surface condition of roads in Westland is maintained to a high standard		
	Road maintenance: **≥6.5%** of the sealed local road network that is resurfaced	**Not Achieved** 3.5 Resurfaced

Footpaths are maintained to a high standard	**Footpaths:** 90% footpaths within a territorial authority district that fall within the Our goal or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long-term plan).	**Achieved** Footpath condition ratings are now: Rated between 1-4: 94.5% Rated Between 1-3: 76% Rated 5: 5.5%. There is still no agreed level of service standard for footpaths. And as no formal condition resurvey has yet been carried out the condition is the same.
Road and footpath issues are attended to promptly by contractors and/or staff.	**Customer service requests:** 100% within 3 days customer service requests relating to roads and footpaths to which the territorial authority responds.	**Not Achieved** 35% of Transportation related service requests were responded to within 3 days (90/260 requests).
	>70% of residents rating the roads and footpaths good or very good.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

Drinking Water

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Water is safe to drink and complies with the Drinking Water Standards of NZ.	**Safety of drinking water:**	
	The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:*	
	a) 4.4 T1 Treatment Rules;	N/A
	b) 4.5 D1.1 Distribution System Rule;	N/A
	c) 4.7.1 T2 Treatment Monitoring Rules;	**Refer Compliance Table**
	d) 4.7.2 T2 Filtration Rules;	**Refer Compliance Table**
	e) 4.7.3 T2 UV Rules;	**Refer Compliance Table**
	f) 4.7.4 T2 Chlorine Rules;	**Refer Compliance Table**
	g) 4.8 D2.1 Distribution System Rule;	**Refer Compliance Table**
	h) 4.10.1 T3 Bacterial Rules;	**Refer Compliance Table**
	i) 4.10.2 T3 Protozoal Rules; and	**Refer Compliance Table**
	j) 4.11.5 D3.29 Microbiological Monitoring Rule.	**Refer Compliance Table**
	100%	
Water systems faults or issues are	**Fault response times:**	**Not Achieved**

attended to promptly by contractors and/or staff.	**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 measured:**	
	a) 95% attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (2 hours) , and	**a) No data**
	b) 100% resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (12 hours)	**b) 21% (6/28)**
	c) 100% attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (24 hours) , and	**c) 48% (29/60)**
	d) 100% resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption (72 hours).	**d) 57% (34/60)**
The water supply network is managed to minimise the leakage or loss from the system.	**Maintenance of the reticulation network:**	**Not Achieved** Water loss analysis not undertaken for 2025/26
	The percentage of real water loss from the local authority's networked reticulation system (including a description of the methodology used to calculate this).	
	Council does not intend to measure this as it will impose an unreasonable cost.	
There is enough water supplied to meet customer needs	**Demand management:**	
	The average consumption of drinking water per day per resident within the territorial authority district is < 500l/day.	**No data available for the 25/26 year.**
	Customer satisfaction:	**Achieved**

The water supply network is managed to give a good quality service.	**The total number of complaints received by the local authority about any of the following:**	
	a) Drinking water clarity	**a) 0**
	b) Drinking water taste	**b) 0**
	c) Drinking water odour	**c) 0**
	d) Drinking water pressure or flow	**d) 1**
	e) Continuity of supply, and	**e) 3**
	f) The local authority's response to any of these issues.	**f) 4**
	Expressed per 1000 connections to the local authority's networked reticulation system.	Total number of complaints = 8 Complaints per 1000 connections = 2.8 (2886 connections)
	25 per 1000 connections	
Residents are satisfied with the water supply provided.	**Customer Satisfaction:** **≥70%** of residents rating the water supply good or very good.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

Stormwater

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
The stormwater network is managed to give good quality service	**System adequacy:** a) The number of flooding events that occur in a territorial authority district. No more than 2. b) For each flooding event, the number of habitable floors affected. 10 per 1000 properties connected to the territorial authority's stormwater system.	**Not Measured** a) 0 – flooding events affecting habitable floors within the Council reticulated stormwater system. b) Total habitable floors = 0 Per 1000 connections = 0 (625 connections)
Flooding events are attended to promptly by contractors and/or staff.	**Response times:** 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. (95% within 2 hours)	**Not Measured** There were no reported flooding events for the 2025/2026 year.
The stormwater network is managed to give a good quality service	**Customer Satisfaction:** The number of complaints received by a territorial authority about the performance of its storm water system, expressed per 1000 properties connected to the territorial authority's storm water system. 10 per 1000 connections	**Achieved Total number of complaints = 0** **Complaints per 1000 connections = 0 (625 connections)**
Residents are satisfied with the stormwater network provided.	**Customer Satisfaction:** **≥70%** of residents rating the stormwater system good or very good.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27

The stormwater network is managed in accordance with resource consent conditions.	**Discharge compliance:** 100% Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: a) Abatement notices b) Infringement notices c) Enforcement orders; and d) Convictions	**Achieved** a) 0 b) 0 c) 0 d) 0 100% compliance

Wastewater

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
The wastewater network is managed to give a good quality service	**System and adequacy:** The number of dry weather sewerage overflows from the territorial authority's sewerage system. 10 per 1000 connections	**Achieved** 1 dry weather overflows reported. Complaints per 1000 connections = 0.5 (2216 connections)
The wastewater network is managed in accordance with resource consent conditions	**Discharge compliance:** 100% Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders, and d) convictions. Received by the territorial authority in relation those resource consents.	**Not Achieved** a) 4 b) 0 c) 0 d) 0
Wastewater systems faults or issues are attended to promptly by contractors and/or staff.	**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: a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (2 hours), 95% and b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault (4 hours) 90%.	**Not Achieved** a) No data b) 0% (0/1)

The wastewater network is managed to give a good quality service.	Customer satisfaction: The total number of complaints received by the territorial authority about any of the following: a) sewage odour b) sewerage system faults c) sewerage system blockages, and d) the territorial authority's response to issues with its sewerage system, 10 per 1000 connections	**Achieved** a) 0 b) 1 c) 5 d) 1 Total number of complaints = 7 Complaints per 1000 connections = 3.2 (2216 connections)
Residents are satisfied with the wastewater network provided.	**Customer Satisfaction:** **70%** of residents rating the wastewater system good or very good.	**Not Measured** No Residents' Satisfaction Survey was undertaken in 2025/2026.

Solid Waste

OUR GOAL	MEASURE / TARGET	ANNUAL REPORT 2025/26
Solid waste activities are managed in accordance with resource consent conditions.	Legislative compliance: Compliance with the territorial authority's resource consents of management of solid waste as measured by the number of: a) abatement notices b) infringement notices c) enforcement orders, and d) convictions. Received by the territorial authority in relation those recourse consents a-d 100% 0 notices, orders or convictions	**Achieved** 100% consents in place and monitored. Abatement notices: 1 (Resolved within 2 weeks) Infringement notices: 0 Enforcement orders: 0 Convictions: 0
Waste collection is managed to give a good quality service	**Customer satisfaction:** **≥90%** Completed kerbside collections as a percentage of bins in service.	**Achieved** 99.85% Completed waste kerbsite collections. 14,247 collections in total and 21 confirmed justified non collections for 2025/2026.
	Customer satisfaction: **70%** of residents rating the kerbside collection good or very good.	**Not Measured or Reported on** New Measure to be introduced in Year 2 - 2026/27
The quantity of solid waste disposed of is static or decreasing	Total kilograms of residual waste per capita remains static or decreases year on year	**New Baseline Established** Total kilograms in 2025/26: 2,525 Tons
	Kilograms of household kerbside residual waste per capita decreases year on year decreases year on year	**New Baseline Established** Total kilograms in 2025/26: 929 Tons
	Reduce incidents of recycling bin contamination. **15%** or lower contamination per year.	**Achieved** 2025/26: 51,400 recycling kerbside bins were collected, 4,410 were inspected and 2.27% (100) were contaminated

Disclosure Statement

Disclosure Statement information has not been provided in this report due to the on-going year end process. However, management and staff continue to monitor against KPIs.

Treasury Report

Summary

The purpose of this section of the Finance Report is to provide an update on Council's Treasury Position as at **30 June 2026**.

This section shows the Council's position for the following items:

- Financial Risks
- Council's debt position
- Loans
- Other Borrowings (if any)
- Swaps
- Cash Flow
- Debtors

Council has contracted PWC as an independent treasury adviser.

Compliance Summary

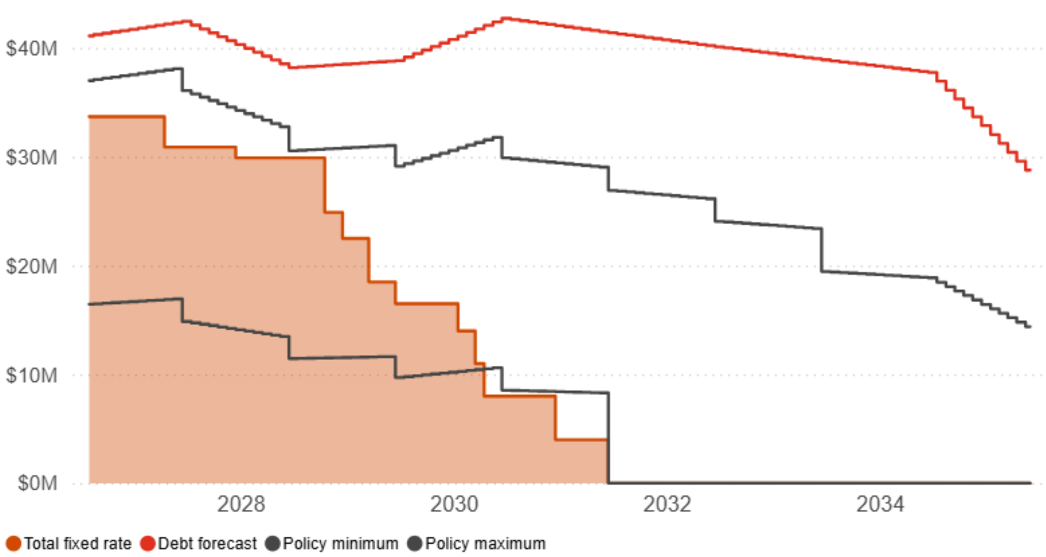
Commentary

Interest Rate Risk:	There is a minor non-compliance in bucket 6 (20% minimum compared to 14% actual). Staff are working with PWC to produce a strategy that will make use of the value in Council's SWAP portfolio to bring interest cover back into compliance.
Liquidity Risk:	Compliant.
Funding Risk:	There is some risk associated with the timing of loans falling due that relate to 3 Waters Loans. A temporary amendment to the Treasury Management Policy has been proposed to deal with this issue.
Investments:	There is some risk associated with counterparty credit limits. An amendment to the Treasury Management Policy has been proposed to deal with this issue.

Interest Rate Risk

The interest rate risk timeline visually represents the Council's interest rate position within approved interest rate control limits as set out in Council’s Liability Management Policy.

Interest rate risk timeline



$41,000,000
Gross debt less prefunding

$33,700,000
Total fixed rate instruments

82%
Current hedged (%)

3.62%
Current WA fixed rate

2.89
WA fixed term (years)

Forecast gross external debt is represented by the red line in the table above.

Forecast fixed rate external debt is represented by the orange block in the table above. This is the total amount of debt that is protected from interest rate movements because the interest rate is fixed.

The table below defines the limits used to control interest rate risk.

- The percentages shown represent the proportion of debt that is fixed.

The policy minimum and maximum, as represented in the table above by the grey lines, are calculated by applying the control limits to the corresponding forecast gross external debt.

Interest rate summary

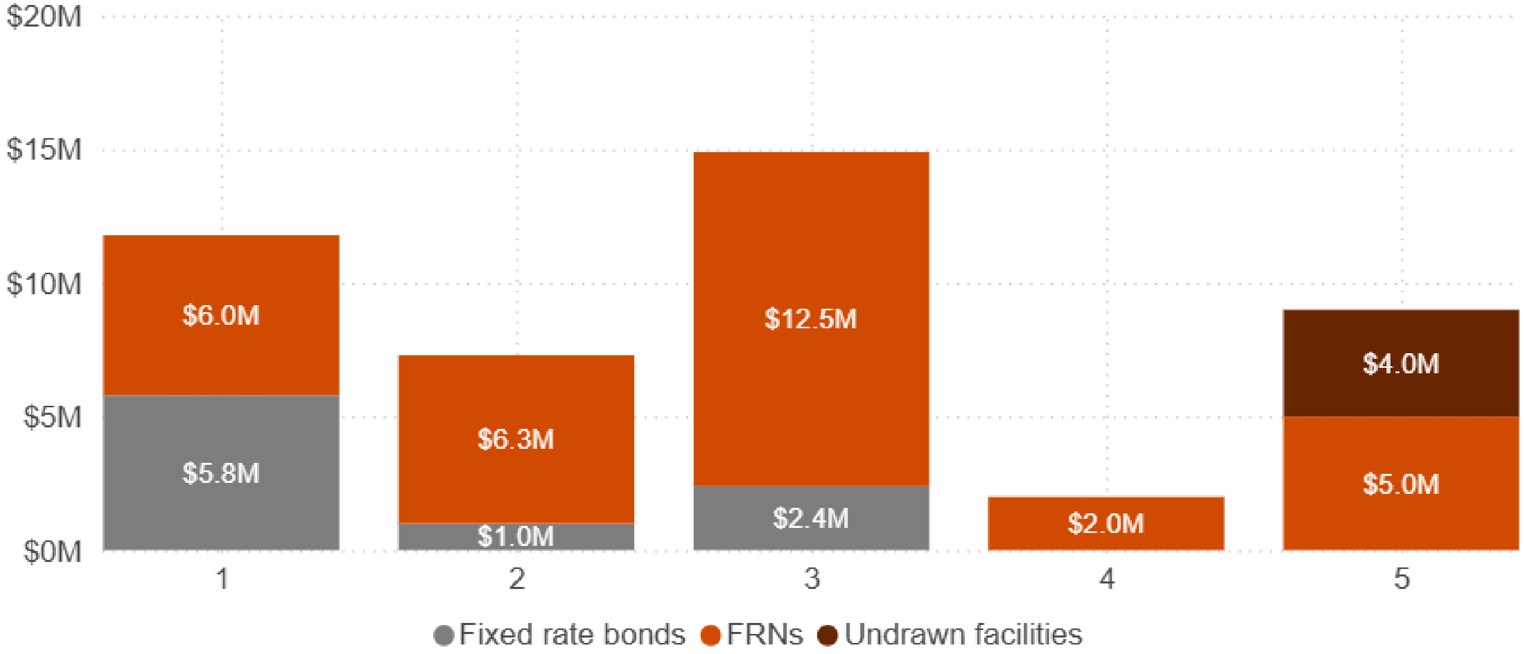
#	Bucket	Min	Max	Actual
1	0 - 1	40%	90%	82%
2	1 - 12	40%	90%	80%
3	12 - 24	35%	85%	75%
4	24 - 36	30%	80%	63%
5	36 - 48	25%	75%	35%
6	48 - 60	20%	70%	14%
7	60 - 72	0%	65%	0%
8	72 - 84	0%	60%	0%
9	84 - 96	0%	50%	0%
10	96 - 108	0%	50%	0%

Where the forecast debt changes, the amount of interest rate fixing may need to be adjusted to maintain compliance with the policy minimum and maximum limits. Council’s preferred method for managing this is through the use of interest rate swap agreements.

Funding and Liquidity risk

This chart illustrates the Council’s debt position, and considers the debt facility as well as any term deposits:

Funding and Liquidity Risk Timeline



$41,000,000
Gross external debt, less prefunding

$4,000,000
Undrawn and unlinked bank facilities

$10,765,729
Liquid assets

$0
Linked deposits

2.33
WA term of debt (years)

<u>Funding and Liquidity Risk Control Limits:</u>

Funding summary

Bucket (years)	Maturing in period ($)	Policy	Actual
0 - 3	$34,000,000	15% - 60%	76%
3 - 7	$11,000,000	25% - 85%	24%
7 - 15	$0	0% - 60%	0%
Total	**$45,000,000**		**100%**

Maturity band limits are set as follows: 0 - 3 years, 3 - 7 years and 7 years plus. Minimum and maximum percentage limits within each maturity band ensure a spread of maturities and reduces the risk of maturity concentrations.

Liquidity summary

136%
Liquidity ratio (liquid deposits)

Council’s policies require a liquidity cover of 110% of current debt. Council has $4.0m of term deposits and $8.76m cash at bank available as at 30 June 2026 and a $4m credit facility with Westpac. This results in a liquidity coverage ratio of 136%. The closing debt for the 2025/26 financial year is $41.0m.

Loans

Reference	Description	Counter-party	Maturity	Drawn	Limit	Interest rate	Margin
28612	Fixed Rate Bond	LGFA	7 April 2027	1,500,000	1,500,000	3.13%	0.25%
27964	Fixed Rate Bond	LGFA	14 April 2027	1,300,000	1,300,000	3.25%	0.25%
10148	Fixed Rate Bond	LGFA	15 April 2027	1,500,000	1,500,000	1.23%	0.00%
6400	Fixed Rate Bond	LGFA	15 April 2027	1,500,000	1,500,000	3.88%	0.00%
13218	Floating Rate Note	LGFA	15 April 2027	3,000,000	3,000,000	5.64%	0.68%
17371	Floating Rate Note	LGFA	15 April 2027	3,000,000	3,000,000	5.64%	0.66%
28687	Fixed Rate Bond	LGFA	15 December 2027	1,000,000	1,000,000	3.88%	0.00%
7306	Floating Rate Note	LGFA	18 April 2028	1,300,000	1,300,000	5.64%	1.06%
11187	Floating Rate Note	LGFA	15 May 2028	1,000,000	1,000,000	5.74%	0.68%
13796	Floating Rate Note	LGFA	15 May 2028	3,000,000	3,000,000	5.74%	0.64%
20221	Floating Rate Note	LGFA	15 May 2028	1,000,000	1,000,000	5.61%	0.76%
26644	Fixed Rate Bond	LGFA	15 May 2028	1,000,000	1,000,000	3.90%	0.00%
26526	Fixed Rate Bond	LGFA	15 May 2028	1,400,000	1,400,000	3.76%	0.00%
11772	Floating Rate Note	LGFA	20 April 2029	3,000,000	3,000,000	5.65%	0.64%
19567	Floating Rate Note	LGFA	20 April 2029	3,500,000	3,500,000	5.71%	0.94%
24335	Floating Rate Note	LGFA	20 April 2029	6,000,000	6,000,000	3.35%	0.98%
27865	Floating Rate Note	LGFA	15 May 2030	2,000,000	2,000,000	2.41%	0.87%
866719	Multi-Option Currency Loan	Westpac	1 July 2030	0	4,000,000	3.95%	1.40%
27870	Floating Rate Note	LGFA	15 May 2031	5,000,000	5,000,000	2.41%	0.95%
Total				**41,000,000**			

Swaps

Reference	Instrument type	Counter party	Notional ($)	Start date	Maturity date	Interest rate
6667342	Swap	Westpac	5,000,000	2 October 2023	2 October 2028	3.97%
10722947	Swap	Westpac	4,000,000	15 December 2023	15 March 2029	3.48%
9299524	Swap	Westpac	2,000,000	15 December 2023	15 June 2029	2.75%
11091195	Swap	Westpac	2,500,000	15 April 2026	15 January 2030	4.03%
10863505	Swap	Westpac	3,000,000	15 June 2025	15 March 2030	4.35%
11091199	Swap	Westpac	3,000,000	15 April 2027	15 April 2030	4.09%
59285755	Swap	ANZ	4,000,000	15 December 2025	15 December 2030	3.65%
11331285	Swap	Westpac	4,000,000	15 June 2025	16 June 2031	3.91%
Total			**27,500,000**			

Of the Swaps portfolio above, only swap 11091199 has a future effective date and is not considered as a live swap.

Investment Risk

Risks identified in our deposits include Credit Risk and Liquidity Risk.

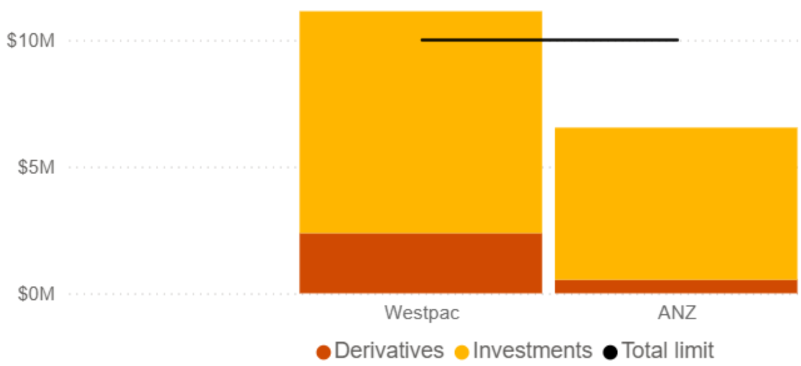
Credit Risk

This is minimised by investing in only high-quality creditworthy counterparties and limiting investment in each counterparty to $10m.

