MĀWHERA
GREY
DISTRICT COUNCIL

105 Tainui St | Greymouth 7805
PO Box 382 | Greymouth 7840
Tel 03 769 8600
Fax 03 769 8603
info@greydc.govt.nz
www.greydc.govt.nz

I hereby give notice that an Extraordinary Council Meeting of the Grey District Council will be held:

Date: **Friday 6 November 2026**

Time: **1:30pm**

Venue: **Council Chambers, 105 Tainui Street, Greymouth**

Joanne Soderlund
Chief Executive

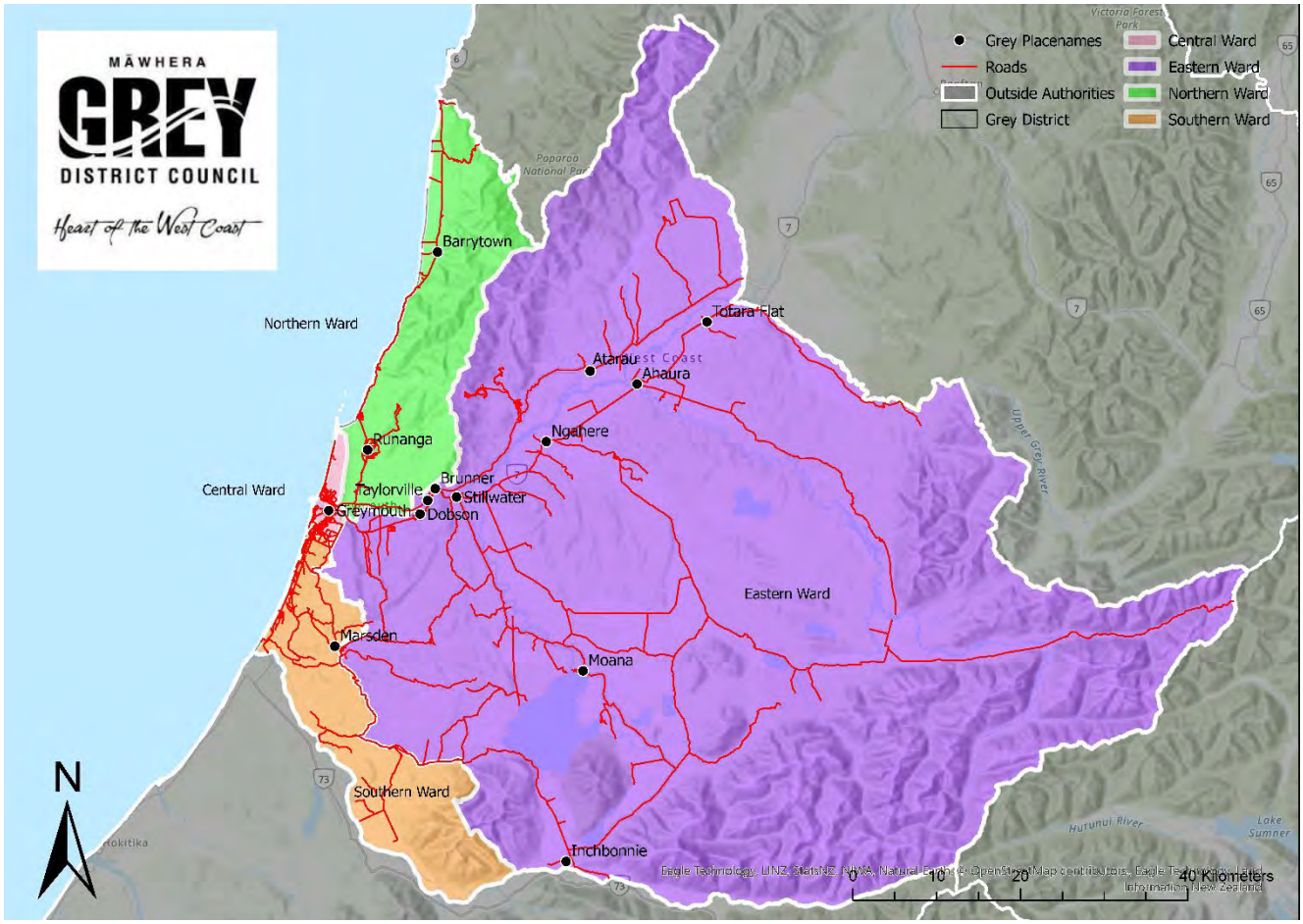
EXTRAORDINARY COUNCIL MEETING AGENDA

Members:

Mayor:	Mayor Tania Gibson
Deputy Mayor:	Councillor Allan Gibson
Members:	Councillor Paulette Birchfield
	Councillor Kate Kennedy
	Councillor Rex MacDonald
	Councillor Robert Mallinson
	Councillor Tim Mora
	Councillor Jack O'Connor
	Kaiwhakahaere Francois Tumahai

Contact Telephone: 03 7698600
Email: trish.jellyman@greydc.govt.nz
Website: https://www.greydc.govt.nz/our-council/agendas-and-minutes/Pages/default.aspx

The information in this document is provided to facilitate good competent decisions by Council and does in no way reflect the views of Council. Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.


MĀWHERA
GREY
DISTRICT COUNCIL
Heart of the West Coast
Grey Placenames
Roads
Outside Authorities
Grey District
Central Ward
Eastern Ward
Northern Ward
Southern Ward
Victoria Forest Park
Paparoa National Park
Barrytown
Northern Ward
Totara Flat
Ataraau
Ahaura
West Coast
Upper Grey River
Ngahere
Runanga
Brunner
Central Ward
Taylorville
Stillwater
Greymouth
Dobson
Eastern Ward
Marsden
Moana
N
Southern Ward
Hurunui River
Lake Sumner
Inchbonnie
0
10
20
40 Kilometers

EXTRAORDINARY COUNCIL MEETING OF THE GREY DISTRICT COUNCIL

to be held at Council Chambers, 105 Tainui Street, Greymouth on Friday 6 November 2026 commencing at 1:30pm

AGENDA

Before Council - Public Forum: 1:00 pm

Note: A period is set aside for the public to speak to Council before the meeting. Members of the public are allocated a time to address the Council on items that fall within delegations of the Council provided the matters are not subject to legal proceedings, and are not already subject to a process providing for the hearing of submissions. Speakers may be questioned through the Chair by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker(s). Such presentations do not form part of the formal business of the meeting with those requiring further action being referred to the Chief Executive for further reporting at another Council meeting.

Speakers during Council: Nil

COUNCIL IN OPEN MEETING

GENERAL BUSINESS AND TABLED ITEMS

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Council members are reminded that if he/she has a direct or indirect interest in any item on the agenda be it pecuniary or on grounds of bias and predetermination, then he/she must declare this interest and refrain from discussing or voting on this item.

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1 APOLOGIES AND DECLARATIONS OF INTEREST

1.1 APOLOGIES

Cr Peter Davy is on leave of absence from 06/10/26 to 16/11/26

1.2 UPDATES TO THE INTERESTS REGISTER

Elected members to please advise if there are any changes to be made to the current Interests Register.

1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA

Notwithstanding that an elected member may declare an interest at any later stage in this Agenda (prior to taking part in the deliberation of a particular item) those items where an interest will be declared may wish to be disclosed now.

2 LIST OF ACRONYMS USED

BCA	Building Consent Authority	LGOIMA	Local Government Official Information and Meetings Act
BCO	Building Control Officer	LGNZ	Local Government New Zealand
CCC	Code Compliance Certificate	LTP	Long Term Plan
CSO	Customer Services Officer	LVT	Land Valuation Tribunal
CDEM	Civil Defence Emergency Management	MBIE	Ministry of Business, Innovation and Employment
CDEMG	Civil Defence Emergency Management Group	MCDEM	Ministry of Civil Defence and Emergency Management
CEC	Community Emergency Centre	MDI	Major District Initiative
CEG	Co-ordinating Executive Group	MOH	Ministry of Health
CIMS	Co-ordinated Incident Management System	NBS	New Building Strength
CPEng	Chartered Professional 'Engineer'	NGO	Non-Government Organisation
DEE	Detailed Engineering Evaluation	NZFS	New Zealand Fire Service
DHB	District Health Board	NZQA	New Zealand Qualifications Authority
DIA	Department of Internal Affairs	NZTA	New Zealand Transport Authority
DOC	Department of Conservation	OAG	Office of the Auditor General
DWC	Development West Coast	OSH	Occupational Safety & Health
EMIS	Emergency Incident Management System	PHO	Primary Health Organisation
EDLG	Economic Development Liaison Group	PDU	Provincial Development Unit
EOC	Emergency Operations Centre	PGF	Provincial Growth Fund
EMO	Emergency Management Officer	PIM	Project Information Memorandum
GPS	Global Positioning System	PCBU	Person conducting a business or undertaking
HSNO	Hazardous Substances and New Organisms	RC	Resource Consent
HSR	Health and Safety Representative	RMA	Resource Management Act
HSWA	Health and Safety at Work Act 2015	SCADA	Supervisory Control and Data Acquisition
IAP	Incident Action Plan	SO	Standing Orders
IEP	Initial Evaluation Procedure	SOLGM	Society of Local Government Managers
IQP	Independent Qualified Person	SH	State Highway
LGA	Local Government Act	SNA	Significant Natural Area
LIM	Land Information Memorandum	TECNZ	Tourism Export Council of New Zealand
LINZ	Land Information New Zealand	TLA/TA	Territorial Local Authority
		WAG	Welfare Advisory Group

3 AGENDA ITEMS

3.1 2026 ANNUAL REPORT ADOPTION

File Number:

Report Author: GM Corporate Services

Report Authoriser: Chief Executive

Appendices: 1. Draft Annual Report 2026

1. REPORT PURPOSE

1.1. To enable the Council to consider and adopt the 2025/26 Annual Report with signed Audit Opinion.

2. OFFICER RECOMMENDATION

That Council:

1. Receives the report; and
2. Receives the signed Audit Opinion for the 2025/2026 Annual Report,
3. Adopts the 2025/2026 Annual Report with signed audit opinion,
4. Authorises the Chief Executive and Mayor to make minor disclosure grammar changes where needed.

3. BACKGROUND

3.1. The Council is statutorily required to adopt an audited Annual Report by 31 October 2026. Council have missed this deadline due to the additional audit workload required to complete the audit of the three yearly revaluations.

3.2. The annual report measures Council's performance against what it adopted in that year's Annual Plan or year 1 of the Long Term Plan (LTP). The 2025/2026 Annual Report measures Council's performance against the year one 2025-2034 Long Term Plan.

3.3. The 2025/2026 Annual Report is currently going through the final audit process and will be provided in draft along with the Audit Opinion from EY for this meeting.

3.4. The Draft Annual Report without the Audit Opinion is attached.

3.5. The Auditors Opinion will be sent under separate cover.

4. DISCUSSION

Council set 74 performance measures during the 2025/34 LTP to be reported on in the Annual Report. Council met 43 measures.

4.1. The report shows a deficit of $3.356 million for the year ended 30 June 2026. This was $3.2556 million more favourable than budget. The decreased deficit is attributable to hard work by staff to keep costs down and find savings where available.

4.2. During the year we spent $18.5 million on capital projects including sewerage schemes, the Library and water projects.

4.3. Council Asset value increased $164 Million for the period. A significant portion of the increase was due to the revaluation of Roading, Water, Wastewater and Stormwater assets.

5. CONSIDERATIONS

5.1. Legal and Legislative Implications

5.1.1. Local Government Act (2002)

5.1.2. Local Government (Financial Reporting and Prudence) Regulations 2014.

5.1.3. PBE Tier One Reporting Standards

5.2. Financial

5.2.1. There are no financial implications. The report discloses Council's performance against adopted budget.

5.3. Existing Policy and Strategy Implications

5.3.1. There are no policy or strategy implications.

5.4. Significance and Engagement

5.4.1. The assessment of significance is low.

5.5. Options

5.5.1. That Council adopt the Grey District Council 2025/26 Annual Report, containing signed audit opinion, and make available for public release. (Preferred Option).

5.5.2. That Council does not adopt the Grey District Council 2025/26 Annual Report. This will mean Council does not meet the statutory requirement of adopting an audited Annual Report and places risk of Council being able to continue business as usual.

6. NEXT STEPS

6.1. Council will publish and release the 2025/2026 Annual Report within 30 days of the report's adoption.

Confirmation of Statutory Compliance

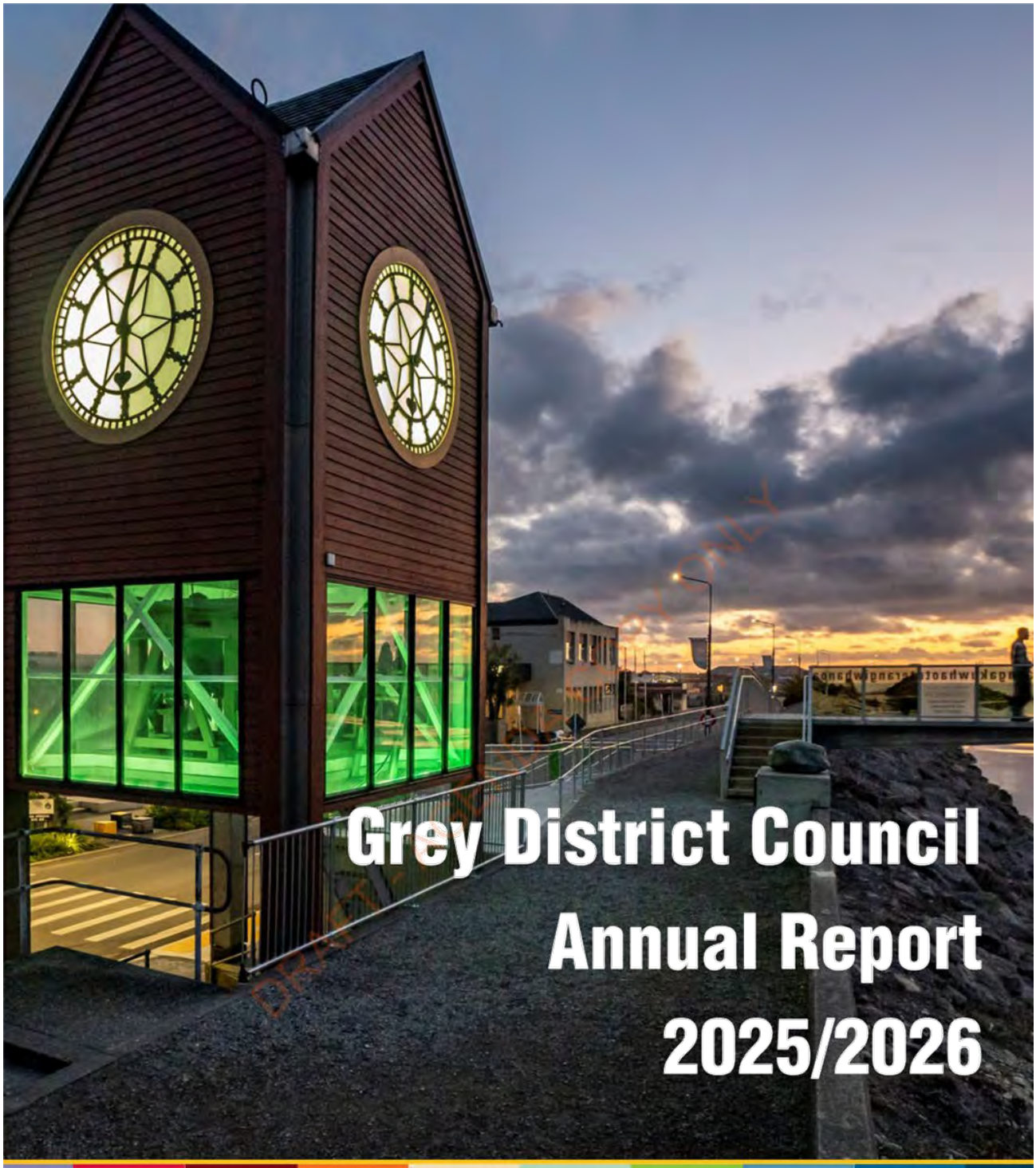
Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

(i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and

(ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.



Grey District Council Annual Report 2025/2026

DRAFT FOR REVIEW ONLY

Heart of the West Coast

MAWHERA GREY DISTRICT COUNCIL

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PART A: Introduction

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Message from Her Worship the Mayor and the Chief Executive

Welcome to the Grey District Council's 2025/2026 Annual Report.

Thank you for taking the time to read this year's Annual Report, which covers Council's income and expenditure for the financial year ended 30 June 2026. It's been a big year for Council and the Grey District and we're really proud of what our elected members, staff and community have achieved together.

The standout has to be the Richmond Quay development and our new Greymouth Library, which opened its doors on 3 July 2026. It was our most significant project of the year and it has been fantastic to see the community asset completed and so well utilised to date. We've also kept chipping away at the essentials, including the new Cobden wastewater pumping station, which means wastewater from Cobden now gets more rigorous treatment at the Greater Greymouth wastewater treatment plant before it is discharged. Our retirement housing tenants also saw some real improvements, including new switchboards, replacement windows and accessible showers.

We adopted a joint Water Services Delivery Plan with Westland and Buller District Councils in September 2025, so looking ahead, from 1 July 2027 Coast Waters Limited will take over water supply, stormwater and wastewater services for the West Coast. Our team is working hard to make that handover as smooth as possible.

On the money side, we finished the year with an operating deficit of $3.4 million, which is below the $6.6 million deficit we had budgeted for. Thanks to the hard work of our staff in keeping costs down, we spent less than planned, which helped bring the deficit down.

Financial performance for the year

Council's total revenue for the year was $44.4 million, slightly below the budget of $45.2 million. Rates made up $28.5 million of this, with the remaining $15.9 million coming from other sources.

Total expenditure was $47.8 million, which was $4 million less than the budget of $51.8 million. As a result, this led to Council recording an operating deficit of $3.4 million, compared with a budgeted deficit of $6.6 million.

Financial position at the end of the year

At 30 June 2026, Council's total assets were valued at $755 million, up from $591 million a year earlier. This includes our property, plant and equipment (PPE), such as the roading network, sewerage systems and water supply systems, as well as cash and term investments. There was a significant increase in the infrastructure revaluation, which was greater than anticipated, mainly due to inflationary factors such as increases in construction costs.

During the year we spent $18.5 million on capital projects, asset renewals and new assets (last year we spent $19.6 million). Council's debt rose to $47.4 million, up from $38 million in 2024/2025. We use debt to fund projects with long-term benefits, such as sewerage schemes, library and water supplies, so the cost is shared over time by those who benefit from them.

Thank you to everyone who has helped make the 2025/2026 year a success. We look forward to continuing to work with you all.



Tania Gibson
Mayor



Joanne Soderlund
Chief Executive

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Councillors as at 30 June 2026



Tania Gibson

Mayor

Committees:
Chief Executive Employment Committee
Risk and Assurance Subcommittee
Civic Awards Committee
Tenders Subcommittee
Members Code of Conduct Committee
Greymouth Rating District Joint Committee
Te Tai o Poutini One Plan Committee (TTPP)



Allan Gibson

Councillor Eastern Ward/ Deputy Mayor

Committees:
Tenders Subcommittee
Members Code of Conduct Committee
Greymouth Rating District Joint Committee
Te Tai o Poutini One Plan Committee (TTPP)



Robert Mallinson

Councillor Eastern Ward

Committees:
Risk and Assurance Subcommittee
Tenders Subcommittee



Kate Kennedy

Councillor Northern Ward

Committees:
Animal Control Committee
Sport New Zealand Rural Travel Committee
Creative Communities Committee



Paulette Birchfield

Councillor Southern Ward

Committees:
Animal Control Committee
District Licencing Committee



Rex MacDonald

Councillor Southern Ward

Committees:
Chief Executive Employment Committee
Risk and Assurance Subcommittee
Tenders Subcommittee



Peter Davy

Councillor Central Ward

Committees:
Tenders Subcommittee



Tim Mora

Councillor Central Ward

Committees:
Chief Executive Employment Committee
Civic Awards Committee
Creative Communities Committee
Sport New Zealand Rural Travel Fund Committee
Greymouth Rating District Joint Committee



Jack O'Connor

Councillor Central Ward

Committees:
Risk and Assurance Subcommittee
Animal Control Committee
Sport New Zealand Rural Travel Fund Committee



Francois Tumahai

Kaiwhakahaere
(Iwi Representative)

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Council is Committed to

Being accountable to its community.	Representing its community strongly and positively.
Consulting its community in the spirit of collective decision-making.	Working with other bodies and institutions pursuing the same goal.
Participating strongly in the activities of organised local government.	Striving towards optimum efficiency and a customer focus.
Displaying equity and transparency in its dealings with its community.	Incorporating the cultural, economic, environmental and social well-being of the community within decision-making.
Sustainability as a basis for development activities in the Grey District.	Creating opportunities for all.
Being a good employer.	A healthy community.
Building on our heritage.	

Executive Leadership Team

Chief Executive	**Joanne Soderlund**
Group Manager Operations	**Kurtis Perrin-Smith**
Group Manager Corporate Services	**Kathryn Ruddle**
Group Manager Community	**Penny Kirk**
Group Manager Economic Development and Regulatory Services	**Peter O'Sullivan**

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Key Council Contact Information

Council contacts	Grey District Council 105 Tainui Street Greymouth 7805
	PO Box 382 Greymouth 7840
	03 769 8600
	info@greydc.govt.nz
	Web: www.greydc.govt.nz Facebook: facebook.com/greydc Instagram: instagram.com/grey.district.council/
Banker	Westpac
Auditor	EY New Zealand, Christchurch on behalf of the Office of the Auditor General, Wellington
Solicitor	Corcoran French, Greymouth
Corporate Services	info@greydc.govt.nz
Environmental Services (regulatory and building control)	environmental.services@greydc.govt.nz
Infrastructure Services	infrastructure@greydc.govt.nz
Grey District Library	18 Albert Street, Greymouth (from 3 July 2026: 8 Boundary Street) Tel: 03 768 5597 library@greydc.govt.nz
Westland Recreation Centre	83 High Street, Greymouth Tel: 03 768 9076 wrc@greydc.govt.nz
Port of Greymouth	C/- 105 Tainui Street, Greymouth

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Council's Vision and Community Outcomes

THRIVING, CONNECTED AND RESILIENT GREY DISTRICT

The Grey District has:

ECONOMIC

- Necessary infrastructure that will support the economy and maintain resilience.
- Collaborating organisations, businesses, industry and community for positive outcomes.
- A strong, obtainable and prosperous vision for the future.
- Connections and engagement between Council, businesses and the community.
- A focus on ensuring innovation and connectivity.

Strong, Diverse, Sustainable & Prosperous

SOCIAL

- Safe roading, footpaths and community areas.
- Quality facilities that are inclusive, community focused and forward looking.
- A connected, supportive and engaged community and Council.
- A community that is valued, united and strong.
- Effective measurement mechanisms and an understanding of our strengths, weaknesses and wellbeing.

Safe, Inclusive, Connected & Enabled

CULTURAL

- Ensuring relationships with local Māori, our neighbouring districts and significant stakeholders.
- Respect and recognition for the place of Māori.
- A connection with our diverse, unique and colourful history.
- A positive image within and outside of the region.
- Access to participation in a wide range of recreational, sporting, leisure, art and cultural activities.
- A community that looks out for each other and takes hands with Council to make our district better.

Proud, Unique, Inter-connected & Vibrant

ENVIRONMENTAL

- A sensible and considered approach to the issue of climate change and its effects.
- An abundant supply of water available to the community that meets or exceeds all available health and quality standards.
- A sustainable response to our land and natural features and resources.
- A commitment to providing green spaces and places through the Central Business District and beyond.
- A commitment to our future generations and their wellbeing.

Bold, Practical, Resilient & Strategic

What We Did in 2025/2026

Financial performance

$47.8 million **Total expenditure** (against a budget of $51.8 million)	**$44.4 million** **Total revenue** (against a budget of $45.2 million) While rates make up most of Council's funding, Council also receives funding from other sources. Rates revenue – $28.5 million Other revenue – $15.9 million	**$755 million** **Total asset value** (2025: $591 million) This includes Council's property, plant, equipment (e.g. roading network, sewerage systems, water supply systems etc) as well as cash and term investments.
$18.5 million **Capital expenditure** (2024/2025: $19.6 million) Amount spent on projects, assets renewals and new assets.	**$47.4 million** **Debt** (2024/2025: $38 million) Council uses debt to fund projects with long-term benefits such as sewerage schemes, library and water supplies.	**($3.4 million)** **Operating deficit** (budget: $6.6 million deficit)

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Highlights/achievements

Some of the highlights arising from Council's work programmes over 2025/2026 were as follows:

Greymouth library

The Richmond Quay development, which included the new Greymouth library, was Council's most significant project during 2025/2026. The library opened to the public on 3 July 2026. In the lead up to the opening, there were many opportunities for community involvement such as competitions for designing the library card, window displays, poem writing and winning a golden ticket for exclusive access.

Photo right



New plan for three waters from 1 July 2027

Grey District Council, along with Westland District Council and Buller District Council, adopted a joint Water Services Delivery Plan in September 2025 and from 1 July 2027 a new multi council water CCO will be established to manage the three waters services and functions for the West Coast. Council staff are currently working through the transition of three waters (water supply, stormwater and wastewater) to Coast Waters Limited from 1 July 2027.

Reducing water wastage

Council continued with its overall leak reduction strategy by installing a trial area of smart meters which is used to monitor and collect data on usage and possible leaks. This helps to build a clearer picture of water use across the district.

Cobden wastewater pumping station upgrade

A new wastewater pumping station at Cobden means separated wastewater will now be pumped to the Greater Greymouth wastewater treatment plant for more rigorous treatment prior to discharge.

Photo below

Retirement housing

Improvements to many of our retirement units that has included major works such as new switchboards, replacements windows and installation of accessible showers and general renewal works including driveway resealing, painting, fences and roof and door replacements.

Assessing History House collection

Work began on assessing and cataloguing the History House Museum collection, after the building closed in 2017 following seismic concerns.



Improved communications

Grey District Council saw the greatest growth in follower numbers on social media of any council in New Zealand. An intensive campaign to educate the community on recycling began.

More highlights can be found in the individual activity statements.

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PART B: Financial Statements & Notes

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Statement of Compliance and Responsibility

Compliance

Council and management of the Grey District Council confirm that all statutory requirements relating to the Annual Report, with the exception of adopting the annual report prior to 31 October 2026, as outlined in the Local Government Act 2002 have been complied with including the requirement to comply with generally accepted accounting practice.

