

Annual report

Ko Tātou
LGNZ.

2023-24

Choose localism

Contents Ihirangi

- p/3 From the President**
Ngā kupu a te Tumuaki
- p/4 From the Chief Executive**
Ngā kupu a te Tumu Whakarae
- p/6 By the numbers**
Ngā nama
- p/8 Our strategy**
Tā mātou rautaki
- p/24 Financial statements**
Ngā tauākī pūtea
- p/50 National Council**
Kaunihera ā-Motu
- p/53 Leadership Team**
Rōpu Ārahi

FROM THE PRESIDENT // NGĀ KUPU A TE TUMUAKI



Part of the privilege of becoming President has been visiting councils, seeing your place and your passion for it. If Susan and I haven't visited yet, I'm looking forward to seeing you soon!

I was elected President at LGNZ's AGM in July 2023 and I want to acknowledge my predecessor Stuart Crosby, who served from 2020-23 during what was a very challenging time for local government.

For many members, the impacts of Cyclone Gabrielle have been felt well into the 23/24 financial year and beyond. I want to again acknowledge the leadership shown by the impacted councils: Mayors, Chairs, councillors, community board members and staff. Lessons learnt from these events must be taken on board – and changes made to emergency management planning and implementation.

The 23/24 year has also been shaped by the General Election and change of government in 2023. We've built relationships with new Ministers so we can advance local government's interests. Our advocacy has been shaped through intensive engagement with members as part of our Future **by** Local Government process in the second half of 2023, which culminated in a Special General Meeting agreeing five positions.

I've found it hugely helpful having gone through that process so that we can be really clear what matters to members and what's off the table. Naturally we're tailoring what we advocate to the interests and concerns of the current government – so some of the positions won't be advanced in this term. But having a long-term picture of where members want to go makes a big difference to the shape of LGNZ's work.

National Council reset our strategy in early 2024, defining LGNZ's purpose as to champion, connect and support members. I want to acknowledge my fellow National Council members, who are committed to serving local government, advocating for localism and making sure LGNZ acts in our national interest. We are very clear that LGNZ's advocacy on divisive issues must be member-driven, and that transparent communication and engagement with councils is key. I hope you're seeing that reflected in our work. Special mention also goes to Mayor Campbell Barry for his leadership and support as Vice President.

A personal highlight this year was representing LGNZ at Waitangi – the first time we have been there officially. As well as marking a step change in our approach to strengthening partnerships with Māori, I had many informal opportunities to engage with the Prime Minister and new Ministers.

Another highlight has been LGNZ's strong advocacy on rates rises and what's driving them. That's meant providing members with facts and figures you can use, as well as driving media coverage. We've put this challenge firmly on the national agenda. The next step is changing the funding and financing model, something we are advocating strongly for. I look forward to that challenge.

Thanks for all the support from members across the motu in my first year. I look forward to the great things we will continue to do for our communities in the coming year, and the partnership we share in leading our country to a more connected, prosperous and local future.

FROM THE CHIEF EXECUTIVE

// NGĀ KUPU A TE TUMU WHAKARAE



A real highlight of the past year has been visiting many member councils and hearing what matters to you in your place.

My job is to make sure LGNZ puts into action the strategy set by National Council and delivers for members. Visiting councils with Sam has been a tremendous way to reinforce our strategy, and really understand what matters to you.

While every council operates in a different context, some issues come to the surface time and time again – especially financial sustainability and the challenge that funding constraints place on your work. This year LGNZ has focused on making sure that central government – and the public – understand these issues, especially in the context of significant rates rises.

At its heart the strength of local government is localism. And at our SuperLocal conference last July, LGNZ launched Choose Localism – our campaign to breathe new life into localism. Localism is the opposite of centralisation; it moves decisions and delivery closer to communities when that makes sense and where it provides more value for the ratepayer or taxpayer dollar. Localism underpins everything LGNZ does.

Choose Localism also encompassed working with you on our Future **by** Local Government position in the second half of 2023. The decisions you subsequently made at the December SGM have been a game changer in giving LGNZ clear direction on advocacy priorities that will create a more sustainable future for local government. We not only appreciated your engagement and feedback; we appreciated your openness to getting involved in a different process.

When the new Coalition Government was formed at the end of 2022, we were ready, having developed a well-received briefing and started to build key relationships early. Our advocacy has had an impact in the policy space, with examples including:

- » Regulatory relief for councils following severe weather events in early 2023, including an Order in Council enabling three-year plans instead of LTPs for eight of the most-affected councils.
- » Changes to the mandatory non-performance measures, which means councils will not need to report against now-replaced Ministry of Health Drinking Water Standards.
- » Successful advocacy for more time and flexibility around LTPs, given the changes to water reform. The repeal legislation gave councils an additional three months to adopt their LTPs, an ability to forgo the audit of the consultation document, and to reduce consultation requirements on subsequent amendments.

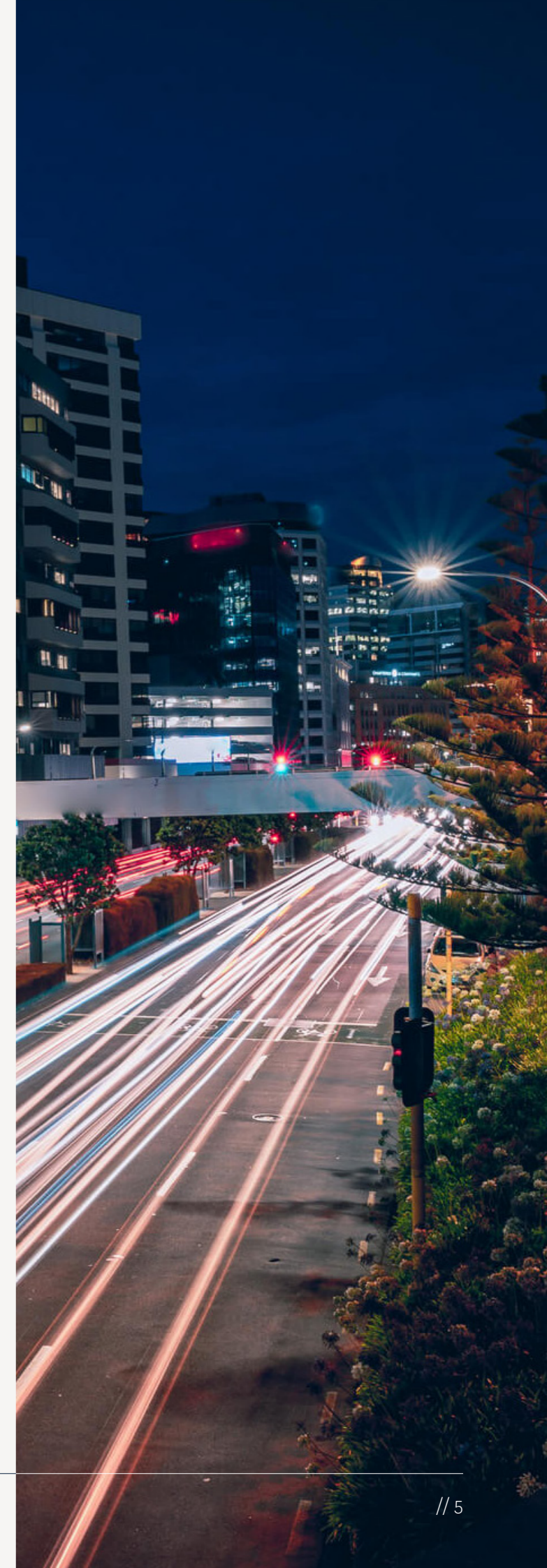
There's a lot more detail about all areas of our policy and advocacy work in this report.

We also invested time and resource in Ākona – our learning platform – based on members' feedback on what you want as topics and how you want to learn. Ākona continues to develop, with more than \$700K in course value available to members as of mid-2024.

Other highlights for me for this year included another step up in our media engagement, particularly as we took the stories to the public around the rates rises, and also through official attendance at Waitangi for the first time. Our flagship SuperLocal conference attracted more than 800 attendees; there were incredible MTFJ outcomes; we saw strong engagement with Keeping it Local and at our new Combined Sector meetings; multiple pieces of updated guidance were issued; and we made many submissions to government.

The year also saw the transition to a new President and Vice President, Sam and Campbell. I want to acknowledge outgoing President Stuart's leadership and support through a turbulent time for local government. And to thank Sam and Campbell for bringing their future-focussed energy and thoughtfulness about the bigger picture to the tasks in front of us now. And of course, a big shoutout to the LGNZ team who every day support our members with care and commitment – and elevate the place and impact of local government for the greater good of Aotearoa New Zealand.

But most of all I want to acknowledge you, our members, for what you bring to your communities every single day, often in trying circumstances full of uncertainty, change, weather events, financial constraints and more. Our communities rely on you when the chips are down and all too easily underestimate what you do every day to make the wheels of their daily worlds turn as smoothly as they can. Thank you.





18

MEDIA RELEASES ISSUED.



127

PEOPLE PART OF TE MARUATA NETWORK.



389

RESPONSES TO MEDIA QUESTIONS.



64

PEOPLE PART OF YEM.



27

SUBMISSIONS ON LEGISLATION.



1,424

EMPLOYMENT OUTCOMES FOR MTFJ.



