



# **AGENDA**

# Executive, Audit & Risk

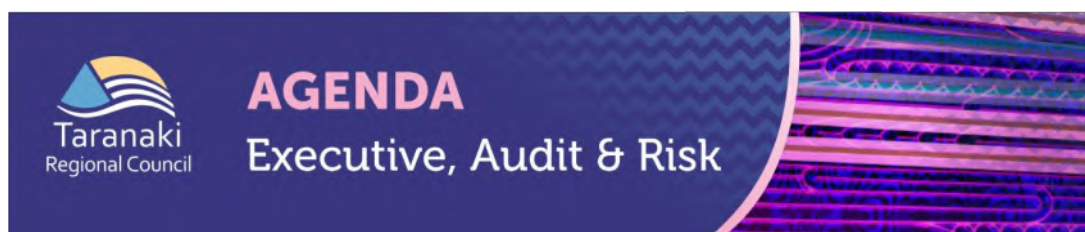
Monday 5 December 2022, 10am

# Executive Audit and Risk Committee 5 December 2022



05 December 2022 10:00 AM

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

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

### **Responsibilities**

Financial and expenditure

Capital expenditure

Work proposals and expenditure

Corporate services and personnel matters

Port Taranaki Ltd matters

General Contractual and other matters.

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

Councillor M J Cloke (Chair)

Councillor S W Hughes (Deputy Chair)

Councillor A T Jamieson

Councillor D H McIntyre

Councillor N W Walker (ex officio)

Councillor C Williamson

Councillor C L Littlewood (ex officio)

Mr B Robertson (Independent - Yarrow Stadium)

### **Health and Safety Message**

#### **Emergency Procedure**

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

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

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

#### **Earthquake**

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

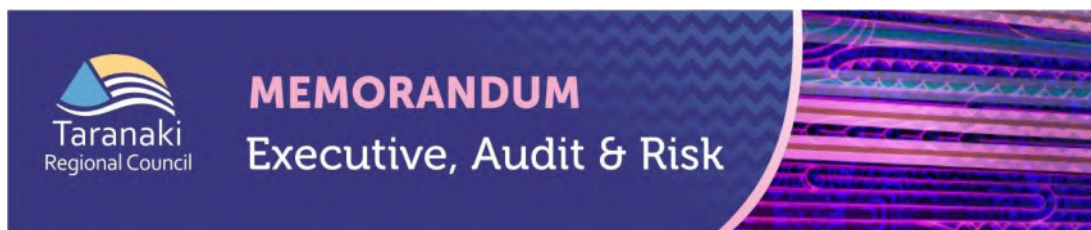
Please remain where you are until further instruction is given.



**Whakataka te hau**

***Karakia to open and close meetings***

Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the ocean
Kia hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air
He tio, he huka, he hauhu	A touch of frost, a promise of glorious day
Tūturu o whiti whakamaua kia tina.	Let there be certainty
Tina!	Secure it!
Hui ē! Tāiki ē!	Draw together! Affirm!



**Date** 5 December 2022

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

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

**Document:** 3124202

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### **Purpose**

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

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the memorandum *Financial and Operational Report* and the July, August, September and October 2022 Monthly Financial Reports
- b) notes the digital media update
- c) approves the common seal transactions:
  - 2022/01 – Renewal of lease – TRC to Clifton Bowling Club.

### **Background**

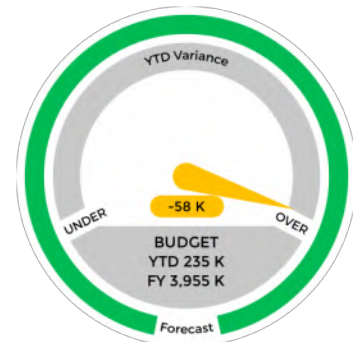
2. The Council produces a Monthly Financial Report outlining the financial performance for the month and year to date. This memorandum supports the Monthly Financial Report by providing additional supporting operational and financial information. The Common Seal is operated under delegated authority.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

### **Operational Report**

3. It is early in the new operational year, but to date, programmes are materially on target with the planned levels of activity established for 2022/2023 in the *2022/2023 Annual Plan*. Further operational reporting is included in the September Quarterly Operational Report (refer to later in the agenda).

## Discussion

4. Attached are the Monthly Financial Reports for July, August, September and October 2022.
5. In the "Financial Indicators Section", for revenue, expenditure and operating surplus/ deficit, for the whole of the Council the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates an improving trend and a red down arrow indicates a deteriorating trend.
6. The financial performance pie graphs for operating expenditure and income show the actual performance against budget and the forecast performance against budget, accumulated for all activities. The green slice indicates the number of activities where the variance is within plus or minus 5% and less than \$50,000. The yellow slice indicates the number of activities where the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. The red slice indicates the number of activities where the variance is more than plus or minus 10% and more than \$100,000.
7. For each Group of Activities (Resource management, Biosecurity and biodiversity, Transport, Hazard management, Recreation culture and heritage, and Regional representation, advocacy and investment management, in the "Financial Indicators Section", for revenue and expenditure, for that group of activities, the actual year to date (YTD) performance is compared against the YTD budget. A green variance indicates that the variance is within plus or minus 5% and less than \$50,000. A yellow variance indicates that the variance is greater than plus or minus 5% and between \$50,000 and \$100,000 but less than plus or minus 10% and more than \$100,000. A red variance indicates that the variance is more than plus or minus 10% and more than \$100,000. The arrow indicates the trend over time. A green up arrow indicates and improving trend and a red down arrow indicates a deteriorating trend.
8. In the "Operating Expenditure by Activity" section, there is a dial for each activity comparing YTD expenditure against budget and a forecast for the rest of the year. The colours are green – variance of less than plus or minus 5%, yellow – plus or minus variance of more than 5% but less than 10% and red – plus or minus variance of more than 10%. The key components of each dial are:
  - The outer ring is the forecast for the rest of the year - green OK, yellow performance at risk, red target will not be achieved
  - The pointer indicates whether the variance is over or under budget and the colour indicates the scale of the variance - the actual variance figure sits at the bottom of the pointer
  - The YTD and full year (FY) budgets are included in the grey section.



9. Financially, the Council is in-line with the estimates established for 2022/2023 in the *2022/2023 Annual Plan*.
10. At 31 October 2022, the overall financial result is on budget.
11. Significant income and expenditure variances by activity (plus or minus \$100,000) are:
  - *Consent processing and administration* - \$108,154 over budget due to increased workload and demand in resource consents
  - *Enhancement grants* - \$467,470 over budget due to the timing of STRESS expenditure. This is expected to be on budget at year end
  - *Resource management direct charges* - \$275,857 over budget mainly due to Waitara Lands reserve revenue and plant sales being received earlier than budgeted
  - *Transport direct charges* - \$127,839 under budget due to the impact of half price fares
  - *Transport government grants* - \$313,573 over budget due to increased claims because of half price bus fares, higher mobility trips and early infrastructure costs.

### **Communications and Engagement**

12. Communications and engagement activities are delivered across publications, media releases, advertising, digital media and through education. Recent points of note are:
  - The Regional Council website was visited by 19, 703 individuals during October.
  - The annual environmental awards was held on 15 November and was attended by around 200 winners and local business people. Nineteen awards were granted in five categories.
  - The Transit app, which provides real-time info on bus location to public transport users, was launched with heavy advertising and promotion.
  - Consultation with the general public and stakeholders around what they value about freshwater got underway in October as part of the Council's ongoing engagement programme around freshwater. A range of online and offline tools are being used to promote the opportunity to get involved.
  - Stakeholder engagement events this month included the first in a series of Biodiversity Breakfasts to highlight biosecurity messages and raise awareness of local biosecurity issues. This breakfast focused on issues in and around Port Taranaki, and future breakfasts will target different locations and stakeholders.
  - The annual Can I Swim Here? swim spot monitoring campaign got underway and is supported by a digital and radio based education campaign.
  - The education team delivered sustainability and environmental education learning with 20 schools and 1395 students.

### **Social Media by the numbers**

13. Social media continues to be an important communication channel for the Council:
  - The total reach (non-unique users) across eight Facebook pages was 89K
  - Our Facebook page fans total 21,165 (non-unique) fans across eight pages.

Reach and engagement (by Facebook page) are detailed in the table below:	Page fans	Reach
Taranaki Regional Council	5,690	49,595
Taranaki Public Transport	1,691	14,188
Tūpare	2,066	2,814
Pukeiti	3,161	4,044
Hollard Gardens	2,513	2,120
Towards Predator-Free Taranaki	1,654	15,821
Yarrow Stadium	3,819	47
Enviroschools	571	254

Top Facebook posts		Reach	Engagement
1	<p>People heading to Taranaki's lakes, rivers and beaches this summer are encouraged to first check whether the water is safe to swim in.</p> <p>From 1 November until the end of March, Taranaki Regional Council will monitor water quality at 40 sites across the region's popular recreational rivers, lakes and beaches...</p> <p>[Taranaki Regional Council]</p>	5.6k	73
2	<p>Congratulations to the 19 winners of this year's Environmental Awards! 🏆</p> <p>It was a feel-good event with over 170 people in attendance to celebrate and recognise the amazing mahi of Taranaki's environmental heroes...</p> <p>[Taranaki Regional Council]</p>	4.8K	209
3	<p>Charlotte Littlewood is the new chairperson of Taranaki Regional Council, after she was elected unopposed by fellow councillors today.</p> <p>Neil Walker will be her deputy, his nomination also unopposed.</p> <p>Read the full story here: <a href="http://www.trc.govt.nz/council-elects-new-chairperson/">www.trc.govt.nz/council-elects-new-chairperson/</a></p> <p>[Taranaki Regional Council]</p>	4K	228
4	Cancellation of services	2.8K	51



Top Facebook posts	Reach	Engagement
<p>After consultation with our contractors the difficult decision has been made to cancel all urban Citylink services in New Plymouth today between 10.40am and 2.15pm due to the Groundswell NZ protest...</p> <p>[Taranaki Public Transport]</p>		
<p>5 Important Notice in regards to School Bus Routes ⚠️</p> <p>Due to senior students going on exam and study leave there have been a few changes to school bus routes from today, 7 November.</p> <p>Route 45 - Suspended for the remainder of the year. Please see the below two alternative options...</p> <p>[Taranaki Public Transport]</p>	2.3K	13
<p>6 To celebrate the Centuria Taranaki Garden Festival our team will be at the beautiful Hollard Gardens, Kaponga this Saturday from 10am to 4pm. Come chat about Towards Predator-Free Taranaki and the results it's achieving, get trapping advice or buy a trap.</p> <p>[Towards Predator Free]</p>	2K	49
<p>7 Have you spotted the kākā around New Plymouth yet?</p> <p>We have some fantastic volunteer trappers in and around Barrett Domain - and with kākā so susceptible to possums and stoats there's no doubt their efforts are making a difference. Keep it up!</p> <p>[Towards Predator Free]</p>	1.6K	208
<p>8 ⚠️ Disruption to services ⚠️</p> <p>Due to the Groundswell NZ protest today, please be advised that there may be disruptions to our Citylink and Connector bus services. This may result in some services being cancelled if there are significant delays.</p> <p>[Taranaki Public Transport]</p>	1.6K	29
<p>9 We are super excited to announce the launch of Transit here in Taranaki - a real-time bus tracking app 📱</p> <ol style="list-style-type: none"> <li>1. See where your ride is 👁️</li> <li>2. Find the fastest possible routes 🗺️</li> <li>3. Easy-to-follow journey planner 📅</li> </ol> <p>[Taranaki Public Transport]</p>	1.6K	148
<p>10 A few pics from the amazing wetland ngāhere at the western edge of Rotokare/Barrett Lagoon in New Plymouth. This</p>	1.3K	60

Top Facebook posts	Reach	Engagement
type of swamp forest is now rare in Taranaki and is such a unique and incredible ecosystem. [Towards Predator Free]		

### Common Seal

14. The following transactions were executed under Common Seal:

- 2022/01 – Renewal of lease – TRC to Clifton Bowling Club.

### Financial considerations—LTP/Annual Plan

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

### Policy considerations

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

### Iwi considerations

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

### Community considerations

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

### Legal considerations

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

### Appendices/Attachments

Document 3123843: July 2022 Monthly Financial Report

Document 3124211: August 2022 Monthly Financial Report

Document 3126207: September 2022 Monthly Financial Report

Document 312756: October 2022 Monthly Financial Report



JULY 2022

# MONTHLY FINANCIAL REPORT

TARANAKI REGIONAL COUNCIL





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## Executive summary

### Financial performance

FINANCIAL INDICATORS					
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%					
Total revenue		Operating expenditure		Operating surplus/deficit	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:		Council’s total revenue less operating expenditure:	
Actual YTD:	Trend:	Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.8M	\$12.6K over budget ↑	\$2.9M	\$119.0K under budget ↑	\$-2.0M	\$131.6K ahead of budget ↑
Against a YTD budget of \$0.8M and a full year budget of \$46.5M.		Against a YTD budget of \$3.0M and a full year budget of \$47.5M.		Against a YTD budget of \$-2.2M and a full year budget of \$-1.0M.	

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

### Commentary and variances

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

## Key

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

### Introduction

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

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

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

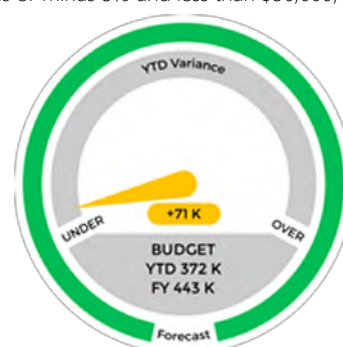
### For each Group of Activities:

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

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

The key components of each dial are:

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



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



## Statement of comprehensive revenue and expense

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

	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Cost of services</b>							
Resource management	1,466,620	1,399,709	-66,911	1,466,620	1,399,709	-66,911	23,726,046
Biosecurity and biodiversity	421,954	488,627	66,673	421,954	488,627	66,673	8,012,037
Transport	422,015	516,988	94,973	422,015	516,988	94,973	6,407,534
Hazard management	68,050	87,491	19,441	68,050	87,491	19,441	1,097,123
Recreation culture and heritage	319,697	339,075	19,378	319,697	339,075	19,378	5,633,158
Regional representation advocacy and investment management	174,542	160,004	-14,538	174,542	160,004	-14,538	2,128,388
<b>Total operating expenditure</b>	<b>2,872,877</b>	<b>2,991,894</b>	<b>119,017</b>	<b>2,872,877</b>	<b>2,991,894</b>	<b>119,017</b>	<b>47,004,286</b>
<b>Revenue from exchange transactions</b>							
Direct charges revenue	344,076	320,855	23,221	344,076	320,855	23,221	5,048,875
Rent revenue	129,557	110,000	19,557	129,557	110,000	19,557	1,260,000
Dividends	0	0	0	0	0	0	8,000,000
<b>Revenue from non-exchange transactions</b>							
General rates revenue	0	0	0	0	0	0	11,801,335
Targeted rates revenue	0	0	0	0	0	0	4,765,811
Direct charges revenue	99,055	187,111	-88,056	99,055	187,111	-88,056	11,229,886
Government grants	216,415	194,091	22,324	216,415	194,091	22,324	3,750,071
Vested assets	0	0	0	0	0	0	0
<b>Total income</b>	<b>789,102</b>	<b>812,057</b>	<b>-22,955</b>	<b>789,102</b>	<b>812,057</b>	<b>-22,955</b>	<b>45,855,978</b>
<b>Operating surplus/(deficit) before finance income/expenses &amp; taxation</b>	<b>-2,083,775</b>	<b>-2,179,837</b>	<b>96,062</b>	<b>-2,083,775</b>	<b>-2,179,837</b>	<b>96,062</b>	<b>-1,148,308</b>
Finance income	52,199	16,666	35,533	52,199	16,666	35,533	655,659
Finance expense	0	0	0	0	0	0	455,659
Net finance expense	52,199	16,666	35,533	52,199	16,666	35,533	200,000
<b>Operating surplus before taxation</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-948,308</b>
<b>Other gains/losses</b>							
Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0
<b>Operating surplus before taxation</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-948,308</b>
Income tax expense	0	0	0	0	0	0	10,000
<b>Surplus/(deficit) for the period</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-958,308</b>
<b>Other comprehensive income</b>							
Revaluation of property, plant and equipment	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating surplus/(deficit)</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-2,031,577</b>	<b>-2,163,171</b>	<b>131,594</b>	<b>-958,308</b>

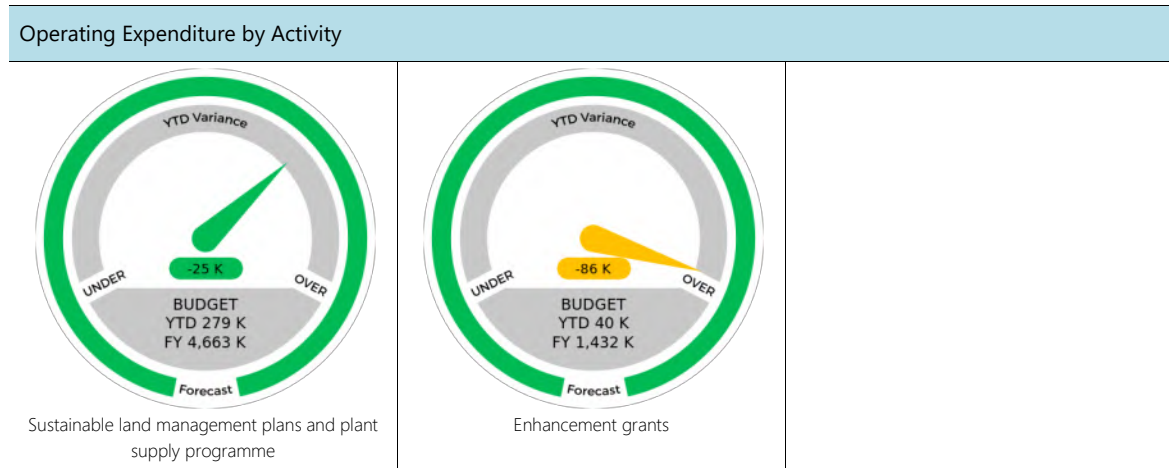
## Resource management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.4M	\$45.7K over budget ↑	\$1.5M	\$66.9K over budget ↓
Against a YTD budget of 0.4M and a full year budget of 13.1M.		Against a YTD budget of 1.4M and a full year budget of 23.7M.	

Operating Expenditure by Activity					
<p>Resource management planning</p>	<p>Consent processing and administration</p>	<p>Compliance monitoring programmes</p>			
<p>Pollution incidence and response</p>	<p>State of the environment monitoring</p>	<p>Resource investigations and projects</p>			

RESOURCE MANAGEMENT



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

Commentary and variances

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

## RESOURCE MANAGEMENT

## Cost of services statement

RESOURCE MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Resource management planning	88,482	109,216	20,734	88,482	109,216	20,734	1,347,377
Consent processing and administration	104,681	101,151	-3,530	104,681	101,151	-3,530	1,103,337
Compliance monitoring programmes	386,512	406,725	20,213	386,512	406,725	20,213	5,116,784
Pollution incidents and response	97,532	98,987	1,455	97,532	98,987	1,455	1,240,059
State of the environment monitoring	278,064	306,046	27,982	278,064	306,046	27,982	3,850,072
Resource investigations and projects	81,798	58,535	-23,263	81,798	58,535	-23,263	730,565
Sustainable land management plans and plant supply programme	303,822	279,240	-24,582	303,822	279,240	-24,582	4,662,752
Waitara River catchment	25	0	-25	25	0	-25	4,243,214
Enhancement grants	125,705	39,809	-85,896	125,705	39,809	-85,896	1,431,886
<b>Total expenditure</b>	<b>1,466,620</b>	<b>1,399,709</b>	<b>-66,911</b>	<b>1,466,620</b>	<b>1,399,709</b>	<b>-66,911</b>	<b>23,726,046</b>
<b>Income</b>							
General rates	547,971	547,971	0	547,971	547,971	0	5,676,920
Direct charges	416,434	370,734	45,700	416,434	370,734	45,700	12,019,971
Government grants	0	0	0	0	0	0	1,116,000
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	-33,280	0	-33,280	-33,280	0	-33,280	-70,000
Investment funds	535,495	481,004	54,491	535,495	481,004	54,491	4,983,155
<b>Total income</b>	<b>1,466,620</b>	<b>1,399,709</b>	<b>66,911</b>	<b>1,466,620</b>	<b>1,399,709</b>	<b>66,911</b>	<b>23,726,046</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$13.2K under budget ↓	\$0.4M	\$66.7K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 2.9M.		Against a YTD budget of 0.5M and a full year budget of 8.0M.	

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

### Commentary and variances

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



## Cost of services statement

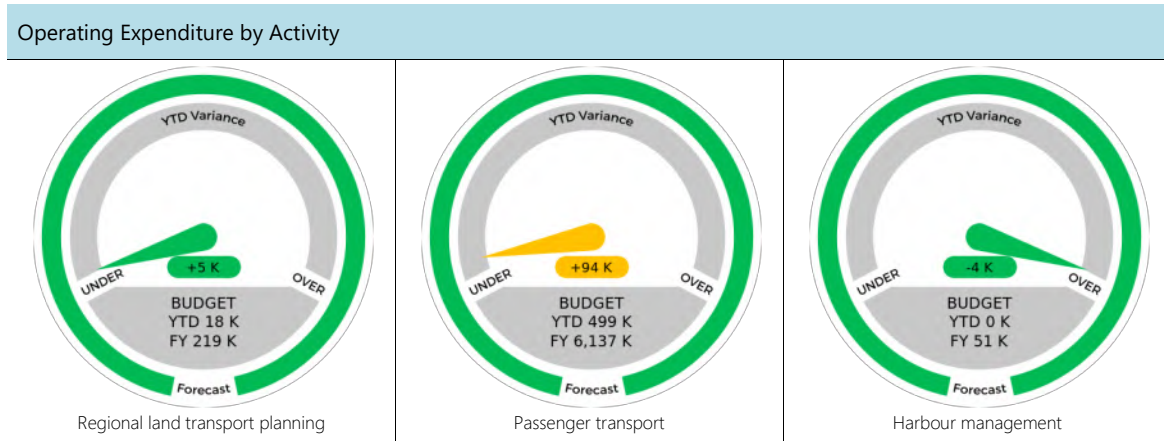
BIOSECURITY AND BIODIVERSITY							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Biosecurity and biodiversity planning	5,916	7,377	1,461	5,916	7,377	1,461	91,458
Biosecurity/pest management	153,156	161,661	8,505	153,156	161,661	8,505	2,521,459
Biodiversity	114,536	112,234	-2,302	114,536	112,234	-2,302	1,884,343
Towards Predator-Free Taranaki	148,346	207,355	59,009	148,346	207,355	59,009	3,514,777
<b>Total expenditure</b>	<b>421,954</b>	<b>488,627</b>	<b>66,673</b>	<b>421,954</b>	<b>488,627</b>	<b>66,673</b>	<b>8,012,037</b>
<b>Income</b>							
General rates	249,740	249,740	0	249,740	249,740	0	2,614,240
Direct charges	6,464	19,667	-13,203	6,464	19,667	-13,203	2,853,038
Transfer from reserves	0	0	0	0	0	0	250,000
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	165,751	219,220	-53,469	165,751	219,220	-53,469	2,294,759
<b>Total income</b>	<b>421,954</b>	<b>488,627</b>	<b>-66,673</b>	<b>421,954</b>	<b>488,627</b>	<b>-66,673</b>	<b>8,012,037</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TRANSPORT

# Transport

## Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): <span style="color: yellow;">●</span> ≥5% and <span style="color: red;">●</span> <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.3M	\$21.1K under budget 	\$0.4M	\$95.0K under budget 
Against a YTD budget of 0.3M and a full year budget of 3.8M.		Against a YTD budget of 0.5M and a full year budget of 6.4M.	



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

### Commentary and variances

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

## Cost of services statement

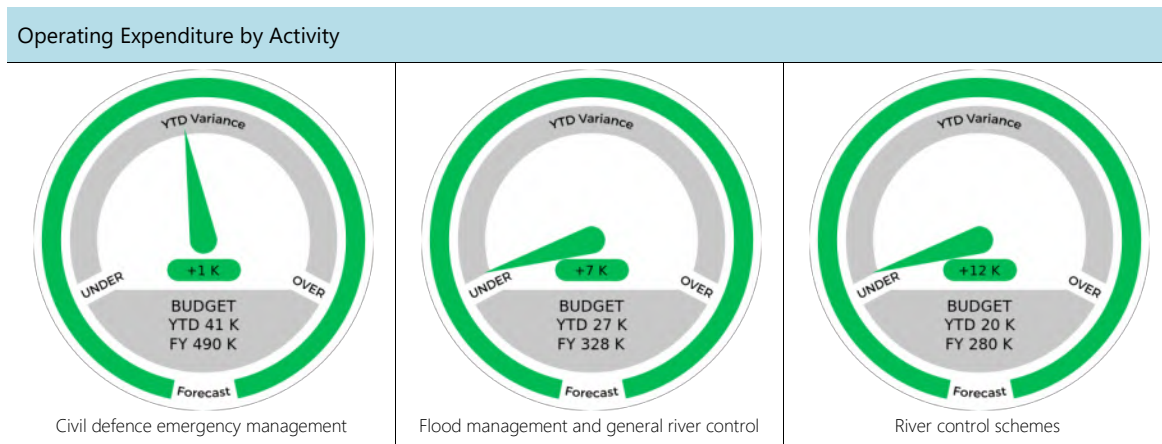
TRANSPORT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional land transport planning	12,123	17,586	5,463	12,123	17,586	5,463	219,484
Passenger transport	405,186	498,902	93,716	405,186	498,902	93,716	6,137,050
Harbour management	4,706	500	-4,206	4,706	500	-4,206	51,000
<b>Total expenditure</b>	<b>422,015</b>	<b>516,988</b>	<b>94,973</b>	<b>422,015</b>	<b>516,988</b>	<b>94,973</b>	<b>6,407,534</b>
<b>Income</b>							
General rates	121,684	121,684	0	121,684	121,684	0	433,062
Targeted rates	0	0	0	0	0	0	1,827,505
Direct charges	50,993	94,399	-43,406	50,993	94,399	-43,406	1,132,757
Government grants	216,415	194,091	22,324	216,415	194,091	22,324	2,634,071
Government grants for capital	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	32,923	106,814	-73,891	32,923	106,814	-73,891	380,139
<b>Total income</b>	<b>422,015</b>	<b>516,988</b>	<b>-94,973</b>	<b>422,015</b>	<b>516,988</b>	<b>-94,973</b>	<b>6,407,534</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Hazard management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$0.1K over budget ↑	\$0.1M	\$19.4K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.0M.		Against a YTD budget of 0.1M and a full year budget of 1.1M.	



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

### Commentary and variances

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

## HAZARD MANAGEMENT

## Cost of services statement

HAZARD MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Civil defence emergency management	40,066	40,800	734	40,066	40,800	734	489,600
Flood management and general river control	20,235	27,098	6,863	20,235	27,098	6,863	327,965
River control schemes	7,750	19,593	11,843	7,750	19,593	11,843	279,558
<b>Total expenditure</b>	<b>68,050</b>	<b>87,491</b>	<b>19,441</b>	<b>68,050</b>	<b>87,491</b>	<b>19,441</b>	<b>1,097,123</b>
<b>Income</b>							
General rates	46,592	46,592	0	46,592	46,592	0	249,385
Targeted rates	0	0	0	0	0	0	759,637
Direct charges	89	0	89	89	0	89	0
Government grants	0	0	0	0	0	0	0
Transfer from reserves	13,783	0	13,783	13,783	0	13,783	0
Transfer to reserves	0	0	0	0	0	0	(52,536)
Investment funds	7,586	40,899	-33,313	7,586	40,899	-33,313	218,909
<b>Total income</b>	<b>68,050</b>	<b>87,491</b>	<b>-19,441</b>	<b>68,050</b>	<b>87,491</b>	<b>-19,441</b>	<b>1,175,395</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>78,272</b>

## Recreation, culture and heritage

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$15.7K under budget ↓	\$0.3M	\$19.4K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.2M.		Against a YTD budget of 0.3M and a full year budget of 5.6M.	

Operating Expenditure by Activity		
<p>Regional gardens</p>	<p>Puke Ariki</p>	

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

### Commentary and variances

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

## Cost of services statement

RECREATION CULTURE AND HERITAGE							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional gardens	244,697	264,075	19,378	244,697	264,075	19,378	3,304,489
Puke Ariki	75,000	75,000	0	75,000	75,000	0	150,000
Yarrow Stadium	0	0	0	0	0	0	2,178,669
<b>Total expenditure</b>	<b>319,697</b>	<b>339,075</b>	<b>19,378</b>	<b>319,697</b>	<b>339,075</b>	<b>19,378</b>	<b>5,633,158</b>
<b>Income</b>							
General rates	171,030	171,030	0	171,030	171,030	0	1,725,161
Targeted rates	0	0	0	0	0	0	2,178,669
Direct charges	2,186	17,917	-15,731	2,186	17,917	-15,731	214,995
Investment funds	146,481	150,128	-3,647	146,481	150,128	-3,647	1,514,333
<b>Total income</b>	<b>319,697</b>	<b>339,075</b>	<b>-19,378</b>	<b>319,697</b>	<b>339,075</b>	<b>-19,378</b>	<b>5,633,158</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT

## Regional representation, advocacy and investment management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$4.6K under budget ↓	\$0.2M	\$14.5K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.1M.		Against a YTD budget of 0.2M and a full year budget of 2.1M.	

