

ANNUAL REPORT >

2024-25



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From the President Ngā kupu a te tumuaki



When I look back on the period covered by this annual report, what stands out to me is how local government keeps on delivering despite the headwinds we face. Whether that's financing and funding challenges, weather events, increasing abuse and harassment, or shifting political currents. Councils have well and truly been in the spotlight – from the Prime Minister's address at SuperLocal to rates rises to infrastructure issues.

Standing together has never been more important. In 2024, National Council defined LGNZ's purpose as to **champion, connect** and **support** members. This report sets out exactly what's been delivered under each of those areas thanks to the hard-working LGNZ team. I want to thank my fellow National Council members for their insight, conversations and support. We have hit our stride as governors, informed by what we're hearing from members. That strong connection between what members feed back and the decisions we make is critical. We're clear that some decisions need a member mandate, including those we'll take to this year's AGM.

LGNZ holds regular formal meetings with the Prime Minister, Local Government Minister and other key Ministers. These are an opportunity to canvas what's top of mind as well as work on longer-term priorities. We have a good relationship with the current Government – despite the political theatre you see on display via the media. We're all politicians and understand the need for positioning. There will always be things local government disagrees with central government on – no matter the parties in power. But there are many areas of mutual interest where we've made progress, like sharing ideas to cut red tape for councils – many of the ideas are being implemented – work to progress the Ratepayers Assistance Scheme, and changes to development levies. More on all of those in this report.

Our events are also a prime opportunity for Ministers to get in front of Mayors and CEs – and for you to pull them aside with questions. We've really lifted the programme quality of these events and that's reflected in the increasingly strong attendance. I also know how valuable you find those informal conversations with other Mayors and CEs that spark ideas, chances for collaboration or ways to do things differently.

Members drive LGNZ's strategy and priorities – and later this year you'll elect a new National Council. National Council is effectively LGNZ's board, setting direction and monitoring outcomes to ensure LGNZ delivers for members. Now's the time to start thinking about getting involved.

But first come local government elections. If you're standing again, good luck for your campaign – local government needs experienced leaders now more than ever. If you're not standing, I acknowledge your contribution and wish you well in the next chapters of your life. Knowing when to go is a real skill, so good on you for identifying that. Either way, thank you to all elected members who have served their communities over the past three years. Your work impacts New Zealanders' lives every day. People take up public office to make a difference, and I want to thank each and everyone one of you for your dedication this triennium.

From the Chief Executive

Ngā kupu a te tumu whakarae



It is always good looking back to see how we have delivered for members over a year. This report sets that out and I am proud of what the team achieved in each of the areas we focus on. There's a lot that I could highlight but here are a few examples from the **champion** strand of our purpose, which represents our advocacy to Government, our media profile and our policy priorities that members set.

- > We launched three rates rise toolkits that set out costs drivers for councils and the impact of unfunded mandates. Many councils used this data to help their communities understand why rates were rising.
- > We stood up our Electoral Reform Working Group, led by Mayor Nick Smith, which engaged extensively with members before developing a draft position paper on how to arrest declining participation in local elections. This advocacy has attracted significant political and media attention.
- > The Government's framework for Regional Deals aligned very closely with the framework we had developed and shared.
- > We launched *Localism: A Practical Guide* to support members to talk about the benefits of devolution.

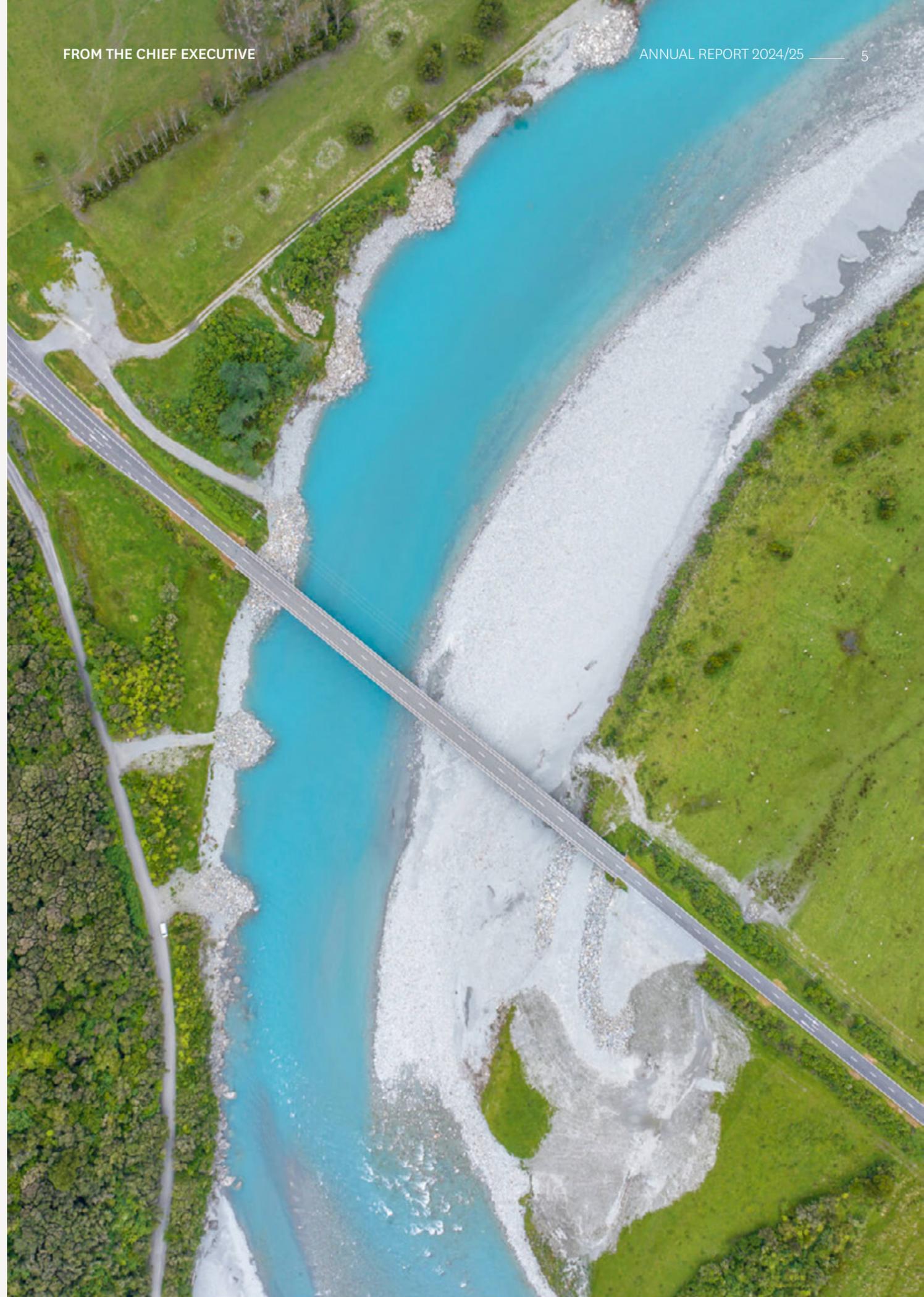
Just as important – if lower profile – is our work to **connect** and **support** members. Under our **connect** strand, I'm delighted we have bedded in our All-of-local-government meetings this year, including the Infrastructure Symposium. We have had significant positive feedback from you on these meetings. We will keep evolving them to make sure they respond to the issues of the moment – and ensure you hear directly from Ministers and experts. SuperLocal24 was again a step up, and got a lot of media exposure as well as positive feedback from you. Our sectors and networks also continue to bring you together, to share ideas and support each other as well as drive policy and change.

In response to feedback, this year we have intensified our work to bring women together. We've also had a particular focus on a multipronged approach to address the abuse and harassment many members face, not least in an election year. We provided zooms and tools to share guidance, raised awareness in the media and advocated for systems changes, which are vital given this increasingly disturbing issue.

