

I hereby give notice that an ordinary meeting of the Audit, Risk and Investment Committee will be held on:

Date: Wednesday, 26 August 2026
Time: 9.30am
Venue: Tararua Room
Horizons Regional Council
11-15 Victoria Avenue, Palmerston North

AUDIT, RISK AND INVESTMENT COMMITTEE AGENDA

MEMBERSHIP

Chair	Cr ETJ Pue
Deputy Chair	Cr HC Easton
Councillors	Cr EB Gordon
	Cr FJT Gordon
	Cr LL Jansen
	Cr N Riley
	Cr T Teira
	Cr PF Wells

Michael McCartney
Chief Executive

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Palmerston North 4442

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www.horizons.govt.nz

for further information regarding this agenda, please contact:
Julie Kennedy, 06 9522 800

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SERVICE CENTRES	Kairanga Cnr Rongotea & Kairanga-Bunnythorpe Rds, Palmerston North	Marton 19-21 Hammond Street	Taumarunui 34 Maata Street	Woodville Cnr Vogel (SH2) & Tay Sts
REGIONAL HOUSES	Palmerston North 11-15 Victoria Avenue	Whanganui 181 Guyton Street		
DEPOTS	Levin 120-122 Hokio Beach Rd	Taihape 243 Wairanu Rd		
POSTAL ADDRESS	Horizons Regional Council, Private Bag 11025, Manawatū Mail Centre, Palmerston North 4442			

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PX7	Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain, and define the extent of the release.	

AGENDA

1 Welcome/Karakia

2 Apologies and Leave of Absence

At the close of the Agenda no apologies had been received.

3 **Public Forums:** Are designed to enable members of the public to bring matters, not on that meeting's agenda, to the attention of the local authority.

Deputations: Are designed to enable a person, group or organisation to speak to an item on the agenda of a particular meeting.

Requests for Public Forums / Deputations must be made to the meeting secretary by 12 noon on the working day before the meeting. The person applying for a Public Forum or a Deputation must provide a clear explanation for the request which is subsequently approved by the Chairperson.

Petitions: Can be presented to the local authority or any of its committees, so long as the subject matter falls within the terms of reference of the council or committee meeting being presented to.

Written notice to the Chief Executive is required at least 5 working days before the date of the meeting. Petitions must contain at least 20 signatures and consist of fewer than 150 words (not including signatories).

Further information is available by phoning 0508 800 800.

4 Supplementary Items

To consider, and if thought fit, to pass a resolution to permit the Committee/Council to consider any further items relating to items following below which do not appear on the Order Paper of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended), and the Chairperson must advise:

- (i) The reason why the item was not on the Order Paper, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

5 Members' Conflict of Interest

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

Minutes of the third meeting of the thirteenth triennium of the Audit, Risk and Investment Committee held at 9.30am on Wednesday 27 May 2026, in the Tararua Room, Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

PRESENT Crs ETJ Pue (Chair), HC Easton, EB Gordon FJT Gordon, LL Jansen, N Riley (from 9.39am), T Teira, PF Wells

IN ATTENDANCE Councillors GM McKellar, WK Te Awe Awe (to 11.00am), BG Fraser (from 11.49am)
Chief Executive Mr MJ McCartney
Committee Secretaries Mrs JA Kennedy and Mrs T Bishop

ALSO PRESENT At various times during the meeting:

Dr J Roygard (Group Manager Catchment Operations), Mr G Shirley (Group Manager Regional Services & Information), Mrs C Hesselin (Executive Governance Support - Interim), Mr G Grant (Group Manager Corporate Services), Mr A Smith (Chief Financial Officer), Mr M Baylis (Finance Business Partner), Mrs P Tan (Finance Business Partner), Mr A Watt (Coordinator Climate Action), Mr G Bevin (Regulatory Manager), Mr C Morris (Manager People and Capability), and Mr B Watson (Manager Environmental Data).

The Chair welcomed everyone to the meeting and invited Cr Te Awe Awe to open with a Karakia.

APOLOGIES

The Chair noted that due to illness, Audit NZ would not be attending the meeting (Item PX4).

PUBLIC FORUMS / DEPUTATIONS / PETITIONS

There were no requests for public speaking rights.

SUPPLEMENTARY ITEMS

There were no supplementary items to be considered.

MEMBERS' CONFLICTS OF INTEREST

There were no conflicts of interest declared.

CONFIRMATION OF MINUTES

ARI 26-13 **Moved** **B Gordon/Easton**

That the Committee:

confirms the minutes of the Audit, Risk and Investment Committee meeting held on 3 March 2026 as a correct record, as amended below, and notes that the recommendations were adopted by the Council on 24 March 2026:

- resolution ARI 26-12, amend seconder of motion to read Easton.

CARRIED

HORIZONS ORGANISATIONAL RISK REGISTER REVIEW

Report No 26-73

Mrs Hesselin (Executive Governance Support – Interim) introduced the report which updated Council on the work undertaken to review Horizons' Organisational Risk Register. It included a gap analysis to identify climate-related risks and assess the overall suitability of the current register against contemporary risk management standards. The report also outlined the key findings and recommendations arising from the work and provided visibility of the proposed next steps to update the Corporate Risk Management Policy and Organisational Risk Register.

ARI 26-14

Moved

B Gordon/Jansen

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-73 and Annexes.*
- b. notes the work undertaken by Beca and associated recommendations from their report (Annex B).*
- c. notes the proposal to review the Horizons risk policy and update the risk register.*
- d. notes the Audit, Risk and Investment Committee will continue to monitor the work occurring to update the Organisational Risk Register.*

CARRIED

LEGISLATIVE COMPLIANCE MONITORING AND REPORTING

Report No 26-74

This report provided the Committee with an update on planning to centrally monitor and report on Council's compliance with key legislation. Mrs Hesselin (Executive Governance Support – Interim) spoke to the item and took Members through the recommendations. Following debate and questions around resourcing requirements, it was agreed that recommendations c. and d. be retained. The word **OR** was therefore removed from the end of recommendation c.

ARI 26-15

Moved

Riley/F Gordon

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-74 and Annex.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters in this report are not significant and the appropriate level of engagement is inform.*
- c. agrees with the proposed approach for reporting on compliance with key legislation (Annex A) for Horizons Regional Council;*
- d. requests further information be brought back to the August meeting to identify options and resourcing required to report on all legislation Council is required to comply with.*
- e. agrees any serious gaps, risks and breaches to legislation come as required as a standalone report to Audit, Risk and Investment following a conversation with the Committee Chair.*
- f. notes reporting will be confined to key legislation to allow for centralised reporting to stay manageable within current resourcing.*

- g. acknowledges activity managers maintain their own legislation obligation monitoring and reporting as appropriate.*
- h. acknowledges the wider operational work being undertaken through the organisational risk register and policy review, and Long-term Plan project, that relates to reporting on operational compliance with legislation.*

CARRIED

CONFLICTS OF INTEREST POLICY AND APPROACH

Report No 26-75

This report provided the Committee with information about the process for managing staff conflicts of interest and related internal staff policies. Following Members' debate of the process presented by Mr Morris (Manager People and Capability), a new recommendation to provide document control was requested. The recommendations were separated out with a. and b. taken first, followed by a new recommendation c.

ARI 26-16 Moved B Gordon/Riley

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-75 and Annexes.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters in this report are not significant and the appropriate level of engagement is inform.*

CARRIED

Moved F Gordon/Jansen

- c. requests that a document control footer is applied to the Council's Conflict of Interest Policy.*

CARRIED

CRS HOME COST CENTRE EXPENDITURE FOR PERIOD ENDING 30 APRIL 2026

Report No 26-76

This report updated Members of their expenditure in their Governance Budget commonly referred to as the Councillors Home Cost Centre for the period 01 July 2025 to 30 April 2026. Mrs Hesselin (Executive Governance Support – Interim) explained the budget overspend following an election year noting the extra costs due to councillor induction. Mr Smith (Chief Financial Officer) responded to Members' questions.

ARI 26-17 Moved Riley/Jansen

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-76 and Annexes.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters in this report are not significant, and the appropriate level of engagement is inform.*

CARRIED

REGULATORY BUDGET UPDATE

Report No 26-77

This report provided an update on the matters addressed in Council's paper of August 2025, with a focus on actions taken or underway to address the identified shortfall, and the current operational position in the 2025-26 financial year. Mr Bevin (Regulatory Manager) and Mr Baylis (Finance Business Partner) spoke to the report and clarified Members' questions. Following debate, a further recommendation c., (with a division) requesting additional information regarding charges for RMA advice was put.

ARI 26-18 **Moved** **B Gordon/Riley**

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-77.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the information in this report does not trigger significance.*

CARRIED

Moved **F Gordon/Jansen**

- c. directs the Chief Executive to provide further information regarding the activities contributing to the RMA advice and incidents cost centers, and report back to the Audit, Risk & Investment Committee.*

For: Crs Wells, Riley, Easton, Jansen, F Gordon, Teira

Against: Crs Pue, B Gordon

CARRIED

The meeting adjourned at 11.18am.

The meeting reconvened at 11.25am.

PERFORMANCE REPORT FOR THE NINE MONTHS ENDING 31 MARCH 2026

Report No 26-78

This report informed Members of Council's financial & non-financial performance for the nine months ending 31 March 2026 against the Council's Annual Plan. Mr Smith (Chief Financial Officer) summarised the performance measures for the various activities and responded to Members' questions.

ARI 26-19 **Moved** **B Gordon/Teira**

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-78 and Annexes.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the information in this report does not trigger significance.*

CARRIED

TREASURY UPDATE

Report No 26-79

The Quarterly Treasury report provided an update on current market conditions and the status of Council's borrowing arrangements. Mr Smith (Chief Financial Officer) summarised the report and clarified Members' questions.

ARI 26-20 Moved Wells/Teira

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-79 and Annex.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the information in this report does not trigger significance.*

CARRIED

QUARTERLY INVESTMENT UPDATE

Report No 26-80

Mr Smith (Chief Financial Officer) introduced the report, provided an update on the current performance of the investments held, and clarified Members' questions.

ARI 26-21 Moved B Gordon/Riley

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-80 and Annexes.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the information in this report does not trigger significance.*

CARRIED

OVERVIEW OF THE IMPACT OF CIVIL DEFENCE EMERGENCIES

Report No 26-81

This report provided the Committee with an update on the impacts of the significant Civil Defence responses required during the current financial year. Mr Smith (Chief Financial Officer) commented on the impacts and costs due to the redeployment of staff from business as usual during emergency events, and clarified Members' questions.

ARI 26-22 Moved Teira/F Gordon

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-81.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters in this report are not significant, and the appropriate level of engagement is inform.*

CARRIED

PROCEDURAL MOTION TO EXCLUDE THE PUBLIC

ARI 26-23

Moved

Wells/B Gordon

THAT the public be excluded from the following part(s) of the proceedings of this meeting. 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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 and section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

CARRIED

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Confirmation of Public Excluded Meeting held on 3 March 2026	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX2 Risk Register Update	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. The report refers to areas of risk which may be of a commercially sensitive nature.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX3 Fraud Risk Register	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. To protect information which if released, would be likely to prejudice the maintenance of the law, including prevention, investigation and detection of offences, as the report contains details of internal controls and identified fraud risks.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX4 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release		

The meeting adjourned to the Public Excluded part of the meeting at 12.03pm and resumed at 12.31pm.

The meeting closed at 12.32pm.

Confirmed

CHIEF EXECUTIVE

CHAIR

Report No.	26-132
Information Only - No Decision Required	

DRAFT ANNUAL REPORT FOR 2025-26 FINANCIAL YEAR

1. PURPOSE

- 1.1. This report is to provide an update to elected members on the draft Annual Report for the 2025-26 financial year ahead of the annual audit.

2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-132 and Annex.
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the information in this report does not trigger significance.

3. STRATEGIC ALIGNMENT

3.1. Council Strategic Priorities

- Building resilience to the impacts of climate change
- A holistic approach, from the mountains to the sea (integrated catchment management)
- Strengthening partnerships with tangata whenua
- Connecting people and place through effective public transport connections

- 3.1.1. This report shows results against budget that was established by Council in order to delivery towards the strategic priorities.

3.2. Council's Community Outcomes



Our region's communities are vibrant and empowered

- 3.2.1. The benefit to the community of this work is informing the community of the financial progress against the 2025-26 Annual Plan.

3.3. The matters in this report align with the following adopted policies, strategies and plans:

- Long-term Plan
- Annual Plan

- 3.3.1. This report reflects the actual progress against that set in the 2025-26 Annual Plan.

4. SIGNIFICANCE AND ENGAGEMENT

4.1. Significance Assessment

4.1.1. Council's Significance and Engagement Policy is not triggered by matters discussed in this report.

4.2. Engagement section:

4.2.1. No stakeholder engagement is required.

5. FINANCIAL IMPACT

5.1. This item reports Horizons Regional Councils overall performance for the year ending 30 June 2026, measured against the 2025-26 Annual Plan adopted by Council.

5.2. There is no financial impact of this report.

6. CLIMATE IMPACT

6.1. As this report deals entirely with administrative matters, there is no climate impact.

7. RISK

7.1. There is no significant business risk with this item, however, as this item reports on the progress against our Annual Plan, all risks are inherently associated with the information included.

8. BACKGROUND

8.1. The Annual Report is a statutory requirement that must be completed each year. It is a key corporate accountability document that provides both the financial and non-financial performance information against the budgets and targets set in 2025-26 Annual Plan. The statutory deadline for adopting the audited Annual Report is 31 October 2026.

9. DISCUSSION

9.1. This is an opportunity for Council to review sections of the draft Annual Report and provide feedback. It should be noted that this is a draft document, has not been to the external proofers and is subject to change as we finalise the document in preparation for the annual audit.

9.2. Included in these sections are the activity statement performance summaries and narratives regarding our work programmes delivered during the year and the results against our performance measures.

10. NON-FINANCIAL PERFORMANCE MEASURE RESULTS

10.1. Council officers have identified preliminary (unaudited) performance to 30 June 2026 against each of the performance measures from the 2024-34 Long-term Plan. Overall, Council have completed 87 or 87% out the 100 applicable targets. This is a decrease compared to the 88% achieved in 2024-25.

10.2. In 2025-26 there were 13 (13%) of the targets not achieved. These are commented on in the sections below. There are a further 6 targets that are not applicable for this financial year – note, these are removed from percentage calculations. Further details on these can be found in the Group summaries on pages 16 to 90 of the Annual Report. These results are subject to Audit and could change as a result of that.

10.3. The table below provides a summary of non-financial performance overall and for the groups within the Annual Plan.

GROUP	ACHIEVED	NOT ACHIEVED	TOTAL APPLICABLE	PERCENT ACHIEVED	NOT APPLICABLE
PARTNERSHIPS, GOVERNANCE AND LEADERSHIP	7	3	10	70%	2
STRATEGY, SCIENCE AND REGULATION	12	5	17	71%	2
CATCHMENT OPERATIONS	47	1	48	98%	1
TRANSPORT AND REGIONAL SERVICES	21	4	25	84%	1
GRAND TOTAL	87	13	100	87%	6

10.4. The **Partnerships, Governance and Leadership Group** achieved 7 of the 10 applicable targets (70% of the applicable measures were achieved), with 3 targets not achieved and 2 targets not applicable. The 3 targets not achieved were as follows:

- In **Iwi and Hapu Relationships**
 - *1.3 Implement steps and reflection process for areas for improvement raised in the health check in year 1:* The independent Te Tiriti Health check was completed in June 2025, however the development of an implementation plan based on the recommendations from that check was started but not completed in 2026.
 - *2.1 Total average score in the Horizons Cultural Competence self-assessment survey - increase on previous year:* The cultural competency staff self-assessment survey was not completed in the current reporting year, with the results of the May 2025 survey helping to inform a training programme which will be rolled out over 2026/2027. An updated survey was therefore deemed not required.
- In **Community Wellbeing and Relationships**
 - *1.3 The percentage of engaged website sessions being greater than 65%:* Only 54% was achieved with the delay in the new website going live. This is expected to improve now the new website is active.

10.5. The **Strategy, Science and Regulation Group** achieved 12 of the 17 applicable targets (71% of the applicable measures were achieved), with 5 targets not achieved and 2 targets not applicable. The 5 targets not achieved were as follows:

- In **Policy, Strategy and Climate Resilience**
 - *3.3 Community climate action projects are supported through the community climate response fund:* Of the fund available 77% was allocated compared to the 80% target. One project funded over a two year period instead of a single year reducing the percentage allocated this year.
- In **Regulatory Management**
 - *1.1 Percentage of consents processed within RMA timeframes:* 75% was achieved against a target of 85% (66% last year achieved). Staff vacancies and responding to RMA amendments have impacted the ability to meet this measure.
 - *1.2 Percentage of Rural and Primary resource consents and permitted activities monitored using risk-based approach:* 74% was achieved against a target of 90% (95% achieved last year). Staff vacancies and secondments to other areas have impacted the ability to meet this target.
 - *1.3 Percentage of resource consents and permitted activities related to Category 1 & 2 sites:* 84% was achieved against a target of 100% (84% achieved last year). Staff capacity and a delay sending out reports for category 1 sites resulted in these sites being reported on late.

- *1.7 Percentage of HAIL enquiries that are responded to within 10 working days of receipt: 99% achieved against a target of 100% with only 1 HAIL enquiry out of 316 requests was not responded to in 10 working days.*
- In **Science and Environmental Reporting** all applicable targets were achieved.
- 10.6. The **Catchment Operations Group** achieved 47 of the 48 applicable targets (98% of the applicable measures were achieved), with 1 target not achieved and 1 not applicable. The 1 target that was not achieved is as follows:
 - In **Land Management**
 - *1.1 Hectares of erosion control works completed: 2,309ha achieved against the target of 3,540ha. Despite more jobs being completed than last year, overall less work was completed, reflective of the landowners not seeking to complete the larger afforestation jobs that have been typical in previous years.*
 - In **Freshwater and Partnerships** all, applicable targets were achieved
 - In **Biodiversity and Biosecurity** all, applicable targets were achieved
 - In **River Management and Flood Protection** all, applicable targets were achieved.
- 10.7. The **Transport and Regional Services Group** achieved 21 of the 25 targets (84% of the applicable measures were achieved), with 4 targets not achieved and 1 target not applicable. The 4 targets not achieved were as follows:
 - In **Passenger Services**
 - *1.2 Percentage of monitored scheduled services that departs on time: 92.6% achieved against the target of >95%, due to the implementation of the new Palmerston North service and impact of road works.*
 - In **Road Safety**
 - *1.1 Number of road safety behavioural change education initiatives delivered across the region: 22 delivered against the target of >30, with a significant reduction in NZTA funding impacting this programme.*
 - In **Emergency Management**
 - *4.1 & 4.2 Number of formal meetings attended for both Manawatu Rivers Users Advisory Group and Whanganui Awa Safety Group: Only one out of 2 meetings were attended for both Manawatu River Users Advisory Group and Whanganui Awa Safety Group.*
 - In **Transport Planning** all applicable targets were achieved.
 - In **District Advice** all applicable targets were achieved.
 - In **Environmental Data** all applicable targets were achieved.
 - In **Information Management** all applicable targets were achieved.
- 10.8. An overview of the performance measures compared to the previous year can be found on page 12 of the draft Annual Report with details of performance within each activity section.

11. FINANCIAL PERFORMANCE RESULTS

11.1. Council adopted the 2025-26 Annual Plan which included an operating Net Surplus/(Deficit) for the year of \$1.437M. During the financial year Council approved changes to revise the Annual Plan budget to reflect new information, additional work requirements or to reflect other decisions made by Council. The Revised Annual Plan Budget reflected an updated net Surplus/(Deficit) of (\$4.403M), being a reduction of \$5.84M to the originally planned Net Surplus. The actual Net Surplus/(Deficit) for the year was (\$4.32M). A summary of the Revised Budget changes are as follows:

- Investments & Corporate – (\$7.61M)
 - (\$0.95M) of new cost to fund the new build project
 - (\$0.42M) carry forward from 2024/25 unspent budget to complete the ECM Project
 - (\$6.24M) to recognise Carbon Credits to be surrendered as part of the Forestry Right sales
- Catchment Operations – \$1.77M
 - (\$0.23M) carry forward from 2024/25 unspent budget to complete the Flood Vulnerability Assessment
 - \$2.47M net impact of the Forestry Right sales
 - (\$0.49M) additional works approved for Flood Protection as a result of weather events and changes to operational budgets

11.2. The key variances to Annual Plan by Group of Activity are as follows:

Operating surplus per Annual Plan for year ending 30 June 2026 (000)		\$1,437
Variances to Budget;		
Investment and Corporate		(\$11,145)
<i>Corporate (\$1,400k) [unfavourable]</i> due to an overspend of \$642k this year in the ECM project following a carry forward of last year's underspend. The total project was completed and delivered within approved budget. Council also approved an additional \$950k for the first stage of the design for the new build of which \$847k of this was spent during the year. As neither of these were included in the original Annual Plan budget, they appear as approved overspends at year end. <i>Investments (\$9,727k) [unfavourable]</i> mainly due to the Forestry Right sales. Each year we have held the Forestry Rights, we recognise Carbon Credits as revenue at the time they are received. As we sold 4 forestry rights during the year, the carbon credits previously received were surrendered as part of the sale. This resulted in an expense of \$6.4M compared to a budget of \$1.9M revenue for new credits - a variance of \$8.3M. Note this does not represent a loss of the sale of these rights, rather the accounting treatment for revenue recognised in previous years. We also received lower net interest than expected due to fluctuating interest rates, and less revenue from penalties, remissions and write offs.		

Partnership, Governance and Leadership

(\$974)

Community Wellbeing & Relationships (\$83k) [unfavourable] with more staff time due to the website development, additional Across the Region Election issue advertising, and increased spending in Environmental Education.

Governance (\$702k) [unfavourable] with Horizons share of the Election costs from each local authority being significantly more than previous years. Work has also started earlier than anticipated on the next Long-term Plan resulting in unplanned costs being incurred this financial year.

Hapū & Iwi Relationships (\$189k) [unfavourable] with contributions for Te Awa Tupua from external parties being lower than expected. Increased staff costs were offset by savings from Contractor underspend.

Strategy, Science and Regulation

\$1,760

Regulatory Management (\$1,827k) [unfavourable] due to an under recovery of revenue. Contributing factors were due to staff vacancies, staff being diverted away from core regulatory activities and the need to respond to central government reform requirements.

Policy, Strategy and Climate Resilience \$2,679k [favourable] with changes in central government direction and legislation slowing progress and leading to the pausing of some implementation activities, resulting in savings in external contractors and staff costs. The Freshwater Futures Programme, One Plan work, Integrated Catchment Management and Climate Change activities all recorded underspends. New and Emerging Issues recorded an overspend due to staff time spent advising and supporting council with submissions to central government proposals.

Science and Environmental Reporting \$908k [favourable] resulting from staff vacancies and consultant availability, both of which reduced capacity to deliver core programmes

Catchment Operations

\$5,598

Land Management \$3,853k [favourable] with \$2,770k the net impact of the sale of the forestry rights. Less work was completed in the SLUI programme resulting in reduced grant spending for the year. Note this group of activities includes Science and Research work completed by the Strategy, Science and Regulation Group, which for the year contributed \$100k to the favourable result.

Freshwater & Partnerships \$326k [favourable] primarily due to a combination of more revenue from riparian plant sales than planned, and operational savings made across a number of programmes including less weed harvesting tonnes completed this year compared to last.

Biodiversity and Biosecurity \$182k [favourable] including an overspend of (\$31k) in Biodiversity Research which is managed by the Strategy, Science and Regulation Group. A combination of additional revenue and operational savings across these activities contributed to the positive variance.

River Management and Flood Protection \$1,237k [favourable].

- During the year Council approved additional repairs and maintenance budgets of over \$787k across a range of individual schemes, some of which were late in the financial year.
- In total \$1.8M more revenue was recognised during the year, made up from \$0.2M third party contributions and \$1.6M being funding for capital works. These projects included \$0.9M for Te Pūwaha, \$0.2M for Foxton East, \$0.3M for Koputroa and \$0.3M for Makerua.
- Expenditure was overspent at year end by (\$461k) compared to Annual Plan, representing the additional Council approved work.
- Further details were provided to the Integrated Catchment Committee meeting in July 2026.
- Infrastructure asset revaluation is yet to be completed and may impact these results.

Transport and Regional Services

(\$999)

Emergency Management (\$596k) [unfavourable] with staff costs due to the significant number of events responses in the year. These costs are offset against other areas of the business where staff were diverted away from BAU to manage events.

District Advice \$98k [favourable] with savings in staff costs.

Road Safety \$33k [favourable] with reduction in NZTA funding offset by savings in delivery costs and staff time.

