RANGITĪKEI DISTRICT COUNCIL

Making this place home.

ORDER PAPER

ORDINARY COUNCIL MEETING

Date:	**Thursday, 29 October 2026**
Time:	**9.30am**
Venue:	**Council Chamber** **Rangitīkei District Council** **46 High Street** **Marton**

Chair:	HWTM Andy Watson
Deputy Chair:	Cr Dave Wilson
Membership:	Cr Diana Baird Cr Alan Buckendahl Cr Fi Dalgety Cr Sandra Field Cr John Hainsworth Cr Piki Te Ora Hiroa Cr Graeme O'Fee Cr Coral Raukawa Cr Paul Sharland Cr Jeff Wong

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Notice is hereby given that an Ordinary Meeting of Council of the Rangitīkei District Council will be held in the Council Chamber, Rangitīkei District Council, 46 High Street, Marton on Thursday, 29 October 2026 at 9.30am.

Order Of Business

1 Welcome / Prayer 4

2 Apologies 4

3 Public Forum 4

4 Conflict of Interest Declarations 4

5 Confirmation of Order of Business 4

6 Confirmation of Minutes 5

6.1 Confirmation of Minutes 5

13 Public Excluded 12

7 Reports for Decision 15

8.2 Rights of non-elected appointed members to Joint Shareholders Committee - Central Districts Water 19

8.3 Approval of the Chief Executive's 2026/26 Performance Measures 29

8 Meeting closed. 32

AGENDA

1 Welcome / Prayer

2 Apologies

3 Public Forum

4 Conflict of Interest Declarations

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

5 Confirmation of Order of Business

6 Confirmation of Minutes

6.1 Confirmation of Minutes

Author: **Petra Fleming, Governance Advisor**

1. Reason for Report

1.1 The minutes from Ordinary Council Meeting held on 8 October 2026 are attached.

Attachments

1. Ordinary Council Meeting - 8 October 2026

Recommendation

That the minutes of Ordinary Council Meeting held on 8 October 2026 **[as amended/without amendment]** be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

MINUTES

RANGITĪKEI DISTRICT COUNCIL
Making this place home.

UNCONFIRMED: ORDINARY COUNCIL MEETING

Date: **Thursday, 8 October 2026**

Time: **10.00am**

Venue: **Council Chamber**
Rangitīkei District Council
46 High Street
Marton

Present

Cr Dave Wilson
Cr Diana Baird
Cr Alan Buckendahl
Cr Fi Dalgety
Cr Sandra Field
Cr John Hainsworth
Cr Piki Te Ora Hiroa (online)
Cr Graeme O'Fee
Cr Paul Sharland
Cr Jeff Wong

In attendance

Mrs Carol Gordon, Chief Executive
Mr Arno Benadie, Deputy Chief Executive
Ms Leanne Macdonald, Group Manager – Corporate Services
Ms Katrina Gray, Group Manager – Strategy, Community and Democracy
Mr Johan Cullis, Group Manager – Regulatory and Emergency Management
Mr Darryn Black, Acting Group Manager – Assets, Infrastructure and Projects
Mr Jarrod Calkin, Manager – Community and Economy
Ms Gaylene Prince, Northern Area and Property Manager
Mr Aron Bremner, Economic Advisor
Ms Petra Fleming, Governance Advisor

Order of Business

1 Welcome / Prayer 3

2 Apologies 3

3 Public Forum 3

4 Conflict of Interest Declarations 3

5 Confirmation of Order of Business 3

6 Confirmation of Minutes 3

7 Follow-up Action Items from Previous Meetings 4

7.1 Follow-up Action Items from Council Meetings 4

8 Mayor's Report 4

8.1 Mayor's Report - October 2026 4

9 Chief Executive's Report 4

9.1 Chief Executive's Report - October 2026 4

10 Reports for Decision 5

10.1 Marton Streetscape Plan - Adoption 5

10.2 2025/26 Carry-over Requests 6

11 Minutes from Committees 6

11.1 Minutes from Committees 6

12 Recommendations from Committees 7

12.1 Recommendation from 27 August 2026 Risk/Assurance Committee 7

12.2 Recommendation from 27 August 2026 Risk/Assurance Committee 7

13 Public Excluded 9

14 Open Meeting 9

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1 Welcome / Prayer

The meeting opened at 10.00am and Cr Wilson read the Council Prayer. There was a moment of silence to recognise the passing of the Right Honourable Adrian Rurawhe.

2 Apologies

Resolved minute number 26/RDC/239

That the apologies from HWTM Andy Watson and Cr Coral Raukawa be received.

Cr D Wilson/Cr A Buckendahl. Carried

3 Public Forum

There was no public forum.

4 Conflict of Interest Declarations

There were no conflicts of interest declared.

5 Confirmation of Order of Business

It was noted that Item 13.4 Public Excluded Resolutions will run prior to item 13.3 Recommendation from the Chief Executive Employment and Performance Committee.

Resolved minute number 26/RDC/240

That the additional item regarding the Taihape Grandstand for 9.1 Chief Executive's Report - October 2026 be dealt with as part of the agenda for the Council meeting on 8 October 2026. The item cannot be delayed until a subsequent meeting as the decisions of Council are required to enable the Taihape Grandstand Restoration Committee to make funding applications by 30 November 2026.

Cr D Wilson/Cr D Baird. Carried

6 Confirmation of Minutes

Resolved minute number 26/RDC/241

That the minutes of Ordinary Council Meeting held on 3 September 2026 without amendment be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this Committee be added to the official minutes document as a formal record.