815

PEOPLE CAME TO OUR SUPERLOCAL23 CONFERENCE.



63

MEETINGS WITH POLITICIANS.



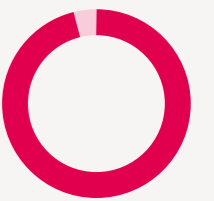
19

ĀKONA COURSES DEVELOPED AND LAUNCHED.

Free counselling for members

97%

OF PEOPLE WHO ACCESSED THERAPY IN THE 2023 CALENDAR YEAR AND PROVIDED FEEDBACK SAID THAT IT WAS HELPFUL.



FBLG online engagement

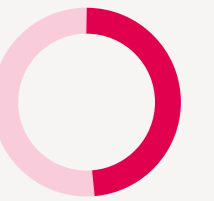
164

PEOPLE ENGAGED WITH THE PLATFORM.

Keeping it Local open rate

1 APRIL 2023 - 31 MARCH 2024 AVERAGE =

46%



Attendees at the annual YEM hui rated it an average

9.4 / 10

Our strategy 2022-25 Tā mātou rautaki

OUR VISION 2022-2025:

Reviewed and updated by National Council for 2023-24.

// To create the most active and inclusive local democracy in the world.

OUR LONG-TERM GOALS:

/01.

More people value and participate in local government.

/02.

Central government sees local government as a valued partner.

/03.

Stronger Te Tiriti-based partnerships between local government and Māori.

OUR PRIORITIES:

/01.

Resetting the relationship with Central Government.

/02.

Establishing stronger Te Tiriti-based partnerships with Iwi Māori.

/03.

Campaigning for greater local decision-making and localism.

/04.

Ramping up our work on climate change.

/05.

Delivering and building on our core work.

OUR PRIORITIES – WHAT WE’VE ACHIEVED

// Ā MĀTOU WHAKAAROTAU - NGĀ WHAKATUTUKITANGA

// 1. **Resetting the relationship with Central Government**

The election in October 2023 split this financial year between two governments.

In the first half of the year, we held a Central/Local Government Forum and regular meetings with key Ministers and the Prime Minister.

Ahead of the election, we met with all political parties, using our Relationship Reset and Policy Priorities documents to influence their policy positions and manifestos. These documents aimed to build parties’ understanding of the challenges facing councils and opportunities if central government and local government develop a better partnership.

We finalised and shared our [Briefing to the Incoming Government](#) in late November. The briefing focussed on localism and how we can work together to further the Government’s priorities.

From December onwards, our political strategy initially focused on establishing credibility and building relationships with key Cabinet Ministers. Regular meetings between LGNZ and the Prime Minister, Local Government Minister, Infrastructure Minister and Regional Development Minister were locked in the diary for the year. A range of Ministers spoke at our March sector meetings to help set the agenda for the rest of the year.

As well as our regular formal meetings with the Prime Minister, Ministers and key officials, our broader approach has included:



Being part of political events such as Waitangi commemorations, where it’s possible to speak to a broad range of Ministers in formal and informal settings (more on Waitangi below).



Hosting a localism briefing for new National Party MPs to bring them up to speed on what localism means, why taking a place-based approach works well and how councils can enable the delivery of government policy if the system is set up right.



Taking steps to set up a network of former members of local government who are now MPs – and who understand and can champion local government’s interests inside the Beehive. This kicked off with an informal pizza and drinks night.





// 2. Establishing stronger Te Tiriti-based partnerships with Iwi Māori

Our Elected Members Census identified an increase in Māori elected members from 13.5% in the previous triennium to 22.6% this triennium.

For the first time, LGNZ was officially represented at Waitangi in 2024, marking a step change in our approach to strengthening partnerships with Māori as well as providing valuable opportunities for political engagement. We hosted a panel discussion on local government's role in honouring Te Tiriti that 100 people attended. Media coverage outlined our position on Māori wards and constituencies, which is based on treating Māori wards and constituencies the same as all other wards and constituencies.

LGNZ has appointed a Kaitohutohu Matua Māori (Principal Advisor Māori), who started in February and will lead our Te Ao Māori approach and support increased cultural capability of staff.

Te Maruata

Te Maruata held a whānui hui in Ōtautahi as part of SuperLocal23, with over 70 Māori elected and appointed members and other key stakeholders attending. A key focus for the hui was what the Rōpū Whakahaere should prioritise over this triennium to support its members. A key issue for Te Maruata is strong advocacy on Māori wards and constituencies, and protecting those wards and constituencies that are already in place.

Te Maruata kicked off a support programme for Māori elected members, Te Āhuru Mōwai – A Safe Haven. This is a tuakana-teina support programme to provide a culturally safe and confident space for Māori elected members to support and learn from each other through whanaungatanga and monthly online wānanga.

Te Maruata also continued to hold monthly wānanga for members. These are well-attended and provide a good opportunity for people to share experience and advice.

// 3. Campaigning for greater local decision-making and localism

Choose Localism

At SuperLocal in July, we launched Choose Localism – our campaign to breathe new life into localism. Choose Localism is about evolving localism away from simply a critique of central government towards self-determination. Localism is the opposite of centralisation; it moves decisions and delivery closer to communities, when that makes sense. Localism is LGNZ's guiding principle and underpins all our work. It means creating long-term behaviour change at both central government and local government levels.

As part of the campaign, we released a toolkit for members to use when they're meeting with local MPs so that they could champion localism and galvanise central politicians behind the movement. We also published a range of case studies of localism in action.

The Future by Local Government

Part of this work was creating a strong position on the ideas in the Future for Local Government report, to drive future advocacy. We called this process Future by Local Government and it was characterised by intensive engagement with members. This was led by an Advisory Group and included in-person workshops in September and November 2023 as well as online engagement. We shared all of the data and outputs from the events back with members. The engagement generated a draft position that was voted on at a Special General Meeting in December 2023.

These were the final results:

Section 1 – Build a new system of government that's fit for purpose.

93.6% in favour, 6.4% against; 0% abstain.

Section 2 – Rebalance the country's tax take between central and local government.

98.0% in favour, 2.0% against, 0% abstain.

Section 3 – Create stronger, more authentic relationships between local government and iwi, hapū and Māori.

76.1% in favour, 19.5% against; 4.4% abstain.

Section 4 – Align central, regional and local government priorities.

93.6% in favour, 6.4% against, 0% abstain.

Section 5 – Strengthen local democracy and leadership.

89.4% in favour; 10.6% against; 0% abstain.

The package approved at the SGM was the start of a long-term platform for advocacy that goes beyond this current government (and the next too).

In early 2023, we [shared with members](#) what we would advocate for now, the work that local government can collectively start doing to shift towards a new future, and the things that will be longer-term advocacy priorities – including ones we might engage with future governments on.

// 4. Ramping up our work on climate change

During this year we engaged with members and other key stakeholders to understand how LGNZ's climate change work can deliver the most value to local government (and communities). These conversations also helped us understand the action councils are taking to adapt to and mitigate the impacts of climate change.

We had hoped that the previous government would introduce a Climate Adaptation Bill before the 2023 General Election, and were disappointed that didn't happen. Through our involvement with the Resource Management Reform Local Government Steering Group, we continued to emphasise the need for an enduring adaptation framework that clarified roles and responsibilities, including for funding adaptation action.

The inquiry into community-led retreat and climate adaptation funding kicked off by the previous Environment Select Committee was strongly supported across the House. Our submission stressed the importance of an enduring framework for climate adaptation and retreat that has cross-party support. We encouraged the new Government to continue with both the inquiry and climate adaptation work.

We submitted on the first round of consultation on a strategy to strengthen the resilience of critical infrastructure in Aotearoa New Zealand. With the impacts of climate change being increasingly felt around the country, it's clear that critical infrastructure such as roads and water treatment plants are not capable of withstanding more intense and frequent extreme weather events. We have continued to engage with DPMC to ensure that local government's needs are at the forefront of work it's doing on critical infrastructure.

In late 2023, we worked with Whakatāne District Council, Northland Regional Council, the Aotearoa Climate Adaptation Network (ACAN) and Beca to produce guidance that sets out climate change legislative requirements and reforms that councils should think about when preparing their LTPs. This guidance is a living document and will be updated to reflect the new Government's emerging policy and legislative reform programme.

Cyclone recovery

We engaged with the Department of Internal Affairs on response and recovery to early 2023's severe weather events, including regulatory relief. As a result, an Order in Council enabled three-year plans instead of LTPs for eight of the most affected councils.

We also supported councils in Tairāwhiti and Hawke's Bay as they engaged in the voluntary buyout of category 3 land or residential use rights. We engaged Simpson Grierson to provide legal advice on the powers councils have available to make buyout offers, the risk of challenge, and options for clarifying powers and reducing risk. This advice made it clear that to achieve greater certainty and minimise the risk of legal challenge for affected councils, either amendments to the existing legislation or a new bespoke framework are needed.

Forestry slash inquiry

We worked with the Joint Forestry Project (which encompasses 17 councils with an interest in forestry issues) to provide a submission to the Government's inquiry into forestry slash. While the inquiry was limited to Tairāwhiti and Wairoa, its recommendations have the potential to impact on other parts of the country. We also worked with Gisborne DC to raise concerns about their experience with the inquiry, emphasising the need to ensure other councils don't experience similar natural justice/process issues if they're the subject of a future inquiry.