Information (\$481k) [unfavourable] with the reclassification of IRIS software development project from a capital cost to an operational cost, in line with accounting standards. This is an ongoing project supported by staff across council which is largely offset by staff savings from other activities. The operational spend was within planned budgets.

Transport Planning \$23k [favourable] with lower external costs than budgeted.

Passenger Services (\$73k) [unfavourable] This position was closer to budget than forecast due to additional NZTA revenue received late in the year for Total Mobility and Bus Services; overall impacted by Depreciation & Total Mobility.

Environmental Data (\$2k) [unfavourable] with operational budgets prioritised to deliver within overall budget.

Total variance to approved Annual Plan Plan	(\$5,760)
End of year Annual Report surplus/(deficit):	(\$4,322)

- 11.3. The 2025-26 Annual Plan capital budget was \$11.5M, with a revised budget including carry forwards and additional approvals of \$3.6M, resulting in a revised total of \$15.1M. The actual year end position is currently a total capital spend of \$11.7M.

	ACTUAL (\$000)	ANNUAL PLAN BUDGET (\$000)	REVISED BUDGET (\$000)
PARTNERSHIPS, GOVERNANCE AND LEADERSHIP	467	332	452
STRATEGY, SCIENCE AND REGULATION	44	71	130
CATCHMENT OPERATIONS	8,307	7,402	10,751
TRANSPORT AND REGIONAL SERVICES	666	922	1,012
CORPORATE SUPPORT	2,193	2,760	2,780
GRAND TOTAL	\$11,678	\$11,488	\$15,125

- 11.4. Partnerships Governance and Leadership almost completed their new Website build, with \$467k spent against an Annual Plan budget of \$332k (additional \$120k was an approved carry forward from 2024/25 year).
- 11.5. Strategy Science & Regulations capex relates to science specific equipment, with a \$58k approved carry forward from last year. This year's underspend was due to longer than expected lives of specific science assets, which are yet to need replacement.
- 11.6. Catchment Operations delivered \$8.3M of capital works for the year against a revised budget of \$10.7M. Significant works included Te Pūwaha Stage 2A (Tanea Groyne), 2B (South Mole Extension), completion of the Climate Resilience projects and the Nursery Irrigation system. Further details regarding the capital programme for the Catchment Operations Group was presented to the Integrated Catchment Committee on 29 July 2026.
- 11.7. Transport and Regional Services had \$90k for CRU flood forecasting as an approved carry forward from last year. This year's underspend resulted from a re-allocation of work between Environmental Data and Information Services to allow Aerial Photography to be commenced, but not yet completed, in the 2025/26 year.
- 11.8. Corporate Services had \$20k carry forward for the underspend in prior year on Taihape Bathroom remodel that was completed in the year. All other capital projects within corporate were underspent.

12. TIMELINE / NEXT STEPS

- 12.1. Work will continue updating the 2025-26 Annual Report which will be next presented to Council at the September 2026 meeting, prior to the audit being completed.

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ANNEXES

A Draft Annual Report 2025-26



Pūrongo-a-tau 2025-26 Annual Report 2025-26

28 October 2026

Report Number: 2023/EXT/1801

ISSN No. 1176-9518

ISSN No. 1178-1505(e)

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Message from the Chair and Chief Executive

Message to come

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Message to come

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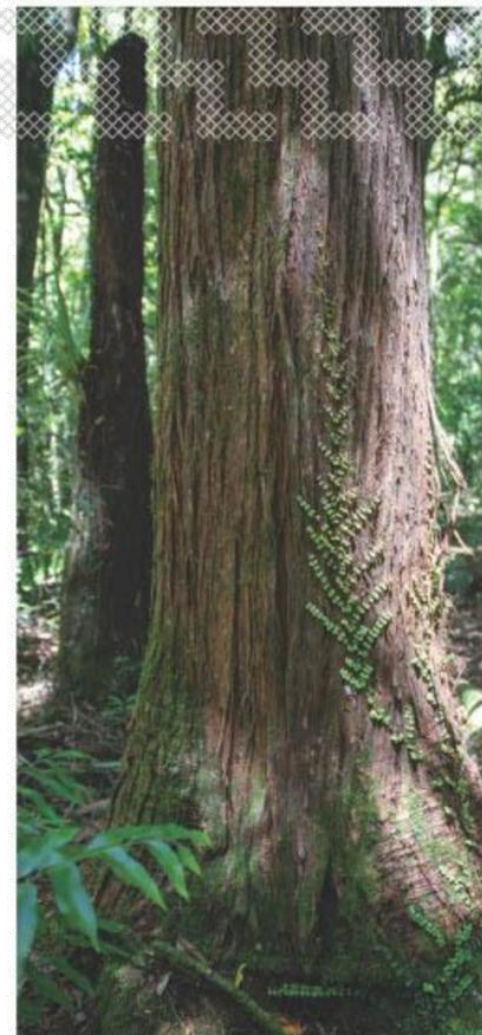
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Welcome to the Annual Report and Financial Overview

This Annual Report describes the work Horizons Regional Council (Horizons) has carried out over the 2025-26 financial year and compares our performance against the Annual Plan 2025-26.

Budget Variance

	\$'000
Surplus as per Statement of Comprehensive Revenue and Expense	(4,322)
-Less: Budgeted net surplus	1,439
Budget variance	(5,761)

There are several contributors to this budget variance as detailed below:

Partnerships, governance and leadership	(974)
Strategy, science and regulation	1,760
Catchment operations	5,598
Transport and regional services	(999)
Investments	(11,145)
Budget variance	(5,761)

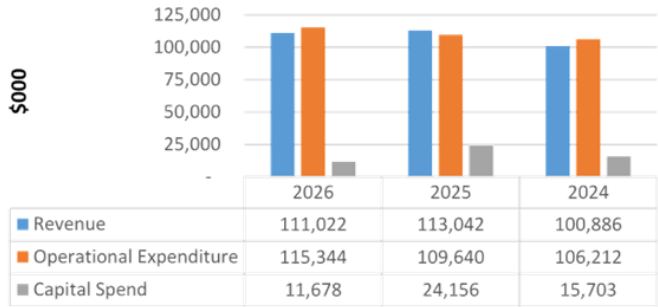
The actual result was \$(5.761) million down on budgeted surplus. The largest contributors to this are as follows:

- **Investments** is unfavourable mainly due to the derecognition of carbon credits. Carbon credits are recognised as revenue when received; however, following the sale of four forestry rights during the year, previously recognised credits were surrendered as part of the sale. This resulted in a \$6.4 million expense compared with budgeted revenue of \$1.9 million from new credits, creating an \$8.3 million variance. This does not represent a loss on the sale of the forestry rights but reflects the accounting treatment for revenue recognised in prior years.

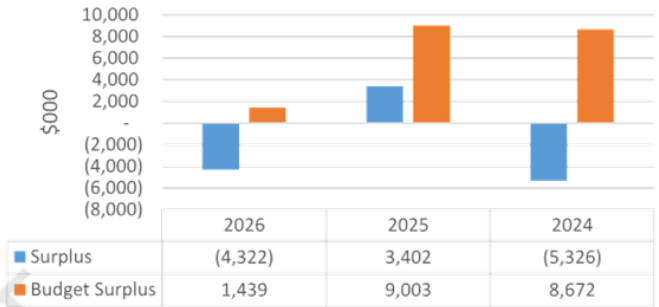
- **Corporate, within Investments**, had a \$642k overspend on the Enterprise Content Management (ECM) project, following the carry-forward of last year's underspend. The project was completed and delivered within the approved total budget. Council also approved an additional \$950k for the first stage of design for the new build, of which \$847k was spent during the year. As neither item was included in the original Annual Plan budget, they are reported as approved overspends at year end.
- **Partnerships, governance and leadership** is unfavourable due to several factors, including higher-than-expected election costs, work brought forward for the next Long-term Plan, and increased spending on website development, advertising, and environmental education.
- **Transport and regional services** is unfavourable due to the significant number of emergency management events. Some costs were offset by savings in other areas where staff were diverted from business-as-usual work to support the response. The variance also reflects the reclassification of the IRIS software development project from capital to operational expenditure, in line with accounting standards. This ongoing Council-wide project is largely offset by staff savings from other activities.
- **Catchment operations** is favourable due to the combined effect of the forestry rights sale and additional revenue received for river management, flood protection, freshwater, and partnership-related capital and project works.
- **Science, strategy and regulation** is favourable because changes in central government direction paused some workstreams, resulting in staff and contractor savings. Other programmes were affected by consultant availability and staff vacancies, which reduced delivery capacity. These savings were partly offset by lower-than-expected regulatory revenue.

Refer to Explanation of Major Variances Against Budget in note 33 for more detail.

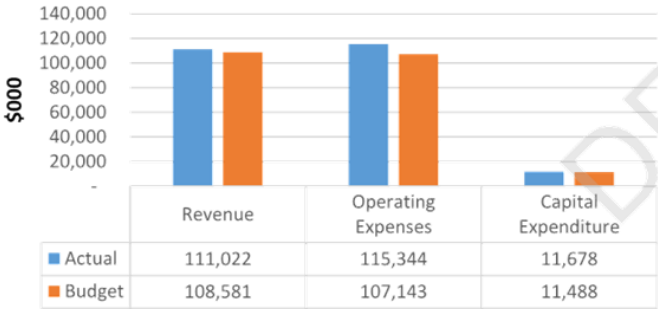
Revenue and Expenditure - 3 Year Trend



Actual Net Surplus vs Budget

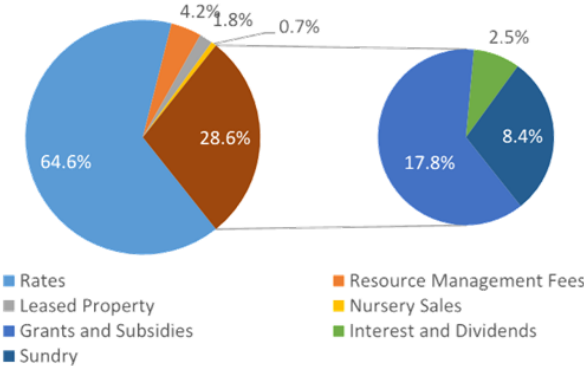


Financial Result Against Budget



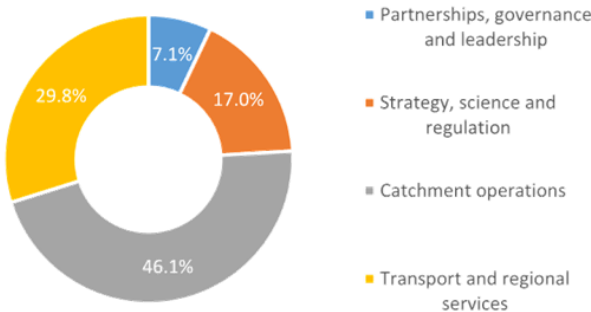
Revenue

Revenue was \$111.022 million for the year, an increase of 2.25% on budget. This revenue is derived from multiple sources, with Rates being the main contributor.



Expenditure

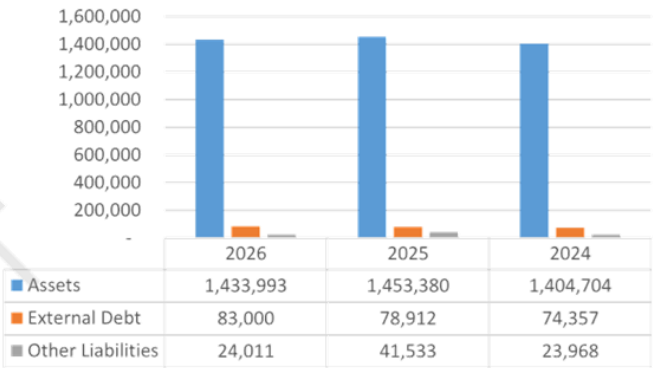
Total expenditure incurred by Horizons during the year was \$127.022 million. This includes operating expenditure of \$115.344 million and capital expenditure of \$11.678 million.



Note the above does not include the Investment Activity.

Horizons’ Assets and Liabilities

During the financial year, Horizons’ net worth decreased from \$1,332.935 million to \$1,326.982 million.



Statement of Service Performance 2026

Overview

The Statement of Service Performance illustrates progress made during 2026 towards achieving our vision.

Council's vision is 'Tō tātou whenua ora – mauri wai, mauri whenua, mauri ora. Our region – a healthy environment where people are thriving'. Our primary focus is on a healthy environment and thriving people across the rohe, both now and in the future. To achieve this, our residents require Council to provide appropriate levels of services.

The Long-term Plan and Annual Budgets (Plans) provide more details on these services and how our performance can be measured. The Council develops the vision and associated goals in consultation with the community. These goals are called community outcomes. Our community outcomes are what we aim to achieve to promote the social, economic, environmental, and cultural wellbeing of our communities in the present and for the future, whilst taking a sustainable development approach. Many of the community outcomes also require collaboration and involvement from other organisations in the community to achieve them.

Council's goals as set in the Long-term Plan 2024-34 were:

He whakamana hapori, he hapori kori

Our region's communities are vibrant and empowered

Communities are enabled to participate meaningfully in decision making and take action to benefit our collective wellbeing.

He whanaungatanga whai mana

Our region's relationship with iwi and hapū are respectful and mana-enhancing

Mutually beneficial partnerships with tangata whenua reflect the intent of te Tiriti o Waitangi/the Treaty of Waitangi.

He pūnaha hauropi ora

Our region's ecosystems are healthy

A full range of healthy ecosystems from the mountains to the sea are valued for their intrinsic worth and provide sustainably for communities.

He whatunga waka mauritau

Our region has effective transport networks

Safe, sustainable public transport and infrastructure planning that support connected communities and reduce the region's carbon emissions.

He rohe piki te ōhanga, pika te taiao

Our region's economy is thriving and environmentally sustainable

A sustainable economy that supports communities to thrive socially, culturally and environmentally.

He hapori manawaroa

Our region's communities are resilient to the impact of natural hazards and climate change

Communities understand natural hazards and our changing climate and are supported to respond and adapt.

Achievement of the community outcomes requires some level of prioritisation and trade-offs. To that end, Council has four strategic priorities to inform the 2025-27 period:

- Te piki manawaroa ki te āhuarangi hurihuri – Building resilience to the impacts of climate change
- Te whakakaha whanaungatanga ki te tangata whenua – Strengthening partnerships with tangata whenua

- He ara torowhārahi – mai i ngā maunga ki te moana (whakahere riu) – a holistic approach, from the mountains to the sea (integrated catchment management)
- He tūhono wāhi he honohono tangata – Connecting people and place through effective public transport connections

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Te anga rautaki Strategic framework



Tō mātou wawata Our vision

Tō tātou whenua ora – mauri wai, mauri whenua, mauri ora
Our region – a healthy environment where people are thriving

Ngā rautaki arotau Our strategic priorities

Te piki manawaroa ki te āhuarangi hurihuri
Building resilience to the impacts of climate change

Te whakakaha whanaungatanga ki te tangata whenua
Strengthening partnerships with tangata whenua

He ara torowhārahi – mai i ngā maunga ki te moana
(whakahaere riu)
A holistic approach, from the mountains to the sea
(integrated catchment management)

He tūhono wāhi he honohono tangata
Connecting people and place through effective
public transport connections

Ngā putanga ā-hapori Our community outcomes



He whakamana hapori, he hapori kori
Our region's communities are vibrant and empowered



He whanaungatanga whai mana
Our region's relationship with iwi and hapū
are respectful and mana-enhancing



He pūnaha hauropi ora
Our region's ecosystems are healthy



He whatunga waka mauritau
Our region has effective transport networks



He rohe piki te ōhanga, piki te taiao
Our region's economy is thriving and environmentally
sustainable



He hapori manawaroa
Our region's communities are resilient to the impact
of natural hazards and climate change

Activity Information

Our work programmes are organised into Groups of Activities that support the achievement of these community outcomes and our vision. These are:

- Partnerships, governance and leadership
- Strategy, science and regulation
- Catchment operations
- Transport and regional services

The results achieved against the non-financial service performance targets, or otherwise more commonly known as outputs, for 2026 are summarised in the table below. Performance has been compared to the 2024-34 Long-term Plan targets.

Activity and service performance information is contained on pages 16 to 93.

Group of activities	Number of targets	Achieved	Measure Not Applicable	Partially or Not Achieved	% Achieved 2025-26	% Achieved 2024-25
Partnerships, governance and leadership	12	7	2	3	70.0	72.7
Strategy, science and regulation	19	12	2	5	70.6	76.5
Catchment operations	49	47	1	1	97.9	93.5
Transport and regional services	26	21	1	4	84.0	92.3
Total 2025-26	106	87	6	13	87.0	88.0

Note: The percentage achieved is based on measures that were able to be achieved during the year because they applied to this year rather than the total number of targets. We have also not included any qualitative measures in the above table as these are not measured on an achieved or not achieved basis.

Statement of compliance

The service performance information in this report is compliant with New Zealand generally accepted accounting practice (NZ GAAP).

Performance Framework and Selection of Measures

The overall purpose of Council's performance framework is to:

- allow residents to make a judgement on whether or not the Council action being measured is worth funding through rates or fees
- allow Council to take corrective actions if the expected results are not being achieved.

The Long-term Plan pulls together Council's Strategies and Plans, which enable us to bring our vision and community outcomes to life. Activities and non-financial performance measures (outputs) within the Long-term Plan align with these strategies and plans. These service performance measures are directly linked to actual work we undertake or contract others to do, meaning they are quantitative and can be more easily measured. We do have some qualitative measures this year which are

harder to measure. Currently these are only found in the governance activity on page 22. Council publicly reports the Long-term Plan measures as part of the Activity Statements in the Annual Report.

The Department of Internal Affairs sets some mandatory measures that all Councils need to include in their Long-term Plans. For our Council, these relate to our Catchment operations works and are detailed on pages 53 to 72.

Other measures were set through Council's Long-term Plan process in consultation with our communities.

Council has one target that measures its performance in setting how well it processes resource consents within statutory frameworks. In setting targets for this measure, Council acknowledges that a small number of applications will not be processed in the statutory timeframes. This is because some complex consent issues cannot be resolved with these timeframes.

Note that the service performance information contained on pages 16 to 93 of the Annual Report relate to Council only. The CCO service performance information is contained in note 11 to the Financial Statements.

Māori contribution to council's decision-making processes

The LGA requires all councils to consider ways in which it can foster the development of Māori capacity to contribute to its decision-making processes. The ways in which Council currently does this are through:

- the provision of funding to enable engagement with iwi/hapū in decision and policy making processes (via the Iwi/Hapū Relationships activity, funded by 100% General Rate).
- establishing and maintaining processes for Māori to contribute via Memorandums of Partnership and other relationship agreements, project governance and operational input,
- building our internal capacity through the provision of advisory roles and our staff cultural competency programme so that we are equipped to support tangata whenua when they engage (see our performance measures for the Iwi and Hapū Relationships activity).

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Te rangapū, te whakahaere, te tātaki

Partnerships, governance and leadership



This group of activities is made up of the following activities:

- Governance
- Iwi and Hapū Relationships
- Community Wellbeing and Relationships

What we do

The Partnerships, Governance and Leadership Group provides the leadership and oversight for Council’s strategic decision-making and relationships, and community wellbeing in the region. The governance function, made up of the elected members sitting as Council, the six committees of Council and the Joint Committees, represent their constituent communities around the Council table.

This group is also focussed on developing and maintaining strong iwi and hapū partnerships, as well as informing, educating, and empowering the diverse range of communities across the rohe.

Contribution to Council’s community outcomes

The Partnerships, Governance and Leadership Group contributes to all six of our community outcomes by having a holistic focus in the decision-making process and engagement with the community.

Our region’s communities are vibrant and empowered

- We provide effective leadership and make future-focussed decisions that benefit the community.

- We develop and maintain formal and informal partnerships that benefit the region or distinct communities.
- We inform and educate the community about Council mahi that impacts them.

Our region’s communities are resilient to the impacts of natural hazards and climate change

- We work with local and regional authorities, tangata whenua, and community groups to provide leadership and direction to promote community resilience.
- Our communications function has a direct impact on the resilience of our communities, through the provision of timely and accurate messaging to ensure they are prepared for natural-hazard events.

Our region’s ecosystems are healthy

- We seek to make wise, evidence-based decisions that promote the health and longevity of our region’s varied and unique ecosystems.
- We help tamariki and rangatahi learn about and engage with te taiao/the natural environment, so that they are empowered to make decisions about their future.

Our region’s economy is thriving and environmentally sustainable

- We consider the challenges and opportunities of balancing economic and environmental wellbeing as we make decisions.

Our region has effective transport networks

- Our Regional Land Transport Plan and Regional Public Transport Plan set out an integrated approach to the transport networks in the rohe/region that provide for our current and future communities.
- We seek feedback from our communities about their transport needs and regularly communicate with them about matters that impact them.

Our region's relationships with iwi and hapū are respectful and mana-enhancing

- We seek to become better Te Tiriti/Treaty partners by seeking meaningful partnerships with tangata whenua, by seeking their participation in planning and decision-making, by supporting capacity and capability building.

What we did this year

Governance

Annual Plan - The activities proposed in the 2026-27 Annual Plan has not changed significantly from those previously presented for Year 3 of the 2024-34 Long -term Plan and as such Council elected not to consult with the public on the Annual Plan for 2026-27

Councillor Attendance – Overall attendance by Councillors at meetings relevant to their responsibilities was 96% (a 1% increase from the previous year of 95%). The attendance figures below refer to Council meetings and committees that the individual Councillors were nominated onto. In addition to these, Councillors attended a number of other committee meetings as a matter of interest.

Individual attendance for the 12 months (1 July 2025 to 30 June 2026) was as follows (calculation based on at least 75% attendance of the duration of a meeting).

Benbow, AL (to 11 Oct 25)	9 out of 9
Clark, EML (to 11 Oct 25)	6 out of 6
Cotton, D (to 11 Oct 25)	5 out of 6
Dryland, S (from 11 Oct 25)	13 out of 13
Easton, H (from 11 Oct 25)	20 out of 20
Edmonds, J (to 11 Oct 25)	7 out of 7
Ferguson, S (to 11 Oct 25)	6 out of 7
Fraser, B (from 11 Oct 25)	7 out of 17
Gordon, B	25 out of 25
Gordon, F	24 out of 25
Jansen, L (from 11 Oct 25)	17 out of 21
Keedwell, R (to 11 Oct 25)	9 out of 9
Naylor, J	26 out of 27
Pue, E (from 11 Oct 25)	18 out of 20
Riley, N	29 out of 29
Taylor, A	20 out of 23
Te Awe Awe, W	20 out of 21
Teira, T	26 out of 26
Wells, P (from 11 Oct 25)	18 out of 18

Elections - In October 2025 we held the inaugural meeting of the elected council members, who will represent their communities through the 2025-28 triennium.

Of the 14 Councillors elected in for this triennium, 8 are returning and 6 are new Councillors. The 14 Councillors represent the following constituent areas:

- Horowhenua
- Manawatū
- Palmerston North
- Rangitikei
- Raki Māori
- Ruapehu
- Tararua
- Tonga Māori
- Whanganui

Iwi and Hapū Relationships

The Iwi and Hapū Relationships activity focuses on developing and maintaining positive and productive working relationships with tangata whenua, represented by the region's diverse iwi, hapū, and Post-Settlement Governance Entities (PSGEs). It also provides internal support to the organisation through building cultural competency and supporting policy and plan development.

Over the second half of the year, a key focus of the team has been Mana Whakahono ā Rohe agreements. These agreements are provided for through the Resource Management Act and are a binding agreement between iwi (and sometimes hapū) and Council setting out how iwi will be involved in plan making processes, along with other matters negotiated through the agreement process. They are a widely-regarded relationship tool, which must meet minimum criteria and be completed within 18 months. Council has seen a marked increase in the number of Mana Whakahono ā Rohe initiated by iwi authorities. This has led to the

team focusing on developing a process for working through these agreements, which Council approved in June. The large number of Mana Whakahono ā Rohe initiated and the statutory process required mean that a large portion of the team's resources are focused on this Kaupapa.

Over the past 12 months, the Council has ratified one relationship agreement (Te Nehenehenui), and formally received one Iwi Environmental Management Plan. These partnerships aim to further strengthen our collaboration with tangata whenua and reflect a shared commitment to mutual goals.

Council appointed a member to Ngā Wai Tōta o te Waiū, the group responsible for Te Waiū-o-Te-Ika framework for the Whangāehu Awa and confirmed funding to support the development of Te Tāhoratanga, the strategic document required to be prepared by Ngā Wai Tōtā. The team continue to support Ngā Wai Tōtā through preparation of documents and meetings as part of its secretariat function under the Ngāti Rangi Claims Settlement Act.