Cr D Wilson/Cr G O'Fee. Carried

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7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Council Meetings

Officers noted there would be a delay in addressing Item 1 due to the urgency of addressing the Local Government (System Improvements) Amendment Bill considering the removal of voting rights from non-elected members coming into action in March 2027.

Item 2 will be addressed in a Council Workshop in November.

Resolved minute number 26/RDC/242

That the report Follow-up Action Items from Council Meetings be received.

Cr J Wong/Cr P Sharland. Carried

8 Mayor's Report

8.1 Mayor's Report - October 2026

It was noted HWTM Watson was attending other Council business.

Resolved minute number 26/RDC/243

That the Mayor's Report – October 2026 be received.

Cr D Wilson/Cr J Hainsworth. Carried

9 Chief Executive's Report

9.1 Chief Executive's Report - October 2026

Events

Cr Dalgety noted Tough Kids as a great event for the Rangitīkei that occurred on 4 September at McIntyre Reserve.

Taihape Grandstand

Elected Members discussed the complexities of the compliance process regarding the NBS rating. Officers confirmed that the grandstand has been assessed by external engineers as 34% NBS and is currently compliant. Any alterations must be done on a like for like basis otherwise a building consent would be triggered which would require those alterations to comply to 100% NBS. Councillors were in support of the Taihape Grandstand Restoration Committee's work to apply for funding, but discussed concerns about the ambiguity of making a decision regarding the toilets before any design plans had been presented.

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Resolved minute number 26/RDC/244

That the report Chief Executive's Report – October 2026 be received.

Cr P Sharland/Cr J Hainsworth. Carried

Resolved minute number 26/RDC/245

That Council approves Mr Robert Martin as the alternate member on the Shareholder Committee for Marj Heeny, as of October 2026.

Cr D Wilson/Cr A Buckendahl. Carried

Resolved minute number 26/RDC/246

That Council approves the charge "Generic Corridor Access Request Application Fee" of $300 being included in Council's Schedule of Fees and Charges 2026/27.

Cr A Buckendahl/Cr P Sharland. Carried

Resolved minute number 26/RDC/247

That, if the Grandstand is being renovated and maintenance undertaken is on a like for like basis, then a rating of 34% NBS (in line with current legislation) is accepted.

Cr J Wong/Cr P Hiroa. Carried

Motion

That Council agrees to include public toilets in the Grandstand facility, noting that $256,000 has been allocated to provide toilets at Taihape Memorial Park, and further noting this decision is being done separately from the 2027-37 Long Term Plan process.

Cr J Wong/Cr P Hiroa. Lost

For: Cr F Dalgety, Cr J Wong, Cr P Hiroa, Cr D Baird

10 Reports for Decision

10.1 Marton Streetscape Plan - Adoption

Mr Calkin highlighted that any financial decisions regarding the Marton Streetscape Plan would come back to Council.

Resolved minute number 26/RDC/248

That the report Marton Streetscape Plan – Adoption is received.

Cr D Wilson/Cr F Dalgety. Carried

Resolved minute number 26/RDC/249

That Council adopts the Marton Streetscape Plan.

Cr D Wilson/Cr F Dalgety. Carried

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10.2 2025/26 Carry-over Requests

Ms Macdonald highlighted that the figures in Recommendation 2 had been updated from the original report as follows:

- OPEX increased by $79,700 for the District Planning Activity.
- CAPEX decreased by $995k to account for items in the Roading area that are not a carry forward.

Resolved minute number 26/RDC/250

That the report 2025/26 Carry-over Requests be received.

Cr D Wilson/Cr A Buckendahl. Carried

Resolved minute number 26/RDC/251

That the Council approve the carry-over request of $127.7k OPEX and $5.979m CAPEX.

Cr P Sharland/Cr F Dalgety. Carried

Resolved minute number 26/RDC/252

That Council authorise officers to create a revised 2026/27 budget for future meetings made up of the 2026/27 Annual Plan budget and the approved carry-overs.

Cr S Field/Cr D Baird. Carried

11 Minutes from Committees

11.1 Minutes from Committees

The report was taken as read. Cr Wilson noted these minutes provide a way stay informed about what is happening in the different communities and the issues they are facing.

Resolved minute number 26/RDC/253

That the following minutes are received:

- Hunterville Community Committee Meeting – 05 August 2026
- Hunterville Rural Water Supply Management Sub-committee Meeting – 10 August 2026
- Te Rōpū Ahi Kā Komiti Meeting – 11 August 2026
- Rātana Community Board Meeting – 11 August 2026
- Taihape Community Board Meeting – 12 August 2026
- Marton Community Committee Meeting – 12 August 2026
- Turakina Community Committee Meeting – 13 August 2026
- Bulls Community Committee Meeting – 19 August 2026

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- Assets/Infrastructure Committee Meeting – 27 August 2026
- Finance/Performance Committee Meeting – 27 August 2026
- Risk/Assurance Committee Meeting – 27 August 2026
- Erewhon Rural Water Supply Management Sub-committee Meeting – 03 September 2026

Cr D Wilson/Cr J Hainsworth. Carried

12 Recommendations from Committees

12.1 Recommendation from 27 August 2026 Risk/Assurance Committee

The report was taken as read.

Resolved minute number 26/RDC/254

That the report Recommendation from 27 August 2026 Risk/Assurance Committee be received.

Cr D Wilson/Cr P Sharland. Carried

Resolved minute number 26/RDC/255

That Council adopt Delegations to Positions Policy without amendment.

Cr D Wilson/Cr D Baird. Carried

12.2 Recommendation from 27 August 2026 Risk/Assurance Committee

The report was taken as read.