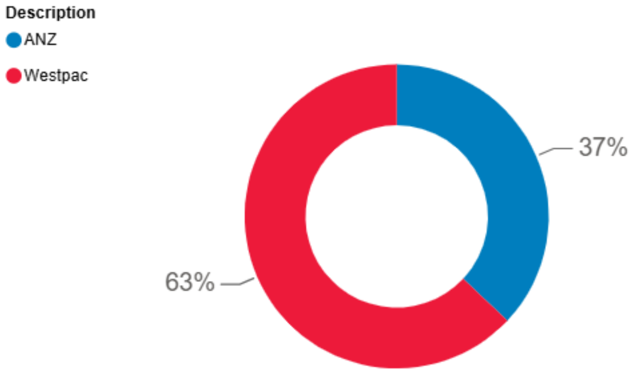
Counterparty credit limits

Counterparty	Investments exposure	Investment limit	MtM	Derivatives exposure	Derivatives limit	Total exposure	Total limit	Compliant?
ANZ	$6,006,578	$0	$52,455	$535,195	$0	$6,541,773	$10,000,000	✓
Westpac	$8,759,151	$0	$3,923	$2,377,454	$0	$11,136,605	$10,000,000	✗

Counterparty credit usage, by bank



Counterparty credit composition



Liquidity Risk

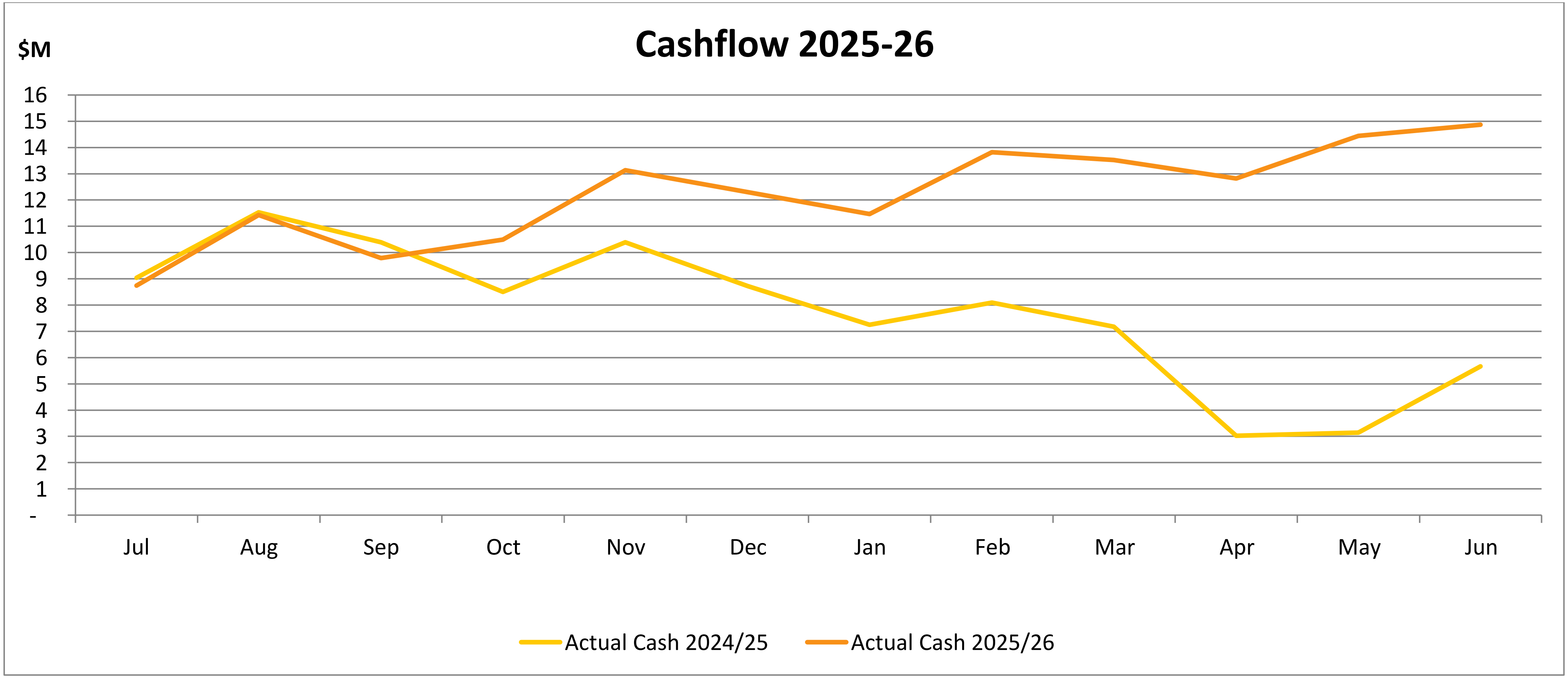
This is minimised by maintaining a minimum 50% in investments which have a maturity of less than 1 year.

Investment summary

Start	End	Min	Max	Percent maturing	Compliant
0	12	50%	100%	100%	✓
12	24	0%	50%	0%	✓

Cash Investments

Cash flow actual as at 30 June 2026



As noted earlier in this report cash reserves at year end where higher than forecast mainly due to the following reasons:

- Timing differences on grant funding and expenditure
- Delays with capital projects
- Fees and charges generating more revenue than forecast
- Savings on staff and finance costs

Report to Committee

DATE: 13 August 2026

TO: Risk and Assurance Committee

FROM: Quality Assurance Manager

DRAFT POLICY AND BYLAW FRAMEWORK

1. Summary

1.1 The purpose of this report is for the Committee to adopt the Draft Policy and Bylaw Framework as the organisation's standard approach for the development, management, and review of policies, bylaws, procedures, and supporting documentation.

1.2 This report arises from the need to establish a consistent and structured approach to policy governance, strengthen oversight, and support the ongoing monitoring of policy currency and effectiveness. It will also provide a clear basis for improving assurance processes over time.

1.3 The report concludes by recommending that the Committee adopt the Draft Policy and Bylaw Framework and recommend to Council that they formally adopt the framework as the required way of working.

2. Background

2.1 Council does not currently operate under a consistently applied, organisation-wide policy framework. There is no single, agreed process that clearly defines how policies are developed, assigned ownership, reviewed, retired, or replaced, nor how compliance and assurance are systematically maintained.

2.2 There is also inconsistency across the organisation in the understanding and application of the hierarchy between strategic documents, policies, procedures, and regulatory instruments. This creates ambiguity around roles, expectations, and decision-making authority.

2.3 Furthermore, the review cycles for bylaws, policies, and other regulatory documents are not clearly defined or consistently managed. As a result, some documents are outdated, while others require urgent review, creating potential governance, compliance, and operational risks.

2.4 The absence of an adopted and consistently applied policy framework means Council is exposed to the risks identified in Item 5.1.

2.5 A proposed solution to mitigate the risk is for the Committee to adopt the Draft Policy and Bylaw Framework as the required way of working, rather than treating it as a guidance document only.

2.6 The Draft Policy and Bylaw Framework has been put together across Council departments, and the framework clearly defines the policy hierarchy, including governance policies, management policies, bylaws, procedures, guidelines and forms. It clarifies roles, responsibilities and ownership, and establishes standard development and review processes, and also provides a consistent structure that supports legislative compliance and creates a foundation for improved risk management and assurance reporting.

2.7 Adopted as a way of working means all new and revised policies, bylaws and procedures:

- Must align with the framework, and must use approved templates and processes. Existing documents will be progressively brought into alignment; the framework becomes the single source of truth for how Council manages its policy environment.

- Staff receive clear guidance on when a policy is required, when a procedure is appropriate and how the documents connect. This approach supports consistency, transparency, and defensible governance practice.

2.8 To provide assurance to the Risk and Assurance Committee that the framework will be implemented through a structured, staged improvement plan:

Phase 1: Baseline Assessment: Review and categorisation of existing documents (underway):

- Current
- Out of date
- Lapsed
- Missing
- Identification of high-risk gaps (e.g. legislative or operational risk areas)

Phase 2: Policy Framework Adoption

- Formal approval of the policy framework.
- Communication to staff that it is the required way of working.
- Confirmation of roles and responsibilities.
- Centralised registers of all policies, bylaws and procedures (underway).

Phase 3: Prioritised Development and review programme

Risk base improvement, based on:

- Legislative risk
- Health, safety and wellbeing
- Financial and reputational risk
- Introduction of missing foundational policies where procedures currently exist without authority.

Phase 4: Embedding and Assurance - Ongoing review cycles

Improved audit readiness and clarity of organisational controls and clear reporting to Senior Leadership Team and Risk and Assurance on:

- Policy currency
- Review compliance at least annually
- Emerging gaps or risk
- Staff confidence in how policies are applied.
- Staff training on an annual basis
- Receive Annual Reports on policy currency, staff awareness and potential future policy requirements.

3. Options

3.1 Option 1: Endorsement and recommendation to Council to adopt the Policy and Bylaw Framework.

3.2 Option 2: Request changes to the Policy and Bylaw Framework.

3.3 Option 3 – Do not endorse the Policy and Bylaw Framework

4. Assessment of Options

4.1 Option 1 - Benefits of Adopting the Policy Framework

- Clear governance and document hierarchy – staff understand the difference.
- Reduced compliance and legislative risk
- Improved Risk and Assurance oversight.
- Consistent organisational practice
- Stronger audit readiness
- Clear ownership and accountability
- Risk-based prioritisation of policy
- Improved staff confidence and capability in knowing
- Single agreed way of working
- Supports culture of continuous improvement

4.2 Option 2 - Request changes to the Policy and Bylaw Framework.

This option is at the discretion of the Risk and Assurance Committee.

4.3 Option 3 – Do not endorse the Policy and Bylaw Framework

Risks/limitations if not adopted or poorly implemented

- Continued confusion leads to inconsistent application of rules, informal practices, and reliance on institutional knowledge.
- Out-of-date or lapsed policies and bylaws remain in place, increasing exposure risk.
- Risk and Assurance Committee lacks confidence that key governance controls are current or effective.
- Procedures continue to exist without proper authority, or policies exist without operational guidance, creating control gaps.
- Difficulty demonstrating control effectiveness to auditors or regulators due to fragmented documentation.

- Unclear responsibility results in policies “belonging to no one” and reviews not occurring on time.
- Resources continue to be spent inconsistently, with high-risk gaps remaining unaddressed.
- Staff uncertainty leads to workarounds, inconsistent customer outcomes, and operational risk.
- Different teams continue to apply their own interpretations, reducing organisational coherence.
- Policy activity remains reactive, often triggered only by incidents, audits, or complaints.

5. Risk Analysis

5.1 Risk has been considered, and the following risks have been identified:

Risk Area	Description
Governance Risk	Lack of clarity over delegation, authority, and decision-making hierarchy.
Compliance Risk	Outdated or lapsed policies and bylaws may not meet legislative requirements.
Operational Risk	Inconsistent practices across teams due to unclear procedures.
Audit and Assurance Risk	Difficulty demonstrating effective control.
Organisational Knowledge Risk	Staff reliance on informal practices and institutional knowledge.

6. Significance and Engagement

6.1 The level of significance has been assessed as being administrative in nature and therefore of medium significance.

Development, review and endorsement of policies and bylaws is related to many strategic assets.

No public consultation is considered necessary as the framework is not considered controversial, and highly unlikely to attract a high level of public interest.

7. Preferred Options and Reasons

7.1 The preferred option is Option 1 - Endorsement and recommendation to Council to adopt the Policy and Bylaw Framework.

Adoption of the Policy and Bylaw Framework directly supports the purpose of local government under section 10 of the Local Government Act 2002 by strengthening democratic decision-making, improving transparency and accountability, and enabling Council to deliver lawful, effective and sustainable services.

8. Recommendations

8.1 That the report be received.

8.2 That the Risk and Assurance Committee endorses the Draft Policy and Bylaw Framework and recommends to Council that it be adopted as the required way of working.

Diane Maitland
Quality Assurance Manager

Appendix 1: Draft Policy and Bylaw Framework

Draft Policy and Bylaw Framework

Version: 1

July 2026

Strategic Direction

Council Vision

- The overarching long-term vision for the district.

Community Outcomes

- The long-term outcomes Council seeks for the community.

Council Strategy

- High-level direction that sets priorities and guides decision-making.

Strategic Focus Areas and Strategy Documents

- Key focus areas and supporting strategies that give effect to Council Strategy. *(e.g. Long Term Plan, Waste Minimisation Strategy, Infrastructure Strategy, Procurement)*

Service and Delivery Planning

Activity Management Plans

- Detailed plans outlining how the Vision, Outcomes, Strategy and Strategic Focus Areas will be delivered in practice.

Governance and Control Layer

Policy and Bylaw Framework

Corporate Documents	External Policy	Bylaws	Internal & Operational Policy
• Standing Orders • Delegations Manual • Governance Statements	• CE • Finance • District Assets • Regulatory • Community	• Operations • Regulatory	• Health and Safety • Information Technology • Workplace Policies • HR (People and Safety) • Library • Procurement • Business Continuity
Procedures/SOPs/Guidelines	**Procedures/SOPs/Guidelines**	**Procedures/SOPs/Guidelines**	**Procedures/SOPS/Guidelines**

Contents

Council Policy Framework

(including Policy Development & Review Framework and Bylaw Development & Review Framework)

1. Purpose

The purpose of this Policy Framework is to establish a consistent, transparent and well-governed approach to the creation, approval, implementation and review of all policies and bylaws of Council. It ensures that all Council decisions:

- Align with the Long Term Plan (LTP), community outcomes and strategic direction.
- Comply with legislative requirements.
- Are developed using robust analysis and good engagement.
- Are implemented effectively and reviewed regularly.
- Support efficient operations and sound governance.

2. Scope

This framework applies to:

- All Council policies, including governance, regulatory, financial, operational and external-facing policies.
- All bylaws made under statutory authority (including the Local Government Act 2002).
- Supporting procedures, guidelines and standard operating procedures (SOPs).
- All staff or contractors are involved in drafting, reviewing or implementing policies or bylaws.

3. Definitions

Item	Definition
Strategy	A document setting long-term direction, priorities and objectives.
Framework	A high-level governance or operational approach describing principles, processes or responsibilities in a specific area.
Corporate Documents	Official governance documents that record rules, authorities and procedural requirements Council must follow to ensure consistent, lawful and transparent decision-making.
Policy – External	A formal statement of Council's position and direction on a matter, adopted either by Council, that imparts or affects the community. Sometimes these are statutory.
Policy – Internal/Operational	A formal statement of the operational position and direction of an operational or internal matter, adopted by the Senior Leadership Team (how things are done and often connected closely to procedures).
Bylaw	A regulatory instrument made under statutory authority that imposes obligations or controls to address clearly defined problems.

Item	Definition
Procedure/SOP/Guidelines	Operational instructions for implementing a policy.
Policy Owner	Senior Leadership Team member responsible for development, implementation and review of a specific policy or bylaw.

4. Document Hierarchy

Council documents must align with the following hierarchy:

1. Long Term Plan Vision (LTP)
2. Community Outcomes
3. Strategic Focus and Strategies
4. Policy Framework
5. Corporate Documents, Policies and Bylaws
6. Procedures/SOPs/Guidelines

A lower-level document must not contradict a higher-level document unless expressly approved.

PART A: POLICY FRAMEWORK

5. Types of Policies

Council policies are categorised as:

1. **Corporate Documents – Delegations/Standing Orders**

   Define how Council and committees operate (e.g. delegations, decision-making).

2. **Regulatory Policies**

   Guide the exercise of statutory powers (e.g. Dog Control Policy).

3. **Financial Policies**

   Required by statute or relating to financial management (e.g. Revenue and Financing, Rates Remission).

4. **External Policies**

   Relate to community services and engagement (e.g. conflicts of interest, community grants, events).

5. **Operational/Internal Policies**

Provide internal direction for staff (e.g. Information Technology, Health and Safety, Human Resources, Workplace Policies).

PART B: POLICY DEVELOPMENT AND REVIEW FRAMEWORK

6. Roles and Responsibilities

Role	Responsibility
Council	Adopts and revokes policies. Approves the framework Receives monitoring reports
Chief Executive	Ensures systems support policy development Approves operational policies Approves legal review if required
Senior Leadership Team	Sponsors policies Ensures alignment Approves operational policies Writes and reviews policies
Quality Assurance Manager	Ensures quality Maintains register Provides templates
Communications Team	Manages consultation
Quality Assurance Team	Scheduling with Council Meetings Maintains Policy Register

7. External Policy Development Process

Step 1 – Initiation

An external policy may be initiated when there is:

- New legislation or regulatory changes.
- Risks, audit findings or service issues.
- Strategic priorities from LTP, Council decisions or Senior Leadership Team (SLT).

- A scheduled review.

A **Policy Initiation Brief** (Appendix 1) should be completed, describing the problem, purpose, drivers and anticipated impacts. External policies require more detail than internal/operational policies.

Step 2 – Research and Analysis

The policy owner should:

- Analyse the issue, risks and options.
- Review relevant legislation.
- Identify alignment requirements with strategies, the LTP and bylaws.
- Consider financial, Te Tiriti o Waitangi, environmental, economic and social implications.
- Pre-engagement with relevant and affected Council departments.
- Pre-engagement with stakeholders (depends on significance of proposed changes, review Significance and Engagement Policy).

Step 3 – Drafting

- Policies must follow the Council Policy Template and be written in plain English.
- Consideration must be given to how the policy will work operationally, with Standard Operating Procedures (SOPs), guidelines or processes in draft for implementation.

Step 4 – Internal Review

- Across Council review to ensure that strategic alignments and across department issues are discussed and resolved.
- Approval by SLT for inclusion in Council Agenda, and process approved.

Step 5 – Engagement/Consultation

Engagement and consultation for all external-facing policies and bylaws will be undertaken under the direction of the **Communication Team.**

The level of engagement depends on:

- Significance of impacts and the Significance and Engagement Policy. A statutory document under Section 76AA of the Local Government Act 2002.
- Legislative requirements.
- Council direction.

Consultation may range from targeted internal engagement to full public consultation using the Special Consultative Procedure as per the Local Government Act 2002.

Step 6 – Decision-Making

Policies must be approved and adopted by Council, with sponsorship by the Senior Leadership Team.

Step 7 - Implementation

Includes:

- Communication to staff and the public.
- Training (where needed).
- Standard Operating Procedures, Guidelines or Processes drafted or updated.
- Updates to, forms, systems and website/intranet.

Step 8 – Monitoring

Policy Owners/Writers must monitor:

- Compliance
- Issues or complaints
- Effectiveness indicators
- Operational impacts and risk

Step 9 – Review

- Standard review cycle every 3-5 years.
- Early review – triggered by legislation change, audit findings, or significant issues/risk.
- A review report must be produced with recommended amendments or confirmation that no changes are needed.
- Review dates will be scheduled in the Policy Register.

Step 10 – Policy Template (Summary)

Each policy must include the following sections:

1. Policy Context
2. Policy Objectives
3. Definitions
4. Policy Statements
5. Reporting
6. Questions
7. Relevant Documents and Legislation
8. Policy Owner

8. Internal Policy Development Process

Step 1 - Initiation

An internal or operational policy may be initiated when there is:

- Risks, audit findings or service issues.
- Strategic priorities from LTP, Council decisions or SLT.
- A scheduled review.

- Legislative or regulatory changes applied.

A **Policy Initiation Brief** can be completed, describing the problem, purpose, drivers and anticipated impacts. Internal/operational policies require less detail than external policies.

Step 2 – Research and Analysis

- Analyse the issue, risks and options.
- Review relevant legislation and regulatory guidance.
- Identify alignment requirements with strategies, the LTP and bylaws.
- Consider implications, including financial and operational.
- Pre-engagement with relevant and affected Council departments.

Step 3 – Drafting

- Policies must follow the Council Policy Template and be written in plain English.
- Consideration must be given to how the policy will work operationally, with Standard Operating Procedures (SOPs), guidelines or processes in draft for implementation.

Step 4 – Internal Review and Consultation

- Across Council review to ensure that strategic alignments and across-department issues are discussed and resolved.
- Senior Leadership Team review and consultation.
- Consultation with the Westland District Council Union is a requirement when changes to policy or processes influence employment, i.e. Human Resources Policy, Health and Safety and Workplace Policies.

Step 5 – Decision-Making

Internal and Operational Policies must be approved by the Senior Leadership Team, and where relevant, Council to be informed.

Step 6 – Implementation

Includes:

- Communication to staff
- Training (where needed)
- Standard Operating Procedures, Guidelines or Processes drafted or updated.
- Updates to forms, systems and intranet.