The Statement of Service Performance of the Council has been prepared in accordance with the requirements of Part 3 Schedule 10 of the LGA, including the requirement from section 111 of the LGA to prepare all information in accordance with New Zealand generally accepted accounting practice (NZ GAAP).

Responsibility

Council and management of the Grey District Council accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

Council and management accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and the reliability of the financial and service performance reporting.

In the opinion of Council and management of Grey District Council, the annual Financial Statements and the Statement of Service Performance for the year ended 30 June 2026 fairly reflect the financial position and operations of Grey District Council.

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Tania Gibson
Mayor
6 November 2026

Joanne Soderlund
Chief Executive
6 November 2026

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2026

The accompanying notes form part of these financial statements.

	Note	Actual 2026 $000	Budget 2026 $000	Actual 2025 $000
REVENUE				
Rates revenue	3	28,468	29,361	25,541
Subsidies and grants	4	7,858	5,742	10,471
Fees and charges	5	6,278	8,187	6,166
Financial and Development contributions		147	350	289
Interest revenue	6	243	248	134
Other revenue	7	1,423	1,325	1,700
Total revenue		44,417	45,213	44,301
EXPENSES				
Personnel costs	9	9,391	10,019	8,921
Depreciation and amortisation expense	20	13,981	13,876	13,689
Finance costs	10	1,662	1,997	1,323
Other expenses	11	22,739	25,933	25,143
Total operating expenditure		47,773	51,825	49,076
Net surplus/(deficit) before tax		(3,356)	(6,612)	(4,775)
Income tax expense		-	-	-
Surplus/(deficit) after tax attributable to Grey District Council		(3,356)	(6,612)	(4,775)
OTHER COMPREHENSIVE REVENUE AND EXPENSES				
Movement in asset revaluation reserve		161,086	48,287	-
Total comprehensive Revenue and Expense		157,730	41,675	(4,775)

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Statement of Financial Position

As at 30 June 2026

	Note	Actual 2026 $000	Budget 2026 $000	Actual 2025 $000
ASSETS				
Current Assets				
Cash and cash equivalents	13	1,193	10,934	2,938
Receivables	14	6,205	7,732	4,092
Prepayments	15	725	-	693
Other financial assets	16	200	596	1,188
Derivative financial instruments	17	-	-	-
Total current assets		8,323	19,262	8,911
Non Current Assets				
Property, plant and equipment	18	736,688	639,817	574,767
Intangible assets	19	83	90	132
Investment property	21	8,733	5,695	6,142
Other financial assets	16	1,535	-	860
Derivative financial instruments	17	-	-	-
Total Non Current Assets		747,039	645,602	581,901
Total Assets		755,362	664,864	590,812
LIABILITIES				
Current Liabilities				
Payables and deferred revenue	22	6,749	6,599	9,188
Employee benefit liabilities	23	620	497	515
Finance lease obligation		68	-	93
Borrowings	25	13,800	-	13,950
Derivative financial instruments	17	27	-	21
Total current liabilities		21,264	7,096	23,767
Non Current Liabilities				
Employee benefit liabilities	23	207	-	180
Provisions	24	1,565	1,539	1,784
Borrowings	25	33,600	62,133	24,100
Derivative financial instruments	17	27	95	12
Total Non Current liabilities		35,399	63,767	26,076
TOTAL LIABILITIES		56,663	70,863	49,843
Net assets		698,699	594,001	540,969
EQUITY				
Retained earnings	26	213,893	224,149	216,413
Reserves	26	9,307	7,154	10,143
Revaluation reserve	26	475,499	362,698	314,413
Total equity attributable to the Council		698,699	594,001	540,969

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the year ended 30 June 2026

	Note	Actual 2026 $000	Budget 2026 $000	Actual 2025 $000
Equity as at 1st July		540,969	552,327	545,744
Total comprehensive income		157,730	41,675	(4,775)
Equity at 30 June		698,699	594,002	540,969

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Statement of Cash Flows

For the year ended 2026

	Note	Actual 2026 $000	Budget 2026 $000	Actual 2025 $000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from rates revenue		28,582	29,361	25,436
Receipts from other revenue		6,323	13,353	12,109
Subsidies and Grants		7,858	2,250	8,135
Interest received		243	248	134
Payments to suppliers and employees		(35,388)	(35,296)	(31,313)
Finance costs		(1,662)	(1,997)	(1,323)
Net cash inflow/(outflow) from operating activities	27	5,956	7,919	13,178
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of property, plant and equipment		1,067	-	109
Proceeds from sale of investments		325	-	271
Proceeds from sale of investment properties		-	-	-
Proceeds from realisation of other financial assets		-	-	-
Purchase of property, plant and equipment & Intangible assets		(18,430)	(22,262)	(19,447)
Purchase of other financial assets		(13)	-	(188)
Net cash inflow/(outflow) from investing activities		(17,051)	(22,262)	(19,255)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings		11,100	(1,919)	7,700
Repayment of borrowings		(1,750)	15,046	(2,157)
Net cash inflow/(outflow) from financing activities		9,350	13,127	5,543
Net increase/(decrease) in cash held		(1,745)	(1,216)	(533)
Opening cash balance 1 July		2,938	12,150	3,471
Closing balance 30 June		1,193	10,934	2,938
REPRESENTED BY				
Cash & cash equivalents	13	1,193	10,934	2,938

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The accompanying notes form part of these financial statements.

Notes to the Financial Statements

NOTE 1. Statement of accounting policies

Reporting entity

Grey District Council ("Council") is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The primary objective of Council is to provide goods and services for a community or social benefit rather than making a financial return. The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements of Council are for the year ended 30 June 2026. The financial statements were authorised for issue by Council on 6 November 2026.

Basis of preparation

The financial statements have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the year.

The financial statements of Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which include the requirement to comply with NZ GAAP.

The financial statements have been prepared in accordance with and comply with Public Benefit Entity Standards.

Measurement base

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000), other than the remuneration and the severance payment disclosures in the corresponding note, and the related party transaction disclosures in the corresponding note. The remuneration, severance payment and related party transaction disclosures are rounded to the nearest dollar.

The financial statements have been prepared on a historical cost basis, except for investment properties, some classes of property, plant and equipment, derivative financial instruments and available-for-sale investments, which have been measured at fair value.

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into New Zealand Dollars (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit.

Accounting policies

The following accounting policies which materially affect the measurement of financial performance, financial position and cash flows for Council have been applied:

Revenue

Revenue comprises of the items below and is measured at the fair value of consideration received or receivable. Revenue may be derived from either exchange or non-exchange transactions.

Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

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Revenue from non-exchange transactions arises from transactions that are not exchange transactions. Revenue from non-exchange transactions arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm's length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or break-even basis and are not considered to reflect a market return. Most of the Council's revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

Rates

Rates Revenue is recognised by Council as being revenue on the due date of each instalment. Rates are a tax as they are payable under the Local Government (Rating) Act 2002 and are therefore defined as non-exchange.

Water billing revenue is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue.

Rates arising from late payment penalties are recognised as revenue when rates become overdue.

Subsidies and grants

Council receives funding assistance from Waka Kotahi New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

Other grants and subsidies are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Other bequests, and assets vested in Council — with or without conditions — are recognised as revenue when control over the assets is obtained.

Insurance proceeds

Insurance proceeds are recognised as revenue when the compensation becomes receivable. Claims accepted after balance date are not recognised where their receipt was not virtually certain. Refer to 'Other revenue' in Note 7.

Development and financial contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Finance revenue

Interest revenue is included in finance revenue in the statement of comprehensive revenue and expense and recognised using the effective interest method.

Interest earned on assets measured at Fair Value through Surplus or Deficit is recorded using the contractual interest rate.

Other revenue and Fees and Charges

Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue.

Revenue from fines and penalties (e.g., traffic and parking infringements, library overdue book fines, rates penalties) are recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Revenue from the rendering of services where the service provided is non-exchange is recognised when the transaction occurs to the extent that a liability is not also recognised. Within rendering of services, the only revenues considered to be exchange revenue are from Parking services (meter fees and permits) and commercial leases of some building assets. For these transactions the revenue is recognised by reference to the stage of

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completion of the transaction at the reporting date.

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer and all risks and rewards of ownership have transferred to the customer.

Investment property lease rentals (net of any incentives given) are classified as exchange revenue and recognised on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities and are recognised as exchange revenue.

Vested Asset Revenue for no nominal consideration is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council. The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re- measured at their fair value at each balance date. Movement in the fair value in interest rate swaps (derivatives) are recognised as a finance expense/revenue through the surplus/deficit.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement at inception date. The substance of the arrangement depends on whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Lessee

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the entity. Assets held under a finance lease are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The entity also recognises the associated lease liability at the inception of the lease, at the same amount as the capitalised leased asset.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in surplus or deficit.

Contingent rents shall be charged as expenses in the period in which they are incurred.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the entity. Operating lease payments are recognised as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Leases

Leases in which the entity does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Rent received from an operating lease is recognised as income on a straight-line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, with a net of outstanding bank overdrafts as they are considered an integral part of the Council's cash management.

Bank overdrafts are included within interest-bearing loans and borrowings in current liabilities on the face of the statement of financial position.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, and fair value through surplus or deficit. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Council's business model for managing them. The Council initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit, transaction costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model.

The Council's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Council commits to purchase or sell the asset. The Council's financial assets include: cash and cash equivalents, trade receivables from non-exchange transactions, short term deposits and derivatives financial instruments.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in surplus or deficit when the asset is derecognised, modified or impaired.

The Council's financial assets at amortised cost includes cash and cash equivalents, trade receivables from non-exchange transactions and short term deposits.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of financial performance.

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This category includes derivative financial instruments, LGFA borrower notes and Civic Assurance Shares.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from council statement of financial position) when:

► The rights to receive cash flows from the asset have expired, or

► Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

a) Council has transferred substantially all the risks and rewards of the asset, or

b) Council has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When Council has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, Council continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Council also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Council has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that Council could be required to repay.

Impairment

Council recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through surplus or deficit. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Council expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables from non-exchange transactions and receivables from exchange transactions, Council applies a simplified approach in calculating ECLs. Therefore, Council does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, Council may also consider a financial asset to be in default when internal or external information indicates that Council is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by Council. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through surplus or deficit, payables and borrowings.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Council's financial liabilities include trade and other payables, borrowings and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through surplus or deficit
- Financial liabilities at amortised cost

Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Council that are not designated as hedging instruments in hedge relationships as defined by PBE IPSAS 41.

Financial liabilities designated upon initial recognition at fair value through surplus or deficit are designated at the initial date of recognition, and only if the criteria in PBE IPSAS 41 are satisfied. Council has not designated any financial liability as at fair value through surplus or deficit.

Financial liabilities at amortised cost

This is the category of financial liabilities that is most relevant to Council. After initial recognition financial liabilities at amortised costs are subsequently measured at amortised cost using the EIR method. Gains or losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of financial performance.

A financial liability is derecognised when the obligation under the liability is discharged, waived, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Comprehensive Revenue and Expense.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if:

a) there is a currently enforceable legal right to offset the recognised amounts; and

b) there is either an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Council uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the

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fair value is positive and as financial liabilities when the fair value is negative. Derivative assets and liabilities are classified as non-current when the remaining maturity is more than 12 months, or current when the remaining maturity is less than 12 months. The fair values of interest rate swaps are determined using a valuation technique based on cash flows discounted to present value using current market interest rates. Any gains or losses arising from changes in the fair value of derivatives are taken directly to surplus or deficit.

Accounts receivable

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Property, plant and equipment

Property, plant and equipment consists of:

Infrastructure assets — Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Other fixed assets — these include land, buildings, breakwater and wharves.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired in a non-exchange transaction at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated Funds.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Asset Class	Depreciation Method	Life (years)	%
Buildings:			
- Structure	Straight line	40-50	2.0-2.5
- Fit Out	Straight line	10-20	5.0-10
- Services	Straight line	15-30	3.33-6.67
- Sundry (e.g. car parking)	Straight line	10	10
Aerodrome	Straight line	10-75	1.33-10
Plant and machinery	Straight line	3-30	3-33
Furniture and fittings	Straight line	10	10
Computer equipment	Straight line	3-8	12.5-33

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Asset Class	Depreciation Method	Life (years)	%
Library stocks	Straight line	8	12.5
Breakwater and wharves	Straight line	40-50	2-2.5
Reserve board assets	Not depreciated		
Infrastructure assets:			
Roading networks:			
- Formation	Not depreciated		
- Pavement sealed: surfaces	Straight line	8-16	6.25-12.5
- Pavement sealed: basecourse	Straight line	50-150	0.67-2
- Pavement sealed: subbase	Not depreciated		
- Pavement unsealed: wearing course	Straight line	3-22	4.5-33
- Pavement unsealed: subbase	Not depreciated		
- Pipe	Straight line	40-150	0.67-2.5
- Channel	Straight line	40-150	0.67-2.5
- Pathway	Straight line	15-50	2-6.67
- Traffic Facilities: signs	Straight line	20-50	2-5
- Traffic Facilities: rail	Straight line	20-50	2-5
- Traffic Facilities: barriers	Straight line	20-50	2-5
- Traffic Facilities: barriers terminal	Straight line	20-50	2-5
- Traffic Facilities: markings	Not depreciated		
- Traffic Facilities: islands	Straight line	20-50	2-5
- Traffic Facilities: culvert markers and EMP's	Straight line	20-50	2-5
- Streetlights: pole structures	Straight line	25-50	2-4
- Streetlights: luminaries	Straight line	25-50	2-4
- Structures: Retaining walls	Straight line	50-100	2-1.67
- Structures: Bridges	Straight line	50-100	2-1.67
- Structures: Footbridges	Straight line	50-100	2-1.67
Water supply systems:			
- Pipe network	Straight line	50-100	1-2
- Pumps and electrical	Straight line	10-80	1.25-10
- Reservoirs	Straight line	60-80	1.67-10
Stormwater and sewerage:			
- Pipe network	Straight line	50-100	1 - 2
- Pumps and electrical	Straight line	10-80	1.25-10
- Ponds	Straight line	60	1.67
Heritage assets:	Straight line		
Heritage assets	Straight line	40	2.5
Landfill sites:			
Landfill sites	Straight line	10-50	2-10
Landfill capitalised aftercare costs	Straight line	8	12.5
Stormwater: culverts and catch pits	Straight line	50-150	0.67-2
- Traffic signs and pavement marking	Straight line	5-15	0.67-20
- Streetlights	Straight line	22-40	2.5-4.0
Flood protection scheme	Straight line	100	1
Parking developments	Straight line	50	2
Sports fields and parks improvements	Straight line	5-100	1-20

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The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Valuation

The measurement base for each class of asset is described below.

Infrastructural assets	Valuation basis
Roading network	Optimised depreciated replacement cost
Land under roads	Deemed cost, carried at cost and not depreciated
Stormwater	Optimised depreciated replacement cost
Flood protection system	Depreciated historical cost
Sewerage	Optimised depreciated replacement cost

Water supply systems	Optimised depreciated replacement cost
Landfill site	Depreciated historical cost

Fixed assets	Valuation basis
General land	Fair value
Other land	Historical cost
Buildings	Fair value
Plant and machinery	Depreciated historical cost
Furniture and fittings	Depreciated historical cost
Computer equipment	Depreciated historical cost
Library stocks	Depreciated historical cost
Breakwater and wharves	Depreciated historical cost
Aerodrome	Fair value
Parking developments	Depreciated historical cost
Reserve Board Assets	Historical Value
Sports fields and parks	Depreciated historical cost
Heritage assets	Depreciated historical cost

Accounting for revaluations

Council accounts for revaluations of property, plant and equipment on a class of asset basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus/deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the surplus/deficit will be recognised first in the surplus/deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Those asset classes that are revalued are valued on a three yearly valuation cycle on the basis described above. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value.

Intangible assets

Computer software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software is amortised on a straight-line basis over its useful life. The useful life of software is estimated as one to four years. Annual computer software licences are fully expensed in year one.

Staff training costs are recognised in the surplus or deficit when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred.

Investment property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs.

After initial recognition, Council measures all investment property at fair value at each reporting date.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus/deficit.

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Investment in associates and joint ventures

An associate is an entity over which the Council has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of another entity but has no control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties have joint control of the arrangement have rights to the net assets of the arrangement. joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Council's investment in associates and joint ventures is accounted for at cost in the Council's separate financial statements. In the Councils separate statement of financial performance, dividends receivable from associates or joint ventures are recognised as revenue

Impairment of non-financial assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the Council would, if deprived of the asset, replace its remaining future economic benefits or service potential. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus/deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus/deficit. The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus/deficit, a reversal of the impairment loss is also recognised in the surplus/deficit.

For assets not carried at a revalued amount (other than goodwill) the reversal of an impairment loss is recognised in the surplus/deficit.

Trade and other payables

Short-term creditors and other payables are recorded at their face value.

Employee benefits

Short-term benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken, at balance date, retiring and long service leave entitlements expected to be settled within 12 months and sick leave accrued.

Long-term benefits

Long service leave and retirement leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that

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staff will reach the point of entitlement and contractual entitlements information; and

- the present value of the estimated future cash flows. The discount rate is based on the weighted average of Government interest rates for stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long- term increase in remuneration for employees.

Sick leave, annual leave, and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When Council expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Rehabilitation provision – landfill

The Council has a legal obligation under its resource consent to operate the landfill. Under this resource consent, the Council has a legal obligation to provide ongoing maintenance and monitoring of the landfill site after its closure.

Council records a provision for post-closure rehabilitation costs that are expected to be incurred in connection with the closure of the landfill. Rehabilitation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the landfill asset.

The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the rehabilitation liability. The unwinding of the discount is expensed as incurred and recognised in surplus or deficit as a finance cost. The estimated future costs of rehabilitation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

The impact of climate-related matters on remediation of environmental damage is considered when determining the rehabilitation provision which has been disclosed in Note 24.

Restructuring provisions

Restructuring provisions are recognised only when the recognition criteria for provisions are fulfilled. Council has a constructive obligation that gives rise to a restructuring provision only when:

- A detailed formal plan identifies the operating unit or part of the operating unit concerned, the location and number of employees affected, a detailed estimate of the associated costs and an appropriate timeline; and
- The employees affected have been notified of the plan's main features and therefore, have a valid expectation that the plan will be implemented.

If the effect of the time value of money is material, the estimated restructure costs are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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Borrowings

Borrowing on normal commercial terms are initially recognised at the amount borrowed plus transaction costs. Interest due on the borrowings is subsequently accrued and added to the borrowings balance.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date

Equity

Equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Ratepayers' equity (Retained earnings)
- Special funds reserves
- Trusts, bequests and other reserves
- Asset revaluation reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council. Restricted reserves are those reserves subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or third parties. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Asset revaluation reserves comprise the cumulative net change in the fair value of assets classified as fair value though other comprehensive revenue and expense.

Goods and Service Tax (GST)

All items in the financial statements including the Statement of Cashflows are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by Council at the beginning of the year in its 2024/2025 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by Council for the preparation of the financial statements.

Cost allocation

Council has derived the cost of service for each significant activity of Council using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

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Critical accounting estimates and assumptions

In preparing these financial statements, Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Landfill aftercare provision

The associated note to the financial statements discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural assets and property carried at fair value

There are a number of assumptions and estimates are used when valuing infrastructure and property assets using the depreciated replacement cost method. These include:

- The replacement costs where appropriate reflect optimisation due to over-design or surplus capacity.
- Estimating the replacement cost of the asset. The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location. If recent contract cost information is considered out of date, it is indexed using Statistics New Zealand's Capital Goods Price Index (based on the March 2025 quarter index) for civil constructions to convert them to current dollar value at the valuation date.
- Estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or underestimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the New Zealand Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provide further assurance over useful life estimates.

Critical judgements in applying Council's accounting policies

Management has exercised the following critical judgements in applying Council's accounting policies for the period ended 30 June 2026:

Classification of property

Council owns a number of properties, which are maintained primarily to provide housing to elderly persons. The receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of Council's social housing policy. These properties are accounted for as property, plant and equipment.

Classification of leases

Council is the lessor on a large number of leases which include terms where the lessee can extend the lease into perpetuity. Council has determined that the risks and rewards of ownership are retained by the Grey District Council and therefore have classified the leases as operating leases.

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Classification of property

Council's leasehold property has been classified as Investment Property as the primary purpose is to earn rental revenue for the Council and is not directly related to service delivery.

Statement of Cash Flows

The following are the definitions of terms used in the statement of cash flows:

"Operating Activities" include cash received from all revenue sources of Council and record the cash payments made for the supply of goods and services.

"Investing Activities" are those activities relating to the acquisition, holding and disposal of property, plant and equipment and of investments. Investments can include securities not falling within the definition of cash.

"Financing Activities" are those activities change the equity and debt capital structure of Council.

"Cash" is considered to be cash on hand and cash at bank, and on-call deposits, net of overdrafts.

Service Performance Reporting (PBE FRS 48)

The Statement of service performance is formally classified in part C of this report.

The relevant legislation governing the requirement of reporting of the Council's service performance is Part 3 of Schedule 10 of the Local Government Act 2002.

The statement of service performance of the Council has been prepared in accordance with PBE standards and is for the year ended 30 June 2026.

In preparing the statement of service performance, the Council has made judgement on the application of reporting standards and has made estimates and assumptions concerning the measurement of certain service performance targets.

Standards issued and not yet effective that have been early adopted

There were no standards issued and not yet effective that have been early adopted.

Standards issued and not yet effective and not early adopted

There were no standards issued and not yet effective that have not been early adopted.

New accounting standards applied

There have been no new accounting standards introduced during the year ended 30 June 2026.

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NOTE 2. Summary revenue and expenditure for groups of activities

	Actual 2026 $000	Actual 2025 $000
Revenue		
Land Transport	8,607	8,351
Stormwater	1,073	1,607
Wastewater	4,241	3,556
Water Supply	4,441	3,874
Refuse and Recycling	6,129	4,523
Regulatory & Building Control Services	3,908	3,746
Commercial & Property	3,983	4,054
Community & Recreation	8,128	10,568
Governanace & Strategy	3,907	4,022
Total activity revenue	44,417	44,301
Expenditure		
Land Transport	10,030	9,611
Stormwater	2,541	2,507
Wastewater	5,000	4,914
Water Supply	4,798	4,523
Refuse and Recycling	5,143	4,954
Regulatory & Building Control Services	3,340	4,024
Commercial & Property	3,887	3,843
Community & Recreation	9,222	8,809
Governance & Strategy	3,812	5,891
Total expenditure	47,773	49,076

This shows a breakdown of the Total Revenue and Operating Expenditure, as shown on the Statement of Comprehensive Revenue and Expense, between each Group of Activities.

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NOTE 3. Rates revenue

Total revenue from any funding mechanism authorised by the Local Government (Rating Act) 2002 (i.e. including targeted water supply rates and lump sum contributions) is as follows:

		Actual 2026 $000	Actual 2025 $000
General rate	Non exchange	10,122	10,273
Uniform annual general charge	Non exchange	6,070	5,188
Water supply	Non exchange	4,202	3,169
Water supply by meter	Exchange	343	688
Wastewater	Non exchange	4,284	3,315
Refuse and Recycling	Non exchange	3,616	2,242
Community & Recreation	Non exchange	-	48
Governance & Strategy	Non exchange	365	349
Rate Penalties	Non exchange	293	269
Other rates revenue	Non exchange	-	-
Rates remissions and internal rates paid	Non exchange	(827)	-
Total rates		28,468	25,541

Exchange	343	688
Non exchange	28,125	24,853
Total exchange/non exchange	28,468	25,541

Rating base information

This information is provided in terms of Schedule 10 clause 30A of the Local Government Act 2002:

- The annual report must state—
- the number of rating units within the district or region of the local authority at the end of the preceding financial year:
- the total capital value of rating units within the district or region of the local authority at the end of the preceding financial year:
- the total land value of rating units within the district or region of the local authority at the end of the preceding financial year.

	June 2026	June 2025
Number of rating units at the end of the preceeding year	9,371	9,234
Total capital value of rating units at the end of the preceeding year	5,379,844,100	5,062,208,600
Total land value of rating units at the end of the preceeding year	2,482,965,800	2,272,314,800

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NOTE 4. Subsidies and grants

	Actual 2026 $000	Actual 2025 $000
Government grants		
New Zealand Transport Agency subsidies	4,828	4,728
Transportation	2,207	7
Other grants and subsidies	573	3,357
Total government grants	7,608	8,092
Non government grants		
Development West Coast	-	147
Other non government funding	250	2,232
Total non government grants	250	2,379
Total subsidies and grants	7,858	10,471

There are no unfulfilled conditions and other contingencies attached to subsidies and grants recognised (2025: nil).

Total non exchange revenue for the year from Subsidies and Grants was $6.355 million. (2025: $10.471 million).

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NOTE 5. Fees and charges

		Actual 2026 $000	Actual 2025 $000
Refuse & recycling	Exchange	1,688	1,650
Animal control	Exchange	217	208
Building and planning consents	Exchange	1,308	1,330
Other environmental services	Exchange	245	245
Swimming pool and stadium	Exchange	1,254	1,236
Community housing	Non exchange	1,002	914
Port	Exchange	214	185
Other fees and charges	Exchange	350	398
Total other income		6,278	6,166
Exchange		5,276	5,252
Non exchange		1,002	914
Total exchange/non exchange		6,278	6,166

NOTE 6. Interest revenue

	Actual 2026 $000	Actual 2025 $000
Finance revenue		
Interest revenue	243	134
Total Finance Revenue	243	134

Total exchange revenue for the year $243,000 (2025: $134,000).

NOTE 7. Other revenue

		Actual 2026 $000	Actual 2025 $000
Lease revenue	Exchange	460	484
Donations	Non Exchange	11	-
Infringements	Non Exchange	82	112
Petrol tax	Non Exchange	163	121
Gain on disposal of PPE	Exchange	193	35
Gains on fair value derivatives	Exchange	-	-
Gains on fair value investment property	Exchange	-	663
Vested assets	Non Exchange	-	-
Other revenue	Exchange	514	285
Total other income		1,423	1,700
Exchange		1,167	1,467
Non Exchange		256	233
Total Exchange/Non Exchange		1,423	1,700

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NOTE 7a. Operating leases as lessor

	Actual 2026 $000	Actual 2025 $000
Not more than one year	500	437
Later than one year and not later than two years	451	404
Later than two years and not later than five years	1,172	1,167
Later than five years	5,569	5,759
Total Operating leases as lessor	7,692	7,767

The marjority of these leases are ground leases and have a non-cancellable term of 21 years.

