



Waikato District Council

Long Term Plan

Te Mahere Whaaroa 2025-2034

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www.waikatodistrict.govt.nz



What is a Long Term Plan?

He aha teenei mea Te Mahere Whaaroa?

Our Long Term Plan (LTP) sets out what we (the Council) plan to do over the next decade – and how it will be funded.

By law we must review our LTP every three years. However, this time round our LTP is a nine-year plan, as we took the government's one-off offer to deliver an Enhanced Annual Plan for the 2024/25 financial year. This was the best option for us at the time. It provided staff, the Mayor and councillors more time to engage with you to ensure we deliver the services, activities, and projects needed for our people.

This LTP is broken into sections that outline our vision, community outcomes, strategic priorities, key decisions made as part of community consultation, an overview of the activities we undertake, including performance measures, financial information and financial planning, as well as important policies and strategies.



Throughout this document you may see varying spelling in some te reo Maaori. The Waikato dialect refers to a regional preference of te reo Maaori, where double vowels are used to represent long vowel sounds. This reflects local language practices of this region. However, macrons may still be used in some instances where names, including brand names, personal names, or place names, where the official spelling includes a macron. This is to maintain consistency and respect individual or organisational preferences.

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Section one

Introduction

Kupu Whakataki



Message from the

Mayor and Chief Executive

Karere naa te Manu Kaahui me te
Tumu Whakarae

We are on a shared journey — one that charts a path through the evolving landscapes of the Waikato district and sets the foundation for the years ahead. The 2025–2034 Long Term Plan (LTP) is our commitment to the people, places, and potential of our diverse and growing district.

We have approached this plan with discipline and care. Inflation and construction costs have risen significantly — our costs have increased by around 20% since the last LTP, with construction costs up 27%. These pressures require us to carefully prioritise, avoid unnecessary or flashy projects, and remain committed to financial responsibility.

General rates for the first year of this LTP will increase by 4.25%, with total rates increases for urban properties averaging between 9 – 11% from 1 July 2025. Expected general rate increases between 1.5% and 3% annually are forecast together

with further increases to targeted rates in the following years. We understand that these cost increases impact individual households, and we are committed to keeping rates as low as possible while maximising efficiencies wherever we can. The decision to increase rates was not an easy one, and we are focused on ensuring financial responsibility and delivering essential services.

This LTP represents \$4.2 billion of services over the next nine years. We're forming a new Council Controlled Organisation (CCO), IAWAI Flowing Waters, for water services in partnership with Hamilton City Council, which will manage \$1.3 billion of this expenditure and deliver long-term efficiencies. Other key investments include:

- \$787.1 million in roading
- \$160.3 million in stormwater
- \$1.8 billion across all other Council services

We are managing more than \$2 billion in assets and generating approximately \$216 million in annual revenue. Our AA+ credit rating reflects

sound financial management, allowing us to borrow at lower interest rates for the benefit of our communities.

Waikato district is proudly rural and provincial — but it is also much more than that. Our communities span a rich mix of urban centres, rural-urban fringe areas around our small townships, lifestyle blocks, and traditional rural properties. Urban and rural-urban areas also play a crucial role in our district's growth and development. Rural here is not just about farming or horticulture — it is home to innovation, industry, enterprise and our valued Kiwi lifestyle. Some of the most exciting and forward-thinking developments in our district are emerging from rural locations. We are actively developing a rural strategy that will guide our thinking and investment in the areas outside our urban centres — recognising that rural needs, like urban, are unique and changing.

Our district offers a unique blend of advantages that make it an appealing place to live and invest— more affordable housing, a distinctive natural environment, and a strong sense of community. These qualities are part of what sets our district apart. However, they are also accompanied by the realities of a smaller population base, with rapid growth needing significant infrastructure investment, which can result in a higher rates burden for individual ratepayers. This balance is part of what defines our character: a place where lifestyle, space, and connection to the land are deeply valued, even as we navigate the practicalities of funding essential services across a vast area.

As we grow and evolve, so too must the way we plan. We are one of New Zealand's fastest growing districts — the heart of the upper North Island's Golden Triangle. With that growth comes complexity. Our population of 92,500 people live across more than 400,000 hectares of diverse landscapes.

Continuing to provide quality services to these spread-out communities requires us to continue to work together with our communities to be more agile, responsive, and future-focused than ever before.

At the same time, we are firmly focused on delivering the core services our communities rely on every day — drinking water, wastewater, stormwater, roads, rubbish and recycling. These services are the foundation of our public health, environmental wellbeing, and daily lives.



We are a district of contrasts — rural and urban, established and emerging, grounded in tradition but embracing innovation. This plan reflects those realities. It delivers on the essentials, makes room for growth, and positions Waikato district to keep pace with the demands of a changing world.

The decisions we make together today shape our district's tomorrow. Your voice and opinions are heard, valued and considered as we make these decisions on your behalf. This LTP reflects a clear, deliberate path forward – one grounded in reality, focused on the essentials, and committed to building a strong, sustainable Waikato district for all.

Ngaa mihi nui
Thank you very much

Jacqui Church
Mayor

Craig Hobbs
Chief Executive

Karere naa te Manu Kaahui me te Tumu Whakarae

He haerenga ngaatahi teenei – he mea para i te huarahi ki ngaa hurihanga ki teena, ki teena whaapito o te takiwaa o Waikato, e takoto nei ko te ara ki te aapoopoo. Ko te Long Term Plan (LTP) 2025-2034 taa maatou oati ki ngaa taangata, ki ngaa waahi me te pito mata o too taatou takiwaa koiora, takiwaa matomato.

Kua aata whakaarohia, kua aata whakaritea e mātou, teenei mahere. Ko te utunga rawa me te utu hanga teena kua tino tupu – he 20% te tupu o te utu kaunihera i teeraa o te LTP o mua, he 27% hoki te pikinga utu hanga. Naa konei taa maatou aata whakaraupapa i ngaa mea matua, kaua ko ngaa kookiritanga iti noa nei te hua, engari he aro puu ki te haepapa o te whakapau tika i te puutea.

Ka piki ngaa taake kaunihera matawhaanui i te tau tuatahi o teenei LTP maa te 4.25%, koia ko te tapeke pikinga taake moo ngaa kaainga taane kei te takiwaa o te 9 – 11% mai i te 1 o Hurae 2025. E whakakitea ana ngaa pikinga utu anoo, kei te takiwaa o te 1.5% ki te 3% ia tau, he mea aapiti nei ki ngaa pikinga taake kaunihera kua tohua i

roto i ngaa tau e haere ake nei. E maarama puu ana ki ngaa paanga nui a eenei pikinga utu ki ngaa whare, ka mutu ko taa maatou oati he uu ki ngaa utu iti ake, me te whai tonu i ngaa hua e taea ana. Ehara i te whakataunga ngaawari te whakapiki taake kaunihera, aa, ko taa maatou he aro puu ki te whakapau tika i ngaa puutea me te whakaputa tika i ngaa ratonga matua.

Kei roto kei teenei LTP ngaa ratonga e \$4.2 piriona taara te waariu i ngaa tau e iwa e heke mai ana. E whakarite ngaatahi ana maatou, te Council Controlled Organisation (CCO) hou, IAWAI Flowing Waters, ngaa ratonga wai, ki te taha o te Kaunihera o Kirikiriroa, koia, ka whakahaere i te \$1.3 piriona o teena naa utu ki te whakaputa i ngaa mahi pae tawhiti. Ko eetahi atu haumitanga ko te:

- \$787.1 miriona ki ngaa rori
- \$160.3 miriona ki te wai marangai
- \$1.8 piriona puta noa i eeraa atu ratonga kaunihera.

He neke atu i te \$2 piriona rawa taa maatou e whakahaere nei, me te whakaemi i te moni whiwhi aa-tau he \$216 miriona te waariu. E kitea ana i roto i taa maatou tuuranga taurewa AA+ he kounga noo

ngaa whakahaerenga puutea, koina hoki e mana ai taa maatou tono puutea, reiti whakaranea iti, hei oranga moo aa maatou hapori.

E poho kereruu ana te Kaunihera aa Takiwaa o Waikato i toona taiwhenuatanga, i toona porowinitanga – ka mutu he whaanui ake tonu i ngeenaa. Horapa ana ngaa hapori maha i ngaa pokapuu taaone, i ngaa tapa taaone-taiwhenua e karapoti nei i ngaa taaone iti, ngaa waahi nohoanga rahi, me ngaa waahi noho waho taaone taketake. He kawenga nui hoki o roto i ngaa whenua taaone me ngaa whenua taaone – taiwhenua ki te taha o te tupu me te whanake o te takiwaa. Moo te taha ki te taiwhenua, ehara i te mea he arotahi ki te mahi paamu, ki te ahumaara raanei – he kaainga tupu o te auahatanga, te ahumahi, te umanga me te nohoanga a 'Ngaai Kiwi'. Kei roto kei eetei o ngaa whanaketanga whakaaweawe nei o te takiwaa e puta ana i taiwhenua. E whakarite ana maatou i teetehi rautaki taiwhenua e arahi nei i te whakakitenga me te taha haumi ki aua waahi o waho o ngaa pokapuu taaone – e whai whakaarotia ana he motuhake, he mea nui ngaa hiahia o taiwhenua, me eeraa o ngaa taaone tonu.

He motuhake, he matatini ngaa hua nui o too taatou takiwaa, e minaminatia ai hei kaainga, hei mea haumi – te pai o te utu whare, te koohure o te taiao, me te tau o te noho aa-hapori. Koinei eetei aahuatanga e noho mehamaha ai teenei takiwaa i eeraa atu. Heoi, he mea naa runga i te iti ake o te taupori taangata e tere tupu ana, ka mutu e tere hiahiatia ana ko ngaa hanganga nui, e whakapiki nei i ngaa taake kaunihera hei pokowhiwhi maa ngaa kaiutu taake. Koinei te papatahitanga e kitea ai te whanonga o teenei takiwaa: he waahi e maanawatia ana te noho haaneanea, te waatea, me te honohononga ki te whenua. Koia tonu, i a maatou e aata wherawhera ana i ngaa tutukihanga ki te taha utu i ngaa ratonga me maatua whiwhi, puta noa i te maatootorutanga o teenei rohe.

I a taatou e tupu ana, e hurihuri ana, me peeraa hoki taa taatou whakamahere. Ko taatou teetehi o ngaa takiwaa o Aotearoa e tere tupu ana – kei te whatumanawa o te Tapatoru Koura o Te Ika a Maui. Haere tahi nei ko te tupu me te matatinitanga. Ko te taupori taangata o te 92,500 he mea whakanoho nei ki ngaa matawhenua kanorau 400,000 heketeta.

E tuku tika tonu ai e maatou ngaa ratonga kouna ki eenei hapori marara, me mahi ngaatahi tonu maatou ki o maatou hapori e kakama, e rata, e anga whakamua ai a haere ake nei.

Kei reira hoki ko te uu ki te tuku i aua ratonga matua o te ia raa e hiahiatia nei e o taatou hapori – te wai inu, te wai para, te wai marangai, ngaa rori, ngaa para me te hangarua. Koinei ngaa ratonga e noho ana hei tuaapapa moo te hauora tuumatanui, te oranga taiao, me te ia raa. He takiwaa tauaro nui teenei – taiwhenua me te taone, tuaauki me te whanake, noho tautikanga me te toro auaha. E kitea ai eeraa aahuatanga i teenei mahere. He mea tuku mea matua, he mea whai waahi ki te whanaketanga, he mea whakatikatika i Te Kaunihera o Waikato kia takatuu ake ki ngaa takahurhanga o te ao hurihuri.

Ko aa maatou whakataunga o te naaiane he mea taarai i taa taatou aapoopoo. E rongo ana, e maanawatia ana, e whai whakaarohia ana aa koutou koorero i a maatou e waha ana, e whakauu ana i ngaa whakataunga. Kei roto kei teenei LTP he huarahi maarama, he huarahi whai take – he mea kua ahu mai i te tuuturutanga, kua aro puu ki ngaa mea matua, kua paiheretia ki te whakatupu i te takiwaa maarohirohi, takiwaa taupua moo te katoa.

Teena taatou

Jacqui Church
Manu Kaahui

Craig Hobbs
Tumu Whakarae

Your Mayor and Councillors

Too koutou Manu Kaahui me ouu Maangai Kaunihera

The Waikato District Council is an elected body of 14 representatives – the Mayor and 13 Councillors. Council is accountable to the ratepayers and residents of the Waikato District for the planning, direction and management of resources needed to meet the present and future needs of the community.

For all other enquiries, contact us on 0800 492 452, email info@waidc.govt.nz, or visit waikatodistrict.govt.nz



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**Paaniora
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**Tai Raro Takiwaa
Māori Ward Councillor**

Resigned on: 6 June 2025



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Our Vision, Community Outcomes and Strategic Priorities

Ngaa Whaainga, ngaa Putanga aa-
Hapori me ngaa Whakaarotau Matua

Our vision and community outcomes describe
our aspirations for the Waikato District.

Our vision

Too maatou whakakitenga

Our vision is that we work together to build:



Liveable, thriving and connected communities.

*He noohanga aahuru, he iwi whai ora, he hapori
tuuhono tahi.*

By working together, we will ensure that we meet
present and future needs, so our district is the kind of
place we all want for generations to come.

Community outcomes | Ngaa putanga aa-hapori

We are responsible for improving the wellbeing of our community. Our community outcomes let us define what wellbeing means and how Council and the wider community can contribute to this. They're aspirational statements and recognise that other agencies, and the community itself, will need to play a part in meeting those goals.

In early 2023, we undertook a review of our community outcomes. We asked our communities to define what wellbeing meant to them, and to share what was important to them now and in the future. Based on community feedback, we developed a new set of community outcomes aligned with the four wellbeing pillars described in the Local Government Act 2002: cultural, economic, environmental and social.

Our community outcomes describe what we want to achieve for the Waikato District in the future.



Cultural - Ahurea

We celebrate who we are.
Ka whakanui i too maatou katoa.

We celebrate all cultures. We treasure our diverse communities and acknowledge our cultural rights and obligations. We honour, understand and implement Te Tiriti o Waitangi and acknowledge the relationship with mana whenua of our district.

Ka whakanui maatou i ngaa ahurea katoa. Ka maimoatia e taatou te kanorautanga o oo maatou hapori me te whakamaanawa hoki i aa maatou mootika aa-ahurea me oona herenga katoa. Ka whakahoonore, ka maarama, ka whakatinana hoki maatou i Te Tiriti o Waitangi me te whakanui hoki i te hononga ki ngaa mana whenua o too taatou takiwaa.



Economic - Ohaoa

We support local prosperity.
Ka tautoko maatou i te hokura aa-rohe.

We champion sustainable growth in our local economy. We support local enterprise and encourage innovation and socio-economic prosperity for all while managing regulatory processes to protect and promote our unique district. We acknowledge our rural and Maaori economies as key contributors to our district's prosperity and sustainability.

Ka maatua kookiri maatou i te tupunga toituu i too taatou ohaoa aa-rohe. Ka tautoko maatou i ngaa hinonga aa-rohe, ka akiaki anoo hoki i te aronga hou me te hokura aa-hapori moo te katoa, kei whakahaere ana i ngaa haatepe kia tiaki, kia whakatairanga hoki i o too taatou takiwaa rongomaiwhiti. Ka whakamaanawa maatou i aa maatou ohaoa aa-rohe, ohaoa aa-Maaori hoki hei kaiaawhina matua moo te toituutanga me te hokura oo too taatou takiwaa.



Social - Paapori

We have well connected communities.
He hononga whitake katoa o oo maatou hapori.

Our communities are connected, safe, accessible and resilient. We put community wellbeing at the heart of our decisions and we embrace partnerships to get things done to improve people's lives.

Kua honohono katoa oo taatou hapori, e noho haumarua ana, e waatea ana, e manawaroa ana hoki. Ko te oranga aa-hapori kei te pito o aa maatou whakatau, aa, e kauawhi ana maatou i te rangapuu mahitahi kia piki ake ai te kounga o too te hunga tangata ora.



Environmental - Taiao

Our environmental health underpins the health of our people.

Ka taunaki too maatou oranga aa-taiao i te oranga o oo taatou iwi.

We want waterways which are healthy and create connections. We protect and enhance our soil, water and native biodiversity and take care of our Taiao (natural environment) for the health and wellbeing of our people, our communities and for future generations.

E hiahia ana maatou ki ngaa arawai ora, ki ngaa arawai whai hononga. Ka tiaki, ka whakahaumako hoki maatou i aa maatou oneone, wai me te kanorau koiora Maaori, aa, ka tiaki hoki i too taatou Taiao (taiao maaori) moo te hauora me te oranga o oo taatou iwi, oo taatou hapori o aa taatou uri whakatupu hoki.

Strategic priorities | Ngaa rautaki whakaarotau

A key building block to developing an LTP is reviewing our strategic priorities to provide focus and guide our work programmes. These six strategic priorities, reviewed in June 2023, helped us prioritise our investment to ensure the immediate needs of our communities are met.

The strategic priorities are:



Building community resilience *Te whakatupu i te manawaroa aa-hapori*

We will prioritise the wellbeing of our district by building and supporting strong and resilient communities.

Ka maatua whakaarotau maatou i te oranga o too maatou takiwaa maa te waihanga me te tautoko i ngaa hapori e kaha ana, ngaa hapori e manawaroa ana.

We will partner with communities to address climate change, natural disasters and social change. We will do this by connecting volunteers, businesses, communities, agencies, and by providing relevant information and protecting our critical infrastructure.

Ka mahi ngaatahi maatou i te taha o ngaa hapori ki te koorero moo te aahuarangi hurihuri, aituaa Maaori me te panoni paapori. Ka peenei aa maatou mahi maa te honohono i ngaa tuuao, i ngaa pakihi, i ngaa hapori me ngaa umanga, ka whakaputa hoki i ngaa moohiohio whai paanga me te tiaki anoo hoki i too maatou tuuaahanga maataamua.



Building relationships *Te whakatupu whanaungatanga*

We are committed to building strong partnerships. *E uu ana maatou ki te whakatupu i ngaa rangapuu mahitahi kaha.*

We will work with our communities, stakeholders and governance to tell our stories, learn from each other and build a shared sense of belonging.

Ka mahi ngaatahi maatou me oo maatou hapori, ngaa kiripaanga me te mana urungi ki te whakapuaki i a maatou koorero, ka ako tahi maatou, ka whakatupu i teenei mea te noho huaanga moo te katoa.

We will uphold Te Tiriti o Waitangi.

Ka tautiinei maatou i Te Tiriti o Waitangi.

We will foster and strengthen relationships within and between our communities, respecting cultural heritage and embracing diversity.

Ka whakatiitina, ka whakapakari i te whanaungatanga ki roto, ki waenga hoki i oo maatou hapori, te whakaute i te ahurea tuku iho me te tauawhi i te kanorautanga.



Consistent delivery of core services *Te tuku tonu i ngaa ratonga maataamua*

Council will focus on reliable and essential services that keep our community safe and resilient.

Ka aro puu te Kaunihera ki ngaa ratonga pono me ngaa ratonga whitake e haumarua ai, e manawaroa ai te noho o too taatou hapori.

We will ensure our current levels of service for core assets and services such as roading, parks and open spaces, waste collection, and water services, meet agreed standards and will seek to improve animal control, rural roadside amenity, and safety measures.

Ka whakatuuturu maatou kia eke katoa aa maatou ratonga hua maataamua me ngaa ratonga peenei i ngaa mahi aa-rori, ngaa papa reehia me ngaa waahi waatea, te kohinga para me ngaa ratonga wai hoki ki ngaa paerewa matatika, ka mutu, e whai ana kia whakawhanake ai i ngaa ture kararehe, te tukuora tuawhenua me ngaa haumarutanga.



Improving Council responsiveness *Te whakawhanake i te urupare a te Kaunihera*

Council will improve its responsiveness and communication to communities and customers.

Ka whakawhanake te Kaunihera i oona urupare me toona whakawhitinga koorero ki ngaa hapori me ngaa kiritaki.

We will keep you informed about our work and services, what you can expect from us, and respond to requests in a timely manner. We aim to listen and engage with you on issues that matter most, and ensure your voices are heard and represented in our decisions.

Ka whakamoohio atu maatou ki a koe i aa maatou mahi me aa maatou ratonga, he aha aa maatou kawatau, me te whakahoki koorero ki ngaa tono i te waa e tika ana. Ko taa maatou tino whaainga kia whakarongo me te whai waahi atu ki a koe me ngaa take nui ahakoa he aha, ka mutu, ka maatua whakarite kia rongohia too reo, aa, ka whakaatu atu maa roto mai i aa maatou whakatau.

Improving connectivity Te whakawhanake aaheinga

Our district is easy to explore, and communities are connected and well-informed.

He ngaawari noa te torotoro i too maatou takiwaa, aa, e maatua moohio ana, e honohono katoa ana o maatou hapori.

We are committed to improving connectivity within and between settlements to create a more accessible and connected district. We will make it easy for you to engage in what's important to you, to access information about what's happening locally, and promote local attractions and events.

E uu ana maatou ki te whakawhanake i ngaa aaheinga whakahono i roto, i waenganui hoki i ngaa nohoanga kia waihangatia ai hei takiwaa waatea, hei takiwaa honohono. Ka whakangaawari ake maatou i teenei aahuatanga e pai ai too whai waahi mai ki te toha i ngaa mea e tino whai tikanga ana ki a koe, e whai waahi ai koe ki ngaa moohiohio moo ngaa kaupapa ka tuu i te hapori me te whakatairanga i ngaa taiopenga me ngaa kaupapa a te hapori.

Supporting sustainable growth Te tautoko i te whanaketanga toituu

We plan for growth in a sustainable and responsible way, ensuring we preserve our local heritage and sense of community.

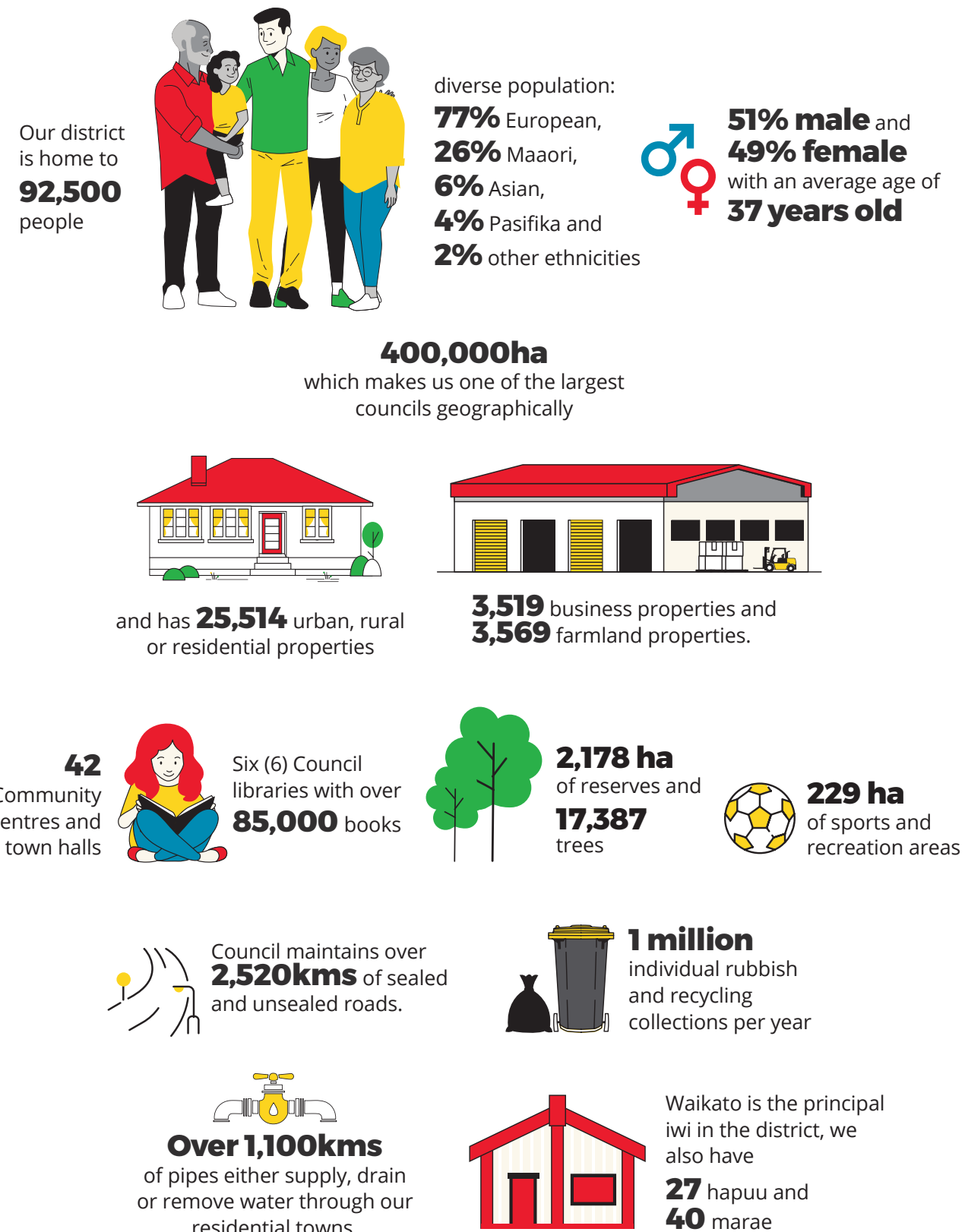
E maatua whakarite ana maatou kia tupu tuutika, kia tupu toituu kia tau ai hoki ko te tiakanga oo aa maatou taonga tuku iho aa-hapori me te noho aa-hapori.

We will focus on existing and planned growth nodes throughout the district and explore funding tools to ensure that economic and residential growth benefits our communities. We will work with you to create a vibrant and active district while managing regulatory processes to preserve our unique identity.

Ka tino arotahi maatou ki te tupu o ngaa tiipona kua whakaritea keetia puta noa i te takiwaa, me te tuuhura anoo hoki i eetahi puutea kia moohiotia ai he painga too te tipu ohaoha me te tipu o te taupori ki oo taatou hapori. Ka mahi tahi taaua ki te waihanga i teetahi takiwaa ngangahu me teetahi takiwaa whitawhita me te whakahaere anoo i ngaa tikanga ki te tiaki i too maatou tuakiritanga ahurei.

Our district at a glance

Ka maatai te titiro ki too taatou takiwaa



Facilitating Maaori Participation

Te whakauru i a ngai Maaori

Te Kaunihera aa-Takiwaa o Waikato/Waikato District Council recognises its role in upholding the Crown's responsibilities under Te Tiriti o Waitangi, and is committed to creating genuine, enduring partnerships with whaanau, marae, hapuu, iwi, and Maaori communities across the Waikato district.

The Local Government Act 2002 (LGA) sets out specific requirements for councils to support Maaori participation in local decision-making. In general terms, these provisions include:

- Establishing and maintaining processes to provide opportunities for Maaori to contribute to decision-making processes.
- Considering ways to foster the development of Maaori capacity to contribute to the decision-making processes of the local authority.
- Providing relevant information to Maaori.

The Waikato district's population includes 26% Maaori¹. Council's area of responsibility spans across the majority of the traditional takiwaa (territory) of the iwi of Waikato. This includes 27 hapuu and 40 marae.

Historically, a relatively low number of submissions have been received to our Long Term and Annual Plans from those who identify as Maaori. Council recognises this disparity and is committed to improving how we engage and support greater input from Maaori communities for all engagement activities.

Alongside our obligations through Treaty settlement legislation, Council has also identified key focus areas to help drive meaningful Maaori participation across the district:

- Strengthening strategic partnerships with iwi and Maaori organisations
- Maaori community voice and engagement
- Building cultural capability and understanding within Council
- Uplifting Te Ao Maaori in community life.

Strengthening Strategic Partnerships with Iwi and Maaori Organisations

Council's Joint Management Agreements (JMAs) with Waikato-Tainui and Te Nehenehenui give effect to Treaty settlement legislation and support iwi participation in natural resource management. These partnerships ensure iwi values, aspirations, and Te Tiriti commitments are embedded in Council's planning and environmental decision-making.

- The Waikato-Tainui JMA (2010) supports co-management of the Waikato River and is guided by Te Ture Whaimana o te Awa o Waikato – The Vision and Strategy for the Waikato River.
- The Te Nehenehenui JMA (2013) upholds joint work to restore and protect the Waipaa River under the Ngā Wai o Maniapoto (Waipā River) Act 2012.

These agreements contribute directly to our community outcomes by enabling shared governance, protecting environmental wellbeing, and strengthening long-term relationships with iwi.

Council is also partnering with iwi to grow local economies through initiatives like Takitini, our refreshed economic development brand. This includes supporting Maaori business participation in Council procurement and workforce development projects.

Maaori Community Voice and Engagement

Council is committed to creating safe and inclusive spaces where Maaori voices are heard, respected, and reflected in the decisions that affect their lives and whenua. Strengthening Maaori community engagement helps Council build deeper relationships and deliver outcomes that matter.

Through initiatives like the Toituu Marae and Toituu Hapori forums, Council is connecting directly with Maaori communities, to ensure their perspectives help shape Council's mahi. These forums help keep Maaori regularly informed of Council activities,

providing updates on key issues and opportunities to get involved. More information about Toituu Marae can be found on page 31.

Council is also working alongside marae to build resilience. The Marae Resilience Strategy supports marae to prepare for and respond to emergencies in a way that is grounded in tikanga and Te Tiriti.

Developed in alignment with our Joint Management Agreement with Waikato-Tainui, this strategy recognises the leadership role marae play during times of crisis and supports them to identify their own aspirations – whether as civil defence centres, distribution points, or partners in response planning. More information about the work Council is doing on marae resilience can be found on page 38.

Building Cultural Capability and Understanding within Council

Council is strengthening its cultural capability to support more meaningful relationships with Maaori. By embedding Te Tiriti o Waitangi, te reo Maaori, and tikanga into the way we work, we're building a stronger foundation for partnership, ensuring Council decisions are informed by a deeper understanding of Te Ao Maaori.

Our internal framework, Te Arotau, guides this approach. It provides practical tools and training to help staff, elected members and Council partners to engage respectfully and confidently.

In addition, creating a support network for Maaori staff will help extend the capability and capacity of our organisation. More information about Te Arotau can be found on page 31.

Uplifting Te Ao Maaori in Community Life

Council acknowledges that Maaori culture, practices and knowledge systems are living, visible parts of the Waikato district. Principles like kaitiakitanga (guardianship) play a key role in Council's responsibilities to protect and enhance the taiao (environment) for all our communities. To read about the work Council is doing to support



communities to take action in response to climate change refer to page 20. You can also read about Council's Waste Management and Minimisation Plan on page 26.

Through legislative frameworks like Te Ture Whaimana o Te Awa o Waikato - the vision and strategy for the Waikato River – Council has an obligation to balance growth with the needs of our environment. This was factored into Council's decision when forming IAWAI Flowing Waters with Hamilton City Council to deliver water services. More information about this can be found on page 22.

By delivering Council and community-led projects that strengthen identity, and reflect the stories of tangata whenua, we're taking steps to safeguard the historical narratives for future generations. Institutes like the Kiingitanga (Maaori King Movement) are interwoven into the legacy of the Waikato district.

¹ Statistics New Zealand

Our response to a changing climate

Too maatou urupare ki ngaa panonitanga aahuarangi

New Zealand is expected to experience further increases in temperature and extreme weather events. In response, Council is focused on improving the resilience of our infrastructure, and on building a resilient district by supporting communities to mitigate and adapt to the impacts of climate change, to preserve our economy, environment, and way of life.

We know that extreme weather events are going to become more frequent and severe, so we need to be better prepared. Council is taking an all-hazards approach to climate change by considering it in existing plans, projects, and decision-making processes to help protect our communities.

In 2024, Council adopted a Climate Response and Resilience Strategy which guides our response to climate change. The principles of this strategy are:

- **Future focused** – focusing on building resilience into our infrastructure and supporting our communities to do the same.
- **Community centred** – focusing on local communities and their unique needs when addressing climate change impacts and developing solutions; considering social, economic, cultural, and environmental impacts.
- **Evidence based** – ensuring our responses are relevant, and evidence based through research and understanding.
- **Interconnected** – ensuring our response values Te Ao Maaori and the concept of interconnectedness of our people and environment.

Our action

Council is committed to reducing the risk of climate change by cutting greenhouse gas emissions and building resilience across our operations. We have set a target to reduce our emissions by 50% by 2030. So far, we have consistently reduced emissions each year and are on track to exceed our operational 15% reduction target for the 2024/25 year.

- To support this, we are undertaking a range of actions, including:
- Benchmarking, tracking, and reporting on greenhouse gas emissions levels annually.
 - Building resilience in our infrastructure delivery; at the planning, design and project implementation phases.
 - Ensuring compliance with national standards.
 - Building our capability and capacity to manage emergencies when they do happen and supporting community-led response arrangements.

Council works in partnership with industry, other councils, government agencies, local community groups, marae, hapuu, and iwi, and local businesses to respond and adapt to climate change. Together, we aim to create a positive and resilient future for the district.

The primary sector makes up around 50% of the Waikato district's GDP and is vulnerable to climate impacts such as heatwaves and drought. Council needs to consider how a changing climate will impact livelihoods, the economy, wellbeing and health, and the environment.

Council acknowledges Te Ture Whaimana o te Awa o Waikato and recognises the strategic, cultural, social, economic, and environmental importance of the Waikato River for our district.

Council is committed to working with communities to understand local priorities and support the development of community adaptation plans in areas of vulnerability. We are increasing our capability to assess climate risks and future projections to better understand how our people, infrastructure and assets may be affected.

To read about the work we are undertaking over the next two years, refer to page 37.

Section two

Key Decisions

Ngaa Whakataunga Matua

Formal consultation ran from 11 April to 11 May 2025 on Council's 2025-2034 LTP, and other related proposals. These included:

- Changes to Community Halls
- Waste services changes
- Development Contributions Policy
- 2025-2027 Fees and Charges
- Waste Minimisation and Management Plan.

A total of 555 submissions were received on these topics and 65 submitters presented their views to Council at hearings on 20 and 21 May 2025.

During the consultation period the consultation document and supporting documents were available on Council's website. We raised awareness of consultation through various channels including social media posts, information at Council offices, libraries and online at Council's 'Say It' page, newsletters, direct mail drops and media releases. A total of 30 face-to-face events were held, as well as four online events. This included three face-to-face and one online engagement session with local hapuu and marae. Letters were also sent to targeted rate payers where a proposal impacted them directly.

Councillors considered all feedback during deliberations on 27 and 28 May 2025 and made decisions on each of the proposals. Council was able to make budget changes in response to community feedback without increasing rates further. For the 2025/26 year, average rates will increase between 4.25% and 11%. Rates are made up of general rates, a uniform annual general charge, and targeted rates. The exact increase will vary depending on a property's location, type, value, and the services it receives.

A summary of those decisions is provided over the page.