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

### Commentary and variances

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

## Cost of services statement

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Investment management	0	500	500	0	500	500	6,000
Community engagement	54,347	43,939	-10,408	54,347	43,939	-10,408	552,938
Advocacy and response	28,363	33,958	5,595	28,363	33,958	5,595	412,402
Governance	91,831	81,607	-10,224	91,831	81,607	-10,224	1,157,048
<b>Total expenditure</b>	<b>174,542</b>	<b>160,004</b>	<b>-14,538</b>	<b>174,542</b>	<b>160,004</b>	<b>-14,538</b>	<b>2,128,388</b>
<b>Income</b>							
General rates	82,635	82,635	0	82,635	82,635	0	1,102,565
Direct charges	270	4,833	-4,563	270	4,833	-4,563	58,000
Investment funds	91,636	72,536	19,100	91,636	72,536	19,100	967,823
<b>Total income</b>	<b>174,542</b>	<b>160,004</b>	<b>14,538</b>	<b>174,542</b>	<b>160,004</b>	<b>14,538</b>	<b>2,128,388</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of financial position

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

	Month End Actual \$	2022/2023 Estimates \$	2021/2022 Annual Report \$
<b>Current Assets</b>			
Cash and cash equivalents	2,585,423	427,054	5,361,260
Current portion of investments	26,440,964	-	26,265,052
Trade and other receivables	2,613,733	2,040,000	5,289,916
Inventories	286,006	153,000	286,006
Prepayments	343,426	102,000	283,282
Work in progress	428,204	408,000	223,182
<b>Total current assets</b>	<b>32,697,757</b>	<b>3,130,054</b>	<b>37,708,698</b>
<b>Non-current assets</b>			
Treasury investments	362,500	14,895,467	362,500
Port Taranaki Ltd	26,000,000	26,000,000	26,000,000
Civic Assurance Ltd	1,000	1,000	1,000
Regional Software Holdings Ltd	798,118	798,118	798,118
Loan to Taranaki Stadium Trust	14,500,000	30,000,000	14,500,000
Investment properties	22,054,000	19,559,000	22,054,000
Intangible assets	328,039	2,124,951	348,084
Property plant and equipment	36,314,615	40,486,196	35,810,413
Deferred tax asset	185,656	80,499	185,656
<b>Total non-current assets</b>	<b>100,543,928</b>	<b>133,945,231</b>	<b>100,059,771</b>
<b>Total assets</b>	<b>133,241,685</b>	<b>137,075,285</b>	<b>137,768,469</b>
<b>Current liabilities</b>			
Trade and other payables	7,425,482	5,100,000	9,768,148
Work-in-progress	1,194,974	612,000	1,342,707
Employee entitlements current	1,219,768	1,173,000	1,224,576
Borrowings	-	-	-
<b>Total current liabilities</b>	<b>9,840,224</b>	<b>6,885,000</b>	<b>12,335,431</b>
<b>Non-current liabilities</b>			
Employee entitlements term	336,080	575,382	336,080
Borrowings	14,500,000	30,000,000	14,500,000
<b>Total non-current liabilities</b>	<b>14,836,080</b>	<b>30,575,382</b>	<b>14,836,080</b>
<b>Total liabilities</b>	<b>24,676,304</b>	<b>37,460,382</b>	<b>27,171,511</b>
<b>Public equity</b>			
Retained earnings	71,078,214	67,557,209	73,129,288
Reserves	31,472,745	26,840,822	31,453,248
Asset revaluation reserves	6,014,422	5,216,872	6,014,422
<b>Total public equity</b>	<b>108,565,381</b>	<b>99,614,903</b>	<b>110,596,958</b>
<b>Total liabilities and equity</b>	<b>133,241,685</b>	<b>137,075,285</b>	<b>137,768,469</b>

## Capital expenditure and disposals

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

DESCRIPTION	AMOUNT \$
Subaru XV Hybrids x 10	426,843
Mitsubishi Outlander	35,822
HPE - Backup Server Disk Storage	22,998
Aerial Photography Project WIP	52,096
Accommodation Refurbishment Project WIP	10,722
Pukeiti New Outer Tracks WIP	15,533
Hollard Garden Structures WIP	13,063
Office Security System WIP	69,426

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

DESCRIPTION	AMOUNT \$
Skoda Kodiaq	11,304
Toyota Hilux	25,217



## Local Authorities (Members' Interests) Act 1968

Additions to the *Creditors Detail List* for June and July 2022 were:

CODE	CREDITOR NAME	ADDRESS	DATE ESTABLISHED
4112	Lauren Bennett Consulting	19D Wakefield Street, New Plymouth	2-Jun-22
4113	Halo Service Solutions	Gripping Way, Stowmarket, United Kingdom	2-Jun-22
4114	Pearl Wellness	15B Fitzroy Road, Fitzroy, New Plymouth	2-Jun-22
4115	Bell Block Cabs Investments Limited	40 Smeaton Road, New Plymouth	8-Jun-22
4116	Low Environmental Impact	PO Box 4667, Palmerston North	8-Jun-22
4117	Distinction Whangarei Hotel	9 Riverside Drive, Whangarei	8-Jun-22
4118	Anchorage Motor Lodge	26 West Quay Ahuriri, Napier	9-Jun-22
4119	Derrynane Family Trust	2544 Skeet Road, RD 28, Hawera	9-Jun-22
4120	KL Jupp and WJ de Vries	1056 Otaraoa Road, RD 43, Waitara	13-Jun-22
4121	Landon Elder T/A George's Moturoa	1 Squire Place, New Plymouth	13-Jun-22
4122	Top Stitch Branding Solutions Limited	320 Devon Street East, New Plymouth	13-Jun-22
4123	R & R Edwards Whanau Trust	534A Manawapou Road, RD 12, Hawera	16-Jun-22
4125	Dwyer Farms Limited	339B South Road, RD 12, Hawera	17-Jun-22
4126	Crowley, Keith	980 Okoki Road, Okoki	20-Jun-22
4127	Collingwood Civil Limited	13B Fitzgerald Lane, RD 13, Hawera	20-Jun-22
4128	Dobson, Mr Keith	16 Dart Street, Patea	20-Jun-22
4129	Kalin, Simon	60 Tiwhaiti Road, RD 12, Hawera	27-Jun-22
4130	Mikasi Country Limited	60 Tiwhaiti Road, RD 12, Hawera	27-Jun-22
4132	Edwards Estate, Ainsley	PO Box 177, Stratford	30-Jun-22
4133	Recruit HR People NZ Ltd	PO Box 462, Silverdale, Auckland	4-Jul-22
4134	Edwards Estate, Ainsley	PO Box 177, Stratford	5-Jul-22
4135	Andrew Roberts Family Trust	68 Nowell Road, RD 12, Hawera	7-Jul-22
4136	Rangai The Wellbeing Collective	8A Captain Scott Road, Glen Eden	7-Jul-22
4137	Grower Direct	52 Borrell Road, RD 24, Tauranga	7-Jul-22
4138	Gawler Family Trust	60 Weld Road Upper, RD 4, Tataraimaka	13-Jul-22
4139	Tuahiwi Farms	132 Mangaehu Road, RD 22, Stratford	18-Jul-22
4140	Precise Limited	706 Great South Road, Penrose, Auckland	18-Jul-22
4141	Halls Road Farm Partnership	163 Oapui Road, RD 7, Inglewood	19-Jul-22
4142	Five Oaks Farm Partnership Ltd	112 Oapui Road, RD 7, Inglewood	19-Jul-22
4143	Te Kahuri Nurseries - Oxenrat Holdings	510 Eltham Road, RD 21, Stratford	19-Jul-22
4144	Sentiments Flowers	502 St Aubyn Street, New Plymouth	19-Jul-22

4145	Twelve Conferences + Events	16 Semaphore Lane, Whitby, Porirua	19-Jul-22
4148	Wyndham Garden Christchurch	64 Kilmore Street, Christchurch	27-Jul-22

Notes:

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

## Financial delegations

The following payments were made during the period to 31 July 2022 that exceeded the budgeted approved delegated authority levels:

DESCRIPTION	AMOUNT \$
Nil	

## Aged debtors analysis

The total debtors outstanding at 31 July 2022 were aged as follows:

DESCRIPTION	AMOUNT \$	PERCENT %
Current balance	1,292,584	68
30 days balance	5,068	
60 days balance	16,142	1
90 days and over balance	593,665	31
<b>Total debtors</b>	<b>1,907,459</b>	<b>100</b>

## Reserves

As at 31 July 2022 the following reserve balances were held:

DESCRIPTION	AMOUNT \$
Contingency/Disaster Reserve	1,086,000
North Taranaki/Waitara River Control Scheme Reserve	1,407,236
South Taranaki Rivers Control Scheme Reserve	302
Dividend Equalisation Reserve	5,240,945
Egmont National Park Control Reserve	713,000
Endowment Land Sales Reserve	2,935,000
Waitara Lands Act 2018 Reserve	20,090,262
<b>Total reserves</b>	<b>31,472,745</b>

## Borrowings

The total LGFA borrowings at 31 July 2022 were as follows:

MATURITY DATE	AMOUNT \$	INTEREST RATE %
15/04/2024	2,000,000	1.4
15/04/2025	1,000,000	4.0
15/04/2026	1,000,000	2.5
15/04/2026	1,000,000	3.3
15/04/2026	2,000,000	3.7
15/04/2027	1,500,000	2.6
15/04/2027	1,000,000	3.8
15/05/2028	3,000,000	1.3
20/04/2029	2,000,000	4.2
<b>Total borrowings</b>	<b>14,500,000</b>	<b>2.8*</b>

All borrowings are in accordance with the *Liability Management Policy*. \*Weighted average interest rate

## Borrowing limits

Council borrowings against policy limits at 31 July 2022 were as follows:

ITEM	REQUIRED PERFORMANCE	ACTUAL PERFORMANCE
Net Debt/Total Revenue	≤225%	-32.1%
Net Interest/Total Revenue	≤15%	-0.4%
Net Interest/Annual Rates Income	<20%	-1.2%
Liquidity	>110%	302.7%
Debt Cap	\$55 million	\$14.5 million

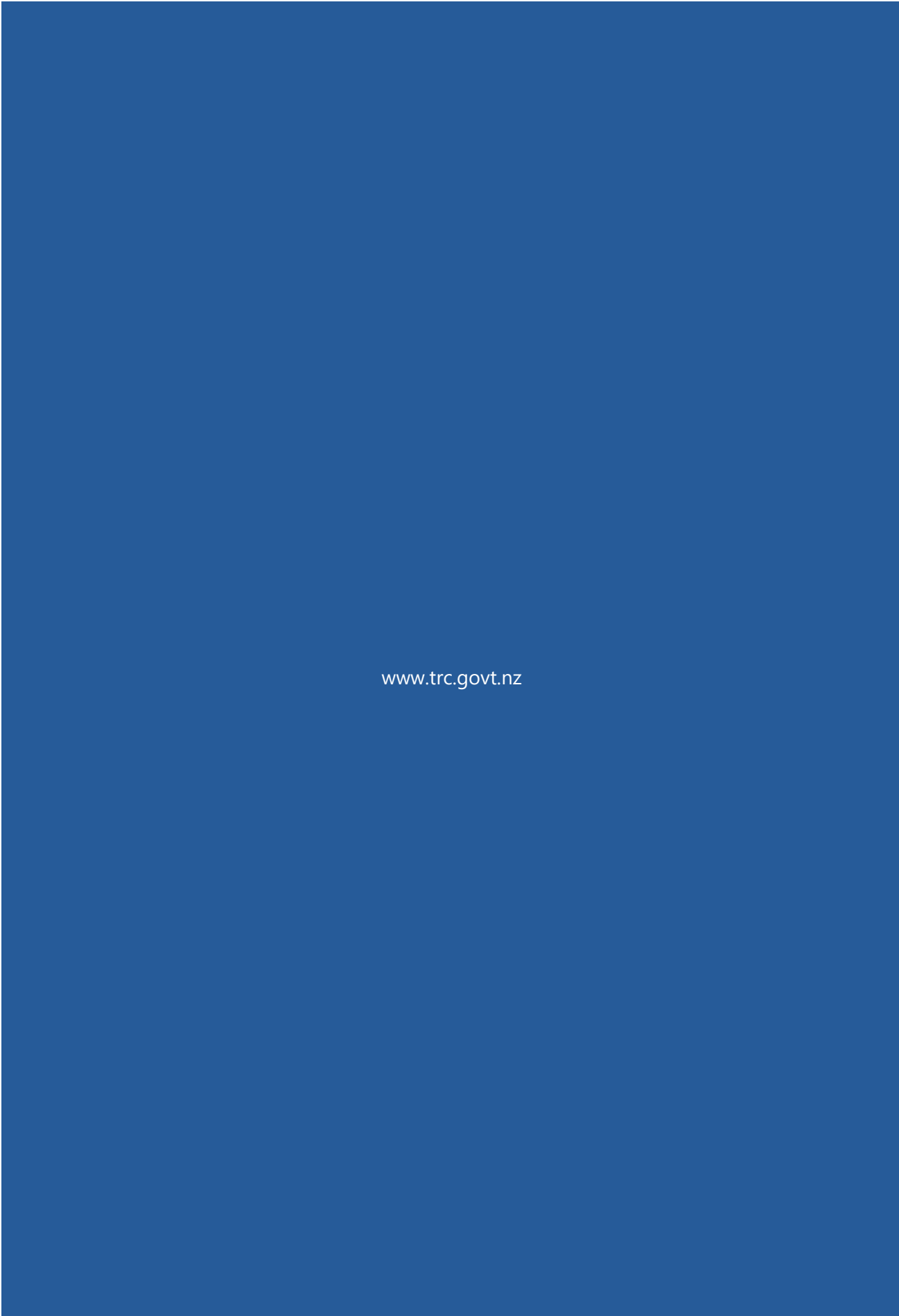
## Bank and investment balances

As at 31 July 2022 the following cash, bank and investment balances were held:

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
<b>BNZ:</b>							
Call Account	8		2,244,958			0.3	On Call
Current Account	1		183,816			0.1	On Call
Waitara Lands Account			72,219			0.1	On Call
Waitara Lands Term Investment	2		535,811			2.3	25/11/2022
Waitara Lands Term Investment	5		1,381,837			2.2	7/11/2022
<b>Total BNZ</b>	<b>15</b>	<b>50</b>	<b>4,418,640</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>ASB:</b>							
Cheque Account			10				On Call
Term Investment	4		1,518,561			1.4	10/08/2022
Waitara Lands Term Investment	2		539,399			1.8	30/09/2022
Waitara Lands Term Investment	7		2,164,842			2.7	07/11/2022
Waitara Lands Term Investment	4		1,181,453			1.6	09/11/2022
Waitara Lands Term Investment	15		4,430,442			3.2	30/01/2023
<b>Total ASB</b>	<b>32</b>	<b>50</b>	<b>9,834,707</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>Westpac:</b>							
Waitara Lands Account	0		488			0.1	On Call
Term Investment	5		1,516,276			3.2	31/03/2023
Term Investment	7		2,010,042			4.5	21/03/2023
Waitara Lands Term Investment	9		2,708,740			1.9	06/10/2022
Waitara Lands Term Investment	8		2,289,168			2.8	20/01/2023
Waitara Lands Term Investment	8		2,277,590			3.9	22/12/2022
<b>Total Westpac</b>	<b>37</b>	<b>50</b>	<b>10,802,304</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>TSB:</b>							
Cheque Accounts			733			0.0	On Call
Call Account			83,200			0.5	On Call
Term Investment	6		1,634,894			1.9	09/10/2022
Waitara Lands Term Investment	8		2,251,909			3.1	31/01/2023

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
Total TSB	14	25	3,970,736	15,000,000	A-		
LGFA:							
Borrower Notes x 9	1	Unlimited	362,500	Unlimited	N/A	2.4	Various
<b>Total</b>	<b>100</b>		<b>29,388,887</b>			<b>2.8*</b>	

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



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AUGUST 2022

# MONTHLY FINANCIAL REPORT

TARANAKI REGIONAL COUNCIL







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## Executive summary

### Financial performance

FINANCIAL INDICATORS					
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%					
Total revenue		Operating expenditure		Operating surplus/deficit	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:		Council’s total revenue less operating expenditure:	
Actual YTD:	Trend:	Actual YTD:	Trend:	Actual YTD:	Trend:
\$6.1M	\$242.8K over budget ↑	\$6.7M	\$336.1K over budget ↓	\$-0.6M	\$93.3K behind budget ↓
Against a YTD budget of \$5.9M and a full year budget of \$46.6M.		Against a YTD budget of \$6.4M and a full year budget of \$47.5M.		Against a YTD budget of \$-0.5M and a full year budget of \$-1.0M.	

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

### Commentary and variances

The financial year has started well and is tracking close to budget.

## Key

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

### Introduction

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

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

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

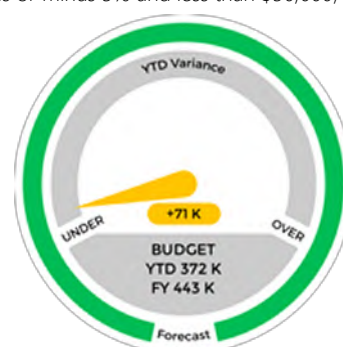
### For each Group of Activities:

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

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

The key components of each dial are:

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



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

## Statement of comprehensive revenue and expense

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

	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Cost of services</b>							
Resource management	1,608,911	1,405,234	-203,677	3,075,531	2,804,943	-270,588	23,726,046
Biosecurity and biodiversity	467,477	412,916	-54,561	889,431	901,543	12,112	8,012,037
Transport	645,749	515,873	-129,876	1,067,764	1,032,861	-34,903	6,407,534
Hazard management	77,265	86,323	9,058	145,315	173,814	28,499	1,097,123
Recreation culture and heritage	832,669	806,598	-26,071	1,152,365	1,145,673	-6,692	5,633,158
Regional representation advocacy and investment management	186,947	157,959	-28,988	361,488	317,963	-43,525	2,128,388
<b>Total operating expenditure</b>	<b>3,819,017</b>	<b>3,384,903</b>	<b>-434,114</b>	<b>6,691,894</b>	<b>6,376,797</b>	<b>-315,097</b>	<b>47,004,286</b>
<b>Revenue from exchange transactions</b>							
Direct charges revenue	344,891	333,605	11,286	688,967	654,460	34,507	5,048,875
Rent revenue	158,888	110,000	48,888	288,445	220,000	68,445	1,260,000
Dividends	0	0	0	0	0	0	8,000,000
<b>Revenue from non-exchange transactions</b>							
General rates revenue	2,950,334	2,950,334	0	2,950,334	2,950,334	0	11,801,335
Targeted rates revenue	1,191,446	1,191,453	-6	1,191,446	1,191,453	-6	4,765,811
Direct charges revenue	125,976	220,261	-94,285	225,031	407,372	-182,341	11,229,886
Government grants	387,511	194,091	193,420	603,925	388,182	215,743	3,750,071
Vested assets	0	0	0	0	0	0	0
<b>Total income</b>	<b>5,159,047</b>	<b>4,999,744</b>	<b>159,303</b>	<b>5,948,149</b>	<b>5,811,801</b>	<b>136,348</b>	<b>45,855,978</b>
<b>Operating surplus/(deficit) before finance income/expenses &amp; taxation</b>	<b>1,340,029</b>	<b>1,614,841</b>	<b>-274,812</b>	<b>-743,746</b>	<b>-564,996</b>	<b>-178,750</b>	<b>-1,148,308</b>
Finance income	110,349	39,449	70,900	162,548	56,115	106,433	655,659
Finance expense	-43,804	-22,783	21,021	-43,804	-22,783	21,021	455,659
Net finance expense	66,546	16,666	49,880	118,744	33,332	85,412	200,000
<b>Operating surplus before taxation</b>	<b>1,406,575</b>	<b>1,631,507</b>	<b>-224,932</b>	<b>-625,002</b>	<b>-531,664</b>	<b>-93,338</b>	<b>-948,308</b>
<b>Other gains/losses</b>							
Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0
<b>Operating surplus before taxation</b>	<b>1,406,575</b>	<b>1,631,507</b>	<b>-224,932</b>	<b>-625,002</b>	<b>-531,664</b>	<b>-93,338</b>	<b>-948,308</b>
Income tax expense	0	0	0	0	0	0	10,000
<b>Surplus/(deficit) for the period</b>	<b>1,406,575</b>	<b>1,631,507</b>	<b>-224,932</b>	<b>-625,002</b>	<b>-531,664</b>	<b>-93,338</b>	<b>-958,308</b>
<b>Other comprehensive income</b>							
Revaluation of property, plant and equipment	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating surplus/(deficit)</b>	<b>1,406,575</b>	<b>1,631,507</b>	<b>-224,932</b>	<b>-625,002</b>	<b>-531,664</b>	<b>-93,338</b>	<b>-958,308</b>

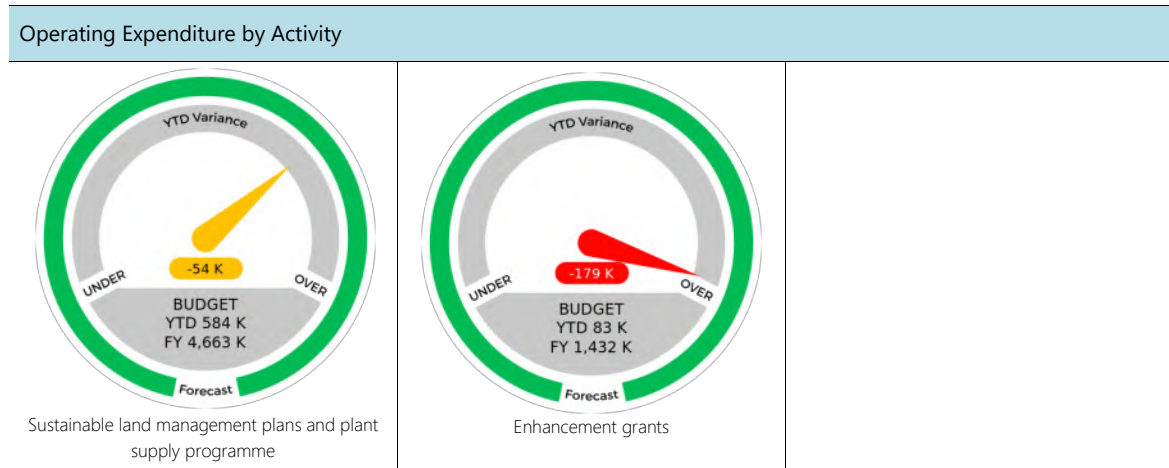
## Resource management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.9M	\$70.6K over budget ↑	\$3.1M	\$270.6K over budget ↓
Against a YTD budget of 0.8M and a full year budget of 13.1M.		Against a YTD budget of 2.8M and a full year budget of 23.7M.	

Operating Expenditure by Activity					
<p>Resource management planning</p>	<p>Consent processing and administration</p>	<p>Compliance monitoring programmes</p>			
<p>Pollution incidence and response</p>	<p>State of the environment monitoring</p>	<p>Resource investigations and projects</p>			

RESOURCE MANAGEMENT



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

Commentary and variances

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

Enhancement grants - \$179,088 over budget due to the timing of STRESS expenditure. This is expected to be on budget at year end.



## RESOURCE MANAGEMENT

## Cost of services statement

RESOURCE MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Resource management planning	105,425	106,152	727	193,907	215,368	21,461	1,347,377
Consent processing and administration	116,637	84,885	-31,752	221,317	186,036	-35,281	1,103,337
Compliance monitoring programmes	437,479	402,577	-34,902	823,991	809,302	-14,689	5,116,784
Pollution incidents and response	107,518	97,485	-10,033	205,050	196,472	-8,578	1,240,059
State of the environment monitoring	317,444	305,874	-11,570	595,508	611,920	16,412	3,850,072
Resource investigations and projects	53,939	60,107	6,168	135,737	118,642	-17,095	730,565
Sustainable land management plans and plant supply programme	333,701	304,579	-29,122	637,524	583,819	-53,705	4,662,752
Waitara River catchment	0	0	0	25	0	-25	4,243,214
Enhancement grants	136,768	43,575	-93,193	262,472	83,384	-179,088	1,431,886
<b>Total expenditure</b>	<b>1,608,911</b>	<b>1,405,234</b>	<b>-203,677</b>	<b>3,075,531</b>	<b>2,804,943</b>	<b>-270,588</b>	<b>23,726,046</b>
<b>Income</b>							
General rates	526,470	526,470	0	1,074,441	1,074,441	0	5,676,920
Direct charges	421,753	416,634	5,119	838,187	787,368	50,819	12,019,971
Government grants	19,817	0	19,817	19,817	0	19,817	1,116,000
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	-45,733	0	-45,733	-79,013	0	-79,013	-70,000
Investment funds	686,604	462,130	224,474	1,222,099	943,134	278,965	4,983,155
<b>Total income</b>	<b>1,608,911</b>	<b>1,405,234</b>	<b>203,677</b>	<b>3,075,531</b>	<b>2,804,943</b>	<b>270,588</b>	<b>23,726,046</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$30.1K under budget ↓	\$0.9M	\$12.1K under budget ↓
Against a YTD budget of 0.0M and a full year budget of 2.9M.		Against a YTD budget of 0.9M and a full year budget of 8.0M.	

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

### Commentary and variances

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

## Cost of services statement

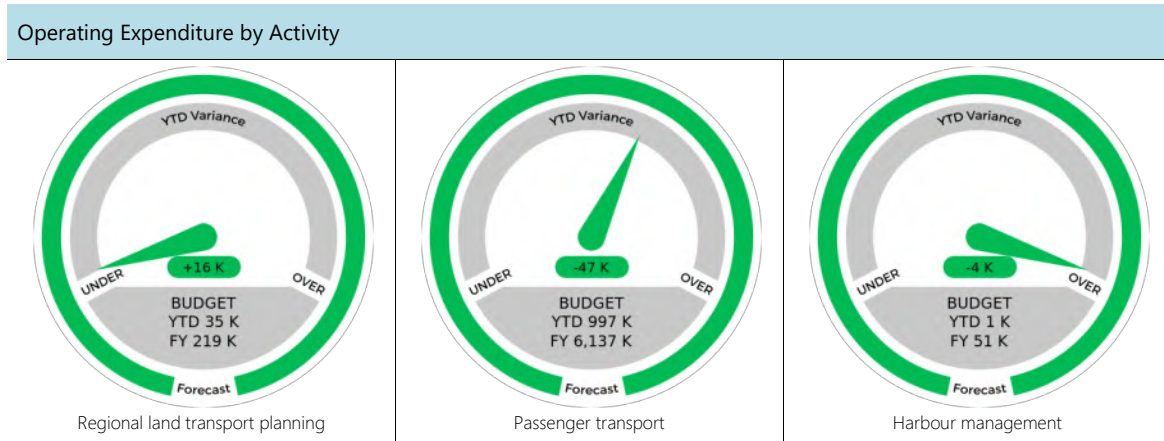
BIOSECURITY AND BIODIVERSITY							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Biosecurity and biodiversity planning	7,071	7,212	141	12,988	14,589	1,601	91,458
Biosecurity/pest management	210,142	160,965	-49,177	363,298	322,626	-40,672	2,521,459
Biodiversity	122,835	113,694	-9,141	237,371	225,928	-11,443	1,884,343
Towards Predator-Free Taranaki	127,428	131,045	3,617	275,774	338,400	62,626	3,514,777
<b>Total expenditure</b>	<b>467,477</b>	<b>412,916</b>	<b>-54,561</b>	<b>889,431</b>	<b>901,543</b>	<b>12,112</b>	<b>8,012,037</b>
<b>Income</b>							
General rates	209,421	209,421	0	459,161	459,161	0	2,614,240
Direct charges	2,792	19,667	-16,875	9,256	39,334	-30,078	2,853,038
Transfer from reserves	0	0	0	0	0	0	250,000
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	255,264	183,828	71,436	421,014	403,048	17,966	2,294,759
<b>Total income</b>	<b>467,477</b>	<b>412,916</b>	<b>54,561</b>	<b>889,431</b>	<b>901,543</b>	<b>-12,112</b>	<b>8,012,037</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TRANSPORT

# Transport

## Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.7M	\$133.6K over budget ↑	\$1.1M	\$34.9K over budget ↓
Against a YTD budget of 0.6M and a full year budget of 3.8M.		Against a YTD budget of 1.0M and a full year budget of 6.4M.	



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

### Commentary and variances

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

Government grants revenue - \$195,927 over budget mainly due to government subsidised half price fares.

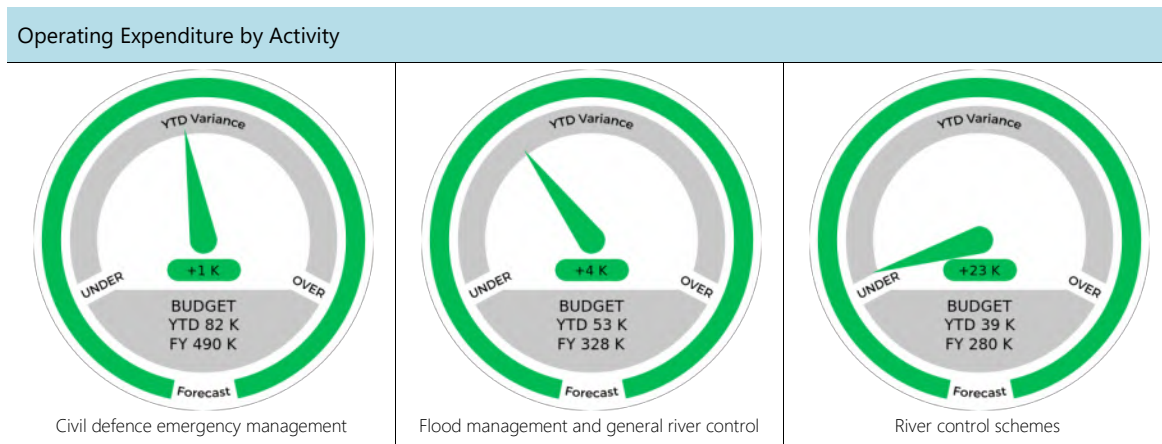
## Cost of services statement

TRANSPORT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional land transport planning	6,777	17,508	10,731	18,899	35,094	16,195	219,484
Passenger transport	638,972	497,865	-141,107	1,044,158	996,767	-47,391	6,137,050
Harbour management	0	500	500	4,706	1,000	-3,706	51,000
<b>Total expenditure</b>	<b>645,749</b>	<b>515,873</b>	<b>-129,876</b>	<b>1,067,764</b>	<b>1,032,861</b>	<b>-34,903</b>	<b>6,407,534</b>
<b>Income</b>							
General rates	-122,214	-122,214	0	-530	-530	0	433,062
Targeted rates	456,876	456,876	0	456,876	456,876	0	1,827,505
Direct charges	75,519	94,399	-18,880	126,512	188,798	-62,286	1,132,757
Government grants	367,694	194,091	173,603	584,109	388,182	195,927	2,634,071
Government grants for capital	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	-132,126	-107,279	-24,847	-99,203	-465	-98,738	380,139
<b>Total income</b>	<b>645,749</b>	<b>515,873</b>	<b>129,876</b>	<b>1,067,764</b>	<b>1,032,861</b>	<b>34,903</b>	<b>6,407,534</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Hazard management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$0.2K over budget ↑	\$0.1M	\$28.5K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.0M.		Against a YTD budget of 0.2M and a full year budget of 1.1M.	



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

### Commentary and variances

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

## HAZARD MANAGEMENT

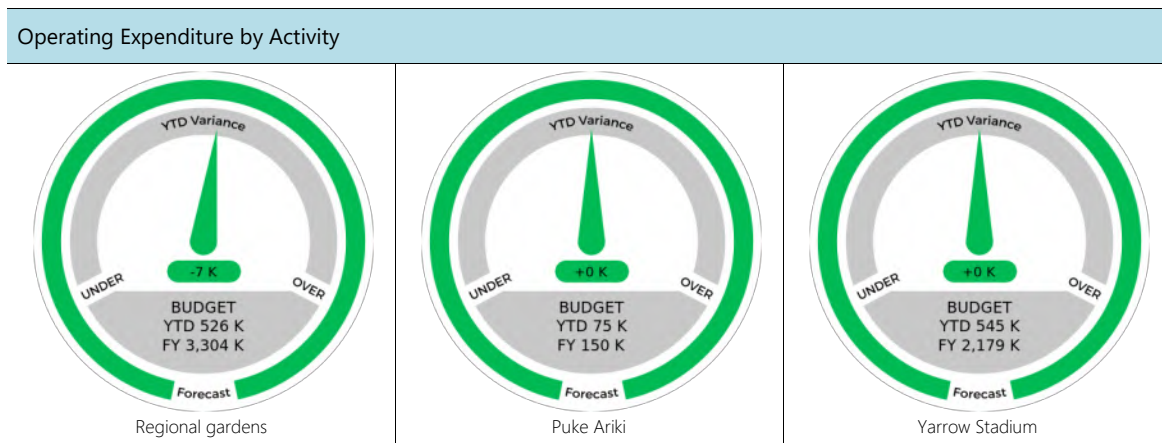
## Cost of services statement

HAZARD MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Civil defence emergency management	40,066	40,800	734	80,131	81,600	1,469	489,600
Flood management and general river control	29,148	25,946	-3,202	49,383	53,044	3,661	327,965
River control schemes	8,051	19,577	11,526	15,801	39,170	23,369	279,558
<b>Total expenditure</b>	<b>77,265</b>	<b>86,323</b>	<b>9,058</b>	<b>145,315</b>	<b>173,814</b>	<b>28,499</b>	<b>1,097,123</b>
<b>Income</b>							
General rates	-44,743	-44,743	0	1,849	1,849	0	249,385
Targeted rates	189,909	189,910	-1	189,909	189,910	-1	759,637
Direct charges	89	0	89	179	0	179	0
Government grants	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	13,783	0	13,783	0
Transfer to reserves	-173,151	0	-173,151	-173,151	0	-173,151	(52,536)
Investment funds	124,729	-39,275	164,004	132,315	1,624	130,691	218,909
<b>Total income</b>	<b>96,834</b>	<b>105,892</b>	<b>-9,058</b>	<b>164,884</b>	<b>193,383</b>	<b>-28,499</b>	<b>1,175,395</b>
<b>Operating surplus/(deficit)</b>	<b>19,569</b>	<b>19,569</b>	<b>0</b>	<b>19,569</b>	<b>19,569</b>	<b>0</b>	<b>78,272</b>

## Recreation, culture and heritage

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$21.1K under budget ↓	\$1.2M	\$6.7K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.2M.		Against a YTD budget of 1.1M and a full year budget of 5.6M.	



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

### Commentary and variances

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



## Cost of services statement

RECREATION CULTURE AND HERITAGE							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional gardens	288,001	261,931	-26,070	532,698	526,006	-6,692	3,304,489
Puke Ariki	0	0	0	75,000	75,000	0	150,000
Yarrow Stadium	544,667	544,667	0	544,667	544,667	0	2,178,669
<b>Total expenditure</b>	<b>832,669</b>	<b>806,598</b>	<b>-26,071</b>	<b>1,152,365</b>	<b>1,145,673</b>	<b>-6,692</b>	<b>5,633,158</b>
<b>Income</b>							
General rates	129,947	129,947	0	300,977	300,977	0	1,725,161
Targeted rates	544,661	544,667	-6	544,661	544,667	-6	2,178,669
Direct charges	12,561	17,917	-5,356	14,747	35,834	-21,087	214,995
Investment funds	145,500	114,067	31,432	291,980	264,195	27,785	1,514,333
<b>Total income</b>	<b>832,669</b>	<b>806,598</b>	<b>26,071</b>	<b>1,152,365</b>	<b>1,145,673</b>	<b>6,692</b>	<b>5,633,158</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT

## Regional representation, advocacy and investment management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$5.5K under budget ↓	\$0.4M	\$43.5K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.1M.		Against a YTD budget of 0.3M and a full year budget of 2.1M.	

