



Auditor's Report

To the reader:

Independent auditor's report on Ashburton District Council's 2018-28 Long-Term Plan

I am the Auditor-General's appointed auditor for Ashburton District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's Long-term plan (the plan). Section 259C of the Act requires a report on disclosures made under certain regulations. We have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 28 June 2018.

Opinion

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 105 to 109 of volume 2 of the LTP document represent a complete
 list of the disclosures required by Part 2 of the Local Government (Financial Reporting and
 Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn
 from the plan.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical

Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

Independence

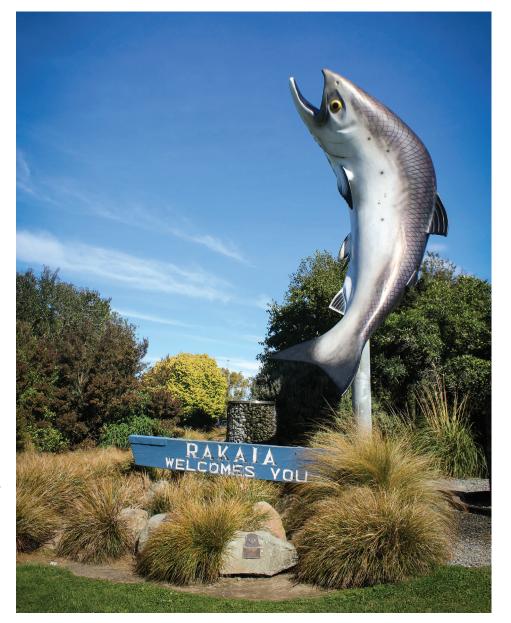
In carrying out our work, we complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised); and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended).

Other than our work in carrying out all legally required external audits, we have provided an assurance report on certain matters in respect of the Council's Debenture Trust Deed. These assignments are compatible with those independence requirements. Other than these assignments, we have no relationship with or interests in the Council or any of its subsidiaries.

B.

Andy Burns, Audit New Zealand On behalf of the Auditor-General, Christchurch, New Zealand AUDIT NEW ZEALAND



Elected Representatives

Mayor



Donna Favel mayor@adc.govt.nz

Deputy Mayor



Neil Brown neil.brown@adc.govt.nz

Ashburton Ward



Russell Ellis russell.ellis@adc.govt.nz



Leen Braam leen.braam@adc.govt.nz



Thelma Bell thelma.bell@adc.govt.nz



Diane Rawlinson diane.rawlinson@adc.govt.nz



Alasdair Urquhart alasdair.urquhart@adc.govt.nz



Selwyn Price selwyn.price@adc.govt.nz

Eastern Ward



Lynette Lovett lynette.lovett@adc.govt.nz



Stuart Wilson stuart.wilson@adc.govt.nz



Mark Malcolm mark.malcolm@adc.govt.nz

Western Ward



Peter Reveley peter.reveley@adc.govt.nz



Liz McMillan liz.mcmillan@adc.govt.nz

Standing Commitees (Adopted by Council 26/10/16)

ENVIRONMENTA	L SERVICES	SERVICE DELIVER	Y	FINANCE & BUSIN	IESS SUPPORT
Chair	Peter Reveley	Chair	Stuart Wilson	Chair	Russell Ellis [5/04/18]
Deputy Chair	Diane Rawlinson	Deputy Chair	Selwyn Price [5/04/18]	Deputy Chair	Leen Braam
Members	Thelma Bell	Members	Thelma Bell	Members	Thelma Bell
	Leen Braam		Leen Braam		Neil Brown
	Neil Brown		Neil Brown		Lynette Lovett
	Russell Ellis		Russell Ellis		Mark Malcolm
	Lynette Lovett		Lynette Lovett		Liz McMillan
	Mark Malcolm		Mark Malcolm		Selwyn Price
	Liz McMillan		Liz McMillan		Diane Rawlinson
	Selwyn Price		Diane Rawlinson		Peter Reveley
	Alasdair Urquhart		Peter Reveley		Alasdair Urquhart
	Stuart Wilson		Alasdair Urquhart		Stuart Wilson
Mayor ex officio		Mayor ex officio		Mayor ex officio	•

Adopted by Council 24/11/16)

EXECUTIVE COMMITTEE				
Chair	Donna Favel			
Deputy Chair	Neil Brown			
Members	Russell Ellis [5/04/18]			
	Peter Reveley			
	Stuart Wilson			

CODE OF CONDUCT COMMITTEE A panel of the Mayor, Deputy Mayor and 3 Committee Chairs (Executive Committee) to be appointed from which the two committee members will be selected by Council as and when necessary. [5/04/18] Mayor (ex officio) Donna Favel Councillors Neil Brown Russell Ellis Peter Reveley Stuart Wilson