Resolved minute number 26/RDC/256

That the report Recommendation from 27 August 2026 Risk/Assurance Committee be received.

Cr A Buckendahl/Cr P Sharland. Carried

Resolved minute number 26/RDC/257

That Council adopt the Risk Management Strategy without amendment.

Cr D Wilson/Cr A Buckendahl. Carried

Resolved minute number 26/RDC/258

That Council adopt the Risk Appetite and Tolerance Policy without amendment.

Cr D Wilson/Cr J Wong. Carried

13 Public Excluded

The meeting went into public excluded session 11.24am.

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Resolution to Exclude the Public

Resolved minute number 26/RDC/259

That the public be excluded from the following parts of the proceedings of this meeting.

1. Follow-up Action Items from Council (Public Excluded) Meetings
2. Minutes from Committees - Public Excluded
3. Recommendation from the Chief Executive Employment and Performance Committee
4. Public Excluded Resolutions

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
13.1 - Follow-up Action Items from Council (Public Excluded) Meetings	s7(2)(h) - Commercial Activities s7(2)(b)(ii) - Commercial Position s7(2)(i) - Negotiations s7(2)(a) - Privacy	s48(1)(a)(i)
13.2 - Minutes from Committees - Public Excluded	s7(2)(a) - Privacy	s48(1)(a)(i)
13.3 - Recommendation from the Chief Executive Employment and Performance Committee	s7(2)(a) - Privacy	s48(1)(a)(i)
13.4 - Public Excluded Resolutions	s7(2)(h) - Commercial Activities s7(2)(b)(ii) - Commercial Position s7(2)(g) - Legal Professional Privilege s7(2)(i) - Negotiations s7(2)(a) - Privacy	s48(1)(a)(i)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding or the whole or the relevant part of the proceedings of the meeting in public as specified above.

Cr D Wilson/Cr P Sharland. Carried

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14 Open Meeting

The meeting went into open session 11.45am.

Resolved minute number 26/RDC/268

That the public excluded meeting move into an open meeting, and the below recommendations be confirmed in the open meeting:

22/RDC/260 - 22/RDC/267

Cr D Wilson/Cr S Field. Carried

The meeting closed at 11.46am.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 29 October 2026.

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Chairperson

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7 Reports for Decision

8.1 Adoption of the 2025/26 Annual Report

Author: **Warren Pedley, Manager Finance and Partnerships**

Authoriser: **Leanne Macdonald, Group Manager - Corporate Services**

1. Reason for Report

1.1 For Council to adopt the final of the 2025/26 Annual Report, subject to Audit NZ supplying a written audit opinion.

2. Context

2.1 Section 98 of the Local Government Act 2002 requires every local authority to prepare and adopt in respect of each financial year an audited annual report containing in respect of that year the information required by Part 3 of Schedule 10.

2.2 The specified purposes of the 2025/26 annual report is:

2.2.1 to compare the actual activities and the actual performance of the local authority for the 2025/26 year with the intended level of performance as set out in respect of the 2025/26 year in the long-term plan (year two); and

2.2.2 to promote the local authority's accountability to the community for the decisions made throughout the year by the local authority.

2.3 The annual report is required to be completed and adopted, by resolution, within 4 months after the end of the financial year to which it relates, being 30 October 2026.

2.4 The Finance/Performance Committee in September 2026 reviewed the information contained in the draft 2025/26 Annual Report and provided feedback to officers.

2.5 At the time of writing this report, verbal clearance by Audit NZ, of the 2025/26 Annual Report has not been given, however verbal sign off is anticipated to be given on Friday 23 October 2026.

2.6 Officers understand, as with previous years, there will be an emphasis of matter around Local Water Done Well and the Simplifying Local Government Reform. Neither emphasis of matters modifies the Auditors opinion.

2.7 Officers will arrange for the written audit opinion to be placed on the TinCan once it is received, and it will be presented to Council on the day of adoption. Pages 4-7 in the 2025/26 Annual Report are the pages being held for this written opinion.

2.8 Once the Annual Report has been adopted Council has 1 month to make it publicly available along with an audited Summary Annual Report. The audited Summary Annual Report must represent fairly and consistently, the information regarding the major matters dealt with in the 2025/26 Annual Report.

3. Subsequent Changes to the Draft 2025/26 Annual Report

3.1 At the Finance/Performance meeting in September, it was agreed that officers would bring to Council any material changes or adjustments made to the final annual report as a result of the end of the audit that has been carried out.

3.2 There are two material changes. These include;

3.2.1 Reclassifying the original $1.4m impairment of the Marton Water Strategy Project capital spend and original threated as a revaluation adjustment to now being treated as operational expense.

The effects of this can be seen in the Whole of Council Funding Impact Statement (Page 66) and the Water Supply Funding Impact Statement (Page 35) with a reduction in the application of capital funding and an increase in the application of operating funding reflecting the changed accounting treatment. This also shows in the increase in operating expenditure on the Statement of Comprehensive Revenue and Expense (page 67) along with an increase in the level of revaluation reserves per Note 17 (page 95). As foreshadowed by Officers in September about the likelihood of this change occurring, Audit NZ requested this change because of there was, in their view, no economic asset that eventuated from the $1.4m of costs incurred on the professional services and testing undertaken during the pilot.