Along with Mana Whakahono ā Rohe, a key priority for many iwi and hapū has been the Oranga Wai Freshwater Future Programme, designed to implement the National Policy Statement for Freshwater Management. While this programme has slowed, the team have continued their engagement with iwi and hapū in the spirit of partnership. A series of hui were held throughout 2025/26 to ensure ongoing collaboration and feedback and information sharing on the upcoming resource management reforms.

In the previous year feedback was sought from iwi and hapū across the region through an independent Te Tiriti partnership health check. While the intended implementation plan hasn't eventuated, the insights from this report, combined with the evaluation of the Te Ao Māori chapter of the One Plan will be key to developing an engagement strategy for the

new planning instruments as part of the government resource management reform.

An internal review was conducted in 2024/25 to assess staff confidence and cultural competency. This review identified the need for further cultural training. As a result, a cultural training programme has been developed and will be rolled out in the second half of 2026/27, following completion of a pilot, to strengthen the Council's ability to engage meaningfully with tangata whenua.

It is acknowledged that the demands placed on tangata whenua by central and local government agencies have been significant. This has required iwi and hapū to prioritise their engagement efforts. Additionally, ongoing resource management reforms by the government have created uncertainty, further adding to the workload of iwi and hapū. In response, the Council remains committed to supporting iwi and hapū by helping to prioritise involvement and addressing capacity and capability needs.

Community Wellbeing and Relationships

The 2025-26 financial year saw multiple high-profile engagements take place, none more significant than local government elections. Consultation on the Whanganui bus network flowed into the launch of the city's new network, along with promotion of the incoming Feilding service improvements and Ashhurst school bus services. We also celebrated the end of the central government co-funded Climate Infrastructure Resilience Projects by hosting an open day at the upgraded Moutoa Floodgates.

Our Environmental Education work continues to exceed non-financial performance measurements, having a total of 119 Enviroschools in the Horizons Region (target of >100). Attaining a 100% satisfaction rating from surveys conducted after Environmental Education sessions shows this

mahi is highly valued by our communities. There have been a number of large student and teacher events throughout the year. Forgotten Fauna in Taumarunui was the second large student hui to be held in the Ruapehu District. This event saw approximately 130 students from schools across Ruapehu come together to learn about mokomoko (lizards), pekapeka (bats) and unusual invertebrates. The hui was delivered by a host of community organisations, including Department of Conservation, Ruapehu District Council, and NZ Landcare Trust. In March 2026, 46 teachers from 21 Enviroschools across the region gathered in Horowhenua District for the biannual regional Enviroschools teacher hui. The theme 'was mountains to the sea', with participants exploring a series of local environments that showcased the region's rich ecological diversity. Attendees at both events left feeling inspired, energised, and connected, with many taking away fresh ideas, new relationships, and renewed enthusiasm. It was a powerful reminder of the impact shared experiences in nature can have on both teaching practice and community building.

While 2024-25 was quiet in the Emergency Management space, 2025-26 was anything but. The Communications team was especially busy fulfilling the Public Information Management (PIM) function during emergencies. The team supported multiple flood responses, the Tongariro National Park wildfires, the Waiouru water supply issues in June 2026, and other emergencies. The team was involved in sending five Emergency Mobile Alerts in the past financial year; Horizons had only ever sent one previously.

The Horizons website presence redevelopment project was effectively completed this financial year. The project streamlined several satellite websites into the Horizons website, established dedicated Manawātū-Whanganui Emergency Management Group and Connect – Horizons Regional Transport websites, fully remapped and rewrote content on the

main Horizons website, and moved all websites onto a singular content management system. The emergency management website launched in January, while the Connect and Horizons websites will launch in July 2026. This project gives our websites more resilience, improved functionality and less duplication.

In addition to the Communications team, Horizons operates a 24-hour call centre and Pollution Hotline.

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Local Government Elections

The election of a new council is always a big undertaking, starting well before nominations open and extending beyond election day. Months of mahi goes into ensuring legislative compliance with election processes, promotion to attract candidates, and induction of the new Council.

We received 32 nominations for the 2025 elections, well up on the 22 candidates we had in 2022. Candidates covered a wide age range and came from a variety of backgrounds, helping to provide people with a diverse choice when it came time to vote. Only two of Horizons’ councillors – Nikki Riley in Ruapehu, and Te Kenehi Teira in the Tonga Māori constituency – were elected unopposed. All other seats had electoral races. To give candidates a chance to talk about their policy platforms, and to give voters a better understanding of who they were voting for, we gave all candidates in seats with electoral races the chance to record short videos which were promoted via our website and social media accounts. These videos proved popular, attracting thousands of views.

This election also included a referendum on Horizons’ Māori constituencies, as required under central government legislation. As per our politically neutral position, we made sure to provide information about Māori constituencies without taking a stance on if they should or

should not be retained. The constituencies were retained, with 36,864 voting to keep and 36,088 voting to have them removed.

The election resulted in six new councillors: Ben Fraser (Whanganui), Peter Wells (Palmerston North), Elijah Pue (Raki Māori), Sally Dryland (Taranaki), Luka Jansen and Hamish Easton (both Horowhenua). They joined Alan Taylor (Whanganui), Te Kenehi Teira (Tonga Māori), Nikki Riley (Ruapehu), Bruce Gordon, Gordon McKellar (both Manawatu-Rangitikei), Jono Naylor, Fiona Gordon and Wiremu Te Awe Awe (all three Palmerston North), who successfully sought re-election.

The successful candidates were sworn in as councillors in Palmerston North on 29 October 2025. While each was elected in a specific constituency, they all swore to serve the entire Horizons Region. One of their first jobs was to select a new chair, with Cr Riley elected by her peers to serve as chair for the term. She told the meeting she would be a chair of a council that listens, learns and leads with purpose at a time of profound change nationally and regionally.

All councillors took part in an extensive induction programme, ensuring they were up to speed with Horizons’ activities, their legislative requirements, and how they could work together to be successful for the coming term.

PERFORMANCE TARGETS

GOVERNANCE	
Council's purpose is a) to enable democratic local decision-making and action by, and on behalf of, communities; and, b) to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.¹ Our performance goals are expressed through our strategic priorities and community outcomes. Measuring successful delivery of these things on an annual basis is difficult because governance the impacts of our decisions are mostly experienced in the longer term rather than within a single year. Thinking about impact on an annual basis, if the Governance Team (the elected members) does its job well, the rest of Council will perform well. Our success is measured by the performance of the whole Council team. Rather than using numbers or percentages to measure how well we are doing as a Governance Team, we will undertake an honest assessment of how we did each year to be included in the Annual Report. We will use our strategic priorities and community outcomes as a framework for that assessment. For each of our strategic priorities, we will ask ourselves and report on the following questions: 1. What actions did we take to demonstrate our commitment to this strategic priority? 2. What happened as a result of our actions? 3. What difference has been made as a result of our actions? 4. What lessons have we learned? What can we improve on in the future?	Achieved: Council took the opportunity to reflect on their performance target via an online survey.

¹Local Government Act 2002, Section 10

IWI AND HAPŪ RELATIONSHIPS						
Achieved ● 1		Not Achieved ●● 2			Not Applicable ●● 2	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. We work towards respectful and mana-enhancing relationships with tangata whenua						
1.1	An independent Te Titiri o Waitangi partnership health check of the organisation is completed in year 1 of the LTP.	Achieved	N/A	N/A	●	
1.2	Develop an implementation plan based on recommendations from the independent health check.	Not Achieved	N/A	N/A	●	An implementation plan was commenced, however did not progress to completion due to other competing priorities such as iwi engagement as part of the oranga wai (freshwater futures) plan change and the high number of Mana Whakahono ā Rohe initiations received.
1.3	Improving our relationship with tangata whenua is one of Council's four strategic priorities and one of our six 1. What were our areas for focussed improvement? 2. What steps did we take towards improvement? 3. Examples of what happened as a result of our actions. 4. What difference has been made as a result of our actions? 5. What lessons have we learned? What can we improve on in the future?					
1.3 (cont.)	Implement steps and reflection process for areas for improvement raised in the health check in year 1.	Not Applicable	Implementation and reflection undertaken as above	Not Achieved	●	As above, in the absence of an implementation plan, this reflection did not occur.
2. Council staff and elected members are strongly encouraged to participate in an internal cultural competence						

2.1	Total average score in the Horizons Cultural Competence self-assessment survey (1=strongly disagree, 4=strongly agree)	Achieved	Increase on previous year	Not Achieved	●	The most recent staff survey was Te Ara Whakamua, completed in May 2025. The results from this survey have been used to identify the organisational needs for training and to build the new cultural competency training programme, which is rolling out in 2026-27. It was therefore not imperative to undertake a self-assessment survey in 2025-26 and with other workload pressures taking precedence due to staff shortages, this was assessed as being of lower priority for completion.
2.2	All elected members and executive leadership team participate in the cultural competence programme or undertake other related professional development every year.	Achieved	Achieve	Achieved	●	Cultural competency content was delivered to elected members through the Council induction programme in December 2025. This covered areas including Te Tiriti o Waitangi, tikanga and kawa, introductory te reo Māori, local iwi and hapū relationships, and the role of cultural competency in governance. For ELT, training was completed at the start of the financial year.

COMMUNITY WELLBEING & RELATIONSHIPS						
Achieved ●●●●● 5		Not Achieved ● 1			Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target				
		Actual 2024/25	25/26 Target	25/26 Result		Comment
1. We provide relevant and valued information to communities enabling education, engagement and informed						
1.1	Percentage of media releases picked up and published by media outlets.	Not Achieved	>90%	94%	●	
1.2	Number of likes/followers on all social media accounts that Horizons manages.	Achieved 45,897	>45,000	60,897	●	We manage a range of social media accounts, including the Facebook account for Manawatū-Whanganui Emergency Management Group. As we had a higher number of emergency events in the past financial year than the year prior, we have had significantly more engagement on this account. Furthermore, we have put a concentrated effort into creating content young people engage with. This has seen a larger youth audience attracted to our content, further boosting numbers. Finally, we launched our TikTok account this past financial year. This too has seen an increase in engagement with our content with minimal additional workload.
1.3	Percentage of engaged website sessions.[1]	Not Achieved	>65%	54%	●	We expect this metric to improve now we have effectively completed the Horizons web presence refresh project. This project aims to make our websites easier to use and better serve the public, which should result in more engaged sessions.
2. We provide the opportunity for participation in the Enviroschools programme to all primary and secondary schools						

2.1	Maintain or increase school numbers in relation to territorial authority funding available.[2]	Achieved 119	>100	Achieved 119	● Change in district makeup with five schools leaving the programme, and five schools added. The increases were in Horowhenua (one), Palmerston North (two), Tararua (one) and Ruapehu (one).
3. We provide a quality experience to schools and centres who engage with our Environmental Education team					
3.1	Satisfaction rating via post-session surveys.[3]	1	>90%	Achieved 100%	● In 2025-2026, we received 75 responses where 100% of them gave a satisfaction score of 4-5 out of a maximum of 5. Note that not every session had a completed survey as teachers are sent a link to an e-survey where the onus is on them to complete it. Therefore, the numbers of survey responses are not representative of the actual number of sessions completed in each financial year.
4. We provide varied opportunities for our communities to engage with staff on Council business at events throughout					
4.1	Horizons attendance at, and/or creation of, community events in the seven districts in the region.	Achieved 11	>7	Achieved 13	● Attended 13 community engagement events, across all of the region, Tararua (1), Horowhenua (2) Ruapehu (3) Palmerston North (3) Manawatu Rangitikei (3) and Whanganui (1).

[1] "Engaged sessions" last longer than 10 seconds, or client clicks through to a document/form, or results in 2 or more screen or page views.

[2] The number of schools Horizons is about to register is dependent on co-funding contributions by the Territorial Authorities in the region.

[3] Satisfied means 4-5 out of a scale of 1-5.

FUNDING IMPACT STATEMENT FOR THE PARTNERSHIP, GOVERNANCE AND LEADERSHIP GROUP OF ACTIVITIES TO 30 JUNE 2025 (\$000)

	LTP 2024-34 2025-26	Actual 2025-26	LTP 2024-34 2024-25	Actual 2024-25
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	5,894	5,977	5,745	5,745
Targeted rates	362	364	353	353
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	311	174	305	194
Internal charges and overheads recovered	-	40	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	6,567	6,555	6,403	6,292
Applications of operating funding				
Payments to staff and suppliers	2,420	2,719	2,150	2,024
Finance costs	-	-	-	-
Internal charges and overheads applied	4,238	4,913	4,082	4,314
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	6,658	7,632	6,232	6,338
Surplus (deficit) of operating funding (A-B)	(91)	(1,077)	171	(46)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	332	468	175	35
-to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(423)	(1,545)	(4)	(81)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(91)	(1,077)	171	(46)
Surplus (deficit) of capital funding (C-D)	91	1,077	(171)	46
Funding balance ((A-B)+(C-D))	-	-	-	-



This group of activities is made up of the following activities:

- Policy, Strategy & Climate Resilience
- Science & Environmental Reporting
- Regulatory Management

What we do

The Strategy, Science and Regulation Group delivers our statutory resource management planning, compliance, monitoring and reporting functions. We also provide corporate plans (e.g. Long-term Plan, Climate Action Strategy).

In addition, this group provides sound science, policy and regulatory advice, support and information to our communities and the wider organisation. We monitor changes in the region’s resources and environment, develop and inform regulatory and non-regulatory responses to environmental issues, and measure the effectiveness of these responses.

Contribution to Council’s community outcomes

The Strategy, Science and Regulation Group contributes to all six of Council’s community outcomes:

Our region’s communities are vibrant and empowered

- We invite formal and informal community involvement to help shape our planning documents and provide advice, support and information to the community.

- We ensure the region’s interests are represented in Central Government’s policy development.

Our region’s ecosystems are healthy

- We regulate and monitor actions that affect the environment to ensure sustainable management and to ensure community and environmental values are upheld.
- We inform good decision-making by monitoring the state and trends of our ecosystems and making the information available to the public.
- We develop strategies and regulations to protect and enhance our ecosystems.

Our region’s communities are resilient to the impact of natural hazards and climate change

- Our statutory resource management planning, compliance, monitoring and reporting functions support community resilience, and we prepare and implement plans relating to resource management and climate change.

Our region has effective transport networks

- We prepare Council’s Long-term Plan and are involved in consenting and regional planning processes. We are also involved in ensuring well-functioning urban environments by implementing the National Policy Statement on Urban Development 2020.
- We support efforts within the Transport activity to develop and maintain a resilient, low-emission regional transport system.

Our region's economy is thriving and environmentally stable

- Our resource management planning enables economic activity where appropriate while ensuring that our environment will be left healthy for future generations.

Our region's relationship with iwi and hapū are respectful and mana-enhancing

- We encourage iwi and hapū involvement in strategic planning and policy development, supporting the incorporation of mātauranga Māori and involvement in resource management processes.

What we did this year

Policy, Strategy & Climate Resilience

Policy and Strategy

Resource management reform has dominated the policy landscape over the past year. The Government has signalled a new national direction for the resource management system, including amendments to existing national direction, the development of new national policy statements, and the development of new legislation — specifically, a Natural Environment Act and a Planning Act. These changes are intended to replace the Resource Management Act and reforms introduced by the previous Government which has created significant uncertainty for the Council's policy work programme.

These resource management reforms, together with announcements and consultations relating to local government reform, the Emergency Management Bill, and the proposal to introduce rates capping, have dominated the Policy and Strategy team's workload this year. Supporting the Council's responses to these proposals has consumed the majority of the team's capacity during the second half of the year. At the same time,

the team has reviewed its work programme to prepare for the transition to the new planning system.

The National Policy Statement for Freshwater Management 2020 (NPS-FM) which aims to restore the health of waterways and ecosystems within a generation is to be replaced by an updated version following release of the new Acts which will replace the Resource Management Act. Following the Resource Management Amendment Act 2025, which included 'plan stop' clauses, Council resolved to defer public notification of its freshwater planning instrument until after 31 December 2027. This has slowed, and in some cases paused progress on certain parts of the plan change. Despite this, engagement with tangata whenua has continued through a series of regional hui focused on Māori freshwater values.

The National Policy Statement for Highly Productive Land 2022 (NPS-HPL) is intended to protect New Zealand's most productive land from inappropriate subdivision, use, and development, thereby ensuring its ongoing availability for food and fibre production. Amendments made in late 2025 and came into effect in January 2026, meant that progress on preparing the Highly Productive Land plan change and mapping HPL has slowed. Nevertheless, a framework to derive LUC class from existing information sources is being developed in the meantime.

The Environment Court's final decision on appeals to Plan Change 2 was received on 2 June 2026, which followed the interim decision received in December 2025. This plan change seeks to improve the workability of One Plan provisions that manage existing intensive land uses—such as dairy farming, commercial vegetable growing, cropping, and intensive sheep and beef farming in targeted water management sub-zones. With the release of the Court's decision, work is now focused on making the required changes to the One Plan operative and preparing the necessary

guidance material to support plan users to understand and meet the new regulatory requirements.

The Regional Pest Management Plan review is underway, in accordance with the Biosecurity Act 1993 requirements. The Policy team are project managing this review and providing additional support to prepare the required documentation. A discussion document was released in early 2026 as part of the review with a number of submissions received. The project will shortly move into Phase 3, where the feedback on the discussion document will be considered and development of the Regional Pest Management Plan proposal and formal engagement will occur.

Climate action

Horizons has worked to enable community climate change awareness and response. Seven projects were funded through the Community Climate Response Fund along with two climate change wānanga. The team supported adaptation planning at Tangimoana, assisting development of *Resilient Tangimoana: Preliminary Adaptation Plan:2026-35*.

A community-led adaptation plan seed funding pilot was run that led to funding Rangitāne o Manawatū Settlement Trust to develop an adaptation plan.

Toitū te Pou Taiao, is a resource to engage, inform and enable climate action, developed by Māori, for Māori that is due to go live in August-September 2026. Development of this resource has been funded by Horizons through the climate action budget.

The state of the future world that Tamariki and Rangatahi inherit will depend greatly on today's actions to reduce greenhouse gas emissions and plan and adapt for climate impacts. This is acknowledged by Horizons

by providing support to encourage and enable Rangatahi Leadership to respond to climate change through:

- Project Hope- a secondary school programme empowering sustainable and hopeful futures.
- Te Pātaka Rangatahi Camp- a camp for Rangatahi leaders across the Manawatū–Whanganui region that equips them with the skills, knowledge and confidence to act on climate change through a focus on hope, connection and leadership.

Science & Environmental Reporting

The science team have undertaken a range of ongoing monitoring and research projects over the financial year. The team have continued both directly undertaking, and working with other teams to undertake, ongoing State of the Environment (SoE) monitoring programmes. In the freshwater space, monitoring programmes for contact recreation (swim spot monitoring), surface water quantity, water quality, groundwater and bio-monitoring were completed, with greater than 95% of contact recreation samples being collected as planned, and all data required successfully reported on Land Air Water Aotearoa (LAWA). Fish monitoring was undertaken for both SoE programmes, and as a standalone validation of eDNA results for threatened species.

In the lakes space, on-going SoE monitoring continued, as did contracted lakes Sediment Trophic Biotic Index that built on previous year's reports and modelling work around lake water quality.

In the groundwater monitoring space, a review of monitoring for per and polyfluoroalkyl substances (PFAS) in and around the Makowhai Stream adjacent to Ohakea Airbase, was undertaken.

Additional freshwater work to support future plan change development under the upcoming Spatial Plan and Natural Environment Plan was undertaken. Broadly this looked at understanding the effect of land use or resource use on natural resources, to better inform likely policy interventions. It includes:

- Estuary contaminant load reductions necessary to ensure estuary health;
 - Manawatu and Rangitikei estuary synoptic monitoring;
 - Support to PhD's assessing the presence of naturally derived phosphorus in waterways;
 - Development of a macroinvertebrate community model for predicting how multi-stressor reduction scenarios would impact macroinvertebrate communities;
- Weighted Regression on Time, Discharge and Season (WRTDS) analysis to help remove the effect of long-term climatic variation from environmental measures, to better understand anthropogenic drivers (for the purposes of assessing the effectiveness of policy interventions).

Environmental Reporting

The Science team have undertaken an annual summary report in line with its levels of service, focusing on an online interactive report. The intent is to enable the reader to more quickly navigate to areas they are interested in, and dive deeper to learn about specific environments or areas of interest and Horizons role in managing them.

There were several public education campaigns undertaken, the first is focused on air quality across multiple media platforms encouraging the public to avoid burning of waste by appropriate disposal, and using good wood in fireplaces to encourage clean burning practices.

A second campaign was run focusing on natural phenomena, the seemingly strange, but entirely natural phenomena that members of the public encounter and regularly contact Horizons about.

Finally, a campaign engaging a range of key stakeholders was undertaken leading up to the contact recreation season. This is to ensure messaging is consistent, roles and responsibilities are well understood, and access to data is available.

Biodiversity

Biodiversity research focussed on several areas including estuary habitat mapping of the Manawatu and Rangitikei Estuary. This is particularly relevant in the context of sea level rise, which is likely to destroy unique habitats such as saltmarsh.

Wetland and Forest monitoring tools were invested in, to better understand the state of our wetlands and forests, and regional wetland mapping continued to progress in line with the Wetland Mapping programme developed in year one of the Long-Term Plan. The mapping required by this Level of Service was delivered, primarily in the Horowhenua district.

A number of other programmes were also delivered including mapping the amount of indigenous vegetation cover in the Palmerston North Urban area as a pilot study; assessing impacts of ungulates in Totara Reserve; and compilation of highly mobile fauna records, specifically bats and birds, in the Horizons Region.

Air, Land and Fluvial

Works continued in the Air, Land and Fluvial research spaces. For Air this includes monitoring of the two gazetted airsheds, Taumaranui and Taihape; as well as an intensive monitoring study of Woodville's air quality

over the 2025 winter period, to understand potential air quality health risks as part of a longer-term programme of assessing air quality in all major towns and cities in the region.

Land research focused on a large-scale review of the Sustainable Land Use Initiative, desktop assessment of number and location of onsite wastewater systems across the region, and assessment of a methodology to use satellite data (remote sensing) to map vegetable cropping.

Fluvial research focused on gravel cross section surveys; assessing a new methodology for extracting river run gravel while minimising in-river geomorphological impact; and standing up of a pilot study assessing several gravel survey methodologies.

Regulatory Management

Staff continued to focus monitoring activity on the resource consents that have the potential to have the greatest environmental risk. A total of 1209 consents were assessed during the year, of which 60 percent were fully compliant with their conditions. Fourteen (14) percent of assessed consents received Low Risk Non-Compliance grading, 16 percent received Medium Risk and, 10 percent received Significant Risk Non-Compliance grading. Consent holders are generally aware of potential consequences of non-compliance and are proactive in notifying problems to Horizons, along with their actions to remedy or mitigate potential effects on the environment. Information continues to be provided to consent holders, and staff are available to undertake additional inspections when requested. Additionally, staff continue to take appropriate enforcement action in the event non-compliance is identified. This has resulted in 23 Formal Warnings; 103 Infringement Notices; and 112 Abatement Notices being issued and 6 prosecutions being initiated.

The year has also seen Horizons continue to either process or receive a significant number of complex and high-profile consent applications, including those associated with wastewater treatment plant renewals and wind farm proposals. In addition to this, Council has also had input into those applications which have either sought to be considered and have been accepted to be processed via the new Fast Track Consenting legislation. Approximately 312 resource consent applications were lodged, with 273 applications being granted and 508 activities been authorised. Seventy-five (75%) percent of the applications granted were processed within statutory timeframes.

The reporting year saw 997 incidents received and responded to. This is a slight increase from the 2023/2024 year that saw 904 incidents received. three hundred and sixteen (316) HAIL requests were received and responded to. Most requests related to purchasers undertaking due diligence as part of a sale and purchase process.

In addition to the above, staff have continued to be involved in the continued implementation of the IRIS Regulatory project, of Resource Management Act reform and Plan Change 2, and ensuring statutory timeframes and obligations were met under the consent duration amendment to the RMA.

A number of performance measures were not met this year for a number of reasons including:

- On-going staff vacancies and recruitment to processes to fill vacancies;
- Staff resource been diverted to support Council response to significant weather events in early 2026;

- Increased staff time being spent in other areas of the business (such as incident response and provision of advice) that has resulted in less programmed compliance work being undertaken;
- Staff time being re-directed to support the on-going implementation of both the IRIS Classic and IRIS Next Gen, Implementation of the Council wide Kaka project; implementation of national regulations, Plan Change 2 and advice into Resource Management reform.