Community Board

Methven Community Board — 2 Crs (Western Ward)

Crs Liz McMillan and Peter Reveley

Subcommittees

	MEMBER(S)	REPORTS TO
Ashburton Airport Authority Subcommittee Crs Urquhart (C), Braam & Malcolm	3 Crs + external members	Finance and Business Support
Audit & Risk Subcommittee Mayor, Crs Brown (C), Braam & Ellis [5/04/18]; Murray Harrington (external appointee) [29/06/17]	Mayor & 3 Crs (Chair & D/Chair Finance + 1 Cr) and 1 external	Finance and Business Support
Bylaw and Policy Subcommittee Mayor (C), Crs Braam, Brown, Ellis, Rawlinson, Price, Reveley and Wilson [5/04/18]	Mayor, D/Mayor & 6 Crs (Chairs & D/Chairs)	Council
Community Awards Subcommittee Mayor (C) & Crs Brown, McMillan & Rawlinson	Mayor & 3 Crs	Finance & Business Support
Community Grants and Funding Subcommittee Crs Ellis (C), Bell, Braam, McMillan, Lovett, Rawlinson, Malcolm & [5/04/18]	7 Crs (Chair Finance + 6)	Finance & Business Support
International Relations Subcommittee* Mayor (C) & Crs McMillan, Bell, Lovett, Malcolm & Price; Bruce Moffat (external appointee)	Mayor, 5 Crs + external [22/03/18] * Established 15/12/16 as Shiozawa Sister City Working Group; Renamed Sister Cities Working Group 27/07/17; Mayor appointed Chair 26/10/17; Reconstituted as International Relations Subcommittee 22/03/18	Finance & Business Support
Wastewater Subcommittee Crs Price (C), Braam, Brown, Ellis, Malcolm, & Wilson [5/04/18]	6 Crs	Service Delivery
Youth Council Crs Bell & Lovett [5/04/18]	2 Crs	Council

Memorial Hall and Reserves Boards		1 Cr + external members on each	Council
Lagmhor Westerfield	Cr Urquhart		
Mayfield	Cr Reveley		
Methven	Cr McMilllan +MCB Member Ron Smith		
Rakaia	Cr Malcolm		
Tinwald	Cr Urquhart		
Reserve Boards Appo	intees	1 Cr + external members on each	Council
Alford Forest	Cr McMillan		
Chertsey	Cr Malcolm		
Dorie	Cr Malcolm		
Ealing	Cr Lovett		
Greenstreet	Cr Rawlinson		
Highbank	Cr McMillan		
Hinds	Crs Lovett/Wilson		
Lynnford	Cr Lovett		
Mayfield	Cr Reveley		
Methven	Cr McMillan		
Mt Somers	Cr Reveley		
Pendarves	Cr Malcolm		
Rakaia	Cr Malcolm		
Ruapuna	Cr Reveley		
Seafield	Cr Malcolm		
Tinwald	Cr Rawlinson		

Working Groups

	MEMBER(S)	REPORTS TO
Administration & Library Facilities Project Control Group	Mayor & 3 Councillors [22/02/18]	Council
Mayor (C), Crs Brown, Ellis & McMillan	Established 24/11/16 – Mayor & Crs Brown, Ellis & Reveley Increased to full Council membership 6/04/17	
Biodiversity Working Group Crs Price (C) & Malcolm	2 Crs	Service Delivery
Chinese Settlement Working Group Crs Braam (C), Bell, Malcolm & Price	4 Crs [15/12/16]	Finance & Business Support
Community Road Reference Groups	Rural x 4 Crs	Service Delivery
 Rural Road Reference Group Crs Wilson (C), Malcolm, McMillan & Lovett 	Urban x 4 Crs	
 Urban Road Reference Group Crs Rawlinson (C), Ellis, Price & Urquhart 		
Lakes Camp & Clearwater Landscape Working Group Crs Malcolm (C), McMillan & Price	3 Crs [5/10/17] + external members	Service Delivery
Remuneration Working Group Crs Brown (C), Ellis & McMillan	3 Crs [18/05/17]	Council
Representation Review Working Group Mayor (C), Crs Brown, Reveley & Wilson	Executive Committee [10/08/17]	Council
Stockwater Working Group Crs Wilson (C), Brown, Ellis, Malcolm, Price, Rawlinson & Reveley	7 Crs	Service Delivery
Surface Water Strategy Working Group Crs Wilson (C), Braam, Brown & Reveley	3 Committee Chairs [24/08/17]	Service Delivery
Town Centre Working Group Crs Rawlinson (C), Braam, Brown, Ellis & Price	5 Crs	Environmental Services

