

KEY RELATIONSHIPS



COUNCIL CONTROLLED ORGANISATIONS

Council controlled organisations (CCOs) are described in the Local Government Act 2002 as any organisation in which one or more councils control 50% or more of the voting rights or appoint one or more of the directors. The Local Government Act 2002 requires us to include in the Long Term Plan information on certain council controlled organisations in which we are a shareholder.

This includes information on:

Our policies and objectives that relate to the ownership and control of the organisation.

The nature and scope of the activities to be provided by the council controlled organisation.

The key performance targets and other measures by which performance may be judged.

We do not have any significant policies or objectives about ownership and control of council controlled organisations. Appointment of a director to a council controlled organisation, who represents the Matamata-Piako District Council, aligns with our policy on appointment of directors.

WAIKATO REGIONAL AIRPORT LIMITED (WRAL)

OWNERSHIP

WRAL is jointly owned by five local authorities: Hamilton City, Waikato District, Waipa District, Otorohanga District and Matamata-Piako District Councils. Matamata-Piako's shareholding is 15.625%.

WHY DOES IT EXIST

Waikato Regional Airport Limited replaced the Airport Authority in 1989, which previously ran the airport. We consider that the airport is a significant infrastructural asset for the region and important for economic growth and development. The Local Government Act 2002 defines shareholding in an airport as a strategic asset.

WHAT DOES IT DO?

The objective of the Waikato Regional Airport Limited is to operate an efficient and compliant airport, enhancing the traveller experience while maximising revenue diversification through its aeronautical and non-aeronautical property strategy and enhancing tourism growth within the region. The airport enhances the economic development of the Waikato Region and the retention of the airport as a major infrastructural facility is important to the economy of the Waikato.



PERFORMANCE MEASURE	ACTUAL	TARGET		
	2016/17	2016/17	2017/18	2018/19
Facilitate Health & Safety meetings every two months with representatives from each company department.	Achieved	Facilitate Health & Safety meetings every two months with representatives from each company department.		
Zero Work Safe notifiable accidents/injuries.	Achieved	Zero Work Safe notifiable accidents/injuries.		
Implement the company's Health & Safety framework to align with the requirements of the Health and Safety at Work Act 2015 and independently review and audit the system each year.	Achieved	Implement the company's Health & Safety framework to align with the requirements of the Health and Safety at Work Act 2015 and independently review and audit the system each year.		
To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by Civil Aviation Authority audit reports.	Achieved	To achieve the Airport Certification Standards as required by the Civil Aviation Authority and as evidenced by Civil Aviation Authority audit reports.		
Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).	Achieved	Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).		
Facilitate noise management meetings each four months in accordance with the Noise Management Plan.	Achieved	Facilitate noise management meetings every four months in accordance with the Noise Management Plan.		
Collect, document and act (where viable) on customer feedback forms to continuously monitor and improve the customer experience. Maintain a database to ensure recurring negative feedback is promptly acted upon.	Achieved	Collect, document and act (where viable) on customer feedback forms to continuously monitor and improve the customer experience. Maintain a database to ensure recurring negative feedback is promptly acted upon.		

PERFORMANCE MEASURE	ACTUAL			TARGET	
	2016/17	2016/17	2017/18	2018/19	2019/20
Earnings before interest, taxation and depreciation (EBITDA) <i>of at least</i>	\$2,443,000	\$2,279,000	\$2,374,000	\$2,495,000	\$2,550,000
Net surplus/(deficit) after tax	(\$305,000)	(\$366,000)	(\$366,000)	(\$342,000)	(\$350,000)
Net operating cash flow	\$5,247,000	\$1,594,000	\$1,700,000	\$1,800,000	\$1,750,000
Net investing cash flow	(\$9,292,000)	(\$1,540,000)	(\$1,500,000)	(\$970,000)	(\$1,500,000)
Funding Titanium Park Limited	\$3,161,000	(\$505,000)	(\$0)	(\$0)	(\$0)
Total net cash flow (operating and investing) <i>at least (\$884,000)</i>	(\$884,000)	(\$451,000)	\$200,000	\$830,000	\$250,000
Net debt a <i>maximum of</i>	\$10,994,000	\$8,287,000	\$13,000,000	\$11,170,000	\$10,920,000
Total liability/ shareholders' funds (debt/equity ratio)	20:80	26:74	35:65	35:65	35:65