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Plan Change 2

Plan Change 2 (PC2) was a plan change which sought to improve the workability of the One Plan provisions that manage existing intensive farming land uses (dairy farming, commercial vegetable growing, cropping, and intensive sheep and beef) in targeted water management sub-areas. We identified that the policies and rule framework for managing existing intensive farming land uses were not working in the manner intended at the time the One Plan was made operative. The One Plan intended for most farms using good management practice to be able to meet Table 14.2 (now known as Table 12) cumulative nitrogen leaching maximums and be considered as controlled activities. However, ongoing changes to Overseer and changes in case law resulted in very few existing intensive farming land uses being able to meet cumulative nitrogen leaching maximums. It was almost impossible to grant resource consents for these activities, even if the land use has not substantially changed since the One Plan became operative. There are about 250 farms affected across the region which fall into this category. Those activities were effectively not regulated, delaying environmental improvements.

The plan change process started in 2019 and went through various levels of consultation and conferencing before reaching the Environment Court.

The court released its interim decision in December 2025, then its final decision in June 2026. The decisions confirmed a consenting pathway for existing intensive farming land uses within those targeted catchments. This removed the uncertainty faced by farmers and growers, us, and our communities for some time.

Since the interim decision was issued in December 2025, staff from across Horizons have been hard at work preparing to implement PC2. This has included creating advice for farmers and growers, developing new consent application forms and guidance, and meeting with industry groups to ensure farmers and growers in target catchments are as informed as possible. Recognising the workload involved, Council committed funding in the 2026/27 Annual Plan towards implementation of PC2.

Work on implementing PC2 will continue throughout 2026/27, ensuring affected farmers and growers are in the best possible position to comply with consenting requirements. This is expected to include meetings with industry groups, farmers and growers, interested parties, and others in the community. In the meantime, key information about PC2 consenting requirements is available on the Horizons website to make it as easy as possible for affected farmers and growers to apply for consents.

PERFORMANCE TARGETS

POLICY, STRATEGY AND CLIMATE RESILIENCE						
Achieved ●●● 3		Not Achieved ● 1			Not Applicable ● 1	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. We will implement resource management policy and plan reviews in a timely manner						
1.1	Resource management policy and plan reviews meet legislative, nationally directed or Council imposed deadlines. Including, but not limited to: - Freshwater (NPS-FM) - Highly Productive Land (NPS-HPL) - Pest Management (Regional Pest Management Plan) - Climate Adaptation	Not Achieved	Meets legislative deadline or by Council decision	Achieved	●	The RPMP review is on track to meet legislative timeframes. The freshwater and highly productive land plan reviews are not due to be notified until after 31 December 2027 as per Council decision, which was made in response to the Resource Management Amendment Act, 2025 (plan stop). The government has not released legislation requiring a plan change for climate adaptation.
2. Opportunities for involvement in decision-making processes will be provided in accordance with legislative and						
2.1	Community input into policy reviews is sought in a way that aligns with Council’s Significance and Engagement Policy.	Achieved	Meets policy guidance	Not Applicable	●	No policy reviews have been completed during the 2025-26 year that triggered the need for community engagement.
3. We support communities to adapt to a changing climate						
3.1	Responses to Community-led Adaptation Plans are timely and consistent.	Not Applicable	Formal response to the proposals in the plan within 12 months.	Achieved	●	Council received the Resilient Tangimoana: Preliminary Adaptation Plan:2026-35 in April 2026. The one action noted that included Horizons response was contributing to anstigation to better understand localised flood risk has been completed. No other requested action requires consideration by Horizons from the preliminary plan.

3.2	Community, iwi, hapū-led adaptation planning is supported with seed funding.	Not Achieved	Adaptation planning agreements completed and funding allocated by 30 June 2026	Achieved	●	A community-led adaptation pilot was run with one of five invited applicants being allocated funding to develop an adaptation plan.
3.3	Community climate action projects are supported through the Pūtea Hapori Urupare Āhaurangi- Community Climate Response Fund.	Achieved	>80% of available funds are allocated	Not Achieved	●	Of the \$51,100 grant 77% was allocated to projects. Funding for one project was funded over 2 years rather than the one year requested. If that was funded for one year the measure would have been achieved.

SCIENCE AND ENVIRONMENTAL REPORTING						
Achieved ●●●●●● 6		Not Achieved 0			Not Applicable ● 1	
Levels of service and performance measures		Performance Measure/Target				
		Actual 2024/25	25/26 Target	25/26 Result		Comment
1. Our community has easy access to State of Environment monitoring data collected by HRC						
1.1	Up-to-date SoE monitoring data is available for download on the LAWA site.	Achieved	Achieve	Achieved	●	Updated data was published to the LAWA website on World Rivers Day, 28 September, 2025. This data included our SoE data for Rivers, Lakes, Invertebrates, Surface and Groundwater Quantity and Groundwater Quality. Data is available to download at https://www.lawa.org.nz/download-data#river-water-quality

1.2	Provide an annual summary report on the State of Environment.	Achieved	Achieve	Achieved	In late June 2026, the Science team published an interactive, digital report on the State of the Environment for the year 2025-2026 on Horizons website, and alerted communities via the council's social media channels. This year's report covers the region's air, erodible hill country, and river water quality. More topics will be added to the report over time, and the public will be updated annually.
2. Identified summer swim spot sites are monitored for recreation water quality weekly, and data is made available to					
2.1	Percentage of swim-spot samples that are monitored and displayed on LAWA.	Achieved	95%	Achieved	In the 2025-2026 summer swim spot season this target was achieved. Over the entire region, less than 2% of cyanobacteria samples were missed, 0.75% of E. coli samples, and no enterococci samples. All of these samples were submitted to and displayed on LAWA as soon as practicable.
3. Natural inland wetlands in the region are mapped					
3.1	A program is developed to map inland wetlands across the region.	Achieved	N/A	N/A	This was delivered during the 2024/25 year.
3.2	Completion of key activities identified in the program plan developed to map inland wetlands across the region.	N/A	Achieve	Achieved	In year 2 of the Wetland Mapping project plan the target was to have 200km² of the region mapped. This was exceeded as 483 km² was able to be mapped in the last financial year.
4. Undertake environmental public education campaigns					

4.1	Number of campaigns completed per year.	Achieved	2	3	●	Throughout 2025/26, the Science team, with support from Communications staff, completed three comprehensive public education campaigns on various environmental topics. These campaigns educate communities about: air quality (raise awareness of the impact of poor air quality on human health and encourage behaviours that improve air quality); natural phenomena (empower communities to distinguish between natural phenomena and pollution events), and contact recreation (promoting the LAWA website's Can I Swim Here topic and the monitoring data Horizons contributes to it).
5.	Our community has access to the Science and Research work we do					

5.1	Report to Council on the previous year’s science work programme.	Achieved	Achieve	Achieved	Within the 2025/2026 financial year, this was delivered to the council via the Strategy and Policy Committee on 9 September 2025. The full report is available on the Horizons Regional Council website. It is a 19 page report summarising works including: • Coordinating the monitoring and reporting of water quantity for surface water and groundwater, and the quality of rivers, lakes, estuaries, coasts and groundwater. • Swim spot monitoring at more than 80 sites during the bathing season (November to April inclusive). • Freshwater science and research to support evidence-based policy development for the Oranga Wai process. • Land, Fluvial, Biodiversity and Air monitoring and research. • Annual State of the Environment reporting, public education campaigns and sharing our monitoring data via Land Air Water Aotearoa (LAWA).
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REGULATORY MANAGEMENT						
Achieved ●●● 3		Not Achieved ●●●● 4			Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. We are a reliable and effective regulator						
1.1	Percentage of consents processed within Resource Management Act (RMA) timeframes.[1]	Not Achieved 66%	85%	75%	●	Vacancies in the team, as well staff having to respond to Resource Management Amendments (e.g. consent duration amendments) have impacted our ability to meet this measure.
1.2	Percentage of Rural and Primary resource consents and permitted activities monitored using a risk-based approach.[5]	Achieved 95%	90%	74%	●	Vacancies in the team and having staff members seconded to the IRIS Classic project for extended periods of time, and staff assisting with ECC responses to significant weather events in early 2026 have impacted our ability to meet this measure.
1.3	Percentage of resource consents and permitted activities related to Category 1 and Category 2 (high priority) sites[2].	Not achieved 84%	100%	84%	●	Staff capacity issues during the year have impacted our ability to meet this measure. There was a delay in sending out reports for two category 1 sites, resulting in these sites been reported on by 10 July.
1.4	Appropriate enforcement action is taken in relation to all instances of significant or serious non-compliance.	100%	100%	100%	●	
1.5	All notifications of non-compliance from the public are responded to.[3]	100%	100%	100%	●	
1.6	The webpage providing guidance for consent applicants around engaging with iwi/hapū is maintained.	Achieved	Achieve	Achieve	●	Webpage has been set-up. No updates were required during year.
1.7	Percentage of HAIL2[4] enquiries that are responded to within 10 working days of receipt.	Achieved	100%	99%	●	315 of the 316 enquiries were responded to within 10 working days.

- [1] Consideration of national averages as reported by the Ministry for the Environment will be taken into account when measuring success against this measure.
- [2] Identified in each territorial authority’s Infrastructure and Industry Annual Monitoring Programme.
- [3] Options for response include: desktop response; immediate site inspection; planned site inspection; phone call only; referred to external contractor; subject to investigation; and referred to other agency (i.e. relevant territorial authority, Civil Aviation Authority etc.)
- [4] Hazardous Activities and Industries List
- [5] N-Cap reporting is performed by self-disclosure by relevant consent holders, this is submitted through a user portal hosted by Environment Canterbury. Council considers monitoring in the case of N-Cap reporting to be the submission of N-Cap reporting by the consent holder within the timeframe above, otherwise for those that had failed to supply this within the timeframes further follow up by letter is counted as monitoring by the Council.

DRAFT

FUNDING IMPACT STATEMENT FOR THE STRATEGY, SCIENCE AND REGULATION GROUP OF ACTIVITIES TO 30 JUNE 2025 (\$'000)

	LTP 2024-34 2025-26	Actual 2025-26	LTP 2024-34 2024-25	Actual 2024-25
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	15,431	15,091	13,243	13,243
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	136	-	111
Fees and charges	7,741	4,903	7,232	5,056
Internal charges and overheads recovered	724	65	703	197
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	23,896	20,195	21,178	18,607
Applications of operating funding				
Payments to staff and suppliers	8,523	5,430	7,373	6,184
Finance costs	-	-	-	-
Internal charges and overheads applied	16,353	14,086	14,942	13,916
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	24,876	19,516	22,315	20,100
Surplus (deficit) of operating funding (A-B)	(980)	679	(1,137)	(1,493)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(42)	(63)	(293)	(55)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(42)	(63)	(293)	(55)
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	72	44	70	12
-to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(1,094)	572	(1,500)	(1,560)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(1,022)	616	(1,430)	(1,548)
Surplus (deficit) of capital funding (C-D)	980	(679)	1,137	1,493
Funding balance ((A-B)+(C-D))	-	-	-	-

Ngā mahi ā-riu Catchment operations



This group of activities is made up of the following activities:

- Biodiversity and Biosecurity
- Freshwater and Partnerships
- River Management and Flood Protection
- Land Management

What we do

The Catchment Operations Group promotes the health and resilience of the region's land and water ecosystems. It works to ensure an integrated approach to land and river management. This includes biosecurity management for animal and plant pests.

Contribution to Council's community outcomes

The Catchment Operations Group primarily contributes to the following community outcomes:

Our region's communities are vibrant and empowered

- Our team provides a range of support and advice to empower landowners and community groups across all parts of the Catchment Operations Group.

Our region's ecosystems are healthy

- We work with and support landowners and the community on initiatives to protect and restore ecosystems. This includes freshwater initiatives such as stream fencing, riparian planting,

and fish passage improvements, protection of priority habitats, contestable funds for community-led works, and contributions to managing Icon Biodiversity Sites and priority habitats. The programme also manages pest animals and plants and provides grants and advice to enable erosion protection on hill country and river berms.

Our region's communities are resilient to the impact of natural hazards and climate change

- We provide flood and erosion protection and flood response and recovery activity.
- We provide information and advice about flood risk to support informed decisions.
- We undertake biodiversity projects to encourage resilience to rising sea levels, help reduce erosion, sequester carbon and improve air quality.
- We work to reduce sediment in our rivers which will improve the flood-carrying capacity of our rivers and enhance the life of our scheme assets.
- We help to protect critical infrastructure.

Our region has effective transport networks

- Our flood protection and drainage activities have a direct impact on other critical infrastructure, including transport links.

Our region's economy is thriving and environmentally sustainable

- We support farmers and growers to reduce soil erosion, ensuring our region will maintain its productive soil resource.
- Our work benefits the region's economic activity derived from flood protection, river control and land drainage activities.
- Our pest control programmes help protect the region from the economic drain of agricultural disease, improve agricultural production, and assist with management of weed invasion.
- The work we do at Icon Sites and Totara Reserve Regional Park enhance these natural environments and support recreational activity and ecotourism.

What we did this year

Biodiversity and Biosecurity

Biodiversity

All five of the Long-term Plan targets for Biodiversity were met.

Staff work to empower communities to reconnect with and improve biodiversity and work with landowners to protect the region's most rare and threatened ecosystem types.

Forty-one private individuals, organisations and community groups were supported and enabled to improve and protect biodiversity through the Horizons Kanorau Koiora Taketake indigenous biodiversity contestable fund.

We supported two targeted rate funded projects; Rangitikei Environment Group, tackling old man's beard across the Rangitikei's Forest and Bird reserves, and in urban areas; along with the Waitāre Beach dune

restoration project where weed control and community planting took place.

The biodiversity team supported other biodiversity initiatives across the region, including:

- Distributing issues of the 'Connecting Conservation' newsletter to over 100 community groups and individuals. The newsletters share biodiversity stories, volunteer events and funding opportunities to help inspire, inform and connect people and groups across the region who are passionate about biodiversity improvement.
- Supporting development of the Pureora Project, with information and technical support to stocktake valued fauna and flora, Horizons facilitated protection across the broad project area which supports the goals of protecting the taonga within Pureora. This included mapping, and community engagement presenting at hui.

Horizons supports other community and large area multi-agency biodiversity initiatives through its ICON projects programme. All work programmes this year were 100% complete. Highlights include:

- Manawatū Estuary management team implementing Papangaio Te Wharangi Manawatū Estuary Management Plan 2025-2035; which included adding community pest trapping to complement the existing network, broad areas of pest plant control and developing community educational resources.
- The Te Āpiti project and its connection to Te Ahu a Turanga was completed with the opening of the Western Gateway Park. A new entrance to the Te Āpiti tracks and a refurbished Tawa Loop track were all completed. Pest control has maintained predator

numbers to a level where introduction of native birds such as toutouwai is feasible.

- Kia Whārite biodiversity project added a dual contractor model to the predator trapping programme across the two kiwi and one whio protection areas. Surveys showed improvement in the number of pairs of whio across the project area from 59 to 63. The Department of Conservations long term commitment to goat, aerial possum control and whio protection drives this project.
- The Pūkaha Mt Bruce buffer area receiving monthly trap checks along with old man's beard control to enable multi-level protection of the reserve.
- Tarapurui Bushy Park increased their halo/buffer area catch rates of pests by 25%, undertook major fence repairs and mobilised volunteers to plant 2,450 plants in open areas around the bush edge due to increased support from Horizons.
- Ruahine Kiwi established a governance group, a new fieldwork coordinator and have leveraged funds due to the core support they receive from Horizons.

Priority Habitats

There are now 99 sites in the priority habitats programme being actively managed. These sites contain representative remnants of 29 of the 30 most threatened and rare ecosystem types that the regional council are focusing their programme on. Work this year included:

- 476 management activities were completed at 90% of the sites. Tasks included pest plant and animal control at most of these sites plus monitoring, planting and fencing.
- The biodiversity team completed a range of environmental monitoring to enable improvement scoring which will highlight

change over time. Nineteen sites were monitored as part of five yearly return period.

- Three new sites were added to long term management.

Tōtara Reserve

Management of Horizons' Regional Park at Tōtara Reserve involves looking after forest health, campground management, walking track maintenance and community engagement with the park and its unique qualities. Major achievements this year include:

- Construction of a large whare suitable as a hub for outdoor education and camper information constructed at the start of the nature Trail, Kereru campground.
- Re-instatement of kahikatea camping areas after a significant weather event, February 15th, 2026.
- Confirming the presence of bats in and around Totara Reserve.
- Ongoing weed control to make inroads into entrenched populations of smothering transformer weed species.
- The TRIBE volunteer day initiative continued to provide schools and a community of volunteers with opportunities to enhance the Reserve.

Biosecurity Animals

All five of the Long-term Plan targets for Pest Animal Management were met.

The possum control operations (PCO) programme showed average residual trap catch index (RTC) of 1.2%, achieving the goal of being below 10%. Work was undertaken over 965,341 ha with 118,348 bait station

services completed. Thirty-five of the programmes 157 PCOs were monitored as per the target with PCO results ranging from 0.1 to 4% RTC.

The rook control programme to eradicate all rooks from the region treated all known rookeries this financial year with two aerial operations followed by a small number of ground baiting. Active rookeries are showing a declining trend, down to 33, from 43 last year.

Horizons provides a pest animal advisory service for ratepayers. Staff provide advice and in some cases loan traps and supply bait to enable landowners to undertake their own control. Highlights include:

- Responding to 553 enquires.
- The highest number of calls received were about possums (189), followed by rabbits (110) and mustelids (66).
- All landowners making enquiries were contacted within the target time frames.

The animal pest team support three of the Biodiversity programmes ICON sites and undertake trapping to support fauna protection at some of our priority habitat sites as well. This year, they:

- Carried out 6,268 trap checks at selected priority habitat and icon sites; and
- Secured a total of 880 pest animal kills as recorded across 10 sites.

Biosecurity Pest Plants

All four of the Long-term Plan targets for Pest Plant Management were met.

A key measure is the percentage of Horizons managed sites at zero-levels—where pests are eliminated but may reappear due to seed

sources. The Long-term Plan target is to achieve an increase in the proportion of managed sites at zero-levels across both the Eradication and Progressive Containment programmes. Last year's baseline to improve from was 73.8%, and this year's result exceeded this, 74.1%.

- Total active sites managed: 2,780;
- Total area of infestation: 36 hectares; and
- Total extent of infestation: 68,000 hectares.

Old man's beard remains the largest pest plant programme:

- 741 active sites across the active management zone.
- Control runs from January–May using both contractors and staff.
- Working at a landscape scale with multiple agencies allows for efficient and broad control outcomes. Significant work continues through a jointly managed project with the Department of Conservation protecting the Ruahine Forest Park.

Wilding conifer management aligned with and supported by the National Wilding Conifer Control Programme occurred in the Horizons pest conifer control area and included:

- Horizons managed operations of \$347,500; \$247,500 from the national programme and \$100,000 from Horizons rates. Target areas this year included Raketepauma Wetland, areas adjacent to the upper Rangitikei, around the Tongariro National Park and land near Lake Otamangakau.
- Horizons also Chairs a coordination group of Waikato Regional Council, Hawkes Bay Regional Council and the Department of Conservation to collectively manage the worst of the infestations across 700,000 ha's of the Central North Island.

Other Pest Plant Management Activities included:

- Managing the regulatory requirements of the Regional Pest Management Plan. Fifteen boundary/good neighbour complaints were received and all but one were resolved without notices of direction.
- Surveillance and engagement. This included:
 - Velvetleaf monitoring and farmer engagement in infected zones.
 - Ongoing sea spurge monitoring and surveillance.
- Freshwater advocacy (Check Clean Dry) and surveillance for gold clam. This work includes actions from the Whanganui River Invasive Clam Response Plan working with iwi/hapū, territorial authorities, the Department of Conservation and Genesis Energy Ltd.

Biological Control

Biocontrol continues to support sustainable pest suppression. Activity included:

- New release to the region of the Chilean flame creeper beetle into the Rangitikei area.
- Two releases of two insects to control purple loosestrife were made around Lake Horowhenua.
- Survey for field horsetail weevils highlighted three established populations, the first confirmation of population intergenerational establishment since first releases in 2017.

- Ongoing monitoring and releases of *Acacia longifolia* (Sydney Golden Wattle) gall wasps as part of a national initiative.

Freshwater and Partnerships

All ten of the Long-term Plan targets for the Freshwater and Partnerships Management Activity were met.

The year saw the completion of the fourth full weed harvesting operation on Punahau/Lake Horowhenua. This was a partnership project delivered with the Lake Horowhenua Trust and Muaūpoko Tribal Authority (MTA). In total, 279 tonnes of macrophytes (lake weed) were harvested and removed from Lake Horowhenua.

Some key highlights include:

- 17.4 kilometres of stream fencing, 57,445 riparian plants planted, remediation of 2 barriers to fish passage, and the completion of 6 community projects in the Manawatū catchment;
- 19.4 kilometres of stream fencing, 42,591 riparian plants planted, remediation of 5 barriers to fish passage and the completion of 10 community projects within the Regional Freshwater programme;
- Two Manawatū Accord meetings were held;
- Commencement of the construction of the Arawhata wetland complex.

River Management and Flood Protection

All twenty of the applicable Long-term Plan targets for the River Management and Flood Protection were met.

The 2025-26 year was the second year the new maintenance-based programme has been in use and was undertaken as part of implementing the Infrastructure Strategy.

The programme defined and allocated budgets for maintenance and repairs with 102% of the revised maintenance budget and 71% of the revised repairs budget spent on works identified through the year.

Some key works identified and complete include:

- 1,586 kilometres of drain maintenance;
- 1,217 floodgates checks and/or maintenance;
- 1,056 kilometres of stopbank maintenance;
- 94 kilometres of edge protection maintenance; and
- 397 kilometres of channel maintenance.

In addition, this year:

- The Regional Flood Vulnerability Assessment was completed.
- Five weather events were responded to.
- Dam Safety Assurance Programmes were submitted for 10 dams, and Intermediate Dam Safety reviews were completed for all ten of the high and medium PIC dams.
- Two assets were upgraded to be fish friendly and met National Policy Statement for Freshwater Management (NPS-FM) requirements, opening up a combined 1.85km of habitat.
- Two gravel management reports were completed.
- An annual report on “Room for the River” projects was provided.
- Seven environmental grants were completed.

Asset inspection targets requiring 76% of high criticality assets and at least 20% of low criticality assets to be inspected were achieved. Ninety five percent of high critical assets and 27% of the low criticality assets were inspected.

This year the capital programme was significantly smaller than the previous year. Overall, the capital spent was approximately \$7.6M in

2025-26, being approximately 109% of the Annual Plan budget, noting Council provided further budget approvals during the year, including carry forwards and new budget approvals.

The capital programme achieved the Annual Plan target of 65% completion with 67% of the tasks completed. During the year:

- The Te Pūwaha Provincial Growth Fund project was completed.
- A new Te Pūwaha Project was approved; this has been broken into two phases with both phases being procured and construction on phase one commenced in December 2025.
- Council made several approvals related to the Feilding Flood Resilience project.
- The Reid Line Spillway consent level design and geotechnical report were completed in June 2026.
- The final project reporting for the four climate resilience projects and the local government flood resilience co-investment fund projects were completed this year. Council approved a work programme to complete some residual aspects of this work.
- Council submitted four projects to central government for future government co-funding.
- Other projects included completing and presenting options for Pūtiki Flood Resilience (Lower Whanganui Scheme) and Council making decisions regarding management of a dam and associated drainage infrastructure at Turoa Road (Whanganui).

Of the nine sub-projects identified in the Capital Works program, six have been achieved.

Some key highlights of the works included:

- Construction of phase 2 works Tanae Groyne, Interface Wall and part South Mole.

- Design, consenting, and procurement documents for the South Spit river training works.
- The further application for central government co-funding for the third phase of the Te Pūwaha Project including the extension of the South Mole and the restoration of the South Spit was approved.
- The Reid Line Spillway design was commissioned with completion of the consent level design for a 1 in 500-year level of service.
- Completion and submission of the consent application to vary the Reid Line Spillway operation consent; and
- The completion of the Mangaone Stream investigation and recommendations report.

Land Management

Three of the four Long-term Plan targets for Land Management were met. There was an additional contract target with the Hill Country Erosion Fund to complete 15,000 ha of new land mapping, this target was met.

The Sustainable Land Use Initiative continued in 2025-26 completing the third year of a four-year contract. This programme is in partnership with Central Government and is co-funded by the Hill Country Erosion Fund. The mapping contract target was met with 15,040 hectares of new land mapping completed against a target of 15,000, but only 2,309 hectares of erosion work was completed against a target of 3,540 hectares. Work completed by landowners has been down across all work types as landowners rebound from some difficult financial years. Uncertainty around rules and regulations, especially around afforestation of hill country has led to less work being completed than was planned.