NOTE 8. Revenue exchange / non-exchange

	Actual 2026 $000	Actual 2025 $000
Revenue from exhange transactions		
Rates Revenue	343	688
Subsidies and Grants	-	-
Fees & Charges	5,276	5,252
Other Revenue	1,167	1,467
Finance Revenue	243	134
Development and Financial Contributions	-	-
Total revenue exchange	7,029	7,541
Revenue from non-exchange transactions		
Rates Revenue	28,125	24,853
Subsidies and Grants	7,858	10,471
Fees & Charges	1,002	914
Other Revenue	256	233
Finance Revenue	-	-
Development and Financial Contributions	147	291
Total revenue non-exchange	37,388	36,762

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NOTE 9. Personnel costs

	Actual 2026 $000	Actual 2025 $000
Wages and salaries	9,087	8,646
Contributions to defined contribution plans	304	275
Total employee expenses	9,391	8,921

Employer contributions to defined contributions plans include contributions to Kiwisaver and the National Provident Fund's Defined Benefit Plan Contributors Scheme.

During the year the total remuneration and value of other non-financial benefits received by or payable to the Mayor, other Councillors and Chief Executive of the Council were as follows (note: there is no rounding in this note):

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Elected representatives' remuneration

	Actual 2026 $	Actual 2025 $
Gibson, T.K. (Mayor)	131,964	121,406
Gibson, A.J.	55,994	56,502
MacDonald, R.R.	44,859	41,389
Mora, T.F.	44,859	42,377
Mallinson, R.	47,863	47,421
O'Connor, J.	44,859	42,089
Canning, J.	13,090	43,544
Davy, P.	49,470	45,953
Kennedy, C.	44,859	43,139
Birchfield, P.M.	31,882	-
Chief Executive total remuneration paid or payable for the year	284,657	302,041

Remuneration for employees by band as at 30 June 2026

	Actual 2026	Actual 2025
>$180,000	3	2
$140,000 - 179,999	7	5
$120,000 - 139,999	6	6
$100,000 - 119,999	11	9
$80,000 - 99,999	19	15
$60,000 - 79,999	20	24
< $60,000	52	53
	118	114

The number of full time equivalent (FTE) employees as at 30 June 2026 was 106 (2025: 95) where 32 hours a week is considered full time.

For the year ended 30 June 2026 Council made severance payments to one employee to the value of $30,000 (2025: $190,300).

NOTE 10. Finance costs

	Actual 2026 $000	Actual 2025 $000
Finance Expenses		
Interest expense	1,662	1,323
Total finance costs	1,662	1,323

NOTE 11. Other expenses

	Actual 2026 $000	Actual 2025 $000
Expenses include:		
Audit fees for financial statement audit (EY)	211	210
Audit fees for long term plan audit (EY)	-	130
Audit fees for Debenture Trust Deed audit (EY)	-	5
Loss on revaluation of investment property	24	-
Insurance	1,520	1,470
Contractors and Professional Services	14,237	14,711
Utilities	1,698	1,481
Minimum lease payments	358	318
Grants	353	627
Loss on fair value derivatives	21	486
Loss on Disposal of PPE	121	96
Other operating expenses	4,196	5,609
Total other expenses	22,739	25,143

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NOTE 12. Operating leases as lessee

	Actual 2026 $000	Actual 2025 $000
Not later than one year	400	340
Later than one year and not later than five years	1,025	1,028
Later than five years	1,134	1,343
Total Operating lease commitments	2,559	2,711

Operating leases relate to land and equipment leases. Grey District Council leases land and office equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 21 years for land and four (4) years for office equipment. The future aggregate minimum lease payments to be paid under non-cancellable operating leases are outlined in the table above.

NOTE 13. Cash and cash equivalents

	Actual 2026 $000	Actual 2025 $000
Cash at bank and in hand	1,193	2,938
Term Deposits with maturities under 3 months	-	-
Total cash and cash equivalents	1,193	2,938

The carrying value of short-term deposits with maturity dates of 3 months or less approximates their fair value.

The total value of cash and cash equivalents that can only be used for a specified purpose as outlined in the relevant trust deeds is $239,000 (2025: $237,000).

NOTE 14. Trade and other receivables

	Actual 2026 $000	Actual 2025 $000
Rates receivables	2,315	1,603
Trade receivables	4,177	2,733
GST receivable	-	-
Unused Amounts Reversed	(287)	(244)
Total receivables	6,205	4,092
Total receivables comprise:		
Receivables from non-exchange transactions - this includes outstanding amounts for rates, grants, infringements, and fees and charges that are partly subsidised by rates	5,885	3,832
Receivables from exchange transactions - this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates	320	260
	6,205	4,092

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Fair value

Debtors and other receivables are generally short-term and non-interest bearing, therefore, their carrying value approximates their fair value.

Impairment

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The Council does not provide for any impairment on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow the Council to commence legal proceedings to recover any rates that remain unpaid for (4) months, after the due date for payment. If payment has not been made within three (3) months of the Court's judgement, then the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit.

Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

The status of receivables as at 30 June are detailed below:

2026	Gross $000	Impairment $000	Net $000
Council			
Not past due	4,039		4,039
Past due 1 - 3 months	410		410
Past due 3 to 6 months	2,043	(287)	1,756
Total	6,492	(287)	6,205

2025	Gross $000	Impairment $000	Net $000
Council			
Not past due	1,744	-	1,744
Past due 1 - 3 months	492	-	492
Past due 3 to 6 months	2,100	(244)	1,856
Total	4,336	(244)	4,092

All receivables greater than 30 days in age are considered to be past due.

The unused amounts reversed has been calculated based on a review of specific overdue receivables. Individually impaired receivables have been determined to be impaired because of significant financial difficulties being experienced by the debtor.

	Actual 2026 $000	Actual 2025 $000
Balance at 1st July	244	292
Additional provisions made during year	43	(48)
Balance at 30th June	287	244

NOTE 15. Prepayments

	Actual 2026 $000	Actual 2025 $000
Prepayments	725	693
Total prepayments	725	693

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NOTE 16. Other financial assets

	Actual 2026 $000	Actual 2025 $000
Current portion		
Short term deposits	-	1,000
LGFA borrower notes	200	188
Total Current Portion	200	1,188
Non-current portion		
Investments in other entities		
LGFA borrower notes	1,503	828
Civic Assurance Shares	32	32
Total investments in other entities	1,535	860
Total Non-Current Portion	1,535	860

Short term deposits with maturities of less than 90 days from inception is classified as cash and cash equivalents.

Fair value

Term deposits

The carrying amount of term deposits approximates their fair value.

Borrower notes

The carrying amount of borrower notes are measured at fair value.

Unlisted shares

Unlisted shares are recognised at fair value. Due to the immaterial size and nature of the Council's investment in the New Zealand Local Government Insurance Corporation Limited (Civic Assurance), the Council has estimated the fair value of this investment based on the LGFA's net asset backing as at 30 June.

Impairment

There were no impairment expenses or provisions for other financial assets. At balance date, none of these financial assets are either past due or impaired.

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NOTE 17. Derivative financial instruments

	Actual 2026 $000	Actual 2025 $000
Current asset portion -		
Interest Rate Swaps	-	-
Non-current asset portion		
Interest Rate Swaps	-	-
Total derivative financial instrument asset	-	-
Current liability portion -		
Interest Rate Swaps	27	21
Non-current liability portion		
Interest Rate Swaps	27	12
Total derivative financial instrument liability	54	33

The notional principle amounts of the outstanding interest rate swap contracts at 30 June 2026 were $17 million (2025: $17 million). Maturity dates range from 15 May 2028 to 15 May 2031.

At 30 June 2026, the interest rates for interest rate swaps vary from 3.14% to 3.78% (2025: 3.39% to 4.63%).

The fair value of interest rate swaps have been determined by calculating the expected cashflows under the terms of the swaps and discounting these values to present value.

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NOTE 18. Property, plant and equipment (PPE)

COUNCIL 2026	Cost/ valuation 01-Jul-25	Accumulated depreciation & impairment charges 01-Jul-25	Carrying amount 01-Jul-25	Current year additions	Current year disposals/ transfers at cost	Accumulated depreciation on disposals	Accumulated Depreciation on Reval reversal	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ valuation 30-Jun-26	Accumulated depreciation & impairment charges 30-Jun-26	Carrying amount 30-Jun-26
INFRASTRUCTURAL ASSETS													
Roading Network	206,032	(10,531)	**195,501**	3,647	-	-	15,835	-	(5,304)	125,982	**319,826**	-	**319,826**
Land Under Roads	68,733	-	**68,733**	-	-	-	-	-	-	-	**68,733**	-	**68,733**
Stormwater	61,335	(3,253)	**58,082**	1,030	-	-	4,892	-	(1,639)	16,815	**74,288**	-	**74,288**
Sewerage	108,484	(4,411)	**104,073**	2,753	-	-	6,656	-	(2,245)	8,467	**113,048**	-	**113,048**
Water Supply Systems	55,886	(3,002)	**52,884**	1,774	-	-	4,531	-	(1,529)	9,681	**62,810**	-	**62,810**
Landfill Site	8,009	(3,130)	**4,879**	560	-	-	-	-	(70)	-	**8,569**	(3,200)	**5,369**
Work in progress	1,512	-	**1,512**	541	-	-	-	(72)	-	-	**2,053**	(72)	**1,981**
TOTAL INFRASTRUCTURAL ASSETS	509,991	(24,327)	[illegible]	10,305	-	-	31,914	(72)	(10,787)	160,945	649,327	(3,272)	[illegible]
OTHER FIXED ASSETS													
General Land	11,607	(2)	**11,605**	28	(375)	-	-	-	-	-	**11,260**	(2)	**11,258**
Other Land	3,217	-	**3,217**	15	(7)	-	-	-	-	-	**3,225**	-	**3,225**
Buildings	52,045	(2,359)	**49,686**	434	14,897	-	-	-	(2,382)	-	**67,376**	(4,741)	**62,635**
Plant & Machinery	4,660	(2,247)	**2,413**	14	-	-	-	-	(296)	-	**4,674**	(2,543)	**2,131**
Furniture & Fittings	679	(497)	**182**	399	-	-	-	-	(16)	-	**1,078**	(513)	**565**
Computer Equipment	3,088	(2,356)	**732**	300	-	-	-	-	(109)	-	**3,388**	(2,465)	**923**
Library Stocks	2,533	(2,280)	**253**	63	-	-	-	-	(65)	-	**2,596**	(2,345)	**251**
Breakwaters & Wharves	6,843	(4,469)	**2,374**	-	-	-	-	-	(117)	-	**6,843**	(4,586)	**2,257**
Aerodrome	1,758	(196)	**1,562**	-	-	-	260	-	(64)	149	**1,647**	-	**1,647**
Parking Developments	650	(263)	**387**	-	-	-	-	-	(18)	-	**650**	(281)	**369**
Reserve Board Assets	290	-	**290**	-	-	-	-	-	-	-	**290**	-	**290**
Sports fields and Parks	5,428	(1,527)	**3,901**	15	-	-	-	-	(56)	-	**5,443**	(1,583)	**3,860**
Heritage Assets	1,238	(448)	**790**	-	-	-	-	-	(23)	-	**1,238**	(471)	**767**
Work in progress	11,711	-	**11,711**	11,150	(22,406)	-	-	-	-	-	**455**	-	**455**
TOTAL OTHER FIXED ASSETS	105,747	(16,644)	[illegible]	12,418	(7,891)	-	260	-	(3,146)	149	110,153	(19,530)	[illegible]
TOTAL PPE	615,738	(40,971)	[illegible]	22,723	(7,891)	-	32,174	(72)	(13,933)	161,094	759,490	(22,802)	[illegible]

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COUNCIL 2025	Cost/ valuation 01-Jul-24	Accumulated depreciation & impairment charges 01-Jul-24	Carrying amount 01-Jul-24	Current year additions	Current year disposals / transfers at cost	Accumulated depreciation on disposals	Accumulated Depreciation on Reval reversal	Current year impairment charges	Current year depreciation	Revaluation surplus / (deficit)	Cost/ valuation 30-Jun-25	Accumulated depreciation & impairment charges 30-Jun-25	Carrying amount 30-Jun-25
INFRASTRUCTURAL ASSETS													
Roading Network	202,722	(5,323)	**197,399**	3,310					(5,208)		**206,032**	(10,531)	**195,501**
Land Under Roads	68,733	-	**68,733**	-							**68,733**	-	**68,733**
Stormwater	61,163	(1,629)	**59,534**	172					(1,624)		**61,335**	(3,253)	**58,082**
Sewerage	107,443	(2,208)	**105,235**	1,041					(2,203)		**108,484**	(4,411)	**104,073**
Water Supply Systems	53,047	(1,506)	**51,541**	484	2,355				(1,496)		**55,886**	(3,002)	**52,884**
Landfill Site	5,803	(3,048)	**2,755**	(107)	2,313				(82)		**8,009**	(3,130)	**4,879**
Work in progress	3,327	-	**3,327**	548	(2,363)						**1,512**	-	**1,512**
TOTAL INFRASTRUCTURAL ASSETS	502,238	(13,714)	488,524	5,448	2,305	-	-	-	(10,613)	-	509,991	(24,327)	485,664
OTHER FIXED ASSETS													
General Land	11,607	(2)	**11,605**	-							**11,607**	(2)	**11,605**
Other Land	2,952	-	**2,952**	2	263				-		**3,217**	-	**3,217**
Buildings	50,609	(2)	**50,607**	417	1,019				(2,357)		**52,045**	(2,359)	**49,686**
Plant & Machinery	4,061	(2,013)	**2,048**	332	267				(234)		**4,660**	(2,247)	**2,413**
Furniture & Fittings	673	(475)	**198**	6					(22)		**679**	(497)	**182**
Computer Equipment	2,832	(2,256)	**576**	256					(100)		**3,088**	(2,356)	**732**
Library Stocks	2,484	(2,217)	**267**	49					(63)		**2,533**	(2,280)	**253**
Breakwaters & Wharves	6,842	(4,351)	**2,491**	1					(118)		**6,843**	(4,469)	**2,374**
Aerodrome	1,756	(132)	**1,624**	2					(64)		**1,758**	(196)	**1,562**
Parking Developments	650	(245)	**405**	-					(18)		**650**	(263)	**387**
Reserve Board Assets	290	-	**290**	-							**290**	-	**290**
Sports fields and Parks	5,425	(1,450)	**3,975**	3	-				(77)		**5,428**	(1,527)	**3,901**
Heritage Assets	1,238	(425)	**813**	-					(23)		**1,238**	(448)	**790**
Work in progress	2,525	-	**2,525**	13,048	(3,862)						**11,711**	-	**11,711**
TOTAL OTHER FIXED ASSETS	93,944	(13,568)	80,376	14,116	(2,313)	-	-	-	(3,076)	-	105,747	(16,644)	89,103
TOTAL PPE	596,182	(27,282)	568,900	19,564	(8)	-	-	-	(13,689)	-	615,738	(40,971)	574,767

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Core assets

Included within the infrastructure assets above are the following core Council assets:

	Closing Book Value	Additions: constructed by Council	Additions: transferred to Council	Most recent replacement cost estimate for revalued assets
	$000	$000	$000	$000
2026				
Water Supply Systems:				
- treatment plants and facilities	14,787	497	-	14,787
- other assets (such as reticulation systems)	48,023	1,277	-	48,023
Wastewater:				
- treatment plants and facilities	29,148	2,292	-	29,148
- other assets (such as reticulation systems)	83,900	461	-	83,900
Stormwater	74,288	1,030	-	74,288
Roads and footpaths	319,826	3,647	-	319,826
2025				
Water Supply Systems:				
- treatment plants and facilities	9,211	931	-	21,052
- other assets (such as reticulation systems)	43,673	-	-	81,896
Wastewater:				
- treatment plants and facilities	23,305	1,039	-	38,779
- other assets (such as reticulation systems)	80,768	-	-	114,677
Stormwater	58,082	174	-	141,501
Roads and footpaths	195,501	3,418	-	338,351

The replacement cost for Water Supply Systems, Sewerage, Stormwater and Roads and footpaths are based on the optimised replacement cost estimate amounts in the valuation for the 2025/2026.

Valuation

Other fixed assets: general land and buildings

At fair value as determined from market-based evidence where possible and optimised depreciated replacement cost by an independent valuer. The most recent valuation was performed by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited and the valuation is effective as at 30 June 2026.

The Council also has an investment property portfolio that was revalued as at 30 June 2026.

Other fixed assets: aerodrome

Improvements – At fair value determined on a depreciated replacement cost basis by Jesse Audley (BEng (Hons) Eng Sci), BECA. The valuation is effective as at 30 June 2026.

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Infrastructure asset classes

Sewerage, water supply systems and stormwater

At fair value determined on a depreciated replacement cost basis by Council's Group Manager Operations and Senior Utilities and Infrastructure Engineer. The valuation has been independently reviewed by Rachel Wells at WSP Ltd. The valuation is effective as at 30 June 2026.

Roading network

At fair value determined on a depreciated replacement cost basis by Jesse Audley (BEng (Hons) Eng Sci), BECA. The valuation is effective as at 30 June 2026.

The lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0.

Land under roads

Land under roads was valued based on fair value of adjacent land determined by Council's Assets Manager, MD Sutherland BSc (Geography), BE (Civil), PGDip Bus Admin ADEM MIPENZ AFNZIM, effective 30 June 2005. Land under roads is no longer revalued.

Impairment

Council has reviewed its fixed asset register on a line by line basis to consider whether there is an impairment of any assets. We are not aware of any issue that would cause any significant change in asset value. The relevant issues considered were:

- Change in use
- One off events that damaged the assets
- Market value changes
- Decreases in earning potential

The Port assets and Council's earthquake prone buildings were all assessed on the above criteria and were determined to either be not impaired or already appropriately considered in the carrying values. Council has carried out initial assessments on the public buildings it is responsible for to assess whether buildings are potentially earthquake-prone buildings and is currently completing detailed assessments on the buildings. The buildings have been assessed for impairment and it has been determined that any necessary impairments were appropriately considered and reflected in the market valuations applied as at 30 June 2024 when the asset class was revalued. No additional impairment has been determined for the 2026 financial year.

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Work in progress

Property, plant, and equipment in the course of construction by class of asset is detailed below:

	Actual 2026 $000	Actual 2025 $000
Buildings	3,519	11,468
Plant & Equipment	204	33
Breakwaters & Wharves	150	150
Sportfields and Parks	62	60
Roading Network	167	167
Wastewater	115	115
Water Supply Systems	1,340	1,230
Stormwater	246	-
Landfill	185	-
	5,988	13,223

Asset insurance

The following information relates to the insurance of Council assets as at 30 June.

	Actual 2026 $000	Actual 2025 $000
The maximum amount to which insured assets (PPE) are insured	216,423	141,119
The total value of all council assets covered by insurance contracts (PPE)	330,238	281,811

Capital commitments

The amount of contractual commitments for acquisition of property, plant and equipment is:

	Actual 2026 $000	Actual 2025 $000
Roading Network	-	-
Sewerage	191	1,122
Water Supply Systems	259	658
Commercial & Property	98	33
Solid Waste	27	116
Community & Recreation	1,668	9,865
Stormwater	374	-
	2,617	11,794

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Gains/losses on revaluation of assets

	Actual 2026 $000	Actual 2025 $000
Land & Buildings	-	13,212
Aerodrome	149	-
Roading	125,982	-
Water Supply Schemes	9,676	-
Public Conveniences	-	-
Stormwater and Sewer	25,279	-
	161,086	13,212

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NOTE 19. Intangible assets

	Computer Software $000
Balance as at 1 July 2025	
Cost	719
Accumulated amortisation and impairment	(587)
Opening carrying amount	132
Year ended 30 June 2026	
Additions	-
Amortisation charge	(49)
Balance as at 30 June 2026	
Cost	719
Accumulated amortisation and impairment	(636)
Closing carrying amount	83

Balance as at 1 July 2024	
Cost	704
Accumulated amortisation and impairment	(539)
Opening carrying amount	165
Year ended 30 June 2025	
Additions	15
Amortisation charge	(48)
Balance as at 30 June 2025	
Cost	719
Accumulated amortisation and impairment	(587)
Closing carrying amount	132

There are no restrictions over the title of intangible assets. No intangibles are pledged as security for liabilities.

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NOTE 20. Depreciation and amortisation expense

	Actual 2026 $000	Actual 2025 $000
Land Transport	5,304	5,208
Stormwater	1,639	1,624
Wastewater	2,245	2,203
Water Supply	1,529	1,496
Refuse and Recycling	83	82
Regulatory & Building Control Services	17	16
Commercial & Property	1,021	946
Community & Recreation	1,867	1,872
Governance & Strategy	276	242
Total depreciation and amortisation	13,381	13,689

NOTE 21. Investment property

	Actual 2026 $000	Actual 2025 $000
Balance as at 1 July	6,142	5,695
Under construction	3,168	-
Additions/(Disposals)	(553)	(216)
Fair value gains/(losses) on valuation	(24)	663
Balance as at 30 June	8,733	6,142

Council's investment properties are valued annually at fair value effective 30 June 2026 for the financial year by Peter J Hines BCom (VPM), ZNZIV, Registered Valuer of Coast Valuations Limited. All investment properties are valued based on open market evidence.

The fair value of investment property has been determined using the capitalisation of net revenue and discounted cashflow methods. These methods are based on assumptions including future rental revenue, anticipated maintenance costs and appropriate discount rates. Where just the land value has been assessed, a 'market comparison' approach has been adopted. This method involves reference to sales of properties which have similar attributes to the subject property. Comparisons are drawn between the subject property and the sales evidence. Subjective adjustments are applied where necessary to account for factors which have a direct impact on the sale price and value.

There are no contractual obligations in relation to investment properties at balance date not recognised in the financial statements (2025: Nil).

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Investment in associates and joint ventures

Council has an interest in the West Coast Amateur Sports Trust by virtue of the fact the Mayor can appoint up to three trustees to the board of the Trust. Other than this, there has been no formal involvement in setting the policies or objectives and has no rights to the net assets of the Trust.

Due to Council having no tangible investment in the Trust and concluding the operation is immaterial from a financial reporting perspective, Council has elected not to disclose its share of the Trust's net assets.

NOTE 22. Payables and deferred revenue

	Actual 2026 $000	Actual 2025 $000
Trade creditors and accruals	5,934	6,713
Retentions & Bonds	154	258
Total trade and other payables	6,088	6,971
Revenue in advance	661	3,435
Total payables and deferred revenue	6,749	10,406

Payables are generally non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of payables approximates their fair value.

NOTE 23. Employee entitlements

	Actual 2026 $000	Actual 2025 $000
Accrued salaries and wages	82	35
Annual leave	728	649
Long service lease	17	11
Total employee benefits	827	695
Comprising:		
Current	620	515
Non-current	207	180
Total employee benefits	827	695

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Key assumptions in measuring retirement and long service leave obligations

The present value of retirement and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

Expected future payments are discounted using forward discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible, the estimated future cash outflows. The salary inflation factor has been determined after considering historical salary inflation patterns. A discount rate of 4.36% (2025: 4.69%) and an inflation factor of 2.97% (2025: 2.5%) were used.

NOTE 24. Provisions

	Actual 2026	Actual 2025
Landfill aftercare provision	$000	$000
Opening balance	1,126	1,237
Amounts used during the year	(15)	(18)
Increase/(decrease) due to discount rate changes and assessment of liability	421	(132)
Discount unwinding	33	39
Closing balance	1,565	1,126

	Actual 2026	Actual 2025
Financial guarantees	$000	$000
Opening balance	658	-
Increase/(decrease) due to discount rate changes and assessment of liability	(658)	658
Closing balance	-	658
Total Provisions	1,565	1,784

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Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major site is McLean's Pit.

The cash outflows for landfill post-closure are expected to occur in between 2060 and 2090 (2025: 2063 and 2093). The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and using a range of the discount rates of 2.97% to 5.85% (2025: 3.14% to 5.99%).

Landfill aftercare provision

Council has responsibility under the resource consent to provide maintenance and monitoring of the landfill after the sites are closed. The major site McLean's Pit. There are post-closure responsibilities such as:

- Treatment and monitoring leachate.
- Groundwater and surface monitoring.
- Gas monitoring and recovery.
- Implementation of remedial measures such as needed for cover and control systems
- On-going site maintenance for drainage systems, final cover and vegetation.

The management of the landfill will influence the timing of the recognition of some liabilities.

Financial guarantees

The Council was listed as the sole guarantor for a loan agreement between the West Coast Theatre Trust (WCTT) and Nelson Building Society. During the financial year Council settled the loan with Nelson Building Society on behalf of WCTT.

NOTE 25. Borrowings

	Actual 2026 $000	Actual 2025 $000
Current		
Suspensory loans	1,100	-
Wespac short term loan	700	2,450
Secured loans	12,000	11,500
Non-current		
Secured loans	33,600	24,100
Total borrowings	47,400	38,050

Council's loans are secured over either separate or general rates of the Council. Interest is charged on a floating rate basis. At balance date the current weighted average effective interest rate on the bank borrowings is 3.45% (2025: 4.10%). Maturity dates range from 16 September 2026 to 15 May 2030 (2025:16 September 2025 to 15 May 2030).

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NOTE 26. Equity

	Actual 2026 $000	Actual 2025 $000
Accumulated funds		
As at 1 July	216,413	221,431
Surplus/(deficit) for the year	(3,356)	(4,775)
Reserve Transfers		
Special funds	(1)	(3)
Separate funds	837	(240)
As at 30 June	**213,893**	**216,413**
Restricted reserves		
As at 1 July	237	234
Transfers to Retained Earnings	1	3
As at 30 June	**238**	**237**
Council reserves		
As at 1 July	9,906	9,666
Transfers to/(from) Reserves	(837)	240
As at 30 June	**9,069**	**9,906**
Asset revaluation reserve		
As at 1 July	314,413	314,413
Revaluation gains/(losses)	161,086	-
As at 30 June	**475,499**	**314,413**
Asset revaluation reserves consist of:		
Land & Building Revaluation Reserve	45,137	45,138
Aerodrome Revaluation Reserve	1,043	892
Roading Revaluation Reserve	236,848	110,866
Water Revaluation Reserve	42,158	32,482
Investment Revaluation Reserve	52	52
Parking Developments Revaluation Reserve	88	88
Drainage and Sewerage Revaluation Reserve	150,173	124,894
Total	475,499	314,412
Total Equity	**698,699**	**540,969**

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Capital management

Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayer's funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Long-Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. And the Act sets out the factors Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in Council's LTP.