3.2.2 Reclassifying $11.118m of prior year revaluation adjustments from being a adjustment within the Statement of Changes in Net Assets/Equity (Page 67) to being shown as a "2024/25 revaluation of infrastructure assets adjustment" within the Statement of Comprehensive Revenue and Expense (page 67). This adjustment was the result of an error picked up by Audit NZ in the RAMM's roading database concerning the 2024/25 revaluation of retaining walls post completion of the 2024/25 Annual Accounts. This adjustment was highlighted to Council during the Audit NZ confirmation of the 2024/25 Accounts as needing to happen in 2025/26. Whilst this adjustment was included in the initial draft 2025/26 Annual Accounts, Audit NZ required it to be shown as revaluation loss in the current year rather than just showing it as an adjustment in the Statement of Changes in Net Assets/Equity

3.3 Whilst having no impact on the total Council result for the year, post presentation of the draft 2025/26 Annual Accounts, there is also an adjustment to internal interest (being the charge for internal loans) and this is reflected in small increases in the total interest costs for council functions shown in the Funding Impact Statements for Roading and Footpaths (page 26), Water Supply (page 35), Waste Water and Sewage Disposal (page 40), Stormwater Drainage (page 44), Community (page 54) and Rubbish and Recycling (page 58).

3.4 Post presentation of the draft 2025/26 Annual Accounts, the detail of the capital works for a number of activities has since been added and these can be found on –

- Page 27 (Roading and Footpaths)
- Page 36 (Water Supply)
- Page 41 (Waste Water and Sewage Disposal)
- Page 45 (Stormwater Drainage)

- Page 49 (Parks and Reserves)
- Page 55 (Community) and
- Page 58 (Rubbish and Recycling)

3.5 The Financial Performance and Financial Position on under the Executive Summary on page 2 has also been updated.

3.6 Note 24 Events after balance date details the decisions made post 30 June. For 2025/26 two events that have been noted are the Simplification of Local Government and updates on Local Water Done Well. These align to point 2.6 above. Note 24 can be found on page 104. Note 30 can be found on page 112.

4. Discussion and Options Considered

4.1 Post presentation of the draft 2025/26 Annual Accounts, the final reported operating deficit for Council has grown to $6.8m (2025: $9.3m) compared to a budgeted deficit of $5.4m. The growth in the reported deficit of $1.4m is a result of moving the $1.4m referred to in bullet point 3.2 from Reserves to Other Expenses.

4.2 Income levels were closely aligned to budget $54.1m actual versus budgeted income of $54.156m. A reduction of $56k. No change from draft report.

4.3 Operating Expenditure increased by $1.3m. This is primarily the above-mentioned $1.4m included under Contractors and Professional Services within Note 6 – Other Expenses on Page 82.

4.4 In the 2025/26 year Council has realised a $4.2m gain in revaluation of land and building assets. There is no change from draft report but as noted above, the total comprehensive revenue and expense position reported on 67 now also includes the adjustment for the 2024/25 error in the revaluation of infrastructure assets, resulting in a net loss on revaluation of assets of $6.9m

4.5 Councils overall net assets decreased by $14m. Liabilities - debt increased by $5m (significantly lower than budgeted on account of lower capital spend and subsequently, reduced borrowing). Assets – Property, Plant and Equipment reduced $7M despite capital expenditure and revaluation gains. This was due to an adjustment required to last year's revaluation of roading infrastructure highlighted by Audit NZ at the completion of the 2025/26 audit. The balance is in current creditors/payables and employee entitlements.

5. Financial Implications

5.1 There are no financial implications as this report is not requesting any funding or expenditure. The budgets were set as part of the 2025/26 Annual Plan and Council has been tracking income and expenditure against a revised budget, which reflects the 2025/26 Annual Plan budget and council's decisions post the adoption of the 2025/26 Annual Plan, including carry forwards and any other material changes to the 2025/26 Annual Plan.

6. Impact on Strategic Risks

6.1 There is no impact on strategic risk.

7. Strategic Alignment

7.1 The 2024-34 Long Term Plan includes Councils activities and Financial and Infrastructure strategies. This report is simply the end reporting of the implementation of Council's strategy.

8. Mana Whenua Implications

8.1 Mana Whenua implications are considered when preparing the 2024-34 Long Term Plan.

9. Climate Change Impacts and Consideration

9.1 Climate change impacts and considerations form part of the planning work contained in the planning of the activities contained in 2024-34 Long Term Plan.

10. Statutory Implications

10.1 There are no statutory implications within this report as the Committee is not adopting the Annual Report. However, Council has an obligation under Section 98 of the Local Government Act 2002 to prepare and adopt in respect of each financial year, an audited annual report.

11. Conclusion

11.1 The adoption of an annual report is the final step in an annual cycle of Annual Plan – Annual Report process. The annual plan signals to our community what we will do in a given year and how much it will cost and the annual report confirms the outputs of the annual plan and what it has actually cost.

12. Decision Making Process

12.1 The level of significance is minor as the Annual Report is informing the community on the results of year one's Performance Measures and Financial Results compared to what has been consulted on as part of the Long Term Plan.

Attachments:

1. Draft 2025/26 Annual Report

Recommendation 1

That the report Adoption of the 2025/26 Annual Report be received.

Recommendation 2

That Council [adopts / does not adopt] the 2025/26 Annual Report subject to any amendments (if any), final changes to the information, or grammatical corrections identified.

Recommendation 3

That Council authorises staff to make any late administrative changes, noted by elected members, staff or Audit NZ, post writing of this report, including copying the final written audit opinion from Audit NZ into the 2025/26 Annual Report ahead of publishing the Annual Report for circulation.

8.2 Rights of non-elected appointed members to Joint Shareholders Committee - Central Districts Water

Author: **Carol Gordon, Chief Executive**

1. Reason for Report

1.1 The purpose of this report is for the shareholding councils to consider whether to direct their mayors to submit an exemption request to the Minister of Local Government.