PARENT COMPANY OPERATIONS ONLY

PERFORMANCE MEASURE	ACTUAL			TARGET	
	2016/17	2016/17	2017/18	2018/19	2019/20
Percentage of non-landing charges revenue	81%	76%	76%	74%	74%
Interest cover of at least	8.63	6.56	5.0x	5.0x	5.0x
Net profit before tax, interest, revaluations to total assets	0.25%				
Net profit before tax, interest, revaluations to shareholder funds	0.30%				
Net profit after tax, interest, revaluations to total assets	3.15%	New		Information not available	
Net profit after tax, interest, revaluations to shareholder funds	3.79%				

WAIKATO LOCAL AUTHORITY SHARED SERVICES LIMITED (WCLASS)

OWNERSHIP

WCLASS is a CCO solely owned by the 12 Waikato local authorities – Waikato Region, Hamilton City, Hauraki District, Matamata-Piako District, Otorohanga District, Rotorua District, South Waikato District, Taupo District, Thames-Coromandel District, Waikato District, Waipa District and Waitomo District.

The WCLASS Board has 12 Directors; each Director being the Chief Executive, or nominee, of one of the local authorities representing the shareholding Councils. The Directors do not receive any fees or expenses for the work undertaken on behalf of WCLASS.

Matamata-Piako's shareholding is 8.33%.

WHY DOES IT EXIST

The company was established in 2005 to promote shared services between local authorities across the Waikato region. By encouraging and enabling the councils to work together, WCLASS helps councils to reduce costs, achieves effectiveness and efficiency gains, reduces duplication of effort, eliminates waste through repetition, promotes and contributes to the development of best practice, and helps to improve customers' experiences.

Council became a shareholder following public consultation during the 2005/06 Annual Plan.

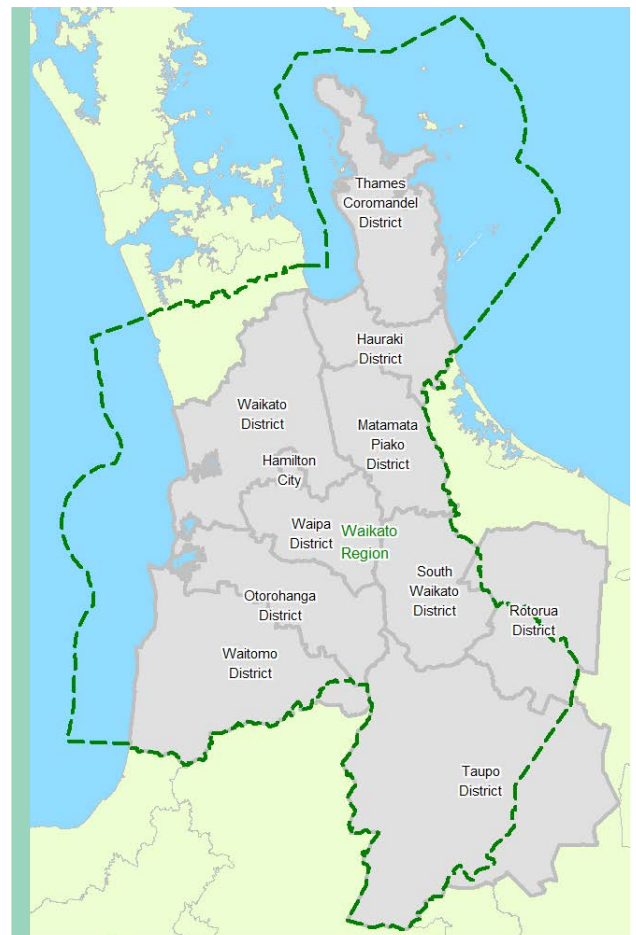
WHAT DOES IT DO?

