

Chairs Report Finance and Performance - 27 August 2026

And so we wait...

We are not in Headstart but where are we?

I understand Central Government will have some announcements regarding their Headstart applications by the end of September, apparently the learnings from these will influence their Backstop decisions.

We haven't been told but I don't imagine we will hear anything until February/March next year.

What can we do in the meantime?

Do we keep doing due diligence on our neighbours in hope we are puzzled together?

There's still so many unanswered questions.

Do we need the might of a Metro?

What are the implications of a Federation model for us? Will Central Government consider it? Could we simply strengthen our shared services offering?

Is a whole of Horizons Unitary too big?

Are the Minister's going to be willing to listen and understand our preferences? What if National is not re-elected?

Just this week rates capping has been confirmed for 2029.

Amidst a sea change of legislative reform (RMA, water reform, amalgamation etc) I am concerned the structure of Local Government is not being considered alongside what services are being delivered for the next 50 years and most importantly how that service delivery is going to be funded. The current system feels broken.

Uncertainty is scary and I'm worried for our district.

In this meeting we consider the councils activity for a new financial year as our year ends 30th of June.

We also consider the end of year Statement of Service report. I note that due to budgeting constraints we've only resealed 3.9% of the network (target 6% or more) and remetalled just over half our target, disappointing for sure and indicates the importance of our relationships with NZTA to support our budgets. Currently they subsidise 66% of our budgets but it is totally at their discretion what budgets they approve.

While there has been reasonable improvements across many areas our ageing infrastructure has meant an inability to meet standards particularly in the drinking water and wastewater space. These issues will become the responsibility of the new entity after 1 July 2027 - we understand over 60% of our existing debt will be transferred to central district water while we will only lose 20% of revenue.

While the local farmers are having a boomer, the threat of El Nino lingers in the air, we do need rain, thank you for today's rain, meanwhile recovery outside Ag still appear slow and challenging for many of our ratepayers.

He waka eke noa - we're all in this together.