

AGENDA

Ordinary Council Meeting

Tuesday, 27 October 2026

Date Tuesday, 27 October 2026

Time 10:30 am

Location Council Chamber
District Council Building
King George Place
Timaru

File Reference 1881591

Timaru District Council

Notice is hereby given that a meeting of the Ordinary Council will be held in the Council Chamber, District Council Building, King George Place, Timaru, on Tuesday 27 October 2026, at 10:30 am.

Council Members

Mayor Nigel Bowen (Chairperson), Clrs Stacey Scott, Peter Burt, Stu Piddington, Scott Shannon, Michelle Pye, Owen Jackson, Graeme Wilson, Chris Thomas and Philip Harper

Quorum – no less than 5 members

Local Authorities (Members' Interests) Act 1968

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

Nigel Trainor

Chief Executive

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1 Opening Prayer and Waiata

2 Apologies

3 Public Forum

4 Identification of Urgent Business

5 Identification of Matters of a Minor Nature

6 Declaration of Conflicts of Interest

7 Confirmation of Minutes

7.1 Minutes of the Council Meeting held on 29 September 2026

Author: **Jessica Kavanaugh, Democracy Services Lead**

Recommendation

That the Minutes of the Council Meeting held on 29 September 2026 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Attachments

1. Minutes of the Council Meeting held on 29 September 2026

MINUTES

Ordinary Council Meeting

Tuesday, 29 September 2026

Ref: 1881591

Minutes of Timaru District Council
Ordinary Council Meeting
Held in the Council Chamber, District Council Building, King George Place, Timaru
on Tuesday, 29 September 2026 at 10:30 am

Present: Mayor Nigel Bowen (Chairperson), Stacey Scott, Peter Burt, Stu Piddington, Scott Shannon, Owen Jackson, Graeme Wilson, Chris Thomas, Philip Harper

In Attendance: **Community Board Members:** Kathy Campbell (Temuka), Rosie Woods (Geraldine)

Officers: Nigel Trainor (Chief Executive), Stephen Doran (General Manager Corporate), Andrea Rankin (Chief Financial Officer), Suzy Ratahi (General Manager Land Transport), Jayson Ellis (Acting General Manager Regulatory Development and Growth), Alesia Cahill (Executive Support Manager), Brendan Madley (Senior Policy Advisor), Rachel Leitch (Communications Team Leader), Maddison Gourlay (Marketing and Communications Advisor), Jessica Kavanaugh (Democracy Services Lead)

Public: Julianne Sutherland (chaperone), Miri Allan, Dan Zhang, Neo Hammond, Kate Bain, David Jack, Mahlon Saumalu, Jarrod True, Hebe Gibson, Ben Hodges, Frazer Munro (General Manager, Timaru District Holdings Limited) Mark Rogers (Chairperson, Timaru District Holdings Limited)

1 Opening Prayer

Rev Allan Cummins (Hospital Chaplain) conducted the opening prayer

2 Apologies

2.1 Apologies Received

Resolution 2026/161

Moved: Clr Graeme Wilson
Seconded: Clr Owen Jackson

That the apology of Clr Michelle Pye is received and accepted.

Carried

3 Public Forum

Sister Cities - Eniwa Student Exchange

Julianne Sutherland (chaperone), Miri Allan, Dan Zhang, Neo Hammond presented to Council to share their experiences from the recent exchange to Eniwa, Japan.

Discussion included the differences between schooling in New Zealand and Eniwa including the extracurricular activities. It was also advised the differences in culture and the environment between the two cities. The Councillors expressed their thanks for representing the Timaru District.

4 Identification of Urgent Business

No items of urgent business were received.

5 Identification of Matters of a Minor Nature

An update was requested on the disposal of the Criterion Hotel. The Chief Executive advised that a report will be presented at the 27 October 2026 Council Meeting.

6 Declaration of Conflicts of Interest

- Clr Stacey Scott declared a conflict of interest in item 8.2 Gambling Venue Policy - Receipt of submissions and Hearing,
- Mayor Nigel Bowen noted a conflict of interest in item 8.2 Gambling Venue Policy - Receipt of submissions and Hearing
- Clr Peter Burt declared a preserved conflict of interest in item 8.2 Gambling Venue Policy - Receipt of submissions and Hearing

7 Confirmation of Minutes

7.1 Minutes of the Council Meeting held on 25 August 2026

Resolution 2026/162

Moved: Clr Stacey Scott
Seconded: Clr Peter Burt

That the Minutes of the Council Meeting held on 25 August 2026 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

8 Reports

8.1 Sister Cities - Eniwa Student Exchange presentations

The chaperone and three students, one from Mountainview and two from Roncalli to share their experience of their Eniwa, Japan 2026 student exchange.

Resolution 2026/163

Moved: Mayor Nigel Bowen
Seconded: Clr Chris Thomas

That Council receives and notes the Sister Cities, Eniwa Student Exchange verbal presentations.

Carried

8.2 Gambling Venue Policy - Receipt of submissions and Hearing

The purpose of this report is for Council to receive all submissions on the Gambling Venue Policy consultation, and to hear from any individuals or organisations who wish to speak to their submissions.

Kate Bain (Chief Executive Officer) and David Jack (Director) – Trust Aoraki

Kate highlighted the support for the proposed changes to the Gambling Venue Policy. The benefit to the community through the funds raised for grants was noted, along with a list of recent benefactors of funding. Harmonisation and the ability to move an existing venue when circumstances change were also noted as benefits.

Due to technical difficulties, the Council moved to item 8.3 Affixing of the Common Seal until the online submitters were able to join the meeting.

8.3 Affixing of the Common Seal

Council considered the report noting the affixing of the Common Seal to an Approval of Warrants of which names have been redacted to protect the privacy of employees.

Resolution 2026/164

Moved: Clr Scott Shannon
Seconded: Clr Stacey Scott

That the following warrants have been approved by the Chief Executive and are being reported to the Council for noting:

14 August 2026 – Approval of Warrants

31 August 2026 – Approval of Warrants

Carried

8.4 Release of Public Excluded Items

The purpose of this report is to provide the Council with an updated status of Public Excluded items released to the public.

Resolution 2026/165

Moved: Clr Peter Burt
Seconded: Clr Graeme Wilson

That Council notes the following public excluded items that have been released to the public:

1. Council - Item 13.2 - Section 17A Report - Venture Timaru -24 February 2026
2. Joint Shareholders Committee Item 9.1 Appointment of Joint Water Organisation Chairperson - 29.07.2026

Carried

8.5 Adoption of 2027 Meetings Calendar

The purpose of this report is to approve the Council meetings' calendar for the 2027 calendar year.

Resolution 2026/166

Moved: Clr Scott Shannon
Seconded: Clr Stacey Scott

That Council:

1. Receive the Adoption of 2027 Meetings Calendar Report; and
2. Adopt the proposed 2027 meetings calendar.

Carried

The technical difficulties where resolved, and the Council continued with item 8.2 Gambling Venue Policy - Receipt of submissions and Hearing

8.2 Gambling Venue Policy - Receipt of submissions and Hearing (continued)

Mahlon Saumalu – Te Huinga Kōtuku – Purapura Whetū

It was noted this submission is on behalf of the Prevention and Minimisation of Gambling Harm Territorial Local Authority Policy Working Gorup, which is a multi-organisational advocacy alliance for providers of gambling harm prevention and minimisation across Te Waipounamu.

Mahlon spoke against the proposed policy changes, unless there is a clear community benefit. It was requested that council consider to keep the seven machine limit, allow gambling exposure to reduce naturally, measure gambling harm more broadly.

Discussion included online gambling and associated harm, including unknown data due to the current lack of regulation. There was detailed discussion in the statistics from gambling harm nationally and locally.

At 9:17 am, Clr Stu Piddington left the meeting.

It was also noted the potential link to online gaming and the purchases required in the game, and gambling itself.

Jarrod True – Gaming Machine Association of New Zealand

Jarrod spoke in favour of the proposed changes to the Gambling Venue Policy, and provided a presentation to the councillors which included details on nine machine limit for new venues, gaming machine numbers, benefits from gambling and the move to online gambling.

Discussion included that the online gambling operators will pay a gambling levy from 2027, which will be in line with the gambling levy payable from gambling machine operators which goes to the Ministry of Health.

Hebe Gibson – National Public Health Service – Te Waipounamu

Hebe spoke in opposition to the proposed changes, and provided a presentation to the councillors which included the gambling harm and the link to health issues, the harm from pokies and recommend that council adopt a sinking lid policy.

Discussion included the presentation of the statistics in relation to the locations in commercial and industrial zones and deprivation ratings, the funds that goes back into the community and the benefit of this, the promotion of Lotto through Central Government. The significant health issue raised in this presentation was discussed further.

Ben Hodges – NZCT

Ben supported the proposed changes to the Gambling Venue Policy, a presentation was provided which showed the gambling machine numbers verse the problem gambling prevalence and a list of grant recipients. The shift in the demand for online gambling was noted, along with the Online Casino Gambling Regulations 2026 and the return to the community verse the return to the community from local gambling providers. It was also highlighted the multiples effects of the $400 million dollars in grants that go to the community.

The councillors raised concern with the information provided on the Pub Charity submission, it was confirmed that council officers use public information available through the Department of Internal Affairs which was incorrect and has since been corrected.

Resolution 2026/167

Moved: Clr Peter Burt
Seconded: Clr Chris Thomas

That Council:

1. Receives the report "Gambling Venue Policy – Receipt of submissions and Hearing";
2. Receives and notes the written submissions on the Gambling Venue Policy consultation;
3. Acknowledges submitters who have spoken to their submission;
4. Notes that all submissions will be considered as part of deliberations on the Gambling Venue Policy; and
5. Identifies where it may seek further information or analysis from officers to inform future decision making.

Carried

Attachments

1 GMANZ - Jarrod True - Presentation to Timaru District Council 29 September 2026
2 NPHS presentation Timaru DC Gambling Venue Policy Review GMANZ - Jarrod True
3 NZCT Timaru Council Presentation to Timaru District Council 29 September 2026

The Mayor moved item 8.11 Draft Letter of Expectations 2027/28 - Timaru District Holdings Limited forward due to the availability of Timaru District Holdings Chairperson and Chief Executive.

8.11 Draft Letter of Expectations 2027/28 - Timaru District Holdings Limited

The General Manager Corporate spoke to the report to present the draft Letter of Expectations (LoE) for Timaru District Holdings Limited (TDHL) for adoption and issue.

Clarification was sought on the land strategy, which is to include all the land owned by Council and TDHL and a wording change that council expects TDHL to provide a timeline of expected delivery or reports relating to the Alpine Energy Divestment.

Further discussion included the ability for TDHL to look at medium to long term economic investment.

Resolution 2026/168

Moved: Clr Graeme Wilson
Seconded: Clr Peter Burt

That Council:

1. Receives and notes the *Draft Letter of Expectations 2027/28 - Timaru District Holdings Limited* report;
2. Receives and notes the draft Letter of Expectations for Timaru District Holdings Limited 2027/28; and
3. Delegates to the Mayor to make any non-material changes to the document prior to signing and formal issuing to THDL.

Carried

8.6 Actions Register Update

The Chief Executive spoke to the report to provide Council with an update on the status of the action requests raised by councillors at previous Council meetings.

Investigate Small Trades and Vertical Infrastructure Maintenance Report

It was confirmed these will be presented at the 27 October Council Meeting, with a view to keeping the context of the action and operational so the Long Term Plan and Annual Plan drive that rather than ad hoc, including testing with Council how that is done.

Chrome Platers Building

Alongside the update, it was advised that Team Projects is overseeing this project.

An update was requested on the repayment of Timaru District Council Holdings Limited (TDHL) Loans Report; the Chief Executive advised the Council is waiting for clarification from Audit NZ.

Resolution 2026/169

Moved: Mayor Nigel Bowen
Seconded: Clr Stacey Scott

That the Council receives and notes the updates to the Actions Register.

Carried

8.7 Long Term Plan 2027-37 Community Engagement Strategy

The General Manager Corporate and Communications Team Leader spoke to the report to seek endorsement from Council on the proposed approach to Community Engagement for the Long Term Plan (LTP) 2027-37.

The importance of clearly defining the engagement content to support meaningful participation was noted. Councillors were also considered central to the engagement process, providing a recognisable public face for the Long Term Plan and consultation.

At 12:15 pm, Clr Graeme Wilson left the meeting.

Discussion was held on the ability for council to better able to implement decisions without challenge and to give the councillors the confidence to adopt the plan that the councillors have made.

At 12:17 pm, Clr Graeme Wilson returned to the meeting.

Further discussion highlighted the satisfaction levels resulting from the Bi-annual Community Survey and the decrease in the community feeling like they have the ability to have input into council decisions and the council reputation. It was also highlighted the operational work being undertaken received positive results from the survey.

Questions were raised regarding the proposed approach to community engagement. It was noted that a more detailed approach would be presented to the Council meeting on 24 November 2026.

Resolution 2026/170

Moved: Clr Scott Shannon
Seconded: Clr Graeme Wilson

That Council:

1. Receives and notes the Long Term Plan 2027-37 Community Engagement Strategy report; and
2. Endorses the proposed approach.

Carried

8.8 Significance and Engagement Policy - draft adoption

The General Manager Corporate and Senior Policy Advisor spoke to seek draft approval of the Significance and Engagement Policy, enabling it to proceed to Audit New Zealand review and public consultation.

Discussion included the ability for council to close the loop on decisions made in council meetings, to help improve the community survey results to advice how the feedback given was considered. It was advised this would sit better in a procedure and the importance of having a representative view from the councillors.

The Chief Executive advised the inserted paragraph in section two needs to be further up in the policy prior to the decision making paragraphs to provide better flow.

Further clarification was sought on the service level agreement with Aoraki Environmental Consultancy Limited.

Resolution 2026/171

Moved: Clr Stacey Scott
Seconded: Clr Owen Jackson

That Council:

1. Receive and note the *Significance and Engagement Policy – draft adoption* report;
2. Give draft approval to the Significance and Engagement Policy to enable it to proceed to consultation in 2027 (as part of the wider Long Term Plan consultation);
3. Approve for the policy to be reviewed by Audit New Zealand; and
4. Notes that Council will consider and deliberate feedback on the draft Significance and Engagement Policy, prior to adopting a final version of the policy to take effect from 1 July 2027.

Carried

The Council Meeting adjourned at 12.35pm
The Council Meeting reconvened at 1.13pm

Clr Stacey Scott was not present when the meeting reconvened.

8.9 Temporary Road Closure Applications - Section 342 and Schedule 10, Clause 11(e) LGA

The General Manager Land Transport spoke to the report to seek the Council's approval of temporary road closure application(s), as per Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974.

Clarification was sought on why the Cycling Criterium did not seek any funding.

Resolution 2026/172

Moved: Clr Scott Shannon
Seconded: Clr Owen Jackson

That Council:

1 Receives and notes the report *Temporary Road Closure Applications - Section 342 and Schedule 10, Clause 11(e) LGA;*

2 Approve the temporary road closure application(s) listed in the table in Section 7 of this report, under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974, including all conditions proposed by officers and;

3 Approve that traffic management for the application(s) listed in the table in Section 8 of this report be funded from the Community Events and Programmes budget.

Carried

8.10 Stock Crossing – River Road and Main Waitohi Road – Policy Exemption Request

The General Manager Land Transport spoke to the report to seek Council approval for a stock underpass on Main Waitohi Road that does not fully comply with the current Stock Underpass Policy, and to seek direction on the existing River Road at-grade stock crossing while consistent regional guidance and a revised Council policy are developed.

At 1:16 pm, Clr Owen Jackson left the meeting.

The Senior Policy Advisor noted that in clause three of the policy, it notes that stock underpasses should be constructed under the entire road reserve boundary with the structure entrances within private property unless specific approval is granted by Council.

At 1:19 pm, Clr Stacey Scott returned to the meeting.

Clarification was sought on how many applications for underpass adjustments have been received since the Pleasant Point adjustment. It was confirmed there is currently one other cattle underpass under construction on Muff Road, which is the full road reserve width due to the number of vehicles and heavy vehicles on the road.

It was advised that Council must balance the needs of road users and the wider community while maintaining the road reserve. The agreement will include that removal or further widening may be required on request by Council. Further discussion was held on the width of the underpass, the operation of the gates and signage that is required.

There was clarification on whether there are culverts and other bridges rurally less than 14 meters. It was advised that the width of 9.3 meters allows for services to be completed in the berms at the location to enable future-proofing for the area.

It was questioned whether the cyclists have been taken into account for the design and location. Clarification was provided that appropriate site side rails will be installed, including the signage for bridge hazards.

Resolution 2026/173

Moved: Clr Graeme Wilson
Seconded: Clr Scott Shannon

That Council:

1 Receives and notes the Cattle Stop and Stock Underpass Report River Road and Main Waitohi Road;

2 Approves the installation of a stock underpass at approximately RP6.395 on Main Waitohi Road, with a minimum structure length of approximately 9.3m, subject to all required engineering approvals and statutory consents;

3 Approves an exemption from Clause 3 of the Stock Underpass Policy to allow the Main Waitohi Road underpass structure to extend approximately 9.3m within the approximately 20m legal road reserve, rather than the full width of the road reserve;

4 Approves the existing at-grade stock crossing at approximately RP5.260 on River Road continuing as an interim arrangement until Council considers a revised stock-crossing policy;

5 Defers consideration of a permanent double cattle-stop crossing on River Road until the Aoraki Roading Collaboration review has informed consistent regional guidance and a revised Council policy; and

6 Notes that the Aoraki Roading Collaboration will review stock underpasses and other stock-crossing treatments, including double cattle stops, deer grids and managed at-grade crossings.

Notes that:

7 No Council or NZTA funding contribution is being requested for the installation;

8 All investigation, design, consenting, legal, construction, traffic-management, inspection, maintenance, renewal, alteration, removal, reinstatement and ongoing liability costs associated with either crossing remain the responsibility of the landowner;

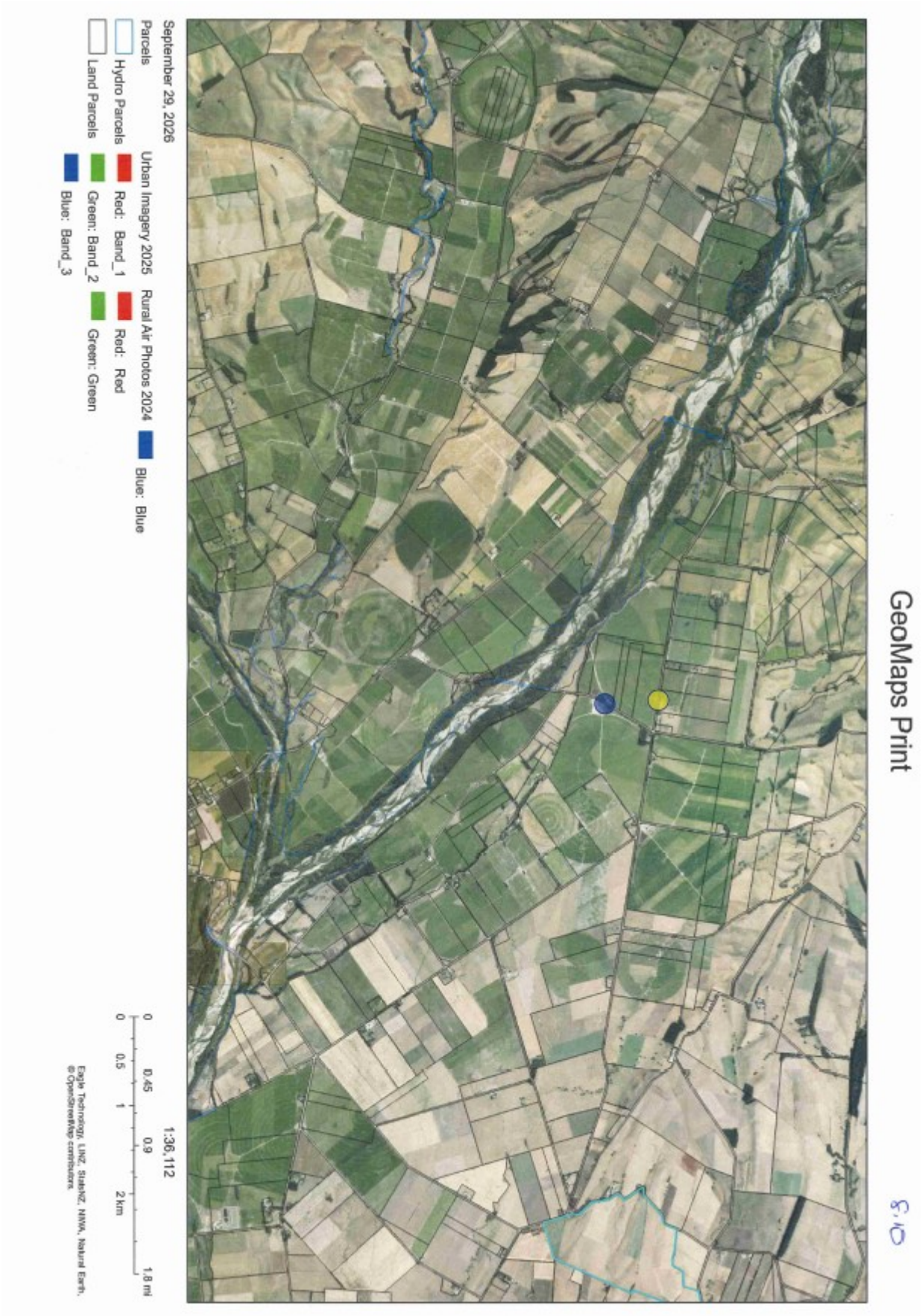
9 The River Road crossing is used by up to 1,400 cows in two to three mobs, twice daily at approximately 6.00am and 2.00pm, for most of the year, with each crossing taking approximately 30 to 60 minutes, and must be actively controlled at both road approaches whenever stock are on the road; and

10 All required resource consents, building consents, corridor access approvals and legal agreements must be obtained before construction, or installation work commences.

Carried

Attachments

1 Geomap for item 8.10 Stock Crossing River Road and Main Waitohi Road – Policy Exemption Request


GeoMaps Print
8.10
September 29, 2026
Parcels
Hydro Parcels
Land Parcels
Urban Imagery 2025
Red: Band_1
Green: Band_2
Blue: Band_3
Rural Air Photos 2024
Red: Red
Green: Green
Blue: Blue
1:36,112
0 0.45 0.9 1.8 mi
0 0.5 1 2 km
Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

9 Consideration of Urgent Business Items

No items of urgent business were received.

10 Consideration of Minor Nature Matters

No matters of a minor nature were raised.

11 Public Forum Items Requiring Consideration

There were no public forum items.

12 Resolution to Exclude the Public

Resolution 2026/174

Moved: Mayor Nigel Bowen
Seconded: Clr Graeme Wilson

That the public be excluded at 1.37pm from the following parts of the proceedings of this meeting, namely,—

12.1 Public Excluded Minutes of the Council Meeting held on 25 August 2026

12.2 Temuka Camp Ground Divestment

12.3 Extension of lease at airport for Aviation Teknology Services Ltd

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
12.1 - Public Excluded Minutes of the Council Meeting held on 25 August 2026 **Matters dealt with in these minutes:** **13.1 - Public Excluded Minutes of the Council Meeting held on 21 July 2026** **13.2 - Geraldine Motorcamp new lease** **13.3 - Expiration of Caroline Tearooms Lease**	Section 48(1) of the Local Government Official Information and Meetings Act 1987.	The public excluded minutes of the meeting held on 25 August 2026 are considered confidential pursuant to the provisions of the LGOIMA Act of 1987. The specific provisions of the Act that relate to these minutes can be found in the open minutes of the meeting held on 25 August 2026.

10.4 - Development Opportunity Feasibility Report **13.5 - Proposed District Plan - Bidwill Trust Hospital Appeal** **13.6 - Budget Re-allocation - Unplanned works in association with subdivision development**		
12.2 - Temuka Camp Ground Divestment	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	To protect commercially sensitive information
12.3 - Extension of lease at airport for Aviation Teknology Services Ltd	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	To protect a person's privacy, including the privacy of deceased persons To protect commercially sensitive information

Carried

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- "(4)Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof)—
    - (a)shall be available to any member of the public who is present; and
    - (b)shall form part of the minutes of the local authority."

13 Public Excluded Reports

12.1 Public Excluded Minutes of the Council Meeting held on 25 August 2026

13.1 Public Excluded Minutes of the Council Meeting held on 21 July 2026

13.2 Geraldine Motorcamp new lease

13.3 Expiration of Caroline Tearooms Lease

10.4 Development Opportunity Feasibility Report

13.5 Proposed District Plan - Bidwill Trust Hospital Appeal

13.6 Budget Re-allocation - Unplanned works in association with subdivision development

12.2 Temuka Camp Ground Divestment

12.3 Extension of lease at airport for Aviation Teknology Services Ltd

14 Readmittance of the Public

Resolution 2026/175

Moved: Mayor Nigel Bowen
Seconded: Clr Peter Burt

That the meeting moves out of Closed Meeting into Open Meeting at 2.05pm.

Carried

The meeting closed at 2.06pm.

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Mayor Nigel Bowen

Chairperson

8 Schedules of Functions Attended

8.1 Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors

Author: **Alesia Cahill, Executive Support Manager**

Authoriser: **Nigel Bowen, Mayor**

Recommendation

That the Schedule of Functions Attended by the Mayor, Deputy Mayor and Councillors be received and noted.

Functions Attended by the Mayor for the Period 15 August 2026 to 16 October 2026.

17 August 2026	Attended Council Workshop
18 August 2026	Attended Council Workshop
	Attended Aorangi Stadium final concrete pour
19 August 2026	Attended Theatre Stakeholder meeting
	Met with Paul Henry
20 August 2026	Met with the four local Mayors
21 August 2026	Spoke on the Breeze radio station for Mayoral Musings
	Attended Helen Clark event
24 August 2026	Chaired the Joint Shareholders Committee meeting
25 August 2026	Attended Economic Briefing at Venture Timaru
	Chaired Council meeting
26 August 2026	Met with Master Builders South Canterbury
	Met with South Canterbury Chamber of Commerce representatives
27 August 2026	Attended Canterbury Ambition Workshop in Christchurch
	Attended Civil Defence Emergency Management Joint Committee
	Met with local Councils Mayors and Chief Executives
	Attended Canterbury Mayoral Forum dinner
28 August 2026	Chaired Canterbury Mayoral Forum
31 August 2026	Led Canterbury Mayoral Forum webinar
15 September 2026	Attended Council workshop via Teams
21 September 2026	Attended Council workshop via Teams
22 September 2026	Attended Council workshop via Teams
23 September 2026	Attended meeting with MTFJ

29 September 2026	Chaired Council meeting
	Attended Friends of the Theatre meeting
30 September 2026	Attending bi-monthly meeting with NZTA representatives
	MC'd the SC Chamber of Commerce Business meets Candidates evening
2 October 2026	Spoke on the Breeze radio station for Mayoral Musings
5 October 2026	Attended Downlands Water Supply Committee meeting
	Chaired Joint Shareholders Committee meeting
	Chaired People, Performance and Appointments Committee meeting
6 October 2026	Led two Citizenship Ceremonies
	Attended Community Funding Subcommittee
8 October 2026	Attended monthly MTFJ Catch up
9 October 2026	Attended CMF Business Canterbury meeting
	Attended Sudanese Cultural Information Session - Immigration NZ and Stakeholders
13 October 2026	Attended IoD AI Governance Essentials Course
16 October 2026	Chaired Extraordinary People, Performance and Appointments Committee meeting

In addition to these duties I met with 52 members of the public on issues of concern to them.

Functions Attended by the Deputy Mayor for the Period 15 August 2026 to 16 October 2026.

15 August 2026	Attended and spoke at Friends of the Aigantighe 50-year anniversary
21 August 2026	Attended Tongan Language Week event
25 August 2026	Attended Economic Briefing at Venture Timaru
26 August 2026	Judged the NZ Awards Local Hero Awards
31 August 2026	Attended Temuka Community Board meeting
2 September 2026	Attended and turned Sod at Claremont Sod Turning event
10 September 2026	Attended Extraordinary Pleasant Point Community Board meeting
12 September 2026	Attended Geraldine Sculpture Trail Fundraising event
25 September 2026	Attended Leadership Assembly at St Josephs Timaru
	Attended as a guest speaker at Temuka U3A meeting
3 October 2026	Attended Diwali Celebration
4 October 2026	Attended Pharlap Race meet - centennial celebration
13-15 October 2026	Attended LGNZ SuperLocal Conference

Functions Attended by the Councillor Michelle Pye for the Period 15 August 2026 to 16 October 2026

25 August 2026	Attended Economic Briefing at Venture Timaru
1 September 2026	Attended three Hearings Committees
	Attended Pleasant Point Community Board meeting
2 September 2026	Attended Geraldine Community Board meeting
10 September 2026	Attended Extraordinary Pleasant Point Community Board meeting

In addition to these duties I met with 6 members of the public on issues of concern to them.

Functions Attended by the Councillor Graeme Wilson for the Period 15 August 2026 to 16 October 2026

19 August 2026	Attended CBD Executive meeting
25 August 2026	Attended Economic Briefing at Venture Timaru
1 September 2026	Attended Pleasant Point Community Board meeting
2 September 2026	Organised a Coffee group catch up
16 September 2026	Attended CBD Executive meeting
18 September 2026	Attended Ratepayers meeting at Amore Cafe
24 September 2026	Met with TDHL Chairperson and General Manager
	Attended Ratepayers Union meeting
30 September 2026	Attended Meet the Candidate at the Grosvenor

In addition to these duties I met with numerous members of the public on issues of concern to them.

Functions Attended by the Councillor Chris Thomas for the Period 15 August 2026 to 16 October 2026

25 August 2026	Attended Economic Briefing at Venture Timaru
31 August 2026	Attended Canterbury Mayoral Forum Webinar
	Attended Temuka Community Board meeting
11 September 2026	Attended LGNZ Briefing
	Attended Aorangi Stadium Function
1 October 2026	Attended LGNZ Briefing
2 October 2026	Attended ECan Webinar
5 October 2026	Attended LGNZ Briefing
6 October 2026	Attended Save our Public Healthcare meeting
15 October 2026	Attended LineTrust AGM

In addition to these duties I met with 15 members of the public on issues of concern to them.

Functions Attended by the Councillor Philip Harper for the Period 15 August 2026 to 16 October 2026

21 August 2026	Attended RSA Geraldine event
	Attended reopening of the Peel Forest Outdoor Pursuit centre
26 August 2026	Attended Anti AI Data Centre meeting at the Geraldine RSA
8 October 2026	Attended Geraldine NZ meeting
10 October 2026	Hosted a Community Drop in session at Geraldine library
12 October 2026	Attended Welcome to Geraldine event for new comers
13-15 October 2026	Attended LGNZ SuperLocal Conference

In addition to these duties I met with 14 members of the public on issues of concern to them.

Attachments

1. Councillor Attendance as at 19 October 2026 ⇩

Council Meeting Attendance											
Date	Type	Mayor Nigel Bowen	Stacey Scott	Peter Burt	Owen Jackson	Stu Piddington	Scott Shannon	Michelle Pye	Philip Harper	Graeme Wilson	Chris Thomas
28/10/2025	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
31/10/2025	Council	Present	Present	Present	Apology	Present	Present	Present	Present	Present	Present
4/11/2025	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
9/12/2025	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
27/01/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
24/02/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
3/03/2026	Council	Present	Present	Present	Present	Present	Present	Apology	Present	Present	Present
31/03/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
28/04/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
26/05/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
30/06/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
21/07/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
31/07/2026	Council	Present	Present	Present	Present	Present	Apology	Apology	Present	Present	Present
CANCELLED 4/08/2026	~~Council~~										
7/08/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
25/08/2026	Council	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
29/09/2026	Council	Present	Present	Present	Present	Present	Present	Apology	Present	Present	Present
27/10/2026	Council										
24/11/2026	Council										
15/12/2026	Council										
Meetings Attended		**16**	**16**	**16**	**15**	**16**	**15**	**13**	**16**	**16**	**16**
Total Possible Meetings		**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**	**16**
Citizenship Ceremony											
9/12/2025	12.30pm	Present	Present	Present	Present	Not Present	Present	Present	Present	Present	Present
3/02/2026	10.00am	Present	Present	Not Present	Present	Not Present	Present	Present	Present	Present	Present
3/02/2026	12.00pm	Present	Present	Present	Present	Not Present	Present	Present	Present	Present	Present
30/03/2026	12.00pm	Present	Apology	Not Present	Present	Not Present	Apology	Not Present	Not Present	Not Present	Present
5/05/2026	10.00am	Present	Apology	Present	Present	Not Present	Present	Apology	Present	Present	Present
5/05/2026	12.00pm	Present	Apology	Present	Present	Not Present	Apology	Apology	Present	Not Present	Present
4/08/2026	10.00am	Present	Apology	Present	Apology	Not Present	Present	Apology	Apology	Present	Present
4/08/2026	12.00pm	Present	Apology	Apology	Apology	Not Present	Present	Apology	Apology	Present	Present
6/10/2026	10.00am	Present	Present	Not Present	Present	Not Present	Apology	Present	Present	Present	Present
6/10/2026	12.00pm	Present	Not Present	Present	Present	Not Present	Apology	Present	Present	Present	Not Present
Meetings Attended		**10**	**4**	**6**	**8**	**0**	**6**	**5**	**7**	**8**	**9**
Total Possible Meetings		**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**	**10**

Council Information-Workshops Attendance											
Date	Type	Mayor Nigel Bowen	Stacey Scott	Peter Burt	Owen Jackson	Stu Piddington	Scott Shannon	Michelle Pye	Philip Harper	Graeme Wilson	Chris Thomas
21/10/2025	Induction	Present	Present	Present	Present	Apology	Present	Present	Present	Present	Present
28/10/2025	Induction	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
4/11/2025	Induction	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
6/11/2025	Induction	Present	Present	Not Present	Present	Not Present	Present	Present	Present	Present	Present
11/11/2025	Induction	Present	Present	Not Present	Present	Not Present	Present	Present	Present	Present	Present
18/11/2025	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
18/11/2025	Induction	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
25/11/2025	Induction	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
2/12/2025	Induction	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
16/12/2025	Induction	Present	Present	Present	Apology	Apology	Present	Present	Present	Present	Present
17/12/2025	Workshop	Present	Present	Apology	Present	Present	Present	Present	Present	Present	Present
26/01/2026	Induction	Present	Present	Not Present	Present	Present	Present	Present	Present	Present	Present
17/02/2026	Induction	Present	Present	Not Present	Present	Not Present	Present	Present	Present	Present	Apology
17/02/2026	Workshop	Present	Present	Not Present	Present	Not Present	Present	Present	Present	Present	Present
17/02/2026	Induction	Apology	Present	Not Present	Apology	Not Present	Present	Present	Present	Apology	Present
3/03/2026	Workshop	Present	Present	Present	Present	Present	Present	Apology	Present	Present	Present
10/03/2026	Workshop	Present	Present	Not Present	Present	Present	Not Present	Present	Present	Present	Present
17/03/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
17/03/2026	Induction	Apology	Apology	Present	Present	Not Present	Present	Present	Present	Present	Present
24/03/2026	Workshop	Present	Present	Present	Apology	Present	Present	Apology	Present	Present	Present
24/03/2026	Induction	Present	Present	Present	Apology	Present	Present	Apology	Present	Present	Present
14/04/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
21/04/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
5/05/2026	Workshop	Present	Present	Apology	Present	Present	Apology	Present	Present	Present	Present
19/05/2026	Workshop	Present	Present	Present	Present	Apology	Present	Present	Present	Present	Present
3/06/2026	Workshop	Present	Present	Apology	Apology	Present	Present	Present	Present	Present	Present
16/06/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
16/06/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
23/06/2026	Workshop	Present	Present	Present	Present	Apology	Present	Present	Present	Present	Present
8/07/2026	Workshop	Present	Present	Present	Present	Present	Apology	Present	Not Present	Present	Present
21/07/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
28/07/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
12/08/2026	Workshop	Present	Present	Not Present	Present	Present	Present	Present	Present	Present	Present
17/08/2026	Workshop	Present	Present	Apology	Present	Present	Present	Present	Present	Present	Present
18/08/2026	Workshop	Present	Present	Present	Present	Apology	Present	Present	Present	Present	Present
CANCELLED 1/09/2026	~~Workshop~~										
15/09/2026	Workshop	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
21/09/2026	Workshop	Present	Present	Apology	Apology	Present	Present	Present	Present	Present	Apology
22/09/2026	Workshop	Present	Present	Apology	Present	Present	Present	Apology	Present	Present	Apology
19/10/2026	Workshop	Present	Apology	Apology	Present	Present	Apology	Present	Present	Present	Present
20/10/2026	Workshop										
3/11/2026	Workshop										
17/11/2026	Workshop										
1/12/2026	Workshop										
Meetings Attended		**37**	**37**	**24**	**33**	**27**	**35**	**35**	**38**	**38**	**36**
Total Possible Meetings		**39**	**39**	**39**	**39**	**39**	**39**	**39**	**39**	**39**	**39**

Committees										
Date	Mayor Nigel Bowen	Stacey Scott	Peter Burt	Owen Jackson	Stu Piddington	Scott Shannon	Michelle Pye	Philip Harper	Graeme Wilson	Chris Thomas
Audit and Risk Committee	**Member**	**Member**				**Member**	**Member**		**Member**	
15/12/2025 (Workshop)	Present	Apology				Present	Present		Present	
26/01/2026	Present	Present				Present	Present		Present	
2/03/2026	Present	Present				Present	Apology		Present	
CANCELLED ~~13/04/2026 (Workshop)~~										
8/06/2026	Present	Present				Present	Present		Present	
08/06/26 (Workshop)	Present	Present				Present	Present		Present	
7/09/2026	Apology	Present				Present	Present		Present	Present
19/10/2026										
7/12/2026										
Development and Growth Committee	**Member**		**Member**	**Member**		**Member**		**Member**		**Member**
10/02/2026	Present		Present	Present		Present		Apology		Present
10/03/2026	Present		Apology	Present		Present		Present		Present
14/04/2026	Present		Present	Present		Present		Present		Present
12/05/2026	Present		Present	Present		Present		Present		Present
9/06/2026	Present		Present	Present		Present		Present		Present
CANCELLED ~~14/07/2026~~										
14/07/2026 (Workshop)	Present	Present	Present	Present	Present	Present	Apology	Present	Present	Present
11/08/2026	Present	Present	Present	Present		Present	Present	Present	Present	Present
CANCELLED ~~8/09/2026~~										
CANCELLED ~~13/10/2026~~										
10/11/2026										
Hearings Committee	**Member**	**Member**	**Member**			**Member**	**Member**			
17/04/2026	Present	Present	Not Required			Present	Not Required			
17/04/2026	Present	Present	Not Required			Present	Not Required			
1/09/2026										
Downlands Committee	**Member**	**Member**				**Member**	**Member**	**Member**		
16/02/2026	Present	Present				Present	Present	Present		
CANCELLED ~~13/07/2026~~										
27/07/2026	Present	Present				Present	Present	Present		
5/10/2026	Present	Present				Present	Present	Present		
16/11/2026										
People, Performance and Appointments Committee	**Member**	**Member**	**Member**			**Member**	**Member**		**Member**	
9/12/2025	Present	Present	Present		Present	Present	Present		Present	
17/02/2026	Present	Present	Present			Present	Present	Present	Present	
20/03/2026	Present	Present	Apology			Present	Present		Present	
19/05/2026	Present	Present	Present			Present	Present		Present	
4/08/2026	Present	Present	Present			Present	Present		Present	
CANCELLED ~~22/09/2026~~										
5/10/2026	Present	Present	Present			Present	Present		Present	
16/10/2026										
8/12/2026										
Projects and Procurement Committee	**Member**	**Member**	**Member**	**Member**	**Member**				**Member**	**Member**
10/02/2026	Present	Present	Present	Present	Present				Present	Present
10/03/2026	Present	Present	Apology	Present	Present				Present	Present
14/04/2026	Present	Present	Present	Present	Present				Present	Present
12/05/2026	Present	Present	Present	Present	Present				Present	Present
9/06/2026	Present	Present	Present	Present	Present				Present	Present
14/07/2026	Present	Present	Present	Present	Present				Present	Present
11/08/2026	Present	Present	Present	Present	Present			Present	Present	Present
8/09/2026	Apology	Present	Present	Present	Present				Present	Present
CANCELLED ~~13/10/2026~~										
10/11/2026										
Strategic Planning Committee	**Member**	**Member**			**Member**		**Member**	**Member**	**Member**	
10/02/2026	Present	Present			Present		Present	Present	Present	
10/03/2026	Present	Present			Present		Present	Present	Present	
CANCELLED ~~14/04/2026~~										
12/05/2026	Present	Present			Present		Present	Present	Present	
9/06/2026	Present	Present			Present		Present	Present	Present	
CANCELLED ~~14/07/2026~~										
11/08/2026	Present	Present			Present		Present	Present	Present	Present
8/09/2026	Apology	Present			Present		Present	Present	Present	Present
CANCELLED ~~13/10/2026~~										
10/11/2026										
Subcommittees										
Local Arts Subcommittee				**Member**		**Member**				
11/12/2025				Present		Present				

Committees										
5/03/2026				Present		Present				
10/09/2026				Present		Present				
CANCELLED ~~10/12/2026~~										
Sister Cities Subcommittee	**Member**		**Member**			**Member**				
10/11/2025	Present		Present			Present				
2/02/2026	Apology		Present			Present				
4/05/2026	Present		Apology			Present				
CANCELLED ~~3/08/2026~~										
5/08/2026	Present		Present			Present				
CANCELLED ~~2/11/2026~~										
4/11/2026										
Community Funding Subcommittee	**Member**			**Member**				**Member**	**Member**	**Member**
21/04/2026	Present			Present				Present	Present	Present
6/10/2026	Present			Present				Present	Present	Present
Youth Initiatives Subcommittee	**Member**	**Member**				**Member**				
11/03/2026	Apology	Present				Present				
9/09/2026	Apology	Present				Present				
Community Partnerships Subcommittee	**Member**			**Member**						
4/12/2025	Present			Present						
26/03/2026	Apology			Present						
25/06/2026	Present			Present						
Workshop - 25/06/2026	Present			Present						
24/09/2026	Apology			Present						
3/12/2026										
Rates Remission Subcommittee										
Civic Honours Appointments Subcommittee										
Museum Collection Subcommittee	**Member**	**Member**			**Member**			**Member**		
3/02/2026	Present	Present			Present			Present		
Joint Shareholders Committee	**Member**	**Member**	**Alt Member**				**Member**			
29/04/2026	Present						Present		Present	
3/06/2026	Present						Present		Present	
CANCELLED ~~25/06/2026~~										
13/07/2026	Present	Present					Present			
29/07/2026	Present	Present					Present			
24/08/2026	Present	Present					Present			
5/10/2026	Present	Present					Present			
16/11/2026										
14/12/2026										
Meetings Attended	**50**	**39**	**21**	**25**	**17**	**33**	**27**	**20**	**32**	**18**
Total Possible Meetings	**58**	**40**	**28**	**25**	**17**	**33**	**31**	**21**	**32**	**20**

Councillor Attendance at Community Boards

Date	Type	Mayor Nigel Bowen	Stacey Scott	Peter Burt	Owen Jackson	Stu Piddington	Scott Shannon	Michelle Pye	Philip Harper	Graeme Wilson	Chris Thomas
Monday, 16 February	Temuka Community Board			Apology							
Tuesday, 17 February	Pleasant Point Community Board										Present
Wednesday, 18 February	Geraldine Community Board				Present						
Monday, 23 March	Temuka Community Board		Present								
Tuesday, 24 March	Pleasant Point Community Board								Present		
Wednesday, 25 March	Geraldine Community Board										Present
Monday, 04 May	Temuka Community Board					Present					
Tuesday, 05 May	Pleasant Point Community Board			Apology							
Wednesday, 06 May	Geraldine Community Board		Present								
Monday, 15 June	Temuka Community Board									Present	
Tuesday, 16 June	Pleasant Point Community Board		Present								
Wednesday, 17 June	Geraldine Community Board						Present				
Monday, 20 July	Temuka Community Board					Present					
Tuesday, 21 July	Pleasant Point Community Board				Present						
Wednesday, 22 July	Geraldine Community Board			Apology							
Monday, 31 August	Temuka Community Board										Present
Tuesday, 01 September	Pleasant Point Community Board									Present	
Wednesday, 02 September	Geraldine Community Board							Present			
Monday, 19 October	Temuka Community Board										
Tuesday, 20 October	Pleasant Point Community Board										
Wednesday, 21 October	Geraldine Community Board										
Monday, 30 November	Temuka Community Board										
Tuesday, 01 December	Pleasant Point Community Board										
Wednesday, 02 December	Geraldine Community Board										
Meetings Attended		**0**	**3**	**0**	**2**	**2**	**1**	**1**	**1**	**2**	**3**
Total Possible Meetings		**0**	**3**	**3**	**2**	**2**	**1**	**1**	**1**	**2**	**3**

8.2 Schedule of Functions Attended by the Chief Executive

Author: **Alana Hobbs, Executive Support Coordinator**

Authoriser: **Nigel Trainor, Chief Executive**

Recommendation

That the Schedule of Functions Attended by the Chief Executive be received and noted.

Functions Attended by the Chief Executive for the Period 15 August 2026 and 16 October 2026.

17 August 2026	Attended Council workshop
18 August 2026	Attended Council workshop
24 August 2026	Attended Joint Shareholders Committee meeting
25 August 2026	Attended Council meeting
26 August 2026	Met with SC Chamber of Commerce for monthly meeting
27 August 2026	Attended Canterbury Mayoral Forum dinner
28 August 2026	Attended Canterbury Mayoral Forum
7 September 2026	Attended Audit and Risk Committee meeting
8 September 2026	Attended Projects and Procurement Committee meeting
	Attended Strategic Planning Committee meeting
10 September 2026	Met with Kaitohutohu Advisor, Te Puni Kokiri
	Met with General Manager Timaru District Holdings Limited
14 September 2026	Chaired Canterbury Operations Forum meeting
15 September 2026	Attended Council workshop
21 September 2026	Attended Council workshop
	Attended Regional Spatial Plan – Chief Executives Steering Group meeting
22 September 2026	Attended Council workshop
29 September 2026	Attended Council meeting
30 September 2026	Attended TDC/NZTA bi monthly catchup
12 October 2026	Attended Regional Spatial Plan – Chief Executives Steering Group meeting
16 October 2026	Attended Extraordinary People, Performance and Appointments Committee meeting

Meetings were also held with various ratepayers, businesses and/or residents on a range of operational matters.

Attachments

Nil

9 Reports

9.1 Annual Report 2025/26

Author: **Stephen Doran, General Manager Corporate**

Authoriser: **Nigel Trainor, Chief Executive**

Recommendation

That Council:

1. Receives and adopts the Annual Report 2025/26; and
2. Authorises the Chief Executive to make any non-material changes to the attachment to this report prior to publishing.

Purpose of Report

1 To present Council with he Draft Timaru District Council Annual Report for the year ended 30 June 2026 with a recommendation that it is adopted.

Assessment of Significance

2 This matter is of low significance under the Council's Significance and Engagement Policy. The Annual Report is a statutory accountability document required under section 98 of the Local Government Act 2002 and reports on Council's activities, financial results and service performance for the year ended 30 June 2026.

Discussion

3 The Local Government Act 2002 requires Council to prepare and adopt an Annual Report within four months of the end of its financial year. Council has a 30 June balance date, meaning the Annual Report 2025/26 must be adopted by 31 October 2026. The Annual Report is required to be audited, with the Audit Office carrying out the audit on behalf of the Auditor-General.

4 The purpose of the Annual Report is to compare Council's actual activities and performance for 2025/26 with what was intended in the 2024-34 Long Term Plan and the Annual Plan 2025/26, and to promote accountability to the community for the decisions made and services delivered during the year.

Notable achievements, events and non-financial performance measures

5 Key Performance Indicators for 1 July 2025 to 30 June 2026 were set in the Long Term Plan 2024-34 and reported across nine groups of activities. Corporate Activities does not have performance targets in the LTP.

6 The Annual Report records 101 performance measures across the nine activity groups. Overall, Council achieved 67 measures, nearly achieved 13, did not achieve 19, and did not measure

2. The two measures not reported in 2025/26 relate to Building Control measures that will be measured in 2026/27.

- 67 measures were achieved.
- 13 measures were nearly achieved.
- 19 measures were not achieved.
- 2 measures were not measured in 2025/26 and will be reported in a future year.

7 In respect of the performance measure targets not achieved, the details on each performance measure can be viewed in the Council activity reports section of the Annual Report.

8 The Annual Report highlights a year in which Council continued to deliver core services while progressing significant reform, capital projects and organisational change. Notable 2025/26 achievements include:

8.1 **Democracy:** Council continued strong advocacy on legislative reform, including local government system changes, water, transport, resource management and funding settings. The Mayor remained Chair of the Canterbury Mayoral Forum during the year.

8.2 **Community Support:** Timaru Airport regained Civil Aviation Authority certification in February 2026 for a further five years. Community Partnerships supported refugee settlement, Welcoming Communities initiatives, disability inclusion work and the 2026 Youth Impact Awards. The Mayor's Taskforce for Jobs delivered 34 employment outcomes and supported the South Canterbury Careers Expo.

8.3 **District Planning and Environmental Services:** Decisions on the Proposed Timaru District Plan were issued in March 2026, with only 12 appeals. Building Control maintained Building Consent Authority accreditation and expanded out-of-district consent processing work. Animal Control, liquor licensing and parking enforcement all reported operational improvements.

8.4 **Recreation and Leisure:** CBay recorded 406,595 visits, libraries achieved all performance targets and recorded 95% user satisfaction, the Museum recorded 28,108 service users, and the Aigantighe House reopened following refurbishment, with the project recognised by an NZIA Canterbury Architecture Award.

8.5 **Roading and Footpaths:** The sealed resurfacing programme was completed; significant pavement rehabilitations were delivered on Route 72 Arundel-Geraldine Road, Rangitata Island Road, Totara Road and Robinson Road; the Geraldine to Woodbury shared path was completed; and the South Canterbury Road Safety team received a 2025 regional road-safety award.

8.6 **Stormwater:** Projects were completed across Temuka, Geraldine, Timaru and Pleasant Point, including soakpits, outfall upgrades, Gleniti stormwater bund works and drainage improvements to reduce flooding impacts.

8.7 **Wastewater:** Planning progressed for critical sewer-main renewals in Timaru and Geraldine, and safety upgrades were completed at the Aorangi Road Wastewater Treatment Plant.

8.8 **Water Supply:** Renewal work progressed on the Downlands trunk watermain along State Highway 8, the Caroline Bay watermain renewal continued, stage one of the Seadown upgrade programme was completed, the McNair Road reservoir was

commissioned for Temuka, and contracts were awarded for the Claremont Water Treatment Plant upgrade.

8.9 **Waste Management:** Peel Forest closed landfill remediation was completed ahead of schedule and under budget, with 29,170 tonnes removed over the life of the project. Resident satisfaction with waste services improved to 84%, although remained below the 90% target.

Financial Information

9 The primary financial statements are on pages 93-104 of the Annual Report.

10 In summary, the key financial performance measures are:

	ACTUAL FOR YEAR ($000)	BUDGET FOR YEAR ($000)	ACTUAL YEAR ENDED 30 JUNE 2025 (AS A COMPARISON) ($000)
TOTAL REVENUE	161,025	145,306	135,833
TOTAL EXPENDITURE	149,639	146,526	141,508
OPERATING SURPLUS/(DEFICIT) BEFORE TAX	**11,386**	**(1,220)**	**(5,675)**
PROPERTY, PLANT AND EQUIPMENT REVALUATION	33,654	70,063	45,428
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	**45,040**	**68,843**	**39,753**

11 Total revenue was $15.71 Million higher than budget. The major favourable variances were:

11.1 Subsidies and grants were $13.8M above budget, primarily due to significant projects budgeted in prior years commencing during 2025/26, including Aorangi Stadium ($2.7M), Theatre Royal ($8.9M), and Peel Forest remediation grant funding ($3.4M).

11.2 Development and financial contributions were $1.53M above budget.

11.3 Finance revenue was $2M below budget due to lower interest rates.

11.4 Other revenue was above budget, including weighbridge charges associated with Peel Forest remediation works, partly offset by a historical infringement revenue correction.

12 Total operating expenditure was $3.11M higher than budget. The major variances were:

12.1 Personnel costs were $3.7M below budget, reflecting restructure and vacancy savings.

12.2 Finance costs were $3.3M below budget due to lower interest rates and delays in borrowing for capital projects.

12.3 Depreciation was $5.4M below budget, primarily due to capital project delays and adjustments arising from the prior year roading revaluation.

12.4 Other losses were above budget as a result of losses recognised through reviews of property, plant and equipment.

14 Council continues to maintain a strong financial position. This is set out in the Statement of Financial Position on page 97 of the Annual Report. The main items in the Statement of Financial Position are:

	ACTUAL AS AT 30 JUNE 2026 *($000)*	BUDGETED AS AT 30 JUNE 2026 *($000)*	ACTUAL AS AT 30 JUNE 2025 *(FOR COMPARISON) ($000)*
TOTAL CURRENT ASSETS	57,996	60,195	63,320
TOTAL NON-CURRENT ASSETS	2,090,164	2,197,010	2,041,798
TOTAL ASSETS	2,148,160	2,257,205	2,105,118
CURRENT LIABILITIES	90,949	26,437	99,237
TOTAL NON-CURRENT LIABILITIES	200,610	295,892	194,320
TOTAL LIABILITIES	291,559	322,329	293,557
NET ASSETS	1,856,601	1,934,876	1,811,561
TOTAL EQUITY	1,856,601	1,934,876	1,811,561

15 Total equity is the community's interest in the total assets of Council.

16 Council is required to publish a Disclosure Statement (pages 181-184 of the Annual Report). This is a series of disclosures regarding rates affordability, debt affordability and servicing, meeting essential services benchmarks and a balanced budget benchmark. The details are set out in the Disclosure Statement.

17 During 2025/26, capital expenditure on Council infrastructure, facilities and services totalled $65.5M against a budgeted programme of $80.4M. Most expenditure was in Recreation and Leisure (49.4%), Roading and Footpaths (28.3%) and Water Supply (11.1%), with the balance across Wastewater, Stormwater, Community Support, Waste Management and Corporate Activities.

18 Major capital projects progressed during the year included the Theatre Royal and Museum redevelopment, the Aorangi Stadium upgrade and the Claremont Water Treatment Plant upgrade. Infrastructure renewals and improvement work also continued across roading, stormwater, wastewater, water supply and waste management.

Unmodified audit opinion

19 At the time of authoring the report, officers are expecting that Audit NZ will provide an unmodified audit opinion as to the fair presentation in all material respects of matters presented and disclosed in the Annual Report.

20 The value of the audit opinion for readers and users of the Annual Report is the assurance they can have as to the material accuracy of information and faithfulness of the representations that it contains and discloses.

Options

21 Adoption of the Annual Report by the council is a legislative requirement.

22 **Option 1 (preferred)**: Receive and adopt the Annual Report 2024/25 and;

23 Authorise the Chief Executive to make any non-material changes to the attachment to this report prior to publishing.

24 **Option 2:** Not adopt the Annual Report and advise officers what amendments are required prior to adoption. This would likely require further audit input, depending on the scale of the changes requested, and mean delays in the adoption of the Annual Report to past the statutory deadline.

Attachments

Nil

9.2 Presentation of Timaru District Holdings Limited Audited Annual Report 2025/26

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, General Manager Corporate**

Recommendation

That Council receives and notes the audited Timaru District Holdings Limited Annual Report for the financial year 01 July 2025 to 30 June 2026.

Purpose of Report

1 To receive and note Timaru District Holdings Limited (TDHL) audited Annual Report for the financial year 01 July 2025 to 30 June 2026.

Assessment of Significance

2 This matter is of low significance in terms of Council's Significance and Engagement Policy. The priorities, business and financial and non financial performance of the company are consistent with the agreed Statement of Intent 2025/26.

Discussion

3 As a Council Controlled Trading Organisation, TDHL is required to present an audited annual report including its financial statements to Council.

4 The Local Government Act 2002 sets out the statutory timeframe within which a Council Controlled Trading Organisation must complete an Annual Report on the organisation's operations during the financial year. The timeframe for completion of the Annual Report is within three months after the end of the financial year.

5 TDHL received an unmodified audit report on 29 September 2026. The audited annual report was authorised by the Chairperson and Deputy Chairperson on the 29 September 2026. The audited annual report and accompanying financial statements will be presented to the shareholders at TDHL's annual meeting to be held on the 4 November 2026.

6 The year end results are in line with the progress and forecasts report to Council on a quarterly basis during the year.

Attachments

1. Timaru District Holdings Limited Annual Report 2025-26 ⇩

TDHL
Timaru District Holdings Ltd
Enabling Prosperity

Mayor and Councillors
Timaru District Council
PO Box 522
Timaru 7940

30 September 2026

Dear Mayor Nigel and Councillors

Timaru District Holdings Limited – 2026 Annual Report

On behalf of the Board of Timaru District Holdings Limited (TDHL), I am pleased to present the Annual Report and audited financial statements for the year ended 30 June 2026.

TDHL delivered a strong result for the year, supported by the improved performance of its associate companies, continued growth from the property portfolio and the establishment of the TDHL Investment Fund. The result demonstrates the resilience of TDHL's diversified portfolio and provides a sound platform as the company enters a period of significant strategic change.

Key results and developments for the year were:

- **Total comprehensive income was $10.9 million**, compared with $2.3 million in the previous year, largely reflecting a significant recovery in earnings from TDHL's associate companies.
- **Total equity increased to $196.0 million**, from $186.7 million at 30 June 2025.
- **Property revenue increased to $3.7 million**, with the property portfolio delivering a 7.2% return on investment against a target of 7.0%. The portfolio was independently valued at $74.1 million at year end.
- **PrimePort Timaru continued to perform strongly**, reporting profit after tax of $6.9 million and paying TDHL a dividend of $800,000.

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- **Alpine Energy returned to profitability**, recording an after-tax operating surplus of $11.8 million, compared with a $13.1 million loss in the previous year. No dividend was paid as earnings continue to be retained to support its capital programme.

- **TDHL paid a $1.4 million dividend to Council**, in line with the Statement of Intent, and returned a total of $2.84 million to Council through dividends, interest, rates and other payments.

TDHL achieved all but one of its Statement of Intent performance targets. EBITA excluding revaluations was $2.34 million, below the target of $2.56 million, primarily because settlement of the remaining Showgrounds land was deferred into the 2026/27 financial year.

The year also included two important strategic developments. TDHL established its Investment Fund in December 2025, with $3.0 million invested during the year. At 30 June 2026, the fund had a value of $3.16 million and had delivered an annualised return of 9.1%. In addition, following a comprehensive portfolio review, Council resolved on 30 June 2026 to support TDHL commencing a competitive process for the divestment of TDHL's 47.5% shareholding in Alpine Energy. Progressing this process, and working with Council to finalise the future ownership and governance arrangements for the investment fund, will be a key priority during 2026/27.

The Annual Report has received an unmodified audit opinion and has been achieved with statutory timeframes.

We would like to re-iterate our thanks and appreciation to Councillors and Council staff for their support and cooperation throughout the year. We look forward to formally presenting the report to Council and welcome any questions.

Yours sincerely



Mark Rogers
Chairperson

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Timaru District Holdings Ltd
Enabling Prosperity

Annual Report 2026

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Timaru District Holdings Ltd
Annual Report for the year ended 30 June 2026

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Directors' declaration

In the opinion of the Directors of Timaru District Holdings Limited ('the Company') the financial statements and notes, on pages 11 to 34:

- comply with New Zealand generally accepted accounting practice and present fairly the financial position of the Company as at 30 June 2026 and the result of operations for the year ended on that date;
- have been prepared using the appropriate accounting policies, which have been consistently applied and supported by reasonable judgements and estimates.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider that they have taken adequate steps to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

The Directors are pleased to present the annual report including the financial statements of Timaru District Holdings Limited for the year ended 30 June 2026.

Mark F. Rogers (Chairperson)

Date: 29 September 2026

Darren M. Evans (Deputy Chairperson)

Date: 29 September 2026

Directory

Incorporation number	881487
Principal activities	Property – non-residential – renting or leasing
Registered office	117 Stafford Street Timaru 7910 New Zealand
Directors	Aaron W.K Bethune Sally B. Parker (ceased 05/11/2025) Darren M. Evans Mark F. Rogers Justin M. Riley (appointed 05/11/2025) Keri J. Johnston (appointed 05/11/2025)
Shareholders	Timaru District Council 49,550,000 ordinary shares 49,550,000 ordinary shares
Auditor	The Audit Office On behalf of the Auditor-General

Highlights & Challenges

Total Comprehensive Income
$10.9M
up from $2.3M

Net Cash from Operations
$1.6M
up from $1.1M

Dividends from Associates
$0.8M
up from $0.75M

Property Revenue
$3.7m
up from $3.6M

Investment Property Valuation
$74.1M
up 3.4%

Share of Associate Surplus
$9.1M
up from -$4.4M

Total Dividend to TDC
$1.4M
up from $1.2M

Total Equity
$196.0M
up from $186.7M

Chairman and General Manager Report

TDHL has delivered another year of strong performance, with our associate investments producing solid operational results and our property portfolio continuing to perform exceptionally well. The decision to divest our Alpine shareholding represents a significant milestone and will be a major focus for 2026/27 as we reshape the portfolio for the future.

Strategic Overview

The 2025/26 year was marked by two significant strategic developments: the launch of TDHL's Investment Fund and Council's decision to commence a competitive divestment process for TDHL's 47.5% shareholding in Alpine Energy Limited. Following a comprehensive portfolio review, Council resolved on 30 June 2026 to support the divestment, with proceeds intended for reinvestment in a ring-fenced, independently managed investment fund designed to deliver stronger, more sustainable returns and increased dividend capacity for our shareholder. Work on the divestment is now well underway.

Our Investment Fund, established in December 2025 with an initial $2 million investment and a further $1 million invested in January 2026, performed strongly, delivering an annualised return of 9.1%. This provides encouraging proof of concept ahead of any larger-scale investment following an Alpine divestment.

Our property portfolio and PrimePort investment continued to generate dependable returns and underpin TDHL's performance. Alpine Energy also recorded a positive operational turnaround, although earnings continue to be retained to support its capital programme rather than distributed as dividends.

Financial performance

TDHL's financial performance strengthened significantly during the year. While EBITA (excluding revaluations) of $2.34m was 8.6% below the $2.56m target due to the delayed settlement of the Showgrounds development, operating profit remained strong enabling the payment of the targeted $1.4m dividend.

PrimePort continued its strong performance, increasing profit after tax to $6.9 million from $4.7 million in the prior year, while growth in shareholders' equity and an $800,000 dividend further enhanced returns. TDHL's share of associate earnings also improved materially, reflecting Alpine Energy's return to profitability, although dividend distributions from Alpine remain suspended as the company continues to fund its capital programme.

The property portfolio also delivered another strong result. Property revenue increased to $3.7 million, and the portfolio achieved a 7.2% return on investment, exceeding the Statement of Intent target of 7.0%. An independent valuation by CBRE assessed the commercial and industrial property portfolio at $74.1 million as at 30 June 2026, an increase of 3.4% on the previous year.

TDHL paid a dividend of $1.4 million to Timaru District Council, in line with the Statement of Intent, and returned a total of $2.84 million to Council through dividends, interest, rates and other payments. These results contributed to a materially stronger net surplus and equity position than FY25, demonstrating the resilience of a diversified portfolio and the improved performance of our associate investments.