Step 7 – Monitoring

Policy Owners/Writers must monitor

- Compliance
- Issues or complaints
- Effectiveness indicators
- Operational impacts and risk

Step 8 – Review

- Review cycle: Health and Safety reviewed annually, others every 3-5 years, unless required more often.
- Early review: triggered by legislation change, audit findings, or significant issues/risks.
- A review report must be produced with recommended amendments or confirmation that no changes are needed.
- Review dates will be scheduled in the Policy Register and Corporate Calendar.

9. Policy Template (Summary)

Each policy must include the following sections:

1. Policy Context
2. Policy Objectives
3. Definitions
4. Policy Statements
5. Reporting
6. Questions
7. Relevant Documents and Legislation
8. Policy Owner

PART C: BYLAW DEVELOPMENT AND REVIEW FRAMEWORK

10. Purpose of Bylaws

Bylaws will be developed where:

- There is a clear statutory power to make a bylaw.
- A bylaw is the most appropriate mechanism to address an identified issue.
- Non-regulatory tools are insufficient to achieve the desired outcome.
- The proposed bylaw is consistent with the New Zealand Bill of Rights Act 1990.
- Controls are necessary to protect public health and safety, or to minimise nuisance.

11. Bylaw Development Process

Step 1 – Local Government Act 2002, Section 155 Problem Assessment

The Policy Owner must undertake a Section 155 assessment when proposing a new bylaw.

1. Defining the problem.
2. Identifying available statutory powers.
3. Analysing alternative options (regulatory and non-regulatory).
4. Determining whether:
    - A bylaw is the most appropriate tool.
    - The proposed form of bylaw is appropriate.
    - The bylaw is consistent with the New Zealand Bill of Rights Act 1990.

Step 2 – Drafting the Bylaw

A draft bylaw must include:

- Title, purpose, and commencement provisions.
- Interpretation section (definitions).
- Clear rules, obligations, and permissions.
- Enforcement provisions, including penalties or infringements (where applicable).
- Schedules (e.g. maps, forms, standards).

A legal review may be sought during drafting, with approval determined by the Senior Leadership Team (SLT).

Standard Operating Procedures (SOPs), guidelines, or operational processes must be developed alongside the draft bylaw.

Step 3 – Internal Review

- Conduct an organisation-wide review to ensure strategic alignment and identify cross-departmental impacts.
- Resolve any identified issues before progression.
- Obtain SLT approval to include the bylaw in the Council agenda and confirm the proposed consultation process.

Step 4 – Council Decision to Consult

A report to Council must include:

- Draft bylaw
- Section 155 assessment
- Statement of Proposal

Council must resolve to consult in accordance with the Local Government Act 2002, Section 83 (Special Consultative Procedure).

Step 5 – Consultation

- Consultation and engagement will be led by the Communications Team.
- The process must comply with Section 83 of the Local Government Act 2002.
- All relevant information must be publicly available.
- Engagement must include affected communities, iwi, businesses, and stakeholders.

Step 6 – Hearings

- Submitters may present oral submissions.
- Staff will provide analysis and recommendations to inform Council decision-making.

Step 7 – Deliberations

Council will consider:

- All submissions received
- Legal and policy implications
- Recommended amendments

Step 8 – Adoption

Council will resolve to adopt the bylaw and determine:

- Commencement date
- Transitional arrangements
- Publication requirements

Step 9 – Implementation

- SOPs, guidelines, and operational processes are finalised and implemented.
- Staff training is undertaken.
- Public communications are delivered.
- Enforcement systems, signage, and permitting processes are updated as required.

Step 10 – Review

- Within 5 years of initial adoption.
- At least every 10 years thereafter, or earlier if required due to legislative changes or emerging issues.
- Reviews must follow Steps 3–8 of this framework.
- Reviews will be scheduled in the Policy Register and Corporate Calendar.
- Failure to complete a review within the required timeframe will result in automatic revocation under Section 160A of the Local Government Act 2002.

PART D: SUPPORTING MECHANISMS

12. Policy and Bylaw Register

Council will maintain a register that includes:

- Title and version
- Approval date and approving body
- Review date
- Status (e.g. active, under review, revoked)
- Policy owner
- Priority level

13. Templates and Tools

Council will maintain and make available standard templates for:

- Policies

- Bylaws
- Consultation documents
- Review reports

14. Review of this Framework

This framework will be reviewed every five years or earlier if required due to legislative or organisational changes.

Appendix 1 - Policy Initiation Brief

1. Policy Title

Click here to enter text.

2. Policy Owner

Name:

Role/Position:

Department:

3. Purpose of the Brief

Click here to enter text.

4. Problem Statement

Click here to enter text.

5. Drivers for Policy Development

☐ New or amended legislation

☐ Strategic priority (LTP / Council direction)

☐ Risk or audit finding

☐ Service delivery issue

☐ Scheduled review

☐ Community or stakeholder feedback

☐ Other: please specify

6. Objectives

-
-
-

7. Scope

Included:

Excluded:

Policy type: ☐ External ☐ Internal

8. Strategic Alignment

Click here to enter text.

9. Legislative and Regulatory Considerations

Click here to enter text.

10. Options Analysis (Initial)

Option	Description	Pros	Cons
Status quo			
Non-regulatory			
New/updated policy			

11. Stakeholders

Internal:

External:

12. Engagement Requirements

☐ Internal only

☐ Targeted engagement

☐ Public consultation

☐ Special Consultative Procedure

13. Implications

Financial:

Operational:

Legal:

Te Tiriti o Waitangi:

Environmental/Social/Economic:

14. Risks

Click here to enter text.

15. Proposed Timeline

Stage	Timeframe
Initiation approval	
Draft development	
Internal review	
Consultation	
Adoption	

16. Resource Requirements

Click here to enter text.

17. Recommendation

☐ Proceed

☐ Do not proceed

☐ Further analysis required

18. Approvals

Role	Name	Signature	Date
Policy Owner			
SLT			
Chief Executive			

Report to Committee

DATE: 13 August 2026

TO: Risk and Assurance Committee

FROM: Quality Assurance Manager

ENDORSING WORKPLACE POLICIES
SENSITIVE EXPENDITURE, PROACTIVE RELEASE, CUSTOMER AND COMMUNITY CONDUCT AND COMMUNICATIONS, ELECTED MEMBER, IWI REPRESENTATIVE AND STAFF INTERACTION POLICY

1. Summary

This report seeks the Committee's endorsement and implementation of four core workplace policies: Sensitive Expenditure, Proactive Release, Customer and Community Conduct and Communications, and Elected Member, Iwi Representative and Staff Interaction. Together, these policies strengthen transparency, accountability, public trust, and consistent decision-making by setting clear expectations for expenditure, information release, public conduct, and working relationships between elected members, iwi representatives, and staff.

2. Background

The following is the background to the four policies:

- Sensitive Expenditure Policy – the updated policy has been developed in line with guidance issued by the Audit Office in Controlling Sensitive Expenditure: Guide for Public Organisations.
- Proactive Release Policy – this policy was due for review in August 2023. The proposed updates are minor wording changes only.
- Customer and Community Conduct and Communications – this is a new policy to assist in managing behaviours that negatively and unreasonably impacts WDC, its employees and other members of the public.
- Elected Members, Iwi Representatives and Staff Interaction Policy – this is a new policy to outline the expectations of Elected Members, Iwi Representatives and Staff on how they interact with each other in the performance of their duties.

3. Current Situation

The policies have been reviewed to ensure they remain fit for purpose and aligned with current governance, transparency, conduct, and relationship-management expectations. They clarify responsibilities for prudent spending, proactive public information release, respectful communication with customers and communities, and appropriate interaction between elected members, iwi representatives, and staff.

Without current, accessible, and consistently applied policies, staff and decision-makers may be uncertain about expectations, and standards may be applied unevenly. This can increase the risk of inappropriate expenditure, delayed or inconsistent release of information, unmanaged customer or community conduct issues, and blurred boundaries in governance and operational relationships. Endorsing the policies as a suite will provide a stronger basis for communication, implementation, monitoring, and review.

4. Options

The Committee has three practical options available:

4.1. **Option 1:** Endorse the full policy suite. Approve all four policies as an integrated workplace governance package, supported by communication, training and scheduled review.

4.2. **Option 2:** Endorse selected policies only. Approve one or more priority policies while delaying the remainder.

4.3 **Option 3:** Maintain the status quo. Continue relying on existing practices, informal guidance, and case-by-case decision-making.

5. Assessment of Options

The following assessment considers the relative benefits, constraints, financial implications, and significance and engagement considerations for each option.

5.1 **Option 1** is the strongest. Endorsing the full suite gives employees and managers clear standards, improves transparency, supports legal compliance, and enables consistent implementation across the organisation. This option also allows policies to be introduced through a single communication and training programme, reducing confusion and duplication.

5.2 **Option 2 is partially effective but incomplete.** Endorsing selected policies may address some immediate risks, but it does not provide a coherent framework. The four policies are mutually reinforcing: sensitive expenditure supports financial integrity; proactive release supports transparency; customer and community conduct guidance supports safe and respectful engagement; and elected member, iwi representative, and staff interaction guidance supports clear governance and operational boundaries.

5.3 **Option 3 is not recommended.** Maintaining the status quo may appear simple in the short term but leaves the organisation exposed to inconsistency, uncertainty, reputational risk, and avoidable compliance and relationship-management issues.

Financial Implications

- There are no significant direct financial implications anticipated. Any costs are expected to relate to communication, training, policy implementation, and any required support or advice.

Significance and Engagement Assessment

- The matter is considered of low to moderate significance. Endorsement strengthens internal governance and supports worker engagement through clear communication of responsibilities and expectations.

6. Risk Assessment

Risk	Likelihood	Impact	Mitigation
Policies are misunderstood or applied inconsistently.	Medium	Medium	Provide manager guidance, employee communication, and practical implementation tools.
Sensitive expenditure decisions are perceived as inappropriate or insufficiently justified.	Medium	High	Require clear approval, documentation, transparency, and periodic review of sensitive expenditure decisions.
Proactive release obligations are applied inconsistently or too late.	Medium	Medium	Use clear release criteria, decision records, review checkpoints, and escalation pathways for sensitive or complex information.
Customer or community conduct issues are not managed consistently.	Medium	High	Provide staff guidance, communication templates, escalation points, and consistent expectations for respectful engagement.
Governance, iwi representative, and staff interaction boundaries are unclear.	Medium	High	Communicate role expectations, escalation pathways, and protocols for information requests, meetings, and operational follow-up.

7. Preferred Option and Reasons

The preferred option is Option 1: Endorse the full policy suite. This option provides the most comprehensive and practical approach to workplace governance. It aligns policy expectations with operational needs, strengthens financial integrity, supports transparent information release, promotes respectful engagement with customers and communities, and clarifies appropriate interaction between elected members, iwi representatives, and staff. Endorsing the policies together also sends a clear message that the organisation values fairness, accountability, transparency, respectful conduct, and continuous improvement.

8. Recommendations

8.1. That the report be received.

8.2. That the Committee endorses the following policies:

- Sensitive Expenditure Policy
- Proactive Release Policy
- Customer and Community Conduct and Communications Policy.
- Elected Member, Iwi Representative and Staff Interaction Policy.

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Quality Assurance Manager

Appendix 1: Sensitive Expenditure Policy
Appendix 2: Proactive Release Policy
Appendix 3: Customer and Community Conduct and Communications Policy
Appendix 4: Elected Member, Iwi Representative and Staff Interaction Policy

Sensitive Expenditure and Gifts Policy

Version: 2

July 2026

DOCUMENT CONTROL

VERSION	DATE	COMMENTS
2	16 February 2026	

DOCUMENT APPROVALS

	NAME	SIGNATURE	DATE
REVIEWER		*Subject to Risk and Assurance Committee approval*	
APPROVER	Risk and Assurance Committee Chair	*Subject to Risk and Assurance Committee approval*	

DOCUMENT CUSTODIAN AND REVIEW DATE

	NAME	REVIEW PERIOD	NEXT REVIEW DATE
CUSTODIAN	Quality Assurance Manager	This document will be reviewed on a 3-yearly basis. Reviews may occur more frequently should the internal processes described in Section 20 identify the need to do so.	August 2028

Contents

Introduction

1. Why do we have a Sensitive Expenditure and Gift Policy?

1.1 Trust and confidence in public organisations is driven by competence, reliability, and integrity. Where there is any question about any one of those things, real or perceived, trust and confidence can be eroded. It is important that, as elected members and employees of Westland District Council, we adhere to the highest standards of integrity and are seen to be doing so.

1.2 It is the expectation of the Audit Office that all public organisations will have a policy to manage sensitive expenditure. WDC's Sensitive Expenditure and Gifts Policy has been developed based on the guidance issued by the Audit Office – Controlling Sensitive Expenditure: Guide for Public Organisations.

2. What is sensitive expenditure?

2.1 Sensitive Expenditure is any Council expenditure where there may be a perceived personal benefit to elected members or staff, or expenditure that could be considered unusual for a Council.

2.2 Sensitive expenditure will have one or more of the following attributes:

- Results in a perceived or real private benefit to the individual.
- May be an unusual expenditure item for Council.
- Does not directly align with the core business of Council or has a poor link to the business purposes of Council.
- Could be difficult to justify to the public.
- May involve a conflict of interest (legal or ethical).
- May be considered an extravagant or immoderate expenditure.

3. Purpose

3.1 The purpose of this policy is to help staff manage sensitive expenditure by:

- Setting out the principles that will guide sensitive expenditure decisions.
- Making clear the approvals required, limits and processes for managing sensitive expenditure.
- Stating how WDC will monitor and report on sensitive expenditure.

4. Scope

4.1 This policy applies to all WDC elected members, employees (including those on contract) and volunteers. It does not apply to Council Controlled Organisations that are legal entities in their own right, such as Westroads Limited or Destination Westland Ltd.

5. Structure of this document

5.1 The policy has been divided into two parts.

- PART ONE – Sections 7 to 10 outline the broad principles around managing sensitive expenditure.

- PART TWO – Section 12 outlines general controls associated with all types of sensitive expenditure. In addition to these, further controls specific to the type of sensitive expenditure to be incurred are outlined in Sections 13- 18:
  13. Credit card purchases
  14. Expenses when travelling
  15. Entertainment and hospitality expenditure
  16. Goods and Services
  17. Staff support and welfare expenditure
  18. Other types of expenditure, e.g. gifts or receiving hospitality.

6. Distribution and communication

6.1 This policy will be published on the Council's Intranet and Internet.

Part 1 – Principles

7. Taking a principles approach

7.1 The Audit Office recommends a principles-based approach to making sensitive expenditure decisions. Although a principles-based approach requires careful judgement, it is also flexible and more enduring and practical to administer than a large number of rules.

7.2 Council is spending public money; consequently, all expenditure should be subject to a standard of probity and financial prudence expected of a local authority, and be able to withstand public scrutiny.

7.3 There are principles that underpin decision-making about sensitive expenditure. Expenditure decisions should:

- **have a justifiable business purpose** that is consistent with the public organisation's objectives. A justifiable business purpose means a reason that would make clear sense, supported by evidence of the need for the spending and evidence that a range of options have been considered.
- **preserve impartiality**. Impartiality means decisions based on objective criteria, rather than based on any sort of bias, preference, or improper reason.
- **be made with integrity.** Integrity is about exercising power in a way that is true to the values, purposes, and duties for which that power is entrusted to, or held by, someone. It is about consistently behaving in keeping with agreed or accepted moral and ethical principles;
- **be moderate and conservative** when viewed from the standpoint of the public and given the circumstances of the spending. It includes considering whether the justifiable business purpose could be achieved at a lower cost;
- **be made transparently.** Transparency in this context means being open about the spending, and willing to explain any spending decisions or have them reviewed; and
- **be made with proper authority.** This means that the person approving the spending has the appropriate financial delegation to do so, for the type and amount of spending and follows correct procedures.

7.4 These principles should be applied together. None should be applied alone, and no principle should be treated as more important than any other.

8. Deciding when sensitive expenditure is appropriate

8.1 Improper expenditure could harm the reputation of, and trust in, the Council, so in deciding what appropriate sensitive expenditure is, elected members and Council staff need to take account of both individual transactions and the total amount of sensitive expenditure.

8.2 Even when sensitive expenditure decisions can be justified at the item level, the combined amount spent on a category of expenditure may be such that, when viewed in total, Council could be criticised for extravagance and waste.

9. Responsibilities

9.1 Overall responsibility for this policy rests with the Mayor, Councillors and the Senior Leadership Team. This group must make it clear to staff what is and is not acceptable sensitive expenditure and model those behaviours to the highest standard.

9.2 It is the responsibility of all elected members and staff to ensure that they are familiar with and apply this policy to all sensitive expenditure they may incur.

10. Apply

10.1 In the absence of a specific rule for a given situation, all elected members and staff are expected to exercise good judgement by taking the principles in this policy into account in the context of the given situation.

10.2 All elected members and staff are required to ensure transparency in both sensitive expenditure and remuneration systems, to avoid any trade-off between the two. Items of expenditure that may not be justified under the principles of this policy should not be included as part of an employee's remuneration for the purposes of avoiding scrutiny against sensitive expenditure principles.

Part 2 – Controlling sensitive expenditure.

11. Controls

11.1 This section outlines WDC's expectations of elected members and staff when spending council funds on anything that may be considered sensitive.

11.2 General control criteria applicable **to all types of sensitive expenditure** are specified in **Table 1** and must be met.

11.3 Further controls specific to the type of sensitive expenditure to be incurred are outlined in Section 13-18, which cover:`

- Credit card purchases
- Expenses when travelling
- Entertainment and hospitality expenditure
- Goods and Services
- Staff support and welfare expenditure
- Other types of expenditure, e.g. gifts or receiving hospitality.

12. General controls for all types of sensitive expenditure

12.1 If the general control criteria outlined in **Table 1** cannot be met, then reimbursement must be expressly authorised by the Chief Executive, who will carefully consider the principles outlined in Section 7.3 before approving reimbursement. Such exemptions are only to be issued in exceptional circumstances.

12.2 Expenditure incurred by, or on the direction of, the Mayor or other elected officials (not explicitly approved by Council), will be reviewed by the independent Chair of the Risk and Assurance Committee or its equivalent for compliance with this policy. If the Chair is not an independent, then the expenditure shall be reviewed by an independent member of the Risk and Assurance Committee or its equivalent. In the case of manager approval, the "one up" principle must be applied to the maximum extent possible. However, in the case of the Chief Executive, approval is required from the Mayor.

12.3 For the avoidance of doubt, approval must be given and recorded before the expenditure is incurred, wherever practical.

Table 1 – Control requirements for all sensitive expenditure.

Control Requirements for all Sensitive Expenditure			
BEFORE incurring expenditure			
Person seeking approval		**Approver**	
Has a justifiable business purpose? Ref 7.3		You are satisfied that the proposed expenditure meets all of the principles referenced in section 7.3 and that it complies with this policy in all respects.	
Is it moderate and conservative? Ref 7.3		Budgetary provision exist?	
Has the manager advised that there is a budgetary provision?		You have delegated authority for this level of expenditure.	
You will not personally benefit from this expenditure.		As an approver you will NOT personally benefit from the expenditure. *NOTE: If you will personally benefit, or be perceived to benefit, a more senior manager who does not benefit must approve the expenditure.*	

AFTER incurring expenditure				
Person seeking reimbursement		**Approver**		
Claim submitted within 1 month.		Claim submitted within 1 month.		
Expenditure claimed does not exceed the pre-approved amount? If exceeded, provide an explanation.		Expenditure claimed does not exceed the pre-approved amount? - If exceeded, an explanation should be provided. - If exceeded, check new amount does not exceed the budget.		
The following is uploaded with the expenditure claim: - business purpose for the expenditure stated. - original GST receipt/invoice with required fields including seller's name, GST number (if applicable), date of invoice, total amount, and detailed line items with description of expenditure and amount of each item. - lists those people who benefited. *Note: credit card statements and EFTPOS receipts are not sufficient for reimbursement purposes.*		Claim accompanied by: - stated business purpose. - original GST receipt/invoice with date, time, amount, and description of expenditure. - lists those people who benefited. *Note: credit card statements and EFTPOS receipts are not sufficient for reimbursement purposes.*		
Issued for one person only? *NOTE: If claims are related to more than one person, it should be made by the most senior person and list the other individuals to whom the expenditure relates.*		Ensure separate claims are issued for each person wherever possible. *NOTE: If claims related to more than one person, it should be made by the most senior person and list the other individuals to whom the expenditure relates.*		

13. Council credit cards and purchasing cards

13.1 Bank credit cards and purchasing cards create the risk that expenditure, including sensitive expenditure, is incurred before it is approved. WDC therefore tightly manages the issue and use of credit cards.

Credit Cards Management

13.2 The issue of credit cards is authorised under the Delegations Manual.

13.3 The Chief Financial Officer responsible for the finance function may approve the issue of additional cards to staff where appropriate.