Under the **support** pillar, we made Ākona available to all elected members – and the results speak for themselves, with more than 500 active users of our online platform. New courses and Āko hours are regularly added, and we are totally redesigning induction for 2025 to take full advantage of Ākona. Our governance support and best-practice work continued, with updates to the Standing Orders templates that so many councils use. And we continue to provide innovative services that bring extra revenue into LGNZ, like supporting the Road Efficiency Group, the Moata Carbon Portal, and Streetlight dimming profiles.

On the financial side of this report I am also delighted that we have delivered a financial result that is well inside the budgeted deficit, by tightly controlling costs and generating alternative sources of revenue.

And finally, this is my last annual report as I move on from LGNZ at the end of August after five fascinating and fruitful years. It's been a privilege to lead our talented and small team who care so much about local democracy and you – our members – who bring it to life. I also want to thank Sam, Campbell and our National Council for their tireless efforts to speak up and support local government as a whole. Most importantly though – a huge thank you to all of you, for the hundreds of conversations, for your relentless mahi in support of your communities through the ups and downs, and for keeping on, keeping on. Good luck to those of you standing again, and all the best to those of you who are moving to new challenges. Go well.





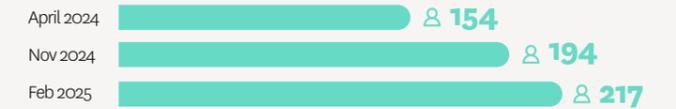
771

people came to our SuperLocal24 conference

122

people attended our simultaneous Community Boards conference

We had increasingly strong attendance at our All-of-local-government meetings



>200

people attended our Infrastructure Symposium in June 2024



53

media releases issued



394

pieces of media generated by SuperLocal24



145

people part of Te Maruata network



91

people part of YEM



68

meetings with politicians



6

new Ākona courses developed and launched



16

Ako hours held



>500

active users on Ākona



18

submissions made to Government

Our strategy 2022-25 >

Tā mātou rautaki

Our vision

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

Our purpose

National Council reset LGNZ's purpose on 1 March 2024. LGNZ's purpose is to serve members by championing, connecting and supporting local government.

CHAMPION/

- > Advocate for local government on critical issues.
- > Build relationships with ministers and officials.
- > Decode policy and make submissions.
- > Speak out for local government in the media.

CONNECT/

- > Bring members together at zone, sector and conference events or via networks like Te Maruata and YEM.
- > Create strong feedback loops between members and LGNZ's work.

SUPPORT/

- > Provide professional development uniquely tailored to local government.
- > Support councils and elected members when they are stuck.
- > Support elected members to deal with pressure and harassment.

Our long-term goals

/01.

Local government and central government are trusted partners.

/02.

Council can access the right funding and financing tools to reduce pressure on ratepayers and entrench localism.

/03.

Elected members are connected, engaged and highly capable.

/04.

Te Tiriti partnerships between local government and Māori are authentic, strong and respected.

/05.

More New Zealanders value and participate in local government.

/06.

A sustainable and fit-for-purpose LGNZ.



What we've achieved

// Ngā whakatutukitanga



Government relations

We held regular formal meetings with the Prime Minister and key Ministers. These provide opportunities to work together on joint priorities and raise issues of concern. We've also engaged with political party caucuses and held events for MPs who were previously local government elected members or staff.

We've shared ideas on how to reduce red tape that generates costs for councils with the Prime Minister and Minister of Local Government. Some of these are being progressed in current amendments to the Local Government Act. We've progressed ideas like the Ratepayers Assistance Scheme, which LGNZ has been developing with a group of Metro councils, the Local Government Funding Agency and Cameron Partners (and is further discussed in this report).

The unofficial start of the political year at Waitangi offered many opportunities to mix formally and informally with Ministers, MPs and Iwi leaders. In 2025, LGNZ, supported by a number of National Council members, was part of the official pōwhiri and delivered a prayer for the nation at the Dawn Service.

The Minister of Local Government changed during the period covered by this annual report. LGNZ had dinner with new Minister Simon Watts on his first official day in the job, and he has spoken at every All-of-local-government meeting since. Our *Briefing to the Incoming Minister* set out the key challenges and opportunities for local government and how we can work together in partnership.

Media

Media coverage gives visibility and weight to advocacy. But our media engagement means balancing standing up for councils with being seen as a constructive partner of the Government. One highlight over this year was our rates rise work. This was high-profile and balanced out stories on rates increases, including providing third-party voices to provide perspective on issues like cost drivers and rates versus overall tax paid.

We use our events to drive media coverage. Our June 2024 Infrastructure Symposium received very strong media coverage focused on our support for more funding tools to pay for infrastructure, as well as our opposition to NZTA's proposed changes to emergency works. SuperLocal24 in August generated widespread national coverage, with more than 400 media stories. This was the result of significant planning, including pre-briefing of media, resulting in a range of proactive stories as well as coverage of political speeches. We've used All-of-local-government events to give profile to the negative consequences of rates capping, four-year terms and the need for new funding tools.

Coverage of elected members' experiences of bullying and harassment intensified during the year, with our polling and data used to illustrate stories. Our electoral reform work was also exceptionally well-covered by media, with Mayor Nick Smith interviewed on Q+A and numerous other interviews.

We regularly meet with Local Democracy Reporters and respond to many reactive queries.



Our policy and advocacy work has been driven by five high-level priorities set by members in April 2024.

01/

Funding and financing

Our rates rise toolkits drew on analysis we commissioned from Infometrics and NZIER. The resulting data generated hundreds of media stories on the cost pressures facing councils and what's driving them. The first toolkit generated 52 media stories alone. Councils used the data in their own engagement with media and in their LTP consultation documents. The second toolkit covered tax versus rates and how rates compare to other bills. The third toolkit looked at a basket of legislation to quantify the cost of unfunded mandates on councils. This work made it clear to communities that rates increases were a result of national not local pressures.

The Government announced at SuperLocal in July that it would investigate benchmarking and rates capping, based on models from Victoria and New South Wales. We featured speakers from those states and South Australia (which stopped proposals for rates capping) at subsequent All-of-local-government meetings in November and February, to help members understand the potentially devastating impact of rates capping on councils. We have been raising concerns about the unintended consequences of rates capping with Ministers and in the media, suggesting that greater transparency is a better way forward for communities.

We were pleased to see the Regional Deals framework the Government announced at SuperLocal largely reflected our position and was modelled on the proposal we had previously released. We know funding tools and regulatory relief will be made available in regions that secure deals – and we're advocating for those benefits to be made available to all councils (where that makes sense).

In November we launched a set of funding and financing tools that could be used to boost local government's financial position and help councils deliver for ratepayers. These tools include mechanisms like sharing GST on new builds, congestion charging and value capture from growth. It's a pragmatic list with some tools likely now, others in the future and yet others much longer-term. We are focusing our advocacy on the tools that appeal most to each audience we engage with. The Infrastructure Minister announced at February's All-of-local-government meeting that development contributions would be replaced by a development levy system, allowing councils to charge developers a share of long-term infrastructure costs.

Our work on the Ratepayers Assistance Scheme (RAS) is starting to pay off, with Minister Watts expressing strong interest. The RAS would allow ratepayers to borrow cheaply for specific property improvements (like solar panels) or other ratepayer charges like development contributions/levies and rates postponement. It leverages the high credit quality of local government rates to access capital market financing. Because it would lend directly to ratepayers, RAS does not impact councils' debt levels as it would be off balance sheet. We expect concrete progress on this initiative in 2025.

02/ Water

We submitted on the three pieces of legislation that bring the Government's Local Water Done Well policy to life, securing some useful changes as a result of our submissions. We've also been providing resources like explainers and draft submissions to help members submit on these bills, as well as speakers at our events covering various aspects of water reform and regulation. We've also advocated to DIA for more support for members.

We successfully advocated for updates to the mandatory performance measures for water so that councils don't have to report against both the Taumata Arowai Drinking Water Standards and the now-replaced Ministry of Health Drinking Water Standards.

We've engaged with Taumata Arowai on new wastewater and stormwater standards. We have also engaged with the Commerce Commission on its interim economic regulation approach.

03/ Resource management reform

In early 2024, we submitted on the new fast-track consenting regime legislation, identifying improvements that members wanted to see. In early 2025, the Government made amendments to the existing Resource Management Act to improve its performance while work towards the new system continues. The Government has recently introduced a broad range of 16 new and amended pieces of national direction, and we have provided feedback on the most significant changes for members.