Delivery of water services

New Zealand faces growing challenges in providing sustainable and affordable water services due to infrastructure limitations, environmental obligations, historic underinvestment, climate change, and the pressures of population growth.

Government launched its reform programme ‘Local Water Done Well’ in 2023, which places several new requirements on Council, and once fully enacted will transform the way water is managed in New Zealand. As part of this programme we were required to consult on how water services are delivered to the community. Both Council and Hamilton City Council consulted with their respective communities on the future delivery of water services, with each council presenting two options for consideration. The two options for Council were:

- 1 Option 1: (preferred option) A joint Hamilton City Council and Waikato District Council water services Council Controlled Organisation (CCO).
- 2 Option 2: A version of the Status Quo using an external contractor.

A total of 143 submissions were received in relation to waters matters. 107 (75%) submitters support Option 1 (preferred option) and 36 (25%) support Option 2 (status quo).

Both Councils agreed to establish a joint Hamilton City Council and Waikato District Council CCO, IAWAI Flowing Waters, to deliver water services from 1 July 2026. This joint CCO will own our water and wastewater assets and be responsible for delivering those services. In addition, the joint CCO will also provide stormwater services under contract to both councils.

IAWAI Flowing Waters, will enable Council to deliver safe, financially sustainable and reliable water services across the district. It will honour Te Tiriti o Waitangi, Te Ture Whaimana o te Awa o Waikato and continue to build upon the established relationships Council has developed with marae, hapuu and iwi. This includes future discussions on how coastal water bodies are recognised.

An establishment Board will be created to oversee the transition from the current water services administered by the two councils and Watercare to the CCO by 1 July 2026.

Following the decision of both councils to proceed with the Joint CCO, a Joint Water Services Delivery Plan is being prepared which will provide clear direction as to how the services will be delivered by the CCO and that those services will be financially sustainable by 30 June 2028.

Other water matters

Council received eight submissions requesting co-investment with developers in trunk water and wastewater infrastructure to support growth in Te Kowhai. Council agrees further planning and funding is required to enable the existing Te Kowhai village to connect to the network which is currently reliant on septic systems. This area is identified in the Waikato District Plan, and in the Future Proof Strategy as a medium-term growth area (2020–2030).

Council directed staff to finalise investigations in 2025/26 (year 1) for providing adequate capacity and funding. Additionally, Council will advocate for this work to be included in the CCO Water Services Strategy.

Road maintenance

Road maintenance is funded by a mix of rates and NZ Transport Agency Waka Kotahi (NZTA) subsidy. Due to rising costs of raw materials like bitumen, oil, and concrete, maintaining roads has become more expensive. As a result, we cannot do as much work as before with the money we have.

Last year, Council submitted its 2024-2027 work plan to NZTA, requesting additional funding compared to previous years due to increased costs and the need for improvements to the quality of our roads. While we did not receive full funding for all identified local road projects, we were allocated \$134.6 million over the three years which is the total cost to deliver maintenance on our local road network. This amount is more than we have received in previous years.

In late 2024 we carried out early engagement on our 2025-2034 LTP and asked the community if they wanted us to allocate more funds to road maintenance over the next two years, without having NZTA fund 51% of the cost. The community survey results were varied, but the feedback clearly showed that having a safe, reliable roading network is important to residents.

As a result, we asked the community for feedback on two options for the delivery of roading maintenance over the next two years as part of the LTP consultation:

- 1 Option 1: (preferred option) Council would not fund additional maintenance on our roading network without the associated subsidy from NZTA for the next two years.
- 2 Option 2: Council would increase the level of maintenance on the district’s roading network over the next two years using money we collect from rates only which would see more work done on our roads, such as extra line marking, pothole repairs, sign maintenance and replacements, street lighting repairs, vegetation control, spraying and clearance.

A total of 197 submissions were received for delivery of roading maintenance. 100 (51%) submitters support Option 1 (status quo and preferred option) and 97 (49%) support Option 2.

Council agreed to not fund additional maintenance on our roading network without the associated subsidy from NZTA for the next two years. Factored into this decision were various comments received which highlight the financial pressure our communities are facing. This decision will see the current level of service continue.

Community Halls

There are 34 Council-owned community halls in our district, each funded by a targeted rate on properties within their catchment areas. This ensures ongoing maintenance and supports the important role halls play in our communities.

Each year, hall committees can review their targeted rates to ensure they cover costs and address any upcoming maintenance. This year, nine committees requested changes, outlined below.

Whatawhata Hall

Whatawhata Hall Committee requested that the hall catchment be made larger by 92 additional dwellings to reflect the households who use the hall and are part of the Whatawahata community. The community were provided with two options during consultation:

- 1 Option 1: (status quo) Leave the Whatawhata Hall catchment boundary as it currently is.
- 2 Option 2: (preferred option) Extend the Whatawhata Hall catchment boundary.

A total of 44 submissions were received for changes to Whatawhata Hall, this included those that live outside the Whatawhata Hall catchment. Eighteen (41%) submitters support Option 1 (status quo) and 26 (59%) support Option 2 (preferred option).

Council agreed to extend the Whatawhata Hall catchment boundary from 1 July 2025, with a revised targeted rate for existing properties, as well as new properties, of \$52 per annum.

Ruawaro Hall

Following early engagement and feedback received from the Ruawaro community, Council consulted alongside the LTP proposing to deconstruct the Ruawaro Hall, repurpose and recycle materials from the building into a war memorial, and turn the land into a recreational space for the community.

A total of 40 submissions were received for changes to Ruawaro Hall. Twenty-four (65%) submitters supported deconstruction of the Ruawaro Hall and 13 (35%) opposed the deconstruction of the Ruawaro Hall.

Council agreed to cease charging a targeted rate from 30 June 2025 and use funds accumulated over the last few years to fund the building of a war memorial. General rate funding will be used to deconstruct the hall and turn the land into a recreational space.

Other Halls

A number of other hall committees requested changes to their hall targeted rates. While there were no specific questions asked in relation to these changes, there was an opportunity for the community to tell us their thoughts.

Feedback indicated the community were relatively supportive of the targeted rate changes proposed by the hall committee, and Council agreed to change the targeted rate for the community halls as outlined in the table below from 1 July 2025.

Hall name	Current targeted rate (per year)	New targeted rate (per year)
Eureka Hall	\$35	\$60
Huntly War Memorial Hall	\$8	\$25
Puketaha Memorial Hall	\$38	\$45
Naike Hall	\$40.89	\$80
Pukekawa Community Hall	\$45	\$55
Maramarua Hall	\$24	\$37
Glen Murray Hall	\$50	\$70
Opuatia Hall	\$32	\$35

In addition, the targeted rate for the Naike Hall will transfer to the Naike Community Centre. This hall was recently renovated by the community to become a self-funded wellness centre. Adjacent to it is the Naike Community Centre, now used as a community facility. The transfer of funds will provide for ongoing maintenance of the Naike Community Centre.

Waste services

We need to work together as a community to manage rubbish and recycling responsibly, as waste can harm both people and the environment. Since the last review of Council's waste and recycling services in 2018, costs for landfill, fuel, labour, and recycling processing have risen significantly, making waste disposal more expensive.

Alongside LTP consultation, we asked the community for feedback on the proposals outlined below to better meet community needs, ensure consistency across the district and create cost efficiencies.

Changes for Te Aakau

Council does not provide a rubbish or recycling collection for the community of Te Aakau. This community of approximately 280 households currently do not pay a targeted rate for council waste services and manage their own rubbish and recycling.

Following feedback from the Te Aakau community, Council proposed to set up a monthly recycling drop-off, similar to the service currently provided in Glen Murray. The community were provided two options during consultation:

- 1 Option 1: (preferred option) A new monthly recycling drop off event for Te Aakau to improve recycling in the area from July 2027.
- 2 Option 2: (status quo) Members of the Te Aakau community continue to manage their rubbish and recycling privately without any rating impact.

A total of 93 submissions were received for changes to Te Aakau waste services. Fifty-one (57%) submitters support Option 1 (preferred option) and 40 (43%) support Option 2 (status quo).

Council agreed to implement the Te Aakau drop-off service and bring it forward from July 2027 to July 2025 due to community feedback. The start date and further information will be communicated with the residents in the catchment. The first two years of the service is intended to be paid for through the Waste Minimisation Levy, with the targeted rate starting July 2027 as proposed.

Changes for Island Block Road

Council does not provide a rubbish or recycling collection for the community on Island Block Road (Meremere). This community of approximately 30 households currently do not pay a targeted rate for council waste services and manage their own rubbish and recycling.

Council proposed to extend the weekly rubbish and recycling collection services to include Island Block Road residents. The community was provided with two options during consultation:

- 1 Option 1: (preferred option) Island Block Road to receive a weekly rubbish and recycling service from July 2025.
- 1 Option 2: (status quo) Residents of Island Block Road will continue to manage their rubbish and recycling privately without any rating impact.

A total of 79 submissions were received for changes for Island Block Road waste services. Fifty-four (68%) submitters support Option 1 (preferred option) and 25 (32%) support Option 2 (status quo).

Council agreed to extend the weekly rubbish and recycling collection service to include Island Block Road residents from 1 July 2025.

Price increase for rubbish stickers and bin tags

As part of early engagement last year, we asked the community for feedback on how we charge for rubbish collection.

The weekly Council waste service is paid for by a mixed funding model, with some of the costs being paid for by a targeted rate called “rubbish and recycling” on your rates invoice. With the remainder of the costs being paid for with the income from the user-pays stickers and tags sales. The two payments together pay for the full cost of the rubbish service.

Overall, the costs of providing waste services have increased dramatically over recent years due to landfill fees, fuel and labour expenses, inflation, and other factors.

For example, landfill fees have increased from \$81 a tonne in 2018 to \$191 a tonne now.

These costs have primarily been covered through targeted rates increases, while ‘user pays’ (the sticker and tag price) has remained the same, and so accounting for a smaller portion of the rising service costs.

The majority of people that provided feedback, supported increasing the personal responsibility around rubbish costs, through increasing the proportion of cost covered by the ‘user pays’ stickers and tags. Council informed the community about an increase in the rubbish bag stickers (from \$1.50 to \$3.00 per sticker) and wheelie bin tags (from \$3.00 to \$6.00 per tag), from 1 July 2025.

This change will result in a new sticker and tag being required to put on rubbish bags and bins respectively. Council will work with retailers and the community to ensure a smooth transition.

Additional recycling crate

Council currently supplies two recycling crates to all eligible households, excluding Raglan. The capacity of these recycling crates is less than offered by most other councils.

To provide more opportunities for households to recycle rather than send waste to landfill, and following feedback received during early engagement, Council agreed to provide an additional recycling crate for glass from 1 July 2027 at a cost of \$7 per annum. This will start from 1 July 2026 to cover the cost of purchasing the crates (set-up costs).

Waste collection changed in Tuakau

Currently, parts of Tuakau receive a wheelie bin rubbish collection service. This wheelie bin service originated from the Franklin District Council prior to Tuakau becoming part of Waikato District in 2010. To improve cost efficiency in future contracts, Council is looking to provide a consistent rubbish bag service across the district. Switching to rubbish bags also supports efforts to reduce landfill waste. Households using wheelie bins typically produce around 120kg more waste per year compared to those using rubbish bags.

Residential households

Council informed the community about residential households in Tuakau moving from the current wheelie bin rubbish service to rubbish bag collection, in line with the rest of the district from 1 July 2027.

We received strong feedback from the Tuakau community against the service change, including a petition of 454 signatures.

Based on this community feedback, Council agreed to continue the current Tuakau wheelie bin service. If bins are damaged or if new properties are built, Council will continue to provide new / replacement bins. Staff will investigate options and engage with the community through the 2026/27 Annual Plan process (in early 2026) to explore waste services options and funding models for Tuakau residents with a focus on reducing waste to landfill.

Commercial properties

Around 200 businesses in Tuakau currently use the council's residential rubbish and recycling service. Council agreed to cease waste collection services to commercial properties in Tuakau from 1 July 2027. It is important to note that businesses outside Tuakau do not receive council-provided waste services. Aligning Tuakau businesses with the rest of the district ensures consistency.

Development Contributions Policy 2025

As a growing district, it is important that we have the right infrastructure above and below ground to cater for more people living and working in our communities.

Council's Development Contributions Policy sets out how much money developers or property owners must contribute towards new infrastructure when they are undertaking new residential, commercial or industrial developments.

Council asked the community for feedback on the proposed changes to the Development Contributions Policy, including specific questions relating to how retirement villages and additional dwellings are assessed for development contributions.

No changes were made to what was proposed during consultation and Council approved the policy. In doing so Council asked staff to further investigate how we can support and enable development of Maaori-owned land.

Although Council approved the policy wording changes, we are planning to review development contribution charges later, using updated growth forecasts and informed by government reform direction and Council's water services decisions. For now, the 2021 Development Contributions Policy Enhanced Annual Plan fees will continue to be used with an inflation adjustment from 1 July 2025.

Fees and Charges Schedule

Council asked the community for feedback on the proposed changes to the Fees and Charges Schedule for 2025/26 and 2026/27.

Major changes included were in relation to:

- Building consents, food businesses, roading – changing the cost of charges to accurately reflect the cost of delivering the service.
- Resource consents – simplifying the way we charge fees to give customers more certainty about the cost.
- Major events – additional charge for events with more than 2,000 attendees or events that take place over multiple days.
- Priority infrastructure development advisory service – offering a new user-pays priority advisory service.
- Rubbish and recycling services – increasing the sticker and tag price to accurately reflect the cost of delivering the service. All changes relating to waste services can be seen on page 24.

There were also more minor changes proposed to fees in relation to cemetery memorial permit fees, building control, planning charges, Land Information Memorandum, funeral director registration fee, alcohol licensing and staff charges.

Two changes were made to the Fees and Charges Schedule for 2025/26 and 2026/27. These included:

- Water by meter charge was corrected to \$2.59 and \$2.85 per cube for 2025/26 and 2026/27 respectively and in line with the 2025-2034 Long Term Plan Consultation.
- Water Supply service connection and authorisation fee was changed to \$13,952.11 in 2025/26 and \$14,441.23 in 2026/27 per house hold equivalent unit. This fee has been updated to remove trickle feed and non trickle feed into one connection and authorisation fee.

Waste Minimisation and Management Plan 2025-2031

The Waste Minimisation Act 2008 gives councils the responsibility to promote effective and efficient waste management and requires them to adopt a waste minimisation and management plan which much be reviewed every six years.

Council asked the community for feedback on the proposed Waste Minimisation and Management Plan alongside LTP consultation. In response to

submissions, including those from mana whenua, minor amendments were made to the draft Waste Minimisation and Management Plan. The plan will be adopted alongside the LTP on 30 June 2025.

Other matters

Feedback received through submissions resulted in the following changes to other topics that weren't specifically included in the consultation material.

Museums

Council proposed to allocate \$80,000 to the three museums in the district (Huntly, Tuakau and Raglan). This funding is a contribution to the overall costs of running the museums. Each museum also relies on volunteer support and funding from other sources.

After receiving feedback through submissions, Council agreed to increase the funding envelope to \$95,000 per annum from 2025/26.

Funding to other entities

Council is committed to supporting economic and community development by working with regional and national partners to help businesses grow, attract investment, and create job opportunities.

Council agreed to increase the funding to Hamilton Waikato Tourism from \$121,500 to \$150,000 for each year of the next two years (inflation adjusted). Funding reverts to \$121,500 in year 2027/28 but will be reviewed during the 2027-2037 LTP.

Council agreed to provide \$28,500 funding to Waikato Screen in 2025/26.



Groups of Activities

Ngaa Huinga Kaupapa

How to read this section
Ka peewhea te paanui i teenei waahanga

This section of the LTP describes our Groups of Activities (GOA), explaining what we do, why we undertake these activities, and how we plan to fund it. Within each GOA, work is structured into individual activities.

Each GOA includes the following sections

What we do
This section provides a brief description of the activities and services within the GOA.

Why we undertake these activities
This section provides a brief description of the objectives or purpose of the activities within the GOA. In other words, it explains what our communities gain from us carrying out these activities.

How these activities improve wellbeing
This section describes how the activities within the GOA contribute to the Council's community outcomes:
Cultural – *Ahurea*, Economic – *Ohaoha*, Environmental – *Taiao*, and Social – *Paapori* and strategic priorities: Building community resilience | *Te whakatupu i te manawaroa aa-hapori*, Building relationships | *Te whakatupu whanaungatanga*, Consistent delivery of core services | *Te tuku tonu i ngaa ratonga maataamua*, Improving Council

responsiveness | *Te whakawhanake i te urupare a te Kaunihera*, Improving connectivity | *Te whakawhanake aaheinga*, Supporting sustainable growth | *Te tautoko i te whanaketanga toituu*.

What we are going to do
This section describes the work programmes planned in detail for year 1 (2025/26) and year 2 (2026/27) and key highlights for years 3-9 for each GOA.

Key projects
This section identifies the key projects planned for year 1 (2025/26) and year 2 (2026/27) as well as key highlights for years 3-9 for each GOA.

Levels of service and performance measures
Finally, this section describes the key services we will deliver to the community, how we will measure our performance and specific targets.

Significant negative effects
Identifies potential significant negative effects caused by the activity and how we are addressing these.

Financial summary
Outlines the cost of service and expenditure by activity.

What's important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Baseline result	Targets
Outlines the key services and outputs we aim to provide to the community.	Notes the benefits that the community can expect to receive from our services.	Identifies specific outputs we wish to achieve.	Performance measure result from prior years.	Lists the performance target against which the provision of specified levels of service is meaningfully assessed per year.

Our customer promise *He kupu taurangi*

Our customer promise highlights our commitment to our customers and our communities, and that continually improving our customer experience is an ongoing priority for Council.

- Our commitment - we will:**
- Listen, understand and treat you with respect
 - Communicate by using plain language
 - Ensure your experience with us is effortless, with easy-to-use and accessible digital tools and services

- Continuously work to improve our services through customer feedback and innovation
- Respond to enquiries as quickly as possible or within set timeframes.

How will we achieve this?
To help us effectively manage requests for service, we have developed response timeframes for different types of requests based on urgency. Most service requests fall into the following timeframes. Where a performance measure aligns with these timeframes, this has been noted against the measure.

Our service level timeframes

Category	Response target	Completion target	Description
1-hour urgent	We will respond within 1 hour.	The issue will be fixed or mitigated within 4 hours.	High-priority issues that require immediate attention, such as those posing a significant risk to public safety.
4-hour urgent	We will respond within 4 hours.	The issue will be fixed or mitigated within 8 hours.	Urgent situations that require prompt action to minimise risk or disruption.
5-day routine	We will respond within 5 working days.	The issue will typically be resolved within 5 working days.	Routine maintenance or non-urgent issues that can be addressed within standard timeframes.
Assessment required	We will begin investigating the issue within 5 working days.	After assessment, we will set an expected completion target date and communicate this with the customer.	Complex issues requiring further evaluation. Once assessed, we will update the service request with the expected completion date and keep you informed.

For more information, including the types of requests that sit within each category, refer to our website [Our customer promise](#).

Governance
Mana Whakahaere

- These activities include:
Council and Democracy
Cultural Partnerships

What we do
This group of activities is dedicated to promoting local democracy, supporting elected officials, and managing local elections. Our commitment extends to working with whaanau, marae, hapuu, iwi and Maaori communities to develop and maintain meaningful partnerships and provide opportunities for participation in decision-making, as well as upholding Te Ao Maaori, and ensuring Te Tiriti o Waitangi principles are embedded across the organisation.

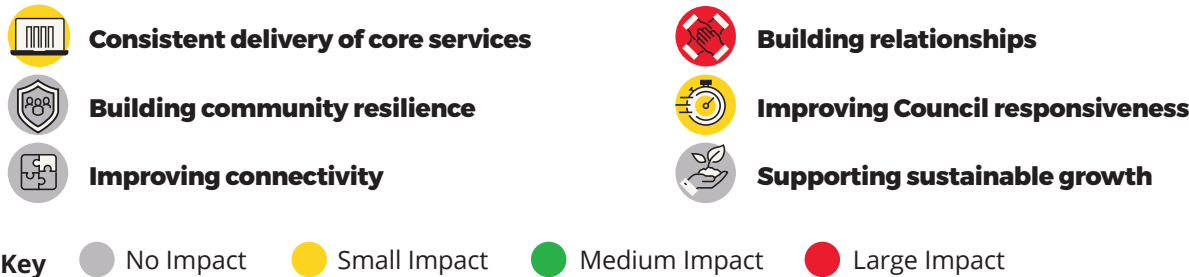
Why we undertake these activities
The purpose of these activities is to facilitate democratic decision-making and direction setting by and for our communities. This includes engaging with Maaori throughout our work programmes to help deliver on our mutual aspirations for the Waikato District. By supporting elected members in

their roles, we are ensuring they can make well-informed and robust decisions that promote our community's social, economic, environmental, and cultural wellbeing.
Through our work in these activities, we aim to uphold our formal obligations under Te Tiriti o Waitangi and our Joint Management Agreements (JMA). We also aim to ensure the collective history of Maaori and all others who call our district home is acknowledged and celebrated, while strengthening relationships and delivering improved outcomes for everyone.
How these activities improve wellbeing
These activities support and contribute to all four of our community outcomes, by ensuring community wellbeing in all its facets is at the forefront of decision-making.
These activities provide opportunities for communities to engage with Council, enabling them to share their future aspirations and identify how the work we do can help support the achievement of outcomes that make a difference in their lives.
The activities also help to ensure that our district's strong cultural heritage is considered and reflected in our work.

Level of alignment to Community Outcomes



Level of alignment to Strategic Priorities



What we are going to do

Council and Democracy
Over the next two years the Council and Democracy activity will be focused on the 2025 Elections, and the review of our representation arrangements which sets out the boundaries for the Local Government elections in 2028 and 2031.
Planning is well under way for the 2025 Local Government Elections which will take place later this year, opening on Tuesday 9 September and closing at midday on Saturday 11 October 2025. We are currently raising awareness of the local government election within the district, encouraging people to both vote, and consider standing for elected roles.
Work is also continuing on our governance meetings software system (Resolve) that allows our community to more easily engage with Council meetings, by using tools like livestreaming.
Cultural Partnerships
In the coming years within existing budgets, Council will focus on delivering practical, community-led initiatives that enhance engagement, grow cultural understanding, and support our shared Treaty commitments.
The Toituu Marae forum and its annual workplan will be fully implemented by the end of 2025. This

enables the district's 40 marae to engage directly with Council. Development of Toituu Hapori, a complementary forum for wider Maaori community engagement, will also continue, alongside investment in communication tools like the Toituu Paanui to support these platforms.
Throughout 2025-2026, Council will roll out Te Arotau, our internal cultural appreciation framework designed to guide respectful and informed engagement between Council staff and Maaori. This includes content on Te Tiriti o Waitangi, tikanga, and te reo Maaori. Establishing Te Kaahui Aronui, Council's kaimahi Maaori/Maaori staff network will also act as a key enabler to grow internal capability and capacity.
We will continue to advance Treaty settlement outcomes through our Joint Management Agreements with Waikato-Tainui and Te Nehenehenui and actively support both Council-led and community-led events that celebrate Te Ao Maaori - including the unique role of the Kiingitanga (the Maaori King Movement).
Council has identified key focus areas to help drive meaningful Maaori participation across the district. To read about these focus areas and the work we are doing across Council to deliver on them, refer to the Facilitating Maaori Participation section on page 18.

Key projects

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Council and Democracy				
Elections	Management of local government elections.	195,923	-	946,503
Cultural Partnerships				
Toituu Marae forum	Forum facilitation to enable direct engagement with the district's 40 marae.	50,000	51,250	389,856

Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Council and Democracy						
Reliability - The community can expect information on the decisions Council is making to be available.	We will ensure that our Council agendas are delivered in line with legislative timeframes.	Percentage of Council agendas for all open meetings that are publicly available within legislative timeframes.	2023/24: 100%.	98%	98%	98% per year
Representation – The community can expect Councillors to be engaged in district and local community issues.	Councillors will participate in formal meetings that they are appointed to.	The number of appointed councillors that attend 75 per cent of scheduled council meetings, council committee meetings and community board and supported community committee meetings. * *Excludes meetings where the councillor is on other council business.	New measure.	14	14	14 per year
Reliability - The community can expect open and transparent information sharing.	We will ensure that official information is provided as requested in a timely manner.	Percentage of official information requests responded to within statutory timeframes. *	New measure.	95%	95%	95%

*Our service level timeframes for responding to official information requests is within 20 days.

Cultural Partnerships						
Quality - The community can expect Council to work with our marae, hapuu, iwi and Maaori communities to achieve mutually beneficial outcomes.	We will facilitate partnerships with marae that encourage them to actively participate and engage with Council.	Percentage of marae* in the district participating in Council's Toituu Marae forum.	New measure.	25%	30%	40%

*There are currently 40 marae in the district.

**Based on the two forums held to date.

Significant Negative Effects

Significant negative effect	Mitigation
There are no significant negative effects identified for the Governance group of activities.	



A forecast for nine years ending 30 June 2034

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
9,767	9,712	9,757	10,355	10,385	10,304	11,014
297	301	306	311	316	321	326
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,762	2,831	2,897	2,951	3,013	3,073	3,133
-	-	-	-	-	-	-
14	194	14	14	194	14	14
12,839	13,038	12,974	13,631	13,908	13,712	14,487
4,149	4,419	4,151	4,367	4,743	4,372	4,675
-	-	-	-	-	-	-
8,510	8,439	8,643	9,084	8,983	9,157	9,627
177	177	177	177	177	177	177
12,836	13,036	12,971	13,628	13,904	13,706	14,479
2	3	3	3	4	5	7
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2	3	3	3	4	5	7
-	-	-	-	-	-	-
2	3	3	3	4	5	7
(2)	(3)	(3)	(3)	(4)	(5)	(7)
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Sustainable Communities

Toituutanga Hapori

- These activities include:
- Economic and Community Development
 - Open Spaces
 - Property and Community Facilities
 - Community Resilience
 - Customer Experience

What we do

These activities focus on supporting our communities through the provision of leisure options and by strengthening community resilience and protecting the enduring nature of our communities. Additionally, we support economic development in our district to enrich people's lives through fostering local employment opportunities and improved quality of life.

Why we undertake these activities

We do these activities to improve people's lives and livelihoods in our communities, strengthening their ability to live, work, and play in a way that they want

to, and to prepare for and recover from emergency events when they occur. Through these activities, we ensure that people can speak to Council when they need to and are well supported to access our services.

How these activities improve wellbeing

These activities primarily contribute to our economic and social wellbeing outcomes by providing leisure options and support for community-led initiatives. They also promote quality of life and broader economic development opportunities for local employment through promoting and supporting business growth and sustainability.

These activities support Council's responsibility for increasing citizen-led democracy and improved community outcomes for residents through supporting our community boards, committees and local community groups.

These activities contribute to cultural wellbeing by working in partnership and consultation with Maaori to ensure our shared aspirations for the district are brought to life.

What we are going to do

Economic and Community Development

Over the next two years Council will continue to promote the district as an attractive location for investors and businesses. We will partner with sector groups to identify opportunities to support business development and quality employment opportunities.

Through our work programme, we will:

- Continue to work with our four district wide sector groups (tourism, manufacturing, primary industries, and construction), focusing on workforce development and business growth and sustainability.
- Continue to work alongside the Rural Economic Advisory Panel to support the rural economy.
- Support community initiatives that celebrate and preserve local identity and our unique cultural heritage, while promoting ways to share these with visitors to enhance tourism and increase visitation.
- Align with our regional partners so we can measure the economic and social impact of their investment for our communities.
- Continue to work across the district to support local communities, boards, and committees to achieve their aspirations for improved social, cultural, and heritage outcomes.
- Provide community training programmes to community groups to upskill them in governance, funding, and broader community engagement.
- Continue to support the significant tourism development opportunities that exist in our communities through funding to Hamilton Waikato Tourism. A particular focus will be on building up rural tourism to expand opportunities for the sector.

Open Spaces

In the coming years the open spaces activity will focus primarily on planned renewals of existing assets and the completion of projects currently in progress. A small number of new projects are scheduled including upgrades to sports field lighting and surface/turf improvements across the district.

Some of the key projects that will be undertaken include:

- Phased delivery of the Pookeno Sports Park, including a destination playground, pathways and

amenities, and the development of a recreational hub starting with the skatepark.

- Te Huinga o Ngaa Wai (the Point) and Kiingitanga Reserve Improvement project, including extension of the Te Awa cycleway to Waingaro bridge.
- Development of the Maatangi Recreation Reserve masterplan and delivery of multiuse sports courts.
- Prioritisation and purchasing of neighbourhood parks within high growth urban areas across the district.

It should also be noted that tenders for the district wide maintenance and management contract across all Council-owned parks and reserves will open in early 2026 with a view to a new contract being in place in July 2026.

Property and Community Facilities

The property and community facilities activity will continue to provide, manage and maintain key district wide facilities and properties that bring our communities together. We will ensure that Council's assets meet the needs of the community and support the ongoing use of essential infrastructure.

Key projects that will be completed in the coming years include:

- Construction of the Pookeno Hub/Library will start in 2025/26. The facility is intended to be used as a library and Council service hub, with additional community spaces available for public use.
- Design for the Ngaaruawaahia Hub/Library on the old Waipa Tavern site has started. This project is expected to be completed in the next four years.
- Review of our current property portfolio to ensure Council-owned properties align with the evolving needs of our communities. We will also continue to purchase property where needed for the ongoing delivery of infrastructure to meet community growth.

Community Resilience

Council is taking an integrated approach to climate change by combining mitigation, adaptation, emergency planning and sustainability to strengthen community resilience and enhance preparedness. To read more about how we are adapting to a changing climate, refer to page 20.

Level of alignment to Community Outcomes



Key ● Contributes to ● Primary focus

Level of alignment to Strategic Priorities



Key ● No Impact ● Small Impact ● Medium Impact ● Large Impact

We remain focused on reducing greenhouse gas emissions and improving our sustainability performance. This includes increasing energy efficiency and achieving related cost savings across Council.

Over the next two years, we will focus on delivering adaptive mangemange planning with prioritised affected communities. This nationally recognised best-practice approach supports communities to plan for future environmental changes and make informed decisions over time.

We will continue to work with partners, including Waikato Regional Council, to develop shared approaches to things like assessing climate-related risk This will help us better understand the challenges our district may face and how to respond effectively.

Over the next two years, we will focus on implementing our Climate Response and Resilience Strategy, turning commitments into practical action across our organisation and communities.

Over the past several years we have been focused on the establishment of community response plans. Now we are going to focus on their sustainability and maturity by working with communities to build their understanding of the emergency management system, enabling easier interactions with emergency structures during an emergency event, and empowering local leadership and ownership of response planning.

We are supporting a marae-owned data tool that will inform both short-term decision-making and long-term resilience planning. The tool will collect and hold information and act as a communication platform, helping marae tell their own stories and shape their own strategies in a way that is evidence-based and data-driven. As part of this we will provide education and training so marae are supported to use the tool.

We will also be working alongside marae to strengthen their understanding of the emergency management system, and co-develop plans and arrangements that enable active, confident participation when emergencies happen.

We will be working to continuously improve our own capability to respond to emergencies. Over the next two years, we'll be focusing more on increasing our understanding of the hazard risks and consequences we face in our district and making sure that understanding is built into both our existing and new planning.

Customer Experience

Improving our overall customer service experience is an ongoing priority over the coming years for Council's customer experience activity. We are enhancing our service responsiveness through improved digital communication channels and introducing more automation to support empowering our customers to self-serve and to provide more real-time feedback on how we are doing and where we might need to improve.

We are also improving our internal operations through tools and systems that will reduce manual, time-consuming processes and deliver an improved, consistent experience for our customers. Our frontline and customer delivery staff are available in our libraries, offices, on the phone, and online via our contact centre. They are dedicated to helping our customers and communities with any issues or questions about our services, and support and resolve daily general enquiries at the first point of contact.

Our Customer Service Charter and Standards are designed to support staff and contractors with a collective understanding for what a consistently good customer service experience looks like at Council. They underpin our commitment to being a customer-centric organisation delivering a timely, effortless, and respectful customer experience.

Key projects

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Open Spaces				
Ngaaruawaahia parks and reserves	Improvements to The Point and Kingiitanga Reserve in Ngaaruawaahia to improve functionality and connectivity.	915,500	-	-
Tuakau parks and reserves	Improvements to parks and reserves in Tuakau for freedom camping upgrades.	-	-	214,535
Boat ramp improvements	Ensuring boat ramps across the district are compliant.	200,000	205,400	667,923
District wide playgrounds	District wide playground renewals replacing ageing equipment.	-	627,908	4,798,345
District wide parks and reserves	Ongoing replacement of parks and reserves ageing/damaged infrastructure to ensure service levels are maintained.	-	3,272,479	25,007,618
Te Kowhai Sportspark development	Development of access and minor infrastructure to allow for interim community use.	400,154	-	2,513,582
District wide walkways	New trails and walkways as per the Trails Strategy. Priority trails identified in the Connectivity Strategy.	408,117	433,026	3,734,941
District wide sports courts renewals	Ongoing maintenance and upgrades of court facilities across the district.	318,947	327,559	2,503,137
District wide sports lighting renewals	Sportsground lighting renewals to ensure continued service levels and long-term sustainability.	33,688	298,465	1,395,138
District wide amenity reserve acquisition and development	Reserve acquisition, planning, and development to meet requirements for green space and district plan provisions.	1,426,600	2,930,246	14,785,183
Tamahere walkways	Continuing Tamahere walkway development within the gully network.	225,574	247,892	-
Property and Community Facilities				
Ngaaruawaahia Library	Feasibility study for the future Ngaaruawaahia library/community hub.	540,015	-	-
	Building of the new Ngaaruawaahia library/community hub.	-	3,340,440	3,437,498
Raglan Library	Feasibility study for upgrading the Raglan Library.	-	117,482	-
Pookeno Library	Building of the new Pookeno library/community hub.	3,240,087	-	-
Strategic property acquisitions	To enable the purchase of properties required by Council for current and future strategic needs.	1,635,200	1,685,891	13,065,736
Town specific pool improvements	Maintenance and improvements to Huntly, Ngaaruawaahia, and Tuakau pools.	5,770	-	299,273
District wide toilets	District wide delivery of new and upgraded toilets on a priority basis.	598,541	648,163	5,354,475

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Community Resilience				
Enviroschools Programme	Empowering youth to become active environmental citizens with participation from 26 schools district wide.	43,488	48,764	403,609
Adaptive management planning	Delivering adaptive management planning with prioritised communities.	71,470	73,257	557,260
Customer Experience				
Library books	Purchasing of new book supply/updates for libraries district wide.	482,287	497,237	3,230,772

Level of Service and Performance Measures

What is important for this activity <i>(major aspects)</i>	What the community can expect from us <i>(level of service)</i>	How we will measure our performance <i>(performance measure)</i>	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Economic and Community Development						
Quality- The community can expect opportunities to bring businesses and people together to promote local employment opportunities and community connect- edness.	We will facilitate events that bring businesses and communities together to increase economic and community development.	Number of econom- ic and community development* related events held. *Economic and community develop- ment events include business networking, workforce develop- ment, community capability building and network funding events.	New measure.	>6	>6	>6 per annum
Open Spaces						
Accessibility – The community will have adequate access to open spaces.	We will ensure that the commu- nity has access to parks within existing residential neighbourhoods, and plan for new residential growth areas.	Total area of Council managed open space available for recreation. * *Includes all publicly accessible land which is either owned or managed by Council.	New measure.	4.6 hectares per head of 1000 popula- tion	4.6 hectares per head of 1000 popula- tion	4.6 hectares per head of 1000 popula- tion
Quality – The community can expect parks and reserves to be fit for purpose and encourage commu- nity connectedness	We will ensure that parks and reserves are functional, safe, and well maintained.	The percentage of parks and reserves that are maintained to the agreed standard. *	2023/24: 90%.	90% of con- tracted standards	90% of con- tracted standards	90% of con- tracted standards per annum
		* The agreed service standard is outlined with the contractor require- ments and includes works such as maintenance of gardens, hard surface areas / courts, litter bins at reserves, mowing, weekly playground assessments and maintenance, sports fields, and any reactive works including damage repair, graffiti, reactive mowing, and line marking.				