Timaru District Holdings Ltd

Annual Report for the year ending 30 June 2026

TDHL Timaru District Holdings Ltd *Enabling Prosperity*

PRIMEPORT TIMARU

TDHL has a 50.0% shareholding in PrimePort

PrimePort continued to deliver a stable, consistent performance in 2025/26, with trading results tracking ahead of budget and TDHL receiving an $800,000 dividend, up from $750,000 the prior year. The port has also continued to invest in critical infrastructure, including progress on the North Mole Wharf Stage 5 upgrade.

Alpine ENERGY

TDHL has 47.50% shareholding in Alpine Energy

Alpine Energy delivered a significant operational turnaround in 2025/26, recording an after-tax operating surplus of $11.3 million, compared to a $13.0 million loss the prior year, driven by increased regulated revenue and reduced operating costs following completion of the Commerce Commission price path correction. However, given continued high capital expenditure requirements, no dividend was paid this year.

TDHL Timaru District Holdings Ltd *Enabling Prosperity*

TDHL's actively managed port precinct properties continue to perform strongly and underpins our results.

TDHL's property portfolio, comprising 48 hectares of industrial and commercial land concentrated around the Port of Timaru and Washdyke, continued to be a high-performing and stable asset within our portfolio, achieving a return on investment of 7.2% for the year against a target of 7%. Notable achievements included completion of earthquake strengthening projects and significant lease renewals.

8

Chairman and General Manager Report *continued*

Governance and Engagement

TDHL continued to invest in its relationships with our shareholder, joint venture partners and associate companies throughout 2025/26. The Chair and General Manager presented quarterly reports to Council and participated in workshops on TDHL's performance and Statement of Intent. Following Council's December 2025 Letter of Expectation, we undertook extensive engagement with Alpine Energy's fellow shareholders, as well as the wider community and key stakeholders, regarding the proposed divestment.

At Board level, we farewelled Sally Parker in November 2025 and thank her for her valuable contribution to TDHL, particularly the shareholder perspective and insights she brought to the Board.

We were also pleased to welcome Keri Johnston and Justin Riley to the Board in November 2025. Joining at a pivotal time for the company, both have made valuable contributions and brought fresh perspectives to our discussions.

Looking Ahead

As we enter 2026/27, TDHL's priorities are to progress the Alpine Energy divestment, work with Council to finalise the ownership and governance framework for the investment fund, and support board succession across our associate investments. As local government continues to evolve, TDHL will take a proactive and constructive approach to ensuring it remains well placed to support the long-term interests of its shareholder and wider region.

We remain committed to growing an investment portfolio that delivers sustainable intergenerational returns for our shareholder. On behalf of the Board, we thank the Mayor, Councillors, Council officers and our associate companies for their support and partnership throughout this pivotal year.

Mark F. Rogers (Chairman)

Date: 29 September 2026

Frazer Munro (General Manager)

Date: 29 September 2026

Timaru District Holdings Ltd

Annual Report for the year ended 30 June 2026

Statement of objectives and performance

For the year ended 30 June 2026 in New Zealand dollars

Strategic Priorities	Performance Target	Achievement	
Intergenerational Investments Ensuring our intergenerational investments (PrimePort and Alpine) are well governed, meet the needs of our community, and generate a growing sustainable return.	Annually undertake at least one workshop with each associate on Board skills matrix, succession planning, strategic outlook and financial performance.	✓	Target achieved. Met and discussed Board skills and succession planning with each associate at least once during the year. Additional consultation with fellow shareholders and engagement with the respective Board Chairs was also undertaken. Strategic and financial performance is achieved through reviewing quarterly reporting from the associates.
Property Portfolio Manage and grow a property portfolio in a profitable manner that complements our associate investments and our Shareholder's strategic priorities.	Achieve a three-year rolling average return on investment of 7% or greater for Port property held for investment purposes.	✓	Target achieved. Return of 7.2% achieved.
New Investments & Diversification Pursue new and enabling investments that will grow the business.	Identify and assess at least 3 new investment opportunities	✓	Target achieved. In excess of 3 new investment opportunities considered by the Board.
Providing Shareholder Return Provide the Shareholder with a sustainable and increasing cash dividend.	Pay a dividend to TDC of $1.4M.	✓	Target achieved. Dividend of $1.4m paid in June 2026.
	Hold at least one workshop with Council per annum.		Target achieved. Workshop held 5 Nov 2025 and workshop held 21 April 2026.
	Achieve statutory compliance.		Target achieved. All statutory reporting time frames and compliance requirements met.
Relationships + Partnerships Ensuring we invest time and effort into the relationships with our Shareholder, joint venture partners, associates and future investment partners. Ensuring we are aligned to our Shareholder's strategic direction.	That the TDHL Chair and/ or GM presents the quarterly reports to Council.	✓	Target achieved. Chair and GM presented reports at the 9 September, 9 December, 31 March, and 26 May and 30 June meetings.

Financial Metrics	Performance Target	Achievement	
EBITA[1] *(excluding revaluations)*	$2,556,558	$2,336,993	**Not Achieved.** This is due to the Showgrounds land not settling as budgeted. This is now expected to settle in 2026/2027.
Net Profit before tax to S/H Funds	3.6%	5.1%	**Target achieved.**
Dividend	$1.4m	$1.4m	**Target achieved.** Dividend of $1.4m paid in June 2026.
Shareholder funds to total assets	>60%	83.84%	**Target achieved.**

[1]EBITA (Earnings Before Interest Tax and Amortisation) as detailed above includes dividends recieved from associates but excludes revaluation of investment properties and share of associated surplus.

Statement of comprehensive income

For the year ended 30 June 2026 in New Zealand dollars

	Note	2026 $000	2025 $000 Restated*
Revenue from property leasing	5	3,748	3,601
Revaluation of investment properties	13	278	4,280
Operating revenue		4,026	7,881
Impairment loss on property, plant and equipment	10	(92)	-
Administrative expenses	6	(654)	(793)
Depreciation		(52)	(29)
Employee benefits		(394)	(386)
Property operating expenses	7	(1,019)	(1,059)
Operating profit		1,815	5,614
Investment income and fair value movements	12	157	-
Interest received		80	31
Share of profit/(loss)of associate	15	9,051	(4,361)
Profit before financing and income taxes		11,103	1,284
Interest expense		(1,205)	(1,646)
Change in fair value of interest rate swaps gain (loss)		78	(62)
Profit/(loss) before income tax		9,976	(424)
Income (tax benefit)/expense	8	(198)	29
Profit/(loss) for the year		10,174	(453)
Other comprehensive income			
Share of associate surplus - other comprehensive income	15	750	2,785
Other comprehensive income for the year, net of income tax		750	2,785
Total comprehensive income for the year		10,924	2,332

**The Statement of comprehensive Income for the year ended 30 June 2025 has been restated to reflect the presentation and disclosure requirements of NZ IFRS 18, Presentation and Disclosure in Financial Statements. Refer to Note 3, Adoption of NZ IFRS 18 Presentation and Disclosure in Financial Statements, for an overview of the changes and a reconciliation to the presentation previously applied under NZ IAS 1, Presentation of Financial Statements.*

The accompanying notes form an integral part of these financial statements

Statement of financial position

For the year ended 30 June 2026 in New Zealand dollars

	Note	2026 $000	2025 $000
Assets			
Current assets			
Cash and cash equivalents	9	1,320	149
Trade and other receivables		359	215
Property held for sale	14	1,202	1,202
Derivative financial assets	18,19	13	-
Total current assets		2,894	1,566
Non-current assets			
Property, plant and equipment	10	1,485	1,183
Right of use assets		15	23
Borrowers note receivable	11	150	-
Investment fund	12	3,155	-
Investment properties	13	74,219	71,761
Investments in associates	15	151,713	142,914
Term deposits		-	800
Deferred tax asset	8	128	150
Total non-current assets		230,865	216,831
Total assets		**233,759**	**218,397**
Liabilities			
Current liabilities			
Trade and other payables	16	451	313
Employee benefits		23	24
Interest bearing loans and borrowings	17	12,500	9,300
Income tax payable	8	105	327
Lease liabilities		11	22
Total current liabilities		13,090	9,986
Non-current liabilities			
Interest bearing loans and borrowings	17	24,681	21,681
Derivative financial liabilities	18,19	-	65
Total non-current liabilities		24,681	21,746
Total liabilities		**37,771**	**31,732**
Equity			
Share capital	21	31,000	31,000
Retained earnings		136,166	127,021
Asset revaluation reserve		28,822	28,644
Total equity		195,988	186,665
Total liabilities and equity		**233,759**	**218,397**

The accompanying notes form an integral part of these financial statements

Statement of changes in equity

For the year ended 30 June 2026 in New Zealand dollars

	Note	Share capital	Retained earnings	Asset revaluation reserve	Total
		$000	$000	$000	$000
Balance at 1 July 2025	21	31,000	127,021	28,644	186,665
Profit for the year		-	10,174	-	10,174
Other comprehensive income for the year		-	-	750	750
Total comprehensive income for the year		-	10,174	750	10,924
Other movements in equity					
Correction of prior period reserve allocation		-	128	(128)	-
Correction of prior period associate revaluation		-	-	(201)	(201)
Disposal of investment property by associate		-	243	(243)	-
Total transfers between reserves		-	371	(572)	(201)
Transactions with owners of the Company					
Dividends paid during the year		-	(1,400)	-	(1,400)
Total transactions with owners		-	(1,400)	-	(1,400)
Balance at 30 June 2026		31,000	136,166	28,822	195,988
Balance at 1 July 2024	21	31,000	128,674	25,859	185,533
Profit for the year		-	(453)	-	(453)
Other comprehensive income for the year		-	-	2,785	2,785
Total comprehensive income for the year		-	(453)	2,785	2,332
Transactions with owners of the Company					
Dividends paid during the year		-	(1,200)	-	(1,200)
Total transactions with owners		-	(1,200)	-	(1,200)
Balance at 30 June 2025		31,000	127,021	28,644	186,665

The accompanying notes form an integral part of these financial statements

Statement of cash flows

For the year ended 30 June 2026 in New Zealand dollars

	Note	2026	2025 Restated*
		$000	$000
Cash flows from operating activities			
Cash received from customers		3,637	3,572
Cash paid to suppliers and employees		(2,017)	(2,507)
Net cash from operating activities		1,620	1,065
Cash flows from investing activities			
Interest received		80	33
Dividends received		800	750
Proceeds from sale of investments		-	705
Proceeds from sale of property held for sale		-	100
Acquisition of property, plant and equipment		(430)	-
Acquisition of investment property		(2,129)	(2,079)
Acquisition of Term deposit		(600)	(800)
Proceeds from redemption of Term deposit		1,400	-
Purchase of financial investments		(3,000)	-
Net cash from/(to) investing activities		(3,879)	(1,291)
Cash flows from financing activities			
Interest payments and line of credit		(1,197)	(1,497)
Proceeds from loans and borrowings		49,850	2,100
Repayments of loans and borrowings		(43,800)	-
Dividends paid to shareholders		(1,400)	(1,200)
Lease payments		(23)	(14)
Net cash from financing activities		3,430	(611)
Net increase/(decrease)		1,171	(837)
Opening cash and cash equivalents 1 July		149	986
Closing cash and cash equivalents 30 June	9	1,320	149

**The Statement of cash flows for the year ended 30 June 2025 has been restated to reflect the presentation and disclosure requirements of NZ IFRS 18, Presentation and Disclosure in Financial Statements. Refer to Note 3, Adoption of NZ IFRS 18 Presentation and Disclosure in Financial Statements, for an overview of the changes and a reconciliation to the presentation previously applied under NZ IAS 1, Presentation of Financial Statements.*

The accompanying notes form an integral part of these financial statements

Notes to the financial statements

1 Reporting entity

Timaru District Holdings Limited ("the Company") is a Council Controlled Trading Organisation as defined in the Local Government Act 2002. The Company is wholly owned by Timaru District Council. The Company began operation on 29 October 1997.

The entity consists of Timaru District Holdings Limited, and associated entities, PrimePort Timaru Limited (50%) and Alpine Energy Limited (47.50%). All entities are incorporated and domiciled in New Zealand under the Companies Act 1993.

The Company's principal activity is property - non-residential - renting or leasing.

The annual report presented is for Timaru District Holdings Limited as at and for the year ended 30 June 2026. The annual report was authorised for issue by the Company's Board of Directors on the date shown on the Director's declaration.

2 Basis of preparation

The financial statements of Timaru District Holdings Limited have been prepared in accordance with the requirements of the Companies Act 1993, the Local Government Act 2002 and the New Zealand International Financial Reporting Standards.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"). They comply with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities.

For the purposes of complying with NZ GAAP, the Company is eligible to apply Tier-2 For-profit Accounting Standards (New Zealand equivalents to International Financial Reporting Standards - Reduced Disclosure Regime ("NZ IFRS RDR") on the basis that it does not have public accountability and is not a large for-profit public sector entity. The Company has elected to report in accordance with NZ IFRS RDR and has applied disclosure concessions.

All accounting policies set out below have been consistently applied to all periods presented in these financial statements. Where applicable, certain comparatives have been restated to comply with the accounting presentation adopted in the current year to ensure consistency with the current year classification.

Changes in accounting policies

The following new standard was applied during the year:

The Company applied for the first-time the amendments to NZ IAS 21, which are effective for annual periods beginning on or after 1 July 2025. The Company has early adopted NZ IFRS 18 Presentation and Disclosure in Financial Statements for the year ended 30 June 2026 see note 3 for details.

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investment property which is measured at fair value, and associates which are equity accounted. Fair values have been determined for measurement purposes based on the methods outlined in the notes specific to the asset.

Where applicable, further information about the assumptions made in determining fair value is also disclosed in the notes specific to that asset or liability.

These financial statements are presented in New Zealand dollars ($) which is the Company's functional currency, rounded to the nearest thousand dollars ($000). They have been prepared on a GST exclusive basis except for receivables and payables that are stated inclusive of GST.

Use of estimates and judgements

The preparation of the financial statements in conformity with NZ IFRS RDR requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the financial statements (continued)

2 Basis of preparation (continued)

The principal areas of judgement in preparing these financial statements are set out below. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 13 Valuation of investment property.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions.

Goods and Services Tax

All items in the financial statements are exclusive of goods and services tax (GST) with the exception of trade receivables and trade payables which are stated with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense. Timaru District Holdings Limited became registered for GST in January 2007 and all parent transactions prior to this time were recorded inclusive of GST.

Impairment

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Cash and cash equivalents policy

Cash and cash equivalents means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which the Company invests as part of its day-to-day cash management.

Derivative financial instruments

Derivatives held by the Group are initially measured at fair value. Subsequent to initial recognition derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Land

Land is shown at fair value, based on valuations by external independent valuers. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. The valuation of port land is determined annually, while commercial land is evaluated every three years. Commercial land was last revalued in 2026.

Increases in the carrying amount arising on revaluation of land is credited to other comprehensive income and shown as revaluation reserves in shareholders' equity. Decreases that offset previous increases of the same asset are recognised in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the profit or loss. The revaluation surplus recognised in the revaluation reserve is transferred directly to retained earnings when the surplus is realised, usually when the asset is de-recognised.

Land is not depreciated.

Property, plant and equipment (excluding land)

Plant and equipment are measured using the cost model. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Notes to the financial statements (continued)

2 Basis of preparation (continued)

Depreciation
Property, plant and equipment, excluding land, is depreciated on a straight-line basis over the assets useful life to the Group, commencing when the asset is ready for use. The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land	0.00%
Land improvements	5.00%
Buildings	2.00%
Plant and equipment	16.00%-50.00%
Furniture and Fittings	5.00%

Borrowing costs
All borrowing costs except for borrowing costs related to a qualifying asset are recognised as an expense in the period they are incurred.

3 Adoption of NZ IFRS 18 Presentation and Disclosure in Financial Statements

The Company has early adopted NZ IFRS 18 Presentation and Disclosure in Financial Statements for the year ended 30 June 2026. NZ IFRS 18 replaces NZ IAS 1 Presentation of Financial Statements and introduces new requirements for the structure of the statement of profit or loss, including the specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations. It also requires disclosure of management-defined performance measures (Note 4).

The Company's principal activities include investing in and managing income-producing properties. Therefore, it has been concluded that investing in assets is a main business activity of the Company for the purposes of NZ IFRS 18. Accordingly, income and expenses arising from investment properties, including revaluation movements, are classified within the operating category. Returns from associates and interest income are classified within the investing category, while borrowing costs and related financing items are classified within the financing category.

The Company has applied NZ IFRS 18 retrospectively and comparative information has been re-presented to conform with the current year presentation. The adoption of NZ IFRS 18 has not changed the recognition or measurement of any assets, liabilities, equity, income or expenses. Reconciliation on statement of profit or loss for the year ended 30 June 2025.

Notes to the financial statements (continued)

3 Adoption of NZ IFRS 18 Presentation and Disclosure in Financial Statements (continued)

Statement of profit or loss reconciliation to reflect adoption of NZ IFRS 18

The statement of profit or loss under NZ IAS 1 for the year ended 30 June 2025 reconciles to the statement of profit or loss under NZ IFRS 18, as follows:

	NZ IAS 1	Adjustments	NZ IFRS 18	note
Revenue from property leasing	3,601	-	3,601	
Share of associate profit/(loss)	(4,361)	4,361	-	a
Revaluation of investment properties	4,280	-	4,280	b
Operating revenue	**3,520**	**4,361**	**7,881**	
Operating expenses	(2,267)	2,267	-	c
Loss on changes in fair value of interest rate swaps	(62)	62	-	d
Administration expenses	-	(791)	(791)	c
Depreciation	-	(29)	(29)	c
Employee benefits	-	(387)	(387)	c
Property operating expenses	-	(1,060)	(1,060)	**c**
Operating profit	**1,191**	**4,423**	**5,614**	
Finance income	31	-	31	e
Share of associate profit/(loss)	-	(4,361)	(4,361)	a
Profit before financing and income taxes	-	**1,284**	**1,284**	
Change in fair value of interest rate swaps	-	(62)	(62)	d
Finance expenses	(1,646)	-	(1,646)	f
Net financing costs	(1,615)	424	-	
Profit/(loss) before income tax	**(424)**	**-**	**(424)**	
Income tax expense	(29)	-	(29)	
Profit/(loss) for the year	**(453)**	**-**	**(453)**	
Other comprehensive income				
Share of associate profit/(loss) - Other comprehensive income	2,785	-	2,785	
Other comprehensive income for the year, net of tax income	2,785	(2,785)	-	
Total comprehensive income, net of tax	**2,332**	**-**	**2,332**	

(a) Share of associate profit/(loss)
Share of associate profit/(loss) being presented within the investing category rather than within operating profit. This reflects that returns from associates are generated through investments over which the Company does not have control and are therefore distinguished from the Company's principal operating activities.

(b) Revaluation of investment properties
Investment property fair value movements remaining within the operating category. The Company's principal activities include earning rental income and generating returns from its investment property portfolio. Accordingly, changes in the fair value of investment properties are considered part of operating performance and continue to be included within operating profit.

(c) Operating expenses
operating expenses that were previously presented as a single line item under "Operating expenses" have been disaggregated into administration expenses, depreciation and amortisation, employee benefits expense, and property operating expenses. This change provides users of the financial statements with more useful and transparent information about the nature of expenses incurred by the Company.

(d) Change in fair value of interest rate swaps
Change in the fair value of interest rate swaps, which were previously included within operating profit, are now presented within the financing category of the statement of profit or loss. The interest rate swaps are used to manage the Company's exposure to interest rate risk arising from borrowings and are therefore considered part of the Company's financing activities.

Notes to the financial statements (continued)

3 Adoption of NZ IFRS 18 Presentation and Disclosure in Financial Statements (Continued)

(e) Finance income
Finance income represents a return earned on cash balances and other financial assets that generate a return independently of the Company's principal operations. Accordingly, NZ IFRS 18 requires such income to be presented within the investing category rather than within operating profit.

(f) Finance expenses
Finance expenses remaining within the financing category, reflecting the costs incurred in obtaining and servicing the Company's sources of finance. Presentation within the financing category provides users with a clearer distinction between operating performance and the costs of the Company's capital structure.

Statement of Cash flow changes as a result of adoption of NZ IFRS 18
NZ IFRS 18 amended NZ IAS 7 Statement of Cash Flows relating to the classification of interest and dividends, paid and received.

The 2025 comparative statement of cash flows has been reclassified accordingly. Interest paid of $1,497,000 was reclassified from operating to financing activities, while interest received of $33,000 and dividends received of $750,000 were reclassified from operating to investing activities. These reclassifications had no effect on the total net movement in cash and cash equivalents or the opening and closing cash and cash equivalent balances.

4 MPM's - management-defined performance measures

Management-defined performance measures
The Company uses the following management-defined performance measure in its public communications outside the financial statements. This measure reflects management's view of an aspect of the Company's financial performance and is not a total or subtotal specified by NZ IFRS Accounting Standards. The measure may not be comparable with similarly titled measures presented by other entities.

EBITA excluding revaluations
EBITA excluding revaluations represents operating profit, adjusted to exclude fair value gains or losses on investment properties and the Company's share of profit or loss from associates, and to include dividends received from associates.

Management uses this measure to assess the performance of the Company's directly managed activities together with the cash returns received from associates. Management considers the measure useful because investment property fair value movements are non-cash valuation movements, while the share of profit or loss from associates does not necessarily represent the cash return received by the Company from those investments.

The income tax effect presented in the reconciliation has been calculated using the New Zealand corporate income tax rate of 28%, being the statutory tax rate applicable to the Company.

EBITA excluding revaluations is reconciled to operating profit as follows:

	2026	2026 Income tax Effect	2025	2025 Income tax Effect
EBITA excluding revaluations	2,337	-	2,084	-
Add: Revaluation of investment properties	278	(78)	4,280	(1,198)
Less: Dividends received	800	-	750	-
Operating profit	**1,815**	**-**	**5,641**	**-**

Notes to the financial statements (continued)

5 Revenue

	2026 $000	2025 $000
Rental income	3,748	3,601
	3,748	3,601

Rental income from the investment property is recognised as revenue when due and paid by the Lessee and is spread evenly over the lease period. Rental income from investment property solely comprises of operating lease income from lease contracts in which the Company acts as a lessor (refer to note 13).

6 Administrative expenses

	2026 $000	2025 $000
Audit or review of the financial statements - recovery for prior year audit	21	18
Audit or review of the financial statements - annual report audit	68	43
Directors fees	217	194
Insurance	14	13
Travel costs	18	28
Office expenses	54	60
Professional services	262	437
	654	793

7 Operating expenses

	2026 $000	2025 $000
Bad debts	2	-
Insurance	79	67
Rates	505	467
Repairs and maintenance	241	331
Professional services	74	59
Utilities	118	135
	1,019	1,059

Notes to the financial statements (continued)

8 Income tax

	2026 $000	2025 $000
Tax recognised in profit or loss		
Current tax expense		
Current period	(220)	(292)
Total current tax expense	(220)	(292)
Deferred tax expense		
Origination and reversal of temporary differences	(70)	413
Recognition/(utilisation) of tax losses	92	(92)
Total deferred tax expense	22	321
Total income tax (benefit)/expense	(198)	29
Reconciliation of effective tax rate		
Profit/(Loss) before tax	9,976	(424)
Income tax using the Company's domestic tax rate of 28%	3,050	(119)
Permanent differences	(3,024)	358
Imputation credits received on dividends	(224)	(210)
Income tax (benefit)/expense	(198)	29
Deferred tax		
Investment property	(131)	(225)
Property held for sale	258	258
Employee benefits	6	7
Lease liability	3	6
Right of use assets	(4)	(6)
Accruals	(4)	18
Tax losses	-	92
Net deferred tax asset	128	150

The current tax liability of $105,000 (2025: 327,000) represents the amount of income taxes payable in respect of current and prior periods.

Income tax policy

Tax expense comprises current and deferred tax and is calculated using rates enacted or substantively enacted at balance date. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is recognised as an adjustment against the item to which it relates.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on the initial recognition of goodwill. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Notes to the financial statements (continued)

9 Cash and cash equivalents

	2026 $000	2025 $000
Current assets		
Bank accounts	1,320	149
Total cash and cash equivalents in the statement of cash flows	1,320	149

10 Property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	2026 Land	2026 Buildings	2026 Plant and equipment	2026 Furniture and fittings	2026 Total
Opening net book amount	320	830	33	-	1,183
Additions	-	141	30	259	430
Depreciation	-	(19)	(12)	(5)	(36)
Impairment loss	-	(92)	-	-	(92)
Balance at end of year	320	860	51	254	1,485

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the previous financial year:

	2025 Land	2025 Buildings	2025 Plant and equipment	2025 Furniture and fittings	2025 Total
	$000	$000	$000	$000	$000
Opening net book amount	-	-	-	-	-
Additions	321	841	40	-	1,202
Depreciation	(1)	(11)	(7)	-	(19)
Balance at end of year	320	830	33	-	1,183

Property, plant and equipment policy

An independent valuation of the land is performed by a registered valuer every three years, to determine the fair value of the land as at the end of the financial year. The revaluation movement net of applicable deferred income taxes is applied to other comprehensive income and is included in "Asset Revaluation Reserves" in equity. An independent valuation was performed as at 30 June 2026. This determined no revaluation increase was required. The Directors have assessed the current carrying value as appropriate.

An impairment loss of $92,000 (2025: $Nil) has been recognised in respect of the Company's buildings during the year. The impairment arose following a review of the recoverable amount of the assets, which was determined to be below the carrying value. The recoverable amount is the higher of fair value less costs of disposal and value in use.

Notes to the financial statements (continued)

10 Property, plant and equipment (continued)

Carrying value of property, plant and equipment:

	Land	Buildings	Plant and equipment	Furniture and fittings
	$000	$000	$000	$000
As at 30 June 2026				
Cost	321	982	70	259
Accumulated depreciation	(1)	(31)	(19)	(5)
Impairment loss	-	(92)	-	-
Balance at end of year	320	860	51	254

	Land	Buildings	Plant and equipment	Furniture and fittings
	$000	$000	$000	$000
As at 30 June 2025				
Cost	321	841	40	-
Accumulated depreciation	(1)	(11)	(7)	-
Balance at end of year	320	830	33	-

11 Borrowers notes

	2026	2025
	$000	$000
LGFA	150	-
	150	-

TDHL holds borrower notes issued by the New Zealand Local Government Funding Agency Limited as part of its LGFA borrowing arrangements. At 30 June 2026, the carrying amount of LGFA borrower notes was $150,000.

The borrower notes comprise floating rate securities with principal amounts of $100,000 and $50,000, both maturing on 20 April 2029. Interest on the borrower notes is paid on maturity and is non-compounding.

The borrower notes are measured at amortised cost and are presented as non-current financial assets.

Notes to the financial statements (continued)

12 Investment portfolio

During the year, the Company invested funds with Forsyth Barr through the Customised Investment Solutions service. The portfolio is managed on a discretionary basis in accordance with the service agreement and Statement of Investment Policy and Objectives. At 30 June 2026, the portfolio had a fair value of $3.155 million.

The portfolio has been classified as a financial asset measured at fair value through profit or loss. Under this classification, changes in fair value, together with related investment income and portfolio expenses, are recognised in the profit or loss in the period in which they arise.

	2026 $000	2025 $000
Asset class		
Cash	354	-
Australian equities	548	-
International equities	2,128	-
Alternatives	125	-
Total	3,155	-

The following amounts were recognised in the profit or loss during the year:

	2026 $000	2025 $000
Interest income	8	-
Overseas income	16	-
PIE income	1	-
Fair value gain on financial assets	137	-
Portfolio management fees	(5)	-
Net gain recognised in profit or loss	157	-

Foreign withholding tax credits of $2,258 and imputation credits of $37 have been recognised as tax credits receivable, where recoverable. No amount has been recognised in other comprehensive income, as the portfolio has been classified as financial assets measured at fair value through profit or loss.

13 Investment properties

	2026 $000	2025 $000
Opening balance	71,761	67,398
Change in fair value	278	4,280
Acquisition of investment property	3,627	1,251
Disposal of investment property	(1,447)	(704)
Transfer Stafford Street Properties to property, plant and equipment	-	(464)
Closing balance	74,219	71,761

Notes to the financial statements (continued)

13 Investment properties (continued)

Amounts recognised in profit or loss for investment properties

	2026	2025
	$000	$000
Rental income from operating leases	3,748	3,601
Direct operating expenses from property that generated rental income	(686)	(967)
Direct operating expenses from property that did not generate rental income	(225)	(76)
Changes in fair value of investment properties	278	4,280
	3,115	6,838

Measuring investment property at fair value

Investment properties are land and buildings where the building is built to maximise the return on land and buildings as an "interim use", are held for long term rental yield and are not occupied by the Company. Investment property also includes property that is being constructed or developed for future use as investment property.

Properties leased to third parties under operating leases are generally classified as investment property unless:

- The occupants provide services that are integral to the operation of the Company's business;
- The property is being held for future delivery of services.

Land where there are infrastructure services in place or there is a firm commitment to provide such infrastructure is classified as investment property. Buildings that are held for a currently undetermined future use, or that are vacant but held to be leased out under one or more operating leases, are classified as investment properties.

The classification of properties is done at the lowest possible level. Thus, where part of a property is occupied by a party other than the Company, consideration is given to whether that portion of the building could be classified as an investment property. Classification as an investment property will be indicated if the section of the building could be separately sold or leased under a finance lease.

If the section of the property occupied by a party other than the Company is unable to be sold or leased separately from the rest of the building, the building is assessed as a whole and will usually only be classified as investment property if the Company occupies an insignificant portion of the total building.

Investment property is carried at fair value, based on valuation methodologies using direct sales comparison or a direct capitalisation of rental income using market comparison of capitalisation rates. These values are determined annually by external valuers. Gains or losses arising from a change in fair value are recorded in the Statement of Comprehensive Income.

Investment property held by the Company has been independently reviewed as at 30 June 2026 by Hayden Doody SPINZ, ANZIV, MRICS a registered valuer with CBRE.

Fair value measurement on property under construction is only applied if the fair value is considered to be reliably measurable.

If it is determined that the fair value of an investment property under construction is not reliably determinable but the Company has an expectation that the fair value of the property will be reliably determinable when construction is complete, the investment property under construction will be measured at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).

Transfers are made to investment property when there is a change in use. This may be evidenced by ending of owner occupation, commencement of an operating lease to another party or commencement of construction or development for future use as investment property.

The Company leases out its investment properties. The Company classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Assets held under operating leases are included within Investment property in note 13.

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Notes to the financial statements (continued)

13 Investment properties (continued)

	2026 $000	2025 $000
One year	2,587	2,290
Two years	2,269	1,889
Three years	1,714	1,748
Four years	1,084	1,261
Five years	818	635
More than five years	14,473	15,175
	22,945	22,998

14 Property held for sale

	2026 $000	2025 $000
Property held for sale	1,202	1,202

Property held for sale is classified as held for sale if their carrying amount will be recovered principally through a sale transaction within the next financial year. Property held for sale is valued at the lower of carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in the profit or loss. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Property held for sale is not depreciated or amortised while they are classified as held for sale.

At 30 June 2023 Timaru District Holdings Limited had committed to selling Showgrounds lots 8 and 9 with an expected settlement date of October 2023. This contract has been renegotiated to extend the settlement date into FY2027 and to include Showgrounds lot 7 in the sale.

15 Investments in associate companies

The interest in the associate companies has been reflected in the financial statements on an equity accounting basis, which shows the share of surplus/deficits in the profit for the year and the share of post-acquisition increases/decreases in net assets in the statement of financial position.

For the purpose of equity accounting, all property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses with the exception of port land and other land which is recognised at fair value. Port land is revalued every year, other land is revalued cyclically every 3 years. Other land was last revalued in 2023.

An impairment assessment has been completed for the Company's investment in associate entities (Alpine Energy Limited and PrimePort Timaru Limited) as at 30 June 2026. No impairment loss has been recognised.

PrimePort Timaru Ltd

Principal activity: Port operator

Ownership: 50.0% (2025: 50.0%)

Balance date: 30 June

Results of Associate

	2026 $000	2025 $000
Share of Profit before tax	4,795	2,815
Taxation	(1,356)	(932)
Share of Profit After Tax	3,439	1,883
Share of Other Comprehensive Income	750	2,785
Share of Total comprehensive income	4,189	4,668

Notes to the financial statements (continued)

15 Investments in associate companies (continued)

Interest in Associate

	2026 $000	2025 $000
Balance at Beginning of Year	55,591	51,673
Recognised total comprehensive income	4,189	4,668
Dividends	(800)	(750)
Balance at End of Year	58,980	55,591
Movements in reserves		
Share of Recognised total comprehensive income	4,189	4,668
Share of profit after tax	3,439	1,883
Share of other comprehensive income	750	2,785
Dividends Paid	(800)	(750)
Total movement in investment	3,389	3,918

Summarised financial information of PrimePort Timaru Limited presented on a gross basis

	2026 $000	2025 $000
Current Assets	7,133	5,806
Non Current Assets	174,931	169,097
Current Liabilities	6,888	45,393
Non Current Liabilities	57,222	18,334
Revenues	38,085	33,237
Profit or loss from continuing operations	6,877	3,765
Other Comprehensive Income	1,500	5,570
Total Comprehensive Income	8,377	9,335

Alpine Energy Ltd

During the FY2023 financial year, Alpine Energy Limited management discovered an administrative error in the previous nine years' Information Disclosure Schedules that were submitted to the Commerce Commission (the Commission). This administrative error resulted in the Commission using the incorrect information in setting the Company's default price-quality path under the Commerce Act 1986, resulting in the Commission setting maximum allowable revenue higher than it should have been. The matter was referred to the Commerce Commission with the investigation of errors concluded in the year ended 31 March 2025.

An agreement was reached between Alpine Energy Limited and the Commerce Commission (Price Path Correction) and provisions totaling $19.075m were recorded in the financial statements ended 31 March 2025. This included credits to current customers, payments to former consumers, community initiatives and execution costs to deliver on the agreed obligations. The carrying amount of provisions recognised in the year ended 31 March 2025 which remain outstanding as at 31 March 2026 is $1.608m.

Principal activity: Electricity Distribution

Ownership: 47.50% (2025: 47.50%)

Balance date: 31 March

Results of Associate

	2026 $000	2025 $000
Share of Profit before tax	7,775	(8,490)
Taxation	(2,163)	2,246
Share of Profit After Tax	5,612	(6,244)
Share of Total comprehensive income	5,612	(6,244)

Notes to the financial statements (continued)

15 Investments in associate companies (continued)

Interest in Associate

	2026 $000	2025 $000
Balance at Beginning of Year	87,323	93,567
Recognised total comprehensive income	5,615	(6,244)
Correction of prior period associate revaluation	(201)	-
Balance at End of Year	92,737	87,323
Share of Recognised total comprehensive income	5,615	(6,244)
	5,615	(6,244)
Total movement in investment	5,615	(6,244)

Summarised financial information of Alpine Energy Limited presented on a gross basis

	2026 $000	2025 $000
Current Assets	22,352	22,741
Non Current Assets	364,665	353,991
Current Liabilities	15,867	14,667
Non Current Liabilities	175,918	178,230
Revenues	92,139	63,869
Profit or loss from continuing operations	11,820	(13,145)
Total Comprehensive Income	11,820	(13,145)

Consolidated Investment in Associates

	2026 $000	2025 $000
Balance at beginning of year	142,914	145,240
Recognised total comprehensive income	9,801	(1,576)
Dividends	(800)	(750)
Correction of prior period associate revaluation	(201)	-
Balance at End of Year	151,713	142,914

Notes to the financial statements (continued)

16 Trade and other payables

	2026 $000	2025 $000
Trade creditors and accruals	300	113
Interest payable	38	86
Sundry payables	113	114
	451	313

Trade and other payables policy

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

17 Interest bearing loans and borrowings

	Note	2026 $000	2025 $000
Current			
LGFA Funding		12,500	9,300
		12,500	9,300
Non-current			
Loans from Timaru District Council	20	21,681	21,681
LGFA Funding		3,000	-
		24,681	21,681

The interest rates for the loans from Timaru District Council range from 2.89% to 3.64% (2025: 3.96% to 6.81%). These loans have no fixed repayment terms and are repayable within 366 days (2025: 366 days) after notice by the Council seeking repayment of the outstanding amount. The interest rate applied is linked to the bank bill rate for the period plus basis points agreed with the Council.

Borrowing comprised fixed-rate loans from the Local Government Funding Agency (LGFA). At 30 June 2026 total borrowings were $15.5 million (2025: 9.3 million). $12.5 million of these wholesale security notes have contractual maturity periods of approximately three months, accordingly, these borrowings are classified as current liabilities. The Company has historically refinanced these borrowings on maturity and expects to continue doing so as part of its treasury management activities.

Subsequent to balance date, the Company refinanced its maturing LGFA borrowings on 9 September 2026 for a further 3 months The interest rates for LFGA Funding range from 2.92% to 3.46% (2025: 3.46% to 4.44%). The average rate on the LGFA borrowings during the year is 2.96% (2025: 4.05%). The LGFA borrowing is secured under a General Security Deed.

The borrowings mature as follows:

	2026 $000	2025 $000
Less than one year	12,500	9,300
One to five years	3,000	-

Security

Timaru District Holdings Limited commercial bills are secured by a first ranking general security agreement over all property of the Company. Loan from Timaru District Council to the Company is secured by Debenture over the Company's assets.

Interest bearing loans and liabilities policy

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption amount is recognised in the profit and loss over the period of the borrowing using the effective interest method. Borrowings are classified as current liabilities unless the Company has a right to defer settlement for at least 12 months after balance date.

Notes to the financial statements (continued)

18 Financial instruments classification

Financial instruments are recognised in the Statement of Financial Position when the Company becomes party to a financial contract. They include cash and cash equivalents, short term investments, trade and other receivables, trade and other payables, interest bearing loans and borrowings, lease liabilities, shares in associate companies, related party receivables, and related party payables.

Financial assets (except for trade receivables without a significant financing component) and liabilities are initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets and liabilities are classified into the following categories:

Financial assets held at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amounts outstanding.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit and loss.

Financial assets held at amortised cost comprise: cash and cash equivalents, short term investments, trade and other receivables, and related party receivables.

Financial assets held at fair value through profit and loss

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit and loss.

Financial assets at FVTPL comprise derivative financial instruments.

Financial assets held at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income (FVOCI) if it meets both the following conditions, and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amounts outstanding.

Financial liabilities held at amortised cost

Financial liabilities not designated as at FVTPL on initial recognition are classified as at amortised cost. Financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit and loss.

Financial liabilities held at amortised cost comprise: trade and other payables, interest bearing loans and borrowings, related party payables, and lease liabilities.

Impairment - financial assets

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Notes to the financial statements (continued)

18 Financial instruments classification (continued)

The carrying value of financial assets and liabilities are as follows:

	2026 $000	2025 $000
Financial assets as per balance sheet		
Measured at amortised cost:		
Cash and cash equivalents	1,320	149
Receivables	356	139
Term deposits	-	800
Borrower note	150	-
Measured as FVPL:		
Derivatives	13	-
Investment portfolio	3,155	-
Total financial assets	4,994	1,088

GST receivable and prepayments do not meet the definition of a financial asset and have been excluded from the above table.

	2026 $000	2025 $000
Financial liabilities as per balance sheet		
Measured at amortised cost:		
Payables and accruals	472	335
Term loans	37,181	30,979
	37,653	31,314
Measured at FVPL:		
Derivatives	-	65
	-	65
Total financial liabilities	37,653	31,379

GST payable, fringe benefit taxes and employee entitlements do not meet the definition of a financial liability and have been excluded from the above table.

Notes to the financial statements (continued)

19 Derivative financial instruments

	2026 $000	2025 $000
Current assets		
Interest rate swaps	13	
Current liabilities		
Interest rate swaps	-	(65)
	-	(65)

The Company has variable rate long term borrowings to fund ongoing activities. Swaps were entered into, to manage interest rate fluctuation risks. The interest rate swaps provide a fixed interest rate to the Company in exchange for a floating rate.

The following table details outstanding interest rate swaps as at the reporting date:

	Contracted fixed interest rates %	Notional principal swap amounts		Carrying value asset/(liability)	
		2026 $000	2025 $000	2026 $000	2025 $000
Swap maturity dates					
March 2028	3.35	3,000	3,000	(6)	(7)
June 2030	3.65	-	5,000	-	(25)
June 2032	3.86	6,600	6,600	(53)	(33)
December 2028	2.67	5,000	-	84	-
November 2033	3.46	2,000	-	43	-
November 2033	3.77	1,000	-	1	-
June 2033	3.96	5,000	-	(57)	-
		22,600	14,600	13	(65)

Derivative financial instrument policy

Derivative financial instruments are recognised in the Statement of Financial Position when the Company becomes party to a financial contract.

The Company holds derivative financial instruments to hedge its exposure to fluctuations in interest rates as the Company holds a floating-rate interest-bearing loan. They include interest rate swaps.

The Company has a series of policies providing risk management for interest rates and the concentration of credit. The Company is risk averse and seeks to minimise exposure from its treasury activities. Its policies do not allow any transactions that are speculative in nature to be entered into. Information used to measure and manage risk includes staff experience, market commentary, strategic planning, financial planning and forecasting, financial reporting, operating and management systems, and risk management audits.

Derivative financial instruments held at fair value through profit and loss

Derivative financial instruments are classified as at fair value through profit and loss when the instrument is not designated as a hedging instrument in a qualifying hedge accounting relationship.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value using mark to market based on market observable interest or foreign exchange rates at valuation date. Any changes therein are recognised in the statement of comprehensive income.

Derivative financial instruments held at fair value through profit and loss comprise of interest rate swaps.

Notes to the financial statements (continued)

20 Related parties

Key management personnel

Key management personnel comprise the Directors and General Manager.

Key management personnel compensation comprised of:

	2026 $000	2025 $000
Key management personnel compensation	482	453
	482	453

Dividends paid

During the year a dividend of $1,400,000 (2025: $1,200,000) was paid.

Transactions involving related entities

The entities, the nature of the relationship and the types of transactions which the Company entered into during the period are detailed below:

Related entity	Nature of relationship	Types of transactions
Timaru District Council	Parent	Leases and services, leases and loan payable
Alpine Energy Limited	Associate	Leases, services received
PrimePort Timaru Limited	Associate	Leases, services received

The following transactions between related parties occurred during the year:

	2026					
Related party	Sale of goods and services $000	Purchase of goods and services $000	Dividends received $000	Balances receivable $000	Balances payable $000	Loan payable $000
Timaru District Council	95	1,434	-	-	51	21,681
Alpine Energy Limited	2	27	-	-	-	-
PrimePort Timaru Limited	123	33	800	-	-	-
	220	1,494	800	-	51	21,681

	2025					
Related party	Sale of goods and services $000	Purchase of goods and services $000	Dividends received $000	Balances receivable $000	Balances payable $000	Loan receivable / payable $000
Timaru District Council	81	1,735	-	8	84	21,681
Alpine Energy Limited	11	-	-	-	-	-
PrimePort Timaru Limited	112	223	750	4	39	-
	204	1,958	750	12	123	21,681

No related party debts have been written off or forgiven during the year. Refer to note 17 for Timaru District Council loan policy.

Notes to the financial statements (continued)

21 Share capital and reserves

	Number of shares		2026	2025
	2026	2025	$000	$000
Shares				
Balance 1 July	49,550,000	49,550,000	31,000	31,000
Balance at 30 June	49,550,000	49,550,000	31,000	31,000

At 30 June 2026, share capital comprised 49,550,000 shares (2025: 49,550,000). 18,550,000 shares (2025: 18,550,000) issued at a price of $1.35 each have been paid to $185.50 (2025: $185.50). This uncalled capital is security for the General Security Deed with LGFA. All issued shares rank equally.

Share capital policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

22 Contingencies

No contingent assets or contingent liabilities exist at balance date for Timaru District Holdings Limited (2025: nil).

As reported in PrimePort Timaru Limited financial statements, no contingent assets or contingent liabilities exist at balance date for PrimePort Timaru Limited (2025: nil)

As reported in the Alpine Energy Limited financial statements, Alpine Energy Limited group has no contingent assets or contingent liabilities as at 31 March 2026 (2025: $730,000 liabilities).

23 Capital commitments

As at 30 June 2026 the Company had contracted capital commitments of $334,000. (2025: $1,764,000).

As reported in the Alpine Energy Limited financial statements, as at 31 March 2026 Alpine Energy Limited had contracted capital commitments of $12,981,000. (2025: $8,291,000).

As reported in PrimePort Timaru Limited financial statements, as at 30 June 2026 PrimePort had capital commitments of $5,390,000 (2025: nil).

24 Subsequent events

Subsequent to balance date, the Timaru District Council approved a proposal to commence a process for the disposal of Timaru District Holdings Limited's shareholding in Alpine Energy Limited.

As at the date of authorisation of these financial statements, the proposed sale remains subject to the completion of the relevant sale process, including negotiation of transaction terms and satisfaction of any required conditions and approvals. As the transaction was not committed to at balance date no adjustment has been made to the carrying value of the investment at 30 June 2026.

Management will continue to monitor developments and assess the financial reporting implications of the transaction as further information becomes available.

Statutory information

Directors
Timaru District Holdings Limited
- Mark Rogers (Chairperson)
- Darren M. Evans (Deputy Chairperson)
- Sally B. Parker (ceased 5 November 2025)
- Aaron W. K. Bethune
- Keri J. Johnston (appointed 5 November 2025)
- Justin M. Riley (appointed 5 November 2025)

Entries made in the interests register
The following entries were recorded in the interests registers of the Company:

Mark F. Rogers (Chairperson)
PrimePort Timaru Limited - Director
Kingsdown Salisbury Hall Society Incorporated - Treasurer
MVHB Professional Services Limited - Shareholder and Director
Te Runanga o Arowhenua Limited - Chairman
The Rogers Family Trust - Trustee
Westroads Limited - Chairman
Cumberland Property Group Limited - Chairman
Cumberland Rural Properties Limited - Chairman
Fulton Hogan Limited - Shareholder

Darren Evans
Keith Andrews Trucks – Chief Executive Officer
Otautahi Community Housing Trust- Trustee Chairman
DM Evans Consulting Limited - Shareholder and Director
CDM Capital Partners Limited - Shareholder and Director
Foundations of Equitable Housing Limited - Director

Sally B. Parker (ceased)
Timaru District Council - Councillor
Te Whatu Ora - Employee
NZNO New Zealand Nursing Organisation - Member

Aaron W.K. Bethune
Stand Forestry Limited - Chief Financial Officer
Alpine Energy Limited - Director
Bethune Consulting Limited – Director
Bethune Family Trust – Trustee

Keri J. Johnston
The Agri-Women's Development Trust - Co-chair
Irricon Resource Solutions Limited - Director and Shareholder
Stonecroft Limited - Director and Shareholder

Justin M. Riley
High Country Salmon Limited - Chairman
The 4B Trustee Company Limited - Director
Flywheel Partners Limited - Director and Shareholder
Aoraki Foundation Investment and Finance Committee (IFAC) - Member
GM Milburn Family Trust - Trustee
Central South Island Water - Chairman
Salmon Smolt NZ Limited - Board Member
Lead to Grow Collective - Trustee

Statutory information (continued)

Interest in transactions

- All transactions with Directors were entered into during the normal course of business and at normal terms and conditions.

Use of Company information

- During the year there were no notices from Directors of the Company requesting to use Company information received in their capacity as Directors, which would otherwise have been available to them.

Shareholding by directors
There are no shareholdings held by directors.

Remuneration and other benefits to directors
Timaru District Council independently chose to undertake a review of Directors fees in October 2024 and established a new fee structure.

	Timaru District Holdings Limited	**2026**	**2025**
Director FY2025	Mark Rogers (Chairperson)	$65,456	$63,691
Director FY2025	Darren M. Evans	$47,728	$41,906
Ceased 5 November 2025	Sally B. Parker	$15,126	$36,941
Director FY2025	Aaron Bethune	$38,183	$36,941
Ceased 1 November 2024	Rebecca L. Keoghan	$ -	$14,583
Appointed 5 November 2025	Keri J. Johnston	$25,031	$ -
Appointed 5 November 2025	Justin M. Riley	$25,031	$ -
	Total	**$216,555**	**$194,062**

Indemnity and Insurance: Directors and Employees
Timaru District Holdings Limited

- The Company has entered into an agreement to indemnify all Directors, Company Secretary, and Executive Officer, against loss resulting from the actions which arise out of the performance of their normal duties as director or advisor.

Dividends
Net dividends of 4 cents per fully paid share were paid during the year.

Employee benefits
The Company paid employee benefits of between:

	2026	**2025**
$100,001 - $110,000	1	-
$110,001 - $120,000	-	1
$230,001 - $240,000	1	1
Total employees	2	2

Donations
During the year Timaru District Holdings Limited made no donations (2025: $0).

Auditors' Remuneration
During the year the following amounts were payable to the auditors of the Company:

Company	Audit Work	Recovery of prior year fee
Timaru District Holdings Limited	$67,000	$21,654

Independent Auditors Report

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Timaru District Holdings Limited's financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of Timaru District Holdings Limited (the Company). The Auditor-General has appointed me, Dereck Ollsson, using the staff and resources of The Audit Office, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of the Company that comprise the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 11 to 34; and
- the performance information that consists of the statement of objectives and performance for the year ended 30 June 2026 on page 10.

In our opinion:

- the financial statements of the Company present fairly, in all material respects its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the New Zealand equivalents to IFRS Accounting Standards Reduced Disclosure Regime; and
- the performance information accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in all material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Independent Auditors Report

Our responsibilities under those standards are further described in the *Responsibilities of the auditor* section of our report.

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

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

Responsibilities of the Board of Directors for the financial statements and performance information

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and comply with the New Zealand equivalents to IFRS Accounting Standards Reduced Disclosure Regime. The Board of Directors is also responsible for preparing the performance information contained in the statement of objectives and performance of the Company in accordance with the Act.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and performance information, the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

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

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

For the performance targets reported in the statement of objectives and performance, our procedures were limited to checking that the information agreed to the Company's statement of intent.

Independent Auditors Report

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

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

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company against its objectives in its statement of intent.

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

Our responsibilities arise from the Public Audit Act 2001.

Independent Auditors Report

Other information

The Board of Directors is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and performance information consisting of the statement of objectives and performance, and our auditor's report thereon.

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

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

Independence

We are independent of the Company in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand),* as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, the Company.



Dereck Ollsson
The Audit Office
On behalf of the Auditor-General
Christchurch New Zealand
29 September 2026



9.3 Presentation of Venture Timaru Limited Annual Report 2025/26

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, General Manager Corporate**

Recommendation

That the Council receives and notes the audited Venture Timaru Limited Annual Report for the financial year 01 July 2025 to 30 June 2026.

Purpose of Report

1 To receive and note the Venture Timaru Limited Annual Report for the financial year 01 July 2025 to 30 June 2026.

Assessment of Significance

2 This matter is of low significance in terms of Council's Significance and Engagement Policy. The priorities, business and financial and non financial performance of the company are consistent with the agreed Statement of Intent 2025/26.

Discussion

3 As a Council Controlled Organisation, Venture Timaru is required to present an audited annual report including its financial statements to Council.

4 The Local Government Act 2002 sets out the statutory timeframe within which a Council Controlled Organisation must complete its Annual Report on the organisation's operations during the financial year. The timeframe for completion of the Annual Report is within three months after the end of the financial year.

5 Venture Timaru received an unmodified audit report on 23 September 2026. The audited annual report was authorised by the Chairperson and a Board Member on 23 September 2026. The audited annual report and accompanying financial statements will be presented to the shareholders at Venture Timaru's annual meeting to be held on the 4 November 2026.

6 The year end results are in line with the progress and forecasts report to Council on a quarterly basis during the year.

7 The audited Annual Report includes the financial results, statement of service performance and performance measurement.

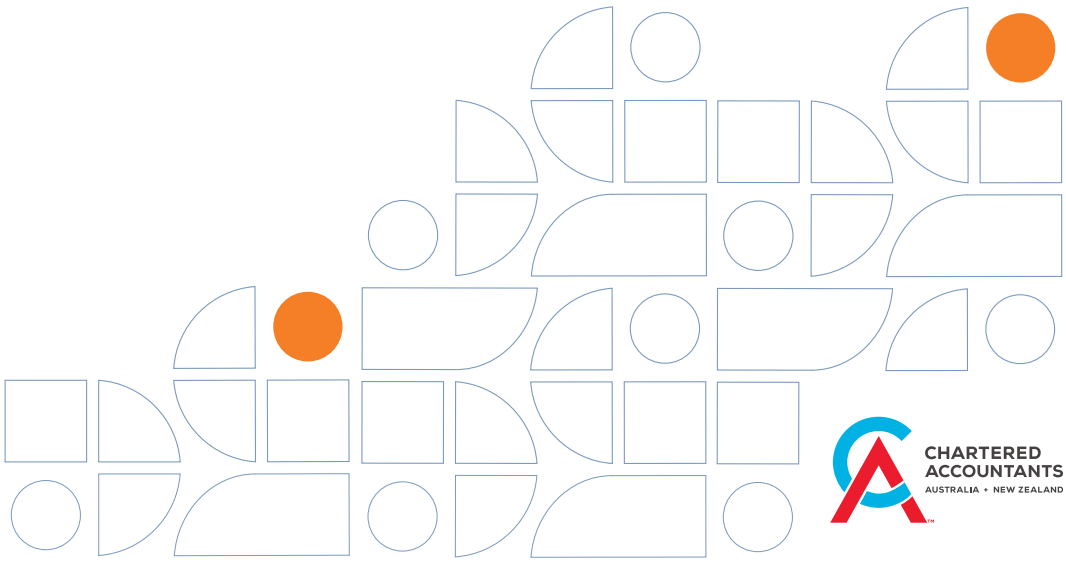
Attachments

1. Venture Timaru Annual Report 2025/26 ⇩

FOUNDRY 5OSIX
CHARTERED ACCOUNTANTS + BUSINESS ADVISORS

2026 PERFORMANCE REPORT

Venture Timaru Ltd



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

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Entity Information

Venture Timaru
For the year ended 30 June 2026

ENTITY INFORMATION FOR THE YEAR ENDED 30 JUNE 2026

Legal Name of Entity

Venture Timaru Limited (Venture Timaru)

Entity Type and Legal Basis

The Company is incorporated in New Zealand under the Companies Act 1993. The Company is wholly owned by Timaru District Council.

Registration Number

2515190

Entity's Purpose or Mission

The primary objective of the Company is to facilitate and support smart, sustainable economic development and to deliver tourism and business services for the district.

Entity Structure and Governance

The Company has five Directors who oversee the governance of the Company, a Chief Executive who is responsible for the day-to-day operations and reporting to the Directors, and seven staff who support the Chief Executive in delivering the Company's objectives. The Directors are appointed by Timaru District Council.

The Company does not have any separate operating units, divisions or branches and does not have any subsidiaries or other controlled entities for financial reporting purposes.

Main Sources of Entity's Cash and Resources

Operating grants received from Timaru District Council and government agencies are the primary sources of funding.

Physical Address

119 Stafford Street, Timaru, 7910

Postal Address

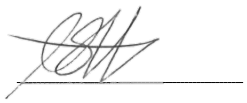
PO Box 560, Timaru, 7940

Approval of Financial Report

Venture Timaru
For the year ended 30 June 2026

The Directors are pleased to present the approved financial report including the historical financial statements of Venture Timaru Limited for year ended 30 June 2026.

APPROVED



Logan Hanifin

Chair

Date 23/9/26



Allan Booth

Board Member

Date 23/9/26

Statement of Financial Performance

Venture Timaru
For the year ended 30 June 2026

	NOTES	2026	2025	SOI 2025/26
Revenue				
Funding from local government	1	1,398,408	1,500,736	1,465,000
Funding from central government	2	62,550	216,995	26,500
Service delivery contracts from central government	3	132,110	352,776	132,000
Interest, dividends and other investment revenue	4	23,661	51,346	22,000
Other revenue	4	73,021	73,637	16,800
Total Revenue		**1,689,750**	**2,195,490**	**1,662,300**
Expenses				
Employee related costs	5	701,002	686,119	683,134
Economic development - administration and overhead costs	6	366,415	359,805	317,500
Tourism administration and overheads	6	327,951	291,107	288,000
Grants	6	238,550	316,995	245,000
Other programmes administration and overheads	6	141,610	482,897	132,000
Provision for tax	7	-	16,445	-
Total Expenses		**1,775,528**	**2,153,368**	**1,665,634**
Surplus/(Deficit) for the Year		**(85,778)**	**42,122**	**(3,334)**

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These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying notes.

Statement of Financial Position

Venture Timaru Limited
As at 30 June 2026

	Notes	30 Jun 2026	30 Jun 2025	SOI 30 Jun 2026
Assets				
Current Assets				
Bank accounts	8	170,311	220,211	302,000
Debtors and prepayments	9	36,730	91,048	115,677
Other current assets	10	30,945	33,368	0
Short term investments	11	417,845	612,646	203,000
Total Current Assets		**655,831**	**957,273**	**620,677**
Non-Current Assets				
Property, Plant and Equipment	12	35,452	29,404	40,000
Intangible Assets	13	23,600	77	0
Total Non-Current Assets		**59,052**	**29,482**	**40,000**
Total Assets		**714,883**	**986,755**	**660,677**
Liabilities				
Current Liabilities				
Creditors and accrued expenses	14	73,392	109,156	30,000
Employee costs payable	15	67,265	63,953	60,000
Funding unallocated	16	77,993	231,635	0
Total Current Liabilities		**218,650**	**404,744**	**90,000**
Total Liabilities		**218,650**	**404,744**	**90,000**
Total Assets less Total Liabilities (Net Assets)		**496,233**	**582,011**	**570,677**
Accumulated Funds				
Issued Capital	17	260,077	260,077	260,077
Equity	17	236,156	321,934	310,600
Total Accumulated Funds		**496,233**	**582,011**	**570,677**

These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying notes.

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Statement of Cash Flows

Venture Timaru Limited
For the year ended 30 June 2026

	2026	2025	SOI 2026
Cash Flows from Operating Activities			
Funding from local government	1,433,620	1,583,939	1,446,800
Funding from central government	36,050	243,495	0
Interest, dividends and other investment receipts	26,306	49,965	14,000
Other revenue	78,309	54,687	42,000
GST	226	(45,746)	(32,000)
Employee related payments	(689,321)	(702,005)	(717,000)
Grants	(238,550)	(316,995)	(245,000)
Administration and overhead payments	(841,893)	(1,146,376)	(800,000)
Income Tax	3,044	(26,855)	(6,000)
Total Cash Flows from Operating Activities	**(192,209)**	**(305,890)**	**(297,200)**
Cash Flows from Investing and Financing Activities			
Receipts from sale of property, plant and equipment	7,235	250	7,000
Receipts from sale of investments	207,963	425,275	422,000
Payments to acquire property, plant and equipment and intangible assets	(59,726)	0	(48,100)
Interest on investments	(13,162)	(211,243)	0
Total Cash Flows from Investing and Financing Activities	**142,310**	**214,282**	**380,900**
Net Increase/(Decrease) in Cash	**(49,900)**	**(91,608)**	**83,700**
Bank Accounts and Cash			
Opening cash	220,211	311,819	218,300
Net change in cash for period	(49,900)	(91,608)	83,700
Closing cash	170,311	220,211	302,000

These financial statements should be read in conjunction with the Independent Auditor's Report and accompanying notes.

Nexia Marked for Identification Purposes Audit Christchurch

Statement of Accounting Policies

Venture Timaru
For the year ended 30 June 2026

ACCOUNTING POLICIES APPLIED

Basis of Preparation

Venture Timaru Ltd is permitted by law to apply the Tier 3 Public Sector Entities (Tier 3 (PS) Standard) and has elected to do so. A PS may apply the standard if it does not have public accountability and has total annual expenses less than or equal to $5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

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

Goods and Services Tax (GST)

The entity is registered for GST. All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

Income Tax

Income Tax is accounted for using the taxes payable method. As a result, no allowance is made for deferred tax. Tax expense includes the current tax liability.

Bank Accounts and Short Term Deposits

Bank accounts and short term deposits in the Statement of Cash Flows comprise bank balances and short term deposits with original maturities of 90 days or less. These are measured at the amount held.

Property Plant & Equipment

Venture Timaru has elected not to revalue any of its classes of Property, Plant and Equipment after initial recognition. Plant & Equipment are recorded at cost less accumulated depreciation. Depreciation is recognised using a diminishing value method over the estimated useful lives. Depreciation rates are between 10% and 50%.

Intangible Assets

Capitalised website costs are recorded at cost less accumulated amortisation. Amortisation is recognised using a diminishing value method of 50% over the estimated useful life.

Revenue

Grants
Grants are recognised as revenue when they become receivable if there are no documented expectations over use. If there is such documentation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.
Service Delivery
Revenue from the sale of services is recognised by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Interest

Interest is recognised on the accrual basis.

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Employee Remuneration

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

Employee benefits

Defined contribution Scheme - Kiwi Saver. Contributions to defined pension schemes are charged to the income statement in the year to which they relate. A provision is recognised for the amount expected to be paid for outstanding annual leave balances if the company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably. Non vesting benefits such as sick leave are not recognised.

Marketing, Administration and Overhead

These costs are recognised as an expense when the related service has been received.

Lease Payments

Lease payments are recognised as an expense on the straight line basis over the lease term.

Debtors and accrued revenue

Debtors are originally recorded at the amount owed.

Prepayments

Prepayments are recorded when the payment is made and are measured at the amount paid that relates to future services that Venture Timaru will receive.

Once benefit is received, the prepayment (or a portion of it) is transferred from Prepayments and recorded as an expense.

Investments

Investments comprise investment in term deposits with banks. These deposits are recorded at cost.

Creditor & Accrued Expenses

Recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee Costs Payable

A liability for employee costs payable is recorded when an employee has earned the entitlement. These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

Deferred Revenue

Deferred revenue (grants) is initially recorded at the amount received. As documented expectations over use are met, the deferred revenue is reduced and revenue is recorded.

Ability to Continue Operating

The company has sufficient liquidity and solvency to continue as going concern. The Board of Directors considers that the company has sufficient working capital and appropriate funding from Timaru District Council for a period of at least 12 months from the date the financial statements are approved.

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Budget Figures

The budgeted figures are derived from the Statement of Intent (SOI) and the adopted annual budget as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing this performance report.

Tier 2 PBE accounting standards applied

Venture Timaru has not applied any Tier 2 accounting standards in preparing its performance report.

Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

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Notes to the Performance Report

Venture Timaru
For the year ended 30 June 2026

	2026	2025
1. Funding from local government		
Local government	1,398,408	1,500,736
Total Funding from local government	**1,398,408**	**1,500,736**

	2026	2025
2. Funding from central government		
My Next Move	26,500	145,000
Regional Events Fund	36,050	71,995
Total Funding from central government	**62,550**	**216,995**

	2026	2025
3. Service delivery contracts from central government		
Regional Apprenticeship Initiative	132,110	352,776
Total Service delivery contracts from central government	**132,110**	**352,776**

	2026	2025
4. Investment and other revenue		
Investment income	23,661	51,346
Other revenue	73,021	73,637
Total Investment and other revenue	**96,682**	**124,983**

	2026	2025
5. Employee Related Costs		
Salaries & wages	683,059	682,721
Other employee- related costs	17,944	3,397
Total Employee Related Costs	**701,002**	**686,119**

	2026	2025
6. Other expenses		
Administration & Overhead	599,460	566,030
Audit fees	13,095	12,522
Directors fees	62,000	64,295
Depreciation	15,779	7,987
Amortisation	4,032	77
Grants - MESF	202,500	245,000
Grants - REF	36,050	71,995
Other Programme - Regional Apprenticeship Initiative	132,110	352,776
Other Programme - My Next Move	9,500	48,344

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Other Programme Expenses	-	81,777
Total Other expenses	**1,074,526**	**1,450,804**

	2026	2025

7. Relationship between income tax expense and accounting

Surplus (Deficit) before tax		
Surplus (Deficit) before tax	(85,778)	58,567
Total Surplus (Deficit) before tax	**(85,778)**	**58,567**
Tax Adjustments		
Non-deductible entertainment	3,271	3,580
Less last year's HP not taken within 63 days	(27,348)	(30,765)
Add back this year's HP not taken within 63 days	38,708	27,348
Total Tax Adjustments	**14,631**	**163**
Surplus (Deficit) after tax	(71,147)	58,730
Tax at 28%	-	16,444

	2026	2025

8. Cash and short-term deposits

Cash on hand	100	100
Cheque & Call Account	170,211	220,111
Total Cash and short-term deposits	**170,311**	**220,211**

	2026	2025

9. Debtors and prepayments

Debtors	-	27,025
Accrued income	5,791	8,435
Prepayments	30,939	55,588
Total Debtors and prepayments	**36,730**	**91,048**

	2026	2025

10. Other current assets

Tax Refund	-	10,410
GST	23,580	22,958
RWT Deductions	7,366	-
Total Other current assets	**30,945**	**33,368**

	2026	2025

11. Investments

Term Deposits (current)		
Opening Balance	612,646	825,275
Purchased		

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	2026	2025
BNZ Term Deposit 30	6,993	4,683
ASB Term Deposit 89	-	7,963
BNZ Term Deposit 31	6,169	200,000
Total Purchased	**13,162**	**212,646**
Disposed		
BNZ Term Deposit 25	-	425,275
ASB Term Deposit 89	207,963	-
Total Disposed	**207,963**	**425,275**
Total Term Deposits (current)	**417,845**	**612,646**
Total Investments	**417,845**	**612,646**

12. Property, Plant and Equipment

	2026	2025
Office Fit-out		
Opening Balance	8,442	9,465
Purchases (Disposals)	20,944	-
Depreciation	(7,671)	(1,023)
Total Office Fit-out	**21,715**	**8,442**
Furniture and Fittings		
Opening Balance	13,242	15,266
Purchases (Disposals)	103	-
Depreciation	(2,435)	(2,024)
Total Furniture and Fittings	**10,909**	**13,242**
Plant and Equipment		
Opening Balance	3,407	4,259
Purchases (Disposals)	(1,614)	-
Depreciation	(1,793)	(852)
Total Plant and Equipment	**-**	**3,407**
Computers		
Opening Balance	4,314	8,904
Purchases (Disposals)	2,394	(502)
Depreciation	(3,880)	(4,088)
Total Computers	**2,828**	**4,314**
Total Property, Plant and Equipment	**35,452**	**29,404**

13. Intangible Assets

	2026	2025
Website		
Opening Balance	77	155
Purchases (Disposals)	27,555	-

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Amortisation	(4,032)	(77)
Total Website	**23,600**	**77**
Total Intangible Assets	**23,600**	**77**

	2026	2025
14. Creditors & accrued expenses		
Creditors	21,516	41,354
Accrued expenses	28,446	39,887
Other current liabilities	23,430	27,915
Total Creditors & accrued expenses	**73,392**	**109,156**

	2026	2025
15. Employee costs payable		
Accrued salaries & wages	28,556	26,217
Annual leave	38,708	37,736
Total Employee costs payable	**67,265**	**63,953**

	2026	2025
16. Funding unallocated		
Council funding	77,993	44,982
Central government funding	-	158,610
Other deferred revenue	-	28,043
Total Funding unallocated	**77,993**	**231,635**

- Cruise sector funding from Timaru District Council, $26,027 unspent in the 2025/26 year and carried forward to be utilised in the 2026/27 year.
- Major Events Support Funding provided by Timaru District Council, $42,500 unallocated in the 2025/26 year and carried forward to be allocated in the 2026/27 year.
- Inner and Near City Living project funding provided by Timaru District Council, $9,465 unspent in the 2025/26 year carried forward to be utilised in the 2026/27 year.

	2026	2025
17. Accumulated Funds		
Accumulated Funds		
Issued capital		
Opening Balance	260,077	260,077
Total Issued capital	**260,077**	**260,077**
Accumulated surpluses or (deficits)		
Opening Balance	321,934	279,812

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	2026	2025
Current year earnings (deficit)	(85,778)	42,122
Total Accumulated surpluses or (deficits)	**236,156**	**321,934**
Total Accumulated Funds	**496,233**	**582,011**
Total Accumulated Funds	**496,233**	**582,011**

18. Leases

The company leases office premises, motor vehicles and equipment.

	2026	2025
Commitments to lease or rent assets		
Explanation and timing		
Less than one year	60,225	67,052
Between one and five years	145,044	188,787
Over five years	-	12,564

19. Directors Remuneration

S Scott is a Timaru District Councillor.
The directors received received the following remuneration during the year:

	2026	2025	
T Howey	$10,909	T Howey	$10,454
A Brien (Resigned)	$-	A Brien (Resigned)	$8,750
S Scott	$10,909	S Scott	$10,454
E McNaught	$12,909	E McNaught	$11,455
A Booth	$10,909	A Booth	$10,455
L Hanifin (Chair)	$16,364	L Hanifin (Chair)	$12,727
	$62,000		**$64,295**

20. Related Party Transactions

		2026	2025
Description of Related Party Transaction	Description of Transaction	Value of Transaction	Value of Transaction
Timaru District Council - Shareholder	Economic Grant	$752,000	$745,000
Timaru District Council - Shareholder	Tourism Grant	$408,000	$408,000
Timaru District Council - Shareholder	Events Support	$245,000	$245,000
Timaru District Holdings	Rent - Payment	$28,037	$-
Timaru District Holdings	Rates - Payment	$3,035	$-
Timaru District Holdings	Insurance - Payment	$1,827	$-

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Timaru District Holdings	Deed of Lease - Payment	$1,188	$-
Bayhill Development Ltd - Director	Carparking	$-	$7,728
Aoraki Multicultural Council - Director	CBD City/Town Events	$-	$4,000
Aoraki Multicultural Council - Director	Major Events Support Fund	$10,000	$10,000
Matariki - Director	Major Events Support Fund	$10,000	$10,000
Timaru District Council	Cruise Ship Support	$26,420	$60,000
Timaru District Council	Accounts Payable	$-	$2,458
Timaru District Council	Accounts Receivable	$-	$2,530
Timaru District Council	Active Transport	$-	$23,639
Timaru District Council	CBD City/Town Events	$3,500	$50,000

21. Imputation credit account

Imputation credits available to shareholders at 31 March 2026 $143,581 (Last year: 138,245).

22. Budget Variances

The major variances in the actual year end deficit of ($85,778) versus the original SOI budget ($3,334) are a direct result of non-recurring one-off costs, met from reserves, associated with

- shift of premises being cost of asset write offs (former premises) , new premise fit out etc… and associated increased depreciation. (Oct/Nov 2025),
- depreciation associated with the Tourism & Economic Development website updates (Q1/Q2 2026),
- progression and finalisation of Towards 2050 plan and associated data portal (Q2 2026)
- organisational restructure (q2 2026).

23. Contingencies

No contingent assets or liabilities exist at balance date for Venture Timaru Limited (Last year: Nil).

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VENTURE TIMARU

STATEMENT OF SERVICE PERFORMANCE

For the year ended 30 June 2026

1. Purpose and Basis of Preparation

This Statement of Service Performance (SSP) reports Venture Timaru's actual non-financial performance for the year ended 30 June 2026 against the Prioritised Operational Activities and associated Key Performance Indicators (KPIs) and Operational Success Indicators set out in the Venture Timaru Statement of Intent 2025/26 (approved by the Board and provided to Timaru District Council), as required under section 64(1) of the Local Government Act 2002.

This SSP forms part of Venture Timaru's Annual Report, prepared in accordance with the Companies Act 1993, the Local Government Act 2002, and the Public Benefit Entity Simple Format Reporting — Accrual (Public Sector) Tier 3 standard elected by Venture Timaru, which requires a Statement of Service Performance alongside the Statement of Financial Performance and Statement of Financial Position. The Performance Report as a whole is subject to annual audit by the Auditor-General (or an appointed auditor acting under the Public Audit Act 2001), consistent with Office of the Auditor-General expectations that public entities' performance information is fairly presented, comparable year-on-year, and that any significant variances between planned and actual performance are clearly explained.

In line with Office of the Auditor-General good-practice expectations for service performance reporting, this SSP should, for each Prioritised Operational Activity and KPI:

- Report the actual level of service achieved against the 2025/26 target;
- Show the prior year's (2024/25) result for comparability, where available;
- Explain any significant variance between target and actual performance, including the reasons for it and any corrective action planned or taken; and
- Be balanced and fair — reporting shortfalls as well as achievements.

2. Service Performance — Prioritised Operational Activities 2025/26

Venture Timaru's annual **Operational Objectives** are delivered through five Prioritised Operational Activity groupings. Actual performance against each associated KPI / Operational Success Indicator for 2025/26 is reported below.

1. Attract & Assist New Business to the District

Prioritised Operational Activities (2025/26):

- Identify and progress "new to district" business opportunities & referral sources
- Encourage existing businesses to act as advocates in the "Make Timaru Your Business" campaign
- Refresh and re-launch the 2025 business attraction campaign in January 2026

KPI / Operational Success Indicator (2025/26 Target)	2025/26 Actual Result	Achieved (Fully / Partially / Not Achieved)
Engage with a minimum of an average of 10 new businesses or referral sources per month	**205** engagements with new business and referral sources (approx. 17 per month)	Achieved

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Maintain a database of active new businesses and referral sources, including actions taken and to be taken	Browser based Hubspot CRM was implemented September 2025 and is now well embedded within Venture Timaru operations across all Economic and Tourism engagements.	Achieved

COMMENTARY:

In the year to 30 June, Venture Timaru identified, sourced, managed and introduced a broad range of "new to district" business opportunities across sectors such as energy, food production, education, transport, technology, tourism, hospitality, recreation, and property development.

Venture Timaru actively seeks out new business opportunities through a variety of channels, including the ongoing Make Timaru Your Business campaign and proactive engagement with its extensive referral network at local, regional, and national levels.

Venture Timaru's role in this work is to identify opportunities, engage with prospective investors and businesses, and help connect them with relevant local people, businesses, agencies, and organisations.

This role included facilitating introductions and supporting engagement with a board range of parties – for example Arowhenua, NZ Trade and Enterprise, Invest NZ, Timaru District Holdings, Land Information New Zealand, along with a range of other local and national representatives and stakeholders.

Through the course of 2025/26 year Venture Timaru had 205 engagements to progress these new business opportunities which as at 30 June 2026 saw 32 live opportunities at various stages of progression.

2. Support Existing Business to Innovate and Grow

Prioritised Operational Activities (2025/26):

- Engage with existing businesses — assisting with introductions, barrier removal and progressing expansion plans
- Identify strategic risks to existing business and facilitate escalation/mitigation where possible
- Implement a more targeted survey format to help identify business support priorities

KPI / Operational Success Indicator (2025/26 Target)	2025/26 Actual Result	Achieved (Fully / Partially / Not Achieved)
Maintain a database of all existing business engagement — minimum an average of 20 per month	**412** engagements with existing business have been undertaken. Of these **241** related to Economic Development matters and **171** Tourism & Visitor	Achieved
Value-add assistance provided to local business	**26** growth opportunities identified and progressed **88** connections/introductions made and enablement actions taken **22** capability building support activities undertaken	Achieved
Risks identified, with mitigation and escalation action undertaken	**9** risks & challenges identified and support provided	Achieved

COMMENTARY:

Activity undertaken during the reporting period reflects a broad mix of relationship management, collaboration, and strategic development work. A significant share of engagement was focused on supporting existing businesses, alongside regular interaction with partners and sector stakeholders to help identify needs, share intelligence, and progress opportunities across the region.

The engagement mix also shows the importance of collective and ecosystem-based activity. Facilitated cluster meetings (Business Connections Groups, CBD Group, Aerospace Steering Group and the Networkers) and partner

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discussions created space for coordination, information-sharing, and alignment across organizations, while sector-focused engagement helped strengthen connections with key industries and contributors.

Together, these activities supported both immediate business needs and wider regional collaboration.

In addition, the engagement profile included strategic conversations linked to future planning (Towards 2050 Aspirational Plan and Development and Growth Committee attendance) , as well as engagement with funding and investment-related stakeholders.

Overall, the pattern of activity highlights an approach that balances direct business support with partnership-building and longer-term economic development priorities.

3. Promote the District as a "Destination of Choice"

Prioritised Operational Activities (2025/26):

- Further develop the existing event offering and attract new in/out-of-season events
- Implement the Cruise Strategy, including development of 3+ new visitor offerings
- Attract new-to-district "niche sized" national meetings & conferences

KPI / Operational Success Indicator (2025/26 Target)	2025/26 Actual Result	Achieved (Fully / Partially / Not Achieved)
Event ROI: Economic Benefit for every $ invested via the Major Events Fund — target $1 : $25	The Return on Investment for 4 ticketed events all exceeded the targeted $1:$25 and ranged from $1:$25.20 to > $1:$100 (*2024/25 result – ROI for 4 x ticketed events ranged from $1:$22.88 to $1:$75.14)*	Achieved
Number of new events and conferences secured	5 x New events	Achieved
Cruise Sector Economic Benefit / ROI	A formal ROI on Cruise sector benefit has not been undertaken as of 30 June 2026 as we await 2025/26 season economic performance data from Cruise NZ.	Ongoing

COMMENTARY:

Event ROI can only be calculated for those events that are ticketed. These events, as reported on, all met and exceeded the targeted return of $25 of economic benefit for every $1 of Major Events Support Fund invested.

New events supported and attracted this past year include Crusaders v Highlanders Rugby, Matatu v Poua rugby and Art in Motion, Midlands Aoraki (PSA) Challenger international squash tournament and Gintastic.

Venture Timaru actively pursues new sporting events and business meetings and conferences however remain somewhat impeded by the lack of a 4 to 4.5 star 100-120 room hotel. We are actively engaging on bringing this much needed asset to Timaru and look forward to some real progress this coming year.

We also facilitated the application of South Island Masters Games to the Governments Major Event and Tourism Funding package which saw them successful in obtaining $75,000 (to compliment committed Major Events Support Funding of $25,000) to attract Australian competitors to their Sept 2026 tournament where they celebrate 25 years.

The 2025/26 cruise season saw 14 ship visits with notably Timaru being the only port of call in NZ that saw ship visit numbers increase. A similar level of visits are already pre-booked for 2026/27 and 2027/28 seasons.

There is a strong Focus on getting operators “trade ready” so they can work with inbound operators for selling their products and also getting more operators Qualmark rated to access more support from Tourism NZ through campaigns and media famils. Venture Timaru have now supported 12 local operators obtain Qualmark Certification

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(6 activity operators – most recent Big Rock Adventures – Geraldine based Canyoning experience) and 6 accommodation providers. For businesses, Qualmark certification builds trust with visitors, strengthens brand reputation, improves operational practices, and provides a competitive advantage in both domestic and international markets. For the Timaru District, a strong base of Qualmark-accredited operators enhances the destination's overall reputation, ensures consistent visitor experiences, supports sustainable tourism practices, and helps attract higher-value travellers who seek quality-assured experiences.

Among the new tourism operators and offerings supported in the last year were Alpaca Walks NZ, Holme Station Homestead, The Sea Breeze and Bonnie Day Brewery & Tap Room.

4. Assist Business to Attract, Develop & Maintain a Skilled Workforce

Prioritised Operational Activities (2025/26):

- Amplify activity to "Expose, Educate & Excite" our future workforce on local career pathways (MyNextMove student transition initiative)
- Progress the possibility of an Education Hub in Timaru, supported by a variety of providers
- Help facilitate improved alignment of local training delivery with the needs of local industry

KPI / Operational Success Indicator (2025/26 Target)	2025/26 Actual Result	Achieved (Fully / Partially / Not Achieved)
Minimum 6 workforce initiatives to inform, retain, grow or attract talent to the District	N/A – refer commentary	Not Progressed
20 pathway events, minimum 3,500 students and 150 local businesses engaged	N/A – refer commentary *(2024/25 result 14 events, supporting 1700+ students involving 96 local businesses)*	Not Progressed
Successful transitions of students into local employment	N/A – refer commentary	Not Progressed

COMMENTARY:

Following completion and submission of our 2025.26 Statement of Intent to Council, the central government funding for the VT resource allocated to this workstream was discontinued by the Ministry for Social Development – effective 30th June 2025.

A small amount of funding was provided to Venture Timaru by Ministry of Education while it explored all alternative funding options to continue this service.

Ongoing funding was unable to be secured and the workstream and resource ceased in September 2025

It was agreed with Council during the strategic review of all VT operations (Nov-Feb) that going forward VT would take a less direct role in facilitating workforce engagements but be more participatory.

5. Facilitate New Investment in Infrastructure & Community Assets

Prioritised Operational Activities (2025/26):

- Assist with identifying and enhancing key connectivity infrastructure assets within the district (airport / port / transport & logistics)
- Elevate district advocacy on regional energy, housing and economic development strategies
- Foster Central Government relationships to attract new investment supporting local initiatives and prioritised projects

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KPI / Operational Success Indicator (2025/26 Target)	2025/26 Actual Result	Achieved (Fully / Partially / Not Achieved)
$ value of new-to-district investment secured — central government and private	Venture Timaru had aligned involvement in helping secure Regional Investment Fund $2.84m and Major Events and Tourism Fund $75,000). *(2024/25 result - $20.80m Regional Investment Fund).*	Achieved
Number of facilitated investment and development introductions made, and assistance given	**88** connections/introductions made and enablement actions taken	Achieved

Commentary

Over 2025/26, Venture Timaru progressed a sustained engagement with Invest New Zealand to position South Canterbury within the renewable energy sector to actively encourage acceleration of additional generation and access for us locally. This 15-month body of work culminated in South Canterbury being named one of only six nationally identified "Advantaged Zones" for infrastructure & data centre deployment in Invest New Zealand's Data and AI Infrastructure sector document (2026), recognising the district's grid capacity, renewable generation and backhaul fibre connectivity.

To convert this national profile into investment-ready opportunities, Venture Timaru is developing the South Canterbury Renewable Energy Investment Prospectus, a standalone regional document designed to sit alongside and reinforce Invest New Zealand's global pitch, providing prospective investors & developers with the granular detail needed to progress from global interest to committed capital.

This work forms part of a broader investment-attraction programme during the year, which included direct engagement with prospective investors across the renewable energy and bioprocessing sectors, ongoing dialogue with regional generators and grid infrastructure providers on pipeline projects, and a public advocacy campaign directed at central government highlighting South Canterbury's roading, grid and investment-promotion needs as the region's renewable energy and data infrastructure and profile grows.

Together, these activities demonstrate Venture Timaru's role in translating national-level investment signals into a coordinated, regionally specific offer capable of attracting sustained capital investment into the Timaru District.

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3. District-Wide Monitoring Indicators

These broader monitoring indicators track district-wide economic wellbeing and are reported alongside, but are not solely attributable to, Venture Timaru's activities. **Better than NZ**/**Worse than NZ**

District-Wide Monitoring Indicator	2025/26 Result	2024/25 Result
GDP Contribution (Timaru District v New Zealand)	**Timaru +2.0%** NZ +1.7%	Timaru -0.6% NZ -0.8%
Unemployment Rate (Timaru District v New Zealand)	**Timaru 3.7%** NZ 5.4%	Timaru 4.3% NZ 5.0%
Housing Affordability	**Timaru 4.2x** NZ 6.5x	Timaru 4.7x NZ 6.5x
Consumer Spend (compared to prior period)	**Timaru +3.4%** NZ +0.6%	Timaru + 0.1% NZ - 1.7%
Visitor Spend (compared to prior period)	**Timaru +4.7%** NZ +4.6%	Timaru - 2.5% NZ 0.0%
GDP per Filled Job	**Timaru $162,343**** NZ $164,084** *** March 2026*	Timaru $160,028** NZ 161,827** *** March 2025*

4. Towards 2050 — Progress Update

Progress against the Towards 2050 community-wide plan milestones identified in the Statement of Intent 2025/26.

Towards 2050 Milestone (per SOI 2025/26)	Status 2025/26
Key stakeholder identification and engagement	Completed March 2026
Draft Towards 2050 plan developed	Completed April 2026
Towards 2050 plan finalised and implementation commenced	Completed June 2026
Collation of existing plans and strategies from business and organisations, aligned to key Towards 2050 milestones (ongoing)	Ongoing
Identification of priority industries and enabling factors for transformational economic growth	Completed June 2026

COMMENTARY

Towards 2050 has successfully moved from concept to a draft long-term district vision. The initial economic modelling challenged the district to think beyond incremental growth and demonstrated the opportunity available if Timaru adopts a more ambitious pathway. Following extensive engagement with more than 300 stakeholders, feedback has been incorporated into a full draft plan, structured around three shared aspirations (People, Place, Prosperity), six transformational pillars, and a set of 5-year and 25-year priorities beneath each. The plan is now progressing through final review and refinement, supported by economic and business dynamics analysis and a district-wide SWOT assessment.

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Towards 2050 Milestone (per SOI 2025/26)	Status 2025/26
A key addition since the initial concept stage is the "Five in Five" — five transformational initiatives (Washdyke Industrial Hub, an Innovation & Advanced Manufacturing Collective, an Ara Educational Hub, a Hotel/mixed-use accommodation development, and CBD & Town Centre Revitalisation) that translate the plan's long-term aspirations into detailed, accountable five-year delivery pathways involving Council, Venture Timaru, industry, education and community partners. Governance of Towards 2050 is now transitioning to Timaru District Council, which will assume oversight responsibility for the plan going forward; this handover is currently underway. Venture Timaru will remain closely and actively involved, retaining lead responsibility for the economic development and tourism elements of the plan, including business attraction, investment facilitation and the delivery of relevant Five in Five initiatives. The next phase is to convert the shared aspirations into measurable priorities and coordinated actions — under this refreshed governance model — that position Timaru District for sustained economic prosperity, improved productivity, stronger communities and an enviable quality of life through to 2050 and beyond.	

5. Changes to Performance Measure I the year to 30 June 2026

In developing its 2025/26 Statement of Intent, Venture Timaru reviewed its performance measures to ensure they align with the organisation's strategic priorities, including business attraction, workforce development, tourism outcomes, investment facilitation, and the Towards 2050 initiative.

As part of this review, new and enhanced measures were introduced relating to business engagement, investment attraction, workforce initiatives, event and cruise sector economic impact, and progress towards the district's long-term development goals.

Some measures reported in the prior year have been refined, consolidated, or removed where they related to specific projects or activities, and were no longer considered the most meaningful indicators of Venture Timaru's performance.

The revised performance framework is intended to provide a clearer focus on outcomes and Venture Timaru's contribution to sustainable economic growth and prosperity across the Timaru District.

Nexia Marked for Identification Purposes Area Christchurch

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Venture Timaru Limited's financial statements and performance information for the year ended 30 June 2026

The Auditor-General is the auditor of Venture Timaru Limited (the Company). The Auditor-General has appointed me, Sam Naylor using the staff and resources of Nexia Audit Christchurch, to carry out the audit of the financial statements and performance information on his behalf.

Opinion

We have audited:

- the financial statements of Venture Timaru Limited that comprise the statement of financial position as at 30 June 2026, the statement of financial performance and statement of cash flow for the year ended on that date and the notes to the financial statements that include material accounting policy information and other explanatory information on pages 5 to 16; and
- the performance information that consists of the statement of performance for the year ended 30 June 2026 on pages 17 to 23.

In our opinion:

- the financial statements of the Venture Timaru Limited present fairly, in all material respects its financial position as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with Tier 3 (PS) Standard.
- the performance information accurately reports, in all material respects, the Company's actual performance compared against the performance targets and other measures adopted for the year ended 30 June 2026, and has been prepared, in material respects, in accordance with section 68 of the Local Government Act 2002 (the Act).

Basis for our opinion

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

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

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

Responsibilities of the Board of Directors for the financial statements and performance information

The Board of Directors is responsible on behalf of the Company for preparing financial statements that are fairly presented and comply with Tier 3 (PS) Standard. The Board of Directors is also responsible for preparing the performance information contained in the statement of performance of the Company in accordance with the Act.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and performance information the Board of Directors is responsible on behalf of the Company for assessing the Company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Company or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and performance information

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

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

For the budget information reported in the financial statements and performance information, our procedures were limited to checking that the information agreed to the Company's statement of intent and the adopted annual budget.

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

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

- We identify and assess the risks of material misstatement of the financial statements and performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

- We evaluate the overall presentation, structure and content of the performance information, including the disclosures, and assess whether the performance information achieves its statutory purpose of enabling the Company's readers to judge the actual performance of the Company or against its objectives in its statement of intent.

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

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Directors are responsible for the other information. The other information comprises all of the information included in the performance report other than the financial statements and the performance information consisting of statement of performance, and our auditor's report thereon.

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

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

Independence

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

Other than in our capacity as auditor, we have no relationship with, or interests in, the Company.



Sam Naylor
Nexia Audit Christchurch
On behalf of the Auditor-General
Christchurch, New Zealand
23 September 2026

9.4 Venture Timaru Limited: Appointment of Proxy for Annual General Meeting

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, General Manager Corporate**

Recommendation

That Council appoint a proxy and alternative proxy to represent Council and vote on all matters arising at the Annual General Meeting of Venture Timaru Ltd.

Purpose of Report

1 To appoint a proxy and alternative proxy to represent Council and vote on all matters at the Annual General Meeting of Venture Timaru Ltd (VT).

Assessment of Significance

2 This matter is not deemed significant under the Council's Significance and Engagement Policy. Appointment of a proxy and the exercise of the proxy's vote at Venture Timaru's Annual General Meeting is the exercise of a governance function and does not affect strategic assets, levels of service or rates.

Background and Discussion

3 The Annual General Meeting for Venture Timaru will be held on 4 November 2026 at 12.00pm.

4 The Annual General Meeting is a statutory requirement, and it conducts business which requires the shareholder to vote on resolutions and matters brought to the meeting, such as receiving the Chairperson and General Manager's respective reports, adopting the Annual Report and appointing the auditor.

5 The Council, as sole shareholder is required to appoint a proxy to attend, represent and vote on its behalf at the Venture Timaru Annual Meeting. An alternative proxy should also be appointed in the event the proxy is unable to attend.

6 To avoid the perception of a conflict of interest, it is good practice that the proxy and alternate proxy are not current directors of Venture Timaru.

Options and Preferred Option

7 There is no reasonable nor practicable alternative to Council appointing a proxy and alternate. Council is the sole shareholder, and it is necessary to have representation at the meeting.

Consultation

8 Consultation occurs through Council members as representatives of the public.

Relevant Legislation, Council Policy and Plans

9 Local Government Act 2002

10 Companies Act 1993

11 Venture Timaru Ltd Constitution

Financial and Funding Implications

12 There are no funding or financial implications arising from the appointment of a proxy.

Other Considerations

13 There are no other considerations relevant to this matter.

Attachments

Nil

9.5 Timaru District Holdings Limited: Appointment of Proxy for Annual General Meeting

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, General Manager Corporate**

Recommendation

That Council appoint a proxy and alternative proxy to represent Council and vote on all matters arising at the Annual General Meeting of Timaru District Holdings Limited.

Purpose of Report

1 To appoint a proxy and alternative proxy to represent Council and vote on all matters at the Annual General Meeting of Timaru District Holdings Limited (TDHL).

Assessment of Significance

2 This matter is not deemed significant under the Council's Significance and Engagement Policy. Appointment of a proxy and the exercise of the proxy's vote at TDHL's Annual General Meeting is the exercise of a governance function and does not affect strategic assets, level of service or rates.

Background and Discussion

3 The Annual General Meeting for TDHL will be held on 4 November 2026 at 1.30pm.

4 The Annual General Meeting is a statutory requirement, and it conducts business which requires the shareholder to vote on resolutions and matters brought to the meeting, such as receiving the Chairperson and General Manager's respective reports, adopting the Annual Report and appointing the auditor.

5 The Council, as sole shareholder is required to appoint a proxy to attend, represent and vote on its behalf at the TDHL Annual General Meeting. An alternative proxy should also be appointed in the event the original proxy is unable to attend.

6 To avoid the perception of a conflict of interest, it is good practice that the proxy and alternate proxy are not current directors of THDL.

Options and Preferred Option

7 There is no reasonable nor practical alternative to Council appointing a proxy and alternate proxy. Council is the sole shareholder, and it is necessary to have representation at the meeting.

Consultation

8 Consultation occurs through Council members as representatives of the public.

Relevant Legislation, Council Policy and Plans

9 Local Government Act 2002

10 Companies Act 1993

11 Timaru District Holdings Limited Constitution

Financial and Funding Implications

12 There are no funding or financial implications arising from the appointment of a proxy.

Other Considerations

13 There are no other considerations relevant to this matter.

Attachments

Nil

9.6 Affixing of the Common Seal

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, General Manager Corporate**

Recommendation

That the following warrants have been approved by the Chief Executive and are being reported to the Council for noting:

23 September 2026 – Approval of Warrants

30 September 2026 – Approval of Warrants

Purpose

1. To report the Chief Executive has approved the Warrant of Appointments and is reporting that as required under the delegation manual (Clause 3.4.5).
2. To note the names have been redacted for the privacy of the employees. Council authorise the signing and sealing of these documents.
3. The attached warrants for signing and sealing are detailed below;
    - Four new warrants for a Timaru District Council officers.
    - One new warrant for a contractor to reflect personnel changes.

Attachments

1. **Approval of Warrants - 23.09.2026**
2. **Execution of warrants - 30.09.2026**

TIMARU DISTRICT COUNCIL
Te Kaunihera ā-Rohe o Te Tihi o Maru

Approval of warrants

I, Nigel Trainor, Chief Executive of the Timaru District Council have delegated authority pursuant to clause 3.4 of the Timaru District Council delegations manual to appoint and authorise the Council Officers listed in the table below, and issue warrants to those Council Officers under the relevant legislation and the Council's bylaws, including delegating the exercise of powers under those warrants, and affixing the Council's common seal to warrants. I hereby approve the attached warrants.

Nigel Bowen

Nigel Trainor

23/09/2026

Date

THE COMMON SEAL OF THE TIMARU DISTRICT COUNCIL
PROCLAIMED 1989

Name	Title	Unit
[redacted]	Compliance Officer - Resource Management and Bylaws	Regulatory
	Building Control Officer	Regulatory
	Compliance Officer - Resource Management and Bylaws and Environmental Health Support Officer, Enforcement Officer and Licensing Inspector	Regulatory

#1873378

TIMARU
DISTRICT COUNCIL
Te Kaunihera ā-Rohe
o Te Tihi o Maru

Approval of warrants

I, Nigel Trainor, Chief Executive of the Timaru District Council have delegated authority pursuant to clause 3.4 of the Timaru District Council delegations manual to appoint and authorise the Council Officers listed in the table below, and issue warrants to those Council Officers under the relevant legislation and the Council's bylaws, including delegating the exercise of powers under those warrants, and affixing the Council's common seal to warrants. I hereby approve the attached warrants.

Nigel Bowen

Nigel Trainor

30/09/2026

Date

THE COMMON SEAL OF THE TIMARU DISTRICT COUNCIL
PROCLAIMED
1989

Name	Title	Unit
[redacted]	Senior Planner	Regulatory
[redacted]	Water Treatment Operator	Drainage and Water

[redacted] #1873378

9.7 Release of Public Excluded Items

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, General Manager Corporate**

Recommendation

That Council notes the following public excluded items that have been released to the public:

1. Item 13.2 Rangitata Huts Camp Ground Investment - Commercial and Strategy Committee 16.04.2024
2. Council Workshop - Public Excluded Minutes – Venture Timaru Statement of Intent Workshop - 21.04.2026

Purpose of Report

1 The purpose of this report is to provide the Council with an updated status of Public Excluded items released to the public.

Assessment of Significance

2 This matter is assessed to be of low significance under the Council's Significance and Engagement Policy as there is no impact on the service provision, no decision to transfer ownership or control of a strategic asset to or from Council, and no deviation from the Long Term Plan.

Discussion

3 The following items have been released to the public and are available on the Timaru District Council website under the following links;

- Item 13.2 Rangitata Huts Camp Ground Investment - Commercial and Strategy 16.04.2024

  https://www.timaru.govt.nz/council/council-and-committee-meetings/meeting-dates-calendar/commercial-and-strategy-committee/2024/commercial-and-strategy-committee-16.04.24

- Council Workshop - Public Excluded Minutes – Venture Timaru Statement of Intent Workshop - 21.04.2026

  https://www.timaru.govt.nz/council/council-and-committee-meetings/meeting-dates-calendar/public-workshops/2026/workshop-21.04.26/

Attachments

Nil

9.8 Actions Register Update

Author: **Jessica Kavanaugh, Democracy Services Lead**

Authoriser: **Stephen Doran, Acting Chief Executive**

Recommendation

That the Council receives and notes the updates to the Actions Register.

Purpose of Report

1 The purpose of this report is to provide Council with an update on the status of the action requests raised by councillors at previous Council meetings.

Assessment of Significance

2 This matter is assessed to be of low significance under the Council's Significance and Engagement Policy as there is no impact on the service provision, no decision to transfer ownership or control of a strategic asset to or from Council, and no deviation from the Long Term Plan.

Discussion

3 The actions register is a record of actions requested by Councillors. It includes a status and comments section to update the Council on the progress of each item.

4 There are currently eight items on the actions register.

5 Eight items are marked as ongoing.

6 No items are marked as completed and proposed to be marked as removed at the next meeting.

7 No items are marked as removed to be taken off the list at the next meeting.

Attachments

1. Council Actions Required ⇩

Information Requested from Councillors (Council)

Key ■ = Completed, for removal ■ = 60+ Days ■ = 90+ Days ■ = Removed

Information Requested	Investigate Small Trades				
Date Raised:	12 December 2023			**Status:**	Ongoing
Issue Owner	Chief Financial Officer, General Manager Assets and Infrastructure	**Due Date:**	4th February 2025	**Completed Date:**	

Background: The Councillors requested a report on Trades: investigate the value of small trades outside of large contracts with the consideration to these being offered in-house. With an analysis of both procurement and spend on invoices under $10k.

- Are we getting competitive pricing with a preferred supplier.
- Do we get to a level whereby in-house provision of the particular trade could be the better way forward.

Update: Investigation is in progress and will return to council once complete.

September 2024 Update: This is underway, working on electricians, plumbers, cleaners as a starting point.

December 2024 Update: Further investigation is underway connected to the action above 'Investigate Suncontracting Across Council' and a report will be brought to Council on 4th February.

January 2025 Update: Work has been completed and a business case being developed with outcome of investigation. This will come to Council for the 4th March 2025 meeting. Maintenance (Incl Building, Plumbing, Electrical and Painting) is now considered complete.

February 2025 Update: A report on Plumbing, Electrical, Building and Painting requires further investigation for options post internal review and is anticipated to be presented with the other papers concerning maintenance at the next meeting. A report on cleaning will return to Council after further investigation. At a later date.

March 2025/April 2025 Update: The investigation into small trades maintenance has highlighted that this is a process systems change. This will be managed via Councils JIRA system, all maintenance requests centralised and triaged across preferred contractor lists. Paper outlines next steps with an organisational review of contractors leading to a preferred contractors list. As noted the new process will allow the corrections to coding that is required, linked to PO's with the ability to better track requests and control maintenance spend across all departments.

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May 2025 Update: Following the Council meeting 1 April 2025 a JIRA system will be implemented across Council in early May once all Tier 3 Managers have been able to input in to how the system will work for them and confirmed list of suppliers for their building maintenance works. This part of the investigate small trades is now considered closed and further reporting will be via the CFO and the Procurement Lead as they investigate further trades across Council operations.

June 2025 Update: Process implementation has stalled until the restructure is complete. A maintenance procurement plan is in development and will be bought to a Council in due course. Officers are currently reviewing cleaning service delivery.

July 2025 Update: There is opportunity for some efficiency gains. Options being explored include what can be delivered in-house, combination of activities into a larger maintenance contract or use of a pre-approved supplier panel. Business cases need to be developed for these options that will be done following the organisation restructure.

09 September 2025 Council Meeting: It was requested to have a plan and timeline added to the outstanding actions.

September 2025 Update: Stage 1: A business case is being developed by the General Manager Assets and Infrastructure for Council Building maintenance services and facilities cleaning cervices with an assessment of options including, in house, contracted, hybrid or pre approved supplier panel with the intention of bringing it to Council in March 2026. This will form part of the LTP decisions and asset management plans prior to the next financial year. Stage 2 will be an implementation plan based on the decisions made.

November 2025 Update: A business case has been developed and demonstrates that there will be cost savings from providing maintenance related building services for Council parks and property facililities through having an in-house qualified builder. The business case has been reviewed and approved by the Acting CE and is in the implementation process. A further business case has been completed for the in-house delivery of the cleaning services for the remainder of the Municipal building, Timaru Library, Art Gallery and Museum. This has demonstrated cost savings and builds on current in-house cleaning service provision at the Municipal Council offices. A high level analysis of Cleaning services for Public Toilets, Halls and CBay has indicated no savings due to the Council employment provisions. This work is 7 days and involves shift work outside normal hours.

09 December 2025 Council Meeting: The General Manager Assets and Infrastructure advised that a business case is being prepared to bring maintenance services in-house, including a qualified builder to cover the Parks and Social Housing units. Alongside bringing cleaning in-house for Council facilities.

January 2026 Update: The business cases for an in-house builder and cleaning staff has been submitted to the Chief Executive for approval.

27 January 2026 Council Meeting: The Mayor will take this offline and speak with the Chief Executive regarding opportunities and how to progress with this action.
30 June 2026 Council meeting: The Chief Executive acknowledged a conversation with the Mayor was still required for this action item.

25 August 2026 Council Meeting: The Mayor advised that a further conversation with the Chief Executive was required.

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14 September 2026 update: The Chief Executive still needs to have a conversation with the Mayor.

29 September 2026 Council Meeting: The Chief Executive provided an update and advised that this item and the vertical Infrastucture maintenance report will be presented at the 27 October Council Meeting, with a view to keeping the context of the action and operational so the Long Term Plan and Annual Plan drive that rather than ad hoc, including testing with Council how that is done.

October 2026 Update: The Chief Executive exercised their right to deffer this report to the next meeting due to the number of items on the agenda.

Information Requested	Vertical Infrastructure Maintenance Report (Quarterly)				
Date Raised:	22 October 2024			**Status:**	Ongoing
Issue Owner:	Chief Executive/ General Manager Assets and Infrastructure	**Due Date:**	4 February 2025	**Completed Date:**	20/03/2025

Background: Councillors requested quarterly reporting on the status of Council owned vertical infrastructure, including community facilities, to allow for oversight on the sufficiency of budget allocated to operating costs.

December 2024 Update: Report on progress will be presented to Council on 4 February 2025.

January 2025 Update: The report is in draft pending discussion internally and will be reported on at the 4th March 2025 meeting.

February 2025 Update: Officers are still waiting on information to be able to provide an accurate report to Council. It is anticipated to have this work ready to present at the 1 April meeting.

March 2025/April 2025 Update: This information is included in the quarterly financials that come to Council. This action is also linked with the work that has been completed on Small trades and is being investigated to streamline and update an internal process for a procure to pay system that works with a preferred contractor list available in the Esker system. All requests for maintenance will go via a JIRA request and triaged so that only the preferred contractor list can be utilised, the correct coding is allocated to the request and department budgets. A procure to pay system will then allow for better auditing of the invoice as it tracks back through the financial system before payment is released. This action could be closed out.

01 April 2025 Council Meeting: it was confirmed this action remain open.

May 2025 Update: Further reporting on this issue will be via the CFO in quarterly reports as normal that are brought to Council.

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6 May 2025 Council Meeting: It is advised the commentary in the action is not what the councillors have requested. It is advised they want an update of vertical assets that do not have maintenance programmes, and what should be in budgets to maintain the buildings.

June 2025 Update: This information has started to be gathered, but an indication of timeframe to provide to Council is not possible yet. This may take some time to work through but Council will be kept informed on progress.

3 June 2025 Council Meeting: Discussion included the vertical maintenance information could be presented in two to three months and the addition of Earthquake strengthing into this action, and the need to go through a prioritisation process.

July 2025 Update: This information is a key component of a property asset management plan that has yet to be prepared. This information gap is acknowledged and been considered as part of the organisation restructure to appropriately resource the data collation, analysis, options, forward programmes and preparation of the AMP. Given the quantum of the task this will be presented to Council early 2026 in preparation for the next Long Term Plan.

04 November 2025 Council Meeting Update: The General Manager Assets and Infrastructure advised that this is part of the asset management planning process and will be ready for the next Annual Plan.

09 December 2025 Council Meeting: The General Manager Assets and Infrastructure, advised that this will be included as part of the asset management plan for property and will be reported once the plan is complete early in the new year.

January 2026 Update: Works is progressing well on the Property assets register and entering data into the INFOR Asset management system.

27 January 2026 Council Meeting: Council requested officers provide a date of when the work will be completed and a report returned to Council.

March 2026 update: A draft asset inventory on land and buildings owned by Council has been prepared and is in the process of review and validation. At a high level Council owns 1,199 land parcels that includes parks and reserve land. The total area of land is 14,920 hectares being 5.46% of the total district land area. Based on the Quotable Value 2025 rating valuation the Land Value is $968.38 million and the Capital Value is $2.441 billion. The asset and condition data is being populated in INFOR asset management system. This system is also used by Waste and 3Waters. The data and analysis will inform the Asset Management Plans development with a draft expected to be completed in May 2026.

31 March 2026 Council Meeting: It was noted that Council has a large land ownership of rateable properties. It was requested that as part of this action, it is identified, which properties are returning an income, and which properties we are not returning an income and expenditure across those assets.

28 April 2026 Council Meeting: The General Manager Assets and Infrastructure provided a verbal update. It was noted that good progress had been made and Council could expect an update report at the 30 June 2026 Council Meeting.

June 2026 Update: A report will be presented to the July meeting. This report was deferred due to higher agenda priorities for the June meeting.

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July 2026 Update: Following the Chief Executives review, further work has been requested before returning to Council with a completed report.

21 July 2026 Council Meeting: The Chief Executive advised a report will be presented to Council in September. It was requested to have this report in time to inform the Long Term Plan; also, a report with an update on the disposal of properties was requested.

14 September 2026 update: The majority of this information will be produced as part of the AMP. No further updates will be provided.

29 September 2026 Council Meeting: The Chief Executive provided an update and advised that this item and the vertical Infrastucture maintenance report will be presented at the 27 October Council Meeting, with a view to keeping the context of the action and operational so the Long Term Plan and Annual Plan drive that rather than ad hoc, including testing with Council how that is done.

October 2026 update: The Chief Executive exercised their right to deffer this report to the next meeting due to the number of items on the agenda.

Information Requested	Chrome Platers Building				
Date Raised:	19 November 2024			**Status:**	In Progress
Issue Owner	General Manager Assets and Infrastructure	**Due Date:**		**Completed Date:**	

Background: Transferred from Infrastructure Committee Actions Register as delegation sits with Commercial and Strategy Committee for matters relating to property.

18 February 2025 Meeting: It was asked that a brief be prepared, and meeting be arranged to be held with the Minister of the South Island/ Rangitata Member of Parliament to bring awareness to the situation and inform them of the history.

March 2025 Update: A meeting has been scheduled with the local MP for the 19 March 2025.

April 2025 Update: The Mayor and GM Property met with local MP James Meager to discuss 2 North Street. We were encouraged to put forward the Stage 4 application in full and ask for 100% funding and it would be supported. We were asked to copy MP James Meager into the response and he will follow it up once it's with MfE. Possibility that the Environmental Regulatory Manager will continue with this project.

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June 2025 Update: Currently in discussion with Ecan around requirements for bore holes and testing. The application was submitted on 13 June and is looking to seek 100% funding from MfE for site remediation.

August 2025 Update: A decision on the funding application is anticipated on 21 August 2025. Not further update.

19 August 2025 Meeting: Councillors requested any updates on the funding application to be circulated once received.

24 November 2025: This action was moved from the previous Commercial and Strategy Committee Action Register to the Council Action Register

09 December 2025: Council Meeting: The General Manager Assets and Infrastructure, advised that the revised proposal was reconsidered, and the decision will be advised at a meeting next week.

January 2026 Update: Further discussions were held between Council Officers and Minstry of Environment Officers to determine a way forward in achieving a cost neutral solution for Council. Further information was requested by the Ministry including a review of the project costs, valuation of the land following remediation and waiver of waste levy and ETS costs by Government. A further meeting has been arranged for end of February 2026.

March 2026 Update: Applications for waste levy and ETS waivers for the disposal of demolition waste have been submitted to Government. Other potential cost reductions are being explored including Environment Canterbury waiving consenting fees and charges.

April 2026 Update: Negotiations with Minstry of Environment and ECan Officers is continuing and making progress. Costs are being reviewed and some reductions have been identified. The waiver of the Waste Levy and ETS charges is a critical cost reduction component.

Update 28 April 2026 Council Meeting: The General Manager Assets and Infrastructure provided a verbal update on the Waste Levy application, it was noted that it was required to be signed off by the minister. It was noted that the ETS required a legislative change, options are being discussed with Ministry for the Environment.

May 2026 Update: Negotiations are continuing with Minsitry of the Environment regarding funding of this project. Costings are being reviewed. A report will be prepared for the June meeting.

June 2026 Update: An update report is on the 30 June agenda.

July 2026 Update: Meeting was held last Friday with consultats contractors and ecan to determine a way forward in regard to full remediation for the site. Costings and metholody are being developed. Workstream to be determined who takes over. AD email, folder called north street.

Aug 2026 Update: Work is progressing following the additional site testing undertaken in early August. The results of this testing have provided further information on the extent and nature of contamination and, as a result, the proposed remediation approach is being refined to ensure the preferred option is

#1595414

appropriate, clear and cost effective. A report is currently on track to be presented to Council in October, outlining the proposed way forward and associated financial implications. Regular liaison meetings are continuing with MCERT as the work progresses.

October 2026 Update: Officers will present a report to Council at its October meeting.

Information Requested	Repayment of Timaru District Council Holdings Limited (TDHL) Loans Report				
Date Raised:	31 March 2026			**Status:**	
Issue Owner	Chief Financial Officer	**Due Date:**		**Completed Date:**	

Background: Councillors requested that Council Officers bring a report to Council to facilitate the repayment of Debt from TDHL for consideration.

April 2026 Update: Officers are currently in the process of finding out what is required. The agreement states that 'The Borrower may prepay the whole of any Advance (or any part thereof) upon giving to the Council not less than 5 Business Days' prior notice in writing'. For TDHL to be able to borrow the funds required, the uncalled capital that TDC provides will need to be increased to cover this. Officers are in the process of finding out how this is to be done.

Update 28 April 2026 Council Meeting: Requested clarification in order to understanding the process and the effect on Council's credit rating. The Chief Financial Officer advised they had been in contact with Fitch Credit Ratings with guidance to come back to Council.

June 2026 Update: The advice received is being collated and a report should be expected to the July 2026 Council Meeting.

July 2026 Update: Further advice is being sought from Audit NZ. Once the advice has been obtained it will be incorporated into the report to return to Council.

August 2026 Update: This matter is being further discussed with Audit NZ when they are on site at the beginning of September for the 2025/26 Audit.

October 2026 Update: The Chief Executive exercised their right to deffer this report to the next meeting due to the number of items on the agenda.

Information Requested	Rangitata Huts Holding Tank				
Date Raised:	28 April 2026			**Status:**	In progress
Issue Owner	GM Assets and Infrastructure	**Due Date:**		**Completed Date:**	

#1595414

Background: During item 8.3 South Rangitata Reserve Management Plan: Receipt of Submissions and Hearings It was raised that Councillors would like to see a report returned to Council regarding the holding tank issues and options and what the associated costs are, including understanding government requirements regarding toilets to then look at funding options.

This will be reported in conjunction with the Rangitata Reserve Management Plan deliberations at the 30 June meeting.

June 2026 Update: This report will be presented following confirmation received on costings and concent requirements.

Aug 2026 update: The report was presented to Council at the 21 July 2021 meeting with the resolution of the Mayor, CE, Cle Michelle Pye and Clr Scott Shannon to take offline and create sub committee to discuss the next steps that need to be taken.
An officer has contacted the campground lessee to get camp site numbers, and the same officer has contacted NZMCA, they have replied wanting more information in regards to what the budget is, where the extra funding is coming from and the actual amount is being asked for. This request has been passed onto the R/Huts Campground working group, currently waiting on the answers from the group before replying to NZCMA.

14 September 2026 Update: A meeting with the Chief Executive, Councillor Scott Shannon and Councillor Michelle Pye is scheduled for 15 September. A further update will follow after the meeting; however, no response has yet been received from the Working Group.

October 2026 update: A meeting has been held, and Councillor Pye will contact the Working Group.

Information Requested	Report on Investment Properties and Land and Buildings following completion of the review				
Date Raised:	26 May 2026			**Status:**	In progress
Issue Owner	Chief Financial Officer	**Due Date:**	September 2026	**Completed Date:**	

Background: During item 9.5 Draft Annal Plan 2026/27. Council requested a report with a high-level overview of investment properties and land and buildings once the review is complete and reclassifications have been made.

June 2026 Update: The review is expected to be completed mid August as it is part of the Annual Report process. Due to report deadlines, officers anticipate this going to the September meeting.

#1595414

September 2026 Update: The review of investment properties and leased land and buildings was completed in September. Officers are in the progess of a cost benefit analysis. This is also on the audit dashboard and a report is expected to be presented to council once the outcome of this item in the audit has been confirmed.
October 2026 Update: The Chief Executive exercised their right to deffer this report to the next meeting due to the number of items on the agenda.

Information Requested	Commence Investigation of Future Options for the Rangitata Huts Settlement beyond the lease expiry of 2033 this triennium.				
Date Raised:	30 June 2026			**Status:**	New
Issue Owner	Acting General Manager Assets and Infrastructure	**Due Date:**		**Completed Date:**	

Background: During item 8.6 South Rangitata Reserve Management Plan - deliberations and adoption. Council requested an action that officers commence a work programme this triennium, with the objective of exploring options for and determining the future of the Rangitata Huts settlement beyond the current final lease expiry of 30 June 2033.

July 2026 update: There has been no progress to regarding the future of the Rangitata Huts beyond the final lease expiry date, but meetings are planned in the near future.

Aug 2026 Update: Officers are aware of the requirement to commence a work programme by October 2028 and the associated delivery timeframes. At this stage, it is recommended that the project remain on the back burner until there is greater clarity around the reform pathway and the potential partnerships with other Councils who may have similar situations or relevant views.

14 September 2026 update: No investigation will be started until after the amalgamation.

October 2026 update: No investigation will be started until after the amalgamation.

Information Requested	Highfield Recreation Area project workshop to revisit the previous workstream.		
Date Raised:	30 June 2026	**Status:**	New

#1595414

Issue Owner	Acting General Manager Assets and Infrastructure	**Due Date:**		**Completed Date:**	
Background: During item 8.11 Council Financial Performance Report to 31 May 2026. Council requested an action that the Highfield Recreation Area project workstream to be revisited through a workshop setting. **Aug 2026 Update**: Workshop has been planned with Council for November. **14 September 2026 Update:** An update will be provided after the November workshop. **October 2026 update:** Due to competing priorities, the Chief Executive has deferred the Highfield Recreation Area project until July 2027.					

#1595414

9.9 Community Funding Subcommittee - Recommendations for Funding

Author: **Naomi Scott, Community Partnership Support Officer**

Authoriser: **Jessica Hurst, Community Partnership Team Leader**

Recommendation

That Council:

1. Receives and notes the Community Funding Subcommittee - Recommendations for Funding report;
2. Approves the Community Funding Subcommittee recommendations as follows:

Community Development

Application No.	Applicant	Project	Amount	Recommendation
Application 1	Meat the Need	Meeting the Need across Timaru District	$10,000.00	Decline
Application 2	South Canterbury Genealogy Society Incorporated	SCGS Online Digital Archive and Military Records Development	$5,000.00	$1,000.00
Application 3	Temuka Menzshed	Securement of funding for rent for our premise	$5,000.00	$1,000.00
Application 4	Southern Cancer Society Trust	A Contribution to our Cancer Support Programme	$15,000.00	Decline
Application 5	Addiction Mental Health Support Incorporated (AMPSS101)	Annual Rent	$24,150.00	$2,000.00
Application 6	Family Mental Health Support Incorporated	Energy Efficient Project	$26,657.46	Decline

	Application 7	Connections Community Trust	Together – Coordinator Salary	$30,000.00	Decline
	Application 8	Stopping Violence South Canterbury	Timaru District and Youth Violence Prevention Services	$7,000.00	$2,000.00
	Application 9	Geraldine Historical Society	Administration support for Insurance Costs	$8,000.00	Refer Geraldine Community Board
	Application 10	Volunteering Mid & South Canterbury	Volunteering Mid & South Canterbury Timaru Office rental for 12months	$5,059.00	$2,500.00
	Application 11	Presbyterian Support Services South Canterbury Incorporated	Hornsey Home Development	$30,000.00	Decline
	Application 12	The Royal New Zealand Society for the Prevention of Cruelty to Animals Incorporated	Annual Support and Outreach Programme	$5,000.00	Decline
	Application 13	St John	Hato Hone St John Timaru Shuttle Running Costs	$10,000.00	$5,000.00
	Application 14	Momentum Charitable Trust	Life and Financial Skills Programmes Supporting Reintegration for Timaru Residents	$7,020.00	Decline
	Application 15	Family Support South Canterbury	Parenting Programme	$19,996.92	$3,000.00
	Application 16	The Brain Injury Association	Education & Outreach Programme 2026-2027	$2,144.00	Decline

Application 17	Plunket	Plunket Timaru Community Services	$5,000.00	$2,000.00
			$215,026.92	**$18,500.00**

Community Local Events

Application No.	Applicant	Event	Amount	Recommendation
Application 18	Canterbury Club Incorporated	Timaru Triathlon Festival	$5,000.00	$3,000.00
Application 19	South Canterbury Returned & Services' Association	ANZAC Day 2027	$6,230.32	$6,230.32
Application 20	Southern Cancer Society Trust	Timaru Relay for Life 2027	$10,000.00	$2,000.00
Application 21	Multicultural Aoraki	Cultural Dinner Series	$10,000.00	Decline
Application 22	The Y Central South Island	2027 Youth Impact Awards	$5,000.00	Decline
Application 23	South Canterbury Museum Development Trust	Retro Rock at the Museum	$3,990.00	$2,000.00
Application 24	Pleasant Point Gymkhana Committee	Get to the Point	$6,140.00	$2,000.00
Application 25	Pleasant Point Gymkhana Committee	Allan Scott Speed Shear & 80th Celebration	$7,908.00	$2,000.00
Application 26	The Y Central South Island	The Y 2027 Mud Run	$5,000.00	$2,500.00
Application 27	Lions Club of Geraldine	Geraldine Multi Challenge	$2,000.00	$2,000.00
Application 28	Pleasant Point Christmas Procession Committee	Pleasant Point Christmas Procession	$1,000.00	$1,000.00
Application 29	Pasifika o Aorkai Services	Pacific Champions	$8,257.34	Decline

	Application 30	National Wetlands Trust of New Zealand	Symposium 2027 – Timaru	$10,000.00	$2,000.00
	Application 31	Timaru Christmas Parade Trust	Timaru Santa Parade	$5,112.00	$5,112.00
	Application 32	Creative Corner	Charity Ball Fundraiser	$5,000.00	Decline
	Application 33	Geraldine & Promotions Associations	Geraldine Christmas Santa Parade 2026	$2,250.00	$2,250.00
				$92,327.66	**$32,092.32**

Purpose of Report

1 To present recommendations from the Community Funding Subcommittee Meeting held on 6 October 2026, for Council to consider for approval.

Assessment of Significance

2 This matter is deemed to be of low significance under the Council's Significance and Engagement Policy. The allocation of funds is consistent with the existing Community Funding Policy and LTP approved funding allocation. There are no material effects on strategic assets, levels of service or rates. Officers note the allocation of funds is important to the community groups and organisations making applications.

Options and Preferred Option

3 Option 1: Approve all the sub-committee recommendations as per the below Table 1, *Applications from Community Funding Subcommittee Meeting 6 October 2026*. This is the preferred option.

4 Option 2: – Decline some or all of the recommendations, citing the reasons for the changes; with altered, reduced or no grants paid.

Consultation

5 No consultation is required on this matter as it is the allocation of funds pursuant to Council's current Community Funding Policy and according to the funding programme as rated for through the Long-Term Plan.

Relevant Legislation, Council Policy and Plans

6 The Timaru District Councils' Community Funding Policy, and the Long-Term Plan 2024-34.

Financial and Funding Implications

7 The funding is allocated in the Annual Plan and is within current budgets.

Other Considerations

8 There are no other considerations.

Attachments

Nil

9.10 Gambling Venue Policy - deliberations and adoption

Author: **Brendan Madley, Senior Policy Advisor**

Authoriser: **Paul Cooper, General Manager Regulatory Development and Growth**

Recommendation

That Council:

1. Receives and notes the report "Gambling Venue Policy – deliberations and adoption";
2. Adopts the Gambling Venue Policy, either as approved for consultation or with amendments as deemed appropriate; and
3. Authorises officers to lodge the approved policy with the Department of Internal Affairs.

Purpose of Report

1 The purpose of this report is for Council to:

1.1 Deliberate on the written and oral submissions received on the draft Gambling Venue Policy, and;

1.2 Adopt the policy (with or without amendments), **OR**

1.3 If additional analysis is deemed necessary, provide direction to prepare a final draft policy for adoption at a later Council meeting.

Assessment of Significance

2 The Gambling Venue Policy is assessed as being of high significance for gambling venues, gambling licence holders, public health and problem gambling organisations and iwi.

3 Separately, there is deemed to be a low-to-medium degree of public interest in gambling matters.

Background

4 The Gambling Act 2003 (the Act) requires territorial authorities to have a policy on Class 4 Gambling – commonly known as "pokie machines" – and reviewed every three years. The Racing Industry Act 2020 requires territorial authorities to have a policy on TAB venues. For convenience, this policy is combined with the Gambling Venue Policy.

5 The purpose of the Gambling Act 2003 is outlined in section 3, as below:

6

3 Purpose

The purpose of this Act is to—

(a) control the growth of gambling; and

(b) prevent and minimise harm from gambling, including problem gambling; and

(c) authorise some gambling and prohibit the rest; and

(d) facilitate responsible gambling; and

(e) ensure the integrity and fairness of games; and

(f) limit opportunities for crime or dishonesty associated with gambling and the conduct of gambling; and

(g) ensure that money from gambling benefits the community; and

(h) facilitate community involvement in decisions about the provision of gambling.

Section 101 of the Gambling Act 2003 states that the territorial authority must have regard to the social impact of gambling within the district when adopting a policy, and the content that the policy must contain.

101 Territorial authority must adopt class 4 venue policy

(1) A territorial authority must, within 6 months after the commencement of this section, adopt a policy on class 4 venues.

(2) In adopting a policy, the territorial authority must have regard to the social impact of gambling within the territorial authority district.

(3) The policy—

(a) must specify whether or not class 4 venues may be established in the territorial authority district and, if so, where they may be located; and

(b) may specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue; and

(c) may include a relocation policy.

7 At Council's discretion, the policy helps to give effect to any local views, concerns and aspirations in relation to class 4 gambling and TAB gambling.

8 As part of the initial review process, officers undertook pre-engagement with identified stakeholders and prepared a Social Impact Assessment update (SIA) on Class 4 Gambling in the Timaru District. The SIA sought to update the full, independently developed SIA for the previous review (2022). The updated SIA is attached (located at Attachment One) for your reference.

9 As a summary, the updated SIA indicates that over the 2022-25 period:

9.1 The number of Class 4 gambling venues and machines continue to decline at rates similar to New Zealand overall, in percentage terms.

9.2 Class 4 gambling expenditure is declining in the Timaru District on an inflation-adjusted basis.

9.3 Problem gambling rates remain stable and low relative to New Zealand averages, based on statistics of those accessing problem gambling assistance services.

9.4 Online gambling (outside the scope of this policy) is increasing in popularity and annual expenditure, and is associated with greater rates of problem gambling harm than pokie machines.

9.5 The decrease in the number of venues, machines and gambling expenditure (in inflation-adjusted terms) over this three-year period reflects a longer-term trend.

10 It is noted that the number of Class 4 gambling venues and machines has subsequently increased since the date of writing of the updated SIA, due to The Bunker gaining approval to

install machines. These details are not yet reflected in the latest Department of Internal Affairs (DIA) statistics.

11 At the Council meeting on 31 March 2026, Council considered the draft Gambling Venue Policy and a Statement of Proposal, to enable public engagement under the Special Consultative Procedure (SCP). Most notably, Council proposed to consult on increasing the maximum number of class 4 machines permitted in new or existing venues from seven (as per the current policy) to nine (the legal maximum as per the Act). This increase would have relatively limited practical consequences; at the time of that meeting, two venues within the district had fewer than nine machines.

12 The Statement of Proposal is attached for reference (located at Attachment Two), and includes the draft policy as approved for consultation.

13 The Mayor approved the consultation material under delegated authority on 22 July 2026. Consultation was undertaken between 3 August and 7 September 2026, in line with legislative requirements. Council received the submissions at the September 2026 Council meeting. A Hearing was held at the same meeting.

14 Refer to the report "Gambling Venue Policy – Receipt of submissions and Hearing" in the September 2026 Council agenda for more information and to view all submissions[1].

Discussion

Submission summary

15 13 submissions were received during the consultation period.

16 Of these, two submissions were made in a personal capacity and 11 were made on behalf of an organisation.

17 Officers deem that:

17.1 Seven submitters supported the draft policy and generally sought more permissive settings than the status quo; most notably in increasing the permitted machines per venue to be nine, in line with the legal maximum.

17.2 Five submitters did not support the draft policy and generally sought more restrictive settings; most notably a decrease in the number of permitted machines per venue or the introduction of a sinking lid or cap approach.

17.3 One submission sought the retention of the status quo/ current policy (including the current maximum number of machines) and argued against the imposition of a sinking lid.

18 Given the multi-faceted nature of the policy and that not all submitters directly addressed the question "do you support the draft policy as presented?", some degree of officer interpretation has been required.

Submission themes

19 The consultation generated two clear and competing perspectives: a public health and harm minimisation view seeking stronger restrictions (a more restrictive policy relative to the draft

[1] https://www.timaru.govt.nz/__data/assets/pdf_file/0004/1168186/Council-AGENDA-29.09.2026.pdf

or status quo), and a community funding and hospitality sector view supporting the draft policy and increased machine limits (a more permissive policy relative to the status quo).

20 A majority of organisational submitters supported the draft policy either fully or substantially.

21 Their key arguments were:

21.1 Increasing the machine cap from seven to nine aligns with the national maximum permitted under the Gambling Act and is a modest change with limited practical impact.

21.2 Gaming machine numbers and venues in Timaru have been declining over time, while gambling expenditure has generally reduced in real terms, suggesting no evidence of uncontrolled growth.

21.3 Additional machines improve venue viability and efficiency by spreading fixed compliance and operating costs across more machines, potentially increasing funds available for community grants.

21.4 Gambling proceeds provide significant funding for sport, recreation, health, community facilities and charitable organisations throughout South Canterbury. Submitters cited concerns that more restrictive policies could reduce funding, increase participation costs and negatively affect community organisations.

21.5 Several submitters argued there is little evidence that reducing machine numbers or introducing sinking lid policies directly reduces gambling harm, while noting growing risks from online gambling, which they argued receives less regulation and returns little or no community benefit locally.

22 Common requests from this group included adopting the nine-machine cap, retaining the open venue policy, keeping flexible relocation provisions, updating zoning references, and maintaining existing TAB exemptions.

23 Opposing submitters were received from the National Public Health Service, a multi-agency working group on gambling harm, and two individual submissions from members of the community.

24 Their key concerns focused on:

24.1 Gambling harm as a significant public health issue affecting individuals, whānau and communities through financial hardship, relationship breakdown, mental health issues, family violence and broader social impacts.