Much of the work of WCLASS is undertaken by Working Parties or Advisory Groups made up of staff from the shareholding councils, with expertise and interest in particular services. WCLASS provides a legal entity representing all of the shareholding councils, and can enter into contracts and agreements with external suppliers. The WCLASS CEO facilitates and co-ordinates the various Working Parties.

Member councils pay a small annual levy, depending on their size, to run the WCLASS. Services obtained by members are funded on a user pays basis, whereby each council pays for and receives the financial benefit of its share of any particular service. The decisions about potential projects or services are made by the Directors, who make up the WCLASS Board.

More detailed information about WCLASS can be found at waikatolass.co.nz.

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PERFORMANCE MEASURE	ACTUAL		TARGET		
	2016/17	2016/17	2017/18	2018/19	2019/20
<p>Procurement</p> <p>A minimum of three new procurement initiatives investigated per annum and business cases developed if considered appropriate.</p>	<p>Achieved</p> <p>A joint RFP with BOPLASS for the supply of multi-function devices was completed and Konica Minolta were accepted as the preferred supplier. Shared procurement of Thomson Reuters services, EMA membership, and participation in the BOPLASS EFTPOS contract have been investigated, but no financial benefits were identified.</p> <p>A WCLASS Master Agreement with Vertical Horizon for the provision of health & safety training was completed in February 2017 and 11 councils have signed Joining Agreements.</p>	<p>Joint procurement initiatives for goods and services for WCLASS councils will be investigated and implemented.</p>			No longer measured
<p>Initiatives which are implemented shall provide financial savings and/or improved service levels to the participating councils.</p>	<p>Achieved</p> <p>A syndicated clause in three tendered Hamilton City Council contracts enables all shareholders to access:</p> <p>(i) a library book buying contract at 37% discount on the RRP;</p> <p>(ii) a contract for the supply of pipes and fittings for water, wastewater and stormwater pipes, which provides discounts of between 30% and 80% off the list price;</p> <p>(iii) an HR Panel of eight suppliers for the recruitment of permanent and temporary staff.</p> <p>Information on how to participate in syndicated contracts for Office Furniture, Media Monitoring and Employee Assistance Programmes was circulated to all shareholding councils.</p> <p>A WCLASS Master Agreement with Vertical Horizon for the provision of health & safety training was completed in February 2017 and 11 councils have signed Joining Agreements.</p>	<p>Joint procurement initiatives for goods and services for WCLASS councils will be investigated and implemented.</p>			No longer measured
<p>Implement the recommendations of the Procurement review, as approved by the Board.</p> <p>New suppliers are awarded contracts through a competitive tender process.</p>	<p>Achieved</p> <p>Following an RFP process, a WCLASS Master Agreement for Fleet Management has been entered into with FleetPartners/FleetSmart for a term of 1+2.</p>	<p>Joint procurement initiatives for goods and services for WCLASS councils will be investigated and implemented.</p>			Information not available

