

**Smart Finance Committee**

**17 March 2026**

**Report for Agenda Item | Rīpoata moto e Rāraki take [7]**

**Department: Assurance, Finance & Risk**

**Title | Taitara: Local Government Funding Agency (LGFA) 30 June 2025 Annual Report and the LGFA 31 December 2025 Quarterly Report**

**Purpose of the Report | Te Take mō te Pūroko**

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The purpose of this report is to present the Smart Finance Committee with the Local Government Funding Agency (LGFA) 30 June 2025 Annual Report and the LGFA 31 December 2025 Quarterly Shareholders report.

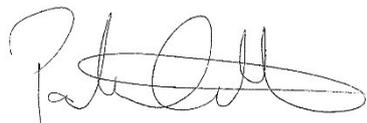
**Recommendation | Kā Tūtohuka**

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That the Smart Finance Committee:

1. **Note** the contents of this report.

**Prepared by:**



**Name:** Paddy Cribb  
**Title:** Finance Director  
24 February 2026

**Reviewed and Authorised by:**



**Name:** Katherine Harbrow  
**Title:** GM Assurance Finance Risk  
24 February 2026

## Context | Horopaki

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1. A copy of the LGFA Annual Report for the year ended 30 June 2025 has been circulated separately.
2. All Councils that borrow with the LGFA are jointly liable for the LGFA debts and this is disclosed in the Queenstown Lakes District Council (QLDC) Annual Report. LGFA credit rating is the same as Central Government Treasury.
3. Each quarter QLDC receives a copy of the LGFA quarterly report to shareholders. It should be noted that QLDC is not a shareholder but a borrower of the LGFA, as the Council did not invest in the creation of this entity and no new investors are required.
4. The attached LGFA Quarterly Report for the period ended 31 December 2025 covers the highlights for the quarter, the LGFA bond issuance over the quarter, the summary of the financial information, the strategic priorities with performance against objectives and performance targets and investor relations.
5. Included in this report is the Compliance with LGFA Financial Covenants – June 2025 for all borrowers.
6. Upcoming council interaction with LGFA includes (a) its LGFA Sustainable Finance Workshop Services which provides an overview of LGFA’s sustainable finance lending programmes and (b) the debt transfer process to the new Water Entity set up. The later will be assisted by our Treasury advisor, Bancorp.
7. Council has a credit rating to obtain LGFA lower interest rates. Council’s next annual credit rating assessment with Fitch is expected to begin July 2026.

## Analysis and Advice | Tatāritaka me kā Tohutohu

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8. There is no analysis or advice being given as this is an information only report.

## Consultation Process | Hātepe Matapaki

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### **Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka**

9. This matter is of low significance, as determined by reference to the Council’s Significance and Engagement Policy 2024 because it is provided for information only.
10. The persons who are affected by or interested in this matter are Council officers and the members of the committee.

### **Māori Consultation | Iwi Rūnaka**

11. The Council has not specifically consulted iwi on the matters contained in this report.

### **Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka**

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12. This matter relates to the Financial risk category. It is associated with RISK10013 Unexpected change in cost or funding within the QLDC Risk Register. This risk has been assessed as having a high residual risk rating.

13. This is an information report. This report assists with providing understanding of the Treasury Management Policy.

### **Financial Implications | Kā Riteka ā-Pūtea**

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14. There is no operational and capital expenditure requirements or other budget or cost implications resulting from receiving this report.

### **Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera**

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15. The following Council policies, strategies and bylaws were considered:

- Long Term Plan 2024/34 - Financial Strategy
- Treasury Management Policy

16. This matter is included in the Long Term Plan/Annual Plan as part of the Treasury Management Policy.

### **Attachments | Kā Tāpirihaka**

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A	LGFA Quarterly Report December 2025
B	Compliance with LGFA Financial Covenants, June 2025
C	LGFA Annual Report for the year ended 30 June 2025 (circulated separately)