The Government is also working to introduce a new resource management regime, having repealed the previous government's reform. Two further pieces of legislation are planned to set up the new system. The Government is also planning significant changes to national direction, which we have been engaging with the Minister and officials on. There will be a very significant volume of consultation in the RM space over the next year.

04/ Transport

LGNZ's Transport Forum, chaired by Mayor Neil Holdom, has tackled issues ranging from the NZTA emergency works review, to a range of submissions (including the Land Transport GPS) and the Road Efficiency Group's data collection work. The Forum has a solid work programme and is engaging with members and key stakeholders. One key success has been achieving a reversal in the proposed emergency works policy changes. If these proposals had gone ahead, they would have shifted the significant costs of post-event road repairs from central government to councils.

In August, the Government introduced legislation enabling congestion charging, which LGNZ has long advocated for and is on our list of funding and financing tools mentioned above. Our submission called for congestion charging to be made more flexible for councils to use, with less central government control.

The 2024 National Land Transport Programme, which reflects the new GPS, has had a significant impact on councils, with a shift away from active and public transport to roading, impacting some LTP projects. We've also been supporting members around the speed limit reversals, particularly the fiscal impact given the need for new signage around schools.

Together with the Regional Sector, we've raised concerns about the impact of increasing the private share of public transport operating expenditure, generating media coverage about the impact on passenger fares.

We continue to be proud Road Efficiency Group partners, supporting sector capability and performance measures and insights, as discussed further in the Support section.

05/ Climate change

The Finance and Expenditure Committee completed the inquiry into climate adaptation started under the previous Government. Its report acknowledges the leading role councils will play in climate adaptation and adopted much of what we proposed in our submission. The report didn't resolve crucial questions around who will pay for adaptation and retreat – but the Government's response indicated a decentralised approach, which suggests residents and councils will bear the costs. We secured local government representation on a technical expert working group that has been set up to feed into the Government's work on adaptation. Our advocacy will continue, with an adaptation framework and associated legislation expected to be introduced in late 2025.

We submitted supporting the intent of the Government's draft Second Emissions Reduction Plan, highlighting that most of the actions would require contributions from councils but there was not adequate support for this.

DIA consulted on an exposure draft for natural hazard information in Land Information Memoranda, which reflected changes we have previously proposed that will reduce councils' liability risk when sharing natural hazard information.

Other issues

- > We maintained our principled position on Māori wards: that they should be treated the same as other wards, with councils able to make decisions in consultation with their community. Fifty-three Mayors and Chairs signed a joint letter opposing the Government's changes, and we developed a strong submission on the Government's bill. The Government enacted legislation requiring 45 councils to fund a poll at this year's election if they chose to keep their Māori wards; 43 councils will be holding polls. We continue to provide support for Te Maruata members who are directly affected by the Government's changes.
- > We launched *Localism: A Practical Guide* at SuperLocal24, which sets out a wide range of tools and approaches councils can use to bring localism to life, featuring many practical case studies.
- > We supported the Government's legislation to extend remediation deadlines for earthquake-prone buildings.
- > We facilitated member engagement with the Governments' response to the North Island Severe Weather Event Inquiry, particularly by cyclone-hit councils.
- > The Government announced an expansion of who was eligible for the rates rebate scheme, shortly after we talked about the need for change to the relevant Ministers. We continue to advocate for increases in line with the Local Government Cost Index and better data sharing to enable more people to receive it.
- > Our AGM agreed to prioritise remits to support better resource allocation. The top four remits at the 2024 AGM were:
 - + Appropriate funding models for central government initiatives
 - + GST revenue sharing with local government
 - + Local government Māori wards and constituencies should not be subject to a referendum
 - + Proactive lever to mitigate the deterioration of unoccupied buildings.

What we've achieved

// Ngā whakatutukitanga



Council visits

Sam and Susan visited all member councils in person over the first 18 months of Sam's presidency. These visits are vital for connecting with members, including hearing feedback and ideas.

National Council members have also appeared at council meetings to support discussion of LGNZ's four-monthly report, which details all work on members' behalf and we encourage councils to put it on their meeting agenda. National Council members and Leadership Team members also regularly attend Zone meetings to connect with members.

All-of-local-government meetings

Our April 2024 meeting featured a strong range of speakers with a focus on rates rises, the cost of infrastructure and the fast-track consenting legislation, including Mayor of Greater Manchester Andy Burnham, Brad Olsen, and Dr Eric Crampton.

We received a huge amount of positive feedback on the programme and organisation of the Infrastructure Symposium on 14 June. Nearly 200 people attended, with Peter Nunns of the New Zealand Infrastructure Commission/Te Waihanga and Sir Bill English particularly popular speakers.

The November meeting, with a strong programme that focused on local government reform, drew more than 170 members. It was an opportunity to lay the foundations for stronger advocacy on key parts of reform in local government, such as rates capping. At that event we also launched the funding and financing toolkit, which gained strong media coverage.

February's All-of-local-government meeting focused on accountability and demonstrating value, with more than 180 members attending. Government speakers included Local Government and Climate Change Minister Simon Watts; Infrastructure, Transport, RMA Reform and Housing Minister Chris Bishop; and RMA Reform and Infrastructure Parliamentary Under-Secretary Simon Court. This was Minister Watts' first chance to address a large local government gathering in this role, and he set out his intention to work in partnership with local government while delivering on the reform agenda. Our guest speaker from South Australia's local government association shared how they managed to convince their government to not implement rates capping by implementing greater transparency; an advocacy approach that LGNZ is also taking.

We also held a range of well-attended zoom meetings on safety and security issues, including online security, physical threats and dealing with so-called sovereign citizens.

SuperLocal24

Our conference was the “place to be” for local government, with the PM, many Ministers and the Leader of Opposition all speaking alongside impressive international and New Zealand keynote speakers. SuperLocal dominated media and public discourse that week, and nearly 800 people attended the conference.

Sectors

METRO SECTOR

The Metro sector has focused on defined priorities, including enabling and supporting economic growth by showcasing the role of cities and driving regional collaboration. This means a focus on aligning central and local government investment cycles, taking a more strategic approach to supporting economic development, and enabling LGNZ’s governance to better support the Metro sector’s impact.

REGIONAL SECTOR

The Regional Sector and Te Uru Kahika’s priorities – climate resilience, resource management system, Te Ao Māori, the Government’s reform agenda in freshwater, water services regulation, and transport – align closely with LGNZ’s advocacy priorities, providing a wide range of opportunities for collaboration.

Regional sector meetings have covered key issues including resource management, emergency management system improvement, wastewater performance standards and work in the climate adaptation framework, and featured Ministerial guests including Ministers Bishop, Mitchell, McClay, Simmonds, Hoggard, and Potaka.

RURAL AND PROVINCIAL SECTORS

R&P meetings have canvassed a range of areas impacting rural and provincial councils, with Local Water Done Well a key topic, as well as new wastewater standards, rural health and housing. Minister Chris Bishop used our February event as a platform to announce some major changes to local government funding and financing as part of his Going for Housing Growth programme.

Networks

TE MARUATA

Te Maruata has held regular whānui hui online to provide support for members and hear from guest speakers. The Rōpū Whakahaere have been conscious of ensuring Te Maruata members are supported during the debates around Māori wards, which has been a difficult time for many. The Treaty Principles Bill was also a hot topic. Regular comms, information sharing and opportunities for kōrerō have been activated.

Te Maruata’s successful pre-conference hui was attended by approximately 100 people. The programme included a workshop on sharing issues, ideas and solutions, and a panel on “how to move the waka forward” with a particular focus on action on the ground, rangatahi participation and civics education.

Te Maruata also provided support to LGNZ’s participation at Waitangi.

YOUNG ELECTED MEMBERS

The YEM committee met regularly online to plan their annual hui and pre-SuperLocal gathering, as well as refining the YEM Strategy and Kaupapa based on feedback received from the network, and developing a plan for elections 2025 to encourage more young people to stand.