Level of Service and Performance Measures

What is important for this activity <i>(major aspects)</i>	What the community can expect from us <i>(level of service)</i>	How we will measure our performance <i>(performance measure)</i>	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Property and Community Facilities						
Quality – The community can expect Council to provide public toilets that are accessible and fit for purpose.	We will ensure the community can use toilets that are well maintained, safe and accessible.	Public toilets are maintained to the agreed standard. *	2023/24: 98%.	85% of actions in the audit are met	85% of actions in the audit are met	85% of actions in the audit are met

* The agreed service standard is outlined with the contractor and includes actions such as ensuring the toilet is working, that there is running water, any tagging has been reported, adequate lighting and the building and gardens are maintained, as well as cleaning of the interior of the building. This work is assessed by conducting quarterly audits of maintenance and cleaning work.

There is no performance measure for the strategic property activity as the work the community see from this service is delivered by other activities across the organisation.

Community Resilience						
Sustainabil- ity – The community has the tools to build resilience in response to climate change.	We will work with commu- nities living in vulnerable locations to provide guidance and support on the impacts of climate change.	Communities in at risk locations will be supported to undertake adaptation plan- ning or resilience actions.	New measure.	Deliver four resilience or adaptation workshops to at risk communities.	Deliver six resilience or adaptation workshops to at risk communities.	Continue to deliver ongo- ing education programmes and improved resources to at risk communities.
Safety – The community can rely on Council to support them to understand their role in an emergency event.	We will work with individual communities to ensure they are ready to respond in an emergency.	Existing commu- nity response plans are re- viewed, updated or tested every year.	New measure.	80% of all response plans	80% of all response plans	80% of all response plans
Safety – The community can rely on Council to respond effectively in an emergency event.	Council is resilient and ready to respond in the event of an emergen- cy.	The evaluation of annual exercise* as a measure of effectiveness of training delivery. **	2023/24: 66%.	Score of >70% from evaluation	Score of >70% from evaluation	Score of >70% from evalua- tion per year
<p>* If within six months of a planned assessment, a Coordination Centre has been activated and an after-action report (AAR) has been produced, there is no requirement to conduct the planned assessment. An assessment will instead then be performed on the activation efficiency based on the outcome of debriefs conducted by the nominated assessor(s).</p> <p>**Mandatory Civil Defence Emergency Management performance measure for Councils in the Waikato.</p>						

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Customer Experience						
Customer service – The community can expect consistent quality customer service.	We will ensure the community receives customer support that aligns with their expectations.	How easy is it to conduct business with Council. * *Measured on a scale of 1-5, 5 being high effort and averaged across all responses. Source: Resident Satisfaction Survey	2023/24: 2.6.	2.5 or less	2.5 or less	2.5 or less
Reliability / responsiveness – The community can expect Council to respond and complete service requests within a reasonable time.	We will ensure all service requests are responded to and completed within agreed timeframes.	The overall percentage of service requests* responded** to by Council within the agreed timeframes. ***	New measure.	85%	87%	88%
		The overall percentage of service requests* completed by Council within the agreed timeframes. ***	New measure.	78%	80%	82%
<p>* A service request is a formal or informal communication from a customer to request assistance, support, or action from Council.</p> <p>** A response to the specific service request, rather than an automated acknowledgement.</p> <p>*** These measures report on all service requests received by Council that are responded to and completed following the timeframe types outlined in the service level timeframes table.</p>						
Accessibility - The community can access our online information as and when they want it via a range of channels.	We will ensure our digital tools are up and running.	The percentage of time our customer digital tools* are available within hours of service. *Digital tools include the contact centre platform, website, customer portal, payment gateway and Antenno.	New measure.	98.5%	98.5%	98.5%
Quality – The community can expect our libraries to offer quality resources.	We will ensure all libraries offer a range of resources which enhance learning, research and provide entertainment.	Level of customer satisfaction that the quality of libraries resources meets their needs* *Measured in a six-monthly inhouse customer survey.	2023/24: 73.5%.	90%	90%	90%

Significant Negative Effects

Significant negative effect	Mitigation
Open Spaces	
Damage to property and harm to people from falling trees and branches.	Tree maintenance programme is delivered in accordance with industry standards. Increased asset data to capture age and condition of trees to allow proactive maintenance.
Noise and disorderly behaviour issues from events and general use of reserves.	Events applications are managed in alignment with Council's terms and conditions of hire. Bollards and signage installed to discourage undesirable behaviour, such as motorbikes and vehicles on reserves.
There are no potential significant risks associated with the Economic and Community Development, Property and Community Facilities, Community Resilience and Customer Experience activities.	



Prospective Funding Impact Statement - Sustainable Communities

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	37,279	38,829	40,648
Targeted rates	828	1,104	1,119
Subsidies and grants for operating purposes	131	158	158
Fees and charges	2,127	2,427	2,421
Internal charges and overheads recovered	416	2,812	2,910
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	3,106	3,438	4,171
Total Operating Funding	43,887	48,768	51,427
Applications of Operating Funding			
Payments to staff and suppliers	23,941	31,254	32,247
Finance costs	-	-	-
Internal charges and overheads applied	9,845	10,144	11,169
Other operating funding applications	1,648	2,033	2,073
Total Applications of Operating Funding	35,434	43,431	45,490
Surplus (deficit) of operating funding	8,453	5,337	5,937
Sources of Capital Funding			
Subsidies and grants for capital expenditure	587	-	-
Development and financial contributions	3,198	1,526	1,787
Increase (decrease) in debt	11,563	11,367	6,189
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding	15,348	12,893	7,976
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	275	-	-
- to improve the level of service	6,545	6,455	6,598
- to replace existing assets	8,233	7,400	7,498
Increase (decrease) in reserves	8,748	4,375	(183)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding	23,801	18,231	13,913
Surplus (deficit) of capital funding	(8,453)	(5,337)	(5,937)
Funding balance	-	-	-
Depreciation and amortisation		7,229	7,545

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
42,206	43,775	45,203	46,211	47,339	48,517	49,993
1,134	1,149	1,163	1,178	1,193	1,208	1,223
158	158	158	158	158	158	158
2,421	2,420	2,420	2,417	2,417	2,417	2,417
2,994	3,073	3,158	3,237	3,326	3,420	3,481
-	-	-	-	-	-	-
3,838	3,997	4,161	4,331	4,526	4,733	4,949
52,751	54,571	56,264	57,533	58,959	60,453	62,221
33,162	33,939	34,854	35,584	36,424	37,278	38,152
-	-	-	-	-	-	-
12,038	12,615	13,020	13,203	13,555	14,000	14,837
2,045	2,082	2,149	2,148	2,181	2,251	2,238
47,245	48,636	50,023	50,935	52,160	53,529	55,228
5,506	5,935	6,241	6,598	6,799	6,924	6,993
2,012	1,902	1,845	1,723	1,727	2,248	4,086
1,755	2,986	3,157	2,788	2,956	3,028	3,126
8,143	7,345	5,458	5,748	4,694	5,447	6,691
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,909	12,232	10,460	10,259	9,377	10,723	13,903
1,139	1,871	1,619	1,088	1,168	1,266	2,762
11,682	8,656	8,541	8,992	6,737	7,800	9,976
7,782	7,764	6,884	6,895	6,791	7,243	7,951
(3,188)	(125)	(344)	(119)	1,480	1,337	208
-	-	-	-	-	-	-
17,415	18,167	16,700	16,857	16,176	17,646	20,896
(5,506)	(5,935)	(6,241)	(6,598)	(6,799)	(6,924)	(6,993)
-	-	-	-	-	-	-
7,854	8,363	8,781	9,134	9,443	9,591	9,887

Sustainable Environment

Toituutanga Taiao

- These activities include:
- Regulatory Services
 - Consenting
 - Strategic and Spatial Planning
 - Waste Management

What we do

These activities are all about improving environmental outcomes and public health and safety. Within these activities we plan, regulate, monitor and consent with a strategic focus on providing an integrated approach to delivering sustainable, attractive, affordable, and safe living options. We also manage and minimise waste in the district, and manage land use, growth, and support our regional partnerships.

Why we undertake these activities

These activities protect the amenity and resilience of our district so that it is an enjoyable and safe place

to live and visit. They also actively work to protect public health and safety and to ensure resources are used sustainably and responsibly and do not threaten environmental quality.

Through these activities, we also aim to align our planning processes with national and regional requirements and the aspirations and needs of our communities so that they see themselves reflected in our mahi (work).

How these activities improve wellbeing

These activities primarily contribute to environmental wellbeing by providing services that improve environmental outcomes from planning processes, regulation and monitoring to community education.

These activities also contribute to economic and social wellbeing as core components and drivers for our strategic and district planning. Cultural wellbeing is woven through all work programmes and approaches.

What we are going to do

Regulatory Services

Regulatory services continue to deliver essential activity which is made up of animal control, environmental health and monitoring functions. To keep our community safe, Council will continue to:

- Minimise the danger, distress and nuisance caused by dogs in our community by encouraging responsible dog ownership and community safety through monitoring and responding to complaints.
- Focus on increasing dog registration numbers and public education as part of our engagement programmes targeting high-risk communities.
- Promote good stock management practices to minimise wandering stock by working with stock owners at high risk or frequent incident locations.
- Ensure food outlets maintain high food safety standards by auditing all registered food premises and aim to reduce alcohol related harm by ensuring alcohol outlets are compliant with regulations. We will also continue to manage noise and nuisance complaints, hazardous substances, and contaminated sites.
- Monitor resource consent conditions of all active land use consents to ensure that there is compliance with legislation and the protection of people, properties and landforms are maintained.
- Conduct parking patrols in communities that have parking control requirements.

To ensure we have adequate space to cater for impounded dogs following the Pukekohe pound lease ending in June 2024, renovations to the Ngaaruwaahia pound are scheduled in 2025 and a new pound is being built in Tuakau. This new pound will be located at the same site as the new Tuakau Resource Recovery Centre which is expected to be completed in 2026. The renovation and new build will better service the community, provide additional kennelling capacity as well as improved animal welfare and staff safety.

Consenting

The resource consenting component of this activity will continue to process land use and subdivision consents, and other related approvals required under legislation. This includes meeting timeframes and ensuring that charges customers pay are reasonable. We are reducing the use of external

contractors and focusing on increasing efficiencies through business process automation. This includes improvements to the duty planner service to make it more streamlined and responsive to customer needs. We will also be implementing improved processes to coordinate the management of our subdivision post approval activities, specifically for larger subdivisions.

The building quality component of this activity will continue to ensure that buildings in our district comply with legislation, that swimming pool fencing is inspected, building consents are processed, and construction inspections are complete. We are committed to reducing the use of external contractors and focus on increasing efficiencies in our activities through business process automation.

In addition, we will continue to ensure that the provision of property and land information to customers is consistent with legislation as well as the issuing of property numbers and recorded land hazard information to ensure that people and their property are not subject to unacceptable risks following subdivision, development, and use of land.

Strategic and Spatial Planning

In the coming years this activity will continue to support the work of the Future Proof sub-regional partnership by working collaboratively and across geographic boundaries to develop an economically successful, socially responsible, environmentally sustainable, and thriving Waikato sub-region.

At a district level, we will start to review our Growth and Economic Development Strategy (Waikato 2070) in 2025 so that it continues to support the wellbeing of our evolving district. We will also develop a new strategy, which aims to support the evolving needs of the rural sector of our district, by March 2026.

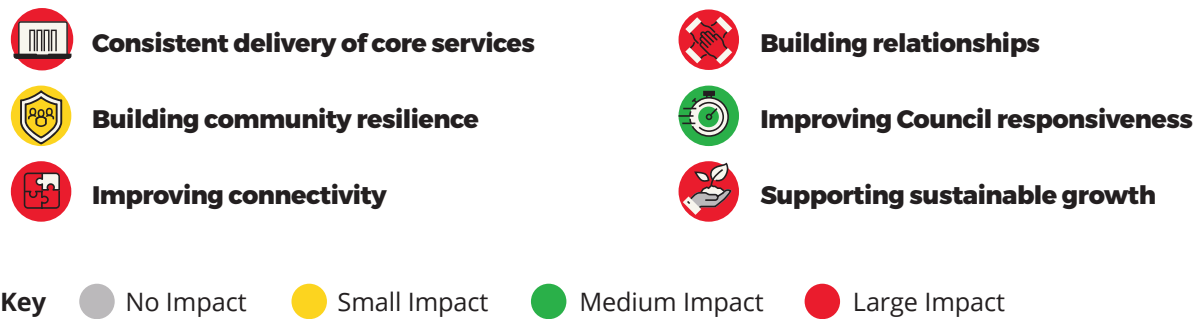
We will continue work to resolve appeals against the decisions on the Proposed District Plan, with the aim of adopting the District Plan as fully operative as soon as possible. We will increase our focus on making future improvements and changes to the new district plan.

We are supporting the implementation of the Fast-track Approvals Act 2024, working in conjunction with the applicants, planning and preparing to

Level of alignment to Community Outcomes



Level of alignment to Strategic Priorities



enable servicing for these developments. We will also work with Hamilton City Council to give effect to our Strategic Boundary Agreement for identified growth areas around the city.

We will prepare for, and work to implement the government’s reform of the planning system.

Waste Management

The waste management activity is preparing to have new waste contracts in place across the district by July 2027. Several changes will be made to rubbish and recycling services district wide and to services for individual communities.

The last time Council reviewed our waste and recycling services was in 2018. Since then, things have changed. The costs associated with landfill fees, fuel, and labour have all risen dramatically. It costs more to collect and process recycling from homes, and it costs more to dispose of the waste.

Alongside LTP consultation, we asked the community for feedback on our waste services to better meet their needs, ensure consistency across the district and create cost efficiencies. You can read detailed information about these changes, along with information on how we engaged with the community in the key decisions section on page 21.

A summary of the proposals included in community consultation and other waste service changes across the district are noted below.

District wide changes

- Rubbish bag stickers will increase from \$1.50 to \$3.00 per sticker and wheelie bin tags will increase from \$3.00 to \$6.00 per tag, from 1 July 2025.
- To provide more opportunities for households to recycle, an additional recycling crate will be provided for glass recycling for households receiving a recycling service from 1 July 2027.

Individual community changes

- **Te Aakau:** A new monthly recycling drop-off event for Te Aakau will be introduced to improve access to recycling in the area from July 2025. The start date and further information will be communicated with the residents in the catchment.

- **Island Block Road, Meremere:** Residents on Island Block Road who previously did not receive a Council waste service will join the weekly waste and recycling service from July 2025.
- **Tuakau residential rubbish service:** The current wheelie bin rubbish service will continue. If bins are damaged or if new properties are built, Council will continue to provide new / replacement bins. Staff will investigate options and engage with the community through the 2026/27 Annual Plan (in early 2026) to explore waste services options and funding models for Tuakau residents with a focus on reducing waste to landfill.
- **Tuakau commercial rubbish service:** Around 200 businesses who currently receive council waste services in Tuakau will need to arrange their own waste disposal and recycling through a commercial waste provider from 1 July 2027.
- **Tuakau recovery centre:** A new resource recovery centre will be built in Tuakau to service the northern part of the Waikato District This is expected to be completed and open for public use by 2027.
- **Raglan:** We are currently reviewing the waste services for the rural community around Raglan and this will be consulted on with affected residents in early 2026 as part of the 2026/27 Annual Plan.

In addition to the service changes, we are working to put in place the Waste Minimisation and Management Plan 2025-2031 (WMMP). The WMMP aims to achieve several waste minimisation outcomes including creating a litter bin policy, enabling greater kaitiakitanga approaches to waste minimisation, participating in solutions for rural waste minimisation, reduced organic material ending up in landfill, support the diversion of construction and demolition waste, and enable the use of waste as a resource. Many of the actions in this plan are funded by the Ministry for the Environment Waste Disposal Levy.

The team will also focus on developing a solid waste bylaw and participating in the development of a regional waste operators licensing system. We will also continue to undertake compositional waste audits to build knowledge on waste types, volumes and movements.

Key Projects

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Waste management				
Transfer stations capital works	Improving the condition of transfer stations across the district on a priority basis.	108,003	111,351	862,974
Resource recovery centre upgrade	Upgrade of the McVie Road (Huntly) Resource Recovery Centre to improve site efficiency and safety.	32,400	33,405	258,890
New resource recovery centre	Building of the North Waikato Resource Recovery Centre in Tuakau to provide improved waste options for residents in this area.	1,533,000	-	-
Strategic and Spatial Planning				
Spatial Planning Software	Investment in software that simulates how the district might grow, to test planning scenarios and infrastructure decisions.	-	-	1,086,700



Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Regulatory Services						
Quality – The community can rely on us to encourage responsible dog ownership.	We will ensure that known dogs in the district are registered.	The percentage of known dogs currently registered.	2023/24: 80.5%.	85%	87%	90%
Responsiveness – The community can rely on us to respond when there is a threat to public health and safety.	We will provide a prompt response time to requests for animal control.	The percentage of aggressive dog behaviour complaints, where immediate risk to public safety is present, that Council respond to within one hour. *	2023/24: 98%.	95%	95%	95%
* Complaints included in this performance measure are categorised as a 1-hour urgent response type as outlined in the service level timeframes table.						
Quality - The community can expect food premises to be compliant with food related standards.	We will verify food premises to ensure they meet food standards.	The percentage of food verifications completed annually as required by legislation.	2023/24: 99%.	95%	95%	95%
Responsiveness – The community can rely on us to respond when there is a threat to public nuisance.	Complaints of excessive noise are responded to in a timely manner.	Percentage of excessive noise complaints responded to within agreed timeframes. * *Timeframes are dependent on the location of each complaint.	2023/24: 68%.	85%	86%	87%

Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Consenting						
Safety – The community can expect Council to conduct swimming pool fence inspections to safeguard our communities.	We will ensure that swimming pool fence inspections are conducted once every three years	The percentage of scheduled* swimming pool fences that are inspected for compliance. *All swimming pool fences are inspected once every three years.	2023/24: 100%.	100%	100%	100%
Safety – The community can expect sleeping care and paid accommodation establishments to have appropriate working safety systems.	We will ensure that audits of sleeping care and paid accommodation buildings occur annually.	The percentage of buildings that provide sleeping care or paid accommodation are audited for compliance annually.	2023/24: 100%.	100%	100%	100%
Safety – The community can expect commercial and industrial buildings to be compliant with safety standards.	We will ensure that audits of commercial and industrial buildings occur every three years.	The percentage of existing buildings with building WOFs that are monitored and audited for compliance. *All existing buildings with building WOFs are monitored once every three years.	2023/24: 100%.	100%	100%	100%
Reliability / responsiveness – The community can expect Council to process building consent applications in a timely manner.	We will ensure that building consent applications are processed within statutory timeframes.	The percentage of building consent applications that are processed within statutory timeframes.	2023/24: 89.4%.	95%	97%	98%
Reliability / responsiveness – The community can expect Council to process resource consent applications in a timely manner.	We will ensure that resource consent applications are processed within statutory timeframes.	The percentage of resource consent applications which are processed within statutory timeframes.	2023/24: 92.4%.	96%	98%	98%
Reliability / responsiveness – The community can expect Council to monitor compliance with land use consents.	We will ensure that conditions of land use consents are adhered to.	The percentage of live* land use consents monitored. *A land use consent that has ongoing requirements to monitor.	New measure.	85%	87%	90%

Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Strategic and Spatial Planning						
Sustainability – The community has access to land that has been appropriately zoned.	We will provide sufficient zoned land in areas suitable for development to cater for growth across the district.	The amount of land zoned* (supply) to cater for growth and development (demand) is in line with statutory requirements. ** *District Plan-enabled but not necessarily serviced or market-feasible. ** This measure is informed by the Housing Development Capacity Assessment approximately every three years. In the intervening years staff undertake an assessment using available internal data.	100%	100%	100%	100%
Waste Management						
Reliability/ responsiveness – The community can expect Council to collect kerbside rubbish and recycling to prevent it from becoming a health risk.	We will provide a reliable kerbside rubbish and recycling service.	The number of substantiated complaints received by Council about uncollected kerbside rubbish and recycling. *	2023/24: 382.	<350	<350	<350
*We service approximately 30,000 households per week across the district for rubbish and recycling (for Raglan this includes recycling and food scraps only).						
Sustainability – The community can expect Council to provide education and engagement opportunities relating to waste minimisation to improve behaviour and preserve our environment.	We will deliver an annual engagement programme with opportunities to learn or engage in waste minimisation.	Number of face-to-face engagements with the community relating to waste minimisation. * Face-to-face engagements mean people in workshops, participating in education for example. It also including pre-arranged engagements held virtually. But does not capture social media engagement.	New measure.	>1,100 people attended face-to-face engagements	>1,200 people attended face-to-face engagements	>1,300 people attended face-to-face engagements per year

Significant Negative Effects

Significant negative effect	Mitigation
Regulatory Services	
Attacking of animal control officers resulting in injury, by dogs, their owners, and livestock.	Continue to provide ongoing training and ensure the correct and required personal protection equipment is provided.
Dog owners disgruntled by enforcement action taken against them.	Professional and courteous enforcement.
Public injury risk from dog attacks.	Ensure animal control services are maintained at a level to ensure stray dogs are impounded and attacks responded to quickly.
Consenting	
Legislation is requiring more Council input into plan review and building inspection, which increases costs.	Council must react to new legislation but tries to limit the cost increase as much as possible.
Non-compliance requires Council to take offenders before the court.	Prosecution of blatant offences against the Building Act is necessary to reinforce compliance and maintain equity for those who obtain consents and fulfil statutory duty.
The time to process applications might be regarded as a delay to construction.	Improvement of systems is ongoing to ensure continual improvement in services.
Non-compliance with statutory requirements for the issuing of resource consents may cause delays.	Improvement of systems is ongoing to ensure continual improvement in services.
Strategic and Spatial Planning	
Planning may increase development costs, through compliance costs, development levies, or financial contributions.	Benefits flow back to developers from improved environmental quality, and provision and coordination of services such as infrastructure, and any net negative effect is not significant.
Inadequate or harsh monitoring of District Plan requirements may discourage development, affecting the economy in the district.	Apply a reasonable, concise, consistent monitoring process.
Waste Management	
There are no potential significant risks associated with the Waste Management activity.	

Prospective Funding Impact Statement - Sustainable Environment

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	13,491	14,278	14,871
Targeted rates	6,282	7,181	8,180
Subsidies and grants for operating purposes	-	-	-
Fees and charges	9,862	15,390	15,684
Internal charges and overheads recovered	840	951	988
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	4,785	5,366	5,520
Total Operating Funding	35,260	43,166	45,244
Applications of Operating Funding			
Payments to staff and suppliers	30,824	32,341	33,639
Finance costs	-	-	-
Internal charges and overheads applied	9,421	10,392	11,048
Other operating funding applications	46	16	17
Total Applications of Operating Funding	40,291	42,749	44,704
Surplus (deficit) of operating funding	(5,031)	417	540
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,232	1,690	161
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding	2,232	1,690	161
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	2,321	1,549	17
- to replace existing assets	585	228	195
Increase (decrease) in reserves	(5,705)	330	490
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding	(2,799)	2,106	702
Surplus (deficit) of capital funding	5,031	(417)	(540)
Funding balance	-	-	-
Depreciation and amortisation		257	313

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
15,991	16,586	17,123	17,203	17,721	18,193	18,830
9,321	10,618	12,093	13,771	15,679	17,850	20,320
-	-	-	-	-	-	-
15,956	16,225	16,397	16,566	16,723	16,888	17,006
1,033	1,057	1,073	1,076	1,087	1,106	1,123
-	-	-	-	-	-	-
5,527	5,536	5,539	5,546	5,546	5,555	5,559
47,828	50,022	52,224	54,161	56,757	59,592	62,839
34,177	35,045	35,568	35,940	36,852	41,394	42,151
-	-	-	-	-	-	-
11,758	11,942	12,034	11,975	12,081	12,188	12,222
17	15	15	16	17	17	17
45,952	47,003	47,617	47,932	48,950	53,598	54,391
1,876	3,020	4,607	6,230	7,807	5,994	8,448
-	-	-	-	-	-	-
-	-	-	-	-	-	-
166	170	175	179	183	187	191
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
166	170	175	179	183	187	191
-	-	-	-	-	-	-
-	-	-	-	-	-	-
17	18	18	19	19	19	20
225	244	523	230	243	224	322
1,800	2,928	4,240	6,160	7,727	5,937	8,298
-	-	-	-	-	-	-
2,042	3,190	4,781	6,408	7,990	6,181	8,639
(1,876)	(3,020)	(4,607)	(6,230)	(7,807)	(5,994)	(8,448)
-	-	-	-	-	-	-
317	322	328	342	346	350	354

Transport
Tuunuku Waka

These activities include:
● Transport

What we do

The transport activity provides a well-designed and fit-for-purpose transport network that gives people choices about how they move around our district. This includes urban and rural roads, footpaths, cycleways, and safe crossings within the roading corridor. This activity also supports the development of the public transport network.

Why we undertake these activities

Our transport network is a vital infrastructure that connects communities, essential services, and

supplies. Safe transport networks allow people to move around and through the district for work, education and leisure. We strive to support sustainability by providing equitable transport choices for our communities, especially for those who are transport-disadvantaged. Additionally, we aim to achieve our urban growth objectives while reducing congestion.

How these activities improve wellbeing

This activity primarily contributes to economic wellbeing by enabling connectivity to employment and education, and for commerce and industry. It also contributes to cultural, social, and environmental wellbeing by supporting connectivity in these areas, as well as safety and sustainability.

What we are going to do

Through this LTP our focus is on maintenance, renewals, and network resilience-type improvements. Alongside this, Council is doing what we can with the funding available to keep the roading network safe and accessible. The majority of this work will be delivered in partnership with our two new maintenance contract providers from 30 June 2025. For the northern part of our district, Higgins will manage the network, with Fulton Hogan in the south. This change follows a 10-year Alliance partnership between Council and Downer and supports us to deliver services with greater transparency and efficiency.

Last year, Council submitted its 2024-2027 work plan to NZTA, requesting additional funding compared to previous years due to increased costs and the need for improvements to the quality of our roads. While we did not receive full funding for all identified local road projects, we were allocated \$134.6 million over the three years which is the total cost to deliver maintenance on our local road network. This amount is more than we have received in previous years.

In late 2024 we carried out early engagement on our 2025-2034 LTP and asked the community if they wanted us to allocate more funds to road maintenance over the next two years, without

having NZTA fund 51% of the cost. The community survey results were varied, but the feedback clearly showed that having a safe, reliable roading network is important to residents.

As a result, we asked the community if they wanted to continue with the proposed maintenance programme that received NZTA subsidy of 51 per cent or invest more in maintenance on the roading network using money collected from rates. Feedback from the community told us that while residents value a high-quality roading network, they are also facing financial pressures. Council agreed to not fund additional maintenance on our roading network without the associated subsidy from NZTA for the next two years.

Over the first two years of the LTP, Council is unable to complete any new capital works projects as central government has not provided funding for this as part of the traditional funding round administered by NZTA. However, they are committed to economic development and are making alternate government funds available, such as resilience funds to improve the roading network. As a result, we are assuming funding will be received again in the later years of the LTP to continue our work programme. If we do not receive funding in years 3-9, we will consider the changes required to our capital works programme through the subsequent annual plan process.

Level of alignment to Community Outcomes



Cultural

We celebrate who we are



Economic

We support local prosperity



Social

We have well connected communities



Environmental

Our environmental health underpins the health of our people

Key ● Contributes to ● Primary focus

Level of alignment to Strategic Priorities



Consistent delivery of core services



Building community resilience



Improving connectivity



Building relationships



Improving Council responsiveness



Supporting sustainable growth

Key ● No Impact ● Small Impact ● Medium Impact ● Large Impact

Key projects

		Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Project	Description	Cost (\$)		
Transport				
District wide bridge and structure renewals	Improving the condition of bridges and structures across the district.	-	-	12,044,521
Bridge upgrades	Improving the condition to improve longevity of the Ohautira Road and Aka Aaka Road bridges.	-	-	816,516
Periodic re-metalling of unsealed roads	Ensure our unsealed network is safe to drive on.	1,217,259	1,238,312	9,486,624
Sealed road surfacing	Reduce long-term maintenance costs and improve safety.	856,809	1,010,580	7,722,640
District wide drainage renewals	Reduces flooding and slips resulting in road closures.	2,851,647	2,901,818	22,242,046
District wide pavement rehabilitation	Reduce long-term maintenance costs and improve safety.	6,484,345	6,594,705	50,514,615
District wide improvements	Improving road user experience with new signs, lines, and safety rails across the district.	763,385	776,823	5,954,278
Resilience programme works	Storm damage and/or slip repairs to roads to reinstate appropriate levels of service.	1,750,000	1,275,000	-
Emergency works	Emergency works to keep roads safe and usable following future weather events.	1,021,000	1,048,567	8,012,934

Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Transport						
Safety – The community can expect Council to maintain the roading network to the required safety standards.	We will ensure that the roading network is safe for all users.	The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number. ♦	2023/24: Increase by 1.	Reduction by 1 on the previous year	Reduction by 1 on the previous year	Reduction by 1 on the previous year
Quality – The community can expect Council to maintain the roading network to the required standard.	We will ensure that the roading network is maintained to a good operating condition.	The average quality of ride on a sealed local road network, measured by smooth travel exposure. ♦	2023/24: 92%.	92%	93%	94%
		The percentage of the sealed local road network that is resurfaced. ♦	2023/24: 3.3%.	Min 5%	Min 5%	Min 5%
		The percentage of footpaths that fall within the level of service or service standard for the condition of footpaths that is set out in the LTP. ♦ *	2023/24: 95.9%.	85%	Not applicable**	Measured in years 4 and 7: 85%**
*Works include essential maintenance and repairs to minimise trips, slips and falls relating to footpaths. **The Footpath Condition Rating survey is used to inform this result. This survey is undertaken on a three yearly basis.						
Reliability / responsiveness – The community can expect a response from Council within the specified timeframe.	We will ensure the community can contact us via their preferred channel.	The percentage of customer service requests relating to roads and footpaths responded to within the timeframe specified in the LTP. ♦ *	2023/24 Foot-paths: 100%, Roads: 99.7%.	95%	95%	95%

*Works include essential maintenance and repairs to minimise trips, slips and falls relating to footpaths.
**The Footpath Condition Rating survey is used to inform this result. This survey is undertaken on a three yearly basis.

♦ Mandatory measure.
* Service requests included in this performance measure are categorised as a 1-hour urgent, 4-hour urgent, 5-day routine and assessment required response types as outlined in the service level timeframes table.

Significant Negative Effects

Significant negative effect	Mitigation
Limited funding could reduce our ability to deliver the capital programme as well as renewals and maintenance required to maintain a safe roading network.	Council aims to manage assets strategically by ensuring the appropriate timing of maintenance and asset replacement to increase the expected lifespan of assets. Advocate to New Zealand Transport Agency for increased subsidy to support the increasing cost of maintenance.
Increased traffic volumes on main roads can limit access between sections of the community. They can be difficult to cross particularly for pedestrians and cyclists.	Continue to consider all network users in the planning and design of new infrastructure and when updating existing roading to increase connectivity and safety. Implement the recommendations of the Walking and Cycling Strategy which identifies the linkages within townships and communities. We will also continue to advocate for by-passes around urban centres.
Potential for road construction to disturb sites of cultural significance, including waahi tapu.	Continue to invest in good relationships with tangata whenua to understand sites of cultural significance and implement robust processes for any accidental discoveries.
Danger to people and property and high social cost from road crashes.	Continue to deliver road safety programmes, safety improvements, and speed limit changes.
The roading network, maintenance and the construction of new roads can have negative environmental effects such as noise pollution, air pollution and water run-off that may carry contaminants into the stormwater system.	Continue to advocate for bypasses around urban centres and expansion of the road sealing programme to incorporate seal extension for communities on unsealed roads. Council also considers the impacts of maintenance and construction works on communities and plans works to reduce this where possible.



Prospective Funding Impact Statement - Transport

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	29,318	32,857	33,848
Targeted rates	-	-	-
Subsidies and grants for operating purposes	16,340	13,477	13,738
Fees and charges	464	468	468
Internal charges and overheads recovered	1,372	3,923	4,263
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	2,094	572	587
Total Operating Funding	49,588	51,297	52,903
Applications of Operating Funding			
Payments to staff and suppliers	37,151	27,723	28,407
Finance costs	-	-	-
Internal charges and overheads applied	6,961	9,024	9,291
Other operating funding applications	556	816	838
Total Applications of Operating Funding	44,668	37,563	38,536
Surplus (deficit) of operating funding	4,920	13,734	14,368
Sources of Capital Funding			
Subsidies and grants for capital expenditure	22,823	15,896	14,159
Development and financial contributions	2,729	1,036	1,381
Increase (decrease) in debt	28,137	1,700	1,477
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding	53,689	18,632	17,018
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	4,333	324	330
- to improve the level of service	10,270	3,990	3,283
- to replace existing assets	22,026	26,355	24,004
Increase (decrease) in reserves	21,980	1,697	3,769
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding	58,609	32,366	31,386
Surplus (deficit) of capital funding	(4,920)	(13,734)	(14,368)
Funding balance			
	-	-	-
Depreciation and amortisation		28,496	29,136

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
34,675	35,847	37,088	38,095	39,218	40,424	41,657
-	-	-	-	-	-	-
14,063	14,361	14,663	14,943	15,230	15,517	15,796
468	468	468	468	468	468	468
4,351	4,467	4,589	4,623	4,656	4,754	4,853
-	-	-	-	-	-	-
601	613	625	637	649	662	674
54,157	55,755	57,434	58,766	60,222	61,824	63,448
29,062	29,676	30,295	30,909	31,509	32,136	32,723
-	-	-	-	-	-	-
9,678	10,377	11,115	11,667	12,416	13,243	14,203
841	842	844	844	845	846	847
39,580	40,895	42,254	43,421	44,770	46,225	47,773
14,577	14,860	15,179	15,345	15,452	15,599	15,675
20,399	24,150	19,666	25,683	24,484	28,099	29,627
1,746	2,256	2,353	2,011	2,109	2,176	2,227
5,472	6,217	4,094	3,464	4,724	3,074	5,448
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
27,617	32,623	26,113	31,158	31,316	33,348	37,302
6,470	9,870	7,699	21,294	15,490	25,187	19,102
11,233	12,787	8,492	7,247	9,822	7,055	15,556
24,820	27,278	25,125	24,509	25,439	25,784	26,288
(329)	(2,451)	(23)	(6,547)	(3,984)	(9,079)	(7,969)
-	-	-	-	-	-	-
42,194	47,483	41,293	46,503	46,768	48,947	52,976
(14,577)	(14,860)	(15,179)	(15,345)	(15,452)	(15,599)	(15,675)
-	-	-	-	-	-	-
29,756	30,733	31,810	32,696	33,758	34,752	35,889

Stormwater
Wai Ua

These activities include:
● Stormwater

What we do

Through this activity, we are responsible for efficiently operating and maintaining all of Council's existing stormwater infrastructure. This protects our environment from storm damage and runoff. We also plan for the renewal of existing infrastructure and work on new infrastructure through growth-driven projects.