Council has the following Council created reserves:

- Reserves for different areas of benefit;
- Self-insurance reserves; and
- Trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate payers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

Information about reserve funds held for a specific purpose is provided on the following page.

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2026: Special funds

Reserve	Activities to which the reserve relates	Opening Balance 1 July 2025	Transfers to Reserve 2025 - 2026 (Deposits)	Transfers from Reserve 2025 - 2026 (Withdrawals)	Closing Balance 30 June 2026
		$000	$000	$000	$000
SPECIAL FUNDS					
Te Kinga Infra Upgrade Reserve	All activities	112	1	-	113
Rural Sewerage Capital Works Reserve	Wastewater	348	3	-	351
Cobden Stormwater Mitigation Reserve	Stormwater	64	1	-	65
Barrytown Area Infra Reserve	All activities	63	1	-	64
Ahaura Area Infra Reserve	All activities	209	2	-	211
Haupiri Area Infra Reserve	All activities	144	1	-	145
Nelson Creek Infrastructure Reserve	All activities	21	-	-	21
Ngahere Infrastructure Reserve	All activities	239	2	(21)	220
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	295	3	-	298
Kaiata Stillwater Area Infra Reserve	All activities	210	2	(18)	194
Karoro Infrastructure Development Reserv	All activities	795	7	-	802
South Beach/Paroa Infrastructure Reserve	All activities	515	5	-	520
Camerons Infrastructure Reserve	All activities	96	1	-	97
Gladstone Infrastructure Reserve	All activities	209	2	-	211
Arnold Valley Area Infra Reserve	All activities	105	1	-	106
Lake Brunner Area Infra Reserve	All activities	122	1	(3)	120
Hohonu Area Infra Reserve	All activities	49	-	-	49
Infra Renewal Reserve	All activities	1,222	11	-	1,233
Moana Water Supply	Water supply	11	-	-	11
Flood Protection Reserve	Stormwater/Flood protection	144	1	-	145
Cemetery Extension Reserve	Cemeteries	61	1	-	62
Cemetery Maintenance Reserve	Cemeteries	469	4	-	473
Footpath Reserve	Land transport	77	1	-	78
Roading Reserve - Exp Committed	Land transport	524	2	(521)	5
Land Fill Reserve	Solid waste management	100	1	-	101
Airport Maintenace Reserve	Airport	622	4	-	626
Disaster Recovery Reserve	All activities	301	3	-	304
Civil Defence Reserve	Emergency management	2	-	-	2
Rural Fire Authority Reserve	Rural fire authority	2	-	-	2
Economic Development Reserve	All activities	(7)	-	-	(7)
Harbour Endowment LS Reserves	Port	647	849	(1,424)	72
Land Sale Reserve	All activities	193	223	(21)	395
Reserves Subdivision Contributions	Community facilities and parks	540	5	(19)	526
Maori Land Compensation Reserve	Council property	144	1	-	145
TDS Reserve	Port	77	1	-	78
Town Clock Reserve	Community facilities and parks	27	-	-	27
Gas Management Plan Reserve	Council property	21	-	-	21
District Planning Reserve	District planning	5	-	-	5
Plant and Machinery Reserve	All activities	490	4	-	494
Building & Property Gen Reserve	Council property	81	1	-	82
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	58	-	-	58
Ogilvie Reserve Reserve	Community facilities and parks	17	-	-	17
Corp Equip and Furniture Reserve	Council administration	650	6	-	656
Sunshine Coach Reserve	Council administration	8	-	-	8
Rental Housing Reserve	Retirement housing	(207)	(2)	-	(209)
Mawhera Marae Reserve	To be Decided	-	11	-	11
Library Reserve	Libraries	30	-	-	30
Ashley Drive South Wastewater YJ Replace	Wastewater	-	32	-	32
Total special funds		**9,907**	**1,192**	**(2,027)**	**9,070**

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▸ Notes to the Financial Statements

2026: Trusts and bequests

TRUSTS AND BEQUESTS					
McGlashan Trust	Community facilities and parks	22	-	-	22
E White Bequest	Community facilities and parks	50	-	-	50
Mayoral Flood Relief Fund	Democracy	10	-	-	10
Citizens Emergency Relief Fund	Democracy	85	1	-	86
Peters Bequest - Talking Books	Libraries	10	-	-	10
Vera Corbett Bequest	Libraries	40	-	-	40
Thomas Dehenny Bequest	Community facilities and Parks	20	-	-	20
Total trusts and bequests		**237**	**1**	**-**	**238**
TOTAL SPECIAL FUNDS AND TRUSTS/BEQUESTS		10,144	1,193	(2,027)	9,308

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2025: Special funds

Reserve	Activities to which the reserve relates	Balance 01 July $000	Transfers into fund $000	Transfers out of fund $000	Balance 30 June $000
Special funds					
Te Kinga Infra Upgrade Reserve	All activities	111	1	-	112
Rural Sewerage Capital Works Reserve	Wastewater	343	5	-	348
Cobden Stormwater Mitigation Reserve	Stormwater	63	1	-	64
Barrytown Area Infra Reserve	All activities	62	1	-	63
Ahaura Area Infra Reserve	All activities	206	3	-	209
Haupiri Area Infra Reserve	All activities	142	2	-	144
Nelson Creek Infrastructure Reserve	All activities	21	0	-	21
Ngahere Infrastructure Reserve	All activities	236	3	-	239
Blackball Area Infra Reserve	All activities	1	-	-	1
Runanga Area Infra Reserve	All activities	291	4	-	295
Kaiata Stillwater Area Infra Reserve	All activities	207	3	-	210
Karoro Infrastructure Development Reserv	All activities	784	11	-	795
South Beach/Paroa Infrastructure Reserve	All activities	508	7	-	515
Camerons Infrastructure Reserve	All activities	95	1	-	96
Gladstone Infrastructure Reserve	All activities	206	3	-	209
Arnold Valley Area Infra Reserve	All activities	104	1	-	105
Lake Brunner Area Infra Reserve	All activities	120	2	-	122
Hohonu Area Infra Reserve	All activities	48	1	-	49
Infra Renewal Reserve	All activities	1,206	16	-	1,222
Moana Water Supply	Water supply	11	0	-	11
Flood Protection Reserve	Stormwater/Flood protection	142	2	-	144
Cemetery Extension Reserve	Cemeteries	60	1	-	61
Cemetery Maintenance Reserve	Cemeteries	463	6	-	469
Footpath Reserve	Land transport	76	1	-	77
Roading Reserve - Exp Committed	Land transport	517	7	-	524
Land Fill Reserve	Solid waste management	99	1	-	100
Airport Runway Reserve	Airport	55	1	-	56
Airport Maintenance Reserve	Airport	558	8	-	566
Disaster Recovery Reserve	All activities	297	4	-	301
Civil Defence Reserve	Emergency management	2	-	-	2
Rural Fire Authority Reserve	Rural fire authority	2	-	-	2
Economic Development Reserve	All activities	(7)	-	-	(7)
Harbour Endowment LS Reserves	Port	530	117	-	647
Land Sale Reserve	All activities	190	3	-	193
Reserves Subdivision Contributions	Community facilities and parks	533	7	-	540
Maori Land Compensation Reserve	Council property	142	2	-	144
TDS Reserve	Port	76	1	-	77
Town Clock Reserve	Community facilities and parks	27	0	-	27
Gas Management Plan Reserve	Council property	21	0	-	21
District Planning Reserve	District planning	5	-	-	5
Plant and Machinery Reserve	All activities	483	7	-	490
Building & Property Gen Reserve	Council property	80	1	-	81
Westland Rec Centre Maintenance Reserve	Westland Recreation Centre	57	1	-	58
Ogilvie Reserve Reserve	All activities	17	0	-	17
Corp Equip and Furniture Reserve	Council administration	641	9	-	650
Sunshine Coach Reserve	Council administration	8	-	-	8
Rental Housing Reserve	Retirement housing	(204)	(3)	-	(207)
Library Reserve	Libraries	30	0	-	30
Total special funds		9,666	240	-	9,906

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▸ Notes to the Financial Statements

2025: Trusts and bequests

Reserve	Activities to which the reserve relates	Balance 01 July $000	Transfers into fund $000	Transfers out of fund $000	Balance 30 June $000
Trusts and bequests					
McGlashan Trust	Community facilities and parks	22	0	-	22
E White Bequest	Community facilities and parks	49	1	-	50
Mayoral Flood Relief Fund	Democracy	10	-	-	10
Citizens Emergency Relief Fund	Democracy	84	1	-	85
Peters Bequest - Talking Books	Libraries	10	0	-	10
Vera Corbett Bequest	Libraries	39	1	-	40
Thomas Dehenny Bequest	Community facilities and parks	20	0	-	20
Total trusts and bequests		234	3	-	237
TOTAL SPECIAL FUNDS, TRUSTS, AND BEQUESTS		9,900	243	-	10,143

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Purpose of each reserve fund

Special funds	
Te Kinga Infrastructure Upgrade Reserve	To fund land transport, water, and/or wastewater infrastructure upgrades required in the Te Kinga area.
Rural Sewerage Capital Works Reserve	To fund enhancement and development sewerage schemes other than the Greymouth Area scheme.
Cobden Stormwater Mitigation Reserve	To fund enhancement of stormwater management in Cobden.
Barrytown Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ahaura Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Haupiri Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Nelson Creek Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Ngahere Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Blackball Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Runanga Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Kaiata Stillwater Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro/Gladstone Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Karoro Infrastructure Development Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
South Beach/Paroa Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Camerons Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Gladstone Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Arnold Valley Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Lake Brunner Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Hohonu Area Infrastructure Reserve	To develop/improve infrastructure in the respective areas per the preference of people in the area.
Infrastructure Renewal Reserve	To fund expenditure in connection with deferred maintenance, major maintenance and renewal in respect of land transport (including footpaths), wastewater, water supply, stormwater and solid waste
Moana Water Supply	To fund any design options for a reticulated water supply servicing Moana (not signalled in this plan).
Flood Protection Reserve	To fund capital works to enhance flood protection measures in the District for which Council is responsible for.
Cemetery Extension Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Cemetery Maintenance Reserve	To fund additional capacity, renewal and maintenance of cemeteries.
Footpath Reserve	To fund the development or renewal of footpaths in the District (land transport activity).
Roading Reserve - Expenditure Committed	To spread funding of key roading (land transport) renewal projects, given that they do not have an equal funding requirement year to year.
Landfill Reserve	To fund capital works required for solid waste management
Airport Maintenance Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Airport Runway Resealing Reserve	To fund the periodic re-seal of airport runway and other significant maintenance.
Disaster Recovery Reserve	To fund Council's excess on the loss of Council assets in the event of a major disaster (all activities).

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Special funds *(continued)*	
Civil Defence Reserve	To fund any extraordinary expenditure associated with providing Council's emergency management response.
Economic Development Reserve	To fund economic development, including a share of land transport, wastewater, water supply, and stormwater development expenditure incurred via subdivision.
Harbour Endowment LS Reserves	To fund any operating deficits of port related activities.
Land Sale Reserve	To fund purchase of land, key strategic assets and obtaining fee simple ownership of leasehold property; and to fund other significant projects as decided by Council as part of the Annual Plan.
Reserves Subdivision Contributions	To fund the creation of new recreational areas/reserves.
Māori Land Compensation Reserve	To fund part of the rent increase on land leased from the Mawhera Incorporation (all activities with associated leases).
Town Development Strategy Reserve	To fund a portion of any projects that may arise as a result of the Town Development Strategy.
Town Clock Reserve	To fund renewal/major maintenance of town clock.
District Planning Reserve	To fund any large costs arising from District Plan reviews or one-off projects associated with planning and regulations.
Plant and Machinery Reserve	To replace existing plant (vehicles), or effect major maintenance to existing plant.
Building & Property General Reserve	To fund major maintenance and renewal of Council buildings and associated facilities excluding dedicated reserves (property activity).
Westland Rec Centre Maintenance Reserve	To fund major maintenance and renewal of the Westland Recreation Centre including fit-out.
Ogilvie Reserve	To fund on-going maintenance costs associated with the Ogilvie Reserve.
Corp Equip and Furniture Reserve	To fund the upgrade and renewal of office equipment and furniture; and to fund new office equipment and investment in new technology
Sunshine Coach Reserve	To fund any renewal and significant maintenance cost associated with the 'Sunshine Coach'
Rental Housing Reserve	To maintain in perpetuity, Council's retirement housing stock.
Westland Recreation Centre Reserve	To fund the proposed Miners' Recreation Centre.
Library Reserve	To fund any key maintenance work or equipment upgrades required at Council's District library.
Special Funds - Committed Expenditure	Holds amounts already committed by Council from other Special Funds, but not yet spent.
Ashley Drive South Wastewater YJ Replace	To fund the replacement of the YJ value in Ashley Drive identified at the time of vesting the asset to council as requiring replacing in the near future.
Mawhera Marae Reserve	Funds yet to be defined to an activity pending council decision.

Trusts and bequests	
McGlashan Trust	Maintenance development of war memorial areas in the District.
E White Bequest	Surface development/maintenance of reserve land lying alongside or adjacent to the Greymouth/Hokitika railway line, including Petrie Avenue (parks and reserves, parking).
Mayoral Flood Relief Fund	To assist victims of flooding and other adverse events.
Citizens Emergency Relief Fund	To assist victims of flooding and other adverse events.
Peters Bequest - Talking Books	To purchase talking books for the library.
Vera Corbett Bequest	To purchase library books.
Thomas Dehenny Bequest	A bequest for general municipal purposes (any activities).

NOTE 27. Reconciliation of operating surplus/(deficit) to net cash inflows/(outflows) from operating activities

	Actual 2026 $000	Actual 2025 $000
Surplus/(deficit) after tax	(3,356)	(4,775)
Add/(less) non-cash items:		
Depreciation and amortisation	13,981	13,689
(Gains)/losses in fair value movement of investment property	24	(663)
(Gains)/losses in fair value movement of financial instruments	21	-
Movement in employee benefit liabilities	(132)	(19)
Other	89	81
Add/(less) items classified as investing or financial activities		
(Gains)/losses on disposal of Property,plant and equipment		-
Add/(less) movements in working capital items:		
Accounts receivable	(2,113)	3,259
Prepayments	(32)	(53)
Accounts payable	(2,439)	1,124
Employee entitlements	132	(12)
Provisions	(219)	547
Net cash inflow/(outflow) from operating activities	5,956	13,178

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NOTE 28. Explanation of major variances against budget

Explanation of major variances from Council's estimated figures in the 2025/2026 budget, as reflected in Year 1 of the 2025-2034 Long Term Plan.

Comprehensive Revenue and Expenditure

- Council has a net deficit of $3,356,000 against a budgeted deficit of $6,612,000.
- Subsidies and Grants were $2,116,000 above budget due to additional bridge funding ($916,000) and Coastal Shipping Resilience funding ($1,290,000) being secured during the year.
- Fees and Charges revenue was $1,909,000 below budget. $1,500,000 was included in the budget for recovery of Sewer Separation enforcement costs but this project was delayed due to key staff vacancies not being filled and a review of the way this project was to be completed.
- Personnel costs are $628,000 below budget due to new positions and some vacancies not being filled during the year.
- Other Expenses are $3,194,000 lower than budget. Significant savings were made in Contractors and Professional Services due to less reliance on consultants with growth in both in-house knowledge and key vacancies being filled.

Financial Position

- Cash and Cash Equivalents was $9,741,000 below budget. This is because the opening cash and cash equivalents budgeted value used for year 1 of the 2025-2034 Long Term Plan did not closely reflect the actual closing balance of 2024/2025 year.
- Receivables are $1,500,000 less than anticipated. This is due to additional efforts to reduce outstanding debtors and reflects the delaying in enforcement recovers of the separation of services.
- Property Plant and Equipment is $96,559,000 above budget as the increase from the infrastructure revaluation was greater than anticipated due to inflationary factors.
- Borrowings are $14,733,000 below budget overall due to timing of capital project completion and the anticipated draw down of funds for those projects.

NOTE 29. Related party transactions

Transactions with related parties

During the year Councillors and key management were involved in minor transactions (for example, payment of rates) with the Council as part of a normal customer relationship.

Related party disclosures have not been made for transactions with related parties that are:
- Within a normal supplier or client/recipient relationship; and
- On terms and conditions no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

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	Actual 2026 $000	Actual 2025 $000
Councillors		
Full-time equivalent members	9	9
Remuneration	509,699	483,820
Senior management team, including the Chief Executive		
Full-time equivalents members	5	5
Remuneration	1,016,142	659,317
Total full-time equivalent personnel	14	14
Total key management personnel remuneration	1,525,841	1,143,137

NOTE 30. Contingent liabilities and financial guarantees

Westurf Recreation Trust

The Council has agreed to act as a sole guarantor for a Westurf Recreation Trust loan, up to a maximum of $200,000, for the purposes of upgrading their artificial turf at the Greymouth Hockey Stadium. This is contingent on final Council satisfaction on the project being financially sustainable. As at balance date the trust has not yet proceeded with uplifting of a loan and has indicated to Council that they are unlikely to require the loan.

Local Government Funding Agency

Grey District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. The NZLGFA has a current credit rating from Fitch Ratings of AA+ and Standard and Poor's rating of AAA for local currency and AA+ for foreign.

Council is one of the local authority guarantors of the NZ LGFA. The aggregate amount of uncalled shareholder capital ($20 million) is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2026, LGFA had borrowings totalling $26,072 billion (2025: $25,530 billion).

Accounting standards require Council to recognise the guarantee liability at fair value. However, Council has not been able to determine a sufficiently reliable fair value for the guarantee and has therefore not recognised the liability. Council considers that the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- it is not aware of any local authority debt default events in New Zealand; and
- local government legislation would enable local authorities to set a rate to raise sufficient funds to meet any debt obligations if further funds were required.

New Zealand Mutual Liability Riskpool Scheme

Grey District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down; however Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operations of the scheme. The likelihood of any call in respect of historical claims diminishes with each years limitations periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council vs Local Government Mutual Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Taumata Arowai

Grey District Council has an outstanding legal action filed by Taumata Arowai with regards to drinking water

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supply. Council is currently defending this action. Given this is the first prosecution made by the water authority, Council cannot currently accurately estimate any potential financial liability.

NOTE 31. Severance payments

There were severance payments totalling $30,000 paid to one employee during the 2025/2026 year that meet the definition of a severance payment as in clause 33 of schedule 10 of the Local Government Act 2002 (2025: $190,300). This amount is included in note 9 personnel costs.

NOTE 32. Bonds receivable and bonds payable

Council is party to a surety bond agreement along with the West Coast Regional Council and Buller District Council with regards to a number of resource consents. The agreements are jointly executed by the three Councils, with said funds only called upon if remedial action is required per the conditions of the resource consents. As Council has no automatic right of claim over the funds, it is not recognised in the statement of financial position as an asset or liability.

NOTE 33. Tax

Council has taxable losses of $12.055 million to offset against future years taxable income (2025: $12.289 million).

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	Actual 2026 $000	Actual 2025 $000
Components of tax expense		
Current tax expense	-	-
Adjustments to current tax in prior years	-	-
Deferred tax expense	-	-
Tax expense	-	-
Relationship between tax expense and accounting profit		
Net surplus/(deficit) before tax	(3,356)	(4,775)
Tax at 28%	(940)	(1,337)
Plus (Less) tax effect of:		
Non-Deductible expenditure	923	1,226
Removal of building depreciation		-
Deferred tax losses	(28)	134
(Regnition of tax losses)/Unrecognised tax losses	45	(22)
Other adjustments		-
Tax expense	-	-

Deferred tax asset / (liability)

	Property, plant and equipment	Employee entitlements	Other provisions	Tax losses	Total
Balance at 30 June 2024	(1,051,783)	-	5,414	1,046,369	-
Charged to Surplus or deficit	(132,209)	-	(1,340)	133,549	-
Charged to other comprehensive income	-	-	-	-	-
Balance at 30 June 2025	(1,183,992)	-	4,074	1,179,918	-
Charged to Surplus or deficit	22,589	-	5,556	(28,145)	-
Charged to other comprehensive income	-	-	-	-	-
Balance at 30 June 2026	(1,161,403)	-	9,630	1,151,773	-

NOTE 34. Financial instrument risk

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

The accounting policies for financial instruments have been applied to the line items below:

	Actual 2026 $000	Actual 2025 $000
FINANCIAL ASSETS		
Mandatorily measured at FVTSD		
Derivative financial instrument assets	-	-
Other financial assets:		
- LGFA Borrower notes	1,703	1,016
- Civic Assurance shares	32	32
Total at FVTSD	1,735	1,048
Amortised cost		
Cash and cash equivalents	1,193	2,938
Trade and other receivables	6,205	2,489
Other financial assets:		
- Term deposits	-	1,000
- Community loans	-	-
Total at Amortised cost	7,398	6,427
FINANCIAL LIABILITIES		
Mandatorily measured at FVTSD		
- Derivatives financial instruments - not hedge accounted	54	33
Total at FVTSD	54	33
Amortised cost		
Trade and other payables	6,749	6,971
Borrowings:		
- Bank overdraft	-	-
- Lease liabilities	68	93
- Secured loans	47,400	38,050
Other financial liabilities	-	-
Total financial liabilities at amortised cost	54,217	45,114

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FVTSD = Fair value through surplus and deficit

Fair value hierarchy

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.
- Level 2 – Valuation technique using observable inputs – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Level 3 – Valuation techniques with significant non-observable inputs – Financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	Total	Level 1 Quoted Market Price	Level 2 Observable inputs	Level 3 Significant non-observable
30 June 2026				
Financial assets				
Derivative financial instruments	-	-	-	-
Short term deposits	-	-	-	-
LGFA Borrower notes	1,703	-	1,703	-
Civic Assurance shares	32	-	-	32
Financial liabilities				
Derivative financial instruments	54	-	54	-
30 June 2025				
Financial assets				
Derivative financial instruments	-	-	-	-
Short term deposits	1,000	-	1,000	-
LGFA Borrower notes	1,016	-	1,016	-
Civic Assurance shares	32	-	-	32
Financial liabilities				
Derivative financial instruments	33	-	33	-

There were no transfers between the different levels of the financial hierarchy.

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the operating balance to the closing balance for the level 3 fair value measurements:

	Actual 2026 $000	Actual 2025 $000
Balance as at 1 July	32	31
Balance as at 30 June	32	32

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value. We assessed the latest audited financial statements as at 31 March 2025 of Civic Assurance and assessed there is no material change in net assets impacting the Council's investment in shares of $32k.

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Contractual maturity analysis financial liabilities (excluding derivatives)

	Carrying amount $000	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000
2026					
Trade and other payables	6,749	6,749		-	-
Derivative financial instruments	54	-	(3)	57	-
Secured loans	47,400	13,800	10,100	23,500	-
Total	54,203	20,549	10,097	23,557	-
2025					
Trade and other payables	6,971	6,971	-	-	-
Derivative financial instruments	33	21	-	31	(19)
Secured loans	38,050	13,950	8,000	16,100	-
Total	45,054	20,942	8,000	16,131	(19)

Contractual maturity analysis of financial assets

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Carrying amount $000	Less than 1 year $000	1-5 years $000	More than 5 years $000
Council 2026				
Cash and cash equivalents	1,193	1,193	-	-
Trade and other receivables	6,205	6,205	-	-
Unlisted shares				
- term deposits	-			
- investment in debt securities	1,703	188	1,515	-
Derivative financial instruments	-	-	-	-
Total	9,101	7,586	1,515	-
Council 2025				
Cash and cash equivalents	2,938	2,938	-	-
Trade and other receivables	2,489	2,489	-	-
Unlisted shares				
- term deposits	1,000	1,000	-	-
- investment in debt securities	1,016	188	828	-
Derivative financial instruments	-	-	-	-
Total	7,443	6,615	828	-

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Market risk

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it does not enter into foreign currency transactions.

Interest rate risk

The interest rates on Council's cash and cash equivalents are disclosed in note 13 and on Council's borrowings in note 25.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose Council to fair value interest rate risk. Council's Liability Management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to economically hedge the fair value interest rate risk arising

where Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose Council to fair value interest rate risk.

If interest rates on cash and cash equivalents and other financial assets at 30 June 2026 had fluctuated by plus or minus 3.25% (2024: 3.25%), the effect would have been to decrease/increase the surplus/deficit by $128,602 (2025: $134,095).

Based on financial instrument disclosures at the balance date and with other variables held constant; if interest rates on borrowings at 30 June 2026 had fluctuated by plus or minus 3.25% (2024: 3.25%), the effect would have been to decrease/increase the surplus after tax by $1,388,560 (2025: $1,148,060) as a result of higher/lower interest expense on floating rate borrowings.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to Council, causing Council to incur a loss. Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Council invests funds only in deposits with registered banks and local authority stock and its investment policy limits the amount of credit exposure to any one institution or organisation.

Investments in other Local Authorities are secured by charges over rates. Other than other local authorities, the Council only invests funds with those entities, which have a Standard and Poor's credit rating of at least A2 for short term and A– for long-term investments.

Accordingly, the Council does not require any collateral or security to support these financial instruments.

Council's maximum credit exposure for each class of financial instrument is as follows:

	Actual 2026 $000	Actual 2025 $000
Cash at bank and term deposits	1,193	3,938
Trade and other receivables	3,890	2,489
Investments in debt securities	1,703	1,016
Derivative financial instrument assets	-	-
Total credit risk	6,786	7,443

All cash at bank and term deposits are neither past due nor impaired and are made with registered banks with Standard and Poor's credit ratings of A1 or better short term.

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, Council maintains a target level of investments that must mature within the

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next 12 months.

Council manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. These policies have been adopted as part of Council's Long-Term Plan.

Council has a maximum amount that can be drawn down against its overdraft facility of $100,000 (2025: $100,000) plus available credit on a credit line facility with Westpac of $5,000,000 (2025: $5,000,000). There are no restrictions on the use of this facility.

The maturity profiles of Council's interest bearing investments and borrowings are disclosed in notes 16 and 25 respectively.

NOTE 35. Events subsequent to balance date

Statutory deadline

Clause 98(3) of the Local Government Act 2002 requires that Council adopts its annual report within four months after the end of the financial year. Council was not able to comply with this requirement for the year ended 30 June 2026 and the Annual Report was not adopted until 6 November 2026. This was due to additional audit checks relating to completion of the three yearly infrastructure revaluations.

NOTE 36. Local Government Reform

Central Government is progressing reforms intended to simplify local government structures, reduce duplication and change the way local government functions and services are governed and delivered.