The pre-SuperLocal hui in Wellington was attended by around 40 YEM. It focused on communicating effectively to achieve change, and how to increase young people’s participation in local government.

The annual YEM hui in November had a programme focused on councils empowering community leaders to make real change and equipping YEM with the key skills needed to make good decisions around council tables.

COMMUNITY BOARDS

CBEC put considerable effort into the Community Boards Conference 2024 which, for the first time, was held in conjunction with the LGNZ SuperLocal Conference and was very successful.

CBEC has been working with the Remuneration Authority to improve the basis on which community board remuneration is set. This means developing an approach to fairly recognise and compensate those community boards with additional responsibilities.

CBEC has also been developing a guide to assist councils and community boards to build effective relationships. This will include a model agreement to enable councils and boards to set out mutual expectations, and is set to launch at SuperLocal25.

WOMEN IN LOCAL GOVERNMENT

Before SuperLocal, we hosted a workshop lunch for women that was attended by more than 100 elected members including nearly every woman Mayor. Finance Minister Nicola Willis was a very effective speaker and the event was well covered by media.

We had a lot of feedback that this work was valuable and should continue. As a result, we’ve developed a plan that includes: creating opportunities to connect; advocacy for system change that improves all elected members’ safety (like submitting in support of the stalking legislation currently before Parliament); and championing relevant issues in the media.



What we've achieved

// Ngā whakatutukitanga



Ākona

On 3 April 2024, we gave all elected members access to Ākona, following National Council's decision that it should be included in the member fee. Ākona now has about 500 active users: over 200 users have made use of the skills analysis tool and 483 members have enjoyed the top five e-modules.

Over the year we launched five new courses, covering Te Reo, The CE Relationship, Leading Complex Communities, Climate Change and a Keeping yourself Safe & Well space.

We also ran 16 Ako hours on topics ranging from Introducing Water Meters to Tabling Tough Topics at the Council Table. These sessions are becoming increasingly popular, whether through attending the live sessions or viewing the recordings later.

Members can now access for free more than \$1.2 million worth of local-government-specific professional development assets via Ākona (that's what it would cost if you paid a commercial third-party to develop it).

We have totally redesigned induction for 2025 and are well advanced in its development.

In late March, we released a package of pre-election learning. This package teaches people about what it means to be an elected member, and includes a series of animated videos, interactive e-modules and useful guides, links and other relevant documentation. Councils can share this pre-election package with anyone interested in standing, with most councils choosing to include a link to the materials on their own websites.

Vote25

In December, we shared our free [Vote25 toolkit](#) with member councils. This includes a set of creative assets that councils can customise, such as posters and social media tiles. The campaign covers all three phases: register to vote; stand for election; and vote.

Governance support

We updated our Guide to the LGNZ Standing Orders Templates and published the 2025-2028 edition of the LGNZ standing orders template in late December. This version has been updated to include recent legislation and additional principles. As before, three templates have been developed, one for city and district councils, one for regional councils and one for community boards.

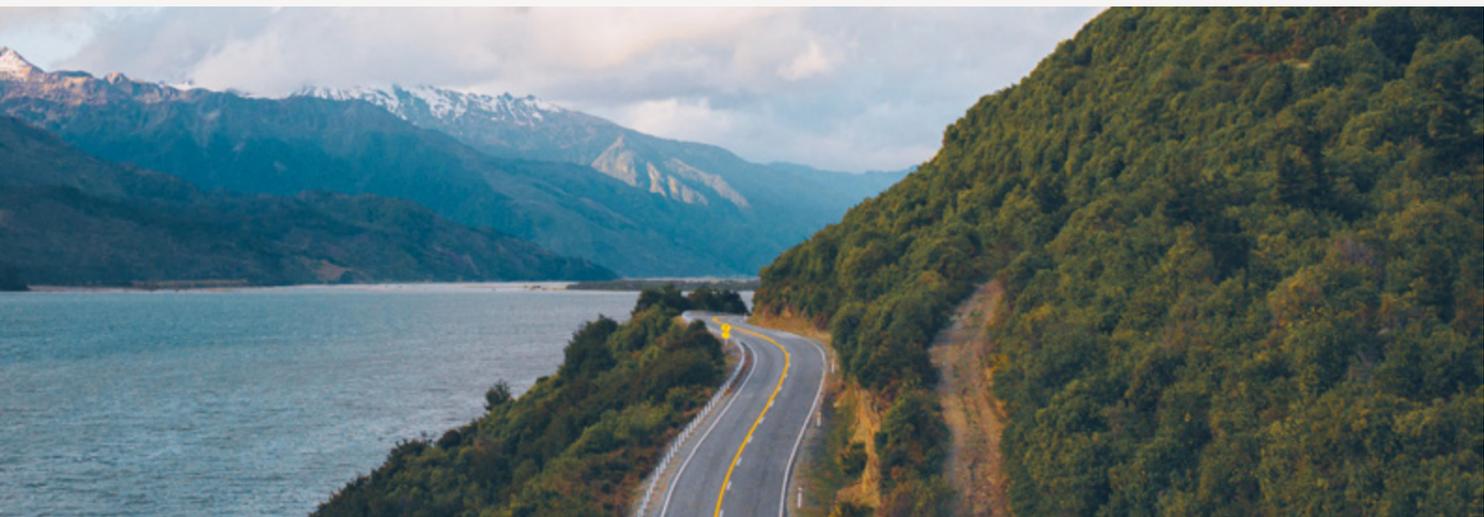
The 2025-2028 Guide to Standing Orders was published in March. It has been updated and expanded with additional guidance.

Te Korowai – CouncilMARK

Te Korowai has progressed from three successful trials to a soft launch, and we are currently working with three other councils. We have introduced two new modules focused on the impacts of climate change and responsibilities under Te Tiriti o Waitangi. These sit outside the independent assessment and serve as best-practice frameworks that guide councils and support capability building.

There are multiple ways to engage with the programme:

- > **Full programme cycle:** This includes an independent assessment by external assessors, an evaluation by the independent evaluation panel, and a development workshop following the evaluation report to help identify practical next steps.
- > **Integrity survey:** This acts as an early intervention tool, helping to surface underlying issues before they escalate into more costly or disruptive conflicts. It involves a whole-of-organisation rollout — including elected members — and explores behaviours, systems and culture that support ethical governance and organisational wellbeing. The survey is followed by an in-person workshop to discuss findings. It can be undertaken independently from the full Te Korowai programme.



Mayors Taskforce for Jobs

MTFJ supports rangatahi into employment. As a collective of Mayors, it operates under its own brand and is governed by the MTFJ Governance Group and Core Group. LGNZ holds the Ministry of Social Development (MSD) contract on behalf of MTFJ and provides centralised support services for this specific programme. Under the MSD-funded Community Employment Programme, MTFJ facilitated 1,663 employment outcomes in the past year.

Separately from the MSD contract, MTFJ also invests in and champions a range of other initiatives that build youth leadership, confidence, and skills. In the past year, 41 rangatahi aged 16–24 attended Outward Bound with MTFJ support. The Tuia programme continues strong in its 15th year, with 48 young people participating across 30 councils in 2024, and 40 young people involved across 31 councils in 2025. MTFJ has also supported 11 ITO graduation events, recognising achievement in the trades sector.

Roading Efficiency Group

LGNZ is a founding partner of the Road Efficiency Group Te Ringa Maimoa (REG) sector partnership, which is entering its 13th year of LGNZ involvement. We are committed to supporting excellence in the roading sector and will support the partnership for 2024-2027 programme.

Moata Carbon Portal

We continue to offer the Moata carbon portal to councils in partnership with Mott MacDonald. Napier, Queenstown Lakes and Tauranga councils are our main clients, with annual subscriptions. Horowhenua District Council and South Taranaki District Council have adopted the portal in the last 12 months for specific project needs.

Streetlight profiles

Auckland Transport continues to be the main user of our streetlight dimming profiles. AT has agreed to an extended contract that allows them to utilise the profiles.