Why we undertake these activities

We provide these services and manage the infrastructure associated with them to protect our communities from stormwater inundation.

Modern communities cannot function adequately without effective ways for safely discharging the run-off generated on impermeable surfaces such as roads and roofs into waterways, alongside other water services such as wastewater disposal and provision of water supply.

How these activities improve wellbeing

This activity contributes primarily to the economic and environmental community wellbeing outcomes, by effectively managing stormwater services to protect public health and minimise the effect of stormwater on the environment. This activity also helps to protect the social wellbeing of our communities, so they are not negatively impacted by stormwater.

What we are going to do

Stormwater

Stormwater networks are designed to efficiently drain rainwater from streets, roads, and properties to prevent flooding. As climate change leads to more frequent and intense rainfall, Council is planning district wide upgrades to improve these networks. Through these upgrades, Council is committed to giving effect to Te Ture Whaimana by minimising the impact that stormwater has on the awa and coastal water bodies

To help reduce flooding in vulnerable areas, Council has allocated \$1 million each year for flood mitigation work. Updated catchment management plans will map overland flow paths and provide property owners with clearer information about potential flood risks.

In Te Kowhai, Council will be investigating the urbanisation of stormwater networks, as these are currently served by rural networks. Infrastructure upgrades have also been carried out in Port Waikato to respond to recent storm impacts.

As part of consultation on our 2025-2034 LTP, we asked the community for feedback on Council's proposal to create a joint CCO with Hamilton City Council to deliver water services. Feedback received from the community was positive and both Councils agreed to establish a joint Hamilton City Council and Waikato District Council CCO, IAWAI Flowing Waters,

to deliver water services from 1 July 2026. To read more about this refer to the key decisions section on page 21.

IAWAI Flowing Waters will own our water and wastewater assets and be responsible for delivering those services. In addition, the joint CCO will also provide stormwater services under contract to both councils. A review of how stormwater services are administered will occur in year 1.

Over the coming years, the stormwater activity will be focused on completing priority work as identified in the recently updated stormwater catchment management plans. This includes works in Ngaaruawaahia to enable growth in residentially zoned land that has flooding potential and in Raglan to undertake water quality improvement projects. We will also focus on the development of water quality ponds in Pookeno to support greenfield development and investigation into stormwater pipe capacity and water quality improvements in Te Kauwhata. Following detailed assessments, upgrades will be undertaken.

The district wide flood model has recently been updated to incorporate climate change factors and projected urban growth which enables us to identify areas that are potentially prone to flooding. Funding for flood mitigation works will be prioritised to enhance flood resilience in our urban areas.

Level of alignment to Community Outcomes



Cultural

We celebrate who we are



Economic

We support local prosperity



Social

We have well connected communities



Environmental

Our environmental health underpins the health of our people

Key ● Contributes to ● Primary focus

Level of alignment to Strategic Priorities



Consistent delivery of core services



Building community resilience



Improving connectivity



Building relationships



Improving Council responsiveness



Supporting sustainable growth

Key ● No Impact ● Small Impact ● Medium Impact ● Large Impact

Key projects

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Stormwater				
District wide improvements	Improvements to increase capacity and water quality across the stormwater network.	1,539,000	1,594,404	12,554,990
Town specific improvements	Upgrades to the Pookeno, Ngaaruawaahia, and Raglan stormwater network.	2,104,326	1,742,152	14,723,264
District wide stormwater extension	District wide extensions to the stormwater network to enable growth.	307,800	318,881	2,510,998
Fish passage upgrades	Improvements to existing structures to support and enable fish passage.	49,248	51,021	430,881
Rain garden refurbishment	Renewal of rain gardens. These enable some stormwater filtration and act as storage through higher rainfalls to reduce burden on main drainage system.	112,860	42,517	1,073,544
District wide water quality improvements	Renewal, upgrade, or testing of water quality ponds and monitoring devices for water quality purposes.	1,385,100	-	486,782
Flood mitigation and climate change prevention works	Upgrades to pond and retention devices to support flood mitigation and other projects related to severe rainfall events.	1,539,000	1,594,404	16,739,989
Network asset renewal	Renewal of assets to ensure continuation of stormwater reticulation.	718,200	744,055	5,858,996

Level of Service and Performance Measures

What is important for this activity <i>(major aspects)</i>	What the community can expect from us <i>(level of service)</i>	How we will measure our performance <i>(performance measure)</i>	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Stormwater						
Safety – The community can expect that our infrastructure will protect people and properties from flooding caused by stormwater runoff.	We will provide a reliable stormwater system that protects people and properties from flooding.	The number of flood events* that occur in the Waikato district. ♦	2023/24: 0.	Less than 5 events per annum	Less than 5 events per annum	Less than 5 events per annum
		* Flood event is defined as an overflow of stormwater from Council's stormwater system that enters a habitable floor.				
		For each flooding event, the number of habitable floors affected. (Expressed per 1,000 properties connected to Council's stormwater system). *	2023/24: 0.	0.3 affected per 1,000 properties per event	0.3 affected per 1,000 properties per event	0.3 affected per 1,000 properties per event
Reliability / responsiveness – The community can expect a reliable stormwater network that drains water away.	We will provide a stormwater system that is reliable, efficient and effective.	The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site. ♦	2023/24: 0.	Less than or equal to 2 hours	Less than or equal to 2 hours	Less than or equal to 2 hours
		The total number of complaints received by Council about the performance of its stormwater system, expressed per 1,000 properties connected to Council's stormwater system. ♦	2023/24: 1.88.	Less than 4 per 1,000 properties per year	Less than 4 per 1,000 properties per year	Less than 4 per 1,000 properties per year
Sustainability – The community can expect us to minimise the pollution of the district's waterways caused by contaminants in stormwater runoff.	We will provide a stormwater system that minimises the impact on the district's waterways.	Compliance with Council's resource consents for discharge from its stormwater system, measured by the number of abatement notices, infringement notices, enforcement orders, and convictions received by Council in relation to those resource consents. ♦	2023/24: 0.	0	0	0

♦Mandatory measure

Significant Negative Effects

Significant negative effect	Mitigation
Stormwater	
Discharges to land and waterways not complying with resource consents.	Improve processes (may be capital related) and continue to monitor discharges.
Discharge of contaminants to waterways and streams impacting on public health and the environment (including but not limited to waste-water overflows and stormwater runoff containing sediments, oils, greases, and heavy metals).	Implement improvements (capital related) and ensure compliance with Council's Development Manual Guidelines for new developments.
Erosion of streams and riverbeds.	Implement Development Manual Guidelines.
Chemical spills affecting waterways.	Establish procedures and emergency response plans with Waikato Regional Council.
Health and safety risks associated with the operation, maintenance, or construction of stormwater infrastructure.	Ensure compliance with legislation and health and safety management plans. Maintain an incidents register.
Potential impacts on customer satisfaction due to service failure/delays/responsiveness.	Monitor customer requests for service and report on levels of service. Ensure customer complaints are resolved.
Disruption during the implementation of works.	Works will be implemented under resource consent or contract conditions dictating how the service will be maintained (case-by-case basis).
Individuals can affect the stormwater network and neighbouring properties by altering natural flow paths.	Monitor new developments to ensure natural flow paths are maintained.
Flooding can affect public health and safety.	Continue to advise landowners of potential flood prone areas.
Stormwater can cause public health issues through bacterial contamination of beaches.	Establish procedures and emergency response plans with Waikato Regional Council.
Contamination of the receiving environment is unacceptable to tangata whenua.	Continue to better identify sites of cultural significance.



Prospective Funding Impact Statement - Stormwater

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	160	200	200
Targeted rates	3,425	4,020	4,703
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	427	449	421
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-
Total Operating Funding	4,012	4,669	5,324
Applications of Operating Funding			
Payments to staff and suppliers	3,760	3,904	3,549
Finance costs	-	-	-
Internal charges and overheads applied	1,042	1,143	1,494
Other operating funding applications	1	8	8
Total Applications of Operating Funding	4,803	5,055	5,051
Surplus (deficit) of operating funding	(791)	(386)	273
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	346	125	234
Increase (decrease) in debt	10,777	5,866	4,335
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding	11,123	5,991	4,570
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	6,991	2,186	1,508
- to improve the level of service	1,300	5,818	4,305
- to replace existing assets	5,739	1,917	2,551
Increase (decrease) in reserves	(3,697)	(4,315)	(3,522)
Increase (decrease) of investments	-	-	-
Total Applications of Capital Funding	10,333	5,605	4,842
Surplus (deficit) of capital funding	791	386	(273)
Funding balance	-	-	-
Depreciation and amortisation		1,815	1,967

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
200	200	200	200	200	200	200
5,502	6,435	7,526	8,800	10,288	12,026	14,056
-	-	-	-	-	-	-
-	-	-	-	-	-	-
350	306	321	317	316	326	487
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,052	6,941	8,046	9,317	10,804	12,552	14,743
3,735	4,105	4,085	4,263	4,609	4,456	4,586
-	-	-	-	-	-	-
1,820	2,215	2,646	3,014	3,423	3,943	4,489
8	8	8	8	8	8	8
5,563	6,329	6,740	7,286	8,041	8,407	9,083
489	612	1,307	2,031	2,764	4,145	5,660
-	-	-	-	-	-	-
160	718	759	592	610	647	667
5,970	6,755	6,533	6,725	6,625	6,817	7,404
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,130	7,473	7,293	7,317	7,235	7,464	8,071
1,593	1,744	2,035	1,695	1,680	1,735	2,008
5,938	6,722	6,500	6,554	6,567	6,781	7,368
4,837	1,325	1,864	1,997	1,785	1,656	1,406
(5,750)	(1,706)	(1,800)	(899)	(33)	1,438	2,950
-	-	-	-	-	-	-
6,618	8,085	8,599	9,348	9,998	11,609	13,730
(489)	(612)	(1,307)	(2,031)	(2,764)	(4,145)	(5,660)
-	-	-	-	-	-	-
2,106	2,294	2,447	2,606	2,761	2,913	3,066

Wastewater
Wai Para

These activities include:
● Wastewater

What we do

Through this activity we ensure wastewater is collected, treated and disposed of to protect our environment and the public’s health. We also plan for the renewal of existing infrastructure and work on new infrastructure through growth-driven projects.

Why we undertake these activities

Urban areas require proper infrastructure to support residents’ needs. This is especially true for

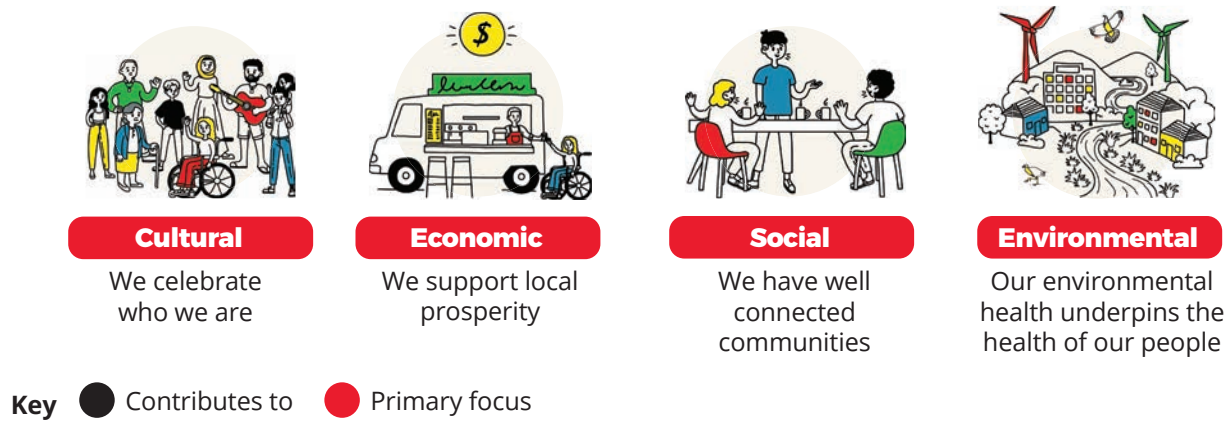
wastewater management because urban properties typically lack sufficient space for a septic tank and a disposal field.

Modern communities cannot function adequately without systems for transporting wastewater from densely populated areas for treatment and disposal, alongside other water services, including stormwater and water supply.

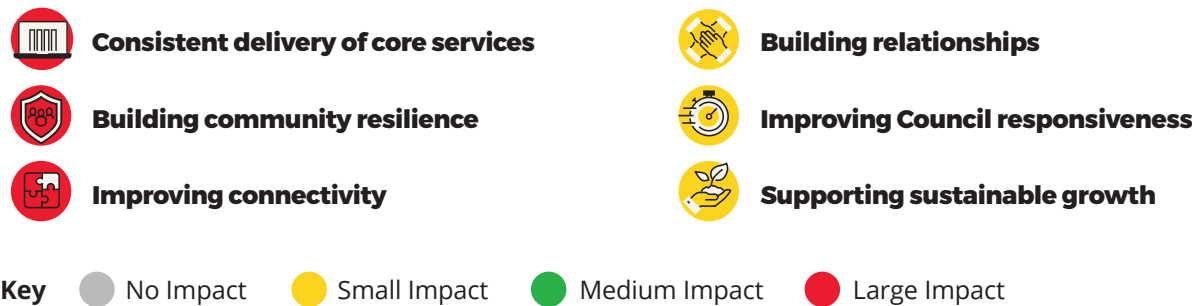
How these activities improve wellbeing

This activity contributes to all four of our community wellbeing outcomes, by protecting the health of our people and our waterways, treating wastewater to a standard to be discharged into the environment, allowing for growth development within the district and considering cultural values in the way we work.

Level of alignment to Community Outcomes



Level of alignment to Strategic Priorities



What we are going to do

As part of consultation on our 2025-2034 LTP, we asked the community for feedback on Council’s proposal to create a joint CCO with Hamilton City Council to deliver water services. Feedback received from the community was positive and both Council’s agreed to establish a joint Hamilton City Council and Waikato District Council CCO, IAWAI Flowing Waters, to deliver water services from 1 July 2026. To read more about this refer to the key decisions section on page 21.

The upgrading of the Huntly and Ngaaruawaahia wastewater treatment plants (WWTP) was initially planned to begin in 2026/27 (year 2) however this has been brought forward to 2025/26 (year 1) to allow our wastewater discharges to comply with resource consent requirements and cater for growth. An updated investment schedule of the work, which includes installation of Membrane BioReactor (MBR) technology, was completed following the progression of design and consent planning stages.

IAWAI Flowing Waters will own our water and wastewater assets and be responsible for delivering those services. While there will be changes to the management of wastewater, the community will continue to receive the same level of service. Key projects that will be undertaken, include:

- Continue to conduct inflow and infiltration programs to reduce the amount of storm and ground water entering the sewer system. This is achieved by smoke testing wastewater networks and through CCTV.

- Renewing the wastewater discharge consent for Te Kauwhata WWTP. Council has explored various land based and water-based discharge options with iwi, special interest groups, and the community. The discussions have enabled a preferred option to be identified. This option will be investigated for environmental performance and furthered if proven to be acceptable.
- Renewing the wastewater discharge consent for Raglan WWTP. Council has explored various land-based and water-based discharge options with iwi, special interest groups, and the community. The discussions have enabled a preferred option to be identified. This option will be investigated for environmental performance and furthered if proven to be acceptable.
- The renewals programme will focus on improving aged or failing network pipes and pump stations across the wastewater network. This will include renewing the Huntly wastewater pipe bridge crossing that allows for flows across the Waikato River to east Huntly.
- Network upgrades will also be undertaken to enable growth in Tuakau, Raglan, Horotiu, and Ngaaruawaahia.
- Investigate additional wastewater treatment and conveyance solutions for Pookeno and Tuakau that will enable growth to be supported.
- Conduct investigations about funding and prioritising the trunk water and wastewater infrastructure to support growth in Te Kowhai. More information can be read about this in the key decisions section on page 21.

Key projects

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Wastewater				
Biosolids Strategy	Develop district wide strategy to manage biosolids from wastewater treatment plants.	300,000	-	-
Town specific wastewater pump station extensions	Wastewater pump station extension in Horotiu and Tuakau to enable growth.	5,130,000	-	-
District wide wastewater reticulation renewals	District wide wastewater reticulation asset renewals to enable continued levels of service.	3,078,000	-	-
Huntly wastewater reticulation renewals	Renewals to improve pipe condition and to reduce wet weather flows.	3,591,000	-	-
Te Ohaki pump improvements	Renewal of low-pressure wastewater pumps in Te Ohaki scheme.	184,680	-	-
Town specific wastewater pump station upgrades	Ngaaruawaahia wastewater pump station and rising main upgrade on Waingaro Road, design for the Marine Parade (Raglan) wastewater pump station and rising main upgrade, and extension of the Travers Road (Te Kauwhata) rising main to increase pump station capacity to enable growth.	7,233,800	-	-
Town specific wastewater treatment plant upgrades	Ngaaruawaahia wastewater treatment plant upgrade, design, and planting for treated wastewater disposal field in Wainui Reserve (Raglan), lift station upgrades in Te Kauwhata.	28,280,000	-	-

Level of Service and Performance Measures

Note: In 2025/26 (year 1) Council will deliver the level of service defined in the table below. From 2026/27 (year 2) onwards the joint CCO with Hamilton City Council will deliver the defined level of service. In 2025/26 (year 1) the performance measures will fall under clause 4 of schedule 10 of the Local Government Act 2002. As the CCO will be established from 1 July 2026, from year 2 onwards the performance measures will fall under clause 7 of schedule 10 in the Local Government Act 2002.

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Wastewater						
Safety – The community can expect the waste-water system to protect people's health and our environment.	We will minimise risks to public health and our waterways.	The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1,000 sewerage connections to the sewerage system. ♦	2023/24: 0.91.	Less than or equal to 3 per 1,000 connections	Not applicable	Not applicable
Reliability / responsiveness – The community can rely on our services to re-move wastewater from properties.	We will provide a wastewater system that is reliable, efficient and effective.	Where Council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system, the median response time. Attendance time: from the time that Council receives notification to the time that service personnel reach the site. ♦ *	2023/24: 42 minutes.	≤60 minutes	Not applicable	Not applicable
		* Call outs included in this performance measure are categorised as a 1-hour urgent response type as outlined in the service level timeframes table.				
		Where Council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system, the median response time. Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault. ♦ *	2023/24: 113 minutes.	≤240 minutes	Not applicable	Not applicable
		* Call outs included in this performance measure are categorised as a 4-hour urgent response type as outlined in the service level timeframes table				
		The total number of complaints received by Council about sewerage odour, sewerage system faults, sewerage system blockages, and Council's response to issues with its sewerage system, expressed per 1,000 connections to Council's sewerage system. ♦	2023/24: 4.25.	Less than or equal to 10 per 1,000 connections	Not applicable	Not applicable

Level of Service and Performance Measures

What is important for this activity <i>(major aspects)</i>	What the community can expect from us <i>(level of service)</i>	How we will measure our performance <i>(performance measure)</i>	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Wastewater						
Sustainability – The community can expect us to minimise the pollution of the district's waterways caused by contaminants in stormwater runoff.	We will manage wastewater treatment and disposal to minimise harm to the environment.	Compliance with Council's resource consents for discharge from its sewerage system measured by the number of convictions received by Council in relation to those resource consents. ♦	2023/24: 0.	0	Not applicable	Not applicable
		Compliance with the Council's resource consents for discharge from its sewerage system, measured by the number of Abatement Notices, Infringement Notices and Enforcement Orders received by the Council in relation to those resource consents. ♦	2023/24: 2.	≤2	Not applicable	Not applicable

♦ Mandatory measure

Significant Negative Effects

Significant negative effect	Mitigation
Wastewater	
Discharges to land and waterways not complying with resource consents.	Improve processes (may be capital related) and continue to monitor discharge.
Odour from manholes, pump stations, and at treatment plants.	Improve process and implement improvements (capital related).
Discharges from manholes.	Investigate and take remedial measures.
Health and safety risks associated with the operation, maintenance, or construction of wastewater infrastructure.	Ensure compliance with legislation and health and safety management plans. Maintain an incidents register.
Pump station overflows.	Investigate causes and provide additional storage if required.
Chemical spills at treatment plants.	Ensure procedures are in place for correct identification, storage, and handling of chemicals. Ensure appropriate funded areas and storage facilities are in place.
The cost of providing, operating, and maintaining the schemes is high due to energy requirements.	When looking for solutions for small communities, consider alternatives to traditional public wastewater systems.
Unless properly maintained there can be problems with foul odour from sewage sludge.	We will continue to investigate alternatives for the sustainable disposal of sewage sludge.
Creates an ongoing need for the disposal of sewage sludge.	We will continue to encourage households to reduce the amount of wastewater they produce, for example through re-use of grey water for garden irrigation.



A forecast for nine years ending 30 June 2034

[illegible]

Water Supply
Ara Tukutuku Wai

These activities include:
Water Supply

What we do
Through this activity, we are responsible for the efficient management of Council's water supply infrastructure across the rohe (district), including treatment plants, pump stations, reservoirs, and the reticulation network.

We develop, maintain, and manage the water supply network and its components such as pipes, valves, hydrants, pumps, and treatment plant equipment. We also address specific health concerns in the water supply and work on growth-driven infrastructure projects.

Why we undertake these activities
Modern communities cannot function adequately without a clean and dependable water supply, along with other water services, such as managing stormwater and wastewater infrastructure.

We provide these services and manage the infrastructure associated with them so that our communities can access clean water when they need to and are not inundated with stormwater and wastewater.

How these activities improve wellbeing
This activity primarily contributes to environmental wellbeing, by delivering high-quality drinking water so that our communities are safe and healthy while promoting the sustainable use of resources. It also contributes to our economy by providing modern and robust water infrastructure, and cultural values are considered in the way we work.

What we are going to do

As part of consultation on our 2025-2034 LTP, we asked the community for feedback on Council's proposal to create a joint CCO with Hamilton City Council to deliver water services. Feedback received from the community was positive and both Council's agreed to establish a joint Hamilton City Council and Waikato District Council CCO, IAWAI Flowing Waters, to deliver water services from 1 July 2026. To read more about this refer to the key decisions section on page 21.

IAWAI Flowing Waters will own our water and wastewater assets and be responsible for delivering those services. While there will be changes to the management of water supply services, the community will continue to receive the same service level.

The water supply activity we will be focused on undertaking water treatment plant interim

upgrades for three of our major water supplies: Huntly, Ngaaruawaahia, and Te Kauwhata. The water treatment plant upgrades are designed to accommodate growth in the district, as well as maintain levels of service for both demand and drinking water quality.

There is ongoing work on our reservoir programme, to support growth and improve ageing infrastructure across the district, including Raglan, Tamahere / Matangi, Eureka, and Tuakau. Significant network and pump station upgrades are also planned in Huntly, Pookeno, Tuakau, Te Kauwhata, Ngaaruawaahia, Raglan, and Taupiri. Ongoing district wide projects are also continuing as part of our renewals programme. The CCO will take a regional view of infrastructure. This new perspective and ability will enable an alternative response that satisfies water demand and security in our southern districts better than is currently planned.

Level of alignment to Community Outcomes

Diagram showing alignment to four community outcomes: Cultural, Economic, Social, and Environmental. Each outcome has an icon, a title, and a description. Cultural: We celebrate who we are. Economic: We support local prosperity. Social: We have well connected communities. Environmental: Our environmental health underpins the health of our people.

Key
Black circle: Contributes to
Green circle: Primary focus

Level of alignment to Strategic Priorities

Diagram showing alignment to five strategic priorities: Consistent delivery of core services, Building community resilience, Improving connectivity, Building relationships, Improving Council responsiveness, Supporting sustainable growth.

Key
Grey circle: No Impact
Yellow circle: Small Impact
Green circle: Medium Impact
Red circle: Large Impact

Key projects

Table with 5 columns: Project, Description, Year 1 2025/26, Year 2 2026/27, Years 3-9 2027/28 - 33/34. Rows include District wide water supply reticulation renewals, Ngaaruawaahia water supply reticulation upgrades, Huntly water supply reticulation upgrades and extensions, Tuakau network upgrades, Matangi water supply reservoir extensions, Raglan reservoirs, Leak detection programme, and Town specific water supply treatment plant upgrades.

Level of Service and Performance Measures

Note: In 2025/26 (year 1) Council will deliver the level of service defined in the table below. From 2026/27 (year 2) onwards the joint CCO with Hamilton City Council will deliver the defined level of service. In 2025/26 (year 1) the performance measures will fall under clause 4 of schedule 10 of the Local Government Act 2002. As the CCO will be established from 1 July 2026, from year 2 onwards the performance measures will fall under clause 7 of schedule 10 in the Local Government Act 2002.

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Water Supply						
Safety – The community can expect a quality water supply that protects people’s health and supports industry requirements.	We will provide water supply that is safe to drink.	The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.4 T1 Treatment Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.5 D1.1 Distribution System Rule. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.7.1 T2 Treatment Monitoring Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.7.2 T2 Filtration Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.7.3 T2 UV Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.7.4 T2 Chlorine Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.8 D2.1 Distribution System Rule. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council’s drinking water supply complies with the drinking water quality assurance rule: 4.10.1 T3 Bacterial Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble

Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Water Supply						
Safety – The community can expect a quality water supply that protects people's health and supports industry requirements.	We will provide water supply that is safe to drink.	The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.10.2 T3 Protozoal Rules. ♦	New measure.	100%	Not applica-ble	Not applica-ble
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.11.5 D3.29 Microbiological Monitoring Rule. ♦	New measure.	100%	Not applica-ble	Not applica-ble
Reliability / responsiveness – The community can rely on a continuous supply of water.	We will provide water supply that is reliable and ensure that water which is received has a good flow / pressure.	Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Attendance for non-urgent callouts: from the time that Council receives notification to the time that service personnel reach the site ♦*	2023/24: 1 day.	≤5 Days	Not applica-ble	Not applica-ble
		* Call outs included in this performance measure are categorised as a 5-day routine response type as outlined in the service level timeframes table.				
		Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Attendance for urgent callouts: from the time that Council receives notification to the time that service personnel reach the site ♦*	2023/24: 31 minutes.	≤60 minutes	Not applica-ble	Not applica-ble
		* Call outs included in this performance measure are categorised as a 1-hour urgent response type as outlined in the service level timeframes table.				
		Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Resolution of non-urgent callouts: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption. ♦*	2023/24: 1 day.	≤5 Days	Not applica-ble	Not applica-ble
		* Call outs included in this performance measure are categorised as a 5-day routine response type as outlined in the service level timeframes table.				

Level of Service and Performance Measures

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Water Supply						
Reliability / responsiveness – The community can rely on a continuous supply of water.	We will provide water supply that is reliable and ensure that water which is received has a good flow / pressure.	Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Resolution of urgent callouts: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption. ♦*	2023/24: 85 minutes.	≤240 minutes	Not applicable	Not applicable
		* Call outs included in this performance measure are categorised as a 4-hour urgent response type as outlined in the service level timeframes table.				
		The total number of complaints received by Council on drinking water clarity, drinking water taste, drinking water odour, drinking water pressure or flow, continuity of supply, and Council's response to any of these issues, expressed per 1,000 connections to Council's networked reticulation system. ♦	2023/24: 10.74.	Less than or equal to 25 per 1,000 connections	Not applicable	Not applicable
Sustainability – The community can expect a water supply network that minimised wastage.	We will ensure we don't waste water and that we consider the needs of future generations.	The average consumption of drinking water per day per resident within the Waikato district. ♦	2023/24: 166L.	250L	Not applicable	Not applicable
		The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this). ♦	2023/24: 26%.	28%	Not applicable	Not applicable
♦Mandatory measure						

Significant Negative Effects

Significant negative effect	Mitigation
Water Supply	
Potential contamination of the raw water supply.	Emergency response plans, operational procedures, and monitoring of the raw water supply as per the Water Safety Plan (WSP) are all in place.
Discharges of backwash water from treatment plants and chlorinated water from maintenance activities or pipe failures.	Compliance with resource consents, Council's engineering standards and guidelines and maintenance programme.
Effects on river ecology caused by river water extraction during low flows.	Compliance with resource consents.
Depletion of aquifer resources.	Compliance with resource consents.
Health and safety risks associated with the operation, maintenance or construction of water supply infrastructure.	Ensure compliance with legislation and health and safety management plans. Maintain an incidents register.
Insufficient water supplies during times of drought or emergency.	Ensure water sources security and identify potential new sources and back-up supplies as per WSP.
Drinking water not meeting Drinking Water Standard 2005 (Revised 2018).	Continue to monitor water quality and improve process, if necessary, as per WSP. (May be capital related).
Inadequate pressure, insufficient fire flow capabilities, and failure to complete remedial works.	Carry out modelling/pressure testing and implement.
Water abstraction from streams and rivers can have an adverse effect on the mauri of the water body.	Continue to better identify the cultural significance of water catchments through resource consent conditions.
Insufficient water available during times of drought and emergencies.	Implement conservation measures and prioritise use for public health requirements.

A forecast for nine years ending 30 June 2034

[illegible]

Organisational Support
Tautoko aa-Toopuutanga

- These activities include:
- Communications, Marketing, and Engagement
 - Corporate Planning and Strategy
 - Finance, Legal, Procurement, and Contracts
 - Information Management
 - People and Capability
 - Projects and Innovation

What we do

This activity is at the core of Council’s operations. These internal facing teams work together behind the scenes to enable our customer facing teams to deliver services to our communities. These activities play a key role in moving Council and the district forward, making services more efficient and cost effective for ratepayers, and fostering continuous improvement.

Why we undertake these activities

This activity helps Council connect with our communities and keep them informed, look after

our people, attract new staff and deliver projects. It also provides the information technology, furniture, and equipment that we need to cost-effectively meet goals, deliver services, and fulfil statutory obligations.

This group of activities also provides internal financial and legal services, which ensures prudent and effective financial management. This includes mitigation of and advice on legal and other risks across the organisation, successful procurement and management of external contractors and initiatives to take the organisation forward, build resilience, and make services more efficient and cost effective for ratepayers.

How these activities improve wellbeing

These activities help to support and contribute to all four of our community outcomes, by working behind the scenes to support our customer-facing teams and ensuring that we are a well-functioning, legally compliant, and efficient organisation.

What we are going to do

Council is committed to improving the way we respond, listen to, and communicate with our residents and customers to build trust and confidence with our communities. Over the next few years, we will support this commitment by:

- Improving the responsiveness and quality of our communication with the community and exploring new approaches to community engagement.
- Establishing a community monitoring group to provide structured feedback.
- Upgrading our website to make it easier for residents to find information and engage with Council.

This work is supported by our digital transformation programme, which is entering its next phase with a focus on making information more accessible and understandable to the public. Key initiatives include developing a new customer portal and digitising consent processes.

Council also advocates for good outcomes for our communities through submissions to government and other agencies, and by participating in regional and sub-regional partnerships.

We are also focussed on delivering a range of projects aimed at improving how we work and

deliver services. These initiatives focus on adopting modern systems, automating processes, improving workflow management, strengthening security and compliance, and standardising business processes to drive efficiency and cost savings.

We will also continue to review and keep up to date our key policies, bylaws and strategies which protect public health, safety and set the direction for how Council will deliver on its key priorities. Upcoming work includes reviewing our Dog Control Bylaw and Policy, review of our Easter Trading Policy, as well as work to streamline our strategies.

We are committed to maintaining high standards of planning and reporting, including managing the development of annual reports, annual plans, and the next long term lan to ensure we meet our statutory obligations effectively and efficiently.

Finally, Council will continue strengthening its health and safety systems to ensure a safe working environment. This includes making sure staff understand their health and safety responsibilities, maintaining a safety management system aligned with international standards, and actively managing critical risks such as workplace violence, mental wellbeing, and driving for work.

Level of alignment to Community Outcomes



Cultural

We celebrate who we are



Economic

We support local prosperity



Social

We have well connected communities



Environmental

Our environmental health underpins the health of our people

Key Contributes to Primary focus

Level of alignment to Strategic Priorities



Consistent delivery of core services



Building community resilience



Improving connectivity



Building relationships



Improving Council responsiveness



Supporting sustainable growth

Key No Impact Small Impact Medium Impact Large Impact

Key projects

Project	Description	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
		Cost (\$)		
Information Management				
Website improvements	Improvements to Council's website to improve usability and accessibility, as well as increasing self-service functions. Specific improvements will be made to building consents and financial transaction areas.	194,405	328,980	1,615,252
Internal property and rating technology improvement	Transformation to the latest integrated version of property and rating technology which is a key enabler to the efficient delivery of services.	817,600	795,730	62,930
Transform and workflow automation	Drive efficiency and cost savings through workflow management and business process automation tools.	300,000	158,052	816,609

Level of Service and Performance Measures

There are no organisational support performance measures as this group of activities is an enabler to our external activities.

Significant Negative Effects

Significant negative effect	Mitigation
There are no significant negative effects identified for the Organisational Support group of activities.	