In May 2026, the Government announced the Head Start for Simplifying Local Government pathway, a voluntary process enabling councils to develop locally led reorganisation proposals ahead of the wider Government-led reform of local government.

During 2026, Grey District Council worked with Westland District Council and Buller District Council to submit a proposal in the Government's voluntary Head Start pathway. On 3 August 2026, the Council approved the submission of an outline proposal to the Government. Westland District Council also resolved to support the submission, however Buller District Council did not endorse the proposal following a tied vote. Participation in Head Start is optional and Buller's decision did not affect the proposal's eligibility — it remained eligible for submission under the Government's Head Start criteria.

The proposal recommends progressing a single West Coast unitary authority into independent evidence gathering and detailed design. The proposed authority would combine the territorial and regional functions currently delivered by Buller, Grey and Westland District Councils and the West Coast Regional Council. Submission of the proposal does not create a new council or commit the participating councils to a final outcome.

On 24 September 2026, the Government announced that it would take additional time before deciding which Head Start proposals should progress to detailed design. Proposals endorsed by Cabinet are expected to be developed in further detail and considered for final approval during 2027, with Head Start changes intended to be in place ahead of the 2028 local government elections.

Councils that do not proceed through the Head Start pathway, or whose proposals are not accepted, may be subject to the subsequent Government-led backstop process. Current Government statements indicate that changes arising through this process would take effect after the 2028 local government elections.

The outcome, scope and timing of the local government reforms remain uncertain. At the date these financial statements were authorised, it was not possible to reliably determine what effect the reforms may have on the Council's future structure, functions, assets, liabilities or service delivery arrangements.

The financial statements have been prepared on a going concern basis. Based on the information available at the date the financial statements were authorised, the Council considers the going concern basis of accounting to remain appropriate despite the uncertainty over the outcome, scope and timing of any future local government reform.

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NOTE 37. Local Government (Water Services) Act 2025

On 18 November 2025 the Department of Internal Affairs approved the Joint Water Services Delivery Plan for Grey, Buller and Westland District Councils. The Water Services Delivery Plan sets out how the districts will sustainably deliver and fund safe and reliable water services over the next decade.

Key points of the Water Services Delivery Plan are:

- The three councils will set up a Council Controlled Organisation (CCO) to deliver drinking water, wastewater and stormwater services;
- The proposed investment programme is financially sustainable; and
- The plan will focus resources on water, and compliance, with financial monitoring.

Transition and implementation is expected to continue in the 2026/2027 year with Coast Waters Limited, a Council Controlled Organisation, being operational from 1 July 2027. The water services reform has had no impact on the financial and non-financial performance reported in this Annual Report. However, with the Department of Internal Affairs accepting the Water Services Delivery Plan, there will be significant implications for Grey District Council. These implications are outlined in The Water Services Delivery Plan with an estimate of the financial effects in Part E. In summary, Grey is likely to transfer approximately $250 million of assets and $19 million of liabilities in the 2026/2027 across 3 Waters (drinking water, wastewater and stormwater).

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Funding Impact Statement for Whole of Council

For the year ended 30 June 2026

	Actual 2026 $000	Budget 2026 $000	Actual 2025 $000	Budget 2025 $000
[A] SOURCES OF OPERATING FUNDING				
General rates, uniform annual general charges, rates penalties	16,488	16,497	15,757	15,445
Targeted rates	12,806	12,864	9,783	9,676
Subsidies and grants for operating purposes	4,943	3,491	3,425	2,342
Fees and charges	6,857	8,187	6,813	6,271
Internal charges and overheads recovered	8,813	8,255	8,414	8,405
Local authorities fuel tax, fines, infringement fees, & other receipts	882	1,573	2	775
Total operating funding [A]	**50,789**	**50,867**	**44,194**	**42,914**
[B] APPLICATIONS OF OPERATING FUNDING				
Payments to staff and suppliers	32,853	36,075	33,135	24,456
Finance costs	1,684	1,997	1,323	2,279
Internal charges and overheads applied	8,759	7,475	8,849	7,928
Other operating funding applications	18	-	20	-
Total applications of operating funding [B]	**43,314**	**45,547**	**43,327**	**34,663**
Surplus (deficit) of operating funding [A - B]	7,475	5,320	867	8,251
[C] SOURCES OF CAPITAL FUNDING				
Subsidies and grants for capital expenditure	2,915	2,250	7,046	6,012
Development and financial contributions	145	350	291	150
Increase (decrease) in debt	10,025	13,126	3,166	5,600
Gross proceeds from sale of assets	1,236	-	698	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding [C]	**14,321**	**15,726**	**11,201**	**11,762**
[D] APPLICATIONS OF CAPITAL FUNDING				
Capital expenditure				
—to meet additional demand	-	2,350	-	-
—to improve the level of service	9,774	10,039	13,441	2,110
—to replace existing assets	8,730	9,873	6,111	16,239
Increase (decrease) in reserves	3,292	(1,216)	(7,484)	1,500
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding [D]	**21,796**	**21,046**	**12,068**	**19,849**
Surplus (deficit) of capital funding [C - D]	(7,475)	(5,320)	(867)	(8,087)
Funding balance: [A - B] + [C - D]	-	-	-	163

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Financial Reporting and Prudence Disclosures

Annual report disclosure statement for year ending 30 June 2026

The purpose of this statement is to disclose Council's financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

Council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

These measures allow for comparison of financial performance with other councils. However, readers are urged to read the commentary and explanations provided to give context to the information, as it is not always possible to compare Grey District Councils' results with other councils due to their size, location and provision of services.

1. Rate affordability benchmark

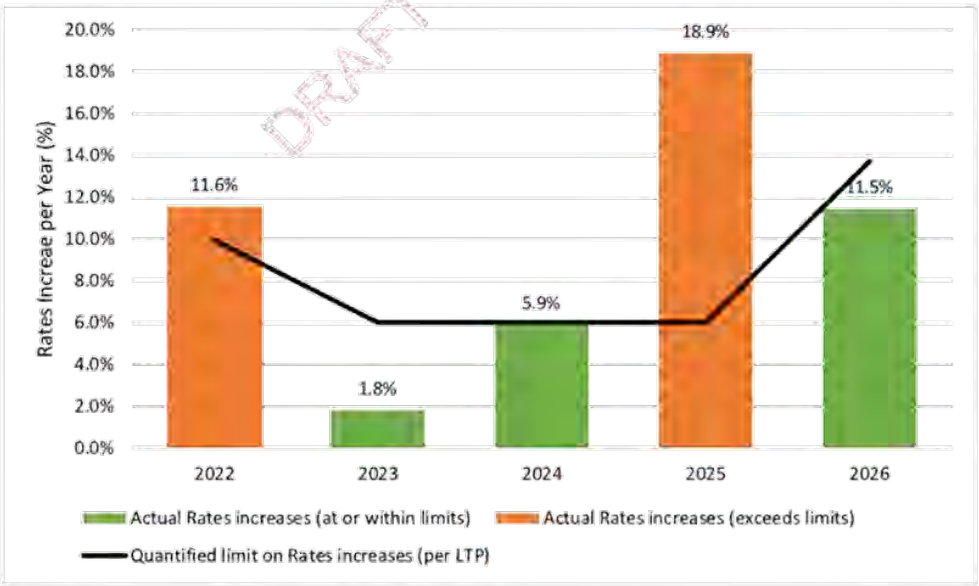
The Council meets the rates affordability benchmark if —

- its actual rates income equals or is less than each quantified limit on rates; and
- its actual rates increases equal or are less than each quantified limit on rates increases.

Rates (increase) affordability

The following graph compares Council's actual rates increases with the quantified limit on rates increases included in the financial strategy outlined in Council's relevant long term plan.

- For 2022, the limit as contained within Council's financial strategy (per the 2021-2031 Long Term Plan) is for the total rate increase in the 2022/2023 year to be no more than 9.99% (9.99% being the benchmark).
- For 2023, 2024 and 2025, the limit as contained within Council's financial strategy (per the 2021-2031 Long Term Plan) is for the total rate increase for years 2022/2023, 2023/2024 and 2024/2025 to be no more than 6.00% (being the benchmark).
- For 2026, the limit as contained within Council's financial strategy (per the 2025-2034 Long Term Plan) is for the total rate increase to be no more than 13.71% (being the benchmark).



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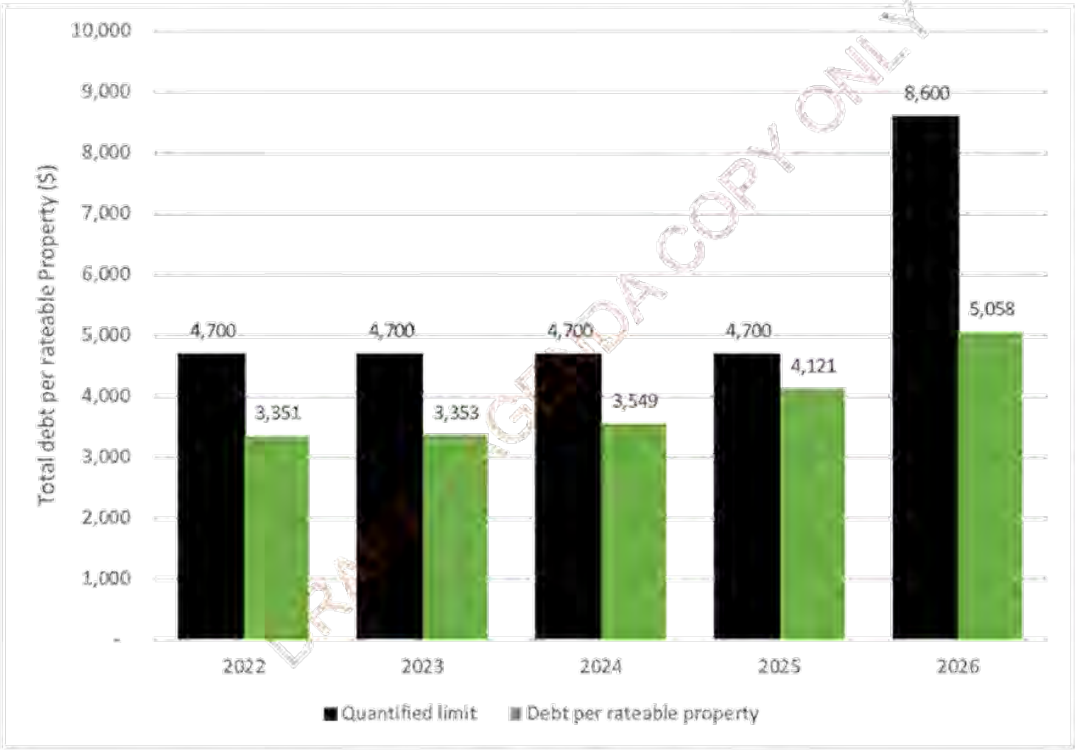
2. Debt affordability benchmark

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing. The Council has three measures for debt affordability and these are set out below.

Total actual debt per rateable property

The following graph displays the total actual debt per rateable property.

- For 2022, the limit as contained in Council's financial strategy (per the 2021-2031 Long Term Plan) is for total debt per rateable property for the 2021/2022 year to be no more than $4,500 (being the benchmark);
- For 2023, 2024 and 2025, the limit as contained in Council's financial strategy (per the 2021-2031 Long Term Plan) is for total debt per rateable property for years 2022/2023, 2023/2024 and 2024/2025 to be no more than $4,700 (being the benchmark);
- For 2026, the limit as contained in Council's financial strategy (per the 2025-2034 Long Term Plan) is for total debt per rateable property for the 2025/2026 year to be no more than $8,600 (being the benchmark).

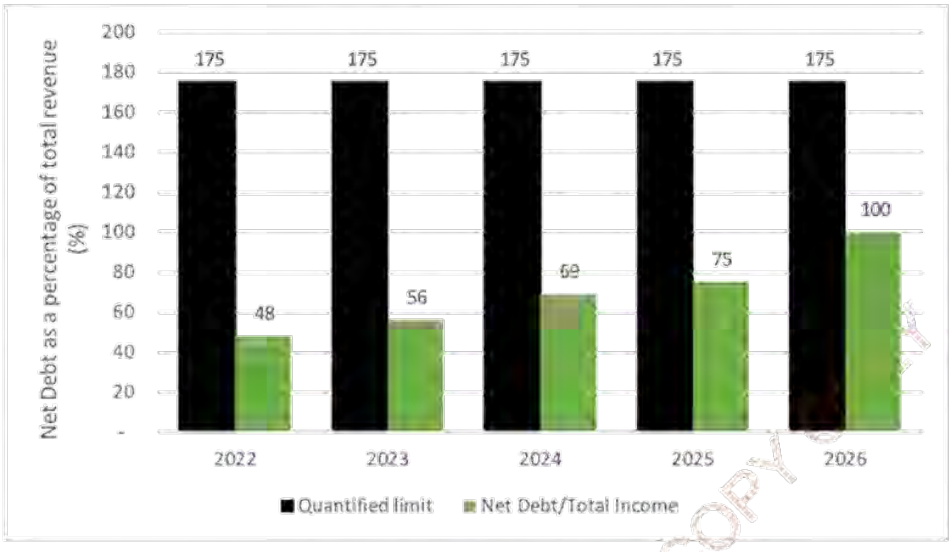


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Total net debt as a percentage of total revenue

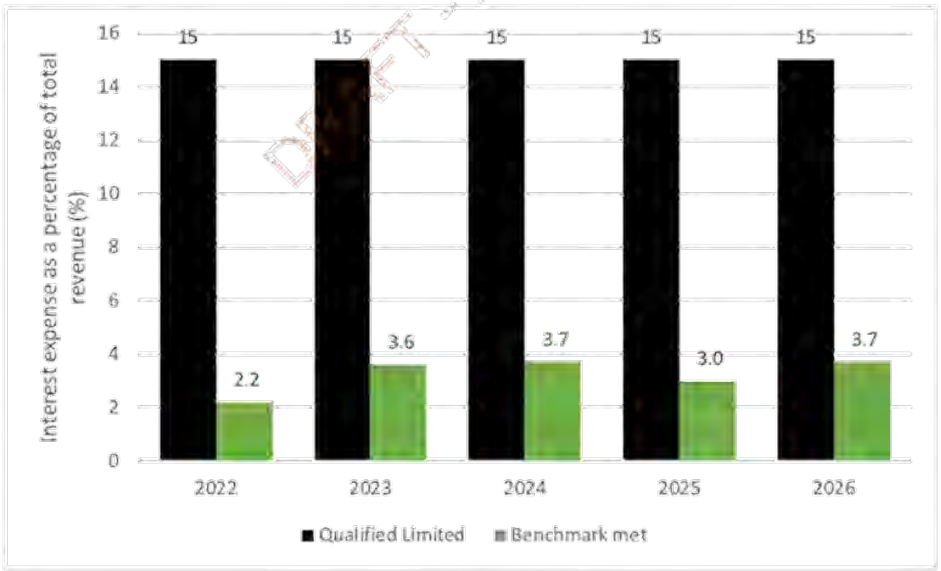
The following graph displays total actual net debt as a percentage of total revenue.

The limit as contained in Council's financial strategy (per both the 2021-2031 Long Term Plan and 2025-2034 Long Term Plan) is for total net debt for years 2021/2022, 2022/2023, 2023/2024, 2024/2025 and 2025/2026 to remain less than 175% (being the benchmark).



Total interest expense as a percentage of total actual revenue

The following graph displays total actual interest expense as a percentage of total revenue. Council's benchmark is for total interest expenses to remain less than 15% of total revenue.

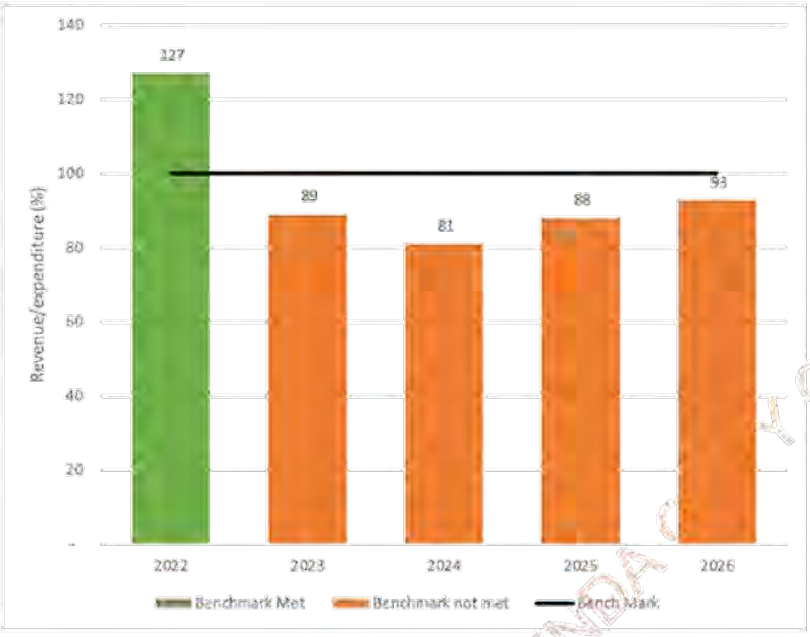


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3. Balanced budget benchmark

The following graph displays Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

Council meets this benchmark if its revenue equals or is greater than its operating expenses.

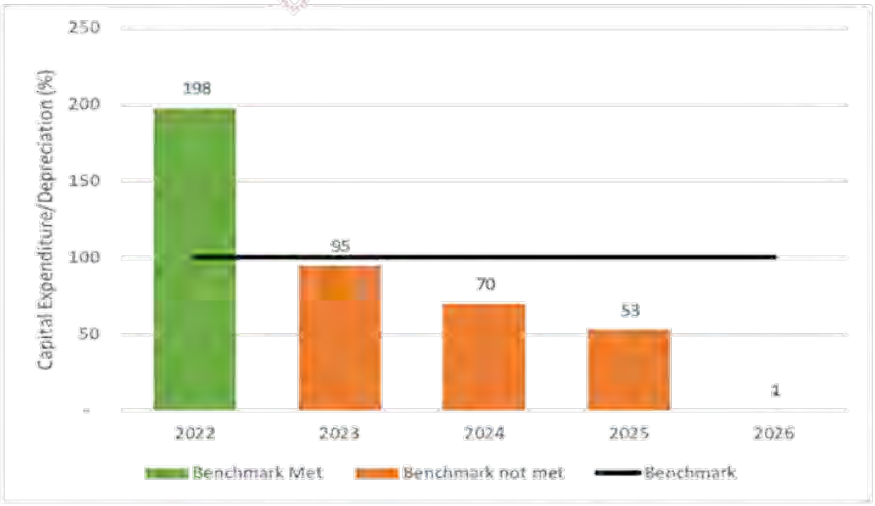


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4. Essential services benchmark

The following graph displays Council's capital expenditure on network services as a proportion of depreciation on network services.

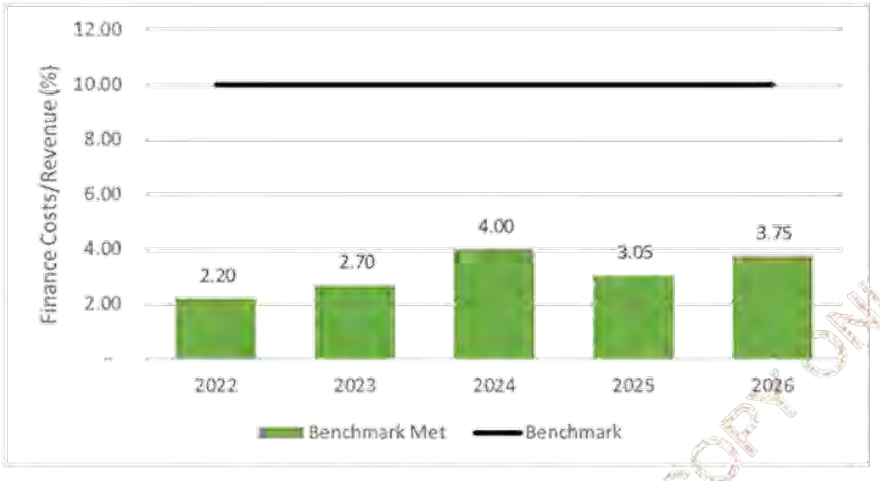
Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



5. Debt servicing benchmark

The following graph displays Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant, or equipment).

Because Statistics New Zealand projects the council's population will grow no faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

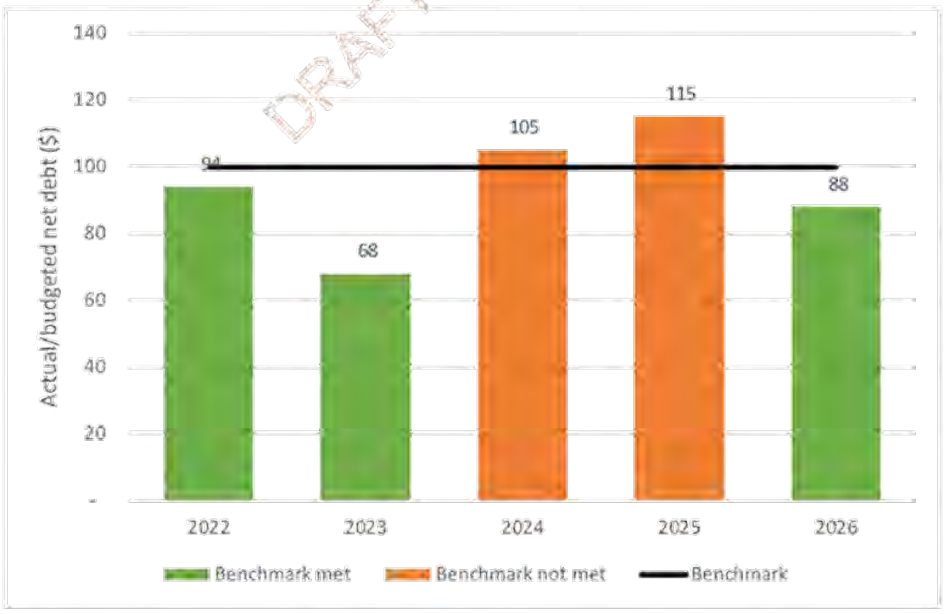


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6. Debt control benchmark

The following graph displays Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

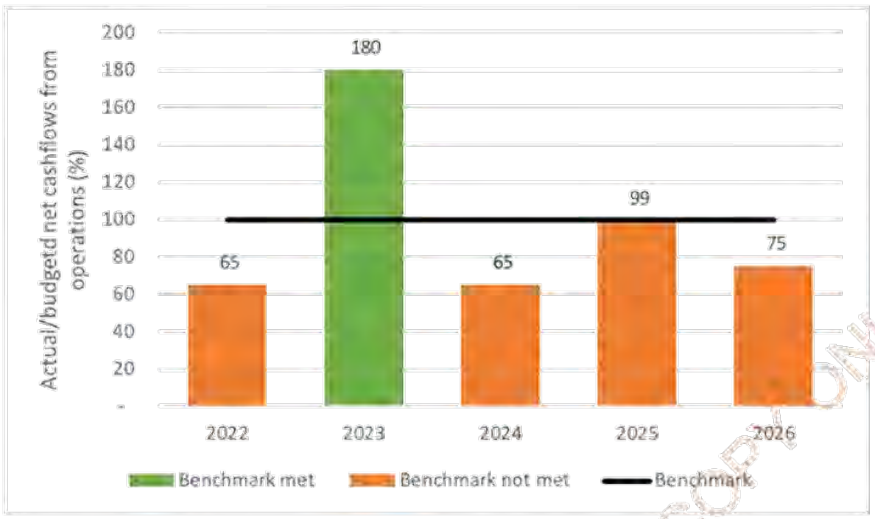
Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



7. Operations control benchmark

This graph displays Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



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PART C: Groups of Activity Statements

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Introduction

Council provides a wide range of services for and on behalf of the residents of the Grey District. For planning and reporting purposes, these services are grouped together as groups of activities. Our plans for each of the groups of activities are set out in our 2025-2034 Long Term Plan (LTP).

The purpose of this section of the Annual Report is to report on the degree to which Council achieved what it set out to do for each of the groups of activities in both financial and non-financial terms and its actual performance for the year.

This section of the Annual Report provides the following information for each group of activities:

- The services included in each group.
- An explanation of why Council provides these services.
- A summary of how the services help achieve Council's community outcomes.
- An overview of performance for the year.
- Performance measures that show the level of service Council has provided compared with the targets set out in the LTP.
- A funding impact statement that shows the cost of providing the of group of activities and how they have been paid for.

Council has made a number of judgements in preparing its service performance information. The judgements exercised do not have a significant effect on the selection, measurement, aggregation and presentation of the Council's service performance information.

Summary of activity performance

Council has a number of performance measures that it reports on each year during the Annual Report. These measures are set every year as part of the Long Term Plan and reviewed during the Annual Plan process.

For 2025/2026, Council's performance was as follows:

Not Measured	Target Achieved	Target Not Achieved
7	43	23
9.6%	58.9%	31.5%

Council achieved **43 of its 73 (58.9%)** activity-based performance targets for the financial year. This is a marked improvement from last year, where Council achieved 47% of targets.

There were some targets which were not able to be measured this year due to either not asking the right questions in our resident satisfaction survey or not having the right systems in place to capture the data – Council has put steps in place to be able to measure and report on them as appropriate in the next Annual Report.

Ordinarily Council would report on 74 targets. There was one measure not reported on as Council did not have any 10-day non-notified resource consents lodged in 2025/2026.

Where targets were not achieved, this provides valuable information to Council on what is important to the community, e.g. footpaths and cemeteries, and where potentially additional effort needs to be placed, for example on contractor management to lift response times to incidents and education to reduce water usage in the District.

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Resident Satisfaction Survey

Results from the 2025 resident satisfaction survey have been used for a number of the activity performance measures.

Council carried out the resident satisfaction survey through its Have Your Say platform. The survey consisted of a self-selecting sample of 373 Grey District residents aged 18+ completing on-line and paper surveys. The survey took place between August and December 2025.

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Land Transport
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Land Transport

Activities included in this group

Land Transport includes the following key functions:

- Council roads including associated facilities such as streetlights, cycle lanes and road signs (excluding State Highways, as Waka Kotahi New Zealand Transport Agency (NZTA) administer them)
- Footpaths
- Bridges and large culverts
- Bus shelters
- Promotion of road safety

The car parking function is dealt with under the 'Commercial & Property' section.

The management and maintenance of the Greymouth to Taramakau Bridge section of the West Coast Wilderness Trail is included in this activity.