Financial statements >

Ngā tauākī pūtea

For the year ended 31 March 2025

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Directory

// Tātai

Local Government New Zealand (LGNZ)
For the year ended 31 March 2025

Nature of Business

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

Entity Name

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

Address

Level 8
173-177 Victoria Street Te Aro
Wellington 6011

IRD Number

049-455-479

Incorporation Number

374615

Incorporation Date

1 February 1988

Status

Registered Incorporated Society

Chartered Accountant

Grant Thornton New Zealand Limited

Auditor

Deloitte Limited (on behalf of the OAG)

Banker

ANZ Bank Limited

Solicitor

Simpson Grierson

Consolidated Statement of Comprehensive Revenue and Expenses

// Tauākī Tōpū o te Moniwhiwhi me ngā Whakapaunga Whānui

Local Government New Zealand (LGNZ)

For the year ended 31 March 2025

	Notes	2025	2024
REVENUE FROM EXCHANGE TRANSACTIONS			
Annual Subscription Income		4,336,322	4,000,053
Annual Conference Income	6	1,282,754	1,233,399
Te Korowai (previously CouncilMark) Assessment Income	7	60,000	23,500
Consultancy Income		968,436	-
Equip Limited Partnership Income	12	1,368,470	1,515,506
Interest Income		161,154	175,191
Libraries Partnership Programme Funding	11	52,304	199,502
MTFJ Income		208,000	175,404
Pacific TA Income		-	86,500
Professional Development Income		-	114,848
Ratepayer Financing Scheme Income	9	67,141	73,927
Sundry Income		93,010	115,240
DIA Reform Funding	8	312,500	1,250,000
Total Revenue from exchange transactions		8,910,090	8,963,070
Revenue from non-exchange transactions			
Rural Trust Distribution		193,635	-
Total Revenue from non-exchange transactions		193,635	-
Total Revenue		9,103,725	8,963,070

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

	Notes	2025	2024
LESS DIRECT COSTS			
Annual Conference Expenditure	6	878,091	908,599
Sector Events and Committee Expenditure		180,656	147,698
Communications Expenditure		10,506	16,958
Consultancy Expenditure		687,850	-
Te Korowai (previously CouncilMark) Expenditure	7	41,363	25,128
Equip Limited Partnership Expenditure	12	1,048,867	1,468,349
Governance Expenditure		117,085	176,706
Libraries Partnership Programme Expenses	11	47,136	174,502
Pacific TA Expenditure		-	73,432
People Costs		3,812,147	3,263,530
Policy Expenditure		108,289	158,962
Professional Development Expenditure		168,175	-
Ratepayer Financing Scheme Expenditure	9	67,141	73,927
DIA Reform Expenditure	8	312,500	955,686
Sector Engagement Projects	10	219,394	68,942
Symposium and Event Expenditure		23,141	-
Total Less Direct Costs		7,722,339	7,512,419
Gross Surplus		1,381,386	1,450,651
LESS OPERATING EXPENSES			
Accommodation/Occupancy		156,849	294,956
Advisory		62,778	92,729
Audit Fees Paid to Deloitte Limited		44,743	27,891
Te Korowai (previously CouncilMark) LGNZ Contribution	7	99,972	121,924
Financial		72,139	206,351
Honoraria	22	169,470	154,945
Insurance		59,985	56,994
Information Technology		177,916	222,322
Library		33,275	35,821
Office		113,683	105,045
Other Expenses	13	188,068	133,920
Staff Expenses		197,520	256,045
Total Less Operating Expenses		1,376,400	1,708,942
Total Expenses		9,098,739	9,221,361
Net Surplus/(Deficit) Before Tax		4,986	(258,291)
Total Comprehensive Revenue and Expense		4,986	(258,291)
Total Surplus/(Deficit) Attributable to the Group		4,986	(258,291)

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

Consolidated Statement of Changes in Net Assets / Equity

// Tauākī Panonitanga o ngā Huarawa Tapeke

Local Government New Zealand (LGNZ)

For the year ended 31 March 2025

	2025	2024
ACCUMULATED COMPREHENSIVE REVENUE AND EXPENSES		
Opening Balance	1,275,066	2,146,312
Comprehensive Revenue and Expenses		
Surplus/(Deficit) for the Year	4,986	(258,291)
Total Comprehensive Revenue and Expenses	4,986	(258,291)
Transfers		
Transfers from / (to) Counties Fund Reserve	(193,635)	-
Transfers from / (to) other Reserves	615,888	(612,955)
Total Transfers	422,253	(612,955)
Total Accumulated Comprehensive Revenue and Expenses	1,702,305	1,275,066
EMERGING ISSUES RESERVE		
Opening Balance	370,605	370,605
Total Emerging Issues Reserve	370,605	370,605
OTHER RESERVES		
Opening Balance	1,856,159	1,243,204
Transfer (to) / from Accumulated Comprehensive Revenue and Expenses	(615,888)	612,955
Total Other Reserves	1,240,271	1,856,159
COUNTIES FUND RESERVE		
Transfer (to) / from Accumulated Comprehensive Revenue and Expenses	193,635	-
Total Counties Fund Reserve	193,635	-
Total Equity	3,506,816	3,501,830

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

Consolidated Statement of Financial Position

// Tauākī Tūnga ā-Pūtea Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2025

	Notes	2025	2024
ASSETS			
Current Assets			
Cash and Cash Equivalents	14	4,486,496	5,457,368
Receivables from Exchange Transactions	15	462,379	584,117
Income Tax Receivable		78,457	65,616
GST Receivable		260,849	236,606
Prepayments		233,121	136,709
Total Current Assets		5,521,301	6,480,415
Non-Current Assets			
Property, Plant and Equipment	18	113,913	122,526
Intangibles	17	160,261	287,175
Investments	16	1,475	1,475
Total Non-Current Assets		275,650	411,176
Total Assets		5,796,950	6,891,591
LIABILITIES			
Current Liabilities			
Payables from Exchange Transactions		791,395	714,090
Provision for Annual Leave		160,374	141,086
Community Board Executive Committee Levy		75,557	74,630
Mayors Taskforce for Jobs	19	1,092,291	1,953,432
Event Funds Income in Advance	5	82,660	316,722
Contract Funds Income in Advance	5	87,857	189,802
Total Current Liabilities		2,290,134	3,389,762
Total Liabilities		2,290,134	3,389,762
Net Assets		3,506,816	3,501,830

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

	Notes	2025	2024
NET ASSETS ATTRIBUTABLE TO THE OWNERS OF THE CONTROLLING ENTITY			
Retained Earnings		1,702,305	1,275,066
Counties Fund Reserve		193,635	-
Emerging Issues Reserve		370,605	370,605
Other Reserves		1,240,271	1,856,159
Total Net Assets Attributable to the Owners of the Controlling Entity		3,506,816	3,501,830

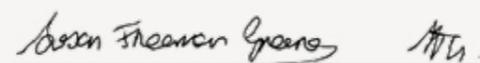
The National Council approved and authorised to issue the consolidated financial statements on 13 June 2025.

Signed By:



President

Date: 13 June 2025



Chief Executive

Date: 13 June 2025

Consolidated Statement of Cashflows

// Tauākī Kapewhiti Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2025

	Notes	2025	2024
CASHFLOW			
Cash from Operating Activities			
Cash was Provided from:			
Receipts from Members & Stakeholders		8,531,856	8,095,971
Interest and Dividends Received		163,966	177,063
Receipt of Rural Trust Distribution		193,635	-
Total Cash was Provided from:		8,889,457	8,273,034
Cash was Applied to:			
Payments to Suppliers & Employees		(9,759,960)	(9,616,895)
RWT Paid		(12,841)	(41,947)
Total Cash was Applied to:		(9,772,800)	(9,658,842)
Total Cash from Operating Activities		(883,343)	(1,385,808)
Cashflow from Investing Activities			
Cash was Provided from:			
Sale of Property, Plant & Equipment		1,584	-
Total Cash was Provided from:		1,584	-
Cash was Applied to:			
Purchase of Property, Plant & Equipment		(89,113)	(172,699)
Total Cash was Applied to:		(89,113)	(172,699)
Total Cashflow from Investing Activities		(87,529)	(172,699)
Cashflow from Financing Activities			
Cash was Applied to:			
Repayment of Loans & Borrowings		-	(12,526)
Total Cash was Applied to:		-	(12,526)
Total Cashflow from Financing Activities		-	(12,526)
Net Increase/(Decrease) in Cash and Cash Equivalents		(970,872)	(1,571,033)
Cash and Cash Equivalents at beginning of year		5,457,368	7,028,401
Cash and Cash Equivalents			
Bank and Cash		4,486,496	5,457,368
Total Cash and Cash Equivalents		4,486,496	5,457,368