Horizons Regional Council received continued support from the Whanganui River Enhancement Trust with funding from the trust targeted

toward environmental works within the Whanganui catchment. This year, the Trust supported Horizons in upgrading pole nurseries in the Ruapehu District and it continued to support Catchment Care Groups purchasing poplar and willow poles for planting. Horizons provided advice to landowners about how and where to plant.

Horizons Regional Council has forestry right forests as part of the SLUI programme. These forests are planted to decrease erosion on areas of highly erodible land. A number of forests have been sold back to the landowner. The remaining four forests had a slight increase in value this year, with an increase in log prices just overcoming the increase in harvest and fuel costs in the later part of the financial year.

Horizons continued to support industry partnerships including through its lead role with the Ballance Farm Environment Awards and its partnership with the Poplar and Willow Research Trust.

Some key highlights include:

- 15,040 ha of new land mapping under the SLUI programme (Long-Term Plan Target 10,000 ha). There is a continuing interest from landowners to have their properties mapped and to join the SLUI programme
- Despite only 2,309 ha of work being completed (target 3,540 ha), the number of individual jobs completed was up on last year (356 jobs vs 333). There is still interest in completing works but less large scale work.
- 51.9 km of fencing only slightly down on the 54 km completed last year.
- Over 680,800 trees planted under SLUI, well down on 1.5 million trees planted last year.

- Of the trees planted there were 24,486 space planted poplar and willow poles through SLUI.
- Another 2,800 poles planted through other grant projects.
- Successful delivery of the SLUI contract.
- Successful delivery of the Whanganui River Enhancement Trust approved funding.
- Continued partnerships with NZ Farm Environment Trust and Poplar and Willow Research Trust.
- Over 33,700 poplar and willow poles distributed through our work programmes.
- Woodville pole nursery irrigation scheme completed.
- Management of Forestry Right forests, including sales.
- Inspections and advice provided to landowners on a wide variety of erosion and land use matters.

End of jobs for nature funding, beginning of construction of the Arawhata Constructed Wetland Complex

In 2021, Horizons received funding from Mahi mō te Taiao – Jobs for Nature for a range of environmental improvement projects, including the Horowhenua (Waiopēhu) Freshwater Management Unit Water Quality Interventions project. This project involved a range of key interventions aimed at improving water quality within the Waiopēhu Freshwater Management Unit (FMU), which includes sources of water which sustain Punahau Lake Horowhenua. The lake, located just outside of Taitoko Levin in the Horowhenua District, is a taonga for local iwi Muaūpoko, and has a long history of poor water quality.

A major part of this project, and a key intervention to improve water quality within Punahau, is the construction of the Arawhata Constructed Wetland Complex. Once constructed, the wetland will help to reduce concentrations of nitrogen, sediment and phosphorus within runoff before it reaches the lake. Combined with other interventions, such as

sediment traps and harvesting of lake weed within the lake itself, the water quality in Punahau will improve over time. To enable the wetland project, a 142-hectare dairy farm located between lakes Punahau and Waiwiri was purchased. The land was originally a wetland before being drained to become a farm, so the site was naturally well suited and in a prime location between water bodies to function as a wetland.

Concept design for the project includes a master plan with three construction phases. Construction of the wetland began in the 2025-26 financial year, with phase one work to convert at least 15 hectares of the 142-hectare site into wetland due to be completed by December 2026. Phases two and three of the project, which are subject to consideration upon further funding becoming available, aim to extend the constructed wetland complex with additional drains, bunds, planting areas and a walking trail through the wetland.

A Governance Group for the intervention work has been established, which includes Horizons, Horowhenua District Council, Muaūpoko Tribal Authority, Te Rūnanga o Raukawa, Lake Horowhenua Trust, and Ministry for the Environment representation.

PERFORMANCE TARGETS

BIODIVERSITY AND BIOSECURITY						
Achieved 14		Not Achieved 0			Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target				
		Actual 2024/25	25/26 Target	25/26 Result		Comment
BIODIVERSITY						
1. Protection of priority representative sites of the region’s biodiversity						
1.1	At least one representative site of each of the 30[1] known and priority ecosystem types in the region are found and protected in the priority habitats active management programme.	Achieved	>93%	97%	●	Twenty nine of the thirty identified priority ecosystem types are currently represented in the programme.
1.2	The number of sites in the priority habitats programme is sustained or increased.	Achieved	>80	99	●	Three new sites were added to the suite of sites under active management; noting the ICON sites currently represented in the total site number are supported by other programmes.
2. We support biodiversity protection and improvement projects at identified biodiversity icon sites and specified						
2.1	Support Icon and target rate biodiversity projects.	Achieved	8	8	●	Completed support of eight groups; six ICON and two targeted rate projects.
3. We support communities to manage their own biodiversity improvement projects						
3.1	Private individuals, organisations and community groups are supported and enabled to improve and protect biodiversity across the region.	Achieved	>12	66	●	Sixty six groups or individuals were supported through either the Kanorau Koiora Taketake Contestable Grant programme (41) or other community focussed initiatives (25) such as information/training workshops, or project support .i.e. Pureora Project and Foxton Futures.
4. We manage Tōtara Reserve Regional Park, including the campground						

4.1	Annual report to Council on the management of Totara Reserve Regional Park for biodiversity and recreational values, including managing the camping facility.	Achieved	Achieve	Achieved	Completed by reporting to Council, and presented to the Totara Reserve Advisory Group, covering campground reporting, infrastructure and specific Totara Reserve Management Plan 2025 action monitoring. This is also reported on Table 16, page 76 of the July 2026 Integrated Catchment Committee report on Horizon's website.
BIOSECURITY					
5.	Horizons will undertake targeted animal pest control and monitoring programmes across the region to reduce				
5.1	Possum densities are maintained at/below 10% residual trap-catch, (on average) across the Possum Control Operations monitored annually.	Achieved	<10%	1%	100%. Results from 35 monitors completed this year range from 0.1% to 4% RTC, average 1.2% RTC (+/-0.6%).
5.2	Monitor possum control densities within the Horizons possum control programme based on the possum control operations that make up the overall possum control area.	Achieved	>20% of Possum Control Operations monitored	22%	22% (35 of 156) PCO monitored. This is reported on Map 4, page 87 of the July 2026 Integrated Catchment Committee report on Horizon's website.
5.3	All additional hectares released from OSPRI control are included in the PCO programme.	N/A - No new hectares this year.	1	1	100% of available ha's in all four PCO have been setup.
5.4	All known rookeries are treated annually to reduce crop losses and damage.	Achieved	95%	95%	39 (95.1%) out of 41 rookeries treated. Access could not be gained in time to treat two rookeries.
5.5	Provide an animal pest management advisory service. All enquiries will be responded to within three working days.	100%	100%	100%	553 enquiries have been received and all were followed up within the agreed time frames.
BIOSECURITY					
6.	We prevent establishment of high risk pest plant species				
6.1	Response plans are enacted within their specified timeframes.	Achieved	Achieve	Achieved	One response plan required and completed within timeframes.
7.	We effectively reduce the risk of pest plants spreading from sites Horizons manages within Regional Pest				
7.1	The overall zero-level status of Horizons managed sites increases on a yearly basis.	Not Achieved - 74%	Increase on previous year	Achieved	Last year's zero levels percentage was 73.83%. This financial year is 74.1%.

8. We contribute to the management of widespread pest plant species using natural methods					
8.1	Financially support the national bio-control agent development programme and report annually to Council on this programme and Horizons’ other biocontrol activity.	Achieved	Achieve	Achieved	● Financial support provided and annual report included in May 2026 ICC reporting. Linked here https://www.horizons.govt.nz/media/mt1jhchs/public-agenda-13-may-2026.pdf
9. We monitor our RPMP programmes according to the Biosecurity Act requirements					
9.1	Submit an annual monitoring report.	Achieved	Achieve	Achieved	● Reported as achieved since November ICC reporting and linked in the May 2026 ICC report.

[1] Explanatory note: There are 72 ecosystem types currently identified in the Horizons region (Singers and Rogers classification). Thirty four of these are under-represented, threatened and not already found on private conservation land in the region. Four of these are ecosystem types that are impractical to manage (i.e. cliff faces and braided riverbeds) leaving 30 priority ecosystem types that should be found and protected by Horizons.

FRESHWATER AND PARTNERSHIPS						
Achieved 10		Not Achieved 0				Not Applicable 0
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. Deliver freshwater enhancement work in the region						
1.1	Kilometres (km) of stream fencing completed .	18km	15km	19.4 km		The stream fencing target was exceeded, with 19.4 km completed despite a slow start to the year.
1.2	Number of riparian plants planted.	99548	35,000	42,591		Riparian planting exceeded target, with 42,591 plants established.
1.3	Fish barriers remediated.	90	2	5		Fish passage remediation exceeded target, with five sites completed against a target of two, improving habitat connectivity through culvert replacement and upgrades.
1.4	Number of regional community projects funded.	6	5	10		Community projects were completed despite requiring significant staff support, with some underspending due to delays, changing conditions, and revised project plans.
2. Deliver freshwater enhancement work within the Manawatū Catchment						
2.1	Manawatū Accord Leaders forums are held twice per year.	2	2	2		Meetings held on 24 September 2025 and 29 August 2026.
2.2	Kilometres (km) of stream fencing completed.	30km	15km	17.4 km		The stream fencing programme has been successful in achieving the target with 17.4kms of fencing completed.
2.3	Number of riparian plants planted.	107219	35,000	57,445		The riparian planting programme also exceeded targets, with 57,445 riparian plants planted within the catchment with funding assistance from Horizons.

2.4	Fish barriers remediated.	18	2	2	●	Two fish passage remediations were completed. A culvert replacement and a rubber matting and mussel rope fix to a perched culvert.
2.5	Number of community projects funded.	7	5	6	●	The Manawatu Freshwater Grants fund approved six of seven applications, with most projects progressing as planned despite two being completed with a reduced scope and underspend.
3.	Deliver freshwater enhancement work within the Horowhenua District					
3.1	Annual report to Council on Horowhenua Freshwater restoration activity.	Achieved	Achieve	Achieved	●	Report was delivered to the Integrated Catchment Committee on 13 May 2026 and can be found here //www.horizons.govt.nz/media/mt1jhchs/public-agenda-13-may-2026.pdf

RIVER MANAGEMENT AND FLOOD PROTECTION						
Achieved 20		Not Achieved 0			Not Applicable 1	
Levels of service and performance measures		Performance Measure/Target				
		Actual 2024/25	25/26 Target	25/26 Result	Comment	
1. We will undertake maintenance within the River and Drainage schemes						
1.1	Maintenance is undertaken on scheme drains (note a drain may receive maintenance more than once per year and each maintenance activity counts toward the target).	Achieved	520km	1586km		Horizons has 1,144 km of scheme drains. Maintenance of scheme drains was considerably higher than target, this was due to: • The baseline target was established on available asset descriptive information, and limited prior records of maintenance activities; • The previous financial years were adversely effected by cyclone activity and repairs, with increased levels of rainfall leading to reduced maintenance being performed; • Assets having multiple maintenance treatments during the year, with each treatment counting towards the target. The purpose of doing this is to build a record of each asset's maintenance needs and costs; • The switch to the new maintenance based programme meant that more prioritisation was given to asset maintenance with dedicated budget; and • Investment in systems and resource use efficiency.

1.2	Kilometres of scheme river erosion protection maintained e.g. mulching of maintenance of vegetation used for river bank erosion (such as mulching of willows).	Achieved	75km	94km	Horizons has 604 km of river edge protection assets. Maintenance of river erosion protection was considerably higher than target, this was due to: • The baseline target was established on available asset descriptive information, and limited prior records of maintenance activities; • The previous financial years were adversely effected by cyclone activity and repairs, with increased levels of rainfall leading to reduced maintenance being performed; • Environmental conditions and a maintenance backlog resulting in increased needs for channel maintenance; and • Investment in systems and resource use efficiency.
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1.3	Kilometres of river channel maintenance completed e.g. movement of gravel in reach to reduce erosion pressure on stopbanks.	Achieved	18km	397km	Horizons has 802 km recorded of Scheme river channels. Maintenance of river channel was considerably higher than target, this was due to: • The baseline target was established on available asset descriptive information of which length of channel within schemes was unverified, and limited prior records available for maintenance activities; • The inclusion of channel aerial spraying maintenance within this target; • Investment in systems and resource use efficiency; and • Environmental conditions and a maintenance backlog resulting in increased needs for channel maintenance.
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1.4	Number of scheme flood gates maintained e.g. cleaned, repaired, adjusted etc.	Achieved	97	1217	Horizons maintains 746 floodgates. Maintenance of floodgates was considerably higher than target, this was due to: • The baseline target was established on available asset descriptive information from the asset register, and limited prior records of maintenance activities; • The inclusion of regular asset servicing inspection activities within this target; • Assets having multiple servicing inspection or maintenance treatments during the year, with each treatment counting towards the target. The purpose of doing this is to build a record of each asset's maintenance needs and costs; and • Investment in systems and resource use efficiency.
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1.5	Kilometres of scheme stopbanks maintained e.g. mowing of stopbanks, repairs to stopbanks etc.	Achieved	65km	1,056km	● Horizons has 510 km of stopbank. Maintenance of stopbanks was considerably higher than target, this was due to: • The baseline target was established on available asset descriptive information, and limited prior records of maintenance activities; • The previous financial years were adversely effected by cyclone activity and repairs, with increased levels of rainfall leading to reduced maintenance being performed; • Assets having multiple maintenance treatments during the year, with each treatment counting towards the target. The purpose of doing this is to build a record of each asset's maintenance needs and costs; • The switch to the new maintenance based programme meant that more prioritisation was given to asset maintenance with dedicated budget; • Investment in systems and resource use efficiency; and • The inclusion of existing partnership agreements, such as agreement with Palmerston North City Council for stopbank mowing of Horizons' assets.
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1.6	Number of river scheme amenity works maintained (e.g. tracks on stopbanks).	Achieved	1	2	●	Horizons has 52 amenity assets. • The target was 1, however after achieving this, an extra amenity was able to be maintained due to favourable weather conditions enabling budget to do additional works this year.
2.	We will complete asset management activity for the River and Drainage Schemes					
2.1	% of critical assets inspection completed.	Achieved	76%	95%	●	We have a total of 3,950 assets that we inspect on an annual or 5 yearly basis. These assets have been classified as critical and non-critical factoring in what protection they provide and what the consequence of failure is. The classifications are: • 1,336 critical assets inspected on an annual basis; and • 2,614 non-critical assets inspected on a 5-yearly basis. The Asset Inspectors conduct these inspections and report all damage (defects) to the engineering teams. We also have inspection guidelines which standardise inspection and improves the quality of our inspection reporting. Defects are risk rated and reported to Council via the Integrated Catchment Committee.

	2.2 % of non-critical assets inspections completed.	Achieved	20%	27%	We have a total of 3,950 assets that we inspect on an annual or 5 yearly basis. These assets have been classified as critical and non-critical factoring in what protection they provide and what the consequence of failure is. The classifications are: • 1,336 critical assets inspected on an annual basis; and • 2,614 non- critical assets inspected on a 5-yearly basis. The Asset Inspectors conduct these inspections and report all damage to the engineering teams. We also have inspection guidelines which standardise inspection and improves the quality of our inspection reporting. Defects are risk rated and reported to Council via the Integrated Catchment Committee.
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2.3	% of Assets Renewal program completed.	Achieved	75%	92%	●	Asset renewal is an important component of asset management. The Infrastructure Strategy 2024-54 identified a gap in Horizons practice around this, where only a limited number of schemes with assets 7 of 28 (25%) have asset renewal programmes, however 18 schemes have a renewal reserve fund. The Annual Plan target refers to completing the identified renewal programmes. The Annual Plan target was achieved, with 92% of the renewal programme budget spent. Three of the seven schemes have had additional expenditure than budgeted funded via renewal reserves. This reflects some of the uncertainty of costs for repairs/renewals, particularly when a job is started in response to damage and the extent is unknown. Other renewals occurred over the year including the approval for the Moutoa wetgates and renewals identified through the repair programme. Renewal programme capital budget and expenditure 2025-26 as of June 2026 is available in Table 50 of the Catchment Operations Progress Report (Report No. 26-120) to the Integrated Catchment Committee on 29 July 2026. https://www.horizons.govt.nz/media/oxifo0nei/public-agenda-29-july-2026.pdf
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2.4	Asset condition report provided to Council. May report on the previous year's information.	Achieved	Achieve	Achieved	●	Completed by the Integrated Catchment Committee August 2025 (pages 63-64), and update provided in Integrated Catchment Committee Report No. 26-120 on 29 July 2026.
2.5	Asset revaluation process completed and reported to Council. May report on the previous year's information.	Achieved	Achieve	Achieved	●	Completed by the Integrated Catchment Committee August 2025 (pages 65-67), and update provided in Integrated Catchment Committee Report No. 26-120 on 29 July 2026. https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf
2.6	Number of assets upgraded or modified to meet NPS-FM requirements.	Achieved	2	2	●	2 completed. See Catchment Operations Progress Report (Report No. 26-120) to Integrated Catchment Committee on 29 July 2026, page 166. https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf
3.	We will continue to undertake capital works programs to maintain and build resilience to climate change that have been identified through the planning process and approved by Council at the first Integrated Catchment Committee meeting at the start of each financial year					
3.1	Percentage of the approved capital works programme completed.	Achieved	65%	67%	●	6 of 9 complete (67%). See Catchment Operations Progress Report (Report No. 26-120) to the Integrated Catchment Committee on 29 July 2026, page 167-168 https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf
4.	We will continue to respond to weather events that impact our River and Drainage Schemes					
4.1	Council is informed of the likely impact of weather events that cause significant damage to river and drainage schemes on work programs and budget within three months of the event occurring.	Achieved	Achieve	Achieved	●	Provided in the Catchment Operations Progress Report (Report No. 26-120) to the Integrated Catchment Committee on 29 July 2026, page 193-194 https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf

5. We will report on River and Drainage Regulatory Activity					
5.1	Dam Safety Assurance Program reports completed as a part of meeting the Dam Safety regulations 2022.	Not Achieved	9	10	Horizons, as a dam owner, has 54 dams; their PIC has been assessed. In summary: 47 of the 54 dams were classed as classifiable; seven were not considered large dams; 37 are low PIC; two are medium (one each in the Porewa, Tutaenui); and eight are high PIC (four in each of the Porewa and Tutaenui Schemes). The total of medium PIC + high PIC = 10. As part of the PIC assessment post the non-financial performance measures being set, one Dam changed PIC classification from medium to low PIC (in Matarawa scheme), 11-1=10 required. Dam Safety Assurance Programmes submitted for 10 dams (8 high PIC dam safety assurance programmes were submitted in August 2025, and the two medium PIC dam safety assurance programmes were submitted in June 2026.
5.2	Intermediate Dam Safety Review reports completed as a part of meeting the Dam Safety regulations 2022.	Not Applicable	5	10	The target was five Intermediate Dam Safety Review reports to be completed. Intermediate Dam Safety reviews were completed and reported on for all ten of the high and medium PIC dams.
5.3	Annual report on regulatory activity, including Environmental Code of Practice and Consents and work to align with new regulations such as national policy statements and Environmental standards.	Achieved	Achieve	Achieved	Provided in Catchment Operations Progress Report (Report No. 26-120) to the Integrated Catchment Committee on 29 July 2026, pages 200-203 https://www.horizons.govt.nz/media/oxifo0nei/public-agenda-29-july-2026.pdf

6. We will continue to provide advice and direction around performance and sustainability of our scheme networks					
6.1	Number of Gravel Management reports completed.	Achieved	2	2	2 completed (1. The Pohangina Gravel Resource Study and 2. Oroua Gravel Resource Study). For 1. see Integrated Catchment Committee report dated 13 May 2026, Catchment Operations Progress report (Report No. 26-71) page 153-154 https://www.horizons.govt.nz/media/mt1jhchs/public-agenda-13-may-2026.pdf . For 2. see Catchment Operations Progress Report (Report No. 26-120) to the Integrated Catchment Committee on 29 July 2026, pages 212-214 https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf
6.2	Flood vulnerability assessments reports completed (year 1 only) including analysis of the potential impacts of climate change.	Not applicable	0	Not applicable	Target was for year 1, however the report was presented to Regional Council on 24 February 2026 in the Flood Vulnerability Assessment Report No: 26-14 https://www.horizons.govt.nz/media/m35oehaf/public-agenda.pdf . The Flood Vulnerability Assessment reports are available on Horizons website here https://www.horizons.govt.nz/environment/natural-hazards-and-flood-management/regional-flood-vulnerability-assessment

6.3	Annual Report on Room for the River projects.	Achieved	Achieve	Achieved	See Integrated Catchment Committee report sated 13 May 2026, Catchment Operations Progress report (Report No. 26-71) page 155-156: https://www.horizons.govt.nz/media/mt1jhchs/public-agenda-13-may-2026.pdf . An update was provided in the Catchment Operations Progress Report (Report No. 26-120) to Integrated Catchment Committee on 29 July 2026, page 214 https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf
7.	We will continue to support community climate resilience by providing Environmental Grants to assist applicants to				
7.1	Number of Environmental Grants completed.	Achieved	5	7	7 grants completed. See the Catchment Operations Progress Report (Report No. 26-120) to the Integrated Catchment Committee on 29 July 2026, page 215 https://www.horizons.govt.nz/media/oxif0nei/public-agenda-29-july-2026.pdf

[1] This is a new performance indicator for 2024/25 and was selected as it better represents our activities in relation to River Management and Flood Protection.

LAND MANAGEMENT						
Achieved ●●● 3		Not Achieved ● 1			Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. Under the Sustainable Land Use Initiative (SLUI) programme, we deliver erosion control works on farms						
1.1	Hectares of erosion control works completed.	3,513 (Achieved)	3,540	2,309	●	Despite more jobs being completed than last year, overall less work was completed. There was less afforestation and less retirement completed than budgeted.
2. Regional and Coast, and Whanganui Catchment Strategy programmes deliver advice and funding to decrease						
2.1	Number of grants for works completed.	102	50	69	●	The 69 completed works related mainly to erosion control and riparian retirement work in areas outside of SLUI properties.
3. Under the Regional and Coast programme we will engage in industry partnerships to promote sustainable land						
3.1	Support industry initiatives that promote sustainable land use.	7 groups (Achieved)	5 groups	6 groups	●	Continue to support catchment groups, and other industry groups to support sustainable land use work.
4. Under the Horizons willow and poplar pole nursery programme we will produce and source poles for use in erosion						
4.1	Number of poles made available for erosion control programmes.	33,074 (Achieved)	30,000	33,741	●	The numbers of poles available has been consistent over the past few years.

FUNDING IMPACT STATEMENT FOR THE CATCHMENT OPERATIONS GROUP OF ACTIVITIES TO 30 JUNE 2025 (\$'000)

	LTP 2024-34 2025-26	Actual 2025-26	LTP 2024-34 2024-25	Actual 2024-25
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	19,503	19,139	18,060	18,053
Targeted rates	20,428	20,113	18,751	18,721
Subsidies and grants for operating purposes	910	2,858	2,830	4,040
Fees and charges	3,250	6,954	3,182	4,107
Internal charges and overheads recovered	1,616	2,353	1,551	1,553
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	45,707	51,417	44,374	46,474
Applications of operating funding				
Payments to staff and suppliers	21,133	21,752	21,064	20,111
Finance costs	-	-	-	-
Internal charges and overheads applied	21,761	22,829	20,253	21,574
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	42,894	44,581	41,317	41,685
Surplus (deficit) of operating funding (A-B)	2,813	6,836	3,057	4,789
Sources of capital funding				
Subsidies and grants for capital expenditure	906	4,122	10,887	9,050
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	4,887	(80)	2,341	5,472
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	771	-	300
Total sources of capital funding (C)	5,793	4,813	13,228	14,822
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	7,845	7,534	17,260	18,803
-to replace existing assets	464	773	297	225
Increase (decrease) in reserves	297	3,342	(1,272)	583
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	8,606	11,649	16,285	19,611
Surplus (deficit) of capital funding (C-D)	(2,813)	(6,836)	(3,057)	(4,789)
Funding balance ((A-B)+(C-D))	-	-	-	-

Ngā ratonga ā-rohe, ā-waka Transport and regional services



This group of activities is made up of the following activities:

- Transport Planning
- Passenger Services
- Road Safety
- District Advice
- Emergency Management
- Environmental Data
- Information Management

What we do

Our transport activities ensure a coordinated approach to regional transport planning through the Regional Land Transport Plan. They also ensure our communities are well connected through the provision of public transport services via the Regional Public Transport Plan. We also work to keep our communities safe through road safety and education initiatives.