PERFORMANCE MEASURE	ACTUAL		TARGET	
	2016/17	2016/17	2017/18	2018/19 2019/20
<p>Collaborative projects</p> <p>A minimum of three priority projects for collaboration are identified per annum.</p> <p>If considered of value, business cases are developed for approval by the Board, and the projects are implemented.</p>	<p>Achieved</p> <p>Six projects (GIS, Procurement, Aligned Planning, Digital Strategy, Learning and Development, and Building Services) have been investigated.</p> <hr/> <p>Achieved</p> <p>Business cases for all six projects were approved by the Board. A GIS team is working on identifying why spatial data should be used to support the Waikato region within the framework of the Waikato Digital Strategy, including identifying the benefits and measures of success. A Procurement review is in progress, and is scheduled for completion in August 2017. An RFP to select a Project Manager to lead the Aligned Planning project is in progress. A Digital Strategy is under development. A Learning & Development Working Party has been established, and projects are in progress. A strategic review of Building has been completed and a number of new initiatives have been identified, which will commence in 2017/18.</p>	<p>Priorities for collaboration are identified, business cases are developed for the highest priority projects, and the projects are implemented.</p>	<p>Information not available</p>	
<p>Existing WLASS contracts</p> <p>The WLASS Contracts Register is maintained and managed.</p> <p>Contracts which are due for renewal are tested for competitiveness and either renegotiated or tendered through a competitive process.</p>	<p>Achieved</p> <p>Contracts Register is up-to-date.</p> <hr/> <p>Achieved</p> <p>Four current contracts have been extended, following a performance review:</p> <ul style="list-style-type: none"> (i) Dataprint (computer-generated print, mailhouse and e-services) (ii) Professional Services Panel (building services, planning 3-waters, urban design, flood hazards consultancy services) (iii) Aon (insurance brokerage) (iv) Infometrics (economic data) 	<p>Existing contracts are managed and renegotiated as required.</p>	<p>Information not available</p>	
<p>Cashflow</p> <p>The WLASS Board reviews the financial statements quarterly.</p>	<p>Achieved</p> <p>Cash flow for the year shows a positive total cash balance of \$352,274.</p>	<p>The company shall maintain a positive cashflow.</p>	<p>Information not available</p>	
<p>Cost Control</p> <p>Administration expenditure shall not exceed budget by more than 5%, unless prior approval is obtained from the Board.</p>	<p>Achieved</p> <p>Actual expenditure was 19% favourable compared to budget. Reports on the financial position were considered at WLASS Board meetings on 5 August, 14 October, and 2 December 2016, and on 3 February, 24 March and 26 May 2017.</p>	<p>Administration expenditure shall be managed and monitored.</p>	<p>Information not available</p>	

	ACTUAL		TARGET			
	2016/17		2016/17	2017/18	2018/19	2019/20
<p>Reporting</p> <p>The Board shall provide a written report on the business operations and financial position of the WLASS to the shareholders every six months.</p> <p>Every second report shall be the Annual Report, which includes a report that all of the statutory requirements of the WLASS are being adhered to.</p>	<p>Achieved</p> <p>The 6-monthly report was distributed to shareholders on 9 February 2017.</p>		Six monthly reports provided to Shareholders.		Information not available	
	<p>Achieved</p> <p>The Annual Report was distributed to shareholders.</p>					
<p>Waikato Mayoral Forum</p> <p>Approved invoices for Mayoral Forum projects are paid by the 20th of the month following their receipt.</p>	<p>Partly Achieved</p> <p>All approved invoices, except for one, were paid by the 20th of the month following their receipt.</p>		The company shall provide administrative support and updates on Mayoral Forum workstreams on the Mayoral Forum.		Information not available	
<p>Shared Valuation Data Services (SVDS)</p> <p>The SVDS is available to users at least 99% of normal working hours.</p> <p>All capital enhancement work is supported by a business case and approved by the SVDS Advisory Group.</p> <p>The SVDS Advisory Group meets at least 6-monthly.</p>	<p>Achieved</p> <p>SVDS was available to users for 99.16% of normal working hours.</p>		The Shared Valuation Data Services is reliable, well maintained and available to all users.		Information not available	
	<p>Not Applicable</p> <p>There has been no capital enhancement work over the last 12 months.</p>					
	<p>Achieved</p> <p>The Group met on 1 September and 17 November 2016, and on 9 March and 1 June 2017.</p>					
<p>Insurance</p> <p>Strategic advice provided by Aon on the insurance programme structure is assessed as satisfactory in the annual WLASS Shareholders' survey by the participating councils.</p> <p>The day-to-day service provided by Aon is assessed as satisfactory in the annual WLASS Shareholders' survey by the participating councils.</p>	<p>Not Applicable</p> <p>Shareholders' survey is scheduled to be reported to the Board on 26 August 2017.</p>		Achieve the relevant KPIs in Appendix 4 of the Insurance Brokerage contract with Aon.		Information not available	
	<p>Not Applicable</p> <p>Shareholders' survey is scheduled to be reported to the Board on 26 August 2017</p>					