Notes to the Consolidated Financial Statements

// Ngā kupu tīpoka mō ngā Tauāki Pūtea Tōpū

Local Government New Zealand (LGNZ)

For the year ended 31 March 2025

1. Reporting Entity

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

The Consolidated Financial Statements of Local Government New Zealand includes EquiP Limited Partnership ("the Group"). Local Government New Zealand and EquiP GP Limited are the partners of EquiP Limited Partnership. EquiP GP Limited is owned 100% by Local Government New Zealand. The Partners of EquiP Limited Partnership resolved to wind up the Partnership on 10 February 2025 and it was also resolved on 10 February 2025 to wind up EquiP GP Limited. Assets of EquiP Limited Partnership were transferred to Local Government New Zealand on 26 February 2025. There was minimal impact to the Consolidated Financial Statements of these transactions as EquiP Limited Partnership contracts were transferred to Local Government New Zealand Association Incorporated prior to the transfer of assets and liabilities.

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

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

2. Statement of Compliance

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

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

3. Summary of Accounting Policies

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

3.1. Basis of Preparation

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

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

3.2. Functional and Presentation Currency

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

3.3. Basis of Consolidation

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

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

3.4. Revenue

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

Revenue from exchange transactions

Subscription Income

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

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

Government contract revenue

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

The DIA Reform Funding is an agreement between LGNZ and the Department of Internal Affairs to enable LGNZ to support the Local Government Sector with the volume of reform the government was proposing.

Revenue is recognised in the period the services are provided.

Event revenue

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

Interest revenue

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

Consulting revenue

Revenue from consulting services is recognised in the period that the services are provided.

Other Revenue

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

3.5. Financial Instruments

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

Financial Liabilities

The Group's financial liabilities include trade and other creditors (excluding GST and PAYE), employee entitlements, loans and borrowings.

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

3.6. Cash and Cash Equivalents

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

3.7. Short Term Investments

Short term investments comprise term deposits which have a term of greater than three months but less than 12 months and therefore do not fall into the category of cash and cash equivalents.

3.8. Property, Plant, Equipment and Depreciation

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

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

Computer Hardware	50% - 67%	Diminishing Value
Furniture and Fittings	10% - 40%	Diminishing Value

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

3.9. Intangible Assets

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

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

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

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

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

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

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

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

> Website	50%
> Computer Software	50%
> Governance Workshop	33%
> Streetlighting Profiles	13%

3.10. Leases

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

3.11. Borrowing costs

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

3.12. Employee Benefits

Wages, salaries, annual leave

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

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

3.13. Income Tax

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

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

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

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

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

3.14. Goods and Services Tax (GST)

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

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

3.15. Equity

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

Accumulated comprehensive revenue and expense

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

Emerging Issues Reserve

The National Council has approved creating a reserve for strategic matters. The reserve was initially \$500,000. The balance is currently \$370,605 (2024: \$370,605).

Counties Fund Reserve

The Local Government Rural Trust have distributed \$193,635 to LGNZ for the purposes of educational and other purposes focused on local government and improving leadership, services and living standards in connection with rural communities in New Zealand. The funds are accounted for separately and are not available for any other purpose.

Other Reserves

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

Funding expected March 2026 deficits for LGNZ - \$519,576 (2024: March 2025 deficits: \$1,130,783)

Operational / Potential Organisational ceasing - \$720,694 (2024: \$725,375)

3.16. Operating lease commitments

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

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

4. Significant Accounting Judgements, Estimates and Assumptions

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

Income Tax Expense

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

Estimates and assumptions

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

Useful lives and residual values

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

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

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

5. Income in Advance

	2025	2024
Contract Funds Income in Advance		
Ratepayer Assistance Scheme Income in Advance	70,357	137,498
Libraries Partnership Income in Advance	-	52,304
Te Korowai Income in Advance	17,500	-
Total Contract Funds Income in Advance	87,857	189,802
Event Funds Income in Advance		
Annual Conference Income in Advance	64,750	316,722
Te Maruata Whanui Hui Income in Advance	17,910	-
Total Event Funds Income in Advance	82,660	316,722
Total Income in Advance	170,517	506,524

Ratepayer Assistance Scheme is currently funded by two councils and any funds remaining after providing assistance to ratepayers is recorded as income in advance. See note 9 for further detail on the Ratepayer Assistance Scheme.

Libraries Partnership income in advance was used in the 2025 financial year for the finalisation of the project. See note 11 for further detail on the Libraries Partnership Programme.

Te Korowai income in advance is a deposit received in the 2025 financial year for a Te Korowai programme assessment, which will be done in the 2026 financial year. See note 7 for further detail on the Te Korowai Programme.

Annual Conference income in advance is sponsorship funding received for LGNZ's 2025 annual conference which will be held in the 2026 financial year. See note 6 for further detail on the annual conference.

Te Maruata Whanui Hui income in advance is income received for the Hui which will occur in April 2025.

6. Annual Conference

	2025	2024
Annual Conference Revenue	1,282,754	1,233,399
Annual Conference Expenditure	(878,091)	(908,599)
Staff Remuneration and Overheads	(258,893)	(267,266)
Net Annual Conference Profit	145,770	57,534

The figures shown are for the 2024 Conference held in August 2024.

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

The 2025 Conference is scheduled to be held on 16 - 17 July 2025 and final income and expenditure will be recorded in the consolidated financial statements dated 31 March 2026. Income and expenses as at 31 March 2025 relating to this conference are recorded as income in advance and prepayments on the Consolidated Statement of Financial Position.

7. Te Korowai Programme

	2025	2024
Te Korowai Assessment Income		
Te Korowai Assessment Income	60,000	23,500
Total Te Korowai Assessment Income	60,000	23,500
Te Korowai Expenditure		
Te Korowai Assessment Fees	(41,363)	(25,128)
Total Te Korowai Expenditure	(41,363)	(25,128)
Te Korowai LGNZ Contribution		
Te Korowai Board Expenses	(56,500)	(77,202)
Te Korowai Development Costs	(17,927)	(43,674)
Te Korowai Travel Expenses	(16,882)	(1,047)
Te Korowai Expenses Other	(8,663)	-
Total Te Korowai LGNZ Contribution	(99,972)	(121,924)
Total Te Korowai Programme	(81,334)	(123,552)

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

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

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

8. DIA Reform Funding

DIA Reform Funding of \$312,500 (2024: \$1,250,000) was received from the DIA in the 2025 year to support Local Water Done Well, and development of financing and funding options to support infrastructure delivery, as well as building the capacity and capability of local governance to support good decision making and performance monitoring. The agreement ran until Jun 2024. Expenditure for this final tranche of funding is summarised in the table below:

LGNZ Financial Year	2025	2024	2023
DIA Contract Period	Jan 24 - Jun 24	Apr 23 - Dec 23	Jan 23 - Jun 23
Actual LGNZ Financial Reporting Period	Apr 24 - Sep 24	Apr 23 - Dec 23	Jan 23 - Mar 23
DIA Reform Funding	\$312,500	\$1,250,000	\$0
DIA Reform Expenditure	\$11,265	\$436,021	\$171,525
Related Staff Remuneration	\$301,235	\$519,665	\$122,789

The report for January to June 2024 period has been received and approved by the DIA on 16 March 2025 and included work done to September 2024. This was due to the government's reform policy and the need to align activity, which postponed the end date.

9. Ratepayer Assistance Scheme

The Ratepayer Assistance Scheme (Formerly Ratepayer Financing Scheme) income is a funding tool that supports affordability of local authority charges by providing ratepayers with very attractive financing terms while keeping councils whole as it is off balance sheet.