24.2 The concentration of gambling venues and machines in high-deprivation communities, with concern that vulnerable populations bear a disproportionate share of gambling losses.

24.3 The view that community grant benefits do not outweigh the social and economic costs of gambling harm, particularly where only a portion of gambling losses are returned directly to local communities.

24.4 Concerns that existing gambling harm statistics underrepresent the true burden because many impacts are experienced through debt, food insecurity, addiction, family violence and other social issues rather than specialist treatment services.

25 This group generally sought rejection of the proposed increase to nine machines, preferably the adoption of a sinking lid policy or, failing that, retention of the seven-machine cap (the status quo), tighter relocation controls, stronger monitoring of gambling harm, broader

engagement with health and community organisations, expansion of sensitive-site protections, and improved reporting of the relationship between gambling losses and community benefit.

26 In summary**,** across all submissions, the central tension was between preserving community funding and hospitality sector sustainability on one hand, and reducing gambling-related harm and claimed inequitable impacts on vulnerable communities on the other.

Other

27 There appears to be increasing agreement that the Act is out of date and in need of reform. The introduction of a wider variety of gambling options since the passing of the legislation 19 years ago, such as the internet, has meant that the regulatory mechanisms in the Act can be seen as being less effective over time.

28 The recent introduction of legislation to permit online gambling will further disrupt the class 4 gambling sector.

29 The introduction of formal indicators and a monitoring framework in the policy would enable the impact of any policy amendments to be more effectively tracked and understood, than would otherwise be the case.

Options and Preferred Option

30 **Option One: Adopt the draft Gambling Venue Policy as approved for consultation.**

31 Council may adopt the draft Gambling Venue Policy if, after consideration of the written and oral submissions, it believes that the proposed policy is appropriate.

32 **Option Two: Amend the draft Gambling Venue Policy prior to adoption at this meeting.**

33 Council may determine, after consideration of the written and oral submissions, that the proposed Gambling Venue Policy that was consulted on requires amendment prior to its adoption. In weighing whether the policy should be amended, Council's consideration is broadly whether the proposed policy is too restrictive or too permissive, and should it therefore be rebalanced one way or the other.

34 The advantages and disadvantages of this option, in respect to its effect on gambling harm, will be determined by the amendments that Council determines to make.

35 A summary of alternative policy options is located earlier in this report and on pages 14 and 15 of the Statement of Proposal.

36 **Option Three: Provide direction and requests for additional information; return for adoption at a later meeting.**

37 Council may believe that they require additional analysis and information before making a decision.

38 In this event, it is recommended that Councillors provide officers with direction on intended outcomes and information sought, and that this item is considered at a future meeting.

No preferred option

39 Officers present no preferred option because all substantive options and possible policy amendments are valid.

40 Some of the multitude of legislative purposes of the policy can be seen as being in tension with each other. Which purposes are worthy of prioritising and the degree of gambling harm

directly related to class 4 or TAB gambling that is deemed tolerable within the district, is at the discretion of elected members.

41 For whichever policy it resolves to adopt, Council must satisfy itself that it accurately reflects its intentions to comply with the legislative purposes of the Act.

42 As a general comment, a desire to prioritise minimising gambling harm would more likely lead to more restrictive settings, such as the introduction of a sinking lid. Conversely, a desire to prioritise the quantum of community funding or enable free-market activities would more likely lead to more permissive settings, such as those stated in the draft policy. The current policy was historically deemed to be more of a compromise position.

43 Elected members may wish to consider the following questions when deciding whether to approve the draft policy or make amendments.

43.1 What outcome/s do you want the policy to prioritise achieving? (refer to the legislative purpose of the policy at point 5 of this report)

43.2 How do you perceive any trade-off between class 4 machine activity in the District and community funding?

43.3 What positive and negative consequences and unintended consequences (if any) do you perceive from modifying the current policy?

43.4 How does out-of-scope gambling activities (such as online gambling) impact your view of the policy?

Consultation

44 As referenced earlier in this report, consultation has occurred in accordance with legislative requirements.

45 The consultation process has allowed identified stakeholders and the public the opportunity to participate in the review process, and ensured that elected member decision making is informed by their views.

Relevant Legislation, Council Policy and Plans

46 Gambling Act 2003: Requires Council to adopt a policy on Class 4 gambling venues, specifying whether new venues may be established in the District, and if so, where they may be located. The Act also specifies review timeframes and the use of the SCP when amending or replacing the policy.

47 Racing Industry Act 2020: Requires Council to adopt a policy on TAB venues, specifying whether or not new venues may be established in the District, and if so, where they may be located. The Act also specifies review timeframes and the use of the SCP when amending or replacing the policy.

48 Local Government Act 2002: Outlines consultation principles under Section 82 and requirements for use of a SCP where required for other purposes under Section 83 and 87.

Financial and Funding Implications

49 The costs of the policy review (including consultation and implementation of the policy) have been funded from existing budgets. Depending on the outcomes of the Council decision, it is anticipated that there will not be any funding consequences that cannot be met from existing budgets.

Other Considerations

50 Council is required to lodge the approved policy with the DIA.

Attachments

1. **Updated Social Impact Assessment for Gambling Venue Policy - 2026 review**
2. **Gambling Venue Policy Statement of Proposal - 2026 review**

Social Impact Assessment update

Gambling Venue Policy

March 2026

Introduction

This document has been prepared to help inform decision making on the 2026 review of the Gambling Venue Policy.

It is intended to update key aspects of the more extensive Social Impact Assessment (SIA) undertaken during the 2022 policy review[1] and focus on changes in the intervening period.

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Gambling Activities and Types in New Zealand

The Gambling Act 2003 (the Act) regulates gambling activities in New Zealand. Many types of gambling are classified as classes 1 through 4, based on the amount spent and risk of problem gambling.

Council is required to have a policy on Class 4 gambling, which the DIA states: "represents high-risk, high-turnover gambling"[2] (relative to class 1 gambling, for example). The operation of Class 4 gambling is strictly regulated, including regulatory oversight and harm minimisation requirements. They are only permitted to be operated by corporate societies and generate funds for authorised purposes.

Other common types of gambling are treated outside of these classifications, such as casinos and NZ Lotto.

[1] Available here: https://www.timaru.govt.nz/__data/assets/pdf_file/0009/681804/Social-Impacts-of-Class-4-Gambling-in-Timaru-District-Final.pdf

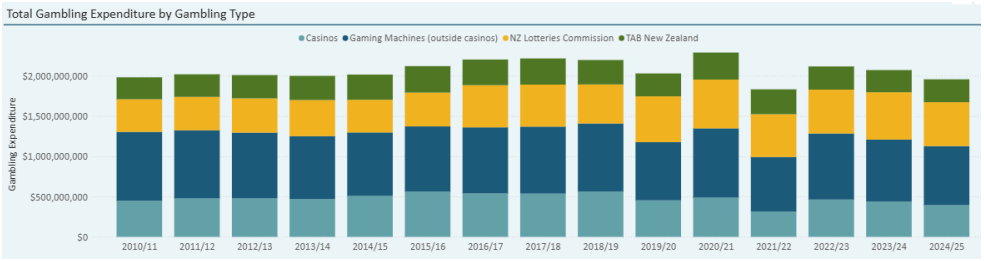
[2] Refer https://www.dia.govt.nz/diawebsite.nsf/wpg_URL/Services-Casino-and-Non-Casino-Gaming-Classes-of-Gambling

The expenditure per Gambling Type for the period 2010/11 through 2024/25 is shown below[3].

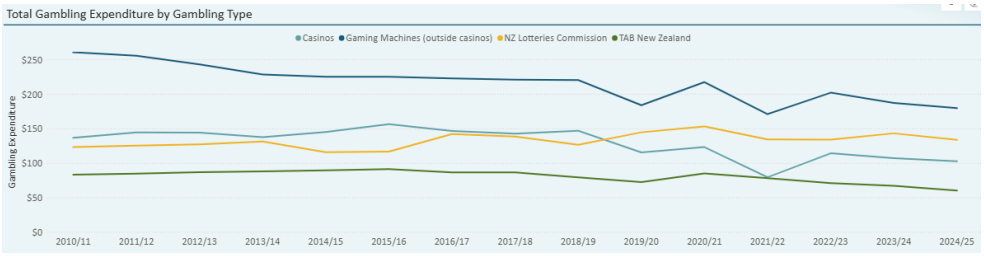
Note: expenditure = "the gross amount wagered by gamblers, less the amount paid out or credited in prizes or dividends"[4]

Note: inflation adjusted values derive from a 2011 base.

Inflation adjusted



Population (adult 18+) and inflation adjusted



This SIA is most interested in Gaming Machines (outside casinos) and TAB expenditure. As a comparison, in 2010/11 there was an expenditure of $261 per adult on gaming machines (outside casinos) and $83 per adult on the TAB. In 2024/25, this was $180 per adult and $60 per adult respectively, adjusted for inflation.

The following breaks this down more clearly for Gaming Machines (outside casinos) and TAB expenditure[5].

[3] https://catalogue.data.govt.nz/dataset/gambling-expenditure-statistics/resource/3a1b430e-7e1f-445e-91af-db33279214fc

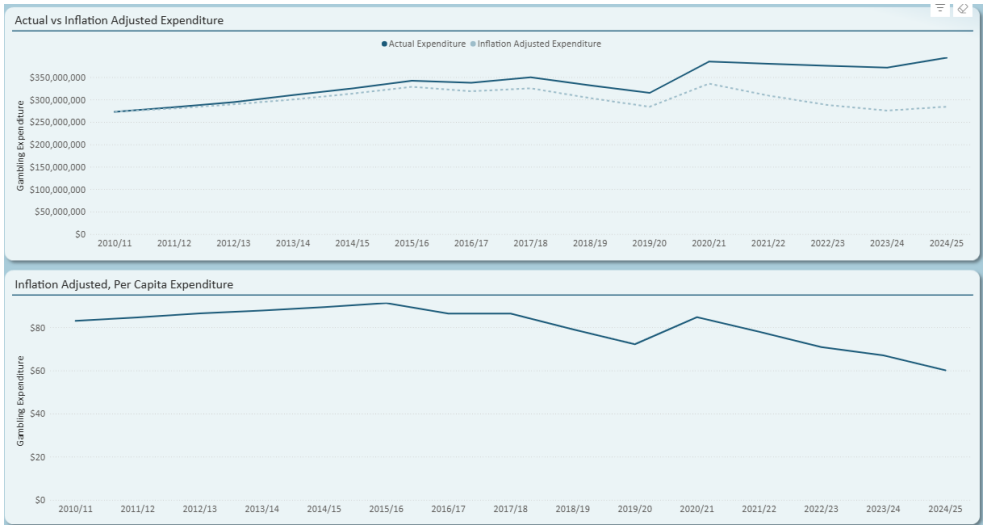
[4] https://catalogue.data.govt.nz/dataset/gambling-expenditure-statistics/resource/3a1b430e-7e1f-445e-91af-db33279214fc

[5] https://catalogue.data.govt.nz/dataset/gambling-expenditure-statistics/resource/3a1b430e-7e1f-445e-91af-db33279214fc

Gaming machines (outside casinos)



TAB



Online casino gambling is currently (at the time of writing) not regulated in New Zealand. It is legal to gamble on off-shore-based websites, however these cannot be advertised in New Zealand, and protections and guarantees are not available under New Zealand law. It is also illegal to gamble on New Zealand-based websites, except for NZ Lotto and the TAB. It is estimated that New Zealanders currently spend

approximately $700 million per annum on online gambling[6], additional to the figures spent on other gambling types shown above. The government is currently developing legislation to regulate online gambling[7], which is expected to be introduced to Parliament in 2026.

Venues and machines in the Timaru District[8]

Class 4 Gambling

Venue name	Society name[9]	# of machines 2019	# of machines 2021	# of machines 2025 (December)	Change 2021-2025
Ascot Sportshouse and Eatery Timaru	New Zealand Community Trust	7	7	7	0
Crown Hotel Temuka	Trust Aoraki Limited	18	18	15	-3
Crown Hotel & Pub Geraldine	Pub Charity Limited	9	9	10	+1
Empire Hotel Temuka	Pub Charity Limited	7	10	10	0
Grosvenor Hotel Timaru	Pub Charity Limited	18	18	18	0
Old Bank Café and Bar Timaru	Trust Aoraki Limited	18	18	18	0

[6] https://insight.thomsonreuters.co.nz/legal/posts/nz-online-casino-gambling-bill#:~:text=New%20Zealanders%20spend%20approximately%20%24700,reach%20of%20New%20Zealand's%20regulator

[7] Refer https://www.dia.govt.nz/Online-Casino-Gambling

[8] Data was correct at the time of writing (March 2026) based on the latest available data from December 2025. The data remained correct as at the consultation start date. This data does not include a potential additional pokie machine venue: Council provided TLA consent to apply for a licence to an application at its 21 July 2026 meeting. As at the consultation start date, Council understands that the applicant has yet to lodge the application with the DIA.

[9] Refer https://www.dia.govt.nz/Services-Casino-and-Non-Casino-Gaming-List-of-Society-Websites

Pleasant Point Hotel	Trust Aoraki Limited	5	5	5	0
Richard Pearse Tavern Timaru	Pub Charity Limited	18	18	18	0
Schnitz & Co Timaru (formerly Armadillos)[10]	Pub Charity Limited	14	15	14	-1
Temuka Hotel	Trust Aoraki Limited	14	14	14	0
Timaru Town & Country Club	Timaru Town & Country Club Inc	18	18	18	0
Timaru South Cosmopolitan Club	Timaru South Cosmopolitan Club	7	7	0	-7
Village Inn Geraldine	Aotearoa Gaming Trust	9	9	9	0
MACHINE TOTAL	**-**	**162**	**166**	**156**	**-10**

2021 and 2019 data is as per the 2022 Social Impact Assessment. December 2025 data is as per the DIA website[11]

The number of Class 4 gambling venues has decreased by 1 (from 13 to 12) since 2021 with the closure of the Timaru South Cosmopolitan Club in 2025. Council is not aware of any interest for a new venue to open or from other venues to increase their number of machines, to fill this gap. This may suggest that users of Class 4 gambling machines feel that their demand can be met with the existing number of venues and machines.

The number of Class 4 gambling machines has remained relatively stable since 2019. They have decreased by six over the 2019-2025 period, and by 10 since the 2021. In

[10] At the time of writing (March 2026), the venue was closed but retained a class 4 licence. As at the consultation start date Council understands that a new venue (District Bar & Kitchen) will replace it, with a transferred class 4 licence.

[11] https://www.dia.govt.nz/gambling-statistics-historical-data-venues-machine-numbers

other words, there is now one machine per 222 Timaru District residents (18+ population, using 2023 Census data) compared with one machine per 209 residents at the time of the previous review.

In percentage terms the decrease in venues and machines in the Timaru District closely corresponds to New Zealand's as a whole, as shown by the following two tables[12].

Timaru District

Venues and EGMs

	Venues		EGMs	
Sep-2022	13		166	
Sep-2025	12		156	
Δ	-1	-7.7%	-10	-6.0%

New Zealand

Venues and EGMs

	Venues		EGMs	
Sep-2022	1,038		14,672	
Sep-2025	959		13,772	
Δ	-79	-7.6%	-900	-6.1%

This is a continuation of the long term trend of decreasing numbers of Class 4 Gambling venues and machines, as noted in the 2022 SIA at page 3.

TAB

TAB data is not as readily available as Class 4 Gambling data.

Council understands that there are currently no TAB facilities in the Timaru District that meet the definition of a TAB venue stated in the Racing Industry Act 2020: "premises owned or leased by TAB NZ and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services under this Act"[13]. Existing TAB facilities such as terminals attached to other premises do not meet this definition and are outside the scope of this policy.

12 https://app.powerbi.com/view?r=eyJrIjoiNTk3MDRiZGUtZWUyZS00YTIxLTk1YTMtOGRlNzY2ZmY0ODI5IiwidCI6ImY2NTljYTVjLWZjNDctNGU5Ni1iMjRkLTE0Yzk1ZGYxM2FjYiJ9

13 Refer s 5 https://www.legislation.govt.nz/act/public/2020/28/en/latest/#LMS292041

The 2022 SIA stated that there were no TAB venues in the district at that time.

At the time of writing, Council has not received a reply from the TAB to confirm or clarify this understanding.

Class 4 Gambling and TAB expenditure

How much do people "spend" on Class 4 Gambling and the TAB? The most common measurement for this for Class 4 Gambling is called Gaming Machine Proceeds (or Profit; GMP) representing the turnover of a machine minus prizes and jackpots (and allowing for any adjustments)[14]. This can be considered on a "per head" basis (for the population aged 18+).

As of the last policy review in 2022, the GMP per head across the Canterbury local authorities was as shown below.

District	Population 18+	GMP year end Sep 22	Loss per head
Mackenzie District	3,765	$1,145,482.51	$304.25
Timaru District	34,707	$10,480,880.29	$301.98
Christchurch City	286,896	$86,520,072.68	$301.57
Ashburton District	24,276	$6,971,644.70	$287.18
Canterbury average	489,021	$127,016,050.70	$259.74
New Zealand average	4,000,000	$923,168,832.48	$230.79
Waitaki District	17,373	$3,901,725.61	$224.59
Hurunui District (includes Kaikoura District)	13,389	$2,667,955.44	$199.26
Waimakariri District	48,627	$9,380,784.28	$192.91
Waimate District	6,099	$639,137.71	$104.79
Selwyn District	53,889	$5,271,606.07	$97.82
Population = 2023 census; NZ value estimated			
Figures are nominal			

As of this review (latest data available at the time of writing), the GMP per head across the Canterbury local authorities is as shown below.

[14] https://www.dia.govt.nz/Gambling-territorial-authorities-glossary

District	Population 18+	GMP year end Sep 25	2025 Loss per head
Christchurch City	286,896	$97,562,300.94	$340.06
Timaru District	34,707	$10,748,305.78	$309.69
Mackenzie District	3,765	$1,148,559.15	$305.06
Ashburton District	24,276	$7,046,836.24	$290.28
Canterbury average	489,021	$140,955,377.53	$288.24
New Zealand average	4,000,000	$1,018,821,336.34	$254.71
Hurunui District (includes Kaikoura District)	13,389	$3,147,063.80	$235.05
Waitaki District	17,373	$4,051,135.74	$233.19
Waimakariri District	48,627	$10,287,661.55	$211.56
Selwyn District	53,889	$6,260,759.29	$116.18
Waimate District	6,099	$702,755.04	$115.22
Population = 2023 census; NZ value estimated			
Figures are nominal			

This highlights that in nominal terms, Timaru District remains second in Canterbury for GMP per head. However, when inflation across these three years in taken into account, it shows that in real terms, GMP per head in the Timaru District has been declined at the third highest rate in Canterbury.

District	Population 18+	2022 Loss per head	2025 Loss per head	Inflation adjusted	Difference
Mackenzie District	3,765	$304.25	$305.06	$338.37	-$33.31
Ashburton District	24,276	$287.18	$290.28	$319.38	-$29.10
Timaru District	34,707	$301.98	$309.69	$335.84	-$26.15
Waitaki District	17,373	$224.59	$233.19	$249.78	-$16.59
Waimakariri District	48,627	$192.91	$211.56	$214.54	-$2.98
New Zealand average	4,000,000	$230.79	$254.71	$256.67	-$1.96
Waimate District	6,099	$104.79	$115.22	$116.54	-$1.32
Canterbury average	489,021	$259.74	$288.24	$288.87	-$0.63
Christchurch City	286,896	$301.57	$340.06	$335.39	$4.67
Selwyn District	53,889	$97.82	$116.18	$108.79	$7.39
Hurunui District (includes Kaikoura District)	13,389	$199.26	$235.05	$221.61	$13.44
Population = 2023 census; NZ value estimated					

Note: the "inflation adjusted" column is the expected loss per head if spending had adjusted equally with inflation. "Loss per head" figures sourced from the DIA's GMP Dashboard[15]. Inflation adjusted values have been determined using the RBNZ inflation calculator[16] comparing general CPI for Q3 2022 with Q3 2025. The New Zealand population value has been estimated for all calculations.

There are important caveats to these findings which impacts the confidence with which they can be held (but does not necessarily disprove the findings), as the data is not perfectly suitable for our needs. Officers consider that they are strongly illustrative.

The first is that Class 4 gambling venues and machines are used by *both* Timaru District residents and visitors to the district, as is the case for all venues and machines in New Zealand. The GMP is, in reality, spread out over a greater number than the usual

[15] https://catalogue.data.govt.nz/dataset/gaming-machine-profits-gmp-dashboard

[16] https://www.rbnz.govt.nz/monetary-policy/about-monetary-policy/inflation-calculator

population, including domestic and international visitors. This makes it more difficult to accurately assess exactly *who* is impacted by Class 4 gambling (both individual positive aspects such as entertainment, and individual negative aspects such as financial loss).

Using Christchurch City as an example to illustrate this given they have the highest GMP in Canterbury, is it likely that Christchurch City residents are more disposed to Class 4 Gambling as a whole relative to the rest of Canterbury? Their city has more gambling infrastructure in general (such as a casino) which may create a larger gambling culture. However, it is considered more likely that the higher GMP is more significantly caused by Christchurch's status as the main city in the South Island, with an accompanying international airport and port attracting international visitors. The Class 4 Gambling spend of visitors is apportioned to the Christchurch City population as it cannot be meaningfully measured to factor into this analysis.

It is argued that a similar effect is likely occurring in the Mackenzie District (as a tourist hotspot attracting visits and spend from non-residents) and the Timaru District (given the presence of the port and as a service centre for a large rural area outside of the district).

The second caveat to the above is in regard to changes in the population. The population will have changed in the 2022-25 period, but the dataset above does not account for these; instead 2023 census data have been used for both the September 2022 and September 2025 datasets.

This is because the census data makes the 18+ population (i.e. the gambling population) by local authority publicly available, whereas the population estimates in non-census years do not. The population estimates in non-census years are only publicly available as the 15+ population. This is not as suitable for our purposes because 15 – 17 year olds are not legally allowed to gamble, i.e. the gambling population would be artificially enlarged. The recently announced changes to the census should – we understand – allow for 18+ population data to be more readily and publicly available in the future.

New Zealand's population is not growing uniformly, so – similar to the 15+ population groups – an average national population change cannot be easily applied to local authorities in a way that will create greater confidence in the overall finding. Christchurch City's growth (at approximately 8% for the 15+ population over the 2022-25 period based on population estimates) is far greater than Timaru's (at 2% for the same period and demographic), for example.

As a separate point, there can be confidence that the GMP per head is decreasing on an inflation-adjusted basis regardless of what may be occurring on a per capita basis.

DIA's GMP Dashboard[17] figures show that, in the last three years:

- New Zealand's total GMP (not per head) decreased 2.07% on an inflation adjusted basis from September 2022 to September 2025.

	Nominal	Inflation-adjusted
Sep-2022	$915,303,649.20	$772,007,804.14
Sep-2025	$1,010,890,260.51	$756,026,448.86

- The Timaru District's total GMP (not per head) decreased 9.26% on an inflation adjusted basis over the same period.

	Nominal	Inflation-adjusted
Sep-2022	$10,480,880.29	$8,861,396.88
Sep-2025	$10,748,305.78	$8,041,090.49

Given that the 18+ population will have increased (but at different rates) for both New Zealand and the Timaru District over this period, the GMP per capita must have also decreased.

Note: the DIA use 2015 as the base for inflation adjusted values.

This is a continuation of longer term trends.

TAB

The GMP per head equivalents are not available for TAB venues.

Funds returned to community

New Zealand's gambling legislative framework ensures that proceeds are returned to the community. A minimum of 40% of profits are required to be issued as grants[18].

This data can be explored at www.granted.govt.nz. Recipients often include local sports clubs, health services and cultural initiatives.

[17] https://catalogue.data.govt.nz/dataset/gaming-machine-profits-gmp-dashboard

[18] https://granted.govt.nz/apply

New Zealand

Year	GMP	Returned	%
2020	$705,180,182.00	$281,366,893.00	39.9
2021	$746,779,473.00	$300,205,348.00	40.2
2022	$882,245,073.00	$366,862,237.00	41.6
2023	$917,735,661.00	$398,751,581.00	43.4
2024	$889,681,376.00	$386,076,106.00	43.4
2025	$849,411,557.00	$364,469,063.00	42.9

Timaru District

	GMP	Returned	%
2019	$9,775,761.51	$2,715,833.00	27.8
2020	$8,711,565.51	$2,460,481.00	28.2
2021	$10,150,461.17	$3,169,086.00	31.2
2022	$10,843,662.93	$3,260,367.00	30.1
2023	$11,185,031.08	$4,111,040.00	36.8
2024*	$11,002,172.30	$3,526,812.37	32.1

* the 2024 returned figure has been updated since the 17 February 2026 Council workshop to what Council understands the correct value to be. As of the time of writing, the granted.govt.nz website utilises the older, incorrect figure. 2024 is the latest data available.

The figures likely understate the exact return to community because it may not include grants awarded to a national organisation which is then passed onto their Timaru District based sub-entity.

As stated in the 2022 SIA[19], "expenditure spent on gambling in the district does not necessarily equate with the value of grants to charitable organisations within the district. This is partly because there is no requirement for funding to be granted to organisations within the area in which it was received, and because proceeds from gambling expenditure in chartered clubs is directed toward benefiting club members rather than being distributed as community grants."

There has been concern that online gambling proceeds are not returned to the community. The proposed online gambling legislation includes a provision for funding to be returned to community organisations (potentially at 4% of gross revenue), and to undertake a review of the impact on Class 4 gambling revenues after two years to better understand the new legislation's impact on its revenue.

[19] p 10

Class 4 gambling and socio-economic deprivation

S 102(5B) of the Act states that Council is required to consider the social impact of gambling in "high-deprivation" communities within the district when making decisions on a relocation policy.

Venues often remain in locations for extended periods, and the composition of the surrounding community (and its deprivation index) can change over this time.

The only venue change since the 2022 review relates to the closure of the Timaru South Cosmopolitan Club. The Club was located in a decile 8 area in the 2025 deprivation index. In the 2018 deprivation index the same area was a decile 9.

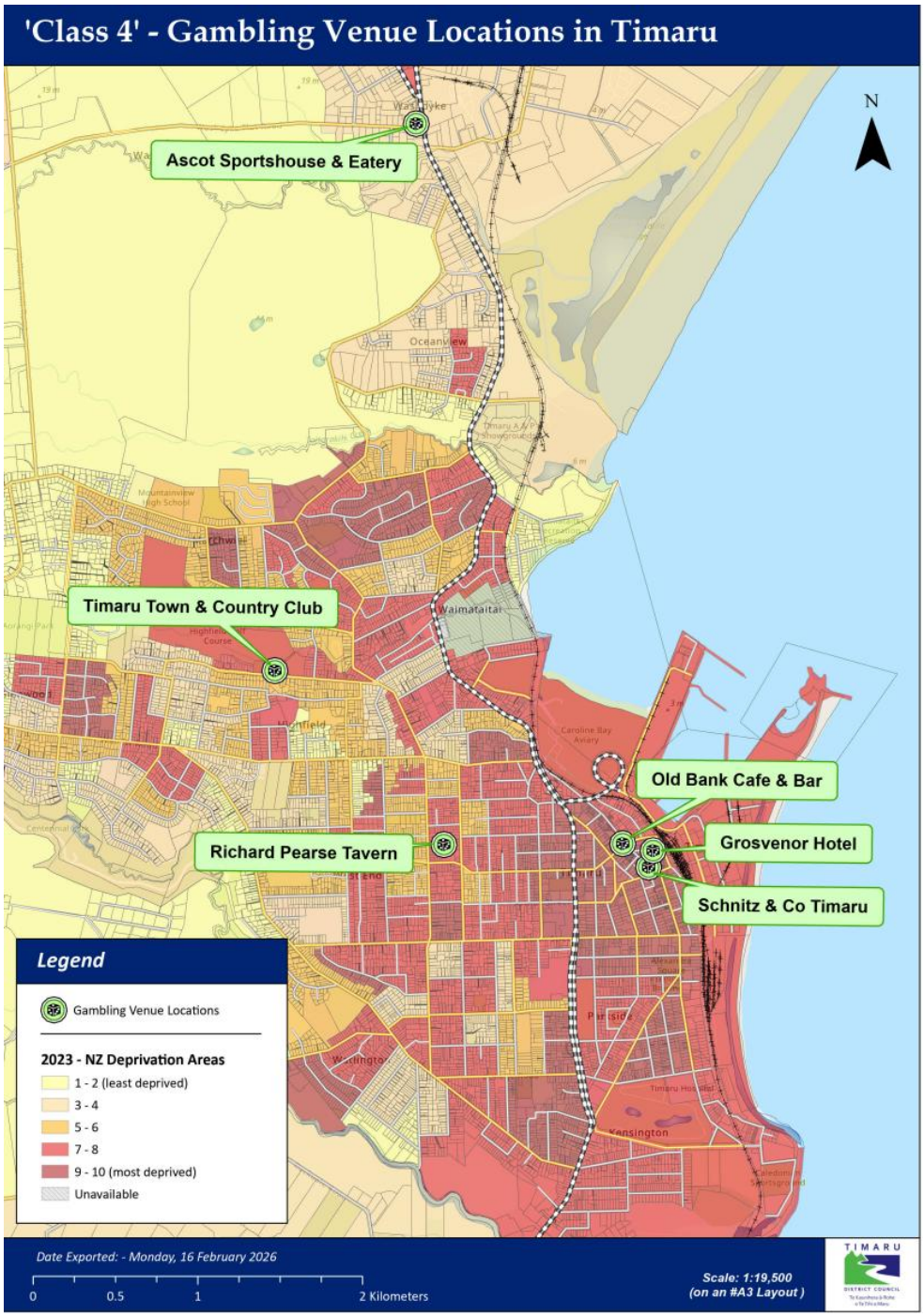
Based on the 2023 deprivation index[20], the current 12 venues are located as per the below table. The 2023 deprivation index resulted in the areas that four venues are located in improving its decile score, and one decreasing its decile score. The others were unchanged.

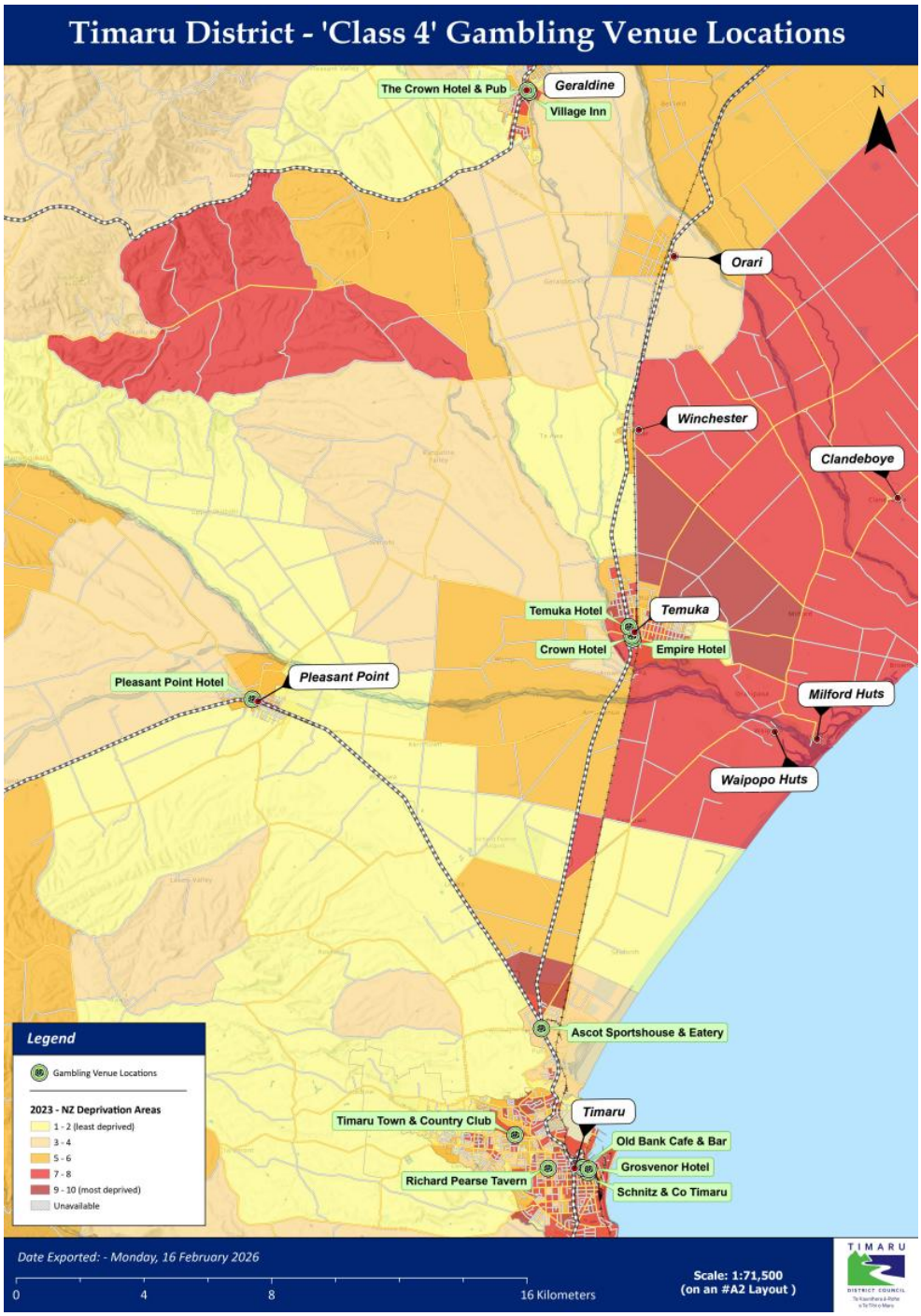
2023 Deprivation decile	Number of venues	Number of machines	Change (for venues) since 2018 deprivation index
1 (least deprived)	0	0	0
2	0	0	0
3	0	0	0
4	1	7	+1
5	0	0	-1
6	1	5	0
7	5	75	+3
8	0	0	-3
9	5	69	0
10 (most deprived)	0	0	0

Note: the physical shape of some SA1 areas have changed between the 2018 and 2023 deprivation indexes.

This data is geographically represented below.

[20] https://www.ehinz.ac.nz/indicators/population-vulnerability/socioeconomic-deprivation-profile/#nzdep-for-2023-nzdep2023


'Class 4' - Gambling Venue Locations in Timaru
N
Ascot Sportshouse & Eatery
Timaru Town & Country Club
Old Bank Cafe & Bar
Grosvenor Hotel
Richard Pearse Tavern
Schnitz & Co Timaru
Legend
Gambling Venue Locations
2023 - NZ Deprivation Areas
1 - 2 (least deprived)
3 - 4
5 - 6
7 - 8
9 - 10 (most deprived)
Unavailable
Date Exported: - Monday, 16 February 2026
0 0.5 1 2 Kilometers
Scale: 1:19,500
(on an #A3 Layout)
TIMARU


Timaru District - 'Class 4' Gambling Venue Locations
The Crown Hotel & Pub
Geraldine
Village Inn
N
Orari
Winchester
Clandeboye
Temuka Hotel
Temuka
Crown Hotel
Empire Hotel
Pleasant Point Hotel
Pleasant Point
Milford Huts
Waipopo Huts
Ascot Sportshouse & Eatery
Timaru
Timaru Town & Country Club
Old Bank Cafe & Bar
Grosvenor Hotel
Richard Pearse Tavern
Schnitz & Co Timaru
Legend
Gambling Venue Locations
2023 - NZ Deprivation Areas
1 - 2 (least deprived)
3 - 4
5 - 6
7 - 8
9 - 10 (most deprived)
Unavailable
Date Exported: - Monday, 16 February 2026
0
4
8
16 Kilometers
Scale: 1:71,500
(on an #A2 Layout)
TIMARU DISTRICT COUNCIL

Problem gambling

The 2022 SIA found that the Timaru District likely experienced low problem gambling rates relative to New Zealand overall, in part due to its predominately low populations of groups more likely to be susceptible to gambling harm (Māori, Asian and Pasifika).

This is unlikely to have changed in the intervening four years for Class 4 Gambling or TAB expenditure given minimal population change.

Ministry of Health statistics[21] indicate that Timaru District residents comprised between 0.29% and 0.48% of all clients assisted at problem gambling services between July 2018 and June 2023. This is between a third and a half of what might be expected if Timaru District residents presented at the same rate as the national average, given that the district is approximately 1% of the national population.

There are caveats to this data. It represents clients self-presenting. Not all problem gamblers will seek assistance. Their seeking assistance does not necessarily mean that they have experienced harm or indicate the extent to which any harm may have occurred.

The increasing use of online gambling (outside of the scope of this policy) is more likely to create problem gambling harm. The Problem Gambling Foundation states that problem gambling rates among online gamblers are ten times higher than the general population[22].

The 2022 SIA found that TAB betting is less likely to cause problem gambling harm than Class 4 gambling[23].

Problem gambling services can be located at www.pgf.nz

Policy tools available to local authorities

The Act states at s101(3) that:

(3) The policy—

(a) must specify whether or not class 4 venues may be established in the territorial authority district and, if so, where they may be located; and

(b) may specify any restrictions on the maximum number of gaming machines that may be operated at a class 4 venue; and

(c) may include a relocation policy.

[21] https://www.health.govt.nz/statistics-research/statistics-and-data-sets/gambling-harm/gambling-harm-services-data

[22] https://www.pgf.nz/knowledge-hub/online-gambling

[23] p 24

Common policy tools are outlined in the table below.

Policy tool	Options	Selected comments from early feedback
Number of gaming machines for new venues	Permit nine machines, or permit a lower number. Given the current policy settings of allowing up to seven machines, Council can increase, decrease or retain this number.	Some societies requested an increase to nine machines to improve the entertainment offering and allow fixed venue costs to be spread over a greater number of machines. Several stated that there is no correlation between an increase to nine machines and problem gambling rates. It was noted that the current seven machines rule is a "compromise".
Number of gaming machines or venues (including TAB venues)	Note: policy settings may be different for machines and venues. Set no maximum limit for machines and/ or venues, or set a maximum limit that may be above, equal to or lower than current numbers. Given that the current policy does not set a maximum limit, Council can choose to remain silent on this matter or introduce a limit. If the limit is lower than the current number of machines/ venues, a sinking lid would be in effect (no new licences	This topic received strong feedback amongst the invited stakeholders. The National Public Health Service argue for a sinking lid as a gambling expenditure (and thus, they state, harm reduction) measure. As a secondary recommendation, they support a cap of 156 machines (the current number). Societies argued that sinking lids reduce community funding over time, but do not reduce problem gambling rates. Further, the reduction in

	granted) until this number is reached. A sinking lid is more commonly implemented as a total sinking lid, i.e. no new licences will ever be granted.	in-person gaming offerings have a displacement effect towards online gambling, which is less regulated, likely more harmful and does not (currently) return funds to the community.
Locations of new venues	Permit venues to be established in all locations, or do not allow them in certain areas (such as residential zones, and/ or a certain distance from community facilities and/ or according socio-economic deprivation index). The current policy permits new venues in certain commercial or business zones only and requires certain distances from sites such as community facilities. There are no current requirements regarding socio-economic index.	There was little early feedback on this topic. It was suggested that if Council is concerned about venues being situated in areas of lower socio-economic areas than permitting relocation would be logical. The National Public Health Service supports preventing relocations into areas 8+ on the deprivation index.
Exemptions, relocations and mergers	Consider these on a case-by-case basis, or permit these subject to certain conditions (e.g. in the case of a venue being destroyed by fire), or do not permit these. The current policy allows exemptions and relocations to be considered on a case-by-case basis. The policy is	Societies state that relocations allow venues to move to modern premises and enhances the sustainability of the sector and its associated community funding. The National Public Health Service oppose relocations and mergers as they believe there is a link between Class 4

	currently silent on mergers.	machine access and gambling harm (i.e. reducing access will reduce harm).

Policy approaches of neighbouring local authorities

The approaches of neighbouring local authorities may be useful when considering what might be the appropriate bespoke policy settings for the Timaru District.

Local authority[24]	Most recent review	Main policy decisions in current policy
Ashburton[25]	2025	Ban on TAB venue establishment New Class 4 gambling venues permitted in Business Zone (or with resource consent) and not permitted in an area with a deprivation score of 8+ New venues permitted a maximum of five machines District wide cap of 20 venues (12 venues as of Dec 2025) Relocations permitted under some circumstances
Mackenzie[26]	2021	Sinking lid in place for venues and machines Relocations/ transfers only permitted if a business is sold or re-established following closure due to fire or natural hazard
Selwyn[27]	2022	Additional machines permitted subject to a district-wide cap of 124 gaming machines Venues may not be in certain residential zones Relocation permitted where the venue is intended to replace an existing venue in the district
Waimate[28]	2023 (currently	Sinking lid in place for venues and machines Maximum permitted number of machines is 8

[24] Most recent version that could be located via the local authority website.

[25] https://www.ashburtondc.govt.nz/__data/assets/pdf_file/0020/4808/Gambling-Venue-Policy-2025.pdf

[26] https://www.mackenzie.govt.nz/__data/assets/pdf_file/0009/589824/Class-4-Gambling-and-TAB-Venue-Policy-2021.pdf

[27] https://www.selwyn.govt.nz/services/licensing/gambling/Gambling_Policy_2022_reviewed.pdf

[28] https://www.waimatedc.govt.nz/repository/libraries/id:21r92ideo17q9sg7je9s/hierarchy/Documents/Council/Publications/Policies%20-%20General/Gambling%20and%20TAB%20Venues%20Policy

	being reviewed)	Relocations permitted under certain circumstances (including moving to area of lower deprivation), and with consideration of proximity to certain sites
Waitaki[29]	2022 (currently being reviewed)	Sinking lid for venues and machines Relocations and mergers permitted at Council's discretion Relocations permitted for circumstances beyond operator's control, but cannot have more machines than previous venue

[29] https://www.waitaki.govt.nz/files/assets/public/v/2/files/our-council/policies-and-bylaws/policies/waitaki-district-council-class-4-gambling-venues-policy-2022.pdf

Statement of Proposal

Gambling Venue Policy

We are reviewing our rules on local pokie machines and the TAB, and want to know what you think.



HAVE YOUR SAY

Tell us by midday, Monday 7 September 2026

TIMARU DISTRICT COUNCIL
Te Kaunihera ā-Rohe o Te Tihi o Maru

Find out more
timaru.govt.nz

What is this consultation about?

Council is reviewing its Gambling Venue Policy.

The proposed changes relate to:

- the maximum number of pokie machines allowed at a venue
- updates to planning zone names following the Proposed District Plan

No other significant policy changes are proposed.

This Statement of Proposal has been prepared in accordance with the requirements of Sections 83 and 87 of the Local Government Act 2002.

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*the track changes are relative to the current policy

Summary

The Gambling Venue Policy primarily sets rules for the number of Class 4 (commonly known as pokie) gaming machines and venues, and where they may be located. It also contains our approach to TAB venues within the District. It allows for pokie and TAB settings in the Timaru District to be set with regard to local perspectives.

Timaru District Council has reviewed its policy and is proposing that it is renewed with amendments. These amendments are to increase the permitted number of pokie machines per venue from seven to nine, and to update zone references to reflect the Proposed District Plan.

This Statement of Proposal seeks to inform public feedback on these changes. We invite your views and feedback via the submission process outlined in this document.

This Statement of Proposal includes:

- The draft policy and its rationale;
- An outline of other reasonably practicable options, and their perceived advantages and disadvantages, and;
- A description of the consultation and submission process.

Submissions are invited until Monday 7 September at midday.

At the end of this period, Council will:

- Conduct hearings for anyone who wishes to speak in support of their submission;
- Consider all written and oral submissions, and;
- Decide on the final policy.

Find out more at: www.timaru.govt.nz/gambling-review-2026.

Why does Council need this policy?

Every council in New Zealand is legally required to have a Gambling Venue Policy. It sets rules for where pokie venues and stand-alone TAB venues can be located in the district.

Background

The Gambling Act 2003 and the Racing Industry Act 2020 require all territorial authorities (city and district councils) to have a policy relating to Class 4 gambling venues and TAB New Zealand venues in their district. Council's current policy combines both Class 4 and Agency venues.

This policy must be reviewed every three years, taking into account the social impacts of gambling. For this review cycle, Council has updated the Social Impact Assessment (SIA) prepared for the last review; there has been a focus on what has changed in the intervening period. The SIA update can be read on the Council website at: www.timaru.govt.nz/gambling-review-2026

The oversight of Class 4 Gambling venues and Agency (TAB) venues sits with the Department of Internal Affairs (DIA). However, territorial authorities are responsible for issuing consents to venues that wish to provide Class 4 or TAB gambling services. Essentially, DIA may issue a licence to a venue once Council has issued consent for that particular venue in accordance with this policy.

Quick Facts

What is Class 4 Gambling?

Class 4 gambling covers gaming machines (commonly known as pokie machines) in venues that are not casinos.

What are Agency venues?

This deals with stand-alone TAB venues, where TAB gambling is the primary purpose of the facility.

The policy does not cover TAB outlets, where TAB machines are part of, but not the primary purpose of, a facility.

Gambling in the Timaru District

As of December 2025, DIA statistics indicated that there were 12 pokie venues and 156 pokie machines in the Timaru District, predominately located in Timaru. This is a decrease of one venue and 10 machines from the previous policy review. Council gave TLA consent to apply for a licence for a new venue to obtain seven pokie machines at a meeting in July 2026. At the time of writing, the Department of Internal Affairs is yet to receive the application from the applicant and no licence has yet been granted. If it is granted, there would be the same number of venues and three fewer machines compared to the previous policy review."

There are currently no TAB venues in the District.

The policy proposes to continue a permissive approach to pokie venues and TAB venues being established, subject to some conditions such as zoning.

What does the Policy cover?

Under the Gambling Act 2003, Council's policy:

- Must specify whether or not Class 4 venues may be established and, if so, where they may be located within the District;
- May specify any restrictions on the maximum number of gaming machines that may be operated at a venue, and;
- May include a relocation policy.

The Gambling Act 2003 sets a maximum number of nine machines for new venues. Council is able to set a lower limit through its policy.

Under the Racing Industry Act 2020, Council's policy:

- Must specify whether or not new TAB venues may be established and, if so, where they may be located within the District.

What does the Policy not cover?

Under the Gambling Act 2003, Council's policy cannot:

- Reduce the number of machines in existing venues;
- Control the hours of operation for gambling venues;
- Close down an existing gambling venue;
- Control what happens to the proceeds of gambling, i.e. where and to whom the proceeds are distributed, and;
- Regulate casinos, internet gambling, or Lotto outlets.

What's proposed to change?

All other amendments not listed below are considered non-material. For example, the definitions have been removed from the appendix to the body of the policy.

Proposed material amendment

Increase the maximum permitted number of pokie machines in new or existing venues

Current **7 machines** → Proposed **9 machines**

Why?

Council considers increasing the number of permitted machines could increase the funds available to support community organisations, via the funding mechanism in place under the Gambling Act 2003. It is deemed that this may be able to be achieved with no or negligible impact on gambling harm.

Nine machines is the legal maximum under legislation. Under this proposal, new venues could have up to nine pokie machines and existing venues could increase the number of machines they have up to nine, if they currently have less. Because the industry is subject to market forces, any permitted increase does not directly mean that new venues will be established or that existing venues will necessarily take advantage of the increased limit. Of the current venues, two have less than nine machines currently, and one has less than the permitted seven under the existing policy. This means that the practical effect on existing venues is limited.

Location in draft policy

Clauses 17 and 18.

Proposed material amendment

Update zoning references

Current District Plan → **Proposed** District Plan

Why?

The policy utilises the District Plan zones to state where new venues may be located; for example, in commercial areas but not residential areas. Council is in the final stages of updating its Plan, which governs land use; this means that the current Plan (Operative District Plan) is being replaced with a new Plan (Proposed District Plan).

The new Plan has different zone names, and – for the relevant zones for the policy – zones with similar intentions and similar but not identical geographic boundaries to the existing. For example, the Commercial Zone in the Operative Plan has been substituted for the City Centre Zone, Town Centre Zone, and others.

It is deemed that the existing zoning rules are suitable, and it is therefore it is necessary to utilise these updates in the revised policy by directly substituting the names of the nearly equivalent zones. This means that the changes will have relatively little material impact on where new venues may be situated.

To help submitters understand the impact of the new zones (for example if an area or street has changed zones), refer to the digital tool on www.timaru.govt.nz/gambling-review-2026 (recommended as it allows more detailed searching) and the static maps on the following pages (allowing a side by side direct comparison). For the static maps, each of the four town centres is mapped (left hand side is Operative and right hand side is Proposed Plan) .

Location in draft policy

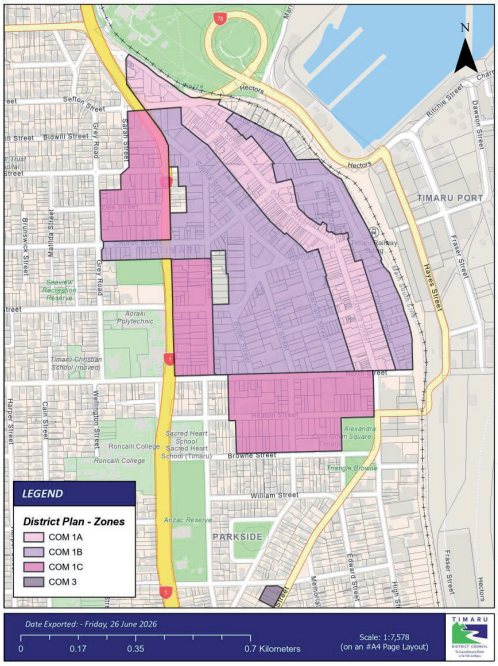
Clauses 11 and 12.

Understanding the proposed zoning changes

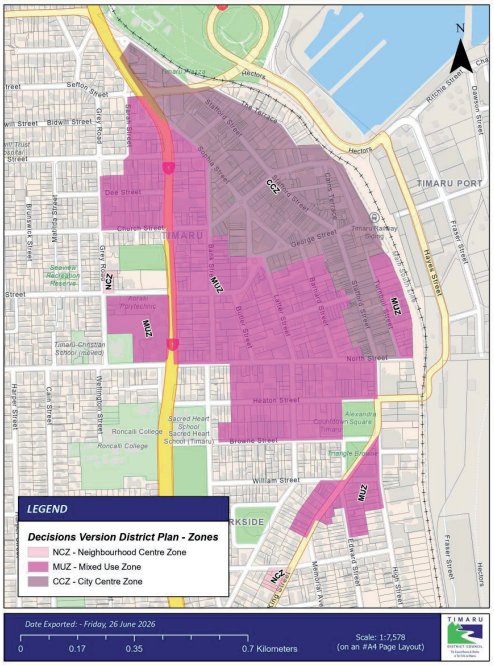
The Gambling Venue Policy uses District Plan zones to determine where new gambling venues may be located. These maps compare the current and proposed zones of each town centre.

Timaru Town Centre

Current



Proposed

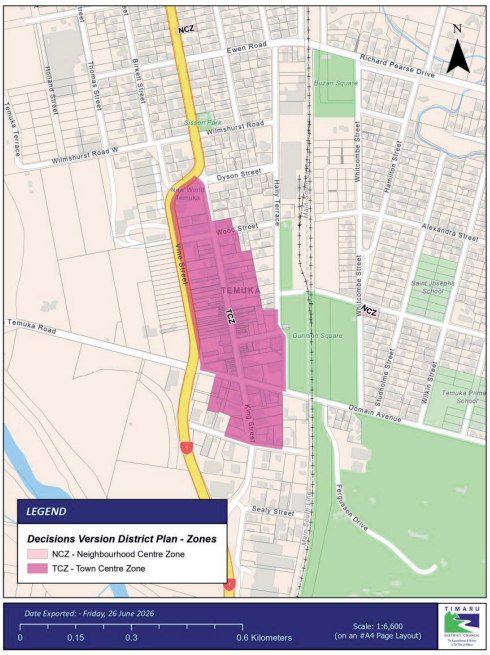


Temuka Town Centre

Current

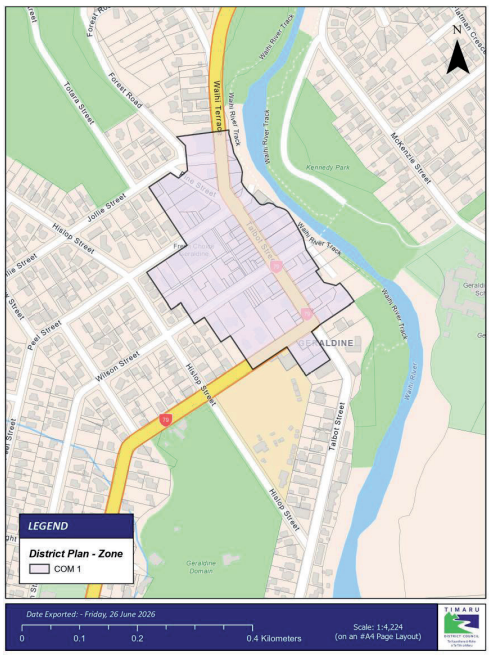


Proposed

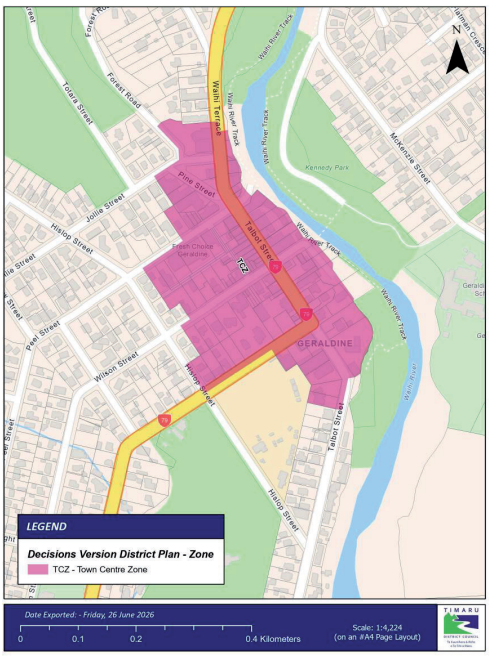


Geraldine Town Centre

Current

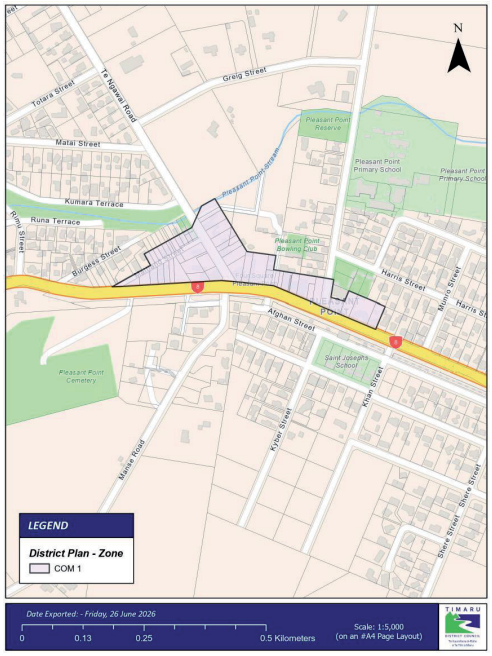


Proposed

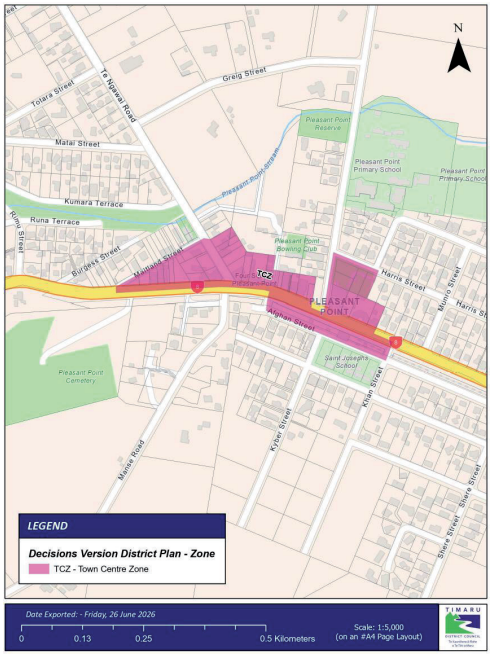


Pleasant Point Town Centre

Current



Proposed



Draft Policy

The following pages contain the full wording of the proposed policy. If you'd like an overview of the proposed changes, refer to the "What's changing?" section on page 5.

Gambling Venue Policy

Approved by:	Timaru District Council
Group:	~~Environmental Services~~Regulatory Development and Growth
Owner:	~~Environmental Compliance Manager~~General Manager Regulatory Development and Growth
Date adopted:	~~6 December 2022~~TBC The policy becomes effective immediately upon adoption, unless otherwise specified
Review:	Every 3 years; earlier if deemed necessary This Policy does not cease to have effect because it is due for review, or being reviewed
Consultation:	Required – Special Consultative Procedure (Gambling Act 2003: S102, Racing Industry Act 2020: S97)

Policy Purpose

1. The purpose of this policy is to:

   (i) Detail Council's policy with regards to consent applications for new Class 4 gambling venue and TAB New Zealand venue licences, in accordance with the Gambling Act 2003 and the Racing Industry Act 2020.

   (ii) Recognise that gambling can be a serious problem for people in our community.

   (iii) Ensure Council and the community has influence over the provision of new gambling venues within the Timaru District.

   (iv) Allow those who wish to participate in controlled gambling to do so within the Timaru District.

   (v) Minimise harm to the community caused by gambling.

Scope

2. This policy applies to all new consent applications for Class 4 Gambling and TAB New Zealand venues in the Timaru District.

3. The Policy will not be applied retrospectively to venues with current licences.

4. This Policy takes effect from the date it is formally adopted by Council.

Definitions

5. ~~Definitions of the terms used in this policy are attached as Appendix 1.~~

Class 4 Gambling: means any activity that involves the use of gaming machines (i.e. pokies) in pubs and clubs (i.e. outside a casino) which may only be conducted by a corporate society and only to raise money for an authorised (i.e. community and non-commercial) purpose.

Draft Policy

6. Community Facility: any building, place or facility which provides for the physical, social, cultural or intellectual development or welfare of the community, including but not limited to; public playgrounds; recreational halls; community centres; community halls; libraries; museums; and public swimming pools.

7. Gambling Venue: any Class 4 gambling venue or TAB New Zealand venue.

8. Sensitive Site: any childhood centre, kindergarten, school, permanently situated place of worship or community facility.

9. TAB New Zealand Venue: means premises owned or leased by TAB New Zealand and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services. This does not include TAB outlets or terminals.

~~5.~~10. Zones: as defined in the Operative or Prospective Timaru District Plan.

Policy Statements

Gambling Venue Locations

~~6.~~11. Within the boundary of the Timaru Township, Gambling Venues may be established in ~~Commercial 1, 2 and 3 Zones~~a City Centre Zone, Town Centre Zone, Mixed Use Zone, Local Centre Zone, Large Format Retail Zone or Neighbourhood Centre Zone subject to:

(i) Meeting application and fee requirements;

(ii) Being no closer than 200 metres, by public access way, to any Residential Zone;

(iii) Being no closer than 100 metres, by public access way, to any sensitive site ~~(as defined in Section 3 of this policy)~~;

(iv) Being no closer than 100 metres, by public access way, to another Gambling Venue~~; excepting that TAB venues may, on application be exempt from this requirement,~~ and;

(v) Not being a venue that is associated with family or children's activity unless the activity is in a room separate from gaming machines.

~~7.~~12. For all areas outside the boundary of the Timaru Township, Gambling Venues may be established in ~~Commercial 1 Zone~~a Town Centre Zone subject to:

(i) Meeting consent application and fee requirements;

(ii) Being no closer than 25 metres, by public access way, to any Residential Zone;

(iii) Being no closer than 25 metres, by public access way, to any sensitive site ~~(as defined in Section 3 of this policy)~~;

(iv) Being no closer than 25 metres, by public access way, to any other gambling venue ~~excepting that TAB venues may, on application, be exempt from this requirement, and~~;

Draft Policy

(v) Not being a venue that is associated with family or children's activity unless the activity is in a room separate from gaming machines.

Exemptions

~~8.~~13. Where a proposed new venue is unable to comply with the location requirements of this policy the application will be referred to ~~the Environmental Services Committee~~Council (or a suitably delegated Committee/ Subcommittee), which has discretion to approve or decline by resolution and~~,~~ subject to the application meeting all other requirements of this policy.

Relocation of Venues

~~9.~~14. Applications for the relocation of existing venues to a new site will be referred to ~~the Environmental Services Committee~~Council (or a suitably delegated Committee/ Subcommittee), which has discretion to approve or decline the application by resolution.

~~10.~~15. Any application, and the proposed new venue, must comply with all other conditions and provisions of this policy.

~~11.~~16. The maximum number of gaming machines permitted to operate at the new venue is the same as the maximum number of gaming machines permitted to operate at the venue before relocation.

Number of Gambling Machines to be Allowed

~~12.~~17. New Class 4 gambling venues shall be allowed a maximum of ~~seven~~ nine gaming machines.

~~13.~~18. Existing Class 4 gambling venues operating fewer than ~~seven~~ nine gaming machines, shall be allowed to increase the number of machines operated at the venue to ~~seven~~nine.

Primary Activity of Venues

~~14.~~19. The primary activity of any Class 4 gambling venue shall be:

(i) For the sale of alcohol, or the sale of alcohol and food; or

(ii) For private club activities.

~~15.~~20. The primary activity for TAB New Zealand venues, as defined by section 5 of the Racing Industry Act 2020, shall be providing racing betting, or sports betting services.

Application

~~16.~~21. Applications for Council consent must be made on the correct form, accompanied by all required documentation and fees.

~~17.~~22. Application forms are available on Council's website, www.timaru.govt.nz, and at all Council service centres.

Draft Policy

Application Fees

~~18.~~23. Application fees will be set by Council from time to time with the intention of recovering full costs from applicants/operators, and shall include consideration of:

(i) The cost of processing the application, including any consultation and hearings involved;

(ii) The cost of triennially reviewing the Gambling Venue Policy;

(iii) The cost of inspecting Class 4 gambling and TAB New Zealand venues on a regular basis to ensure compliance with consent or licence conditions; and

(iv) A contribution towards the cost of triennial assessments of the economic and social impact of gambling in the District.

~~19.~~24. Council will comply with section 150 of the Local Government Act 2002 in setting such fees.

Monitoring

25. This policy will be monitored in line with Council's Policy Framework.

26. Indicators of whether this policy is achieving its stated purposes include:

(i) The inflation-adjusted gambling machine profit per capita (18+ population in the Timaru District).

(ii) The number of gambling machines per capita (18+ population in the Timaru District).

(iii) The extent that the policy is deemed to align with the purposes of the Gambling Act 2003 and the Racing Industry Act 2020 (including their amendments and/or successors).

(iv) Feedback received from internal or external stakeholders.

(v) Recommendations from internal or external audits.

~~20.~~27. Council will utilise a Social Impact Assessment to assess the effectiveness of this policy and the extent of gambling harm in the Timaru District.

28. The Social Impact Assessment – either a full review or an update of the previous Social Impact Assessment, as required – will be undertaken every three years when the policy is reviewed.

Reporting

29. A summary of the peformance of this policy will be reported to Council as part of the regular Policy Update (when new information is available).