Prospective Funding Impact Statement - Organisational Support

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	8,530	9,925	11,427
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	2,953
Fees and charges	20	20	-
Internal charges and overheads recovered	54,098	55,641	49,753
Interest and dividends from investments	-	660	660
Local authorities fuel tax, fines, infringement fees, and other receipts	752	757	767
Total Operating Funding	63,400	67,003	65,559
Applications of Operating Funding			
Payments to staff and suppliers	34,552	33,009	36,257
Finance costs	9,346	11,469	5,629
Internal charges and overheads applied	12,340	17,228	17,070
Other operating funding applications	3,051	3,851	3,073
Total Applications of Operating Funding	59,289	65,557	62,028
Surplus (deficit) of operating funding	4,111	1,445	3,530
Sources of Capital Funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	9,537	41,098	(217,817)
Gross proceeds from sale of assets	200	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total Sources of Capital Funding	9,737	41,098	(217,817)
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	3,170	3,445	1,269
- to improve the level of service	2,165	795	2,545
- to replace existing assets	7,080	4,811	4,430
Increase (decrease) in reserves	(2,069)	30,823	(217,516)
Increase (decrease) of investments	3,502	2,669	(5,016)
Total Applications of Capital Funding	13,848	42,543	(214,286)
Surplus (deficit) of capital funding	(4,111)	(1,445)	(3,530)
Funding balance			
	-	-	-
Depreciation and amortisation		3,117	3,837

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
11,767	13,182	13,611	14,665	15,708	16,869	16,830
-	-	-	-	-	-	-
3,184	3,276	3,318	3,308	3,363	3,439	3,519
-	-	-	-	-	-	-
53,672	56,038	58,265	59,821	61,730	64,362	67,102
660	660	660	660	660	660	660
767	767	767	767	767	767	767
70,050	73,923	76,620	79,221	82,227	86,097	88,878
37,591	38,227	38,988	42,919	43,873	44,626	45,550
6,537	7,746	8,658	9,259	10,018	10,791	11,850
18,174	18,906	19,526	19,773	20,306	21,071	21,283
3,397	3,180	3,229	3,561	3,326	3,375	3,723
65,699	68,060	70,401	75,512	77,523	79,863	82,406
4,351	5,863	6,219	3,709	4,705	6,234	6,472
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,872	670	(1,454)	1,788	(5,491)	(626)	(4,518)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,872	670	(1,454)	1,788	(5,491)	(626)	(4,518)
1,306	141	-	-	-	-	-
2,619	712	-	-	-	-	-
3,673	4,302	4,021	4,056	4,350	4,861	4,782
5,903	862	456	1,004	(5,398)	384	(3,199)
723	516	288	437	262	363	371
14,223	6,533	4,764	5,496	(787)	5,608	1,954
(4,351)	(5,863)	(6,219)	(3,709)	(4,705)	(6,234)	(6,472)
-	-	-	-	-	-	-
4,481	4,998	4,788	4,512	4,520	4,747	5,051

Financial Information

Paarongo Ahumoni

Financial Strategy Rautaki Ahumoni

The Financial Strategy outlines Council's approach to managing the finances prudently and in a way that supports our vision of Creating Liveable, Thriving, Connected Communities. The strategy underpins our decision-making and ensures Council maintains a financially sustainable position over the LTP. Council continues to face increased pressures in terms of growth, maintaining infrastructure, increased services, inflation pressures and changes to legislation, in particular the implementation of the government's Local Water Done Well policy, the implementation of the Roads of National Significance programme which impacts the NZ Transport Agency Waka Kotahi (NZTA) approved subsidy and the role of local government on climate change.

In the face of these challenges, Council has made the significant decision to join forces with Hamilton City Council to establish an asset-owning Council Controlled Organisation (CCO) for the delivery of water supply and wastewater services. This partnership will enable both councils to achieve greater efficiencies and manage rising service costs more effectively, while ensuring we can continue to support growth across our communities. This Financial Strategy reflects Council's commitment to this new CCO model as the preferred long-term solution.



Balancing Affordability, Increasing Expectations and Growth

- The Council is achieving this by:
- Managing community expectations.
 - Moving costs of services to those who use them.
 - Maintaining existing assets.
 - Modernising and improving priority infrastructure.
 - Supporting growth.

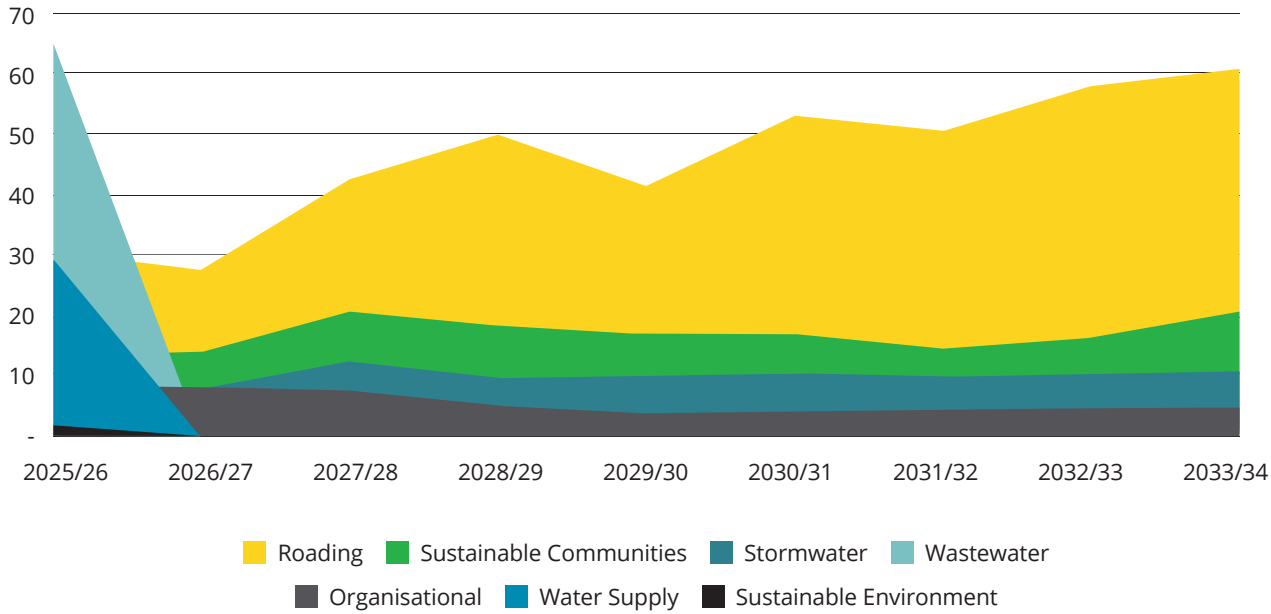
Forecast growth will see a 15% increase in the number of properties (4,600) over the next 9 years. This is substantial and requires a significant investment in all Council activities to achieve our vision for Liveable, Thriving and Connected Communities.

Alongside maintaining existing services, we are operating in an environment of increasing regulation, inflationary pressures and weather events which bring further challenges.

Within this context Council has developed a financial strategy that balances affordability for those paying, with the rising compliance expectations and community desires while supporting investment to allow for, and arising from, population growth.

Council's largest investment is on the infrastructure from which our everyday services stem. The figure below shows the expected total capital expenditure across the next nine years, \$414.8 million of which relates to roading and footpaths network infrastructure.

Total Capital Expenditure across the 9 year LTP



*note water supply and wastewater are only included for the first year of the LTP.

Sustainable Growth

The Waikato district has been growing rapidly, our proximity to Auckland and Hamilton making us an attractive proposition for both business and residential development. Growth will occur in the Waikato district due to factors outside our control. How Council responds to growth determines whether that growth enhances our vision for Liveable, Thriving and Connected Communities.

Council's forecast growth will mean 4,600 new properties for 11,400 more people. Much of this growth will occur in towns (43:57 urban to rural population in 2025, rising to 46:54 by 2034). This requires strategic planning, working with the community and other agencies. It will result in an investment in roads, water, wastewater, stormwater and community infrastructure often in advance of the people arriving. By providing this trunk infrastructure investment in advance of growth, it will avoid adverse consequences to public health, safety and the environment.

Growth capital will initially be funded by borrowing. Where subsidies and external funds can be earned, this will reduce the initial debt. Development contributions will be paid when developments are completed, and this revenue will reduce debt. The remainder will be paid over 25 years by existing ratepayers and by new ratepayers as they arrive.

The capital investment in growth is shown in Figure 1. This chart shows a reduced capital expenditure programme in year 2026/27 with the removal of the water and wastewater services business from Council's budget. These services will be managed by a joint HCC and WDC asset-owning CCO. The capital programme increases again from 2027/28. With the trunk infrastructure in the right place, it will create sufficient capacity to support forecast growth in our main urban areas, which allows for local developer investment to continue in those later years.

The day-to day costs resulting from population and land use charges will cost \$171.4 million over the nine years, which is around 21% of total operating costs.

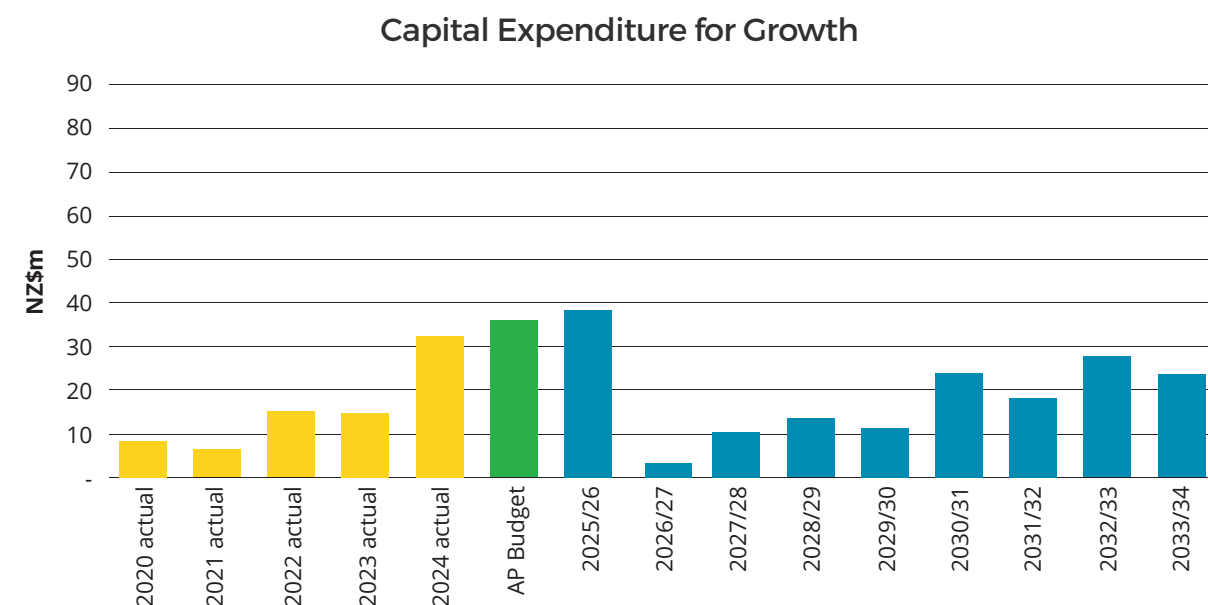


Figure 1: Capital Expenditure for Growth (\$million).

Maintaining Existing Assets

Over time our assets wear out and need renewing. Council looks after approximately \$2.6 billion of assets, 86% of which are infrastructure assets including waters. The establishment of the CCO will reduce this total asset value to \$2.3 billion. These assets have been the backbone of our community's services for decades. The quality of these services

contributes a lot to whether a community is liveable and thriving.

Council invests a lot of resources in professional asset management practices to ensure they are well maintained to the end of their economic lives and are renewed at that moment when it is most cost effective to do so. Getting this right has a big influence on the affordability of services.

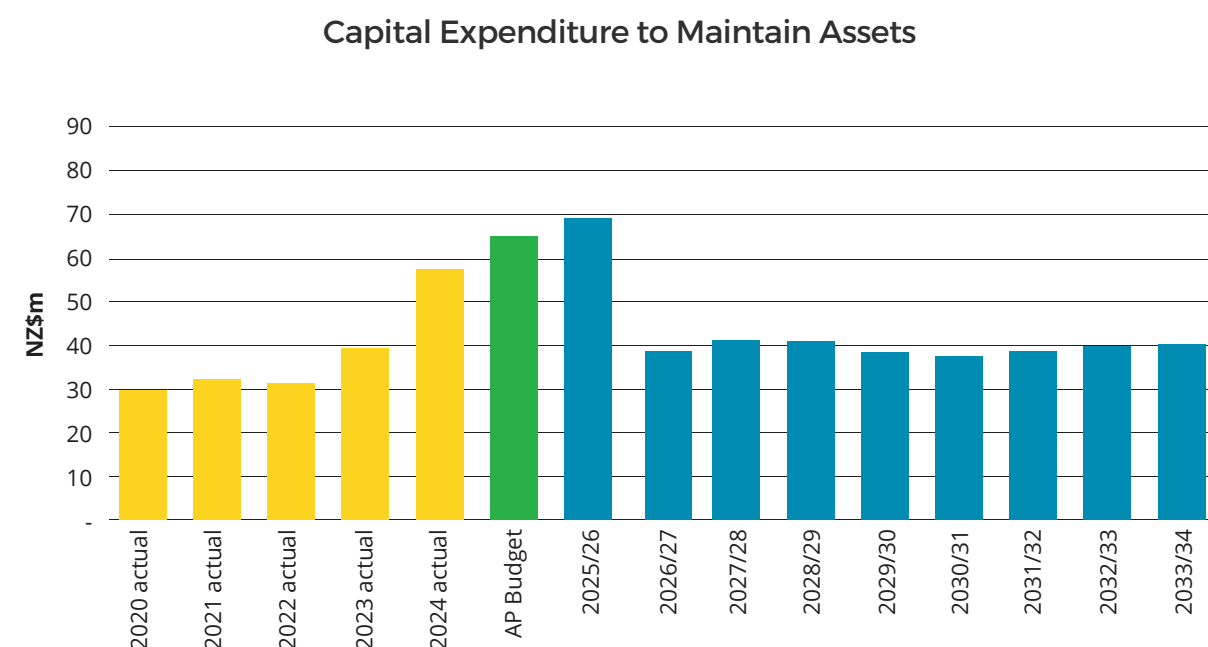


Figure 2: Renewal Expenditure to maintain asset service levels (\$million).

Figure 2 shows that the Council plans to invest consistently between \$38 million and \$41 million from years two to nine, with an initial investment of around \$69 million in the first year as this includes water supply and wastewater costs. This investment is below the annual depreciation forecast of \$41 million to \$57 million, due to reduced NZTA subsidies for transport programmes. Without increased subsidies or higher rates from ratepayers, this could lead to asset deterioration, slower travel times, and safety issues. Some asset replacements will occur earlier than planned to accommodate growth.

A significant element of Council's financial strategy is for infrastructure assets to maintain up to date asset valuations which recognise the current replacement cost of assets and then fund the consequential depreciation cost. This provides for an appropriate allocation of cost to those who benefit from the services the assets provide each year and overall is the most cost-effective approach to ensure current and future generations pay an affordable share of the asset renewal. For each asset type any funds are accounted for in asset replacement reserves. Along with everyday maintenance this capital renewal budget will ensure that service levels remain constant.

Better Services

Communities that are thriving have a high degree of liveability through a good range of modern services.

Communities often desire many improvements which need prioritising to balance affordability with service levels. We simply cannot deliver all of our communities' aspirations as we have a constrained fiscal envelope. Council receives hundreds of requests and must evaluate and prioritise those additions and improvements that best support our community outcomes and are affordable. Managing community expectations is important.

Figure 3 shows a drop in investment in 2026/27 with the transfer of water and wastewater services to the CCO. Council maintains an investment of between \$16 and \$52 million over the nine-year plan with the majority of the investment for better services on roads. Investing in better service levels on core infrastructure is essential to building modern communities, however communities need access to other services like playgrounds and libraries if people are to feel their community is liveable and thriving. Council must therefore balance investment choices between core infrastructure and community infrastructure and services.

Capital expenditure for better services will initially be funded by borrowing. Where subsidies and external funds can be earned, this will reduce the initial debt. The remaining debt will be paid over 25 years by existing ratepayers and by new ratepayers as they come into the district.

Providing better service levels will add cost which is included in the graph below.

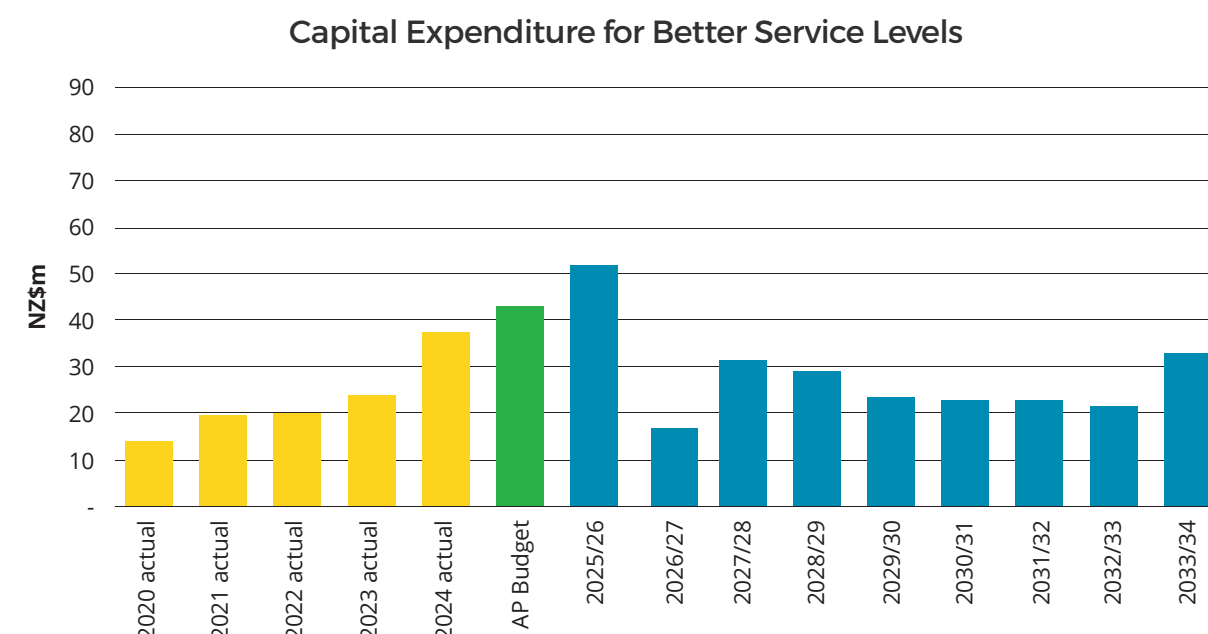


Figure 3: Capital Expenditure for Better Services (\$ million).

Managing Debt

The increased investment over the nine-year plan in growth, renewals and service levels has the consequence of increasing debt (see Figure 4). Debt is at its peak in 2025/26 with waters in, however, this reduces significantly from year two once the CCO is operational. Council maintains a financially sustainable debt-to-revenue debt ratio with this being well below the 175% debt cap creating sufficient headroom facility. Council will repay this debt over a rolling 10-year period.

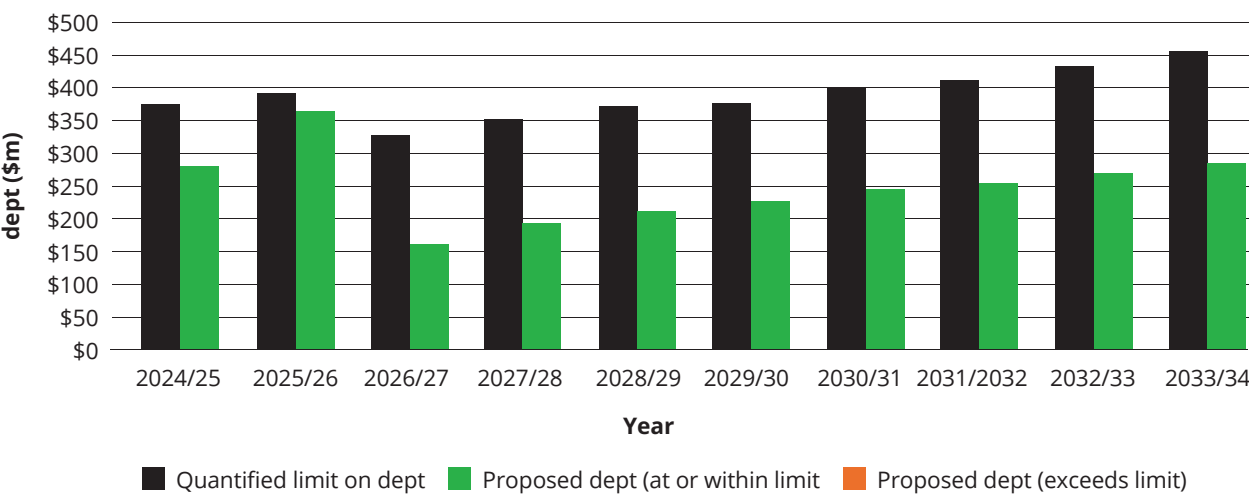


Figure 4: Debt levels (\$million) and Debt limits.

Debt Limit
Net debt will not exceed 175% of revenue.
Net debt equals total external debt net of related borrower notes. Revenue is net of developer contributions and vested assets.

Council has set its debt limit using a debt to revenue ratio. This is one of the main methods used by Council's funders to determine the affordability of debt. People who have borrowed home mortgages will know how important income is to the bank's decision to lend money.

Council's primary lender is the Local Government Funding Agency (LGFA). The limit is set within the Local Government Funding Agency covenants and could, as a high growth council, be set at an upper limit of 350%. Council maintains a strong credit rating which allows us to access these funds at lower interest rates than non-rated councils.

Council's borrowing is secured by either a debenture trust deed or a floating charge over all Council rates levied under the Rating Act.

Affordable Rates
Rates income ranges between 63 and 70% of income and is Council's main revenue source. During the next nine years there will be a 15% increase in the number of properties. This will create extra income to offset some of the costs of growth.

Limits Rates Increases
Total annual rates revenue will increase by no more than 11% in the first year reducing to 8% thereafter.

Council has set limits on total annual rates revenue increases of no more than 11% in year one, reducing to no more than 8% for years two to nine.

This measure is based on total rates income (including rates revenue from new properties) and provided the number of rateable properties continues to grow, the flow-on rates increase to existing ratepayers will sit below this limit. To have a measure that reflects individual or even 'average' ratepayer circumstances is simply not

representative of the uniqueness of our ratepayer base. As a provincial council we have urban, country living, rural (large-scale and residential), commercial and industrial in the mix. Pegging rates limits to the overall level of revenue increase will ensure, as a council, we operate within a maximum funding envelope.

Council has set limits that are real and consequentially could be challenging in the event of an unplanned event or compliance costs. In setting the limits this way Council is challenging itself to be good financial managers for the district. This is a better approach than setting limits so high they never become relevant to decision making.

The challenging economic environment may mean for some in our community that these limits still feel too high. However, the relative size of our district does not lend itself to economies of scale as our large geographic spread, means we have multiple critical assets with high compliance and operational costs. These are not costs we can 'opt out' of.

paying for what they use. Having a surplus position ensures funds are available for asset purchases and debt repayment.

The formula used for the balanced budget metric is as per the Local Government Financial Prudence Regulations 2014. Figure 5 shows Council is not expected to 'balance the books' until 2027/28. Depreciation, being the amount that is set aside to help fund renewal of assets over time, is collected via rates annually. However, as Council has a co-funding arrangement for roading renewals through the NZTA subsidy programme, a purposeful decision has been made to not charge the full cost of roading-related depreciation to ratepayers based on the assumption that this funding partnership will remain in place.

Despite the approach of not fully funding depreciation on the roading network, after removing development contributions and vested assets from revenue, Council is, on the whole, forecasting to make surpluses that allow for debt repayment over the life of the plan.

Balancing the Books

Good financial practice is to manage the business so that operating revenues exceed operating costs. This ensures that each year the users of services are

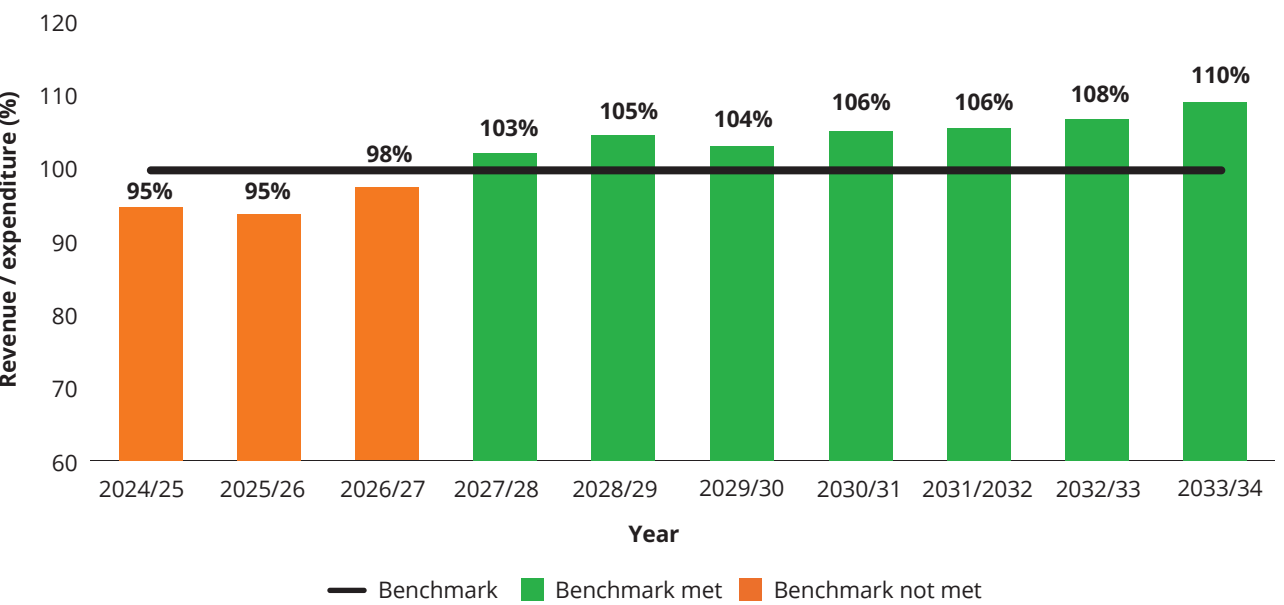


Figure 5: Balanced Budget (\$).

Good Investments

Council has financial, property and equity investments which are managed in accordance with the Treasury Risk Management Policy.

Investment	2023/2024 (actual)		2025-2034
	Value \$(000)	Return	Return (forecast)
Financial	1,143	5.57%	6%
Investment Property	615	(3)%	3%
Equity			
Waikato Regional Airport Ltd	\$36,658	0%	0.10% p.a. from 2025/26
Waikato Local Authority Shared Services Ltd	219	0%	0%
Civic Financial Services Ltd	38	0%	0%
Investment	2026/27 (proposed)		
	Value \$(000)	Return	Return (forecast)
IAWAI Flowing Waters	\$424,055	0%	0%

Council holds investments for a strategic reason, not just for a financial return on investment. These reasons include where there is some community, social, physical or economic benefit accruing from the investment activity. Council has the following objectives in holding the above investments.

Financial

Cash is held for liquidity purposes, not to make a financial gain. Council is a net borrower and will convert surplus cash to reduce debt costs as appropriate to maintain liquidity. Any returns from cash investments are offset against the general rate. The financial investments outlined in the table above relate to a small number of community loans which will be repaid over time.

Investment Property

Council has one investment property in Ngaaruawaahia that receives a modest commercial lease return. The lease on this property is not anticipated to be renewed beyond the first year of the LTP. It also has a small portfolio of non-reserve land and buildings. These properties

are predominately owned for operational efficiency including offices at Raglan, Huntly and Ngaaruawaahia. No return on these investments is planned for.

Waikato Regional Airport Ltd

The company operates Hamilton International Airport and promotes the region to tourists. Council shareholding is 15.63%.

Council's shareholding is considered a strategic asset. While Council's ownership is largely for economic development reasons and not for financial return, Council has not provided for any income from dividends.

Waikato Local Authority Shared Services Ltd (trading as Co-lab)

The company has been established to cost-effectively provide councils with a vehicle to procure shared services. It is an investment which aims to reduce the cost of providing generic services. The company does not provide a financial return by way of dividend.

Civic Financial Service Limited

The company, established in 1960, is owned by local government to provide a range of financial services including Riskpool, Local Authority Protection Programme (LAPP) and Supereasy Kiwisaver scheme. Council's holding is historic, and no return is forecast.

IAWAI Flowing Waters

The company, to be operational from 1 July 2026, is being established to provide sustainable three waters outcomes for communities, now and for the future. The company will own water supply and wastewater treatment and disposal assets and be responsible for the planning and operation of stormwater services. Stormwater assets will be retained by Council. The shareholding will be considered a strategic asset but will not be held for financial return.

Planning for the unexpected

Events such as the Canterbury earthquakes and locally Cyclone Gabrielle, have a significant impact on infrastructure. Much of Council's \$2.6 billion of assets is vulnerable to local weather events and the impacts of events affecting the Waikato River.

Council has purchased commercial insurance for assets under the ground such as water, wastewater and stormwater infrastructure. This was achieved through partnering with a number of the Local

Authority Shared Services councils in a group insurance programme. In the event of a natural disaster affecting critical underground assets and arterial bridges, Council will be able to secure a proportionate amount of the group's insurance proceeds to pay for the repair and replacement of these assets. As we transition to the CCO for delivery of three waters, this insurance programme will focus on protection of roading 'lifeline' assets.

In addition to this cover, Council is proposing to increase the investment in our own disaster recovery fund to self-insure for events that may not trigger the natural disaster insurance policy claim criteria. A specific budget is set aside each year to re-build the balance of the disaster recovery fund. \$2.2 million has been set aside in the first three years of the plan and the fund will continue to be replenished and built on throughout the nine years.

Additionally, a roading budget of \$1 million per annum is included for future emergency works in the event that the network sustains heavy or prolonged rainfall. This budget is in addition to the funds held in the disaster recovery reserve.

For really big events, Council expects external financial assistance for the emergency response and recovery. Council will be expected to initially fund these costs.

Funding Impact Statement

Taukii Hua Tuku Puutea

Rating base information

Definitions

Residential - General

Properties for which the permitted activity in the District Plan is related to residential zone, village zone, country living zone, rural zone, paa, education, recreation, and conservation use.

Residential - Wastewater

Residential is defined as any part of a rating unit that is used primarily for residential purposes.

Commercial

Properties for which the permitted activity in the District Plan is related to business, industrial, transportation use and other network utilities.

Commercial – Wastewater

Commercial (commercial) is defined as any part of a rating unit that is not categorised as residential, commercial (non- rateable) or commercial (assistance for the elderly).

Commercial (non-rateable) is defined as organisations classified by the Act as fully non-rateable or organisations that are not- for-profit as determined by Council.

Commercial (assistance for the elderly) is defined as organisations that are supportive of the elderly, including retirement homes, rest homes and Council-owned pensioner flats, as determined by Council.

Separately used or inhabited part of a rating unit (SUIP)

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner, or a person other than the owner and who has the right to use or inhabit that portion by virtue of a tenancy, lease, license, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner. For the purposes of this definition, vacant land and

vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as ‘used’. This includes any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

For the purpose of this definition, where the use or inhabitation is an accessory one or is ancillary to another property or part thereof, it is not a separately used or inhabited part. For example:

- Not separately used or inhabited parts of a rating unit.
- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel room with or without kitchen facilities.
- Motel rooms with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

The following are examples of where there may be application of multiple charges because a rating unit is comprised of more than one separately used or inhabited part:

- Houses/flats/apartments.
- Flats that share kitchen/bathroom.

As a minimum, the land or premises intended to form a separately used or inhabited part of the rating unit must be capable of actual habitation or actual separate use.

Council will set the following rates for the financial year commencing 01 July 2025 and ending 30 June 2026. All amounts (except where otherwise stated) are inclusive of GST.

Rates

General Rate

A General Rate is set on the capital value of rateable land within its district. The General Rate required to undertake the work programme outlined in the first year of the Long Term Plan 2025-34 is proposed to be \$0.0022040 in the dollar of capital value. This

work programme covers Animal Control, Community and Safety, Corporate and Council Leadership, Environmental Health, Community Liaison, Libraries, Parks and Reserves, Resource Management, Rooding, Solid Waste management, Stormwater, Wastewater and Water Supply.

Uniform Annual General Charge (UAGC)

A UACG is set at \$548.49 per rating unit in the 2025/2026 year.

Targeted Rates

Community Facilities

Targeted rates are set for the purpose of covering the costs of maintenance and operation of community facilities in the respective defined rating areas of Huntly (urban), Ngaaruawaahia and Raglan. This rate is a fixed amount per rating unit on all rating units within the catchment area.
www.waikatodistrict.govt.nz/ltpmaps

Community Boards

Targeted rates are set for the purpose of covering the direct costs of operating all the community boards within the district. This rate is a fixed amount per rating unit for all rating units within the Tuakau, Huntly, Taupiri, Rural-Port Waikato, Ngaaruawaahia, and Raglan areas.
www.waikatodistrict.govt.nz/ltpmaps

Halls or Community Centres

Targeted rates are set for the purpose of covering the costs of maintenance and operation of halls, other facilities and community centres in the respective rating areas. This rate is a fixed amount per separately used or inhabited part of a rating unit (SUIP) within the defined hall/community centre area (except for the Te Kohanga rate which is an amount in dollar of land value). The targeted rates are specific to individual areas.
www.waikatodistrict.govt.nz/ltpmaps

Tamahere Recreation Reserve

Targeted rates are set for the purpose of covering the costs of loan interest and additional operational costs for the above average level of service of Tamahere Recreation Reserve. This rate is a fixed amount per separately used or inhabited part of a rating unit (SUIP) used for residential purposes within the defined catchment area of the Tamahere Ward.
www.waikatodistrict.govt.nz/ltpmaps

Huntly Pool (Rural)

Targeted rates are set for the purpose of covering part of the costs of maintenance and operation of the Huntly Pool. This rate is a fixed amount per rating unit on all rating units within the catchment area.
www.waikatodistrict.govt.nz/ltpmaps

Tamahere gully conservation

Targeted rates are set for the purpose of covering the costs of ongoing and future conservation within the Tamahere Gully network. This rate is a fixed amount per rating unit on all rating units within the catchment area.
www.waikatodistrict.govt.nz/ltpmaps

Rubbish & Recycling

District wide rubbish and recycling collection

The rate is a fixed amount per separately used or inhabited part of a residential rating unit (SUIP) within the serviced area.
www.waikatodistrict.govt.nz/ltpmaps

Tuakau rubbish and recycling collection

The rate is a fixed amount per wheelie bin supplied to each rating unit within the serviced area.
www.waikatodistrict.govt.nz/ltpmaps

Glen Murray pop up recycling collection point

This rate is a fixed amount per separately used or inhabited part of a residential rating unit (SUIP) within the serviced area.
www.waikatodistrict.govt.nz/ltpmaps

Raglan recycling and food waste collection

This rate is a fixed amount per separately used or inhabited part of a residential rating unit (SUIP) within the serviced area.
www.waikatodistrict.govt.nz/ltpmaps

Te Mata/Te Uku recycling collection point

This rate is a fixed amount per separately used or inhabited part of a residential rating unit (SUIP) within the serviced area.
www.waikatodistrict.govt.nz/ltpmaps

Water Supply

Targeted rates are set to fund expenditure on water activities.