The revenue, which was funded by two councils in the 2024 year, is recognised as the costs are incurred - \$67,141 (2024: \$73,927), with the balance of the funds recorded as income in advance on the Statement of Financial Position. The income in advance balance of \$137,498 as at 31 March 2024 was partially recognised in the 2025 year. The balance as at 31 March 2025 of \$70,357 will be recognised in the 2026 year as we continue to advocate for its establishment.

In the 2025 financial year, total costs of \$67,141 (2024: \$73,927) were incurred relating to the Ratepayer Assistance Scheme.

10. Sector Engagement Projects

Sector Engagement Projects are special purpose projects involving focused engagement with the sector and public for the benefit of the sector. In the 2025 year, projects included:

- > Choose Localism
- > Local Government/Central Government Relations
- > Te Ao Maori
- > Electoral Reform

In the 2025 financial year, total costs of \$219,394 (2024: \$68,942) were incurred relating to the Sector Engagement Projects.

11. Libraries Partnership Programme

The Libraries Partnership Programme (NZLPP) is funded by the DIA. In the 2025 year LGNZ incurred final costs of \$47,136 (2024: \$174,502) of total funding of \$567,500 to cover the employment of a Libraries Advisor and associated costs for the period 01 November 2021 to 30 June 2024. The funding was made available originally for the period to 31 December 2023, (\$450,000), but was extended by variation to end in June 2024 (\$112,500). There was a further grant of \$5,000 received for a Research Project.

The key objective of the Libraries Advisor is to promote the value of investing in public libraries to local government decision-makers, and to demonstrate the value that libraries contribute to communities' wellbeing. The revenue was recognised as the costs are incurred, with the balance of the funds at the end of the contract of \$5,168 recognised as sundry income. On the completion of the contract these funds were not required to be returned to the DIA. There was a balance of \$Nil (2024: \$52,304) recorded as income in advance on the Consolidated Statement of Financial Position.

The closing report for this contract has been received and approved by the DIA on 3 December 2025.

12. EquiP Limited Partnership

EquiP LP is a Limited Partnership and separate legal entity wholly owned by Local Government New Zealand. Its purpose is to deliver tailored services, best practice guidance, business solutions, government and management support to strengthen the local government sector. In preparation for the winding down of Equip services, contracts were transferred to LGNZ in August 2024.

EquiP Limited Partnership Income

	2025	2024
Consultancy Services Income	1,365,657	1,513,634
Interest Received	2,813	1,872
Total EquiP Limited Partnership Income	1,368,470	1,515,506

EquiP Limited Partnership Operating Expenses

	2025	2024
Accountancy Fees	14,746	20,498
Audit Fees	10,411	19,092
IT Outsourcing	-	2,150
Staff Remuneration	-	175,653
Consultancy Services Costs	1,021,590	1,131,020
Other Operating Expenses	2,120	119,936
Total EquiP Limited Partnership Operating Expenses	1,048,867	1,468,349

13. Other Expenses

	2025	2024
Depreciation/Amortisation	178,068	123,920
The Aotearoa Circle	10,000	10,000
Total Other Expenses	188,068	133,920

14. Cash and Cash Equivalents

	2025	2024
Cash and Cash Equivalents		
Bank	3,394,205	3,503,935
Monies held for Mayors Taskforce For Jobs	1,092,291	1,953,432
Total Cash and Cash Equivalents	4,486,496	5,457,368

15. Receivables from Exchange Transactions

	2025	2024
Annual Conference Debtors	54,331	352,475
Sundry Debtors	408,048	231,642
Total Receivables from Exchange Transactions	462,379	584,117

16. Investments

	2025	2024
Paintings/Artwork	1,475	1,475
Total Investments	1,475	1,475

17. Intangibles

	2025	2024
Computer Software		
Computer Software at Cost	504,314	494,695
Less Accumulated Amortisation	(363,503)	(247,715)
Total Computer Software	140,811	246,980
Governance Workshop		
Governance Workshop at Cost	-	415
Less Accumulated Amortisation	-	(415)
Total Governance Workshop	-	-
Other Intangible Assets		
Other Intangible Assets at Costs	30,604	71,044
Less Accumulated Amortisation	(11,154)	(30,849)
Total Other Intangible Assets	19,450	40,195
Total Intangibles	160,261	287,175

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

	2025	2024
Intangibles Reconciliation		
Computer Software		
Opening Balance	246,980	143,240
Additions	18,091	157,656
Disposals	(22)	-
LGNZ Amortisation	(124,227)	(53,885)
Equip Amortisation	(10)	(31)
Total Computer Software	140,811	246,980

Other Intangible Assets

Opening	40,195	51,592
Additions	16,046	-
Disposals	(30,517)	-
LGNZ Amortisation	(2,168)	(2,785)
Equip Amortisation	(4,106)	(8,612)
Total Other Intangible Assets	19,450	40,195
Total Intangibles	160,261	287,175

18. Property, Plant and Equipment

	2025	2024
Furniture & Fittings		
Furniture & Fittings at Cost	296,228	669,757
Less Accumulated Depreciation	(182,316)	(547,231)
Total Furniture & Fittings	113,913	122,526
Leasehold Improvements		
Leasehold Improvements at Cost	-	-
Less Accumulated Depreciation	-	-
Total Leasehold Improvements	-	-
Total Property, Plant and Equipment	113,913	122,526

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

	2025	2024
Property, Plant and Equipment Reconciliation		
Furniture and fittings		
Opening Balance	122,526	172,660
Additions	96,837	15,964
Disposals	(57,892)	(14,859)
LGNZ Depreciation	(47,558)	(50,746)
Equip Depreciation	-	(494)
Total Furniture and fittings	113,913	122,526
Leasehold Improvements		
Opening Balance	-	175,690
Additions	-	-
Disposals	-	(168,325)
LGNZ Depreciation	-	(7,365)
Total Leasehold Improvements	-	-
Total Property, plant and equipment	113,913	122,526

19. Mayors Taskforce For Jobs

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

For the purpose of these consolidated financial statements the monies held on behalf of the MTFJ are recorded separately within cash and cash equivalents, see note 14, in the Consolidated Statement of Financial Position along with the corresponding liability.

MTFJ is grouped with LGNZ for GST purposes and LGNZ employs the Programme Manager and Programme Advisor, on behalf of MTFJ.

In July 2023 LGNZ, on behalf of MTFJ, signed another contract to continue the successful partnership between MTFJ and the Ministry of Social Development to provide funding to rural and provincial councils to assist them in the creation of sustainable employment placements for youth in their respective communities. The programme was initiated as part of the last Government's Covid response and has continued in recent years. In the 2024 year the programme was renamed the Community Employment Programme and the current contract runs until 30 June 2025. The Ministry renewed its funding for The Initiative Fund in July 2024 to continue to assist with new initiatives specifically aimed at communities not currently participating in the Community Employment Programme.

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

20. Pacific Technical Assistance

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

	2025	2024
Opening Balance	\$Nil	\$693,913
Funds Received	\$Nil	\$Nil
Total Funds Received	\$Nil	\$693,913
Funds Used		
LGNZ Assistance	\$Nil	\$86,500
Business Case	\$Nil	\$1,859
Cook Islands	\$Nil	\$5,593
Fiji	\$Nil	\$40,872
Solomon Islands	\$Nil	\$49,833
Kiribati	\$Nil	\$11,777
Vanuatu	\$Nil	\$20,800
Transfer to Taituara	\$Nil	\$476,679
Total Funds Used	\$Nil	\$693,913
Closing Balance	\$Nil	\$Nil

21. Leases

At the reporting date, Local Government New Zealand Association Incorporated has entered into the following non-cancellable operating lease, for the premises at, 8, 173 - 177 Victoria Street Wellington.

	2025	2024
Leases		
No later than one year	134,760	75,500
Later than one year and no later than five years	404,280	-
Later than five years	190,910	-
Total Leases	729,950	75,500

22. Related Parties**EquiP Limited Partnership**

Local Government New Zealand received Services Agreement fees of \$Nil (2024: \$11,680) from EquiP Limited Partnership. The partners resolved to wind up the Partnership on 10 February 2025 and transferred all Partnership funds to LGNZ. Local Government New Zealand Association Incorporated is the Initial Limited Partner of EquiP Limited Partnership.