// 5. Delivering and building on our core work

Local government funding and financing

We started a nationwide conversation about rates rises in December 2023, when it became obvious nearly every council would need to lift rates significantly. We generated coverage in all major media outlets that got New Zealanders talking about cost pressures on councils and the inadequate funding of local government, with over 100 media mentions over the next four months.

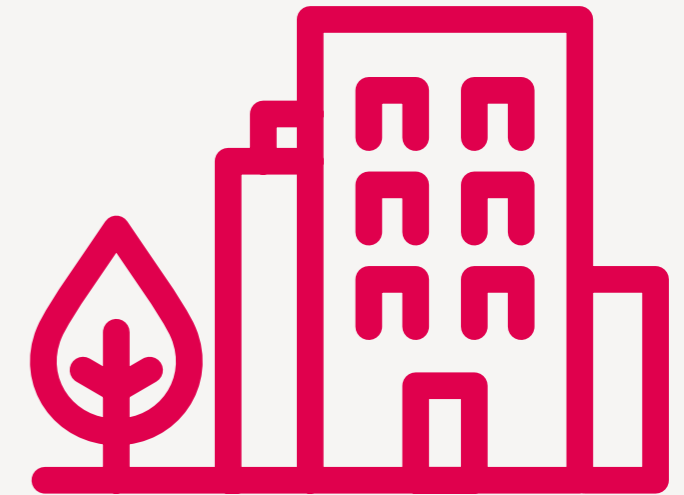
We commissioned Infometrics to identify what was driving up local government's costs, launching this research in March to members and the media. Councils used our data toolkit in their own engagement with media, on social media, and in their LTP consultation documents.

Ratepayer Assistance Scheme

The Ratepayer Assistance Scheme is a special purpose tool allowing ratepayers to finance any local authority charge on them. With balance sheet separation, and proximity to both local and central government, it would have a very high credit rating so provide the cheapest-possible financing terms to ratepayers. It could potentially finance:

- » Development contributions to enable housing development.
- » Costs associated with healthy homes, earthquake strengthening, home insulation and solar panel installation, and water separation and storage.
- » Rates postponement for ratepayers experiencing affordability pressures.

A detailed business case supporting the RAS' viability was completed with the support of Auckland, Hamilton, Tauranga, Wellington, Christchurch councils, alongside the Local Government Funding Authority and LGNZ. With Auckland and Tauranga confirming their financial commitment to establishing the RAS, we are seeking the Government's support to enact the relevant legislation, before securing commitment from other councils.



City and regional deals

The Coalition Government strongly signalled interest in long-term city and regional deals as a way to partner with local government to create pipelines of regional projects. In late 2023, we commissioned Linda Meade, Director at Kalimena Advisory, to provide insight into the international experience around city and regional deals, and how this might be applied in the New Zealand context. This paper was shared widely with members and set out the key elements of city and regional deals, different options used in the United Kingdom and Australia, and takeaways for designing a city and regional deals framework for New Zealand. We also started pulling together an LGNZ thinkpiece to highlight how city and regional deals could support better alignment between central and local government – designed to influence the framework the Government was developing.

Water services reform

Before the election, the Labour Government introduced legislation to enact its reform, and our submissions focused on critiquing the legislation to make it work as well for local government as possible.

After the Coalition Government repealed that legislation, LGNZ successfully advocated for more time and flexibility around LTPs given the changes to water reform. This meant councils could choose between an additional three months to adopt their LTPs, the ability to forgo the audit of the consultation document, and to reduce consultation requirements on subsequent amendments. Alternatively, councils could defer development of their LTP for 12 months if they produced an enhanced Annual Plan.

Transport

In August 2023, the Labour Government released its draft GPS Land Transport and we developed a submission with strong input from members. At the same time, we launched our Position Statement on Transport, which had been developed in consultation with members. The position statement outlines our policy transport objectives:

- » A strategic, long-term approach to planning that joins up central and local government decision-making to address maintenance and climate adaptation needs.
- » Sufficient, long-term transport investment that prioritises resilience building, safety and better asset management across both new developments as well as maintenance and renewals.
- » Integrated transport and freight networks that support placemaking by connecting our rural communities, towns and cities and making them great places to live and work.
- » A transport network that can adapt to the future climate and prioritise decarbonisation.

In late 2023, we stood up the LGNZ Transport Forum, which includes a mix of National Council spokespeople and other representatives chaired by Mayor Neil Holdom.

The Forum supported the development in early 2024 of LGNZ's submission on the new Government's draft Government Policy Statement on Land Transport.

Resource management

Like our member councils, we submitted on Labour Government's voluminous Natural and Built Environments and Spatial Planning Bills, which were enacted before the election. We advocated for strengthening local voice in the system and the need for more funding/resourcing to support local government through transition and implementation. We also supported the RM Reform Local Government Steering Group, which achieved the inclusion of mechanisms to ensure local input into regional planning decisions.

The Coalition Government repealed this legislation. We've been engaging with the Minister Responsible for RMA Reform, including encouraging him to think about how he engages with local government as he thinks about what a future resource management system looks like.

Together with Taituarā and Te Uru Kahika, we submitted on the new fast-track consenting regime that was introduced to the House in early March. The Government also worked at pace to make a number of changes to the NPS-Freshwater Management and we monitored these changes closely along with Te Uru Kahika.

Freedom camping

Following the introduction of the Self-contained Motor Vehicles Legislation Act, we worked with Simpson Grierson, the New Zealand Motor Caravan Association, MBIE and Taituarā to review and update our model bylaw for freedom camping, and also the good practice guide for councils and tourism operators.





Research and good-practice guidance

We developed or updated the following reports and guidance:

- » Local government voters 2022: This report shows the number of voters aged between 18 – 25 has grown significantly since 2001, with a big increase in the number of voters who placed their completed voting papers in a ballot or voting box (from 12% in 2016 to 28% in 2022).
- » The 2022-25 elected member census: Our triennial census of elected members looks at demographics of elected members and provides information on their priorities. There was a significant increase in the number of elected members who identify as Māori – and elected members are getting younger.
- » An elected members’ guide to representation reviews: This how-to guide strengthens elected members’ and citizens’ understanding of the representation review process.
- » Ombudsman’s report on workshops – update to standing orders guidance: In October 2023 the Ombudsman published a report “Open for Business” in which he was critical of the number of public excluded workshops held by councils. The report, while finding that there was no evidence that workshops were being used for making decisions, made several recommendations for improvements. We commissioned Simpson Grierson to review the recommendations and incorporate those that are relevant into LGNZ’s Guide to Standing Orders.

- » We updated our Guide to the LGNZ Standing Orders Templates. The updates provide councils with guidance on how to amend their standing orders to incorporate changes to the definition of a quorum (for those joining by audio visual means). They also provide guidance on the Ombudsman’s recent report on public access to workshops.
- » We started working with the Taituarā Democracy and Participation Working Group to fine tune our Standing Orders Template, with a focus on readability. The updated version will be available to councils in early 2025, giving plenty of time to be prepared ahead of the 2025 local body elections. The new template will also reflect legislative changes made since mid-2022 when the current template was drafted.
- » We completed a Guide to recruiting and managing chief executives. This is a comprehensive guide that includes relevant templates, such as a draft employment agreement, performance committee terms of reference, and guidance on performance management.

Remits

We’re continuing to make progress on remits – though as is always the case following a change of government, progress slowed while the new government bedded in. We are thinking carefully about how to build remits into our existing policy and advocacy work programmes to maximise limited resource across a wide number of issues.

Media

LGNZ’s proactive media strategy reaped results this year. When the former government released its Future for Local Government Report, we pushed stories highlighting the importance of system reform and this topic generated more than 80 stories, including editorial by third parties that we facilitated.

Our position on transport was well covered and Forum Chair Neil Holdom has been an active spokesperson. We diversified spokespeople during this year, including using Chairs to promote and highlight the leadership role Regional Councils are wanting to take in the climate and resilience space.

A large number of councils were affected by the fraudulent signing of consenting documents by engineer Jonathan Hall of Kodiak Consulting. Taupō District Council asked LGNZ to help support affected councils, which resulted in zoom meetings councils could attend and the development of a media plan with input from law firm Rice Speir.

Media proved a strong advocacy tool during the pre-election period when politicians were in the middle of campaigning. The post-election period, including when special votes came out and coalition talks were underway, was also a good opportunity to put local government issues into the political spotlight. This served dual purposes: informing political journalists about the challenges any government needs to address to ensure local government thrives; and firmly demonstrating to the incoming government that these need their attention or they risk not being able to deliver on their priorities.

As well as the rates rise work discussed above, another major piece of advocacy through media is four-year-terms for local government. Since he has been President, Sam has used every opportunity to talk about efficiencies from longer electoral terms.

Member engagement

Sam’s goal in his first year as President was to visit all councils, and from late 2023 onwards he and Susan embarked on an intensive period of regular travel. These visits are hugely valuable – and valued.

We concluded our long-running Leaders Zooms series in mid-2023, having hosted sessions including Raelene Castle on managing very public conflict and a mayors’ panel on managing emergencies in the week after Cyclone Gabrielle. We also hosted minor political parties including ACT and the Greens.

We achieved strong open rates for our fortnightly member email Keeping it Local, sometimes as high as 69%, which is outstanding by industry standards. As well as Keeping it Local, after Sam’s election we began a regular direct email from him to all elected members.