Availability

The rate is a fixed amount of \$562.52 per rating unit for availability/serviceability of a water supply service to a rating unit (Available or serviceable means a rating unit situated within 100 metres of any part of the water network).

Metered – connection charge

The rate is a fixed amount of \$562.52 per separately used or inhabited part of a rating unit (SUIP). Council also sets rates per cubic metre of water supplied to rating units (see below).

Water by Meter

A targeted rate is set to fund expenditure on water activities for metered water supply. The rates are an amount per unit of water (cubic metre) consumed or supplied as measured or controlled by a meter. The rate for 2025/2026 is \$2.59 per cubic metre.

Wastewater

A District Wide targeted rate is set to fund expenditure on wastewater activities for those properties that receive the wastewater service.

The rates are differentiated by residential or commercial use. Properties in the residential differential are further differentiated by connection or availability of the service.

For the purposes of this rate:

- Residential is the base differential. The rate is set and assessed as an amount per separately used or inhabited part of a rating unit (SUIP) for connected rating units.
- Availability is defined as any rating unit situated within 30 metres of a public wastewater drain to which it is capable of being effectively connected - set as 50 per cent of the fixed amount for connected properties and set and assessed as an amount per rating unit for residential properties.

- Commercial (commercial) - The rates are set and assessed as:
 - An amount per separately used or inhabited part of a connected rating unit (SUIP) for the first two pans (equivalent to 100% of the residential connected differential); and
 - An amount per pan for the third and subsequent pans in any connected separately used or inhabited parts of a rating unit (SUIP; equivalent to 50% of the residential connected differential).
- Commercial (non rateable) - The rates are set and assessed as:
 - An amount per separately used or inhabited part of a connected rating unit for the first two pans (SUIP; equivalent to 100% of the residential connected differential); and
 - An amount per pan for the third and subsequent pans in any connected separately used or inhabited parts of a rating unit (SUIP; equivalent to 10% of the residential connected differential).
- Commercial (Assistance for the elderly) - The rates are set and assessed as
 - An amount per separately used or inhabited part of a connected rating unit for the first two pans (SUIP; equivalent to 100% of the residential connected differential) and
 - An amount per pan for the third and subsequent pans in any connected separately used or inhabited part of a rating unit (SUIP; equivalent to 20% of the residential connected differential).

Wastewater Capital Works Targeted Rates

Targeted rates are set for the purpose of funding the capital cost and interest charges of specific capital work. The rates are a fixed charge per connection for connected properties within the relevant scheme catchment area.

Council initially provided ratepayers with an option on whether to pay for the cost of the capital work by a single payment over 3 instalments in a year or via targeted rates over an expected period of 10 years.

Council annually provides ratepayers with an option to pay off the balance of the rating unit’s anticipated liability for future years for these targeted rates.

The targeted rates only apply to those rating units for which liability has not been discharged.

Pookeno wastewater scheme

A charge of \$13,619 per rating unit was made for the purpose of covering the capital cost of the wastewater system. For rating units that have not discharged their liability, Council will set a targeted rate as:

- a fixed amount per connection of \$1,436.69 (inclusive of GST) (comprising \$1,361.90 capital per year plus GST and interest on the outstanding portion of the lump sum at the start of each rating year).

Stormwater

Urban stormwater

Targeted rates are set to fund expenditure on stormwater activities for stormwater catchments in Horotiu, Huntly, Matangi, Meremere, Ngaaruwaahia, Pokeno, Port Waikato, Raglan, Taupiri, Te Kauwhata and Tuakau based on the availability of drainage to land as a fixed amount per rating unit.
www.waikatodistrict.govt.nz/ltppmaps

Tamahere Rural Stormwater – Availability and Land Drainage

Targeted rates are set to fund expenditure on rural stormwater activities for the Tamahere stormwater rating area based on the availability of drainage to land. This targeted rate is a fixed amount per rating unit across the scheme.
www.waikatodistrict.govt.nz/ltppmaps

In addition to this targeted rate, ratepayers in the Tamahere stormwater rating area will also be liable for a Land Drainage targeted rate to fund expenditure on drainage activities received from the Tamahere drainage system. This charge is an amount per hectare of land.
www.waikatodistrict.govt.nz/ltppmaps

Lump Sum Contributions Generally

Council will not accept lump sum contributions in respect of any targeted rate, except where stated explicitly in this Funding Impact Statement.

Early Payment Policy

Per resolution WDC05/105/1/2 Council will accept payment in advance of any applicable rate instalment both in the current or future years. No discount will be given or interest paid in relation to any payments on this basis.

Any such payments made in advance will be credited against the appropriate rate instalment as directed by the ratepayer.

Due Dates

The Waikato District Council due dates for rate payments for the 2025/26 year (excluding water by meter rates) shall be due in three equal instalments as follows:

- First Instalment 22 September 2025
- Second Instalment 20 January 2026
- Third Instalment 20 May 2026

A penalty of 10% on so much of any rates instalment that has been assessed after 01 July 2025 and which is unpaid after the due date for payment, will be applied on the penalty dates as follows:

- First instalment 23 September 2025
- Second instalment 21 January 2026
- Third instalment 21 May 2026

The Waikato District Council water by meter rates shall be invoiced separately and payable in two instalments each year. For the 2025/26 financial year, the meter reading dates and the payment due dates of instalments for each area are:

Area	Reading Date 1	Payment Due Date 1	Reading Date 2	Payment Due Date 2
Ngaaruawaahia	July 2025	05 September 2025	January 2026	06 March 2026
Taupiri	July 2025	05 September 2025	January 2026	06 March 2026
Horotiu	July 2025	05 September 2025	January 2026	06 March 2026
Huntly	August 2025	03 October 2025	February 2026	07 April 2026
North Waikato	September 2025	07 November 2025	March 2026	01 May 2026
Pokeno	September 2025	07 November 2025	March 2026	01 May 2026
Port Waikato	October 2025	05 December 2025	April 2026	05 June 2026
Onewhero	October 2025	05 December 2025	April 2026	05 June 2026
Tuakau	October 2025	05 December 2025	April 2026	05 June 2026
Southern Districts	November 2025	05 January 2026	May 2026	03 July 2026
Western Districts	November 2025	05 January 2026	May 2026	03 July 2026
Raglan	December 2025	09 February 2026	June 2026	07 August 2026
Te Aakau	December 2025	09 February 2026	June 2026	07 August 2026

A penalty of 10% on so much of any water by meter instalment that has been assessed after 01 July 2025 and which is unpaid after the due date for payment will be applied on the following dates:

Area	Penalty date 1	Penalty date 2
Ngaaruawaahia	08 September 2025	09 March 2026
Taupiri	08 September 2025	09 March 2026
Horotiu	08 September 2025	09 March 2026
Huntly	06 October 2025	08 April 2026
North Waikato	10 November 2025	04 May 2026
Pokeno	10 November 2025	04 May 2026
Port Waikato	08 December 2025	08 June 2026
Onewhero	08 December 2025	08 June 2026
Tuakau	08 December 2025	08 June 2026
Southern Districts	06 January 2026	06 July 2026
Western Districts	06 January 2026	06 July 2026
Raglan	10 February 2026	10 August 2026
Te Aakau	10 February 2026	10 August 2026

A penalty of 10% on so much of any rates or metered water rates assessed before 30 June 2025 which remain unpaid on 01 July 2025. The penalty date is 1 July 2025.

A further penalty of 10% on any rates or metered water rates to which a penalty has been added on 01 July 2025 if the rates remain unpaid. The penalty date is 1 January 2026.

Rating Base Information

Rates for the financial year commencing 1 July 2025 to 30 June 2026 (All figures are inclusive of GST)

Source	Category	Funding	Basis of Rating	LTP 2025/26 \$	Estimated Revenue \$000's
General Rate	All rateable land in the district	Work programme as highlighted in the long term plan including Animal Control, Community and Safety, Corporate and Council Leadership, Environmental Health, Community Liaison, Libraries, Parks and Reserves, Resource Management, Roothing, Solid Waste management, Stormwater, Wasterwater and Water Supply.	Uniform rate in the dollar of capital value	0.0022040	99,955
Uniform annual general charge (UAGC)	All rateable land in the district	People related activities including but not limited to libraries, parks and reserves, public cemeteries, public swimming pools, public toilets, community centres, community liaison, grants and donations, safer communities, animal control, civil defence and safety, building control, environmental health, resource management planning, environmental consents planning, area offices and democracy/ local government.	Fixed amount per rating unit	548.49	19,082
Targeted community facilities rates (apply to all rating units within each ward catchment area)	Huntly Community Facilities (urban catchment)	Covers the cost of maintenance and operation of community facilities.	Fixed amount per rating unit	34	112
	Ngaaruawaahia Community Facilities			25	75
	Raglan Community Facilities			25	57
Community Boards	Huntly ward	Direct costs of operating all the community boards within the district.	Fixed amount per rating unit	23.12	75
	Ngaaruawaahia ward			23.12	70
	Tuakau ward			23.12	79
	Rural Port Waikato			23.12	37
	Raglan ward			23.12	61
	Taupiri ward			23.12	8

Source	Category	Funding	Basis of Rating	LTP 2025/26 \$	Estimated Revenue \$000's
Targeted hall or community centre rates (apply to all rating units within each hall catchment area)	Te Kohanga	Covers the cost of maintenance and operation of halls, other facilities and community centres.	Uniform rate in the dollar of land value	0.000026	3
	Aka Aka		Fixed amount per separately used or inhabited part of a rating unit	55	13
	Eureka			60	18
	Glen Murray			70	9
	Gordonton			26	16
	Horsham Downs			35	16
	Huntly			25	82
	Karioitahi			55	3
	Mangatangi			34.5	6
	Mangatawhiri			58.5	18
	Maramarua			37	15
	Matangi			30	37
	Meremere			24	4
	Naike			80	9
	Ohinewai			24	4
	Opuatia			35	4
	Orini			26	5
	Otaua			55	12
	Pokeno			23	45
	Port Waikato			125	60
	Pukekawa			55	28
	Puketaha			45	17
	Tamahere			70	113
	Taupiri			24	16
	Tauwhare			30	11
	Te Akau/Waingaro			32	8
	Te Hoe			30	5
	Te Kowhai			50	48
	Te Mata			24	7
	Tuakau			46.13	103
	Waikaretu			50	2
	Whangarata			46	4
	Whatawhata			52	51
	Whitikahu			53	10

Source	Category	Funding	Basis of Rating	LTP 2025/26 \$	Estimated Revenue \$000's
Tamahere Recreation Reserve	Based on location of rating unit within the Tamahere Ward.	Covers the cost of loan interest and additional operational costs for the above average level of service of the Tamahere Recreation Reserve.	Fixed amount per SUIP	38	94
Huntly pool rural	Based on location of rating unit in catchment area.	Covers the cost of maintenance and operation of community facilities.	Fixed amount per rating unit	16	53
Tamahere gully conser-vation	Rating units within the catchment area.	Contribution to ongoing and future conservation work in the Tamahere Gully.	Fixed Amount per rating unit	52	118
District wide rubbish and recycling collection	Residential rating units within serviced areas. (Eureka, Glen Afton/Pukemiro, Gordonton and surrounds, Horotiu, Horsham Downs, Huntly and surrounds, Meremere, Ngaaruawaahia and sur-rounds, Pukekawa, Rangiriri and surrounds, Rotokauri, Tamahere and surrounds, Taupiri and surrounds, Te Kauwhata and surrounds, Te Kowhai, Whatawhata).	Covers the cost of rubbish and recycling collection where the service is provided.	Fixed amount per separately used or inhabited part of a rating unit	280.03	6,919
Tuakau rubbish and recycling collection	Rating units within serviced areas.	Covers the cost of rubbish and recycling collection where the service is provided.	Fixed amount per wheelie bin	280.03	601
Glen Murray pop up recycling collection point	Rating units within serviced areas.		Fixed amount per separately used or inhabited part of a rating unit	81.87	24
Raglan recycling collection	Residential rating units within serviced areas.		Fixed amount per separately used or inhabited part of a rating unit	185.71	408
Raglan food waste collection	Residential rating units within serviced areas.		Fixed amount per separately used or inhabited part of a rating unit	108.88	247
Te Mata/Te Uku recycling collection points	Residential rating units within serviced areas.		Fixed amount per separately used or inhabited part of a rating unit	73.85	58
Water Supply - Available	Available (not connected but within 100 metres of the public water supply - to which it is capable of effectively being connected).	District wide water activities as per the Long Term Plan.	Fixed amount per rating unit	562.52	942

Source	Category	Funding	Basis of Rating	LTP 2025/26 \$	Estimated Revenue \$000's
Water Supply - Metered	Metered rating units in serviced areas.	District wide water activities as per the long term plan.	Fixed amount per separately used or inhabited part of a rating unit	562.52	9,914
			Charge per cubic metre of water consumed (as measured by meter)	2.59	10,176
Wastewater	Residential - connected.	Wastewater activities	Fixed amount per separately used or inhabited part of a rating unit	1,785.87	23,021
	Residential - available (not connected but within 30 metres of a public wastewater drain - to which it is capable of effectively being connected).		Fixed amount per rating unit	892.93	1,197
	Non residential/commercial - Commercial - Connected.		Fixed amount per separately used or inhabited part of a rating unit for the first two pans	1,785.87	164
	Non residential/commercial - Commercial - Connected.		Additional fixed amount per pan for the third and any subsequent pans	892.93	468
	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by Council) - connected.		Fixed amount per separately used or inhabited part of a rating unit for the first two pans	1,785.87	138
	Non residential/commercial - Non rateable (Organisations classified by the Act as fully non-rateable or organisations that are non-profitable as determined by Council) - connected.		Additional fixed amount per pan for the third and any subsequent pans	178.60	172
	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by Council) - Connected.		Fixed amount per separately used or inhabited part of a rating unit for the first two pans	1,785.87	4
	Non residential/commercial - Assistance for the elderly (Organisations supportive of the elderly as determined by Council) - Connected.		Additional fixed amount per pan for the third and any subsequent pans	357.17	23
Pokeno Capital Wastewater Scheme	Connected properties in scheme area.	Covers the capital cost and interest charges of the work.	Loan Instalments - Fixed amount per connection	1,436.69	53
Urban Stormwater	Rating units within the stormwater catchment areas for which the service is available (Horotiu, Huntly, Matangi, Meremere, Ngaruawahia, Pokeno, Port Waikato, Raglan, Taupiri, Te Kauwhata and Tuakau).	District wide stormwater activities as per the long term plan.	Fixed amount per rating unit	316.64	4,583
Tamahere rural stormwater	Rating units within the Tamahere stormwater catchment area.	Tamahere rural stormwater activities	Fixed amount per rating unit	29.11	26
Tamahere land drainage	Rating units within the Tamahere land drainage catchment area.	Land drainage activities.	Amount per hectare of land area	6.59	9

Rates Breakdown Indicator Properties

These are the indicated rates, inclusive of GST.

	Residential - Tuakau		Residential - Huntly		Residential - Ngaaruawaahia		Residential - Raglan	
	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026
Average Capital Value	\$740,000	\$740,000	\$490,000	\$490,000	\$550,000	\$550,000	\$1,050,000	\$1,050,000
General Rates	\$1,564.51	\$1,630.96	\$1,035.96	\$1,079.96	\$1,162.81	\$1,212.20	\$2,219.91	\$2,314.19
UAGC	\$526.15	\$548.50	\$526.15	\$548.50	\$526.15	\$548.50	\$526.15	\$548.50
Fixed Targeted Rates	\$2,636.08	\$3,014.31	\$3,127.55	\$3,571.76	\$3,110.55	\$3,537.76	\$3,127.67	\$3,544.23
Total Rates	\$4,726.74	\$5,193.76	\$4,689.66	\$5,200.22	\$4,799.51	\$5,298.46	\$5,873.73	\$6,406.92
Total % Increase (over 2024/25)	9.88%		10.89%		10.40%		9.08%	
Total \$ Increase (over 2024/25)	\$467.02		\$510.56		\$498.95		\$533.19	
Weekly \$ Increase (over 2024/25)	\$8.98		\$9.82		\$9.60		\$10.25	

	Residential - Tamahere		Residential - Pookeno		Residential - Te Kauwhata	
	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026
Average Capital Value	\$1,820,000	\$1,820,000	\$950,000	\$950,000	\$680,000	\$680,000
General Rates	\$3,847.84	\$4,011.27	\$2,008.49	\$2,093.79	\$1,437.66	\$1,498.72
UAGC	\$526.15	\$548.50	\$526.15	\$548.50	\$526.15	\$548.50
Fixed Targeted Rates	\$1,412.99	\$1,492.83	\$3,085.43	\$3,512.64	\$3,062.43	\$3,489.64
Total Rates	\$5,786.98	\$6,052.60	\$5,620.07	\$6,154.93	\$5,026.24	\$5,536.85
Total % Increase (over 2024/25)	4.59%		9.52%		10.16%	
Total \$ Increase (over 2024/25)	\$265.61		\$534.86		\$510.62	
Weekly \$ Increase (over 2024/25)	\$5.11		\$10.29		\$9.82	

	Rural		Lifestyle		Commercial		Industrial	
	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026	2024/2025	2025/2026
Average Capital Value	\$12,200,000	\$12,200,000	\$1,320,000	\$1,320,000	\$2,510,000	\$2,510,000	\$7,700,000	\$7,700,000
General Rates	\$25,793.24	\$26,888.73	\$2,790.74	\$2,909.27	\$5,306.64	\$5,532.02	\$16,279.34	\$16,970.75
UAGC	\$526.15	\$548.50	\$526.15	\$548.50	\$526.15	\$548.50	\$526.15	\$548.50
Fixed Targeted Rates	\$1,567.23	\$1,785.87	\$1,250.27	\$1,417.13	\$2,854.99	\$3,257.73	\$3,638.61	\$4,150.66
Total Rates	\$27,886.62	\$29,223.09	\$4,567.16	\$4,874.90	\$8,687.78	\$9,338.25	\$20,444.10	\$21,669.91
Total % Increase (over 2024/25)	4.79%		6.74%		7.49%		6.00%	
Total \$ Increase (over 2024/25)	\$1,336.47		\$307.74		\$650.47		\$1,225.81	
Weekly \$ Increase (over 2024/25)	\$25.70		\$5.92		\$12.51		\$23.57	

Note 1: Individual rate increases will vary depending on property type, value and location, and services available.
Note 2: Average Capital Value is per the 2023 district wide valuation.
Note 3: Fixed Targeted Rates reflect the range of services available for each property example, including water-by-meter charges.

Financial planning

Prospective Funding Impact Statement - Whole of Council

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ\$'000	2025/2026 NZ \$'000	2026/2027 NZ \$'000
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	97,366	105,161	110,065
Targeted rates	45,299	52,781	14,294
Subsidies and grants for operating purposes	16,471	13,635	16,849
Fees and charges	19,815	25,105	18,573
Interest and dividends from investments	660	660	660
Local authorities fuel tax, fines, infringement fees, and other receipts	10,535	10,550	11,058
Total Operating Funding	190,146	207,891	171,499
Applications of Operating Funding			
Payments to staff and suppliers	158,198	159,066	135,033
Finance costs	9,346	11,469	5,629
Other operating funding applications	6,834	8,272	6,186
Total Applications of Operating Funding	174,378	178,807	146,848
Surplus (deficit) of operating funding	15,768	29,084	24,651
Sources of Capital Funding			
Subsidies and grants for capital expenditure	23,409	15,896	14,159
Development and financial contributions	11,614	7,049	3,402
Increase (decrease) in debt	111,139	109,427	(205,654)
Gross proceeds from sale of assets	200	-	-
Other dedicated capital funding	216	222	-
Total Sources of Capital Funding	146,578	132,595	(188,092)
Applications of Capital Funding			
Capital expenditure			
- to meet additional demand	36,041	38,367	3,107
- to improve the level of service	43,408	51,915	16,748
- to replace existing assets	65,230	69,158	38,678
Increase (decrease) in reserves	14,165	(429)	(216,959)
Increase (decrease) of investments	3,502	2,669	(5,016)
Total Applications of Capital Funding	162,346	161,679	(163,441)
Surplus (deficit) of capital funding	(15,768)	(29,084)	(24,651)
Funding balance	-	-	-
Depreciation and amortisation		58,477	42,799

2027/2028 NZ \$'000	2028/2029 NZ \$'000	2029/2030 NZ \$'000	2030/2031 NZ \$'000	2031/2032 NZ \$'000	2032/2033 NZ \$'000	2033/2034 NZ \$'000
114,606	119,302	122,981	126,730	130,571	134,507	138,524
16,253	18,502	21,088	24,061	27,476	31,405	35,925
17,406	17,795	18,139	18,409	18,751	19,114	19,473
18,845	19,113	19,285	19,450	19,608	19,773	19,890
660	660	660	660	660	660	660
10,747	11,107	11,106	11,294	11,683	11,730	11,962
178,516	186,480	193,260	200,604	208,749	217,190	226,435
138,692	142,135	144,623	150,674	154,647	160,822	164,319
6,537	7,746	8,658	9,259	10,018	10,791	11,850
6,486	6,306	6,423	6,756	6,554	6,675	7,011
151,715	156,188	159,705	166,689	171,219	178,288	183,180
26,801	30,292	33,555	33,915	37,530	38,902	43,254
22,410	26,052	21,511	27,406	26,211	30,347	33,713
3,661	5,960	6,269	5,391	5,674	5,851	6,020
29,623	21,157	14,806	17,903	10,734	14,898	15,216
-	-	-	-	-	-	-
-	-	-	-	-	-	-
55,694	53,169	42,586	50,700	42,620	51,096	54,950
10,509	13,627	11,353	24,077	18,338	28,187	23,871
31,490	28,895	23,551	22,812	23,145	21,656	32,919
41,336	40,913	38,417	37,688	38,609	39,768	40,748
(1,562)	(489)	2,532	(398)	(204)	23	295
723	516	288	437	262	363	371
82,495	83,462	76,141	84,615	80,150	89,997	98,204
(26,801)	(30,292)	(33,555)	(33,915)	(37,530)	(38,902)	(43,254)
-	-	-	-	-	-	-
44,515	46,711	48,153	49,290	50,828	52,353	54,247

Waikato District Council: Prospective statement of comprehensive revenue and expense

A forecast for nine years ending 30 June 2034

	Annual plan 2024/2025 NZ \$'000	2025/2026 NZ \$'000	2026/2027 NZ \$'000	2027/2028 NZ \$'000
Revenue				
Rates	142,665	156,832	123,629	130,129
Development and financial contributions	11,614	7,049	3,402	3,661
Subsidies and grants	39,880	29,531	31,008	39,816
Finance revenue	660	660	660	660
Other revenue	32,785	36,305	30,131	31,159
Total revenue	227,604	230,377	188,830	205,425
Expenses				
Depreciation and amortisation expense	50,705	58,477	42,799	44,515
Personnel expenses	51,737	56,549	58,019	60,030
Finance costs	9,346	11,469	5,629	6,537
Other expenses	113,294	109,680	82,470	84,418
Total operating expenses	225,082	236,175	188,917	195,500
Surplus (deficit)	2,522	(5,798)	(87)	9,925
Other comprehensive revenue and expense				
Gain (loss) on property revaluations	99,993	54,046	43,041	66,258
Total other comprehensive revenue & expense	99,993	54,046	43,041	66,258
Total comprehensive revenue and expense	102,515	48,248	42,954	76,183

Note 1: Reconciliation of total comprehensive revenue and expense with net operating funding per prospective whole of Council funding impact statement

Total prospective revenue and expense wholly attributable to Waikato District Council	102,515	48,248	42,954	76,183
Surplus (deficit) of operating funding per prospective whole of Council funding impact statement	15,768	29,084	24,651	26,801
Difference	86,747	19,164	18,303	49,382
The difference is due to:				
Capital income	35,455	23,596	18,062	26,571
Vested assets	1,804	-	-	1,067
Revaluation of assets	99,993	54,046	43,041	66,258
Gain (loss) on sale of assets	200	-	-	-
Depreciation and amortisation	-50,705	(58,477)	(42,799)	(44,515)
Total explained difference	86,747	19,164	18,303	49,382

2028/2029 NZ \$'000	2029/2030 NZ \$'000	2030/2031 NZ \$'000	2031/2032 NZ \$'000	2032/2033 NZ \$'000	2033/2034 NZ \$'000
137,081	143,339	150,060	157,317	165,182	173,719
5,960	6,269	5,391	5,674	5,851	6,020
43,848	39,650	45,815	44,962	49,461	53,186
660	660	660	660	660	660
30,721	30,891	31,245	31,791	32,003	32,353
218,270	220,809	233,171	240,404	253,157	265,938
46,711	48,153	49,290	50,828	52,353	54,247
61,529	63,231	64,627	65,981	67,302	68,586
7,746	8,658	9,259	10,018	10,791	11,850
86,182	87,086	92,073	94,490	99,466	102,015
202,168	207,128	215,249	221,317	229,912	236,698
16,102	13,681	17,922	19,087	23,245	29,240
43,537	43,177	66,246	43,843	45,078	67,611
43,537	43,177	66,246	43,843	45,078	67,611
59,639	56,858	84,168	62,930	68,323	96,851

59,639	56,858	84,168	62,930	68,323	96,851
30,292	33,555	33,915	37,530	38,902	43,254
29,347	23,303	50,253	25,400	29,421	53,597
32,519	28,280	33,297	32,385	36,697	40,233
-	-	-	-	-	-
43,537	43,177	66,246	43,843	45,078	67,611
-	-	-	-	-	-
(46,711)	(48,153)	(49,290)	(50,828)	(52,353)	(54,247)
29,347	23,303	50,253	25,400	29,421	53,597

Waikato District Council: Prospective statement of comprehensive revenue and expense

A forecast for nine years ending 30 June 2034

	Annual plan 2024/2025 NZ \$'000	2025/2026 NZ \$'000	2026/2027 NZ \$'000	2027/2028 NZ \$'000
Note 2: Exchange and non-exchange revenue				
Revenue from non-exchange transactions				
Revenue from rates	134,781	147,983	123,629	130,129
Vested & found assets	1,804	-	-	1,067
Regulatory revenue	2,125	2,179	2,189	2,200
Infringements and fines	187	205	227	234
NZTA government subsidies	35,922	29,373	27,898	36,474
Petrol tax	572	572	587	601
Other subsidies and grants	3,958	158	3,111	3,342
Other fees and charges - Council	2,206	2,071	809	809
Other non-exchange revenue	2,213	2,214	2,214	2,214
Total revenue from non-exchange transactions	183,768	184,755	160,664	177,070
Revenue from exchange transactions				
Water billing charges	7,884	8,849	-	-
Development & financial contributions	11,614	7,049	3,402	3,661
Other fees and charges - Council	15,556	21,083	19,124	19,511
Finance income	660	660	660	660
Dividends	-	-	-	-
Other exchange revenue	8,122	7,981	4,982	4,524
Total revenue from exchange transactions	43,836	45,622	28,168	28,356
Total revenue	227,604	230,377	188,830	205,425

	2028/2029 NZ \$'000	2029/2030 NZ \$'000	2030/2031 NZ \$'000	2031/2032 NZ \$'000	2032/2033 NZ \$'000	2033/2034 NZ \$'000
	137,081	143,339	150,060	157,317	165,182	173,719
-	-	-	-	-	-	-
2,201	2,202	2,205	2,205	2,205	2,205	2,166
243	245	251	251	259	259	263
40,413	36,174	42,349	41,441	45,863	45,863	49,509
613	625	637	649	662	662	674
3,434	3,476	3,466	3,521	3,597	3,597	3,677
989	809	809	989	809	809	809
2,214	2,214	2,214	2,214	2,214	2,214	2,214
187,188	189,084	201,991	208,587	220,791	220,791	233,031
-	-	-	-	-	-	-
5,960	6,269	5,391	5,674	5,851	5,851	6,020
19,934	20,266	20,600	20,950	21,320	21,320	21,688
660	660	660	660	660	660	660
-	-	-	-	-	-	-
4,527	4,530	4,530	4,533	4,536	4,536	4,539
31,081	31,725	31,181	31,817	32,367	32,367	32,907
218,270	220,809	233,171	240,404	253,157	253,157	265,938

Waikato District Council: Prospective statement of financial position

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Assets			
Current assets			
Cash and cash equivalents	13,669	6,530	3,445
Recoverables from non-exchange transactions	8,073	10,375	9,730
Receivables from exchange transactions	12,747	10,615	7,341
Non-current assets held for sale	-	-	-
Biological assets - cattle	11	11	11
Other financial assets	49	1,825	1,825
Prepayments	3,391	3,970	3,370
Derivative financial instruments	-	36	36
Total current assets	37,940	33,362	25,758
Non-current assets			
Property, plant and equipment	2,666,481	3,001,204	2,418,760
Intangible assets	7,719	9,484	10,194
Investment property	635	635	635
Investments in CCO's and other similar organisations	37,459	37,459	461,511
Derivative financial instruments	4,323	2,973	2,973
Other financial assets	5,474	8,293	3,277
Total non-current assets	2,722,091	3,060,048	2,897,350
Total assets	2,760,031	3,093,410	2,923,108
Liabilites			
Current liabilities			
Payables under exchange transactions	38,671	48,083	40,860
Taxes and transfers payable	2,911	3,280	2,736
Employee entitlements	5,917	6,304	6,460
Provisions	221	113	113
Derivative financial instruments	-	-	-
Borrowing	37,215	48,344	21,608
Total current liabilities	84,935	106,124	71,777
Non-current liabilities			
Provisions	1,987	1,987	1,987
Employee entitlements	247	39	45
Derivative financial instruments	-	-	-
Borrowing	249,057	323,530	144,610
Total non-current liabilities	251,291	325,556	146,642
Total liabilities	336,226	431,680	218,419
Net assets/equity	2,423,805	2,661,730	2,704,689
Net Assets/Equity			
Accumulated comprehensive revenue and expense	2,375,283	1,465,253	1,593,694
Other reserves	48,521	1,196,477	1,110,992
Total net assets/equity	2,423,805	2,661,730	2,704,689

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
3,421	2,271	4,789	4,958	4,668	5,017	5,310
10,083	10,487	10,597	10,832	11,037	11,318	11,625
8,561	9,659	9,865	10,697	11,242	12,178	13,116
-	-	-	-	-	-	-
11	11	11	11	11	11	11
1,825	1,825	1,825	1,825	1,825	1,825	2,196
3,481	3,495	3,463	3,545	3,546	3,621	3,672
36	36	36	36	36	36	36
27,418	27,784	30,586	31,904	32,365	34,006	35,966
2,523,861	2,604,436	2,673,219	2,774,486	2,847,074	2,928,829	3,039,501
10,170	9,856	9,419	9,685	10,204	10,785	11,014
635	635	635	635	635	635	635
461,511	461,511	461,511	461,511	461,511	461,511	461,511
2,973	2,973	2,973	2,973	2,973	2,973	2,973
4,000	4,516	4,803	5,240	5,502	5,865	5,865
3,003,150	3,083,927	3,152,560	3,254,530	3,327,899	3,410,598	3,521,499
3,030,568	3,111,711	3,183,146	3,286,434	3,360,264	3,444,604	3,557,465
42,194	42,363	41,977	42,964	42,980	43,886	44,491
2,837	2,849	2,820	2,895	2,896	2,964	3,010
6,672	6,830	7,010	7,157	7,300	7,440	7,575
113	113	113	113	113	113	113
-	-	-	-	-	-	-
25,459	28,210	30,135	32,462	33,857	35,794	37,772
77,275	80,365	82,055	85,591	87,146	90,197	92,961
1,987	1,987	1,987	1,987	1,987	1,987	1,987
54	61	68	74	80	86	92
-	-	-	-	-	-	-
170,382	188,789	201,670	217,246	226,585	239,546	252,785
172,423	190,837	203,725	219,307	228,652	241,619	254,864
249,698	271,202	285,780	304,898	315,798	331,816	347,825
2,780,870	2,840,509	2,897,366	2,981,536	3,044,466	3,112,788	3,209,640
1,610,720	1,626,263	1,636,141	1,656,617	1,671,205	1,695,748	1,722,479
1,170,148	1,214,243	1,261,224	1,324,916	1,373,259	1,417,040	1,487,160
2,780,870	2,840,509	2,897,366	2,981,536	3,044,466	3,112,788	3,209,640

Waikato District Council: Prospective statement of changes in net assets/equity

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Balance at beginning of year			
Accumulated comprehensive revenue & expense	1,380,082	1,433,834	1,465,253
Other reserves	-	-	-
Revaluation	997,086	1,282,398	1,336,444
Restricted	140	(207)	(199)
Council created	16,508	(424)	(2,918)
Special rates and user pays	(10,661)	(46,815)	(54,388)
Capital replacement funds	9,968	19,088	30,488
Development contributions	(102,166)	(107,513)	(146,073)
Fair value through other comprehensive revenue and expense	30,332	33,122	33,122
Total net assets/equity at beginning of year	2,321,289	2,613,483	2,661,729
Comprehensive revenue and expense for the year			
Accumulated comprehensive revenue & expense	2,522	(5,798)	(87)
Other reserves	-	-	-
Revaluation	99,993	54,046	43,041
Revaluation (landfill)	-	-	-
Fair value through other comprehensive revenue and expense	-	-	-
Total comprehensive revenue and expense for the year	102,515	48,248	42,954
Transfers to (from) accumulated comprehensive revenue & expense			
Accumulated comprehensive revenue & expense	51,473	37,217	128,527
Other reserves	-	-	-
Revaluation	-	-	(225,494)
Restricted	2	8	26
Council created	(9,858)	(2,493)	(35)
Special rates and user pays	(14,754)	(7,573)	46,997
Capital replacement fund	(5,835)	11,401	(1,002)
Development contributions	(21,028)	(38,560)	50,981
Total transfers to (from) accumulated comprehensive revenue & expense	-	-	-
Net assets/equity at end of year			
Accumulated surplus (deficit)	1,434,077	1,465,253	1,593,694
Other reserves	-	-	-
Revaluation	1,097,079	1,336,442	1,153,994
Restricted	142	(199)	(173)
Council created	6,650	(2,917)	(2,953)
Special rates and user pays	(25,415)	(54,388)	(7,391)
Capital replacement funds	4,133	30,489	29,486
Development contributions	(123,194)	(146,073)	(95,092)
Fair value through other comprehensive revenue and expense	30,332	33,123	33,121
Total net assets/equity at end of year	2,423,805	2,661,730	2,704,689