2. Issue

2.1 The Local Government (Systems Improvements) Amendment Act 2026 has removed voting rights for non-elected members on committees. This affects the jointly agreed terms of reference of the Shareholders' Committee for Central Districts Water.

2.2 Councils must comply from 18 March 2027 but can apply for an exemption prior to 18 November 2026.

3. Background - Committee Terms of Reference

3.1 The Shareholders' Committee was established as a joint committee under clause 30(1)(b) of Schedule 7 of the Local Government Act 2002 and is thus captured by the Amendment Act.

3.2 Schedule 3 of the Shareholders' Agreement is in contradiction to the legislation change, where it states:

6. QUORUM

(a) For a meeting of the Shareholders Committee to have a quorum, five members, or their appointed Alternates, must be present, including at least one Shareholders Committee Representative that is an elected member of each Shareholder and one mana whenua Shareholders Committee Representative.

8. DECISION-MAKING

(b) In the event that a consensus on a particular matter before the Shareholders Committee is not able to be reached, the Shareholders Committee will vote on a resolution in respect of the matter.

(c) Each member of the Shareholders Committee, except the Independent Chairperson appointed under clause 5(a)(i), will have one vote, and resolution may be passed by a simple majority of votes.

3.3 The Committee recommended the quorum rule include mana whenua and this was subsequently agreed by the Councils this year.

4. Background – Amendment Act

4.1 The legislation amends Schedule 7 of the Local Government Act so that

1. A non-elected member is not counted as a member of a joint committee for the purpose of determining quorum (Schedule 7, 30A(6B))
2. A non-elected member must not vote at any meeting of a specified committee to which they are appointed (Schedule 7, 30B)

4.2 The Minister set out the purpose of the change when he said,

"The Bill strengthens democratic accountability to Local Government, by restricting council voting to elected members.

Democracy is non-negotiable. Unelected members can provide valuable expertise and advice, but voting rights should sit with those elected and accountable to their communities."

4.3 The legislation also sets out an exception process by Order in Council, which the letter from the Minister (attached) makes clear will be used rarely.

4.4 The Independent Chairperson of the Committee is a non-elected member, but is not allocated a vote, and thus no changes are needed for this role. There is no prohibition on a chair being a non-elected member.

4.5 The mana whenua representatives are non-elected members who have voting rights and are thus affected by the Amendment Act. However, there is no prohibition on a non-elected member moving or seconding a motion.

5. Joint Shareholder Committee Response

5.1 The short timeframe to respond, set out by the Minister in his letter to Mayors, has meant we have not been able to seek a recommendation from the Joint Shareholder's' Committee itself. Instead, the Chief Executives have worked with Chair of the Committee and agreed to bring reports directly to shareholders for consideration.

5.2 Elected Members will remember that earlier this year it was the Committee that recommended that the quorum be extended to include a Nga Tapūwae o Hau member, and this was subsequently agreed by all three shareholding councils.

6. Nga Tapūwae o Hau Response

6.1 Officers have spoken to representatives from Nga Tapūwae o Hau, the collective of iwi and hapū groups representing the area covered by Central Districts Water.

6.2 They understand that the change is being imposed by central government and that local government have neither initiated nor contributed to the conversation. Indeed, the change was made as an amendment to the Amendment Bill, ie. it was inserted after the public consultation stage so there was no formal mechanism to provide feedback to the Government on implications of the provision before it was made.

6.3 Nga Tapūwae o Hau appreciate that this is the approach open to the councils and agree it is worth trying even if there is a low chance of success.

7. Possible responses from the councils

7.1 The table below sets out a summary analysis of the options available to the councils.

7.2 With regard to Option 3, there may be other creative means to ensure some levels of genuine mana whenua participation, e.g. offering the chairpersonship to mana whenua, requiring mana whenua to either move or second a motion before it is put to the vote, requiring all decisions to be by consensus (i.e. effectively no votes are taken), or adding an overarching purpose statement that acknowledges the roles of mana whenua and intent behind their involvement in the Committee.

7.3 For all options wider community views are somewhat unknown, as no consultation has been undertaken. However, amongst community aware of the legislation through media coverage, there will be an expectation that non-elected members' voting rights will be removed, and little knowledge of the exemption option. We may be able to extrapolate from the Māori ward referenda results in Horowhenua and Rangitīkei that amongst voters in these areas a majority prefer not to have Māori representation.

7.4 There are no additional costs to applying for an exemption other than officer time.

7.5 It is the position of the Chief Executives of Palmerston North City Council, Rangitīkei District Council and Horowhenua District Council that we apply for an exemption (Option 1). If an exemption were to be granted, it would continue to provide a consistent committee structure, which allows genuine collaboration and authentic governance.

OPTIONS ANALYSIS TABLE

OPTION		**BENEFITS**	**RISKS**
1	**Apply for an exemption**	• Opportunity to express our position to the Minister • Supported by Nga Tapūwae o Hau • If an exemption is granted we can continue with the consistent Committee structure that has been agreed by the councils	• Exemption may not be granted • Not all in community may agree with position • Reputation of councils with the Minister may be affected • Uncertainty until March
2	**Do not apply for an exemption and amend the terms of reference according to the legislation**	• Certainty, so we can prepare for the change	• Missed opportunity to express our position to the Minister • Missed opportunity to support mana whenua partners in their roles • Not all in community may agree with position • Expected extra costs to councils and Company for engagement with mana whenua
3	**Do not apply for an exemption, amend the terms of reference according to the legislation and make additional changes to honour mana whenua role in the Committee**	• Some opportunity to support mana whenua partners in their roles	• Missed opportunity to express our position to the Minister • Not all in community may agree with position

8. Next Steps

8.1 If two or three shareholding councils agree Option 1, officers will submit a request for exemption to the Minister prior to 11 November.