Our new website went live in December. It provides much more flexibility to showcase local government and all it has to offer our communities, as well as providing a home for resources, news and insights – and a powerful search function.

Member events

Our SuperLocal conference in July 2023 was hugely successful, with over 800 attendees and very positive feedback.

We also revamped the SuperLocal Awards, with new categories and criteria.

Instead of always holding separate sector meetings, in May 2023 we trialled a combined sector format, with all sectors together on Day 1 and individual sector meetings on Day 2. This was very successful and has been repeated in 2024.

Support for elected members

In March 2023, we launched a mental health support service that offers free counselling (in person or online) plus online resources for all elected members.

We also continue to support our members with confidential advice and guidance.

Ākona

Our professional development platform Ākona underwent massive changes during this financial year, thanks to feedback from the sector and our own strategy to deliver a quality learning experience to our members.

With support from the Ākona Advisory Group and governance groups from across the motu, we developed a bespoke capability framework. The framework provides a pathway to high performance for our members and a roadmap for us to guide the design and development of learning events.

We also moved to a new, more advanced technology platform that provides a more sophisticated, intuitive user experience. The platform also offers us the opportunity to 'ringfence' learning events to individuals, groups, regions and/or roles – something that will be invaluable as we prepare for Induction 2025. The platform also offers a new skills analysis tool that members can use to assess their skill levels against the capability framework, and be provided with recommended learning based on their results. This simple tool supports the easy navigation of the site and a way for members to track their skills growth.

On 3 April 2024, we gave all elected members access to Ākona, following National Council's decision that subscription should be rolled into the member fee. Since that time, there has been a steady flow of elected members engaging with the platform, with no less than 50 new logins every week. There's also been a steady flow of feedback, requests and questions from across local government.

Over the 2023/2024 year we developed and launched the following courses:

- » Health & safety and good governance
- » Chairing meetings
- » Asset Management
- » Designing and delivering great speeches
- » Conflicts of interest
- » Engaging with media
- » Engaging with Māori
- » Engaging with your community
- » LGOIMA
- » Financial Governance
- » Long Term Plan
- » Navigating Local Government meetings
- » Funding and Finance
- » Financial Stewardship
- » Council membership
- » Remuneration and tax for elected members
- » Te Reo Māori
- » Governance
- » What is Local Government?



Each course offers at least one multimedia module, at least one interactive Ako Hour, and a blend of infographics, templates, guides and downloadables, all designed to lift capability and confidence regardless of current skill levels. All courses have been created in response to requests from the sector and designed in conjunction with council staff, experienced elected members and/or renowned sector experts and consultants.

Many members have been directly involved in designing courses, for example:

- » Tararua District Council requested learning around Health & Safety and their Cr Scott Gilmore provided materials and invaluable feedback throughout the development of the course.
- » Queenstown Lakes District Council had developed an excellent LGOIMA resource and kindly allowed us to transform that resource into an Ākona module.
- » Mayor Janet Holborow and Cr Sophie Handford agreed to be filmed for the Chairing Meetings module, where they shared the KCDC approach to the topic.
- » Cr Dinnie Moeahu provided invaluable information and talent to the development of the Engaging with Māori module and an Ako hour that he hosted and which remains our most popular learning event to date.

A number of new course topics are currently in development and we will continue to base our development pathway on sector priorities.

Ako hours have continued to grow in popularity. The ability to interact with an expert host offers a deeper, more targeted learning experience for our members, along with the added bonus of learning alongside peers.

Over the past 12 months we have hosted Ako hours on:

- » Te Tiriti o Waitangi
- » Social media safety
- » Applied governance
- » Deliberative democracy
- » Pitfalls of pecuniary and non-pecuniary interests
- » The changing media environment

Given their popularity, we aim to run a minimum of 1 Ako hour a month.

The most popular Ākona courses have been:

- » Chairing meetings
- » Governance
- » Conflicts of interest
- » Asset management
- » LTP

The Capability Framework has also achieved a high level of engagement.

CouncilMARK

The CouncilMARK programme is currently undergoing significant change, in response to council feedback. It will adopt a value-based approach that prioritises people, accountability, and transparency, and relaunch in 2024. The programme's renewed focus is squarely on continuous improvement.

Libraries

Our Libraries Advisor continued to meet with libraries and councils around the country to promote the value that public libraries create for communities – and share the research that we commissioned on the role of libraries as vehicles for public service delivery. The New Zealand Libraries Partnership Programme funded a visit by the Libraries Advisor to public libraries in Australia last August, with best practice and insights from this trip shared with our councils and public libraries. The funding for this role came to an end in June 2024, and the project will wrap up with a report that will outline all the key trends identified and findings made across the three years.

Young Elected Members

Our Young Elected Members had a successful hui pre-conference in July 2023, with just under 40 attendees meeting for the first time in person since the 2022 local body elections.

The annual YEM hui was held in late 2023 in Waitangi, with the theme "Anga whakamua: Setting our collective course in the birthplace of Aotearoa". The YEM Committee, LGNZ and Far North District Council delivered a very successful three-day hui for around 50 YEM that included a range of panel discussions, workshops, keynote speakers, a tour of the Waitangi Treaty Grounds and visits to other culturally significant sites in the Far North. The programme content included developing the YEM Strategy and Kaupapa, effective leadership and looking after your health and wellbeing as a leader, how to effectively engage with the media and building cultural confidence and understanding. Creative New Zealand sponsored the event, which helped to keep costs down and enabled a panel session that focused on how councils can invest in arts and culture in their long-term plans to support wider economic, social and cultural wellbeing outcomes for their communities.

CBEC

The new Community Boards Executive Committee (CBEC) includes several members new to local government. CBEC has planned the Community Boards Conference, which will be held as part of SuperLocal 2024, and surveyed community board members to understand their experience, needs and opportunities in order to better support them. CBEC has also commissioned legal advice on the need for community board declarations, and begun working with the Remuneration Authority to improve the basis on which community board remuneration is set.

Mayors Taskforce for Jobs

Mayors' Taskforce for Jobs (MTFJ) Governance Group, supported by LGNZ, refreshed its five-year strategic plan, supported by insights research by TRA. The plan reconfirmed the focus of the MTFJ kaupapa firmly on rangatahi, particularly those youth who are NEET (Not in Employment, Education or Training). The Impact Lab Social Return on Investment review resulted in the very credible finding of \$5.60 return for every \$1.00 spent, alongside strong commentary on other positive key social accountability metrics.

The evidence from both pieces of research, alongside MTFJ's own data and analysis, underpin MTFJ's and our engagement with the Government to strengthen existing funding arrangements and explore new opportunities.

In late February MTFJ hosted a very successful national gathering of 80+ MTFJ coordinators, key council staff and MSD colleagues in Wellington.

Te Uru Kahika and the LGNZ Regional Sector

Our Regional Sector and Te Uru Kahika share three priorities: climate resilience, resource management system, Te Ao Māori. The new government's reform agenda in freshwater, water services regulation and transport are also priorities for engagement. Our team is meeting regularly with Te Uru Kahika to ensure we are joined up in our support for the Regional Sector. We continue to work together closely on submissions and engagement on central government reforms; for example, on submissions on the inquiry into community-led retreat and the proposed National Policy Statement for Natural Hazard Decision-making. We've also worked closely with Te Uru Kahika on resource management reform.



Streetlight Profiles

Our Electricity Authority-approved Streetlight Light Profiles when applied by councils will generate significant savings on the energy consumed by LED dimmable streetlights. Auckland have successfully installed the profiles and are realising significant savings. We are in discussion with a number of councils who will also benefit.

Without this innovative new profile, some councils that have upgraded their streetlights to include a centralised dimming function may find themselves stymied by Electricity Authority rules that deem them non-compliant. This could lead to penalties being passed on by suppliers, or even their suppliers opting out of offering dimmable streetlighting.

We started working on the Streetlight profiles nearly five years ago. It's a really complex piece of work that's involved experts and multiple attempts to get approval. Many other organisations had tried and failed before we were successful.

It is estimated that the profiles will save Auckland Transport up to \$1.1m in energy savings, whereas some smaller energy consumers, like Palmerston North City Council, will have savings in the region of \$18k per year. This will be for the life of the streetlights (usually 25 years) and does not include the carbon savings councils will be able to generate. We have just completed our implementation with Auckland Transport and are working with Christchurch, Wellington and Tauranga for the next implementations.

Moata Carbon Portal

We partnered with Mott MacDonald in 2021 to bring the Moata carbon portal to New Zealand. This is a tool that allows embedded (capital) carbon to be measured and monitored across any capital works programme. It enables councils to account for and reduce carbon emissions generated from water, transport and infrastructure (vertical and horizontal) projects. We have seen spreadsheets being used to do this that quickly become out of date, with emissions factors varying. The portal allows councils to make real-time decisions that can shape their future carbon emissions and make greener infrastructure choices. The added benefit is that all the models developed in the portal are shareable with other councils and industry players.

Queenstown Lakes and Tauranga have both completed carbon baselines with Mott MacDonald and we presented the results to QLDC in September. The QLDC baseline is the first carbon baseline that we are aware of in New Zealand that covers all business activities/groups across their entire long-term plan. Tauranga's baseline covered their water services only, with discussion ongoing about including transport next.