	ACTUAL		TARGET		
	2016/17	2016/17	2017/18	2018/19	2019/20
RATA					
Reports presented to WCLASS Board as at 30 December and 30 June, and circulated to stakeholders.	Achieved 6-monthly reports presented to Board meetings on 2 December 2016 (circulated to stakeholders on 19 December) and on 7 July 2017.				
Reports include a summary of savings achieved.	Achieved A summary of savings was included. In the July report to the Board.	All stakeholders are kept informed about RATAs projects and achievements.			
All RATA councils participate in the tour.	Achieved All councils participated in the tour in October 2016.				
Report on tour outcomes prepared by 31 December each year, and circulated to stakeholders.	Achieved Report delayed until February 2017 (individual councils received their reports in January).				Information not available
Contracts which are due for renewal are tested for competitiveness and either renegotiated or tendered through a competitive process.	Not Applicable No contracts due for renewal. Data collection contracts were extended for one year on 14 October 2016.	Sub-regional data collection contracts deliver good quality data on roading assets.			
Any data issues are identified and resolved, with any incidents reported to stakeholders.	Achieved Asset Information Engineer identifies and resolves all issues.				
Waikato Regional Transport Model (WRTM)					
All modelling reports requested from the model supplier are actioned within the agreed timeframe, scope and budget.	Achieved Reports were provided on 15 August and 18 November 2016. No quarterly reports were requested in 2017 as the model was unused during this period.				
A report from RATA on any new developments and on the status of the model is provided to the WCLASS Board at least every six months.	Achieved Reports presented to the Board in December 2016 and July 2017.	The Waikato Regional Transport Model is reliable and available to users.			Information not available
The quality of the base model complies with NZTA guidelines (as set out in the NZTA's Economic Evaluation Manual), and is independently peer reviewed each time the model is updated.	Achieved Peer review of base model was completed in April 2017. Consultant has been engaged to complete future years' model in 2017/18.				

	ACTUAL		TARGET		
	2016/17	2016/17	2017/18	2018/19	2019/20
Internal audits completed annually for each Group member.	Partially Achieved Only seven of the eight audits scheduled for the year were completed due to a lack of staff resources to assist.				
Group members are provided with a joint quality assurance system that meets statutory compliance.	Not Achieved The quality assurance system consists of over 466 separate documents. Regulation 17 requires that all BCAs on an annual or more frequent basis; audit and review all of their quality assurance systems to ensure that the systems meet the requirements of the BCA regulations and the Building Act 2004, and remain appropriate for purpose. Even though the audit and review of the QA systems was achieved within the calendar year. It was not achieved within 12 months from the last completion date.	Provide strategic direction and actively pursue improvements in Building Control across the Waikato region.		Information not available	
Report at least six monthly to the WLASS Board on the Group's activities.	Achieved Reports presented to the 3 February and 7 July 2017 Board meetings.				
Reports presented to WLASS Board as at 30 December and 30 June, and circulated to stakeholders.	Achieved 6-monthly reports presented to the Board on 2 December 2016 and 7 July 2017.	All stakeholders are kept informed about Future Proof's projects and achievements.		Information not available	
A survey of shareholders is undertaken each year, and the results are reported to all shareholders.	In Progress Shareholders' survey has been completed and is scheduled to be reported to the Board on 26 August 2017.	Shareholders are satisfied with the performance of WLASS.		Information not available	
Information on the financial and non-financial benefits being achieved by WLASS are included in the 6-monthly and Annual Report to shareholders.	Achieved Information is included in this report.				
The "Collaboration in Action" document, which summarises the achievements of WLASS, is updated and circulated to shareholders by 31 December 2017.		Shareholders are informed of the benefit being provided to shareholding councils by WLASS.		Information not available	

KEY PARTNERSHIPS

We are also involved in other key partnerships that do not come within the council controlled organisation reporting requirements under the Local Government Act 2002. Some of our key partnerships are listed below; they have developed in different forms and structures, reflecting the need to develop partnerships that work together in the ways most appropriate to address the specific issues they face.

HAURAKI RAIL TRAIL CHARITABLE TRUST

WHAT TYPE OF ORGANISATION IS IT?

The Hauraki Rail Trail Charitable Trust has been created by Hauraki, Thames-Coromandel and Matamata-Piako District Councils, who each can appoint three trustees. Iwi in the three districts can also appoint three trustees to the Trust. The trust falls within the definition of a council controlled organisation, however on 8 November 2017 we exempted the Trust from council controlled organization reporting requirements under the Local Government Act 2002. The exemption must be reviewed every three years and was last reviewed on 14 December 2014.

WHY DOES IT EXIST?

The Trust's purpose is generally to operate and facilitate the use and enjoyment of the Hauraki Rail Trail. The defined purposes of the Trust include the specific objectives of expanding the Hauraki Rail Trail where possible and maintaining the Hauraki Rail Trail to appropriate standards.

WHAT DOES IT DO?

The trust will oversee the operation and maintenance of the Hauraki Rail Trail by a commercial operator. It will also seek funding from charitable organisations (such as gambling trusts) to fund the extension of the Hauraki Rail Trail.



CIVIL DEFENCE EMERGENCY MANAGEMENT GROUP

WHAT TYPE OF ORGANISATION IS IT?

Under the Civil Defence Emergency Management Act 2002 every regional and local council within that region must unite to establish a Civil Defence Emergency Management Group. The CDEM Group is a joint standing committee under clause 30(1)(b) of Schedule 7 of the Local Government Act 2002.

“Our Civil Defence role is more than just responding in an emergency – it also includes community, organisational and business readiness.”

WHY DOES IT EXIST?

Civil Defence Emergency Management (CDEM) is the responsibility of regional, city and district councils throughout New Zealand. We work in partnership with emergency services and other organisations to provide local emergency management. Our Civil Defence role is more than just responding in an emergency – it also includes community, organisational and business readiness, including public education and awareness, training and exercises, and local response planning.

WHAT DOES IT DO?

We are part of the Waikato CDEM Group, which includes the Waikato Regional Council and all 10 District/city councils, as well as emergency services, welfare agencies and utility providers. We are also part of the Thames Valley emergency operating area (TVEOA), which provides Civil Defence services at the local level, between Thames-Coromandel, Hauraki and Matamata-Piako District Councils. Thames-Coromandel District Council is the administering authority and the Emergency Operating Centre (EOC) is located in Thames.

FIRE AND EMERGENCY NEW ZEALAND LOCAL ADVISORY COMMITTEE

WHAT TYPE OF ORGANISATION IS IT?

Under the Fire and Emergency New Zealand Act 2017 Fire and Emergency New Zealand (FENZ) which is a Crown entity under the Crown Entities Act 2004, local advisory committees.

WHY DOES IT EXIST?

The main purpose of local advisory committees is to provide advice, from a local perspective, to FENZ. While Council may or may not have a direct representative on the local advisory committee for our areas, we will be engaged in providing feedback once the committee is operational.

WHAT DOES IT DO?

The functions of the local advisory committees are to:

- undertake efficient and effective local engagement for the board,
- to provide local advice to FENZ on the national strategy, local issues, and local planning,
- to consider and promote the interests of the local area's FENZ volunteers,
- to consider the interests of the industry brigades operating in the local area,
- to consider the provisions of any current operational service agreement and memorandum of understanding that FENZ has and that is relevant to a local area in relation to which the local advisory committee has responsibilities.

HAMILTON AND WAIKATO TOURISM LIMITED

WHAT TYPE OF ORGANISATION IS IT?

Hamilton and Waikato Tourism Limited is a company that is 100% owned by Waikato Regional Airport Limited, of which we are a shareholder.