30. Full performance and monitoring data will be made available to Councillors when available.

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Draft Policy

Delegations, References and Revision History					
Delegations					
Identify here any delegations related to the policy for it to be operative or required as a result of the policy					
Delegation Manual reference	**Delegation**				
Delegation 5.18	Power to receive and process consent applications pursuant to the Timaru District Council Gambling Venue Policy				
References Include here reference to any documents related to the policy (e.g. operating guidelines, procedures)					
Title	**Document reference/ link**				
N/A	N/A				
Revision History Summary of the development and review of the policy					
Revision	**Owner**	**Date Approved**	**Approval By**	**Next Review**	**Doc Ref**
1	Regulatory Services Manager	4 May 2010	Council	2013	-
2	Regulatory Services Manager	23 April 2013	Resource Planning and Regulation Committee	2016	#254825
3	Environmental Compliance Manager	22 November 2016	Environmental Services Committee	2019	#1028191
4	Environmental Compliance Manager	10 December 2019	Council	2022	#1305315
5~~1~~	Environmental Compliance Manager	6 December 2022	Council	By June 2025	#1547386
6	General Manager Regulatory	TBC	Council	2029	TBC

~~Appendix 1: Definition of terms used in this policy~~

~~Class 4 Gambling~~	~~Means any activity that involves the use of gaming machines (i.e. pokies) in pubs and clubs (i.e. outside a casino) which may only be conducted by a corporate society and only to raise money for an authorised (i.e. community and non-commercial) purpose.~~
~~Commercial Zones~~	~~As defined in the operative Timaru District Plan.~~

Draft Policy

~~**Community Facility**~~	~~Any building, place or facility which provides for the physical, social, cultural or intellectual development or welfare of the community, including but not limited to; public playgrounds; recreational halls; community centres; community halls; libraries; museums; and public swimming pools.~~
~~**Gambling Venue**~~	~~Any Class 4 gambling venue or TAB New Zealand venue.~~
~~**Residential Zones**~~	~~As defined in the operative Timaru District Plan.~~
~~**Sensitive Site**~~	~~Any childhood centre, kindergarten, school, place of worship or community facility.~~
~~**TAB New Zealand Venue**~~	~~Means premises owned or leased by TAB New Zealand and where the main business carried on at the premises is providing racing betting, sports betting, or other racing or sports betting services.~~

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Alternative Policy Options

Alternative options	Perceived advantages and disadvantages
Introduce a Sinking Lid ■ A sinking lid means that no new consents will be issued by Council, and that the number of venues and machines will decrease over time through attrition. ■ Venues will not be able to increase their number of machines. ■ Gaming machines will not be able to be transferred to another venue if one venue closes. ■ Consent will not be given for venue relocations.	■ Over time, this would lead to a decrease in the number of venues and machines in the Timaru District, potentially reducing the harm caused by problem gambling, while still allowing for existing venues to continue to operate. ■ If a venue is unable to continue operating in its current location (for example, due to fire or a building lease not renewed), the venue would not be able to relocate its machines to any other venue. ■ A sinking lid policy takes time to have an effect on the total number of gaming machines and is reliant on current venues closing down. ■ This may discourage some hospitality businesses from establishing within the District if they are unable to have gaming machines, and therefore may negatively affect employment opportunities in the hospitality industry. ■ A sinking lid may reduce over time the level of funding available in the Timaru District from charitable trusts operating gaming machines.
Employ other capping options ■ Capping the total number of gaming machines in the District. ■ Reduce the number of machines each new venue may operate. ■ Impose a density cap so that certain areas of the District may not exceed a certain number of venues or gaming machines.	■ A district-wide cap and/ or reduction in the permitted number of machines per venue may reduce the potential for problem gambling by minimising the potential proliferation of machines in the District. ■ This may discourage some hospitality businesses from establishing within the District if they are unable to have gaming machines and negatively affect employment opportunities in the hospitality industry. ■ Further, it may reduce over time the level of funding available in the Timaru District from charitable trusts operating gambling machines. ■ A density cap may help ensure that the temptation to gamble is limited in communities that are known to be more vulnerable to the effects of problem gambling. ■ It can be administratively difficult to create density rules that are effective and remain up-to-date. ■ A density cap may not be effective given the current proliferation of gaming venues.
Retain the status quo number of permitted gaming machines per venue ■ Retain the number of machines allowed at each venue at seven, instead of increasing to nine.	■ This approach would be less permissive for businesses relative to the proposed policy, and have no difference relative to the current policy. ■ This option might result in an decrease in the levels of gambling harm relative to the draft policy, however would likely reduce any benefits of gambling such as social enjoyment and the availability of community funding.

Alternative options	Perceived advantages and disadvantages
Amend rules for sensitive sites ■ Increase or decrease the scope and number of premises or facilities which are defined as sensitive sites.	■ This option could be more protective of perceived vulnerable sites by expanding the definition of a sensitive site. A sensitive site is currently defined as, "any childhood centre, kindergarten, school, place of worship or community facility". For example, marae could be included within this definition. ■ However, increasing the scope of the definition could be restrictive on businesses and reduce any economic benefits of gambling. ■ Making the definition of a sensitive site too prescriptive could reduce the ability of licencing officers to apply appropriate discretion and judgement to achieve the outcomes of the legislation and this policy.
Amend zoning rules ■ Make zoning rules more or less permissive than the draft policy.	■ It is possible to make the zoning rules more or less permissive relative to the draft policy, depending on views about where it is suitable for new gaming venues to be located within communities. ■ For example, it may be deemed desirable that venues can be established within residential areas to enable easier access to patrons. This may increase gaming harm. ■ On the contrary, it may be deemed that the current rules are too permissive and that, for example, new venues should be limited to city and town centre zones (excluding, in this example, the multi use and neighbourhood centre zones that the draft policy permits venues to be situated in).

Have your say

Let us know what you think about our draft policy.

You can do this by:

- Completing the online submission form at timaru.govt.nz/gambling-review-2026 (or scan the QR code); OR
- Completing the physical submission form at the end of this document and:
  - FreePosting to:

    FreePost Authority Number 95136
    Policy Review Consultation
    Timaru District Council
    PO Box 522
    TIMARU 7940

    OR

  - Scanning it and emailing to submission@timdc.govt.nz; OR
  - Physically handing it into Council's Main Building or a library/ service centre.

All submissions need to be received by the close of the consultation – midday, Monday 7 September 2026.

Want more information?

More information is available on the Council website www.timaru.govt.nz/gambling-review-2026

If you have any questions about the policy or submission process, email submission@timdc.govt.nz

Alternatively, contact us via telephone: 07 687 7200 and ask to speak to Brendan Madley.

Timeline

Monday 3 August - midday Monday 7 September 2026
Consultation period

Tuesday 29 September 2026
Hearing, if required (as part of scheduled Council meeting)

Tuesday 27 October 2026
Council meeting to deliberate and make decisions on final policy

Note: This timeline may be impacted – and additional public consultation may be necessary – if the policy is amended as a result of submissions received (depending on the significance of any amendment/s).

Privacy Statement

All submissions are public information and will be included on Council's website and/or in public documents located at Council offices and Libraries/Service Centres. This will include your name and, if applicable, the organisation you represent.

The contact information (phone number and/or email address and/or postal address) that you provide at the beginning of the submission will be accessible to Council staff and used only for submission administration purposes. It will not be made publicly available. However, the content of the remainder of your submission (including any private information and attachments that you provide) may not be redacted. Please contact us via submission@timdc.govt.nz if you have any questions about this, before making your submission.

Submissions received in the form of a petition or with multiple signatures attached will be processed as a single submission.

All information is held by Council in accordance with the Privacy Act 2020. You have the right to access and correct personal information. Nothing in this Privacy Statement overrides, or will prevent Council meeting its obligations under, the Local Government Official Information and Meetings Act 1987, or any other relevant legislation.

Gambling Venue Policy Submission Form

Complete this form to make a submission.

First name*: .....

Last name*: .....

Organisation (if applicable): .....

Phone (landline or mobile)*: .....

Email address:* .....

Postal address:* .....

.....

.....

*Required. We also require at least one contact detail (phone, email or postal address)

How to return this form once completed.

- Free Post it back to Council

  FreePost Authority Number 95136
  Policy Review Consultation
  Timaru District Council
  PO Box 522
  TIMARU 7940; OR

- Scan it and email to submission@timdc.govt.nz; OR
- Physically hand it into Council's Main Building or a library / service centre.

Your feedback

Do you want to speak about your submission at a Council Hearing? (tick a circle):** ◯ Yes ◯ No

**If you do not answer the question, we will assume you do not wish to speak.

Do you support the draft policy as presented? (tick a circle). Please explain below: ◯ Yes ◯ No

.....

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What changes, if any, would you like to see to the draft policy?

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Need more room?
Please use the other side of this page, or extra paper, and attach these and any supporting documents with your submission.

Additional comment space

TIMARU DISTRICT COUNCIL
Te Kaunihera ā-Rohe o Te Tihi o Maru

Timaru District Council
2 King George Place
PO Box 522, Timaru 7940
T (03) 687 7200
E enquiry@timdc.govt.nz

Temuka Service Centre
72-74 King Street, Temuka
T (03) 687 7591

Geraldine Service Centre
73 Talbot Street, Geraldine
T (03) 693 9336

9.11 Significance and Engagement Policy amendment to meet legislative requirements of the Local Government (Water Services) Act 2025

Author: **Brendan Madley, Senior Policy Advisor**
Laura Rich, Water Planner

Authoriser: **Andrew Lester, General Manager Drainage and Water**

Recommendation

That Council:

1. Receive and note the report "Significance and Engagement Policy amendment to meet legislative requirements of the Local Government (Water Services) Act 2025";
2. Amend the current Significance and Engagement Policy to include the approved additional text, as per the track changed attachment; and
3. Approve for the approved additional text to be inserted into the draft Significance and Engagement Policy, to be consulted on as part of the 2027-37 Long Term Plan.

Purpose of Report

1 The purpose of this report is for Council to consider the legislative requirements of the Local Government (Water Services) Act 2025 (LGWSA 2025) in relation to significant contracts and joint agreements as a water services provider, and to amend its Significance and Engagement Policy to meet these legislative requirements.

Assessment of Significance

2 This report is assessed as being of low significance against Council's current Significance and Engagement Policy.

3 This is primarily because the amendment is to meet a legislative requirement, and does not impact levels of service or Council's finances.

Background

4 The LGWSA 2025 requires water service providers for water supply, wastewater and stormwater services to identify whether a contract or joint agreement with another water service provider is "significant" and, if so, to undertake specified public consultation on them.

5 A water service provider is required to amend their Significance and Engagement Policy to state how contracts will be determined as significant or not (including a number of criteria outlined in legislation at s 24(4) of the LGWSA 2025, below).

Interaction with significance and engagement policy

(3) The provider must ensure that its significance and engagement policy addresses all matters necessary for determining—

(a) whether a proposed contract under section 22 is a significant contract; and

(b) how to undertake engagement in relation to proposed significant contracts in a way that is consistent with sections 31 and 32.

(4) Without limiting subsection (5), the significance and engagement policy must contain all criteria needed for determining whether a proposed contract is a significant contract, and those criteria must include—

(a) whether the proposed contract is of high value relative to the revenue that the provider receives from providing the water service to which the contract relates; and

(b) whether the proposed contract will create a public-private partnership; and

(c) all matters that are essential to the provider's ability to meet its obligations under this Act in relation to the water service to which the contract relates; and

(d) any relevant thresholds (for example, the value of the contract).

(5) If the provider is a water organisation, it must obtain its shareholders' approval of the way in which the organisation proposes to comply with subsection (5).

6 Further, s 26 of the LGWSA 2025 requires a water service provider to modify their Significance and Engagement Policy to be able to identify and manage significant joint agreements between water service providers.

26 Joint water service provider arrangements

(1) A water service provider may enter into a joint water service provider arrangement with 1 or more other water service providers, including providers operating outside the service area in which the first provider operates.

(2) When considering and negotiating a joint water service provider arrangement, a water service provider must determine whether the proposed arrangement is a significant joint water service provider arrangement under the provider's significance and engagement policy.

Significant joint water service provider arrangements

(3) Before entering into a proposed arrangement that a water service provider determines to be a significant joint water service provider arrangement, the provider must—

(a) undertake options assessment and consultation in accordance with sections 30 to 32; and

(b) if it is a water organisation, also consult its shareholders and obtain their approval of the proposed arrangement.

Role of significance and engagement policy

(4) The provider must ensure that its significance and engagement policy addresses all matters necessary for determining—

(a) whether a proposed joint water service provider arrangement is a significant joint water service provider arrangement; and

(b) how to undertake engagement in relation to a proposed significant joint water service provider arrangement in a way that is consistent with sections 31 and 32.

7 Council is currently a water service provider for the purposes of the LGWSA 2025 and therefore must amend its policy to incorporate these requirements.

8 On 1 July 2027, Council will cease to be a water service provider for water supply and wastewater, but would (on current information) remain a water service provider for stormwater. Council's legislative requirements to identify and manage significant contracts and agreements would continue to apply to stormwater contracts; the same legislative requirements for water supply and wastewater contracts would transfer to Central South Island Water Ltd.

Discussion

9 It is proposed that the additional wording (as per the track changed document located at Attachment One):

9.1 be incorporated into the current policy (version 2, adopted as part of the 2024-34 Long Term Plan) with immediate effect for water supply, wastewater and stormwater contracts; and

9.2 be incorporated into the draft policy (version 3, for consultation as part of the Long Term Plan 2027-37) in addition to the other amendments approved at the September 2026 Council meeting. The final version of this policy will apply to storm water contracts entered into or effective from 1 July 2027.

10 It is proposed that the policy wording remain materially identical for both amending the current policy and the draft policy for the Long Term Plan (LTP), and that the criteria for significant contracts be the same as for joint water service provider agreements. It is noted that public consultation on the draft LTP might result in amendments to the wording.

11 Officers have engaged with the Ministry of Cities, Environment, Regions and Transport (MCERT) via a remote meeting and follow-up written correspondence to clarify the requirements of the LGWSA 2025, in relation to significant water contracts. This report and the proposed amendments are informed by the advice received.

11.1 Most notably, MCERT advised that the scope of the legislation could capture contracts outside of direct delivery of water services: *"Any contract that the water service provider is party to, for any aspect of providing a water service, should be assessed under s22-25."* Council's project development and procurement processes are in the process of being amended to incorporate checking the applicability of contracts against this criteria.

11.2 Further, MCERT advised that operational and capital expenditure are both within scope, and that, *"whole-of-life costs should be considered whenever costs are considered."*

12 The proposed text has been developed to be appropriate to Council's circumstances and with reference to the Significance and Engagement policies of five other water service providers:

12.1 Tiaki Wai (water organisation for the Wellington Region)[2]

12.2 Selwyn Water[3]

12.3 Dunedin City Council[4]

12.4 IAWAI (water organisation for Hamilton City Council and the Waikato District Council)[5]

12.5 Central Districts Water[6] (water organisation for Palmerston North City Council and Horowhenua and Rangitīkei District Councils)

13 It is intended that the criteria (clauses 5.11.1-5.11.4) are both clearly defined to ensure that legislative compliance is achieved, and independently defendable. The criteria are also

[2] https://www.tiakiwai.co.nz/assets/Reports-and-Publications/Tiaki-Wai-Significance-and-Engagement-Policy-for-2026-27.pdf, p 8 and 9.

[3] https://www.selwynwater.co.nz/__data/assets/pdf_file/0025/1897/Selwyn-Water_Significance-and-Engagement-Policy_24-June-2026.pdf, p 10.

[4] https://www.dunedin.govt.nz/__data/assets/pdf_file/0003/1271064/9-year-plan-2025-34-Significance-and-engagement-policy.pdf, p 10.

[5] https://storage.googleapis.com/iawai-prod-web-assets/public/Website-pages-images/Governance-leadership/Significance-and-Engagement-Policy.pdf, p 5.

[6] https://palmerstonnorth.infocouncil.biz/Open/2026/09/JSC-C_20260904_AGN_11385_AT_ExternalAttachments/JSC-C_20260904_AGN_11385_AT_Attachment_32767_2.PDF, p 10 and 11

informed by the question: *"at what point is a contract or agreement significant and therefore the public should be afforded a larger opportunity to provide specific feedback on the matter?"*

14 As per the legislation presented at point 5 earlier in this report, elected members have some discretion in regards to the criteria, most notably in relation to 5.11.1 and 5.11.4. 5.11.2 and 5.11.3 appear to have less scope for discretion, based on the legislation. Proposed criteria can be amended, removed, or new criteria added.

15 5.11.1 references the value of a contract "relative" to revenue received, but does not clearly specify what is considered "high value"; this is a matter of Council discretion.

15.1 Officers propose to set specific thresholds, and for these to differ based on whether the contract is for operational or capital expenditure.

15.2 A 25% threshold for operational expenditure (OPEX) is proposed as a change at such a scale would involve a change in service delivery and/or level of service, e.g. outsourcing all treatment operations.

15.3 As of FY25/26, the relevant thresholds for OPEX are:

	Revenue	OPEX contract/ agreement threshold
Stormwater Total	$6.4m	$1.6m
Wastewater Total	$12.5m	$3.1m
Water Supply Total	$17.9m	$4.5m

15.4 A 10% threshold for capital expenditure (CAPEX) is proposed because a project of such magnitude or greater is deemed to result in a significant change in service delivery and/or level of service; a possible example would be upgrading the Aorangi Road Wastewater Treatment Plant to treat wastewater to a drinkable standard.

15.5 As of FY25/26, the relevant thresholds for CAPEX are:

	Asset Value	CAPEX contract/ agreement threshold
Stormwater Total	$392m	$39m
Wastewater Total	$495m	$49m
Water Supply Total	$620m	$62m

15.6 The thresholds are broadly comparable with the sample of policies considered for this report.

15.7 There are no proposed explicit distinctions between contracts for renewals and growth, although it is noted that a renewal contract is probably less likely to be significant as levels of service are less likely to be amended.

16 S 24(4)(d) of the legislation states "any relevant thresholds", inviting Council to determine additional criteria. Again, this is a matter of Council discretion.

16.1 It is proposed that a contract longer than 15 years would be deemed significant, primarily because a 10 year contract is increasingly industry standard.

16.2 It is proposed that a contract that alters the ownership or control of a Council strategic asset would be significant, primarily because this would trigger a LTP amendment or could only occur as part of a LTP process.

16.3 It is proposed that Council's standard significance criteria are reflected at 5.11.4.3 to ensure that a wider, all-of-Council perspective can be incorporated into the consideration.

17 It is proposed that exclusions would exist as stated at clause 5.15, where the requirements of the LGWSA 2025 have been already substantially met as part of another relevant planning or consultative process.

18 Separate criteria considered as part of the development of the proposed text included:

18.1 A certain contract value being a threshold (for example a total contract value of $10 million or $15 million) but discounted on the basis that percentages allow a greater degree of proportionality; and

18.2 Water supply, wastewater and stormwater each having different thresholds for "high value", either as a fixed value or a percentage, but discounted on the basis that it appeared to become overly complicated to interpret and differs to the approach taken by others in the sample group.

Retrospective and future application of proposed criteria

19 The LGWSA 2025's legislative requirements have applied since 27 August 2025.

20 If the proposed policy text is applied retrospectively, the Claremont contract entered into *may* have met the criteria as being a significant water service contract.

21 However, MCERT advice states: *"In terms of consultation, if this was done in good faith before the legislation came into effect (as part of the 2024-2024 LTP etc.) and in line with the significance and engagement policy in place at the time you are not expected to undertake additional retrospective consultation."* Officers consider that previous consultation met these requirements, meaning that compliance was achieved even if the relevant significant criteria had been met.

22 Applying the proposed criteria into the future, officers are not aware of any joint agreements that Council plans to enter into prior to 1 July 2027 that could be considered significant.

23 The agreement to manage the Downlands Water Scheme will be made between Central South Island Water Ltd and Waimate District Council. It would therefore be managed under the significance and engagement policies of those parties.

Options and Preferred Option

24 Option One: Approve the proposed amendments to the Significance and Engagement Policy to meet the requirements of the LGWSA 2025 (preferred).

24.1 This is the preferred option and supported by the policy review undertaken by officers. It would ensure that Council is compliant with its LGWSA 2025 legislative obligations.

25 Option Two: Amend the proposed amendments, prior to approval.

25.1 Elected members may believe that there are opportunities to improve the proposed text.

25.2 The advantages and disadvantages of this option depend on the nature of the amendments made to the text. It may be necessary to delay approval to allow officers to undertake analysis of any proposed amendments.

26 Option Three: Do not amend the Significance and Engagement Policy.

26.1 No advantages have been identified for this option. The primary disadvantages of this option is that Council would not be complying with its legislative obligations to be able to identify significant contracts for water services, and it would create operational risk.

Consultation

27 The Local Government Act 2002 allows for a Significance and Engagement Policy to be amended subject to s 82 (Principles of Consultation) of the same Act, unless it considers at its discretion and on reasonable grounds that it has sufficient prior information about community interests and preferences.

28 Officers consider that public consultation is not necessary prior to Council considering this report's recommendations.

29 This is primarily because the policy amendments are required to meet legislative requirements. As per the Significance and Engagement Policy (clauses 7.5.6 and 7.5.6.1) "the circumstances in which Council will not engage [with the public] include: where no viable alternative is deemed to be available, including where a decision is necessary to comply with the law."

30 Further, Council has recently been through a consultation process regarding its water services delivery model so may consider that it is aware of public feedback regarding water services.

31 The interim Chief Executive of Central South Island Water Ltd has been briefed on the development of the proposed text.

32 Arowhenua have been invited to provide feedback, and officers will provide a verbal update at the Council meeting.

33 Discussions have occurred with Mackenzie District Council, as they are similarly required to amend their Significance and Engagement Policy.

Relevant Legislation, Council Policy and Plans

34 Local Government (Water Services Act) 2025, especially clauses 22-26 and 30-32.

Financial and Funding Implications

35 This report has no direct financial and funding implications.

Other Considerations

36 There are no other considerations.

Attachments

1. Draft Significance and Engagement Policy (track changed) ⇩

Significance and Engagement Policy

Approved by:	Timaru District Council
Date adopted:	~~1 July 2024~~TBC
Review:	Every 3 years, or as required This Policy does not cease to have effect because it is due for review, or being reviewed
Consultation:	Required as part of the Long Term Plan and section 82 of the Local Government Act 2002

This document has been broken into two sections:

- Part 1: an overview to help the reader understand the wider context, and;
- Part 2: Council's policy on Significance and Engagement in accordance with statutory requirements.

Part 1: Overview

1. Context

For every decision Timaru District Council (Council) makes, whether big or small, we need to consider how important that decision is to our communities and how it might impact them. Sometimes we are already aware of people's views on a matter, or are very limited in our choices about a decision, but at other times, we need to hear your thoughts before we decide what to do, and at other times it may be appropriate that we collaborate with the community to reach a decision together, or empower the community to make decisions themselves.

Often when Council is making an important, or significant decision, the way we engage is set by legislation and there is a process we must follow, but other times we determine how to engage. When deciding how significant a decision is for our communities, we look at a number of factors, including:

a) Who is affected by, or interested in the decision;

b) What the costs will be, and;

c) What the overall impact of the decision will be.

These factors are part of working out the best way to engage with our communities on the issue. Do we need to just tell the community it's happening? Do we need to ask the community for feedback on a draft proposal? Or will the best outcomes be reached if we involve the community every step of the way to design solutions to issues and make decisions?

The Significance and Engagement Policy guides Council's assessment of the significance of matters and sets out how and when our communities can expect us to engage, before making a final decision on both significant and less significant matters.

2. Legislative Framework

Council, under the Local Government Act 2002 (LGA), is an organisation of representative democracy. The LGA gives Council authority to make decisions for, and on behalf of the community and makes it accountable for those decisions through the election process.

Councils are also directed by the LGA to seek out and take account of community views in the process of decision-making.

One of the purposes of local government is "to enable democratic local decision-making and action by, and on behalf of, communities".

Sections 76-81 of the LGA provide a framework which applies to all decision-making processes, including the consideration of community views. For each decision, Council determines how those requirements apply.

Council's decision-making is further framed by other things, such as the requirements of government policy, technical matters and financial implications. These matters can also influence engagement on an issue (e.g., if there is only one, or very limited viable options, such as a specific change required by new legislation).

Some decisions of Council are made under legislation with specific consultation processes for plans, policies or other matters. Examples of these are District Plans under the Resource Management Act 1991 (RMA) and Reserve Management Plans under the Reserves Act 1977. For most other matters there is a prescribed consultation process and Council must follow the requirements of the LGA. These are explained in the following section.

Regardless of the level of significance, if the decision is about a matter that has a prescribed legal process, Council must follow that process. However this does not mean that Council is limited to only engaging in accordance with the legislation. Council can choose to undertake additional engagement activities to support the decision-making process if this is considered appropriate.

3. Local Government Act 2002 Consultation Requirement

Consultation is one of the ways we engage to find out about community views and preferences before making a decision. We consult on certain decisions because we recognise how important they are to our communities, or because we are required to by statute, or both.

The LGA contains principles which guide consultation as well as some specific requirements. It refers to consultation in two different, but closely related ways: 'consultation' and the 'special consultative procedure' (SCP). As the name implies, the 'special consultative procedure' is a specific kind of consultation.

Section 82 and 82A Local Government Act

Section 82 of the LGA provides some overarching principles for consultation. This includes:

- Identify people who will be affected by, or have an interest in the decision;

- Provide them with reasonable access to relevant information in an appropriate format on the purpose and scope of the decision;
- Encourage people to give their views;
- Give people a reasonable opportunity to give their views in an appropriate way;
- Listen to, and consider those views, with an open mind, and;
- After the decision, provide access to the decision and any other relevant material.

Section 82A details some additional obligations if the consultation is a specific requirement under the LGA. Where this section applies Council also develops:

- A description of what we want to do and why;
- An analysis of the practical options (with advantages and disadvantages), and;
- A draft of the policy or relevant document (or details of the changes to any policy or document).

Section 83 – the Special Consultative Procedure (SCP)

The SCP builds on the principles of section 82 of the LGA as well as detailing additional requirements, including developing a 'statement of proposal' (SOP). An SOP is a document that provides detailed information on what the proposal is about and how people can provide their feedback. Depending on what the consultation is about, for example a Long Term Plan or a bylaw, the exact content requirements are further prescribed in the LGA. In some cases it requires the development of a specific consultation document, such as that required for the LTP or Annual Plan (in certain circumstances). In addition to meeting the principles of section 82, Council will:

- Make the SOP publicly available;
- Allow feedback to be provided for a minimum of one month;
- Ensure people are given an opportunity to present their views to Council through spoken interaction (or using sign language).

4. What is 'consultation' and what is 'engagement'?

Often the two terms 'consultation' and 'engagement' are used interchangeably, however, this is not accurate. Consultation is just one of the engagement options available, depending on the matter. Because Council is required by the LGA to undertake consultation for a range of reasons, it has become an easily recognisable term and process, for both Council and the community.

Consultation generally is when we develop a proposal, often a draft policy or plan, and then ask for the public's views on the draft proposal. Council then considered these views before deciding on what the final policy or plan should say.

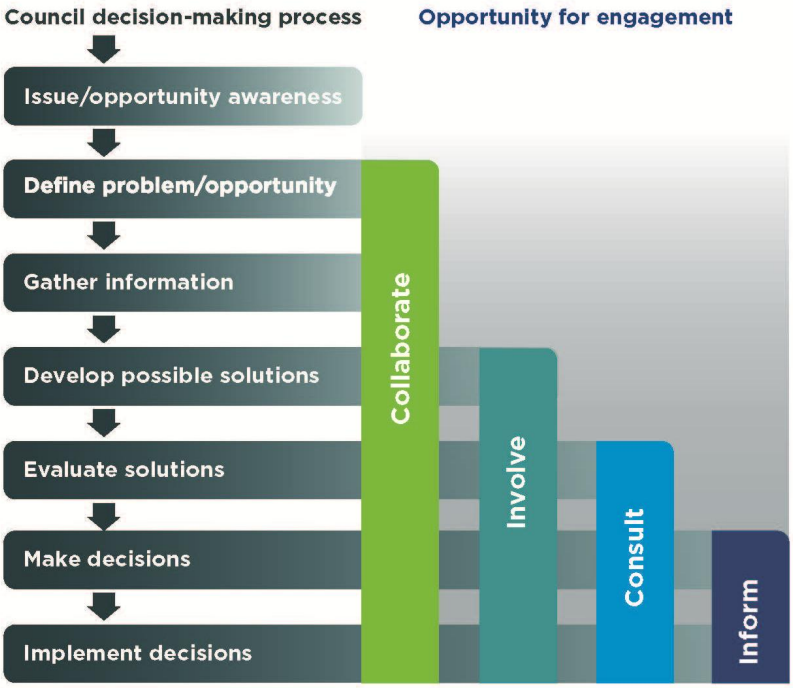
Most councils in New Zealand, including Timaru District Council, apply the principles developed by the International Association of Public Participation (IAP2) when talking about these matters.

The IAP2 developed the Spectrum of Public Participation to assist with the selection of the appropriate level of participation, or 'engagement' for the issues or problem. The graph below provides a summarized version of the Spectrum.



This means that engagement can range from letting the community know about the decisions, to supporting others to make their own decisions that Council then implements.

Another way of looking at the different types of engagement is to look at the steps in the decision-making process as an issue, proposal or decision progresses from development to final decision. The diagram below outlines the steps and the associated types of opportunities for participation.



The highest level of engagement, 'Empower' is not included in the above graph, nor in the flow-chart in Appendix B. This is because it is a non-standard engagement method that is generally used in exceptional circumstances, or outside of Council's formal decision-making process where Council's role is assisting others to make a decision. Often this kind of engagement is supported by Council through a framework of grants, advice and support.

Very occasionally, and in certain circumstances, Council may choose to empower the community to decide through a binding referendum. Council can also delegate decisions to a

group of people, for example a reserve management committee, or by allowing for the establishment of a Business Improvement District.

5. Māori

The Council recognises Kati Huirapa o Arowhenua holds manawhenua[1] status from the Rakaia to Waitaki rivers, including the Timaru District. As Crown partners under Te Tiriti o Waitangi the Timaru District Council recognises its obligations and responsibilities to enable manawhenua priorities and leadership.

Māori have a unique relationship with Councils through the Treaty of Waitangi and supporting legislation. This relationship is reflected in the requirements of the LGA to recognise and respect the Crown's responsibility to the principles of the Treaty of Waitangi by maintaining or improving opportunities for Māori in local authority decision-making process.

The LGA requires Council to:

- Take into account Māori interests where any significant decisions are to be made affecting 'land or a body of water';
- Establish and maintain processes to provide opportunities for Māori to contribute to council decision-making processes;
- Consider ways to foster the development of Māori capacity to contribute to council decision-making processes;
- Put in place processes to consult with Māori; and
- Assist Māori to better participate generally in decision-making.

Aside from the legislative requirements, the Council appreciates that Māori perspectives may offer different views of local issues and is keen for those views to be included in its deliberations.

Council considers it important to further develop relationships with Kati Huirapa o Arowhenua (Arowhenua) who represent those who hold manawhenua within the Timaru District. In doing so, the Council acknowledges the role of Arowhenua as the manawhenua. The Council; however, encourage both formal and informal opportunities for developing a closer relationship with groups representing local Māori who are not manawhenua.

The Council will ensure all its significant policy and decision-making processes include opportunities for discussion with mana whenua, through their mandated representatives, at the earliest opportunity and before decisions are made; and endeavor to provide resources to help facilitate that engagement. The Council acknowledges that the involvement of manawhenua in the Council decision making process is not restricted to matters directly affecting the Arowhenua.

The Council will respect the views expressed on behalf of mana whenua and foster close collaboration at an operational level. Council will offer places for rūnunga representatives on Council Committees, including the Environmental Services Committee, the Safer Communities Committee and the Local Arts Assessment Committee, and other bodies as appropriate, and seek regular engagement with manawhenua to discuss matters of common interest and foster

[1] Those who exercise customary authority or Rakatirataka (Chieftainship, decision making rights)

general relationships. Opportunities are also considered for appointments on planning and resource consent hearing committees.

To assist in this commitment and extending this relationship, Council has signed a Service Level Agreement with Aoraki Environmental Consultancy Ltd (AECL). AECL is mandated by Te Rūnanga o Arowhenua to help advise councils and other agencies on issues of interest to Arowhenua Rūnunga, to facilitate consultation with Arowhenua Rūnunga, and to ensure timely and appropriate input into policy, plans and processes on behalf of Te Rūnanga o Arowhenua.

The Mayor may enter into a Memorandum of Understanding to formally recognise the relationship with AECL and the expectations of it. Council's Senior Management will also make themselves available to meet with Arowhenua.

Part 2: Policy

1. Purpose

1.1. The purpose of this policy is to:

1.1.1. Enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities;

1.1.2. Provide clarity on how and when communities can expect to be engaged in the process of decision-making by Council;

1.1.3. Inform Council from the beginning of the decision-making process about the extent, form and type of any public engagement that is expected before a particular decision is made.

2. Background

2.1. Section 76AA of the Local Government Act 2002 (LGA) requires Council to have a policy on significance and engagement that sets out:

2.1.1. The general approach Council takes to determining significance;

2.1.2. The criteria and procedures used by Council in assessing the extent to which something is significant, or may have significant consequences; and

2.1.3. How Council will respond to community preferences, and what the community can expect in terms of engagement on matters with different degrees of significance.

2.2. For further detail on the context, legislative framework and requirements, see the Introduction to Significance and Engagement attached to this policy.

3. Definitions

Engagement: The process of informing and seeking information from the community to assist with Council decision-making. There is a continuum of community involvement ranging from "Inform" to "Empower" (refer to Part One of this policy and Appendix B).

Significance:[2] In relation to any issue, proposal, decision, or other matter that concerns or is before Council, means the degree of importance of the issue, proposal, decision, or matter as assessed by Council in terms of its likely impact on, and likely consequences for, -

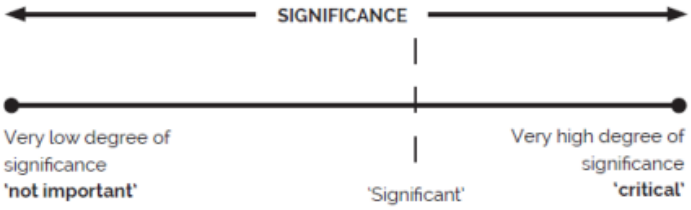
a) The current and future social, economic, environmental or cultural wellbeing of the district:

b) Any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter:

c) The capacity of Council to perform its role, and the financial and other costs of doing so.

[2] As defined in section 5 of the LGA.

Significant:[3] In relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision or other matter has a high degree of significance. The significance will fall somewhere on a continuum from low to high. At some point, a matter will transition from being not significant to being significant. This point is matter-specific and dependent on its individual circumstances.



Strategic Asset:[4] In relation to the assets held by Council, means an asset or group of assets that Council needs to retain in order to maintain Council's capacity to achieve or promote any outcome that Council determines to be important to the current or future wellbeing of the community; and includes –

d) Any asset or group of assets listed as strategic assets in Council's Significance and Engagement Policy; and

e) Any equity securities held by Council in a port company within the meaning of the Port Companies Act 1988.

Special Consultative Procedure: A defined and mandated form of public consultation set out in section 83 of the LGA.

4. Approach to Determining Significance

4.1. Council's approach to determining the degree of significance of an issue, proposal, decision, or other matter (the issue) will include:

4.1.1. The relevant Council officer undertaking an assessment of the issue in the earliest stages of a proposal against this Policy, which is reviewed by a member of the Senior Leadership Team;

4.1.1.1. The Chief Executive may request that the Corporate and Communications Group undertake a separate assessment of significance, for example when an issue/ proposal is deemed to potentially contain a significant unbudgeted expense or variance, a high level of risk, require a significant redistribution of funds between Council units, or significantly affect a level of service or delivery of another, already approved Council activity. This will be aligned with the delegations contained Council's Delegations Manual.

4.1.1.2. Each report will receive a legal, financial and significance check as part of the review and approval process. The relevant aspects of each draft report are to be reviewed for legal content (by the Legal Services Manager or their

[3] As defined in section 5 of the LGA.
[4] As defined in section 5 of the LGA, as it relates to Timaru District Council.

appointed delegate), financial content (by the Chief Financial Officer or their appointed delegate), and assessment of significance (by the Group Manager Corporate and Communications or their appointed delegate).

4.1.2. All decision-making reports presented to Council will include a summary of the assessment of significance, and recommend a corresponding level of engagement.

4.1.3. Due consideration by Council of the assessment of significance and engagement prior to any resolution on an issue. Elected members can make their own significance assessment, and may resolve that any matter has a higher or lower level of significance than that assessed by officers.

4.1.4. Where decision-making authority has previously been delegated to a committee of Council, the Chief Executive, or a Council officer, a reassessment of significance will be carried out in instances when there is material change to any of the criteria listed in Part 2, Section 5. This includes consideration of whether the existing delegation continues to apply, or needs to be reconsidered by the delegator.

5. Criteria for Assessing Significance

5.1. Council will consider the following criteria when determining the degree of significance of an issue:

5.2. **Current and future impact on the community**, including the number of people affected by the issue/ proposal and the degree (including monetary cost to those affected) to which they might be affected;

5.3. **Impact on strategic assets**, being the effect of those assets listed in this policy on the purpose for which they are held by Council;

5.4. **Impact on levels of service**, being the expected degree to which Council's stated levels of service will be increased, decreased or affected;

5.5. **Extent of community interest**, being the level of community and media interest currently apparent, previously expressed or likely to be generated, and the extent to which the community holds united or divided views;

5.6. **Impact on manawhenua (Arowhenua Rūnanga),** taking into account the relationship of Māori to their culture and traditions with their ancestral land, water, sites, wahi tapu, valued flora and fauna, and other taonga;

5.7. **Impact on Council's financial position,** including expected costs to Council, revenue streams, and limits as stated in Council's Financial Strategy;

5.8. **Consistency with approved plans, strategies and policies,** being the extent to which an issue or proposal is aligned or already provided for within Council's strategies, policies, and the current Long Term Plan or Annual Plan;

5.9. **Impact on the environment**, including the expected impact of the issue or proposal on pollution and greenhouse gas emissions, and the ability for these to be mitigated, and;

5.10. **Extent of risk**, including the level of financial, political, reputational, legal and health and safety risk the issue or proposal exposes Council to, and the expected level of difficulty to reverse the issue or proposal once a decision has been taken.

Note: any decision to alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of Council, and any decision to transfer ownership or control of a strategic asset to or from Council can only be made if provided for in a Long Term Plan, or as part of a Long Term Plan variation through the Annual Plan and consulted on accordingly.

Significant water services contracts and joint water service provider arrangements

5.11. Council will determine whether water services contracts or joint water service provider arrangements are significant for the purposes of the Local Government (Water Services) Act 2025 (LGWSA 2025) by assessing them against the following criteria:

5.11.1. Whether the proposed contract or agreement is of high value relative to the revenue that the provider receives from providing the water service to which the contract relates:

5.11.1.1. Specifically, for operating expenses (OPEX) contracts, whether the contract or agreement has an aggregate per annum value of more than 25% of annual operating revenue of the applicable water service in the most recent financial year.

5.11.1.2. Specifically, for capital expenditure (CAPEX) contracts, whether the contract or agreement has a total value of more than 10% of the most recent valuation of Council's property, plant and equipment for the applicable water service; or

5.11.2. Whether the proposed contract or agreement will create a public-private partnership (as defined by s 23(4) of the LGWSA 2025); or

5.11.3. Whether it is deemed that the proposed contract or agreement could risk Council's ability to meet its statutory obligations; or

5.11.4. Whether the proposed contract or agreement exceeds any of the following thresholds:

5.11.4.1. The length of the contract or agreement (excluding options for renewal or extensions) is greater than 15 years; or

5.11.4.2. The contract or agreement alters the ownership or control of a listed Council strategic asset; or

5.11.4.3. If the matter is considered of high significance under Council's Significance and Engagement Policy standard criteria, it is likely to be considered a significant contract or agreement.

5.12. The criteria operate independently; the contract or agreement is deemed significant if any are triggered.

5.13. These criteria apply to any contracts or agreements (including contracts that impact or enable the delivery of water services) entered into by Timaru District Council whilst it is a water services provider. The clause will cease to apply to contracts or agreements entered into for any water services that transfer to Central South Island Water Limited which are effective from or after the date of transfer.

5.14. Where a contract or agreement is identified as significant, engagement will be undertaken in accordance with the requirements of the LGWSA 2025 and any other applicable legislation. This consultation may be undertaken as part of a Long Term Plan or Annual Plan process if LGWSA 2025 requirements can be met.

5.15. However, Council will not usually consult on significant contracts or agreements when the matter, proposal or project that the proposed contract or agreement relates to has already been consulted on or approved through the Water Services Strategy, Water Services Delivery Plan, Long Term Plan or Annual Plan, and it is deemed that there are no substantive changes from what has already been consulted on.

5.16. Any consultation will not disclose any commercially sensitive information or include matters that would undermine the ability for Council to undertake a competitive commercial tender process.

5.17. Prior to the transfer of relevant water services to Central South Island Water Limited, the Joint Shareholders' Committee will be notified via tabled report about:

5.17.1. Whether any water service contracts or joint agreements for relevant water services have been identified as significant; and

5.17.2. How any legislative requirements have been complied with, or will be complied with.

6. Engagement Principles

6.1. In considering the approach to engagement on any issue, Council will consider community preferences about engagement on decisions and will apply the following principles:

6.1.1. **Appropriateness –** Council will determine the appropriate level of engagement on a case-by-case basis, according to the degree of significance, and engagement will be tailored to meet the particular needs of each issue, budget considerations, the stakeholders involved and the context.

6.1.2. **Genuineness –** There is a genuine willingness on Council's behalf to engage with an open mind to ensure the community's views are included in the decision-making process.

6.1.3. **Timeliness –** Council will consider engagement early in the planning process to ensure the public can be involved in the decision-making process and to ensure sufficient time to allow genuine engagement. Timeframes for engagement can vary accordingly.

6.1.4. **Accessibility –** Council will provide reasonable access to engagement processes in a manner and format that is appropriate to people's needs. This will require varying methodologies, taking into account factors such as location, technology, social and cultural context.

6.1.5. **Information –** Council will provide relevant information to the issue under consideration, including options and consequences, in a manner that can be readily understood by interested or affected people.

6.1.6. **Diversity** – Council will endeavor to seek the views of a wide cross-section of the community, using the most appropriate ways of engaging with various representative groups in the community.

6.1.7. **Engaging with Māori –** Council will maintain and improve opportunities for iwi/Māori to contribute to Council's decision-making processes and will continue to work with iwi to refine and improve these processes.

6.1.8. **Feedback** – Council will provide information regarding the outcome of the decision-making process and the reasons for the decisions.

7. Engagement Processes

7.1. The degree of significance of an issue influences who is involved in the decision making process, and at what point they become involved. It also affects how much time and money Council will invest in exploring and evaluating options, and engaging with the community before making a decision.

7.2. Council will use the engagement spectrum to determine the most appropriate processes and methods for engagement with affected and interested communities on particular decisions or issues. This approach is based on the International Association for Public Participation (IAP2) framework.

7.3. For matters determined to have a high degree of significance, Council will, at a minimum, consult with the community in accordance with the requirements of section 82 of the LGA, except for matters with another prescribed statutory consultation process. In those cases, Council will consult in accordance with the relevant statutory requirements. Council can choose, within its power, to engage on something where assessment under the policy does not indicate a high degree of significance.

7.4. An engagement plan, addressing Council's engagement principles, will be developed for proposals with a high degree of significance. Where an issue has been determined to have a lower degree of significance, Council must still decide what level of engagement with the community is appropriate.

7.5. The decision on the level of engagement for all issues will be informed by determining the level of significance as assessed against Council's stated criteria. In determining this, Council will consider:

7.5.1. The views of Te Rūnanga o Arowhenua, and Council's commitments to engage with the same (refer to the "Māori" section of this policy in Part One);

7.5.2. What, if any, aspect of the decision can change as a result of engagement due to the legislative, technical and operational aspects of the matter;

7.5.3. The decision-making requirements of the LGA and any other relevant legislation;

7.5.4. The characteristics of the interested or affected persons (e.g. geographically, or by interest, age or activity);

7.5.5. The length of time the matter relates (e.g. is it a one off decision or a ten year strategy), and;

7.5.6. Whether it is appropriate for Council to engage. The circumstances in which Council will not engage include:

7.5.6.1. Where no viable alternative is deemed to be available, including where a decision is necessary to comply with the law;

7.5.6.2. Emergency management activities during a declared State of Emergency;

7.5.6.3. Urgent matters where an immediate or quick response is required, including for the protection of life, property and the environment;

7.5.6.4. A commercially sensitive or confidential matter, including to protect the privacy of individuals;

7.5.6.5. Where Council deems that it already has a comprehensive understanding of the views and preference of the interested or affected persons, and;

7.5.6.6. Where the matter relates to a policy, strategy or plan that Council has already consulted on recently.

7.6. While the above criteria will assist in determining the level of engagement and who to engage with, these details are also informed by the specific situation. Just because a matter has a higher level of significance compared to another matter, it does not mean that a higher level of engagement is necessarily appropriate and vice versa.

7.7. See Appendix A and Appendix B for additional information about how to apply engagement principles.

8. Strategic Assets

8.1. The LGA requires that Council identify and list the assets considered to be strategic assets (including strategic water service assets under the LGWSA 2025) (see Glossary).[5]

8.2. Any decision to transfer the ownership or control of a strategic asset to or from the local authority must be explicitly provided for in a Long Term Plan, following community consultation.[6] Note that this includes a Long Term Plan variation through the Annual Plan.

8.3. Council considers the following assets, or groups of assets, to be strategic:

8.3.1. Council's equity securities in Timaru District Holding Ltd;

8.3.2. Council's housing assets as a whole;

8.3.3. Cultural and Learning Facilities as a whole;

8.3.4. District cemeteries as a whole;

8.3.5. Parks facilities as a whole;

8.3.6. Recreational facilities as a whole;

8.3.7. Redruth Landfill;

8.3.8. Roading network as a whole;

8.3.9. Timaru Airport, and;

[5] Section 76AA
[6] Section 97 and 93E of the LGA

8.3.10. Water supply, Wastewater and Stormwater networks as a whole.

8.4. To remove doubt, strategic assets as defined above are the assets as a whole entity and not the individual elements of that asset. The requirements of section 97 of the LGA are only triggered if the proposal relates to the asset as a whole, or where it would materially affect the nature and operation of the asset.

8.5. Nothing in this section precludes Council from engaging with the community when proposing the transfer of ownership or control of any other Council asset, through Long Term Plan consultation, or other mechanisms as determined by this policy.

Delegations, References and Revision History

Delegations
Identify here any delegations related to the policy for it to be operative or required as a result of the policy

Delegations Register Reference	Delegation
	While there are no specific delegations relating to this policy or its implementation, wherever decision-making ability has been delegated by Council to a committee or officer, the responsibility of assessing the significance of a decision or an issue, and the resulting engagement required accompanies this delegation.

References
Include here reference to any documents related to the policy (e.g. operating guidelines, procedures)

Document Reference	Title
www.iap2.org	International Association for Public Participation (IAP2) framework
Local Government Act 2002 (LGA)	Sections 76AA-81, 93E, 97

Revision History
Summary of the development and review of the policy

Revision	Owner	Date Approved	Approval By	Next Review	Doc Ref
1	Strategy and Corporate Planning Manager	15 February 2021	Timaru District Council	September 2023	#1404319
2	Group Manager Corporate and Communications	1 July 2024	Timaru District Council	As part of the 2027-37 LTP	#1584635
2.1	Group Manager Corporate	TBC	Council	As part of the 2027-37 LTP	#1879586

Appendix A: Assessment of Significance

The below table is a tool intended to assist in assessing the significance of an issue/ proposal. The Corporate Planning, Strategy and Governance Group are available to assist Council staff with this process and determination.

Step 1. Apply each of the "Criteria" and their associated "Factors to consider" to the issue/ proposal in question. Determine whether, for each criterion, the issue/ proposal meets the "High", "Medium" or "Low" level of significance. The examples given are intended to be illustrative and provide a guide, rather than be determinative.

Step 2. Determine an interim overall level of significance by considering the number of "High", "Medium" and "Low" ratings. For example, visually, where does the centre of gravity appear to lie? Discussion with the Corporate Planning, Strategy and Governance Group is encouraged if there are a large number that are rated "High" (four or more of the nine criteria, for instance).

Step 3. Consider whether there are any extenuating circumstances that mean that one or more criteria require additional weighting (where it counts more than another criteria), and therefore the issue/ proposal requires a different overall assessment of significance. It is important to note that the criteria do not necessarily have to be equal. Take the example of managed retreat due to coastal erosion at Rangitata Huts. Whilst the number of people affected may be relatively low, the impact on them would be so significant (the cost and disruption of relocating homes and moving to a new community) that the "impact on community" criteria would be given additional weighting relative to the others.

Step 4. Determine what the final overall level of significance is. It may be "High", "Medium" or "Low", or a range such as "Low – Medium".

It is important to use careful and professional judgement when assessing significance as it is, by its nature, subjective. It is not a prescriptive exercise, and any particular issue/ proposal needs to be considered on its merits and individual circumstances. What is significant for one type of Council activity may be less significant for another activity.

		Examples may include		
Criteria	**Factors to consider**	**High**	**Medium**	**Low**
Impact on community	What number of people are affected, and to what extent? What is the potential for the impact to be more significant or widespread than intended?	*More than 500 people affected.* *Daily lives impacted to a significant extent on an ongoing basis.* *Costs incurred are significant relative to means.* *E.g. Rangitata Huts managed retreat from coastal erosion*	*Less than 500 people affected.* *Daily lives impacted to some extent.* *Some costs incurred but are not significant.* *E.g. Road closed for a month to upgrade safety features*	*Less than 100 people affected.* *Negligible or low impact on daily lives.* *Costs incurred are nil or minor.* *E.g. expansion of Fresh Air Project on Stafford Street*
Impact on strategic assets	Does the proposal affect a Council strategic asset? If yes, how?	*Sale or transfer of a strategic assets.* *E.g. proposal to centralise or privatise water network and services*	*Partial sale or transfer of an entire strategic asset, or entire sale and transfer of an non-strategic asset of high to moderate value* *E.g. sale of current Timaru Library building if library services have relocated*	*Sale or transfer of a non-strategic asset of low value* *E.g. sale of a low-value building deemed surplus to requirements*
Impact on levels of service	Does the proposal affect Council's stated levels of service for a particular activity? If yes, does it increase or decrease the level of service?	*High impact on levels of service.* *A new service created or existing service removed.* *High number of people affected.* *Level of service affected for an extended period.* *E.g. Aorangi Stadium/ grounds/ unavailable for a year whilst new stadium constructed*	*Medium impact on levels of service.* *Levels of service increased or decreased, but not to a significant extent.* *Moderate number of people affected.* *Impact occurs for a relatively short duration.* *E.g. CBay closure for a month for renovation*	*Minor to nil impact on levels of service.* *Low number of people affected.* *Impact occurs for a short duration.* *E.g. upgrade to small-scale water scheme*

		Examples may include		
Criteria	**Factors to consider**	**High**	**Medium**	**Low**
Extent of community interest	Do the community and/ or media have a current or likely future interest in what is proposed?	*Significant, known public or media interest.* *Likely to be a regional or national or regional "front page" issue, or have sustained social media coverage.* *E.g. building a new stadium*	*Moderate public or media interest.* *Likely to receive coverage in a local or community paper, or have short-term social media coverage.* *E.g. amendment to Dog Bylaw*	*Low to no public or media interest.* *Not likely to feature in traditional media.* *Social media coverage likely to be minor to nil.* *E.g. amending Backflow Prevention Policy schedules*
Impact on manawhenua (Arowhenua)	Is the issue of interest to, or will affect, Arowhenua, and, if so, to what extent?	*Yes/ High.* *Relates to a body of water, land or taonga that Arowhenua have an interest in.* *E.g. District Plan review*	*Some interest, but not to a high or specific extent.* *E.g. Climate Change Policy*	*No special interest.* *E.g. Local Alcohol Policy*
Impact on Council's financial position	How does the proposal affect Council's reserves, rates, fees and charges or debt? What is the unbudgeted expense, or variance from a prior approval?	*Significant impact on Council's finances.* *Could impact Council's debt cap.* *High unbudgeted cost or variance.* *E.g. extent of provision for, or revaluing of assets leading to increases in, depreciation*	*Moderate impact on Council's finances.* *Medium impact on reserves, rates, fees and charges or debt overall.* *E.g. Fraser Park grant*	*Low to negligible impact on overall finances.* *Proposal able to be met within existing budgets.* *E.g. CPI-indexed change to existing contract*

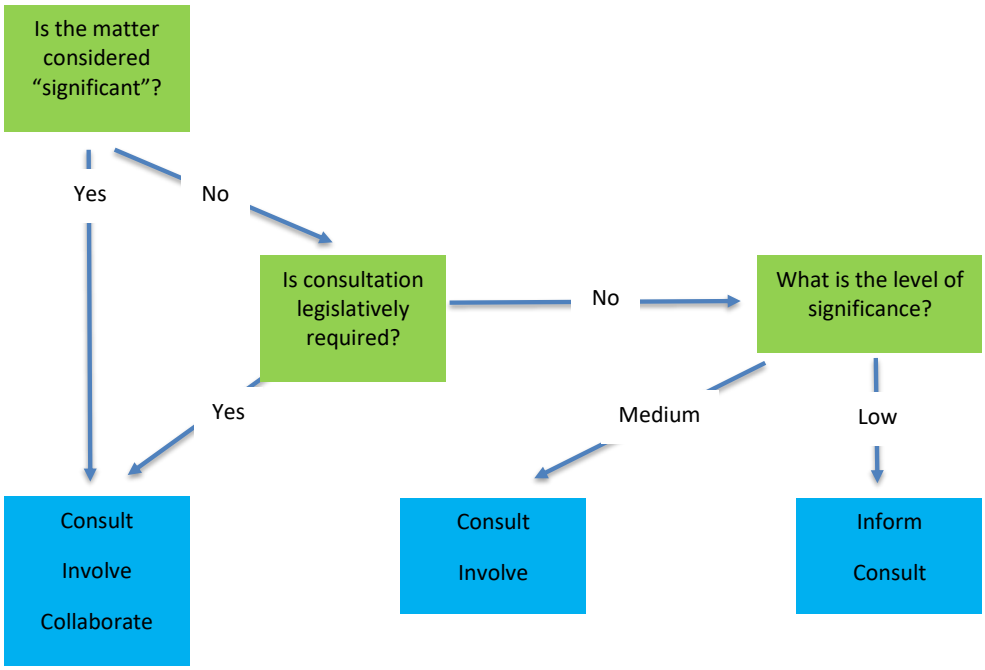
		Examples may include		
Criteria	**Factors to consider**	**High**	**Medium**	**Low**
Consistency with approved plans, strategies and policies	Is the proposal aligned with Council's current plans, as articulated in the Long Term Plan or Annual Plan? Is it consistent with existing strategies and policies? If no, what is the difference?	*High degree of inconsistency with Council plans, strategies, and policies.* *A response to an unexpected issue or opportunity.* *Community has not been previously consulted.* *E.g. urgent upgrade of Temuka residential water supply due to presence of asbestos*	*A moderate degree of inconsistency with Council plans, strategies, and policies.* *Perhaps an extension of a previous proposal.* *Community has been consulted on the broad topic within the past five years.* *E.g. extending the scope of the proposed Heritage Facility*	*Consistent with existing Council plans, strategies, and policies.* *"Business as Usual".* *The community is deemed to have a good understanding of the issue/s and options.* *E.g. upgrading CBD footpath tiles*
Impact on the environment	How does the proposal affect pollution in the natural environment, e.g. impact on waterways or habitats? Is the proposal consistent with Council's greenhouse gas (GHG) emission reduction goals? Can any negative impacts be mitigated?	*High pollution likelihood/ risk.* *Not consistent with Council's GHG reduction goals, e.g. a high increase in emissions relative to another option.* *Difficult or expensive to mitigate.* *E.g. Introduction of waste incinerator at Redruth*	*Reasonable likelihood of pollution occurring.* *A medium degree of inconsistency with Council's GHG reduction goals.* *Mitigation options are available but potentially expensive.* *E.g. large sealed area created for vehicle parking on a former playing field*	*No impact, or reduction of pollution.* *No impact, or reduction in greenhouse gas emissions.* *Mitigation options are available, affordable, and effective.* *E.g. increased buffer capacity for sewerage ponds to reduce frequency of local discharges into rivers after rainstorms*

		Examples may include		
Criteria	**Factors to consider**	**High**	**Medium**	**Low**
Extent of risk	What is the overall level of risk (financial, political, reputational, legal, health and safety, etc) of what is proposed? Could the decision be reversed, and how easily? How well understood are possible adverse effects and unintended consequences?	*Significant risks are present. There is a low, or expensive, degree of reversibility. Adverse effects and unintended consequences have not been considered to a meaningful extent. E.g. deferral of infrastructure projects which may lead to non-compliance with national standards*	*Some risk, but this is not deemed to be significant. Adverse effects and unintended consequences are well-scoped and can be mitigated. E.g. decision to proceed to detailed design for the Theatre Royal*	*Minor to negligible risk, or a potential opportunity. The decision to be made is not determinative, i.e. there is the opportunity for changes to be made. Adverse effects and unintended consequences are well understood. E.g. change to operational PPE*

Appendix B: Identification of Engagement Method

Once a degree of significance has been assessed, it is then necessary to use this determination to identify the appropriate corresponding engagement method.

The flow-chart and table below assist to determine what types of engagement methods may be suitable for any particular matter. These should be actioned in conjunction with the Engagement Processes section earlier in this policy. Further, where the issue or proposal is of significance to Te Rūnanga o Arowhenua, refer to the "Māori" section in part one of this policy.



	Inform	Consult	Involve	Collaborate	Empower
What does it involve	One-way communication providing balanced and objective information to assist understanding about something that is going to happen or has happened.	Two-way communications designed to obtain public feedback about ideas on rationale, alternatives, and proposals to inform final decision making.	Participatory process designed to ensure that concerns and aspirations are understood and considered prior to decision-making.	Working together to develop understanding of all issues and interests to work out alternatives and identify preferred solutions.	The final decision making is in the hands of the public.
Types of issues that we might use this for	Annual Report, Infrastructure upgrades, Water restrictions.	Rates review, Bylaw reviews, Local Alcohol Policy.	District Plan, Long Term Plan, Infrastructure projects, policy development.	Representation Review, Canterbury Water Management Strategy, significant capital projects, matters of significant community interest.	Local body elections; when central government that mandate a local referendum; matters deemed to have exceptional community interest.
Tools Council might use	Websites, information flyers, advertising, public notices, media releases, newsletters, Council Noticeboard.	Formal submissions and hearings consultation processes, informal meetings, focus groups, surveys, expos, roadshows.	Workshops, Focus groups, Community Boards, Youth Councils, Public meetings, surveys.	Multi stakeholder process, Joint Committees, face to face liaison, working parties.	Referendums, local group involvement, advisory groups, citizens panels, participatory budgeting.
When the community can expect to be involved	Council would generally advise the community once a decision is made.	Council would generally advise the community once a draft decision is made and would generally provide the community with up to four weeks to participate and respond.	Council would generally involve the community at the refining state of the options.	Council would generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered.	As a non-standard engagement method, the point at which the community would become involved is situation-specific.

9.12 Temporary Road Closure Applications - Section 342 and Schedule 10, Clause 11(e) LGA

Author: **Glencarol Kruger, Executive Assistant Assets & Infrastructure, Land Transport**

Authoriser: **Susannah Ratahi, General Manager Land Transport / Acting General Manager Parks**

Recommendation

That Council:

1 Receives and notes the report *Temporary Road Closure Applications - Section 342 and Schedule 10, Clause 11(e) LGA;*

2 Approves the temporary road closure application(s) listed in the table in Section 7 of this report, under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974, including all conditions proposed by officers and;

3 Approve that traffic management for the application(s) listed in the table in paragraph 8.2 of this report be funded from the Community Events and Programmes budget.

Purpose of Report

1 The purpose of this report is to seek the Council's approval of temporary road closure application(s), as per Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974.

Assessment of Significance

2 This matter is deemed to be of **low significance** under the Council's Significance and Engagement Policy as the process is in accordance with legislation and Council policies. However, it should be acknowledged that due to the nature of, and volumes of visitors expected at the event(s) proposed, there is likely to be community interest.

Background

3 Under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974 Council (or a Committee of the whole) may close any road or part of a road to all traffic or any specified type of traffic (including pedestrian traffic) for a period or periods not exceeding in the aggregate 31 days in any year for any exhibition, fair, show, market, concert, film-making, race or other sporting event, or public function. This is provided that no road may be closed for these purposes if that closure would, in the opinion of the council, be likely to impede traffic unreasonably.

4 Council officers operate a temporary road closure application process that enables organisations in the Timaru District to apply for temporary road closures for their events.

5 All applications are assessed against key criteria, including event type/activities planned, temporary traffic management arrangements, and impact on stakeholders.

6 Council budgets allow for funding of traffic management for community events, and the following classification system is used to determine whether events are eligible for this funding and where responsibility for costs is held.

	Commercial Events	Community Events
Definition	Where the primary activity is the sale or marketing of goods or services	Where the primary activity is entertainment, recreation, celebration or commemoration
Responsibility for preparation of temporary traffic management plan (including associated costs).	Event	Council and/or Council's contractor
Responsibility for implementing temporary traffic management plan (including associated costs)	Event	Council and/or Council's contractor

Discussion

7 The following temporary road closure application(s) have been assessed by Council officers and require a decision on approval by Council. Records of application assessment, including full Council officer recommendations, are included as Attachment 1.

Event Name / Organisation	Event type	Event date and traffic management set up/pack down times	Proposed closure area	Officer recommendation
Temuka Christmas Parade	Community	28 November 2026 from 10am to 2:30pm	Wood Street (Hally Terrace to King Street) King Street (Wood Street to Domain Avenue) Commerce Street (Hally Terrace to King Street)	**Recommended**
Community Benefit:		The event provides a free and inclusive opportunity for the community to come together and celebrate the beginning of the festive season, including people who may otherwise experience social isolation.		

Event Name / Organisation	Event type	Event date and traffic management set up/pack down times	Proposed closure area	Officer recommendation
Pleasant Point Christmas Procession	Community	18 December 2026 7.00 pm to 8.00 pm	The intersections with SH8 (Main Road) from Te Ngawai Road to Munro Road. Munro Road from SH8 (Main Road) to Harris Street. Halstead Road from SH8 (Main Road) to Harris Street.	**Recommended**
Community Benefit:		The event provides a free and inclusive opportunity for the community to come together and celebrate the beginning of the festive season. (Christmas procession)		

Event Name / Organisation	Event type	Event date and traffic management set up/pack down times	Proposed closure area	Officer recommendation
Retro Rock at the Museum 2027	Community	13 February 2027 2.00 pm to 11.59 pm	From 2:00pm Perth Street from Sophia Street to King George roundabout. From 6:00pm: Full closure of Perth Street from Sophia Street to King George roundabout.	**Recommended**
Community Benefit:		Retro Rock at the Museum 2027 will provide a free, family-friendly community event that brings people together to celebrate local music, creativity, heritage and community spirit. The event will showcase local musicians and performers, provide activities for children and attendees		

Options and Preferred Option

8 **Option one (Preferred option)** is that the Council:

8.1 Approve the application(s) for the above events listed in section 7 for temporary road closure, under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974, including all conditions proposed by officers.

8.2 Approve that traffic management for the road closure application(s) listed in the table below be funded from the Community Events and Programmes Budget.

8.3 This option incurs some cost to Council as outlined in the Financial Implications section below. These costs are within available budgets.

Event Name	Cost to prepare temporary traffic management plan	Cost to implement temporary traffic management plan	Total cost incurred by Council
Temuka Christmas Parade	**$522.00+GST**	**$ 1,985.00+GST**	**$2,507.00+GST**
Pleasant Point Christmas Procession	**$1,080.00+GST**	**$1,847.50+GST**	**$2,927.50+GST**
Retro Rock at the Museum 2027	**$600.00+GST**	**$2,860.00+GST**	**$3,460+GST**
Comment			

9 **Option two:** is that Council:

9.1 Approves the temporary road closure applications as per Option 1, under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974, with additional conditions to be advised by the Council.

9.2 This option incurs some cost to Council as outlined in the Financial Implications section below.

10 **Option three**: is that Council:

10.1 Advises alternate decisions to approve and/or decline the temporary road closure applications under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974, including advising any additional conditions if applicable.

10.2 This option may result in the proposed event or events being unable to proceed as planned and being cancelled.

Consultation

11 Under the Local Government Act 1974, Schedule 10, Council is required to:

11.1 Publicly notify the intent to temporarily close roads for events

11.2 Publicly notify Council/Committee decisions to temporarily close roads for events

11.3 Consult with NZ Police and New Zealand Transport Agency prior to approving temporary road closures for events.

12 Council officers have undertaken requirements 11.1 and 11.3 for all applications considered in this report.

13 The attached application review records outline feedback received from NZ Police and New Zealand Transport Agency (Attachment 1).

14 The temporary road closure application process requires applicants to produce a communications plan advising how they intend to communicate with key stakeholders and people impacted by the event.

15 Communications plans for all applications considered in this report have been received and approved by Council officers.

16 Implementation of these plans is noted as a condition of approval should the temporary road closure proceed.

17 Council officers would notify emergency services of confirmed closures.

Relevant Legislation, Council Policy and Plans

- Local Government Act 1974
- Timaru District Council Long Term Plan 2024-34

Financial and Funding Implications

18 Council has an approved Land Transport Community Events and Programmes budget of $90,000 (+ GST) for the current financial year within the Land Transport Activity, which provides funding for traffic management for community events.

19 The following costs would be incurred by Council if these events were approved to proceed (all costs are estimates and exclude GST):

Event Name	Cost to prepare temporary traffic management plan	Cost to implement temporary traffic management plan	Total cost incurred by Council
Temuka Christmas Parade	**$522.00+GST**	**$ 1,985.00+GST**	**$2,507.00+GST**
Pleasant Point Christmas Procession	**$1,080.00+GST**	**$1,847.50+GST**	**$2,927.50+GST**

Retro Rock at the Museum 2027	**$600.00+GST**	**$2,860.00+GST**	**$3,460+GST**
TOTAL (for approval in this paper)	**$8,894.50+GST**		
Previously approved	**$19,895.00 + GST**		
Cost to date (If all approved)	**$28,789.50 + GST**		

Other Considerations

20 Council officers consider that temporary road closures present some reputational, financial and health and safety risks to Council, however, these are mitigated by the proposed conditions of road closure including planned communications activity, provision of insurance cover and compliance with relevant regulations, legislation and bylaws respectively.

Attachments

1. **TM20 -Temuka Christmas Parade 2026 Event assessment.**
2. **TM21-Pleasant point Christmas parade 2026 assessment.**
3. **Retro Rock at the museum assessment.**

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM20 From Jocelyn McKay
Form Submitted 25 Sept 2026, 9:58am NZST

Event Details

Organisation hosting event:

Event name:
Temuka Christmas Parade

Event date:
28/11/2026

Start time:
10 am

End time:
2 30 pm

Event location:
Wood Street off Hally Terrace end, turning left onto King Street. Along King Street turning left onto Domain Ave, the left onto Hally Terrace

Specific Road Closure Points
Wood Street (Hally Terrace to King Street)
King Street (Wood Street to Domain Avenue)
Commerce Street (Hally Terrace to King Street)

Is this a commercial or community event?:
☐ Commercial Event
☑ Community Event

Role:
Co-Chairperson

Contact person:
Jocelyn McKay

Contact number:
027 423 8494

Email:
aaronmckay037@gmail.com

Community benefit statement:
Bringing together of the community to celebrate the beginning of the Festive Season. Free community entertainment and for people usually isolated

Assessment Result

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM20 From Jocelyn McKay
Form Submitted 25 Sept 2026, 9:58am NZST

Officer application assessment result:
◉ Recommended
○ Not recommended

Recommendations

That Timaru District Council approve or decline the temporary road closure for the event being assessed under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974.:
○ Approve
○ Decline

That Timaru District Council approve or decline the event organisation to charge a entry fee for the event being assessed under Schedule 10, Clause 11B of the Local Government Act 1974 (leave blank if not relevant)
○ Approve
○ Decline

If a entry charge is to be collected, what is the amount?
N/A

That Timaru District Council approve or decline traffic management for the event being assessed to be funded from the Community Events and Programmes budget (leave blank if not relevant).
○ Approve
○ Decline

If recommendations have varied, state changes here:

Conditions

That approval is subject to the following conditions:

- that the event organisation has public liability insurance in place for the event, covering a minimum of $1,000,000.
- that temporary closure is undertaken in accordance with the approved Temporary Traffic Management Plan
- that communications activity is undertaken in accordance with the approved communications plan
- that all staff at the event (including volunteers) comply with any instructions from NZ Police, Council Officers and Traffic Management staff.
- that the event organisation will meet the cost of any damage to public property, including roads, caused by the event.
- that following the event, all streets and surrounding areas will be left in a clean and tidy condition.
- that the event organisation will ensure compliance with any other relevant regulation/bylaw pertaining to the event is met (for example, health and safety, food/liquor licenses, waste management).
- that the event organisation has the authority to charge $X entry fee for the event (delete if not relevant)

Insert any other special conditions

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM20 From Jocelyn McKay
Form Submitted 25 Sept 2026, 9:58am NZST

Application Assessment

Applicant has fully completed all fields in 'Section 1 – Contact Details' of the Application Form
◉ Yes
○ No

Applicant has fully completed all fields in 'Section 2 – Event Details' of the Application Form
◉ Yes
○ No

Applicant has confirmed understanding of all obligations in section 4
◉ Yes
○ No

Applicant has supplied proof of public liability insurance for the event
◉ Yes
○ No

Applicant has supplied Communications Plan
◉ Yes
○ No

EVENTS NOT SEEKING FUNDING: Applicant has supplied a Temporary Traffic Management Plan (TTMP)
○ Yes
○ No
◉ N/A

EVENTS SEEKING FUNDING: Applicant has supplied a map of the proposed temporary closure area/event route
◉ Yes
○ No
○ N/A

Applicant has signed and dated declaration in 'Section 6 – Declaration'.
◉ Yes
○ No

Applicant has satisfied all information requirements
◉ Yes
○ No

Office comments

Consultation

NZTA & NZ Police

NZTA Contact name:

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM20 From Jocelyn McKay
Form Submitted 25 Sept 2026, 9:58am NZST

Simon Harty, Theresa Allan

Contact date:
11/09/2026
Must be a date.

NZTA comments and TDC actions (if applicable)
N/A

NZ Police contact name:
Vicki Walker, Richard Quest

Contact date:
11/09/2026
Must be a date.

NZ Police comments and TDC actions (if applicable)
N/A

Communication Plan

Communications Plan must provide the following information:

- Lists affected stakeholders
- Describes how stakeholders will be affected by temporary road closure
- Outlines key messages
- Includes action/implementation plan detailing how and when stakeholders will be communicated with
- Includes procedure for managing complaints
- Includes procedure for how the plan will be monitored

Communication Plan approved:
◉ Yes
○ No

Office comments (if applicable)

Traffic Management

EVENTS SEEKING FUNDING: TTMP design costs:
$522

EVENTS SEEKING FUNDING: Estimated TTMP delivery costs:
$1985

EVENTS SEEKING FUNDING: Total estimated TTMP cost to be incurred by Council:
$2507

Event Charges

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM20 From Jocelyn McKay
Form Submitted 25 Sept 2026, 9:58am NZST

Event Charges
○ Yes
◉ No

Officer comment:

Key Dates

Additionally, confirmation of road closure must be advertised on the TDC website after Council decision has been made.

Advertising intent of road closure on TDC website(at least 2 weeks before Council report is due):
11/09/2026
Must be a date.

Council report due date:
12/10/2026
Must be a date.

Council decision meeting date:
27/10/2026
Must be a date.

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM21 From Sarah Denton - DRAFT

Event Details

Organisation hosting event:

Event name:
Pleasant Point Christmas Procession

Event date:
18/12/2026

Start time:
7 pm

End time:
8 pm

Event location:
Pleasant Point - SH8

Specific Road Closure Points
SH8 (Main Road) from Te Ngawai Road to Munro Road
Munro Road from SH8 (Main Road) to Harris Street
Halstead Road from SH8 ((Main Road) to Harris Street

Is this a commercial or community event?:
☐ Commercial Event
☑ Community Event

Role:
Secretary

Contact person:
Sarah Denton

Contact number:
0211224696

Email:
tom.sarah.denton@gmail.com

Community benefit statement:
Christmas procession

Assessment Result

Officer application assessment result:
◉ Recommended

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM21 From Sarah Denton - DRAFT

○ Not recommended

Recommendations

That Timaru District Council approve or decline the temporary road closure for the event being assessed under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974.:
○ Approve
○ Decline

That Timaru District Council approve or decline the event organisation to charge a entry fee for the event being assessed under Schedule 10, Clause 11B of the Local Government Act 1974 (leave blank if not relevant)
○ Approve
○ Decline

If a entry charge is to be collected, what is the amount?

That Timaru District Council approve or decline traffic management for the event being assessed to be funded from the Community Events and Programmes budget (leave blank if not relevant).
○ Approve
○ Decline

If recommendations have varied, state changes here:

Conditions

That approval is subject to the following conditions:

- that the event organisation has public liability insurance in place for the event, covering a minimum of $1,000,000.
- that temporary closure is undertaken in accordance with the approved Temporary Traffic Management Plan
- that communications activity is undertaken in accordance with the approved communications plan
- that all staff at the event (including volunteers) comply with any instructions from NZ Police, Council Officers and Traffic Management staff.
- that the event organisation will meet the cost of any damage to public property, including roads, caused by the event.
- that following the event, all streets and surrounding areas will be left in a clean and tidy condition.
- that the event organisation will ensure compliance with any other relevant regulation/bylaw pertaining to the event is met (for example, health and safety, food/liquor licenses, waste management).
- that the event organisation has the authority to charge $X entry fee for the event (delete if not relevant)

Insert any other special conditions

Application Assessment

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM21 From Sarah Denton - DRAFT

Applicant has fully completed all fields in 'Section 1 – Contact Details' of the Application Form
◉ Yes
○ No

Applicant has fully completed all fields in 'Section 2 – Event Details' of the Application Form
◉ Yes
○ No

Applicant has confirmed understanding of all obligations in section 4
◉ Yes
○ No

Applicant has supplied proof of public liability insurance for the event
◉ Yes
○ No

Applicant has supplied Communications Plan
◉ Yes
○ No

EVENTS NOT SEEKING FUNDING: Applicant has supplied a Temporary Traffic Management Plan (TTMP)
○ Yes
○ No
◉ N/A

EVENTS SEEKING FUNDING: Applicant has supplied a map of the proposed temporary closure area/event route
◉ Yes
○ No
○ N/A

Applicant has signed and dated declaration in 'Section 6 – Declaration'.
◉ Yes
○ No

Applicant has satisfied all information requirements
◉ Yes
○ No

Office comments

Consultation

NZTA & NZ Police

NZTA Contact name:
Simon Harty, Theresa Allan

Contact date:

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM21 From Sarah Denton - DRAFT

06/10/2026
Must be a date.

NZTA comments and TDC actions (if applicable)
N/A

NZ Police contact name:
Vicki Walker, Richard Quest

Contact date:
06/10/2026
Must be a date.

NZ Police comments and TDC actions (if applicable)
N/A

Communication Plan

Communications Plan must provide the following information:

- Lists affected stakeholders
- Describes how stakeholders will be affected by temporary road closure
- Outlines key messages
- Includes action/implementation plan detailing how and when stakeholders will be communicated with
- Includes procedure for managing complaints
- Includes procedure for how the plan will be monitored

Communication Plan approved:
◉ Yes
○ No

Office comments (if applicable)

Traffic Management

EVENTS SEEKING FUNDING: TTMP design costs:
$1080

EVENTS SEEKING FUNDING: Estimated TTMP delivery costs:
$1847.50

EVENTS SEEKING FUNDING: Total estimated TTMP cost to be incurred by Council:
$2927.50

Event Charges

Event Charges
○ Yes
◉ No

Temporary Traffic Management for Events
TTM Application Review Form
Application No. TM21 From Sarah Denton - DRAFT

Officer comment:

Key Dates

Additionally, confirmation of road closure must be advertised on the TDC website after Council decision has been made.

Advertising intent of road closure on TDC website(at least 2 weeks before Council report is due):
06/10/2026
Must be a date.

Council report due date:
14/10/2026
Must be a date.

Council decision meeting date:
27/10/2026
Must be a date.

Temporary Traffic Management for Events
TTM Application Review Form (Version 2 of 2)
Application No. TM18 From Owen Jackson
Form Submitted 16 Oct 2026, 12:24pm NZDT

Event Details

Organisation hosting event:

Event name:
Retro Rock at The Museum 2027

Event date:
13/02/2027

Start time:
2.00pm

End time:
11.59pm

Event location:
Perth Street from George Street roundabout to Sophia Street. We will have a flatdeck truck set up on Perth Street. Dancing will be encouraged in front of the truck and the community will be seated on the grass bank area between the museum and the church.

Specific Road Closure Points
from 2:00pm

Perth Street from Sophia Street to King George roundabout

6:00pm:

Full closure of Perth Street from Sophia Street to King George roundabout

Is this a commercial or community event?:
☐ Commercial Event
☑ Community Event

Role:
Chairperson

Contact person:
Owen Jackson

Contact number:
0210499717

Email:
oj67@xtra.co.nz

Community benefit statement:
Retro Rock at the Museum 2027 will provide a free, family-friendly community event that brings people together to celebrate local music, creativity, heritage and community spirit.

The event will showcase local musicians and performers, provide activities for children and

Temporary Traffic Management for Events
TTM Application Review Form (Version 2 of 2)
Application No. TM18 From Owen Jackson
Form Submitted 16 Oct 2026, 12:24pm NZDT

families, support local food vendors and businesses, and create an opportunity for people of all ages to connect in a relaxed and welcoming environment.

Importantly, the event will also strengthen the community's connection with the South Canterbury Museum, raising awareness of its role in preserving and sharing our district's stories and heritage.

Our aim is to create an event that South Canterbury can take ownership of and be proud of – celebrating who we are as a community while establishing a positive annual tradition for the future.

Assessment Result

Officer application assessment result:
◉ Recommended
○ Not recommended

Recommendations

That Timaru District Council approve or decline the temporary road closure for the event being assessed under Section 342 and Schedule 10, Clause 11(e) of the Local Government Act 1974.:
○ Approve
○ Decline

That Timaru District Council approve or decline the event organisation to charge a entry fee for the event being assessed under Schedule 10, Clause 11B of the Local Government Act 1974 (leave blank if not relevant)
○ Approve
○ Decline

If a entry charge is to be collected, what is the amount?

That Timaru District Council approve or decline traffic management for the event being assessed to be funded from the Community Events and Programmes budget (leave blank if not relevant).
○ Approve
○ Decline

If recommendations have varied, state changes here:

Conditions

That approval is subject to the following conditions:

- that the event organisation has public liability insurance in place for the event, covering a minimum of $1,000,000.
- that temporary closure is undertaken in accordance with the approved Temporary Traffic Management Plan
- that communications activity is undertaken in accordance with the approved communications plan

Temporary Traffic Management for Events
TTM Application Review Form (Version 2 of 2)
Application No. TM18 From Owen Jackson
Form Submitted 16 Oct 2026, 12:24pm NZDT

- that all staff at the event (including volunteers) comply with any instructions from NZ Police, Council Officers and Traffic Management staff.
- that the event organisation will meet the cost of any damage to public property, including roads, caused by the event.
- that following the event, all streets and surrounding areas will be left in a clean and tidy condition.
- that the event organisation will ensure compliance with any other relevant regulation/bylaw pertaining to the event is met (for example, health and safety, food/liquor licenses, waste management).
- that the event organisation has the authority to charge $X entry fee for the event (delete if not relevant)

Insert any other special conditions

Application Assessment

Applicant has fully completed all fields in 'Section 1 – Contact Details' of the Application Form
◉ Yes
○ No

Applicant has fully completed all fields in 'Section 2 – Event Details' of the Application Form
◉ Yes
○ No

Applicant has confirmed understanding of all obligations in section 4
◉ Yes
○ No

Applicant has supplied proof of public liability insurance for the event
◉ Yes
○ No

Applicant has supplied Communications Plan
◉ Yes
○ No

EVENTS NOT SEEKING FUNDING: Applicant has supplied a Temporary Traffic Management Plan (TTMP)
○ Yes
○ No
◉ N/A

EVENTS SEEKING FUNDING: Applicant has supplied a map of the proposed temporary closure area/event route
◉ Yes
○ No
○ N/A

Applicant has signed and dated declaration in 'Section 6 – Declaration'.
◉ Yes

Temporary Traffic Management for Events
TTM Application Review Form (Version 2 of 2)
Application No. TM18 From Owen Jackson
Form Submitted 16 Oct 2026, 12:24pm NZDT

○ No

Applicant has satisfied all information requirements
◉ Yes
○ No

Office comments
As this committee is only organizing this event for the museum Timaru District Council insurance will cover this event.

Consultation

NZTA & NZ Police

NZTA Contact name:
Theresa Allan, Simon Hearty

Contact date:
08/09/2026
Must be a date.

NZTA comments and TDC actions (if applicable)
N/A

NZ Police contact name:
Vicky Walker & Richard Quested

Contact date:
08/09/2026
Must be a date.

NZ Police comments and TDC actions (if applicable)
N/A

Communication Plan

Communications Plan must provide the following information:

- Lists affected stakeholders
- Describes how stakeholders will be affected by temporary road closure
- Outlines key messages
- Includes action/implementation plan detailing how and when stakeholders will be communicated with
- Includes procedure for managing complaints
- Includes procedure for how the plan will be monitored

Communication Plan approved:
◉ Yes
○ No

Office comments (if applicable)

Temporary Traffic Management for Events
TTM Application Review Form (Version 2 of 2)
Application No. TM18 From Owen Jackson
Form Submitted 16 Oct 2026, 12:24pm NZDT

Traffic Management

EVENTS SEEKING FUNDING: TTMP design costs:
$600

EVENTS SEEKING FUNDING: Estimated TTMP delivery costs:
$2860

EVENTS SEEKING FUNDING: Total estimated TTMP cost to be incurred by Council:
$3460

Event Charges

Event Charges
○ Yes
◉ No

Officer comment:

Key Dates

Additionally, confirmation of road closure must be advertised on the TDC website after Council decision has been made.

Advertising intent of road closure on TDC website(at least 2 weeks before Council report is due):
09/09/2026
Must be a date.

Council report due date:
20/10/2026
Must be a date.

Council decision meeting date:
27/10/2026
Must be a date.

9.13 Transition to Single Blue Tsunami Evacuation Zone

Author: **Lamorna Cooper, Emergency Management Advisor – Resilience and Engagement**

Authoriser: **Paul Cooper, General Manager Regulatory Development and Growth**

Recommendation

That Council receives and notes the *Transition to a Single Blue Tsunami Evacuation Zone* report for the Timaru District.

Purpose of Report

1 The purpose of this report is to provide Council with an update on changes to the tsunami evacuation zones directed by the National Emergency Management Agency (NEMA).

Assessment of Significance

2 This report is for information and is not considered to be significant. The changes being made align the Timaru District Tsunami Evacuation Zones with the new National standards[7]

Discussion

Justification

3 As determined by NEMA the tsunami evacuation standard is to change from a 3-colour system (red, orange, yellow) to a single colour code of blue. The primary reason for this is making it easier to understand if you are in a tsunami hazard zone or not. Timaru has a high number of people from other countries working and living here. In addition, there are many tourists and transient workers moving through Canterbury. Having a single colour zone makes it easier to educate and message everyone. It also makes it easier to action evacuation responses when there is a tsunami event.

Zone and Signage History

4 In 2012 Timaru District Council, on behalf of Canterbury Group, applied for Resilience Funding for tsunami public education boards to be designed and built for the Canterbury coastline. This resulted in more than 50 bulletin boards being installed at the main entry paths to our coastal environment, with 23 sites identified as being critical for public education in the Timaru District.

5 The coastal hazard zone maps for these signs were modified in 2013 when Environment Canterbury (ECAN) commissioned new modelling for regional and distal sources. There were slight changes to the 3 zones (red, orange, yellow) for the Timaru District.

6 Public education on tsunami threat has been on-going.

[7] National Emergency Management Agency (NEMA) Director's Guideline for Tsunami Evacuation Zones (DGL 08/25), 2025

Change Process

7 With the change in the NEMA Directors Guideline, it was an opportunity to revisit the messaging and public information supporting the single blue zone for tsunami. The educational material was reduced, and the old zones were removed from the maps. The inland extent of the new blue zone is aligned with the inland extent of the previous yellow line. No additional properties have been included in the blue zone.

8 There are 3 parts to this project:

8.1 Change in public signage

8.2 Signage funding

8.3 Communications for rollout of New Blue Zone bulletin boards

Change in Public Signage

9 The artwork for the changed images has been undertaken collaboratively between ECAN, The Canterbury Civil Defence Emergency Management (CDEM) Group and Timaru District Council[8].

10 Our own Geographic Information Systems (GIS) Team have completed the adaptation of the designs for rollout across the Timaru District.

11 Guidance has also been given to Waimate District, and the construction of their new bulletin boards has been done in conjunction with ours.

Signage Funding

12 The new bulletin board signage has been funded by Canterbury CDEM Group.

13 The installation of the new signs has been undertaken in-house by Parks and Reserves Team.

Communications for Rollout of New Blue Zone Bulletin Boards

14 The messaging to the public for the change from the 3 zone to single blue zone has been coordinated by the Canterbury CDEM Group, with the main advisor being Helen Grant[9]

15 A communications plan was developed and has been rolled out locally by Timaru's Communications team and includes updates and notifications on:

15.1 Timaru District Council Facebook

15.2 Timaru District Council website

16 On-going public education will continue as Community Response Plans are developed, community education sessions occur and school engagement and community events provide opportunities for engagement.

[1] National Emergency Management Agency (NEMA) Director's Guideline for Tsunami Evacuation Zones (DGL 08/25), 2025

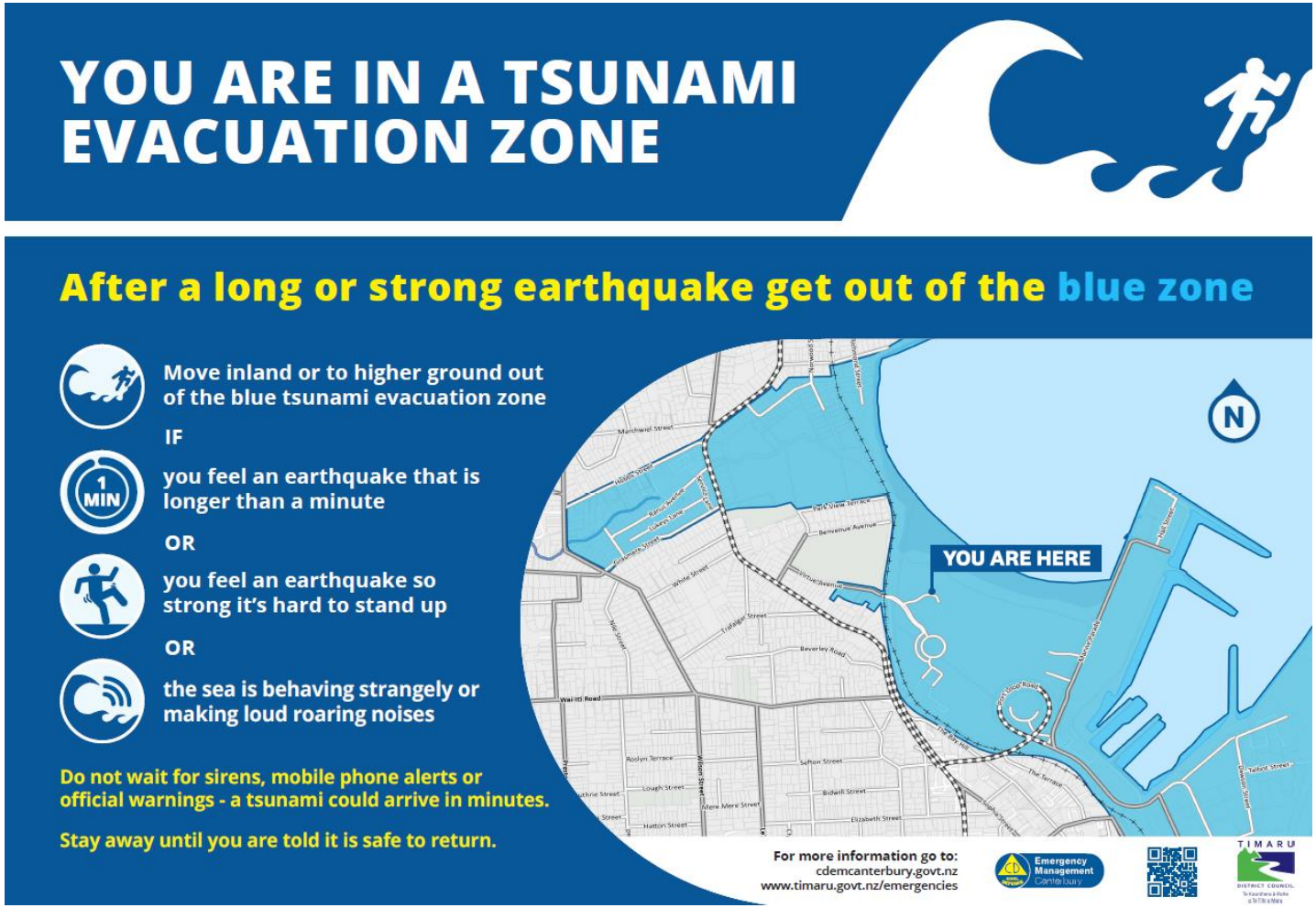
[8] Note that the Canterbury CDEM Joint Committee signed off on the 3 zone to 1 zone change as directed by NEMA.

[9] Helen Grant is a Hazard Analyst working for ECan and a main advisor for the Canterbury CDEM Group. She has previously worked with Timaru District on Tsunami hazard and earthquake risks.

Attachments

1. Example Bulletin Board ⇩

Example Bulletin Board



9.14 Naming of upgraded stadium at Aorangi Park

Author: **Stephen Doran, General Manager Corporate**
Authoriser: **Nigel Trainor, Chief Executive**

Recommendation

That Council:

1. Grants the naming rights for a period of five years for the new stadium at Aorangi Park to Trust Aoraki Limited, in recognition of its longstanding contribution to sports development in the South Canterbury Region;

   Or

2. Requests that officers test the market by way of seeking Registrations of Interest in corporate naming rights from private sector entities;

3. Requests officers to undertake process to update the name of Aorangi Park to Aoraki Park.

Purpose of Report

1 This report seeks Council approval to grant naming rights for the new stadium at Aorangi Park to Trust Aoraki Limited in recognition of its longstanding contribution to sports development in the South Canterbury region.

Assessment of Significance

2 While naming of the new stadium is a matter of interest to the public, it is regarded as low significance in relation to the council's Significance and Engagement Policy.

Background

3 One option, in recognition of nearly 25 years supporting grassroots sport in South Canterbury, it is proposed that Council grants naming rights to Trust Aoraki Limited from the opening of the new centre, for a period of five years.

4 It is to be noted that Trust Aoraki is prevented from asking for naming rights by law, and that should this be Councils' preferred option, it is by way of a gift.

5 A second option is to test the market to find what amount a private entity might be willing to pay for naming rights in a more commercial arrangement.

6 A compromise option might be to offer naming rights to Trust Aoraki for five years and at that point take the ongoing naming right to the market.

7 If Council choose to gift the naming rights to Trust Aoraki, understanding that a final name will need to be finalised, it is anticipated it will be Trust Aoraki Events Centre.

Discussion

8 Aorangi Stadium at Aorangi Park was originally completed in 1974. The current facility is an evolution of that original stadium on the same site, with the latest redevelopment more than doubling its size.

9 As noted, there are no existing arrangements around the naming of the centre, so it is within Council's remit to choose a name for the stadium. It has had a number of names in its history, including Aorangi Stadium, The SBS Events Centre and The Southern Trust Events Centre.

10 Given current economic conditions, it is not considered appropriate to seek a commercial naming rights partner for the upgraded centre. Instead, it is proposed that Council grants naming rights to Trust Aoraki Limited to reflect its longstanding support for local sport.

11 Choosing this name also provides an opportunity to rename the wider park from Aorangi Park to Aoraki Park, aligning with the Ngāi Tahu dialect and reflecting the local cultural context.

12 This approach also avoids duplication and inconsistency in the naming of the stadium and the wider park.

Options and Preferred Option

13 **Option 1:** Grant naming rights to Trust Aoraki Limited and request officers to undertake the process to rename Aorangi Park to Aoraki Park.

14 **Option 2**: Direct officers to test the market by way of seeking Registrations of Interest in corporate naming rights from private sector entities.

15 **Option 3:** Grant naming rights to Trust Aoraki Limited and retain the name Aorangi Park.

Consultation

16 No consultation has been undertaken at this stage. Should Council support renaming the park, engagement with mana whenua would be undertaken as part of that process.

Relevant Legislation, Council Policy and Plans

17 Timaru District Council Long Term Plan 2024-34

Financial and Funding Implications

18 There are no significant financial implications, aside from the creation of signage for the new centre**.**

Other Considerations

19 There are no other considerations.

Attachments

Nil

9.15 Council Quarterly Financial Performance Report to 30 September 2026

Author: **Tyler Zandrack, Senior Management Accountant**

Authoriser: **Andrea Rankin, Chief Financial Officer**

Recommendation

That Council receive and note the quarterly financial results to 30 September 2026.

Purpose of Report

1 The purpose of this report is to outline progress on implementing the 2026-27 Annual Plan and report on the financial results for the period ended 30 September 2026.

Assessment of Significance

2 This matter is considered to be of low significance in terms of Council's Significance and Engagement Policy. It is a regular report to Council on Council's financial performance during the current financial year.

Discussion

3 The following is a summary of the financial performance as at 30 September 2026 – refer to Attachment 1 for financial tables.

	YTD Actuals 30 Sep 2026 ($000)	Budget to 30 Sep 2026 ($000)	Variance ($000)	YTD Actuals 30 Sep 2025 ($000)
Total Revenue	34,953	36,217	(1,264)	35,856
Total Expenses	33,121	35,920	2,799	32,934
Operating Surplus/(Deficit)	1,832	297	1,535	2,922
Capital Expenditure	14,633	29,349	(14,716)	7,597

4 Significant variances to budget are as follows:

Revenue

4.1 Subsidised roading revenue ($1.1M). NZTA revenue is calendarized based on funding expected from project mix completed during the year. Subsidised work such as resurfacing and road reconstruction is completed on a seasonal basis. No expected decrease in total NZTA total revenue for the year.

Expenditure

4.2 Personnel costs $0.15M under budget due to vacancies.

4.3 Finance costs $0.6M under budget – annual budget based on total expected increase in borrowings for capital projects and interest rate increases not yet eventuated.

4.4 Other expenses - Contractors $1.3M under budget; significant items: Parks $0.4M as TDC continues to move to the in-house model, as well as the seasonal component which will increase in Spring. Waste management $0.4M: EnviroNZ commodities profit share resulted in a refund offsetting budgeted expenditure. Unknown until year end washup.

4.5 Other expenses excluding contractors $0.8M under budget; significant items: Consultants $200K - Waste consultants not yet engaged for 'Unique Emissions Factor' review $60K; Planning district plan review $200K due to timing of resource management reforms and environment court mediation not yet commenced. Electricity $81K, Cbay electricity usage lower than expected $40K.

Capital

4.6 Capital projects are budgeted for based on annual expected spend. Not split for monthly amounts. Detailed breakdown included in the capital spend year to date report.

4.7 Claremont Water treatment plant $3.5M under budget. Multi-year project underway.

4.8 Roading and footpath projects $5.5M under budget. $2.9M as a result of projects to commence in construction season – Spring – Autumn. $1.4M for Kellands Hill Rd and Landsborough Rd Bridge waiting on tender approvals. $0.7M for Heaton St, waiting on NZTA funding confirmation prior to commencement.

4.9 Theatre royal heritage precinct $2.2M. Timing of monthly amounts.

4.10 Water Supply projects $1.6M. $0.4M for Seadown watermain renewals, construction recently commented.

Net Debt

4.11 Total borrowings as at 30 Sep 2026 were $271M. The net debt position at the same date is $230M. Net debt is total borrowings less cash reserves held by Council.

4.12 Debt to revenue ratio as at 30 Sep 2026 is 154%. Council's debt to revenue ratio limit is 250% as set out in its Financial Strategy. This is comfortably within Councils ceiling limit.

Net Debt	229,900
Budgeted Revenue (incld vested assets)	149,727
Debt to revenue ratio	154%

5 Net Debt Limit Calculation:

	Full year budget $000	**26/27 Budget Excluding Grants $000**
Revenue	149,727	149,727
Subsidised roading revenue		12,774
One off Grant revenue		528
Vested assets		5,276

Adjusted Revenue		131,149
Net Debt	298,649	298,649
Debt to Revenue Ratio	199%	228%
Net Debt Cap - Limit		
250% - as per policy	374,318	341,063
Available funds	75,669	29,224
280% - LGFA policy	419,235	381,990
Available funds	120,587	68,568

Council Decisions with Financial Impact 2025/26

6 Councillors have requested a register of any financial decisions that will have an impact on the current financial that are approved outside of the Annual Plan/ Long Term Plan process.

7 The review of decisions will be continued on an ongoing basis following meetings going forward.

8 Below table excludes public excluded resolutions.

Meeting	Resolution	Activity	Opex/Capex	Amount	Budgeted	Decision
25/8/26	2026/158	Planning	Opex	$71K	Yes	Approve funding for the establishment phase of the Waitaha Canterbury regional spatial plan.

Attachments

1. **September 2026 YTD - Financial Report** ⇩
2. **September 2026 YTD - Capex Variance to Budget** ⇩

Statement of Comprehensive Revenue and Expenses, detailing significant items for September Financial Year to Date (YTD)

Revenue			Sep YTD $000	Sep Budget YTD $000	YTD Variance $000	Variance % of full budget	Prior year Sep YTD $000	Commentary >50k variance	Full Year budget $000
Rates revenue	General rates		(13,630)	(13,636)	(6)	0%	(13,138)		(54,544)
	Targeted rates	Water Revenue	(3,974)	(3,985)	(11)	0%	(2,898)		(15,942)
		Wastewater Revenue	(2,299)	(2,299)	0	0%	(2,012)		(9,196)
		Stormwater	(1,496)	(1,496)	0	0%	(1,311)		(5,984)
		Downlands Water Supply Revenue	(880)	(883)	(2)	0%	(795)		(3,530)
		Waste Collection Revenue	(2,004)	(2,004)	0	0%	(1,962)		(8,015)
		Water by Meter	(518)	(653)	(135)	5%	(540)	Meter readings relate to high water users. Pay actual usage in addition to standard water connection charge, seasonal demand driven.	(2,613)
	Rates penalties		(407)	(138)	270	-49%	(470)	Final washup of 25/26 rate penalties washup timing	(550)
Total Rates Revenue			**(25,209)**	**(25,093)**	**116**	**0%**	**(23,127)**		**(100,374)**
Fees & charges	Fees & charges	Waste Management Operations Revenue	(1,310)	(1,504)	(194)	3%	(1,743)	Reduction in material coming in to Redruth facility - demand driven, total 600 tonnes down from the same quarter last year.	(6,014)
		Wastewater Revenue	(886)	(963)	(77)	2%	(1,007)	Credit notes issued for PY amounts due to a volumemetric charging dispute $35k.	(3,851)
		CBAY revenue	(623)	(600)	24	-1%	(665)		(2,398)
		Community Housing Revenue	(507)	(536)	(28)	1%	(542)		(2,142)
		Building Control Revenue	(670)	(787)	(117)	4%	(626)	Consent fee demand based on the market.	(3,150)
		Parking enforcement	(169)	(317)	(148)	12%	(369)	Staff vacancies reducing capacity for enforcement. Also Stafford St time limit change from 30 to 60 minutes resulted in fewer infringements.	(1,268)
		Animal Control Revenue	(555)	(549)	6	-1%	(614)		(739)
		Properties Revenue	(80)	(96)	(16)	4%	(224)		(386)
		Other fees and charges	(731)	(710)	21	-1%	(736)		(2,933)
Total Fees and Charges			**(5,531)**	**(6,060)**	**(529)**	**2%**	**(6,526)**		**(22,880)**
Finance revenue	Interest	Related party	(168)	(176)	(8)	1%	(199)		(704)
		Bank & term deposits	(222)	(206)	16	-2%	(293)		(824)
Total Finance revenue			**(390)**	**(382)**	**7**	**0%**	**(492)**		**(1,529)**
Subsidies and grants		Subsidised Roading Revenue	(2,109)	(3,193)	(1,085)	8%	(1,475)	NZTA revenue is calendarized based on funding expected from project mix. Subsidised work such as resurfacing and road reconstruction is completed on a seasonal basis - spring and summer months expected to be higher. No expected decrease in total NZTA subsidised roading revenue for the year.	(12,774)
		Other subsidies and grants	(485)	(343)	142	-9%	(3,423)	Community funding $138k above budget as a result of PY unspent portion carried forward into 2627. No other significant variances.	(1,628)
Total subsidies and grants			**(2,593)**	**(3,536)**	**(942)**	**7%**	**(4,898)**		**(14,402)**
Other revenue		Development and Financial Contributions	(181)	(142)	39	-7%	(108)		(570)
		CBAY other revenue	(190)	(196)	(5)	1%	(186)		(784)
		Dividends Received	0	0	0	0%	0		(1,100)
		Petrol tax	(111)	(115)	(4)	1%	(101)		(459)
		Vehicle revenue	(168)	(156)	13	-2%	(155)	Offsets with other expenses - Plant hire - internal usage.	(623)
		Other revenue	(579)	(537)	42	-2%	(327)		(1,732)
		Other (Gains)/Losses	0	0	0		64		0
Total other revenue			**(1,230)**	**(1,145)**	**84**	**-2%**	**(813)**		**(5,267)**
Total Revenue			**(34,953)**	**(36,217)**	**(1,264)**	**0**	**(35,856)**		**(144,452)**
Expenditure									
Personnel costs			8,059	8,209	150	0%	8,211	Vacancies not budgeted. Refer to Activity list.	32,436
Finance costs			2,424	2,992	568	5%	1,830	Annual budget based on total expected increase in borrowings and expected increase in interest rates.	11,968
Depreciation expense			10,770	10,770	(0)	0%	10,965		43,080
Other expenses	Contractors	Parks	183	559	375	17%	490	Contractor costs $375k under budget as contracts expire and further shifting to in-house team completing work. There is a seasonal component, spring months will increase with interim contract measures put in place.	2,235
		Roading and footpaths	1,982	2,036	53	1%	1,822	Pre-reseal programme occurs spring and summer.	8,143
		Refuse Collection	624	625	1	0%	517		2,500
		Waste Management Operations	783	1,144	361	8%	1,262	Variance relates to contract profit share agreement with EnviroNZ Profit. This is calculated annually based on commodity pricing. Unknown until amount received. Credit of $50k against budgeted expenditure of $275k.	4,577
		Urban Water	495	577	82	4%	393	Reactive maintenance decreased for Seadown as a result of the Seadown watermain upgrade capital project $40k.	2,309
		Wastewater	322	325	2	0%	278		1,298
		Community Housing	67	141	73	13%	142	Maintenance work underbudget, used as required.	563
		Downlands Water Supply	164	219	55	6%	111	Reticulation costs under budget as a result of seasonal conditions.	875
		Other Contractors	701	947	247	7%	612	No individually significant items or variances remaining.	3,790
	Total contractors		**5,322**	**6,572**	**1,250**	**5%**	**5,627**		**26,289**
	Waste Minimisation Levy Expense		186	283	97	9%	190	September actual washup for diverted materials still to come.	1,133
	Consultants		486	686	199	7%	524	One significant item: Waste minimisation consultants under budget:$62k. Spend depends on 'Unique Emissions Factor' Application results which will determine any further reports required.	2,742
	Planning Consultant Fees - District Plan review		86	250	165	16%	337	Timing of Resource Management Reforms and Environment Court mediation being scheduled later this calendar year.	1,002
	Sampling and testing - water		66	142	76	13%	62	Inclusive of water, wastewater, tradewaste and stormwater. Implementation of sampling regime for stormwater altered from initial forecast in line with consenting decisions from ECan.	568
	Electricity		622	703	81	3%	620	Cbay $40k lower than expected.	2,811
	Software Support & Upgrades - Expensed		466	463	(4)	0%	444		1,850
	Carbon Credits		438	438	0	0%	425		1,751
	Aoraki Development/Central SITrust Grant		344	369	24	2%	535		1,474
	Insurance including LAPP		492	521	29	1%	479		2,085
	Course Seminar & Conference Registration		51	104	54	13%	58	Scheduled throughout the year by each unit as required.	417
	Rates		347	342	(4)	0%	214		1,370
	Plant Hire - Internal Usage		168	154	(15)	-2%	155	Offsets with Vehicle revenue.	616
	Other expenses		2,793	2,921	128	1%	2,258	No individually significant items or variances remaining.	11,439
Total other expenses			***11,868***	***13,948***	***2,081***	**4%**	***11,928***		***55,547***
Total Expenditure			**33,121**	**35,920**	**2,799**	**2%**	**32,934**		**143,031**
Net result	**Excluding vested assets and revaluation**		**(1,832)**	**(297)**	**1,535**		**(2,922)**		**(1,420)**
Vested assets			**-**	**-**	**-**		**-**		**(5,276)**
Net result including vested assets			**(1,832)**	**(297)**	**1,535**		**(2,922)**		**(6,696)**
Other comprehensive revenue: Water revaluation			**-**	**-**	**-**		**-**		**-**

Review of All Council Activities by Directorate

Community Support

Airport

GM: Stephen Doran (Vacancy cover) Activity Lead: Stan Hansen
Activity Description: Operation of the Richard Pearse Airport

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Rates revenue	(136)	(136)	0	0%	(67)		(545)	(267)
	Fees & charges	(121)	(147)	(26)	4%	(139)		(586)	(554)
	Other revenue	(1)	(0)	1	-172%	0		(1)	(3)
	Other gain/loss	0	0	0		0		0	76
Revenue Total		(258)	(283)	(25)	2%	(207)		(1,132)	(748)
Expenditure	Personnel costs	44	49	5	2%	28		195	147
	Depreciation expense	49	49	(0)	0%	99		194	181
	Finance costs	27	27	(0)	0%	30		110	87
	Other expenses	141	158	17	3%	55		633	605
Expenditure Total		261	283	22	2%	212		1,132	1,020
Airport Total		**3**	**(0)**	**(3)**		**5**		**0**	**272**

Cemeteries

GM: Suzy Ratahi (Vacancy cover) Activity Lead: Garth Nixon
Activity Description: Operation of burial and cremation interments in South Canterbury

Revenue	Rates revenue	(76)	(76)	0	0%	(132)		(303)	(528)
	Fees & charges	(52)	(67)	(15)	6%	(74)		(267)	(267)
	Subsidies and grants	0	0	0		0		0	(5)
	Other revenue	(39)	(43)	(4)	2%	(50)		(171)	(174)
Revenue Total		(166)	(185)	(19)	3%	(256)		(741)	(975)
Expenditure	Depreciation expense	3	3	0	0%	2		11	12
	Finance costs	32	32	0	0%	24		129	102
	Other expenses	72	150	79	13%	158	Grounds maintenance under budget $55k. Seasonal.	602	801
Expenditure Total		107	185	79	11%	185		741	915
Cemeteries Total		**(60)**	**0**	**60**		**(72)**		**0**	**(60)**

Civil Defence

GM: Paul Cooper Activity Lead: Darryn Grigsby
Activity Description: Emergency management leadership, advice and planning

Revenue	Rates revenue	(166)	(166)	0	0%	(130)		(665)	(519)
Revenue Total		(166)	(166)	0	0%	(130)		(665)	(519)
Expenditure	Personnel costs	76	80	4	1%	76		319	300
	Depreciation expense	23	23	0	0%	24		90	79
	Finance costs	5	5	0	0%	4		20	17
	Other expenses	61	59	(2)	-1%	34		236	228
Expenditure Total		164	166	2	0%	138		665	624
Civil Defence Total		**(2)**	**0**	**2**		**8**		**0**	**105**

Climate & Sustainability

GM: Paul Cooper Activity Lead: Paul Cooper
Activity Description: Research and analysis on the effects of climate change on Council activities

Revenue	Rates revenue	(65)	(65)	0	0%	(80)		(261)	(320)
	Other revenue	0	0	0		0		0	(10)
Revenue Total		(65)	(65)	0	0%	(80)		(261)	(330)
Expenditure	Personnel costs	29	27	(2)	-2%	15		107	98
	Finance costs	0	0	0		0		0	0
	Other expenses	18	39	21	14%	83		154	177
Expenditure Total		46	65	19	7%	98		261	275
Climate & Sustainability Total		**(19)**	**0**	**19**		**18**		**0**	**(54)**

Economic Development and Promotion

GM: Stephen Doran Activity Lead: Stephen Doran
Activity Description: Enhancing the districts economy, significant activity relates to contributions to the CCO Venture Timaru

Revenue	Rates revenue	(398)	(398)	0	0%	(397)		(1,594)	(1,589)
Revenue Total		(398)	(398)	0	0%	(397)		(1,594)	(1,589)
Expenditure	Finance costs	12	12	0	0%	23		49	40
	Other expenses	362	386	24	2%	545		1,545	1,496
Expenditure Total		374	398	24	2%	568		1,594	1,536
Economic Development and Promotion Total		**(24)**	**0**	**24**		**171**		**0**	**(53)**

Public Toilets

GM: Nigel Trainor (Vacancy cover) Activity Lead: Andrew Feary
Activity Description: Provision and maintenance of public toilet facilities.

Revenue	Rates revenue	(191)	(191)	0	0%	(159)		(765)	(634)
	Other gains/losses	0	0	0		0		0	128
Revenue Total		(191)	(191)	0	0%	(159)		(765)	(506)
Expenditure	Depreciation expense	6	6	0	0%	8		25	64
	Finance costs	13	13	0	0%	4		52	21
	Other expenses	131	172	40	6%	120	Maintenance $27k under budget. Used as required.	687	630
Expenditure Total		151	191	40	5%	132		765	716
Public Toilets Total		**(40)**	**0**	**40**		**(26)**		**0**	**210**

Social Housing

GM: Nigel Trainor (Vacancy cover) Activity Lead: Laticha Harvey
Activity Description: Provision and maintenance of affordable rental housing : 236 units

Revenue	Fees & charges	(507)	(536)	(28)	1%	(542)		(2,142)	(2,056)
Revenue Total		(507)	(536)	(28)	1%	(542)		(2,142)	(2,056)
Expenditure	Depreciation expense	42	42	(0)	0%	43		168	155
	Finance costs	21	21	0	0%	28		82	84
	Other expenses	299	374	75	5%	305	Maintenance $47k under budget. Used as required.	1,496	1,396
Expenditure Total		362	437	75	4%	376		1,746	1,635
Social Housing Total		**(146)**	**(99)**	**47**	**6%**	**(166)**		**(396)**	**(421)**

Community Engagement

GM: Stephen Doran Activity Lead: Jessica Hurst
Activity Description: Activities to improve Council engagement with groups, for example youth, seniors, refugees

Revenue	Rates revenue	(70)	(70)	0	0%	(156)		(282)	(625)
	Finance revenue	(1)	(4)	(4)	22%	(1)		(17)	(33)
	Subsidies and grants	(259)	(67)	192	-71%	(132)	PY unspent portion carried forward for MTFJ, Welcoming Communities, Meaningful Refugee Participation Fund, and Creative Communities grant $115k. Remaining variance for annual grants received in lump sums at the start of the year.	(269)	(147)
	Other revenue	0	0	0		0		0	(44)
Revenue Total		(330)	(142)	188	-33%	(289)		(568)	(849)
Expenditure	Other expenses	184	142	(42)	-7%	189	Annual internal wastewater charge $76k resulting in $64k variance. Community engagement activity collects wastewater charges for community groups (schools, sport facilities etc) 50% is then provided to wastewater activity for services provided.	568	617
Expenditure Total		184	142	(42)	-7%	189		568	617
Community Development Total		**(146)**	**0**	**146**		**(100)**		**0**	**(232)**
Community Support Total		**(434)**	**(99)**	**335**	**(1)**	**(161)**		**(396)**	**(232)**

Corporate Support
Commercial and Strategy

Financial Services

GM: Andrea Rankin Activity Lead: Andrea Rankin
Activity Description: Financial planning, monitoring and reporting. Administers rating, payables and receivables, financial advice for all council activities

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Overheads Recovered	(914)	(914)	0	0%	(719)		(3,657)	(3,368)
	Fees & charges	(5)	(2)	3	-32%	0		(8)	(21)
	Other revenue	(82)	(98)	(16)	4%	(81)		(392)	(309)
Revenue Total		(1,001)	(1,014)	(14)	0%	(805)		(4,058)	(3,698)
Expenditure	Personnel costs	477	504	27	1%	434		1,911	1,775
	Project billing	(18)	0	18		0		0	(94)
	Other expenses	628	626	(2)	0%	419		2,147	2,018
Expenditure Total		1,086	1,130	44	1%	853		4,058	3,698
Financial Services Total		**85**	**116**	**30**		**48**		**0**	**0**

Information Technology

GM: Justin Bagust Activity Lead: Justin Bagust
Activity Description: Provides technology-based services and strategies across all council activities

Revenue	Overheads Recovered	(1,527)	(1,527)	0	0%	(1,535)		(6,110)	(6,121)
	Fees & charges	(5)	(5)	(0)	2%	0		(21)	(21)
	Other revenue	(1)	(5)	(4)	22%	(1)		(20)	83
	Gain disposal of PPE	0	0	0		0		0	(3)
Revenue Total		(1,533)	(1,538)	(5)	0%	(1,541)		(6,151)	(6,059)
Expenditure	Personnel costs	609	640	31	1%	629	Current vacancy not yet recruited.	2,560	2,332
	Project billing	(28)	(30)	(2)	1%	0		(300)	(212)
	Depreciation expense	212	212	0	0%	331		847	954
	Finance costs	23	23	0	0%	23		91	52
	Other expenses	681	738	57	2%	658	Computer hardware operational expenditure $35k under budget due to timing, purchased as required.	2,952	2,934
Expenditure Total		1,497	1,583	86	1%	1,640		6,151	6,059
Information Technology Total		**(36)**	**45**	**81**		**100**		**0**	**0**

Property Management

GM: Nigel Trainor (Vacancy cover) Activity Lead: Diane Miller
Activity Description: Management of the property unit

Revenue	Overheads Recovered	(170)	(170)	0	0%	(134)		(681)	(712)
Revenue Total		(170)	(170)	0	0%	(134)		(681)	(712)
Expenditure	Personnel costs	149	168	18	3%	146		671	604
	Personnel - Project billing	(26)	(30)	(4)	1%	(12)		(300)	(190)
	Other expenses	80	78	(2)	-1%	62		310	297
Expenditure Total		203	215	13	2%	196		681	712
Property Management Total		**32**	**45**	**13**		**62**		**0**	**0**

Risk and Assurance

GM: Stephen Doran Activity Lead: Narayan Swamy
Activity Description: Internal audit and risk management

Revenue	Overheads Recovered	(49)	(49)	(0)	0%	(64)		(198)	(236)
Revenue Total		(49)	(49)	(0)	0%	(64)		(198)	(236)
Expenditure	Personnel costs	35	37	2	1%	45		147	173
	Other expenses	9	13	3	6%	18		50	63
Expenditure Total		45	49	5	2%	62		198	236
Risk and Assurance Total		**(5)**	**(0)**	**5**		**(1)**		**0**	**0**

Strategy & Corporate Planning

GM: Stephen Doran Activity Lead: Steph Forde
Activity Description: Corporate planning activities, publications and strategic improvements

Revenue	Overheads Recovered	(492)	(492)	0	0%	(459)		(1,966)	(1,797)
Revenue Total		(492)	(492)	0	0%	(459)		(1,966)	(1,797)
Expenditure	Personnel costs	207	195	(12)	-2%	238		778	847
	Other expenses	275	297	22	2%	143		1,188	949
Expenditure Total		482	492	10	0%	380		1,966	1,797
Strategy & Corporate Planning Total		**(10)**	**0**	**10**		**(79)**		**0**	**0**
Corp support: Commercial and Strategy Total		**67**	**206**	**139**		**129**		**0**	**0**

Corporate Support
Corporate Support - Other

Chief Executive
GM: Nigel Trainor Activity Lead: Nigel Trainor
Activity Description: Executive support and Programme office for all of council

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Overheads Recovered	(301)	(301)	0	0%	(237)		(1,203)	(1,084)
Revenue Total		(301)	(301)	0	0%	(237)		(1,203)	(1,084)
Expenditure	Personnel costs	229	234	5	0%	162		936	776
	Finance costs	0	0	0		2		0	0
	Other expenses	76	67	(9)	-4%	36		267	308
Expenditure Total		306	301	(5)	0%	200		1,203	1,084
Chief Executive Total		**5**	**(0)**	**(5)**		**(37)**		**0**	**0**

Council Building
GM: Nigel Trainor (Vacancy cover) Activity Lead: Andrew Feary
Activity Description: Operation of the council building, including maintenance

Revenue	Overheads Recovered	(201)	(201)	0	0%	(179)		(803)	(760)
	Other gains	0	0	0		0		0	12
Revenue Total		(201)	(201)	0	0%	(179)		(803)	(749)
Expenditure	Personnel costs	19	19	(0)	0%	8		76	59
	Depreciation expense	36	36	(0)	0%	24		143	110
	Finance costs	34	34	(0)	0%	36		136	105
	Other expenses	110	112	2	0%	111		449	475
Expenditure Total		199	201	2	0%	179		803	749
Council Building Total		**(2)**	**0**	**2**		**(0)**		**0**	**0**

Drainage and Water Management
GM: Andrew Lester Activity Lead: Andrew Lester
Activity Description: Management of three waters activities

Revenue	Overheads Recovered	(551)	(551)	0	0%	(415)		(2,205)	(3,108)
	Fees & charges	(19)	(20)	(0)	0%	(20)		(79)	(83)
Revenue Total		(571)	(571)	(0)	0%	(435)		(2,284)	(3,192)
Expenditure	Personnel costs	609	611	2	0%	529		2,497	2,151
	Personnel - Project billing	(111)	(310)	(199)	11%	(97)	Staff costs budgeted to be capitalised against projects. Dependent on project mix and timing.	(1,750)	(425)
	Other expenses	391	384	(7)	0%	472		1,538	1,466
Expenditure Total		889	685	(204)	-9%	904		2,284	3,192
Drainage and Water Management Total		**319**	**114**	**(204)**		**470**		**0**	**0**

Engagement and Culture
GM: Andrea McAlister Activity Lead: Andrea McAlister
Activity Description: Operation of Human Resource function for all of council

Revenue	Overheads Recovered	(696)	(696)	0	0%	(858)		(2,783)	(2,168)
Revenue Total		(696)	(696)	0	0%	(858)		(2,783)	(2,168)
Expenditure	Personnel costs	347	396	48	3%	431	GM - people and capability Parental leave.	1,583	1,550
	Personnel costs- recruitment	0	8	7	24%	2		30	22
	All Council training (Excld CE, Governance)	48	95	47	12%		Scheduled throughout the year by each unit as required.	381	313
	Other expenses	152	197	45	6%	121	Health and safety consultants $26k under budget as drug screening not yet commenced. Solicitors fees $20k under budget, used as required.	789	572
Expenditure Total		547	696	148	5%	613		2,783	2,458
Engagement and Culture Total		**(148)**	**0**	**148**		**(245)**		**0**	**0**

Infrastructure Management
GM: Vacant Activity Lead: Vacant
Activity Description: Assets and infrastructure management

Revenue	Overheads Recovered	(197)	(197)	0	0%	(226)		(787)	(1,070)
	Fees & charges	0	0	0		(35)		0	(142)
Revenue Total		(197)	(197)	0	0%	(261)		(787)	(1,212)
Expenditure	Personnel costs	137	103	(35)	-8%	455	Activity currently vacant. Overbudget amount relates to final pay processed.	412	911
	Other expenses	66	94	27	7%	85		375	301
Expenditure Total		204	197	(7)	-1%	513		787	1,212
Infrastructure Management Total		**7**	**0**	**(7)**		**252**		**0**	**0**

Land Transport Unit
GM: Suzy Ratahi Activity Lead: Suzy Ratahi
Activity Description: Management of roading activities

Revenue	Overheads Recovered	(210)	(210)	0	0%	(661)		(840)	(970)
	Fees & charges	(14)	(17)	(3)	4%			(67)	(79)
	Subsidies and grants	(252)	(270)	(18)	2%	(120)		(1,080)	(975)
	Other revenue	(55)	(59)	(5)	2%	(23)		(238)	(221)
Revenue Total		(531)	(556)	(25)	1%	(816)		(2,225)	(2,245)
Expenditure	Personnel costs	611	617	6	0%	589		2,468	2,307
	Personnel - Project billing	(113)	(330)	(217)	14%	(315)	Staff costs budgeted to be capitalised against projects. Dependent on project mix.	(1,500)	(1,072)
	Depreciation expense	4	4	(0)	0%	4		16	14
	Other expenses	241	310	69	6%	353	Road safety promotion programme currently focused on supporting privately funded programmes. Costs expected to increase moving into holiday season.	1,241	996
Expenditure Total		743	601	(142)	-6%	631		2,225	2,245
Land Transport Unit Total		**212**	**45**	**(167)**		**(185)**		**0**	**0**

Parks and Recreation Management
GM: Suzy Ratahi (Vacancy cover) Activity Lead: Suzy Ratahi (Vacancy cover)
Activity Description: Management of parks department

Revenue	Overheads Recovered	(210)	(210)	(0)	0%	(826)		(841)	(2,779)
	Subsidies and grants	0	0	0		(3)		0	(3)
Revenue Total		(210)	(210)	(0)	0%	(828)		(841)	(2,782)
Expenditure	Personnel costs	108	116	8	2%	691		463	2,216
	Other expenses	106	95	(12)	-3%	110		378	566
Expenditure Total		214	210	(4)	0%	801		841	2,782
Parks and Recreation Management Total		**4**	**0**	**(4)**		**(27)**		**0**	**0**

Planning and Regulatory Management

GM: Paul Cooper Activity Lead: Paul Cooper
Activity Description: Management of planning and regulatory functions

Revenue	Overheads Recovered	(172)	(172)	0	0%	(124)		(687)	(811)
	Fees & charges	(0)	0	0		0		0	0
Revenue Total		(172)	(172)	0	0%	(123)		(687)	(811)
Expenditure	Personnel costs	92	122	30	6%	117	Vacancy.	488	626
	Other expenses	47	50	3	1%	29		199	186
Expenditure Total		139	172	33	5%	146		687	811
Planning and Regulatory Management Total		**(33)**	**0**	**33**		**23**		**0**	**0**

Corporate support - Other Total	**363**	**159**	**(203)**		**250**		**0**	**0**

Corporate Support
User Experience and Community Engagement

Communications & Marketing

GM: Stephen Doran Activity Lead: Rachel Leitch
Activity Description: Communication and engagement activities including advertising

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Overheads Recovered	(227)	(227)	(0)	0%	(270)		(910)	(742)
Revenue Total		(227)	(227)	(0)	0%	(270)		(910)	(742)
Expenditure	Personnel costs	161	162	1	0%	188		648	475
	Other expenses	63	65	2	1%	41		262	267
Expenditure Total		224	227	3	0%	229		910	742
Community Services Management Total		**(3)**	**(0)**	**3**		**(41)**		**0**	**0**

Customer Services

GM: Stephen Doran Activity Lead: Karen Naylor
Activity Description: Management of all customer interactions

Revenue	Overheads Recovered	(304)	(304)	0	0%	(342)		(1,217)	(1,129)
	Fees & charges	(27)	(30)	(3)	3%	(27)		(120)	(115)
Revenue Total		(331)	(334)	(3)	0%	(369)		(1,337)	(1,243)
Expenditure	Personnel costs	190	215	25	3%	233		835	752
	Other expenses	120	125	6	1%	127		502	492
Expenditure Total		310	341	31	2%	360		1,337	1,243
Customer Services Total		**(21)**	**6**	**27**		**(9)**		**0**	**0**

User Experience and Community Engagement Total	**(24)**	**6**	**31**		**(49)**		**0**	**0**
Corporate Support Grand Total	**406**	**372**	**(34)**		**330**		**0**	**0**

Democracy

Governance

GM: Stephen Doran Activity Lead: Jessica Kavanaugh
Activity Description: Work associated with the Elected Council and Community Boards

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Rates revenue	(1,095)	(1,095)	0	0%	(1,127)		(4,380)	(4,507)
	Other revenue	0	0	0		0		0	(92)
Revenue Total		(1,095)	(1,095)	0	0%	(1,127)		(4,380)	(4,599)
Expenditure	Personnel costs	219	213	(6)	-1%	238		852	898
	Finance costs	5	5	(0)	0%	12		18	19
	Other expenses	948	878	(70)	-2%	838	Headstart expenditure unbudgeted $70k; will be partially offset by income from partner councils.	3,510	3,577
Expenditure Total		1,171	1,095	(76)	-2%	1,088		4,380	4,494
Governance Total		**76**	**0**	**(76)**		**(39)**		**0**	**(105)**

Democracy Total	**76**	**0**	**(76)**		**(39)**		**0**	**(105)**

Environmental Services

Animal Control

GM: Paul Cooper Activity Lead: Jo Hamilton
Activity Description: Animal control services

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Fees & charges	(555)	(549)	6	-1%	(614)		(739)	(545)
Revenue Total		(555)	(549)	6	-1%	(614)		(739)	(544)
Expenditure	Personnel costs	93	90	(3)	-1%	75		361	322
	Depreciation expense	2	2	(0)	0%	1		9	6
	Other expenses	99	102	3	1%	84		408	386
Expenditure Total		195	194	(0)	0%	160		778	714
Animal Control Total		**(361)**	**(354)**	**6**	**-1%**	**(453)**		**39**	**170**

Building Control

GM: Paul Cooper Activity Lead: Jayson Ellis
Activity Description: Building consent authority under the Building Act 2004. Grants building consents, monitors building works, and issues a variety of compliance certificates

Revenue	Rates revenue	(284)	(284)	0	0%	(445)		(1,136)	(1,782)
	Fees & charges	(670)	(787)	(117)	4%	(626)	Consent fee demand based on the market.	(3,150)	(2,601)
	Other revenue	(9)	(9)	0	-1%	(6)		(36)	(264)
Revenue Total		(964)	(1,081)	(117)	3%	(1,078)		(4,322)	(4,647)
Expenditure	Personnel costs	625	697	72	3%	707	Vacant positions in quarter one.	2,788	2,679
	Finance costs	18	18	0	0%	14		71	51
	Other expenses	366	366	(1)	0%	373		1,463	1,483
Expenditure Total		1,009	1,081	72	2%	1,094		4,322	4,213
Building Total		**45**	**0**	**(45)**		**17**		**0**	**(434)**

Environmental Health

GM: Paul Cooper Activity Lead: Sharon Hoogenraad (Liquor) & Clarie Copeland
Activity Description: Management and enforcement of several legislative requires such as food safety, hazardous substances and environmental nuisance

Revenue	Rates revenue	(117)	(117)	0	0%	(169)		(469)	(675)
	Fees & charges	(208)	(144)	64	-11%	(173)	Fees and charges subject to variation due to the timing and volume of applications. Demand based.	(577)	(675)
	Other revenue	(0)	(1)	(0)	9%	(0)		(2)	(2)
Revenue Total		(326)	(262)	64	-6%	(342)		(1,049)	(1,353)
Expenditure	Personnel costs	45	78	33	11%	131	Vacancy - filled in September 2026.	312	340
	Finance costs	0	0	0		2		0	2
	Other expenses	167	184	17	2%	160		736	716
Expenditure Total		211	262	51	5%	293		1,049	1,057
Environmental Health Total		**(115)**	**0**	**115**		**(49)**		**0**	**(296)**

Planning

GM: Paul Cooper Activity Lead: Aaron Hakkaart
Activity Description: Develops and administers the District Plan and related policies, and processes resource consents

Revenue	Rates revenue	(748)	(748)	0	0%	(789)		(2,994)	(3,158)
	Fees & charges	(141)	(168)	(27)	4%	(131)		(672)	(570)
	Other revenue	(32)	(26)	6	-6%	(4)		(102)	(62)
Revenue Total		(921)	(942)	(21)	1%	(924)		(3,768)	(3,790)
Expenditure	Personnel costs	337	367	31	2%	529	Vacancy extended waiting for reform outcomes.	1,470	1,273
	Finance costs	75	75	0	0%	47		302	248
	Other expenses	320	499	179	9%	531	Timing of Resource Management Reforms and Environment Court mediation being scheduled later this calendar year.	1,996	1,891
Expenditure Total		733	942	209	6%	1,107		3,768	3,412
Planning Total		**(188)**	**0**	**188**		**183**		**0**	**(379)**
Environmental Services Total		**(618)**	**(354)**	**264**	**682%**	**(303)**		**39**	**(938)**

Other Activities

Financial Arrangements

GM: Andrea Rankin Activity Lead: Andrea Rankin
Activity Description: Financial arrangements relating to borrowings, investments

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Rates revenue	780	1,033	253	6%	1,009	Final washup of 25/26 rate penalties washup timing	4,133	4,967
	Finance revenue	(383)	(376)	7	0%	(487)		(1,505)	(1,698)
	Other revenue	0	0	0	0%	0		(1,726)	(2,105)
	Other gains/losses	(162)	(157)	6		(126)		0	2,177
Revenue Total		235	500	266	29%	396		901	3,341
Expenditure	Finance costs	(810)	(239)	571	-60%	(1,060)	Actual external interest paid, offset by internal interest expensed to other activities as per budget. Washup at year end.	(956)	(725)
	Other expenses	10	14	4	7%	78		55	117
Expenditure Total		(800)	(225)	575	-64%	(981)		(901)	(608)
Financial Arrangements Total		**(565)**	**275**	**840**		**(585)**		**(0)**	**2,733**

Property

GM: Nigel Trainor (Vacancy cover) Activity Lead: Diane Miller
Activity Description: Operation and maintenance of council facilities such as CBAY, Art Gallery, Museum and service centres

Revenue	Rates revenue	(301)	(301)	0	0%	(183)		(1,206)	(732)
	Fees & charges	(80)	(96)	(16)	4%	0		(386)	(462)
	Other gains	0	0	0		0		0	167
	(Gain)/Loss on disposal of PPE	0	0	0		0		0	306
Revenue Total		(381)	(398)	(16)	1%	(407)		(1,591)	(720)
Expenditure	Depreciation expense	163	163	(0)	0%	83		651	504
	Finance costs	11	11	0	0%	13		43	23
	Other expenses	228	224	(3)	0%	247		897	703
Expenditure Total		401	398	(3)	0%	343		1,591	1,230
Property Total		**20**	**0**	**(20)**		**(63)**		**(0)**	**510**

Vehicle Management

GM: Suzy Ratahi Activity Lead: Deb Gerken
Activity Description: Management of council's vehicle pool

Revenue	Rates revenue	(218)	(218)	0	0%	(30)		(873)	(118)
	Other revenue	(168)	(156)	13	-2%	(155)		(623)	(633)
	(Gain)/Loss on disposal of PPE	0	0	0		0		0	(51)
Revenue Total		(387)	(374)	13	-1%	(184)		(1,496)	(802)
Expenditure	Depreciation expense	162	162	(0)	0%	113		646	664
	Finance costs	27	27	(0)	0%	7		109	50
	Other expenses	142	185	43	6%	88	Variance relates to Fuel $41k under budget. Budget increased from prior year. Actual increase lower than budgeted.	741	513
Expenditure Total		331	374	43	3%	209		1,496	1,228
Vehicle Management Total		**(56)**	**(0)**	**56**		**25**		**0**	**425**
Other Activities Total		**(602)**	**275**	**877**		**(624)**		**(0)**	**3,668**

Recreation & Leisure

Aigantighe Art Gallery

GM: Mike Wrigley (Vacancy cover) Activity Lead: Cara Fitzgerald
Activity Description: Operation of the Aigantighe Art Gallery

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Rates revenue	(327)	(327)	0	0%	(303)		(1,307)	(1,213)
	Fees & charges	(2)	(4)	(2)	11%	(7)		(15)	(16)
	Other revenue	(1)	(4)	(3)	17%	(27)		(15)	(92)
Revenue Total		(330)	(334)	(4)	0%	(336)		(1,337)	(1,321)
Expenditure	Personnel costs	147	139	(8)	-1%	122		558	548
	Depreciation expense	9	9	0	0%	15		38	65
	Finance costs	53	53	0	0%	31		213	149
	Other expenses	142	132	(10)	-2%	122		529	592
Expenditure Total		352	334	(18)	-1%	289		1,337	1,353
Aigantighe Art Gallery Total		**22**	**0**	**(22)**		**(47)**		**0**	**32**

Aorangi

GM: Mike Wrigley Activity Lead: Mike Wrigley
Activity Description: Aorangi stadium operation

Revenue	Rates revenue	(333)	(333)	0	0%	(43)		(1,333)	(174)
	Fees & charges	(46)	(42)	3	-2%	(42)		(169)	(163)
	Subsidies and grants	0	0	0		0		0	(2,713)
	Other revenue	(1)	(3)	(3)	21%	(3)		(14)	(4)
Revenue Total		(380)	(379)	1	0%	(88)		(1,517)	(3,054)
Expenditure	Personnel costs	25	27	2	2%	14		110	80
	Depreciation expense	122	122	0	0%	71		487	280
	Finance costs	157	157	(0)	0%	9		626	34
	Other expenses	75	73	(2)	-1%	107		294	315
Expenditure Total		379	379	0	0%	202		1,517	709
Aorangi Total		**(1)**	**0**	**1**		**114**		**0**	**(2,345)**

Fishing Huts

GM: Nigel Trainor (Vacancy cover) Activity Lead: Diane Miller
Activity Description: Relates to 120 huts total based in Rangitata and Stratheona near Pleasant Point. Situated on reserve land

Revenue	Other revenue	(123)	(115)	9	-7%	(0)		(115)	(32)
Revenue Total		(123)	(115)	9	-7%	(0)		(115)	(32)
Expenditure	Depreciation expense	0	0	0	0%	0		1	1
	Other expenses	17	26	8	8%	18		103	112
Expenditure Total		18	26	8	8%	18		104	113
Fishing Huts Total		**(106)**	**(89)**	**17**	**-163%**	**18**		**(10)**	**82**

Forestry

GM: Suzy Ratahi (Vacancy cover) Activity Lead: Garth Nixon
Activity Description: Management of council forest plantations: 185 Hectares

Revenue	Fees & charges	(7)	(7)	(1)	2%	(6)		(30)	(25)
	Other revenue	0	(26)	(26)	75%	0		(35)	(133)
	Other gains	0	0	0		0		0	328
Revenue Total		(7)	(34)	(27)	42%	(6)		(65)	169
Expenditure	Depreciation expense	12	12	0	0%	1		49	26
	Other expenses	32	62	29	12%	28		246	222
Expenditure Total		44	74	29	10%	30		296	247
Forestry Total		**38**	**40**	**3**	**1%**	**24**		**231**	**417**

Halls & Community Centres

GM: Nigel Trainor (Vacancy cover) Activity Lead: Andrew Feary
Activity Description: Operation of community complexes, including Caroline bay hall, lounge and soundshell; Temuka Alpine Energy centre, Geraldine pavilion and other facilities

Revenue	Rates revenue	(167)	(167)	0	0%	(148)		(666)	(592)
	Fees & charges	(45)	(30)	15	-13%	(37)		(119)	(138)
Revenue Total		(212)	(196)	15	-2%	(185)		(785)	(729)
Expenditure	Depreciation expense	27	27	0	0%	26		107	106
	Finance costs	41	41	(0)	0%	38		162	129
	Other expenses	120	129	9	2%	128		516	573
Expenditure Total		187	196	9	1%	192		785	808
Halls & Community Centres Total		**(25)**	**(0)**	**25**		**7**		**0**	**79**

Libraries

GM: Mike Wrigley (Vacancy cover) Activity Lead: Mike Wrigley (Vacancy cover)
Activity Description: Operation of the Timaru, Temuka and Geraldine libraries

Revenue	Rates revenue	(1,452)	(1,452)	0	0%	(1,407)		(5,806)	(5,629)
	Fees & charges	(15)	(16)	(0)	1%	(18)		(63)	(67)
	Subsidies and grants	0	0	0		0		0	(33)
	Other gains/loss	0	0	0		0		0	(233)
Revenue Total		(1,467)	(1,467)	(0)	0%	(1,425)		(5,869)	(5,961)
Expenditure	Personnel costs	606	661	54	2%	472	GM Vacancy.	2,659	2,336
	Depreciation expense	102	102	0	0%	113		408	354
	Finance costs	87	87	(0)	0%	70		347	290
	Other expenses	583	614	30	1%	533	Maintenance $15k under budget. Used as required.	2,455	2,290
Expenditure Total		1,378	1,463	85	1%	1,189		5,869	5,270
Libraries Total		**(89)**	**(4)**	**85**		**(236)**		**0**	**(691)**

Motor Camps

GM: Nigel Trainor (Vacancy cover) Activity Lead: Diane Miller
Activity Description: Pleasant Point motor camp manged by council; 4 remaining motor camps on domain reserves leased out in Geraldine, Pleasant point, South Rangitata and Winchester

Revenue	Rates revenue	(2)	(2)	0	0%	(6)		(8)	(23)
	Other revenue	(13)	(24)	(11)	11%	(8)		(96)	(65)
Revenue Total		(15)	(26)	(11)	10%	(14)		(104)	(88)
Expenditure	Depreciation expense	6	6	0	0%	6		22	19
	Other expenses	22	20	(1)	-1%	23		82	86
Expenditure Total		27	26	(1)	-1%	29		104	105
Motor Camps Total		**12**	**0**	**(12)**		**15**		**0**	**17**

Museum

GM: Paul Cooper (Vacancy Cover) Activity Lead: Philip Howe
Activity Description: Operation of the Timaru Museum

Revenue	Rates revenue	(388)	(388)	0	0%	(347)		(1,550)	(1,387)
	Fees & charges	(1)	(0)	1	-69%	(1)		(2)	(3)
	Subsidies and grants	(29)	(8)	21	-70%	(29)		(30)	(57)
	Other revenue	(6)	(4)	2	-11%	(6)		(18)	(30)
Revenue Total		(424)	(400)	24	-2%	(382)		(1,600)	(1,478)
Expenditure	Personnel costs	201	213	12	2%	166		802	714
	Depreciation expense	39	39	(0)	0%	14		155	50
	Finance costs	6	6	(0)	0%	12		25	22
	Other expenses	133	154	21	3%	134		617	566
Expenditure Total		379	413	34	2%	326		1,600	1,351
Museum Total		**(45)**	**13**	**58**	**1%**	**(57)**		**0**	**(126)**

Parks

GM: Suzy Ratahi (Vacancy cover) Activity Lead: John Ave
Activity Description: Maintain approx 630 hectares of parks, reserves, sports grounds and gardens throughout the district

Revenue	Rates revenue	(2,346)	(2,346)	0	0%	(1,894)		(9,386)	(7,577)
	Fees & charges	(4)	(2)	2	-20%	(2)		(8)	(22)
	Subsidies and grants	0	0	0		0		0	(1,406)
	Other revenue	(6)	(25)	(19)	19%	0		(100)	(101)
	Other gains	0	0	0		0		0	326
Revenue Total		(2,356)	(2,373)	(18)	0%	(1,904)		(9,494)	(8,779)
Expenditure	Personnel costs	583	759	176	5%	0	Budgeted FTE for quarter one of 2627: 38. Average actual FTE: 31.7. As at Sep26 FTE is 36.	3,246	231
	Depreciation expense	249	249	0	0%	21		997	900
	Finance costs	145	145	(0)	0%	142		579	443
	Other expenses	808	1,168	360	8%	1,439	Contractor costs $375k under budget as contracts expire and further shifting to in-house team completing work. There is a seasonal component, spring months will increase with interim contract measures put in place.	4,672	7,331
Expenditure Total		1,785	2,321	536	6%	1,602		9,494	8,906
Parks Total		**(571)**	**(52)**	**519**		**(301)**		**0**	**126**

CBAY facility & Swimming Pools

GM: Mike Wrigley Activity Lead: Mike Wrigley
Activity Description: Incorporates all of Caroline Bay Trust Aoraki Centre (CBAY pools, fitness area, café and related business services) and the 3 additional pools for Geraldine, Pleasant Point and Temuka

Revenue	Rates revenue	(1,265)	(1,265)	0	0%	(1,789)		(5,059)	(7,158)
	Fees & charges	(623)	(608)	15	-1%	(665)		(1,451)	(1,438)
	Subsidies and grants	0	(5)	(5)	25%	0		(20)	0
	Other revenue	(191)	(196)	(6)	0%			(1,862)	(1,947)
	Other gains	0	0	0		0		0	(74)
	vested assets	0	0	0					
Revenue Total		(2,079)	(2,074)	5	0%	(2,641)		(8,392)	(10,616)
Expenditure	Personnel costs	753	738	(15)	0%	642		3,348	3,036
	Depreciation expense	292	292	(0)	0%	234		1,169	1,026
	Finance costs	118	118	0	0%	138		473	448
	Other expenses	727	850	124	4%	1,055	Maintenance $48k under budget. Used as required. Electricity $46k lower than expected.	3,402	3,230
Expenditure Total		1,890	1,999	109	1%	2,070		8,392	7,739
Swimming Pools Total		**(188)**	**(75)**	**113**	**1%**	**(571)**		**0**	**(2,877)**

Theatre Royal

GM: Paul Cooper Activity Lead: Scott Gaddes Project team lead (construction): Paul Haggath.
Activity Description: Currently under construction, BAU: Operation of the Theatre Royal in Timaru for visiting cultural and entertainment shows

Revenue	Rates revenue	(307)	(307)	0	0%	(141)		(1,228)	(562)
	Subsidies and grants	0	0	0		(3,050)		(258)	(8,894)
	Other gains	0	0	0		0		0	8,237
Revenue Total		(307)	(307)	0	0%	(3,191)		(1,486)	(1,218)
Expenditure	Personnel costs	36	39	3		0		154	33
	Depreciation expense	64	64	(0)	0%	16		255	58
	Finance costs	142	142	(0)	0%	43		567	222
	Other expenses	67	63	(4)	-2%	86		252	244
Expenditure Total		308	307	(1)	0%	145		1,228	557
Theatre Royal Total		**1**	**0**	**(1)**	**0%**	**(3,045)**		**(258)**	**(662)**

Recreation & Leisure Total		**(952)**	**(167)**	**785**	**-2113%**	**(4,080)**		**(37)**	**(5,949)**

Roading and footpaths

Roads and footpaths

GM: Suzy Ratahi Activity Lead: Adam Ward
Activity Description: Providing and maintaining the roading and footpath network, including over 1700kms of roads; bridges and other structures

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Rates revenue	(4,025)	(4,025)	0	0%	(4,098)		(16,099)	(16,395)
	Subsidies and grants	(1,856)	(2,923)	(1,067)	9%	(1,355)	NZTA revenue is calendarized based on funding expected from project mix. Subsidised work such as resurfacing and road reconstruction is completed on a seasonal basis.	(11,694)	(10,189)
	Other revenue	(2)	0	2		(2)		0	(122)
	Other gains	0	0	0				0	4,827
	Vested assets	0	0	0	0%	0		(1,000)	(927)
Revenue Total		(5,883)	(6,948)	(1,065)	4%	(5,454)		(28,793)	(22,806)
Expenditure	Depreciation expense	4,026	4,026	(0)	0%	4,734		16,103	14,639
	Finance costs	407	407	(0)	0%	421		1,629	1,410
	Other expenses	2,391	2,439	48	0%	2,639	Pre-reseal programme occurs in spring and summer.	9,757	9,556
Expenditure Total		6,824	6,872	48	0%	7,794		27,489	25,605
Roads and Footpaths Total		**942**	**(76)**	**(1,018)**	**78%**	**2,340**		**(1,304)**	**2,800**

Parking Enforcement

GM: Paul Cooper Activity Lead: Jo Hamilton
Activity Description: Enforcement of council's parking policies

Revenue	Fees & charges	(169)	(317)	(148)	12%	(369)	Staff vacancies reducing capacity for enforcement. Also Stafford St time limit change from 30 to 60 minutes resulted in fewer infringements.	(1,268)	374
	Other revenue	(1)	(2)	(1)	8%	(2)		(8)	(7)
Revenue Total		(171)	(319)	(148)	12%	(371)		(1,276)	367
Expenditure	Personnel costs	76	98	22	6%	113		391	367
	Other expenses	102	113	11	2%	143		562	588
Expenditure Total		178	211	32	3%	256		953	955
Parking Enforcement Total		**7**	**(108)**	**(116)**	**36%**	**(115)**		**(323)**	**1,322**

Parking Facilities

GM: Nigel Trainor (Vacancy cover) Sophia St; Suzy Ratahi (remaining)
Activity Description: Development and maintenance of carpark parking facilities across the district

Revenue	Other revenue	(15)	(9)	6	-17%	(11)		(35)	(34)
Revenue Total		(15)	(9)	6	-17%	(11)		(35)	(34)
Expenditure	Depreciation expense	29	29	(0)	0%	26		116	103
	Finance costs	54	54	(0)	0%	50		215	166
	Other expenses	73	80	7	2%	51		321	285
Expenditure Total		156	163	7	1%	127		652	554
Parking Facilities Total		**141**	**154**	**13**	**2%**	**116**		**616**	**521**

Road/Street Landscapes

GM: Suzy Ratahi Activity Lead: Suzy Ratahi
Activity Description: Providing and maintaining street trees and CBD maintenance

Revenue	Rates revenue	(262)	(262)	0	0%	(289)		(1,050)	(1,156)
	Subsidies and grants	0	0	0				0	(32)
	Other gains	0	0	0		0		0	(154)
Revenue Total		(262)	(262)	0	0%	(289)		(1,050)	(1,342)
Expenditure	Depreciation expense	7	7	(0)	0%	136		26	39
	Finance costs	63	63	0	0%	17		252	0
	Other expenses	119	193	74	10%	132	Tree maintenance $70k under budget. Delays to trimming works under power lines due to Alpine changing approval processes.	772	699
Expenditure Total		189	262	74	7%	285		1,050	737
Road/Street Landscapes Total		**(74)**	**(0)**	**74**		**(4)**		**0**	**(604)**

Street Lighting

GM: Suzy Ratahi Activity Lead: Suzy Ratahi
Activity Description: Providing and maintaining street lighting

Revenue	Rates revenue	(65)	(65)	0	0%	(194)		(262)	(776)
	Other revenue	0	0	0				0	(100)
	Vested assets	0	0	0		0		0	(33)
Revenue Total		(65)	(65)	0	0%	(194)		(262)	(910)
Expenditure	Other expenses	60	65	5	2%	56		262	238
Expenditure Total		60	65	5	2%	56		262	238
Street Lighting Total		**(5)**	**0**	**5**		**(138)**		**0**	**(672)**

Roading and Footpaths Total		**1,011**	**(30)**	**(1,042)**	**103%**	**2,198**		**(1,011)**	**3,366**

Three waters

Water Supplies

GM: Andrew Lester Activity Lead: Andrew Lester
Activity Description: Treats and distributes water supplies in compliance with the NZ Drinking water standards. Over 19000 properties are supplied through the network which comprises 19 water intakes; 12 treatment plants; 35 reservoirs; 24 pump stations and approximately 1,850 kms of water supply pipes

Activity Revenue and Expenditure		Sep YTD Actuals $000	Sep YTD Budget $000	Sep Variance $000	Variance % of full budget	PY YTD Sep	Commentary >30k variance	26/27 Full Year budget $000	25/26 Actuals
Revenue	Rates revenue	(3,985)	(3,985)	0	0%	(2,993)		(15,942)	(11,972)
	Rates - water by meter	(518)	(653)	(135)	5%	(540)	Meter readings relate to high water users. Pay actual usage in addition to standard water connection charge, demand seasonally driven.	(2,613)	(2,339)
	Other revenue	(57)	(51)	5	-2%	(83)		(211)	(568)
	(Gain)/Loss on disposal of PPE	0	0	0		0		0	489
	Vested assets	0	0	0	0%	0		(1,828)	(2,329)
Revenue Total		(4,560)	(4,690)	(130)	1%	(3,616)		(20,594)	(16,720)
Expenditure	Personnel costs	198	205	6	1%	185		889	736
	Depreciation expense	1,846	1,846	(0)	0%	1,747		7,385	7,311
	Finance costs	719	719	(0)	0%	593		2,874	1,983
	Other expenses	1,746	1,903	157	2%	1,463	Reactive maintenance overall is down due to works being offset with reactive capitalised renewals. Additionally, majority of maintenance programmes currently in the planning stage, expenditure expected to increase when works implemented.	7,617	7,834
Expenditure Total		4,509	4,672	163	1%	3,989		18,766	17,864
Other Comprehensive	Water revaluation	0	0	0		0			3,910
Water Supplies Total		**(51)**	**(18)**	**33**	**-2%**	**373**		**(1,828)**	**5,055**

Wastewater

GM: Andrew Lester Activity Lead: Andrew Lester
Activity Description: Collection and treatment of domestic and industrial wastewater for Timaru, Temuka, Geraldine and Pleasant Point primarily via the main wastewater treatment plant in Timaru. Main infrastructure includes 23 wastewater pump stations and approximately 350km of pipeline.

Revenue	Rates revenue	(2,299)	(2,299)	0	0%	(2,012)		(9,196)	(8,048)
	Fees & charges	(886)	(963)	(77)	2%	(1,007)	Credit notes issued for PY amounts due to a volumemetric charging dispute $35k.	(3,851)	(3,443)
	Other revenue	(135)	(63)	73	-29%	(64)	Cost recovery on third party damage relating to sewer main damage.	(250)	(546)
	(Gain)/Loss on disposal of PPE	0	0	0		0		0	1,495
	Vested assets	0	0	0	0%	0		(1,038)	(818)
Revenue Total		(3,320)	(3,324)	(5)	0%	(3,083)		(14,335)	(11,360)
Expenditure	Personnel costs	183	184	1	0%	140		824	642
	Depreciation expense	1,545	1,545	(0)	0%	1,462		6,180	5,193
	Finance costs	522	522	(0)	0%	531		2,086	1,669
	Other expenses	1,015	1,051	36	1%	849	Screening disposal costs below budget to date due to lower wastewater solids.	4,206	4,437
Expenditure Total		3,265	3,302	37	0%	2,982		13,297	11,942
Other Comprehensive	Water revaluation	0	0	0		0		0	(14,693)
Wastewater Total		**(54)**	**(22)**	**32**	**-3%**	**(101)**		**(1,038)**	**(14,111)**

Stormwater

GM: Andrew Lester Activity Lead: Andrew Lester
Activity Description: Provides and maintains the network of pipes, pumping stations, and other infrastructure to dispose of stormwater runoff, including approximately 146km of pipeline, 33km of open channel, several pump stations and 6 detention dams,

Revenue	Rates revenue	(1,496)	(1,496)	0	0%	(1,311)		(5,984)	(5,243)
	Fees & charges	(2)	0	2		(4)		0	(12)
	Other revenue	(69)	0	69		0	Stormwater capital contribution not budgeted, demand driven.	0	(461)
	(Gain)/Loss on disposal of PPE	0	0	0		0		0	232
	Vested assets	0	0	0	0%	0		(1,076)	(776)
Revenue Total		(1,567)	(1,496)	71	-1%	(1,314)		(7,059)	(6,260)
Expenditure	Depreciation expense	1,044	1,044	(0)	0%	988		4,176	3,502
	Finance costs	0	0	(0)	0%	45		1	30
	Other expenses	427	452	25	1%	242		1,807	1,434
Expenditure Total		1,471	1,496	25	0%	1,275		5,984	4,967
Other Comprehensive	Water revaluation	0	0	0		0		0	(19,908)
Stormwater Total		**(96)**	**0**	**96**	**-9%**	**(40)**		**(1,076)**	**(21,200)**

Downlands Water Supply

GM: Andrew Lester Activity Lead: Andrew Lester

Activity Description: Management and operation of the downlands water scheme on behalf od the residents of Timaru, Mackenzie and Waimate districts. 82% of the scheme is owned by Timaru. Remaining 18% is on-charged to the other districts

Revenue	Rates revenue	(880)	(883)	(2)	0%	(795)		(3,530)	(3,181)
	Fees & charges	(3)	0	3		1		0	(0)
	Finance revenue	(6)	(2)	4	-59%	(4)		(7)	(16)
	Other revenue	0	(41)	(41)	25%	(0)	No new connections charged in quarter one 2627. Demand driven.	(165)	(197)
	(Gain)/Loss on disposal of PPE	0	0	0		0		0	109
	Vested assets	0	0	0	0%	0		(334)	(389)
Revenue Total		(889)	(926)	(37)	1%	(799)		(4,037)	(3,675)
Expenditure	Depreciation expense	455	455	(0)	0%	430		1,819	1,443
	Finance costs	131	129	(3)	-1%	135		514	505
	Other expenses	243	342	100	7%	207	Reticulation costs under budget due to seasonal conditions.	1,370	1,273
Expenditure Total		828	926	97	3%	773		3,703	3,221
Other Comprehensive		0	0	0		0		0	(5,122)
Downlands Water Supply Total		**(60)**	**0**	**60**	**-18%**	**(27)**		**(334)**	**(5,577)**
Three Waters total		**(262)**	**(40)**	**223**	**-5%**	**206**		**(4,276)**	**(35,833)**

Waste Management

Refuse Collection

GM: Stephen Doran (Vacancy cover) Activity Lead: Grant Hamel

Activity Description: Provides waste collection, recycling, recovery and disposal services

Activity Revenue and Expenditure		**Sep YTD Actuals $000**	**Sep YTD Budget $000**	**Sep Variance $000**	**Variance % of full budget**	**PY YTD Sep**	**Commentary >30k variance**	**26/27 Full Year budget $000**	**25/26 Actuals**
Revenue	Rates revenue	(2,004)	(2,004)	0	0%	(1,962)		(8,015)	(7,846)
Revenue Total		(2,004)	(2,004)	0	0%	(1,962)		(8,015)	(7,846)
Expenditure	Other expenses	2,002	2,004	2	0%	1,854		8,015	7,794
Expenditure Total		2,002	2,004	2	0%	1,854		8,015	7,794
Refuse Collection Total		**(2)**	**0**	**2**		**(108)**		**0**	**(53)**

Waste Management Operations

GM: Stephen Doran (Vacancy cover) Activity Lead: Grant Hamel

Activity Description: Materials are collected and sorted at the Class A landfill: Redruth Resource Recovery Park in Timaru. Council manages the activity and owns the waste minimisation sites and facilities with operational work carried out by contractors - Enviro NZ

Revenue	Fees & charges	(1,310)	(1,504)	(194)	3%	(1,743)	Reduction in material coming in to Redruth facility - demand driven, total 600 tonnes down from the same quarter last year.	(5,976)	(6,284)
	Subsidies and grants	(263)	(275)	(12)	1%	(232)		(1,350)	(917)
	Other revenue	(1,203)	(1,211)	(8)	0%	(1,264)		(5,073)	(5,209)
	Other gains	0	0	0		64			(361)
Revenue Total		(2,776)	(2,989)	(213)	2%	(3,175)		(11,957)	(21,046)
Expenditure	Personnel costs	100	99	(1)	0%	111		398	400
	Depreciation expense	196	196	(0)	0%	191		784	609
	Finance costs	287	287	(0)	0%	345		1,149	963
	Other expenses	1,647	2,153	506	6%	2,189	EnvioNZ Profit Share in credit resulted in variance of $325k - annual washup; Actual quarter 1 washup of diverted materials yet to be received - budgeted at $97k. Remaining relates to professional consultants $62k. Spend depends on 'Unique Emissions Factor' application results for the 2026 clendar year, which will determine any further reports required.	8,611	10,270
Expenditure Total		2,230	2,735	505	5%	2,836		10,942	12,241
Waste Management Operations Total		**(545)**	**(254)**	**292**	**-29%**	**(340)**		**(1,015)**	**(8,805)**
Waste Management Total		**(547)**	**(254)**	**294**	**-29%**	**(447)**		**(1,015)**	**(8,858)**

Total	(1,832)	(297)	1,535	-23%	(2,922)		(6,696)	(44,876)
Other comprehensive revenue	0	0	0		0		0	(35,813)
Grand Total - exclude other comprehensive	**(1,832)**	**(297)**	**1,535**	**-23%**	**(2,922)**		**(6,696)**	**(9,063)**

Capital spend to date by project 'September 2026

Activity	Project by work order	Sep YTD Actuals $	Full Year Budget $	Percentage of full year budget spent	Commentary
Community Support		**22,291**	**462,420**	**5%**	
Cemeteries	W1938. Timaru Cemetery New Site -CAPEX-Contractors	1,570	227,200	1%	Working through consenting stage.
	W2066. Cemeteries-Concrete Beams, Furniture, Structures	-	45,000	0%	
Civil Defence	W1642. Equipment	-	10,220	0%	
Public Toilets	W2081. Public Toilets Renewals	4,715	20,000	24%	
Social Housing	W2341. Social Housing - Unit upgrades	16,006	160,000	10%	
Corporate Support		**859,494**	**3,558,376**	**24%**	
Council Building	W2299. Council Building Capital Expenditure	8,663	55,148	16%	
	W2342. Council building H-VAC	948	459,034	0%	Design work in progress, then going out to tender.
Information Technology	W2022. IT Services Capital Expenditure on Computer Hardware	178,474	329,467	54%	Purchased laptops in bulk, due to expected price increases in the near future.
	W2023. LIM Project	-	269,727	0%	Delayed due to prioritisation of Altitude project.
	W2029. Digital services platform	423	520,000	0%	Project commenced. Waiting on invoicing .
	W2067. IT Services CapEx -Software Purchase & Upgrade	424,268	500,000	85%	Timing. Majority of purchases occur at the start of the financial year .
	W2320. Altitude Project Implementation	246,177	1,205,000	20%	In progress. Timing of monthly invoicing .
	W2329. Resource consent digital scanning project	541	200,000	0%	
Land Transport Unit	W1682. LTU - Furniture & Fittings	-	20,000	0%	
Environmental Services		**2,604**	**483,281**	**1%**	
Animal Control	W2293. New Pound	2,604	483,281	1%	Preliminary design obtained, new site investigation was put on hold for the headstart reform. Site options analysis underway.
Other Activities			**1,445,300**	**0%**	
Property	W2082. Reroof Clyde St, Cameron Courts Temuka, Huffey Street	113,692	153,300	74%	Delay in Woodlands Rd reroof, expected to be included in 25/26, no carryforward requested.
	W2287. Temuka Alpine Energy Stadium - EQ Repairs	6,713	392,000	2%	Work underway by the end of October 26.
Vehicle Management	W1645. Vehicle Management	5,000	400,000	1%	New deck modification added. Electric vehicle to be invoiced in October 26.
	W2074. Parks Vehicles	250,575	500,000	50%	In house work to be completed, new vehicles required for Spring season.
Recreation & Leisure		**323,630**	**2,893,117**	**11%**	
Aigantighe Art Gallery	W1652. Arts Purchases	1,270	-		Bequest funded.
	W2069. General Upgrade Renewals - Grounds and Building	14,354	89,531	16%	
	W2343. Art Gallery Hvac replacement	-	155,000	0%	
Cbay & Swimming pools	W2063. Swimming Pools CBay Building Capital Works	-	42,924	0%	
	W2344. Pleasant point pool capital works	-	250,000	0%	Elected members to confirm go-ahead of this project later in the year.
Halls & Community Centres	W1632. Halls & Community Centres Capital Works	-	112,420	0%	
	W2345. Community facilities capital works	-	30,660	0%	
	W2346. Soundshell upgrade	-	15,330	0%	
Libraries	W1648. Purchase Books & Resources	37,976	214,620	18%	
	W1649. Libraries Renewals	-	20,440	0%	
	W1650. Building Capital Works - Libraries	4,920	53,144	9%	
	W2288. Libraries Furniture - General Renewals	-	50,000	0%	
	W2347. Libraries - RFID upgrade and self checkout	-	50,000	0%	
Motor Camps	W2073. Motor Camps Renewals - General Capex works	-	10,220	0%	
Museum	W2348. Museum - collection storage upgrade	-	300,000	0%	Options currently being investigated.
Parks	W1693. Parks General - Renewals	-	350,000	0%	Works is currently in procurement for Aorangi Park Internal safety changes $150k, with the remaining budget allocated to identified projects awaiting contractor commencement.
	W1698. Shared Urban Tracks	119,848	300,000	40%	
	W2071. Parks - Land purchases	-	48,828	0%	
	W2084. Capex Plant & Equipment	145,262	800,000	18%	Relates to many minor projects - currently being scoped or in procurement phase. No individually significant variances.
Roading and Footpaths		**1,430,339**	**27,830,190**	**5%**	
Road/Street Landscapes	W1676. CCTV Equipment	-	15,000	0%	
	W1741. City Hub - Geraldine Strategic Plan	15,457	71,540	22%	
	W1742. City Hub - Temuka Strategic Plan	-	71,540	0%	
	W1743. City Hub - Pleasant Point Strategic Plan	27,994	71,540	39%	
Subsidised Roading	W1379. Heaton Street/Hayes Street, Timaru - Southern Road Port Access	-	2,700,000	0%	Awaiting confirmation from NZTA on construction funding prior to commencement.
	W1677. Purchase of Land	54,063	-		Completion of purchase of Hopgood Lane funds from Geraldine endowment fund will credit this out.
	W1774. Domain Avenue/Cemetery Hill/High Street, Timaru - Intersection	5,836	540,000	1%	Currently under design review.
	W1777. Levels Plain Road/Foley Road and Falvey Road, Timaru - Intersection	4,006	550,000	1%	Coordinated projected with Opuha water subject to third party budgets and potential land acquisition.
	W1862. Kellands Hill Road/Rosewill Valley Road/Cartwright Road and SH 8	76,274	2,400,000	3%	Tender award report included in council agenda pack Oct26 for approval. Current expenditure relates to design work completed.
	W1880. Mitre 10 Service Lane Stopping	6,073	-		Will be oncharged to external party at 100% when project complete.
	W1881. Fitzgerald Road Stopping	2,340	-		Will be oncharged to external party at 100% when project complete.
	W2052. Unsealed Road Rehabilitation	463,719	1,004,300	46%	Half of the programme is completed in early spring, other half in late autumn.
	W2053. Drainage Renewals - includes kerb and channel	37,307	1,469,800	3%	Relates to culvert replacements when completing road rehabilitations. Refer to Road rehab projects below - under budget.
	W2055. Bridge & Structures Component Replacement	15,106	664,300	2%	Currently deferred while reviewing programme to accommodate retaining wall construction on Rocky hundreds Rd and Te Moana Rd.
	W2057. Traffic Services Renewal	125,104	511,000	24%	
	W2058. Footpath Renewals	392,183	2,044,000	19%	Deferral of projects as a saving initiative to accommodate tile replacement project currently under review.
	W2060. Cycle Path Renewals	-	51,100	0%	
	W2064. Public Transportation Infrastructure	8,891	40,880	22%	
	W2065. Cycleway Implementation	2,946	300,000	1%	Waiting for KiwiRail approval to complete Arowhenua project.
	W2094. Landsborough Road Bridge	122,723	3,882,690	3%	Tender award report included in council agenda pack Oct26 for approval. Current expenditure relates to design work completed.
	W2145. Washdyke Stages 1 -3, Timaru - New Road	1,488	-		As per PX resolution 2026/125.
	W2276. Pages Road, Timaru - New Kerb and Channel	-	25,000	0%	
	W2277. Wai-iti Road/Otipua Road, Timaru - Modifications to Islands	-	25,000	0%	
	W2278. North Terrace Road, Geraldine - Footpath Improvements	-	25,000	0%	
	W2279. Shaw Street, Timaru - New Footpath	-	25,000	0%	
	W2321. Victoria Street Intersection Rehabs - Timaru	68,780	500,000	14%	Work completed, awaiting final claim from supplier.
	W2335. Rehabs 2026-27 Robinson Road Rehabilitation	-	1,200,000	0%	Primarily undertaken in Spring - Autumn.
	W2336. Rehabs 2026-27 Earl Road Rehabilitation	-	1,200,000	0%	Primarily undertaken in Spring - Autumn.
	W2337. Rehabs 2026-27 Rockdale Road Rehabilitation	-	799,000	0%	Primarily undertaken in Spring - Autumn.
	W2338. Reseals 2026-27 Asphalt	-	1,000,000	0%	Primarily undertaken in Spring - Autumn.
	W2339. Reseals 2026-27 Chipseal corridor rural	-	2,000,000	0%	Primarily undertaken in Spring - Autumn.
	W2340. Reseals 2026-27 Chipseal corridor urban	-	1,938,000	0%	Primarily undertaken in Spring - Autumn.
	W2350. Rehabs 2026-27 Road Rehabilitation	-	1,200,000	0%	Primarily undertaken in Spring - Autumn.
	W2351. Elm Street Construction	-	600,000	0%	Primarily undertaken in Spring - Autumn.
	W2352. Pleasant Valley/Craig Road/ Kennedy Street Safety Improvements	51	650,000	0%	Project under review for deliverability.
	W2353. Environmental Renewals	-	255,500	0%	Linked to stormwater management areas. Reactive.
Waste Management		**299,715**	**1,027,686**	**29%**	
Waste Management Operations	W1665. Landfill Cells Development	299,715	650,000	46%	
	W1666. Landfill Roading Programme (sealed areas)	-	30,660	0%	Landfill cell development project expected to be complete in Q2/3 of the financial year. Waiting on Waste

	W1667. Landfill gas systems	-	94,386	0%	complete in Q2/3 of the financial year. Waiting on Waste Review outcome prior to opening any further projects. Review expected to be completed by Dec26.
	W1669. Waste Minimisation - Fixed Plant & Equipment Renewals	-	102,200	0%	
	W2354. Waste - Fixed plant and Equipment	-	150,440	0%	
Stormwater		**546,951**	**4,937,460**	**11%**	
Geraldine Stormwater	W0572. Geraldine Stormwater Reactive Renewals	1,743	20,000	9%	
	W0704. Geraldine Stormwater Renewals and Upgrades	22,380	400,000	6%	Soakpit improvement programme. End of stage 1 recently completed. Planning for Stage 2 underway.
Rural Stormwater	W0926. Pleasant Point (+Rural) Stormwater Renewals and Upgrades	155	150,000	0%	
Temuka Stormwater	W0573. Temuka Stormwater Reactive Renewals	192	20,000	1%	
	W0898. Temuka Stormwater Renewals and Upgrades	2,044	380,000	1%	Domain Ave Stage One joint with LTU currently in planning stage.
Timaru Stormwater	W0574. Timaru Stormwater Reactive Renewals	5,423	40,000	14%	
	W0663. Gleniti Area Stormwater System Construction	80,147	-		Revenue funded, work proceeding but will be fully offset against Stormwater other revenue capital contributions.
	W0711. Timaru Stormwater Renewals and Upgrades	363,137	2,251,760	16%	Next significant project: Jonas Street Stage 2 construction, not yet underway - projected to commence Q3.
	W0899. Timaru Stormwater Plant Renewal	34,300	413,700	8%	Primarily relates to the Washdyke pump station, multiyear project, expenditure so far only relates to enabling the design and consenting works to being.
	W1609. Waitarakao/Washdyke Stormwater Improvements	37,431	1,262,000	3%	Joint operation with Ecan and Alpine to build stormwater ponds. Currently aligning tender process with Ecan, contract expected to be awarded in December 26, with construction expected to commence in Q3.
Downlands Water Supply		**298,941**	**1,498,750**	**20%**	
Downlands Water Supply	W0833. Downlands Reticulation Reactive Renewals	15,433	50,000	31%	
	W0837. Downlands Reticulation Renewals and Upgrade	224,541	788,040	28%	
	W0940. Downlands Water Network Modelling	48,268	35,000	138%	More claimed in FY27 vs FY26 than expected. Work package complete, reviewing to finalise. Potentially offset against Downlands Reticulation renewals budget.
	W1478. Downlands Water Plant Renewals and Upgrade	4,000	250,000	2%	Investigations underway for waste management review at Te Ana Wai WTP.
	W2302. Downlands Reservoir Pipework Renewals	6,700	375,710	2%	Options review ongoing. Updated plan being prepared for next Downlands Committee.
Wastewater		**467,367**	**3,558,900**	**13%**	
Wastewater	W0724. Sewermain Reticulation Renewals & Upgrades	310,591	1,894,000	16%	Tender recently awarded for Talbot Street, construction expected to commence Q2.
	W0758. Sewer Reticulation Reactive Renewals	5,082	500,000	1%	Reactive, used as required for breakages.
	W0761. Wastewater Plant, Equipment, Mechanical and Electrical Capital	149,004	1,105,000	13%	Screen replacement purchased for Pleasant Point ponds, installation to be completed. Safety improvements capital programme planned for Q3/4.
	W1255. Wastewater Reticulation Modelling	2,690	59,900	4%	
Water Supplies		**1,075,330**	**10,899,192**	**10%**	
Beautiful Valley Water	W1421. Beautiful Valley Water Reticulation Renewals	27	2,044	1%	
Rangitata/Orari Water	W1000. Rangitata Orari Water Race and Intake Renewals	-	14,648	0%	
Seadown Water	W0565. Seadown Water Reticulation Reactive Renewals	7,104	15,000	47%	
	W0815. Seadown Water Plant and Equipment Capital	1,871	15,000	12%	
	W0998. Seadown Watermain Renewals and Upgrade	45,267	1,885,000	2%	Construction has just commenced on Stage Two Trunk Main Upgrade.
Te Moana Water	W0566. Te Moana Water Reticulation Reactive Renewals	6,935	20,000	35%	
	W0642. Te Moana Watermain Renewals and Upgrade	15,069	480,000	3%	Construction at Pleasant Valley and Gapes Valley Pump Stations commencing toward end of Q3.
	W0821. Te Moana Water Plant Renewals	5,197	450,000	1%	Construction at Tripp St Pump Station commencing toward end of Q3.
Urban Water	W0560. Geraldine Water Reticulation Reactive Renewals	61,911	50,000	124%	Split of the overall reactive renewal budget $1M. Not budgeted separately in previous years. Variance due to split of project budgets. Overall reactive budget not expected to be over at year end.
	W0562. Pleasant Point Water Reticulation Reactive Renewals	4,193	50,000	8%	Reactive Renewal budget.
	W0563. Temuka Water Reticulation Reactive Renewals	7,638	100,000	8%	Reactive Renewal budget.
	W0564. Timaru Water Reticulation Reactive Renewals	136,893	750,000	18%	Reactive renewal budget - will balance against rest of Urban for overall budget.
	W0702. Urban Watermain Reticulation Renewals and Upgrades	387,446	2,000,000	19%	Work continuing to progress, Contract 2707 Opihi Raw Water Trunk Main and carrying on the main renewal around Caroline Bay up along Marine Parade.
	W0820. Urban Water Plant Renewals	232,358	700,000	33%	Working on compliance monitoring systems to date with planning underway on treatment process improvements commencing with Pleasant Point Water Treatment plant.
	W0978. Peel Forest Water Reticulation Reactive Renewals	2,578	25,000	10%	Reactive Renewal budget.
	W1243. Temuka Source Upgrade	9,317	531,000	2%	Tender is currently out to market.
	W1378. Timaru Intake Renewals	-	1,560,000	0%	Expected to commence delivery Q3.
	W1420. Winchester Water Reticulation Reactive Renewals	2,551	25,000	10%	Reactive Renewal budget.
	W1975. Water Supplies Resource Consents	18,721	766,500	2%	Early planning for Geraldine Water Take consent renewal, most costs expected to be incurred Q4.
	W1991. Geraldine Trunk Main Duplication	126,055	610,000	21%	
	W2330. Stafford Street to Barnard Street Three Water Services Renewal	4,196	850,000	0%	Contract to be awarded.
Total - excluding major projects		**5,326,662**	**58,594,672**	**9%**	

Major projects

Activity	Project	Sep YTD Actuals $	Full Year Budget $	Percentage of full year budget spent	Commentary
Rec and Leisure: Aorangi	W2129. Aorangi Park Redevelopment	2,397,184	9,851,680	24%	Monthly invoice timing.
	W2290. Equipment and Furniture - new stadium	180,950	850,000	21%	
Rec and Leisure: Theatre Royal	W2130. Heritage Precinct Redevelopment	5,662,965	29,123,461	19%	Monthly invoice timing.
	W2349. Heritage hub fit out	-	2,000,000	0%	Fitout to be completed after redevelopment project completed.
Water supplies: Urban Water	W0932. Claremont Water Treatment Plant Upgrade Enabling Works	1,065,471	18,423,146	6%	Timing of project. Construction commenced.
Total - major projects		**9,306,570**	**60,248,287**	**15%**	
Grand total		**14,633,231**	**118,842,959**	**12%**	

9.16 Revenue and Financing Policy and Rates Review

Author: **Andrea Rankin, Chief Financial Officer**

Authoriser: **Nigel Trainor, Chief Executive**

Recommendation

That Council:

1. Receives and notes the *Revenue and Financing Policy and Rates Review* report;
2. Receives and notes the Revenue and Financing policy for consultation.
3. Selects Option 1 as the principal rating mechanism: a general rate based on the differentials in the report table, a uniform annual general charge set at 25% of the allowable limit, and the existing targeted rates for refuse collection, stormwater, and stock water.

OR

4. Selects Option 2 as the principal rating mechanism: a general rate based on capital value with no differential, a targeted differential roading rate, a uniform annual general charge set at 25% of the allowable limit, and the existing targeted rates for refuse collection, stormwater, and stock water.

Or

5. That Council completes the draft Revenue and financing policy for consultation based on option 1 or 2; and
6. Delegates authority to the Mayor and Chief Executive to approve the public consultation materials.

Purpose of Report

1 The purpose of this report is for council to consider its preferred option for the modification of the revenue and financing policy (the policy) including its approach Recovery of costs through rating mechanisms.

2 Once Council has identified its preferred option then the next step in the process will be formal consultation with the Community before the adoption of its revenue and financing policy as part of the Long Term Plan process.

Assessment of Significance

3 The Rates Review as a whole is assessed as having a high degree of significance under Council's Significance and Engagement Policy due primarily to its potential district-wide impact, the financial impact on ratepayers, likely level of community interest, and the potential for changes to the distribution of rates between different categories of ratepayers.

4 The decisions sought in this report are of low to medium significance because they concern options under development and do not determine the final rating system or make substantive changes to Council’s rating approach.

Background

5 The existing policy was developed some time ago and any modification required approach considering the requirements of the Local Government Act 2002 as amended (LGA). With the transfer of the water activities to a new water company, then it is appropriate to consider the overall impacts of rates without the need to recover the water expenditure.

6 Since the last review, the District's composition, land uses, and the services Council provides have changed.

7 There have been sectors of the community that have expressed their desire for the policy to be reviewed.

8 Therefore, rather than amend the existing policy, the Council considered the requirements of section 101 (3) LGA and undertook an assessment of who benefits from the services that Council delivers and who should pay, followed then by the consideration of the overall impacts.

9 This review is to reassess how rates are distributed across the different sectors (residential, commercial, rural) to ensure equity and improved transparency reflecting the community's values and increasing willingness to pay for services.

Discussion

10 The first step in the process of the review of the policy is the review of who benefits and who should pay as set out in 101 (3) (a) LGA which states:

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of,

(a) in relation to each activity to be funded,—

(i) Community outcomes to which the activity primarily contributes, and

(ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and

(iii) the period in or over which those benefits are expected to occur; and

(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and

(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

11 This has been documented in section one of the attached proposed draft Revenue and financing policy.

12 Following the assessment of who benefits, Council considered the tools available as set out in section 103 (2) LGA being:

(a) general rates, including—

(i) choice of valuation system; and

(ii) differential rating; and

(iii) uniform annual general charges:

(b) targeted rates:

(ba) lump sum contributions:

(c) fees and charges:

(d) interest and dividends from investments:

(e) borrowing:

(f) proceeds from asset sales:

(g) development contributions:

(h) financial contributions under the Resource Management Act 1991:

(i) grants and subsidies:

(ia) [Repealed]

13 The selected funding tools are set out in the attached proposed draft Revenue and Financing Policy.

14 Council in considering the General rates, considered the three elements being:

14.1 The valuation system – land or capital;

14.2 Differential rating – where different groups of ratepayers pay different percentage of value; and

14.3 Uniform annual general charge – where all rating units (or separately used or inhabited parts of the rating unit) pay the same dollar value.

Land versus capital value consideration

15 As rates are designed to recover the costs incurred in providing services to the community, therefore rates are broadly similar to taxes, and the tools provided by the Government are based on property values, with the choice of either land or capital value (CV).

16 Currently (until to the year ended 30 June 2027) the Council uses land value with significant differential. Council considered both land and capital values as it preferred basis. The advantages and disadvantages are set out below.

17 Capital value:

Advantages	Disadvantages
Better taxation tool – takes into account full value of property as generally, the higher capital investment there is a higher likelihood of greater benefit from Council's services	Administrative cost of notification of changes to rating basis
Captures changes to region's rating base from growth	High Capital values can exist with low income
Generally, there are smaller % swings at each revaluation	May penalise/discourage development of higher quality buildings
Through the higher value of improvements, CV recognises multiple users of a single property	For orchard properties, CV includes fruit trees and vines (but not the crop)

Advantages	Disadvantages
Reduces the reliance on differentials	May penalise those with low land values

18 Land value:

Advantages	Disadvantages
Land value is current basis of rating, so is accepted and understood	Land value is only part of total property value
Status quo, therefore no administrative cost of change	High Land values can exist with low income
There is no "tax" on development	Needs to be modified by other rating policies to recognise multi-unit development on a single property

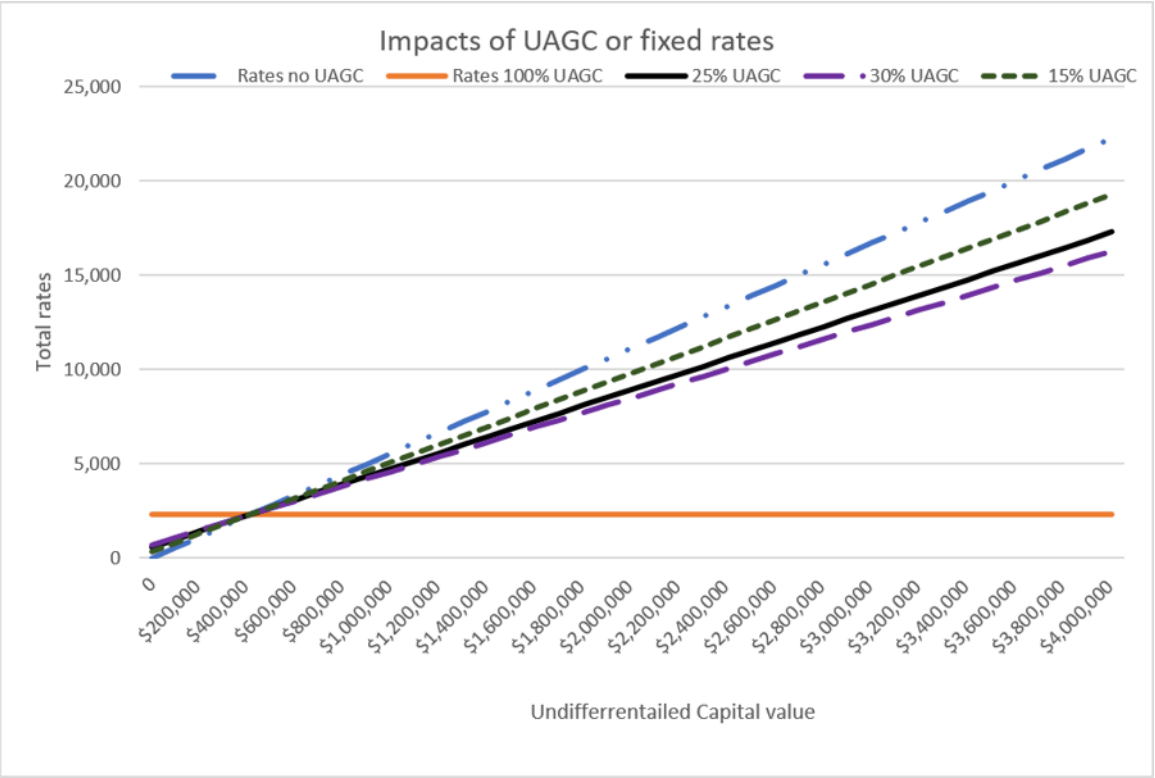
19 Based on the above Council prefers Capital value as its primary method of setting it rates. It then considered the use of differentials included the significant cost of roading and where the last 10 years expenditure and the location of the expenditure and this has been compared with the capital value, land value and number of rating units. This is set out in the table below.

	Roading expenditure		Pure Capital		Differential capital		Rating units/SUIPs		Pure Land value	
Commercial	**4.48%**	5,162,446	5.08%	929,134,500	8.08%	1,858,269,000	3.50%	803	3.26%	312,193,500
Industrial	**6.44%**	7,415,122	8.45%	1,546,700,500	16.81%	3,866,751,250	3.40%	780	5.57%	532,977,400
Mix zone	**16.30%**	18,777,727	0.22%	40,421,500	0.18%	40,421,500	1.61%	370	1.31%	125,217,500
	27.21%	31,355,295	13.75%	2,516,256,500	25.06%	5,765,441,750	8.51%	1,953	10.15%	970,388,400
Residential	**18.26%**	21,034,673	58.67%	10,735,195,150	47.52%	10,932,258,150	81.52%	18,700	49.67%	4,749,057,850
Rural	**54.53%**	62,834,906	27.57%	5,045,059,550	27.41%	6,306,324,438	9.97%	2,287	40.19%	3,842,524,350
		115,224,874		18,296,511,200		23,004,024,338		22,940		9,561,970,600

Uniform annual general charge

20 The last consideration of the General rate is the approach to setting the value of the Uniform annual general charge (UAGC).

21 A higher UAGC means lower-value properties pay a larger share and a lower UAGC means more would be on the general rate which would shift the costs to those with larger values.



22 The statutory cap limits fixed charges, including the UAGC, to 30% of total rates revenue. Analysis confirms that all options remain well within this limit.

23 The next step (known as step two) as set out in section 101(3)(b) requires the Council to consider:

> *(b) the overall impact of any allocation of liability for revenue needs on current and future communities.*

24 Council then considered the overall financial and non-financial impacts on the community, including the costs of relevant activities, and concluded that the following options should be developed for the final allocation of rates.

25 Accommodation, commercial, industrial, and residential multi-unit properties generate additional roading costs and other impacts, such as environmental monitoring and consenting, that affect residential ratepayers, who make up most of the rating base. These properties should therefore pay a higher differential than residential properties. Industrial properties should also pay a higher differential than commercial properties because heavy vehicle movements have a greater impact on the roading network and contribute to congestion.

26 A significant share of roading expenditure occurs in rural areas. Given this, along with the effects of changing land use, it was considered appropriate for rural or primary properties to pay a corresponding differential.

27 These differentials as set out below for the two options that are being considered.

	Status quo Land value	Option 1	Option 2	
		Differential Capital value	General rate	Targeted roading rate
Accommodation	4.35	2.0	1.00	2.0
Commercial	4.35	2.0	1.00	2.0
Industrial	4.35	2.5	1.00	2.5
Primary (Rural)	0.67	1.25	1.00	1.25
Residential Multi	1.93	2.0	1.00	2.0
Community Service	1.00	1.0	1.00	1.0
Recreational	1.00	1.0	1.00	1.0
Residential	1.00	1.0	1.00	1.0
Utilities	N/A	1.0	1.00	2.0

Options and Preferred Option

28 Local authorities have several options for recovering costs, but the chosen approach must suit the district or city they govern.

29 In developing its preferred option, Council considered that a simpler approach based on a general rate was more appropriate, given the benefits analysis in the draft Revenue and Financing Policy.

30 There are three options for Council to consider:

31 **Option 1:** The general based on the differentials in the table above with a uniform general charge at 25% of the allowable limit plus existing targeted rates for refuse collection stormwater and stock water.

32 **Option 2:** The General rate on capital value with no differential for General rate, targeted differential roading rate, UAGC at 25% of allowable limit, plus existing targeted rates for refuse collection, stormwater, and stock water.

33 **Option 3:** Status quo with wastewater and water supply removed.

Consultation

34 Council will undertake appropriate community engagement as the Rates Review progresses and before making final decisions, in accordance with its Significance and Engagement Policy and the Local Government Act 2002 consultation requirements.

35 Given the proposed changes to the overall rating approach, this is a significant Council decision and separate consultation is recommended.

36 To complete this in a timely manner, it will require Council to provide delegated Authority to the Mayor and Chief Executive to sign off for publication any consultation materials.

37 These will be circulated by officers to all elected members for comment prior to seeking sign off.

Relevant Legislation, Council Policy and Plans

38 The Revenue and financing policy is required to be adopted before the adoption of the 2027-37 Long term plan.

39 A Revenue and financing policy must comply with sections 102 and 103 of the Local Government Act 2002 as amended. These two sections specify the requirement and the

content. S101 (3) specifies the considerations which a local authority missed adhere to in developing the policy.

40 The resent passing of the Local Government (System Improvements) Amendment Act 2026, introduced section (1AAA) A local authority must, when determining its approach to financial management, have particular regard to—

(a) the purpose of local government stated in section 10; and

(b) the core services of a local authority stated in section 11A

41 Therefore, the Policy has been prepared with regard to the purpose of local government in the Local Government Act and the Council's core services stated in that Act, namely:

- Network infrastructure
- Public transport services
- Waste management and minimisation;
- Emergency management;
- Libraries, museums, reserves and other community and recreational facilities

Financial and Funding Implications

42 There are no further financial and funding implications.

Other Considerations

43 There are no further considerations.

Attachments

1. Draft Revenue and Financing Policy ⇩

Draft Revenue and Financing Policy for Council approval

1. Purpose

1.1. The purpose of this policy is to detail Timaru District Council's approach to funding its operating and capital expenditure for each activity.

1.2. It determines who pays for Council activities, and on what basis, with a view to achieving the most appropriate ~~fairest~~ funding mix for the community as a whole.

~~1.3. The overall objective of this policy is to ensure users and beneficiaries of Council services pay what is fair and equitable.~~

2. Glossary

Note: The definitions provided are intended to explain terms used on this policy in plain English. [1]

Benefit: refers to the positive effect able to be gained as a result of a Council-provided activity or service, regardless of whether this is taken up or not.

Capital expenditure: means expenditure on new assets or on assets that increase the level of service provided, or extend the level of service – for example the replacement of assets.

Capital Value (CV): Means the assessed value of land, and capital improvements, at the time of valuation the time of valuation. Improvements excludes plant and machinery, chattels and stock (including trees for harvest) but can include other improvement e.g. vines.

Community-wide benefit: means a benefit that applies to the whole community, irrespective of property location or value.

Council: means Timaru District Council

Exacerbator: those who contribute to, or create the need for a Council service or facility, and should, therefore contribute to the cost of the service or facility.

General Rate: is a rate levied on all rateable properties within Council's jurisdiction. A general rate is based on:

- Land value of a property
- How the property is used

The Uniform Annual General Charge (see below) is included within the General rates

Intergenerational equity: is the principle that the cost of an asset or service should be spread over its life, so that both current and future residents who benefit contribute a fair share of the costs, and not just current residents.

Land Value (LV): Means the assessed value of land, excluding capital improvements, at the time of valuation the time of valuation.

Operating expenditure: means the costs incurred to provide normal day-to-day services and the maintenance of services and assets.

People benefit: is a benefit that people and residents can enjoy without owning a property. Council looks to fund people benefit through uniform annual charges.

Private good: means goods or services that directly benefit an individual rather than the community as a whole. Private good is an indicator that users who directly benefit should pay.

Property benefit: is a benefit that accrues to a property or to property owners. This may be a service to a property, or an activity that benefits property values. Council looks to fund property benefit through general rates based on land value.

Public good: means goods or service that one individual can consume without reducing the availability to another individual. Public good is usually both non-rival and non-excludable. An example of public good is a community park.

Rates: are funds collected by Council through taxes on property within the district.

Targeted rates: a rate charged for a specific service through a tax on each rateable unit or separately used or inhabited portion of a rating unit to ensure that the cost of a service or activity is borne by those who derive most benefit from it, or who contribute to the need for the service or activity.

Uniform Annual General Charge: a charge of an equal amount on each rateable unit or separately used or inhabited portion of a rating unit to ensure that all ratepayers make a minimum contribution to Council activities and services. ~~This charge is applied to fund services where community benefits apply across the district.~~

User charges: a council charge paid by those who use specific services provided by Council.

3. Policy Context

Local Government Act 2002

3.1. The Local Government Act 2002 (LGA) requires Council to adopt a Revenue and Financing Policy.

3.2. Sections 102 and 103 of the LGA require the policy to demonstrate how operational expenditure and capital expenditure are funded from:

a) General rates, including –

i. Choice of valuation system; and

ii. Differential rating; and

iii. Uniform annual general charges:

b) Targeted rates:

c) Lump sum contributions:Fees and charges:

d) Interest and dividends from investments:

e) Borrowing:

f) Proceeds from asset sales:

g) Development contributions:

h) Financial contributions under the Resource Management Act 1991:

i) Grants and subsidies:

j) Other sources of income

3.3. Section 101(1AAA) LGA requires Council must give regard to the purpose of local government in the Local Government Act and the Council's core services stated in that Act, namely:

- Network infrastructure
- Public transport services
- Waste management and minimisation;
- Emergency management;
- Libraries, museums, reserves and other community and recreational facilities"

3.4. Section 101(3)(a) of the LGA requires that Council has, for each activity funded, shown it has given consideration to the:

a) Community outcomes to which the activity primarily contributes; and
b) Distribution of benefits between the community as a whole, and identifiable part of the community, and individuals; and
c) The period in or over which those benefits are expected to occur; and
d) The extent to which the actions or inaction of particular individuals or groups contribute to the need to undertake the activity; and
e) Costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

3.5. In accordance with section 101(3)(b), Council must also consider the overall impact of any allocation of liability for revenue needs on the current and future ~~social, economic, environmental, and cultural well-being of the~~ community.

Related Council Plans, Policies and Strategies

3.6. Council's Revenue and Financing Policy provides a high level funding framework that links with other Council documents that impact on funding decisions for the wider community and, in some cases, or individual ratepayers. These documents include:

Financial Contributions Policy: Details the basis on which Council charges financial contributions to offset or mitigate any adverse impacts on the natural or physical environment including utilities, services or a new development.

Timaru District Plan: Section 6 of the District Plan details Council's approach to charging financial contributions for new developments under the Resource Management Act 1991.

Significance and Engagement Policy: Details Council's approach to determining the level of significance of a particular proposal or decision, and how Council will engage with the community based on the level of significance. Decisions about the funding of Council activities will be assess in accordance with this policy.