There is net \$Nil outstanding to/(from) EquiP Limited Partnership at balance date (2024: \$13,542).

These transactions are eliminated on consolidation.

EquiP GP Limited

EquiP GP Limited is the General Partner of EquiP Limited Partnership (who Local Government New Zealand Association Incorporated is the Limited Partner of). There were no transactions between the entities during the period ended 31 March 2025 (2024: Nil).

The Mayors Taskforce for Jobs

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

Management Fees of \$208,000 (2024: \$175,404) were paid from MTFJ.

Local Government Rural Trust

The Local Government Rural Trust ("the Rural Trust") has a long standing relationship with LGNZ, with the Chief Executive of LGNZ being an ex-officio trustee since its establishment. During the 2025 financial year the Trustees resolved to wind up the Trust, and the sum of its cash assets of \$193,635 was transferred to a special reserve in LGNZ.

Key Management Personnel

Key management personnel are classified into three groups:

- > Members of the Governing body (National Council)
- > Members of the National Committees
- > Senior leadership team members

- + Chief Executive
- + Deputy Chief Executives
- + Director Member Engagement
- + Director of Advocacy & Strategic Partnerships

The aggregate remuneration of senior leadership team members and the number of individuals, determined on a full-time equivalent basis, receiving remuneration is as follows: (note, the figure for 2024 includes one management role related to EquiP that was disestablished in July 2023, as part of the merger of EquiP into LGNZ. This role only existed for one third of that financial year.)

	2025	2024
Key Management Remuneration		
Total Remuneration	1,112,397	1,161,092
Number of full-time equivalents	4	5

Honoraria paid to members of the National Council and National Committees and the number of individuals are as follows:

	2025	2024
Honoraria		
Audit & Risk Committee Chairs (National Council) - 1	9,332	-
CBEC Chairs (National Committee) - 1	8,000	5,500
President (National Council) - 1	98,568	98,568
Te Maruata Chairs (National Committee) - 2	12,000	12,000
Vice President (National Council) - 1	29,570	29,570
YEM Chairs (National Committee) - 2	12,000	9,307
Total Honoraria	169,470	154,945

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

23. Categories of Financial Assets and Liabilities

The carrying amounts of financial instruments presented in the Consolidated Statement of Financial Position relate to the following categories of assets and liabilities:

Financial Assets

	2025	2024
Financial Assets measured at Amortised Cost		
Cash and Cash Equivalents	4,486,496	5,457,368
Accounts Receivable	462,379	584,117
Total Financial Assets measured at Amortised Cost	4,948,874	6,041,485

	2025	2024
Financial Liabilities measured at Amortised Cost		
Accounts Payable	791,395	714,090
Community Board Executive Committee Levy	75,557	74,630
Mayors Taskforce for Jobs (MTFJ)	1,092,291	1,953,432
Provision for Annual Leave	160,374	141,086
Total Financial Liabilities measured at Amortised Cost	2,119,617	2,883,238

24. Income Tax Expense

	2025	2024
Components of tax expense		
Adjustments to current tax in prior years	-	-
Tax expense	-	-
Relationship between tax expense and accounting surplus		
Surplus before tax	4,986	(258,291)
Tax at 28%	1,396	(72,321)
Plus / (less) tax effect of:		
Non-deductible expenditure	1,215,826	1,244,081
Non-taxable revenue	(1,440,260)	(1,470,015)
Deferred tax not recorded	223,039	298,256
Tax expense	-	-
Deferred tax assets / (liabilities)	-	-
Opening balance	-	-
Charged to surplus or deficit	-	-
Closing balance	-	-

Income Tax Receivable on the Consolidated Statement of Financial Position refers to Resident Withholding Tax receivable at balance date. Local Government New Zealand has tax losses available to offset against future taxable income of \$11,916,668 (2024: \$11,120,102). Tax losses are subject to Inland Revenue confirmation.

No deferred tax asset has been recognised for an amount of \$3,336,667 (2024: \$3,138,828) due to uncertainty that Local Government New Zealand will report taxable profits in the future to offset against accumulated tax losses.

25. Capital Commitments

There are no capital commitments at the reporting date (2024: \$nil).

26. Contingent Assets and Liabilities

There are no contingent assets or liabilities at the reporting date (2024: \$nil).

27. Events after the Reporting Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report (Last year - nil).

**INDEPENDENT AUDITOR'S REPORT****TO THE READERS OF NEW ZEALAND LOCAL GOVERNMENT ASSOCIATION INCORPORATED'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

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

Opinion

We have audited the consolidated financial statements of the Association on pages 4 to 25, that comprise the consolidated statement of financial position as at 31 March 2025, the consolidated statement of comprehensive revenue and expenses, consolidated statement of changes in net assets/equity and consolidated statement of cash flows for the year ended on that date and notes to the consolidated financial statements that include accounting policies and other explanatory information.

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

- present fairly, in all material respects:
 - its financial position as at 31 March 2025; and
 - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards (Reduced Disclosure Regime).

Our audit was completed on 13 June 2025. This is the date at which our opinion is expressed.

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

Basis for our opinion

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

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

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

Responsibilities of the National Council for the consolidated financial statements

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



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

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

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

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

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

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

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

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



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

Our responsibilities arise from the Public Audit Act 2001.

Other information

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

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

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

Independence

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

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

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

National Council and LT >

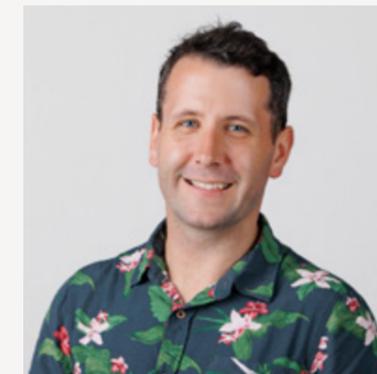
Kaunihera ā-Motu me te Rōpū Ārahi

As at 31 March 2025

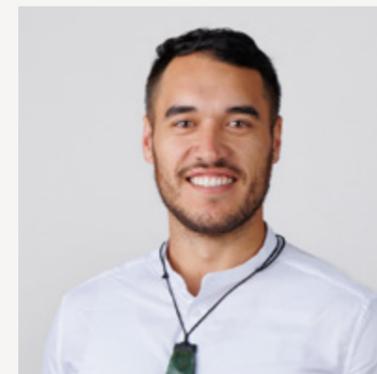
National Council



Sam Broughton
LGNZ PRESIDENT



Campbell Barry
VICE PRESIDENT, ZONE 4
REPRESENTATIVE



Moko Tepania
ZONE 1 REPRESENTATIVE



Toby Adams
ZONE 2 REPRESENTATIVE



Craig Little
ZONE 3 REPRESENTATIVE



Dan Gordon
ZONE 5 CHAIR/MAYOR



Ben Bell
ZONE 6 REPRESENTATIVE



Toni Boynton
TE MARUATA REPRESENTATIVE



Iaeon Cranwell
TE MARUATA REPRESENTATIVE



Paula Southgate
METRO SECTOR CHAIR



Vince Cocurullo
METRO SECTOR REPRESENTATIVE

Leadership Team



Susan Freeman-Greene
CHIEF EXECUTIVE



Scott Necklen
DEPUTY CHIEF EXECUTIVE



Jules Radich
METRO SECTOR REPRESENTATIVE



Rachel Keedwell
REGIONAL SECTOR REPRESENTATIVE



Rehette Stoltz
REGIONAL SECTOR REPRESENTATIVE



Amanda Wells
DIRECTOR MEMBER ENGAGEMENT



Simon Randall
ACTING DIRECTOR POLICY



Alex Walker
RURAL SECTOR REPRESENTATIVE



Neil Holdom
RURAL SECTOR REPRESENTATIVE



Alex Crackett
YOUNG ELECTED MEMBERS REPRESENTATIVE



Ranjani Ponnuchetty
CHIEF ADVISOR



Mereana Taungapeau
APOREI MĀORI (PRINCIPAL ADVISOR MĀORI CAPABILITY)

Ko Tātou
LGNZ.