WHY DOES IT EXIST?

Hamilton and Waikato Tourism Limited was formed to promote tourism in the Waikato region, through the development of a website and raising the profile of the region in the tourism industry.

WHAT DOES IT DO?

Hamilton and Waikato Tourism Limited operates the website hamiltonwaikato.com, and works with tourist operators and the international tourism sector to promote and raise the profile of the Waikato region as a tourist destination.

HAURAKI GULF FORUM

WHAT TYPE OF ORGANISATION IS IT?

The Forum is a statutory body formed under the Hauraki Gulf Marine Park Act 2000.

It has representatives of the Ministers of Conservation, Fisheries, and Maori Affairs, six representatives of the tangata whenua of the Hauraki Gulf and its islands, seven representatives from the Auckland and one representative each from Hauraki, Matamata- Piako, Thames-Coromandel, Waikato District and Waikato Regional Councils.

WHY DOES IT EXIST?

Broadly speaking, the purpose of the Hauraki Gulf Forum is to:

- integrate and promote the conservation and management of the resources of the Hauraki Gulf
- facilitate co-operation on matters relating to the statutory functions of the parties in relation to the Hauraki Gulf
- recognise the relationship of tangata whenua with the Hauraki Gulf.

WHAT DOES IT DO?

The Forum's functions include:

- strategic planning,
- producing a state of the environment report every three years and an Annual Report each year,
- monitoring and sharing information on the state of resources,
- receiving reports and commissioning research on the Hauraki Gulf,
- education and promoting Hauraki Gulf matters.



WAIKATO TRIENNIAL FORUM

WHAT TYPE OF ORGANISATION IS IT?

Section 15 of the Local Government Act 2002 requires all councils within each region to enter into an agreement containing protocols for communication and co-ordination among them during the period until the next local government election. The Waikato Triennial Forum (Forum) includes the elected members from all Waikato Regional Councils.

WHY DOES IT EXIST?

The Forum exists to develop and implement the Waikato Triennial Agreement and to ensure collaboration at a regional level.

WHAT DOES IT DO?

The Forum meets regularly to discuss and collaborate on regional issues.

WAIKATO REGIONAL COUNCIL COMMITTEES

WHAT TYPE OF ORGANISATION IS IT?

We have representatives that sit from time to time on committees that have been created by the Waikato Regional Council under the Local Government Act 2002.

WHY DOES IT EXIST?

Waikato Regional Council forms committees to ensure that it can work efficiently in its areas of responsibility. The inclusion of regional stakeholders in some committees ensures that these stakeholders have a voice in decisions that affect them.

WHAT DOES IT DO?

The committees work on regional issues that affect the community, for example the regional transport committee looks at regional policy and issues regarding roading and transport.



“Waikato Regional Council forms committees to ensure that it can work efficiently in its areas of responsibility. The inclusion of regional stakeholders in some committees ensures that these stakeholders have a voice in decisions that affect them.”



AUDIT OPINION

INDEPENDENT AUDITOR'S REPORT ON MATAMATA-PIAKO DISTRICT COUNCIL'S 2018-28 LONG-TERM PLAN

I am the Auditor-General's appointed auditor for Matamata-Piako District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long-term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 27 June 2018.

OPINION

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 230 to 233 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

BASIS OF OPINION

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;

- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

RESPONSIBILITIES OF THE COUNCIL AND AUDITOR

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

INDEPENDENCE

In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of *Professional and Ethical Standard 1 (Revised)*; and
- quality control requirements, which incorporate the quality control requirements of *Professional and Ethical Standard 3 (Amended)*.

In addition to this report on the Council's Long-Term Plan and all legally required external audits, we have provided an assurance report on certain matters in respect of the Council's Debenture Trust Deed. These assignments are compatible with those independence requirements. Other than these assignments, we have no relationship with or interests in the Council or any of its subsidiaries.



B H Halford, Audit New Zealand
On behalf of the Auditor-General, Tauranga, New Zealand