Our communities, district councils and Horizons operational teams rely on timely, accurate and accessible data and information to inform their decisions. We are responsible for the collection, management and provision of sound, accurate data and information.

We work to support regional community resilience and safety through our emergency management activity, which has two primary areas of focus; Horizons' own internal emergency management capability, and we are the

Administering Authority for the regional Civil Defence Emergency Management Group (CDEM).

Contribution to Council's community outcomes

The Transport and Regional Services Group primarily contributes to the following community outcomes:

Our region's communities are vibrant and empowered

- We provide communities with natural hazard information and access to river alert systems so they have the opportunity to avoid risk to people and property.

Our region's ecosystems are healthy

- We implement and support business systems that track regulation and monitoring under resource management legislation, ensuring effectiveness can be assessed.
- We provide communities with information from the Horizons One Plan on how proposed developments could avoid or mitigate adverse effects on the environment. This includes stormwater management and wastewater disposal advice.
- We provide information on rare, threatened, or at-risk habitats in the vicinity of all proposed developments, potential growth areas and zone changes.
- We collect ecosystem, environmental data which is critical to understanding the state and trends of our complex ecosystems.

Our region's communities are resilient to the impacts of natural hazards and climate change

- We provide a public transport service which gives our communities a lower emission transport option.
- We work to minimise the impact of natural hazards on our communities by providing timely information and advice on natural hazards.
- We coordinate the Building Act requirements for dams and implement the Dam Safety Scheme.
- We equip our communities to be prepared for emergencies by promoting the 'Reduction, Readiness, Response and Recovery'.
- We ensure Horizons' River Monitoring network is fit for purpose.
- We provide data for design, decision-making, real time and forecast information for emergency management and public safety.

Our region's economy is thriving and environmentally sustainable

- We contribute to an efficient and reliable transport network through the provision of public transport services, giving people an alternative to private vehicle travel and supporting urban growth objectives.
- We provide road safety education by raising driver awareness of key road safety issues and work with other key stakeholders to help reduce the incidence and severity of road traffic crashes. The key focus is to change road user behaviour, making roads safer for people to use.

Our region has effective transport networks

- We facilitate regional integrated transport planning to support and enable regional growth initiatives such as Accelerate25 and Accessing Central NZ.

- We enable members of the community who have limited access to transport options to access work, education, recreation, health and social services, and maintain a connection with the rest of the community.
- We inform business decisions by making our data accessible.
- Our emergency management planning, response and recovery arrangements play a key role in ensuring the impacts on the economy from emergency events are minimised.

Our region's relationship with iwi and hapū are respectful and mana-enhancing

- We seek to understand matters of interest to iwi and hapū when we are preparing and reviewing local and regional transport plans.
- We seek to improve our engagement and planning processes with iwi/Māori across all aspects of emergency management to enable them to support their own communities during and after an emergency.

What we did this year

Passenger Services

Passenger transport services continued to experience strong growth across the region during 2025/26, with increasing patronage reflecting ongoing investment in service improvements, network development and customer experience. Patronage increased by 12% across the region, the highest increase across the country for public transport authorities. The Palmerston North urban bus network completed its second full year of operation and continued to attract new users, while work progressed on a range of initiatives to improve public transport access, reliability and coverage across the region.

Significant progress was made in planning and implementing future service improvements. Following community consultation and Council approval, a new electric bus service for Feilding was finalised ahead of its commencement in July 2026. Work also continued on the implementation of a redesigned Whanganui urban bus network, which commenced in April 2026.

Council also expanded transport options for communities with limited access to public transport through the introduction of a dedicated school bus service linking Ashhurst and Palmerston North. The service was introduced following the discontinuation of Ministry of Education school bus services. The service is being delivered with funding from the Ministry of Education and provides students with a safe and reliable transport option.

During the year, Horizons continued preparations for the Motu Move National Ticketing Solution, which will modernise the way customers access and pay for public transport services. Work also continued alongside regional and national partners on future passenger rail improvements through the Lower North Island Rail Integrated Mobility Programme, which aims to increase the frequency and capacity of passenger rail services between Palmerston North and Wellington.

The Total Mobility scheme remained an important service for people with disabilities and mobility impairments, supporting access to employment, education, health services and community participation. Demand for the scheme continued to grow during the year, demonstrating the ongoing importance of accessible transport services across the region.

Road Safety

Despite a significant reduction in funding from NZ Transport Agency Waka Kotahi during the 2025/26 year, Horizons continued to deliver a

comprehensive programme of road safety education and community engagement activities across the region. Working closely with NZ Police, ACC, schools, community organisations, local authorities and industry partners, the programme focused on a range of Road to Zero priorities including driver impairment, seatbelt use, child restraints, driver distraction, speed, motorcycle safety, cycling safety and senior driver education.

More than 20 road safety initiatives were delivered throughout the year. Highlights included child restraint checking events undertaken with NZ Police and Little Buds Car Seats, where 681 child restraints were inspected and 70% were found to be incorrectly installed, providing valuable opportunities for education and safety improvements. Motorcycle safety initiatives promoted Ride Forever training courses and rider education, while cycling and pedestrian safety activities focused on increasing visibility and awareness of vulnerable road users. Community events, roadside education activities, driver refresher courses and school-based programmes helped deliver practical road safety messages to thousands of people across the region.

A strong emphasis was placed on collaboration to maximise the impact of the reduced funding available. Partnerships with organisations including NZ Police, Foodstuffs North Island, ACC, Little Buds Car Seats, schools, retirement villages and community groups enabled Horizons to continue delivering road safety outcomes and supporting safer behaviours on the region's roads.

Transport Planning

Transport planning activities continued to play a key role in coordinating investment and strategic direction for the region's transport network. In December 2025, Horizons commenced a full review of the Regional Land Transport Plan (RLTP), working alongside territorial authorities, NZ

Transport Agency Waka Kotahi and regional stakeholders to identify transport priorities and investment needs for the region over the coming decade. The review continued throughout the first half of 2026 and considered how transport investment can support safety, resilience, economic development, freight movement and community connectivity across the Manawatū-Whanganui Region.

Implementation of the Regional Public Transport Plan (RPTP) continued throughout the year, with significant work undertaken to plan and develop future public transport services across the region. This included progressing the redesigned Whanganui urban bus network and planning for the introduction of enhanced services in Feilding.

Horizons also continued to work with partners on longer-term transport initiatives, including investigations into passenger rail improvements and improved regional connectivity. Through the Regional Transport Committee and its relationships with central government agencies, Council continued to advocate for transport investments across the region.

District Advice

The District Advice team is responsible for responding to requests for information from the Territorial Authorities and general public for properties in our region. It provides comments and advice to the region's Territorial Authorities to assist them with their assessment of subdivision, building consent and land use consent applications. It also provides information to the public to inform sale or purchase of a property, insurance or valuation matters and natural hazard information for proposed land developments / activities. Responses include any relevant information that Horizons may hold on the property, particularly natural hazards and One Plan policies / rules, including other relevant regional

and national matters that may need to be considered when proposing land development or making property-related decisions.

The activity is responsible for new obligations under the Local Government Official Information and Meetings Act 1987 (LGOIMA) providing natural hazard information to Territorial Authorities for inclusion in Land Information Memoranda (LIMs).

The District Advice team contributes to draft and proposed plan changes that are notified by Territorial Authorities and coordinates and provides relevant information on potential growth areas or proposed District Plan rezoning. District Advice coordinates Horizons submissions on notices of requirement for proposed designations.

The District Advice team responded to 1059 requests for information, which is a 1.5 per cent decrease in volume on the previous year (1079 requests in the 2024-25 year). The promotion and the success of the [Regional Natural Hazard Online Viewer](#) has meant fewer direct enquiries as people are better able to gather information for themselves. There continues to be a higher percentage of subdivision enquiries compared to previous years, and generally, these are more time consuming because of their increased complexity and the information requiring assessment. 797 of these requests are from the general public and 262 from Territorial Authorities. The main request types were for subdivisions (331), property purchases (300) building consents / land use consents (254), and flooding (117). The remaining request types were for insurance (29) and general/other (28).

The number of requests by Territorial Authority for the property enquiry location:

- Manawatū 294
- Palmerston North 207

- Tararua 202
- Horowhenua 119
- Rangitikei 104
- Whanganui 87
- Ruapehu 46

In addition to the property enquiries, the District Advice has received 52 LIM enquiries from Territory Authorities.

The District Advice team has coordinated and prepared numerous comments on proposed growth areas and plan changes for various Territorial Authorities as well as for comments on proposed private plan changes.

Regional authorities are responsible for performing functions under the Building Act relating to dams. Regional council requirements under the Building Act 2004 in relation to large dams were complied with, and District Advice continued to manage Horizons’ obligations and responsibilities. District Advice have received approximately 70 dam enquiries and had numerous interactions with dam owners and agents over the year, mainly in regard to the dam safety regulations. No large dam Building Consent applications have been received.

The new regulations on dam safety (Dam Safety Regulations 2022), which commenced on May 2024, aim to improve resilience and safety of New Zealand’s dams, protecting people, property and the environment from the potential impacts of dam failures. The framework places the responsibility on dam owners to ensure dams are maintained to acceptable safety levels and promotes regular monitoring and surveillance practices for the safe operation of dams. The District Advice

team is responsible for implementing, administering and monitoring these regulations.

Dam owners were required to submit Dam Classification Certificates (DCCs) to Regional Authorities by 13 August 2024, for approval. This financial year, 64 DCCs have been approved, bringing the total to 67 classifiable dams in the region, with 9 high, 7 medium, and 57 low potential impact (PIC) dams. All known classifiable dams are compliant with the regulations, and all dam safety enquiries and DCCs have been responded to within legal timeframes.

Emergency Management

Over the reporting period, the Emergency Management Office continued to strengthen its capability in support of the Manawatū-Whanganui Civil Defence Emergency Management (MWCDEM) Group.

A key focus this year was building a more integrated and sustainable emergency management system. This included improvements across readiness, response, recovery, welfare, community resilience, lifelines, and risk reduction.

A significant milestone was the completion of a refreshed Emergency Management Office structure. The establishment of specialist portfolios for Readiness, Response, Recovery & Lifelines, Community Resilience & Welfare, and Strategy, Plans & Reduction has increased the team's capacity and improved its ability to balance operational delivery with long-term improvement.

The Emergency Management Office also continued to mature its use of the D4H Incident Management System. D4H is now embedded within Regional Duty Officer operations, the Group Emergency Coordination Centre (GECC), and regional information management processes. These

improvements have strengthened situational awareness, information sharing, and the development of a common operating picture across the region.

Significant progress was made during the year implementing the newly adopted MWCDEM Group Plan. Supporting work programmes have been developed across all four Rs and now provide a clear roadmap for capability development and continuous improvement.

The Group has remained actively involved in national emergency management initiatives. This has included engagement with the National Emergency Management Agency (NEMA), the Emergency Management System Improvement Programme (EMSIP), and development of the new Emergency Management Bill. This helps ensure regional perspectives are represented while preparing the region for future change.

Recovery development remained a key priority. Progress was made in strengthening recovery leadership, workforce development, Recovery Communities of Practice, and engagement with Recovery Managers across the region. Work also continued to improve transition arrangements between response and recovery while supporting the development of community-led recovery approaches.

Strong progress was also made in the lifelines portfolio. Relationships with utility providers and critical infrastructure operators continued to grow, while work progressed on fuel planning, infrastructure intelligence, and utility coordination arrangements. This has improved understanding of infrastructure dependencies and their potential impacts during emergencies.

Community resilience and welfare capability received increased attention during the year. Engagement with councils, communities, iwi, and welfare partners helped progress work on welfare readiness, community

resilience initiatives, needs assessment capability, and support arrangements for vulnerable communities.

The Emergency Management Office continued to make effective use of the Integrated Training Framework (ITF) and other development opportunities. Training focused on Controller development, GECC and EOC capability, welfare, recovery, information management, and emergency management leadership. These investments continue to strengthen capability across the region.

Response Operations

The year was characterised by a high level of operational activity.

The Emergency Management Office provided support to Territorial Authorities, partner agencies, and communities through a range of weather events, fires, earthquakes, and other incidents. Regional Duty Officers and Emergency Management staff maintained a sustained operational tempo, providing monitoring, advice, coordination, and response support throughout the year.

The continued development of the Regional Duty Officer framework, alongside the implementation of D4H, has strengthened the region's ability to identify emerging issues early and coordinate an effective response. These arrangements have improved information sharing and provided greater visibility of developing pressures across the region.

Operational activity also provided valuable opportunities to test systems, validate capability, and identify improvements. Lessons from activations have informed ongoing work across readiness, response, recovery, welfare, and community resilience.

Looking Ahead

Emergency management in New Zealand is entering a period of significant change. The Emergency Management Bill, EMSIP, and growing expectations around assurance, capability, community resilience, and recovery will continue to influence how emergency management is delivered.

As expectations continue to increase, so too does the need for emergency management capability and capacity across the region. The expansion of the Emergency Management Office during the year reflects the growing scope and complexity of modern emergency management. The focus is no longer solely on response. It now includes readiness, welfare, community resilience, recovery, lifelines, risk reduction, planning, assurance, and stakeholder engagement.

While recent investment has strengthened the region's capability, significant growth in workload, increasing national expectations, and the ongoing implementation of the MWCDEM Group Plan will require continued investment in emergency management resources. Ensuring the region can meet future legislative requirements, maintain operational readiness, and deliver consistent emergency management outcomes across all communities will depend on building both organisational capacity and specialist capability over time.

The Emergency Management Office also recognises that capability across the region remains uneven. Strengthening regional consistency will be a key area of focus in the coming years. This will include improving interoperability, supporting shared systems and practices, and developing assurance processes that provide confidence in regional capability.

Building a resilient emergency management system requires a collective effort. Success depends on strong partnerships between councils, iwi, communities, lifeline utilities, emergency services, government agencies, and other stakeholders.

HORIZONS REGIONAL COUNCIL PŪRONGO-A-TAU 2025-26

The Emergency Management Office remains committed to continuous improvement and regional collaboration. Through investment in people, systems, and partnerships, the MWCDEM Group will be better prepared to meet future challenges and support the communities it serves.

Every action, every decision, every outcome — for our communities.

Environmental Data

Environmental Monitoring, Hydrology and Telemetry services.

The Environmental Data monitoring service continued to deliver the monitoring, telemetry, forecasting and environmental information services that support flood warning, emergency management, resource management and operational decision-making across the region.

During 2025–26, the team's focus shifted from major infrastructure upgrades to optimising the performance and reliability of Horizons' environmental monitoring and telecommunications networks following significant investment in recent years. This included ongoing improvements to monitoring infrastructure, refinements of the telecommunications systems and operational processes to ensure reliable access to critical environmental information.

The Water Metering team completed the rollout of upgraded telemetry hardware at consented water-use sites, improving the reliability and timeliness of water-use information available to support compliance and resource management decisions.

Flood warning systems remained a key priority. Several ageing alarm systems were redesigned and upgraded for integration with Horizons' new telecommunications infrastructure. Significant progress was made on the redevelopment of the Ōhura flood warning system, undertaken in partnership with Ruapehu District Council and the local community. The

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new design includes revised siren locations and improved warning trigger levels, with implementation planned during 2026–27.

In support of flood resilience and operational response activities, the team maintained a high-resolution monitoring network in the Feilding area and delivered improvements to telecommunications and data accessibility at 27 Lower Manawatū pump stations, including the installation of web cameras to improve operational awareness during flood drainage events.

A major milestone during the year was the successful operational deployment of Horizons’ new integrated flood forecasting system. The new platform provides forecasting capability across the region’s seven major catchments/FMUs and was utilised during the October and February weather events, enhancing situational awareness and supporting decision-making within the Group Emergency Coordination Centre and Horizons’ Emergency Operations Centre. Further calibration and model refinement will continue to strengthen forecasting performance, alongside partner councils operating the same system.

The team also delivered Horizons’ State of the Environment monitoring programmes across rivers, lakes and groundwater, including scheduled discharge and water quality monitoring. Targeted monitoring within the Arawhata Wetland continued to support environmental management and restoration initiatives.

Collectively, the Hydrology Team maintains the environmental information systems that underpin many of Horizons’ core functions. Through the operation of the region’s monitoring, telemetry and forecasting networks, the team provides the real-time information required to support flood preparedness, emergency response, environmental reporting, resource management and community resilience.

Survey Services

The Environmental Data Survey Team delivered a substantial programme of work during 2025–26, completing or supporting 116 projects and work items across Horizons’ river management, drainage, flood protection and infrastructure programmes, and Science’s environmental wider monitoring and fluvial geomorphological programmes.

The survey team undertook river cross-section surveys across the Manawatū, Mangatainoka, Pohangina and Mangaone catchments, flood event recovery surveys, gravel extraction and stockpile measurements, drainage scheme investigations, groundwater bore surveys and fish passage assessments. Survey works also supported a wide range of river management, wetland enhancement, stream restoration and infrastructure improvement projects across the region.

A significant achievement during the year was the manual survey of more than 300 kilometres of stopbank infrastructure within the Mangaone and Lower Manawatū schemes, providing essential information for asset management, condition assessment and future investment planning. The team also commenced bathymetric surveying within the Manawatū Estuary to improve understanding of estuary processes and support future management decisions.

The increasing use of drone-based LiDAR technology continued to improve the efficiency, safety and quality of data collection, supporting coastal monitoring, erosion assessments, detention dam capacity surveys, compliance investigations and major catchment studies.

In addition to field operations, the Survey Team delivered mapping, drafting, GIS and spatial data management services that support engineering design, asset management, environmental monitoring and operational decision-making. Collectively, these services provide critical

spatial information that underpins flood risk management, river and drainage scheme operations, compliance activities and long-term infrastructure planning across the region.

Final note

Environmental Data monitoring and flood forecasting information continues to be made available through the Horizons website, regional flood warning services and Land, Air, Water Aotearoa (LAWA).

Information Services

During 2025/26, Council continued to strengthen its Information Services capability by bringing together Information Management, IT operations, cybersecurity, digital transformation and data and GIS functions into a more unified service model. This improved alignment between the systems, information, data and digital infrastructure that support Council services, while creating a stronger foundation for coordinating, prioritisation and organisational change.

This change has supported a clearer focus on both operational reliability and transformation. Information Services continued to maintain day-to-day systems, data and digital services that staff rely on, while also building capability in enterprise architecture, cybersecurity and risk, digital delivery, IT operations and data and GIS. This provides council with a more coordinated way to manage technology investment, reduce duplication strengthen governance and support better decision-making across the organisation.

A key achievement during the year was the continued development of the Digital Transformation Programme. The programme provides a more structured approach to digital investment and organisational change, helping Council strengthen information management, improve data

quality, reduce duplication and build more consistent end-to-end business processes. Work during the year focused on improving how key information is managed across the organisation, strengthening governance and enterprise architecture capability, and establishing the foundations required to support future system modernisation and service improvements.

The programme also delivered several visible service improvements for the community, including the go-live of three public-facing websites: the main Horizons website, the Manawatū-Whanganui Civil Defence Emergency Management website, and the Connect Regional Transport website. These websites provide clearer and more accessible digital channels for Council information, emergency management information and public transport information, while creating a stronger foundation for future online service improvements.

Information Services also continued to support reliable public and organisational access to maps, data and information held by Council. The non-financial performance measures for Information Management were achieved during the year, with initial responses to maps, data requests made within five working days in 98% of cases, exceeding the 95% target. Requests were also resolved within agreed timeframes in approximately 99.5% of the cases, also exceeding the 95% target. These requests largely relate to Environmental Data requests and provide a useful indication of continued strong performance in responding to requests across the organisation.

Preparation also continued for IRIS NextGen, a modern cloud-based regulatory platform being developed by Datacom through Regional Software Holdings Limited (RSHL). The future platform will replace IRIS Classic for consenting, compliance monitoring, and other environmental and regulatory functions. Implementation is planned to start in Q2 2027.

During 2025/26, Information Services continued to support readiness for this change through process, data, architecture and integration planning.

Overall, 2025/26 was an important capability-building year for Information Services. By consolidating related functions, strengthening governance, building specialist capability and maintaining strong operational performance, Information Services is better positioned to support Council’s regulatory, environmental, and community-facing services. This work supports more reliable services, better informed decisions and trusted access to Council-held information for staff, partners and the wider community.

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Whanganui public transport improvements

After decades of patronage decline, Whanganui has been a focus for public transport growth since the launch of Te Ngaru The Tide in 2023. The Tide – a fast and frequent service connecting Aramoho and Castlecliff via key locations – saw public transport use in the city double almost immediately. At the same time, we collaborated with Whanganui District Council and NZ Transport Agency Waka Kotahi to improve bus stop infrastructure across the city as part of the national Transport Choices programme. However, the rest of the city’s public transport network was based on infrequent routes which took long loops through suburbs. The lack of patronage growth on these routes showed they were not working for people.

After extensive consultation, including as part of creating our Long-term Plan and 2025/26 Annual Plan, we launched a new public transport network in Whanganui on 17 April 2026 – a date which doubled as the inaugural World Public Transport Day. The old network had 17 different routes, which were streamlined into five. Two Tide-style high-frequency routes now run past most high schools and intermediates in the city, while three hourly routes ensure connections for other parts of the city. These changes put 72% of Whanganui residents within 400 metres of a route running at least hourly, and 52% within 400m of a route running every 20 minutes. For comparison, the old network had 31% of Whanganui

residents with 400m of a route running every hour. The new network also introduced improved weekend services, including Sunday services which had not existed as part of the old network.

The launch of the new network began with a morning ceremony with the people of Pūtiki. The Pūtiki community had been without a public bus service for many years, and were especially vocal during consultations in their desire for better connections. It is clear they and others in the community are enjoying the new network. From 17 April until 30 June, there has been a 70.5% increase in patronage in 2026 when compared to the same period in 2025.

The launch of the new Whanganui network coincides with other public transport improvements, including an enhanced fully electric network for Feilding, Horizons taking over running of the Ashhurst school bus services, and continued promotion of all our services. This hard work has been nationally recognised, with Horizons awarded the Public Transport Boardings Growth Award at the NZ Transport Agency Waka Kotahi New Zealand Public Transport Authority Awards, presented at the Public Transport Association Australia New Zealand (PTAANZ) 2026 New Zealand Conference. This was the second year in a row Horizons took home this award, and the Transport team has given itself the challenge of making it a three-peat in 2027.

PERFORMANCE TARGETS

TRANSPORT PLANNING					
Achieved ● ● ● 3		Not Achieved 0			Not Applicable 0
Levels of service and performance measures		Performance Measure/Target			
		Actual 2024/25	25/26 Target	25/26 Result	Comment
1. We deliver transport planning activities for the region					
1.1	The Regional Land Transport Plan (RLTP) 2021-2031 is monitored to allow the Regional Transport Committee (RTC) to assess implementation of the plan.	Achieved	Achieve	Achieved	● Reporting has taken place in line with RLTP (Section 18), including an annual report at December RTC meetings. This is available on HRC website
1.2	The Regional Land Transport Plan is up to date in line with the Land Transport Management Act, and any guidance issued by Waka Kotahi.	Achieved	Achieve	Achieved	● The RLTP is up to date in line with the LTMA and is available on the Horizons website.
1.3	The Regional Public Transport Plan is up to date in line with the Land Transport Management Act and any guidance issued by Waka Kotahi.	Achieved	Achieve	Achieved	● The RLTP is up to date in line with the LTMA and is available on the Horizons website.

PASSENGER SERVICES						
Achieved 3		Not Achieved 1			Not Applicable 1	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. We deliver bus services that people and communities value and regard as a quality service						
1.1	Percentage of customers surveyed who are ‘satisfied’ or better with their trip overall.[1] (bi-annual).	Achieved 96%	No Measure	N/A	●	Not measured this Financial Year.
1.2	Percentage of monitored scheduled services that depart the terminus on time compared to public timetable.	Not Achieved 94%	>95%	93%	●	Palmerston North urban bus network along with increased road works impacting performance against this measure.
1.3	Annual patronage on bus services in the region.	Achieved	Increase from the prior year	Achieved	●	Patronage increased from 1,402,349 in the 2024/25 FY to 1,577,982 during the 2025/26 FY. As recorded through the ticketing system.
1.4	Percentage of households in Whanganui, Palmerston North & Feilding urban areas within 800m of a public transport stop.	Achieved	>90%	Achieved	●	Most properties in residential areas in Whanganui, Palmerston North and Feilding are within 800m of a bus stop for a Horizons bus service.
2. We subsidise the total mobility scheme to enable those with long-term disabilities access to transport						
2.1	Percentage of registered customers who are ‘satisfied’ or better with the overall service of the Total Mobility scheme.[2]	Achieved 98%	>90%	94%	●	Result based on a survey completed by users on the scheme based in Horowhenua. A slight decrease on previous years satisfaction, though still above the performance target level.