Why we are involved in this activity/these activities

Council provides sealed roads (including bridges where necessary), footpaths, bus shelters and streetlights so that motor vehicles, bicycles and pedestrians can travel efficiently and safely.

Modern society cannot function without access. Access is important as it enables the convenient movement of people and goods to places of work, trade, health services, education and recreation.

Promotion of road safety is also important to avoid damage to property, injury and deaths while people are using land transport infrastructure.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable Prosperous	▪ Well maintained roading and bridge network to provide access within the district. ▪ Well maintained footpaths to provide access.
Social Wellbeing	
Safe Connected	▪ The well-maintained roading network, cycle lanes, footpaths, cycleways ensure safe travel for motorists, pedestrians and cyclists. ▪ Streetlights and lighting for community safety. ▪ The provision of bus shelters for safety of school children. ▪ Road safety promotion activities enhance the safety of the community. ▪ Well maintained roading network, footpaths, cycle lanes and cycle paths for connection to activities, businesses, communities and industry.

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What we did in 2025/2026

Land Transport

Performance highlights

Road bridge maintenance Bridge maintenance undertaken to extend asset life, including structural cleaning and protective painting, e.g. William Stewart Bridge, Mansons Creek Bridge and Stillwater Railway Overbridge.	**Annual road resealing programme** Approximately 18km of road resealing around the district, including Atarau Road, Stillwater-Blackball Road, Taylorville Road, Arnold Valley Road and Lake Brunner Road, Blair Road.	**Footpath renewals** Targeted footpath renewal programme in high-use areas to improve pedestrian safety and accessibility, including around schools and residential areas, mainly around central Greymouth, Blaketown and Paroa.
Pavement repairs Pavement repair programme to the urban and rural network in many areas around the Grey District, including Moana, central Greymouth and CBD, Rutherglen Road, Taylorville, Nelson Creek, Arnold Valley Road, Lake Brunner Road and North Beach Road.	**Road safety** Pedestrian crossing upgrades were undertaken at Blaketown School and traffic safety improvements at St Patrick's School, Tasman Street and Cobden Tip Head.	**Drainage improvements** Works were carried out on Stuart & Chapman Drive, Atarau Road, Lake Brunner Road, Arnold Valley Road, Kumara-Inchbonnie Road, Orwell Creek Road and several rural road corridors to improve road longevity and storm resilience.

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Painting works completed on William Stewart bridge

Performance measures – Land Transport

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Customer satisfaction and response time	% of residents are satisfied with Council's roading network	*72%*	66%	**Not measured**	**Not Measured** This question was not included as part of the 2025 Resident Satisfaction Survey.
	% of residents are satisfied with the way local roads are maintained	*54%*	54%	**Not measured**	**Not Measured** This question was not included as part of the 2025 Resident Satisfaction Survey.
	% of residents are satisfied with the way footpaths are maintained	*50%*	42%	**21%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between August – December 2025. The full report is available on Council's website.
	% of customer requests responded to within 10 working days (M)	*87%*	49%	**68%**	**Target Not Achieved** 226 service requests out of 330 were responded to within 10 working days. Some requests required additional time due to adverse weather conditions and the need for better planning. As a result, the work could not be completed within the original timeframe. But the contractors have made significant improvement from last year and improving.

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Footpath Renewal on Shakespeare Street

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
The condition of our roads, bridges and footpaths	% of roads which meet smooth roads standard (M)	*90%*	91%	**92%**	**Target Achieved** Smooth is defined as less than 150 NAASRA. Note: This was calculated on the smooth travel exposure (STE) value assessed by NZTA.
	% of sealed road network resurfaced per year (M) *(5% is three year average)*	*5%*	1.69%	**4.60%**	**Target Not Achieved** Overall contracted and planned forward work programme was completed for the year 2025/2026. This year, some works were completed in the town square which required an asphalt surface. As this is a more expensive product than chip seal, this meant there was a reduction in the planned total sealed road network able to be resurfaced for 2025/2026 so the target was not met.
	% of footpaths at service standard of "fair" or better (as measured against condition ratings set in the Combined West Coast Land Transport AMP) (M)	*80%*	85%	**87%**	**Target Achieved** Footpath condition rating survey data shows that 87% of footpaths in the district are rated fair or better. Condition rating was completed by in-house staff.
	% of bridges posted more than Class 1 – 44 tonnes	*93%*	93.60%	**94%**	**Target Achieved** 193 bridges of 206 bridges are posted more than Class 1 - 44 tonnes.
	% of bridges can cross 50 MAX or HPMV	*61%*	85.43%	**84%**	**Target Achieved** 173 bridges of 206 bridges can cross 50 MAX or HPMV.
The safety of our roads (M)	Change in number of fatalities/serious injury crashes from previous year on local roads - 2025/2026: 8 fatal/serious crashes (increase of 4 from previous year) - 2024/2025: 4 fatal/serious crashes (reduction of 4 from previous year) - 2023/2024: 8 fatal/serious crashes (increase of 6 from previous year)	*Reduction >1*	-4 serious crashes	**+4 serious crashes**	**Target Not Achieved** There were 8 fatal/serious crashes in 2025/2026, compared with 4 the year before. This is an increase of 4. Refer to the provided detailed CAS report downloaded from the NZTA portal.

(M) Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

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Funding Impact Statement - Land Transport

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	2,666	2,731	3,366
	Targeted rates	-	-	-
	Subsidies and grants for operating purposes	4,120	3,296	2,368
	Fees and charges	21	60	42
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	171	221	135
	Total operating funding [A]	**6,978**	**6,308**	**5,911**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	3,694	4,453	3,488
	Finance costs	2	-	5
	Internal charges and overheads applied	1,030	795	909
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**4,726**	**5,248**	**4,402**
	Surplus (deficit) of operating funding [A - B]	2,252	1,060	1,509
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	1,625	2,250	2,410
	Development and financial contributions	3	-	30
	Increase (decrease) in debt	105	606	(52)
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**1,733**	**2,856**	**2,388**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	-	-	30
	—to replace existing assets	3,545	3,966	3,388
	Increase (decrease) in reserves	440	(50)	479
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**3,985**	**3,916**	**3,897**
	Surplus (deficit) of capital funding [C - D]	(2,252)	(1,060)	(1,509)
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget – Land Transport

- *Subsidies and grants for operating purposes* is $824,000 more than budgeted and *Subsidies and grants for capital expenditure* is $625,000 under budget. The split between capital and operational in the budgets is misaligned.

Effects on the wellbeing of the community – Land Transport

Social		Enabled our community to travel to access work, education, health care, shops, recreation, community facilities and emergency services.
Economic		Supported freight movements, local businesses, tourism, primary industries and the construction industry.
Environmental		Provided a resilient and well-maintained transport network to better cope with heavy rainfall, flooding, slips, coastal hazards and climate change risks.
Cultural		Provided access to places of cultural, heritage and community significance, including marae, urupā, rivers, coastal areas, historic places and recreation sites.

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Stormwater
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Stormwater

Activities included in this group

Stormwater includes the following key functions:

- Management of Stormwater systems (mostly in urban residential areas) including public open drains.
- Flood prevention. This includes maintaining urban watercourses.

Note: Council has a minor Flood Protection responsibility in that it puts floodgates in place in specific locations when levels in the Grey River reach a specific height.

It also maintains and operates flood pump stations at Johnston Street and Tarry Creek Greymouth as part of the Greymouth Flood Scheme on behalf of the Greymouth Rating District Joint Committee (a joint Grey District Council and West Coast Regional Council committee).

Why we are involved in this activity/these activities

Council needs to control stormwater to protect our community's health and safety and minimise property damage and access. Adequate collection and disposal arrangements are of critical importance and the flood prevention focus is important.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ The effective management and strategic approach of the stormwater system provides continuity of access to infrastructure and property throughout the district.
Social Wellbeing	
Safe	▪ The effective management of the stormwater system provides community, industry and business with assurances of safety.
Environment Wellbeing	
Practical Resilient Sustainable	▪ The effective management and strategic approach of the stormwater system provides for resiliency and a sustainable environment throughout the district.

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What we did in 2025/2026

Stormwater

Performance highlights

CBD capacity upgrade Project has progressed to advanced investigation and modelling phase – project aims to reduce surface flooding during major rainfall events.	**Runanga renewals** Improvements in Carroll Street to help address historic flooding issues. Also renewal work was undertaken in Duncan Street and Pitt Street.	**Kaiata improvements** Completion of improvements near Golf Links Road to better manage historic overland flow paths.
Richmond Quay development Carried out stormwater infrastructure works associated with new building development, which includes the Greymouth library.	**Flood protection systems** Ongoing operation and preparedness of flood protection systems, including flood barrier deployment exercises.	**Greymouth renewals** Stormwater renewals in Shakespeare Street, Murray Street and lower Tasman Street were either completed in 2025/2026 or significantly completed, with the remainder of work to be undertaken in 2026/2027.

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Surface flooding in the CBD following an intense rain event on 24 July 2026

Performance measures – Stormwater

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Customer satisfaction (M)	Number of complaints received about a Council stormwater scheme (per 1,000 properties connected to a Council scheme)	*Total complaints: 60* *Per 1,000 properties: 8.25* *(7,272 connections)*	Total complaints: 80 Per 1,000 properties: 10.38 (6,271 connections)	**Total complaints: 71** **Per 1,000 properties: 9.76** **(7,272 connections)**	**Target Not Achieved** 71 complaints were received and resolved regarding Council's stormwater services, which is a slight decrease on last year and is higher than our target. Storm events are becoming more frequent with higher rainfall intensities, resulting in more surface ponding and flood events. The community are becoming more free about giving us feedback than in the past. Areas of historic flooding have new residents that are not aware of long term flooding. Ageing infrastructure is also a factor.
The reliability and efficiency of the stormwater system (M)	Maximum number of flooding events * * Note: a flood event is defined as a 50 year flood, which is a flood event that has a 2% probability occurring in any given year. To measure this Council will obtain information on corresponding storm event rainfall intensities.	*2*	Nil	Nil	**Target Achieved** No significant flood events as defined by a 1:50 return period for 2025/2026.
The reliability and efficiency of the stormwater system (M)	For each flooding event, maximum number of habitable floors affected (per 1,000 properties connected to a Council scheme). Note: Council is only measuring reported incidents in urban areas where the stormwater network is. Number of serviced properties includes all urban properties, whether connected to the Council service or not. Some properties discharge stormwater via their own property stormwater system to watercourses.	*Total floors: 2* *Per 1,000 properties: 0.28* *(7,272 connections)*	Nil	Nil	**Target Achieved** There were no habitable floors affected by flooding (for properties connected to a Council scheme).
Response times (M)	Median response time to attend a flooding event	*3 hours*	Nil	Nil	**Target Achieved** There were no significant flood events in 2025/2026.
Stormwater discharges are managed without adversely affecting the receiving environment (M)	Number of abatement notices	*2*	Nil	Nil	**Target Achieved** None received for this financial year.
	Number of infringement notice	*1*	Nil	Nil	**Target Achieved** None received for this financial year.
	Number of enforcement orders	*Nil*	Nil	Nil	**Target Achieved** None received for this financial year.
	Number of successful prosecutions	*Nil*	Nil	Nil	**Target Achieved** None received for this financial year.

(M) Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

Funding Impact Statement – Stormwater

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	1,069	1,095	1,600
	Targeted rates	-	-	-
	Subsidies and grants for operating purposes	-	-	-
	Fees and charges	-	-	-
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	4	-	6
	Total operating funding [A]	**1,073**	**1,095**	**1,606**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	580	992	623
	Finance costs	33	108	33
	Internal charges and overheads applied	288	287	227
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**901**	**1,387**	**883**
	Surplus (deficit) of operating funding [A - B]	172	(292)	723
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	-	-	-
	Increase (decrease) in debt	(88)	1,652	(483)
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**(88)**	**1,652**	**(483)**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	61	825	4
	—to replace existing assets	1,002	1,135	170
	Increase (decrease) in reserves	(979)	(600)	66
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**84**	**1,360**	**240**
	Surplus (deficit) of capital funding [C - D]	(172)	292	(723)
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget - Stormwater

- *Capital expenditure to improve the level of service* and *to replace existing assets* were under budget $764,000 due to insufficient staff numbers to complete the planned workload. This issue has been addressed in the 2025-2026 year with successful recruitment of additional Operations Staff.
- The corresponding variance in *Debt* drawn down of reflects the lack of progress with capital projects.

Effects on the wellbeing of the community - Stormwater

Social		Helped to protect homes, businesses, roads, footpaths and community facilities from surface flooding.
Economic		Protected private and public assets, including roads, buildings, drainage infrastructure and commercial areas.
Environmental		Supported Grey District's climate change adaptation efforts by improving the district's ability to manage more frequent or intense rainfall events.
Cultural		Supported the health of waterways and coastal environments that are important to mana whenua and the wider community, including through the ongoing Greater Greymouth wastewater upgrade.

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Wastewater

Wastewater

Activities included in this group

The Wastewater activity includes collection, treatment and disposal of sewerage in the six (6) Council schemes of:

- Wider Greymouth area (Greymouth, Cobden, Blaketown, Boddytown, Dobson, Taylorville and Kaiata)
- Karoro, South Beach, Paroa
- Runanga/Dunollie
- Moana
- Blackball
- Iveagh Bay (Te Kinga)

This activity does not cover on-site individual property waste disposal systems or public schemes that are owned and operated by other individuals or businesses.

Why we are involved in this activity/these activities

By collecting, treating, and disposing of wastewater, Council provides a service to residents and businesses that supports development in the district and protects the physical environment and our community's health.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ Effective management, treatment and maintenance of waste and wastewater systems is integral to providing for a strong and sustainable economy.
Social Wellbeing	
Safe	▪ The effective management, treatment and maintenance of waste and wastewater systems is fundamental to the health and safety of people within the community.
Environment Wellbeing	
Practical Resilient Strategic	▪ The effective and strategic management, treatment and maintenance of waste and wastewater systems ensures resiliency of the environment, now and into the future.

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What we did in 2025/2026

Wastewater

Performance highlights

Cobden wastewater pumping station upgrade

Commissioning of the new Cobden wastewater pumping station to transfer separated wastewater to the Greater Greymouth wastewater treatment plant.

Sewer/stormwater separation

Project manager appointed to work with the community to get remaining properties in the District connected to dedicated wastewater treatment systems.

Greater Greymouth treatment plant UV upgrade

Design, procurement and tendering has been completed. The project will be undertaken during 2026/2027.

Smith Street sewer separation project completed

Smith Street sewer separation project was completed, which improves network performance and reduces inflow challenge.

Runanga renewals

Completed major wastewater infrastructure renewals in Runanga, including Carroll Street.

Normal operations maintained

Council's wastewater systems are generally in good condition and continued to perform well during the 2025/2026 year. Much of the network is relatively modern as a result of the investments in the Greymouth treatment plant plus the construction and upgrade of other schemes over the past ten years. Our focus remains on keeping the systems running well and increasing the number of household connections.

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Works undertaken at the Cobden Wastewater Pump Station site

Performance measures – Wastewater

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Customer satisfaction (M)	Number of complaints received, e.g. about odour, faults, blockages, response times (per 1,000 sewerage connections)	*Total complaints: 98* *Per 1,000 properties: 18.65* *(5,255 connections)*	Total complaints: 71 Per 1,000 properties: 13.03 (5,479 connections)	**Total complaints: 60** **Per 1,000 properties: 11.31** **(5,304 connections)**	**Target Achieved** 60 complaints were received and resolved in 2025/2026. This is an decrease on complaints received last year.
The reliability and efficiency of the wastewater system (M)	Number of dry weather sewerage overflows (per 1,000 sewerage connections)	*Total overflows: 9* *Per 1,000 properties: 1.71* *(5,255 connections)*	Total overflows: 9 Per 1,000 properties: 1.6 (5,479 connections)	**Total overflows: 13** **Per 1,000 properties: 2.45** **(5,304 connections)**	**Target Not Achieved** 13 dry weather sewerage overflows were reported in 2025/2026.
	Median response times to reported faults: - to get to site (timed from notification) - to resolve the problem (timed from notification) (Where contaminated sites are discovered or identified through site investigations, response times will be longer if consents are required to remove and dispose of material)	*1 hour* *5 hours*	49 minutes 2 hours 14 minutes	**1 hour** **2 hours 43 minutes**	**Target Achieved** Contractor has met the required response timeframes under the maintenance contract.
Treated wastewater discharges are managed without adversely affecting the receiving environment (M)	Number of abatement notices	*2*	Nil	**1**	**Target Achieved** Council received one abatement notice in 2025/2026.
	Number of infringement notices	*1*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of enforcement orders	*Nil*	Nil	**Nil**	**Target Achieved** None received for this financial year.
	Number of successful prosecutions	*Nil*	Nil	**Nil**	**Target Achieved** None received for this financial year.

(M) Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

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Funding Impact Statement – Wastewater

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	-	-	-
	Targeted rates	4,153	4,281	3,315
	Subsidies and grants for operating purposes	-	-	-
	Fees and charges	119	1,826	138
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	10
	Total operating funding [A]	**4,272**	**6,107**	**3,463**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	1,911	3,726	1,821
	Finance costs	454	610	562
	Internal charges and overheads applied	390	365	329
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**2,755**	**4,701**	**2,712**
	Surplus (deficit) of operating funding [A - B]	1,517	1,406	751
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	(31)	350	94
	Increase (decrease) in debt	1,209	2,759	322
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**1,178**	**3,109**	**416**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	2,300	-
	—to improve the level of service	1,719	433	740
	—to replace existing assets	981	1,482	299
	Increase (decrease) in reserves	(5)	300	128
	Increase (decrease) of investments	-		-
	Total applications of capital funding [D]	**2,695**	**4,515**	**1,167**
	Surplus (deficit) of capital funding [C - D]	(1,517)	(1,406)	(751)
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget - Wastewater

- The $1,707,000 under budget variance in *Fees and charges* and corresponding $1,815,000 variance in *Payments to staff and suppliers* relates to budget being allocated to begin enforcing separation of sewer connections to the Greymouth services, including recovery of cost. Due to recruitment issue for staff and a review of the planned enforcement options, this project was not started in the 2025/2026 year.

Effects on the wellbeing of the community - Wastewater

Social		Provided safe and reliable wastewater collection, treatment and disposal for connected households and businesses.
Economic		Supported homes, businesses, schools, community facilities, industries and visitor accommodation by providing essential wastewater services.
Environmental		Supported better water quality and healthy ecosystem by operating well-management treatment systems and meeting consent conditions.
Cultural		Respected local places, environmental values and intergenerational responsibility with well-managed wastewater services.

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Water Supply
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Water Supply

Activities included in this group

Water supply includes sourcing, treatment and distribution from the following two (2) Council water supply schemes:

- Greater Greymouth (Greymouth, Cobden, Blaketown, Boddytown, Karoro, South Beach, Paroa, Taylorville, Dobson and Stillwater, Kaiata, Runanga/Dunollie/Rapahoe)
- Blackball

Why we are involved in this activity/these activities

Water is a basic need and an essential service. We provide quality, affordable water and, in the process, contribute to:

- Our community's health
- Community safety (through water supply for firefighting)
- Industrial and residential development

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ The effective management, treatment and maintenance of water and water supply systems is integral to providing for a strong and sustainable economy.
Social Wellbeing	
Safe	▪ The effective management, treatment and maintenance of water supply systems is fundamental to the health and safety of people within the community.
Environment Wellbeing	
Practical Resilient Strategic	▪ The effective and strategic management, treatment and maintenance of water and water supply systems ensures resiliency of the environment now and into the future.

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What we did in 2025/2026

Water Supply

Performance highlights

Rapahoe watermain renewal

Stage one and two of the Rapahoe watermain replacement project was completed.

Leak detection

Installation of a trial area of smart meters to monitor and collect data on usage and possible leaks. This is part of Council's overall leak reduction strategy.

Richmond Quay renewal

Renewal of the Richmond Quay water supply pipeline (pre-1960's cast iron watermain). This line will service the new Greymouth Library and forms part of the overall renewals programme to improve resilience for central Greymouth.

Greater Greymouth water treatment plant upgrade

Project for a major filtration treatment upgrade progressed well, with investigation and options assessment being completed in 2025/2026. Tender and construction is expected to occur in 2026/2027.

Backflow investigation

Survey commenced on all industrial and commercial properties to better understand risks to the water supply from contamination.

Kaiata Park water supply transfer

Staff and contractors worked to enable the connection of the Greater Greymouth water supply to the existing Kaiata Park storage reservoir. This transfer is set to occur from 1 September 2026.

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Rapahoe trunkmain renewal – stage one

Performance measures - Water Supply

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Customer satisfaction (M)	Maximum number of complaints received about water clarity, taste, odour, pressure/ flow, continuity of supply or Council's response to reported issues (per 1,000 water supply connections)	*Total complaints: 147* *Per 1,000 properties: 27.9* *(5,268 connections)*	Total complaints: 31 Per 1,000 properties: 5.9 (5,233 connections)	**Total complaints: 38** **Per 1,000 properties: 7.26** **(5,235 connections)**	**Target Achieved** 38 complaints were received and resolved in 2025/2026, which is under our target of 147 complaints.
Safety of drinking water (M)	The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules: 4.4 T1 Treatment Rules 4.5 D1.1 Distribution System Rule 4.7.1 T2 Treatment Monitoring Rules 4.7.2 T2 Filtration Rules 4.7.3 T2 UV Rules 4.7.4 T2 Chlorine Rules 4.8 D2.1 Distribution System Rule 4.10.1 T3 Bacterial Rules 4.10.2 T3 Protozoal Rules 4.11.5 D3.29 Microbiological Monitoring Rule	*Greater Greymouth scheme: Not achieved* *Blackball scheme: Not achieved*	NEW Similar measures from 2024/2025 are: * Bacteria compliance criteria: Greater Greymouth – Not achieved Blackball - Achieved Protozoal compliance criteria: Greater Greymouth – Not achieved Blackball - Not achieved	**Greater Greymouth scheme: Not achieved** **Blackball scheme: Not achieved**	**Target Achieved** Whilst Council is not yet compliant with drinking water quality assurance rules for the Greater Greymouth and Blackba Water Supply Schemes, it has technically met this target in which it did not expect to achieve compliance ir 2025/2026. As per the 2025-2034 LTP, compliance with the rules is a long ter goal with achievement for Greymouth planned for years 2/3 and Blackball in the later years of the LTP. It is also noted that the reporting criteria for Greater Greymouth has changed to give a more accurate treatment elements than the plant was designed for. Council now only reports on Bacterial Rules 4.10.1.1 (T3.1, T3.2 T3.4, T3.5, T3.6) (Bacterial Disinfection with Chlorine) and no longer includes Bacteria Rules 4.10.1.4 (T3.15, T3.16, T3.17, T3.18, T3.19).

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What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Maintenance of reticulation system (M)	Maximum % of real water loss from reticulation system: Council will use water meter information, bulk production meters and any other information available to complete a desktop analysis of real water loss over the reporting year.				
	- Greater Greymouth water scheme	*65%*	65%	70%	**Target Not Achieved**
	- Blackball water scheme	*42%*	42%	59%	A desktop analysis was completed through the Greater Greymouth & Blackball water supply schemes which has shown high water reticulation inefficiency. Council is moving forward with improved leak monitoring and detection.
Demand management (M)	Average consumption of drinking water per day per resident within the Grey District.	*< 640 litres per person per day*	995 Litres per person per day	**1,003 litres per person per day**	**Target Not Achieved** Council is actively undertaking leak detection throughout all water schemes. It is hoped that leak resolution and pipework renewals will result in a decrease in average consumption rates moving forward. Council's program of installing flow meters will also assist in identifying lea locations and leak reduction. During thi year there was a significant long extended dry period leading to increased demand in consumption.
Fault response times (M)	Median response times to faults or unplanned interruptions: (Where contaminated sites are discovered or identified through site investigations response times will be longer if consents are required to remove and dispose of material)				
	Attendance time for urgent call-outs (from the time Council receives notification to the time that service personnel reach the site)	*1 hour*	3 hours 45 minutes	**18 hours 4 minutes**	**Target Not Achieved** Contractor has not met the required response timeframes under the maintenance contract.
	Resolution time for urgent call-outs (from the time Council receives notification to the time that service personnel confirm resolution)	*5 hours*	23 hours 48 minutes	**21 hours 27 minutes**	**Target Not Achieved** Contractor has not met the required response timeframes under the maintenance contract.
	Attendance time for non-urgent call-out (from the time Council receives notification to the time that service personnel reach the site	*1.5 working days*	21.1 hours	**27 hours 34 minutes**	**Target Achieved** Contractor has met the required response timeframes under the maintenance contract.
	Resolution time for non-urgent call-outs (from the time Council receives notification to the time that service personnel confirm resolution)	*5 working days*	20 hours 27 minutes	**77 hours**	**Target Achieved** Contractor has met the required response timeframes under the maintenance contract.

(M) Mandatory performance measures as per Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

* Bacteria (e.g. E.coli) and protozoa (e.g. Giardia and Cryptosporidium) are small living organisms (bugs and such like) that are harmful to humans. Bacteria can be removed by chlorine disinfection whereas protozoa cannot and require higher levels of treatment.
** Based on estimated leakage from desktop analysis.

Funding Impact Statement - Water Supply

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	-	-	-
	Targeted rates	4,420	4,650	3,857
	Subsidies and grants for operating purposes	-	-	-
	Fees and charges	-	-	-
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	32	-	(25)
	Total operating funding [A]	**4,452**	**4,650**	**3,832**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	2,301	2,210	2,104
	Finance costs	265	447	359
	Internal charges and overheads applied	703	443	564
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**3,269**	**3,100**	**3,027**
	Surplus (deficit) of operating funding [A - B]	1,183	1,550	805
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	(10)	-	42
	Increase (decrease) in debt	(4)	3,507	(1,680)
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**(14)**	**3,507**	**(1,638)**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	298	3,225	114
	—to replace existing assets	1,638	1,832	817
	Increase (decrease) in reserves	(767)	-	(1,764)
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**1,169**	**5,057**	**(833)**
	Surplus (deficit) of capital funding [C - D]	(1,183)	(1,550)	(805)
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget – Water Supply

- *Capital expenditure to improve the level of service* is $2,927,000 below budget. This is due to the Greymouth filtration upgrade being started but not completed during the 2025/2026 year; it was approved for carry forward into the 2026/2027 year by Council in its August 2026 meeting. *Debt* was correspondingly lower than anticipated as this project was debt funded.