8.2 If an exemption is granted, it may be time limited or limit in other ways. This would be reflected in the Committee Terms of Reference and reported back to the Councils.

8.3 If one or none of the shareholding council agree, then no request for exemption will be made. In this case, non-elected appointed members (the mana whenua representatives) on the Joint Shareholders' Committee for Central Districts Water will cease to have voting rights and to be included in the quorum rule.

8.4 If Elected Members are of a mind to amend the Terms of Reference for the Committee in other ways, they should direct their Chief Executives to investigate and discuss with Nga Tapūwae o Hau.

8.5 Today's decision and the final result will be communicated to Nga Tapūwae o Hau with grateful thanks for their contribution to date and ongoing.

8.6 Further advice will be brought to Elected Members on other changes needed in council decision-making as a consequence of the Local Government (Systems Improvements) Act, e.g. standing orders, code of conduct changes etc.

9. Financial Implications

9.1 There are no direct financial implications associated with the decision on whether to apply to the Minister for an exception.

10. Impact on Strategic Risks

10.1 Relevant strategic risks include:

- Failure to honour commitments of Te Tiriti o Waitangi – this risk is considered low as Nga Tapūwae o Hau recognise that this change has been imposed on council by Central Government.
- Political environment creates significant change – This report has been prepared as a result of legislative change. Council is responding to this change alongside the councils from the CDW shareholder committee.

11. Strategic Alignment

11.1 There are no direct impacts on Council's strategic framework.

12. Mana Whenua Implications

12.1 The legislative change will impact mana whenua voting rights on the Joint Shareholder Committee. The views from Nga Tapūwae o Hau have been provided in the report.

13. Climate Change Impacts and Consideration

13.1 There are no climate change impacts that require consideration.

14. Statutory Implications

14.1 This report is being presented to Council as a result of the Local Government (System Improvement) Amendment Act 2026 which sets out that a non-elected member is not counted as quorum and must not vote.

15. Decision Making Process

15.1 Consultation with Nga Tapūwae o Hau has been undertaken which is considered appropriate input into this decision.

Attachments:

1. **Letter from the Minister - Exception Process** ⇩
2. **Draft Exception Letter** ⇩

Recommendation 1

That the report Rights of non-elected appointed members to Joint Shareholders Committee - Central Districts Water be received.

Recommendation 2

That Council agree to apply for an exemption (Option 1) to allow for mana whenua representatives on the Shareholders' Committee for Central Districts Water to continue to hold voting rights according to the Shareholders Agreement establishing the Company and the Committee.

AND

That if an exemption request is declined, that Council agree to change the Shareholders' Agreement to bring voting rights and quorum requirements in line with the Local Government (Systems Improvements) Act 2026, and that these changes be applied from 18 March 2027.

Hon Simon Watts

Minister for Building and Construction
Minister of Climate Change
Minister of Local Government
Minister of Revenue
Minister for Auckland

29 SEP 2026

Mayors and regional council chairs
By email

Dear Mayors and Chairs

Voting at council committee meetings

On 18 September 2026, the Local Government (System Improvements) Amendment Act 2026 received Royal assent. The Act reserves voting rights on council committees, joint committees, subcommittees, and other subordinate decision-making bodies ("specified committees") for elected members only.

As I have stated previously, the purpose of this change is to strengthen democratic accountability. Councils may continue to appoint non-elected members to specified committees to provide expertise, stakeholder perspectives, or community representation. However, unless an exception applies, non-elected members must not vote and are not counted toward the quorum of the meeting.

Your council must comply with the Act from 18 March 2027. The purpose of this transition period is to ensure you have enough time to change the structure of or delegations to your council's specified committees, if required.

The Act also provides for certain exceptions. These include committees or appointments that are required under or for the purposes of another enactment and arrangements required to give effect to Treaty settlements.

Additionally, the Act provides for the Governor-General, on the recommendation of the Minister of Local Government, to grant exceptions where the Minister is satisfied these are necessary or desirable. Exceptions may be time-limited or indefinite, and with or without conditions.

My expectations are that exceptions will be granted rarely. The Government's policy is that non-elected members should generally be non-voting. Councils seeking an exception will therefore need to demonstrate a clear and specific justification that supports the statutory test that the exception is necessary or desirable.

The next page of this letter contains information on how requests for exceptions will be considered.

Private Bag 18041, Parliament Buildings, Wellington 6160, New Zealand | +64 4 817 6814 | s.watts@ministers.govt.nz

If your council considers that an exception may be required, I encourage you to submit a request in writing to the Minister of Local Government by 18 November 2026 enclosing:

- A copy of a resolution from your council in support of the exception.
- Information about the issue the exception would address, why existing governance arrangements would not adequately address the issue, and how the council would manage the issue without an exception.
- Information about the role of the committee, the proposed role of non-elected members, and the steps that would be taken to maintain democratic legitimacy and public accountability.
- Information about how the exception fits within the broader statutory framework, including any comparable precedents.

Requests regarding a joint committee should ideally have the support of all councils who are members of the joint committee.

Requests should contain sufficient information for the Minister to recommend the exception to the Governor-General.

Officials at the Ministry for Cities, Environment, Regions and Transport (MCERT) will assess any requests received and provide advice to the Minister of Local Government after the election. It is my intention that decisions will be made and communicated early next year, and exceptions will come into force at the end of the transition period.