[1] Satisfied means 6-10 out of a scale of 0-10

[2] Satisfied means 4-5 out of a scale of 1-5

ROAD SAFETY						
Achieved		Not Achieved			Not Applicable	
0		1			0	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. We support safe use of the region’s transport network						
1.1	Number of road safety behavioural change education initiatives delivered across the region in partnership with key agencies.	Not Achieved 20	>30	22		Significant (69%) reduction in funding from NZTA for the 2024-27 period. The programme is not able to deliver on the performance target. It will be reset for the LTP 2027-37.

DISTRICT ADVICE						
Achieved ●● 2		Not Achieved 0			Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target				Comment
		Actual 2024/25	25/26 Target	25/26 Result		
1. We provide timely land development advice to the community and territorial authorities						
1.1	Percentage of enquiries responded to within 20 working days.	100%	100%	100%	●	A total of 1,059 enquiries were responded to within the statutory timeframe. Of these, 797 were from the general public and 262 were from territorial authorities.
2. We administer and monitor the implementation of all legislated dam safety requirements						

2.1	Percentage of applications responded to within the required timeframes.	100%	100%	100%	●	Approximately 70 dam enquiries were responded to within the statutory timeframes. 18 dam safety assurance programmes have been received, processed and approved within statutory timeframes. No large dam Project Information Memoranda have been issued and no large dam Building Consent applications received.
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EMERGENCY MANAGEMENT							
Achieved 7		Not Achieved 2				Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target					
		Actual 2024/25	25/26 Target	25/26 Result		Comment	
1. We ensure that an operative Civil Defence Emergency Management (CDEM) Group Plan under the CDEM Act 2002							
1.1	Number of formal meetings at which CDEM targets are reported:						
	CDEM Joint Committee.	4	4	4		The Joint Standing Committee has endorsed the new Group Plan and continues to provide governance oversight across business-as-usual and response activities.	
	CDEM Coordinating Executive Group aligned to the approved work programme.	4	4	4		The Coordinating Executive Group has endorsed the next financial year Work Plan, which is structured across core activities, Tier 1 (operational priorities), and Tier 2 (maturity initiatives to be progressed as resources allow).	

1.2	CDEM Group Plan meets legislative requirements and is reviewed within statutory timeframes by the CDEM Joint Committee.	Achieved	Achieve	Achieved	●	The new Group Plan has been approved by the Minister and the Joint Standing Committee and is now in circulation and being implemented.
1.3	Critical outputs pertaining to operational capability, community resilience and riskscape are monitored, reviewed, and reported to the CDEM Coordinating Executive Group a minimum of four times per year.	Achieved	Achieve	Achieved	●	Existing planning documents, including the Work Plan, Group Plan, and recent After Action Review, are being used to prioritise immediate operational improvements, with a focus on building capability maturity over time.
2.	We maintain operational readiness to respond to an emergency event at all times					
2.1	Emergency Operations/Coordination Centre staff are trained and ready to respond, Emergency Management Duty Officer available 24/7, response manuals, flood action plans and procedures available and reviewed at least annually.	Achieved	Achieve	Achieved	●	While all response documentation is maintained and regularly reviewed, updates are prioritised based on operational need, risk, and changes in conditions rather than all documents being reviewed annually.
3.	We maintain business continuity planning arrangements to ensure the Emergency Management Office can continue to operate during and after an emergency event					
3.1	An up-to-date Business Continuity Plan is in place for the Emergency Management Office.	Achieved	Achieve	Achieved	●	The Business Continuity Plan was fully updated this year and is current, with content tailored specifically to Emergency Management functions.
4.	We manage and promote navigation safety outputs via Manawatū River Users Advisory Group, Whanganui Coastguard and other river user groups					
4.1	Number of formal meetings: Manawatū River Users Advisory Group.	2	2	1	●	Meeting schedules for the Manawatū River Users Advisory Group were updated to align with governance recommendations. Only 1 meeting held this year.

4.2	Number of formal meetings: Whanganui Awa Safety Group.	2	2	1	●	One Whanganui Awa Safety Group meeting was attended due to staff constraints; however, engagement has been maintained through attendance at other relevant meetings over the past 12 months.
5.	We maintain Maritime New Zealand (MNZ) oil spill response capability to MNZ audit standards					
5.1	Tier 2 Marine Oil Spill Plan response requirements are maintained.	Achieved	Achieve	Achieved	●	Two exercises were undertaken this year. D4H is being used to support oil spill response operations. Staff have been identified for Maritime NZ (MNZ) training to support capability development, and strong relationships are maintained across the maritime sector, including with MNZ. Several small maritime oil spill incidents have been managed by the team, primarily on the Whanganui River.
6.	Hazard Information					
6.1	Hazard Information acquired and disseminated aligned to project plan.	Achieved	Achieve	Achieved	●	Hazard information is collected and shared in line with the Work Plan and Group Plan, supported by the wider CDEM hazard management framework and strong relationships with hydrology and science specialists.

ENVIRONMENTAL DATA					
Achieved ●●●● 4		Not Achieved 0		Not Applicable 0	
Levels of service and performance measures		Performance Measure/Target			
		Actual 2024/25	25/26 Target	25/26 Result	Comment
1. We provide environmental monitoring which is fit for stakeholder purposes and data is openly available for all					

1.1	Hydro-Climate Monitoring Total percentage of collected environmental data available for users, relating to: water level, rainfall, soil moisture, wind, air temperature and air quality (approx. 15 million data-points p.a.).	99%	99%	99%	●	Target achieved, a number of stations broken into Q1 & Q2 post media posts regarding Co-funded station upgrades (stolen batteries etc.).
1.2	Continuous Water Quality Monitoring Total percentage of collected environmental data available for users, relating to: continuous data relating to water quality parameters (approx. 8.0 million data-points p.a.).	99%	94%	98%	●	Target achieved. Some minor damage and lost during February Floods.
1.3	Continuous Lake Monitoring Total percentage of collected environmental data available for users, relating to: continuous lake level and lake water quality data (approx. 6.5 million data-points p.a.).	91%	90%	95%	●	Target achieved. One station impacted (lost data) with supplier delays in Q1.
1.4	National Environmental Standards Water Metering Collection of continuous consented water use data from verified meters meeting the requirements of the NES-Water Metering (approx. 10.0 million data-points p.a.).	Achieved	Achieve	Achieved	●	The irrigation season was cut short with the February event. The replacement telemetry unit rollout has improved data collection and quality.

INFORMATION MANAGEMENT					
Achieved ●● 2		Not Achieved 0			Not Applicable 0
Levels of service and performance measures		Performance Measure/Target			
		Actual 2024/25	25/26 Target	25/26 Result	Comment
1. We provide timely information to support the community regarding maps and data that Council holds					
1.1	Initial responses to map, information and data requests from the community are made within 5 working days.	0.99	≥95%	98%	● Achieved. Initial responses to map, information and data requests continued to exceed target during the year, with performance remaining above the 95% target

1.2	Map, information and data requests from the community are resolved and within timeframes agreed at the time of request.	0.96	≥95%	100%	●	Achieved. 427 of 429 requests (99.53%) were completed within the agreed timeframe of 20 working days. Two requests did not meet the target timeframe, with overall performance significantly exceeding the 95% target.
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FUNDING IMPACT STATEMENT FOR THE TRANSPORT AND REGIONAL SERVICES GROUP OF ACTIVITIES TO 30 JUNE 2025 (\$000)

	LTP 2024-34 2025-26	Actual 2025-26	LTP 2024-34 2024-25	Actual 2024-25
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	5,281	5,236	5,009	5,009
Targeted rates	9,677	9,172	8,132	8,132
Subsidies and grants for operating purposes	12,890	12,627	11,251	13,573
Fees and charges	3,028	2,345	2,819	2,675
Internal charges and overheads recovered	3,111	3,366	3,034	3,414
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-
Total operating funding (A)	33,987	32,746	30,245	32,803
Applications of operating funding				
Payments to staff and suppliers	25,571	24,015	22,237	24,630
Finance costs	-	-	-	-
Internal charges and overheads applied	8,222	9,573	7,672	8,478
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	33,793	33,588	29,909	33,108
Surplus (deficit) of operating funding (A-B)	194	(842)	336	(305)
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	940
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	451	565	454	728
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	451	565	454	1,668
Application of capital funding				
Capital expenditure				
-to meet additional demand	-	-	-	-
-to improve the level of service	918	666	1,086	1,705
-to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(273)	(943)	(296)	(342)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	645	(277)	790	1,363
Surplus (deficit) of capital funding (C-D)	(194)	842	(336)	305
Funding balance ((A-B)+(C-D))	-	-	-	-

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Financial Statements

The accompanying notes form part of these financial statements. The financial statements from page 95 to 99 are to be read in conjunction with the notes to the financial statements from page 101 to 165.

Statement of Compliance

The Council of Manawātū-Whanganui Regional Council confirm that all the statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with.

Chair

28 October 2026

Chief Executive

28 October 2026

Statement of Comprehensive Revenue and Expense for the year ended 30 June 2026 (\$'000)

	Notes	Annual Plan 2025-26	Council Actual 2025-26	Group Actual 2025-26	Council Actual 2024-25	Group Actual 2024-25
Revenue						
Rates	1	71,895	71,752	71,752	66,018	66,018
Subsidies and grants	2	16,097	19,743	19,743	27,754	27,754
Finance revenue	3	3,300	2,721	2,721	3,291	3,606
Other revenue	4	17,290	16,806	16,806	15,979	18,052
Total revenue		108,581	111,022	111,022	113,042	115,430
Expenditure						
Personnel costs	8	33,471	33,201	33,201	30,489	30,489
Depreciation and amortisation expense	21	6,710	6,844	6,844	6,995	6,995
Finance costs	3	2,500	2,838	2,838	4,045	4,045
Other expenses	6	64,462	72,461	72,461	68,112	68,827
Total expenditure		107,143	115,344	115,344	109,641	110,356
Surplus/(deficit) before tax		1,438	(4,322)	(4,322)	3,401	5,074
Income tax expense/benefit	26	-	-	-	-	(226)
Surplus/(deficit) after tax		1,438	(4,322)	(4,322)	3,401	5,300
Other comprehensive revenue and expense						
Financial assets at fair value through other comprehensive revenue and expense		100	-	(41,495)	177	3,877
Property, plant, and equipment revaluations		42,009	(1,630)	(25,084)	23,454	23,454
Total other comprehensive revenue and expense		42,109	(1,630)	(66,579)	23,631	27,331
Total comprehensive revenue and expense		43,547	(5,952)	(70,901)	27,032	32,631

Explanations of major variances against budget can be found in Note 33. The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the year ended 30 June 2026 (\$000)

	Notes	Annual Plan	Council Actual	Group Actual	Council Actual	Group Actual
		2025-26	2025-26	2025-26	2024-25	2024-25
Balance at 1 July		1,142,807	1,332,932	1,180,450	1,305,900	1,147,819
Total comprehensive revenue and expense for the year		51,113	(5,952)	(70,901)	27,032	32,631
Balance at 30 June		1,193,920	1,326,980	1,109,549	1,332,932	1,180,450

Statement of Financial Position for the year ended 30 June 2026 (\$'000)

	Notes	Annual Plan 2025-26 2025-26	Council Actual 2025-26	Group Actual 2025-26	Council Actual 2024-25	Group Actual 2024-25
Assets						
Current Assets						
Cash and cash equivalents	12	3,078	6,744	6,744	3,350	4,197
Trade and other receivables	13	8,210	9,950	9,950	10,453	10,277
Revenue Receivable		6,060	4,295	4,295	3,216	2,701
Prepayments and leases - current portion	14	1,204	1,620	1,620	1,317	1,392
Inventory	15	1,892	1,792	1,792	1,920	1,920
Tax refund due		-	-	-	-	34
Other current assets	16,31	1,857	-	-	1,370	370
Total current assets		22,301	24,401	24,401	21,626	20,891
Non-current assets						
Other financial assets						
Investments in CCOs and other similar entities	16	33,542	35,020	35,020	34,084	2,584
Loan to CCO	16	17,000	17,500	17,500	17,500	-
Subtotal		50,542	52,520	52,520	51,584	2,584
Investments in other entities	16	3,602	4,094	4,094	4,144	70,844
Derivative Financial Instruments	31	245	264	264	17,132	17,132
Total other financial assets	16	54,389	56,878	56,878	72,860	90,560
Deferred taxation asset		-	-	-	-	-
Investment property	17	3,850	3,680	3,680	3,680	25,522
Forestry Assets	18	3,905	826	826	842	842
Land leases (prepaid) non-current	14	1,979	766	766	1,526	1,526
Restoration asset	19	1,384	498	498	271	271
Carbon credits	20	18,159	7,472	7,472	15,938	15,938
Intangible assets	21	2,851	3,162	3,162	3,516	3,516
Operational assets	21	112,401	95,469	95,469	94,269	103,779
Infrastructural assets	21	1,076,356	1,240,577	1,240,577	1,238,852	1,238,852
Total non-current assets		1,275,274	1,409,328	1,409,328	1,431,754	1,480,806
Total assets		1,297,575	1,433,729	1,433,729	1,453,380	1,501,697

Explanations of major variances against budget can be found in Note 33. The accompanying notes form part of these financial statements.

	Notes	Annual Plan 2025-26	Council Actual	Group Actual	Council Actual	Group Actual
		2025-26	2025-26	2025-26	2024-25	2024-25
Liabilities						
Current liabilities						
Trade and other payables	23	19,915	19,054	19,054	19,834	20,213
Provisions - general	24	46	113	113	188	188
Provisions - employee entitlements	25	3,470	3,850	3,850	3,432	3,432
Debt - current portion	27	7,000	-	-	25,412	25,412
Derivative financial instruments (current)	31	-	-	-	-	-
Total current liabilities		30,431	22,715	22,715	48,866	49,245
Non-current liabilities						
Derivative financial instruments	31	-	277	277	17,145	17,145
Debt - non-current portion	27	71,131	83,000	83,000	53,500	53,500
Deferred taxation liability	26	-	-	-	-	145
Provision - replanting	28	2,094	754	754	936	936
Total non-current liabilities		73,225	84,031	84,031	71,581	71,726
Total liabilities		103,656	106,746	106,746	120,447	120,971
Net assets (assets minus liabilities)		1,193,919	1,326,983	1,326,983	1,332,933	1,380,726
Equity						
Asset revaluation reserves		763,596	911,591	911,591	913,220	913,220
Fair value through other comprehensive revenue and expense reserve		1,706	1,817	1,817	1,817	43,135
Restricted reserves		14,470	15,528	15,528	45,768	45,768
Infrastructure insurance reserves		5,160	5,160	5,160	5,160	5,160
Accumulated funds		408,987	392,885	392,885	366,966	373,440
Total equity	32	1,193,919	1,326,981	1,326,981	1,332,931	1,380,723

Explanations of major variances against budget can be found in Note 33. The accompanying notes form part of these financial statements.

Report No.	26-133
Information Only - No Decision Required	

HR DASHBOARD

1. PURPOSE

- 1.1. To provide the members of the Audit, Risk and Investment committee a dashboard summary of the current key workforce trends at Horizons Regional Council.

2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-133 and Annex.

3. STRATEGIC ALIGNMENT

- 3.1. Council Strategic Priorities

- Nil

- 3.2. Council's Community Outcomes



Our region's communities are vibrant and empowered

- 3.2.1. The matters in this report align with the following adopted policies, strategies and plans:

- Nil

4. SIGNIFICANCE AND ENGAGEMENT

- 4.1. Significance Assessment

- 4.2. Engagement section:

- 4.2.1. No stakeholder engagement is required.

5. FINANCIAL IMPACT

- 5.1. There is no direct financial impact.

6. CLIMATE IMPACT

- 6.1. Not applicable.

7. RISK

- 7.1.1. No risks have been identified.

8. BACKGROUND

- 8.1. An action following the March 2026 Audit, Risk and Investment Committee meeting was a request for a regular recruitment and retention report to come to the committee identifying key workforce trends at the organisational level.

9. DISCUSSION

- 9.1. The attached report is the first example which has been collated based on the most recent human resource data, effective 1 August 2026.
- 9.2. Some of the key turnover and fulltime equivalent information reflects that provided for in the Chief Executive's latest monthly update report.
- 9.3. The Workforce Dashboard includes a description of the key measures reported to provide clarity on their current status.

Author(s) Colin Morris
 People and Capability Manager

Approved by Craig Grant
 Group Manager Corporate & Governance
 Michael McCartney
 Chief Executive
 Nikki Riley
 Chair

ANNEXES

A Workforce Dashboard

WORKFORCE DASHBOARD



As at 1 August 2026

WORKFORCE OVERVIEW

HEADCOUNT	FTE	TURNOVER
333	319.36	13.2%

ONBOARDING / OFFBOARDING — PAST 12 MONTHS

NEW STARTERS	VACANCIES	LEAVERS
50	15	44

WORKFORCE COMPOSITION

PERMANENT STAFF	FIXED TERM STAFF	FTE / HEADCOUNT
316	17	95.9%

WORKFORCE TENURE

PERMANENT STAFF	FIXED TERM STAFF	ALL TENURES
7.9 years	1.0 years	7.6 years

KEY WORKFORCE MEASURES

Measure	Value	Status	Interpretation
Workforce Stability	86.8%	On track	Retention is 86.8% after 44 leavers.
Recruitment Balance	+6	On track	50 starters versus 44 leavers gives net movement of +6.
Workforce Capacity	95.9%	On track	FTE represents 95.9% of headcount.

STORY IN BRIEF

The workforce totals 333 people and 319.36 FTE, giving a capacity ratio of 95.9%. Average length of service is 7.6 years overall, with permanent staff averaging 7.9 years compared with 1.0 years for fixed-term staff. Over the past 12 months, 50 people started and 44 left, producing net growth of +6. There are 15 current vacancies. Annual turnover is 13.2%, equivalent to 86.8% retention.

KEY WORKFORCE MEASURES — STATUS TERMINOLOGY

Measure	On track	Watch	Assessment
Workforce Stability	Retention ≥ 85%	Retention < 85%	Compares 12-month retention with the 85% threshold.
Recruitment Balance	Net movement ≥ 0	Net movement < 0	Zero or positive starter-to-leaver movement is on track.
Workforce Capacity	FTE / headcount ≥ 90%	FTE / headcount < 90%	Compares FTE-to-headcount capacity with the 90% threshold.

Report No.	26-134
Information Only - No Decision Required	

TREASURY UPDATE

1. PURPOSE

- 1.1. The purpose of this report is to provide the Audit, Risk and Investment Committee an update on current market conditions and the status of Council's borrowing arrangements.

2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-134 and Annex.
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the information in this report does not trigger significance.

3. STRATEGIC ALIGNMENT

3.1. Council Strategic Priorities

- Building resilience to the impacts of climate change
- A holistic approach, from the mountains to the sea (integrated catchment management)
- Strengthening partnerships with tangata whenua
- Connecting people and place through effective public transport connections

- 3.1.1. This report shows results against the budget that was established by Council in order to deliver towards the strategic priorities.

3.2. Council's Community Outcomes



Our region's communities are vibrant and empowered

- 3.2.1. The benefit to the community of this work is informing the community of the financial progress against the 2025-26 Annual Plan.

3.3. The matters in this report align with the following adopted policies, strategies and plans:

- Long-term Plan
- Annual Plan
- Liability Management Policy

4. SIGNIFICANCE AND ENGAGEMENT

4.1. Significance Assessment

4.1.1. Council's Significance and Engagement Policy is not triggered by matters discussed in this report.

4.2. Engagement section:

4.2.1. No stakeholder engagement is required.

5. FINANCIAL IMPACT

5.1. There are no operational or capital expenditure requirements or other budget or cost implications resulting from this item.

6. CLIMATE IMPACT

6.1. Climate Impact Statements

6.1.1. Not applicable.

7. RISK

7.1. This matter relates to the Financial Risk category and is associated with RISK #22 Financial Governance and Management within the Horizons Regional Council Risk Register.

Author(s) Adrian Smith
Chief Financial Officer

Approved by Craig Grant
Group Manager Corporate & Governance

Michael McCartney
Chief Executive

Nikki Riley
Chair

ANNEXES

A Quarterly Treasury Report



Quarterly Treasury Report

30 June 2026

PRIVATE AND CONFIDENTIAL



Item 9

Annex A

Economic Commentary

Global

2

Global economic activity in June quarter was dominated by the ongoing Middle East conflict, particularly disruptions around the Strait of Hormuz, which triggered sharp energy price shock. The conflict, involving Iran and responses from the US and Israel, led to effective closure or severe restrictions on the Strait of Hormuz starting around late February/early March 2026. This chokepoint normally carries about 20% of the global oil and LNG supply. The resulting supply disruptions drove oil price sharply higher (Brent crude peaking well above \$100/bbl in parts of Q2 before easing on ceasefire hopes), as well as pushing up inflation expectations, squeezing real incomes, and weighing on growth—especially in energy-importing economies.

Major institutions revised down their 2026 global growth forecasts in response. The World Bank projected global GDP growth to slow to 2.5% for the year (the weakest outside an outright recession in ~20 years). The International Monetary Fund's April World Economic Outlook assumed a limited conflict and projected 3.1% global growth for 2026 (down from prior steadier ~3.3% paths), with inflation ticking up before declining. The OECD and others similarly highlighted downside risks from prolonged energy shocks, geopolitical fragmentation, and eroded policy buffers.

The key US market showed relative resilience. March 2026 quarter real GDP grew at an annualised rate of 2.0%, supported by solid consumer spending (though softening), strong AI-related non-residential investment/equipment, and a partial recovery in government spending. Q2 faced headwinds from higher energy price acting as a 'consumer tax,' potentially slowing momentum. Labour markets remained stable with AI productivity gains, but inflation pressures rose. The Fed stayed cautious and held the Fed Funds rate steady amid uncertainty.

Over the last three months, the US 10-year Treasury yield traded in a relatively contained range around 4.50%, ending the period virtually unchanged. The curve dynamics showed some flattening, with the 10-year relatively stable compared to shorter maturities, but overall modestly higher amid volatility driven by the Middle East energy shock, inflation concerns, and shifting Fed expectations.

New Zealand

	OCR	90 day	1 year swap	2 year swap	3 year swap	5 year swap	10 year swap
31-Mar	2.25%	2.54%	2.92%	3.43%	3.69%	3.96%	4.32%
30-Jun	2.25%	2.75%	3.10%	3.35%	3.48%	3.69%	4.06%
Change	Nil	+0.21%	+0.18%	-0.08%	-0.21%	-0.27%	-0.26%

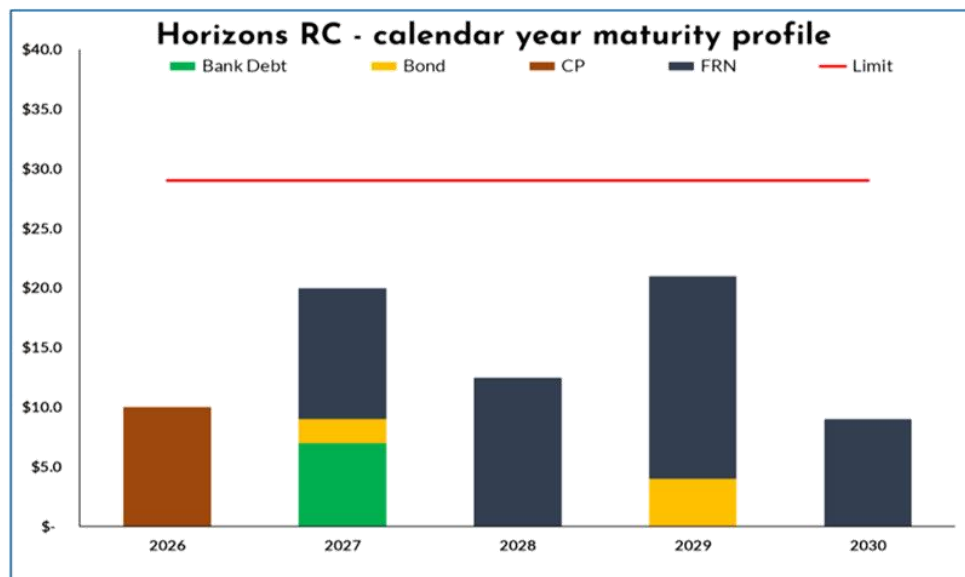
In the June quarter New Zealand's economy showed tentative signs of recovery from prior weakness, but the global conflict in the Middle East and the associated energy price shock posed significant headwinds, delaying momentum and pushing up near-term inflation. The March 2026 Q2 GDP (data released in June) grew 0.8% and 1.5% annually. During the three months ending 30 June economic indicators pointed to softer or flat-to-negative economic growth amid higher fuel costs squeezing real incomes and confidence, plus global uncertainty. However, early resolution signals for the Iran-related disruptions (Strait of Hormuz) by late June improved the outlook. Private forecasters revised up 2026 full-year GDP growth ~2.0%, though still below pre-conflict expectations.