Effects on the wellbeing of the community – Water Supply

Social		Provided safe, reliable drinking water for households, schools, businesses, community facilities and visitors.
Economic		Supported business continuity, tourism, accommodation, food premises, schools, industry and public facilities through the provision of safe drinking water.
Environmental		Reduced pressure on water sources and treatment systems through efficient use of water, leak reduction and demand management.
Cultural		Managed water respectfully, contributing to intergenerational wellbeing and caring for natural resources.

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Refuse & Recycling
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Refuse & Recycling

Activities included in this group

Refuse and recycling involves:

- Refuse collection
- Recovery of recyclable materials
- Management of Landfill and Clean fill- Resource Recovery Centres
- Management of minor quantities of hazardous waste
- Litter Bin management
- Waste minimisation
- Environmental monitoring, also of closed refuse facilities

Litter control is a Regulatory function and is covered under the Regulatory and Building Control Services activity.

Why we are involved in this activity/these activities

Refuse and recycling management is necessary for the health and quality of life of the community, the local economy and the environment.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ Efficient and responsible management of refuse and recycling is integral to providing for a strong and sustainable economy.
Social Wellbeing	
Safe	▪ Efficient and responsible management of refuse and recycling is fundamental to the health and safety of people within the community.
Environment Wellbeing	
Practical Resilient Strategic	▪ Effective, strategic and responsible management of refuse and recycling provides for resiliency of the environment.

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What we did in 2025/2026

Refuse & Recycling

Performance highlights

Tyrewise recycling programme

McLeans Landfill commenced participation in the Tyrewise Scheme and now accepts end-of-life tyres free of charge (subject to acceptance criteria).

Enviroschools

Delivery of Enviroschools programme for environmental education and waste minimisation initiatives is continuing to grow, with seven Enviroschools now operating in the Grey District.

Litter bin replacement

Programme of litter bin renewal across the district continued, with replacement bins going into Moana and a new bin to the Paroa Park Development, Keith Road.

Refuse and recycling centre upgrades

McLeans Pit Landfill – general upgrades as well as leachate treatment plant aerator commissioned to provide a better level of treatment and improved environmental outcomes.

Moana, Blackball and Nelson Creek Resource Centres – site works to tidy and improve amenities.

Increased focus on waste minimisation

Kerbside audits introduced - Kerbside audits of recycling bins were introduced to gain a better understanding of recycling behaviours and are now being conducted regularly.

Recycling education campaign - An extensive community education programme aimed at influencing responsible waste and recycling behaviour started in 2025/2026 and will continue in 2026/2027.

Landfill Assistance Fund realigned to WMMP

Fund criteria was changed to be clearly targeted towards volunteer-led organisations delivering waste minimisation initiatives within the Grey District.

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Performance measures – Refuse & Recycling

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Facilities and services are managed without adversely affecting the receiving environment	Maximum number of resource consent infringements	*Nil*	Nil	**Nil**	**Target Achieved** None received for 2025/2026.
	Median monthly recycling residual waste %	*40%*	NEW	**28%**	**Target Achieved** The proportion of non-recyclable material within the recycling stream remained below the maximum allowable threshold.
	% of waste is recycled	*20%*	16%	**11%**	**Target Not Achieved** During the reporting period, Council began processing recycling from the Westland District alongside Grey District material. As the material is combined before being sent to market, it is not currently possible to accurately attribute recycling figures to each district. The reported percentage reflects the combined recycling performance of both districts and may not accurately represent Grey District's individual performance. Council is working to establish new processes to enable accurate reporting on each districts individual performance.

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New bin, Moana foreshore picnic area

Funding Impact Statement – Refuse & Recycling

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	572	586	304
	Targeted rates	3,548	3,597	2,242
	Subsidies and grants for operating purposes	296	-	271
	Fees and charges	1,714	1,617	1,712
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	-	-	(6)
	Total operating funding [A]	**6,130**	**5,800**	**4,523**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	4,706	5,039	4,480
	Finance costs	32	153	82
	Internal charges and overheads applied	325	172	291
	Other operating funding applications	18	-	20
	Total applications of operating funding [B]	**5,081**	**5,364**	**4,873**
	Surplus (deficit) of operating funding [A - B]	1,049	436	(350)
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	-	-	-
	Increase (decrease) in debt	(255)	137	973
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**(255)**	**137**	**973**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	50	-
	—to improve the level of service	339	275	2,238
	—to replace existing assets	431	248	(113)
	Increase (decrease) in reserves	24	-	(1,502)
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**794**	**573**	**623**
	Surplus (deficit) of capital funding [C - D]	(1,049)	(436)	350
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget – Refuse & Recycling

- *Payments to staff and suppliers* are $333,000 lower than budgeted due to lower than anticipated contractor cost.
- *Capital expenditure to replace existing assets* was $183,000 higher than budgeted due to a larger than budgeted movement in the landfill aftercare provision.

Effects on the wellbeing of the community – Refuse & Recycling

Social		Provided regular and accessible refuse and recycling services for households and businesses.
Economic		Focused on recycling and waste minimisation to reduce disposal volume, which will help to extend the life of the landfill and reduce future costs.
Environmental		Provided education and waste minimisation initiatives, including the Community Waste Disposal Fund, to help reduce the amount of waste generated and support more sustainable use of resources.
Cultural		Aligned with the principles of kaitiakitanga by encouraging responsible use of resources and reducing harm to the environment through waste minimisation.

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Regulatory & Building Control Services



Regulatory & Building Control Services

Activities included in this group

Regulatory and building control services include:

District Planning

- District Plan (including Te Tai O Poutini Combined District Plan - TTPP)
- Policy
- Resource Management (land use)
- Monitoring

Building Control

As a **Building Consent Authority (BCA)** Council carries out the following tasks:

- Processes building consent applications
- Grants and issues building consents
- Undertakes building inspections
- Issues Notices to Fix
- Issues Code Compliance Certificates
- Investigation of complaints relating to building work and illegal buildings
- Issues compliance schedules
- Any other functions and duties specified in the Building Act 2004

As a **Territorial Authority (TA)** Council carries out the following tasks:

- Performs functions relating to our Dangerous, Earthquake-Prone and Insanitary Buildings Policy
- Administration and audit of building warrants of fitness (BWOF)
- Investigation of building work related complaints where consents have not been applied for or issued
- Issues project information memorandum (PIM)
- Issues building consent discretionary exemptions under Schedule 1(2)
- Processes and Issues Certificates of Acceptance (CoA)
- Issues and amends compliance schedules
- Decides the extent to which buildings must comply with the building code when they're altered, are subject to a change of use or their specified intended life changes
- Carries out any other functions and duties specified in the Building Act

Other Regulation

- Council bylaws
- District Plan (including noise), Building Act and freedom camping compliance

Health Regulation

- Inspection and licensing of food premises under the Food Hygiene Regulations 1974 and the Food Act 2004
- Annual registration of offensive trades, camping grounds, funeral directors, mortuaries and mobile shops,

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together with other duties under the Health Act 1956

- Responding, investigating and reporting on noise complaints and other duties under the Resource Management Act 1991 and the District Plan
- Ensuring appropriate steps are in place to limit the impact of commercial or industrial noise and ensure compliance within the noise provisions of the District Plan
- Inspection of liquor premises (participation in stakeholder compliance visits), licensing of liquor premises, reporting to the Alcohol Regulatory and Licensing Authority (ARLA) and the Grey District Licensing Committee (DLA) and administering new applications or renewals of managers certificates

Emergency Management

Civil Defence and Emergency Management, including:

- Developing, implementing and monitoring District-wide emergency management plans
- Promoting community preparedness for emergencies
- Working with other authorities, both locally and in the Region, to plan for and respond to hazards, risks and emergencies
- Mobilising and responding in the event of an emergency

Animal Management

- Investigation of complaints about dogs including barking, wandering, menacing and dangerous dogs
- Enforcing legislation and Council's bylaws which govern where dogs are permitted, control of dogs on a leash and fencing of dogs within a property boundary
- Impounding wandering dogs and taking steps to identify the owner of the dog
- Maintaining a register of dogs generally and for those classified as menacing or dangerous
- Responding to wandering stock complaints

Local Government legislation requires that Council, where possible, maintain a clear division between its operational and regulatory functions. Local authorities, as facilitators of development and growth, also have to comply with statutory requirements and administer legislative powers in a fair and objective manner and avoid conflicts of interest. It is for this reason that these activities are in the same grouping.

Why we are involved in this activity/these activities

Council undertakes these activities to contribute to providing a safe, healthy and sustainable environment.

- The district planning service ensures the District is able to promote development to support a prosperous community without compromising rights of residents and the District's physical and natural assets/resources. It achieves this aim by appropriate application of the Resource Management Act, through the review and implementation of the District Plan and its resource consent and monitoring functions.
- Council's building control services ensures that the District's buildings and other associated structures (such as swimming pools) are safe, habitable and meet National legislative requirements. Of particular importance is Council's role in advising on and, where necessary, enforcing the statutory provisions relating to earthquake prone buildings.
- Other regulation activities focus on working with the community to ensure the District remains a peaceful and attractive place to live and work. By the careful application of Bylaws and other legal mechanisms, Council aims to reduce littering, effectively manage freedom camping and respond to noise nuisances, as well as encourage residents to maintain tidy sections.
- Health regulation services aim to protect our community from infectious and notifiable diseases by promoting food safety practices in food establishments. This activity also aims to ensure that gaming machines, camping grounds and those selling liquor conform to appropriate standards.
- Emergency management is in place make sure that our District is prepared for emergencies. The District is not

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only in a high rainfall area and, therefore subject to flooding, but inundation, cyclones and tornados have in the past caused problems. Most importantly, the District is a high risk earthquake area. Council subscribes to the principles of "reduce, readiness, response, and recovery" and "get ready – get thru".

- The dog and stock control service aims to provide a safer District by reducing dog-related offences through ensuring the registration of dogs, the education of their owners and the investigation of complaints. In addition, this service seeks to support safer road and rail corridors by responding to complaints about wandering stock and working with landowners to maintain stock proof fencing. Council undertakes this activity in accordance with its obligations under the Dog Control Act 1996 and Impounding Act 1955.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable	▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provides a platform for a strong and sustainable economy. ▪ The provision of effective emergency preparedness and activated emergency activities ensures the ongoing operation of the economy in times and following emergency situations.
Social Wellbeing	
Safe Enabled	▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide assurances of safety for all sectors of the community, business, and industry. ▪ The provision of emergency preparedness and activated emergency activities provides for safety of the community, as well as enabling communities to be prepared for these events.
Cultural Wellbeing	
Inter-connected	▪ Respect and recognition for the place of Māori.
Environment Wellbeing	
Practical Resilient Strategic	▪ The ongoing provision of District Planning/Resource Management, Regulatory, Compliance, Health and Food Safety and Animal Control provide for resiliency and a future focus for our environment.

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What we did in 2025/2026

Regulatory & Building Control Services

Performance highlights

Implementation of TTPP Ongoing implementation of Te Tai o Poutini Combined District Plan (decisions version) and transitioning to the new planning framework.	**Emergency response and preparedness** Training of staff, completion of emergency management exercises, flood preparedness activities and responding to weather events.	**BCA accreditation status maintained** Grey District Council maintained its status as a Building Consent Authority, ensuring construction in the district meets New Zealand Building Code.
329 building consent applications received A total of 329 building consent applications were received between July 2025 and June 2026.	**Timely inspections - 97%** 97% of inspections were undertaken within three (3) days of being requested during 2025/2026.	**Customer satisfaction – 79%** Customers who have used Council's building control information or service gave it a 79% satisfaction rating.



Cobden freedom camping area

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Performance measures – Regulatory & Building Control Services

Animal Management

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Service response time	% of dog attacks responded to within four hours of receiving the complaint	*95%*	NEW Similar measure from 2024/2025: % of after-hours animal control complaints responded to within two hours: 100%	**Not Measured**	**Not Measured** 15 complaints of dog attacks were received during 2025/2026. Whilst all complaints were responded to in a timely manner, actual response times are unable to be verified for the purposes of this measurement.
Effective regulatory controls	Percentage of known dogs registered	*95%*	NEW	**92%**	**Target Not Achieved** 2,127 of 2,322 dogs were registered as at 30 June 2026. Note: This was last measured in 2020/2021 and the result was 84.5% of known dogs were registered, so the 2025/2026 result has shown positive improvement.
Service response time	Response to all stock complaints within 24 hours	*95%*	NEW	**Not Measured**	**Not Measured** 28 stock complaints were received during 2025/2026. Whilst all complaints were responded to in a timely manner, actual response times are unable to be verified for the purposes of this measurement.

Resource Consents

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Processing timeframes	% of non-notified 20-day resource consents processed within 19 working days	*75%*	NEW Similar measure from 2024/2025: % of non-notified land use consents processed within 20 working days - 50%	**40%**	**Target Not Achieved** 69 of 174 non-notified consents were processed wtihin 19 working days. Note: Statutory timeframe is 20 working days.
	% of non-notified 10-day resource consents processed within nine (9) working days	*75%*	NEW	**N/A**	**N/A** There were no 10 day non-notified resource consents applied for during 2025/2026.

Land Information Memoranda (LIM)

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Processing timeframes	% of Land Information Memoranda (LIMs) issued within 10 working days of application	*100%*	97.44%	**78%**	**Target Not Achieved** 245 of 315 LIMs were issued within 10 working days of application.

Noise Control

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Service response times	% of after-hours noise complaints responded to within two hours	*95%*	97%	**99%**	**Target Achieved** 99 out of 100 after-hours noise complaints were responded to within two hours.

Compliance – District Plan (operative and proposed) and Council Bylaws

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Service response times	% of complaints related to Council bylaws and the District Plan rules are responded to within five (5) working days	*95%*	100%	**Not Measured**	**Not Measured** 2 complaints were received during 2025/2026. Whilst all complaints were responded to in a timely manner, actual response times are unable to be verified for the purposes of this measurement.

Food Health

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Effective regulatory controls	% of food premises inspected verified when required under the Food Act	*90%*	NEW	**94%**	**Target Achieved** 63 food premise inspections were completed out of 67 verifications.

Liquor Licensing

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Effective regulatory controls	% of alcohol premises inspected annually	*100%*	NEW	**100%**	**Target Achieved** All sites were visited and inspected during 2025/2026.

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Building Control

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Customer satisfaction	Customer satisfaction with building control information	*65%*	NEW	**79%**	**Target Achieved** Customers were surveyed in April 2026 with a series of four questions on satisfaction with Council's building control information, to which they could agree or disagree and make further comments if they wished. The results have been averaged to give the overall satisfaction rating.
Processing timeframes	% of building consent applications issued within 19 working days	*95%*	NEW Similar measure from 2024/205: % of building consent applications issued within statutory time limits – 97%	**94%**	**Target Not Achieved** 326 building consents were issued between 1 July 2025 and 30 June 2026 (inclusive). 305 were issued within 19 days. Note: The statutory time limit is 20 working days.
Compliance as a Building Consent Authority	Maintain Building Consent Authority accreditation	*Achieved*	*Achieved*	**Achieved**	**Target Achieved** BCA Accreditation has been maintained.
Building occupant safety	Building Warrant of Fitness (BWoF) audits are undertaken in line with MBIE guidance recommendations (20% of buildings with BWoF annually)	*20%*	NEW	**20%**	**Target Achieved** 62 BWoF audits undertaken between 1 July 2025 and 30 June 2026 (inclusive) from a total of 303 Compliance Schedules.

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Civil Defence Emergency Management

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Response capability	% of suitable Council staff* who have received Coordinated Incident Management System (CIMS) training	*60%*	NEW	**76%**	**Target Achieved** 76% of Grey District Council staff have received CIMS training and all new staff are encouraged to complete CIMS training.
	Emergency operations centre (EOC) functional premises is maintained, with alternate arrangements and resources**	*Centre and alternate arrangements maintained for operational readiness*	NEW	**Achieved**	**Target Achieved** Council Chambers is available with equipment and resources on site as required, with alternate arrangements available as necessary.
Business continuity during incidents and emergency events	Activity Business Continuity Plans (BCP) to enable emergency management functions alongside critical Council activities	*New plans are produced by year end*	NEW	**Achieved**	**Target Achieved** Staff have been trained across the range of CIMS functions to ensure business continuity during emergency events. Function and lifelines teams have been structured to enable Council to continue to provide critical services and support to our communities during emergency situations.

* Excludes staff who may be in roles that are not practical to undertake training, e.g. casual or short-term contract staff

** Provided at the Westland Recreation Centre for 2025/2026 with a purpose-built space fully fitted out and the alternative arrangements are housed in shipping containers at the Recreation Centre. The purpose of alternative arrangements is for any event where the main facility may be damaged and unusable.

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Funding Impact Statement – Regulatory & Building Control Services

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	1,885	1,929	1,675
	Targeted rates	-	-	-
	Subsidies and grants for operating purposes	-	-	-
	Fees and charges	1,794	1,845	1,872
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	41	252	74
	Total operating funding [A]	**3,720**	**4,026**	**3,621**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	1,739	2,859	2,771
	Finance costs	2	9	11
	Internal charges and overheads applied	1,706	1,088	1,238
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**3,447**	**3,956**	**4,020**
	Surplus (deficit) of operating funding [A - B]	273	70	(399)
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	183	-	125
	Increase (decrease) in debt	-	(5)	(210)
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**183**	**(5)**	**(85)**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	-	-	16
	—to replace existing assets	18	55	-
	Increase (decrease) in reserves	438	10	(500)
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**456**	**65**	**(484)**
	Surplus (deficit) of capital funding [C - D]	(273)	(70)	399
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget – Regulatory & Building Control Services

- *Local authorities fuel tax, fines, infringement fees & other receipts* were $211,000 lower than budget due to a lower number of building compliance infringements being issued in the 2025/2026 year.
- *Payments to staff and suppliers* were $1,120,000 lower than anticipated. This is due to a $596,000 reduction in consultants, saved by filling vacancies which reduced reliance on outside consultants. Staff costs were also $295,000 lower than budgeted due to some vacancies taking time to fill.

Effects on the wellbeing of the community – Regulatory & Building Control Services

Social		Contributed to a safer and healthier community by ensuring buildings meet required standards, responded to compliance matters, managed animal control issues, supported alcohol licensing processes and helped to uphold bylaws and public health requirements.
Economic		Supported local development investment and business activity by providing building consent, inspection, planning, licence and compliance functions.
Environmental		Monitored and responded to nuisance, health and compliance issues to help protect the District's environment and to ensure activities are carried out in line with relevant rules and standards, protecting our land, water, public spaces and amenity.
Cultural		Balanced the need for development and economic activity with public safety, environmental protection, community standards and local character to support a well-functioning Grey District where people can live, work, play and invest.

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Commercial & Property
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Commercial & Property

Activities included in this group

Commercial and property includes:

Greymouth Aerodrome

- The aerodrome, including the runway, taxi area, grass runway for use by microlight aircraft as well as navigation lights.
- The Greymouth Aero Club as service provider to incoming and departing aircraft.
- Management of the land portfolio in the form of land leases and rights to occupy.

Parking

- The provision of parking.
- Regulating the use of parking.

Port of Greymouth

- Managing the port, the breakwaters, wharves and the slipway.
- Managing the navigation safety function.
- Managing the land holding portfolio.

Council property (commercial)

- A land leasehold portfolio consisting of 117 residential leases and commercial leases and 174 licences to occupy.

Council property (operational)

- A building portfolio involving three leased buildings and the buildings supporting Council's administrative function (including Tainui St).
- Other buildings enabling the delivery of community services, e.g. Westland Recreation Centre, Grey District Library, Women's Centre and Left Bank Art Gallery.
- Unused Council land consisting of various titles across the District.
- Management of leases with Mawhera Incorporating regarding land leased by Council.

Retirement housing

- Maintaining and managing occupation of 118 units.

Economic development

Public restrooms

- Public toilets in 14 locations, some with other facilities

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Why we are involved in this activity/these activities

Council provides these services as part of a much wider array of services aimed at improving the health, safety, enjoyment and connectedness of our community. Each component contributes as follows:

- The aerodrome is an important strategic asset. It not only provides the opportunity for use by smaller commercial and private aircraft but also provides a convenient transport option for Grey Base Hospital for the transfer of patients and staff as well for emergency air rescue services. In addition, it is an important training venue for related activities and defensive driver training. St John's Ambulance and Land Search & Rescue both have headquarters located on the aerodrome site.
- The Parking function is an integral component of a vibrant and growing CBD and important access to other key services in the District. It provides for safety and convenient access to commercial, educational and service industries and venues.
- The ownership of the Port was transferred to Council as part of the 1989 Local Government Reorganisation. Port of Greymouth is an important fishing asset as it is located closest to the lucrative Hokitika Trench fishing grounds. It provides safe berthage to a local and, from time to time, visiting fishing fleet as well. It is home to the fish handling and processing activities of two firms.
- Council is committed to managing its commercial property portfolio responsibly so as to maximise revenue for the benefit of all residents.
- Council provides retirement housing for disadvantaged, elderly persons to give them warm, safe and affordable accommodation.
- Council is involved with projects which provide economic development benefits to ensure the Grey District is a vibrant, progressive and welcoming environment where people can live, work or visit. Council will focus on the issues of concern that can be controlled, while keeping a watchful eye on those issues of concern which are not within its control.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Sustainable Prosperous	▪ The management and operation of Council's commercial property, including the Port and Aerodrome, contribute to a strong, sustainable and prosperous economy. ▪ The provision of well-maintained public restrooms supports the comfort of visitors to the district that are contributing to our economy. ▪ The management and maintenance of suitable parking facilities support business and industry operations contributing to the economy.
Social Wellbeing	
Safe Connected Enabled	▪ The management and operation of Council's commercial property, including the Port and Aerodrome, plays a key role in connecting Grey District to communities outside of the district. ▪ The management, maintenance and provision of safe parking facilities facilitate community connections and participation in society.
Cultural Wellbeing	
Inter-Connected	▪ The Port and Aerodrome are embedded in Greymouth's cultural history. ▪ The commercial and property activities contribute to a positive image within and outside the region.
Environment Wellbeing	
Resilient Practical	▪ The management and operation of Council's commercial property, including the Port and Aerodrome, contribute to the district's resiliency in the event of a natural emergency. ▪ Public restrooms are designed to collect and treat human waste safely, preventing the release of human pathogens and pollutants into the environment. Proper waste management helps protect water quality and public health.

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What we did in 2025/2026

Commercial & Property

Performance highlights

Over 290 leases and licences to occupy

Ongoing management of over 110 lease arrangements and over 170 licences to occupy.

Near full occupancy of retirement housing units

Occupancy of Council's retirement housing units was 99% for the 2025/2026 period.

Upgrades to retirement housing portfolio

Renewal works completed including replacement windows, fencing and rooves, driveway resealing, heating and switchboard upgrades.

Port improvements

Work at the Port area this year included new security fencing around the slipway, painting, new roller doors for the slipway and general tidy up. Planning is underway for major upgrades funded by the Government and Development West Coast.

Port operations continue to provide a financial challenge for Council. At present the Port remains essentially a fishing port, with limited opportunity to increase revenue to meet its full operating costs.

Economic development strategy review commenced

The Community Economic Development Strategy 2015-2025 has been reviewed and updated to focus on the 2025-2030 period.

The Grey District Economic Leadership group was reformed in late 2025 and membership of the group now includes the Grey District business network (formerly the BPA), iwi, Mawhera Incorporation, Mayor, Council staff, hospitality industry, land developer and minerals and mining interests.

An action plan has been developed and it is being monitored and reviewed on a regular basis by the leadership group.

Aerodrome

The aerodrome continued to be well utilised, with over 1,450 movements during 2025/2026.

A new local "quarter mile" event was held at the aerodrome in January and saw a great turn out. The aerodrome is also used for AgFest, the largest agricultural trade show on the West Coast.

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Performance measures - Commercial & Property

Parking

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Response time to complaints made during working hours about parking, e.g. over fire hydrants, over driveways, inconsiderate parking etc	% of complaints are responded to within one hour (during working hours)	*80%*	NEW	**Not measured**	**Not Measured** 35 complaints regarding parking were received during 2025/2026. Whilst all complaints were responded to in a timely manner, actual response times are unable to be verified for the purposes of this measurement.

Port

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Minimum number of Grey Bar soundings per annum	Number of soundings	*2*	NEW	**1**	**Target Not Achieved** Only one sounding was undertaken during 2025/2026. This occurred on 6 January 2026 and the report is available on Council's website.
Slipway maintenance	Days available for boat maintenance per annum	*95%*	NEW	**99%**	**Target Achieved** The slipway was available for 360 out of 365 days during 2025/2026. It was unavailable for five days in March 2026 while work was undertaken to replace rails.
Dredging	m^3 of sediment and debris removed per annum	*25,000*	NEW	**16,900**	**Target Not Achieved** Between 1 June 2025 and 30 June 2026, approximately 16,900 cubic metres of material was excavated and removed.