Council Controlled Organisations (CCOs) and shareholding

ссо	
Ashburton Community Water Trust	Mayor
Ashburton Contracting Ltd	
Ashburton Stadium Complex Trust	
Eastfield Investments Liaison	Mayor, Cr Brown & GM Business Support

Experience Mid Canterbury Rangitata Diversion Race (RDR) Management Ltd RDR Management Ltd Remuneration Mayor [5/04/18]

Advisory Groups

	MEMBER(S)	REPORTS TO
Creative Communities NZ Crs Braam & Price	2 Crs + external appointees	Finance & Business Support
Electricity Ashburton Shareholders Committee David Ward, Chris Robertson, Ann Marett	External appointees	Council
Trustpower Awards Mayor (C) & Crs Bell & Brown	Mayor & 2 Crs + external appointees	Finance & Business Support

Subcommittee

Joint Committees (with other Authorities)

Ashburton District Road Safety Co-ordinating Committee	Crs McMillan (C), Lovett & Price [5/04/18]	Service Delivery
Ashburton Water Management Zone Committee	Cr Wilson	Council
Canterbury Regional Landfill Joint Committee	Cr Brown (Mayor alternate)	Service Delivery
Canterbury Regional Water Management Committee	Mayor	Council
Canterbury Waste Joint Committee	Cr Brown (Mayor alternate)	Service Delivery
Canterbury Regional Civil Defence Emergency Management Group	Mayor (Cr Reveley alternate) [15/12/16]	Environmental Services
Regional Land Transport Committee	Mayor (Cr Wilson alternate) [15/12/16]	Service Delivery
Total Mobility Committee	Cr Urquhart	Service Delivery

Local Government Sector Groups

	MEMBER(S)	REPORTS TO
Mayoral Forum	Mayor + CEO (Deputy Mayor alternate)	Council
Rural Provincial Sector	Mayor + CEO (Deputy Mayor alternate) [5/04/18]	Council
Zone 5/6	Mayor & Deputy Mayor + CEO	Council

Community Organisations

Ashburton Domain Oval Pavilion Trust*	[14/12/17 - Crs Ellis & Lovett appointed Trustees – Council to wind-up Trust]	
Ashburton Domain Pavilion Committee*		
Ashburton Performing Arts Theatre Trust*	1 – appointed by Mayor (currently David Welsh)	
Plains Museum Trust	External appointees (2) Brian Lester, Ian Cullimore	Finance and Business Support
Rural Canterbury PHO Board	External appointee Kerry Maw-Smith [5/04/18]	Council
Safer Ashburton District	Cr McMillan [5/04/18]	Finance and Business Support

^{*} These groups are being reviewed to determine whether they are still needed

Environment Canterbury River Rating Areas

Ashburton Hinds Drainage	Cr Lovett
Ashburton Rivers	Cr Reveley
Ashburton Town Stopbanks	Cr Ellis
Cleardale (Rakaia Gorge)	Cr McMillan
Dry Creek	Cr McMillan
Lower Hinds River	Cr Wilson/Lovett

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Lower Hinds River	Cr Wilson/Lovett

Management structure



Glossary

EQ

Earthquake

Ashburton Contracting Limited ACL **ETS Emissions Trading Scheme** ADC Ashburton District Council **FAR** Financial Assistance Rate Financial Strategy ALGIM Association of Local Government Information Management FS **Funding Impact Statement AMP** Activity management Plan FIS Annual Plan Infrastructure Strategy AP IS AR **Annual Report LAPP** Local Authority Protection Program Ashburton Stadium Complex Trust **ASCT** LGA Local Government Act 2002 **BERL** Business and Economic Research Limited **LGCI** Local Government Consumer Index CCO LTP Council Controlled Organisation Long-Term Plan CBD Central Business District **PGF** Provincial Growth Fund **CDEM** Civil Defence Emergency Management NPS National Policy Statement CO **Community Outcomes NZTA** New Zealand Transport Association DP District Plan NZU **New Zealand Units Electricity Ashburton** One Network Roading Classification EΑ ONRC **Electricity Ashburton Networks Centre EANC Project AF8** Project focused on the Alpine Fault (magnitude 8) Rangitata Diversion Race EM **Elected Members RDR Experience Mid Canterbury** Resource Management Act 1991 **EMC RMA Elderly Peoples Housing EPH** SNZ Statistics New Zealand

SOLGM

Society of Local Government Managers