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
1,593,694	1,610,720	1,626,263	1,636,141	1,656,617	1,671,205	1,695,748
-	-	-	-	-	-	-
1,153,991	1,220,249	1,263,786	1,306,963	1,373,209	1,417,052	1,462,130
(173)	(164)	(154)	(144)	(133)	(122)	(110)
(2,952)	(3,083)	(2,014)	(714)	(1,412)	(1,355)	(4,199)
(7,391)	(5,690)	(2,830)	2,300	9,761	19,763	33,199
29,486	32,201	37,728	43,959	51,170	58,720	64,904
(95,091)	(106,487)	(115,395)	(124,262)	(140,802)	(153,921)	(172,007)
33,122	33,122	33,122	33,122	33,122	33,122	33,122
2,704,686	2,780,868	2,840,506	2,897,365	2,981,532	3,044,464	3,112,787
9,925	16,102	13,681	17,922	19,087	23,245	29,240
-	-	-	-	-	-	-
66,258	43,537	43,177	66,246	43,843	45,078	67,611
-	-	-	-	-	-	-
-	-	-	-	-	-	-
76,183	59,639	56,858	84,168	62,930	68,323	96,851
7,101	(558)	(3,805)	2,553	(4,501)	1,299	(2,509)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9	10	10	11	11	12	14
(130)	1,069	1,300	(698)	57	(2,844)	(3,180)
1,701	2,860	5,131	7,461	10,002	13,435	17,690
2,715	5,527	6,231	7,212	7,550	6,184	5,319
(11,396)	(8,908)	(8,867)	(16,539)	(13,119)	(18,086)	(17,334)
-	-	-	-	-	-	-
1,610,720	1,626,263	1,636,141	1,656,617	1,671,205	1,695,748	1,722,479
-	-	-	-	-	-	-
1,220,247	1,263,786	1,306,962	1,373,209	1,417,052	1,462,132	1,529,742
(164)	(154)	(144)	(133)	(122)	(110)	(96)
(3,082)	(2,014)	(714)	(1,412)	(1,355)	(4,199)	(7,379)
(5,690)	(2,830)	2,301	9,761	19,763	33,198	50,889
32,201	37,728	43,959	51,171	58,720	64,904	70,223
(106,487)	(115,395)	(124,262)	(140,801)	(153,921)	(172,007)	(189,341)
33,123	33,122	33,122	33,121	33,122	33,122	33,122
2,780,870	2,840,509	2,897,366	2,981,536	3,044,466	3,112,788	3,209,640

Waikato District Council: Prospective statement of reserve funds

A forecast for nine years ending 30 June 2034

Reserve	Purpose
Conservation fund	To fund expenditure items for conservation purposes.
Raglan Harbour reserve	Council took over assets from the Raglan Harbour Board. Any revenue or expense on these properties is kept separate from general funds.
Housing for the elderly	Income from housing for the elderly is put aside for use on the properties involved.
Plant reserve	Reserve used for control of expenditure and sale proceeds for vehicle and other plant running and maintenance costs.
Lake Hakanoa Caravan Park reserve	Revenue and expense for the Lake Hakanoa Caravan Park at Huntly is kept separate. The camp operation is self funding.
Raglan Kopua Holiday Park reserve	Revenue and expense for Kopua Camp at Raglan is kept separate. The camp operation is self funding.
Wainui Reserve farm	Revenue and expense for Wainui Reserve farm operations is kept separate. The farm operation is self funding and surpluses are used towards projects at Wainui Reserve.
Hillary Commission grants	These funds are committed to a club development programme for the future.
Creative NZ grant	The balance from Creative Communities New Zealand to be re-distributed as grants to suitable candidates.
Disaster recovery fund	Fund set aside for use in the event of a disaster.
Hillary Commission loans	Remaining funds and interest credits built up from Council's contribution to match Hillary Commission loans used in the past to assist sporting organisations. All loans have been repaid.
North Waikato development reserve	Remaining funds with interest credits from the Department of Corrections for use to assist the local community.
Hamilton East property proceeds	Proceeds from the sale of the Hamilton East property held separate for property related purposes.
Mayoral Relief Fund	The Fund is established in relation to the flooding and damage caused by Cyclone Gabrielle.
Hakarimata Restoration Trust	A restricted reserve for Hakarimata Hills Reserve Trust to record all trust operations.
Landfill aftercare contribution	Reserve created on amalgamation of part of the Franklin District Council with Waikato District Council to assist with aftercare costs for closed landfills transferred.
Structure plan non-growth reserve	Reserve to provide funding for the non growth element of Structure Plan development.
Waste minimisation reserve	To manage waste minimisation grants and qualifying expenditure.
Huntly College jubilee award	A restricted reserve; the interest income from which is to be used for educational sponsorship.
Francis Paki Trust	A restricted reserve in memory of Francis Paki of Huntly. Interest income to be used as sponsorship for educational purposes.
Mungall Scholarship Trust	A restricted reserve in memory of Agnes Simpson Mungall. Interest income to be used for educational sponsorship.
TK WW Treatment Consultation Group Mitigation Fund	A restricted reserve that requires Waikato District Council to contribute \$45,000 per annum as per the consent conditions in the contract , to be used for ecological enhancement works in the Lake Waikare Catchment, and to reserve any unspent budget for future years for spent as approved by the TKWTCG.
Huntly Social Services	A restricted reserve created by the transfer of funds from the former Huntly Social Services Co-ordinating Committee Inc when it was wound up in 2015.
Sundry reserves	Sundry reserves for township development and other operational purposes.
Targeted rate reserves – operational	Reserves to monitor operational costs in relation to special rates and user pays.
Replacement funds	Reserves where amounts equivalent to funded depreciation are held for use on capital renewals work.
Revaluation reserves	Non-cash reserves representing the increases or decreases in the value of infrastructural assets that are periodically revalued.
Capital rates and contributions	Reserves for structure plans, development contributions, financial contributions and capital targeted rates.

Related activities	Forecast Balance	Transfers into fund	Transfers out of fund	Balance
	01-Jul-25	2026-2034	2026-2034	30-Jun-34
	\$'000	\$'000	\$'000	\$'000
Sustainable environment	(486)	205	(410)	(691)
Sustainable communities	2,545	6,540	(7,745)	1,340
Sustainable communities	759	3,135	(1,542)	2,352
Organisational support	1,573	24,001	(11,623)	13,951
Sustainable communities	(263)	2,829	(1,947)	619
Sustainable communities	(2,292)	19,326	(6,461)	10,573
Sustainable communities	(702)	1,846	(1,528)	(384)
Sustainable communities	(22)	-	-	(22)
Sustainable communities	(19)	-	-	(19)
Organisational support	1,583	7,113	(14,185)	(5,489)
Sustainable communities	122	-	59	181
Sustainable communities	(234)	98	(196)	(332)
Organisational support	(2,308)	-	-	(2,308)
Organisational support	-	-	-	-
Sustainable environment	-	-	-	-
Sustainable environment	7	-	4	11
Organisational support	(2,158)	910	(1,820)	(3,068)
Sustainable environment	(2,851)	8,685	(7,104)	(1,270)
Sustainable communities	(14)	6	(12)	(20)
Sustainable communities	(2)	1	(2)	(3)
Sustainable communities	(1)	-	-	(1)
Organisational support	18	18	(36)	-
Sustainable communities	(206)	87	(174)	(293)
Sustainable communities	(22,783)	81,266	(92,318)	(33,835)
Stormwater, Sustainable communities, Wastewater, Water supply	46,815	-	(97,704)	(50,889)
Roading, Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply, Organisational support	(18,675)	-	(51,135)	(69,811)
Roading, Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply, Organisational support	(1,282,398)	-	(247,343)	(1,529,741)
Roading, Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply	102,345	95,904	(16,261)	181,988
(1,179,649)251,970(559,483)(1,487,160)				

Waikato District Council: Prospective cash flow statement

A forecast for nine years ending 30 June 2034

	Enhanced Annual plan 2024/2025 NZ'000	2025/2026 NZ'000	2026/2027 NZ'000
Cash flows from operating activities			
Receipts			
Receipts from rates revenue	135,532	155,416	126,949
Subsidies received	35,892	30,566	30,861
Contributions received	10,453	7,962	4,132
Receipts from other revenue	31,587	35,953	30,748
Interest received	660	660	660
Dividends received	78	-	-
Payments	-	-	-
Employee costs	(51,737)	(56,020)	(57,858)
Suppliers	(113,294)	(110,041)	(85,191)
Interest paid	(9,346)	(11,469)	(5,629)
Goods and services tax (net)	-	-	-
Net cash flows from operating activities	39,825	53,027	44,672
Cash flows from investing activities			
Purchase of property, plant and equipment	(141,410)	(155,901)	(61,008)
Proceeds from sale of property, plant and equipment	-	-	-
Proceeds from transfer of Waters and Wastewaters to CCO.	-	-	216,459
Purchase of intangible assets	(3,269)	(2,800)	(2,571)
Acquisition of investments	(3,002)	(3,419)	(1,521)
Proceeds from sale of investments	500	750	6,536
Net cash flows from investing activities	(147,181)	(161,370)	157,895
Cash flows from financing activities			
Proceeds from borrowings	131,139	139,427	55,805
Repayment of borrowings	(20,000)	(30,000)	(261,459)
Net cash flows from financing activities	111,139	109,427	(205,654)
Net increase(decrease) in cash and cash equivalents	3,783	1,084	(3,085)
Cash and cash equivalents at the beginning of the year	9,886	5,446	6,530
Cash and cash equivalents at 30 June	13,669	6,530	3,445

2027/2028 NZ'000	2028/2029 NZ'000	2029/2030 NZ'000	2030/2031 NZ'000	2031/2032 NZ'000	2032/2033 NZ'000	2033/2034 NZ'000
129,479	136,386	142,714	149,388	156,592	164,396	172,865
38,935	43,444	40,070	45,199	45,048	49,011	52,813
3,609	5,500	6,207	5,567	5,618	5,815	5,986
31,056	30,764	30,874	31,209	31,736	31,982	32,318
660	660	660	660	660	660	660
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(59,809)	(61,364)	(63,044)	(64,473)	(65,832)	(67,156)	(68,445)
(84,223)	(86,005)	(86,995)	(91,575)	(94,248)	(98,968)	(101,760)
(6,537)	(7,746)	(8,658)	(9,259)	(10,018)	(10,791)	(11,850)
-	-	-	-	-	-	-
53,170	61,639	61,828	66,716	69,556	74,949	82,587
(79,800)	(81,002)	(71,706)	(81,402)	(77,413)	(86,015)	(94,180)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(2,294)	(2,428)	(2,120)	(2,612)	(2,903)	(3,120)	(2,961)
(1,848)	(1,516)	(1,163)	(687)	(262)	(363)	(371)
1,125	1,000	875	250	-	-	-
(82,817)	(83,946)	(74,114)	(84,451)	(80,578)	(89,498)	(97,512)
74,623	61,157	49,806	27,903	10,734	14,898	15,216
(45,000)	(40,000)	(35,000)	(10,000)	-	-	-
29,623	21,157	14,806	17,903	10,734	14,898	15,216
(24)	(1,150)	2,518	169	(290)	349	293
3,445	3,421	2,271	4,789	4,958	4,668	5,017
3,421	2,271	4,789	4,958	4,668	5,017	5,310

LTP disclosure statement

For nine years starting 1 July 2025

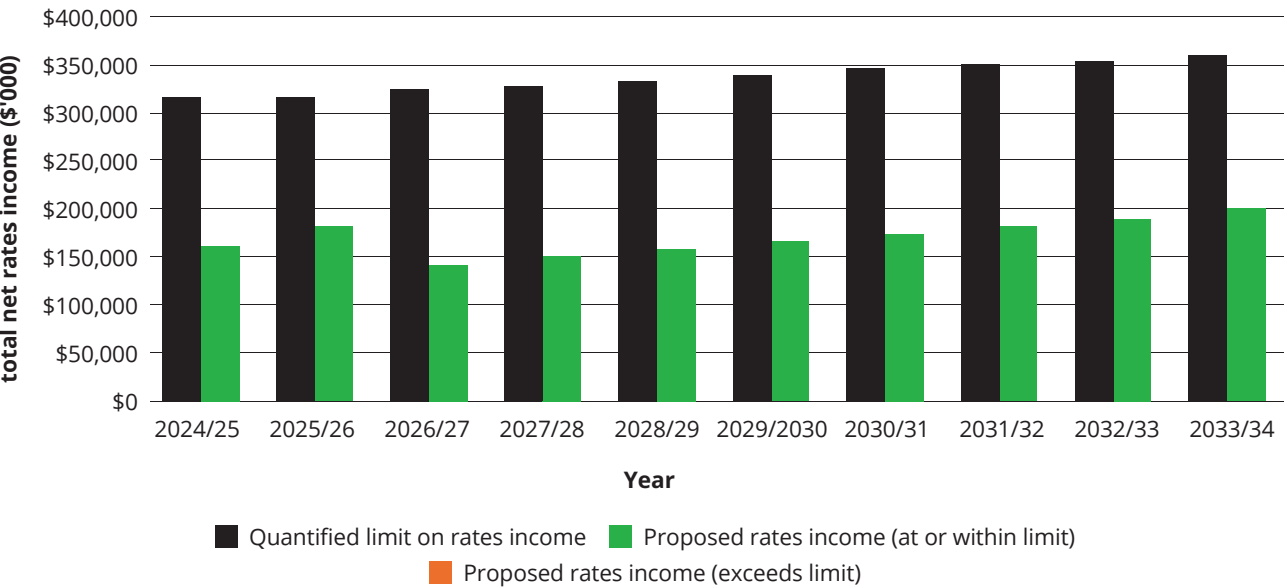
What is the purpose of this statement?

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

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

The quantified limits for total rates (in \$'000) are:

2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
315,350	317,468	322,825	328,141	333,467	338,793	344,099	349,425	354,772	360,098



Rates affordability benchmark

Council meets the rates affordability benchmark if:

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

Rates (income) affordability

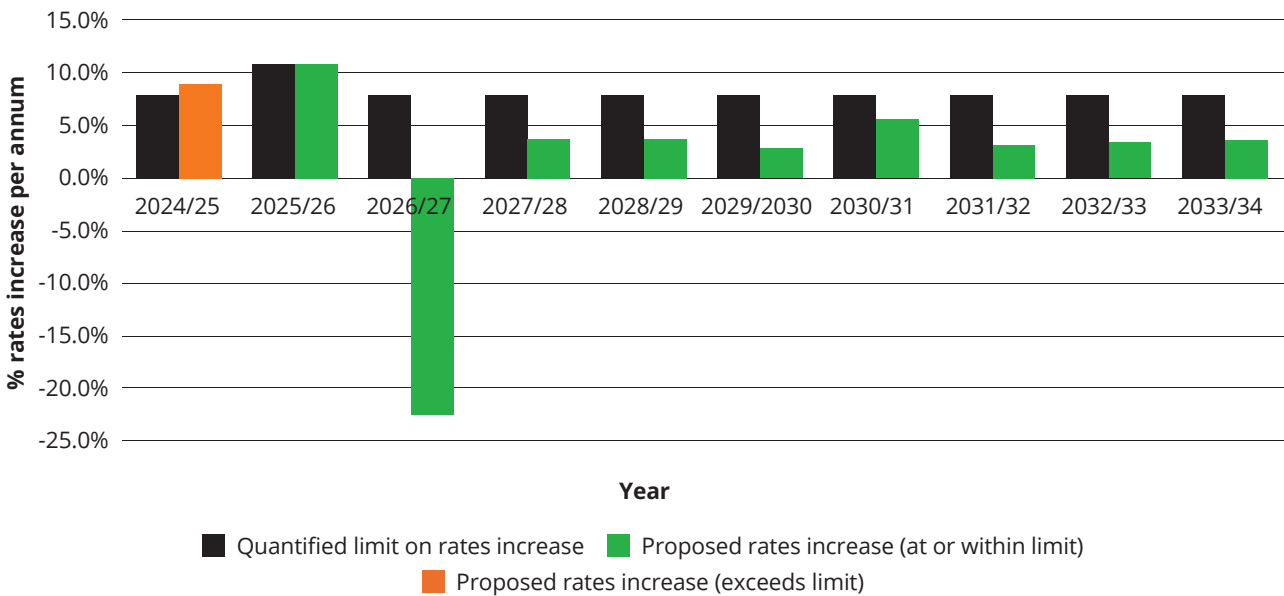
The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this long term plan.

Rates (increases) affordability

The following graph compares Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long term plan.

The quantified limits for rates increases are:

Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Proposed rates increases (%)	9%	11%	-23%	4%	4%	3%	6%	3%	3%	4%
Limit on rates increases (%)	8%	11%	8%	8%	8%	8%	8%	8%	8%	8%

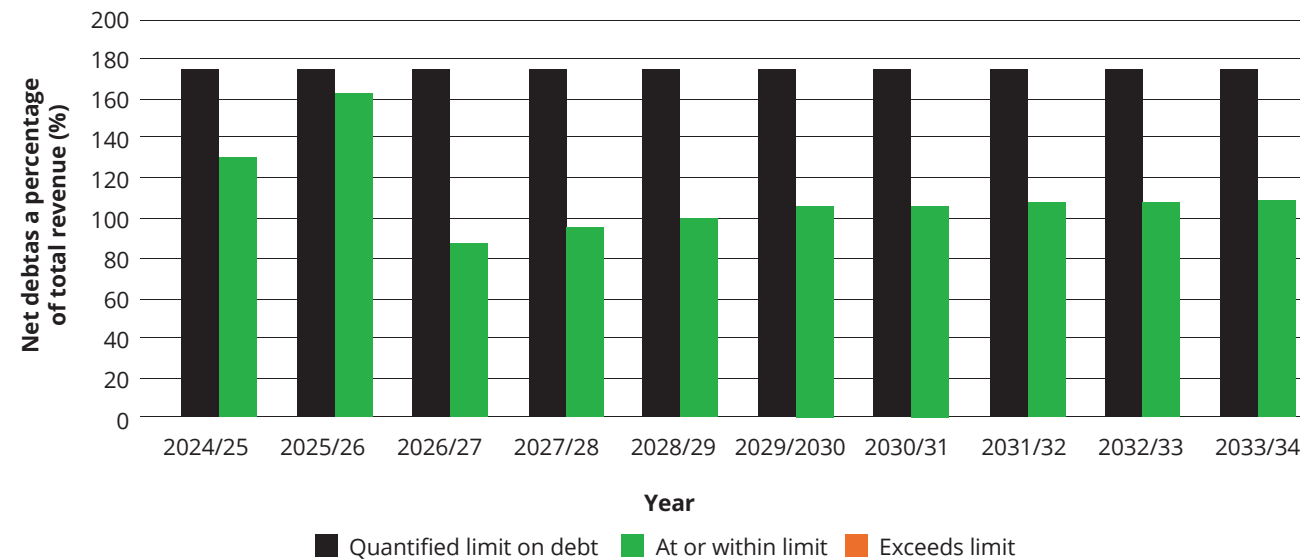


Debt affordability benchmarks

Council meets the debt affordability benchmark if its planned borrowing is within the quantified limit on borrowing.

The following graph compares Council's planned debt with the quantified limit on borrowing contained in the financial strategy included in this long term plan. The quantified limit is: Net debt as a percentage of total revenue will not exceed 175%.

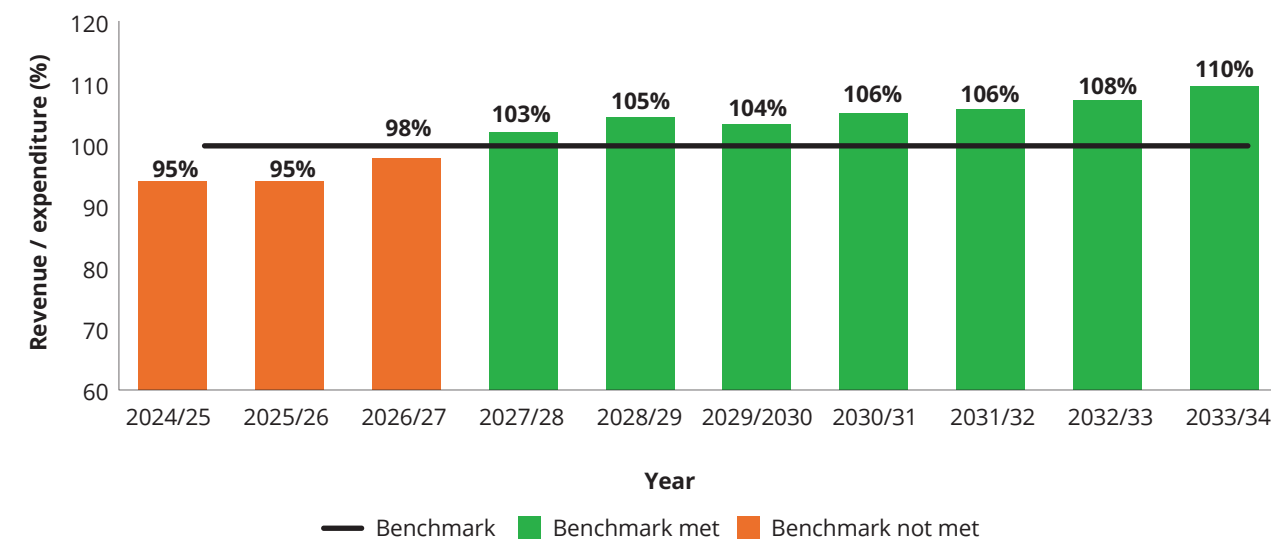
Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Proposed debt	131%	162%	87%	95%	100%	105%	107%	108%	109%	109%
Quantified limit on debt	175%	175%	175%	175%	175%	175%	175%	175%	175%	175%



Balanced budget benchmark

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

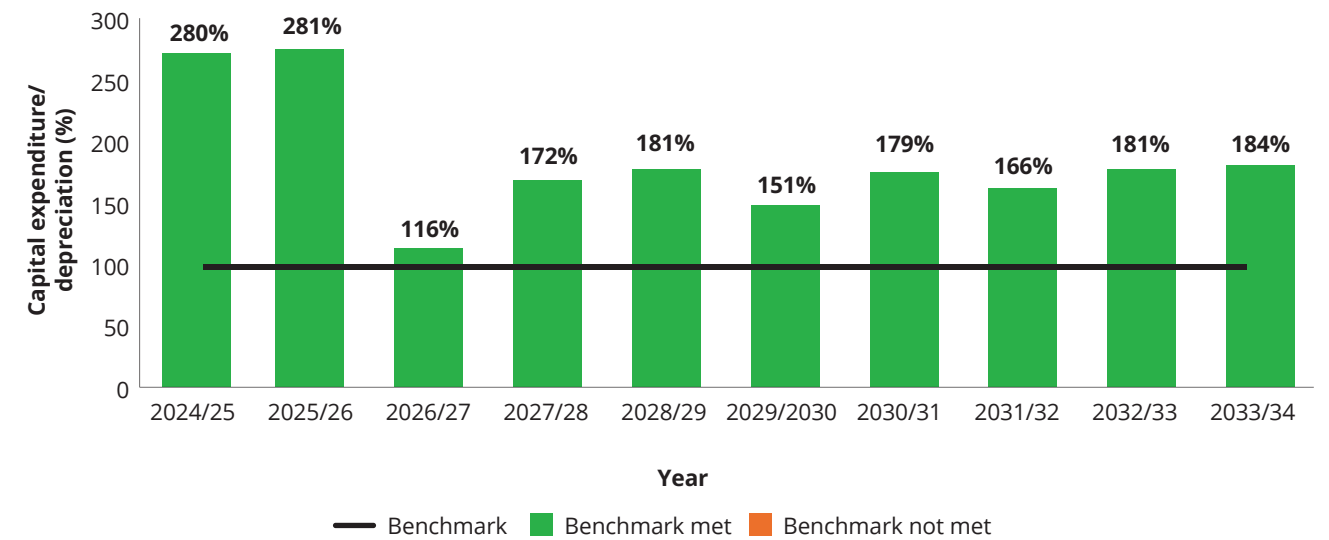
Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.



Essential services benchmark

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

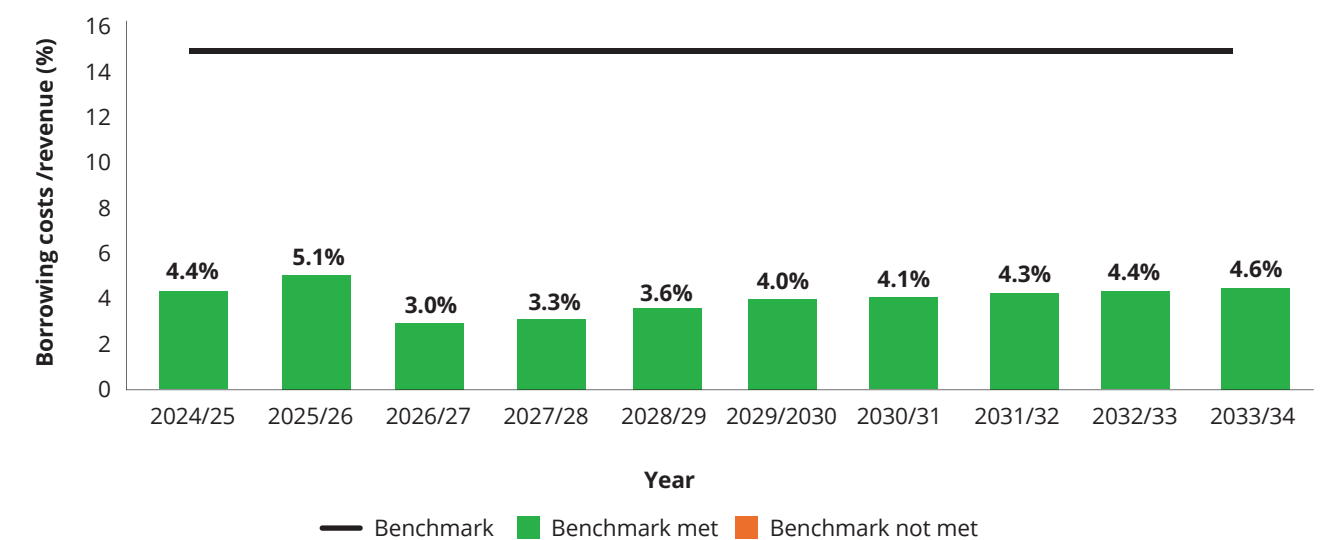
Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt servicing benchmark

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

Because Statistics New Zealand projects that Council's population will grow faster than the national population is expected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.



Statement of Accounting Policies

Kaupapa Here Puka Kaute

For the 9 years ending 30 June 2034:

Reporting Entity

Waikato District Council is a territorial authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing Council's operations includes the LGA and the Local Government (Rating) Act 2002 (LG(R)A).

The Waikato District Council Group (the Group) consists of the ultimate parent, Waikato District Council, and its 100%-owned subsidiary; Strada Corporation Limited (Strada).

Strada is no longer trading and has been registered as non-active with Inland Revenue.

The companies in which Council has an interest, either directly or through Strada, are incorporated and domiciled in New Zealand.

The principal activity of Council is the provision of local infrastructure, local public services and the performance of regulatory functions to the community. Council does not operate to make financial return.

Council has designated itself and the Group as public benefit entities (PBE's) for financial reporting purposes.

The prospective financial statements are for the nine years ending 30 June 2034. They were authorised for issue by Council on 30 June 2025. Council is responsible for the prospective financial statements presented, including the appropriateness of the assumptions underlying the prospective financial statements and all other required disclosures.

Basis of Preparation

Statement of compliance

Council's prospective financial statements have been prepared in accordance with the requirements of LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations) which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

These prospective financial statements (with the exception of the funding impact statement) have been prepared in accordance with and comply with Tier 1 PBE accounting standards; including PBE FRS 42 Prospective Financial Statements.

Included in this plan are three types of financial information –

1. the usual NZ GAAP regulated statements of financial position, comprehensive revenue and expense and the like;
2. funding impact statements (FIS); and,
3. a disclosure statement.

The key difference between these three types of information is that FIS's and the disclosure statement are not required by NZ GAAP.

The FIS is intended to make the sources and applications of Council funds more transparent to its stakeholders than might be the case if only the usual NZ GAAP financial statements were provided. The FIS format is prescribed by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations) and is required by the LGA.

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

Measurement base

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment properties, and certain financial instruments (including derivative instruments).

The actual results for the 2023/2024 financial year and the Annual Plan financial performance and cash flows for the 2024/2025 financial year, as modified by known changes, have been used to arrive at the opening balances for the plan as at 1 July 2025.

Functional and presentation currency

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000's). The functional currency for Council is New Zealand dollars.

Standards newly effective and which have been adopted

The following amendments are made to PBE Standards:

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

This amending Standard sets out amendments to PBE IPSAS 1 Presentation Financial Reports. The amendments require an entity to describe the services provided by its audit or review firm and to disclose the fees incurred by the entity for those services.

The amending Standard has been issued to enhance the existing requirements concerning the disclosure of information about fees incurred by the reporting entity during the reporting period for:

- a. the audit or review of the entity's financial report; and
- b. other types of service provided by the entity's audit or review firm.

The Council have reviewed the amendment in the preparation of the Long Term Plan and there are no material impacts on the financial statements.

2024 Omnibus Amendments to PBE Standards

The amendments to PBE IPSAS 1 clarify the principles for classifying a liability as current or non-current.

Application of the amendments to PBE IPSAS 1 is required for accounting periods which begin on or after 1 January 2026.

The amendments to PBE IAS 12 provide temporary relief from accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD's) international tax reform (Pillar Two Model Rules).

Application of the amendments to PBE IPSAS 12 is required for periods beginning on or after 1 Jan 2024 for amendments to PBE IAS 12.

The Council have reviewed the amendment in the preparation of the LTP and there are no material impacts on the financial statements.

Standards issued and not yet effective or early adopted

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

Significant Accounting Policies

Basis of consolidation

Council has not consolidated the prospective financial statements to include its subsidiary Strada as a group because Council believes that consolidation would not enhance an understanding of Council's core activities and services.

Revenue

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable.

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognised. An asset acquired through a non-exchange transaction is initially measured at its fair value at the date of acquisition.

Specific revenue items are recognised as follows:

- General rates, targeted rates (excluding water-by-meter) and uniform annual general charges are recognised at the start of the year to which the rates resolution relates. They are recognised at the amounts due. Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

- Revenue from water-by-meter rates is recognised on an accrual basis. Unbilled usage, because there are unread meters at year-end, is accrued on an average usage basis.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Council receives government grants from NZTA, which subsidises part of Council's costs in maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.
- Revenue from the sale or provision of goods is recognised when a product is sold to the customer. Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.
- Fees and charges revenue is recognised when the service is provided.
- Rental income from investment properties is recognised as revenue on a straight-line basis over the term of the lease.
- Traffic and parking infringement income is recognised when the infringement notice is issued.
- Found and vested assets are recognised at fair value at the time Council obtains control of the asset. The fair value is recognised as revenue and the amount is determined by reference to the costs of purchase and/or construction.
- Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution was charged.
- Interest income is recognised using the effective interest method.
- Dividends receivable are recognised when the right to receive the payment has been established.

Construction contracts

Contract revenue and contract costs are recognised as revenue and expense respectively by reference to the stage of completion of the contract at balance date. The stage of completion is measured by reference to the contract costs incurred up to balance date as a percentage of total estimated costs for each contract.

Contract costs include all costs directly related to specific contracts and costs that are specifically chargeable to the customer under the terms of the contract.

An expected deficit on construction contracts is recognised immediately as an expense in surplus or deficit.

Where the outcome of a contract cannot be reliably estimated, contract costs are recognised as an expense as incurred. When it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.

Construction work in progress is stated at the aggregate of contract costs incurred to date, plus recognised surpluses, less recognised deficits and progress billings. If there are contracts where progress billings exceed the aggregate costs incurred plus surpluses, less deficits, the net amounts are presented as a liability.

Borrowing costs

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

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria; they are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council approval.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the spot exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in surplus or deficit.

Operating leases

An operating lease is a lease which does not transfer substantially all the risks and rewards incidental to ownership. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less, and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities. The carrying amount of cash and cash equivalents approximates their fair value.

Recoverables from non-exchange transactions and other receivables

Short-term receivables are recorded at the amount due, less any provision for those that are uncollectable. The provision is calculated by applying an expected credit loss model.

A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

Cattle

Cattle on Council's reserves are revalued annually at fair value less estimated costs to sell. Fair value is determined based on market price at balance date.

Gains and losses from a change in fair value less estimated costs to sell are recognised in the surplus or deficit. The costs incurred in relation to the cattle are included in the surplus or deficit.

Other financial assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

Classification

Council classifies its financial assets into the following categories:

- Amortised cost
- Fair value through surplus or deficit
- Fair value through other comprehensive revenue and expense for the following two subcategories:
 - Investments in equity
 - Other financial assets that are not investments in equity.

The classification depends on Council's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets at amortised cost

Council classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost include the following:

- Cash and cash equivalents
- Receivables from exchange and non-exchange transactions
- Term deposits
- Community loans, and
- LGFA borrower notes

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains or losses when the asset is impaired or derecognised are recognised in surplus or deficit.

Loans to community organisations made by Council at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The loans are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in surplus or deficit as a grant.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management. Council's derivatives are categorised as held for trading. Assets in this category are classified as current assets. After initial recognition, financial

assets in this category are measured at their fair values with gains or losses on re-measurement recognised in surplus or deficit.

Financial assets at fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. Investments in equity that are not held for trading and are held for long-term strategic purposes are subsequently measured at fair value through other comprehensive revenue and expense.

They are included in non-current assets unless management intends to dispose of the investment within 12 months of balance date. They comprise the following:

- investments that it intends to hold long term, but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in surplus or deficit.

On de-recognition the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to surplus or deficit.

Council's shareholding in Civic Financial Services Limited and Waikato Regional Airport Limited fall within this category.

Financial assets at cost

Investments in equity that are held at cost are those that as per PBE IPSAS 41 para. AG140 states that investments in equity instruments and contracts on those instruments must be measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

Council's shareholding in Waikato Local Authority Shared Services Limited (LASS) and Strada are held at cost as the fair value cannot be reliably measured.

Impairment of Financial Assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in surplus or deficit.

Financial assets at amortised cost

Impairment is established when there is objective evidence that Council and the Group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor/issuer will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired.

Cash and cash equivalents have not been impaired due to investments being held in high credit rated banks (BNZ, WPT, ASB and ANZ) and impairment is immaterial.

For receivables from exchange and non-exchange transactions, Council has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit losses.

Financial assets at fair value through other comprehensive revenue and expense

For equity investments, a significant or prolonged decline in the fair value of the investment below its cost is considered an indicator of impairment.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to surplus or deficit.

Impairment losses recognised in surplus or deficit on equity investments are not reversed through surplus or deficit.

Derivative Financial Instruments

Council uses derivative financial instruments to manage exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date. The associated gains or losses of derivatives are recognised in surplus or deficit. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Non-current Assets Held For Sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of non-current assets held for sale are recognised in surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

Property, Plant and Equipment

Property, plant and equipment consist of:

- Operational assets: These include land, buildings, improvements, landfill post closure, library books, plant and equipment, furniture, computers and motor vehicles.
- Restricted assets: These are parks and reserves owned by Council which provide a benefit or service to the community, and can only be disposed of after following a rigorous legal and public consultation process.