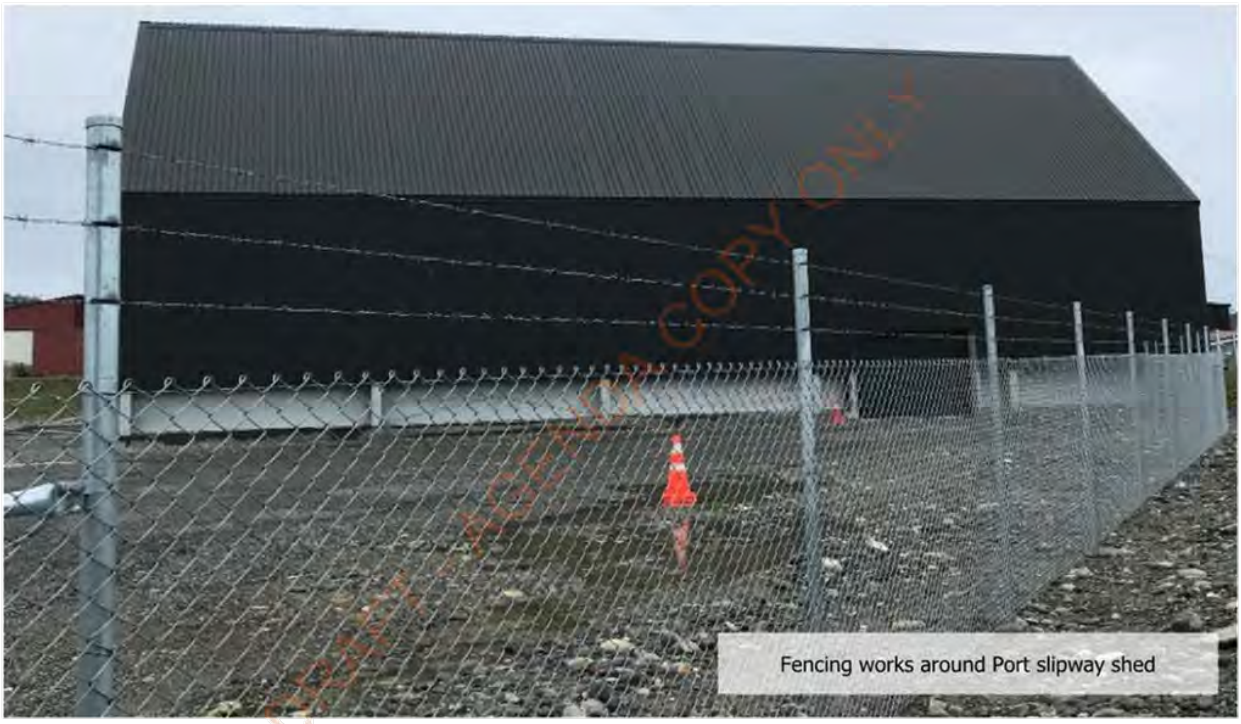
Retirement housing

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
An affordable, well maintained, and efficient retirement housing service is provided	Achievement of minimum percentage of occupancy rates	*95%*	98.97%	**99%**	**Target Achieved** All units are effectively let. Council takes the opportunity between tenants to undertake any necessary renewal works.
Compliance with Healthy Home Standards	% of units which meet the standards	*100%*	NEW	**100%**	**Target Achieved** All units are compliant with current Healthy Home standards. Heat pumps were recently installed into all units to provide a better standard of heating and cooling for the tenants.
Housing inspections	Bi-annual inspections	*98%*	NEW	**93%**	**Target Not Achieved** 110 of the 118 units were inspected bi-annually during 2025/2026.

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Public Restrooms

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Restroom amenity	Audits of restroom cleaning	*95%*	NEW	**Achieved**	**Target Achieved** Regular audits of public restrooms were undertaken by contractors and staff. *Note: Changed to Achieved as unable to define a numerical value for this measurement.*
	% of customer cleanliness service requests responded to within one working day	*95%*	NEW	**100%**	**Target Achieved** Three customer cleanliness service requests were received and all were responded to within one working day.



Fencing works around Port slipway shed

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Funding Impact Statement - Commercial & Property

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	533	545	582
	Targeted rates	-	-	-
	Subsidies and grants for operating purposes	-	-	-
	Fees and charges	1,724	1,318	1,606
	Internal charges and overheads recovered	319	579	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	299	512	18
	Total operating funding [A]	**2,875**	**2,954**	**2,206**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	1,970	2,224	1,689
	Finance costs	226	246	236
	Internal charges and overheads applied	893	520	972
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**3,089**	**2,990**	**2,897**
	Surplus (deficit) of operating funding [A - B]	(214)	(36)	(691)
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	1,290	-	1,150
	Development and financial contributions	-	-	-
	Increase (decrease) in debt	(1,256)	(12)	352
	Gross proceeds from sale of assets	1,167	-	698
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**1,201**	**(12)**	**2,200**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	61	-	-
	—to replace existing assets	620	688	927
	Increase (decrease) in reserves	306	(736)	582
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**987**	**(48)**	**1,509**
	Surplus (deficit) of capital funding [C - D]	214	36	691
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget – Commercial & Property

- *Subsidies and grants for capital expenditure* are $1,290,000 higher than indicated, which is attributable to an additional grant from the Coastal Shipping Resilience Fund for wharf construction and the installation of a roll-on roll-off facility.
- *Gross proceeds from sale of assets* is $1,167,000 higher than anticipated as this includes the sale of the building at 50 Preston Road and a number of residential property freeholdings within the 2025/2026 year. These funds were then used to repay debt, which is reflected in the $1,244,000 variance in *Increase (decrease) in debt*.

Effects on the wellbeing of the community – Commercial & Property

Social		Provided and maintained facilities that support everyday community life, including retirement housing, Port and Aerodrome. Improvements to the retirement housing portfolio help support the residents' quality of life.
Economic		Supported the local economy by managing assets which enable business activity, service delivery, tourism, recreation and investment, i.e. Port, Aerodrome and other strategic property and leases.

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Community &
Recreation
MAN FOOD
Eating Ourselves Sick
DISEASE PROOF
Keep your brain healthy for life
Step Back
Thinking, Fast and Slow
Daniel Kahneman
600 Tips for Communicating with the Public
THE DEFINITIVE BOOK OF BODY LANGUAGE
ALLAN & BARBARA PEASE

Community & Recreation

Activities included in this group

Community and recreation facilities and services include:

Grey District Library

Swimming Pools

- Westland Recreation Centre

Heritage, arts & culture

- Museum operations
- Financial support to other Arts, Culture and Heritage bodies

Indoor sport centres

- Westland Recreation Centre

Parks and tracks

- Parks
- Playgrounds
- Walking tracks
- Other open areas accessible to the public.
- Statues and monuments
- Greymouth Floodwall viewing platform
- Council fountain
- Town Square
- West Coast Wilderness Cycle Trail (Grey District portion)

Council's In-house task force

Cemeteries

- Karoro Cemetery
- Gladstone Cemetery
- Stillwater Cemetery
- Barrytown Cemetery
- Blackball Cemetery
- Ahaura Cemetery
- Nelson Creek Cemetery (Ngahere)
- Moonlight Cemetery (not maintained)
- Maori Gully
- Cobden Cemetery
- Greenstone Cemetery
- Dungaville Cemetery (not maintained)
- Notown Cemetery
- Napoleon's Hill Cemetery (not maintained)
- Interment (burial) services
- Application and pre-purchase of burial plots
- Cemetery records

Events facilitation

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Why we are involved in this activity/these activities

It is a requirement for any community to have access to a wide range of services that makes living in that area and visiting that area attractive and enjoyable. It is often described as services and activities that make any community "whole". These services often "define" a community and give the community identity and a sense of belonging.

Services can be in the form of active and passive recreation and enjoyment.

Facilities offered by Grey District Council are critical services that ensure the wellbeing of our communities and answer the needs of society. Whether those needs be economic, social, environmental, emotional or physical, our facilities are where people can feed their imaginations, rebuild their lives, find direction, upskill themselves and put the theory of growth, understanding and tolerance into practice.

Council facilitates events in the Grey District to provide vibrancy and enhance community wellbeing. Council will organise events to be held on Council property, e.g. Town Square, community facilities. Council will also promote other events being held in the district and assist event organisers with any Council requirements they may be required to comply with, thus serving as a 'single point of contact'.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong **Diverse** **Sustainable** **Prosperous**	▪ Community and recreation facilities and services can attract visitors and generate revenue for local businesses. They can also help to create jobs in the construction, maintenance and operation of these facilities. ▪ Museums can stimulate tourism, attracting visitors and boosting local economies through increased tourism-related activities. ▪ The facilitation of community and civic events can boost the local economy, benefiting business and creating employment opportunities.
Social Wellbeing	
Safe **Inclusive** **Connected** **Enabled**	▪ Libraries and museums host events, workshops, and exhibitions that engage communities, promote social cohesion and encourage dialogue on important topics. ▪ Libraries and museums strive to be inclusive spaces, welcoming people from diverse backgrounds and fostering a sense of belonging. ▪ Sport and recreation facilities create a sense of community and unity. They provide a space for people of all ages and backgrounds to come together, fostering a strong community identity and promoting social cohesion. ▪ Sport and recreation facilities should be accessible to people of all abilities, backgrounds, and socioeconomic statuses, promoting inclusivity and diversity within the community. ▪ A vibrant events calendar can enhance the quality of life for residents.
Cultural Wellbeing	
Proud **Unique** **Inter-connected** **Vibrant**	▪ Museums showcase art, artifacts, and exhibitions that enrich cultural understanding and appreciation, fostering creativity and a sense of identity. ▪ Sport and recreation facilities can contribute to a source of cultural identity and pride. Communities often rally behind their local sports teams or athletes, creating a sense of shared identity and belonging. ▪ Many parks and reserves are home to historical sites, landmarks, and cultural heritage. They may contain archaeological sites, monuments, or structures that have significant cultural value, helping communities connect with their past. ▪ Facilitation of a wide range of recreational, sporting, leisure, art and cultural events and activities.
Environment Wellbeing	
Practical **Resilient** **Strategic**	▪ Parks and reserves provide a wide range of environmental benefits, contributing to the conservation of biodiversity, the preservation of ecosystems, and the overall health of the planet. ▪ Well-maintained cemeteries with diverse plantings can attract wildlife, including birds and pollinators. These spaces can contribute to biodiversity in urban and suburban environments.

What we did in 2025/2026

Community & Recreation

Performance highlights

New Greymouth library

The new Greymouth library (part of the Richmond Quay development) was completed in 2025/2026 and opened to the public on 3 July 2026. To celebrate the opening of the new library, a campaign based on Willy Wonka and the Chocolate Factory was launched, with golden tickets given away to allow winners an exclusive view of the new library before the general public. The community and CBD businesses got behind the new facility by participating in competitions, displays and creative writing.

Cataloguing of History House collection

First part of the History House collection cataloguing project was completed, with over 3,300 maps categorised, documented and recorded. Staff are working on the next steps of collection preservation.

Events

Many members of the community participated in Council delivered or supported events such as the Christmas Carnival, Spring into Summer, Waitangi Day Community Picnic, Friday Night Street Eats and Fireworks, Fun Fests, Labour Weekend Street Race Festivities and community markets.

Community led upgrades

Council worked with community groups such as Paroa Playground Community Group (Keith Road park), Cobden Aromahana Sanctuary and Recreation Area (CASRA) Association, Cobden Community Group, Arnott Heights Playground Upgrade and Dixon Park Redevelopment Committee to support community-led initiatives.

Westland Recreation Centre

The district's main sport and recreation facility continued to be well utilised by sports groups, tournaments, casual visitors and members.

1,749 members (as at July 2026) access the gym, fitness classes, swimming pools and swim classes.

Over 56,000 casual visitors used the Westland Recreation Centre during 2025/2026.

Parks, reserves and open spaces, including cemeteries

Following complaints from the community, Council made improvements to the maintenance of our cemeteries, parks, reserves and open spaces to ensure they are welcoming spaces.

Upgrades were planned and undertaken in various locations around the district, including Cobden Aromahana Sanctuary and Greymouth town clock tower.

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Performance measures - Community & Recreation

Cemeteries

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Visitor satisfaction	% of visitors satisfied with cemetery aesthetics *(previously asked as % of residents satisfied with the standard of cemetery facilities)*	*75%*	63%	**58%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between August and December 2025. The full report is available on Council's website.
Customer satisfaction	% of interment applicants are responded to within one working day	*95%*	NEW	**96%**	**Target Achieved** 82 of the 86 interment applications were responded to within one working day.
	% of monument permits are issued within one working day	*95%*	NEW	**99%**	**Target Achieved** 99 of the 100 monument permit applications were issued within one working day.

Parks, Reserves and Public Spaces

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Resident satisfaction	% of residents are satisfied with the service	*80%*	73%	**62%**	**Target Not Achieved** The Resident's Satisfaction Survey was conducted between August and December 2025. The full report is available on Council's website.

Libraries

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Facility amenity maintained	Annual maintenance programme scheduled and delivered	*100%*	NEW	**Not achieved**	**Target Not Achieved** While regular preventative and reactive maintenance was undertaken on the library building in Albert Street during the year to ensure the facility remained open, safe and a welcoming space for the community, it was not scheduled in accordance with this measure for 2025/2026, therefore this target is not achieved.
Community participation	Annual programme of activities is scheduled and delivered	*100%*	NEW	**Less than 100%**	**Target Not Achieved** Whilst numerous school holiday and other activities were scheduled and delivered throughout the year and were well attended overall, a small number of events were cancelled in 2025/2026 and therefore the 100% target was not achieved.

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Westland Recreation Centre

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Quality and safety of pools	Maintain Poolsafe accreditation	*Achieved*	NEW	**Achieved**	**Target Achieved** Westland Recreation Centre successfully completed its annual Pool Safe audit. The audit reviewed lifeguard qualifications, supervision procedures, emergency action plans, health and safety systems, water quality management, staff training and operational procedures. All critical compliance areas were recorded as achieved.
Facility amenity management	Annual maintenance programme scheduled and delivered	*100%*	NEW	**Not achieved**	**Target Not Achieved** While a regular preventative maintenance programme was undertaken throughout the year, including inspections, servicing and maintenance activities to ensure safe and reliable operation of facility infrastructure and plant, it was not scheduled in accordance with this measure for 2025/2026 therefore this target is not achieved.
Amenity maintained	Fitness centre: availability of fit-for-purpose equipment	*95%*	NEW	**100%**	**Target Achieved** Scheduled preventative maintenance of fitness equipment (including treadmills, cross trainers, recumbent bikes, spin bikes and other fitness equipment) was completed throughout the year by qualified technicians.

Events

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Community participation	Plan and schedule an annual programme of community events	*100%*	NEW	**100%**	**Target Achieved** Council delivered 15 community events during 2025/2026 including Friday Night Street Eats, Fun Fests, children's triathlons, Christmas Carnival and community markets. Council also provided assistance with other events around the district, including Waitangi Day Community Picnic, Spring into Summer and Art in the Park.

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Funding Impact Statement - Community & Recreation

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	6,238	6,363	5,385
	Targeted rates	-	-	48
	Subsidies and grants for operating purposes	38	15	258
	Fees and charges	1,380	1,475	1,367
	Internal charges and overheads recovered	-	-	-
	Local authorities fuel tax, fines, infringement fees, & other receipts	79	45	24
	Total operating funding [A]	**7,735**	**7,898**	**7,082**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	5,667	5,857	5,740
	Finance costs	521	396	155
	Internal charges and overheads applied	899	1,065	1,042
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**7,087**	**7,318**	**6,937**
	Surplus (deficit) of operating funding [A - B]	648	580	145
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	3,485
	Development and financial contributions	-	-	-
	Increase (decrease) in debt	9,680	4,576	4,726
	Gross proceeds from sale of assets	-	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**9,680**	**4,576**	**8,211**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	7,283	4,991	10,285
	—to replace existing assets	410	265	232
	Increase (decrease) in reserves	2,635	(100)	(2,161)
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**10,328**	**5,156**	**8,356**
	Surplus (deficit) of capital funding [C - D]	(648)	(580)	(145)
	Funding balance: [A – B] + [C – D]	-	-	-

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Variations from budget – Community & Recreation

- *Capital expenditure – to improve level of service* is $2,292,000 higher than budgeted due to an increase in the budgeted for the Library build of $2,750,000, approved by Council on 1 October 2025.
- *Increase (decrease) in debt* is $5,104,000 over budget due to timing of loan drawdowns for the Library build and the approved increase in expenditure funded by debt in the October 2025 meeting.

Effects on the wellbeing of the community – Community & Recreation

Social		Supported access to recreation, library, parks, reserves, events and grants. Facilities such as the Westland Recreation Centre, Greymouth Library, playgrounds, halls and reserves provide places for people to meet, participate in activities, access information, stay active and feel connected to their community.
Economic		Supported the local economy by attracting people to town and community spaces, supporting events, sport, tourism, recreation and local businesses.
Environmental		Managed and maintained parks, reserves, cemeteries, walkways, open spaces and public amenities to support biodiversity, provide attractive and accessible outdoor areas, and encourage recreation and enjoyment of the Grey District's natural environment.
Cultural		Celebrated our District's identity, heritage and community stories through the library, community events, grants and public spaces, including the ongoing work on assessing and cataloguing the History House collection.

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Governance & Strategy



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Governance & Strategy

Activities included in this group

Governance and strategy includes Council, public consultation and Council administration.

Why we are involved in this activity/these activities

A healthy community requires its elected Council to show strong leadership, but, at the same time, to conduct its business in an open, transparent manner.

A vital component of democracy and administration is a Council Administration that executes Council's policies in a professional, objective and fair manner and, in doing so, respects the needs and circumstances of individual residents.

Contribution to community outcomes

OUTCOME	CONTRIBUTION
Economic Wellbeing	
Strong Diverse Sustainable Prosperous	▪ Effective, diverse, and strategic leadership contributes to a strong, sustainable, and prosperous economy. ▪ Efficient and strategic administration enables a strong economy.
Social Wellbeing	
Safe Inclusive Connected Enabled	▪ Effective, diverse and strategic leadership enables a safe, inclusive and connected community. ▪ Efficient and strategic administration enables the community.
Cultural Wellbeing	
Proud Unique Inter-connected Vibrant	▪ Leadership and governance respects and recognizes Te ao Māori in informed decision-making. ▪ A connection with its diverse, unique and colourful history. ▪ A positive image within and outside of the region.
Environment Wellbeing	
Bold Practical Resilient Strategic	▪ Effective and strategic governance leadership provides for decisions that lead to environmental resilience. ▪ A sensible and considered approach to the issue of climate change and its effects. ▪ A commitment to our future generations and their wellbeing.

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What we did in 2025/2026

Governance & Strategy

Performance highlights

Mayors Taskforce for Jobs (MTFJ) – 44 placements

The MTFJ programmed continued to show positive progress and the Grey District team was in third overall position nationwide in March 2026. They undertook advertising in the district to increase awareness and visibility and participated in a national video campaign.

During 2025/2026 a total of 44 employment placements were secured.

Growth in social media and engagement with the community

Grey District Council saw the greatest growth in follower numbers on social media of any council in New Zealand and created a broader multi-channel approach for communicating and engaging with the community.

In the 2025 Have Your Say Survey, 53% of respondents were satisfied with the communication from Council. *(31% neutral, 16% dissatisfied)*

Improvements to customer relationship management

There was an increased focus on our customer relationship management (CRM) system during 2025/2026, with significant effort put into making continual progress improvements for a better customer experience. This work is ongoing.

Preparing for the 2027-2037 long term plan

Council began planning and preparing for the 2027-2037 Long Term Plan (LTP), which included asking the community what matters to them and preparing an Environmental Scan (completed in-house), which provides an evidence-based planning platform for the upcoming LTP.

Adoption of Water Services Delivery Plan

The joint Water Services Delivery Plan was adopted in partnership with the Westland District Council and Buller District Council.

96 LGOIMA's

96 local government information requests were received in 2025/2026.

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Performance measures – Governance & Strategy

What we're measuring	How we'll measure	2025/2026 target	2024/2025 measure	2025/2026 measure	Notes
Customer satisfaction	% of residents are satisfied with the service they received when they have contacted Council offices	*82%*	63%	**96%**	**Target Achieved** 325 responses were collected between July and November 2025 from customers who interacted with the customer services team at Council offices. Of those responses, 96% were satisfied with the service they received.
	% of enquiries that are acknowledged within two (2) working days	*90%*	NEW	**Not Measured**	**Not Measured** 3,696 CRMs (customer enquiries) were received, entered and processed in Council's CRM system during 2025/2026. Whilst all enquiries were responded to in a timely manner, actual response times are unable to be verified for the purposes of this measurement.

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Funding Impact Statement – Governance & Strategy

For the year ended 30 June 2026

		Actual 2026 $000	LTP 2026 $000	Actual 2025 $000
[A]	SOURCES OF OPERATING FUNDING			
	General rates, uniform annual general charges, rates penalties	3,525	3,249	2,844
	Targeted rates	685	337	322
	Subsidies and grants for operating purposes	489	180	528
	Fees and charges	105	47	75
	Internal charges and overheads recovered	8,494	7,676	8,414
	Local authorities fuel tax, fines, infringement fees, & other receipts	256	542	(234)
	Total operating funding [A]	**13,554**	**12,031**	**11,949**
[B]	APPLICATIONS OF OPERATING FUNDING			
	Payments to staff and suppliers	10,285	8,718	10,419
	Finance costs	149	28	(120)
	Internal charges and overheads applied	2,525	2,739	3,277
	Other operating funding applications	-	-	-
	Total applications of operating funding [B]	**12,959**	**11,485**	**13,576**
	Surplus (deficit) of operating funding [A - B]	595	546	(1,627)
[C]	SOURCES OF CAPITAL FUNDING			
	Subsidies and grants for capital expenditure	-	-	-
	Development and financial contributions	-	-	-
	Increase (decrease) in debt	634	(94)	(781)
	Gross proceeds from sale of assets	69	-	-
	Lump sum contributions	-	-	-
	Other dedicated capital funding	-	-	-
	Total sources of capital funding [C]	**703**	**(94)**	**(781)**
[D]	APPLICATIONS OF CAPITAL FUNDING			
	Capital expenditure			
	—to meet additional demand	-	-	-
	—to improve the level of service	13	290	14
	—to replace existing assets	85	202	390
	Increase (decrease) in reserves	1,200	(40)	(2,812)
	Increase (decrease) of investments	-	-	-
	Total applications of capital funding [D]	**1,298**	**452**	**(2,408)**
	Surplus (deficit) of capital funding [C - D]	(595)	(546)	1,627
	Funding balance: [A - B] + [C - D]	-	-	-

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Variations from budget – Governance & Strategy

- *Payments to staff and suppliers* is $1,567,000 above budget. Salaries for Regulatory staff were budgeted under each individual activity ($1,242,686). The actual salary is charged to Governance and then recovered through internal charges and overheads recovered, which is $818,000 over budget, reflecting the actual treatment of the costs. $251,075 is included in unbudgeted expenditure related to the Taylorville Resource Park consent variation.

Effects on the wellbeing of the community – Governance & Strategy

Social		Supported community participation and trust through public meetings, consultation, engagement and transparent decision-making.
Economic		Supported economic well-being by setting the District's strategic direction, prioritising investment, advocating for the Grey District's needs and making decisions about funding, service levels and infrastructure planning.
Environmental		Incorporated sustainability, infrastructure resilience and environmental considerations into Council planning and decision-making to take into account environmental impacts, natural hazards and long term stewardship of assets and resources.
Cultural		Recognised local identity, heritage, iwi relationships and the importance of community voice in decision-making. Through representation, engagement and planning processes, Council can reflect the Grey District's history, values and community's aspirations in its priorities and future direction.

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PART D: Consultation with Māori

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Collaborating with our iwi partners

The Local Government Act 2002 (LGA) requires Councils to maintain and improve opportunities for Māori to contribute to local government decision-making processes. Councils are also required to foster the development of Māori capacity to contribute to the decision-making processes of a local authority. And further, when Councils are considering significant decisions in relation to land or a body of water, then it is required to take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna and other taonga.

At their meeting on 8 April 2019, Grey District Council confirmed the Memorandum of Understanding between Council and Te Runanga O Ngāti Waewae, paving the way for greater acknowledgement of the important role of Māori in our District, both historically and into the future. The Memorandum was officially signed at the Council meeting on 13 May 2019, at which time the Runanga Chairperson, Mr Francois Tumahai, took a seat at the Council table as a non-voting member (as Council does not have any Māori wards under their Electoral Representation Review).

Councils are required to have a formal review of its representation arrangements not less than six-yearly. Grey District Council undertook the last Representation Review in 2024 and as part of the proposal, invited submissions on whether to continue the current arrangement where the Kaiwhakahaere of Te Rūnanga O Ngāti Waewae is provided a seat at the Council table, without voting rights, or whether a Māori seat should be created. As there were no submissions received, the Kaiwhakahaere of Te Rūnanga O Ngāti Waewae continues to represent Iwi at the council table. The next review is scheduled for 2030.

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PART E: Independent Auditors Report

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Independent audit report

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3.2 MEETING OF THE CODE OF CONDUCT COMMITTEE

File Number:

Report Author: Chief Executive

Report Authoriser: Chief Executive

Appendices: Nil

1. REPORT PURPOSE

1.1. To present, for noting, the decision of the Members Code of Conduct Committee on a Code of Conduct complaint against Cr Kate Kennedy.

2. EXECUTIVE SUMMARY

2.1. A complaint was received about Cr Kate Kennedy's involvement in organising a Meet the Candidates event in Runanga and comments attributed to her in the media.

2.2. The Members Code of Conduct Committee met on 4 November 2026 to consider the complaint.

2.3. The Committee found that there is no scope under the Code of Conduct to deal with the matters raised, as Cr Kennedy was not conducting business of the Local Authority. Notwithstanding this, the Committee agreed that a formal censure is an appropriate sanction.

2.4. The Committee directed the Chief Executive to notify Cr Kennedy and the complainant of the decision and reasons, and to report the findings and sanction to Council for information.

2.5. This report asks Council to receive and note the Committee's decision under delegated authority as per the requirements set out in the Council's delegation manual.

3. CODE OF CONDUCT COMMITTEE RECOMMENDATION

That Council:

1. Receives this report;
2. Notes the decision of the Members Code of Conduct Committee (PEMCOCC 26/11/001) that there is no scope under the Code of Conduct to deal with the matters raised by the complainant, as Cr Kennedy was not conducting business of the Local Authority;
3. Notes that, notwithstanding this finding, the Committee agreed that a formal censure of Cr Kennedy is an appropriate sanction;
4. Notes that the Chief Executive has been directed to notify Cr Kennedy and the complainant of the decision and reasons, and to report the findings and sanction to Council for information.

4. BACKGROUND

4.1. A complaint was received about Cr Kate Kennedy's involvement in organising a Meet the Candidates event in Runanga and comments attributed to her in the media.

4.2. As per Council's Delegation Manual a meeting of the Members Code of Conduct Committee was convened to determine the matter and apply any sanctions. The Delegations Manual requires all decisions to be reported to full Council for noting.

4.3. The Committee received the report, the complaint and supporting information, and Cr Kennedy's response and supporting information, and noted that Cr Kennedy had been given the opportunity to respond to the complaint and be heard by the Committee.

4.4. The Committee found that there is no scope under the Code of Conduct to deal with the matters raised, as Cr Kennedy was not conducting business of the Local Authority. Notwithstanding this, the Committee agreed that a formal censure is an appropriate sanction.

4.5. The Committee's decision was recorded in resolution PEMCOCC 26/11/001, which was carried unanimously. The resolution directs the Chief Executive to notify Cr Kennedy and the complainant of the decision and reasons, and to report the findings and sanction to Council for information.

Confirmation of Statutory Compliance

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

(i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and

(ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

4 IN COMMITTEE ITEMS

COUNCIL IN-COMMITTEE

That the public is excluded from this part of the meeting in relation to:

Agenda item 4.1

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

OFFICER RECOMMENDATION

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
4.1 - KAIATA WATER AND WASTE WATER FUNDING	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

5 COUNCIL RESUME IN OPEN MEETING

CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING