



Te Kaunihera-ā-Rohe o Taratahi

**CARTERTON**  
**DISTRICT COUNCIL**

# **AGENDA**

## **Council Workshop**

**Date: Wednesday, 24 July 2024**

**Time: 9:00 am**

**Location: Carterton Events Centre  
50 Holloway St  
Carterton**

Mayor R Mark

Deputy Mayor S Cretney

Cr D Williams

Cr B Deller

Cr R Cherry-Campbell

Cr S Gallon

Cr G Ayling

Cr L Newman

Cr S Laurence







**Notice is hereby given that a Council Workshop of the Carterton District Council  
will be held in the Carterton Events Centre, 50 Holloway St, Carterton on:  
Wednesday, 24 July 2024 at 9:00 am**

**Order Of Business**

<b>1</b>	<b>Karakia Timatanga .....</b>	<b>5</b>
<b>2</b>	<b>Apologies .....</b>	<b>5</b>
<b>3</b>	<b>Reports .....</b>	<b>6</b>
	4.1 Long Term Workshop.....	6
<b>5</b>	<b>Karakia Whakamutunga.....</b>	<b>17</b>







## **1 KARAKIA TIMATANGA**

*Mai i te pae maunga, raro ki te tai*

*Mai i te awa tonga, raro ki te awa raki*

*Tēnei te hapori awhi ai e Taratahi.*

*Whano whano, haramai te toki*

*Haumi ē, hui ē, tāiki ē!*

## **2 APOLOGIES**



### 3 REPORTS



#### 4.1 LONG TERM WORKSHOP

##### 1. PURPOSE

THE PURPOSE OF THE WORKSHOP IS TO DISCUSS OPTIONS AND REVIEW THE ISSUES AROUND THE LTP THAT HAVE BEEN RAISED BY AUDIT NZ AND THE OFFICE OF THE AUDITOR GENERAL.

**FILE NUMBER:** 410370

**AUTHOR:** SERAH PETTIGREW, DEMOCRATIC SERVICES OFFICER

**ATTACHMENTS:** 1. LONG TERM WORKSHOP 24 JULY 2024 [↓](#)





# LONG TERM PLAN

## WORKSHOP

### 24 JULY



- **BACKGROUND**
- **ADOPTION DELAY**
- **AUDIT FINDINGS**
- **AUDIT RESPONSE**
- **LEGAL ADVICE**
- **FINANCIAL MODELLING SYSTEM**
- **COMMUNICATIONS AND  
ENGAGEMENT**
- **NEXT STEPS**

# **AGENDA**

## **LTP WORKSHOP**

### **24 JULY**



## ADOPTION DELAY

### Impacting factors resulting in CDC not adopting by 30 June:

- Delays in receiving the Certified QV new valuations
- Delays in hearings and deliberations from Consultation
- Delays in interim LTP audit
- Delays and quality issues in the final LTP on-site audit work
- Three requests from Audit NZ to reschedule our Council meeting
- Findings from the audit review coming to light a week after planned Council meeting of 26th June
- Operational resourcing challenges to cover extended sicknesses, changes in critical project staff, and respond to the additional LTP workload required.

**BACKGROUND**  
**LTP WORKSHOP**



## AUDIT QUERIES

**The three initial queries from the audit review were:**

- Are we depreciating renewed assets twice?
- Why are we building up of depreciation reserves?
- The Performance Framework gaps, clarification and alignment required?

There was also minor wording changes to the content of the LTP document.

**AUDIT FINDINGS**  
**LTP WORKSHOP**  
**24 JULY**



## OUR RESPONSE

### DEPRECIATION EXPENSE

- Corrected the overcalculation on short life assets.

### RESERVES

- Recalculated the depreciation and financial contributions reserves for planned capital.

### FUNDING RENEWALS

- Five asset classes funding was incorrect in outer years, not first utilising reserves and continuing to fund using debt.

### REVALUATIONS

- The assumptions and business rules were checked and validated.

# AUDIT FINDINGS

LTP WORKSHOP

24 JULY



## OUR RESPONSE

### SYSTEM MODELLING

- Magiq provided assistance with changes to the assumptions and business rules to ensure the model was working as expected.

### PERFORMANCE FRAMEWORK & SIGNIFICANT ASSUMPTIONS

- Including rateable properties assumptions.

### REVISED OUR AUDIT PLAN WITH AUDIT NZ

- Audit Opinion now due 4 September.

### DELAYED LTP ADOPTION CONSIDERATION

- LTP adoption considered on 18 September.

# AUDIT FINDINGS

## LTP WORKSHOP

### 24 JULY



## SIMPSON GRIERSON

- Operating under year 4 of the 2021-31 LTP until the refreshed LTP is adopted.
- Options regarding the setting of Rates for 2024/25
- How we can help manage the collection of GWRC rates for 2024/25.
- How we can help customers manage cash-flow while we work through questions audit raised (direct debits, direct credits etc).
- Any potential issues when considering changing from four rates instalments to three.
- Confirming (once the LTP is fully refreshed) that the changes made are not significant and the LTP can be considered by Council for adoption without further public consultation.

# LEGAL ADVICE

## LTP WORKSHOP

**24 JULY**



**TO 31 JULY**

- **CDC:** Financial changes investigated and made in model.

**1-9 AUGUST**

- **CDC:** LTP document updated for changes.

**9 AUGUST**

- **CDC:** LTP updated ready for Audit.

**12-23 AUGUST**

- **AUDIT NZ:** LTP document updated for changes.

**26-27 AUGUST**

- **OAG:** Review of LTP

**28-30 AUGUST**

- **CDC/Audit NZ:** Review feedback addressed.

**2 SEPTEMBER**

- **AUDIT NZ:** Audit Opinion signed and issued.

**4 SEPTEMBER**

- **CDC:** Final Audited LTP to Councillors for consideration [Papers due].

**18 SEPTEMBER**

- **COUNCIL:** LTP document updated for changes.



# TIMELINE

## LTP WORKSHOP

### 24 JULY



## OUR COMMUNICATIONS APPROACH

Whatever decisions are made regarding late rates, our Communications approach will be:

- Let people know about the late rates, what the impact on them could be, and what actions they can take to smooth the impact.
- Let people know we are available to help if needed.
- Encourage people to pay rates by Direct Debit.
- Reminders in later instalments, FAQs and key messages for customer services.

### OUR...

Rates | Finance | Customer Service | Communications Teams

### WILL USE...

Social | Website | Print | Direct mail/email | Face to face | Phone

### TO ENGAGE...

All ratepayers | Staff | Elected representatives

**COMMUNICATIONS**  
**LTP WORKSHOP**  
**24 JULY**



N

## REPORTS COMING TO 31 JULY MEETING FOR COUNCIL TO CONSIDER

- Adopt Fees and Charges 2024/25
- Delay Adoption of Long-Term Plan 2024-34
- Setting the 2024/25 Rates Late
- Capex Carry Forwards 2023/24 to 2024/25

## NEXT STEPS

LTP WORKSHOP

24 JULY



## **5 KARAKIA WHAKAMUTUNGA**