CPI inflation stood at an annualised 3.1% for the 12 months ending 31 March 2026. The Middle East conflict drove fuel and related costs higher, with the RBNZ projecting CPI to reach 4.2% in the June 2026 quarter and peaking around 4.3% in the third quarter. Forecasters noted potential for a June-quarter peak around 4.0-4.4%, with an easing later in the year if oil prices normalised. Underlying pressures were contained by spare capacity in the economy,

The New Zealand swap curve flattened significantly during the quarter with short-term swaps higher and longer-term swap rates down around 25 basis points. The OCR finished June unchanged at 2.25%, but with financial markets pricing in a 68% probability that the RBNZ would increase it to 2.50% on the 8th July review date which it duly did. At quarter end markets were projecting the OCR to reach 2.75% by the end of 2026, 3.00% by March 2027 and 3.25% by September 2027. Individual bank economists' projections for the OCR varied between an increase to just 3.00% in the current cycle (ANZ), 3.25% (ASB) and 4.00% (BNZ and Westpac).



Liquidity and Funding



Policy Compliance	Compliant
Have all transactions been transacted in compliance with policy?	Yes
Is fixed interest rate cover within policy control limits?	No
Is the funding maturity profile within policy control limits?	Yes
Is liquidity within policy control limits?	Yes
Are counterparty exposures within policy control limits?	Yes

Total Debt drawn from LGFA

\$83.0m

External Council Drawn Debt

Core Debt (excludes on-lending to MWRCH)

\$65.5m

Liquidity (must be greater than 110%) = cash in bank and undrawn bank facility (excludes MWRCH cash)

\$13.59m

Liquidity Ratio (based on total debt)

116.37%

Definition: (Cash Reserves + Lines of Credit + Drawn Debt)/Drawn Debt

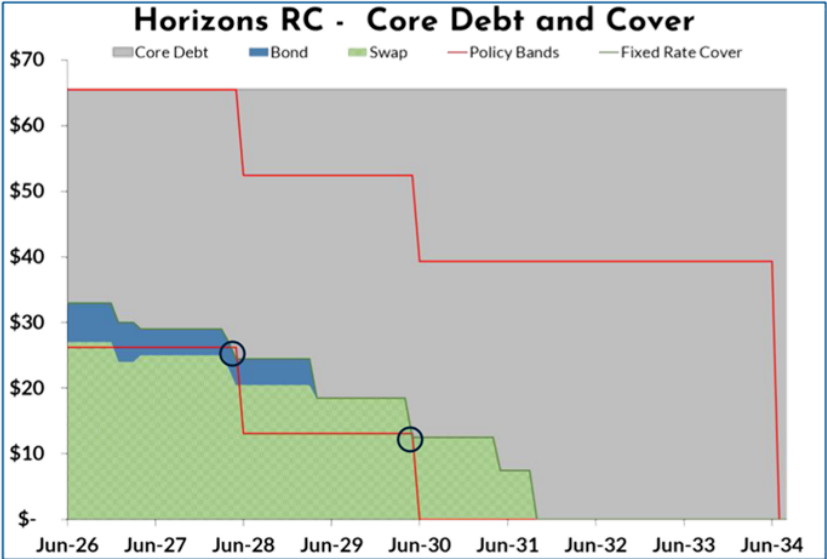
Cost of Funds for core debt as at 30 June

3.77%

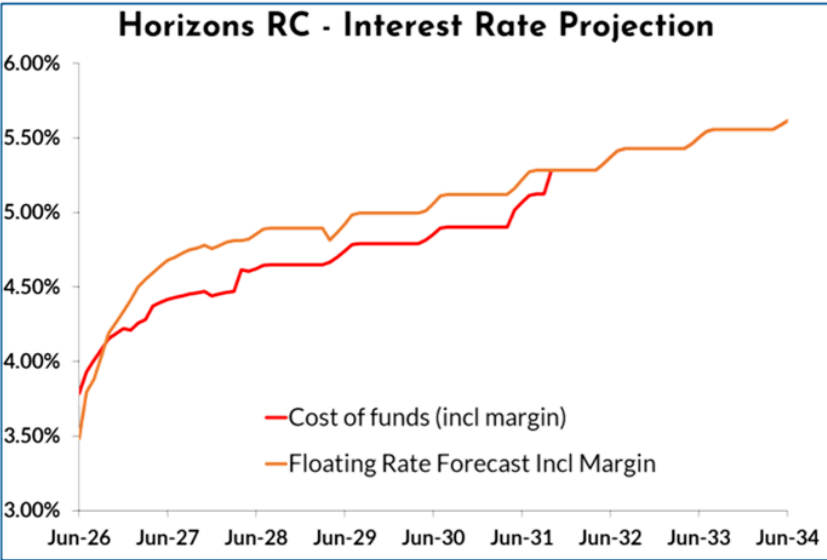
Item 9

Annex A

Interest Rate Risk Management



Current % of Debt Fixed	53.2%
Current % of Debt Floating	46.8%
Value of Fixed Rate (m)	\$33.0
Value of Forward Starting Cover	\$7.0
Value of Floating Rate (m)	\$29.0
Current Floating Rate	2.72%
Current Floating Rate (incl margin)	3.46%
All Up Weighted Average Cost of Funds Incl Margin	3.77%
Total Facilities In Place	\$72.5



Fixed Rate Hedging Bands			
	Minimum	Maximum	Policy
0 - 2 years	40%	100%	Non-compliant
2 - 4 years	20%	80%	Non-compliant
4 - 8 years	0%	60%	Compliant

The non compliance with the Fixed Rate Hedging Bands was miniscule, for a period of one month in May 2028 and one month in May 2030 (see circles in graph on top left of this page). The requirements are to have a minimum of 40% of debt fixed between 0–2 years and a minimum of 20% of debt between 2–4 years, whereas Horizons RC has 37.4% and 19.1% respectively. This translates to dollar amounts of \$1.7m and \$0.6m respectively. The intention is to remedy the breaches in the September quarter.



LGFA Borrowing Rates as at 30 June

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Item 9

Listed below are the credit spreads and applicable interest rates as at 30 June 2026 for Commercial Paper ("CP"), Floating Rate Notes ("FRN") and Fixed Rate Bonds ("FRB"), at the Horizons Regional Council could source debt from the Local Government Funding Agency ("LGFA").

Maturity	Margin	FRN (or CP Rate)	FRB
3 month CP	0.20%	2.89%	N/A
6 month CP	0.20%	3.14%	N/A
April 2027	0.52%	3.21%	3.49%
May 2028	0.61%	3.30%	3.91%
April 2029	0.66%	3.35%	4.11%
May 2030	0.74%	3.43%	4.31%
May 2031	0.81%	3.50%	4.52%
May-2032	0.87%	3.56%	4.62%
April 2033	0.92%	3.61%	4.74%
May 2035	0.95%	3.64%	5.02%
May 2035	1.06%	3.75%	5.02%
April 2037	1.17%	3.86%	5.25%

Annex A

Horizons RC Funding as at 30 June 2026

As of 30 June 2026, HRC had \$83.0 million of total debt and \$65.5 million of core debt, all of which is sourced from the LGFA using Commercial Paper ("CP"), Floating Rate Notes ("FRNs"), and Fixed Rate Bonds ("FRB's"). Details of the debt are as follows, with the debt highlighted in red on-lent to MWRC Holdings.

Instrument	Maturity	Yield	Margin	Amount
LGFA CP	19-Aug-26	2.86%	N/A	\$10,000,000
LGFA FRB	15-Apr-27	3.12%	N/A	\$2,000,000
LGFA FRN	15-Apr-27	3.05%	0.49%	\$2,000,000
LGFA FRN	15-Apr-27	3.24%	0.68%	\$2,000,000
LGFA FRB	15-Apr-27	5.28%	N/A	\$2,000,000
LGFA FRN	15-Apr-27	3.33%	0.77%	\$1,500,000
LGFA FRN	15-Apr-27	3.33%	0.77%	\$1,500,000
LGFA FRN	15-Apr-27	3.25%	0.69%	\$4,000,000
LGFA FRN	15-Apr-27	3.31%	0.75%	\$3,500,000
LGFA FRN	15-May-28	3.36%	0.70%	\$3,000,000
LGFA FRN	15-May-28	3.30%	0.64%	\$1,500,000
LGFA FRN	15-May-28	3.40%	0.74%	\$2,500,000
LGFA FRN	15-May-28	3.51%	0.85%	\$3,500,000
LGFA FRN	15-May-28	3.62%	0.96%	\$4,000,000
LGFA FRN	15-May-28	3.62%	0.96%	\$2,000,000
LGFA FRN	15-May-28	3.49%	0.83%	\$5,000,000
LGFA FRB	15-Apr-29	3.19%	N/A	\$3,000,000
LGFA FRB	20-Apr-29	3.38%	N/A	\$4,000,000
LGFA FRN	20-Apr-29	3.59%	1.05%	\$7,500,000
LGFA FRN	20-Apr-29	3.53%	0.99%	\$4,000,000
LGFA FRN	20-Apr-29	3.35%	0.79%	\$5,500,000
LGFA FRN	15-May-30	3.53%	0.87%	\$9,000,000
				\$83,000,000

Disclaimer

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Report No.	26-135
Information Only - No Decision Required	

CRS HOME COST CENTRE EXPENDITURE FOR PERIOD ENDING 30 JUNE 2026

1. PURPOSE

- 1.1. The purpose of this report is to update members of their expenditure in their Governance Budget commonly known as the Crs Home Cost Centre budget for the financial year 01 July 2025 to 30 June 2026.

2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 26-135 and Annex.
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters in this report are not significant, and the appropriate level of engagement is: Inform.

3. STRATEGIC ALIGNMENT

- 3.1. Council Strategic Priorities

- Nil

- 3.2. Council's Community Outcomes



Our region's communities are vibrant and empowered

- 3.3. The matters in this report align with the following adopted policies, strategies and plans:

- Long-term Plan
- Annual Plan

4. SIGNIFICANCE AND ENGAGEMENT

- 4.1. Significance Assessment

- 4.1.1. Council's Significance and Engagement Policy is not triggered by matters discussed in this report.

5. FINANCIAL IMPACT

- 5.1. The overspend for the 2025/26 financial year is \$96,339. which is a 6% variance to what was budgeted in the 2025-26 Annual Plan. The unbudgeted overspend in the Councillors Home Cost Centre Budget will be covered from general reserves.
- 5.2. Annex A details the budget lines and notes relevant context for the end of year position.
- 5.3. The budget lines for consulting and agency fees, legal services and subscriptions came in under budget for the financial year ending 30 June 2026. These underspent budget lines (totalling \$68,972) were used to reduce the overall year end impact.
- 5.4. The budget lines for remuneration, mileage, training and catering were ones that came in over budget in excess of \$15,000. It is difficult to estimate the cost of travel time, mileage and catering on an annual basis. Expenditure depends on how many council related meetings councillors attend and claim their mileage and travel time for and how many meetings and workshops and events are catered. At best we can only estimate based on previous expenditure.
- 5.5. More detail about the budget lines (01 July 2025 to 30 June 2026) that had an overspend over \$15,000 at the end of the financial year is as follows:

7050 Members salaries

- 5.6. The Councillor remuneration is set by the Remuneration Authority.
- 5.7. Following the October 2025 elections the remuneration set for Councillors was \$792,985.00 plus the Chair remuneration of \$164,237 totalling \$957,722.
- 5.8. The 2026/27 annual plan budget set for Councillors remuneration was \$892,254. This has created an overspend of \$45,808.
- 5.9. We are normally notified of the following financial year's remuneration in late June or early July each year, after the Annual Plan has been agreed. In some cases, it is too late to get an accurate remuneration budget for the Annual Plan.
- 5.10. The remuneration budget overspend is a bit less than anticipated as the Chair role for Integrated Catchment Committee was not resolved by Council until February 2026.

7160 Member meeting travel/mileage expenses

- 5.11. The budget allowed for in the 2025/26 financial year was \$45,945, with expenditure as at 30 June 2026 being \$89,993.00. A total overspend of \$44,048.
- 5.12. This overspend is partly due to there being an increase in the mileage rate per kilometre, depending on vehicle type e.g. petrol, diesel, hybrid or electric.
- 5.13. This overspend is also due to there being more meetings and/or workshops than normal due to induction, Annual Plan, Long-Term Plan and legislation changes from central government as well as the normal business as usual meetings and workshops. There are also other council related meetings that Councillors and/or the Chair attend including meetings for roles that Councillors are appointed to (or are automatically appointed to) e.g. LGNZ sector meetings, district scheme meetings council, transport working groups, iwi related meetings, community groups meetings, river leader accord to name a few. This meant additional mileage for Councillors.
- 5.14. There are 1 or 2 Councillors who have not claimed in full to 30 June 2026 yet, their claims will be processed in the current 2026/27 financial year. There are also a couple of claims for the financial year ending 30 June 2026 that were processed in the current 2026/27 financial year. Councillors are reminded that claims over than 3 months are only entertained in extraordinary circumstances.

7170 Member training and travel expenses

- 5.15. The budget allowed for in the 2025/26 financial year was \$23,942.00, with expenditure as at 30 June 2026 being \$85,205. A total overspend of \$61,263.
- 5.16. Most of the overspend costs does relate to induction and strategy day costs including facilitators/trainers, catering, venue hire and accommodation and travel.

5510 Cafeteria and food services

- 5.17. The budget allowed for in the 2025/26 financial year was \$15,315.00, with expenditure as at 30 June 2026 being \$31,728. A total overspend of \$16,413.
- 5.18. Part of the overspend is due to the increase in catering costs. Also contributing to the overspend is that there have more been workshops and meetings than usual due to induction, annual plan, long-term plan and legislation changes from central government.

6. CLIMATE IMPACT

- 6.1. Not applicable.

7. RISK

- 7.1. Every financial year there is the risk that estimated costs for the likes of catering, travel time and mileage will not be sufficient, especially when inflation and the impacts of global events such as war can be unpredictable. Best endeavours are made to mitigate this risk through adjusting the budget at appropriate stages in the planning process.
- 7.2. It is also not until late June or early July that the Remuneration Authority advise of the remuneration and allowances for Councillors, so there may be a risk this is after the Annual Plan budget is set. Where there is a shortfall, savings in other budget lines are looked at to mitigate this.
- 7.3. Looking to the year ahead, it's noted the 2026/27 Crs Home Cost Centre Budget does not allow for the Cr Home Security allowance that was adopted in May 2026 which Council was made aware of at the time.

8. BACKGROUND

- 8.1. The Governance Budget more commonly referred to as the Councillors Home Cost Centre Budget is the budget set as part of the Long-term Plan to support Councillors in Council related business.
- 8.2. Historically, the Group Manager Corporate and Governance (now Group Manager Governance Engagement and Transformation) provided Councillors with an overview of their year-to-date expenditure in a workshop on a quarterly basis.
- 8.3. On 31 March a workshop was held which introduced the new Council to their Governance Budget and covered the 2025/26 Annual Plan (01 July 2025 to 30 June 2026) budget expenditure as at the end of February 2026 and the forecasted end of financial year position as at 30 June 2026.
- 8.4. As a result of the workshop the Council requested that a report to the Audit, Risk and Investment Committee be provided every quarter outlining overview of their year-to-date expenditure and highlighting any financial risks and its impact on the budget.
- 8.5. The Councillors Home Cost Centre budget is funded from the Uniform Annual General Charge (UAGC) and the total budget for the 2025/2026 financial year (01 July 2025 to 30 June 2026) was \$1,650,730.

- 8.6. Overall, at the end of the financial year, 30 June 2026 the budget has an overspend of \$96,339 being a 6% variance.
- 8.7. The overspend at the end of this current financial year, will be covered from general reserves as this is where underspend of the Governance budget in previous years has gone to. For example in the 2024-25 financial year there was a surplus of \$62,000.
- 8.8. As noted in the last report to the Committee, it's not unusual to have an overspend following an election as the Annual Plan budget is not phased to allow for the required induction costs within the financial year. It is generally expected that this is balanced out across the first three year cycle of a Long-term Plan.
- 8.9. The next update of the Crs Home Centre Budget will cover the first quarter of the 2026/27 financial year – July to September.

Author(s) Trina Bishop
Team Leader Governance

Approved by Cara Hesselin
Group Manager Governance Engagement & Transformation

 Michael McCartney
Chief Executive

 Nikki Riley
Chair

ANNEXES

A Crs Home Cost Centre as at 30 June 2026

		SELECTED MONTH: Jun-26 YTD COST CENTRE: 230102 Councillors Team Centre				
PROFIT AND LOSS		Full Year				Variance
Current Mgmt - Surplus / (Deficit)		Actual	Annual Plan	Variance	% Variance	Comments
How lowest excluding zeroes						Forecast
Budget Line Information						Comments
Total Operating		(96,339)	(0)	(96,339)	-6%	
Revenue		1,655,682	1,650,730	4,951	0%	
Rating Revenue		1,650,730	1,650,730	(0)	0%	
General Rates		1,650,730	1,650,730	(0)	0%	
112 Uniformed Engagement Rates Rev		1,650,730	1,650,730	(0)	0%	
Other Revenue		4,951	0	4,951		
Other Miscellaneous Revenue		4,951	0	4,951		
Expenditure		1,246,848	1,145,558	(101,290)	-9%	
Administration Expenses		1,175,616	1,061,270	(114,346)	-11%	
'040 Member Travel Time to Meetings (HRC business)	For Cr Costs for travel time to council meetings - as per completed reimbursement forms	13,966	10,812	(3,154)	-29%	\$41.30 per hour or part thereof - Can only claim after the first hour - There are 1-2 Crs who still need to claim for the period ending 30 June - Some claim forms received after 30 June were to late to be processed in the year ending 30 June 2026, so were processed in the new year beginning 01 July
'050 Member Salaries	Cr Remuneration	938,062	892,254	(45,808)	-5%	- Set by Remuneration Authority - As at 30th June - the budget is overspent - Hard to forecast - due to elections/new council, LTP, reforms, Cr information requirements, there have been more workshops - Also includes travel for scheme meetings and other forums eg. Manawatu River Leaders' Forum
'130 Member Conferences & Travel Expenses	For Cr conference registration and conference site visits and any travel expenses e.g. flights, accom, refreshments	21,590	23,483	1,893	8%	- Under budget as at 30th June 2026. - It is thought that there will be very little costs for the for the October 2026 LGNZ Superlocal in this financial year (due to conference date change). Costs will most likely fall into the 26/27 financial year including registration, travel refreshments etc - A report will be coming to a council meeting with info about the conference and Council will resolve who is attending, the LGNZ SuperLocal will be held in October in Rotorua - Other LGNZ sector mtgs & LGNZ all of council mtgs for May and June may not be included in these figures
'160 Member Meeting Travel Expenses	For Cr cost for mileage for Council related meetings - as per completed reimbursement forms	89,993	45,945	(44,048)	-96%	- Mileage rates set by Remuneration Authority - Dependant on vehicle type e.g. petrol, hybrid, diesel, electric, rate per KM is different - Claims are processed monthly - Is overspent as at 30th June 2026 - Is hard to forecast - due to elections/new council, LTP, reforms, Cr information requirements etc there have been more workshops - Also includes travel for scheme meetings and other forums eg. Manawatu River Leaders' Forum
'170 Member Training & Travel Expenses	For training facilitator costs and Cr training registration fees and site visits and any travel expenses e.g. flights, accom, refreshments	85,205	23,942	(61,263)	-256%	- Some examples are facilitator fees or training registration fees, venue hire, refreshments, induction e.g. standing orders, legal brief, AI, Treaty of Waitangi, strategy days, Cr accom costs & expenses - travel, accommodation, refreshments - In most cases the Chair will approve training for Crs - Is overspent for 2025/26 as signalled to the Chair in December, February and May 2026 - Not aware of any upcoming training events
'190 Member Welfare	Member welfare	100	1,021	921	90%	- This budget line could be where the Cr home security allowance could sit. - Flowers for GWRC CE
'280 Subscriptions	Subscriptions	21,321	61,260	39,939	65%	- Annual LGNZ membership fees - Current expenditure relates to Crs CoPilot licences, this will be an annual cost - This budget line is underspent for the 2025/26 financial year. - The expenditure is this budget line mostly relates to co-pilot licences for Councillors and three months of the LGNZ subscription. The LGNZ subscription period is 01 April 2026 to 31 March 2027. Only the three months of April to June 2026 has been put against the 2025/26 financial year. The other nine months will be against the 2026/27 financial year.
'290 Other External Expenditure	Other External Expenditure	5,003	2,553	(2,451)	-96%	- Zone 3 HRC contribution top up - For some of November 2025 Zone 3 hosting including bus hire for site visits, venue hire, catering for site visits - Name plates for Crs in board room - Overbudget as at 30 June 2026 - Zone 3 dinner costs for some of the other councils attendees are recoverable - This budget is for cost incurred that do not align with any other budget line or is an unexpected cost - NOTING THAT some Zone 3 hosting costs were recovered, being dinner costs or some Zone 3 attendees from other councils
'540 Printing & Stationery	Printing and Stationary	375	0	(375)		- Most of the cost relates to the new Council group photo frame, insert, A3, and farewell cards for leaving Crs - Overbudget as at 30th June 2026
Operating Expenses		45,091	56,155	11,064	20%	
'540 Consulting & Agency Fees	For consultant fees	3,588	20,420	16,833	82%	- Expenditure to date for Simpson Grierson of acts for adoption at inaugural meeting - Would be used if Crs requested information/advice that an external consultant would need to provide - Underbudget come 30th June 2026
'560 Legal Services	For legal services	8,219	20,420	12,201	60%	- Currently under budget - Expenditure to date for legal opinion for notice of proceedings and conflict of conflict - Would be used if Crs requested a legal opinion/advice - Underbudget as at 30th June 2026
'030 Donations, Grants & Sponsorship	Donations, Grants & Sponsorship	1,200	0	(1,200)		- Koha for induction of new council for inaugural meeting & Raetihi marae - There is no budget but put here for transparency
'080 Tools & Equipment (noncapital)	Non capital tools and equipment	357	0	(357)		- For plants for Crs lounge area - There is no budget but put here for transparency
'510 Cafeteria & Food Services	Cafeteria and food services	31,728	15,315	(16,413)	-107%	- Over budget due to additional meetings/workshops/induction and rise in food costs - AP for 2026/27 remains the same as 2025/26 - This is overspent, again hard to predict EOFY result but we are doing what we can to keep these costs down
Standing Charges		26,422	23,483	(2,939)	-13%	
'340 Cellphone Charges	For Chair phone and charges	5,633	5,105	(528)	-10%	Chair phone purchase and monthly plan costs and
'350 Landphone Charges (as agreed for the new 26/27 financial year onwards the budget line name will be updated to Cr annual ICT Allowance)	Crs ICT allowance	20,789	18,378	(2,411)	-13%	- Annual ICT allowances for Crs - All ICT allowances were actioned / paid out for the 25/26 financial year
Personnel Expenses		(181)	4,649	4,830	104%	
Incentives & Benefits		(181)	4,649	4,830	104%	
'140 Staff Costs - Fbt (incl. Gst)		(281)	4,649	4,930	106%	
Net Interdepartmental Transfers		(505,173)	(505,173)	0	0%	Recovery of Corporate Costs eg IT & Assets

Item 10

Annex A

Public Excluded Section

RECOMMENDATION

That the public be excluded from the remainder of the Council meeting as the general subject 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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Confirmation of Public Excluded Meeting held on 27 May 2026	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX2 Quarterly Investment Update	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. This report includes information related to CentrePort and through discussion could raise commercially sensitive information. A representative from Forsyth Barr will be in attendance which could lead to commercially sensitive discussion. s7(2)(h) - the withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

	activities. This report includes information related to CentrePort and through discussion could raise commercially sensitive information. A representative from Forsyth Barr will be in attendance which could lead to commercially sensitive discussion.	
PX3 Risk Register Update	s7(2)(h) - the withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. The report refers to areas of risk which may be of a commercially sensitive nature.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX4 Fraud Risk Register	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. To protect information which if released, would be likely to prejudice the maintenance of the law, including prevention, investigation and detection of offences, as the report contains details of internal controls and identified fraud risks.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX5 Update on Insurance Renewal November 2026	s7(2)(h) - the withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. Commercially sensitive information relating to Aon tender.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

PX6 Legislative Compliance	s7(2)(j) - the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. If the pricing from the two vendors were made public before a decision is made, it would unreasonably prejudice the commercial position of those vendors.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX7 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release		