Our subscribers now include Auckland Water Care, Tauranga, Napier, Wellington Water and Queenstown Lakes. We are also having conversations with New Plymouth and Nelson councils.

Financial statements

Ngā tauākī pūtea

For the year ended 31 March 2024

- p/25 Directory**
Tātai
- p/26 Consolidated Statement of Comprehensive Revenue and Expenses**
Tauākī Tōpū o te Moniwhiwhi me ngā Whakapaunga Whānui
- p/28 Consolidated Statement of Changes in Net Assets / Equity**
Tauākī Panonitanga o ngā Huarawa Tapeke
- p/29 Consolidated Statement of Financial Position**
Tauākī Tūnga ā-Pūtea Tōpū
- p/31 Consolidated Statement of Cashflows**
Tauākī Kapewhiti Tōpū
- p/32 Notes to the Consolidated Financial Statements**
Ngā kupu tīpoka mō ngā Tauākī Pūtea Tōpū
- p/47 Independent Auditor's Report**
Pūrongo a te Kaitātari Kaute Motuhake

Directory

// Tātai

Local Government New Zealand (LGNZ)
For the year ended 31 March 2024

Nature of Business

A membership organisation that represents local authorities in promoting the national interests of local government.

Entity Name

New Zealand Local Government Association Incorporated - Trading as Local Government New Zealand (LGNZ)

Address

Level 3
3 Eva Street
Te Aro
Wellington 6011

IRD Number

049-455-479

Incorporation Number

374615

Incorporation Date

1 February 1988

Status

Registered Incorporated Society

Chartered Accountant

Grant Thornton New Zealand Limited

Auditor

Deloitte Limited (on behalf of the OAG)

Banker

ANZ Bank Limited

Solicitor

Simpson Grierson

Consolidated Statement of Comprehensive Revenue and Expenses

// Tauākī Tōpū o te Moniwhiwhi me ngā Whakapaunga Whānui

Local Government New Zealand (LGNZ)
For the year ended 31 March 2024

	Notes	2024	2023
REVENUE FROM EXCHANGE TRANSACTIONS			
Annual Subscription Income		4,000,053	4,090,071
Annual Conference Income	5	1,233,399	1,044,136
CouncilMARK Assessment Income	6	23,500	58,460
EquiP Limited Partnership Income	11	1,515,506	1,821,945
Interest Income		175,191	97,573
Libraries Partnership Programme Funding	10	199,502	368,678
MTFJ Income		175,404	208,000
Pacific TA Income		86,500	346,000
Professional Development Income		114,848	352,028
Ratepayer Financing Scheme Income	8	73,927	217,953
Sundry Income		115,240	705
DIA Reform Funding	7	1,250,000	925,557
Vote 22 Funding		-	281,596
Total Revenue from exchange transactions		8,963,070	9,812,702
Total Revenue		8,963,070	9,812,702

LESS DIRECT COSTS			
Annual Conference Expenditure	5	908,599	783,455
Sector Events and Committee Expenditure		147,698	209,790
Communications Expenditure		16,958	66,214
CouncilMARK Expenditure	6	25,128	55,046
EquiP Limited Partnership Expenditure	11	1,468,349	1,822,298
Governance Expenditure		176,706	145,088
Libraries Partnership Programme Expenses	10	174,502	280,678
Pacific TA Expenditure		73,432	201,890
People Costs		3,263,530	2,943,745
Policy Expenditure		158,962	194,661
Ratepayer Financing Scheme Expenditure	8	73,927	217,953
DIA Reform Expenditure	7	955,686	1,021,558
Sector Engagement Projects	9	68,942	731,825
Total Less Direct Costs		7,512,419	8,674,201
Gross Surplus		1,450,651	1,138,501

	Notes	2024	2023
LESS OPERATING EXPENSES			
Accommodation/Occupancy		294,956	379,086
Advisory		92,729	81,928
Audit Fees Paid to Deloitte Limited		27,891	20,958
CouncilMARK LGNZ Contribution	6	121,924	189,001
Financial		206,351	24,108
Honoraria	23	154,945	125,674
Insurance		56,994	54,535
Information Technology		222,322	255,536
Library		35,821	35,369
Office		105,045	120,345
Other Expenses	12	133,920	252,547
Staff Expenses		256,045	177,133
Total Less Operating Expenses		1,708,942	1,716,220
Total Expenses		9,221,361	10,390,421
Net (Deficit)/Surplus Before Tax		(258,291)	(577,719)
Total Comprehensive Revenue and Expense		(258,291)	(577,719)
Total (Deficit)/Surplus Attributable to the Group		(258,291)	(577,719)

Consolidated Statement of Changes in Net Assets / Equity

// Tauākī Panonitanga o ngā Huarawa Tapeke

Local Government New Zealand (LGNZ)
For the year ended 31 March 2024

	2024	2023
ACCUMULATED COMPREHENSIVE REVENUE AND EXPENSES		
Opening Balance	2,146,312	2,448,299
Comprehensive Revenue and Expenses		
Surplus/(Deficit) for the Year	(258,291)	(577,719)
Total Comprehensive Revenue and Expenses	(258,291)	(577,719)
Transfers		
Transfers from (to) other Reserves	(612,955)	146,337
Transfers from Emerging Issues Reserve	-	129,395
Total Transfers	(612,955)	275,732
Total Accumulated Comprehensive Revenue and Expenses	1,275,066	2,146,312
EMERGING ISSUES RESERVE		
Opening Balance	370,605	500,000
Transfer to / (from) Accumulated Comprehensive Revenue and Expenses	-	(129,395)
Total Emerging Issues Reserve	370,605	370,605
OTHER RESERVES		
Opening Balance	1,243,204	1,389,541
Transfer (out) / in from Accumulated Comprehensive Revenue and Expenses	612,955	(146,337)
Total Other Reserves	1,856,159	1,243,204
Total Equity	3,501,830	3,760,120

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 28

Consolidated Statement of Financial Position

// Tauākī Tūnga ā-Pūtea Tōpū

Local Government New Zealand (LGNZ)
For the year ended 31 March 2024

	Notes	2024	2023
ASSETS			
Current Assets			
Cash and Cash Equivalents	13	5,457,368	7,028,401
Receivables from Exchange Transactions	14	584,117	543,989
Income Tax Receivable		65,616	23,669
GST Receivable / (Payable)		236,606	297,473
Prepayments		136,709	76,435
Total Current Assets		6,480,415	7,969,967
Non-Current Assets			
Property, Plant and Equipment	17	122,526	348,350
Intangibles	16	287,175	194,832
Work In Progress		-	2,844
Investments	15	1,475	1,475
Total Non-Current Assets		411,176	547,501
Total Assets		6,891,591	8,517,468
LIABILITIES			
Current Liabilities			
Payables from Exchange Transactions		714,090	944,125
Provision for Annual Leave		141,086	170,190
Fit-Out Loan	20	-	12,526
Community Board Executive Committee Levy		74,630	85,395
Lease Incentive	21	-	9,375
Mayors Taskforce for Jobs	18	1,953,432	2,388,315
Annual Conference Income in Advance		316,722	332,776
Pacific Technical Assistance Income in Advance	19	-	693,914
Ratepayer Financing Scheme Income in Advance	8	137,498	11,425
Libraries Partnership Income in Advance	10	52,304	109,307
Total Current Liabilities		3,389,762	4,757,348
Total Liabilities		3,389,762	4,757,348
Net Assets		3,501,830	3,760,120

These statements should be read in conjunction with the notes to and forming part of the financial statements. // 29

	Notes	2024	2023
NET ASSETS ATTRIBUTABLE TO THE OWNERS OF THE CONTROLLING ENTITY			
Retained Earnings		1,275,066	2,146,312
Emerging Issues Reserve		370,605	370,605
Other Reserves		1,856,159	1,243,204
Total Net Assets Attributable to the Owners of the Controlling Entity		3,501,830	3,760,120

Signed By:



President

Date: **08 July 2024**



Chief Executive

Date: **08 July 2024**

Consolidated Statement of Cashflows

// Tauākī Kapewhiti Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

	Notes	2024	2023
CASHFLOW			
Cash from Operating Activities			
Cash was Provided from:			
Receipts from Members & Stakeholders		8,095,971	9,246,249
Interest and Dividends Received		177,063	98,919
Total Cash was Provided from:		8,273,034	9,345,168
Cash was Applied to:			
Payments to Suppliers & Employees		(9,616,895)	(8,527,171)
RWT Paid		(41,947)	(14,910)
Total Cash was Applied to:		(9,658,842)	(8,542,081)
Total Cash from Operating Activities		(1,385,808)	803,087
Cashflow from Investing Activities			
Cash was Provided from:			
Proceeds from Maturity of Term Deposits		-	-
Total Cash was Provided from:		-	-
Cash was Applied to:			
Purchase of Property, Plant & Equipment		(172,699)	(178,957)
Purchase of Term Deposits		-	-
Total Cash was Applied to:		(172,699)	(178,957)
Total Cashflow from Investing Activities		(172,699)	(178,957)
Cashflow from Financing Activities			
Cash was Applied to:			
Repayment of Loans & Borrowings		(12,526)	(28,516)
Total Cash was Applied to:		(12,526)	(28,516)
Total Cashflow from Financing Activities		(12,526)	(28,516)
Net Increase/(Decrease) in Cash and Cash Equivalents		(1,571,033)	595,614
Cash and Cash Equivalents at beginning of year		7,028,401	6,432,787
Cash and Cash Equivalents			
Bank and Cash		5,457,368	7,028,401
Total Cash and Cash Equivalents		5,457,368	7,028,401

Notes to the Consolidated Financial Statements

// Ngā kupu tīpoka mō ngā Tauāki Pūtea Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2024

1. Reporting Entity

New Zealand Local Government Association Incorporated (trading as Local Government New Zealand (LGNZ)) is an incorporated society registered under the Incorporated Society Act 1908.

The Consolidated Financial Statements of Local Government New Zealand includes Equip Limited Partnership ("the Group"). Local Government New Zealand and Equip GP Limited are the partners of Equip Limited Partnership. Equip GP Limited is owned 100% by Local Government New Zealand.

Local Government New Zealand is a membership organisation that represents local authorities in promoting the national interests of local government.

These consolidated financial statements have been approved and were authorised for issue by the National Council Members.

2. Statement of Compliance

The Group financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Public Sector entities. For the purposes of complying with NZ GAAP, the Group is a public benefit public sector entity and is eligible to apply Tier 2 Public Sector PBE IPSAS on the basis that it is not defined as large.

The Group has elected to report in accordance with Tier 2 Public Sector PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions.

3. Summary of Accounting Policies

The significant accounting policies used in the preparation of these consolidated financial statements as set out below have been applied consistently to both years presented in these financial statements.

3.1. Basis of Preparation

These consolidated financial statements have been prepared on the basis of historical cost, as modified by the fair value measurement of non-derivative financial instruments.

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

3.2. Functional and Presentation Currency

The consolidated financial statements are presented in New Zealand dollars (\$), which is the Group's functional currency.

3.3. Basis of Consolidation

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities. The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 March reporting date.

All controlled entities are included in the financial statements of the Group.

3.4. Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Revenue from exchange transactions

Subscription Income

Subscriptions received in exchange for annual access to members' activities are invoiced in April for the year they relate to.

Where members purchase specific services (for example, attendance at the LGNZ Conference), revenue is initially recorded as revenue in advance, and then recognised when the service is performed/event occurs.

Government contract revenue

Revenue from government contracts relates to income received from the Ministry of Foreign Affairs and Trade and is provided as funding for services the Group provides relating to the Pacific.

The DIA Reform Funding is an agreement between LGNZ and the Department of Internal Affairs to enable LGNZ to support the Local Government Sector with the volume of reform the government was proposing, including Three Waters, Resource Management Reform, Future for Local Government, Emergency Management Reform.

Revenue is recognised in the period the services are provided.

Event revenue

Entrance fees for functions and events are recorded as revenue when the function or event takes place.

Interest and dividend revenue

Interest revenue is recognised as it accrues, using the effective interest method.

Dividend revenue is recognised when the dividend is received.

Other Revenue

All other revenue from exchange transactions is recognised when earned and is reported in the financial period to which it relates.

3.5. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial Liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, loans and borrowings and deferred revenue (in respect to grants whose conditions are yet to be complied with).

All financial liabilities are initially recognised at fair value (plus transaction cost for financial liabilities not at fair value through surplus or deficit) and are measured subsequently at amortised cost using the effective interest method.

3.6. Cash and Cash Equivalents

Cash and cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.7. Short Term Investments

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents.

3.8. Property, Plant, Equipment and Depreciation

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a diminishing value or straight line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Computer Hardware	50% - 67%	Diminishing Value
Furniture and Fittings	10% - 40%	Diminishing Value & Straight Line
Leasehold Improvements	10% - 40%	Diminishing Value

Depreciation methods, useful lives and residual values are reviewed at each reporting date and are adjusted if there is a change in the expected pattern of consumption of the future economic benefits or service potential embodied in the asset.

3.9. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful lives of intangible assets have been assessed as finite.

Intangible assets with finite lives are amortised on a diminishing value basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits or service potential embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in surplus or deficit as the expense category that is consistent with the function of the intangible assets.

The Group does not hold any intangible assets that have an indefinite life.

The amortisation periods for the Group's assets are as follows:

» Website	50%
» Computer Software	50%
» Governance Workshop	33%

3.10. Leases

Payments on operating lease agreements, where the lessor retains substantially the risk and rewards of ownership of an asset, are recognised as an expense on a straight-line basis over the lease term.

Lease Incentives

The aggregate benefit of incentives as a reduction of rental expense over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern of the benefit from the use of the leased asset.

3.11. Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.12. Employee Benefits

Wages, salaries, annual leave

Liabilities for wages and salaries and annual leave are recognised in surplus or deficit during the period in which the employee provided the related services. Liabilities for the associated benefits are measured at the amounts expected to be paid when the liabilities are settled.

Employee benefits expected to be settled within twelve months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

3.13. Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Revenue and Expenses except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted at the reporting date.

A deferred tax asset is recognised when it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Group is only liable for income tax relating to non-member activities. Member income and associated expenditure is not liable for income tax. Income tax is payable on any services or goods provided to non-members and interest earned on investments.

3.14. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised exclusive of GST except for receivables and payables, which are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Inland Revenue Department is classified as part of operating cash flows.

3.15. Equity

Equity is the community's interest in the Group, measured as the difference between total assets and total liabilities. Equity is made up of the following components:

Accumulated comprehensive revenue and expense

Accumulated comprehensive revenue and expense is the Group's accumulated surplus or deficit since its formation, adjusted for transfers to/from specific reserves.

Emerging Issues Reserve

The National Council has approved creating a reserve for strategic matters. The reserve was initially \$500,000. The balance is currently \$370,605 (2023: \$370,605).

Other Reserves

The National Council have approved the creation of other reserves for:

Funding expected March 2024 deficits for LGNZ and Equip - \$1,130,783 (2023 deficits: \$478,480)

» Operational / Potential Organisational ceasing - \$725,375 (2023: \$764,724)

3.16. Operating lease commitments

The Group has entered into a rental agreement in relation to their premises.

The Group has determined, based on an evaluation of the terms and conditions of the arrangement, such as the lease term not constituting a substantial portion of the economic life of the asset, that it does not retain all the significant risks and rewards of ownership of this property and accounts for the contract as an operating lease.

4. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Income Tax Expense

The Group has determined that the probability that future taxable profits will be available to be utilised is remote and no deferred tax asset is recognised.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to determine potential future use and value from disposal:

- » The condition of the asset
- » The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- » The nature of the processes in which the asset is deployed
- » Availability of funding to replace the asset
- » Changes in the market in relation to the asset

The estimated useful lives of the asset classes held by the Group are listed in Note 3.8 and 3.9.

5. Annual Conference

	2024	2023
Annual Conference Revenue	1,233,399	1,044,136
Annual Conference Expenditure	(908,599)	(783,455)
Staff Remuneration and Overheads	(267,266)	(180,092)
Net Annual Conference Profit	57,534	80,589

The figures shown are for the 2023 Conference held in July 2023.

Staff remuneration and overheads have been recorded in people costs in the Consolidated Statement of Comprehensive Revenue and Expenses. These relate to costs directly paid by Local Government New Zealand and part of its operations.

The 2024 Conference is scheduled to be held on 21 - 23 August 2024 and final income and expenditure will be recorded in the financial statements dated 31 March 2025. Income and expenses as at 31 March 2024 relating to this conference are recorded as income in advance and prepayments on the Consolidated Statement of Financial Position.

6. CouncilMARK Programme

	2024	2023
CouncilMARK Assessment Income		
CouncilMARK Assessment Income	23,500	58,460
Total CouncilMARK Assessment Income	23,500	58,460
CouncilMARK Expenditure		
CouncilMARK Assessment Disbursements	-	1,914
CouncilMARK Assessment Fees	(25,128)	(56,960)
Total CouncilMARK Expenditure	(25,128)	(55,046)
CouncilMARK LGNZ Contribution		
CouncilMARK Board Expenses	(77,202)	(101,000)
CouncilMark Development Costs	(43,674)	(41,246)
CouncilMark Travel Expenses	(1,047)	(46,291)
CouncilMARK Expenses Other	-	(464)
Total CouncilMARK LGNZ Contribution	(121,924)	(189,001)
Total CouncilMARK Programme	(123,552)	(185,587)

The CouncilMARK programme is designed to improve the public's knowledge of the work councils are doing in their communities and to support individual councils to further improve the value they provide to all New Zealanders.

The CouncilMARK Assessments incur a user pay fee which covers the cost of the assessment. It does not account for LGNZ time.

LGNZ contributed funds to set up the programme and continues to fund the programme manager, Board expenses and any development expenses to enhance the programme.

7. DIA Reform Funding

DIA Reform Funding of \$1,250,000 (2023: \$925,557) was received from the DIA in the 2024 year to support LGNZ's response to the Government's proposed Waters Services Reform programme and other major reform impacting Local Government. Funding was received in two separate instalments under the agreement with DIA. The agreement runs until June 2024 and the instalments received in the 2024 year are for the periods 01 January 2023 to 30 June 2023 and 01 July 2023 to 31 December 2023 respectively. Funding received is apportioned accordingly, based on when the expenses are incurred. There is a further instalment due to complete the contract and this will be received in the 2025 year.

As Central Government was reviewing its own position regarding the Three Waters Reform in the first quarter of 2023, there was uncertainty that the related costs incurred in January to March 2023 would be recovered from the DIA as not all the pre-conditions to the funding had been completed. Despite the uncertainty that existed at the end of 2023 the DIA were satisfied that the expenditure incurred between January and March 2023 was in line with the activity proposed and delivered by LGNZ. This and subsequent expenditure for the balance of the funding received in the 2024 year is summarised in the table below:

DIA Contract Period	Jan 23 - Jun 23	Jan 23 - Jun 23	Jul 23 - Dec 23
Actual LGNZ Financial Reporting Period	FY 2023 (Jan to Mar)	FY 2024 (Apr to Jun)	FY 2024 (Jul to Dec)
DIA Reform Funding	\$0	\$625,000	\$625,000
DIA Reform Expenditure	\$171,525	\$161,371	\$274,650 *
Related Staff Remuneration	\$122,789	\$169,315	\$350,350 *

* The report for July to December 2023 has been received and approved by the DIA.

DIA Reform Expenditure of \$955,686 (2023: \$1,021,558) is made up of costs from Communications, Sector Events, Sector Engagement Projects and Staff Remuneration.

There was no expenditure for the January to March 2024 quarter due to the fact that the Three Waters legislation was set to be repealed in the new Government's 100 Day Action Plan and there was uncertainty over what would replace it and the level of future funding.

8. Ratepayer Financing Scheme

Ratepayer Financing Scheme Income \$73,927 (2023: \$217,953) is a funding tool that supports affordability of local authority charges by providing ratepayers with very attractive financing terms while keeping councils whole.

The revenue, which was funded by two councils in the 2024 year, is recognised as the costs are incurred, with the balance of the funds recorded as income in advance on the Statement of Financial Position. The income in advance balance of \$11,425 as at 31 March 2023 was recognised in 2024. The balance of funding received in the 2024 year of \$137,498 will be recognised in 2025 as we continue to advocate for its establishment.

In the 2024 financial year, total costs of \$73,927 (2023: \$217,953) were incurred relating to the Ratepayer Financing Scheme.

9. Sector Engagement Projects

Sector Engagement Projects are special purpose projects involving focused engagement with the sector and public for the benefit of the sector. In the 2024 year, projects included:

- » Choose Localism Campaign
- » Future by Local Government
- » Local Government/Central Government Relations
- » Development of Akona
- » Water Services Reform

In the 2024 financial year, total costs of \$68,942 (2023: \$731,825) were incurred relating to the Sector Engagement Projects.

10. Libraries Partnership Programme

The Libraries Partnership Programme (NZLPP) is funded by the DIA. In the 2024 year LGNZ used \$174,502 (2023: \$280,678) of total funding available of \$450,000 to cover the employment of a Libraries Advisor and associated costs for the period 01 November 2021 to 31 December 2023. The key objective of the Libraries Advisor is to promote the value of investing in public libraries to local government decision-makers, and to demonstrate the value that libraries contribute to communities' wellbeing. The revenue is recognised as the costs are incurred, with the balance of the funds \$52,304 (2023: \$109,307) recorded as income in advance on the Statement of Financial Position. Recognised as revenue in the 2024 year is \$25,000 (2023: \$88,000) (showing as surplus over expenses), being the management and administration costs of the programme.

11. EquiP Limited Partnership

EquiP LP is New Zealand Local Government Association Incorporated's Centre of Excellence and is a Limited Partnership and separate legal entity wholly owned by Local Government New Zealand. Its purpose is to deliver tailored services, best practice guidance, business solutions, government and management support to strengthen the local government sector.

EquiP Limited Partnership Income

	2024	2023
Consultancy Services Income	1,513,634	1,820,599
Interest Received	1,872	1,346
Total EquiP Limited Partnership Income	1,515,506	1,821,945

EquiP Limited Partnership Operating Expenses

	2024	2023
Accountancy Fees	20,498	7,446
Audit Fees	19,092	17,885
IT Outsourcing	2,150	5,366
Staff Remuneration	175,653	376,540
Consultancy Services Costs	1,131,020	1,307,260
Other Operating Expenses	119,936	107,801
Total EquiP Limited Partnership Operating Expenses	1,468,349	1,822,298

12. Other Expenses

	2024	2023
Emerging Issues	-	129,395
Depreciation/Amortisation	123,920	123,152
The Aotearoa Circle	10,000	-
Total Other Expenses	133,920	252,547

13. Cash and Cash Equivalents

	2024	2023
Cash and Cash Equivalents		
Bank	3,503,935	3,907,589
Monies held for Mayors Taskforce For Jobs	1,953,432	2,388,315
Pacific Technical Assistance Bank Account	-	731,797
Petty Cash	-	700
Total Cash and Cash Equivalents	5,457,368	7,028,401

14. Receivables from Exchange Transactions

	2024	2023
Annual Conference Debtors	352,475	285,590
Pacific Technical Assistance Debtors	-	9,216
Sundry Debtors	231,642	249,183
Total Receivables from Exchange Transactions	584,117	543,989

15. Investments

	2024	2023
Paintings/Artwork	1,475	1,475
Total Investments	1,475	1,475

16. Intangibles

	2024	2023
Computer Software		
Computer Software at Cost	494,695	337,039
Less Accumulated Amortisation	(247,715)	(193,799)
Total Computer Software	246,980	143,240

Governance Workshop

Governance Workshop at Cost	415	415
Less Accumulated Amortisation	(415)	(415)
Total Governance Workshop	-	-

Other Intangible Assets

Other Intangible Assets at Costs	71,044	71,044
Less Accumulated Amortisation	(30,849)	(19,452)
Total Other Intangible Assets	40,195	51,592
Total Intangibles	287,175	194,832

Reconciliation of the carrying amount at the beginning and the end of the period:

	2024	2023
Intangibles Reconciliation		
Computer Software		
Opening Balance	143,240	22,611
Additions	157,656	131,935
Disposals	-	-
LGNZ Amortisation	(53,885)	(11,242)
Equip Amortisation	(31)	(63)
Total Computer Software	246,980	143,240

Other Intangible Assets

Opening	51,592	67,979
Additions	-	-
LGNZ Amortisation	(2,785)	(4,180)
Equip Amortisation	(8,612)	(12,207)
Total Other Intangible Assets	40,195	51,592
Total Intangibles	287,175	194,832

17. Property, Plant and Equipment

	2024	2023
Furniture & Fittings		
Furniture & Fittings at Cost	669,757	668,652
Less Accumulated Depreciation	(547,231)	(495,992)
Total Furniture & Fittings	122,526	172,660
Leasehold Improvements		
Leasehold Improvements at Cost	-	410,143
Less Accumulated Depreciation	-	(234,453)
Total Leasehold Improvements	-	175,690
Total Property, Plant and Equipment	122,526	348,350

Reconciliation of the carrying amount at the beginning and end of the period:

	2024	2023
Property, Plant and Equipment Reconciliation		
Furniture and fittings		
Opening Balance	172,660	202,235
Additions	15,964	49,139
Disposals	(14,859)	(2,958)
LGNZ Depreciation	(50,746)	(74,368)
Equip Depreciation	(494)	(1,388)
Total Furniture and fittings	122,526	172,660
Leasehold Improvements		
Opening Balance	175,690	195,395
Additions	-	-
Disposals	(168,325)	-
LGNZ Depreciation	(7,365)	(19,705)
Total Leasehold Improvements	-	175,690
Total Property, plant and equipment	122,526	348,350

18. Mayors Taskforce For Jobs

The Mayors Taskforce For Jobs ("the MTFJ") is separately funded and Local Government New Zealand provides management and administration services. All receipts of income and payment of expenses and grants, although separately accounted for via the MTFJ fund, are recorded through Local Government New Zealand's bank account.

For the purpose of these consolidated financial statements the monies held on behalf of the MTFJ are recorded separately within cash and cash equivalents, see note 16, in the Consolidated Statement of Financial Position along with the corresponding liability.

MTFJ is grouped with LGNZ for GST purposes and LGNZ employs the Programme Manager and Programme Advisor.

In July 2023 LGNZ signed another contract to continue the successful partnership between MTFJ and the Ministry of Social Development to provide funding to rural councils to assist them in the creation of sustainable employment placements for youth in their respective communities. The programme was initiated as part of the last Government's Covid response and has continued in recent years. In the 2024 year the programme was renamed the Community Employment Programme (2023: The Community Resilience Programme). During the year The Ministry also agreed with MTFJ to provide an Initiative Fund to assist with new initiatives specifically aimed for communities not currently participating in the Community Employment Programme.

MTFJ activity is overseen and governed by the MTFJ Governance Group and Chairperson.

	2024	2023
Mayors Taskforce for Jobs		
Mayors Taskforce for Jobs	1,953,432	2,388,315
Total Mayors Taskforce for Jobs	1,953,432	2,388,315

19. Pacific Technical Assistance

The Pacific Technical Assistance Programme successfully completed its extended five year programme in June 2023. The agreement was between LGNZ and the Ministry of Foreign Affairs and Trade (MFAT) and started on 08 May 2017. It was set up to provide technical assistance to local government development in Pacific Island Countries, managed and administered by two dedicated full-time LGNZ staff members funded by the programme. Staff remuneration and programme operating expenses are recorded in PacificTA Expenditure in the Financial Statements. The programme continues but from 01 July 2023 a new contract was entered into between MFAT and Taituarā by agreement between LGNZ, MFAT and Taituarā. The balance of the funds in the PacificTA bank account held by LGNZ was transferred to Taituarā in accordance with a signed agreement from MFAT.

	2024	2023
Opening Balance	\$693,913	\$1,087,723
Funds Received	\$Nil	\$609,000
Total Funds Received	\$693,913	\$1,696,723
Funds Used		
LGNZ Assistance	\$86,500	\$346,000
Business Case	\$1,859	\$38,884
Cook Islands	\$5,593	\$141,164
Fiji	\$40,872	\$179,714
Solomon Islands	\$49,833	\$59,311
Kiribati	\$11,777	\$0
Vanuatu	\$20,800	\$237,737
Transfer to Taituara	\$476,679	\$0
Total Funds Used	\$693,913	\$1,002,810
Closing Balance	\$Nil	\$693,913

20. Loans

	2024	2023
Current Portion of Loans		
Current Portion of Fit-Out Robt. Jones Holdings Limited	-	12,526
Total Current Portion of Loans	-	12,526
Total Loans	-	12,526

The landlord agreed to fund Local Government New Zealand's Fit-out to the amount of \$200,000. This has been funded by a loan advance to Local Government New Zealand, which is then repaid over the initial lease term of 9 years at an interest rate of 7.5% per annum. The lease expired in August 2023 and the loan was repaid. The lease was not renewed and LGNZ moved their office to 3 Eva Street, Wellington.

21. Lease Incentive

	2024	2023
Lease Incentive	-	9,375
Total Lease Incentive	-	9,375

Local Government New Zealand recorded a lease incentive liability for the rent free period of nine months, and allocated this rent free period over the term of the lease, via a reduction in the annual rental expenses. The final instalment of the lease incentive liability was applied at the end of the lease in August 2023.

22. Leases

At the reporting date, the Group has entered into the following non-cancellable operating leases:

	2024	2023
Leases		
No later than one year	75,500	131,978
Later than one year and no later than five years	-	-
Later than five years	-	-
Total Leases	75,500	131,978

23. Related Parties

Equip Limited Partnership

Local Government New Zealand received Accommodation fees of \$0 (2023: \$ 3,521) and Services Agreement fees of \$11,680 (2023: \$ 11,680) from Equip Limited Partnership.

There is net \$13,542 outstanding to/(from) Equip Limited Partnership at balance date (2023: (\$ 2,441)). These transactions are eliminated on consolidation.

The Mayors Taskforce for Jobs

The Mayors Taskforce for jobs ("the MTFJ") is a related party, as there is member commonality with the MTFJ Board and the National Council.

Management Fees of \$175,404 (2023: \$ 208,000) were paid from MTFJ.

Key Management Personnel

The key management personnel, as defined by PBE IPSAS 20 Related Party Disclosure, are the members of the governing body being the Chief Executive, two Deputy Chief Executives, Director of Advocacy and two managers in Equip. No remuneration is paid to members of the Board. The aggregate remuneration of key management personnel and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows:

	2024	2023
Key Management Remuneration		
Total Remuneration	1,161,092	1,234,839
Number of full-time equivalents	5	5

Honoraria

Honoraria of \$98,568 (2023: \$98,568) and \$29,570 (2023: \$ 27,106) were paid to the President and Vice President respectively during the year ended 31 March 2024. Honoraria of \$12,000 (2023: \$7,000) was also paid to Te Maruata Chairs, \$9,306 to YEM Chairs (2023: \$5,500) and \$5,500 to CBEC Chairs (2023: \$Nil).

No other monetary remuneration was paid to members of the National Council for their services.

24. Categories of Financial Assets and Liabilities

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

Financial Assets

	2024	2023
Financial Assets measured at Amortised Cost		
Cash and Cash Equivalents	5,457,368	7,028,401
Accounts Receivable	584,117	543,989
Total Financial Assets measured at Amortised Cost	6,041,485	7,572,390

Financial Liabilities measured at Amortised Cost

	2024	2023
Accounts Payable	714,090	944,125
Loans and borrowings	-	12,526
Total Financial Liabilities measured at Amortised Cost	714,090	956,651

25. Income Tax Expense

	2024	2023
Components of tax expense		
Adjustments to current tax in prior years	-	-
Tax expense	-	-
Relationship between tax expense and accounting surplus		
Surplus before tax	(258,291)	(577,719)
Tax at 28%	(72,321)	(161,761)
Plus / (less) tax effect of:		
Non-deductible expenditure	1,244,081	1,269,652
Non-taxable revenue	(1,470,015)	(1,404,376)
Deferred tax not recorded	298,256	296,485
Tax expense	-	-
Deferred tax assets / (liabilities)	-	-
Opening balance	-	-
Charged to surplus or deficit	-	-
Closing balance	-	-

Income Tax Receivable on the Consolidated Statement of Financial Position refers to Resident Withholding Tax receivable at balance date. Local Government New Zealand has tax losses available to offset against future taxable income of \$11,210,102 (2023: \$10,125,903). Tax losses are subject to Inland Revenue confirmation.

No deferred tax asset has been recognised for an amount of \$3,138,828 (2023: \$ 2,968,722) due to uncertainty that Local Government New Zealand will report taxable profits in the future to offset against accumulated tax losses.

26. Capital Commitments

There are no capital commitments at the reporting date (2023: \$nil).

27. Contingent Assets and Liabilities

There are no contingent assets or liabilities at the reporting date (2023: \$nil).

28. Events after the Reporting Date

There are no subsequent events after balance date that require disclosure.



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF NEW ZEALAND LOCAL GOVERNMENT ASSOCIATION INCORPORATED'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

The Auditor-General is the auditor of New Zealand Local Government Association Incorporated (the 'Association'). The Auditor-General has appointed me, Pam Thompson, using the staff and resources of Deloitte Limited, to carry out the audit of the consolidated financial statements of the Association on his behalf.

Opinion

We have audited the consolidated financial statements of the Association on pages 4 to 24, that comprise the consolidated statement of financial position as at 31 March 2024, the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include accounting policies and other explanatory information.

In our opinion, the consolidated financial statements of the Association:

- present fairly, in all material respects:
 - its financial position as at 31 March 2024; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards (Reduced Disclosure Regime).

Our audit was completed on 8 July 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the National Council and our responsibilities relating to the consolidated financial statements, we comment on other information and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the National Council for the consolidated financial statements

The National Council is responsible on behalf of the Association for preparing consolidated financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The National Council is responsible for such internal control as it determines is necessary to enable it to prepare consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the National Council is responsible, on behalf of the Association, for assessing the Association's ability to continue as a going concern. The National Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the National Council intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The National Council's responsibilities arise from the Incorporated Societies Act 1908.

Responsibilities of the auditor for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these consolidated financial statements.

We did not evaluate the security and controls over the electronic publication of the consolidated financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risk of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the National Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the National Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The National Council is responsible for the other information. The other information comprises the information included on page 3, but does not include the consolidated financial statements, and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Association in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as the auditor, we have no relationship with, or interests in, the Association.



Pam Thompson
Deloitte Limited
On behalf of the Auditor-General
Wellington, New Zealand

National Council and LT Kaunihera ā-Motu me te Rōpū Ārahi

NATIONAL COUNCIL 2022-25 // KAUNIHERA Ā-MOTU



Stuart Crosby
LGNZ President
(July 2020 to July 2023)



Sam Broughton
LGNZ President (from July 2023)
Vice President, Provincial representative (December 2022 to July 2023)



Campbell Barry
Vice President (from July 2023),
Zone 4 representative



Moko Tepania
Zone 1 representative



Dan Gordon
Zone 5 representative



Toby Adams
Zone 2 representative



Tim Cadogan
Zone 6 representative

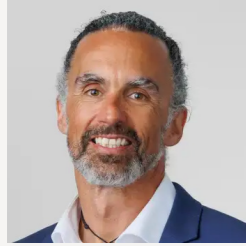


Craig Little
Zone 3 representative



Bonita Bigham
Te Maruata representative

NATIONAL COUNCIL 2022-25
// KAUNIHERA Ā-MOTU



Iaeen Cranwell
Te Maruata representative



Rehette Stoltz
Regional sector representative



Paula Southgate
Metro sector representative



Alex Walker
Rural sector representative



Tory Whanau
Metro sector representative



Neil Holdom
Provincial representative (from July 2023)



Phil Mauger
Metro sector representative



Alex Crackett
Young Elected Members representative



Rachel Keedwell
Regional sector representative

LEADERSHIP TEAM
// RŌPU ĀRAHI



Susan Freeman-Greene
Chief Executive



Scott Necklen
Deputy Chief Executive



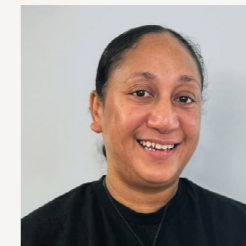
Grace Hall
Director Policy and Advocacy



Bridgit Sissons
Deputy Chief Executive (till December 2023)



Amanda Wells
Director Member Engagement (from January 2024)



Mereana Taungapeau
Kaitohutohu Matua Māori (Principal Advisor Māori Capability) (from February 2024)



Ranjani Ponnuchetty
Chief Advisor (on parental leave from March 2024)

Ko Tātou
LGNZ.