13.4 Before authorising the issuing of additional cards, the Chief Financial Officer responsible for the finance function must be satisfied that they are strictly necessary to cover either regular travel or for administrative efficiencies, e.g. payment of properly authorised purchases from overseas.

13.5 The Senior Management Accountant will be responsible for the acquisition of cards on the direction of the Chief Financial Officer responsible for the finance function.

13.6 The Chief Executive will decide whether existing cards are no longer required. On instruction issued by the Chief Executive, the Senior Management Accountant will be responsible for cancelling, securely destroying card/s and advising the issuing bank of its cancellation.

13.7 The credit cards are to be stored securely, and the card details, such as card number and expiry date, are restricted to the staff involved in their administration. Card details for cards in an individual's name should not be shared with others.

13.8 Should a card be lost, misplaced, or subject to fraud, the cardholder should notify the Finance team, who will cancel the card immediately and seek a replacement.

Credit Cards Purchasing

13.9 When making internet purchases, the cardholder, or staff with the appropriate delegated authority on behalf of the cardholder, will ensure that:

- Purchases are made only from established reputable companies known to the Council.
- Internet sites are secure, and the vendor is reputable.
- The procurement complies with the Council's procurement policy and procedure.
- A copy of the online order form and invoice is printed to support payment.

13.10 For current credit cards, the credit card limits and transaction limits are set by the Chief Financial Officer responsible for the finance function.

13.11 Changes to the credit card limits will be approved by the Chief Financial Officer responsible for the finance function.

13.12 The use of Council credit cards for private expenditure or credit is prohibited.

13.13 Credit cards cannot be used to obtain cash advances.

13.14 Credit card payments must be authorised like other invoices and in accordance with the Delegations Manual. Therefore, prior to asking a credit card holder to make a transaction on behalf of a staff or elected member, the person requesting the expenditure must provide written approval from a one-up manager with appropriate delegated authority to the person making the credit card transaction with the exception of purchases made by, or on behalf of, the Mayor and the Chief Executive. A one-up manager can be at any level of the organisation, as long as they have the necessary delegated financial authority.[1]

The Chief Executive's credit card expenses will be subsequently reviewed and approved by the Mayor. The Mayor's credit card expenses will be subsequently reviewed and approved by the Chair of the Risk and Assurance Committee.

13.15 All credit card transactions must be supported by original documentation to explain and corroborate transactions. For all entertainment and travel transactions, the business reason and other parties (if any) must be recorded along with the purpose of the meeting.

Unauthorised credit card use

13.16 The use of credit cards shall comply in all respects with the policy requirements specified for specific areas of expenditure.

13.17 Unauthorised use of credit cards will be reported to the staff member's Manager for investigation and to the Finance Manager, who will consider whether cancelling the card is appropriate. If justifiable

[1] The written approval for credit card payments, along with the receipt, is to be loaded into the finance system, alongside each individual transaction.

reasons, consistent with the principles of this policy, cannot be provided, the matter may be reported and escalated and managed in accordance with **WDC's Fraud Policy.**

14. Expenses when travelling

Principles

14.1 WDC elected members and staff may need to incur travel and accommodation costs while travelling in New Zealand or overseas for work. Before incurring this expenditure, elected members and Council staff should consider technology-enabled solutions as opposed to travel where appropriate.

14.2 Expenditure must have a justifiable business purpose and be moderate and conservative. Expenditure for travel and accommodation should be economical and efficient, having regard to purpose, distance, time, urgency and personal health, security and safety considerations.

Travel Advances (cash)

14.3 Where WDC elected members or staff are required to travel overseas for work, it may be necessary for them to receive a cash advance in the local currency.

14.4 Should a travel advance be necessary, the travelling elected member or staff member will complete an application for the necessary amount of cash to be obtained, having regard to the circumstances of travel. Cash advance is to be approved in advance by the staff members' manager (Mayor/Chair of Risk & Assurance Committee for elected members) with the appropriate delegated financial authority. The travel advance will be paid to the staff member into their nominated bank account on the next available creditors' payment run.

14.5 Upon return from travel, the elected member or staff member must complete the advance return reconciliation, returning any unused cash, and provide receipts for expenditures incurred.

Air travel

14.6 All air travel requires one-up approval in advance from a manager with the appropriate delegated financial authority, with the exception of international travel, which must be approved by the Chief Executive.

14.7 Elected members' international travel must be approved by the Council before booking.

14.8 To the extent practicable, air travel is to be booked well ahead of the actual travel date, so the expenditure is the most cost-effective possible.

14.9 Discounted economy or economy class and/or a discount airline is to be the first choice for journeys where the uninterrupted flight time is 5 hours or less, except where the distance or hours travelled, work schedule on arrival, or personal health, safety or security reasons make premium economy/business class[2] appropriate.

14.10 For international flights that exceed 5 hours, premium economy travel may be booked following approval by the Chief Executive for staff, or the Mayor for elected members. Before determining whether a premium economy/business class fare is appropriate, flying long distance in economy class and arriving earlier to allow rest-up should be considered if time allows.

14.11 For international flights that exceed 10 hours, business class travel (excluding Air New Zealand), may be booked following approval by the Chief Executive for staff or the Mayor for elected members.

[2] Air New Zealand Business Class is prohibited as this is their first-class service.

Before determining whether a business class fare is appropriate, flying long distance in economy class and arriving earlier to allow rest-up should be considered if time allows.

14.12 In all circumstances, business class travel on Air New Zealand or first-class travel for other airlines is prohibited.

14.13 Air travel is to be booked in accordance with the **WDC Travel Guidelines.**

14.14 Any person (staff or elected members) travelling internationally on Council business must provide a report to the Mayor or Chief Executive upon their return detailing the benefits of the trip.

Airline membership clubs

14.15 The Chief Executive will be entitled to a Koru Club or equivalent airline membership to reflect the need to travel on Council business. Council will pay for the membership.

14.16 The payment for airline fees for membership clubs is not considered remuneration.

14.17 Council payment for membership of airline travel clubs for other staff requires the express approval of the Chief Executive. Membership must be supported by a clear business purpose and reviewed annually.

Airline Loyalty rewards

14.18 Although WDC staff or elected members may claim air points from work-related travel, WDC will not seek staff to transfer accrued air points to WDC as the costs of managing this process will outweigh the benefits[3].

Accommodation

14.19 Where accommodation is required for business purposes, one-up approval from a manager with the appropriate delegated authority will be provided in advance of booking.

14.20 Where accommodation is required for business purposes, accommodation will be booked in advance using **WDC's Travel Guidelines**.

14.21 To the extent practicable, accommodation is to be booked well ahead of the actual travel date, so the expenditure is the most cost-effective possible. This must take into account the location of the accommodation relative to the event/work location, the standard of the accommodation [which should be modest] and security issues. The use of "5-star" or "luxury" accommodation requires the express approval of the Chief Executive, prior to the booking being confirmed.

14.22 Wherever possible, use is to be made of the Council's preferred suppliers and negotiated corporate rates.

14.23 Supplementary costs, such as minibars, will not be reimbursed by Council.

3 WDC staff book travel using an online system which cannot add air point details at the time of booking, although staff may add their air point details after booking. Although it may be possible for staff to accrue some small benefit from claiming air points from work-related travel, the cost of monitoring and managing the transfer of air points from staff to WDC would outweigh the benefit to be received by WDC, particularly in light of the small number of staff who travel by air regularly.

14.25 All charges for business-related telephone calls, email and internet access made by an elected member or staff member while travelling on Council business will be reimbursed where documented evidence is provided, e.g. receipts.

14.26 Accommodation check-out times are to be observed. In the absence of extenuating circumstances, any additional costs as a result of failing to check out on time are the responsibility of the elected member or staff member.

14.27 Reasonable expenses will be met for unexpected events, e.g. overnight expenses due to a cancelled plane flight.

Non-air transport

14.28 Staff are to use the most effective and efficient means of transport suitable for the requirements of the trip.

14.29 Wherever possible, staff and elected members are to use a Council vehicle.

14.30 The use of taxis is to be moderate, conservative and cost-effective relative to other transport options. Wherever practicable and cost-effective, shuttle, bus services or Uber are to be used in lieu of taxis.

14.31 Corporate taxi cards can be issued prior to travel via the support staff and allocated for individual use for a period of time. All use of taxi cards is to be transparent, with the purpose of each trip recorded on the account and expressly only for business purposes, even if used while travelling for business.

14.32 Rental cars are only to be used if it is impracticable or uneconomic to use a Council vehicle. Council requires that the most economical type and size of rental car be used, consistent with the requirements of the trip. Any fine [parking or traffic offences] incurred while using a rental vehicle is the responsibility of the driver.

14.33 Private use of a rental car is only permitted in exceptional circumstances and requires the express approval of a one-up manager with the appropriate delegated financial authority. All additional costs as a result of private use are the responsibility of the elected member or staff member.

Use of Private Vehicles

14.34 Staff are expected to always use a Council vehicle for Council business if one is available. Council will not pay for travel by private motor vehicle where travel by other means is more practical and cost-effective.

14.35 Without exception, pre-approval is required from a one-up manager in all instances where reimbursement by Council is claimed, and shall only be provided when a council vehicle is either not available or not practical. Approval to use a private vehicle is conditional upon the owner having appropriate insurance cover for the vehicle while it is being used on Council business. The Council accepts no liability for insurance or any fines [parking or traffic offences] incurred while using a private vehicle on Council business. These are strictly the responsibility of the driver.

14.36 All reimbursement claims for use of a private motor vehicle must be made via Council's system and at the approved IRD kilometre rates.

14.37 Refer to **WDC's Safe Driving Policy** to understand when private use of WDC-funded transport is allowable.

14.38 Any fines incurred while travelling will be at the cost of the person incurring the fine.

Meals while travelling

14.39 While on Council business, Council will meet the costs of meals (including drinks) up to the values outlined in **Table 2** below. Separate meal expenses will not be met where a meal has been provided as part of the meeting, conference, training, etc.

Table 2 – Maximum meal allowances while travelling.

Meal allowance for staff or Elected Member	Maximum per head (including beverages)
Breakfast	$30*
Lunch	$30*
Dinner	$60*

* These values are maximum limits and WDC expects that even within these limits that Moderate and Conservative principles apply (refer to section 7).

14.40 Council will not pay for any beverages with a meal. Casual drinks before, during or after the evening meal are to be paid for by an elected member or staff member.

14.41 For out-of-town travel with no overnight stay involved, breakfasts and evening meals will only be provided or reimbursed if there is an early/late departure or return. (What constitutes an early/late departure or return will vary according to an individual's circumstances, but generally falls outside 7:00am – 7:00pm).

Tipping

14.42 Council will not reimburse elected members or staff for tipping while they are on business in New Zealand. Council will reimburse elected members and staff for moderate and conservative tipping during international travel only in places where tipping is local practice, and it is appropriate in the circumstances.

14.43 A daily tipping allowance is to be agreed with by a one-up Manager in advance of the travel. Any unused allowance for tipping is to be returned to Council upon the completion of travel. The percentage of gratuities allowed is outlined in **WDC's Travel Guidelines.**

Other travel considerations

14.44 The use of communications technology [e.g. cell phones, telephones, email and internet access] should be moderate. Reasonable private use to clear email and communicate with family members is permitted.

14.45 Private travel [extended travel] linked with official Council travel shall only be permitted by elected members and staff with the express prior approval of the Mayor or one-up Manager with delegated financial authority [as applicable]. This travel may be undertaken before, during or at the end of Council travel, provided there is no additional cost to Council and the private travel is only incidental to the business purpose of the travel.

14.46 As a general principle, travel costs of accompanying spouses, partners or other family members are a personal expense and will not be reimbursed by Council. In those rare instances where the involvement of a spouse directly contributes to a clear business purpose, and pre-approval has been obtained, then Council may contribute to all or part of the additional costs.

14.47 The cost of stopovers will only be reimbursed where they are pre-approved and have a clear business purpose.

15. Entertainment and hospitality expenditure

15.1 Section 15 outlines rules regarding Council-funded entertainment and hospitality. Rules and guidance regarding receiving entertainment and hospitality are described within clauses 18.22 to 18.28.

15.2 Entertainment and hospitality can cover a range of items from tea, coffee and biscuits to meals. Alcohol and Council-funded entry to sporting or cultural events is expressly excluded.

15.3 Council staff or elected members will not purchase or hire corporate boxes. Attendance at others' corporate boxes should only be accepted following Senior Leadership Team (SLT) Member or Chief Executive's approval to do so. In determining whether acceptance is appropriate, the SLT Member will consider the principles outlined in clause 7.3.

Principles

15.4 The principles of a justified business purpose, moderate and conservative expenditure should be applied.

15.5 There are the following business purposes for Council providing entertainment and hospitality:

- Building relationships.
- Representing the organisation. E.g. attending and presenting at conferences with associated meals.
- Reciprocating hospitality where there is a clear business purpose and is within normal bounds – acceptance of hospitality is expected to be consistent with the principles and guidance for the provision of hospitality. E.g. hosting international visitors.
- Recognising significant business achievement. E.g. annual organisational-wide staff awards.
- Building revenue. E.g. hosting organisers of large events, e.g. Ironman, Supercars.
- Supporting the Council's internal organisational development may in some circumstances also be a legitimate business purpose for moderate expenditure.

15.6 All entertainment and hospitality expenditure (internal or external recipients) must be pre-approved wherever practical by a more senior manager with appropriate delegated financial authority, who will not be attending the event or receiving the hospitality. Where the Mayor is in attendance, pre-approval will be sought from both the Mayor and the Chair of the Risk and Assurance Committee, wherever practical. The approving person will ensure the request is appropriate and consistent with the contents and principles of this policy. When seeking pre-approval, the following information should be provided to the approving manager: date, venue, expected costs and recipients, and benefits derived and/or reasons for the event.

Entertainment and hospitality – internal attendees only

15.7 Expenditure should be conservative and moderate. This means Council will meet the costs of meals (excluding drinks) up to the values outlined in **Table 3**, which is consistent with clause 14.39.

Table 3 – Maximum meal allowances for staff-only events.

Meal allowance for staff or Elected Member	**Maximum per head (including beverages)**
Breakfast	$30^
Morning or afternoon tea	$15^
Lunch	$30^
Dinner	$60^

^ These values are maximum limits. WDC expects that even within these limits, Moderate and Conservative principles apply (refer to section 7) and that internally catered events are expected to cost less than the limits described in **Table 3**.

15.8 Expenditure is to be pre-approved in accordance with clause 15.6 wherever practical.

Food & Catering

15.9 Council will provide catering for staff on a **moderate and conservative basis** to be monitored by the manager approving the expenditure.

Some examples of times it may be appropriate for staff catering to be provided include:

- A meeting exceeds 4 hours. E.g. where there is an all-day training event organised for staff, away from a location with easy access to food, or where the timing of the day doesn't allow for a break longer than 30 minutes.
- Where Elected Members are required in chambers for meetings/workshops in the morning and the afternoon.
- A team event, e.g. annual team building event.

Alcohol

15.10 Council will not pay for any alcohol expenditure.

Entertainment and hospitality – internal and external attendees

15.11 Infrequently Council may determine it is appropriate to provide manakitanga to our guests for one of the **business purposes** outlined in clause 15.5, and the expenditure must be **moderate and conservative**. Examples of when it may be appropriate for Council to provide hospitality or fund catering include: catering at publicly held community meetings or at marae; entertaining guests when bidding to host major events; hosting international guests, when a business meeting can only be practically held during meal times.

15.12 Expenditure is to be pre-approved in accordance with clause 15.6.

Food & Catering

15.13 Food and catering expenditure must be **moderate and conservative** and within the limits set by **Table 3** (refer to clause 15.7) unless otherwise approved by the Chief Executive.

16. Goods and services expenditure

Loyalty reward scheme benefits/prizes

16.1 Loyalty rewards accruing to staff as a result of carrying out their official duties are to be considered the property of Council and used for Council benefit wherever possible.

16.2 Staff making procurement decisions should not personally receive any loyalty rewards as a result of those decisions. Any rewards that are personally received should be recorded in the **WDC Gift Register**. In the event staff who have received rewards are involved in making procurement decisions relating to the company that issued those rewards, then the staff member should complete a Conflict of Interest form in accordance with **WDC's Procurement Policy.**

16.3 Where a reward/prize is obtained by chance and without inducement, it may be retained by the individual. Generally, prizes received from a free competition entry obtained while undertaking Council business may be retained by the individual but must be recorded in the **WDC Gift Register.**

16.4 Prizes received from competitions at training or conference events or through membership of professional bodies are treated as the property of the individual. However, where their value exceeds $100, they are to be recorded on the **WDC Gift Register**.

16.5 In situations where receiving a prize or loyalty reward could be perceived as inappropriate, even if Council rather than the individual would benefit from it, Council expects the prize or reward to be declined.

Private use of WDC assets

16.6 Any physical item WDC owns, leases, or borrows is considered an asset for the purpose of this guide. This includes photocopiers, mobile devices, computer equipment, laptops, office furniture, uniforms, stationery, cars, plants, topsoil etc.

16.7 Corporate vehicles (provided outside remuneration and employment contract arrangements) should not be used for private purposes. The driver, not the organisation, will pay any fines (parking or traffic offences) incurred while using a corporate vehicle unless the fines relate to an aspect of the condition of the vehicle outside the driver's control. Any misuse of corporate vehicles will be escalated to the relevant manager.

16.8 Use of WDC assets for staff use for their private business/commercial activities is prohibited.

16.9 Use of WDC assets for staff use for their private personal use is to be limited to the following circumstances:

- Limited reasonable personal use of WDC devices, e.g. laptops and phones, in accordance with **WDC Digital Communications Policy**.
- Use of WDC computer monitors and cables when directed to work from home e.g. during a pandemic.

WDC use of private assets

16.10 Council may decide that reimbursing staff for use of private assets is appropriate for reasons such as cost, convenience or availability. Council may also decide to do this in circumstances where it would not regularly use an asset if it acquired it directly, for example private motor vehicles.

16.11 Pre-approval by the relevant SLT Member is required. In assessing the request, the SLT Member will pay particular attention to the principles of a justified business purpose and preserving impartiality and integrity.

16.12 Staff members must not approve or administer payments to themselves for the Council's use of their private assets. Payments must be authorised by one-up approval by a manager with delegated financial authority.

Private use of WDC suppliers

16.13 Council, in limited circumstances, enables staff to obtain goods or services from a supplier on the same or similar basis to Council, and staff are thus able to obtain the goods or services at a discounted price not otherwise available to them. This is treated as the private use of official procurement processes.

16.14 The selection of suppliers must be in Council's interest and not affected by the availability or possibility of purchasing privileges for staff.

16.15 Staff may make moderate use of any preferential access to goods or services through Council's suppliers under the following conditions:

- Staff involved in the selection of preferred suppliers complete a Conflict of Interest form in accordance with **WDC's Procurement Policy.**
- All orders are to be used on a cash sale basis only, and the staff member must pay in full for the goods and services directly to the supplier at the time of supply.
- Staff may not use Council purchasing privileges on behalf of any third party. This includes family members or friends.

16.16 In rare circumstances, a Council order may cover expenditure with a personal component e.g. travel or accommodation booking. In this case, payment to Council for the personal component must be made on the confirmation of the cost or the receipt of the invoice from the supplier [whichever is the earlier].

16.17 Elected members may have preferential access to goods or services through Council's suppliers on the same basis as staff, provided there is no real or perceived conflict of interest.

16.18 WDC staff are authorised to obtain goods or services from a supplier on the same or similar basis to Council at discounted rates, where they receive discounts up to a cumulative amount of $100 per annum per supplier.

Sale of surplus assets to staff

16.19 When a WDC asset becomes obsolete, worn out, or surplus to requirements, WDC may dispose of it.

16.20 When disposing of an asset, staff will do so in a manner that maximises return for WDC or is for charitable purposes. Assets are not to be disposed of at a discounted rate to staff if WDC can achieve better value through another method of disposal.`

16.21 Assets are to be disposed of at a justifiable market rate. For significant assets, this may require a valuation or tender. Significant is defined as assets likely to be over $1,000 in value.

16.22 Information Technology assets that are fully depreciated (have no book value) may be disposed of by donating to charitable organisations that 17specialize in supporting community organisations with IT equipment.

16.23 Staff disposing of the assets will not benefit from the disposal.

16.24 If the WDC is unable to sell or find an alternative use for its assets, these may be offered to staff rather than being taken to a landfill.

16.25 All disposals require the approval of the Chief Executive.

17. Staff support and wellbeing expenditure

17.1 Public organisations can provide for staff support and wellbeing in various ways, in a way that benefits both WDC and staff.

17.2 To support wellbeing, Council holds two organisation-wide social functions each year. Each event is to have a maximum budget of $20 per head per invited employee or Elected Member, to be spent within the discretion of the Chief Executive.

Financing WDC social club activities

17.3 Council may make a prudent and reasonable monetary contribution to a social club's events where they support organisational development and staff wellbeing. This may be in the form of an all-purpose grant towards the club's annual budget, or it may be a grant or subsidy for a specific event. Any social club contributions will be at the Chief Executive's discretion.