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

### Commentary and variances

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

## Cost of services statement

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Investment management	0	500	500	0	1,000	1,000	6,000
Community engagement	60,419	43,797	-16,622	114,767	87,736	-27,031	552,938
Advocacy and response	33,506	32,409	-1,097	61,869	66,367	4,498	412,402
Governance	93,021	81,253	-11,768	184,852	162,860	-21,992	1,157,048
<b>Total expenditure</b>	<b>186,947</b>	<b>157,959</b>	<b>-28,988</b>	<b>361,488</b>	<b>317,963</b>	<b>-43,525</b>	<b>2,128,388</b>
<b>Income</b>							
General rates	81,546	81,546	0	164,181	164,181	0	1,102,565
Direct charges	3,885	4,833	-948	4,156	9,666	-5,510	58,000
Investment funds	101,515	71,580	29,935	193,152	144,116	49,036	967,823
<b>Total income</b>	<b>186,947</b>	<b>157,959</b>	<b>28,988</b>	<b>361,488</b>	<b>317,963</b>	<b>43,525</b>	<b>2,128,388</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of financial position

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

	Month End Actual \$	2022/2023 Estimates \$	2021/2022 Annual Report \$
<b>Current Assets</b>			
Cash and cash equivalents	1,679,688	427,054	5,361,260
Current portion of investments	24,982,427	-	26,265,052
Trade and other receivables	7,171,578	2,040,000	5,289,916
Inventories	286,006	153,000	286,006
Prepayments	775,139	102,000	283,282
Work in progress	588,562	408,000	223,182
<b>Total current assets</b>	<b>35,483,401</b>	<b>3,130,054</b>	<b>37,708,698</b>
<b>Non-current assets</b>			
Treasury investments	362,500	14,895,467	362,500
Port Taranaki Ltd	26,000,000	26,000,000	26,000,000
Civic Assurance Ltd	1,000	1,000	1,000
Regional Software Holdings Ltd	798,118	798,118	798,118
Loan to Taranaki Stadium Trust	19,500,000	30,000,000	14,500,000
Investment properties	22,054,000	19,559,000	22,054,000
Intangible assets	308,004	2,124,951	348,084
Property plant and equipment	36,824,830	40,486,196	35,810,413
Deferred tax asset	185,656	80,499	185,656
<b>Total non-current assets</b>	<b>106,034,108</b>	<b>133,945,231</b>	<b>100,059,771</b>
<b>Total assets</b>	<b>141,517,509</b>	<b>137,075,285</b>	<b>137,768,469</b>
<b>Current liabilities</b>			
Trade and other payables	9,315,410	5,100,000	9,768,148
Work-in-progress	1,083,493	612,000	1,342,707
Employee entitlements current	1,310,571	1,173,000	1,224,576
Borrowings	5,000,000	-	-
<b>Total current liabilities</b>	<b>16,709,473</b>	<b>6,885,000</b>	<b>12,335,431</b>
<b>Non-current liabilities</b>			
Employee entitlements term	336,080	575,382	336,080
Borrowings	14,500,000	30,000,000	14,500,000
<b>Total non-current liabilities</b>	<b>14,836,080</b>	<b>30,575,382</b>	<b>14,836,080</b>
<b>Total liabilities</b>	<b>31,545,553</b>	<b>37,460,382</b>	<b>27,171,511</b>
<b>Public equity</b>			
Retained earnings	72,265,905	67,557,209	73,129,288
Reserves	31,691,629	26,840,822	31,453,248
Asset revaluation reserves	6,014,422	5,216,872	6,014,422
<b>Total public equity</b>	<b>109,971,956</b>	<b>99,614,903</b>	<b>110,596,958</b>
<b>Total liabilities and equity</b>	<b>141,517,509</b>	<b>137,075,285</b>	<b>137,768,469</b>

## Capital expenditure and disposals

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

DESCRIPTION	AMOUNT \$
Subaru XV Hybrids x 10	454,419
Mitsubishi Outlander x 3	111,051
Toyota RAV4 GX Hybrid	40,982
43 Cloten Road Deposit	50,000
Accommodation Refurbishment Project WIP	17,511
Office Security System WIP	27,333

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

DESCRIPTION	AMOUNT \$
Mazda CX 3	18,348
MG Essence	19,130
Subaru XV x 3	50,443
Toyota Hilux x 3	69,139

## Local Authorities (Members' Interests) Act 1968

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

CODE	CREDITOR NAME	ADDRESS	DATE ESTABLISHED
4150	Tony Cutting Digital	PO Box 57157, Mana, Porirua	1-Aug-22
4152	White, Mr Mathew	72 Cordelia Street, Stratford	1-Aug-22
4153	Sanctuaries of New Zealand Incorporated	2 Kokako Grove, RD1, Henderson	2-Aug-22
4154	Mullan, Mr Phillip	442 Kina Road, RD 31, Opunake	2-Aug-22
4157	Grant Thornton New Zealand Limited	152 Fanshawe Street, Auckland	5-Aug-22
4158	Wellness Designs Pty Ltd	PO Box 5171, Daisy Hill, Queensland	5-Aug-22
4159	Social Pinpoint Pty Ltd	119 Beumont Street, Hamilton, Australia	5-Aug-22
4160	O'Neill, Mr Zane	1870 Egmont Road, RD 6, Inglewood	10-Aug-22
4161	Victoria University of Wellington	PO Box 600, Wellington	10-Aug-22
4162	BeatsonHill Limited	22 McNicol Street, Fairfield, Hamilton	10-Aug-22
4163	Vertech	28 Gilmour Street, New Plymouth	10-Aug-22
4164	Ralph Vosseler Trust Account	PO Box 271, Stratford	10-Aug-22
4165	Bella Vista Motel - Nelson	178 Tahunanui Drive, Nelson	11-Aug-22
4168	Storepro Solutions Ltd	PO Box 73036, Airport Oaks, Auckland	22-Aug-22
4169	B&R Dairy Ltd	106 Brewer Road, Waitotara	22-Aug-22
4170	Ngati Awa Tourism	15 The Strand, Whakatane	22-Aug-22
4171	Anchorage Resort	346 Lake Terrace, Taupo	23-Aug-22
4172	DMW Holdings Ltd T/A NZ Binding	20 Richmond Heights, Tauranga	30-Aug-22
4173	Bentley (2020) Limited	64 Linton Street, Palmerston North	31-Aug-22
4174	Payne, JR & AC	9 Portland Place, Poraiti, Napier	31-Aug-22
4175	Mould Inspections NZ Ltd	28 Carribean Place, Papamoa	31-Aug-22

Notes:

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

## Financial delegations

The following payments were made during the period to 31 August 2022 that exceeded the budgeted approved delegated authority levels:

DESCRIPTION	AMOUNT \$
Nil	

## Aged debtors analysis

The total debtors outstanding at 31 August 2022 were aged as follows:

DESCRIPTION	AMOUNT \$	PERCENT %
Current balance	5,136,206	83
30 days balance	530,147	9
60 days balance	80,076	1
90 days and over balance	468,058	7
<b>Total debtors</b>	<b>6,214,487</b>	<b>100</b>

## Reserves

As at 31 August 2022 the following reserve balances were held:

DESCRIPTION	AMOUNT \$
Contingency/Disaster Reserve	1,086,000
North Taranaki/Waitara River Control Scheme Reserve	1,564,162
South Taranaki Rivers Control Scheme Reserve	16,528
Dividend Equalisation Reserve	5,240,945
Egmont National Park Control Reserve	713,000
Endowment Land Sales Reserve	2,935,000
Waitara Lands Act 2018 Reserve	20,135,995
<b>Total reserves</b>	<b>31,691,629</b>

## Borrowings

The total LGFA borrowings at 31 August 2022 were as follows:

MATURITY DATE	AMOUNT \$	INTEREST RATE %
17/11/2022	5,000,000	3.4
15/04/2024	2,000,000	1.4
15/04/2025	1,000,000	4.0
15/04/2026	1,000,000	2.5
15/04/2026	1,000,000	3.3
15/04/2026	2,000,000	3.7
15/04/2027	1,500,000	2.6
15/04/2027	1,000,000	3.8
15/05/2028	3,000,000	1.3
20/04/2029	2,000,000	4.2
<b>Total debtors</b>	<b>19,500,000</b>	<b>2.9*</b>

All borrowings are in accordance with the *Liability Management Policy*. \*Weighted average interest rate

## Borrowing limits

Council borrowings against policy limits at 31 August 2022 were as follows:

ITEM	REQUIRED PERFORMANCE	ACTUAL PERFORMANCE
Net Debt/Total Revenue	≤225%	-16.2%
Net Interest/Total Revenue	≤15%	-0.4%
Net Interest/Annual Rates Income	<20%	-1.2%
Liquidity	>110%	238.6%
Debt Cap	\$55 million	\$19.5 million



## Bank and investment balances

As at 31 August 2022 the following cash, bank and investment balances were held:

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
<b>BNZ:</b>							
Call Account	4		950,685			0.3	On Call
Current Account	1		315,838			0.1	On Call
Waitara Lands Account	1		328,610			0.1	On Call
Waitara Lands Term Investment	2		536,854			2.3	25/11/2022
Waitara Lands Term Investment	5		1,384,406			2.2	7/11/2022
<b>Total BNZ</b>	<b>13</b>	<b>50</b>	<b>3,516,393</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>ASB:</b>							
Cheque Account			10				On Call
Waitara Lands Term Investment	2		540,196			1.8	30/09/2022
Waitara Lands Term Investment	8		2,169,684			2.7	07/11/2022
Waitara Lands Term Investment	4		1,183,017			1.6	09/11/2022
Waitara Lands Term Investment	16		4,442,331			3.2	30/01/2023
<b>Total ASB</b>	<b>31</b>	<b>50</b>	<b>8,335,237</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>Westpac:</b>							
Waitara Lands Account	0		488			0.1	On Call
Term Investment	6		1,520,379			3.2	31/03/2023
Term Investment	7		2,017,635			4.5	21/03/2023
Waitara Lands Term Investment	10		2,713,085			1.9	06/10/2022
Waitara Lands Term Investment	8		2,294,510			2.8	20/01/2023
Waitara Lands Term Investment	8		2,285,073			3.9	22/12/2022
<b>Total Westpac</b>	<b>40</b>	<b>50</b>	<b>10,831,170</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>TSB:</b>							
Cheque Accounts			733			0.0	On Call
Call Account			83,324			0.5	On Call
Term Investment	6		1,637,517			1.9	09/10/2022
Waitara Lands Term Investment	8		2,257,742			3.1	31/01/2023
<b>Total TSB</b>	<b>14</b>	<b>25</b>	<b>3,979,315</b>	<b>15,000,000</b>	<b>A-</b>		

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
LGFA:							
Borrower Notes x 9	1	Unlimited	362,500	Unlimited	N/A	2.4	Various
<b>Total</b>	<b>100</b>		<b>27,024,615</b>			<b>2.9*</b>	

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



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SEPTEMBER 2022

# MONTHLY FINANCIAL REPORT

TARANAKI REGIONAL COUNCIL





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## Executive summary

### Financial performance

FINANCIAL INDICATORS					
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%					
Total revenue		Operating expenditure		Operating surplus/deficit	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:		Council’s total revenue less operating expenditure:	
Actual YTD:	Trend:	Actual YTD:	Trend:	Actual YTD:	Trend:
\$7.0M	\$3732.2K under budget ↓	\$10.1M	\$316.2K over budget ↑	\$-3.1M	\$4048.4K behind budget ↓
Against a YTD budget of \$10.7M and a full year budget of \$46.6M.		Against a YTD budget of \$9.8M and a full year budget of \$47.5M.		Against a YTD budget of \$0.9M and a full year budget of \$-1.0M.	

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

### Commentary and variances

The financial year has started well. The September 2022 deficit is due to the Port Taranaki Limited dividend not being received until October 2022 (a month later than planned).



## Key

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

### Introduction

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

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

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

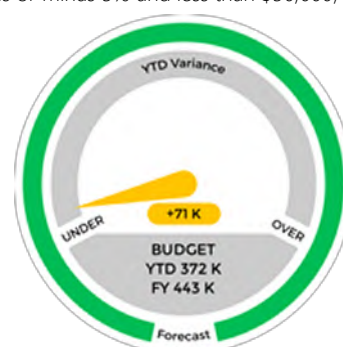
### For each Group of Activities:

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

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

The key components of each dial are:

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



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

## Statement of comprehensive revenue and expense

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

	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Cost of services</b>							
Resource management	1,660,575	1,609,435	-51,140	4,736,106	4,414,378	-321,728	23,726,046
Biosecurity and biodiversity	688,961	729,678	40,717	1,578,392	1,631,221	52,829	8,012,037
Transport	471,728	531,724	59,996	1,539,492	1,564,585	25,093	6,407,534
Hazard management	77,640	86,552	8,912	222,956	260,366	37,410	1,097,123
Recreation culture and heritage	290,030	265,367	-24,663	1,442,395	1,411,040	-31,355	5,633,158
Regional representation advocacy and investment management	173,380	159,452	-13,928	534,868	477,415	-57,453	2,128,388
<b>Total operating expenditure</b>	<b>3,362,314</b>	<b>3,382,208</b>	<b>19,894</b>	<b>10,054,208</b>	<b>9,759,005</b>	<b>-295,203</b>	<b>47,004,286</b>
<b>Revenue from exchange transactions</b>							
Direct charges revenue	328,569	320,855	7,714	1,017,536	975,315	42,221	5,048,875
Rent revenue	112,460	110,000	2,460	400,904	330,000	70,904	1,260,000
Dividends	0	4,000,000	-4,000,000	0	4,000,000	-4,000,000	8,000,000
<b>Revenue from non-exchange transactions</b>							
General rates revenue	0	0	0	2,950,334	2,950,334	0	11,801,335
Targeted rates revenue	0	0	0	1,191,446	1,191,453	-6	4,765,811
Direct charges revenue	117,277	195,111	-77,834	342,308	602,483	-260,175	11,229,886
Government grants	243,087	194,091	48,996	847,012	582,273	264,739	3,750,071
Vested assets	0	0	0	0	0	0	0
<b>Total income</b>	<b>801,393</b>	<b>4,820,057</b>	<b>-4,018,664</b>	<b>6,749,542</b>	<b>10,631,858</b>	<b>-3,882,316</b>	<b>45,855,978</b>
<b>Operating surplus/(deficit) before finance income/expenses &amp; taxation</b>	<b>-2,560,921</b>	<b>1,437,849</b>	<b>-3,998,770</b>	<b>-3,304,667</b>	<b>872,853</b>	<b>-4,177,520</b>	<b>-1,148,308</b>
Finance income	60,366	16,666	43,700	222,914	72,781	150,133	655,659
Finance expense	0	0	0	-43,804	-22,783	21,021	455,659
Net finance expense	60,366	16,666	43,700	179,110	49,998	129,112	200,000
<b>Operating surplus before taxation</b>	<b>-2,500,555</b>	<b>1,454,515</b>	<b>-3,955,070</b>	<b>-3,125,556</b>	<b>922,851</b>	<b>-4,048,407</b>	<b>-948,308</b>
<b>Other gains/losses</b>							
Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0
<b>Operating surplus before taxation</b>	<b>-2,500,555</b>	<b>1,454,515</b>	<b>-3,955,070</b>	<b>-3,125,556</b>	<b>922,851</b>	<b>-4,048,407</b>	<b>-948,308</b>
Income tax expense	0	0	0	0	0	0	10,000
<b>Surplus/(deficit) for the period</b>	<b>-2,500,555</b>	<b>1,454,515</b>	<b>-3,955,070</b>	<b>-3,125,556</b>	<b>922,851</b>	<b>-4,048,407</b>	<b>-958,308</b>
<b>Other comprehensive income</b>							
Revaluation of property, plant and equipment	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating surplus/(deficit)</b>	<b>-2,500,555</b>	<b>1,454,515</b>	<b>-3,955,070</b>	<b>-3,125,556</b>	<b>922,851</b>	<b>-4,048,407</b>	<b>-958,308</b>

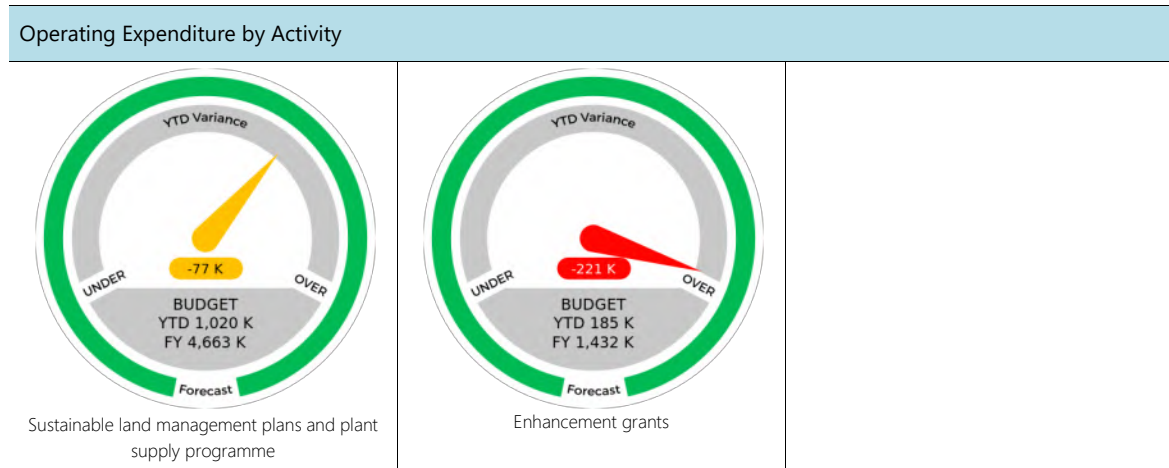
## Resource management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$1.3M	\$88.7K over budget ↑	\$4.7M	\$321.7K over budget ↓
Against a YTD budget of 1.2M and a full year budget of 13.1M.		Against a YTD budget of 4.4M and a full year budget of 23.7M.	

Operating Expenditure by Activity					
<p>Resource management planning</p>	<p>Consent processing and administration</p>	<p>Compliance monitoring programmes</p>			
<p>Pollution incidence and response</p>	<p>State of the environment monitoring</p>	<p>Resource investigations and projects</p>			

RESOURCE MANAGEMENT



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

Commentary and variances

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

Enhancement grants - \$221,073 over budget due to the timing of STRESS expenditure. This is expected to be on budget at year end.

## RESOURCE MANAGEMENT

## Cost of services statement

RESOURCE MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Resource management planning	94,772	107,726	12,954	288,679	323,094	34,415	1,347,377
Consent processing and administration	104,952	86,410	-18,542	326,269	272,446	-53,823	1,103,337
Compliance monitoring programmes	405,851	409,305	3,454	1,229,843	1,218,607	-11,236	5,116,784
Pollution incidents and response	99,124	99,087	-37	304,174	295,559	-8,615	1,240,059
State of the environment monitoring	294,879	309,333	14,454	890,387	921,253	30,866	3,850,072
Resource investigations and projects	57,175	59,266	2,091	192,912	177,908	-15,004	730,565
Sustainable land management plans and plant supply programme	459,803	436,275	-23,528	1,097,327	1,020,094	-77,233	4,662,752
Waitara River catchment	0	0	0	25	0	-25	4,243,214
Enhancement grants	144,018	102,033	-41,985	406,490	185,417	-221,073	1,431,886
<b>Total expenditure</b>	<b>1,660,575</b>	<b>1,609,435</b>	<b>-51,140</b>	<b>4,736,106</b>	<b>4,414,378</b>	<b>-321,728</b>	<b>23,726,046</b>
<b>Income</b>							
General rates	655,399	655,399	0	1,729,840	1,729,840	0	5,676,920
Direct charges	396,783	378,734	18,049	1,234,970	1,166,102	68,868	12,019,971
Government grants	0	0	0	19,817	0	19,817	1,116,000
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	-44,298	0	-44,298	-123,311	0	-123,311	-70,000
Investment funds	652,691	575,302	77,389	1,874,790	1,518,436	356,354	4,983,155
<b>Total income</b>	<b>1,660,575</b>	<b>1,609,435</b>	<b>51,140</b>	<b>4,736,106</b>	<b>4,414,378</b>	<b>321,728</b>	<b>23,726,046</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$45.8K under budget ↓	\$1.6M	\$52.8K under budget ↑
Against a YTD budget of 0.1M and a full year budget of 2.9M.		Against a YTD budget of 1.6M and a full year budget of 8.0M.	

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

### Commentary and variances

Overall biosecurity and biodiversity expenditure is on budget. Material activity variances (> or < than \$100,000) are:

Towards Predator-Free Taranaki - \$103,407 under budget due to lower rural and urban project costs. This is forecast to be back on budget by year end.



## Cost of services statement

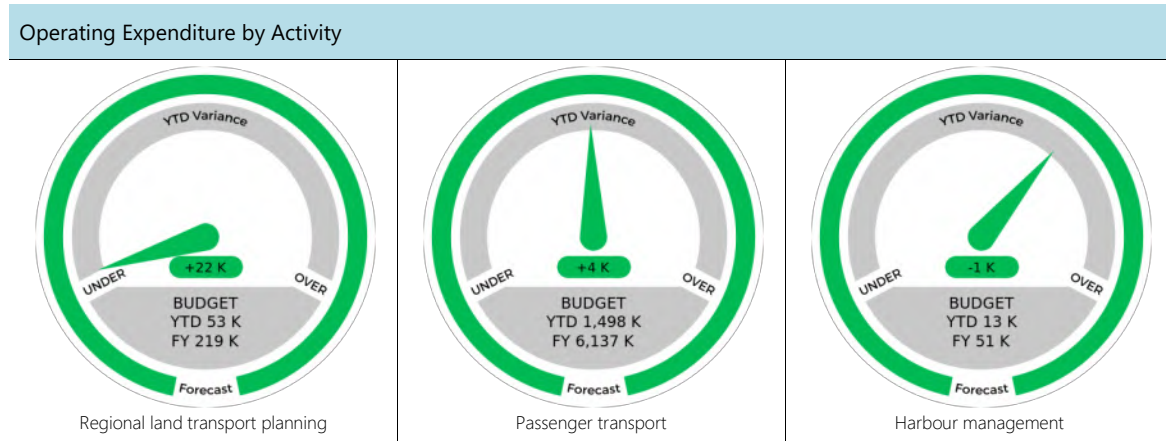
BIOSECURITY AND BIODIVERSITY							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Biosecurity and biodiversity planning	6,356	7,317	961	19,344	21,906	2,562	91,458
Biosecurity/pest management	180,047	174,534	-5,513	543,345	497,160	-46,185	2,521,459
Biodiversity	358,173	362,661	4,488	595,544	588,589	-6,955	1,884,343
Towards Predator-Free Taranaki	144,385	185,166	40,781	420,159	523,566	103,407	3,514,777
<b>Total expenditure</b>	<b>688,961</b>	<b>729,678</b>	<b>40,717</b>	<b>1,578,392</b>	<b>1,631,221</b>	<b>52,829</b>	<b>8,012,037</b>
<b>Income</b>							
General rates	378,110	378,110	0	837,271	837,271	0	2,614,240
Direct charges	3,939	19,667	-15,728	13,194	59,001	-45,807	2,853,038
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	250,000
Investment funds	306,913	331,901	-24,988	727,927	734,949	-7,022	2,294,759
<b>Total income</b>	<b>688,961</b>	<b>729,678</b>	<b>-40,717</b>	<b>1,578,392</b>	<b>1,631,221</b>	<b>-52,829</b>	<b>8,012,037</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TRANSPORT

# Transport

## Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): <span style="color: yellow;">●</span> ≥5% and <span style="color: red;">●</span> <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$1.0M	\$156.5K over budget 	\$1.5M	\$25.1K under budget 
Against a YTD budget of 0.9M and a full year budget of 3.8M.		Against a YTD budget of 1.6M and a full year budget of 6.4M.	



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

### Commentary and variances

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

Government grants revenue - \$244,923 over budget mainly due to government subsidised half price fares.



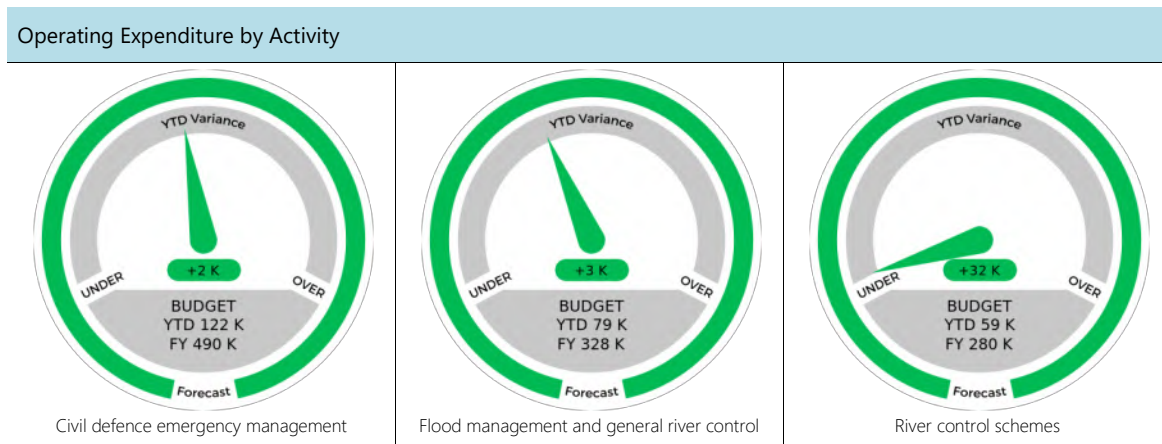
## Cost of services statement

TRANSPORT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional land transport planning	12,630	18,335	5,705	31,530	53,429	21,899	219,484
Passenger transport	450,098	501,639	51,541	1,494,256	1,498,406	4,150	6,137,050
Harbour management	9,000	11,750	2,750	13,706	12,750	-956	51,000
<b>Total expenditure</b>	<b>471,728</b>	<b>531,724</b>	<b>59,996</b>	<b>1,539,492</b>	<b>1,564,585</b>	<b>25,093</b>	<b>6,407,534</b>
<b>Income</b>							
General rates	129,532	129,532	0	129,002	129,002	0	433,062
Targeted rates	0	0	0	456,876	456,876	0	1,827,505
Direct charges	68,298	94,399	-26,101	194,809	283,197	-88,388	1,132,757
Government grants	243,087	194,091	48,996	827,196	582,273	244,923	2,634,071
Government grants for capital	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	30,812	113,702	-82,890	-68,391	113,237	-181,628	380,139
<b>Total income</b>	<b>471,728</b>	<b>531,724</b>	<b>-59,996</b>	<b>1,539,492</b>	<b>1,564,585</b>	<b>-25,093</b>	<b>6,407,534</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Hazard management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$0.3K over budget ↑	\$0.2M	\$37.4K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.0M.		Against a YTD budget of 0.3M and a full year budget of 1.1M.	



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

### Commentary and variances

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

## HAZARD MANAGEMENT

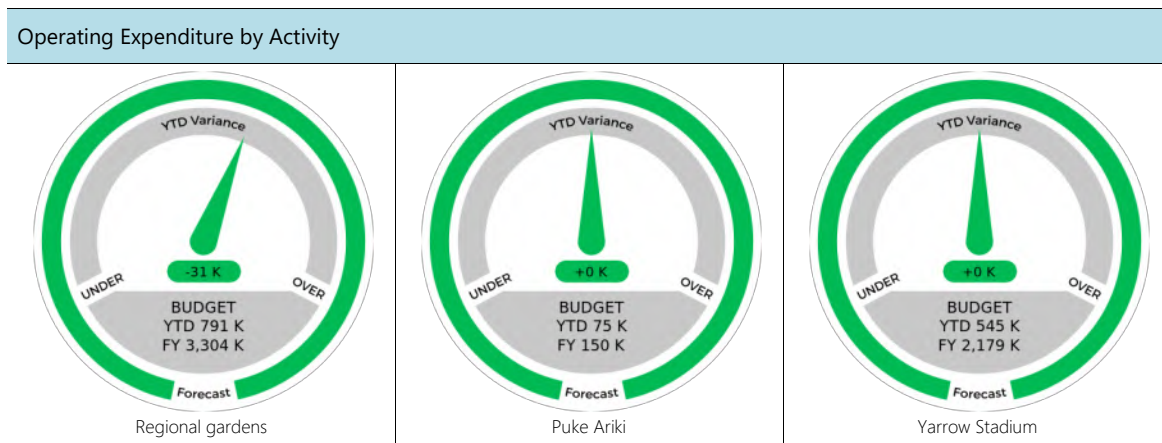
## Cost of services statement

HAZARD MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Civil defence emergency management	40,066	40,800	734	120,197	122,400	2,203	489,600
Flood management and general river control	26,374	26,160	-214	75,757	79,204	3,447	327,965
River control schemes	11,201	19,592	8,391	27,002	58,762	31,760	279,558
<b>Total expenditure</b>	<b>77,640</b>	<b>86,552</b>	<b>8,912</b>	<b>222,956</b>	<b>260,366</b>	<b>37,410</b>	<b>1,097,123</b>
<b>Income</b>							
General rates	46,092	46,092	0	47,941	47,941	0	249,385
Targeted rates	0	0	0	189,909	189,910	-1	759,637
Direct charges	89	0	89	268	0	268	0
Government grants	0	0	0	0	0	0	0
Transfer from reserves	19,076	0	19,076	32,859	0	32,859	0
Transfer to reserves	0	0	0	-173,151	0	-173,151	(52,536)
Investment funds	12,383	40,460	-28,077	144,698	42,084	102,614	218,909
<b>Total income</b>	<b>77,640</b>	<b>86,552</b>	<b>-8,912</b>	<b>242,525</b>	<b>279,935</b>	<b>-37,410</b>	<b>1,175,395</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,569</b>	<b>19,569</b>	<b>0</b>	<b>78,272</b>

## Recreation, culture and heritage

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$33.0K under budget ↓	\$1.4M	\$31.4K over budget ↓
Against a YTD budget of 0.1M and a full year budget of 0.2M.		Against a YTD budget of 1.4M and a full year budget of 5.6M.	



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

### Commentary and variances

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

## Cost of services statement

RECREATION CULTURE AND HERITAGE							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional gardens	290,030	265,367	-24,663	822,728	791,373	-31,355	3,304,489
Puke Ariki	0	0	0	75,000	75,000	0	150,000
Yarrow Stadium	0	0	0	544,667	544,667	0	2,178,669
<b>Total expenditure</b>	<b>290,030</b>	<b>265,367</b>	<b>-24,663</b>	<b>1,442,395</b>	<b>1,411,040</b>	<b>-31,355</b>	<b>5,633,158</b>
<b>Income</b>							
General rates	131,777	131,777	0	432,754	432,754	0	1,725,161
Targeted rates	0	0	0	544,661	544,667	-6	2,178,669
Direct charges	6,000	17,917	-11,917	20,747	53,751	-33,004	214,995
Investment funds	152,253	115,673	36,580	444,233	379,868	64,365	1,514,333
<b>Total income</b>	<b>290,030</b>	<b>265,367</b>	<b>24,663</b>	<b>1,442,395</b>	<b>1,411,040</b>	<b>31,355</b>	<b>5,633,158</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT

## Regional representation, advocacy and investment management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● $\geq 5\%$ and ● $< 10\% \geq 10\%$			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$10.1K under budget ↓	\$0.5M	\$57.5K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.1M.		Against a YTD budget of 0.5M and a full year budget of 2.1M.	