If you require more information:

- Visit the MCERT website at www.mcert.govt.nz/our-work/local-government/local-government-system-improvements/.
- Contact your MCERT Local Government Partnership Director.

Yours sincerely

Hon Simon Watts
Minister of Local Government

Minister of Local Government

Date

Re: Voting rights exemption request

The councils of Horowhenua District, Palmerston North City and Rangitīkei District jointly request the Minister consider an exemption for from the requirement to only allow voting and quorum rights to elected members on the Shareholders' Committee for Central Districts Water.

Our Shareholders' Committee has been functioning successfully since February 2026, readying for the stand-up of Central Districts Water water services organisation on 1 July 2027.

The joint committee was established under clause 30 of Schedule 7 of the Local Government Act 2002. It has 10 members: 9 with voting rights and an independent non-voting chair. Each of the three councils appoints three voting representatives: 2 elected members and 1 mana whenua. An elected member from each council and a mana whenua representative must be present for quorum.

All three shareholders agreed to the terms of reference for its Shareholders' Committee through the shareholders' establishment agreement and subsequent decisions of all three councils. The Committee has overarching governance responsibilities of the water services organisation. It brings together all shareholders and mana whenua over the water services area. Matters for shareholders are reserved as decisions of the majority of shareholders alone.

The continued involvement of mana whenua in committee deliberations and decision-making is essential to ensuring informed, balanced, and enduring decisions for our communities. As kaitiaki of their whenua, taonga, and cultural heritage, these non-elected members bring unique knowledge, perspectives, and responsibilities that have been exercised across generations. Their contribution provides cultural guidance and insight that strengthens the quality of decision-making and helps ensure outcomes are culturally grounded, effective, sustainable and responsive to current and future generations.

The Committee, its members, and the authorities the members hold, have democratic legitimacy. The terms of reference, including the role of mana whenua have been agreed by the fully elected councils of each of the three shareholders in full public session.

The decisions of the committee are held to public accountability. All of the agendas and decisions of the Committee are made publicly available under the the Local Government Official Information and Meetings Act 1987. Public comment is available. The majority of votes on the committee sit with elected members; 6 out of 9. If minimum quorum were to occur, elected members would have the majority of votes; 3 out of 4.

An exception is desireable because mana whenua representatives as appointed by the councils with voting rights is the most cost effective way to hold governance over the delivery of water services. It "ensures the public receives value for money by using resources effectively, economically and without waste and takes into account the total costs and benefits of any decision or action" (Local Government Act 2002, as amended in 2026), as it brings together all of the communities affected by water decisions in one place prior to a decision being made and while a decision is made. The committee is the most efficient way to ensure all those affected

by a decision can be involved in the decision-making process, not only legitimising the decision itself but saving money in communicating the reasons for a decision. This is the case for both where there are obligations on the councils to consult and on the water services organisation to consult. Full membership, including voting, ensures mana whenua members can exercise their mandate to make decisions on behalf of those they are representing. This allows the Committee to have much greater agility, timeliness, and confidence in decision-making.

An exception is desireable because it has proven to be one way to facilitate Māori participation in decision-making of the councils (ss. 4 and 81, LGA) and decisions relating to water as set out in ss.60A and 77(1)(c) of the LGA. It is also one way for tangata whenua to fulfil their responsibilities as partners under Te Tiriti o Waitangi.

An exception is desireable because voting rights are one way to bring about the first purpose of local government, that being to enable democratic decision-making by and on behalf of communities, which includes our Māori communities.

An exception is desireable because it is the will of the democratically elected councils as the best way to govern in our area. All three shareholders are requesting an exception under the Act. Resolutions from the councils are attached.

If an exception is not granted, there are risks of additional costs to engagement for both Central Districts Water and the three councils with the mana whenua bodies represented through the Joint Shahreholders' Committee, should iwi representatives be less willing to support the work without recognition. The table below shows all of the groups councils and Central Districts Water may need to engage with in lieu of 3 committee members with voting rights on behalf of these groups.

Council	**Iwi/Hapu/Community/Organisations**
Horowhenua District Council	Muaūpoko
	Rangitāne o Manawatū
	Ngāti Raukawa ki te Tonga Ngāti Turanga Ngāti Rākau Ngāti Te Au Ngāti Takihiku Ngāti Ngārongo Ngāti Whakatere Ngāti Tukorehe Ngāti Pareraukawa Ngāti Huia ki Poroutawhao Ngāti Huia ki Matau Ngāti Kikopiri Ngāti Hikitanga Ngāti Wehi Wehi
Rangitīkei District Council	Ngāti Parewahawaha

	Nga Wairiki Ngāti Apa Ngā Ariki Ngāti Kauae/Tauira Ngā Wairiki ki Uta Kauangaroa Whangaehu
	Ngāti Hinemanu/Ngāti Paki
	Mōkai Pātea Ngāti Hauiti Ngāti Whitikaupeka Ngāti Tamakōpiri Ngāi Te Ohuake
	Ngāti Rangitūhia
	Rātana Community
Palmerston North City Council	Rangitāne o Manawatū

If an exception is not granted, our councils are prevented from honouring the commitment we have to Iwi partners, and our communities lose the valued opportunities and impact set out above.

Sincerely,

Bernie Wanden
MAYOR
Horowhenua District

Grant Smith
MAYOR
Palmerston North City

Andy Watson
MAYOR
Rangitīkei District

Cc: Rebecca Maplesden, Partnership Director MCERT

8.3 Approval of the Chief Executive's 2026/26 Performance Measures

Author: **Dave Wilson, Deputy Mayor**

Authoriser: **Dave Wilson, Deputy Mayor**

1. Reason for Report

1.1 This report is provided to Council from the Chief Executive Employment and Performance Committee and recommends approval of the Chief Executive's 2026/27 Performance Measures.