Sponsorship of staff

17.4 Staff taking part in an activity that is not part of their job – such as a sporting event – may be sponsored by Council through the provision of, or payment for, goods or services (for example, a t-shirt or an entry fee).

17.5 Sponsorship should have a justified business purpose, which could include both publicity for the Council and its objectives and organisational development. The cost to Council must be moderate and conservative. If the sponsorship does not have a justified business purpose, the cost is a donation.

17.6 Sponsorship will be provided through a club rather than directly to the staff member if required.

17.7 Sponsorship of people who are not staff must be undertaken in a manner that is transparent. It is also preferable that, if non-staff are sponsored, the sponsorship is of an organisation they belong to, rather than directly of the individual.

Clothing

17.8 Council will pay for health and safety-related clothing e.g. Personal Protective Equipment. Other clothing and uniform expenses will be in accordance with **WDC's Staff Clothing Policy.**

Care of dependants

17.9 Care of dependants is a personal and private expense of staff members. In exceptional circumstances, the Chief Executive may authorise the reimbursement of actual and reasonable costs. Examples of this might include when a staff member is unexpectedly required to perform additional duties at very short notice, or when a dependant unexpectedly requires additional care that the staff member cannot provide at that time due to the nature of their duties.

18. Donations, Koha and Gifts

Donations

18.1 A donation is a payment (in money, goods, or services) made voluntarily and without expecting reciprocation.

18.2 WDC requires donations to be:`

- Lawful in all respects.
- Disclosed in aggregate in the Council's annual report.
- Appropriately documented in WDC's Document Management System.
- Made to a recognised organisation by normal commercial means [not to an individual].
- Not in cash.
- Non-political.

Koha

18.3 Koha is a thought, a contribution, an expression of manaakitanga and aroha to the marae or kaupapa. In the context of the WDC, the giving of koha upholds tikanga Māori and is generally given by way of a financial contribution.

Koha is **not** a form of payment for goods or services, nor reimbursement for specific costs associated with hosting an event at a marae. Reimbursement of these costs should occur upon receipt of an invoice.

18.4 When giving koha on behalf of WDC ensure:

- The activity or event associated with koha has a justifiable business purpose.
- That koha is given transparently.

18.5 Koha as a financial contribution may be in the form of cash or direct credit, with direct credit being preferrable. The Finance Team require 5 working days' notice to process a direct credit payment. If the koha is by direct credit it is good practice to print a remittance slip to be presented in an envelope at the time of the event.

18.6 When applying for koha from the WDC Finance Team use the **WDC Koha Approval Form**.

18.7 The amount of koha given on behalf of Council should reflect the occasion and the prestige of Council in its relations with Tangata Whenua and approved by the relevant SLT Member.

The following is a guide to help determine the types of activity where koha may be given:
Marae visit – The koha from council will depend on the reason for the visit.

- If the marae visit is for a notable occasion, it is appropriate for council to provide a koha. This may range from $200 – $350.
- If the marae visit is for a kaupapa that is business as usual or runs over one or more visits and requires an initial pōwhiri to welcome staff, the initial marae visit koha may be around $100 - $150. Following the initial visit, subsequent visits will not usually require a koha, but costs associated with that kaupapa are reimbursed.
- If the marae visit is to wānanga council staff learning, it may be appropriate, in addition to the above koha from council; for individual council staff to contribute a small personal koha should they wish to do so.

Tangihanga – the koha will depend on the person being farewelled and their relationship with the WDC.

18.8 WDC does not usually give koha to an individual person. Should koha be given to an individual, it must be given when the Council (the payer) gets no benefit or advantage in return. If the Council gives koha in exchange for services or goods, the receiver is liable to pay income tax on the koha and WDC is obliged to deduct withholding tax prior to payment to the individual.

Gifts

18.10 Gifts usually take the form of a tangible object, but might also be in the form of, for example, free use of a corporate box at a sporting event, meals or hospitality or privileged access to goods or services.

18.11 The giving of gifts must be appropriate, transparent and reasonable.

18.12 All gifts, as defined in 18.10, given or received by staff or elected members exceeding $100 should be recorded on the **WDC Gift Register,** with a record of the recipient, the person/organisation gifting, and the reason for the gift.

Giving Gifts

18.13 Gifts may be given in appropriate circumstances such as:

- Thank you for giving a speech or presentation.
- Farewells.
- As an expression of support or sympathy.
- To promote international relations when gift-giving is customary.
- Or other circumstances as approved by the Chief Executive.

18.14 Expenditure on farewells and retirements includes spending on functions, gifts and other items and should not be extravagant or inappropriate to the occasion and should be pre-approved by the SLT Member. For further explicit guidance on Council providing hospitality and entertainment, refer to section 15.

18.15 WDC may offer an expression of support or sympathy and cover the cost of flowers or a gift basket, up to the value, including courier charges, of $125 in the following cases: on the occasion of: i) an employee's serious illness, hospitalisation, or accident; ii) a bereavement of an employee or employee's immediate family such as parent, child or sibling, iii) birth of an employee's baby; iv) the passing of an individual of significant civic standing or someone who has made a significant contribution to the Westland District. Gifts for other events (including engagements, weddings, birthdays, Easter and Christmas) will not be paid for by WDC.

18.16 A thank-you gift for a speech or presentation should not exceed $100.

18.17 WDC acknowledges long service of staff through the giving of greetings and gift cards. When staff have been employed by WDC for 10 years or longer, the following applies:

Long Service Recognition

10 Years	**WDC logoed recognition item gift to the value of $100, Council Card and morning tea.**
15 Years	**WDC logoed recognition item gift to the value of $150, Council Card and morning tea.**

20 Years and every 5 years thereafter	**WDC logoed recognition item gift to the value of $200, Council Card and morning tea.**

18.18 When staff with less than 5 years' service leave council's employment, the relevant manager may arrange a staff collection at their discretion.

18.19 When staff leave WDC's employment, the following applies:

Years of Service	Leaving Function and Present
0-5 years	**Morning tea and Council Card**
5+ years	**Morning tea, Council Card and gift to the value of $20 per year of service.**

18.20 Purchase gifts in accordance with the thresholds outlined in 18.17 and 18.19. These purchases should be pre-approved by a one-up manager. Gifts exceeding these thresholds, or outside of the above criteria, require the approval of the relevant SLT Member.

18.21 Gifts may be given to promote international relations when gift-giving is customary, or when the Mayor has assessed that the specific purpose or occasion warrants gift-giving. The value of the proposed gift must not be inappropriate or excessive to the occasion or reason for it being given.

Receiving Gifts

18.22 The receiving of a gift is not strictly sensitive expenditure; however, it is a sensitive issue.

18.23 Gifts may be accepted by WDC, its staff or elected members except when acceptance could be perceived as a means of influencing a council decision-making process. Gifts may only be accepted infrequently and if they are inexpensive and openly distributed by suppliers and clients. Infrequent is defined as no more than three times in any 12-month period, and inexpensive as having a monetary value of less than $100. In all instances, staff must inform their manager or supervisor that they have received a gift for service or appreciation.

18.24 From time to time elected members or staff may be invited to social events so that they can build appropriate business relationships. The decision as to whether to accept the invitation requires consideration of whether attendance would:

- Benefit a business relationship of Westland District Council;
- Be consistent with the guiding principles of this policy set out in part one; or
- Could be perceived as a means of influencing a Council decision-making process.

Members/staff must be aware of the line between appropriate relationship building and compromise, and should consult with the Mayor or relevant SLT Member cases of doubt as to whether to accept an invitation to an event.

18.25 Before accepting a gift or accepting an invitation, staff and elected members should consider whether it is appropriate to accept the gift in light of 18.22 and 18.24. Where it is necessary, in the circumstances, to decline a gift, the following steps should be taken in order to preserve the relevant working relationships of Westland District Council and the person or organisation involved:

- Thank the person or organisation for the gesture of the gift and acknowledge Westland District Council's appreciation; and

- Explain that due to Westland District Council's policy, the gift cannot be accepted.

18.26 If, upon review of the Gift Register, it is identified that staff or an elected member has received gifts that may be perceived as intended to influence Council, the matter will be escalated to the relevant SLT Member for review and, if necessary, investigation.

18.27 In no circumstances should elected members or staff accept cash or solicit a gift by virtue of their position. Refer also to the Code of Conduct for Elected Members, and Staff.

18.28 The acceptance and retention of any gift with an estimated monetary value exceeding $100 by Council staff must have the express approval of the relevant SLT Member and be recorded in the **WDC Gift Register.**

Pōhiri and Mihi Whakatau

18.29 A departing staff member may be offered a pōhiri/pōwhiri or whakatau, by the organisation they are joining. A pōhiri/pōwhiri is a formal Māori welcoming ceremony that usually takes place on a marae. In more recent times, pōhiri/pōwhiri have also been held in other locations e.g. a workplace when welcoming a new kaimahi (employee) to their workplace.

18.30 A whakatau is similar to a pōhiri/pōwhiri, though slightly less formal, and can be held at any location, including the marae, workplace, public spaces, etc.

18.31 It is customary for WDC colleagues to travel to the receiving organisation to participate in the pōhiri/pōwhiri or whakatau and formally 'hand over' the departing staff member. This can often involve Council expense in terms of time, travel, and accommodation as well as a koha (where required) as part of the pōhiri/pōwhiri or whakatau process.

18.32 Under this Policy, the manager, colleagues and direct reports (if any) of the departing staff member are authorised to attend mihi whakatau, but any associated expenditure should be in keeping with the remainder of this policy.

Part 3 – Training, monitoring & reporting, & review

19. Training of this Policy

19.1 It is the responsibility of each manager to ensure new staff members are explicitly made aware of this policy, confirm that new staff have read the policy, and manage staff compliance with this policy.

20. Monitoring and reporting

20.1 Council will monitor compliance to assure itself that this policy is being appropriately adhered to.

20.2 Internal compliance reviews will be undertaken by someone independent of those responsible for implementing the controls.

20.3 Reviews of sensitive expenditure will be undertaken as detailed in **Table 4** below, and the findings will be reported at least twice yearly to WDC's Risk and Assurance Committee and monthly to the Senior Leadership Team.

Table 4 – Monitoring and assurance activities.

Type of expenditure	**Monitoring and reporting**
Credit card use	Credit card expenditure is considered at high risk for misuse. Credit card transactions will be reviewed and reported monthly to the General Manager responsible for the finance function. The review will: I) Seek to confirm that no private expenditure has been placed on credit cards (clause 13.12). II) Seek to confirm that there have been no inappropriate cash withdrawals (clause 13.13). III) Seek to confirm credit card transactions have been authorised by a more senior person with the correct delegated financial authority as per (clause 13.14).

Type of expenditure	Monitoring and reporting
	IV) Seek to confirm credit card transactions have been supported by original documentation (invoices, receipts) and that the business reason and attending parties are recorded (clause 13.15).
Travel expenditure	Travel expenditure will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will: i) Check that any cash advances required for international travel have been appropriately authorised and reconciled (clauses 14.4 and 14.5). ii) Check that air travel required has been booked for the appropriate class of travel, appropriately authorised, and reconciled (clauses 14.6 - 14.12). iii) Check that all associated accommodation costs have been appropriately approved (clauses 14.19 to 14.27). iv) Spot check reimbursement mileage claims for use of private vehicle to confirm that no Council vehicle was available or suitable and appropriate approvals (clause 14.29,14.34 - 14.38). v) Check that amounts loaded onto the taxi card have received manager's preapproval prior to issue by Business Support/Administration staff (clause 14.31). vi) Confirm the business purpose of taxi trips have been adequately recorded by undertaking spot checks (clause 14.31). vii) Check the hire of rental cars has been appropriate (clause 14.32 and 14.33). viii) Check that claims for reimbursement of meals while travelling are appropriate (clauses 14.39 to 14.40). ix) Check that 'other travel consideration' e.g. use of personal phones while travelling, guidance has been appropriately followed (clause 14.44 to 14.47).
Entertainment and hospitality	Entertainment and hospitality expenditure will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will:

Type of expenditure	Monitoring and reporting
	i) Confirm that pre-approval was attained in accordance with clause 15.6 and that meal and beverage claims do not exceed the amounts specified in clause 15.7 and 15.10. ii) A random sample of specific individuals will be taken to test whether the frequency of hospitality and entertainment claims does not exceed the frequency specified in clause 15.9.
Loyalty rewards and prizes.	The receipt of loyalty rewards and prizes will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will: i) The Procurement Manager will review WDC's gift register to confirm there are no recorded conflicts with current or upcoming procurements (clause 16.2).
Private use of WDC assets	The private use of WDC assets will be managed on a by-exception basis, i.e. if staff are observed inappropriately using council assets, this will be escalated to their manager (clauses 16.6-16.9).
WDC use of private assets	WDC use of private assets will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will: i) Take a random sample of mobile phone reimbursement claims to confirm the amount claimed is consistent with the business use and have been appropriately approved.
Private use of WDC suppliers	Staff may sometimes obtain goods or services from a supplier on the same or similar basis to Council, and staff are thus able to obtain the goods or services at a discounted price not otherwise available to them. E.g. Torpedo 7 discounts. Such purchases are made by the staff member at point of sale and cannot practically be monitored. However, staff are required to declare conflicts of interest through WDC's Procurement Policy. No monitoring is proposed under the Sensitive Expenditure and Gifts Policy.
Sale of surplus assets to staff	Appropriate disposal of WDC assets will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will:

Type of expenditure	Monitoring and reporting
	i) Randomly review recently disposed assets to confirm accordance with clauses 16.20-16.24.
Other expenditure	Monitoring of 'other expenditure' will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will: i) Randomly sample donations to confirm adherence to clause 18.2.
Koha	As koha is often made as a cash contribution, it is considered high risk. The giving of koha will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will: i) Confirm the quantity of koha given is in accordance with clause 18.7.
Gift register	Staff and elected members' receipt of gifts will be reviewed and reported monthly to the SLT Member responsible for the finance function. The review will: i) Ensure Third tier managers will be emailed to ask if they are aware of any gifts or event invitations that they or their staff have received over the previous month. The responses will be compared against entries in the gift register. ii) Review the previous twelve months' entries in the WDC gift register to identify any potential emerging areas of concern and ensure the policy outlined in clauses 18.23 and 18.24.

21. Fraudulent activity

21.1 In the event that an elected member or staff have acted inconsistently with the principles or procedures within this policy, the matter may be escalated and managed in accordance with **WDC's Fraud Policy.**

22. Other relevant policies and guidelines:

- Asset Disposal Policy
- Delegations Manual
- Code of Conduct (Elected Members and Staff)
- Conflict of Interest Guideline (staff)
- Fraud Policy
- Protected Disclosures Policy
- Safe Driving Policy

NEED HELP?

If you need help, please reach out to the Quality Assurance Manager.

We want you to be successful in reaching your goals, and we will do whatever we can to help you understand how to better manage risks to these.

Proactive Release Policy

Version: 2

July 2026

1. Policy Context

This policy outlines how Westland District Council (WDC) will continue to promote good governance and encourage transparency in decision-making by increasing the availability of official information to the community.

2. Policy Objectives

The purpose of this policy is to prompt the proactive release of Local Government Official Information and Meetings Act (LGOIMA) responses and topical documents and statistics in whole or in part, which comply with the guidelines below.

3. Definitions

- **LGOIMA**: Refers to the Local Government Official Information and Meetings Act 1987.
- **LGOIMA Request**: A request by any person to make available to that person any specified official information. The request may be made in any form and communicated by any means (including orally) and does not need to refer to the LGOIMA.
- **Official Information**: Any information held by Westland District Council subject to LGOIMA.
- **Proactive Release**: Release of official information by Westland District Council that may or may not be subject to a LGOIMA Request.

4. Policy Statement

Proactive release of information can be either:

- The publication of official information that WDC deems to be of interest to the wider public; for example, this could include information such as strategic intentions and briefings to elected members; or
- The publication of information that WDC has provided in response to a request under the LGOIMA.

4.1 Proactive Release of information not subject to a request

Westland District Council will publish information that helps inform the public about how Council undertakes its core functions. The publication of reports and advice to elected members, as well as project information and data analysis, are some examples of what may assist the public in being better informed of WDC's core functions.

4.2 Proactive release of LGOIMA responses

Westland District Council will consider the publication of information that Council has provided in response to a request under LGOIMA in accordance with the principles below.

4.3 Principles for the Release of LGOIMA Responses

Considerations:

Before Information is proactively released, the following will be considered:

(i) Requirements of the Privacy Act 1993 in relation to individuals and other entities.

(ii) LGOIMA requirements regarding the reasons for withholding official information.

4.4 Decision to proactively release information:

Westland District Council reserves the right to determine whether and when to publish information including responses made under the LGOIMA.

4.5 Consultation with stakeholders:

Westland District Council will consult with relevant stakeholders as appropriate in advance of publishing any information. This may include entities such as contractors, other local authorities and organisations or individuals referred to in a LGOIMA response. It may also include Westland District Council staff.

4.6 Notification of requestors:

Westland District Council will advise requestors of official information that our response to them and the information WDC provides may be published on our website. Before publication, all personal and/or identifiable details will be removed to protect the privacy of the requestor.

4.7 Charges:

Where the costs involved in responding to a request for information allow WDC to affix a charge under the LGOIMA, WDC will notify the requestor that payment of the costs incurred does not give the requestor sole rights to the information and WDC maintains the right to publish the information. Details of these charges can be found in the Fees and Charges section of the Long Term Plan.

Where a charge has been paid, the information will not be released onto WDC's website for at least seven (7) days after the release of information to the requestor.

5. Publishing

The frequency of publishing information which is approved for proactive release under these guidelines is at the discretion of WDC. Such information will be loaded to the WDC website.

6. Reporting

The number of responses will be reported via the CE's Quarterly Report.

7. Questions

Any questions regarding this policy should be directed to the Quality Assurance Manager in the first instance.

8. Relevant Documents and Legislation

The following WDC documents relate to this policy:

- Communications Policy
- Privacy Policy

The following Legislation relates to this policy:

- Local Government Official Information and Meetings Act 1987
- Privacy Act 2020
- Official Information Act 1982

Note: Any legislation referred to should be interpreted as meaning the Act and its amendments

Staff are also referred to:

- The LGOIMA for local government agencies: A guide to processing requests and conducting meetings.

9. Policy owned by

This policy is owned by the Chief Executive.

Customer & Community Conduct and Communications Policy

Version: 1

July 2026

DOCUMENT CONTROL

VERSION	DATE	COMMENTS
1	28.07.26	

DOCUMENT APPROVALS

	Title	DATE
REVIEWER	Quality Assurance Manager	28.07.26
APPROVER		

DOCUMENT CUSTODIAN AND REVIEW DATE

	NAME	REVIEW PERIOD	NEXT REVIEW DATE
CUSTODIAN	Quality Assurance Manager	3 yearly or sooner if required by legislative, regulatory, or organisational changes	July 2029

Contents

1. Policy Context

The Westland District Council (WDC) is committed to being an accessible council, and providing services to the community, the success of which is reliant on the ability to undertake our work in an effective and efficient way. As an employer, we must also protect the health, safety and security of our employees and the public when they are visiting our sites.

When conduct or communications by members of the public become unreasonable, the resulting interactions with employees can disadvantage others in the community by taking up a disproportionate amount of WDC time and resources. Unreasonable conduct and communications may also affect the mental or physical health of WDC employees and members of the public. When this happens, WDC will take proactive steps to manage any behaviour that negatively and unreasonably impacts WDC, its employees and other members of the public.

2. Policy Objectives

This policy aims to ensure a fair and comprehensive process is in place for managing unreasonable conduct and communications and their impacts. The policy seeks to achieve this by:

- Explaining what types of conduct and communications may be considered unreasonable behaviour.
- Providing guidance to employees on how to identify unreasonable conduct or communications.
- Clearly articulating the available strategies and protection measures available to employees when faced with unreasonable conduct and communications, and what is required to manage it in a WDC context.
- Setting out the review and complaints process available to members of the public.

A key outcome intended by this policy is to provide a framework for managing unreasonable conduct and communications, ensuring that employees feel supported and safe while at work.

3. Policy Statement

3.1 Unreasonable conduct and communications

Any conduct or communications that, due to their nature or frequency, raise substantial health, safety, resource or equity issues for WDC, our employees, or customers will be deemed to be unreasonable behaviour.

This policy will refer to both unreasonable customer behaviour, and unreasonable conduct and communications interchangeably.

Unreasonable behaviour that is disproportionate and impacts WDC by impacting our employees, services, time or resources includes:

(a) **Unreasonable behaviour** is conduct that is unreasonable in all circumstances – regardless of how stressed, angry or frustrated a person is – because it compromises the health, safety and security of our employees, other service users or the person themselves, including, but not limited to:

- Acts of aggression, verbal abuse, self-harm or the making of derogatory, discriminatory or racist remarks.
- Harassment, intimidation, stalking or physical violence (whether threatened or

actual violence).
- Rude, confronting and threatening communications.

(b) **Unreasonable arguments** include any arguments that are incomprehensible, false or inflammatory, including, but not limited to:

- Arguments not supported by sufficient evidence or are based on false information.
- Making false statements or accusations.
- Arguments that are defamatory or inflammatory.

(c) **Unreasonable persistence** by continued, incessant and unrelenting behaviour or actions, including, but not limited to:

- Excessive phone calls, emails, visits, letters (including being copied into correspondence).
- Contacting different people within WDC or externally to receive a different outcome or to elicit a more sympathetic response.
- An unwillingness or inability to accept reasonable explanations, including final decisions that have been comprehensively considered and communicated.

(d) **Unreasonable demands** (express or implied) made by a person, including, but not limited to:

- Insisting on talking to the Chief Executive or a senior manager, Mayor, or elected members when it is neither appropriate nor warranted, or where conversations with senior employees have already taken place.
- Demanding services that are of a nature or scale that we cannot provide (even after this has been explained).
- Insisting on outcomes that are not possible or appropriate in the circumstances, such as calling for someone to be dismissed or prosecuted or seeking an apology or compensation when there is no reasonable basis for expecting this.

(e) **Unreasonable lack of cooperation** is the lack of willingness or ability of a person to cooperate with WDC, our processes, or our complaints system, including, but not limited to:

- Sending a constant stream of incomprehensible or disorganised information without clearly defining any issues or explaining how they relate to the core issue or complaint.
- Displaying unhelpful behaviour, such as withholding information, acting dishonestly or misquoting others.
- Refusing to follow or accept instructions, requirements, processes or advice without a clear and justifiable reason for doing so.

3.2 Zero tolerance policy

WDC has a zero-tolerance approach towards any violence, harm or threats to any of its employees. Any conduct of this kind is unacceptable and will be dealt with in accordance with our health and safety responsibilities, and where appropriate, may result in the involvement of the Police, courts or other agencies. In addition, the unreasonable behaviour may be addressed under this policy.

All employees are responsible for recording and reporting any incidents involving threats of, or actual, violence or harm. This should be recorded in a file note and forwarded to their manager and the Senior Leadership Team. If further steps are required, this will be discussed and approved by the Senior Leadership Team.

Numbers of incidents will be reported to the Risk and Assurance Committee.

3.3 Application of this policy to Elected Members

Elected members are required to interact with members of the public in accordance with the Elected Member Code of Conduct, but they may decide to implement steps under this policy to address issues related to their personal health and safety.

Any elected member who wishes to implement any steps in this policy should first notify the Chief Executive, who will arrange for an employee(s) to assist the elected member.

Elected members may, at their absolute discretion, request support from the Council's Information Management Team to block specific email addresses or redirect specific email addresses to an alternative WDC address. It is for the elected member to decide whether or how they communicate their actions to the individuals concerned.

Elected members can refer any behaviour they believe breaches this policy and have chosen not to ignore, along with details of any steps taken in response—whether under this policy or not—to the Quality Assurance Manager for referral to the Privacy Officer. The Privacy Officer will record any breach and the actions taken for reporting purposes.

3.4 Managing unreasonable conduct and communications

WDC will be guided by the following principles when managing unreasonable conduct and communications.

- Impartiality.
- Transparency and honesty.
- Restrictions are proportionate to the unreasonable behaviour.
- Adequate opportunity has been given to the customer to address their behaviour.
- Our relationship to the customer will continue for the provision of infrastructure and certain services that must be provided, such as water supply, waste collection, etc.

If appropriate, the customer will have the time and opportunity to change their behaviour prior to the application of any strategies under this policy.

When we propose to implement any steps or strategy in this policy, our notification to the customer will include an explanation of the restriction being implemented, the reason for the restriction, the standard of behaviour expected before the restriction is reviewed and their right to complain to the Ombudsman.

Any arrangements made under this policy will be reviewed by the Chief Executive on an annual basis, or sooner at their discretion. The person concerned may be included in this process unless the Chief Executive determines this may provoke further unreasonable behaviour.

3.5 Strategies that may be implemented

Customers may be asked to moderate their tone, language or frequency of interactions with WDC. Initial warning letters will be issued by a Senior Leadership Team Member addressed to the customer, with a record held on file.

Customers may be asked to engage only with a nominated single point of contact who will assist both parties to work towards a resolution.

Customers may have modified or limited channels of communication with WDC, such as requiring "writing only" contact. Where correspondence is received in a manner that contravenes this restriction, such as through email, it will either be returned or filed without acknowledgement.

Customers may have their access to WDC employees restricted to an "appointment only" basis. This may include meeting with two or more WDC employees, and where it is deemed appropriate, a third party such as security or local police.

Customers may be restricted to communication with WDC by way of a third-party support person nominated by the customer and approved by the Chief Executive, and only after other control measures have been excluded.

Customers may be completely restricted from accessing WDC employees and buildings. This is a method of last resort and the Chief Executive, or their delegates, may decide that it is necessary to completely restrict contact or access to our services. Access to WDC services may be restricted, directly or indirectly, by using legal mechanisms such as trespass or reporting the person to the Police. Such restrictions are not taken lightly, and where possible, even where a trespass exists, communication of the person's needs is to be received through a support person during their exclusion period.

At WDC's sole discretion, the customer may be invited to attend mediation or some other form of alternative dispute resolution to assist with resolving the issue between any WDC employee or elected member and the customer. This may be facilitated if the parties concerned agree to that approach.

Nothing in this policy prevents WDC or its employees or elected members from utilising legal mechanisms to address unreasonable conduct or communications that pose real and genuine fear of harm.

3.6 Referrals to other relevant authorities

This policy does not limit WDC's ability to refer a matter to the relevant authorities – matters of referral will be assessed on a case-by-case basis. This may include:

- Referring electronic communications, including emails, to the relevant authorities, including Netsafe.
- Referral of extreme breaches of this policy to relevant third-party agencies, including New Zealand Police.
- Referring the customer to an external review agency, such as the Environment Court or the Ombudsman.

3.7 Obligations under other Acts

This policy has no effect on an individual's rights or WDC's obligations under the Privacy Act 2020 or Local Government Official Information and Meetings Act 1987. WDC will ensure it continues to meet its obligations under these Acts.

3.8 Process for review

Customers who have their access to our services changed or restricted may ask for that decision to be reviewed.
The review will be undertaken by a Senior Leadership Team Member who was not involved in the original decision to change or restrict access.

The review process involves the Senior Leadership Team Member:

- Considering the reasons provided in support of the requested review, the customer's personal circumstances, including cultural background, along with all relevant records regarding the customer's past conduct.
- Conducting any interviews with the persons involved, including the customer, if that is considered appropriate or warranted; and
- Advising the customer of the outcome of their appeal by letter. The employee will then refer any materials or records relating to the review to be kept in the appropriate file.
- If a customer is still dissatisfied after the review process, they may seek an external review from an agency such as the Ombudsman.

3.9 Complaints

Persons who are alleged to have breached this policy and have received an email or letter from WDC acknowledging the breach may bring a complaint to the Chief Executive.

The Chief Executive will objectively review the circumstances, and if appropriate, after speaking with or otherwise communicating with the complainant, make their determination.

The Chief Executive must refer an investigation to the Risk and Assurance Committee where the Chief Executive's actions are the subject of the complaint.

Nothing contained within this policy prevents a complaint being made directly to the Office of the Ombudsman.

4. Questions

Any questions regarding this policy should be directed to the Chief Executive's Office or Human Resources in the first instance.

5. Relevant Documents and Legislation

- Local Government Act 2002
- Local Government Official Information and Meetings Act 1987
- Health and Safety at Work Act 2015
- Privacy Act 2020
- Public Records Act 2005
- Harmful Digital Communications Act 2015

- Harassment Act 1997
- Trespass Act 1980
- Office of the Ombudsman Guidelines for Managing Unreasonable Complainant Conduct
- Water Services Act 2021
- Westland District Council Health and Safety Policy and Procedures.
- Westland District Council Code of Conduct Policy and Procedures.
- Westland District Council Emergency Procedures

6. Policy Owner

This Policy is owned by the Chief Executive.

Elected Member, Iwi Representatives and Staff Interaction Policy

Version: 1 July 2026

DOCUMENT CONTROL

VERSION	DATE	COMMENTS
1	31.07.26	New Policy

DOCUMENT APPROVALS

	NAME	DATE
REVIEWER	Quality Assurance Manager	31.07.26
APPROVER	SLT	

DOCUMENT CUSTODIAN AND REVIEW DATE

	NAME	REVIEW PERIOD	NEXT REVIEW DATE
CUSTODIAN	Quality Assurance Manager	3 yearly or sooner if required by legislative, regulatory, or organisational changes	31.07.26

Contents

1. Policy Context

This policy guides Westland District Council Elected Members, Iwi Representatives and staff on how to interact with each other.

2. Policy Objectives

The purpose of this policy is to outline the expectations of Westland District Council (WDC) Elected Members, Iwi representatives and staff regarding how they interact with each other in the performance of their duties. It complements the Westland District Council (WDC) Code of Conduct (for both Elected Members, Iwi representatives and staff) and supports compliance with the Local Government Act 2002 ('the Act').

Compliance with this policy will assist WDC in being more efficient and effective, promoting high standards of governance and transparency.

3. Guiding Principles

This policy supports compliance with the relevant provisions of the Act, such as:

- The importance of maintaining open and transparent decision-making and governance arrangements.
- The expected nature of the relationship between Elected Members, Iwi representatives and staff is effective and understood.
- The respective roles and responsibilities of Elected Members, Iwi representatives, the Chief Executive and staff.

A key role of staff is to provide Elected Members and Iwi representatives with comprehensive advice to enable informed and competent decision-making. Therefore, a high level of cooperation and mutual respect between Elected Members, Iwi representatives and staff is essential for the Council's effective performance.

This policy recognises the responsibilities of WDC in ensuring that it meets the responsibilities of the relevant legislation to protect people from risks to their health and safety, including harassment, bullying, violence and discrimination.

Both staff, Elected Members and Iwi representatives are to approach their relationship with each other with professionalism and respect, and the appropriate level of confidentiality guided by the Privacy Act 2020, and the relevant Code of Conduct.

4. Definitions

- **Elected Member**: a member of the governing body of the territorial authority elected under the Local Electoral Act 2001, including the Mayor.
- **Iwi representatives:** Manatu Whakaaetanga Partnership Agreement Lead Contacts the Kaiwhakahaere (Chairs) of Te Rūnanga o Ngati Waewae and Te Rūnanga o Makaawhio.
- **Council:** the collective governing body made up of the Elected Members and the Mayor.
- **WDC/Westland District Council**: is the total organisation, including Elected Members, Iwi representatives and staff
- **Mayor**: means the Mayor of Westland District Council elected under the Local Electoral Act 2001.
- **Staff/Staff member**: paid employees or volunteers working for the Westland District Council.

5. Policy Statement

Elected Member and Iwi representatives Obligations

a) To ensure such cooperation and trust is maintained, Elected Members and Iwi representatives are expected to:

- Recognise the Chief Executive's role as the employer of council staff.
- Be aware of the obligations WDC and its Chief Executive have as the employer and always observe those requirements.
- Be mindful to keep individual requests to a minimum and recognise that the focus of the organisation must be on delivery of services to the community.
- Treat all staff with courtesy and respect.
- Observe any boundaries the Chief Executive puts in place regarding contact with staff, including those in this document.
- Not do anything which compromises, or could be seen as compromising, a staff member's impartiality.
- Avoid publicly criticising a staff member, especially in ways that reflect on the staff member's competence and integrity.
- Raise concerns about the Chief Executive only with the Mayor or the relevant committee.
- Maintain confidentiality in the management of information received in the course of their duties, not disclosing without proper authority, regardless of whether they are still serving.
- Access information only where it is necessary for them to perform their official duties (i.e., "need to know", not "want to know").

b) Elected Members and Iwi representatives must be aware that failure to observe the policy statements in this document compromises WDC's obligations to act as a good employer, resulting in WDC being exposed to risk, such as civil litigation.

c) The expectations of the behaviour of Elected Members and Iwi representatives are further set out in the Code of Conduct for Elected Members. Elected Members and Iwi representatives must also adhere to the adopted Standing Orders by the Council.

Staff Obligations

d) To ensure such cooperation and trust is maintained, staff are expected to:

- Remain impartial in their dealings with Elected Members and Iwi representatives, including not sharing or leaking confidential information that could be seen as favouring one Elected Member or Iwi representative over another.
- Avoid expressing personal opinions on council decisions or policy in a way that undermines council integrity or trust.
- Act in a professional way and treat all Elected Members and Iwi representatives with courtesy and respect and not engage in personal attacks on Elected Members and Iwi representatives.
- Familiarise themselves with the WDC Employee Code of Conduct, employment agreement and other relevant WDC policies and procedures, and interact with Elected Members and Iwi representatives in a way that is consistent with these documents.
- Provide elected members with accurate, honest, and timely information to support decision-making within legal and policy boundaries.
- Not disclose confidential or "in-development" advice casually or socially with Elected Members and Iwi representatives.

- Only share confidential information with Elected Members and Iwi representatives when authorised and to the extent necessary to support governance decisions, if required. Confidentiality obligations continue after the staff member leaves the Council.
- Use secure systems (e.g. council email, document management systems) when communicating with Elected Members and Iwi representatives. Confidential documents must not be shared via unapproved channels (e.g. personal email, personal devices, USB drives).
- First discuss with their SLT manager if unsure whether information can be shared, who should then discuss with the Chief Executive if unsure.

Interaction Pathways

e) The Mayor and Elected Members only employ the Chief Executive, who is in turn responsible for the management of the organisation. The Chief Executive employs all Council staff. Elected Members' and Iwi representatives' primary point of communication is via the Office of the Chief Executive, with the exception being instances outlined in this policy.

f) The Mayor can go directly to WDC's Communications Team in respect of media statements, requests and responses. All decisions stemming from this will be communicated to the Chief Executive and the relevant SLT manager prior to any actions.

g) Elected Members and Iwi representatives seeking information or wishing to make comment on a specific organisational matter should do so either via the Chief Executive.

h) Contact between Elected Members, Iwi representatives and staff responsible for work across WDC is to be established via the Chief Executive.

i) If an Elected Member or Iwi representative have any concerns about the work or conduct of any staff members, this needs to be raised directly with the Chief Executive, as the employer, in the first instance.

j) Outside of a formal Council meeting, Elected Members and Iwi representatives are not permitted to request staff to undertake any specific work or direct them to act other than with prior agreement with the Chief Executive.

k) Contact between Elected Members, Iwi representatives and staff outside of this policy should not occur for work-related issues, such as complaints or other questions or concerns about work or conduct. Essentially, this means that the primary contact for all work-related queries and issues is the Chief Executive. The exception is general interpersonal contact, which is inevitable in a small town, but should still be engaged with professionalism.

l) Where an Elected Member, Iwi representative, the Mayor, or a staff member has concerns regarding communications, the matter will be referred to the Chief Executive who is responsible for the management of such interactions. This can be done by speaking with or in writing to the Chief Executive. Significant or ongoing issues may be raised with the Chief Executive through the Chief Executive Review Committee.

m) If staff inform their immediate manager or SLT manager of contact by Elected Members or Iwi representatives outside of the boundaries established by this policy, that SLT manager should immediately inform the Chief Executive, who will manage the situation.

n) If any staff member feels uneasy around any interaction with Elected Members or Iwi representatives, they will raise this to their immediate manager, who will then raise it to the SLT manager for discussion with the Chief Executive.

6. Questions

Any questions regarding this policy should be directed to the Office of the Chief Executive.

7. Relevant Documents and Legislation

For further information related to this policy, see:

- Local Government Act 2002
- Local Government Official Information and Meetings Act 1987 (LGOIMA)
- Privacy Act 2020
- https://www.privacy.org.nz/privacy-principles/
  The *Privacy Act 2020* has 13 privacy principles that govern how agencies (organisations and businesses) can collect, store, use and share personal information. All New Zealanders, regardless of age or circumstance, have privacy rights. This link from the Office of the Privacy Commissioner outlines these principles.

This Policy is implemented in conjunction with the following documents:

- Code of Conduct for Elected Members
- Employee Code of Conduct
- Individual Employment Agreements
- Customer Complaints Management Policy
- Meeting Etiquette

8. Policy owned by

This policy is owned by the Chief Executive.

Report to Committee

DATE: 13 August 2026

TO: Risk and Assurance Committee

FROM: Chief Financial Officer

Treasury Management Policy

1. Summary

This report is to inform the committee of the proposed new Treasury Management Policy.

Council seeks to meet its obligations under the Local Government Act 2002 and the achievement of the District Vision adopted by the Council in June 2025, which are set out in the Long Term Plan 2025–2034.

2. Background

Council currently has an Investment Policy and a Liability Management Policy which are required under section 102 of the Local Government Act 2002 (LGA). The Investment Policy deals with investments, risk management and the procedures for managing revenue. The Liability Management Policy deals with interest rate exposure, liquidity, credit exposure, debt repayment and borrowing.

3. Current Situation

3.1. This report proposes that the two reports be merged into one Treasury Management Policy, as allowed under the LGA, as the two functions are interconnected. This will also reduce administration as the policies can be adopted as one going forward.

3.2. In addition, this report proposes, to make the following amendments to the existing policies:

3.2.1. Under the Liability Management section, Liquidity and Funding Risk Control Limits, add the following sentence, *"Where the non-compliance relates specifically to Local Water Done Well matters, the breach is accepted, and retrospectively reported to Council."*

3.2.2. This paragraph has been added to deal with the breaches of the Funding Controls that are temporary due to loans related to Three Waters which will be transferred to Coast Waters on 1 July 2027.

3.2.3. Under the Counterparty Credit Risk section, the matrix guide amount relating to NZ Registered Bank maximum exposure has been increased from $10m to $15m.

3.2.4. This amendment has been made to give Council sufficient room to hold reserves for proposed capital works while not requiring Council to engage with additional counterparties.

4. Options

4.1. Option 1: Council agrees to the merger of the Investment Policy and the Liability Management Policy into the Treasury Management Policy and accepts the proposed amendments to the merged policy as stated above in sections 3.2.1 and 3.2.3.

4.2. Option 2: Council agrees to the merger of the Investment Policy and the Liability Management Policy into the Treasury Management Policy and Council proposes changes to the proposed amendments to the merged policy as stated above in sections 3.2.1 and 3.2.3.

4.3. Option 3: Council does not approve the merger of the two polices or the proposed amendments and maintains the status quo.

5. Assessment of Options

5.1. Option 1

5.1.1. Pros

- Reduced administrative burden by combing two policies into one. Brings Council bank into alignment on Funding Risk Control and Counterparty Credit Risk.

5.1.2. Cons

- There is increased exposure to Councils two banking partners as limits will be increased from $10m to $15m for both parties. However, given the nature of the partners the risk is considered to be low.

5.1.3. Financial Implications

- No financial implications with this option have been identified.

5.1.4. Significance and Engagement Assessment

- The level of significance has been assessed as medium due to changes to Council policy. No public consultation is considered necessary.

5.2. Option 2

5.2.1. Pros

- Reduced administrative burden by combining two policies into one.

5.2.2. Cons

- Would be accessed based on Councils proposed amendments.

5.2.3. Financial Implications

- Would be accessed based on Councils proposed amendments.

5.2.4. Significance and Engagement Assessment

- The level of significance has been assessed as medium due to changes to Council policy. No public consultation is considered necessary.

5.3. Option 3

5.3.1. Pros

- None have been identified.

5.3.2. Cons

- Council would be in breach of two controls relating to Funding Risk and Counterparty Credit Risk until staff could take relevant action to rectify these matters.

5.3.3. Financial Implications

- Council would likely incur additional interest costs as it would need to borrow additional funds to smooth the Funding Risk Control breach related to Three Waters loans.

5.3.4. Significance and Engagement Assessment

- The level of significance has been assessed as medium due to changes to Council policy. No public consultation is considered necessary.

6. Risk Assessment

In Council choses option 3 it will be in breach of the existing Liability Management Policy as Three Waters Loans will beach Funding Risk Controls. Staff would need to take action to correct to bring Council back into policy compliance which would mean raising new debt now to smooth the maturity profile of loans. This would potentially increase Councils borrowing costs, make counterparty risk more difficult to manage and could have adverse effects once the Three Waters Loans are transferred to Coast Waters.

Council would also be in breach of the existing Investment Policy counterparty credit risk control. Staff would need to take action to bring Council back into compliance by either repaying debt now and borrowing again in the future, at potentially higher interest rates to reduce funds held, or engage with additional third parties to spread councils cash holding across more institutions, which would increase the administrative burden on staff.

7. Preferred Option(s) and Reasons

Option 1 is the preferred option as it reduces the administrative burden on Council staff, puts policy controls in place to deal with the temporary control breaches relating to Three Water loan transfers and increases the counterparty limits allowing Council to continue to hold funds in reserve with existing providers for planned capital works.

8. Recommendation(s)

8.1. That the report be received.

8.2. That Council adopts option 1 and agrees to the merger of the Investment Policy and the Liability Management Policy into the Treasury Management Policy and accepts the proposed amendments to the merged policy as stated above in sections 3.2.1 and 3.2.3.

Stephen Lewis
Chief Financial Officer

Appendix 1: Treasury Management Policy

Westland District Council | Te Kahui o Poutini

TREASURY MANAGEMENT POLICY

COMPRISING THE LIABILITY MANAGEMENT POLICY AND INVESTMENT POLICY

Adopted ### 2026

1. INTRODUCTION

Westland District Council (the Council) undertakes borrowing (liability management) and investment (investment management) activities, which in total are referred to as treasury management activity. The Council's treasury activities are carried out within the requirements of the Local Government Act 2002, its related amendments and other relevant local authority legislation.

The Treasury Management Policy (the Policy) provides the framework for all of the Council's borrowing and investment activities and defines key responsibilities and the operating parameters within which borrowing, investment and related risk management activities are to be carried out.

Key borrowing and investment objectives form the basis of the policies. These objectives, while consistent with best treasury management practice, are subject to overall Council objectives, as stated in the Annual Plan and Long Term Plan (LTP).

This Policy covers:

a. Liability management
   The Council's borrowing activity is largely driven by its capital works programme, mainly related to its infrastructure assets. The Council's liability management policy is discussed in Section 4 of this Policy.

b. Investments
   The Council manages a portfolio of investments comprising equity investments, property, forestry and financial investments. The Council's investment policy is discussed in Section 5 of this Policy.

Council acknowledges that there are various financial risks such as interest rate risk, foreign currency risk, liquidity risk and credit risk arising from its treasury activities. The Council is a risk averse entity and does not wish to incur additional risk from its treasury activities.

2. PURPOSE

This document identifies the policy of Council in respect of treasury management activities. The key objective of this Policy is to control and manage costs and investment returns that can influence the Council's operational budgets and public equity.

3. STATUTORY OBJECTIVES

The statutory objectives of the Policy are as follows:

a. All external borrowing, investments and incidental financial arrangements (e.g., use of interest rate hedging financial instruments, equity investments in the form of uncalled capital, and lending arrangements with CCOs and CCTOs) will meet requirements of the Local Government Act 2002.

b. The Council is governed by the following relevant legislation:

   i. Local Government Act 2002.

   ii. Local Government (Financial Reporting and Prudence) Regulations 2014.

   iii. Trusts Act 2019. When exercising any power to invest trust property, a trustee must exercise the care and skill that a prudent person of business would exercise in managing the affairs of others.

c. All projected external borrowings are approved by the Council as part of the Annual Plan or the LTP process.

d. The Council will not enter into any borrowings denominated in a foreign currency.

e. Hire Purchase, Deferred Purchase, Trade Credit - for the purposes of sub-paragraph (c)(ii)(B) of the definition of "borrowing" in section 112 of the LGA 2002, "borrowing" does not include:

   i. Debt incurred in connection with hire purchase of goods, the deferred purchase of goods or services, or the giving of credit for the purchase of goods or services, if the goods or services are obtained in the ordinary course of Council's performance of its lawful functions, on terms and conditions available generally to parties of equivalent credit-worthiness, for amounts not exceeding in aggregate $250,000; or

   ii. The deferred purchase of goods or services or the giving of credit for the purchase of goods or services through the mechanism of contract retentions held for periods less than 365 days.

f. Other - Instruments not specifically referred to in this Policy may only be used with specific Council approval.

4. LIABILITY MANAGEMENT POLICY

INTRODUCTION

Council's liabilities comprise of borrowings and various other liabilities. Council maintains borrowings in order to:

- Raise specific debt associated with projects and capital expenditures.
- Raise finance leases for fixed asset purchases.
- Fund assets whose useful lives extend over several generations of ratepayers.
- Council will not raise external debt to fund operating expenses, except where this relates to projects that will deliver economic benefits in excess of the total finance costs.

BORROWING LIMITS

Debt will be managed within the following limits:

Measure	Limit
Net Debt / Total Revenue	140%
Net Interest / Total Revenue	10%
Net Interest / Annual Rates Income	15%
Liquidity: (Liquid Investments + External Debt + Unutilised Committed Debt Facilities) / External Debt	>110%

- Total Revenue is defined as cash earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).
- Net debt is defined as total debt less available liquid financial assets and investments.
- Liquidity is defined as external debt plus unutilised committed debt facilities plus liquid investments and cash divided by external debt. Liquid investments are defined as being:
    - Overnight bank cash deposits
    - Wholesale/retail bank term deposits no greater than 30 days
- Net Interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received from other LGs for services provided and for which the other LGs rate.
- Financial covenants are measured on Council only not the consolidated group.
- Disaster recovery requirements are to be met through the liquidity ratio.

ASSET MANAGEMENT PLANS

In approving new debt Council considers the impact on its borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP.

BORROWING MECHANISMS

Council is able to borrow through a variety of market mechanisms including issuing bonds, commercial paper (CP) and debentures, direct bank borrowing, LGFA, accessing the short and long-term wholesale debt capital markets directly or indirectly, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:-

- Available terms from banks, LGFA and debt capital markets.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term for loan stock issuance, LGFA, debt capital markets and bank borrowing.
- The market's outlook on future credit margins and interest rate movements as well as its own.
- Ensuring that the implied finance terms and conditions within the specific debt (e.g. project finance) are evaluated in terms such as cost/tax/risk limitation compared to the terms and conditions Council could achieve in its own right.
- Legal documentation and financial covenants considerations.
- For internally funded projects, to ensure that finance terms for those projects are at least as equitable with those terms from external borrowing.
- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration rights and obligations, redemption value and effective cost of funds.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with its investors, LGFA, and financial institutions/brokers.

SECURITY

Council's external borrowings and interest-rate risk management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government (Rating) Act 2002. The security offered by Council ranks equally or pari passu with other lenders.

From time to time, and with Council approval, security may be offered by providing a charge over one or more of Councils assets.

Physical assets will be charged only where:

- There is a direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. an operating lease, or project finance).
- Council considers a charge over physical assets to be appropriate.
- Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.

DEBT REPAYMENT

The funds from all asset sales and operating surpluses will be applied to the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

Debt will be repaid as it falls due in accordance with the applicable loan agreement. Subject to the debt limits, a loan may be rolled over or re-negotiated as and when appropriate. The maximum period for any single tranche of external debt will be twenty years.

Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so.

GUARANTEES/CONTINGENT LIABILITIES AND OTHER FINANCIAL ARRANGEMENTS

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, Trusts, or Business Units, when the purposes of the loans are in line with Council's strategic objectives.

Council is not allowed to guarantee loans to Council-controlled trading organisations under Section 62 of the Local Government Act.

Financial arrangements include:

- Rural housing loans
- Tenant contribution flats
- Rural water supply or waste water loans
- Advances to community organisations

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. At any time aggregate guarantees will not exceed the Council's available liquidity capacity.

BORROWING MECHANISMS FOR COUNCIL CONTROLLED ORGANISATIONS AND COUNCIL CONTROLLED TRADING ORGANISATIONS

To better achieve its strategic and commercial objectives, Council may provide financial support in the form of debt funding directly or indirectly to CCO/CCTOs.

Guarantees of financial indebtedness to CCTOs are prohibited, but financial support may be provided by subscribing for shares as called or uncalled capital.

Any lending arrangement (direct or indirect) to a CCO or CCTO must be approved by Council. In recommending an arrangement for approval the Group Manager: Corporate Services and Risk Assurance considers the following:

- Credit risk profile of the borrowing entity, and the ability to repay interest and principal amount outstanding on due date.
- Impact on Council's credit standing, debt cap amount (where applicable), lending covenants with the LGFA and other lenders and Council's future borrowing capacity.
- The form and quality of any security arrangements provided.
- The lending rate given factors such as; CCO or CCTO credit profile, external Council borrowing rates, borrower note and liquidity buffer requirements, term etc.
- Lending arrangements to the CCO or CCTO must be documented on a commercial arm's length basis. A term sheet, including matters such as borrowing costs, interest payment dates, principal payment dates, security and expiry date is agreed between the parties.
- Accounting and taxation impact of on-lending arrangement.

All lending arrangements must be executed under legal documentation (e.g. loan, guarantee) reviewed by Council's independent legal counsel and approved by Council.

INTERNAL BORROWING OF SPECIAL AND GENERAL RESERVE FUNDS

Council maintains certain reserve funds for future asset replacements and other projects. Where funds are required for capital expenditure, internal borrowing from these funds will be used for in preference to external borrowing. Accordingly, Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective. Notwithstanding, short term investments may be held in excess of those required by covenants should the interest yield exceed Council's cost of finance, and where maturity dates are synchronised.

Liquid assets will not be required to be held against special funds or reserve funds unless such funds are held within a trust requiring such. Instead, Council will manage these funds using internal borrowing facilities against general reserves.

Any internal borrowing of reserve funds used must be reimbursed for interest revenue lost. Interest on internally-funded loans is determined and charged annually, based on year-end loan balances at the agreed three-year fixed interest rate. Except where a specific rate has been approved for particular circumstances, the three-year rate is set annually at the start of the financial year, based on the three-year swap rate plus the funding margin. The funding margin is based on the margin charged by the LGFA for a 3-year term.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY (LGFA) LIMITED INVESTMENT

Notwithstanding other provisions of this Policy, the Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example, borrower notes
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

INTEREST RATE EXPOSURE

Interest rate risk is the risk that funding costs (due to adverse movements in wholesale market interest rates) will materially exceed or fall short of projections included in the LTP and Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions, returns or feasibilities.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing or hedging of interest costs. Certainty around interest costs is to be achieved through the proactive management of underlying interest rate exposures.

The following are approved instruments for managing this exposure:

- Forward rate agreements ("FRAs") on bank bills
- Interest rate swaps including:
    - Forward start swaps/collars. Start date <24 months, unless linked to existing maturing fixed rate instruments
    - Swap extensions and shortenings
- Interest rate options on:
    - Bank bills (purchased caps and one for one collars)
    - Interest rate swaptions (purchased swaptions and one for one collars only)

- Fixed rate loans and term debt

Counterparty credit risk exposures arising from the use of approved interest rate instruments are captured within section 6.

INTEREST RATE RISK CONTROL LIMITS

Exposure to interest rate risk is managed and mitigated through the risk control limits defined in the table below.

Council's forecast gross external debt should be within the following fixed/floating interest rate risk control limits. Forecast gross external debt amounts do not include any pre-funded debt maturity amounts.

Forecast gross external debt is the amount of total external debt for a given period. Forecasting gross external debt allows for pre-hedging in advance of projected physical drawdown or raising of new debt. When approved forecasts are changed and signed off by the Chief Financial Officer (CFO), the amount of interest rate fixing in place may have to be adjusted to ensure compliance with the Policy minimum and maximum limits.

The CFO can consider and approve alternative debt forecast scenarios that make assumptions around such matters as, the delivery and timing of the capital expenditure programme when designing the interest rate strategy. However, the interest rate risk position measured and reported to the CFOs agreed and approved base case debt forecast.

Council's forecast gross external debt should be within the following fixed/floating interest rate risk control limits.

Debt Interest Rate Policy Parameters (calculated on rolling monthly basis)			
Debt Period Ending	**Debt Amount**	**Minimum Fixed**	**Maximum Fixed**
Year 1		40%	90%
Year 2		35%	85%
Year 3		30%	80%
Year 4		25%	75%
Year 5		20%	70%
Year 6		0%	65%
Year 7		0%	60%
Year 8		0%	50%
Year 9		0%	50%
Year 10		0%	50%
Year 11 plus		0%	25%

- In complying with the above Interest Rate Limits, consideration must be given to Local Water Done Well and the impact on the longer-term debt forecasts, interest rate risk position and strategy.

- A fixed rate maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this Policy. However, any policy limit non-compliance, that does not self-correct within 90 days must be approved by Council. Where the non-compliance relates specifically to Local Water Done Well matters, the breach is accepted, and retrospectively reported to Council.
- . Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months.
- "Fixed Rate" is defined as all known interest rate obligations on forecast gross external debt, including where hedging instruments have fixed, movements in the applicable reset rate.
- "Floating Rate" is defined as any interest rate obligation subject to movements in the applicable reset rate.
- Fixed interest rate percentages are calculated based on the average amount of fixed interest rate obligations relative to the average forecast gross external debt amounts for the given period (as defined in the table above).
- Interest rate swap maturities beyond the maximum LGFA bond maturity must be approved by Council through a specific approval.
- Hedging outside the above risk parameters must be approved by Council.
- Interest rate options must not be sold outright. However, one for one collar option structures are allowed, whereby the sold option is matched precisely by amount and maturity to the simultaneously purchased option. During the term of the option, only the sold side of the collar can be closed out (i.e. repurchased) otherwise, both sides must be closed simultaneously. The sold option leg of the collar structure must not have a strike rate "in the money".
- Purchased borrower swaptions mature within 12 months.
- Interest rate options with a maturity date beyond 12 months that have a strike rate (exercise rate) higher than 2.00% above the appropriate swap rate, cannot be counted as part of the fixed rate hedge percentage calculation.
- The forward start period on swap/collar strategies is to be no more than 24 months, unless the forward start swap/collar starts on the expiry date of an existing fixed interest rate instrument and has a notional amount which is no more than that of the existing fixed rate instrument.

LIQUIDITY AND FUNDING RISK

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, short-term financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps.

Funding risk management centres on the ability to re-finance or raise new debt at a future time at the same or more favourable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

The management of Council's funding risks is important as several risk factors can arise to cause an adverse movement in borrowing margins, term availability and general flexibility including:

- Local Government risk is priced to a higher fee and margin level.

- Council's own credit standing or financial strength as a borrower deteriorates due to financial, regulatory or other reasons.
- A large individual lender to Council experiences its own financial/exposure difficulties resulting in Council not being able to manage their debt portfolio as optimally as desired.
- New Zealand investment community experiences a substantial "over supply" of Council investment assets.
- Financial market shocks from domestic or global events.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that if any of the above events occur, the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to market conditions.

LIQUIDITY AND FUNDING RISK CONTROL LIMITS

- External debt and unutilised committed debt facilities together with liquid investments must be maintained at an amount over 110% of existing external debt.
- Council has the ability to pre-fund up to 18 months forecast debt requirements including refinancing. Debt re-financings that have been pre-funded will remain included within the funding maturity profile until their maturity date and will not be included in the liquidity ratio calculation described above.

The maturity profile of the total committed funding in respect to all external debt / loans and committed debt facilities, is to be controlled by the following system:

Period	Minimum %	Maximum %
0 to 3 years	15%	60%
3 to 7 years	25%	85%
7 years plus	0%	60%

In complying with the above Funding Limits, consideration must be given to Local Water Done Well, the impact on the longer-term debt forecasts, the agreed debt transfer mechanism and the ongoing debt funding risk position and strategy.

- A funding maturity profile that is outside the above limits, but self corrects within 90-days is not in breach of this policy. However, any policy limit non-compliance, that does not self-correct within 90 days must be approved by Council. Where the non-compliance relates specifically to Local Water Done Well matters, the breach is accepted, and retrospectively reported to Council.

Once debt has been refinanced with a contracted term deposit (pre-funded), the term deposit amount will net off the maturing debt instrument from the funding maturity profile percentage calculation.

To minimise concentration risk the LGFA require that not more than the greater of NZD 100 million or 33% of a Councils borrowings from the LGFA will mature in any 12 month period.

5. INVESTMENT POLICY

INTRODUCTION

Council generally holds investments for strategic reasons where there is some community, social or economic benefit accruing from the investment activity, or because it is required to do so by covenant. Generating a commercial return on strategic investments is considered a secondary objective. Investments and associated risks are monitored and managed, and regularly reported to Council. Specific purposes for maintaining investments include:

- strategic purposes consistent with Council's Long Term Plan
- provide alternative funds to rates for future commitments
- retention of vested land
- holding short term investments for working capital and capital expenditure requirements
- support inter-generational allocations
- provide liquid funds in the event of an emergency
- funding for Restricted Reserves and Council Created Reserves
- investing proceeds from the sale of assets

Council recognises that as a responsible public authority all investments held, should be low risk and that this generally means lower returns.

OBJECTIVES

In its financial investment activity, Council's primary objective when investing is the protection of its investment capital and that a prudent approach to risk/return is always applied within the confines of this policy. Accordingly, only approved credit-worthy counterparties are acceptable. The Council will act effectively and appropriately to:

- protect its investments
- ensure the investments benefit the community
- maintain a prudent level of liquidity and flexibility to meet both planned and unforeseen cash requirements

POLICY

The Council's general policy on investments is that:

- Council may hold financial, property, forestry, and equity investments if there are strategic or economic reasons.
- Council will keep under review its approach to all major investments and the credit rating of approved financial institutions.
- Council will review its policies on holding investments at least once every three years.

ACQUISITION OF NEW INVESTMENTS

With the exception of financial investments, new investments are acquired if an opportunity arises and approval is given by the appropriate Council committee, based on advice and recommendations from Council officers. Before approving any new investments, Council gives due consideration to the contribution the investment will make in fulfilling Council's strategic objectives, and the financial risks of owning the investment. The authority to acquire financial investments is contained within the delegation manual. Performance of Council's investment portfolio is reported quarterly.

INVESTMENT MIX

Council may maintain the following mix of investments:

Equity investments

Council maintains equity investments in Council Controlled Organisations [CCOs] and other minor shareholdings. Council's equity investments fulfil various strategic, economic and financial objectives as outlined in the LTP.

Council seeks to achieve an acceptable rate of return on all its equity investments consistent with the nature and purpose of the investment. Dividends received from CCOs and unlisted companies not controlled by Council are recognised when they are received in the consolidated revenue and expense account.

Any purchase or disposition of equity investments requires Council approval and any gain or loss arising from the sale of these investments is to be recognised in the Statement of Financial Performance.

Council may also acquire shares that are gifted or are a result of restructuring.

Unless otherwise directed by Council, the proceeds from the disposition of equity investments will be used firstly to repay any debt relating to the investment and then included in the relevant consolidated capital account.

Council recognises that there are risks associated with holding equity investments and to minimise these risks Council, or nominated Committee, monitors the performance of its equity investments on a twice yearly basis to ensure that the stated objectives are being achieved. Council seeks professional advice regarding its equity investments when it considers this appropriate.

New Zealand Local Government Funding Agency Limited

Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment.
The Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a potential source of debt funding for the Council.

Due to these dual objectives, the Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments. If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA and act as guarantor.

As a borrower, Council's investment is recognised through shares and borrower notes. As an investor in LGFA shares and as a Guarantor, Council subscribes for uncalled capital in the LGFA.

Property investments

Council's overall objective is to only own property that is necessary to achieve its strategic objectives.

As a general rule, Council will not maintain a property investment where it is not essential to the delivery of relevant services, and property is only retained where it relates to a primary output of Council. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council reviews the performance of its property investments on a regular basis. All income, including rentals and ground rent from property investments is included in the consolidated revenue account. All rented or leased properties will be at market rentals, except where Council has identified a level of subsidy that is appropriate.

Properties for sale are to be marketed in accordance with statutory requirements and in a manner that does not disrupt the market place, and in consultation with Community Boards and Committees where appropriate.

Any purchased properties must be supported by a current registered valuation, substantiated by management including a fully worked capital expenditure analysis.

Forestry investments

Forestry assets are held as long term investments on the basis of net positive discounted cash flows, factoring in projected market prices and annual maintenance and cutting costs.

All income from forestry is included in the consolidated revenue account.

Any disposition of these investments requires Council approval. The proceeds from forestry disposition are used firstly to repay related borrowings and then included in the relevant consolidated capital account.

Financial investments

Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. Credit ratings are monitored and reported quarterly to Council.

Council may invest in approved financial instruments as set out below:

Short Term (up to 90 days)
- Call and short term bank deposits
- Bank registered certificates of deposit (RCDs)

Core investments
- LGFA borrower notes / CP / bills / bonds
- NZ Government, Local Authority stock or State Owned Enterprise (SOE) bonds
- Bank and corporate bonds (senior)
- Corporate promissory notes/Commercial paper (senior)

All investments must be senior in ranking. The following types of investments are expressly excluded;

- Structured debt where the issuing entities are not a primary borrower/issuer
- Sub-ordinated debt (other than Borrower Notes subscribed from the LGFA), junior debt, perpetual bonds and hybrid notes such as convertibles

These investments are aligned with Council's objective of investing in high credit quality and highly liquid assets.