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

### Commentary and variances

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

## Cost of services statement

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Investment management	0	500	500	0	1,500	1,500	6,000
Community engagement	46,184	44,466	-1,718	160,950	132,202	-28,748	552,938
Advocacy and response	30,087	32,897	2,810	91,956	99,264	7,308	412,402
Governance	97,109	81,589	-15,520	281,961	244,449	-37,512	1,157,048
<b>Total expenditure</b>	<b>173,380</b>	<b>159,452</b>	<b>-13,928</b>	<b>534,868</b>	<b>477,415</b>	<b>-57,453</b>	<b>2,128,388</b>
<b>Income</b>							
General rates	82,341	82,341	0	246,522	246,522	0	1,102,565
Direct charges	235	4,833	-4,598	4,391	14,499	-10,108	58,000
Investment funds	90,803	72,278	18,525	283,955	216,394	67,561	967,823
<b>Total income</b>	<b>173,380</b>	<b>159,452</b>	<b>13,928</b>	<b>534,868</b>	<b>477,415</b>	<b>57,453</b>	<b>2,128,388</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of financial position

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

	Month End Actual \$	2022/2023 Estimates \$	2021/2022 Annual Report \$
<b>Current Assets</b>			
Cash and cash equivalents	3,332,226	427,054	5,361,260
Current portion of investments	25,040,540	-	26,265,052
Trade and other receivables	5,075,927	2,040,000	5,289,916
Inventories	286,006	153,000	286,006
Prepayments	363,380	102,000	283,282
Work in progress	669,893	408,000	223,182
<b>Total current assets</b>	<b>34,767,972</b>	<b>3,130,054</b>	<b>37,708,698</b>
<b>Non-current assets</b>			
Treasury investments	362,500	14,895,467	362,500
Port Taranaki Ltd	26,000,000	26,000,000	26,000,000
Civic Assurance Ltd	1,000	1,000	1,000
Regional Software Holdings Ltd	798,118	798,118	798,118
Loan to Taranaki Stadium Trust	19,500,000	30,000,000	14,500,000
Investment properties	22,054,000	19,559,000	22,054,000
Intangible assets	288,373	2,124,951	348,084
Property plant and equipment	37,167,084	40,486,196	35,810,413
Deferred tax asset	185,656	80,499	185,656
<b>Total non-current assets</b>	<b>106,356,731</b>	<b>133,945,231</b>	<b>100,059,771</b>
<b>Total assets</b>	<b>141,124,704</b>	<b>137,075,285</b>	<b>137,768,469</b>
<b>Current liabilities</b>			
Trade and other payables	9,224,555	5,100,000	9,768,148
Work-in-progress	3,262,467	612,000	1,342,707
Employee entitlements current	1,330,200	1,173,000	1,224,576
Borrowings	5,000,000	-	-
<b>Total current liabilities</b>	<b>18,817,222</b>	<b>6,885,000</b>	<b>12,335,431</b>
<b>Non-current liabilities</b>			
Employee entitlements term	336,080	575,382	336,080
Borrowings	14,500,000	30,000,000	14,500,000
<b>Total non-current liabilities</b>	<b>14,836,080</b>	<b>30,575,382</b>	<b>14,836,080</b>
<b>Total liabilities</b>	<b>33,653,302</b>	<b>37,460,382</b>	<b>27,171,511</b>
<b>Public equity</b>			
Retained earnings	69,740,128	67,557,209	73,129,288
Reserves	31,716,851	26,840,822	31,453,248
Asset revaluation reserves	6,014,422	5,216,872	6,014,422
<b>Total public equity</b>	<b>107,471,401</b>	<b>99,614,903</b>	<b>110,596,958</b>
<b>Total liabilities and equity</b>	<b>141,124,704</b>	<b>137,075,285</b>	<b>137,768,469</b>



## Capital expenditure and disposals

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

DESCRIPTION	AMOUNT \$
Mitsubishi Triton	42,517
Skoda Superb	48,613
43 Cloten Road Settlement	450,000
Office Security System WIP	22,976

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

DESCRIPTION	AMOUNT \$
Holden Equinox	11,304
Hyundai Kona	12,174
Mitsubishi Outlander	18,348
Subaru XV x 2	33,043

## Local Authorities (Members' Interests) Act 1968

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

CODE	CREDITOR NAME	ADDRESS	DATE ESTABLISHED
4176	Air Quality Consulting Limited	9A Cajero Place, Green Bay, Auckland	1-Sep-22
4177	Chateau Marlborough Hotel	95-117 High Street, Blenheim	1-Sep-22
4178	Steven & Suzanne Hale Partnership	3379 Tarata Road, RD 7, Inglewood	5-Sep-22
4179	M Eliason Trust No 1	759 Palmer Road, RD 29, Kaponga	5-Sep-22
4180	Jordans Land Company Limited	PO Box 305, Stratford	5-Sep-22
4181	Kellymount Holdings Trust	148 Victoria Road, RD 21, Stratford	5-Sep-22
4182	Fitzherbert Rowe	65 Rangitikei Street, Palmerston north	8-Sep-22
4183	Downes & Batten Ltd t/as Auto Salvage	7A Euclid Street, New Plymouth	8-Sep-22
4188	Trappers Cyanide 2017 Limited	121 McLeods Road, RD 7, Rangiora	16-Sep-22
4189	Matthews Eyecare - New Plymouth	100 Devon Street East, New Plymouth	19-Sep-22
4190	Shenton, R C & C A	PO Box 109, Urenui	19-Sep-22
4191	Basins Environmental Limited	PO Box 190, Tairua	19-Sep-22
4192	Stoney Creek (Est 1994) (Clothing) Ltd	PO Box 13246, Tauranga	19-Sep-22
4193	Mitchell, Bernice	82 Cordelia Street, Stratford	19-Sep-22
4196	Te Kahui Maru Trust	PO Box 202, Inglewood	20-Sep-22
4197	Hurley, G J & L J	249 Wilson Road, RD 2, Patea	21-Sep-22
4198	Element 82 Limited	PO Box 300313, Albany, Auckland	21-Sep-22
4199	Rural Couriers Society Limited t/a Coural	PO Box 1233, Palmerston North	22-Sep-22
4200	Grow Native NZ Limited	6 Fitzroy Road, New Plymouth	23-Sep-22
4201	Opunake High School	PO Box 4, Opunake	27-Sep-22
4202	Farnsworth Roofing 2018 Limited	PO Box 7058, New Plymouth	28-Sep-22
4203	Till Henderson - Trust Account	15 Robe Street, New Plymouth	28-Sep-22
4204	AndCranny Limited	4 Smith Road, New Plymouth	30-Sep-22

Notes:

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

## Financial delegations

The following payments were made during the period to 30 September 2022 that exceeded the budgeted approved delegated authority levels:

DESCRIPTION	AMOUNT \$
Nil	

## Aged debtors analysis

The total debtors outstanding at 30 September 2022 were aged as follows:

DESCRIPTION	AMOUNT \$	PERCENT %
Current balance	3,021,633	76
30 days balance		
60 days balance	434,892	11
90 days and over balance	539,384	13
<b>Total debtors</b>	<b>3,995,909</b>	<b>100</b>

## Reserves

As at 30 September 2022 the following reserve balances were held:

DESCRIPTION	AMOUNT \$
Contingency/Disaster Reserve	1,086,000
North Taranaki/Waitara River Control Scheme Reserve	1,545,086
South Taranaki Rivers Control Scheme Reserve	16,528
Dividend Equalisation Reserve	5,240,945
Egmont National Park Control Reserve	713,000
Endowment Land Sales Reserve	2,935,000
Waitara Lands Act 2018 Reserve	20,180,293
<b>Total reserves</b>	<b>31,716,851</b>

## Borrowings

The total LGFA borrowings at 30 September 2022 were as follows:

MATURITY DATE	AMOUNT \$	INTEREST RATE %
17/11/2022	5,000,000	3.4
15/04/2024	2,000,000	1.4
15/04/2025	1,000,000	4.0
15/04/2026	1,000,000	2.5
15/04/2026	1,000,000	3.3
15/04/2026	2,000,000	3.7
15/04/2027	1,500,000	2.6
15/04/2027	1,000,000	3.8
15/05/2028	3,000,000	1.3
20/04/2029	2,000,000	4.2
<b>Total borrowings</b>	<b>19,500,000</b>	<b>2.9*</b>

All borrowings are in accordance with the *Liability Management Policy*. \*Weighted average interest rate

## Borrowing limits

Council borrowings against policy limits at 30 September 2022 were as follows:

ITEM	REQUIRED PERFORMANCE	ACTUAL PERFORMANCE
Net Debt/Total Revenue	≤225%	-19.9%
Net Interest/Total Revenue	≤15%	-0.4%
Net Interest/Annual Rates Income	<20%	-1.2%
Liquidity	>110%	247.4%
Debt Cap	\$55 million	\$19.5 million

## Bank and investment balances

As at 30 September 2022 the following cash, bank and investment balances were held:

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
<b>BNZ:</b>							
Call Account	8		2,252,051			0.3	On Call
Current Account	2		666,820			0.1	On Call
Waitara Lands Account	1		328,651			0.1	On Call
Waitara Lands Term Investment	2		537,863			2.3	25/11/2022
Waitara Lands Term Investment	5		1,386,892			2.2	7/11/2022
<b>Total BNZ</b>	<b>18</b>	<b>50</b>	<b>5,172,276</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>ASB:</b>							
Cheque Account			10				On Call
Waitara Lands Term Investment	2		540,993			3.5	30/03/2023
Waitara Lands Term Investment	8		2,174,370			2.7	07/11/2022
Waitara Lands Term Investment	4		1,184,531			1.6	09/11/2022
Waitara Lands Term Investment	15		4,453,836			3.2	30/01/2023
<b>Total ASB</b>	<b>29</b>	<b>50</b>	<b>8,353,739</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>Westpac:</b>							
Waitara Lands Account	0		489			0.1	On Call
Term Investment	5		1,524,348			3.2	31/03/2023
Term Investment	7		2,024,983			4.5	21/03/2023
Waitara Lands Term Investment	9		2,717,289			1.9	06/10/2022
Waitara Lands Term Investment	8		2,299,680			2.8	20/01/2023
Waitara Lands Term Investment	8		2,292,315			3.9	22/12/2022
<b>Total Westpac</b>	<b>38</b>	<b>50</b>	<b>10,859,104</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>TSB:</b>							
Cheque Accounts			733			0.0	On Call
Call Account			83,473			0.5	On Call
Term Investment	6		1,640,055			1.9	09/10/2022
Waitara Lands Term Investment	8		2,263,386			3.1	31/01/2023
<b>Total TSB</b>	<b>14</b>	<b>25</b>	<b>3,987,647</b>	<b>15,000,000</b>	<b>A-</b>		

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
LGFA:							
Borrower Notes x 9	1	Unlimited	362,500	Unlimited	N/A	2.4	Various
<b>Total</b>	<b>100</b>		<b>28,735,266</b>			<b>2.9*</b>	

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



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OCTOBER 2022

# MONTHLY FINANCIAL REPORT

TARANAKI REGIONAL COUNCIL





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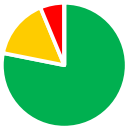


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## Executive summary

### Financial performance

FINANCIAL INDICATORS					
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%					
Total revenue		Operating expenditure		Operating surplus/deficit	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:		Council’s total revenue less operating expenditure:	
Actual YTD:	Trend:	Actual YTD:	Trend:	Actual YTD:	Trend:
\$12.2M	\$652.4K over budget ↑	\$13.5M	\$641.4K over budget ↓	\$-1.3M	\$11.0K ahead of budget ↑
Against a YTD budget of \$11.5M and a full year budget of \$46.6M.		Against a YTD budget of \$12.8M and a full year budget of \$47.5M.		Against a YTD budget of \$-1.3M and a full year budget of \$-1.0M.	

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

### Commentary and variances

As at 31 October 2022, the overall financial result is on budget.

## Key

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

### Introduction

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

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

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

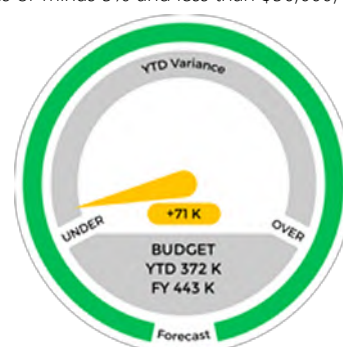
### For each Group of Activities:

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

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

The key components of each dial are:

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



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

## Statement of comprehensive revenue and expense

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

	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Cost of services</b>							
Resource management	1,716,906	1,509,987	-206,919	6,453,012	5,924,365	-528,647	23,726,046
Biosecurity and biodiversity	577,344	483,627	-93,717	2,155,736	2,114,848	-40,888	8,012,037
Transport	467,603	516,989	49,386	2,007,095	2,081,574	74,479	6,407,534
Hazard management	70,516	99,726	29,210	293,471	360,092	66,621	1,097,123
Recreation culture and heritage	270,072	278,865	8,793	1,712,467	1,689,905	-22,562	5,633,158
Regional representation advocacy and investment management	154,519	159,204	4,685	689,387	636,619	-52,768	2,128,388
<b>Total operating expenditure</b>	<b>3,256,960</b>	<b>3,048,398</b>	<b>-208,562</b>	<b>13,311,169</b>	<b>12,807,403</b>	<b>-503,766</b>	<b>47,004,286</b>
<b>Revenue from exchange transactions</b>							
Direct charges revenue	412,422	320,855	91,567	1,429,958	1,296,170	133,788	5,048,875
Rent revenue	109,525	110,000	-475	510,429	440,000	70,429	1,260,000
Dividends	4,000,000	0	4,000,000	4,000,000	4,000,000	0	8,000,000
<b>Revenue from non-exchange transactions</b>							
General rates revenue	0	0	0	2,950,334	2,950,334	0	11,801,335
Targeted rates revenue	0	0	0	1,191,446	1,191,453	-6	4,765,811
Direct charges revenue	245,896	195,111	50,785	588,205	797,594	-209,389	11,229,886
Government grants	262,742	194,091	68,651	1,109,754	776,364	333,390	3,750,071
Vested assets	0	0	0	0	0	0	0
<b>Total income</b>	<b>5,030,585</b>	<b>820,057</b>	<b>4,210,528</b>	<b>11,780,126</b>	<b>11,451,915</b>	<b>328,211</b>	<b>45,855,978</b>
<b>Operating surplus/(deficit) before finance income/expenses &amp; taxation</b>	<b>1,773,624</b>	<b>-2,228,341</b>	<b>4,001,965</b>	<b>-1,531,042</b>	<b>-1,355,488</b>	<b>-175,554</b>	<b>-1,148,308</b>
Finance income	190,724	16,666	174,058	413,638	89,447	324,191	655,659
Finance expense	-116,650	0	116,650	-160,454	-22,783	137,671	455,659
Net finance expense	74,074	16,666	57,408	253,184	66,664	186,520	200,000
<b>Operating surplus before taxation</b>	<b>1,847,698</b>	<b>-2,211,675</b>	<b>4,059,373</b>	<b>-1,277,858</b>	<b>-1,288,824</b>	<b>10,966</b>	<b>-948,308</b>
<b>Other gains/losses</b>							
Gains/(losses) on revaluation of properties	0	0	0	0	0	0	0
<b>Operating surplus before taxation</b>	<b>1,847,698</b>	<b>-2,211,675</b>	<b>4,059,373</b>	<b>-1,277,858</b>	<b>-1,288,824</b>	<b>10,966</b>	<b>-948,308</b>
Income tax expense	0	0	0	0	0	0	10,000
<b>Surplus/(deficit) for the period</b>	<b>1,847,698</b>	<b>-2,211,675</b>	<b>4,059,373</b>	<b>-1,277,858</b>	<b>-1,288,824</b>	<b>10,966</b>	<b>-958,308</b>
<b>Other comprehensive income</b>							
Revaluation of property, plant and equipment	0	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating surplus/(deficit)</b>	<b>1,847,698</b>	<b>-2,211,675</b>	<b>4,059,373</b>	<b>-1,277,858</b>	<b>-1,288,824</b>	<b>10,966</b>	<b>-958,308</b>

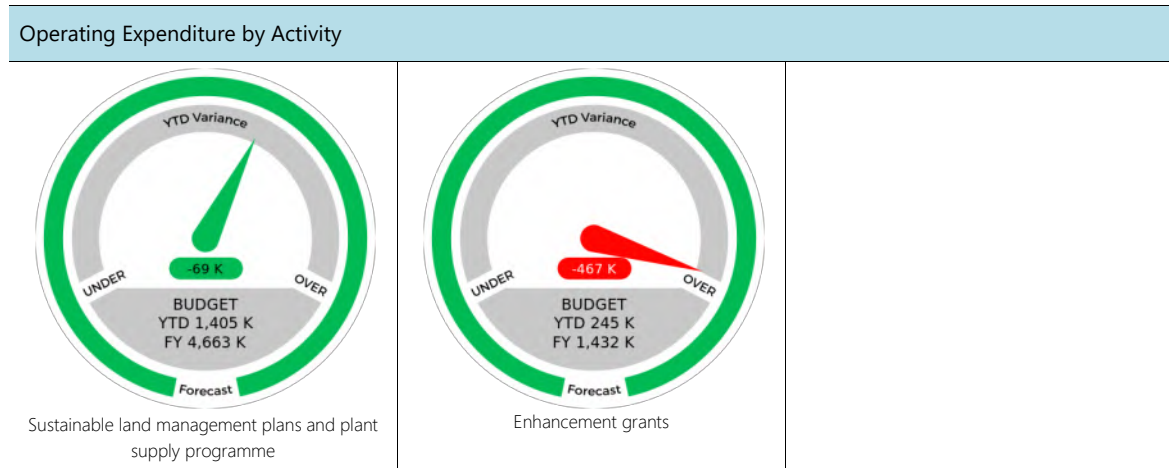
## Resource management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$1.8M	\$295.7K over budget ↑	\$6.5M	\$528.6K over budget ↓
Against a YTD budget of 1.5M and a full year budget of 13.1M.		Against a YTD budget of 5.9M and a full year budget of 23.7M.	

Operating Expenditure by Activity					
<p>Resource management planning</p>	<p>Consent processing and administration</p>	<p>Compliance monitoring programmes</p>			
<p>Pollution incidence and response</p>	<p>State of the environment monitoring</p>	<p>Resource investigations and projects</p>			

RESOURCE MANAGEMENT



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

Commentary and variances

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

Consent processing and administration - \$108,154 over budget due to increased workload and demand in resource consents.

Enhancement grants - \$467,470 over budget due to the timing of STRESS expenditure. This is expected to be on budget at year end.

Direct charges revenue - \$257,857 over budget mainly due to Waitara Lands reserve revenue and plant sales being received earlier than budgeted.

## RESOURCE MANAGEMENT

## Cost of services statement

RESOURCE MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Resource management planning	87,840	108,576	20,736	376,519	431,670	55,151	1,347,377
Consent processing and administration	141,082	86,751	-54,331	467,351	359,197	-108,154	1,103,337
Compliance monitoring programmes	386,176	406,565	20,389	1,616,018	1,625,172	9,154	5,116,784
Pollution incidents and response	97,798	98,987	1,189	401,973	394,546	-7,427	1,240,059
State of the environment monitoring	275,708	306,045	30,337	1,166,095	1,227,298	61,203	3,850,072
Resource investigations and projects	45,200	58,536	13,336	238,112	236,444	-1,668	730,565
Sustainable land management plans and plant supply programme	376,717	384,539	7,822	1,474,044	1,404,633	-69,411	4,662,752
Waitara River catchment	0	0	0	25	0	-25	4,243,214
Enhancement grants	306,385	59,988	-246,397	712,875	245,405	-467,470	1,431,886
<b>Total expenditure</b>	<b>1,716,906</b>	<b>1,509,987</b>	<b>-206,919</b>	<b>6,453,012</b>	<b>5,924,365</b>	<b>-528,647</b>	<b>23,726,046</b>
<b>Income</b>							
General rates	602,438	602,438	0	2,332,278	2,332,278	0	5,676,920
Direct charges	585,723	378,734	206,989	1,820,693	1,544,836	275,857	12,019,971
Government grants	0	0	0	19,817	0	19,817	1,116,000
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	-49,282	0	-49,282	-172,593	0	-172,593	-70,000
Investment funds	578,026	528,815	49,211	2,452,817	2,047,251	405,566	4,983,155
<b>Total income</b>	<b>1,716,906</b>	<b>1,509,987</b>	<b>206,919</b>	<b>6,453,012</b>	<b>5,924,365</b>	<b>528,647</b>	<b>23,726,046</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Biosecurity and biodiversity

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$61.9K under budget ↓	\$2.2M	\$40.9K over budget ↓
Against a YTD budget of 0.1M and a full year budget of 2.9M.		Against a YTD budget of 2.1M and a full year budget of 8.0M.	

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

### Commentary and variances

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





## BIOSECURITY AND BIODIVERSITY

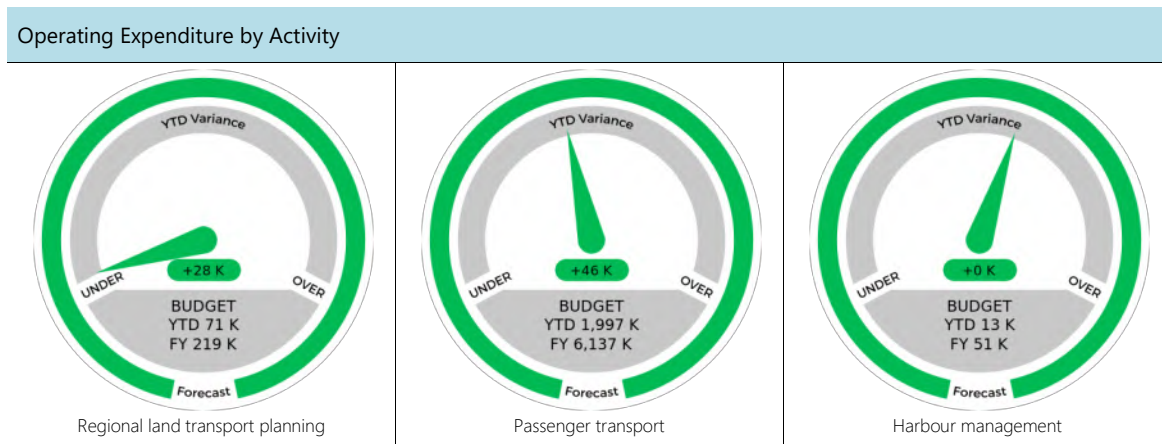
## Cost of services statement

BIOSECURITY AND BIODIVERSITY							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Biosecurity and biodiversity planning	5,751	7,377	1,626	25,095	29,283	4,188	91,458
Biosecurity/pest management	154,579	164,661	10,082	697,924	661,821	-36,103	2,521,459
Biodiversity	115,207	126,234	11,027	710,751	714,823	4,072	1,884,343
Towards Predator-Free Taranaki	301,808	185,355	-116,453	721,967	708,921	-13,046	3,514,777
<b>Total expenditure</b>	<b>577,344</b>	<b>483,627</b>	<b>-93,717</b>	<b>2,155,736</b>	<b>2,114,848</b>	<b>-40,888</b>	<b>8,012,037</b>
<b>Income</b>							
General rates	247,077	247,077	0	1,084,348	1,084,348	0	2,614,240
Direct charges	3,608	19,667	-16,059	16,802	78,668	-61,866	2,853,038
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	250,000
Investment funds	326,659	216,883	109,776	1,054,586	951,832	102,754	2,294,759
<b>Total income</b>	<b>577,344</b>	<b>483,627</b>	<b>93,717</b>	<b>2,155,736</b>	<b>2,114,848</b>	<b>40,888</b>	<b>8,012,037</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Transport

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): <span style="color: yellow;">●</span> ≥5% and <span style="color: red;">●</span> <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$1.3M	\$185.7K over budget 	\$2.0M	\$74.5K under budget 
Against a YTD budget of 1.2M and a full year budget of 3.8M.		Against a YTD budget of 2.1M and a full year budget of 6.4M.	



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

### Commentary and variances

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

Direct charges revenue - \$127,839 under budget due to the impact of half price fares.

Government grants revenue - \$313,573 over budget due to increased claims because of half price bus fares, higher mobility trips and early infrastructure costs.

## TRANSPORT

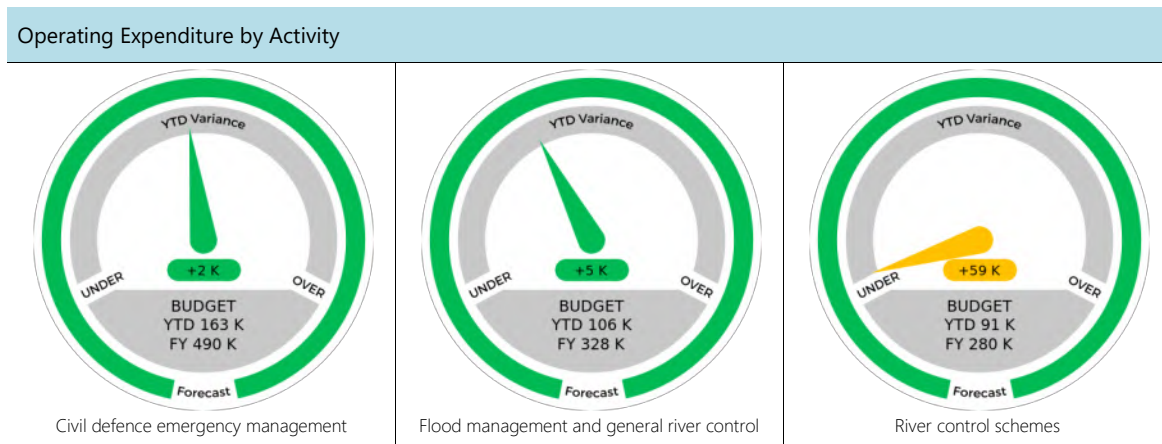
## Cost of services statement

TRANSPORT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional land transport planning	11,045	17,586	6,541	42,575	71,015	28,440	219,484
Passenger transport	456,558	498,903	42,345	1,950,814	1,997,309	46,495	6,137,050
Harbour management	0	500	500	13,706	13,250	-456	51,000
<b>Total expenditure</b>	<b>467,603</b>	<b>516,989</b>	<b>49,386</b>	<b>2,007,095</b>	<b>2,081,574</b>	<b>74,479</b>	<b>6,407,534</b>
<b>Income</b>							
General rates	121,685	121,685	0	250,687	250,687	0	433,062
Targeted rates	0	0	0	456,876	456,876	0	1,827,505
Direct charges	54,948	94,399	-39,451	249,757	377,596	-127,839	1,132,757
Government grants	262,742	194,091	68,651	1,089,937	776,364	313,573	2,634,071
Government grants for capital	0	0	0	0	0	0	0
Transfer from reserves	0	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0	0
Investment funds	28,229	106,814	-78,585	-40,163	220,051	-260,214	380,139
<b>Total income</b>	<b>467,603</b>	<b>516,989</b>	<b>-49,386</b>	<b>2,007,095</b>	<b>2,081,574</b>	<b>-74,479</b>	<b>6,407,534</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Hazard management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$0.4K over budget ↑	\$0.3M	\$66.6K under budget ↑
Against a YTD budget of 0.0M and a full year budget of 0.0M.		Against a YTD budget of 0.4M and a full year budget of 1.1M.	



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

### Commentary and variances

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

## HAZARD MANAGEMENT

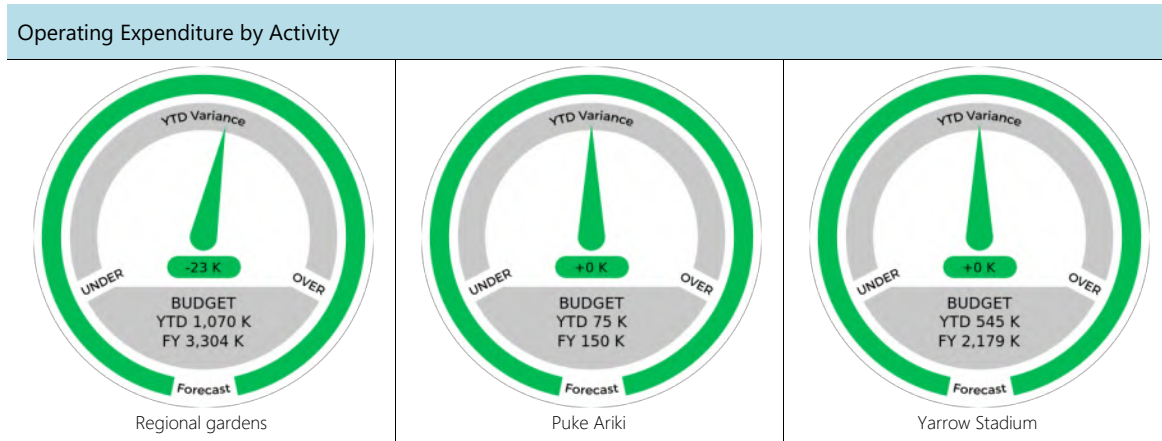
## Cost of services statement

HAZARD MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Civil defence emergency management	40,800	40,800	0	160,997	163,200	2,203	489,600
Flood management and general river control	25,078	27,098	2,020	100,834	106,302	5,468	327,965
River control schemes	4,638	31,828	27,190	31,640	90,590	58,950	279,558
<b>Total expenditure</b>	<b>70,516</b>	<b>99,726</b>	<b>29,210</b>	<b>293,471</b>	<b>360,092</b>	<b>66,621</b>	<b>1,097,123</b>
<b>Income</b>							
General rates	53,108	53,108	0	101,049	101,049	0	249,385
Targeted rates	0	0	0	189,909	189,910	-1	759,637
Direct charges	89	0	89	358	0	358	0
Government grants	0	0	0	0	0	0	0
Transfer from reserves	12,124	0	12,124	44,983	0	44,983	0
Transfer to reserves	0	0	0	-173,151	0	-173,151	(52,536)
Investment funds	5,194	46,618	-41,424	149,892	88,702	61,190	218,909
<b>Total income</b>	<b>70,516</b>	<b>99,726</b>	<b>-29,210</b>	<b>313,040</b>	<b>379,661</b>	<b>-66,621</b>	<b>1,175,395</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,569</b>	<b>19,569</b>	<b>0</b>	<b>78,272</b>

## Recreation, culture and heritage

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council's activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.1M	\$26.9K over budget ↑	\$1.7M	\$22.6K over budget ↓
Against a YTD budget of 0.1M and a full year budget of 0.2M.		Against a YTD budget of 1.7M and a full year budget of 5.6M.	



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

### Commentary and variances

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

## RECREATION, CULTURE AND HERITAGE

## Cost of services statement

RECREATION CULTURE AND HERITAGE							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Regional gardens	270,072	278,865	8,793	1,092,800	1,070,238	-22,562	3,304,489
Puke Ariki	0	0	0	75,000	75,000	0	150,000
Yarrow Stadium	0	0	0	544,667	544,667	0	2,178,669
<b>Total expenditure</b>	<b>270,072</b>	<b>278,865</b>	<b>8,793</b>	<b>1,712,467</b>	<b>1,689,905</b>	<b>-22,562</b>	<b>5,633,158</b>
<b>Income</b>							
General rates	138,965	138,965	0	571,719	571,719	0	1,725,161
Targeted rates	0	0	0	544,661	544,667	-6	2,178,669
Direct charges	77,796	17,917	59,879	98,543	71,668	26,875	214,995
Investment funds	53,311	121,983	-68,672	497,544	501,851	-4,307	1,514,333
<b>Total income</b>	<b>270,072</b>	<b>278,865</b>	<b>-8,793</b>	<b>1,712,467</b>	<b>1,689,905</b>	<b>22,562</b>	<b>5,633,158</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Regional representation, advocacy and investment management

### Financial performance

FINANCIAL INDICATORS			
Financial threshold key (for adverse variances): ● ≥5% and ● <10% ≥10%			
Total revenue		Operating expenditure	
What the Council earns – rates, charges, grants and investment income:		The costs to operate Council’s activities:	
Actual YTD:	Trend:	Actual YTD:	Trend:
\$0.0M	\$14.7K under budget ↓	\$0.7M	\$52.8K over budget ↓
Against a YTD budget of 0.0M and a full year budget of 0.1M.		Against a YTD budget of 0.6M and a full year budget of 2.1M.	

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

### Commentary and variances

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



## REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT

## Cost of services statement

REGIONAL REPRESENTATION, ADVOCACY AND INVESTMENT MANAGEMENT							
	Month			Year to date			2022/2023
	Actual \$	Budget \$	Variance \$	Actual \$	Budget \$	Variance \$	Budget \$
<b>Expenditure</b>							
Investment management	0	500	500	0	2,000	2,000	6,000
Community engagement	32,650	43,939	11,289	193,600	176,141	-17,459	552,938
Advocacy and response	29,736	33,158	3,422	121,692	132,422	10,730	412,402
Governance	92,133	81,607	-10,526	374,095	326,056	-48,039	1,157,048
<b>Total expenditure</b>	<b>154,519</b>	<b>159,204</b>	<b>4,685</b>	<b>689,387</b>	<b>636,619</b>	<b>-52,768</b>	<b>2,128,388</b>
<b>Income</b>							
General rates	82,209	82,209	0	328,731	328,731	0	1,102,565
Direct charges	235	4,833	-4,598	4,627	19,332	-14,705	58,000
Investment funds	72,075	72,162	-87	356,030	288,556	67,474	967,823
<b>Total income</b>	<b>154,519</b>	<b>159,204</b>	<b>-4,685</b>	<b>689,387</b>	<b>636,619</b>	<b>52,768</b>	<b>2,128,388</b>
<b>Operating surplus/(deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of financial position

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

	Month End Actual \$	2022/2023 Estimates \$	2021/2022 Annual Report \$
<b>Current Assets</b>			
Cash and cash equivalents	5,419,918	427,054	5,361,260
Current portion of investments	25,090,202	-	26,265,052
Trade and other receivables	3,159,455	2,040,000	5,289,916
Inventories	286,006	153,000	286,006
Prepayments	511,244	102,000	283,282
Work in progress	819,674	408,000	223,182
<b>Total current assets</b>	<b>35,286,500</b>	<b>3,130,054</b>	<b>37,708,698</b>
<b>Non-current assets</b>			
Treasury investments	362,500	14,895,467	362,500
Port Taranaki Ltd	26,000,000	26,000,000	26,000,000
Civic Assurance Ltd	1,000	1,000	1,000
Regional Software Holdings Ltd	798,118	798,118	798,118
Loan to Taranaki Stadium Trust	22,054,000	30,000,000	14,500,000
Investment properties	19,500,000	19,559,000	22,054,000
Intangible assets	269,480	2,124,951	348,084
Property plant and equipment	37,075,613	40,486,196	35,810,413
Deferred tax asset	185,656	80,499	185,656
<b>Total non-current assets</b>	<b>106,246,368</b>	<b>133,945,231</b>	<b>100,059,771</b>
<b>Total assets</b>	<b>141,532,868</b>	<b>137,075,285</b>	<b>137,768,469</b>
<b>Current liabilities</b>			
Trade and other payables	7,984,475	5,100,000	9,768,148
Work-in-progress	3,056,851	612,000	1,342,707
Employee entitlements current	1,336,363	1,173,000	1,224,576
Borrowings	5,000,000	-	-
<b>Total current liabilities</b>	<b>17,377,689</b>	<b>6,885,000</b>	<b>12,335,431</b>
<b>Non-current liabilities</b>			
Employee entitlements term	336,080	575,382	336,080
Borrowings	14,500,000	30,000,000	14,500,000
<b>Total non-current liabilities</b>	<b>14,836,080</b>	<b>30,575,382</b>	<b>14,836,080</b>
<b>Total liabilities</b>	<b>32,213,769</b>	<b>37,460,382</b>	<b>27,171,511</b>
<b>Public equity</b>			
Retained earnings	71,550,668	67,557,209	73,129,288
Reserves	31,754,009	26,840,822	31,453,248
Asset revaluation reserves	6,014,422	5,216,872	6,014,422
<b>Total public equity</b>	<b>109,319,099</b>	<b>99,614,903</b>	<b>110,596,958</b>
<b>Total liabilities and equity</b>	<b>141,532,868</b>	<b>137,075,285</b>	<b>137,768,469</b>

### Commentary and variances

## Capital expenditure and disposals

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

DESCRIPTION	AMOUNT \$
Subaru Impreza	30,670
Cloten Rd EV Charger	14,539
Thermal Imaging Riflescope	10,016
Mitsubishi Triton	55,268
Accommodation Refurbishment Project WIP	21,589
Office Security System WIP	26,633

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

DESCRIPTION	AMOUNT \$
Kia Stinger	26,304
Subaru XV x 2	28,261
Hyundai Kona X 4	53,043

## Local Authorities (Members' Interests) Act 1968

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

CODE	CREDITOR NAME	ADDRESS	DATE ESTABLISHED
4206	Rumatiki Timu	10 Cracroft Street, Waitara	12-Oct-22
4207	Stott & Co Limited	25 Warwick Road, Stratford	12-Oct-22
4208	Chemwash Taranaki Ltd	PO Box 1004 , New Plymouth	12-Oct-22
4209	NOSH	9 Ganges Road, Khandallah, Wellington	12-Oct-22
4210	River Valley Farm	547 Raupuha Road, RD 22, Stratford	12-Oct-22
4211	Mark Roads Limited	PO Box 238, Urenui	25-Oct-22
4212	Te Popo Trust	397 Stanley Road, RD 24, Stratford	25-Oct-22
4213	Thurlow Properties Limited	263 Waiinu Beach Road, RD 18, Whanganui	25-Oct-22
4214	Abcast Foundry	249 Makino Road, Feilding	25-Oct-22
4215	Fielden Metalworks Ltd	23 Columbia Ave, Christchurch	25-Oct-22
4216	Timber Trail Adventures	PO Box 52, Te Kuiti	25-Oct-22
4217	AUT University	55 Wellesley Street East, Auckland	25-Oct-22
4218	S & S Glass	1207 Manaia Road, RD 29, Hawera	27-Oct-22
4219	Graymile Farms Ltd	1107 Oeo Road, RD 28, Hawera	27-Oct-22
4220	EOS Ecology Limited	PO Box 4262, Christchurch	27-Oct-22
4221	Lu Diamond Flowers	226 St Aubyn Street, New Plymouth	27-Oct-22
4222	Simpower Ltd	PO Box 51783, Pakuranga, Auckland	27-Oct-22
4223	Fowler Family Trust	393 Kaipikari Road Upper, RD 45, Urenui	27-Oct-22
4224	Remarkable Minds Limited	13A Felstead Street, Birkenhead, Auckland	31-Oct-22
4225	Morrison, Mrs Robyn	694 Upper Pitone Road, RD4, New Plymouth	31-Oct-22
4226	Taranaki Rugby Football Union	Maratahu Street, Westown, New Plymouth	31-Oct-22
4227	McColl Construction Ltd	PO Box 1047, Patea	31-Oct-22

Notes:

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

## Financial delegations

The following payments were made during the period to 31 October 2022 that exceeded the budgeted approved delegated authority levels:

DESCRIPTION	AMOUNT \$
Nil	

## Aged debtors analysis

The total debtors outstanding at 31 October 2022 were aged as follows:

DESCRIPTION	AMOUNT \$	PERCENT %
Current balance	1,586,403	61
30 days balance	197,653	8
60 days balance	14,831	1
90 days and over balance	781,509	30
<b>Total debtors</b>	<b>2,580,396</b>	<b>100</b>

## Reserves

As at 31 October 2022 the following reserve balances were held:

DESCRIPTION	AMOUNT \$
Contingency/Disaster Reserve	1,086,000
North Taranaki/Waitara River Control Scheme Reserve	1,532,962
South Taranaki Rivers Control Scheme Reserve	16,528
Dividend Equalisation Reserve	5,240,945
Egmont National Park Control Reserve	713,000
Endowment Land Sales Reserve	2,935,000
Waitara Lands Act 2018 Reserve	20,229,575
<b>Total reserves</b>	<b>31,754,009</b>

## Borrowing

The total LGFA borrowing at 31 October 2022 was as follows:

MATURITY DATE	AMOUNT \$	INTEREST RATE %
17/11/2022	5,000,000	3.4
15/04/2024	2,000,000	1.4
15/04/2025	1,000,000	4.0
15/04/2026	1,000,000	2.5
15/04/2026	1,000,000	3.3
15/04/2026	2,000,000	3.7
15/04/2027	1,500,000	2.6
15/04/2027	1,000,000	3.8
15/05/2028	3,000,000	1.3
20/04/2029	2,000,000	4.2
<b>Total borrowings</b>	<b>19,500,000</b>	<b>2.9*</b>

All borrowings are in accordance with the *Liability Management Policy*. \*Weighted average interest rate

## Borrowing limits

Council borrowing against policy limits at 31 October 2022 was as follows:

ITEM	REQUIRED PERFORMANCE	ACTUAL PERFORMANCE
Net Debt/Total Revenue	≤225%	-24.5%
Net Interest/Total Revenue	≤15%	-0.4%
Net Interest/Annual Rates Income	<20%	-1.2%
Liquidity	>110%	258.3%
Debt Cap	\$55 million	\$19.5 million

## Bank and investment balances

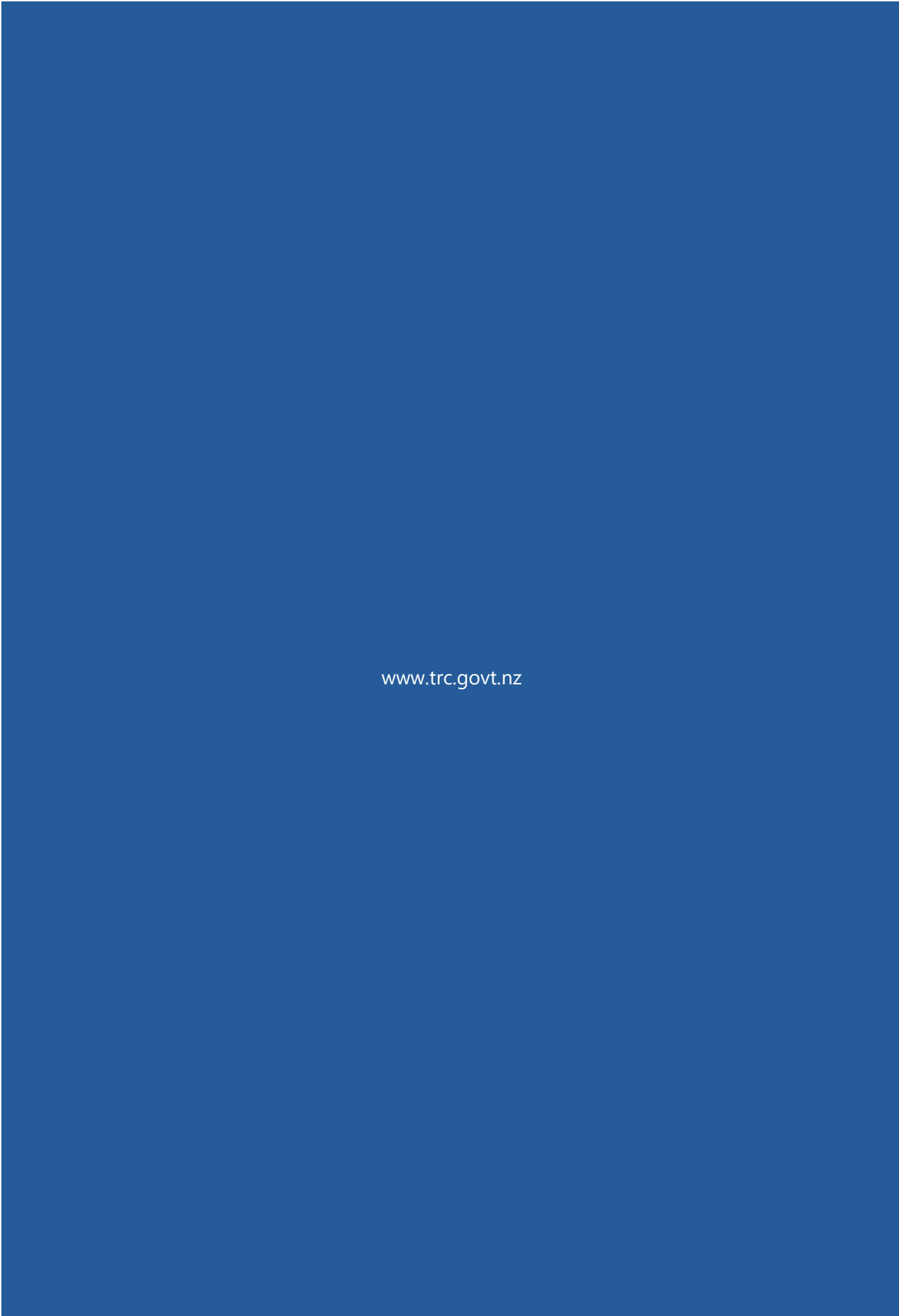
As at 31 October 2022 the following cash, bank and investment balances were held:

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
<b>BNZ:</b>							
Call Account	10		3,010,368			0.3	On Call
Current Account	6		1,980,539			0.1	On Call
Waitara Lands Account	1		328,693			0.1	On Call
Waitara Lands Term Investment	2		538,905			2.3	25/11/2022
Waitara Lands Term Investment	5		1,389,461			2.2	7/11/2022
<b>Total BNZ</b>	<b>23</b>	<b>50</b>	<b>7,247,965</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>ASB:</b>							
Cheque Account			10				On Call
Waitara Lands Term Investment	2		542,578			3.5	30/03/2023
Waitara Lands Term Investment	7		2,179,212			2.7	07/11/2022
Waitara Lands Term Investment	4		1,186,095			1.6	09/11/2022
Waitara Lands Term Investment	14		4,465,724			3.2	30/01/2023
<b>Total ASB</b>	<b>27</b>	<b>50</b>	<b>8,373,619</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>Westpac:</b>							
Waitara Lands Account			489			0.1	On Call
Term Investment	5		1,528,451			3.2	31/03/2023
Term Investment	7		2,032,576			4.5	21/03/2023
Waitara Lands Term Investment	9		2,724,379			3.3	06/04/2023
Waitara Lands Term Investment	7		2,305,022			2.8	20/01/2023
Waitara Lands Term Investment	7		2,299,798			3.9	22/12/2022
<b>Total Westpac</b>	<b>35</b>	<b>50</b>	<b>10,890,714</b>	<b>30,000,000</b>	<b>AA-</b>		
<b>TSB:</b>							
Cheque Accounts			733			0.0	On Call
Call Account			99,087			0.5	On Call
Term Investment	5		1,628,783			3.5	09/04/2023
Waitara Lands Term Investment	7		2,269,219			3.1	31/01/2023
<b>Total TSB</b>	<b>13</b>	<b>25</b>	<b>3,997,822</b>	<b>15,000,000</b>	<b>A-</b>		

	% OF TOTAL	COUNCIL POLICY % LIMITS	INVESTED \$	COUNCIL POLICY \$ LIMITS	S&P CREDIT RATING	YIELD %	MATURITY DATE
LGFA:							
Borrower Notes x 9	1	Unlimited	362,500	Unlimited	N/A	2.4	Various
<b>Total</b>	<b>100</b>		<b>30,872,621</b>			<b>3.2*</b>	

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





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**Date** 11 November 2022

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

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

**Document:** 3122869

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### **Purpose**

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

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the August, September and October 2022 health and safety reports.

### **Discussion**

2. The August, September and October 2022 health and safety reports are attached.

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

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

### **Policy considerations**

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

### **Iwi considerations**

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

### **Community considerations**

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

### **Legal considerations**

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

### **Appendices/Attachments**

Document 3122384: August 2022 Health and Safety Dashboard

Document 3122553: September 2022 Health and Safety Dashboard

Document 3122739: October 2022 Health and Safety Dashboard



## Health and Safety Dashboard

Reporting Period:

1 – 31 August 2022

### Incidents (1 July 2022 – 30 June 2023)

<b>Illness 0 (0)</b>	<b>Incidents 3 (6)</b>	<b>Injury 4 (10)</b>
----------------------	------------------------	----------------------

<b>ACC Claims 0 (2)</b>	<b>Near Miss 2 (3)</b>	<b>Notifiable 0 (0)</b>
-------------------------	------------------------	-------------------------

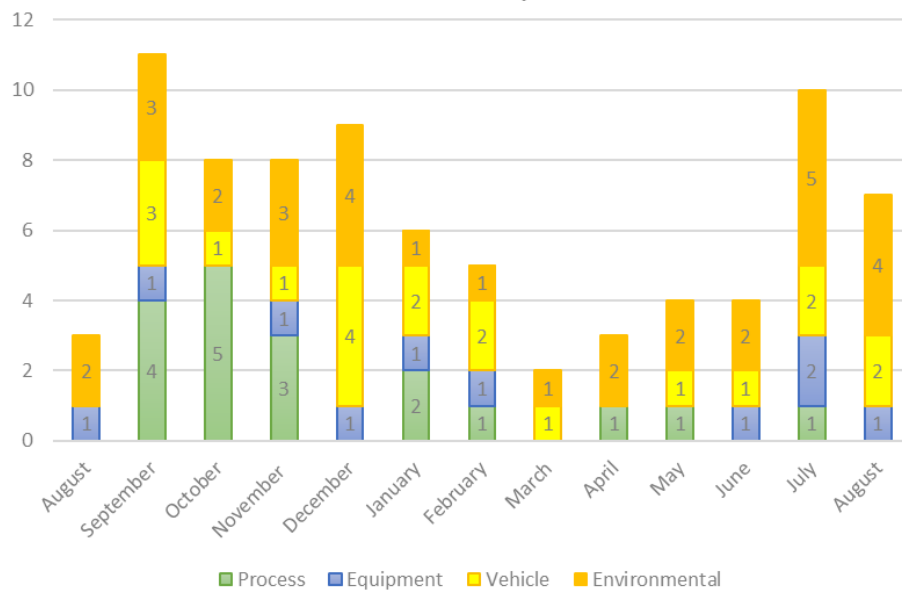
### Types of Incidents and Injuries

Slips/Trips/Falls (no injury)	
Sprains/Strains	1
Cuts/Abrasions	3
Bruising	
Near Miss	
Vehicle Damage	3
Insect Stings	
Other	2

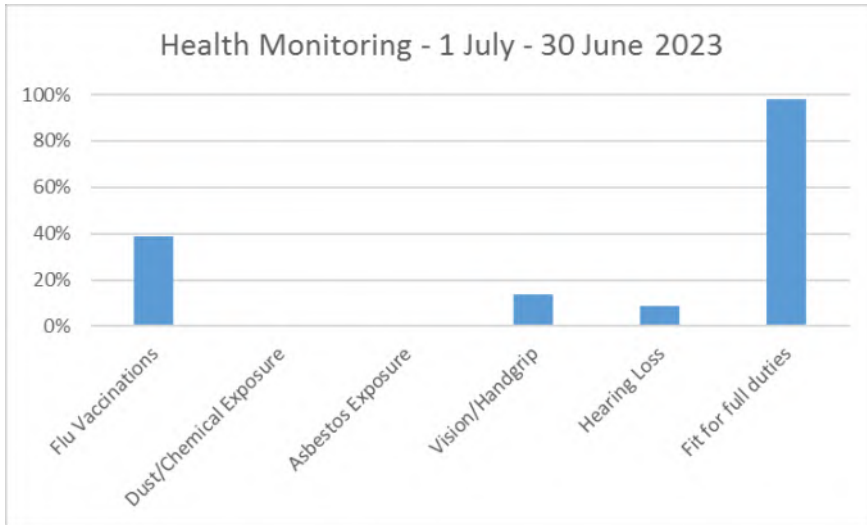
No Treatment	1
First Aid	3
Medical Centre	
Physiotherapy/Osteopath	
Hospitalisation	

Formal Investigation	
WorkSafe Investigation	

Incidents and Near Misses by Incident Mechanism



## Health and Wellbeing

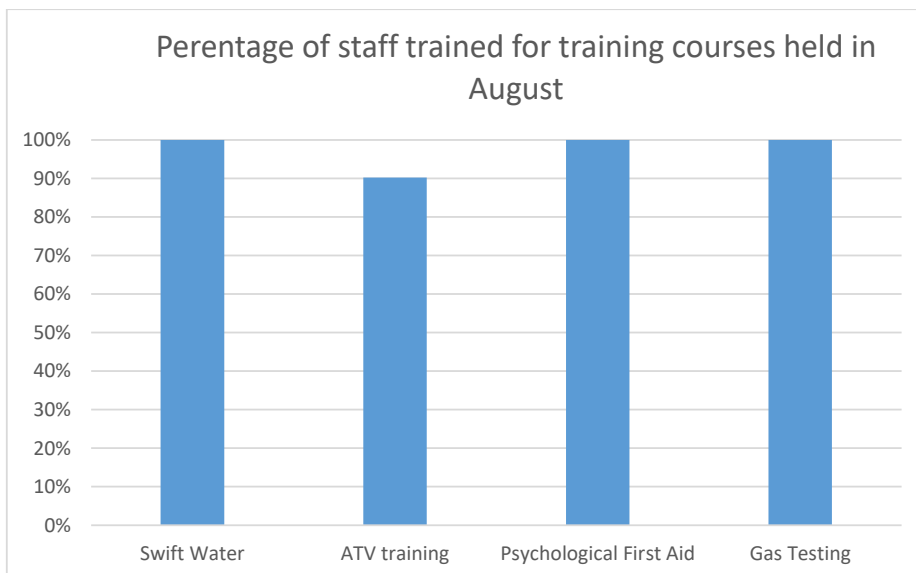


Due to COVID-19, the Council is unable to complete monitoring of dust, chemical or asbestos exposure to our staff. 4 Return to Work plans are in place, only 1 is work-related.

## Health and Safety Objectives Update

### Work in Progress

Standard Operating Procedures and Competency Framework is in development for some of our activities.





## Health and Safety Dashboard

Reporting Period:

1 – 30 September 2022

### Incidents (1 July 2022 – 30 June 2023)

<b>Illness 0 (0)</b>	<b>Incidents 3 (9)</b>	<b>Injury 0 (10)</b>
----------------------	------------------------	----------------------

<b>ACC Claims 0 (2)</b>	<b>Near Miss 6 (7)</b>	<b>Notifiable 0 (0)</b>
-------------------------	------------------------	-------------------------

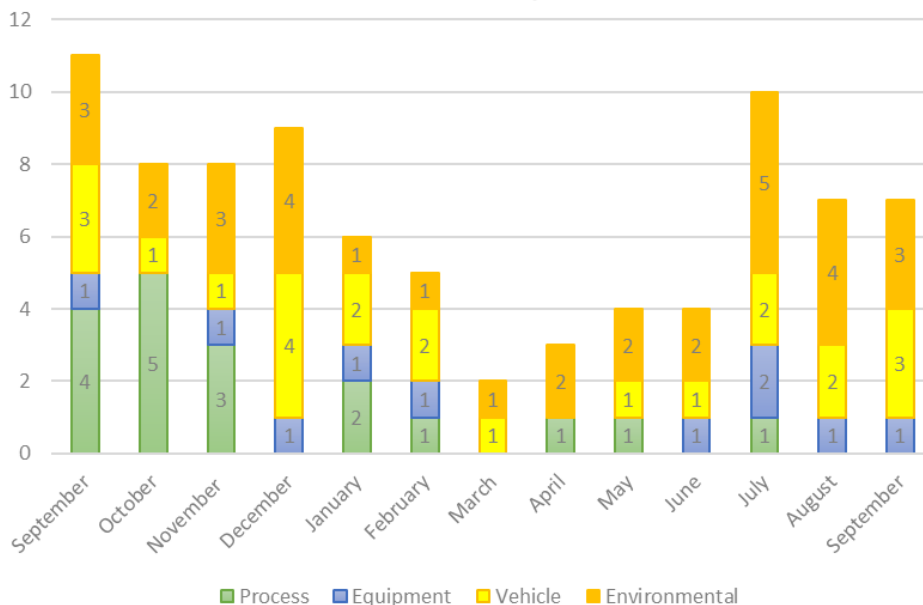
### Types of Incidents and Injuries

Slips/Trips/Falls (no injury)	1
Sprains/Strains	
Cuts/Abrasions	
Bruising	
Near Miss	1
Vehicle Damage	3
Insect Stings	
Other	2

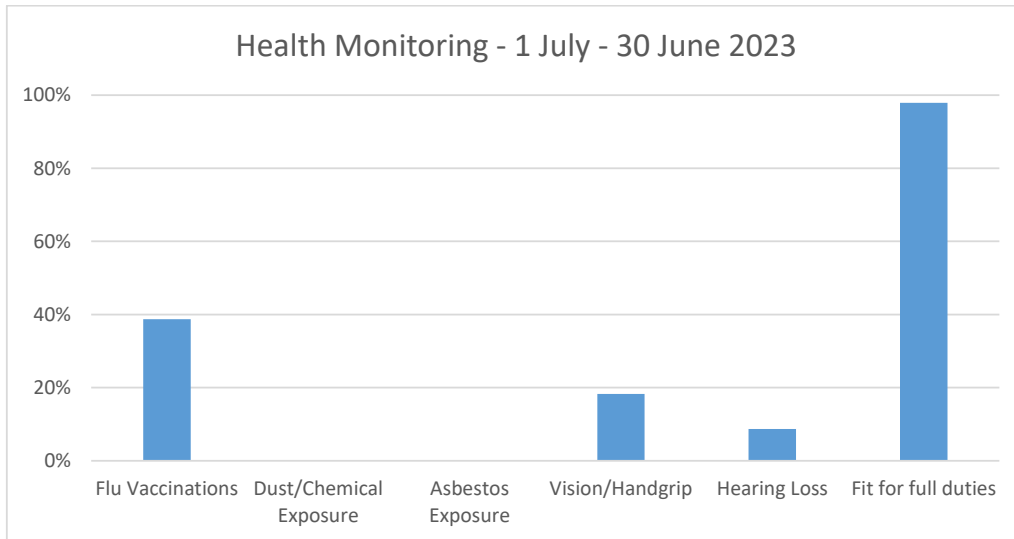
No Treatment	
First Aid	
Medical Centre	
Physiotherapy/Osteopath	
Hospitalisation	

Formal Investigation	
WorkSafe Investigation	

Incidents and Near Misses by Incident Mechanism



## Health and Wellbeing

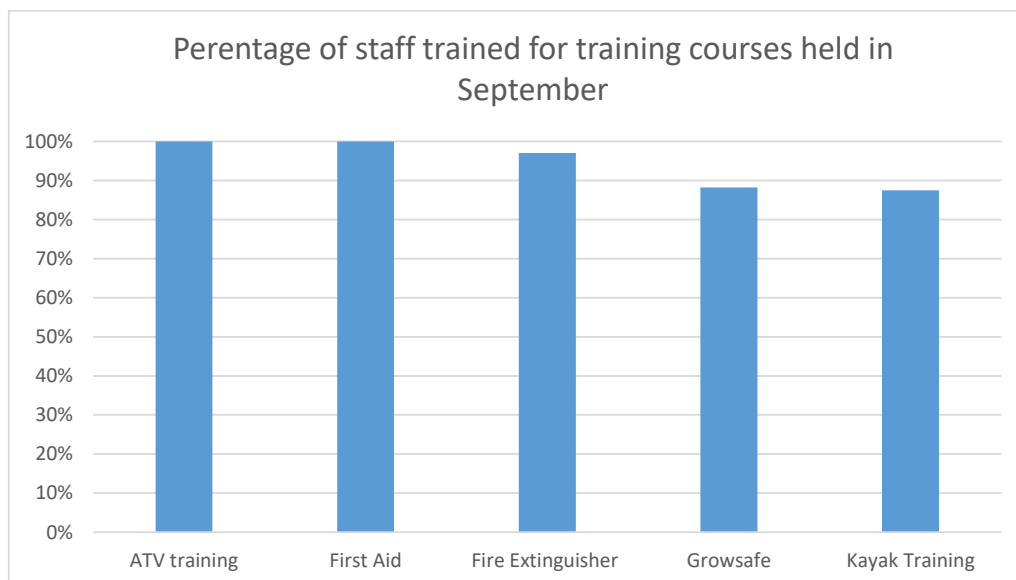


Due to COVID-19, the Council is unable to complete monitoring of dust, chemical or asbestos exposure to our staff. 4 Return to Work plans are in place, only 1 is work-related.

## Health and Safety Objectives Update

### Work in Progress

Molemap skin checks were subsidized for staff in September. Fifty-three staff took up this opportunity, with 1 skin cancer found. Planning underway for Mental Health week.



Critical events or have the potential to be critical

Event	Potential Consequence	Actual Consequence	Potential Controls to implement
Incident – possible vehicle tampered with on farm	High	Low	Reminded staff to check their vehicle (particularly wheels) when they start their journey





## Health and Safety Dashboard

Reporting Period:

1 – 31 October 2022

### Incidents (1 July 2022 – 30 June 2023)

<b>Illness 0 (0)</b>	<b>Incidents 2 (11)</b>	<b>Injury 3 (14)</b>
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<b>ACC Claims 0 (2)</b>	<b>Near Miss 5 (12)</b>	<b>Notifiable 0 (0)</b>
-------------------------	-------------------------	-------------------------

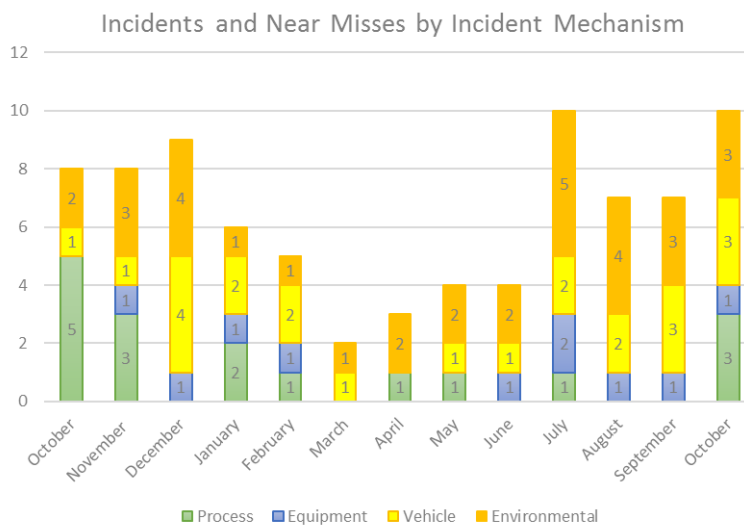
### Types of Incidents and Injuries

Slips/Trips/Falls (no injury)	
Sprains/Strains	2
Cuts/Abrasions	1
Bruising	
Near Miss	4
Vehicle Damage	1
Insect Stings	
Other	2

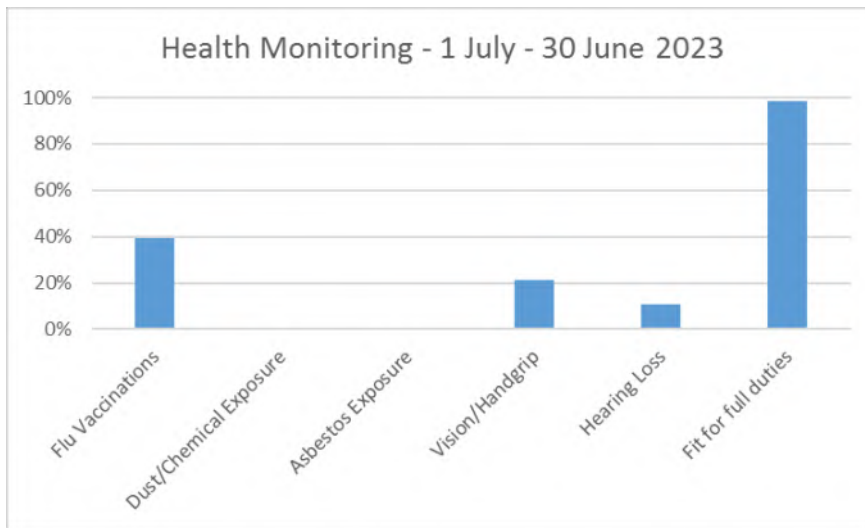
No Treatment	
First Aid	2
Medical Centre	
Physiotherapy/Osteopath	
Hospitalisation	1

Formal Investigation	
WorkSafe Investigation	

\* A staff member had a medical event, during this medical event they injured themselves. While the injury did not require hospitalisation, the medical event did. This event triggered some wrap around support for those in the vicinity of the event.



## Health and Wellbeing



Due to COVID-19, there are now additional H&S requirements to complete monitoring of dust, chemical or asbestos exposure to our staff. 3 Return to Work plans are in place, only 1 is work-related.

## Health and Safety Objectives Update

### Work in Progress

Mental Health awareness week completed. With various activities including webinars, reconnecting with nature, reconnecting with community and a guided nature walks with our Biodiversity officers.

A Wellbeing survey was conducted for the purposes of updating the Wellbeing Strategy.

## Critical events or have the potential to be critical

Event	Potential Consequence	Actual Consequence	Potential Controls to implement
Incident – Vehicle Crash	High	Low	<p>Notice given to all staff who use this parking bay and the risk of turning into it, due to its proximity to a passing lane.</p> <p>This has been added to the driver assessment.</p>



**Date:** 5 December 2022

**Subject:** **Quarterly Operational Report - September 2022**

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

**Document:** 3122860

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### **Purpose**

1. The purpose of this memorandum is to receive and consider the Quarterly Operational Report (QOR) for the quarter ended 30 September 2022.

### **Executive summary**

2. For the quarter ended 30 September 2022, the QOR shows the Council is making good progress on the adopted works programme. There are no new areas of concern that need to be considered by the Council. This level of performance is forecast to continue throughout the rest of 2022/2023.
3. The following performance measures are noted as being orange. That is, performance to date is at risk of not achieving the target or there is a risk that the year-end performance may not be achieved:
  - Provide, on a cost-recovery basis, approximately 400,000 suitable plants for land stabilisation, soil conservation and riparian planting programmes. Riparian plant sales are slightly behind the expected provision. Staff are actively promoting wetland projects that are able to be planted through summer, selling remaining wetland plants held over from May 2022. Contact is being made with larger organisations to promote our plant availability for May 2023.
  - Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (70% of proceeds) toward the restoration, protection, and enhancement of the environmental, cultural and spiritual health and well-being of the Waitara River and the Waitara River catchment. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.
  - Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (30% of proceeds) toward any matter in Waitara or in the lower catchment of the Waitara River. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.

4. The following performance measures are noted as being red. That is, performance to date has not achieved the target or the performance for the rest of the year is unlikely to achieve the target:
  - Nil.

## Recommendations

That the Taranaki Regional Council:

- a) receives the *Quarterly Operational Report for the quarter ended 30 September 2022*.

## Background

5. The purpose of a Quarterly Operational Report (QOR) is to present a snapshot of the Council progressing through the delivery of the programme of activities agreed to in that year's annual plan or long-term plan. It is designed to give a feel for how the Council is progressing and the forecast for the rest of the year.

## Discussion

6. This report covers the first quarter of the 2022/2023 year and reports upon the achievement of the approved programme of work for 2022/2023 as adopted in the *2022/2023 Annual Plan*. The focus of the Report is on operational performance. Financial performance will continue to be reported on a monthly basis through the six-weekly Executive, Audit and Risk Committee meetings.
7. The Report is structured on the format of the performance management framework within the *2021/2031 Long-term plan*. Reporting is based upon each activity within the six groups of activities. The following is included:
  - The objective for that activity
  - Commentary/Highlights – a high-level overview of how that activity is progressing and any indications for future performance. Case studies and/or matters of interest may also be included in this section
  - Outputs/Key performance indicators – these are the annual plan/long-term plan measures for the year together with actual performance to date. “NF” (non-financial status) is the performance year to date and “E” (expected future status) is the forecast for the rest of the year. The colours are as defined below
  - Scoreboard – Outputs/Key performance indicators – this is a graphical representation of how performance is progressing and how it is forecast to progress for the rest of the year. The key is:
    - green – performance is on target for the year or is forecast to remain on target for the year
    - orange – performance to date is at risk of not achieving the target or there is a risk that the year-end performance may not be achieved
    - red – performance to date has not achieved the target or the performance for the rest of the year is unlikely to achieve the target
    - grey – the performance measure has been delayed

- black – reporting on the performance measure has not been updated or the forecast for the rest of the year has not been updated.
  - Further explanation of all performance that is not “on target” is provided.
8. For the quarter ended 30 September 2022, the QOR shows the Council is making good progress on the adopted works programme. There are no new areas of concern that need to be considered by the Council. This level of performance is forecast to continue throughout the rest of 2022/2023.
  9. Except as noted below the Council is achieving all the measures and targets established for 2022/2023 in the *2022/2023 Annual Plan*.
  10. The following performance measures are noted as being orange. That is, performance to date is at risk of not achieving the target or there is a risk that the year-end performance may not be achieved:
    - Provide, on a cost-recovery basis, approximately 400,000 suitable plants for land stabilisation, soil conservation and riparian planting programmes. Riparian plant sales are slightly behind the expected provision. Staff are actively promoting wetland projects that are able to be planted through summer, selling remaining wetland plants held over from May 2022. Contact is being made with larger organisations to promote our plant availability for May 2023.
    - Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (70% of proceeds) toward the restoration, protection, and enhancement of the environmental, cultural and spiritual health and well-being of the Waitara River and the Waitara River catchment. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.
    - Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (30% of proceeds) toward any matter in Waitara or in the lower catchment of the Waitara River. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.
  11. The following performance measures are noted as being red. That is, performance to date has not achieved the target or the performance for the rest of the year is unlikely to achieve the target:
    - Nil.

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

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

### **Policy considerations**

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

**Iwi considerations**

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

**Community considerations**

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

**Legal considerations**

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

**Appendices/Attachments**

Document 3120539: Quarterly Operational Report September 2022



September 2022

# QUARTERLY OPERATIONAL REPORT

TARANAKI REGIONAL COUNCIL

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ISSN 2463-4808  
Document 3120539





## Executive summary

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This is the Quarterly Operational Report (QOR) for the three months ended 30 September 2022. The purpose of a QOR is to present a snapshot of the Council progressing through the delivery of the programme of activities agreed to in that year's annual plan or long-term plan. It is designed to give a feel for how the Council is progressing and the forecast for the rest of the year.

This QOR presents the achievement of the programmes of work established for 2022/2023 in the *2022/2023 Annual Plan*.

Except as noted below the Council is achieving all the measures and targets established for 2022/2023 in the *2022/2023 Annual Plan*.

The following performance measures are noted as being orange. That is, performance to date is at risk of not achieving the target or there is a risk that the year-end performance may not be achieved:

- Provide, on a cost-recovery basis, approximately 400,000 suitable plants for land stabilisation, soil conservation and riparian planting programmes.
- Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (70% of proceeds) toward the restoration, protection, and enhancement of the environmental, cultural and spiritual health and well-being of the Waitara River and the Waitara River catchment. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.
- Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (30% of proceeds) toward any matter in Waitara or in the lower catchment of the Waitara River. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.

The following performance measures are noted as being red. That is, performance to date has not achieved the target or the performance for the rest of the year is unlikely to achieve the target:

- Nil.

## Introduction

---

The purpose of a Quarterly Operational Report (QOR) is to present a snapshot of the Council progressing through the delivery of the programme of activities agreed to in that year's annual plan or long-term plan. It is designed to give a feel for how the Council is progressing and the forecast for the rest of the year.

The QOR is structured in the following manner for each activity within each one of the six groups of activity:

- The objective for that activity
- Commentary/Highlights – a high level overview of how that activity is progressing and any indications for future performance. Case studies and/or matters of interest may also be included in this section.
- Outputs/Key performance indicators – these are the annual plan/long-term plan measures for the year together with actual performance to date. "NF" (non-financial status) is the performance year to date and "E" (expected future status) is the forecast for the rest of the year. The colours are as defined below.
- Scoreboard – Outputs/Key performance indicators – this is a graphical representation of how performance is progressing and how it is forecast to progress for the rest of the year. The key is:
  - green – performance is on target for the year or is forecast to remain on target for the year
  - orange – performance to date is at risk of not achieving the target or there is a risk that the year-end performance may not be achieved
  - red – performance to date has not achieved the target or the performance for the rest of the year is unlikely to achieve the target
  - grey – the performance measure has been delayed
  - black – reporting on the performance measure has not been updated or the forecast for the rest of the year has not been updated.
- Further explanation of all performance that is not "on target" is provided.

## Resource management

### Resource management planning

Preparing, adopting and maintaining comprehensive and publicly considered policies, plans and strategies that will deliver to the Taranaki community, efficient and effective management of the Council's functions and Taranaki's natural and physical resources.

### Commentary/Highlights

The Coastal Plan review is complete with all appeals resolved through mediation. Work on the Natural Resources Plan that will implement the Government's Essential Freshwater programme, is underway. The programme represents a significant shift for the Council and the Taranaki community. Timelines for the project are very tight. Agreement with the iwi leaders group has allowed the Council to support iwi planners to input into the Natural Resources Planning process. The RPS review is underway and, where possible, this document will be incorporated into the Natural Resources Plan. A separate planning process will be required for the RPS.

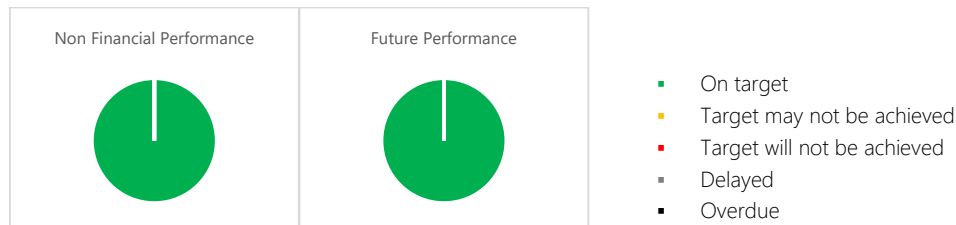
### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
<p>Complete preparation/full reviews and interim reviews of resource management policies, plans and strategies:</p> <p>Regional Policy Statement: Continue the full review in 2022/2023 as part of the development of a combined natural resource management plan</p>	<p>The Regional Policy Statement for Taranaki (RPS) was made operative in January 2010. An interim review of the RPS has been completed, involving the preparation and targeted consultation of an Interim Review Report in 2017. Project brief to commence review of the RPS was received at the Policy and Planning Committee meeting of 1 September with draft provisions being populated into e-Plan format and a public survey and workshop held on the development of a freshwater vision. Draft chapters on indigenous biodiversity, historic and cultural heritage and built environment in progress. Plans to combine the review of the RPS with the Natural Resources Plan have been</p> <p><b>N E</b></p>
<p>Regional Coastal Plan: Full review continued in 2022/2023.</p>	<p>The review is ongoing. A Proposed Coastal Plan and Section 32 evaluation report have been prepared. The Schedule 1 Plan review process continues. Hearing of submissions occurred on 24 July and 1 August 2019. A decision report and revised Plan were adopted and publicly notified. Currently involved in Environment Court mediation regarding 10 appeals on the Proposed Plan. Awaiting notification from Environment Court that all matters of appeal been resolved and changes agreed between the parties have been accepted.</p> <p><b>N E</b></p>
<p>Regional Air Quality Plan: Commence full review in 2020/2021 as part of the development of a combined natural resource management plan.</p>	<p>The review of the Regional Air Quality Plan for Taranaki was completed and made operative on 25 July 2011. A draft interim review report of the efficiency and effectiveness of that Plan has been completed with the report adopted. Decision made to commence an early review of the Air Quality Plan and work is in progress as part of the preparation of a Natural Resources Plan. The air quality section of the plan is well advanced.</p>

Resource management

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Regional Fresh Water and Land Plan: Review continued in 2022/2023 and will form part of the development of a combined natural resource management plan	The reviews of the freshwater and soil plans are ongoing. Focus is on developing and combined provisions into a new Natural Resources Plan that incorporates feedback on an earlier draft Plan, incorporates the findings of more recent engagement and investigations, is aligned with the Proposed Coastal Plan provisions, and will give effect to National Planning Standards. Preparation of the Draft Section 32 Evaluation Report has also commenced, which has been informed by further work and studies, including a review of limits for environmental flows and the effectiveness of riparian management. Progressive Implementation Programme and regional swimmability targets reviewed and adopted. Consultant reports on environmental flows has been received and stakeholder/iwi workshops held. Iwi planners, funded by Council, to assist the process. Currently draft plan provisions being developed to give effect to National Planning Standards and new NPS-FM and NES-F.  

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than "On target"

N/A

Resource management

### Consent processing and administration

Managing the Council's resource consenting responsibilities by efficiently and effectively providing advice on consenting obligations and processing applications.

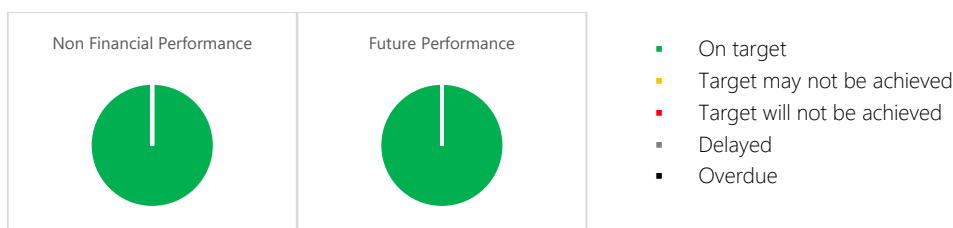
#### Commentary/Highlights

The number of consents processed for the quarter was similar to last year. The 100% consent processing time frame compliance has been maintained, meaning activities are not being delayed. An appeal on the Remediation Hearing Committee decision is before the Environment Court and a long hearing process is underway.

#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Provide accurate and timely information in response to all appropriate requests for assistance in implementing Regional Plan rules.	Timely and appropriate information has been provided for all information requests. <b>N E</b>
Process and determine all of accepted resource consent applications (approximately 300 consents per annum), in compliance with the Resource Management Act 1991, including compliance with statutory timeframes, and the Council's Resource Consents Procedures document.	All of the resource consent applications processed during the month, and during the year to date, were completed in accordance with the statutory procedures of the Act and the Council's Resource Consents Procedures documentation. <b>N E</b>
Successfully defend 100% of consent decisions appealed to the Environment Court.	No consent decisions have been appealed. <b>N E</b>
Minimise the number and duration of resource consent hearings by resolving, through the pre-hearing process, at least 50% of submissions received on resource consent applications.	No applications with submissions processed during the year to date yet. <b>N E</b>

#### Scoreboard – Outputs/Key performance indications



#### Explanation for key performance indications other than "On target"

N/A

Resource management

## Compliance monitoring programmes

Undertaking effective and efficient monitoring of resource consents and, where necessary, undertaking successful enforcement action.

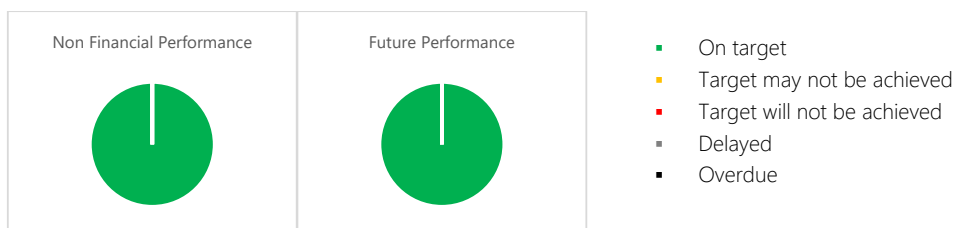
### Commentary/Highlights

Compliance monitoring for the 2022/2023 year is progressing as scheduled with 71 minor industrial site inspections completed, along with 180 annual dairy inspections. Annual reporting of compliance for individual programmes for monitoring undertaken during 2020/2021 continues. Council has undertaken enforcement action where required.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
100% of individual compliance monitoring programmes for all major consents designed, implemented and publicly reported upon (approximately 110 individual compliance monitoring programmes per annum) within the negotiated budgets and completed within nine months of the end of the monitoring period.	109 individual scheduled compliance programmes were designed and implemented in the 2021/2022 year. A summary of findings and recommendations for these programmes are regularly reported to the Consents and Regulatory Committee. Monitoring of programmes for 2022/2023 continues.  NF E
Implement and report on 100% of recommendations arising from prior year's monitoring of resource consents subject to an individual compliance monitoring programme.	Within every annual report, recommendations from previous reports are set out and their implementation reported upon.  NF E
Implement annual programmes for 100% of resource consents for agricultural discharges and 90% of minor industries not otherwise subject to an individual compliance monitoring programme (approximately 3,300 inspections per annum).	71 inspections of minor industrial operations have been completed. These inspections are to ensure good environmental practices are being achieved. 180 annual dairy inspections have been completed.  NF E

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than "On target"

N/A

Resource management

## Pollution incidents and response

Responding effectively to pollution incidents, reducing the occurrence and effects of pollution and other unauthorised incidents and, where necessary, undertaking successful enforcement action.

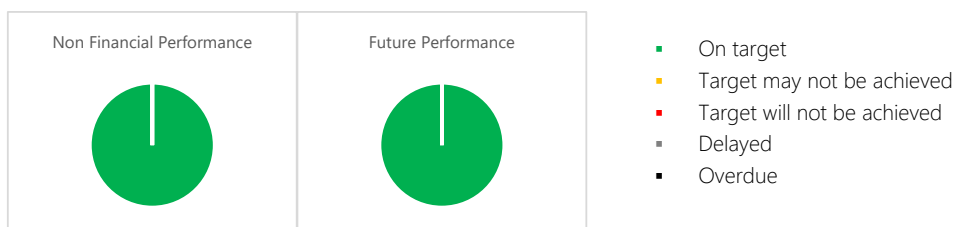
### Commentary/Highlights

Implemented the Enforcement Policy and successfully used a wide range of enforcement tools, including initiating prosecutions for major non-compliance. There is currently one prosecution in the court system. Covid-19 and staff turnover are impacting the sections productivity.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Respond to all consent non-compliance and implement appropriate advisory and enforcement actions to require 100% compliance with resource consents, regional plans and/or national environmental standards. Response to include a triage system to allow a focus on high priority incidents.	During compliance monitoring, 27 non-compliance with resource consent conditions were identified. Issued seven fourteen day letters, 16 abatement notices and four infringement notices. No prosecutions have been initiated as a result of consent non-compliance.  NF E
Respond to 100% of pollution and other complaints (generally within four hours of receipt) and where appropriate instigate control, clean up and enforcement procedures, where reasonable and appropriate, and publicly report on all environmental incidents.	Responded to all 77 reported incidents (100%) within the required timeframe. Instigated control and clean-up where required. Issued 27 fourteen day letters, 20 abatement notices and 19 infringement notices. No prosecutions have been initiated as a result of unauthorised incidents.  NF E
Administer and implement the Taranaki Regional Marine Oil Spill Response Plan as agreed with Maritime New Zealand including responding to 100% of oil spills.	Administered the Tier II Taranaki Regional Oil Spill Response Plan in accordance with the programme agreed with Maritime New Zealand. No marine oil spills have occurred that warranted actioning the Plan.  NF E

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than “On target”

N/A



Resource management




### State of the environment monitoring

Monitoring the state of the environment in Taranaki to enable periodic evaluation of the state of and trends in environmental quality and of the effects of the implementation of the Council’s policies and plans.




#### Commentary/Highlights

State of environment monitoring and reporting continued as scheduled, with two reports on groundwater quantity and quality published during the first quarter of 2022/2023. The annual update of the LAWA website was completed in September 2022. A key focus is the delivery of science to inform the implementation of national freshwater policy, with two further reports covering freshwater modelling published. Work continues to review freshwater state of environment programmes to better align with national policy requirements.

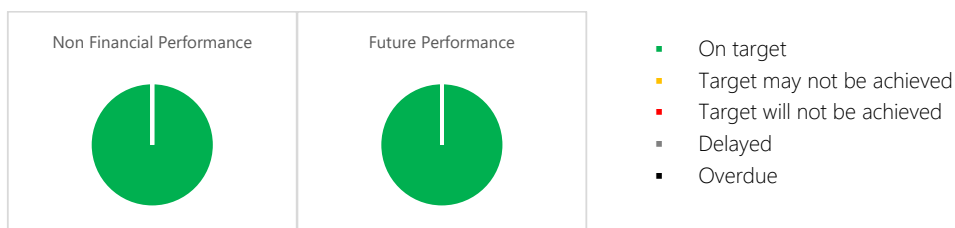
#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Implement and report on 100% of the Council’s state of the environment monitoring programmes comprising monitoring of surface fresh water quantity, levels and flows, fresh water quality, groundwater quantity and quality, coastal waters, biodiversity, air quality and land use sustainability using recognized and reputable methods of data collection, analysis and reporting in accordance with the Council’s State of the Environment Monitoring Procedures document and State of the Environment Monitoring Programmes.	Implementing 100% of the state of the environment monitoring programmes, in accordance with the programmes prepared for 2020/2021.  
Monitor, review and where appropriate, further develop existing programmes by 30 June of each year.	Existing programmes were reviewed during 2021/2022. These programmes will be implemented in 2022/2023. A further comprehensive review of all freshwater state of the environment monitoring programmes is planned to take place during the 2022/2023 period.  
Develop, implement and report on additional programmes as stipulated in the 2020 National Policy Statement for Freshwater, for mahinga kai, periphyton, threatened species, sediment and stream health index	A stocktake of existing monitoring and comparison against the new requirements is underway. This includes a review and reconciliation of existing monitoring programmes for freshwater and contact recreation, to seek efficiencies within existing programmes, prior to developing additional monitoring programmes.  

Resource management

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Prepare and publish the five-yearly state of the environment report. The reports are due in 2027 and 2032.	The latest regional state of the environment summary report Our place - Taranaki State of the Environment 2022 was published in June 2022.  
Maintain all quality assurance programmes and information databases for hydrometric, air quality, physicochemical freshwater, terrestrial biodiversity, freshwater biological and marine biological data. International Accreditation New Zealand registration for chemical analysis maintained by the contract laboratory.	All quality assurance programmes and information databases for hydrometric, air quality, physicochemical freshwater, terrestrial biodiversity, fresh water biological and marine biological data, were maintained.  
Maintain public access to on-line live regional data on hydrology, meteorology, soil moisture and bathing beach water quality.	Live on-line data was maintained and reported for 39 hydrology sites (41), 29 meteorology sites (29), 10 soil moisture sites (10), 22 freshwater bathing (18) and 17 marine bathing (14), water quality sites.  

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than “On target”

N/A

Resource management

## Resource investigations and projects

Providing relevant research information for resource management purposes.


### Commentary/Highlights

Research and resource investigation activities with partner agencies continued during the reporting period, with a focus on understanding the effects of land use on catchment water quality. This included investigations into the impacts of different land uses and management practices, and investigating the effects of a constructed wetland. Engagement in the MBIE-funded 'Curious minds' community-based science programme has continued, with a number of new projects approved. Council was recently confirmed as eligible for the Regional Sector 'Envirolink' fund. During 2022/2023 we are utilising this funding to assess the impacts of natural sources of sediment and the effects of climate change on accelerated erosion to inform future land management decision-making.

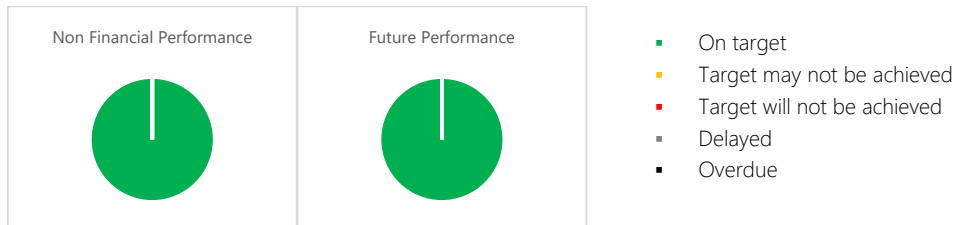
### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
<p>Over the period of the <i>2021/2031 Long-Term Plan</i> we intend to undertake a range of resource investigations and applied research projects. These are normally undertaken in partnership with science providers, other councils or resource users but may also include a range of other parties, including iwi, as potential partners for resource investigations and projects. Specifically for 2021/2022:</p> <p>Investigate mitigation, migration and attenuation of usage and loss of water, nutrients and sediment through land and water.</p>	<p>Specific investigations and modelling work is being commissioned as data gaps and research needs are identified and prioritised. A number of these investigation will be commissioned to support NPS-FM implementation and regional plan development processes. During the 2022/2023 year these included investigations into the contribution of 'natural' sources of phosphorous to Taranaki waterways. Development of a regional nutrient model continued. Investigations in 'natural' sources of sediment and the impact on climate change on sediment loads in Taranaki waterways are underway.</p> <p><b>N E</b></p>
<p>Support studies into the behaviour and bioavailability of cadmium and other contaminants in agricultural soils and fertilizer.</p>	<p>Monitoring of soil cadmium concentrations will continue as part of Council's soil monitoring programme and staff continue to engage with the national cadmium working group. During 2022/2023 undertook the 4-yearly national pesticide survey, sampling to include a range of pesticides, herbicides and per- and polyfluoroalkyl substances (PFAS). Catchment-scale modelling of nutrients and bacteria is underway, along with an investigation into natural sources of phosphorus to support freshwater policy implementation.</p> <p><b>N E</b></p>

Resource management

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Engagement in "Envirolink" and other science research opportunities, to enhance knowledge base for policy development and implementation.	Council is eligible to access around \$80,000 of Envirolink funding per annum for technical advice and research relevant to the Taranaki Region. During 2022/2023, two Envirolink projects investigating climate change and natural sources on catchment sediment loads have been submitted for funding. In addition, we continue to participate in national projects and tools development, as opportunities become available.  

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than "On target"

N/A

Resource management

## Sustainable land management plans and plant supply programme

Promoting sustainable land and riparian management by providing land management advice and information on an individual property basis and through advocacy and facilitation.

### Commentary/Highlights

Preparation of new farms continues with positive engagement from farmers as well as continued auditing for future learnings.

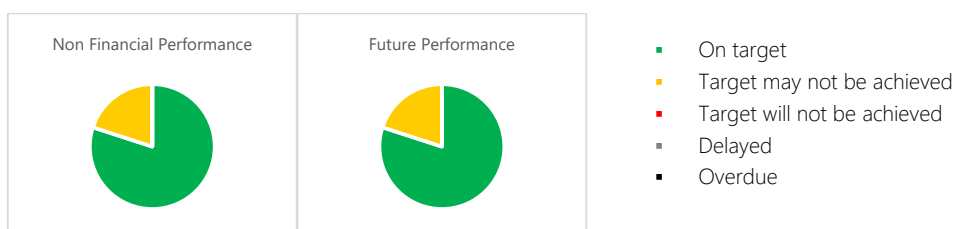
### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
<p>Planning services. Provide property planning services to landholders. Prepare plans covering 10,000 ha of land use capability mapping in the hill country and 30 riparian plans in the intensive water management zone.</p>	<p>For the month of September 2022, 0 new riparian plans (plus 0 add-ons) were prepared. 0 (incl 0 add-on) have been completed for the year. Year to date new Hill Country plan preparation totals 52ha. Plans cover 71% or 217,521 hectares of the land in private ownership in the hill country.</p> <p><b>N E</b></p>
<p>Monitoring and reporting. Liaise with and monitor approximately 2,600 riparian plans and 150 farm plans and report on the implementation of the recommended fencing and planting.</p>	<p>As at end of September 2022, there have been 1,641 liaisons (148 observations and 1,493 events). As at 30 June, a total of 6,065.6 km of new fencing has been erected and 4,631.5 km of new planting has been established, resulting in 89.68% of waterways protected by fencing and 81.1% of waterways having adequate vegetation where recommended, respectively. For the year to date (July 2023), 5% of the Hill Country farm plan, 3-year monitoring cycle has been completed for the year. With 6/131 required CFP and AFP having been monitored.</p> <p><b>N E</b></p>
<p>Provision of advice. When requested, provide advice on sustainable land management practices within ten working days.</p>	<p>Responded to 19 requests for the month. YTD = 27 requests responded to.</p> <p><b>N E</b></p>
<p>Provide, on a cost-recovery basis, approximately 400,000 suitable plants for land stabilisation, soil conservation and riparian planting programmes.</p>	<p>YTD 120,333 Plants delivered YTD. Slightly behind expected provision. Staff are actively promoting wetland projects able to be planted through summer, selling remaining wetland plants held over from May 2022. Contact to be made with larger organisations to promote our plant availability for May 2023.</p> <p><b>N E</b></p>

Resource management

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
<p>Implement the South Taranaki and Regional Erosion Support Soil Conservation Programme including an estimated 4,000 poplar poles, 233 ha of protection forestry and construction of 17 km of retirement fencing to retire 200 ha of marginal land.</p>	<p>At the end of September 2022 and for 2022/23 financials, Ozone expenditure \$283,445. \$743,690 STRESS works have been approved for implementation, audited expenditure is \$505,586, with \$143,980 unallocated. Forestry approved expenditure is \$543,996, unallocated expenditure is \$6,674, and audited expenditure is \$469,746, totaling an audited 274ha. Reversion retirement approved expenditure is \$20,450, unallocated expenditure is \$48,050, and audited expenditure is \$5,250, totaling an audited 3.5ha. Audited forestry fencing accounts for \$27,115.50, approved retirement fencing \$0 (not an option), and approved and audited reversion fencing accounts for \$3,474. Audited fencing totals 1687m. Poles will approximately incur \$92,000.</p> <p style="text-align: center;"> <span style="background-color: #92d050; border-radius: 50%; padding: 2px 5px;">NF</span> <span style="background-color: #92d050; border-radius: 50%; padding: 2px 5px;">E</span> </p>

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than “On target”

Riparian plant sales are slightly behind the expected provision. Staff are actively promoting wetland projects that are able to be planted through summer, selling remaining wetland plants held over from May 2022. Contact is being made with larger organisations to promote our plant availability for May 2023.

Resource management

## Waitara River Catchment

Restoring, protecting, and enhancing the environmental, cultural, and spiritual health and well-being of the Waitara River, the Waitara River catchment and the lower catchment of the Waitara River. These functions must be performed only in relation to matters that are within the role and responsibilities of the Council under the *Local Government Act 2002* or any other Act.

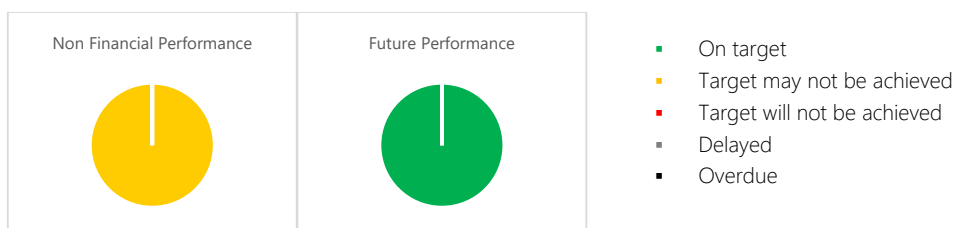
### Commentary/Highlights

In the initial stages of working with iwi to develop a management plan. Committees are yet to be appointed. Iwi and Council are currently working through who will be on the governance group. The strategy will be developed once the representation has been decided.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (70% of proceeds) toward the restoration, protection, and enhancement of the environmental, cultural and spiritual health and well-being of the Waitara River and the Waitara River catchment. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.	Progress is being made. The governance group will be made up of iwi and TRC representation - iwi and TRC are working through who will be on the governance group. The strategy cannot be developed until representation has been decided.  NF E
Develop and implement a strategy for the distribution of income from the sale of Waitara leasehold land (30% of proceeds) toward any matter in Waitara or in the lower catchment of the Waitara River. All distributions are to be within the roles and responsibilities of the Taranaki Regional Council.	Progress is being made. The governance group will be made up of iwi and TRC representation - iwi and TRC are working through who will be on the governance group. The strategy cannot be developed until representation has been decided.  NF E

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than “On target”

Good progress is being made, however, there may be delays.

Resource management

### Enhancement grants

Promoting the protection of the environment through the provision of targeted enhancement grants.

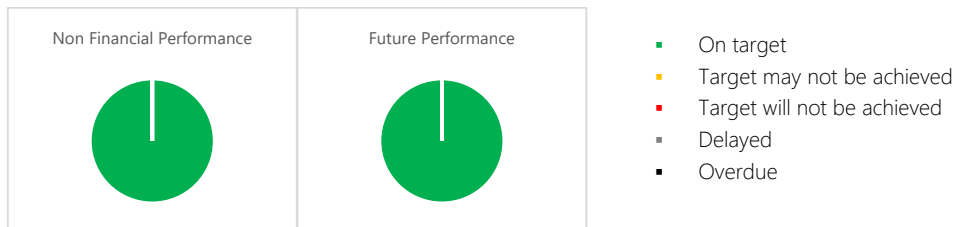
#### Commentary/Highlights

Currently all grants are on track.

#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Implement a programme using environmental enhancement grants for the protection of habitats of regional significance.	<p>As at September 2022, LM's Environmental Enhancement Grants allocation is \$80,751.78 with \$0.00 paid out in grants. \$16,570.29 is allocated for LM WCF wetland projects with \$0.00 paid out in grants. Willow Control Fund: \$0.00 allocated to projects in 2022/2023 with \$0.00 paid out in grants.</p> <p><b>N E</b></p>

#### Scoreboard – Outputs/Key performance indications



#### Explanation for key performance indications other than “On target”

N/A



## Biosecurity and biodiversity

### Biosecurity and biodiversity planning

Preparing, adopting and maintaining comprehensive and publicly considered policies, plans and strategies that will deliver to the Taranaki community, efficient and effective management of the Council’s biosecurity and biosecurity functions.

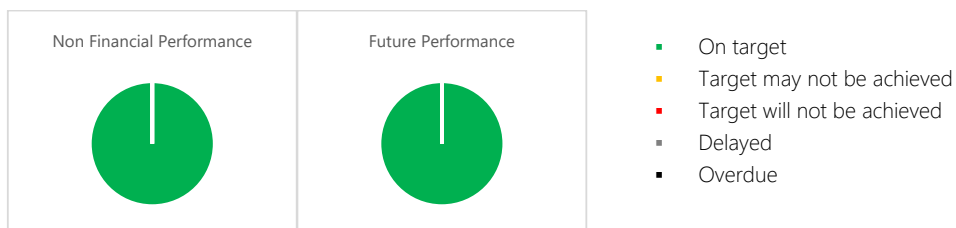
#### Commentary/Highlights

Pest management plan and strategy, delivering efficient and effective management of biosecurity functions, are in place in accordance with statutory requirements.

#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Support the implementation of the Pest Management Plan for Taranaki, with an interim review and a ten-year full review to occur in 2022/2023 and in 2027/2028.	<p>A review of the pest plant and animal strategies was completed with a new Pest Management Plan and TRC Biosecurity Strategy adopted in February 2018. A partial review of the Pest Plan has been completed relating to a proposal to include mustelid rules. The revised Plan was adopted at the Ordinary meeting of May 2021.</p> <p><b>N E</b></p>

#### Scoreboard – Outputs/Key performance indications



#### Explanation for key performance indications other than “On target”

N/A

## Biosecurity and biodiversity





## Biosecurity/pest management

Controlling pest plants and animals to minimise their adverse effects on biodiversity, primary production and the regional economy and environment.

## Commentary/Highlights

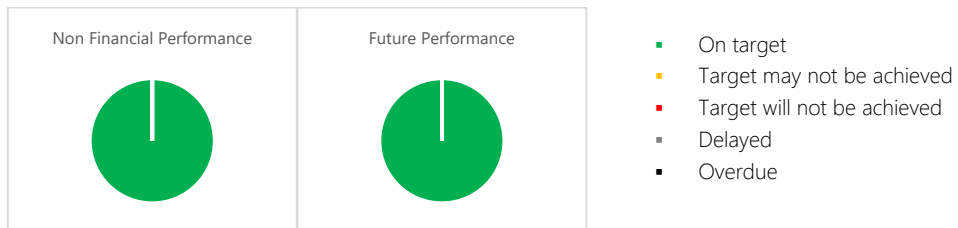
The self-help possum control programme's main focus has been reminding and supporting landowners to undertake control post calving. With last year's recorded increase in possum numbers additional targeted monitoring is planned this will result in more notices being issued in the next two quarters. Pest plant inspections continue in low numbers but will increase following spring. Planning for the next phase of Old Man's Beard control within the Waingongoro catchment has commenced. Public enquiries for a range of pest plant and pest animals continue to be responded to.

## Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Undertake operational programmes through both the <i>Pest Management Plan for Taranaki</i> and the <i>Biosecurity Strategy</i> including:	
Eradication of selected pest plants.	233 infestation sites of eradication pest plants were identified as at 1 July 2022. 15 inspections/observations and three remediation's have taken place during the first quarter of the 2022/23 year. Pest plant observations and remediation will increase through spring and summer. No small scale control has been undertaken as at 1 October 2022.  
Undertake at least 25 environmental condition assessments at identified sites.	1 new ecological Condition Assessment (Oki Koki) has been completed as at 1 October 2022.  
Inspection, monitoring and where necessary, enforcement of sustained control pest programmes.	Work has commenced for properties/plans within the Self-help possum control programme for 2022/2023. The next (Spring) issue of the Pest Bulletin will be published and distributed in September 2022. In the first quarter of the 2022/23 year 49 monitoring observations (48 Wax tags, one day inspection) have been completed. Trap catch monitoring has not been commenced. No Notices of Direction have been issued for possums in the first quarter of 2022/23. 117 sustained control pest plant inspections were undertaken in the first quarter of 2022/23. Six Notices of Direction have been issued.  
Raising public awareness of and respond to enquiries related to pest issues.	In 2022/2023 continue to respond to enquiries from the community and raise public awareness through social media, the Pest Bulletin, in person and at events. In the first quarter of the 2022/23 year staff responded to 69 requests for service from the community. 19 enquiries were related to pest plants and 50 enquiries were related to pest animals. Action was taken to resolve each of these requests.  

Biosecurity and biodiversity

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than "On target"

N/A

Biosecurity and biodiversity




**Biodiversity**

Maintaining and enhancing the indigenous biodiversity of the Taranaki region and managing pests to limit the impact on production and environmental values, including working alongside landowners and other groups and agencies in accordance with the Council's policies and its biodiversity and biosecurity strategies.

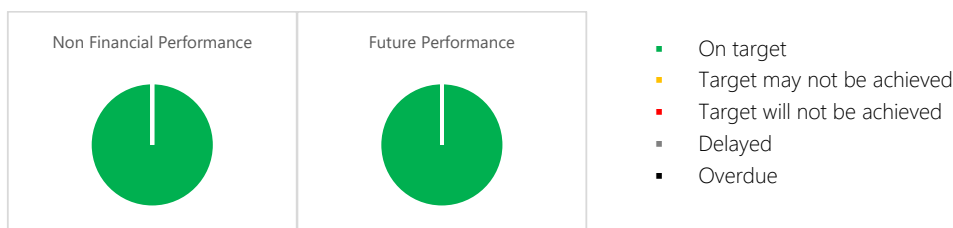
**Commentary/Highlights**

New Biodiversity plans and work programmes are being prepared to protect habitat, threatened and regionally distinctive species. The bulk of the field work is undertaken on these sites throughout summer. Staff continued to undertake ecological assessments to identify new Key Native Ecosystems (KNEs).

**Outputs/Key performance indications**

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Continue to assess ecosystem sites within the region on a voluntary basis, in order to identify further key native ecosystems.	There were 358 KNE's as at 1 July 2022. One new KNE (Oki Oki Titoki) has been added as at 1 October (total 359).  
Prepare at least 20 biodiversity plans per annum for properties containing key native ecosystems (KNE).	21 new Biodiversity Plans are being developed in 2022/2023. They are currently at various stages in the process. One (Patui) has been completed as at 1 October.  
Initiate and support implementation of work programmes on all KNE's with a biodiversity plan.	Work is underway at 206 sites with active Biodiversity Plans in 2022/2023 as at 1 October. Work has commenced at one new Biodiversity Plan site as the plan has been completed and approved.  

**Scoreboard – Outputs/Key performance indications**



**Explanation for key performance indications other than "On target"**

N/A

Biosecurity and biodiversity

### Towards Predator Free Taranaki

A large-scale project aimed at restoring Taranaki’s unique wildlife, plants and protecting the region’s lifestyles and livelihoods by removing introduced predators using the latest trapping techniques, innovation and technology, sharing lessons learned as the country works towards its Predator Free 2050 target. The region-wide project is working with residents, businesses, schools, iwi, environmental and community groups to remove possums, rats and mustelids (stoats, ferrets and weasels) from urban, rural and public land around Taranaki Maunga. The shared vision is to see abundant and diverse native wildlife and plants flourishing in Taranaki in the absence of introduced predators, which are one of the greatest threats to Taranaki’s biodiversity, lifestyles and livelihoods; particularly in tourism and primary industries.

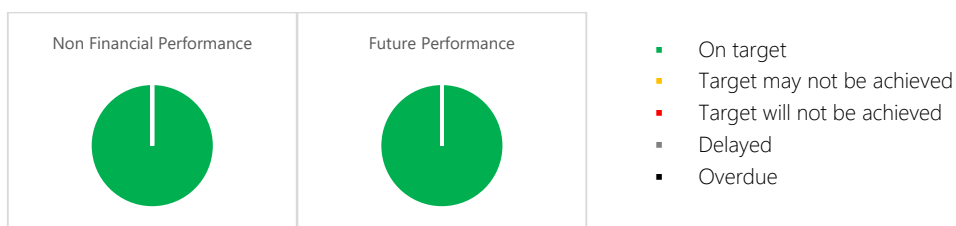
#### Commentary/Highlights

The farmland areas of the Zero possum trial area have not detected any possums in the last 14 months, however there remains some survivors in the Kaitake Range that are proving difficult to find. Hunters using both dogs and thermal cameras continue to work hard to detect and remove these animals. Rural: Planning for the next phase of the mustelid trapping around the Waimate areas continued and landowners continue to be trained and supported in all areas to undertake ongoing control. Urban: Traps continue to sell well with a focus on small gaps in the network.

#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Support voluntary control of rodents in urban areas aiming for 1 in 5 properties trapping or baiting.	Trap sales continue along with volunteers undertaking trapping through reserves, staff continued to engage with key groups.  NF E
Undertake mustelid control on 15,000ha in the Waimate area.	Planning for roll out in Waimate area continues in conjunction with battery changes and auditing of previous operations to ensure landowners are able to efficiently maintain the gains.  NF E
Complete/maintain possums at zero density over 4,467 ha surrounding the Kaitake range and prevent re-infestation using a virtual barrier and electronic incursion detection system.	We are confident that the farmland area has now been possum free for 16 months. Within the Kaitake area, the remove phase of "detect and remove" continues, any possums detected are hunted down and removed. The trap barrier continued to stop possums trying to get through to the zero area.  NF E

#### Scoreboard – Outputs/Key performance indications



#### Explanation for key performance indications other than “On target”

N/A

# Transport




## Regional land transport planning

Contributing to an effective, efficient and safe land transport system in the public interest.

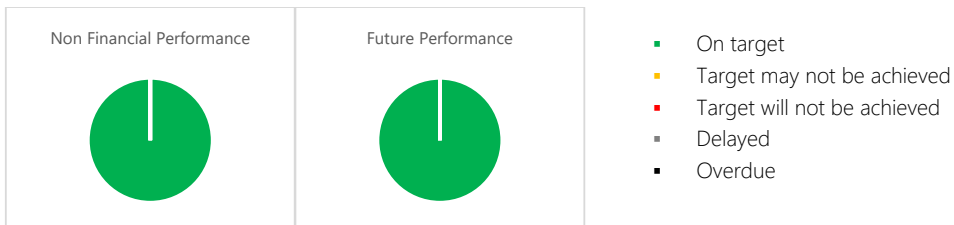
### Commentary/Highlights

The review of the Regional Public Transport Plan 2014/2024 was finalised December 2020. The Regional Land Transport Plan for Taranaki 2021/22 - 2026/27 was adopted in June 2021. The review of the Regional Public Transport Plan 2014/2024 was finalised December 2020. The Regional Land Transport Plan for Taranaki 2021/22 - 2026/27 was adopted in June 2021. An Investment Logic mapping process has commenced to review the RLTP in the 2023/24 Financial Year as part of the mid-term review requirements. This includes key stakeholders and Waka Kotahi guidance around this process.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Review, monitor and make adjustments to the Regional Land Transport Plan, as required, in accordance with statutory requirements.	The Regional Land Transport Plan (RLTP) has been approved and adopted as at July 2021. One variation was approved for a property purchase phase for the State Highway 3 Waitara to Bell Block improvement project in December 2021. No new variations to the plan are anticipated.  
Review and make adjustments to the Regional Public Transport Plan, as required, in accordance with statutory requirements.	RPTP is in place and operational, as reviewed December 2020.  
Review and make adjustments to the Transport Activity Procurement Strategy, as required, in accordance with statutory requirements.	The Transport Activity Procurement Strategy is current and in accordance with statutory requirements.  

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than “On target”

N/A

## Transport

## Passenger transport

Promoting the provision of community public transport in Taranaki and assist the transport needs of the transport disadvantaged.

## Commentary/Highlights

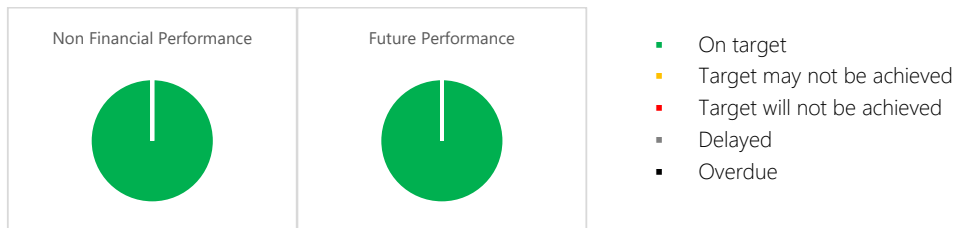
Existing public transport passenger services continue to be provided throughout the region with August being a highlight of the quarter showing a 192.1% increase on the previous year's figures for regional services and up 45.3% for the Citylink services. Quarterly figures show an increase for both regional and Citylink services up by 10.7% and 9.4% respectively compared to the previous quarter. The Total Mobility Scheme continues to assist people with impairments throughout the region. Trip numbers have steadily recovered post the omicron outbreak and change in covid-19 response restrictions showing an increase of 14.8% this quarter compared to the previous quarter. Year on year patronage was up 30.4% on the previous year in the TM space. Ongoing work and management in the Total Mobility space - including a nationwide improvement to technology and working with contractors will continue to build resilience in the current uncertain environment. The movement of vulnerable passengers proves challenging in a Covid environment.

## Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Operate public transport services in the New Plymouth district and regional Taranaki consistent with the Regional Public Transport Plan subject to funding approval from the New Zealand Transport Agency and the availability of local share funding.	<p>Passenger transport services in the New Plymouth district and regional Taranaki were operated consistently with the Regional Public Transport Plan.</p> <p><b>N E</b></p>
Monitor the region's bus service contracts including patronage growth and fare box recovery. Monitor the commerciality ratio of the region's public transport services and publish the ratio annually.	<p>For the month of September 2022, all of PT commerciality ratios are unchanged at 21.1%. Transit was 23.3% (down slightly from 23.6%) and the Connector was 13.1%. As a result of half price fares in operation, revenue noted by council will be down. The social and accessibility Southlink services continue to be low with 5.4% or under.</p> <p><b>N E</b></p>
Provide Total Mobility subsidy assistance to qualifying persons through the New Zealand Transport Agency supported Total Mobility Scheme.	<p>Total mobility services have been provided throughout the Taranaki region with a total of 4,609 (up 30.4% on 2021) trips taken in the month of September 2022. There were 414 vs 237 (up 21% on 2021) trips taken with Ironside. In addition to annual patronage recovering steadily, the total quarterly figures are also up by 14.3% for Total Mobility and 21.6% for Ironside.</p> <p><b>N E</b></p>

Transport

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than “On target”

N/A



Transport


## Harbour management

Promoting safe navigation for all users of the waters of Port Taranaki.

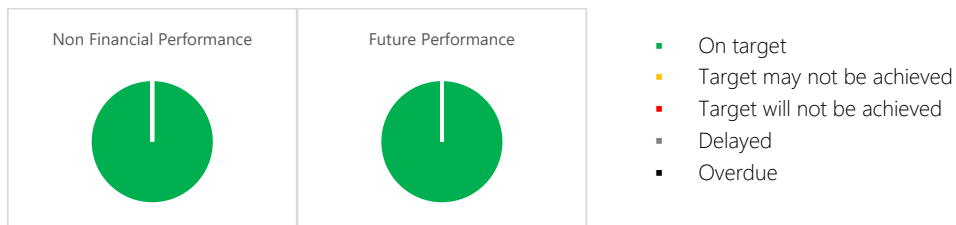
### Commentary/Highlights

There were no significant navigation and safety incidents at the port and there was compliance with the required codes and management systems.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Provide harbourmaster and harbour warden services for Port Taranaki and implement the Navigation Bylaw for Port Taranaki and Approaches. No significant breaches of the requirements of the New Zealand Port and Maritime Safety Code, including the Port Taranaki Harbour Safety Management System.	To date, no breaches have been reported. The Harbourmaster is continuing to make positive changes, including more stakeholder engagement/education and on the water work associated with a Maritime NZ funded programme.  

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than “On target”

N/A

## Hazard management



### Civil defence emergency management

Supporting, within the Taranaki community and Iwi, an integrated comprehensive emergency management system including hazard awareness, reducing risk, maintaining readiness, and providing response and recovery capacity and capabilities.

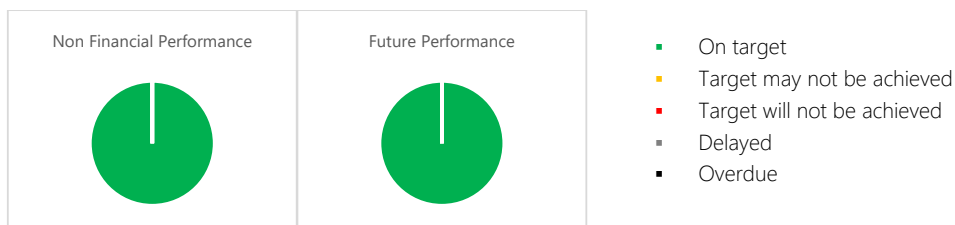
#### Commentary/Highlights

TEMO has continued to operate in accordance with its business plan over the quarter. Work is well advanced with development of the Earthquake Response Plan which has continued through a stakeholder consultation process. The feedback received has been useful with a number of changes being made to the plan as a result of the feedback received. Work has also commenced with drafting of a Tsunami response plan.

#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Support the Emergency Management office to implement, monitor and report upon the operative Civil Defence Emergency Management Group Plan for Taranaki, and each Civil Defence Emergency Management Annual Business Plan	The Group is continuing to operate in accordance with its approved annual business plan and budget for 2022/2023. A quarterly report detailing progress against the annual business plan is provided to the joint committee each quarter.  
Support the Emergency Management office to maintain, review, and as needs be, implement effective response and recovery procedures to minimise harm or damage to people and property arising from emergency events.	Work by TEMO supporting New Plymouth, Stratford and South Taranaki District Councils, for the support of EOCs and welfare delivery, continues. Appointments and development of Local Controllers, Welfare Managers, and Local Recovery Managers are being maintained. The CDEM Group's response and recovery framework is predicated on local response and recovery delivery (via District Council Emergency Operations Centres), and regional coordination through the Taranaki Emergency Management Office (TEMO) and the regional Emergency Coordination Centre. An MOU between TRC and the TEMO office clarifies expectations around roles and staff deployment resourcing in the event of incidents and emergencies.  

#### Scoreboard – Outputs/Key performance indications



#### Explanation for key performance indications other than “On target”

N/A

Hazard management






## Flood management and general river control

Providing accurate and timely flood warnings, providing flood control advice and undertaking minor works and associated actions (audit of regional plans and consent applications to ensure activities are undertaken without an increased risk of flooding and river erosion) to minimise and prevent damage by floods and river erosion.

### Commentary/Highlights

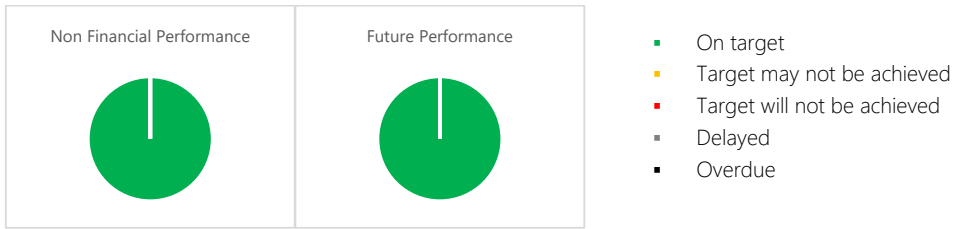
Accurate and timely flood warnings were provided where applicable. In addition to this, flood control advice was provided where required and required minor work actioned to minimise and prevent damage by floods and river erosion.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Effectively monitor rainfall and river levels and issue timely flood warnings. Maintain continuous monitoring systems (100% functional) and issue timely warnings for all cases, where necessary, in accordance with the Flood Event Standard Operating Procedure (approximately 35 warnings per annum).	Meteorological and hydrometric monitoring sites were maintained to high level of operational standard, with no significant maintenance works required. All incoming telemetry data is monitored continuously and responded to in accordance with the procedures for the monitoring of severe weather and flood events. Eight severe weather watch alerts (12 in 2021-2022) and five warnings (four in 2021-2022) have been received from MetService in the year to September. The Council has been required to issue two flood warnings in this period (one in 2021-2022).  
Undertake minor emergency river and flood control works when necessary.	The flood protection schemes didn't experience significant damage in the last quarter, either from extreme events or other means. However, a small amount erosion resulted from the Feb 2022 events and was addressed accordingly.  
Respond to 100% of requests for drainage, river and flood control advice and assistance within ten working days.	Provided advice, predominantly to farmers, on a range of requests for general advice on works in streams.  
Facilitate river control projects for the environmental enhancement of the region's waterways.	The willow control programme continues, focusing on removal of willow in riparian areas to improve flood flows and enhance riparian vegetation.  
Resource management planners are given advice to ensure regional plan rule and consent conditions will not increase the risk of flooding or river erosion.	Advice has been given on a range of matters regarding the interpretation of regional plan rules and to provide technical assistance during the processing of resource consent applications. Work has been completed to draft a new flood protection bylaw, to protect TRC flood protection assets. Public consultation has been completed. The bylaws were approved by the Council at hearing.  

Hazard management

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than "On target"

N/A

Hazard management



### River control schemes

Managing and maintaining river control scheme works to accepted design standards to minimise and prevent damage by floods and river erosion.

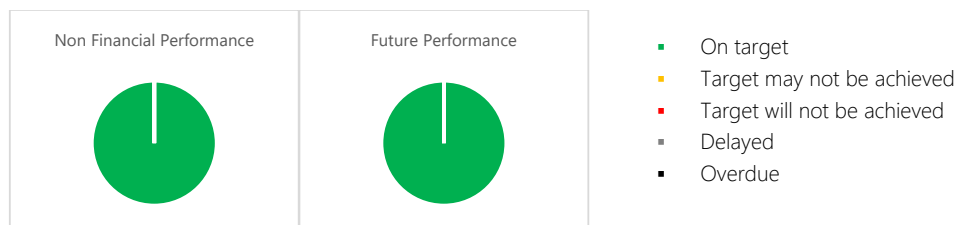
#### Commentary/Highlights

All schemes have been managed as per their asset management plans.

#### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Manage all flood and river control schemes across the region in accordance with asset management plans or management plans; including Lower Waiwhakaiho, Lower Waitara, Opunake, Okato and Waitotara Schemes.	All schemes have been managed as per their asset management plans.  
Manage other minor river schemes to standards as agreed with scheme participants.	No works were planned for this period.  

#### Scoreboard – Outputs/Key performance indications



#### Explanation for key performance indications other than “On target”

N/A

## Recreation, culture and heritage







### Regional gardens

Ensuring that Hollard Gardens, Tupare and Pukeiti are maintained and enhanced as regionally significant recreational and heritage amenities.




### Commentary/Highlights

Visitor numbers for all Regional Gardens are up from the previous year with numbers starting to get back to pre-pandemic levels. A recycled copper and stainless steel gecko sculpture has been installed within Pukeiti. The Piwakawaka hut continues to be heavily booked with no weekends available until June 2023. Tūpare has a new Head Gardener who started in August. The Plant Forum advisory group has been restarted post COVID with external experts discussing and advising gardens staff. Volunteer groups have restarted activities within the Gardens post COVID.

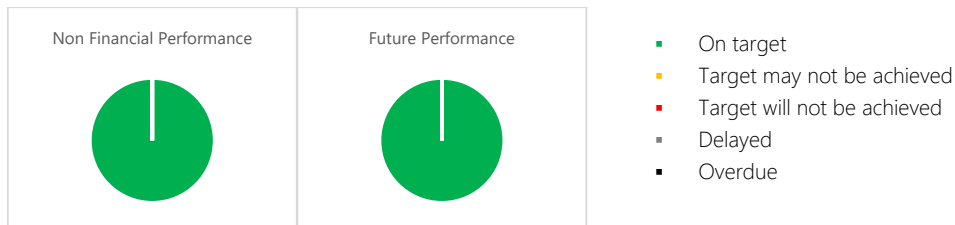
### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Provide three regional gardens (Tupare, Hollard Gardens and Pukeiti) for free general use by the regional community. Tupare, Hollard Gardens and Pukeiti open to the public daily with unrestricted free general access.	The gardens are open all day every day for free general use by the regional community and visitors.  
Encourage the increased use of the regional gardens by the community for recreational purposes and for specific events.	Visitor numbers to date September 2022 Pukeiti 9,703 (same period last year 8,107) Tupare 5,402 (same period last year 5,306) Hollard Gardens 3132 (same period last year 2,725).  
Continue implementing the Pukeiti asset management plans focusing on completing the upgrade works in the Zone 1 Garden, the rhododendron collection in Zone 2 and recreational development opportunities in Zone 3. Priority tasks to be completed include: <ul style="list-style-type: none"> <li>• completing the Lodge and surrounds landscaping</li> <li>• continuing the enhancement of the garden and the rhododendron collection.</li> <li>• continuing the implementation of the Plant Collection Plan</li> <li>• refurbishing the plant borders</li> <li>• upgrading the outer ring tracks</li> <li>• completing the fit-out of the Lodge</li> <li>• continuing the growth in recreational activities with the construction of a fitness trail.</li> </ul>	Lodge landscaping is now complete, including the concrete and landscaping work around the sculpture. The construction of the Family Hut and the Fitness Trails is complete. The tramline resource consent has been submitted. As we move to the next stage of the rainforest development, the new experience will be based on environmental recreation coupled with the historical site information. Regarding the Pukeiti Rainforest Bridge, we have selected the finalized design and are working through the next steps. A new track from the garden to the family hut is being constructed, this includes a series of footbridges  

Recreation, culture and heritage

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Continue implementing the Hollard Gardens asset management plans focusing on: <ul style="list-style-type: none"> <li>installing a new toilet to meet demand in the Family Corner area</li> <li>installing new stylized play equipment.</li> </ul>	A shelter has been built in the Old Garden to replace the demolished summerhouse Hill. The old teepee structure has been removed and replacement is scheduled to be built.  
Continue implementing the Tupare asset management plans focusing on: <ul style="list-style-type: none"> <li>continuing to improve the story telling</li> <li>completing new art installation.</li> </ul>	Installation of new art project is complete. Work is underway on replacing and updating timber signage.  
Review and adopt asset management plans for Tupare, Hollard Gardens and Pukeiti by 31 October 2023.	Asset management plans for the three gardens have been completed and adopted for the 2021/2031 period  

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than “On target”

N/A

Recreation culture and heritage

## Yarrow Stadium

Facilitating the continued maintenance and development of Yarrow Stadium.

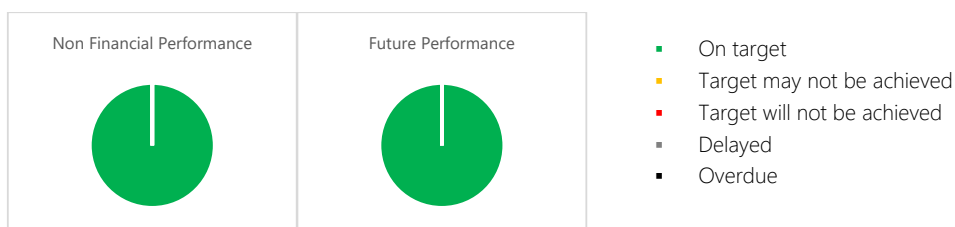
### Commentary/Highlights

Following on from the decisions made in 2019/2020 Annual Plan for the up to \$50m repair and refurbishment project, the Council has moved into implementation mode. Work is nearing completion on the West Stand and is complete for the fields and lights. The Stadium reopened on 3 September 2022. Work is underway on the below ground works for the new East Stand.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Contract with New Plymouth District Council for the operation and management of Yarrow Stadium.	The Trust and the New Plymouth District Council have a management agreement for the operation and management of Yarrow Stadium. New Plymouth District Council are operating and managing Yarrow Stadium under this agreement. The Stadium reopened on 3 September 2022.  NF E
Undertake asset management planning for the future maintenance, enhancement and development of Yarrow Stadium.	A joint committee of the Council and the New Plymouth District Council have developed and adopted a strategic plan and associated 2015/2025 asset management plan for the long-term development of Yarrow Stadium. Asset management planning is on hold while the solutions for the results of earthquake assessments on the two Stands are implemented.  NF E
Provide regional funding for the future maintenance, enhancement and development of Yarrow Stadium.	Regional funding is provided to the Taranaki Stadium Trust for long-term maintenance and development at Yarrow Stadium. The 2022/2023 funding is being used for the repair and reinstatement programme.  NF E

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than "On target"

N/A



## Regional representation, advocacy and investment management

### Investment management

Ensuring that the equity, property and treasury investments owned by the Council are efficiently managed.

### Commentary/Highlights

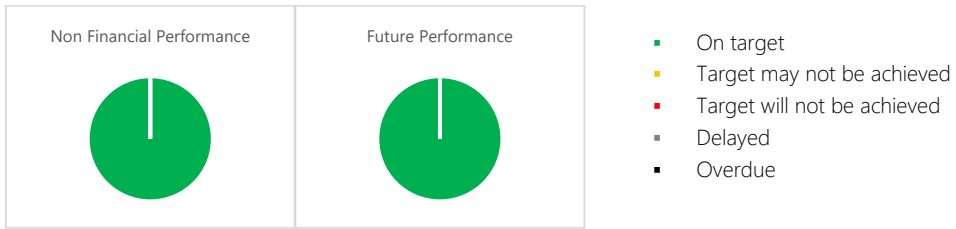
Investment management activities are working well within defined policies and procedures. The annual general meeting of Port Taranaki Ltd has occurred, no director appointments have been made. The current low interest rate environment is a positive for the borrowing programme but a negative for our investment portfolio. This is slowly changing as inflation impacts upon interest rates.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Consider Port Taranaki's annual statement of corporate intent and monitor performance against established targets.	Port Taranaki Ltd's performance was reviewed when considering their 2021/2022 Annual Report in September 2022. Performance for the half year to 31 December 2022 will be reviewed in March 2023. Performance against standards set in the statement of corporate intent is reported in the Council's annual report.  <b>N E</b>
Appoint Directors at Port Taranaki Ltd's annual general meeting and at other times as required.	There were no Director appointments to the Board of Directors at the Port Taranaki Ltd annual general meeting (AGM).  <b>N E</b>
Undertake on-going liaison with port company directors and management.	Regular formal and informal briefings and discussions occurred between the company/board and the Council throughout 2022/2023.  <b>N E</b>
Manage and, where appropriate, divest leasehold land in accordance with the Investment Policy.	Leasehold land is managed in accordance with the Council's Investment Policy. A 4% return from leasehold land rentals is expected in 2022/2023.  <b>N E</b>
Manage and maximise returns from treasury investments in accordance with the Investment Policy.	All treasury investments are in accordance with the Council's Investment Policy.  <b>N E</b>

Regional representation, advocacy and investment management

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than “On target”

N/A

Regional representation, advocacy and investment management

## Community engagement

Promoting community awareness, understanding and involvement with the Council's functions and activities, together with demonstrating the value and contribution of the work of the Council to the region.

### Commentary/Highlights

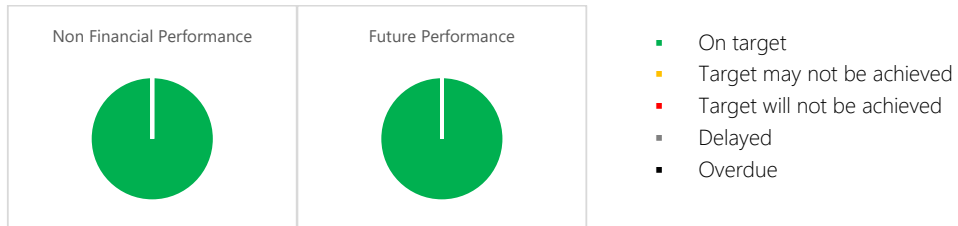
The Council uses a variety of communication channels to build understanding of our work and to get the community involved in our programmes: each month around 20,000 individuals visit our website for information, our social media channels reach around 100,000 people monthly, and 1,000-1,500 students are typically involved in our education programme each month. Paid advertising in local newspapers to raise awareness or encourage action continues to be an important channel, and we also utilise digital advertising as required. Communication, engagement and/or marketing campaigns are delivered every month to support particular programmes of work or outcomes.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Engage with the community across a range of channels including print and digital publications, news media, websites, mobile and social media. Produce five bi-monthly editions of the Council newsletter and publish through print and digital channels.	<p>A range of communication activities have been undertaken to support Council programmes: new content is added to the website each week and social media activity continues with an audience of approx 20K across 8 accounts. Points of note include publication and communication of the Council's 2021/22 Annual Report outcomes; continuing TRC's election campaign reminding voters about the opportunity to have their say; media release highlighting an increase in public transport patronage and responding to enquiries relating to the poor performance of the lights at Yarrow Stadium. Our freshwater communication and engagement campaign continues with notifications to dairy farmers about nitrogen-cap reporting requirements.</p> <p><b>N E</b></p>
Implement the environmental awards programme.	<p>Planning continues: videography of winners is underway; sponsors have been updated in September; invitations to attendees will be sent on or about 10 October and event logistical arrangements continue including meetings with venue vendor, AV supplier, MC and others. Arrangements are on track.</p> <p><b>N E</b></p>
Provide an on-going environmental education programme for school children and the wider community including class visits, field trips, the Pukeiti Rainforest School and support for community projects.	<p>Across Education and EnviroSchools, our educators are working with preschool, primary, intermediate and high school students throughout the region. In September, 2,049 students from 28 schools were involved in field trips or classroom-based environmental education (please note that this number includes duplicates as some students attend multiple sessions). In addition, 45 school staff were involved in hui or workshops led by or related to the TRC environmental education programme.</p> <p><b>N E</b></p>

Regional representation, advocacy and investment management

Scoreboard – Outputs/Key performance indications



Explanation for key performance indications other than “On target”

N/A

Regional representation, advocacy and investment management

## Advocacy and response

Advocating and responding, on behalf of the Taranaki community, to initiatives proposed by other agencies, when those initiatives affect the statutory responsibilities of the Council or relate to matters of regional significance, which are of interest or concern to the people of Taranaki.

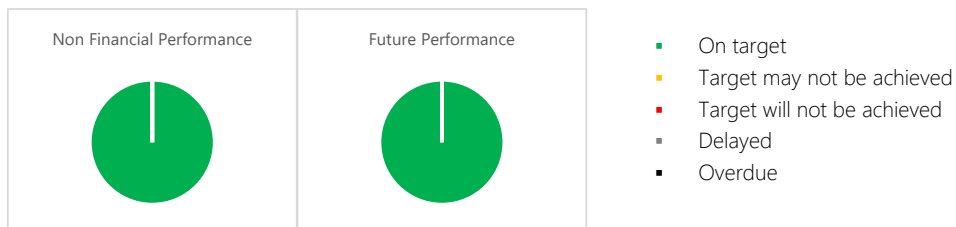
### Commentary/Highlights

Two submissions have been prepared, which is slightly less than normal. Senior staff also continue to be involved in various forums associated with policy development, advocacy, liaison, and in response to a range of national proposals.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Assess the implications of policy initiatives proposed by other agencies including discussion documents, proposed policies, strategies, plans and draft legislation, and respond within required timeframes.	No significant activity. <b>NF E</b>

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than "On target"

N/A

Regional representation, advocacy and investment management

## Governance

Facilitating public representation by the Council and its committees in accordance with statutory requirements.

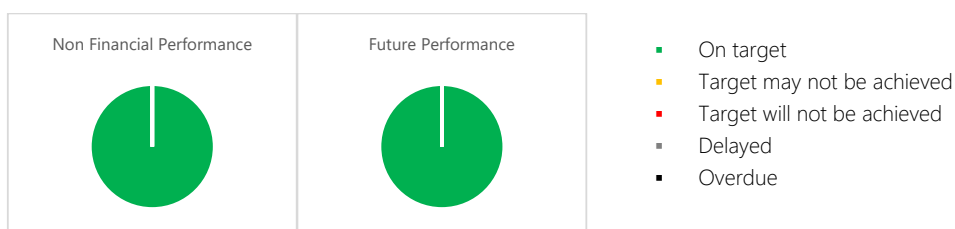
### Commentary/Highlights

The Council remains on target with all its statutory governance and engagement obligations. The 2021/2022 Annual Report was adopted on 20 September 2022. Preparations for the 2023/2024 Annual Plan have commenced. Preparations are in hand for the October 2022 election.

### Outputs/Key performance indications

PERFORMANCE MEASURE	ACTUAL PERFORMANCE
Completion of statutory planning and reporting documents (Long-Term Plan, Annual Plans and Annual Reports) within statutory requirements.	Statutory planning and reporting accountability documents are being prepared within statutory requirements and timeframes. The 2021/2022 Annual Report was adopted on 20 September 2022. The 2023/2024 Annual Plan will be considered in February 2023.  NF E
Preparation of agendas and minutes and the conduct of meetings in accordance with Standing Orders and the Local Government Official Information and Meetings Act 1987.	All meetings are conducted in accordance with adopted Standing Orders and the Local Government Official Information and Meetings Act 1987. Agendas are publicly available at least 48 hours before each meeting and minutes are prepared and adopted for all meetings.  NF E
Conduct of triennial local authority elections without any need for re-conduct of the elections as a result of judicial review.	The 2022 local authority elections were held in October 2022. The elections were successfully completed with no appeals or judicial reviews held. The next local authority elections are in October 2025.  NF E

### Scoreboard – Outputs/Key performance indications



### Explanation for key performance indications other than “On target”

N/A

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**Date** 5 December 2022

**Subject:** **Regional Software Holdings Limited: Nomination of Directors**

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

**Document:** 3125078

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### **Purpose**

1. The purpose of this memorandum is to consider and make nominations for election to the Board of Directors of Regional Software Holdings Ltd (RSHL).

### **Recommendations**

That the Taranaki Regional Council:

- a) receives the memorandum *Regional Software Holdings Limited: Nomination of Directors*
- b) nominates Mike Nield as a non-independent director applicant and Asbjorn Aakjaer as an independent director applicant for election to the Board of Regional Software Holdings Ltd
- c) authorises the Chief Executive to complete the Notice of Nomination of Director(s) form
- d) determines that this decision be recognised as not significant in terms of section 76 of the *Local Government Act 2002*
- e) determines that it has complied with the decision-making provisions of the *Local Government Act 2002* to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determines that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

### **Background**

2. This memorandum sets out the process for the selection and appointment of Regional Software Holdings Limited's (RSHL) directors and makes Taranaki Regional Council director nominee(s).
3. Regional Software Holdings Limited has evolved into a broader shared services delivery vehicle for Te Uru Kahika (the collective Regional and Unitary Council sector). As a vehicle for delivering a broad range of services and initiatives, to a wide customer base, it is appropriate to establish a diverse, multi-skilled Board to best guide and govern the



organisation to maximise the sector benefit. As part of this process, the ownership of RSHL has been extended to the wider sector. Subsequently, the Shareholder's Agreement has been revised. The Council considered and approved these changes prior to the October 2022 local government elections.

4. Under the new Shareholders' Agreement, the current Board are all to resign, and the Class A shareholding Councils get to nominate, select and vote on a new Board. This memorandum relates to the first stage and calls for Council's director nominee(s).

## Issues

5. This memorandum sets out the process for the selection and appointment of Regional Software Holdings Limited's (RSHL) directors and makes Taranaki Regional Council director nominee(s).

## Discussion

6. Regional Software Holdings Limited (RSHL) is a not-for-profit Council Controlled Organisation (CCO) that has been operating as a shared services organisation since 2012. In 2022 the company transitioned into a broader shared services delivery vehicle for Te Uru Kahika (the collective Regional and Unitary Council sector).
7. The key drivers for establishing a broader shared service delivery vehicle were:
  - The need for the sector to act collaboratively, increasing effectiveness and efficiency as the sector can deliver more collaboratively than any council can on their own.
  - Increased pressure from Central Government for the sector to input into, implement and deliver a broad range of reform packages, often without additional resources.
  - A likelihood of substantive changes to the shape and future of local government, which provides the sector with a need to consider how it best meets these challenges.
  - Severe capacity and capability constraints.
  - Increasing community expectations for councils to do more with less.
  - For the sector to demonstrate that it can act cohesively in response to the changing landscape.
  - For the sector to respond quickly to emerging issues and opportunities.
8. As a delivery vehicle for Te Uru Kahika, the company will lead and/or support others to use collaboration and shared services to create value for the sector. By working together, the sector can "do more with less" while tackling its issues and opportunities.
9. The company's key objectives are:
  - Ensure the regional sector is better prepared to respond to future challenges.
  - Achieve a better return on investment with a focus on quality of outcome and realising the value proposition for the sector.
  - Increase credibility of the sector as a trusted deliverer with a unified and consistent sector profile.
  - Improved key staff attraction and retention.
  - Achieve consistent good practice process across the sector and within councils.

10. The company is currently adding shareholders and, at the time that this report is considered, expects to be owned and controlled by nine Class A shareholding Councils, that each own a single Class A share.
11. An aspect of the transition was the introduction of a new Shareholders' Agreement, which included changes to the structure and composition of the Board. The company seeks to establish a Board with the range of skills to best guide and govern the organisation to maximise the sector benefit.

### Shareholders' Agreement requirements

12. The company's Shareholders' Agreement and Constitution, states that directors will be appointed by way of an ordinary resolution voted on by all Class A shareholders who have equal rights to participate in the process.
13. The Shareholder's Agreement sets out that the Board must have a minimum of four directors and a maximum of eight directors, and that while the company has less than six directors, at least one must be an independent director and while the company has six or more directors, at least two must be independent directors.
14. It is only the independent directors that are entitled to receive directors' fees.
15. In addition, the Shareholders' Agreement includes an interim period that sets out that, at the next annual meeting of shareholders, each of the current directors will retire but may be eligible for re-election. It is now impractical to achieve this by the next annual meeting so the process will be extended to a special shareholders meeting planned for the first quarter 2023.
16. At the shareholders meeting, first quarter 2023, the full Board will retire, and the company will seek to appoint a new Board, made up of:
  - six non-independent directors; and
  - two independent directors.

### The Appointment Process

17. The typical process for appointing the Board is set out in RSHL's Appointment of Directors process policy.
18. As RSHL has just completed its transition, and is currently in an interim period, this year's process differs from the Policy in the following two ways:
  - At the shareholders meeting, where the director's appointment will take place, each director will retire from office but shall be eligible for re-election; and
  - The timing of the process is changed to the following.

The primary steps	Due by
RSHL send Director information pack to shareholders	Early November
Shareholding Council's send nominees (up to one non-independent and one independent) to RSHL	By 16 December
RSHL contacts nominees to obtain a copy of their CV	Late December

RSHL send Director appointment pack to shareholders – complete with a list of nominee applicants and CVs	Early January 2023
Shareholding Councils consider all applicants and select their preferred applicants (up to six non-independent and two independent)	By 20 February 2023
RSHL tabulates the selections	Late February
RSHL Special shareholders meeting appoints Board	Late February

19. As a Class A shareholder of RSHL, the Council has been invited to participate in the director appointment process.
20. Under the new Board composition shareholders will not have specific representatives on the Board. All directors will be required to disregard any alliance to any shareholders and to act in the best interests of the company, as required under the Companies Act. The Council is encouraged to nominate an applicant(s) that has the appropriate skill set and can add value to the guidance and governance of the company.
21. Council needs to determine if they:
  - nominate a non-independent applicant or
  - not nominate a non-independent applicant.
22. The Council is also entitled to nominate an independent director that they think will add the necessary skill and representation diversity suitable for the Board. Council needs to determine if they:
  - nominate an independent applicant; or
  - not nominate an independent applicant.
23. The Council should confirm that its nominee(s) are happy to accept the nomination and complete the Notice of Nomination of Director(s) form (see Attachment 1) returning it to the company by 16 December 2022.

### **Skill set**

24. When the Council is considering its nominees, they are asked to consider the skill sets sought on the Board.
25. The company considers that each Board member should exhibit the following fundamental skills:
  - Critical and analytical thinking
  - Strategy development and implementation
  - Risk management
  - Corporate governance
  - Business experience and commercial acumen.
26. The company seek a Board that collectively exhibit the following skills. Ideally, each nominee will be experienced and skilled in one or more of these areas:
  - Accounting and financial reporting

- Health and safety
- Innovation
- People and capability
- Local government knowledge
- Te Ao Māori
- Public Sector networks
- Digital media and technology
- Legal
- Communications and media
- Experience as a Chair.

### **Diversity representation**

27. The company considers that diversity of thought and perspective in the boardroom improves business performance and innovation. Embracing diversity does not mean compromising on the skills, experience, and professional qualifications of Board members, it's about considering people on merit who also bring diversity of thought and perspective to enhance Board decision-making. This will help drive better outcomes and long-term success.
28. The company requests that shareholders consider Board diversity when selecting their nominees.

### **Next steps**

29. Late December, Council will receive the full list of applicants nominated by all Class A shareholders.
30. The Council will be able to consider all nominated applicants and select up to six preferred non-independent applicants and up to two independent applicants.
31. RSHL will compile all shareholding Council selections and determine the preferred applicants. The shareholders will then get to approve the applicants by voting on the appointment resolution at the special shareholders meeting planned for first quarter 2023.

### **Taranaki Regional Council Nominations**

32. Since the inception of RSHL, the Council's director appointment to the Board has been the Director – Corporate Services (Mr M J Nield). Mr Nield has also been the Board Chairperson since inception. At the 8 November 2022 Ordinary Meeting, the Council reconfirmed Mr Nield as the Council representative on the Board of RSHL. Mr Nield has indicated that he is available to carry on in this role on the Board. Accordingly, it is recommended that the Council nominate Mr Nield.
33. Since 2017, Mr Asbjorn Aakjaer has been an independent director on the Board of RSHL. Mr Aakjaer's abbreviated CV follows. During that time, he has played a significant role in leading the transition of the company into the new shared-services organisation as well as the development of the IRIS NextGeneration project. Given the important roles he has played in the two key initiatives of RSHL, it would be beneficial to the success of

the company for Mr Aakjaer to continue on the Board as an independent director. Mr Aakjaer is available and willing to continue and, accordingly, it is recommended that the Council nominate him as an independent director on the Board of RSHL.

34. General Summary. A governance professional with strong technology and business process background:
- Governance experience in technology and property management companies for 11 years.
  - Senior Executive with 25 years experience in growing complex businesses.
  - Experienced change manager with extensive Merger & Acquisition experience. 3 global mergers both as an employee, manager, and director.
  - 9 years in General Management in publicly listed global technology companies, leading New Zealand subsidiaries.
35. Governance Skillset
- Digital & Technology
  - Sales & Marketing
  - Commercialising Innovation
  - Organisational Change/Transformation
  - Supply Chain
  - Utilities & Telecommunications
  - Senior Management Experience
36. These decisions need to be, and are, consistent with the Council's *Director Appointment Policy* – attached. The Policy needs to be updated in light of the changes to Regional Software Holdings Ltd's Shareholders' Agreement and Company Constitution.

### Options

37. The Council's options are to determine if they:
- nominate or not nominate a non-independent applicant and/or
  - nominate or not nominate an independent applicant.

### Significance

38. In terms of the *Significance and Engagement Policy*, the decision is determined as not significant as:
- the decision does not affect a large number of residents and ratepayers to a moderate extent
  - the consequences of the decision do not affect a small number of residents and ratepayers to a large extent
  - the decision does not have a history of generating wide public interest with the Taranaki region or New Zealand generally.
39. As such, further consultation and/or engagement is not considered warranted.

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

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

### **Policy considerations**

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

### **Iwi considerations**

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

### **Community considerations**

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

### **Legal considerations**

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

### **Appendices/Attachments**

Document 1287761: Policy for the Appointment and Remuneration of Directors to the Boards of Council Subsidiaries – February 2014

## **Director Appointment Policy**

### **Policy for the Appointment and Remuneration of Directors to the Boards of Council Subsidiaries**

**Director Appointment Policy**

**February 2014  
Document 1287761**

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## Director Appointment Policy

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### 1. Purpose

The purpose of this policy is to set out the procedures to be followed for selection, appointment, review and remuneration of directors appointed to the Boards of the Council's council-controlled organisations and subsidiaries.

The following principles underlie this policy:

- appointments will be made on the basis of merit
- the Council will follow corporate governance best practice.
- directors of council-controlled trading organisations will be appointed on the basis of the contribution they can make to the organisation, and not on the basis of representation.

The policy relates to the appointment and remuneration of directors to the Board of Port Taranaki Limited as well as all other council-controlled organisations (referred to in this document as subsidiaries).

The *Local Government Act 2002* requires that the Council may appoint a person to a directorship of council subsidiaries only if the Council considers the person has the skills, knowledge and experience to:

- guide the organisation given the nature and scope of its activities
- contribute to the achievement of the objectives of the organisation.

The Council is required to adopt a policy setting out an objective and transparent process for identifying and considering the skills required of a director, and appointing the directors of subsidiaries.

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### 2. Introduction

The purpose of this policy is to set out in section 57(1) of the Local Government Act 2002, which states:

#### 57 *Appointment of directors*

- (1) *A local authority must adopt a policy that sets out an objective and transparent process for –*
- (a) the identification and consideration of the skills, knowledge, and experience required of directors of a council organisation; and*
  - (b) the appointment of directors to a council organisation; and*
  - (c) the remuneration of directors of a council organisation.*
- (2) *A local authority may appoint a person to be a director of a council organisation only if the person has, in the opinion of the local authority, the skills, knowledge, or experience to –*
- (a) guide the organisation, given the nature and scope of its activities; and*
  - (b) contribute to the achievement of the objectives of the organisation.*

In this policy, the term “directors” is used to mean both directors and trustees. Similarly, a “statement of corporate intent” refers to either a statement of corporate intent or a statement of intent. All entities outlined in this policy are referred to as “subsidiaries”.

The Taranaki Regional Council (the Council) has interests in a number of subsidiaries. At 31 December 2013, the Council:

- owned 100% of Port Taranaki Limited
- owned 15.5% of Regional Software Holdings Ltd
- owned 1,000 shares in Civic Assurance Ltd
- controlled 100% of the Taranaki Stadium Trust.

Port Taranaki Ltd	Regional Software Holdings Ltd	Civic Assurance Ltd	Taranaki Stadium Trust
The Taranaki Regional Council appoints all Directors to the Board of Port Taranaki Ltd.	The Taranaki Regional Council is entitled to appoint one director to the Board of Directors of Regional Software Holdings Ltd.	The Taranaki Regional Council is entitled to nominate and vote for Directors on the Board of Civic Assurance Ltd.	The Taranaki Regional Council appoints all Trustees to the Taranaki Stadium Trust.
There are to be no fewer than six directors. The Council is restricted to a maximum of 2 councillors on the Board of Port Taranaki Ltd (by the Port Companies Act 1988).	One director for each shareholding council (currently 6).	There are currently six directors of the Board of Civic Assurance Ltd.	

#### 2.1. Port Taranaki Limited

Port Taranaki Limited operates at *arm's length* from the Council on a purely commercial basis. Port Taranaki Limited's operations are managed and directed by a Board of Directors (the Board).

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Port Taranaki Limited is a distinct separate legal entity from the Council. In return for the capital invested in Port Taranaki Limited, the Council is entitled to certain statutory rights under the *Port Companies Act 1988* and the *Companies Act 1993*, namely:

- the power to appoint and dismiss directors
- the power to set the level of remuneration for the Board
- the power to approve the size, shape and scope of Port Taranaki Limited and the broad direction of its activities
- the right to receive annual and six month financial statements and to authorise a distribution of profits.

The latter two rights are agreed between the Council and Port Taranaki Limited annually through the statement of corporate interest (SCI) process. The SCI allows the Council to outline its expectations of Port Taranaki Limited in consultation with the Board. The involvement of the Council in the SCI process underpins the governance relationship whilst maintaining the management autonomy of the Board.

### 2.2. Regional Software Holdings Ltd

Regional Software Holdings Ltd operates at *arm's length* from the Council on a purely commercial basis. Regional Software Holdings Ltd's operations are managed and directed by a Board of Directors (the Board).

Regional Software Holdings Ltd (RSHL) is tasked with providing long-term shared software resources that are relevant to regional council activities and are fit for purpose, reliable, robust, resilient and cost effective. Specifically Regional Software Holdings Ltd is responsible for the Integrated Regional Information Systems (IRIS) solution.

RSHL provides a framework for collaboration between the shareholders. It supports the procurement or development of shared software resource products and services in a manner that provides a more cost effective alternative than individual councils can achieve on their own. The company operates through managed contractual arrangements, and by facilitating collaborative initiatives between shareholder councils' staff. Shareholder councils can be both customers of RSHL and providers of service to RSHL. The scope of activities for RSHL is not necessarily limited to the IRIS application suite.

Regional Software Holdings Ltd is a distinct separate legal entity from the Council. In return for the capital invested in RSHL, the Council, in conjunction with the other shareholders, is entitled to certain statutory rights under the *Companies Act 1993*, namely:

- the power to appoint and dismiss directors
- the power to set the level of remuneration for the Board
- the power to approve the size, shape and scope of RSHL and the broad direction of its activities
- the right to receive annual and six month financial statements and to authorise a distribution of profits.

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The latter two rights are agreed between the Council and RSHL annually through the statement of intent (SOI) process. The SOI allows the Council to outline its expectations of RSHL in consultation with the Board. The involvement of the Council in the SOI process underpins the governance relationship whilst maintaining the management autonomy of the Board.

### 2.3. Civic Assurance Ltd

Civic Assurance Ltd operates at *arm's length* from the Council on a purely commercial basis. Civic Assurance Ltd's operations are managed and directed by a Board of Directors (the Board).

Civic Assurance Ltd is tasked with providing insurance, risk-financing and superannuation solutions to the local government sector.

The Council owns an immaterial investment (less than 1% of the total shareholding) in Civic Assurance Ltd (1,000 shares valued at approximately \$1,000).

Civic Assurance Ltd is a distinct separate legal entity from the Council. In return for the capital invested in Civic Assurance Ltd, the Council, in conjunction with the other shareholders, is entitled to certain statutory rights under the *Companies Act 1993*, namely:

- the power to appoint and dismiss directors
- the power to set the level of remuneration for the Board
- the power to approve the size, shape and scope of Civic Assurance Ltd and the broad direction of its activities
- the right to receive annual and six month financial statements and to authorise a distribution of profits.

The latter two rights are agreed between the Council and Civic Assurance Ltd annually through the statement of intent (SOI) process. The SOI allows the Council to outline its expectations of Civic Assurance Ltd in consultation with the Board. The involvement of the Council in the SOI process underpins the governance relationship whilst maintaining the management autonomy of the Board.

### 2.4. Taranaki Stadium Trust

The Taranaki Stadium Trust operates at *arm's length* from the Council on a charitable basis. Taranaki Stadium Trust's operations are managed and directed by Trustees.

Taranaki Stadium Trust (the Trust) is a charitable trust, incorporated in New Zealand, under the *Charitable Trusts Act 1957*. The Trust is a Council Controlled Organisation, as defined in section 6 of the *Local Government Act 2002*. The Trust owns Yarrow Stadium (the Stadium) land, building and facilities. The operation of the Stadium is carried out by the New Plymouth District Council in accordance with a Management Agreement between the two parties.

The fundamental objective of the Trust is to promote the effective and efficient maintenance, development, management, operation and promotion of the Stadium as a community asset used for recreation, sporting and cultural activities for the benefit of the people of Taranaki,

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working in particular with the Taranaki Regional Council and the New Plymouth District Council to advance this purpose.

The Trust was formed to take over the former Rugby Park and redevelop it into a quality venue for the benefit of the wider Taranaki region. The provision of the stadium facilities contributes to the overall infrastructure of the region and provides economic stimulus from events held at the stadium, particularly sporting events that encourage safe and healthy living.

The Taranaki Stadium Trust is a distinct separate legal entity from the Council. The Council is entitled to certain statutory rights under the *Local Government Act 2002*, namely:

- the power to appoint and dismiss trustees
- the power to set the level of remuneration for the trustees
- the power to approve the size, shape and scope of Taranaki Stadium Trust and the broad direction of its activities
- the right to receive annual and six month financial statements.

The latter two rights are agreed between the Council and Taranaki Stadium Trust annually through the statement of intent process. The statement of intent allows the Council to outline its expectations of Taranaki Stadium Trust. The involvement of the Council in the statement of intent process underpins the governance relationship whilst maintaining the management autonomy of the Board.

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### 3. Policy introduction

This policy relates to the appointment and remuneration of directors. The Council must rely upon the directors to use their skills and experience to achieve the performance targets agreed to between the Council and the subsidiary and as outlined in the SCI. The performance of the directors is an important factor in maximising the value (financial and/or otherwise) of the Council's investment.

The following appointment and remuneration process has been developed based upon the Auditor-General's guidelines as set out in the *Report of the Controller and Auditor-General on Governance of Local Authority Trading Activities – June 1994* and the *KnowHow Guide to Governance* prepared by Local Government New Zealand (2003).

The Council is required to appoint directors who will direct and manage the subsidiary to achieve its principal objective. Directors need intellectual ability, business experience, sound judgement, an understanding of governance issues, integrity and the ability to work as members of a team.

In identifying suitable directors, the following general practice is adopted:

- identification of the skills, experience and other attributes required
- seeking, as widely as practical and necessary, expressions of interest in the positions available from individuals who might have those skills
- consultation with the chairperson, or otherwise, of the subsidiary and the chairperson of the Council on the particular skills required for the position
- evaluation of applicants or nominations against objective criteria
- selection from applicants or nominations of the person most likely to be an effective member of the Board.

#### 3.1. Identification of skills, experience and attributes required

The criteria set out in this paragraph shall apply to all directors of Council-owned subsidiaries. Directors should have the following attributes:

- strong thinking abilities, including the capacity to think strategically
- the ability to articulate thoughts in a concise and clear manner
- a clear commitment to the responsibilities of a director
- relevant experience and/or the ability to gain an in-depth familiarity with the company and its business area
- the ability to objectively take account all points of view
- respect for colleagues and staff
- unimpeachable business ethics
- an understanding of governance issues
- proven commercial/relevant experience at an appropriate level
- the ability to understand statutory and financial issues.

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### 3.2. Conflicts of interest

The Taranaki Regional Council expects that directors of subsidiaries will avoid situations where their actions could give rise to a conflict of interest. To minimise these situations the Council requires directors to follow the guidelines for the conduct of directors. All directors are appointed 'at the pleasure' of the Council and may be dismissed for breaches of these guidelines.

The guidelines for the conduct of directors have been reproduced in Appendix 1.

### 3.3. Seeking expressions of interest

When a vacancy on a Board occurs, or the potential for a vacancy is identified, the Chief Executive will compile a list of potential directors. For clarity, the list of potential directors may be as short as one candidate. The list of potential directors will be derived from a number of sources that may include:

- advertising publicly for expressions of interest whereby any individual or group may nominate any person whom they consider qualified to act as a director;
- seeking and recording nominations of suitable persons known to the existing Boards, Councillors and management of the Board and the Council.

Potential directors selected for the list will be requested to provide details of their curriculum vitae together with a statement recording:

- the reasons why they consider they would be appropriate for an appointment;
- their particular area of interest in respect of the Council's activities and subsidiaries; and
- any conflicts of interest.

The list of potential directors and supporting details will remain confidential to the Council.

Port Taranaki Ltd	Regional Software Holdings Ltd	Civic Assurance Ltd	Taranaki Stadium Trust
The Taranaki Regional Council appoints all Directors to the Board of Port Taranaki Ltd. The Chief Executive will compile a list of potential directors for the Council's consideration.	The Taranaki Regional Council is entitled to appoint one director to the Board of Directors of Regional Software Holdings Ltd. The Chief Executive will compile a list of potential directors for the Council's consideration.	The Taranaki Regional Council is entitled to nominate and vote for Directors on the Board of Civic Assurance Ltd. The Company will seek nominations for directors on the Board of Civic Assurance Ltd. Voting occurs at the AGM. The Chief Executive will seek the views of the Council before voting at the AGM.	The Taranaki Regional Council appoints all Trustees to the Taranaki Stadium Trust. The Chief Executive may compile a list of potential trustees for the Council's consideration.

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### 3.4. Process for the appointment of an external director

The Chief Executive may consult with the Chairperson of the Board as to the particular skills required for the position. Consideration may be given to ensuring that there is an appropriate mix of skills and experience on the Board. Similarly, consideration may be given to complementing and reinforcing existing skills. The Chief Executive may also consult with the Chairperson of the Council with regard to the particular skills required for the position.

After the consultation and evaluation of skills required, the Chief Executive will prepare a short list of potential directors from the list of candidates. For clarity, the short-list of potential directors may be as short as one candidate.

The Executive Committee may interview the short list of potential directors. The curriculum vitae and references will be checked to ensure the candidate meets the Council's criteria.

The Executive Committee will then make a recommendation to the Council.

The process for appointing a Councillor to a vacancy on the Board of Port Taranaki Limited is outlined in section 3.7.

### 3.5. Rotation and retirement of Board Members

The term of appointment, rotation and retirement of directors is incorporated into each subsidiary's constitution and/or Trust Deed.

### 3.6. Review and reappointment of Directors

Where a director's term of appointment has expired and they are offering themselves for reappointment, the process outlined in this section will apply.

The Chief Executive may make confidential enquiries from the Chairperson of the Board. These enquiries will seek to ascertain:

- whether there are other skills that the Board requires
- whether the skills of the incumbent add value to the work of the Board.

The Chief Executive will consider the information obtained and form a view on the appropriateness of reappointment or making a replacement appointment. The Chief Executive is authorised to recommend reappointment to the Council. If replacement is recommended then the process outlined in section 3.4 will be followed.

### 3.7. Councillors as directors

Councillors can be appointed as Directors to the Board of Regional Software Holdings Ltd, Civic Assurance Ltd or the Taranaki Stadium Trust but due regard should be taken of the table in section 3.8. The processes outlined in section 3.4 will apply.

Section 6(1)(b) of the Port Companies Act 1988 limits the Council to no more than 2 Councillors as directors on the Board of Port Taranaki Limited. The Council's policy is to have two Councillors on the Board of Port Taranaki Limited.



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All Councillors are eligible to be included in the list of potential directors to fill a vacancy, subject to the processes of this policy.

The following process will complete the appointment of a Councillor as a director of Port Taranaki Ltd. A Councillor appointment must add value to the work of the Board and is not a substitute for a formal monitoring relationship between the Council and the subsidiary.

- the Council resolves to appoint a Councillor to a vacancy on the Board of Directors of Port Taranaki Limited
- those Councillors interested in being considered for the vacancy supply their curriculum vitae and references to the Chief Executive
- the Chief Executive presents the CVs and references to the next Ordinary Meeting of the Council
- the Council considers the CVs and references against the criteria established in section 3.1 of this Policy
- the Council makes an appointment
- the voting system to be utilised in the appointment of a Councillor to the Board of Port Taranaki Limited requires that the person to be elected or appointed receive the votes of a majority of the membership of the Council present and voting and requires that where more than one round of voting is required, the least successful candidate in a round of voting shall not be a candidate in the next round of voting.

The process for reappointing a Councillor who is a Director of Port Taranaki Ltd and retires by rotation as required by Port Taranaki Ltd's company constitution is as outlined in section 3.6.

Notwithstanding the term provided for Board members within the Company's constitution, any Councillor who is a director shall:

- resign from the Board in the event of he or she ceasing to be a Councillor and
- submit a resignation from the Board for acceptance or rejection by the Council following every triennial election of the Council.

The process for appointing an external party to a vacancy on the Board of Port Taranaki Limited is outlined in section 3.4.

### 3.8. Employees as directors

The appointment of employees as directors creates the potential for conflicts of interest between their roles as advisors to the Council and their obligations as directors.

However, there are situations where it is appropriate and valuable to the subsidiary for Council officers to be directors. These situations are where the business of the subsidiary is related to the internal processes/procedures of the Council or the role of the subsidiary is mostly administrative in nature.

Officers will follow similar procedures as Councillors to disclose and manage any potential or actual conflicts of interest between their roles as directors and their roles as Council officers.

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Port Taranaki Ltd	Regional Software Holdings Ltd	Civic Assurance Ltd	Taranaki Stadium Trust
Port Taranaki Ltd operates on a commercial basis at arms-lengthly from the Council. There would be potential conflicts of interest between officer's roles as a director and their role as a Council officer. Council officers would not be considered for a role as a director.	Regional Software Holdings Ltd provides information technology solutions to regional councils. This role is focussed on the internal systems and processes within the Council. Accordingly it is appropriate for officers to be on the Board rather than Councillors.	Civic Assurance Ltd provides internal financial services to local authorities whilst operating in a commercial environment. It would be appropriate for both Councillors and officers to be considered to be nominated for the Board of Civic Assurance Ltd.	The Taranaki Stadium Trust role is largely an administrative role implementing the decisions of the Council. It would be appropriate for both Councillors and officers to be considered to be trustees of the Taranaki Stadium Trust.

## 3.9. Remuneration

Director remuneration is normally set by resolution at the annual general meeting. The Council will form a view regarding the level of remuneration and then the shareholder representative will vote accordingly at the annual general meeting.

There are situations where it is appropriate to remunerate directors for the time and experience that they bring to the position, especially where those directors are not currently remunerated by the Council (officers and/or councillors).

In reaching a view on the appropriate level of remuneration for directors the Council will consider the following factors:

- the need to attract and retain appropriately qualified people to be directors
- the levels and movement of salaries in comparable organisations (the council will retain professional advice on salary levels and movements)
- the objectives of the subsidiary
- the past performance of the subsidiary
- the financial situation of the subsidiary.

Port Taranaki Ltd	Regional Software Holdings Ltd	Civic Assurance Ltd	Taranaki Stadium Trust
Port Taranaki Ltd operates on a commercial basis at arms-lengthly from the Council. Directors are remunerated at market rates.	Regional Software Holdings Ltd provides information technology solutions to regional councils. Directors are regional council officers. No additional remuneration is paid to directors.	Civic Assurance Ltd operates on a commercial basis at arms-lengthly from the Council. Directors are remunerated separately with the level set at each year's AGM.	The Taranaki Stadium Trust role is largely an administrative role implementing the decisions of the Council. No remuneration is paid to the Councillor and officer Trustees.

**Appendix 1: Guideline for the conduct of directors**

1. Directors must act honestly and in good faith in what the director believes to be the best interests of the subsidiary. Directors must ensure that all shareholders and classes of shareholder are treated fairly according to their rights as between each other.
2. Directors must carry out their duties in a lawful manner and use reasonable endeavours to ensure that the subsidiary conducts its business in accordance with the law and with a high standard of commercial morality.
3. Directors should avoid conflicts of interest so far as is possible. Where a conflict or potential conflict arises, as a minimum they must adhere scrupulously to the procedures provided by law and by the constitution of the subsidiary for dealing with conflicts and with the position of directors having an interest in a particular contract or issue. A director who has a continuing conflict of interest of a material nature should consider resignation as a director.
4. Directors should be diligent, attend board meetings and devote sufficient time to make and keep themselves familiar with the nature of the subsidiary 's business and the environment in which it operates. They should be aware of all statutory and regulatory requirements affecting their company and, where applicable, the requirements of bodies such as the New Zealand Stock Exchange, and see that these are observed.
5. Directors must observe the confidentiality of non public information acquired by them as directors and not disclose it to any other person without the authority of the board. A director who is nominated by, or who has special allegiance to a particular shareholder or group of shareholders, may only disclose confidential information to such shareholders with the authority of the board and in strict compliance with any procedures prescribed by law or the constitution of the company.
6. Directors of public issuers should ensure that their subsidiary has in place an approved procedure for the buying and selling of shares or securities in the company by directors or their relatives or associates. Directors should not engage in short term trading in the company's shares or securities. Directors should notify the board in advance of any intended transaction by them or their relatives or associates involving shares or securities in the subsidiary.
7. Directors must act in accordance with their fiduciary duties. They should comply with the spirit as well as the letter of the law and remember that in addition to purely legal requirements there is a standard of ethical and moral behaviour against which all their actions can be judged.
8. A director should not, bind himself or herself to a pre-determined stance or course of action in the public arena which may then significantly impact on decisions taken at the board table.
9. A director may not publicly criticise a subsidiary or its subsidiaries, or dissent from a collective board decision in a manner likely to damage confidence in the subsidiary or its subsidiaries.
10. Directors must familiarise themselves with the legal risks, both to the subsidiary and to the individual director, involved with the position, and take all reasonable steps to minimise such risks.

## **Executive, Audit & Risk Committee Public Excluded**

In accordance with section 48(1) of the *Local Government Official Information and Meetings Act 1987*, resolves that the public is excluded from the following part of the proceedings of the Executive, Audit and Risk Committee Meeting on Monday 5 December 2022 for the following reason/s:

### **Item 1 – Yarrow Stadium Plus: Project Steering Group Report**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; and/or enable any local authority holding the information to carry out, without prejudice, commercial activities.*

### **Item 2 – Deloitte Report for the Executive Audit and Risk Committee**

*That the public conduct of the whole or the relevant part of the proceedings of the meeting to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information from the same source, and is in the public interest that such information should continue to be supplied.*

## AGENDA AUTHORISATION

Agenda for the Executive, Audit and Risk Committee meeting held on Monday 5 December 2022.

Approved:



28 Nov, 2022 12:08:16 PM GMT+13

M J Nield  
**Director - Corporate Services**



28 Nov, 2022 10:08:04 AM GMT+13

S J Ruru  
**Chief Executive**