2. Context

2.1 The Chief Executive is required to provide yearly performance measures. These measures have five focus areas and under each of these focus areas are goals and objectives. The Committee has reviewed these and is now recommending Council adopts these for the 2026/27 year. Refer to Attachment 1 and Recommendation 2.

3. Financial Implications

3.1 There are no financial implications relevant to this report.

4. Impact on Strategic Risks

4.1 There are no strategic risk impacts associated with adopting the CE performance measures.

5. Strategic Alignment

5.1 Yearly performance measures consider council's strategic direction and support it's implementation.

6. Mana Whenua Implications

6.1 There are no direct mana whenua implications associated with adopting the Chief Executive's performance measures. An annual objective is to ensure regular and meaningful engagement continues with iwi.

7. Climate Change Impacts and Consideration

7.1 There are impacts relating to climate change. One of the goals is focused on emergency management and ensuring the organisation is well prepared for emergencies.

8. Statutory Implications

8.1 Local Government Act 2002 - Section 42 requires Council to employ a Chief Executive and Schedule 7 deals with employment terms and performance agreement. This decision is supported by these sections.

9. Decision Making Process

9.1 The significance of this decision is considered to be low, no consultation is required.

ITEM 8.3

Attachments:

1. **CE Performance Measures for 2026-27** ⇩

Recommendation 1

That the report Approval of the Chief Executive's 2026/26 Performance Measures be received.

Recommendation 2

That Council approves the Chief Executive's 2026/27 Performance Measures.

2026/27 - Chief Executive - Performance Measures

Focus Area 1	Focus Area 2	Focus Area 3	Focus Area 4	Focus Area 5
Governance & Leadership	**Strategy & Planning**	**Community & Stakeholder Partnerships**	**Project Delivery**	**Financial Performance and Service Delivery**
Council is a high performing organisation operating efficiently and effectively and supports the governance arm to fulfil its statutory obligations and leadership role.	***Council's plans, policies, and strategies provide clear direction; align with community priorities and drive organisational performance, ensuring accountability, sustainability, and meaningful outcomes for our community.***	***Council provides strong, visible leadership and actively partners with iwi, central government, neighbouring local authorities, community boards and committees, and key stakeholders to deliver initiatives that help achieve the best long-term outcomes for our community.***	***Significant projects and programmes are delivered on time, within budget, and to agreed quality standards, in alignment with Council's Long Term Plan and Annual Plan commitments.***	***Capital and operational budgets are managed responsibly, with expenditure aligned to Council's Long Term and Annual Plans, ensuring financial sustainability, and value for money.***
Goals • Maintain strong, constructive relationships between governance and management, founded on high trust, mutual respect and open communication, with early and transparent notification of significant emerging risks, incidents and issues that may impact Council, the community or Council's reputation, enabling effective governance and informed decision-making. • Provide clear, evidence-based, and timely advice to elected members, ensuring information is relevant, accessible, and supports well-informed decision-making. • Council is a good employer with engaged staff and a positive culture.	**Goals** • Council has a clear strategic framework that underpins Council decision-making and inform long term and annual plans. • The organisation takes a proactive and strategic approach to responding to sector reform (e.g amalgamations), including, but not limited to, exploring shared service opportunities. • Strengthen the CE's strategic leadership by maintaining a clear focus on the organisation's priorities, anticipating emerging risks and opportunities, and ensuring operational matters are appropriately delegated through ELT.	**Goals** • Establish and maintain effective relationships with key stakeholders. • Demonstrate effective leadership and oversight of Council's responsibilities for emergency management, ensuring the organisation and community are well-prepared for, are able to respond to and recover from, emergencies.	**Goals** • Ensure significant projects are effectively governed and managed, with progress, expenditure, milestones and key risks regularly monitored and reported against Council's Long Term Plan and Annual Plan commitments. • Ensure emerging project risks, delays, cost pressures or changes in scope are identified early, appropriately managed and escalated to Council where required, with clear options and recommendations to support timely decision-making.	**Goals** • Services are delivered within fiscal constraints to agreed levels of service set out in the Long Term Plan and Annual Plans, with performance monitored through financial variance reporting and statement of service provision measures. • The planned annual capital expenditure programme is implemented.
2026/27 Annual Objectives • Ensure the strong health and safety culture remains embedded across the organisation, and management understands its role as a PCBU. • Undertake an annual Elected Member survey by December 2026 to assess satisfaction with the quality and timeliness of advice, CE accessibility,	**2026/27 Annual Objectives** • The 2027–37 Long Term Plan is developed and adopted within statutory timeframes, a clean audit opinion, and within the context of wider sector reform. • Lead and maintain active oversight of Central Districts Water transition including identifying implications for the organisation, staff and community.	**2026/27 Annual Objectives** • Ensure regular and meaningful engagement continues with iwi. • Provide executive oversight of implementation of the agreed recommendations from the independent CDEM review, including a comprehensive training and exercise programme, strengthened organisational capability and resilience, and clear	**2026/27 Annual Objectives** • Progress the Taihape Town Hall and Community Hub project in accordance with agreed scope, budget and programme, with progress against key milestones reported monthly. • Provide effective oversight of the EOC and pool projects, ensuring progress, expenditure, risks and	**2026/27 Annual Objectives** • Comprehensive financial reports are provided to Council on a regular basis (minimum quarterly), highlighting variances, trends and emerging risks. • Instigate operational / information sessions with Elected Members and ELT following Council meetings.

8 Meeting closed.