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditure and allow for the payment of obligations as they fall due. Council prudently manages liquid financial investments as follows:

- Any liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- Interest income from financial investments is credited to general funds, except for income from investments for special funds, reserve funds and other funds where interest may be credited to the particular fund.
- Internal borrowing will be used wherever possible to avoid external borrowing.

Special funds and reserve funds

Liquid assets are not required to be held against special funds and reserve funds. Instead Council will internally borrow or utilise these funds wherever possible.

Trust funds

Where Council hold funds as a trustee, or manages funds for a Trust then such funds must be invested on the terms provided within the Trust. If the Trust's investment policy is not specified then this policy should apply.

Loan Advances

Council may provide advances to CCOs, CCTOs, charitable trusts and community organisations for strategic purposes only.

New loan advances are by Council resolution only.

Council does not lend money, or provide any other financial accommodation, to a CCO or CCTO on terms and conditions that are more favourable to the CCO or CCTO than those that would apply if Council were (without charging any rate or rate revenue security) borrowing the money or obtaining the financial accommodation.

Council reviews performance of its loan advances on a regular basis to ensure strategic and economic objectives are being achieved. The GMCS monitors loan advances and reports to Council quarterly.

RISK MANAGEMENT

INVESTMENT MATURITY/INTEREST RATE RISK CONTROL LIMITS

Council's primary objective when investing is the protection of its investment. Accordingly, only high quality creditworthy counterparties are acceptable. Creditworthy counterparties (other than Government) are selected on the basis of their current Standard and Poor's (S&P) or equivalent rating (i.e. Fitch, Moody's).

Within the above credit constraints Council also seeks to:

- Ensure investments are liquid and where applicable there is a readily available secondary market for negotiable investment instruments.
- Optimise investment return within policy maturity limits; and
- Manage potential capital losses if investments need to be liquidated before maturity.

The following operating principles capture Council's investment objectives as stated above and form the basis for its investment activity:

- Credit risk is minimised by placing maximum counterparty/issuer and investment portfolio limits for each broad class of non-Government issuer and by limiting investments to strongly rated registered banks, local authorities, SOE's and corporates, and issuers secured by rates within prescribed amounts. Refer section 6.
- Liquidity risk is minimised by ensuring that all negotiable investments must be capable of being liquidated in a readily available secondary market. Furthermore, Council must maintain at least 50% of its investments with a maturity of less than one year. The maximum investment term is no greater than 2 years.

An important objective of the financial investment portfolio is to match the portfolio's maturity term to planned expenditure thereby ensuring that investments are available when required. Financial investments should be restricted to a term that meets future cash flow projections and be mindful of forecast debt associated with future capital expenditure programs as outlined within the LTP.

FOREIGN EXCHANGE RISK

Council has foreign exchange exposure through the occasional purchase of foreign exchange dominated plant, equipment and services. The library may also purchase items in foreign currency amounts.

Generally, all significant commitments for foreign exchange are hedged using foreign exchange contracts, once expenditure is committed and approved. Routine small payments are converted at the spot exchange rate on the date of payment. Both spot and forward foreign exchange contracts can be used by Council. Counterparty credit risk exposures arising from the use of approved foreign exchange instruments are captured within section 6.

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency.

DEPARTURES FROM NORMAL POLICY

The Council may, in its discretion, depart from the Investment Policies where it considers that the departure would advance its broader social or other policy objectives. Any resolution authorising an investment under this provision shall note that it departs from the Council's ordinary policy and the reasons justifying that departure.

INVESTMENT MANAGEMENT AND REPORTING PROCEDURES

Council's investments are reviewed on a regular basis, with sufficient minimum immediate cash reserves and a cash buffer maintained. The daily cash position is monitored and managed. Long-term cash flow is managed through a rolling forecast. To maintain liquidity, Council's short and long-term investment maturities are matched with Council's known cash flow requirements.

The performance of Council investments is regularly reviewed to ensure Council's strategic objectives are being met. Both performance and policy compliance are reviewed. Internal investment reports are a vital management tool and are produced and reported to Council on a quarterly and annual basis.

6. COUNTERPARTY CREDIT RISK

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to the Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Council. Treasury related transactions would only be entered into with organisations specifically approved by the Council.

Counterparties and limits can only be approved on the basis of long-term Standard & Poor's, (S&P) credit ratings (or equivalent Fitch or Moody's rating) being A and above and/or short term rating of A-1 or above.

Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

The following matrix guide will determine limits:

<table>
<tr><th>Counterparty/issuer</th><th>Minimum S&P Long term/short term credit rating</th><th>Investments maximum per counterparty ($m)</th><th>Risk management instruments maximum per counterparty ($m)</th><th>Total maximum per counterparty ($m)</th></tr>
<tr><td>NZ Government</td><td>N/A</td><td>Unlimited</td><td>None</td><td>Unlimited</td></tr>
<tr><td>Local Government Funding Agency (LGFA)</td><td>AA-/A-1</td><td>30.0</td><td>None</td><td>30.0</td></tr>
<tr><td>NZ Registered Bank</td><td>A/A-1</td><td colspan="2">15.0</td><td>15.0</td></tr>
<tr><td>Local Government/SOE/Stock/Bonds/FRN/CP*</td><td>A+/A-1</td><td>1.0</td><td>None</td><td>1.0</td></tr>
<tr><td>Corporate Bonds/CP**</td><td>A+/A-1</td><td>1.0</td><td>None</td><td>1.0</td></tr>
</table>

* Subject to a maximum exposure no greater than 10% of the portfolio being invested in Local Government/SOE debt at any one point in time. The maximum portfolio exposure limit does not apply to the LGFA.

**Subject to a maximum exposure no greater than 20% of the portfolio being invested in corporate debt securities at any one point in time.

In determining the usage of the above gross limits, the following product weightings will be used:

- Investments (e.g. Bank Deposits) – Transaction Principal x Weighting 100%
  (unless a legal right of setoff exists).

- Interest Rate Risk Management (e.g. swaps, FRAs) – Transaction Notional x Maturity (years) x 3%.
- Foreign Exchange – Transaction face value amount x square root of the Maturity (years) x 15%.

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. Maturities should be well spread. The approval process must take into account the liquidity of the market and prevailing market conditions the instrument is traded in and re-priced from.

Westland District Council

Treasury Management Update

Brett Johanson (Executive Director) & Raj Verma (Associate Director)

13 August 2026

1. Statutory objectives and treasury framework
2. Changing debt forecasts
3. Debt funding and interest rate strategy
4. PwC's role

Agenda

1

Statutory objectives and treasury framework

Statutory objectives

Context is that Council is a prudent financial manager

- **Paragraph 14 – Principles relating to local authorities**

"A local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets"

- **Paragraph 101 – Financial management**

"A local authority must manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community"

- **Exercise care, diligence and skill in treasury decisions**

Treasury Framework

- Section 104 and 105 outlines content of liability management and investment policies combined called Treasury Management Policy.
- Consistency with statutory objectives of prudence, stewardship and inter-generational qualities.
- Provides comfort to stakeholders that treasury risks are appropriately monitored and managed:
  - LGFA, bank lenders, ratepayers, auditors, trustee
- Risk framework provides safeguards ensuring:
  - Access to liquidity/cash when needed.
  - Raise long term new and renewal debt to fund intergenerational assets and support Council’s balance sheet and financial strategy.
  - Recognition and prudent management of underlying financial market risks.
- Monitor, manage and report treasury risk positions to Council.

Treasury Management Policy -
comprising the Liability Management and Investment Policies

Delegations
Sets out responsibilities for Council and Management

Counterparty exposures
Setting limits for exposures to counterparties to minimise the risk from a counterparty default

Liquidity and debt funding
Framework for how Council is to meet its liabilities as they fall due, including how this is financed and including a buffer for contingencies

Operational risk management
Support an environment of control and best practice risk management.

Interest rate risk management
Framework and procedures detailed to ensure Council manages volatility and cost relating to interest expense

Investments
The management of treasury investments

Treasury Management Policy changes

Additional flexibility during times of change.

Local Water Done Well makes debt forecasts uncertain, how much water debt will transfer to Coast Waters, what debt transfer mechanism will be agreed.

Where non-compliance specifically relates to LWDW then breach accepted and retrospectively reported to Council.

Specifically managing funding maturity and interest rate management risk positions

Reported as part of regular treasury reporting requirements

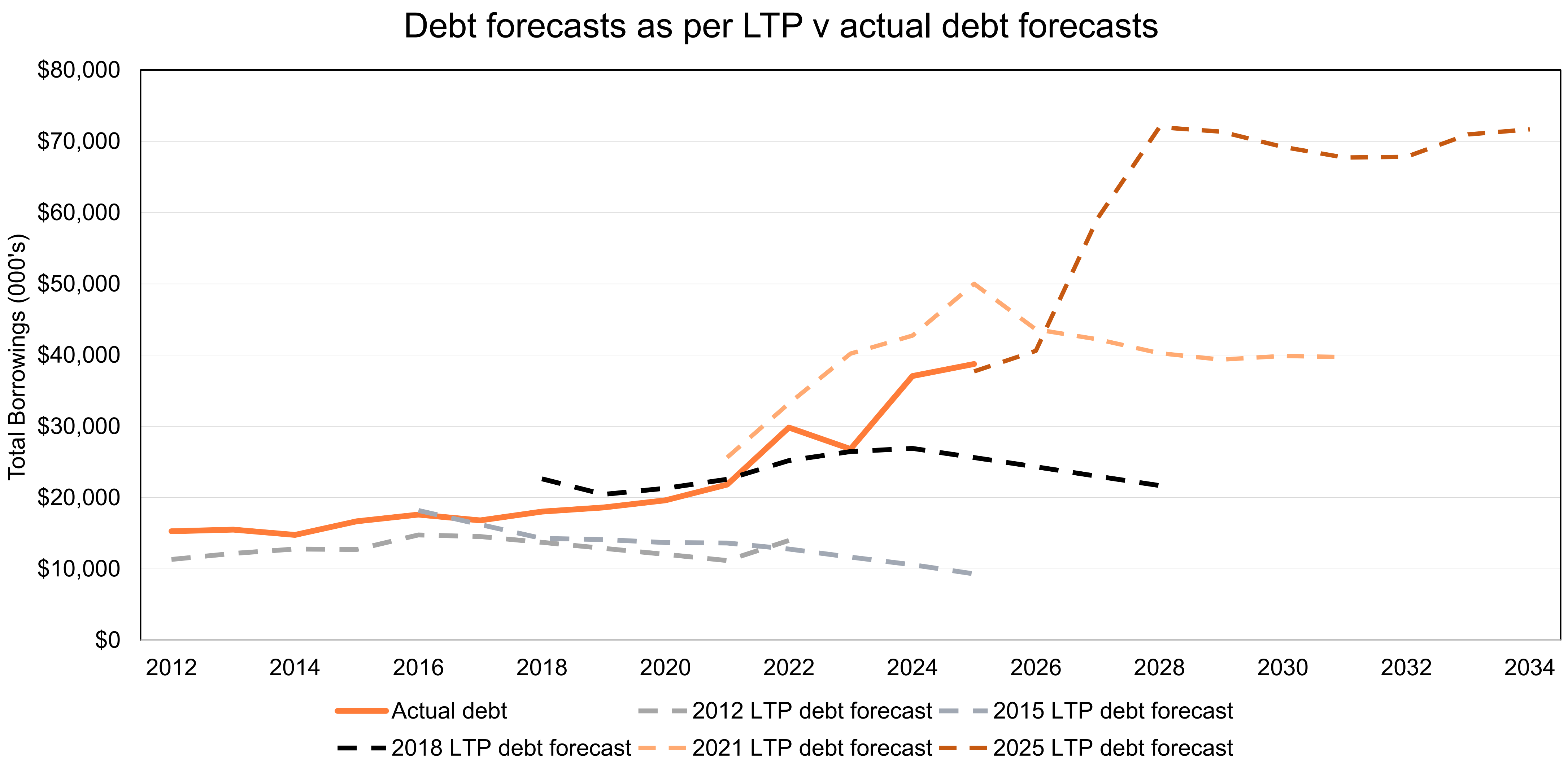
Interest rate sensitivity

Council currently has ~$41m of drawn debt. If 100% of this was exposed to short-term interest rates, a 1% movement higher in interest rates would result in an interest expense increase of $0.41m. Based on FY25 rates revenue of ~$22.0m, rates revenue would need to increase by 1.86% to offset the increased interest expense.

2

Changing debt forecasts

LTP debt forecasts versus actual debt levels



4

Debt funding and interest rate strategy

Funding and liquidity management

Managing liquidity and funding positions within LGFA financial covenants and policy limits.

Spreading and smoothing of debt maturities to reduce refinancing and repricing risk at any given point in time. Project forward and scenario test risk positions.

Pre-funding of upcoming debt maturities to reduce the risk of near-term disruption to funding markets.

Maintaining a permanent liquidity buffer amount as debt increases.

Considering the optimal mix of bank and LGFA committed debt facilities.

Funding maturity profile

Funding and liquidity risk position

Westland District Council

Month

June 2026

Currency

NZD

Liquidity summary

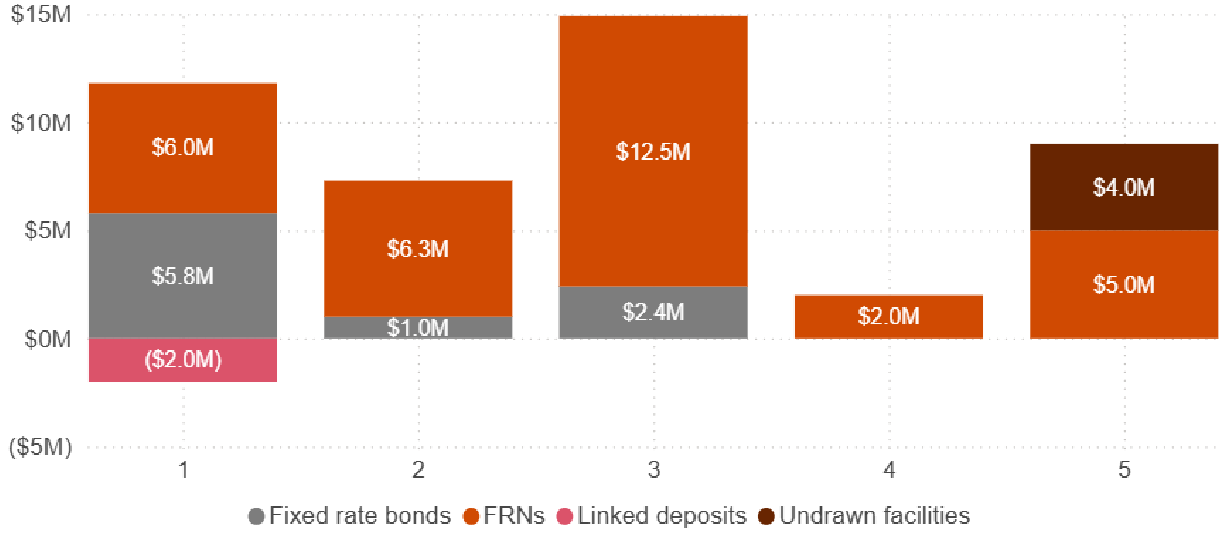
138%

Liquidity ratio (liquid deposits)

110%

Liquidity ratio policy

Funding and liquidity risk timeline



$39,000,000
Gross external debt, less prefunding

$4,000,000
Undrawn and unlinked bank facilities

$10,765,729
Liquid assets

$2,000,000
Linked deposits

2.33
WA term of debt (years)

Funding summary

Bucket (years)	Maturing in period ($)	Policy	Actual
0 - 3	$32,000,000	15% - 60%	74%
3 - 7	$11,000,000	25% - 85%	26%
7 - 15	$0	0% - 60%	0%
Total	**$43,000,000**		**100%**

List of instruments

Instrument	Counterparty	Drawn ($)	Limit ($)	Maturity	Margin	Comr f
Fixed Rate Bond	LGFA	1,500,000	1,500,000	7 April 2027	0.25%	
Fixed Rate Bond	LGFA	1,300,000	1,300,000	14 April 2027	0.25%	
Fixed Rate Bond	LGFA	1,500,000	1,500,000	15 April 2027		
Fixed Rate Bond	LGFA	1,500,000	1,500,000	15 April 2027		

Interest rate risk management

Proactive management of interest rate risk (i.e. medium to long-term focus).

Spreading and smoothing forward interest rate risk within the policy control limit framework. Project forward and scenario test risk positions.

Use of both fixed rate debt and interest rate swaps to achieve the fixed interest profile.

Managing forecast interest rate risk as debt forecasts increase.

Understanding long-term debt forecasts is an important input.

Interest rate risk profile

Interest rate risk position

Westland District Council

Month

June 2026

Currency

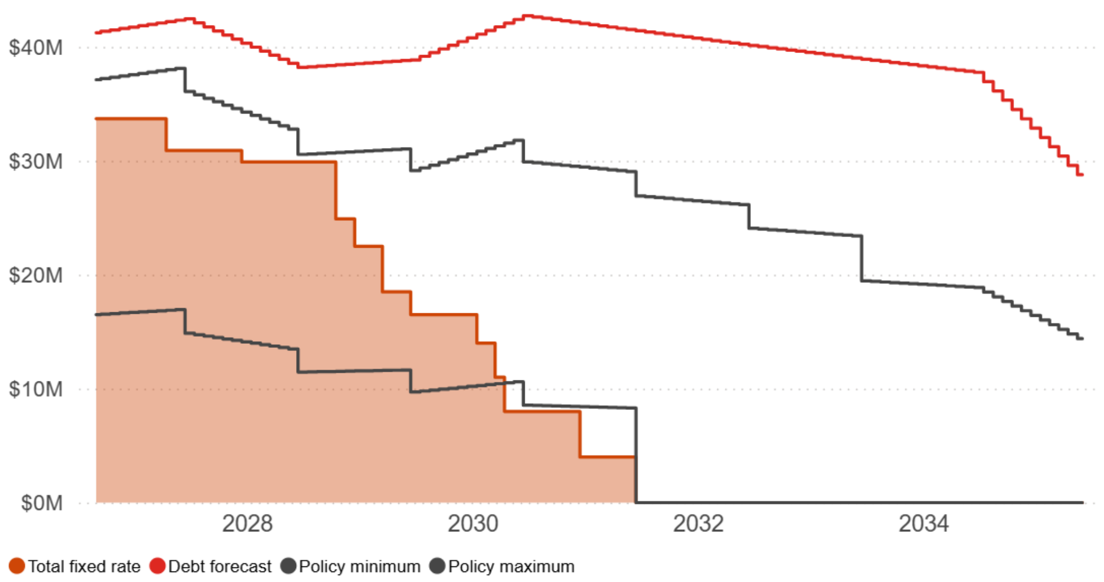
NZD

1. Debt Forecast - LTP | 2. Debt forecast - 80% LTP | 3. Debt forecast - 80% + 3W

Interest rate summary

#	Bucket	Min	Max	Actual
1	0 - 1	40%	90%	82%
2	1 - 12	40%	90%	80%
3	12 - 24	35%	85%	75%
4	24 - 36	30%	80%	63%
5	36 - 48	25%	75%	35%
6	48 - 60	20%	70%	14%
7	60 - 72	0%	65%	0%
8	72 - 84	0%	60%	0%
9	84 - 96	0%	50%	0%
10	96 - 108	0%	50%	0%

Interest rate risk timeline



$41,000,000
Gross debt less prefunding

$33,700,000
Total fixed rate instruments

82%
Current hedged (%)

3.62%
Current WA fixed rate

2.89
WA fixed term (years)

List of instruments

Instrument	Counterparty	Notional ($)	Start date	Maturity date	Interest rate
Swap	Westpac	5,000,000	2 October 2023	2 October 2028	3.97%
Swap	Westpac	4,000,000	15 December 2023	15 March 2029	3.48%
Swap	Westpac	2,000,000	15 December 2023	15 June 2029	2.75%
Swap	Westpac	2,500,000	15 April 2026	15 January 2030	4.03%

pwc

4

PwC's Role

Outline of PwC's role

Independent and trusted ongoing treasury management adviser.

Treasury management and local government sector insights. A sounding board evolving treasury-related challenges.

Update and outlook on financial market risks.

Monitor actual and projected risk positions to Policy limits, assisting proactive management of risks.

Design and recommend ongoing liquidity, funding, and interest rate strategies and execution.

Ongoing treasury conversation through the discipline of monthly meetings. Review of Treasury Policy and provision of Treasury Tool for effective ongoing reporting and management of risks.

5

Summary

Summary

Council proactively manages treasury risks within an evolving economic and financial environment.

Uncertainty around key inputs requires consideration in treasury strategy design and execution.

Adherence to Council-approved policies.

Capturing, monitoring, and managing of treasury risks, with regular reporting to Council.

Monthly meetings with PwC Treasury Advisory. Treasury is an ongoing and regular conversation.

Treasury management approach is consistent with the sector and good practice.

Ngā mihi

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