Rates Policy: Details the circumstances in which Council will provide a rate remission or postponement, including on Maori Freehold Land, and the rationale for this.

Infrastructure Strategy: Details Council's approach to the provision of core infrastructure, how much it intends on investing over the next 30 years, and how this investment will be

funded. Activities included in the strategy are: roads and footpaths, drinking water, sewer, stormwater, waste management and large community facilities (for example, CBay Aquatic Centre).

Financial Strategy: Details Council's approach to delivering its high-level funding requirements, including limits on rates and borrowing. The Financial Strategy considers the impact of expected changes in population and the use of land, the expected impact of Council's Infrastructure Strategy and other significant factors affecting Council's ability to maintain and meet demands for services.

Funding Impact Statement: Provided in each Long Term Plan and Annual Plan, the funding impact statement details the application and impact of the Revenue and Financing Policy for each financial year.

4. Rating Framework

4.1. Councils are able to use a variety of approaches in their overall rating framework. These approaches are how Council applies rates in the district, and include the following:

Valuation System

4.2. When applying rates based on property values councils can rate according to land value, capital value, or annual value.

4.3. Timaru District Council is proposing to change from the land value to capital value rating system. The ~~land~~ values are determined by an independent valuer who is audited by the Valuer General.

Differential Rating

4.4. When applying rates councils can rate properties using a differential according to a range of categories detailed in schedule 2 of the Local Government (Rating) Act 2002.

4.5. Council's general rate is set based on a rate per dollar of rateable capital value, and differentiated on the use to which the land is put. The objective of differential rating is to ensure a fair and equitable proportion of rates are paid by the various differential categories.

4.6. Council uses differentials to distribute the general rate between particular categories of the community, as listed below. This does not change the total amount of general rates funding required annually, but rather, the proportion of overall funding of the general rate from each category differs according to the differential factor applied.

4.7. The differential is applied to the following nine categories:

Category	Definition
Accommodation	All properties used primarily for hotel, motel or similar short term or travellers' accommodation purposes.
Commercial – Central	All properties situated within the Timaru Central Business District and used primarily for commercial purposes.

Commercial – Other	All properties used primarily for commercial purposes other than those situated in the Timaru Central Business District.
Community Services	All properties used primarily for education, religious, and/or community purposes.
Industrial	All properties used primarily for industrial purposes.
Primary	All properties used primarily for agriculture, horticulture or pastoral purposes, including the grazing of animals.
Recreational	All properties used primarily for active or passive indoor/outdoor recreational activities.
Residential – General	All properties used primarily for residential accommodation of a single household or used for residential purposes and not otherwise classified or which are vacant or of not determined use of those differential categories and situated in an area in which residential dwellings are permitted.
Residential – Multi Unit	All properties used primarily used for multi-unit residential accommodation, for example, purpose built rental flats.

Unit of rating – separately used or inhabited parts of a rating unit

4.8. Under the Local Government (Rating) Act 2002 charging separately used or inhabited parts of a rating unit is an option for a uniform annual general charge and for targeted rates.

4.9. A separately used or inhabited part of a property or building includes any part of a rating unit inhabited or used by a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

4.10. For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person, other than the owner, and generally used as such are defined as 'used'.

4.11. Examples of separately used or inhabited parts of a rating unit include:

- Each separately used or inhabited part of a residential unit will count as a separate part. This includes minor household units with kitchen facilities often referred to as "granny flats".
- Where residential properties are partially used for business, the number of parts will equal the number of separately used or inhabited residential units plus one for each separate business use (e.g. a house with a doctor's surgery attached contains two parts).
- In the case of retirement villages or farms with workers' accommodation and similar types of properties, each separately

used or inhabited residential unit and each other major use (such as halls, libraries etc) are separate parts.

5. Rate Revenue Sources

5.1. The rates charged by Council as sources of funding are:

General Rate

5.2. A rate charged on all rateable properties in the district on the basis of land value, and differentiated by the use of the property.

Uniform Annual General Charge (UAGC)

~~5.3.~~ A rate charged on all separately used or inhabited portions of a rating unit on a uniform basis. This rate enables all ratepayers to make a minimum contribution to Council's costs. ~~*The annual increase in the UAGC will be an overall percentage increase as the general rate increase within a margin of 5% in any given year or as per section 13 – Funding Analysis for Council Activities.*~~

Targeted Rate

5.4. *A rate charged on specific properties in the district on the basis of the property or owner being able to receive benefit from the service provided that is not available to all.* ~~*Targeted rates may be charged on the basis of land value, differentiated or as a uniform annual charge*~~.

5.5. *A Business Improvement District (BID) targeted rate is being introduced as part of the 2024-34 Long Term Plan, consistent with the BID Policy*.

6. Non-Rate Revenue Sources

6.1. Council has a range of funding sources available which are often suited to a particular type of funding requirement. While rates are often the most appropriate source of funding for a particular requirement, Council may decide to use other sources of funding, if appropriate.

Grants and subsidies

6.2. Council expects to continue to receive substantial subsidies from New Zealand Transport Agency Waka Kotahi (NZTA) for road and footpath maintenance and renewal and other expenditure related to transportation and its land transport networks.

6.3. Council can receive grants and sponsorship for projects which are eligible for particular grant and sponsorship schemes.

Investment income, dividends and interest

6.4. Interest and investment returns from Council's investments, including annual dividends from Timaru District Holdings Limited (TDHL) are generally used to offset the general rate and the uniform annual general charge.

6.5. Interest earned on special funds and separate reserves is used only for the purpose of the fund or reserve.

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Financial contributions

6.6. Council's existing Financial Contributions Policy allows Council to apply a charge for water, sewer, stormwater and open space and recreation. Minor amounts of capital expenditure budget for the Parks and Recreation activity have been identified as coming from financial contributions. Amounts to be funded from financial contributions for water supply, sewer and stormwater services will be determined from Council decisions at the time of development.

Proceeds from asset sales

6.7. Council may sell assets that are deemed to be surplus to requirements or that are not providing satisfactory returns. Council will resolve how to utilise the proceeds from the sale of land and/or building (property) assets and any other assets with a value over the Chief Executive's financial delegation.

6.8. Council may choose to use proceeds of asset sales for expenditure in an activity other than that associated with the sold asset/s, subject to complying with the decision-making requirements of the Local Government Act 2002.

Fees and Charges

6.9. Council charges for some services it provides and this revenue funds all or part of the cost of service delivery for these activities. Examples include resource and building consent fees, dog registration fees and facility admission or hire.

6.10. Council will amend its fees and changes annually (or more frequently as appropriate) to reflect increases in costs as measured by the assumed rate of inflation and/or to maintain the cost recovery levels underlying the basis for setting the fee levels.

Bequests

6.11. Council occasionally receives bequests that can be used, normally for a specific purpose. Examples include bequests for the purchase of library books or art work.

Borrowing

6.12. Council generally borrows to fund capital expenditure as a way of promoting intergenerational equity and as a way to make the significant cost of some capital projects affordable. Borrowing may be internal (i.e. Council borrowing from itself by using its own reserves) or external.

6.13. Council does not borrow for operational expenditure unless this is deemed to be prudent and is approved by Council on that basis.

Lump Sum Contributions

6.14. Council may offer the option for ratepayers to pay their share of a capital project through a lump sum payment rather than through rates over a longer period of time. This can be beneficial for all parties as it reduces the interest paid by ratepayers over the life of the loan, and Council can retire a portion of debt earlier or reduce the need for borrowing.

7. Funding Operational Expenditure

7.1. Operating expenditure is the day-to-day cost Council incurs to provide services, including the maintenance of existing assets.

7.2. Council has determined that the following sources may be used to fund operating expenditure:

- Rates revenue (including general rates and UAGC)
- Targeted rates
- Fees and charges
- Interest and dividends from investments
- Proceeds from individual asset sales less than $80,000 (if exceeding $80,000, then subject to a Council resolution stating that this is considered prudent in the circumstances)
- Financial contributions
- Grants and subsidies
- Borrowing
- Other operating revenue

~~Remove below as~~

~~7.3. Council may choose not to fully fund operating expenditure in any activity in any particular year if the deficit can be funded from operating surpluses in the immediately preceding or subsequent years.~~

~~7.4. An operating deficit will only be budgeted when considered prudent to avoid significant fluctuations in rates, fees or charges. Council will consider the requirements of section 100 of the LGA (Balanced Budget requirements).~~

~~7.5. Council may choose to fund more than is necessary to meet its operating expenditure in any particular year. Council will only budget for an operating surplus to fund an operational deficit in the immediately preceding or following years, or to repay debt. Council will have regard to forecast future debt levels when deciding whether it is prudent to budget for an operating surplus for debt repayment.~~

8. Funding Capital Expenditure

8.1. Capital expenditure is expenditure on new or existing assets that maintains or increases their value and the level of service to the community.

8.2. Council usually borrows, either internally or from capital markets, to fund capital expenditure. Borrowing for capital expenditure enables Council to spread the cost of providing a capital asset over the expected life of the asset. Council may choose to fund capital expenditure through borrowing and repay the loan over a shorter or longer period if this is considered prudent.

8.3. Borrowing for capital expenditure reduced peaks and troughs in the funding required each year and promotes intergenerational equity. This ensures today's ratepayers are not required to fund the whole cost of assets with a long useful

life and subsequent users of the assets also make a contribution to its cost by contributing to the interest and principal repayments in those subsequent years.

8.4. Council's borrowing requirements and the cost of servicing loans for capital expenditure may be reduced to the extent that other funding sources can be used.

8.5. Council has determined that the following sources may be used to fund capital expenditure:

- Rates revenue (including general rates and UAGC)
- Targeted rates
- Lump sum contributions
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales
- Financial contributions
- Grants and subsidies
- Reserve funds
- Other sources.

8.6. Borrowing for capital expenditure is undertaken in accordance with Council's Financial Strategy.

~~9. Funding of Depreciation~~ This should be in the financial strategy

~~9.1. Depreciation is the process of recognising that an asset is progressively used up over its useful life. By funding depreciation Council has the ability to provide funding to replace assets at the end of their useful life, or reduce the amount borrowed against the assets. Depreciation is funded within each activity as part of the operating expenditure each year.~~

~~9.2. In general, Council will fully fund depreciation over the life of an asset in order to systematically allocate the use or consumption of the asset, unless this is not considered to be in the best interests of the community. If Council decides not to fully fund depreciation of an asset it will provide the community with information on why it has decided not to fully fund depreciation and the likely impact of this decision.~~

10. Activity Funding Analysis

10.1. Council has considered each activity, and in some cases discrete items within an activity, to determine the most appropriate funding approach.

10.2. Council endeavours, where possible, to allocate cost to the primary beneficiary of any function or activity it provides.

10.3. The following matters considered in the assessment are:

Distribution of benefits

10.4. The benefits provided by each activity are assessed between the community as a whole, any identifiable part of the community, and individuals.

10.5. **Private Benefit:** accrues to identifiable individuals. Activities that provide a high level of private benefit will normally be funded from fees and charges.

10.6. **Group Benefit:** accrues to any identifiable part of the community. Activities that provide a high level of group benefit will normally be funded from a targeted rate or charge on properties able to receive the service.

10.7. **Community-wide Benefit:** accrues to the community as a whole. Activities providing a high level of community-wide benefit will normally be funded from the community as a whole, through the general rate or the UAGC.

10.8. An example of a Council service that provides a high level of community-wide benefit is the provision of the roading network. Everyone has the opportunity to access and use the service.

Period of benefit

10.9. Council considers the period over which the benefit provided by an activity flows. This provides a rationale for deciding the period over which the expenditure should be funded.

10.10. If the benefit an activity provides relates wholly or largely to the immediate year then the activity will normally be funded from rates or other income in the year the expense is incurred.

10.11. If the benefit is available over a longer period of time Council will normally borrow to fund the activity or asset to ensure future ratepayers who will enjoy some benefit will pay a fair proportion of the cost.

Control of negative effects (exacerbator pays)

10.12. Council may incur expenditure to protect the community from actual or potential problems. Council looks to identify the cost to the community of controlling negative effects caused by individual or group actions and to recover any costs directly from those causing the problem. Examples are animal control (funding through dog registrations and impoundment fees) and parking enforcement (funding through parking meter fees and infringement fees).

10.13. Where a fee or charge is not practical or efficient the cost will normally be funded as if it provides a community-wide benefit – through the general rate

Distinct Funding

10.14. Transparency and accountability are more evident when an activity is funded separately from other activities. This allows ratepayers, or payers of user charges

to see how much money is being raised and spent on the activity, and whether or not the cost of the activity represents value for money.

10.15. Council will consider the costs and benefits of distinct funding of an activity, including the consequences of the chosen funding method in terms of transparency and accountability. Council will fund activities distinctly where this is practical and efficient.

11. Wellbeing

11.1. Council will give consideration for the overall impact this policy has on the current and future social, economic, environmental and cultural wellbeing of the Timaru District Community.

12. Policy Review

12.1. This policy will be reviewed every three years, as part of the development of the Long Term Plan.

12.2. The policy may be amended at any time, as long as the review process provides for community engagement in accordance with Council's Significance and Engagement Policy and section 82 of the LGA.

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Funding Needs Analysis

The purpose of the Funding Needs Analysis is to demonstrate how the Council has considered the requirements of section 101 (3) (a) of the Local Government Act 2002 which requires appropriate consideration of the following:

- Community Wellbeing Outcomes (i) the community outcomes to which the activity primarily contributes; and
- Who benefits/creates need? (ii) the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
- Period of benefit (iii) the period in or over which those benefits are expected to occur; and
- Exacerbators (iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
- Costs and benefits of funding the activity separately (v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and

Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
Democracy								
This activity supports and guides all activities carried out by Council and includes; all work associated with elected members		Connected Citizens	**Community-wide Benefit:** Benefits the whole community by supporting the decision-making function,	Short Term	Vexatious and unreasonable requests	None Identified	General rate With the ability to charge for specific opex	The whole community has the chance to participate in democracy therefore is funded from

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
(including community board members); community engagement; communications; strategy; policy and plan development; elections; governance functions; performance and accountability reporting.			representation, advocacy, communication and engagement for all residents.					the general rate, with the ability to have a targeted rate for specific expenditure requirements for community boards.
Airport	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
This activity provides for the management of the Richard Pearse Airport		~~Enhanced Lifestyle~~ Diverse Economy ~~Connected Citizens~~	**Individuals or group Benefit:** Users of the airport receive the primary benefit from the provision and management of the airport enabling travel, or	Capital – Long term infrastructure	Potential to damage the runway by users ~~Loss of~~ commercial aircraft over 30 seats	None identified	Fees and charges General Rate Capital Borrowing	Recover what is commercially feasible

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			storage and operation of personal aircraft. **Community-wide Benefit:** The whole community receives a secondary benefit through access to the airport and the economic benefits the airport provides the district.					
Cemeteries								
This activity provides for the maintenance and development of cemeteries across the district, including burials and interments.		Resilient Infrastructure	**Individual Benefit:** Users of cemetery facilities, largely family and friends of deceased, receive the primary benefit. **Community-wide**	Long Term	Vandalism Different burial style and memorials	None identified	Fees and charges General Rates Capital – Loan Funded	General 40-50% Cost of interment 100% user pays

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			Benefit: The whole community receives benefit through ensuring the deceased are interred in a sanitary way maintaining public health, cemeteries as well-maintained public spaces, and the district's social history is preserved in cemetery records.					
Community Development and Funding								
This activity provides for funding, by way of grants ~~and loans~~, to support individuals, community groups, facilities and events. The		~~Connected Citizens~~ Enhanced Lifestyle	**Group Benefit:** Recipients of the grants receive the primary benefit. Note: Council has determined that charging these groups for this activity would not	Short Term	No significant exacerbators	None identified	Grants and Subsidies General Rates	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
activity also provides for rates remissions and swimming concessions.			meet the purpose of this activity or the Community Wellbeing Outcomes. **Community-wide Benefit:** The funding criteria for the grants is designed to support groups which provide benefits through their activities to the whole community.					
Over 80s receive free swimming ongoing until no longer required. I believe this was set up at the launch of CBay in 2012								
Emergency Management								
This activity provides for the development of resilient communities through planning, training,		Resilient Infrastructure	**Community-wide Benefit:** The primary benefit is to the people and property of the whole district,	Short Term (ongoing basis)	This activity has no current exacerbators, until such time as	None identified	General Rate	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
education, co-ordination with partner agencies. This activity also includes provision for the Emergency Response Fund.			enabling planning to mitigate the harm, and to recover from emergencies. Vulnerable communities and location of where they live (e.g. fishing huts) – higher level of service		there is a response.			
Climate Change								
This activity provides development of climate change mitigation and adaptation strategies and action plans for the district. Influence the direction		Sustainable Environment	**Community-wide Benefit:** The primary benefit is to the people and property of the whole district, enabling the planning to mitigate the harm caused by climate change and to assist the whole	Short term	None identified	None identified	General Rates	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			district to adapt to both climate change and zero carbon living.					
Economic Development								
This activity promotes and assists economic development and visitor opportunities in the district.		Diverse Economy	**Community-wide Benefit:** This activity provides community-wide benefit through supporting the economic growth and development of the district. **Individual Benefit:** Some benefits may accrue to businesses or individuals using	Short term	None identified	None identified	There is insufficient information to identify groups of individuals benefitting from this activity	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			the services this activity provides, e.g. tourism operators.					
Central Business Improvement District								
This activity promotes and assists economic development and visitor opportunities in the central business district of Timaru.		Diverse Economy Enhanced Lifestyle	**Community-wide Benefit:** This activity provides community-wide benefit through supporting the economic growth and development of the central business district in Timaru. **Individual Benefit:** Some benefits may accrue to businesses or individuals using the services this activity provides,	Short term	None identified	None identified	Differential Targeted rate over the CBD based on Capital value	While the community may benefit from having an an enhacnced CBD the primary benefit is received by Properties within the CBD.

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			e.g. central business owners.					
Public Toilets								
This activity provides and maintains public toilets across the district.		Resilient Infrastructure	**Individual Benefit:** Users of the public toilets, including visitors to the district benefit, and create the need for this activity. **Community-wide Benefit:** The whole community benefits through the provision of public toilets and maintaining public hygiene. Commercial/Economic Benefit	Capital – Long Term	Vandalism	None identified	General Rates Capital - Loans	
Council Housing								
This activity provides and maintains		~~Connected Citizens~~	**Individual Benefit:**	Long Term - Capital	None identified	None identified	Loan Funding – Capital ?? Fees and Charges	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
affordable housing across the district for those in need.		Enhanced Lifestyle	The tenants of the social housing units benefit from this activity.					
Environmental Services **Animal Control**								
This activity provides for animal control services including the confining of stray animals and managing aggressive animals. Enhance Public safety and reduce nuisance.		Enhanced Lifestyle	**Individual Benefit:** The owners of animals, particularly dogs, benefit from, and create the need for this activity. Reunification for Microchipped dogs. **Community-wide Benefit:** The whole community benefits from this activity minimising the negative	Short Term (Generally) Long Term (Pound)	Non complying animal owners	Principal applies equally to subactivities	Fees and charges	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			impact of wandering and aggressive animals					
District Building Control								
This activity provides for the administration and implementation of the Building Act, including processing and granting consents and inspecting and monitoring and enforcement of building work across the district. Public enquiry e.g. granny flats and requirements for BC.		Diverse Economy	**Individual Benefit:** The benefits from this activity mainly accrue to building owners through ensuring they have met legislative requirements. **Community-wide Benefit:** The whole community benefits through this activity ensuring buildings across the district are safe, sanitary and accessible.	Nil (no capex)	Non compliance from individuals and entities regarding legislation and regulations	No advantages from a transparency perspective to undertake any further analysis.	Fees and Charges General rate	
District Planning								

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
This activity provides for the development, adoption and amendment of the Timaru District Plan NB: Current RMA.		Sustainable Environment Diverse Economy Resilient Infrastructure	**Individual Benefit:** When individuals seek Individual plan changes they accrue the benefit. Includes developers or future land development **Community-wide Benefit:** The whole community benefits from a District Plan that enables sustainable development within the district.	Medium Term Benefit	Land Users Regulatory Bodies and Legislation change.	Non identified	General rate Short term borrowing	
District Plan Administration								
This activity includes all aspects of the resource		Sustainable Environment	**Individual Benefit:**	Short term	**Exacerbators:** Individuals may	Non identified	Fees and charges General rates	80-902% fees and charges 10-20 General Rates

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
consenting process and other district planning requirements, including receiving and processing the applications, monitoring consents, enforcement and responding to public enquiries, other permissions and Land Information Memorandums.		Diverse Economy Resilient Infrastructure	Those individuals seeking resource consent or other services primarily benefit from this activity. **Community-wide Benefit:** There is some benefit to the whole community to ensure consents are processed and monitored through enabling sustainable development.		contribute to costs through lack of compliance requiring ongoing monitoring and enforcement.			
District Health								
This service provides for the administration and monitoring of food safety, liquor licensing, hazardous substances and		Diverse Economy (Public Safety)	**Individual Benefit:** The benefits accrue to the individuals and businesses that require the services of this	Short term	**Exacerbators:** ~~Individuals may contribute to costs through lack of~~	Liquor – Userpays Costs of doing it outweigh the benefit	Fees and Charges General Rate	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
enforcing the district bylaws.			activity to meet legislative requirements. **Community-wide Benefit:** The whole community benefits through the provision of a safe and healthy environment and standards of operation being enforced.		~~compliance requiring ongoing monitoring and enforcement.~~ Non compliance of individuals and entities.			
<u>Recreation and Leisure</u> **Aigantighe Art Gallery**								
This activity provides and maintains the Aigantighe Art Gallery and collection, including exhibits,		Enhanced Lifestyle ~~Connected Citizens~~	**Individual Benefit:** Users of the Aigantighe Art Gallery benefit for their use of the facility.	Long term – the gallery holds the South Island's third-largest public art collection	Future bequests	Transparency of true cost of activity The current model of internal	*User fees/charges and grants/subsidies would not cover the operational cost of maintaining the activity – total revenue from these sources in FY 25/26*	*Note: Council considers that allocating costs only to the users of this facility would not be*

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
research and education.			**Community-wide Benefit:** The whole community benefits from access to the Aigantighe Art Gallery and a location to exhibit, store and restore art works and to enable the public consumption of art.	and received $3.7 million in capital upgrades across 2024-2025		recharges skews the true cost and what the actual rate requirement for the activity is	*to date equates to approx. 7% of operating cost* General Rate Loan Funded – Capital Enhanced user charges for exhibitions etc	*practical, would deter use, and would not meet community wellbeing outcomes.*
The Aigantighe house, its grounds and an extensive art collection were gifted to Council in 1955, on behalf of the people of Timaru, to establish an art gallery. Since its opening in 1956, it is the district's first and only public art gallery.								
Fishing Huts								
This activity manages the land and infrastructure of two fishing hut sites: Rangitata Huts and Stratheona Huts.		Enhanced Lifestyle	**Individual Benefit:** The owners of the huts on these sites benefit from this activity.	Short Term – Lease expires in 2032	Non-compliant lease holders	None identified	Fees and Charges and leaseholder income	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
Forestry								
This activity manages Council's forestry portfolio. *Commercial Activity*		Diverse Economy Sustainable Environment	**Community-wide Benefit:** The whole community benefits from the income generated from the harvest of the trees and the carbon credits provided.					
~~**Halls and Community Centres**~~ **Community Facilities and Halls**								
This activity manages and maintains community halls and centres, including Aorangi Stadium.		Enhanced Lifestyle Connected Citizens	**Individual Benefit:** The users of the halls and community centres accrue benefits. Note: Council considers that allocating costs	With the current expansion large increase in opex due to interest on loan and depreciation costs	Vandalism Poor user behaviour		General rate – community facility Halls – targeted rate	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes. **Community-wide Benefit:** The whole community benefits from the provision of halls and community centres for recreation, events and civil defence.					
Aorangi Stadium-Long term benefit providing facilities to all sporting codes and events that draw tourism to the district Current revenue and finance policy is 10-20% user pays. 100% user pays is unachievable but focus is needed on too much reliance on rates.								
District Libraries								
This activity provides and maintains three		Enhanced Lifestyle	**Individual Benefit:**	Long term – the activity has a high	Vandalism as a result	Transparency of true cost of activity	User fees/charges and grants/subsidies would not cover the	*Note: Council considers that*

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
district libraries including library books, resources and other services onsite and online		Connected Citizens	Users of the library accrue benefits. **Community-wide Benefit:** The whole community benefits from the access to the district libraries through access to information, community resources and a hub for social interaction.	level of engagement with the community through programmes and services (270,729 visitors in FY 24/25)	of User behaviour	Supports informed decision-making on levels of service There is little benefit in further allocation of costs due to the activities predominantly being rate funded	operational cost of maintaining the activity – total revenue from these sources	*allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.*
The Timaru Public Library Act was passed in 1906 giving the Council the authority to establish a public library. The first library, now the TDC Main Office, opened in 1909. The present Timaru Library opened in 1979, Temuka Library & Service Centre opened in 1997, and Geraldine Library & Service Centre opened in 2003. Council continues to operate the district's public library system, meeting a diverse and evolving demand for services among residents. Important notes Aging infrastructure and Community expectations								
Motor Camps								
This activity provides five motor camps across the district. Four of these camps are leased		Diverse Economy Enhanced Lifestyle	**Individual Benefit:** The individuals who lease the motor camps and those who visit the	Long Term	Non-compliant user behaviour	None identified	Fees and charges (Lessor income) General Rates Loan Funding - Capital	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
under management arrangements.			motor camps accrue benefits from this activity. **Community-wide Benefit:** The community as a whole benefit through the provision of these facilities for visitors to the district and wider economic benefits.					
South Canterbury Museum								
This activity provides for management of the South Canterbury Museum facility and services, including displays, archives and educational services.		Enhanced Lifestyle Connected Citizens	**Individual Benefit:** Users of the museum and its services accrue benefits. **Community-wide Benefit:** The whole community	Long term – Council has committed to maintaining museum activities via a new multi-million-dollar facility	Bequests	Transparency of true cost of activity Supports informed decision-making on levels of service The current model of internal recharges skews	FY 25/26 Opex full budget: $1,485,478 FY 25/26 Opex YTD budget: $1,114,110 FY 25/26 Opex YTD actual: $921,966 FY 25/26 Capex: $482,423 FY 25/26 Capex YTD actual: $17,521	*Note: Council considers that allocating costs only to the users of this facility would not be practical, would deter use, and*

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			benefits from the access to the South Canterbury Museum	on Barnard Street		the true cost and what the actual rate requirement for the activity is Same as art Gallery.	User fees/charges and grants/subsidies would not cover the operational cost of maintaining the activity – total revenue from these sources in FY 24/25 equated to 5% of operating cost Transferring ownership to a trust may open enhanced opportunities for grants/subsidies and community funding, but not enough to maintain current rate funded service levels	*would not meet community wellbeing outcomes.*
South Canterbury Museum was founded by the South Canterbury Historical Society in the 1940s and moved to its present location on Perth Street in 1966. Ownership and operation of the facility was transferred to Council in 1988. While other museums exist in the district, no other preserves and promotes the collective heritage of Timaru and South Canterbury.								

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
Aging infrastructure and Community expectations								
Parks and Recreation								
This activity provides and maintains parks, reserves, sports grounds, gardens and off-road tracks across the district.		Enhanced Lifestyle ~~Sustainable Environment Connected Citizens~~	**Individual Benefit:** Individuals and groups that use the parks and sports facilities accrue benefits, some from specific facilities (e.g. skateparks, sportsgrounds). **Community-wide Benefit:** The whole community benefits from provision and access to parks facilities across the district such as for active and passive recreational					

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Service Provided	Other notes	Community Wellbeing Outcome	Who benefits/creates need?	Period of benefit	Exacerbators	Costs and benefits of funding the activity separately	Funding (operating and capital expenditure)	Rationale
			pursuits, health, education and wellbeing. Facilities contribute to community pride and perception of the district.					
Swimming Pools								
This activity provides, maintains and manages four swimming pools across the district, including the gym and café facilities at CBay Aquatic Centre.		Enhanced Lifestyle Connected Citizens	**Individual Benefit:** Users of the swimming pool and gym facilities accrue benefits from this activity. Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.	Long Term – TDC provides levels of service exceeding industry guidelines. CBay began operating in 2012 and the outdoor pool and 3 district pools have been operational since 1970.	Vandalism	Transparency of true cost of the activity as a whole and at an individual product level eg, swimming lessons, each district pool. Supports informed decision making when defining levels of service.	Opex Actual 24/25 (this years budgets not accurate) Income $9,555,587 Including 6.2 million of rates. Expenditure $8.703,850 Including 2.5 million of internal recharges. Points to note are that within Swimming pools there are 8 separate	*A 100% user pays model would price customers out of the activity.* *The current methodology of 50% user pays at CBay and 30% at the summer pools is as high or higher than other councils as a point of comparison.*

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			Community-wide Benefit: The whole community benefits from the provision of swimming pools in the district.	Over 400,000 visits per year through the facilities.			units each with their own GL. Capex 25/25 is only 200k, 150k in fitness 50k in aquatics. Future capex needs will increase as renewals become more prevalent. Potential option is targeted rates for each of the outdoor pools to enable them to break even. Other options are to look at community managed facilities in the 3 satellite towns	
Theatre Royal/ Heritage Centre								
This activity provides and manages the Theatre Royal.		Enhanced Lifestyle Connected Citizens	**Individual Benefit:** Users who either hire the Theatre Royal for events	Long term – Council has committed to restarting theatre		Transparency of true cost of activity		

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			and performances, or those who attend events and performances accrue benefits. **Community-wide Benefit:** The whole community benefits from the provision of the Theatre Royal.	operations via a new multi-million-dollar redevelopment of the facility		Ability to target funding mechanisms where a clear Individual or group benefit exists Supports informed decision-making on levels of service		
Council purchased the theatre in 1961 and undertook renovations. Extensive renovations also took place in 1993. Following its closure in 2019, a major redevelopment of the theatre will take place across 2025-2027. It is the only performing arts theatre of its size in the district. Funding model is still a work in progress Transferring ownership to a trust may open enhanced opportunities for grants/subsidies and community funding, but not enough to maintain rate funded service levels								
<u>Roading and Footpaths (includes corridor management)</u>								

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
This activity provides and maintains the road and footpath network across the district, including bridges and street lighting. Provision, operation, maintenance, renewal and improvement of the district's transport network, including roads (sealed and unsealed), footpaths, cycleways, bridges, traffic services, traffic signals, emergency response, street lighting and		Resilient Infrastructure Diverse Economy Enhanced Lifestyle Sustainable Environment Connected Communities (Clarify)	**Community-wide Benefit:** The transport network provides district-wide benefit by enabling access to homes, businesses, schools, and community facilities, and supporting the safe and efficient movement of people and goods. The whole community, including residents, businesses, and visitors, benefit from a connected and functional network. Community-wide need is driven by	Primarily **long-term**, with transport infrastructure assets providing benefits over multiple decades (e.g. pavements, bridges, lighting), supported by ongoing maintenance for short- to medium-term service delivery.	Increased heavy commercial vehicle (HCV) volumes and axle loads of land use (particularly rural to high-production uses) ~~Climate impacts (storm events, flooding, temperature variation)~~ ~~Deferred maintenance due to~~	**Benefits of separate funding:** Transparency of true cost of transport activity and ensures compliance with New Zealand Transport Agency funding requirements/auditing Ability to target funding mechanisms where a clear Individual or group benefit exists Supports informed decision-making on levels of service **Costs / limitations:**	A mix of funding sources is appropriate: **General rates:** Reflecting strong community-wide benefit **NZTA/Waka Kotahi subsidies:** For qualifying activities usually 30-50% of the total programme that meets qualified activities status **Capital Contributions:** Where growth/change creates additional demand **Targeted rates (where appropriate):**	The transport network delivers significant community-wide benefit by enabling access, supporting economic activity, and maintaining safety across the district. As such, general rates remain the primary funding mechanism. However, increasing pressure from land use intensification—

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
associated infrastructure including Central Business District maintenance and Festive decorations.			general use of the network, population distribution, and the requirement to maintain safe and accessible transport routes across the district. **Group Benefit:** Specific groups receive additional benefit from certain parts of the network, including: • Urban residents who benefit from footpaths, street		~~funding constraints~~ ~~Network growth without proportional funding increases~~ Unconstrained access from utility operators	Difficult to isolate individual user benefit within a highly interconnected network Administrative complexity in applying user-pays mechanisms Risk of inequity where essential access is required but user base is small	Could be considered for specific assets or locations where: A small group of properties receive a high level of direct benefit (e.g. rural bridge replacements, low-volume access roads) Costs are disproportionate to the wider community benefit **Fees and charges:** Limited applicability	particularly the growth in heavy vehicle movements—means that costs are not always proportionate to general community use. Where a clear and direct benefit can be identified, targeted funding mechanisms (such as development contributions or targeted rates) may be appropriate to ensure a more equitable

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			lighting, and amenity improvements • Regular users of active transport infrastructure (walking and cycling) • Freight and commercial operators who rely on key routes for efficient movement Group need is created by concentrated or higher-frequency				(e.g. corridor access requests) Loans	distribution of costs. Full user-pays models are not considered practical, as they would be difficult to administer, could deter use of safer transport options, and would not align with broader community wellbeing outcomes. Recent experience has demonstrated that land use change

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			use of particular parts of the network, including commuter routes, freight corridors, and areas of higher population density. **Individual benefit:** Individual benefit arises where individuals or organisations place additional or disproportionate demand on the network, including: Developers creating new connections or subdivisions Landowners undertaking land use change (e.g.					can occur rapidly and significantly alter demand on the network (e.g. new industrial or waste operations), reinforcing the challenge of forecasting long-term funding needs.

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			conversion to dairy, forestry, industrial or waste activities) that increases traffic volumes, particularly heavy commercial vehicles Businesses whose operations rely on high-frequency or heavy vehicle access. These activities not only increase traffic volumes but can also drive the need for higher-cost infrastructure solutions. For example, intersections that may have historically functioned as					

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			priority-controlled layouts can require upgrading to roundabouts or signalised intersections to safely accommodate increased traffic and turning movements. Similarly, industrial and freight-intensive areas often require specifically engineered pavements designed to withstand heavy axle loads and turning forces, which are significantly more expensive than standard urban or					

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			rural road construction. As a result, these activities can accelerate wear, increase maintenance requirements, and necessitate higher upfront capital investment in parts of the network beyond what would be required for typical community use. *Summarise with AI, useful for Council to see					
The activity involves managing a large, geographically dispersed network with varying asset types and lifecycles. Demand is influenced by external factors such as land use change - both urban and rural, led and timed by external parties, freight movements, and weather events, making forecasting and prioritisation complex.								
Cycleways and Walkways								

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
This activity provides and maintains on- and off-road cycleways and walkways throughout the district. Predominantly recreational and off road.		Enhanced Lifestyle Resilient Infrastructure Sustainable Environment	**Individual Benefit:** Users of the walkways and cycleways accrue benefits. **Community-wide Benefit:** The whole community benefits from the provision of walkways and cycleways for recreational and commuting purposes.	Long-Term	No major ones		Operational: General Rates and some NZTA funding. Capital: Grants, Subsidies and Loans	Note: Council considers that allocating costs only to the users of these facilities would not be practical, would deter use, and would not meet community wellbeing outcomes.
<u>Wastewater</u>								
This activity provides for sewer services including the treatment and disposal of sewerage in the urban areas of Timaru, Temuka,		Resilient Infrastructure Sustainable Environment	**Group and Individual Benefit:** Group and Individual benefit is provided to residents, businesses and		Additional costs may be caused through overloading of systems, disposal of hazardous	Due to benefits being primarily to a group of users, it is appropriate to fund the activity via separate mechanisms.		Note: Council does not consider it equitable to fund the community-wide benefit across the

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
Geraldine and Pleasant Point, and Timaru's industrial wastewater.			industries able to connect to Council's sewer network and trade waste scheme and dispose of wastewater. **Community-wide Benefit:** There is community benefit provided through the health, economic and environmental benefits of having treated sewerage and industrial waste disposed of safely.		material, illegal connections or incorrect disposal. Costs will be recovered if possible or prosecutions may be taken.			district, as residents not able to receive this service must provide their own sewerage collection and disposal.
<u>Stormwater</u>								
This activity provides and maintains the stormwater network including treatment and		Resilient Infrastructure Sustainable Environment	**Group Benefit:** Group benefit is provided to the residents and businesses in areas	Capital – Long term benefit	Additional costs may be caused through illegal connections	Due to benefits being primarily community specific, it is appropriate to fund the activity	General Rates Differential Targeted Rates Fees and charges Capital Debt	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
disposal management of stormwater in the urban areas of Timaru, Temuka, Geraldine and Pleasant Point, ~~and some smaller rural schemes.~~			where stormwater facilities are provided and reduce risk from flooding for residents' properties and communities. **Community-wide Benefit:** Community-wide benefit accrues through protection of assets such as roads and public facilities, and by enabling safe transit for residents within urban areas during rainfall events. There is also community-wide benefit through improved environmental outcomes in		and incorrect disposal of wastewater. Costs will be recovered if possible or prosecutions may be taken. Upstream and downstream properties where stormwater run off contributes to an increase pressure on the network.	separately by community.	Financial Contributions	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			stormwater treatment.					
Waste Minimisation								
Waste Collection								
This activity provides for the kerbside collection of green waste, rubbish and recycling to urban and some rural residents and businesses.		Sustainable Environment	**Group Benefit:** Group benefit is provided to owners of properties receiving kerbside collection. **Community – wide Benefit:** The whole community benefits from a system that enables waste separation, reduces illegal or incorrect disposal and encourages improved	Short-Term	Additional costs may be caused through incorrect or illegal disposal. Costs will be recovered where it is economically viable.	Due to benefits being primarily to a group of users, it is appropriate to fund the activity via separate mechanisms.	Differentiated targeted rate.	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			environmental outcomes.					
Waste Management(Landfill Ops)								
This activity provides for the provision and management of the Redruth Resource Recovery Park and the Geraldine, Pleasant Point, Temuka and Timaru transfer station facilities, waste minimisation and monitoring, and closed landfill remediation and monitoring.		Sustainable Environment	**Individual Benefit:** Benefit is accrued by individuals who use the Resource Recovery Park and transfer stations to dispose of household and business waste, green waste and recycling. **Community-wide Benefit:** The whole community benefits from education and monitoring, a system in place to enable safe and efficient waste	Long-Term	Additional costs may be caused through incorrect or illegal disposal. Costs will be recovered where it is economically viable		Fees and Charges Waste levy income Sales of recovered goods General Rates Targeted Rates	

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			management, public health and improved environmental outcomes..					
Water Supply								
This activity provides for safe and effective abstraction of water from the source, and the treatment, storage and distribution of water to urban and rural residents and businesses.		Resilient Infrastructure Enhanced Lifestyle Diverse Economy	**Group and Individual Benefit:** Group and Individual benefit is provided to all those residents able to connect to Council's drinking water networks. **Community-wide Benefit:** The whole community benefits through safe drinking water being provided in areas of the district that are serviced,		Additional costs may be caused through illegal connections. Costs will be recovered if possible or prosecutions may be taken.	Due to benefits being primarily to a group of users, it is appropriate to fund the activity via separate mechanisms		Note: Council does not consider it equitable to fund the community-wide benefit across the district, as residents not able to receive this service must provide their own drinking water source.

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Service Provided	Other notes	**Community Wellbeing Outcome**	**Who benefits/creates need?**	**Period of benefit**	**Exacerbators**	**Costs and benefits of funding the activity separately**	**Funding (operating and capital expenditure)**	**Rationale**
			maintenance of public health and availability of water for key public services (e.g. firefighting) and amenities (e.g. swimming pools).					

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9.17 Council Investments and Borrowing for the period ending 30 September 2026

Author: **Ashlea Whyte, Finance Manager/Financial Accountant**
Authoriser: **Andrea Rankin, Chief Financial Officer**

Recommendation

That the Council receives and notes the quarterly Council Investments and Borrowing report for the period ending 30 September 2026.

Purpose of Report

1 To update Council on the status of Council's treasury activities at 30 September 2026.

Assessment of Significance

2 This matter is assessed to be of low significance under the Council's Significance and Engagement Policy. This is a regular report to the Council on the status of Council's borrowing and investments. Council's Financial Strategy is consulted on as part of each Long Term Plan (LTP) review cycle.

Background

3 Council's treasury management involves holding a range of investments and borrowing to fund long term capital projects and operational expenditure as agreed in the Annual Plan or Long Term Plan.

4 Council treasury activities are managed in compliance within the limits of the Council's Treasury Management Policy (TMP).

5 Bancorp Treasury Services Limited provide external treasury advice to Council on borrowing and investment decisions.

6 As at 30 September 2026, all transactions have been transacted in compliance with Council Policies and performance of Council Treasury activities are well managed.

Discussion

7 This report is to be read in conjunction with the attached detailed report titled "Treasury Reporting Dashboard – 30 September 2026".

8 Liquidity and Funding

8.1. Liquidity and funding refers to total external Council drawn debt and undrawn bank facilities. The funding profiles and sources must agree with policy control limits.

8.2. Timaru District Council has access to three key sources of funding from the Local Government Funding Agency ("LGFA"). These are:

- Commercial Paper ("CP") – unsecured money market instrument issued in the form of a promissory note;
- Floating Rate Notes ("FRN") – debt instruments with variable interest rates; and

- Fixed Rate Bonds ("FRB") – fixed rate throughout the life of the bond.

8.3. Total borrowings as at 30 September 2026 were $271million. The net debt position at the same date is $229.9 million. Net debt is total borrowings less cash reserves held by Council.

8.4. Debt to revenue ratio as at 30 September 2026 is 154%. Council's debt to revenue ratio limit is 250% as set out in its Financial Strategy.

8.5. All Liquidity and Funding limits are compliant with polices.

9 Interest Rate Risk

9.1. The Interest rate risk section of the report refers to whether Council's hedging profile is within policy limits as well as the split between Fixed Debt and Floating cover.

9.2. The chart on the attached hedging profile on page 4 is based on 75% of LTP debt projections scenario which the Council believes is realistic and achievable. This illustrates that the Council is within the policy bands contained in the LTP.

9.3. All Up Weighted Average Cost of Funds Including Margin is 3.75%.

9.4. All interest rates are within policy bands.

9.5. As at 30 September 2026, the Council has a total of $61 million of interest rate swaps with various maturity start and end dates through to May 2030.

10 Investment Management

10.1. Cash investments are broken down by special and general funds.

10.2. Special Funds are held for specific purposes as set out in the Long Term Plan, Annual Plan and Annual Report. These funds are invested for approved future expenditure, to implement strategic initiatives, support intergenerational allocations, bequests, and other reserves.

10.3. General Funds are cash reserves held for day to day operating activities. General Fund balances fluctuate across the quarter depending on operational income and expenditure cash flows. Council has a financial strategy to maintain a minimum of $10 million general funds for liquidity purposes.

10.4. The total cash investments of Council as at 30 September 2026 is $38.8 million.

1.1

Attachments

1. Treasury Reporting Dashboard – 30 September 2026 ⇩

TIMARU DISTRICT COUNCIL

Treasury Reporting Dashboard

30 September 2026

STRICTLY PRIVATE AND CONFIDENTIAL



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Economic Commentary

Global

Three key themes drove markets over the September quarter: an energy shock from the US-Iran conflict, a renewed lift in inflation, and a global bond sell-off driven by heavy government and AI-related borrowing. By September, most major central banks were raising rates. The US 10-year Treasury yield rose from 4.47% at the end of June to 5.28% by the end of September, an 81bps increase, after touching 5.30%, its highest level since 2007. The 30-year yield rose from 4.95% to 5.63%, having reached 5.65%, its highest since 2002. Concerns over government debt supply drove the move throughout the quarter.

In September, the focus shifted to the US Federal Reserve ("Fed"). After holding in July, when three members dissented in favour of a hike, the Fed raised its target range to 3.75%–4.00% on 16 September, its first hike since 2023. Chairman Kevin Warsh said that *"inflation is too high and has been for too long"*, with US inflation at 3.4% in August. The Fed's projections point to one further hike this year, to 4.00%–4.25%, with 16 of the 18 officials who submitted projections expecting at least one more increase and four expecting two. Markets are pricing that hike for October.

	OCR	90 day	1 year swap	2 year swap	3 year swap	5 year swap	10 year swap
30-Jun-26	2.25%	2.75%	3.10%	3.35%	3.48%	3.69%	4.06%
30-Sept-26	2.75%	3.23%	3.73%	4.05%	4.22%	4.42%	4.77%
Change	+0.50%	+0.48%	+0.63%	+0.70%	+0.74%	+0.73%	+0.71%

New Zealand

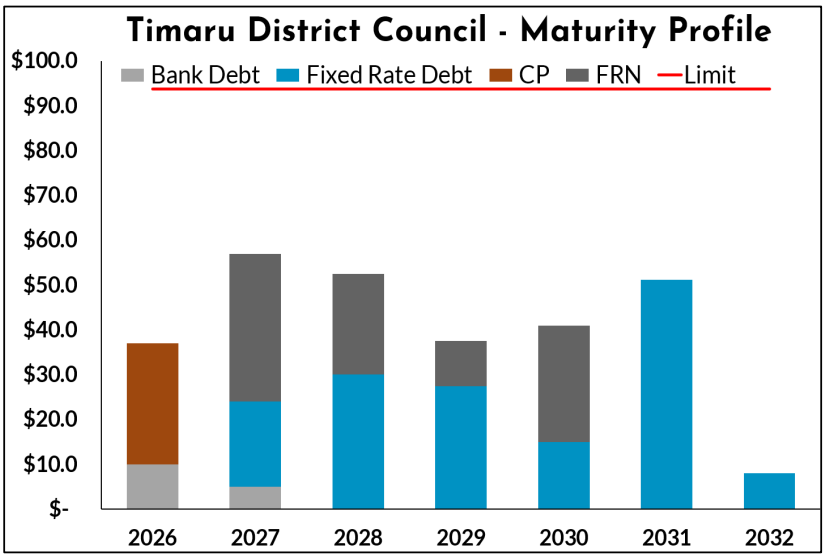
The Reserve Bank of New Zealand ("RBNZ") raised the OCR twice over the quarter, from 2.25% to 2.50% on 8 July, its first hike in three years, and from 2.50% to 2.75% on 2 September. Both moves were a response to inflation, which rose to 4.1% in the June quarter on higher fuel prices, above both the RBNZ's 3.9% forecast and the 4.0% market consensus. The economy may have held up better than expected, with GDP growing 0.2% in the June quarter against the RBNZ's forecast of no growth, although the unemployment rate has risen to 5.6% and retail card spending fell 0.9% in August.

At its September review, the RBNZ projected one further hike, to 3.00% by December, with inflation back inside the 1.0%–3.0% target band by mid-2027. Markets have since moved ahead of that path, after the stronger-than-expected GDP result and the Governor's warning on 22 September that higher oil prices could push near-term inflation above those projections. Markets now price a ~75% chance of a hike to 3.00% on 28 October, up from around 33% after the September decision, and a peak in the OCR near 4.00%. Bank economists are divided. ANZ and BNZ expect an October hike and peaks of 3.50% and 3.75%, respectively; Westpac expects the next hike in December and a peak of 4.00% by late 2027, while ASB and Kiwibank see 3.25% and 3.00% by year-end.

This repricing of OCR expectations along with the rise in global bond yields pushed NZ swap rates sharply higher. The 2-year swap rate rose from 3.35% to 4.05% over the quarter, increasing 70bps and at its highest level since August 2024, while the 5-year rose from 3.69% to 4.22%. The curve flattened as short-term rates priced a faster OCR tightening path, although the 10-year swap rate still rose from 4.06% to 4.77%, its highest since April 2024, tracking global bond yields higher. With swap pricing now above the RBNZ's projected track and at the upper end of economists' forecasts, much of the expected tightening is already reflected in current swap rates. The 28 October OCR decision and the September quarter CPI will set the near-term direction. Oil prices and offshore bond yields remain the main upside risks, while a pause in October or a softer inflation print would likely see short-term swap rates ease.

Liquidity and Funding

3



Debt

$271.0m

Total External Council Drawn Debt

LGFA

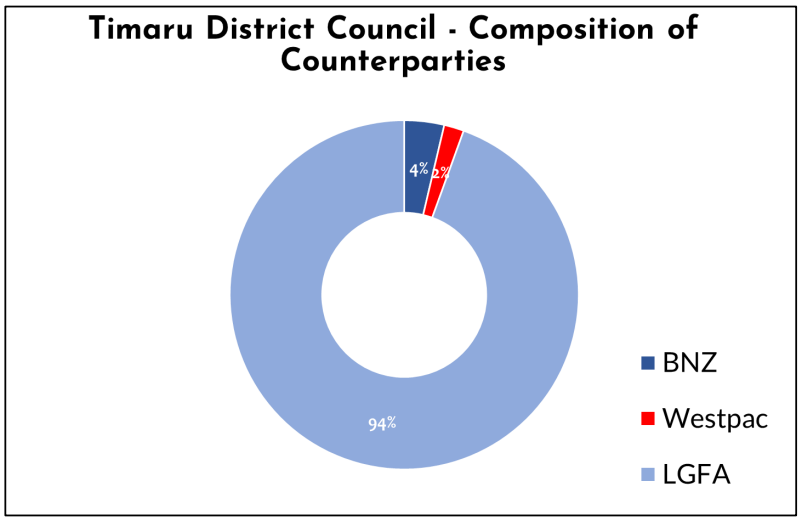
$271.0m

Funds Drawn from LGFA

Net debt

$229.9m

Debt, less cash, term deposits and SFP bond investments



Headroom/Bank facility

$15.0m

Undrawn Bank Facilities

Liquidity Ratio (minimum LGFA requirement 110%)

120.7%

Definition: (Cash + term deposits + longer dated financial assets that can be sold + committed undrawn bank facilities+ Drawn Debt)/Drawn Debt

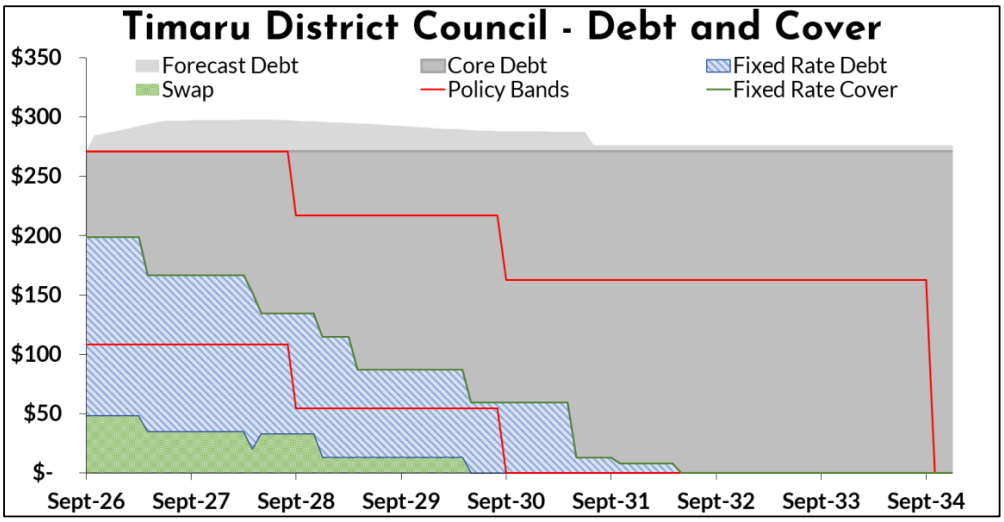
Policy Compliance	Compliant	Flag
Have all transactions been transacted in compliance with policy?	Yes	
Is fixed interest rate cover within policy control limits?	Yes	
Is the funding maturity profile within policy control limits?	Yes	
Is liquidity within policy control limits?	Yes	
Are all counterparty exposures within policy control limits?	Yes	

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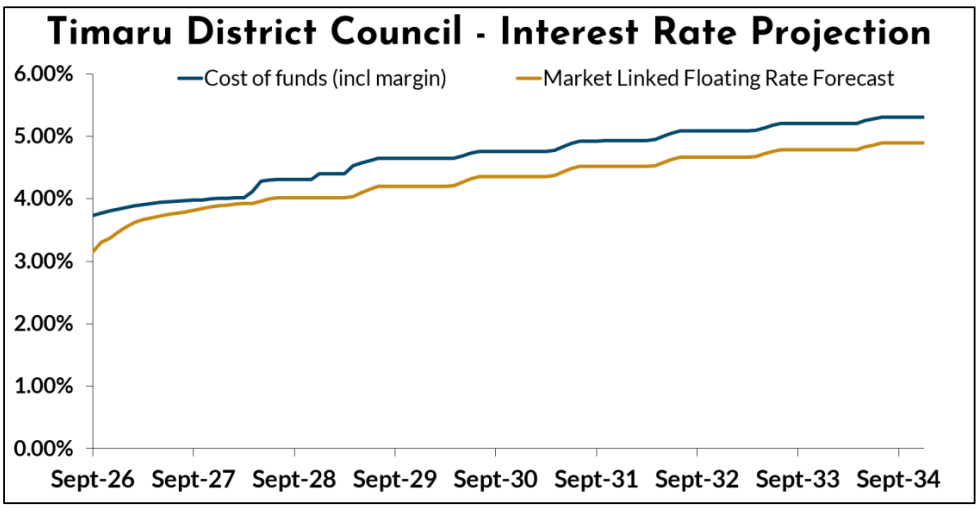
Interest Rate Risk

4



Policy Bands			
	Minimum	***Maximum***	
0 - 2 years	40%	100%	Compliant
2 - 4 years	20%	80%	Compliant
4 - 8 years	0%	60%	Compliant

Current % of Debt Fixed	73.3%
Current % of Debt Floating	26.7%
Value of Fixed Rate (m)	$198.7
Weighted Average Cost of Fixed Rate Instruments	3.62%
Weighted Average Cost of Fixed Rate Instruments (incl margin)	3.75%
Value of Forward Starting Cover	$13.0
Weighted Average Cost of Forward Starting Cover	4.15%
Value of Floating Rate (m)	$72.3
Current Floating Rate	3.23%
Current Floating Rate (incl margin)	3.76%
All Up Weighted Average Cost of Funds Including Margin	3.75%
Total Facilities In Place	$286.0



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LGFA Borrowing Rates

As of 30 September 2026

Listed below are the credit spreads and applicable interest rates as at the end of 30 September 2026 for Commercial Paper ("CP"), Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), that Timaru District Council could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Margin	FRN (or CP Rate)	FRB
3 month CP	0.15%	3.38%	N/A
6 month CP	0.15%	3.63%	N/A
May 2028	0.47%	3.70%	4.48%
April 2029	0.53%	3.76%	4.74%
May 2030	0.57%	3.80%	4.91%
May 2031	0.61%	3.84%	5.04%
May-2032	0.65%	3.88%	5.16%
April 2033	0.70%	3.93%	5.28%
May 2034	0.75%	3.98%	5.40%
May 2035	0.85%	4.08%	5.56%
April 2037	0.98%	4.21%	5.79%

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Funding

As of 30 September 2026, TDC had $271 million of core debt, all sourced from the LGFA via CP, FRNs, and FRBs. TDC also has a bank facility with Westpac for $5.0 million and BNZ for $10m. Details of TDC's drawn debt as of 30 September 2026 are as follows:

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	16-Nov-26	3.10%	N/A	$27,000,000
LGFA FRB	15-Apr-27	1.84%	N/A	$10,000,000
LGFA FRN	15-Apr-27	3.28%	0.42%	$10,000,000
LGFA FRB	15-Apr-27	5.21%	N/A	$4,000,000
LGFA FRN	15-Apr-27	3.47%	0.61%	$8,000,000
LGFA FRN	15-Apr-27	3.48%	0.62%	$5,000,000
LGFA FRB	15-Apr-27	5.20%	N/A	$5,000,000
LGFA FRN	15-Oct-27	3.46%	0.60%	$10,000,000
LGFA FRB	15-May-28	2.09%	N/A	$20,000,000
LGFA FRN	15-May-28	3.55%	0.58%	$5,000,000
LGFA FRN	15-May-28	3.71%	0.74%	$7,500,000
LGFA FRB	15-May-28	4.55%	N/A	$10,000,000
LGFA FRN	15-May-28	3.48%	0.51%	$10,000,000
LGFA FRB	20-Apr-29	2.25%	N/A	$20,000,000
LGFA FRN	20-Apr-29	3.51%	0.63%	$5,000,000
LGFA FRB	20-Apr-29	5.24%	N/A	$7,500,000
LGFA FRN	20-Apr-29	3.52%	0.64%	$6,800,000
LGFA FRN	15-Apr-30	3.40%	0.54%	$10,000,000
LGFA FRN	15-Apr-30	3.53%	0.67%	$10,000,000
LGFA FRB	15-May-30	4.54%	N/A	$15,000,000
				$271,000,000

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09 912 7600

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9.18 Bad Debts Written Off as at 30 September 2026

Author: **Ashlea Whyte, Finance Manager/Financial Accountant**
Authoriser: **Andrea Rankin, Chief Financial Officer**

Recommendation

That the Council receive and note the report Bad Debts Written Off as at 30 September 2026.

Purpose of Report

1 This report outlines the work Council Officers undertake to write off bad debts, the amount and details of these debts.

Assessment of Significance

2 This matter has been assessed as of low significance in accordance with the Timaru District Council significance and engagement policy as this is consistent with Council policy and a low financial impact. The bad debt write off procedure is an operational process of Council.

Discussion

3 Delegation to write off bad debts is provided to the Chief Executive up to the value of $50,000. No debts have been identified above $50,000 which require Council approval to write off.

4 Officers have resolved a small number of debts that, due to the age of the matter, are impacted by the Limitation Act 2010 which means Council is unable to make a claim on a debt which is six years after the matter arose. These debts have now been written off.

5 We currently have $84,563 registered with our debt collection agency. If monies are not received within the statutory timeframe, these will subsequently be written off.

6 For the three month period between 1 July 2026 and 30 September 2026 bad debts totalling $16,072 have been written off within Officer delegations and the tables below summarise the totals for each year. For the remaining nine months, new items within the latest reporting period will be shown in separate column.

Year	Details	Reason	Requested by	Total
2016	Sundry	**Statute Barred**	Rochelle Rossouw	$ 548
2016 Total				**$ 548**
2017	Sundry	**Statute Barred**	Rochelle Rossouw	$ 731
2017 Total				**$ 731**
2018	Sundry	**Statute Barred**	Rochelle Rossouw	$ 731
	Building	**Statute Barred**	Rochelle Rossouw	$ 104
	Property	**Statute Barred**	Rochelle Rossouw	$ 578
	Sundry	**Statute Barred**	Rochelle Rossouw	$ 729
2018 Total				**$ 2,143**
2019	Sundry	**Statute Barred**	Rochelle Rossouw	$ 731
	Building	**Statute Barred**	Rochelle Rossouw	$ 104
	Property	**Statute Barred**	Rochelle Rossouw	$ 1,804
	Sundry	**Statute Barred**	Rochelle Rossouw	$ 731
2019 Total				**$ 3,371**
2020	Animal Control	**Statute Barred**	Paul Cooper	$ 128
	Animal Control	**Statute Barred**	Paul Cooper	$ 186
	Sundry	**Statute Barred**	Paul Cooper	$ 335

	Animal Control	**Statute Barred**	Paul Cooper	$ 171
	Sundry	**Statute Barred**	Stephen Doran	$ 563
	Property	**Statute Barred**	Rochelle Rossouw	$ 902
	Animal Control	**Statute Barred**	Paul Cooper	$ 171
2020 Total				**$ 2,457**
2025	Animal Control	**Recommended by Debt Collection**	Rochelle Rossouw	$ 310
	Building	**Liquidation**	Rochelle Rossouw	$ 527
	Planning	**Liquidation**	Rochelle Rossouw	$ 5,348
2025 Total				**$ 6,184**
2026	Animal Control	**Uneconomical to Pursue**	Rochelle Rossouw	$ 163
	Aircraft Landings	**Uneconomical to Pursue**	Rochelle Rossouw	$ 24
	Property	**Deceased**	Andrew Dixon	$ 351
	Sundry	**Uneconomical to Pursue**	Rochelle Rossouw	$ 55
	Animal Control	**Uneconomical to Pursue**	Rochelle Rossouw	$ 43
2026 Total				**$ 637**
Grand Total				**$16,072**

7 Approximately 0.03% of income is written off per year. Officers work closely with customers to resolve issues early and Officers will provide a full summary of the debts written off in the Public Excluded section of the Commercial and Strategy Committee meeting, in accordance with the Privacy Act 2020.

8 Officers will work towards a Debt Recovery Policy to align with the Long-Term Plan.

Attachments

Nil

10 Consideration of Urgent Business Items

11 Consideration of Minor Nature Matters

12 Public Forum Items Requiring Consideration

13 Exclusion of Public

Recommendation

That the public be excluded from—

- *(a)the whole of the proceedings of this meeting; or
- *(b)the following parts of the proceedings of this meeting, namely,—

13.1 Bad Debts Written Off as at 30 September 2026

13.2 Appointment and Reappointment of Directors to Venture Timaru

13.3 Reappointment of Director to Timaru District Holdings Limited

13.4 Timaru District Holdings Limited and Venture Timaru Director Fees

13.5 Public Excluded Minutes of the Council Meeting held on 29 September 2026

13.6 Contract 2647- Landsborough Road Bridge Tenders

13.7 Contract 2797- Kellands Hill/Rosewill/ Cartwright Road "SH1 Resilience Route" tenders.

13.8 Shareholders Agreement for Central South Island Water Limited

13.9 Insurance Programme Update

13.10 Former Criterion Hotel and Chinese Gardens

13.11 Railway Station Boiler House Divestment

13.12 Chrome Platers update

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Plain English Reason
13.1 - Bad Debts Written Off as at 30 September 2026	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons

13.2 - Appointment and Reappointment of Directors to Venture Timaru	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons
13.3 - Reappointment of Director to Timaru District Holdings Limited	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons
13.4 - Timaru District Holdings Limited and Venture Timaru Director Fees	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	To protect a person's privacy, including the privacy of deceased persons
13.5 - Public Excluded Minutes of the Council Meeting held on 29 September 2026 **Matters dealt with in these minutes:** 12.1 - Public Excluded Minutes of the Council Meeting held on 25 August 2026 12.2 - Temuka Camp Ground Divestment 12.3 - Extension of lease at airport for Aviation Teknology Services Ltd	Section 48(1) of the Local Government Official Information and Meetings Act 1987.	The public excluded minutes of the meeting held on 29 September 2026 are considered confidential pursuant to the provisions of the LGOIMA Act of 1987. The specific provisions of the Act that relate to these minutes can be found in the open minutes of the meeting held on 29 September 2026.
13.6 - Contract 2647- Landsborough Road Bridge Tenders	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	To protect commercially sensitive information To enable Council to carry out commercial activities
13.7 - Contract 2797- Kellands Hill/Rosewill/ Cartwright Road	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the	To protect commercially sensitive information

"SH1 Resilience Route" tenders.	information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities	To enable Council to carry out commercial activities
13.8 - Shareholders Agreement for Central South Island Water Limited	s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege	To protect all communications between a legal adviser and clients from being disclosed without the permission of the client
13.9 - Insurance Programme Update	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	To protect commercially sensitive information To enable Council to carry out commercial activities To enable Council to carry out commercial or industrial negotiations
13.10 - Former Criterion Hotel and Chinese Gardens	s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	To enable Council to carry out commercial or industrial negotiations

13.11 - Railway Station Boiler House Divestment	s7(2)(i) - The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	To enable Council to carry out commercial or industrial negotiations
13.12 - Chrome Platers update	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	To protect commercially sensitive information To protect the health and safety of members of the public

*I also move that [name of person or persons] be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of [specify]. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because [specify] .

*Delete if inapplicable.

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- "(4)Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof)—
    - (a)shall be available to any member of the public who is present; and
    - (b)shall form part of the minutes of the local authority."