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

Council's pensioner housing and other non-commercial rental properties, which are held for service delivery objectives rather than for rental income or capital appreciation, are accounted for as property, plant and equipment.

Land (operational and restricted) is measured at fair value; buildings (operational and restricted), and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

Additions

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

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

In most instances, an item of property, plant and equipment is initially recognised at cost. Where an asset is acquired through a non exchange transaction it is recognised at its fair value as at the date of acquisition.

Assets under construction (work in progress)

Assets under construction are recognised at cost less impairment and not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

Disposals

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

Depreciation

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

Description	Useful life (years)	Depreciation rate
Audiovisual materials and electronic games Libraries	5	20%
Buildings	15 – 100	1 – 6.7%
Vehicles / moveable plant	4 – 20	5 – 25%
Library books	8	12.5%
Computers	3 – 7	20 – 33%
Office equipment	3 – 15	6.67 – 33.3%
Furniture and fixtures	10	10%
Water supply	4 – 100	1 – 25%
Wastewater	3 – 100	1 – 33.3%
Urban stormwater	5 – 100	1 – 20%
Roading pavement sealed	2 – 100	1 – 50%
Pavement (basecourse)		
sealed	65 – 105	0.95 – 1.5%
unsealed metal	20	5%
Surface water channel	20 – 80	1.25 – 5%
Culverts	50 – 80	1.25 – 2%
Guardrails / barriers	40 – 80	1.25 – 2.5%
Drainage	50 – 80	1.25 – 2%
Retaining walls	50 – 100	1 – 2%
Footpaths	15 – 80	1.25 – 6.67%
Street lighting	20	5%
Bridges		
timber	50	2%
all other	100	1%
Parks & reserves	1 – 100	1 – 100%
Solid waste		
refuse transfer stations	10 – 80	1.25 – 10%
landfills	5 - 90	1.11 - 20%
Signs	20	5%

The residual value, depreciation method and useful life of an asset are reviewed, and adjusted if applicable, at each balance date.

Revaluation

Land and buildings (operational and restricted); parks and reserves; and infrastructural assets (except land under roads) are revalued on a regular basis to ensure that their carrying amounts do not differ materially from fair value, and at least every three years. All other asset classes are stated at depreciated historical cost.

The carrying values of the revalued assets are assessed at each balance date to ensure that they do not differ materially from the assets’ fair value. If there is a material difference, the off-cycle asset classes are revalued.

Revaluations of property, plant and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, with any remainder recognised in other comprehensive revenue and expense.

Impairment of property, plant and equipment

Items of property, plant and equipment having a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use.

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

For assets not carried at a revalued amount, the entire loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

Intangible Assets

Software acquisition and development

Acquired computer software licences are capitalised on the basis of costs incurred to acquire and bring to use the specific software. This asset class, which is amortised on a straightline basis, has a finite useful life of three to seven years and the amortisation rates are between 14% and 33%.

Consents

Consent costs for capital works are recognised at cost, and amortised over the life of the consents - between 10 and 35 years. The amortisation charge for each period is recognised in surplus or deficit.

Impairment of intangible assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment. Intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If an asset’s carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is recognised in surplus or deficit.

An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use.

Investment Property

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

Investment property is measured initially at cost, including transaction costs. After initial recognition, all investment properties are measured at fair value as determined annually by an independent valuer. Gains or losses arising from a change in the fair value of investment property are recognised in surplus or deficit.

Creditors and other payables

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

Employee Entitlements

Short-term employee entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

A liability for sick leave is recognised to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that it will be used by staff to cover those future absences.

Long-term employee entitlements

Entitlements that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculation is based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlement information.
- The present value of the estimated future cash flows.
- The inflation factor is based on the expected long-term increase in remuneration for employees.

Presentation of employee entitlements

Employee entitlements expected to be settled within 12 months of balance date are classified as current liabilities. All other employee entitlements are classified as non-current liabilities.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in surplus or deficit when incurred.

Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in ‘finance costs’.

Provision has been made for future environmental obligations in respect of closed landfills and contract completion costs.

Borrowing

Borrowing is initially recognised at fair value net of transaction costs. After initial recognition, all borrowing is measured at amortised cost using the effective interest method.

Borrowing is classified as a current liability unless Council or the Group has an unconditional right to defer settlement of the liability at least 12 months after the balance date.

Net Assets/Equity

Net assets/equity is the community's interest in Council and is measured as the difference between total assets and total liabilities. Net assets/equity is disaggregated and classified into the following components:

- Accumulated comprehensive revenue and expense
- Other reserves
 - asset revaluation
 - restricted
 - council-created
 - special rates and user pays
 - capital replacement funds
 - development contribution
 - fair value through other comprehensive revenue and expense.

Asset revaluation reserves

These reserves relate to the revaluation of property, plant and equipment to fair value.

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted reserves are those subject to specific conditions accepted as binding by Council and which may not be revised by Council without reference to the courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Council-created reserves

Council-created reserves are reserves established by Council decisions. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Council.

Fair value through other comprehensive revenue and expense

This reserve comprises the cumulative net change in the fair value of financial instruments at fair value through other comprehensive revenue and expense.

Goods and service tax (GST)

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

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost allocation policy

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

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

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

Cautionary Note for Prospective Financial Statements

The purpose for the preparation of the prospective financial statements is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flows of Council for the year ending 30 June 2025. The information contained in these statements may not be appropriate for purposes other than that as previously described.

The preparation of prospective financial statements requires management to make judgements, estimates and assumptions that affect the

application of policies and reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates and the variations may be material.

Significant Forecasting Assumptions

The significant forecasting assumptions and risks underlying the financial estimates are identified in Council's on page 147.



Revenue and Finance Policy
Kaupapa Here Moni Whiwhi me te Ahumoni

Overview

The Council has reviewed each individual activity with a view to determining an equitable funding policy. In doing so, Council considered the nature of the service and the benefits and beneficiaries for each service. Items considered during that deliberation were:

- Community outcomes that an activity contributes to
- The distribution of benefits between the community as a whole, identifiable parts of the community and individuals
- The period during which the benefits are expected to occur
- The extent to which actions, or inactions, of individuals or groups contribute to the need to undertake the activity
- Costs and benefits of funding the activity distinctly from other activities.

The list of activities and the funding mechanisms used for each service are included in the table

below, along with some explanation of the terminology used.

The funding of operating expenditure and capital expenditure are in accordance with the sources listed in section 103 (2) of the Local Government Act 2002.

Funding of operating expenses

The Council sets its long-term revenue to fund its on-going operation and asset maintenance programme as outlined within this plan. The sources used depend on the Council's analysis of individual services and are outlined in the table below.

The table outlines the funding mechanism used for individual activities. These mechanisms fall under three headings: General rates (including uniform annual general charges), targeted rates and fees, and subsidies. In addition to these sources, the Council receives revenue from investments. The details of the investment activity is included separately within this plan. Within this plan, the net revenue from investments is projected to be used to reduce the requirement for general rates.

Group	Activity	Funding Source		
		General Rates	Targeted Rates	Fees
Water Supply	Water Reticulation	Residual	Majority	Fees
	Water Treatment and Supply	Residual	Majority	
Wastewater	Wastewater Reticulation	Residual	Majority	Fees
	Wastewater Treatment and Disposal	Residual	Majority	Fees
Stormwater	Stormwater	Residual	Majority	
Roading	Passenger Transport	Residual		Subsidies
	Road Safety	Residual		Subsidies
	Corridor Maintenance	Residual		Subsidies
	Network Development and Maintenance	Residual		Subsidies
	Bridges	Residual		Subsidies
	Footpaths	Full		

Group	Activity	Funding Source		
		General Rates	Targeted Rates	Fees
Council Leadership	Governance (Council and Chief Executive)	Full		
	Maaori Partnerships and Liaison	Full		
	Council	Full		
	Elections	Full		
	Committees and Community Boards	Residual	Partial	
	Council Support	Full		
Organisational Support	Communications	Full		
	Business Improvement	Full		
	Human Resources	Full		
	Health and Safety	Full		
	Finance and Treasury	Full		
	Rates	Full		
	Information Management	Residual		Fees
	Legal Counsel	Full		
	Corporate Property and Plant	Full		
	Management, Infrastructure Planning, Infrastructure Design and Operations	Residual		Fees
Sustainable Environment	Animal Control	Residual		
	Building Quality	Residual		Fees
	Consents	Residual		Fees
	Environmental Health and Liquor licensing	Residual		License Fees
	Monitoring and Enforcement	Residual		Enforcement fees
	Regulatory Support	Residual		Fees
	Emergency Management (civil defence and rural fire)	Full		
	Waste Minimisation and Refuse	Residual	Majority	Fees
Sustainable Communities	Economic Development	Residual	Partial	
	Strategic and District Planning (includes Structure Planning, Resource Management Act policy etc.)	Full		
	Customer Delivery	Full		
	Leisure Facilities (Aquatic Centres, Libraries and Parks & Reserves)	Residual	Partial	Availability
	Community Facilities (Cemeteries, Property, Toilets, Pensioner housing, halls etc.)	Residual	Partial	Market
	Grants and Donations	Full		

Explanation of notations made in the table

- Full** means all, or almost all, of the cost of the activity is funded from that particular source. If the comment is made in the rates column it does not preclude making minor charges for the service but indicates the charges are a negligible part of the total funding.
- Availability** means the cost of having the service available is met from that funding source. For these services council believes that charges can be a major barrier to access for some members of the community. Revenue in these services reflects revenue from programmes, hire of the facility and added value services.
- Subsidy** means a portion of the activity is funded from a government subsidy. In some instances, the subsidy makes a relatively minor contribution, but in others, such as roading, the subsidy is a substantial contributor to the cost of the activity. Those subsidies are identified within the individual plan of the activity.
- Petrol tax** is a local government share of the petrol tax levied by central government. It is used to contribute to the costs of road maintenance.
- Majority** means most of the service is funded from this source. When used in the fees and charges column, it reflects the view that services should be recovered from users, but that legislation imposes some constraints, which may mean full recovery is not possible.
- Market** means the council attempts to set its charges at a level that is affordable for the users and competitive with similar services either within the district or outside the district. It is used where market rates are not sufficient to meet the full costs of the service. The balance is funded from rates.

7. **Residual** indicates a portion of funds comes from this source. It reflects in some circumstances there are constraints on council charges or the alternative revenue source may include enforcement revenue, which is imposed to achieve compliance and may not always cover the costs of enforcement.

8. **Licence and enforcement fees** can be charged for some services. Licence fees may be set by the council or by regulation and may not always cover the full costs of the service. Enforcement fees are charged to achieve compliance and do not necessarily meet the full costs of the enforcement activity.

9. **Partial** reflects the service will be partially funded from targeted rates.

Bases for selection of mechanisms to fund operating expenses

1. **User charges** are used for services where there is a benefit to an individual. If it is possible to efficiently impose a charge, the council does so, to either recover the full cost of the service, the marginal cost added by users, or a rate that the market will pay.

The market rate becomes an issue to limit the potential for charging. It applies in circumstances where the council believes a charge set too high will reduce use and therefore, diminish the value of the facility to the community, and impose a greater cost on ratepayers. In selecting market rate, the council has made a judgement that the community values the existence of the facility and would rather fund it from rates than for it to close.

2. **General rates** are used to fund those services where the council believes there is a public benefit even though it may not be to the whole community. It typically funds public goods for which there is no practical method for charging individual users as the benefit is wider than just specific users. An analysis of benefits indicates there is no difference in incidence between multiple targeted rates and a differentiated general rate.

General rates fund a range of services which are used by individual ratepayers to varying extents. The council uses the general rate rather than several targeted rates to achieve a simpler rating structure. That simpler structure makes it easier for ratepayers to understand how they are being rated, and it is also simpler and cheaper to administer. Rates are regarded as a tax that fund the collective community benefit, rather than being any form of proxy for use of a service.

The general rate is applied on a uniform basis on the capital value of all rateable property across the district in accordance with the generally accepted principles of taxation.

3. **Uniform annual general charges** are used to fund people-related, rather than property-related services, including libraries, parks and reserves, public cemeteries, public swimming pools, public toilets, community centres, community liaison, grants and donations, safer communities, animal control, civil defence and safety, building control, environmental consents planning, area offices and democracy/local government, environmental health and resource management planning.
4. **Targeted rates** are also used to fund community benefits and wider public goods. A targeted rate means a rate to be used exclusively to pay for that operating expense. It is used in circumstances where the council believes the benefits from the services are such that the principles of a general rate approach (noted above) are not sufficient and they should be targeted to a particular beneficiary's group or groups.

It is also used where the council considers the level of charge is outside the council's control and the extent of the impost should be clear to the community.

5. **Grants and subsidies** are used where they are available. This includes petrol tax.

6. **Borrowing** is not generally used to fund operating expenses, but is used as a tool to smooth out major lumps in the capital replacement and acquisitions programme.

The council may choose to borrow for an operating expense to give a grant to a community organisation that is building a community facility.

7. **Income from dividends, interest and net rental income** is used to offset the cost of provision of other services. Income from interest and dividends is included as revenue in the Finance & Treasury activity. This revenue is applied to the council's general purposes. Income from rental property is applied to the activity, which is the primary user of a facility.

8. **Licence fees** are charged where they are available as a mechanism. They are set as for user charges but may have constraints on the level of the fee. These constraints are established under various legislation.

9. **Enforcement fees** are charged when possible. The purpose of the fee is to promote compliance rather than to raise revenue. At times, enforcement fees will recover the full cost and at other times it will not depending on the level of compliance and the extent to which the charges are limited by statute or the courts.

Predictability of rates and rate increases

The council is aware the public needs to be able to predict their rates to have confidence in the rates system. While it is not possible to provide absolute predictability within the three-year planning cycle, it is possible to provide greater stability and predictability in the years where properties are not re-valued.

The council considers the benefit splits (amounts recovered from ratepayers for services through the general and targeted rates) within the Revenue & Financing Policy is robust.

However, the council is always conscious of the impact of applying different increases to individual rates. This can mean rates rises for individual ratepayers vary significantly to the average expected rates rise. In this case, the council may determine in any given year, which is not a revaluation year, that

it will apply increases to individual rates to achieve a more even distribution of rates rises. This is done in the interests of predictability and affordability for the ratepayer, which is an underlying goal of both the LPT and the Revenue & Financing Policy.

Funding of capital

1. **Rates** in all forms will be used to fund an ongoing replacement programme and may be used to fund a portion of capital acquisition work. This will be balanced against the affordability for the current ratepayers and the extent to which a capital replacement or acquisitions programme is even over the period of the plan. Over the period of the plan the council will get to the point where asset renewals are being met from operating revenue, and a contribution is being made to levels of service and growth capital.
2. **Borrowing** can be applied to all capital works subject to the preceding statement on the use of rates. The council views debt as a smoothing mechanism and a means of achieving equity between time periods. However, the council does not have an unlimited capacity to borrow, and the community does not have unlimited capacity to service those loans into the future. Therefore, the council adopts a prudent approach to debt and its capital programme to ensure that the burden of debt and the interest cost does not place an impossible burden on the community. In doing so, the council is conscious of its peak debt and its ongoing funding stream for debt servicing and work programme.
3. **Grants and subsidies** are used where they are available.
4. **User charges** are used for connection services where there is a benefit to an individual. If it is possible to efficiently impose a charge, the council does so, on the basis of either recovering the full cost of the infrastructure, the marginal cost added by users, or a rate that the market will pay.

5. **Proceeds from asset sales** may be used to fund capital works or repay debt. The preferred option will be for debt repayment with any new works funded from new debt draw down. This method is favoured due to its transparency and the neutral effect it has on rating. There is no major planned asset sales programme over the period of this plan, but assets that are no longer required for strategic or operational purposes, may be sold.

6. **Development and Financial contributions.** The district's community is growing. Growth drives a significant portion of the capital work needed to maintain levels of service to a growing community. As the cost of growth is driven by development, the council considers it fair for a development to contribute to the costs being imposed. Otherwise, existing ratepayers would subsidise new ratepayers and this is inconsistent with council's principles. An exception might occur if development contributions would impose an excessive burden on developers and new ratepayers, and this conflicted with council's overall development objectives for the district. In this case, the principle of affordability may mean that some degree of subsidisation is appropriate.

The Council has a Development Contributions Policy to obtain contributions to fund the infrastructure required due to district growth. The infrastructure includes roading, water, wastewater, stormwater, and community infrastructure (i.e., parks & reserves, libraries, etc.). Further details about development and financial contributions, and the projects they are used to fund, can be found in council's Development Contributions Policy.

7. **Other Local Government Funding and Financing Tools.** From time to time, new funding tools are provided to give local government flexibility in managing infrastructure and other costs that are not intended to be grant/subsidy funded such as Infrastructure Funding and Financing Levies. While these mechanisms have not yet been used, they are available to Council and could be used in accordance with legislation

Section five

Supplementary Material

Kaupapa Aapiti

Significant Forecasting Assumptions

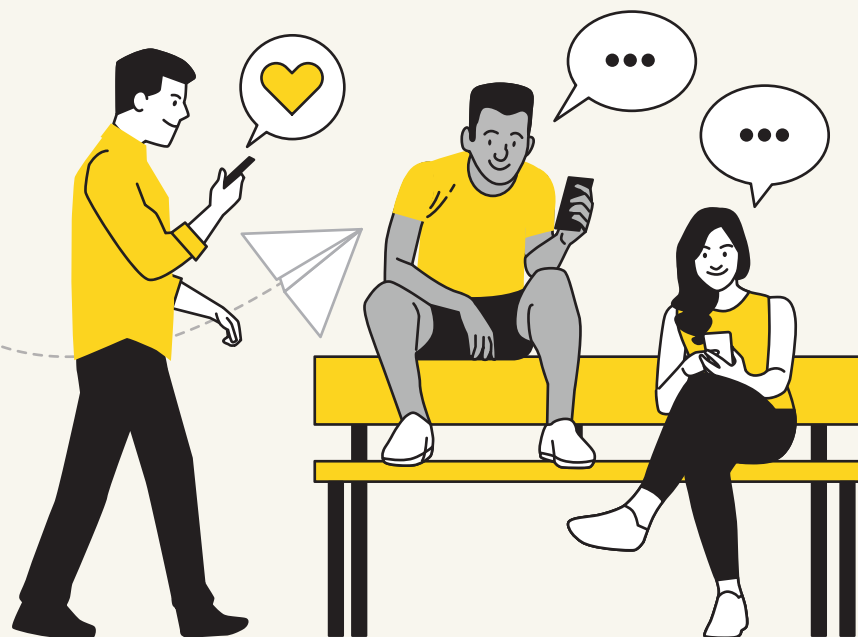
Ngaa Matapae Taapua

In planning for the future, we must make assumptions. Council is required to prepare and adopt a set of significant forecasting assumptions to inform the preparation of the 2025-2034 LTP. This ensures that all estimates and forecasts are made on the same basis throughout the nine-year period and helps to frame the right debate when making decisions about levels of service and which capital projects may or may not be included.

Waikato District Council's significant forecasting assumptions for the 2025-2034 period are outlined in the following pages.

Notes

- 1. Any assumptions at the activity level are contained in the Individual Activity Management Plans and Asset Management Plans.
- 2. No assumption has been made in relation to currency variations, as Council has no significant foreign currency exposure.



Assumptions

Economic and Population Changes

Inflation

Council has used the 2024 Price Level Adjustors provided by Business and Economic Research Limited (BERL) as the primary tool to forecast future costs and adjust financial projections in our LTP.

These adjusters will be applied across all relevant areas of expenditure, including water infrastructure, labour, and operational costs, to ensure financial planning reflects anticipated changes in economic conditions such as inflation and wage growth.

Uncertainty level: Medium

Sources of uncertainty

While the Price Level Adjustors are useful for forecasting purposes, there is inherent uncertainty around their accuracy, especially in later years of the LTP.

Risk

There is a risk inflation rates will vary significantly from those used in budget forecasts.

Implications

If inflation rates are higher than what has been assumed, then Council may not receive sufficient income to cover expenditure at the budgeted levels. Timing of expenditure may need to be altered.

If the changes are significant, this may impact the levels of service Council are able to provide or rates increases over and above the predicted levels in future years may be needed.

Work programmes and budgets are reviewed annually through the annual plan process, so this assumption will be checked each year and adjustments made as needed.

	Waters (Pipelines)	Property Capital	PPI Local Govt inputs	Roading Operational	Waters
2026/27	1.036	1.031	1.025	1.027	1.036
2027/28	1.033	1.029	1.024	1.025	1.035
2028/29	1.031	1.026	1.021	1.022	1.033
2029/30	1.029	1.025	1.02	1.021	1.032
2030/31	1.028	1.024	1.019	1.021	1.03
2031/32	1.026	1.023	1.019	1.02	1.029
2032/33	1.025	1.022	1.019	1.02	1.028
2033/34	1.024	1.021	1.018	1.019	1.026

Household growth projections

Council has used the 2021 projection* (high scenario) for the Waikato region provided by the University of Waikato which indicates the Waikato District's population is expected to grow from the current 89,759 (2025) to 101,198 (2034).

Council has used the growth settlement pattern in Waikato 2070 and the Future Proof Growth and Development Strategy which indicates that most of the district's growth will occur in and around the existing settlements of Tuakau, Pookeno, Te Kauwhata, Huntly, Ngaaruwaahia (including Taupiri and Horotiu), and Raglan.

*Note: This report remains in line with 2024 Census data.

Uncertainty level: Low

Sources of uncertainty:

While the projections are useful for forecasting purposes, there is inherent uncertainty around their accuracy, especially on spatial distribution. A key driver of uncertainty is changes in internal and external migration patterns.

Risk

There is a risk the actual population growth, and its spatial distribution, over the next 9 years vary significantly from projections.

Implications

Should growth be higher than projected and planned for in certain locations, there may be pressure for Council to provide and maintain additional infrastructure than that provided for in this plan. The estimated financial impacts are difficult to quantify; however, Council would review and adjust its work programmes accordingly to limit the impacts. In some situations, key infrastructure may limit, or lag behind growth.

If growth is lower than anticipated, income from development contributions will be less than budgeted for, and growth-related infrastructure projects may be deferred. In some situations, Council may have over invested in lead infrastructure and the income to pay for it recovered over a longer period than budgeted.

Household growth projections also impact rating income (see Rating unit projection assumption).

Rating unit projections

Council has used the 2021 projection for the Waikato region provided by the University of Waikato for the household growth forecast. To determine the rating unit projections, Council used the comparative household growth year on year and applies this from the current rating units as at 2024/25.

Projected number of rating units (for 30 June each year):

Current	34,362
2025/2026	34,791
2026/2027	35,378
2027/2028	35,961
2028/2029	36,544
2029/2030	37,128
2030/2031	37,709
2031/2032	38,293
2032/2033	38,879
2033/2034	39,463

Uncertainty level: Medium

Sources of uncertainty:

Households and businesses may reassess their consumption, investment, employment, and other business decisions due to the uncertain economic environment.

Risk

There is a risk that the number of new rating units over the next 9 years vary significantly from projections.

Implications

If the number of rating units is significantly different from projections, the rating income could be under- or overstated. If this were to occur, both capital and operational expenditure would need to be adjusted to reflect actual demand.

If projects have been progressed ahead of development which does not eventuate at the expected pace, this could cause funding shortfalls. This in turn would raise the costs of development and/or increase the borrowing costs for existing ratepayers.

Risk

There is a risk that if the demographic and societal projections do not trend as projected, there will be different demands on infrastructure than what is currently planned for.

Implications

Continuously assess population projections against changes confirmed by Statistics New Zealand. Regularly evaluate our services, work programs, the infrastructure we provide, and budgets to adapt to significant demographic shifts within the district as part of long-term planning.

Assumptions
Legislative Changes

Three Water Service Delivery

Council assumes that Watercare Services Limited will continue delivering three waters services under the current contract until 30 June 2026. From 1 July 2026, these services will transition to a new joint Council-Controlled Organisation (CCO) with Hamilton City Council.

Under this arrangement:

- Council's water services will continue to be managed under the status quo contract with Watercare Services Limited until 30 June 2026.
- Water and wastewater assets and service delivery will transfer to the CCO.
- The CCO will commence on 1 July 2026 and will take on the assets, associated debt, and reserves related to water and wastewater services from that date.
- Stormwater services will be delivered by the CCO under contract.
- The Watercare contract will be novated to the CCO from 1 July 2026.
- The contract is still expected to terminate on or before 30 June 2028. The CCO will determine the future delivery model beyond that date.
- Legislation will allow Council to continue collecting rates and development contributions on behalf of the CCO for the first five years of the Long Term Plan. After that, the CCO will be able to charge residents directly.
- Council will align its decision-making with Hamilton City Council.

Uncertainty level: High

Sources of uncertainty:

The decision to establish a joint CCO has been made and public consultation has already been completed. However, the assumption remains due to the scale and complexity of the transition, the need for a minimum viable product to be in place by 1 July 2026, and the potential for legislative or implementation-related changes.

Risk

There are several risks associated with the transition to the new CCO. Legislative or policy changes could affect the scope, timing, or governance model of the organisation. Operational risks include the complexity of transitioning services, integrating systems, and maintaining service continuity. Financial risks relate to transitional costs, uncertainty around the long-term funding model, and cost-sharing arrangements between the two councils.

Implications

If the CCO is not operational by 1 July 2026, or if significant delays or changes occur during the transition, Council may face service delivery disruptions, additional operational costs, and budgetary pressures. There may also be compliance risks if transition milestones are not met within statutory timeframes. Should the CCO not assume full ownership of the assets, liabilities and reserves, Council may need to fund residual debt or deficits, which could impact debt headroom. Potential rating impacts may result if Council needs to raise additional funding to cover any of these obligations.

Legislative changes

Council has prepared its LTP based on the legislation and policy settings in place at the time of development. While Council acknowledges that central government reforms are ongoing and have the potential to significantly impact local government responsibilities, funding, and service delivery, this LTP does not pre-empt the outcomes of proposed or anticipated reforms. Any future changes resulting from central government reforms will be addressed through amendments to the LTP or other relevant planning and decision-making processes as required.

Uncertainty level: Medium

Sources of uncertainty:

Unexpected change in government policy, speed of reform.

Risk

There is a risk of unexpected changes to legislation that alter the nature of services provided by Council.

Implications

Most changes to legislation are known about in advance, giving councils the ability to prepare for implementation. Any financial uncertainty would relate to the speed and cost of implementing changes, training needs for staff and any additional resourcing required.

The recent Government changes and proposed approach to Resource Management Reform means this LTP is based on knowing that reform is coming, but not the degree, timing, or implications of it. As such (and as an example) the budgets provide for a comprehensive District Plan Review starting within the 9-year timeframe, but this could take the shape of the preparation of a new kind of plan under new legislation.

Assumptions
Climate Change Impacts

Climate change

Council has used NIWA and Ministry for the Environment climate projections, which indicate the Waikato District is highly likely to experience the following weather pattern changes over the next two decades and beyond:

- Higher temperatures
- Less frosts
- Variable rainfall by season i.e., more rain in the winter less rain in the spring
- Some increase in storm intensity, wind extremes, thunderstorms, and frequency of more severe events
- Increased flooding
- A rise in sea levels.

Council has assumed its role in responding to climate change will continue to grow over the life of this plan. This includes increasing involvement in areas such as climate change mitigation, adaptation to its impacts, disaster recovery efforts, and initiatives to reduce emissions.

Uncertainty level: Medium

Sources of uncertainty:

The main source of uncertainty lies in the timing and scale of climate change impacts, including both extreme weather events and gradual changes such as rising sea levels, shifting rainfall patterns, and increasing temperatures.

Risk

There is a risk to asset planning and budgeting due to the potential for unforeseen costs, delays, or the need to adjust infrastructure design and resilience strategies in response to climate change impacts.

Implications

If climate change related budget provisions are insufficient, or other funding sources are unavailable when needed, Council will need to adjust spending in line with the severity and urgency of unexpected work required. Reserves or contingency funds will need to be used where possible, as well as agility in reallocating funds if needed. For non-urgent works identified in any given year, budgets will be adjusted through the Annual Plan or LTP cycle.

Significant natural disaster / emergency response

Council has assumed a multi-agency approach would be used to address the impacts of significant natural disaster / emergency events that take place in the district.

Council has assumed in the event of a significant natural disaster, Council would be required to fund 40% of the costs associated with damage to Council assets. The remaining 60% is assumed to be provided by Government.

Council has assumed its insurance of underground assets will cover losses or unforeseen damage caused by earthquake, natural landslip, flood, tsunami, tornado, windstorm, volcanic eruption, hydrothermal, and geothermal activity, or subterranean fire.

Uncertainty level: Low

Sources of uncertainty:

Unexpected change in government policy around co-funding costs associated with natural disasters/ emergency events.

Risk

There is a risk there will be a natural disaster requiring emergency works that cannot be funded out of normal budgetary provisions.

There is also a risk that Government will not provide any financial assistance.

There is a risk these types of events (such as one in 100-year storms occurring every two to five years increase coastal erosion etc) will not continue to be covered by Government funding due to the increased frequency of events.

These same impacts are also experienced by private landowners, who have an expectation that Council will assist them both financially and with social impacts.

Implications

The potential effect of a natural disaster on Council's financial position is dependent upon the scale, duration, and location of the event.

Assumptions
Assets

Asset life and value

Council has assumed that the estimated useful life of its assets, and their values, will remain relatively stable over the life of the LTP.

Council has assumed asset revaluations will occur on a cycle of at least once every three years, with infrastructure asset classes revalued annually.

Useful lives are identified for each component of assets. They are assessed based on many factors including construction method, material, age, condition assessments, obsolescence and expected remaining economic potential.

Uncertainty level: High

Sources of uncertainty:

Changes in market conditions, environmental

compliance, and changes in asset condition. There is a risk the impact of climate change will reduce the useful lives and assets will require replacement more often. This will increase budget requirements, however, it is unknown how quickly or by how much.

Risk

There is a risk rising compliance requirements at national and regional levels will require significant investment in new or upgraded plant before useful life or capacity life has been reached.

There is a risk useful life estimates will change because of asset revaluations or through adjustments in Asset Management Plans.

There is a risk renewal programmes do not align with the loss of economic potential of the asset.

There is also a risk funding for renewal programmes do not align with renewal expenditure. Operating expenses could be under or overstated.

Implications

Changes to the useful lives of assets has a direct impact on the renewal profiles, for example, asset replacements could be delayed or required sooner than anticipated. The result of this is either an increase in depreciation reserves for a period, as this is the funding source for asset replacements, or drawing on reserve funding earlier than anticipated.

Borrowing costs

PwC provides the borrowing costs projections based on Council's forecasted debt portfolio as part of their continuous treasury advisory services.

It is assumed Council will be a net borrower over the next 10 years. The cost of debt has been budgeted for as follows:

Year	Percentage
2026	4.22%
2027	4.21%
2028	4.26%
2029	4.33%
2030	4.42%
2031	4.46%
2032	4.59%
2033	4.79%
2034	5.05%

Credit rating

Council has assumed there will be no change to its current credit rating during the life of this LTP. Council holds a Long Term Local-Currency Issuer Default Credit Rating (IDR) of AA+.

Uncertainty level: Low

Sources of uncertainty:

Uncertainty in economic and financial markets could impact Council's credit rating.

If the useful lives of Council assets change significantly, then:

- Council may have insufficient funds to undertake renewal works. Council may be able to extend borrowing to complete work which may come at a higher cost. Alternatively, service levels may have to reduce until funding is available.
- Council may have allocated excess funding to renewal programmes. This may result in other works not being undertaken at the preferred time resulting in community dissatisfaction.

Uncertainty level: Low

Sources of uncertainty:

Economic uncertainty and significant variation in interest rates.

Risk

There is a risk interest rates will vary significantly from those used in budget forecasts.

Implications

As Council's debt portfolio is increasing; movements in interest rates could affect Council's financial position and have an impact on the amount within Council's reserves. These reserves are used to fund capital works and various other programmes and could mean that funds are unavailable to progress works as budgeted.

In the event interest rates are lower than forecast, Council intends to apply the savings to reduce debt or rates in accordance with our prudent financial management philosophy.

Risk

Should Fitch downgrade the Council's credit rating, this will result in increased borrowing costs.

Implications

Should Council's credit rating be downgraded this will lead to increase in cost of funds.

Subsidies

Solid waste subsidies

Council has assumed the portion of the Waste Disposal Levy allocated to local government, as well as the current method of distribution, will remain unchanged for the life of this LTP.

Three waters subsidies

Council has assumed that no subsidies will be available for three waters assets for the life of this LTP.

Uncertainty level: Medium

Sources of uncertainty:

Waste Levy. Changes in government policy and budget needs.

Risk

Waste Levy. There is a risk Council will not receive the predicted levels of Waste Levy income.

Implications

Waste Levy. Council utilises levy income to fund the waste minimisation education and engagement programme, staff costs, and other such projects as is the intent of the Levy. Should Council not receive the amount of income predicted, expenditure in these areas may need to be reduced. This would impact our staff funding, levels of service to the community on waste minimisation.

Three waters subsidies

Council has assumed that no subsidies will be available for three waters assets for the life of this LTP.

Risk

Three Waters reform.

NZ Transport Agency
Waka Kotahi (NZTA)

Council has assumed that its National Land Transport Fund (NLTF) subsidy funding envelope will increase each year of this LTP.

Council has assumed that its Funding Assistance Rate (FAR) will remain consistent throughout the life of this LTP.

Council has assumed that FAR will be received as follows:

Year	Total Maintenance – local roads	Local road improvements	NZTA Safer Network Programme
2025/26	51%	0%	51%
2026/27	51%	0%	51%
2027/28 onwards	51%	51%	51%

Uncertainty level: High

Sources of uncertainty:

Changes in government funding policy.

Risk

There is a risk that the Waka Kotahi subsidy rates will differ from the assumed rates post 2027. There is also a risk the overall funding envelope for Waka Kotahi subsidy remains static or declines.

There is a risk the level of service Council is planning to fund is higher than what Waka Kotahi will subsidise.

There is a risk NZTA will continue to not fund new low-cost, low-risk projects into the future. The annual quantity of planned work would need to be reconsidered if subsidies are not received at the expected level.

Implications

The annual quantity of planned work would need to be reconsidered if subsidies are not received at the expected level.

Stability of the Local Government Funding Agency (LGFA) guarantee

Stability of the Local Government Funding Agency (LGFA) guarantee

Council has assumed that the Local Government Funding Agency (LGFA) guarantee will not be triggered for the duration of this LTP.

The LGFA has advised it is reasonable to assume that the guarantee will not be called. The LGFA has never made a call under the guarantee and its loans to councils are all performing, so there is nothing the LGFA or Council are aware of that makes a call under the guarantee likely.

Uncertainty level: Low

Sources of uncertainty:

The economic climate and its potential impact on local authorities' ability to repay LGFA loans.

Risk

There is a risk that the LGFA cannot meet its obligations to lenders because of a default by a borrowing local authority on interest or principal payments to the LGFA.

Implications

Council guarantees 1.5% of any shortfall the LGFA may have in meeting its obligations to lenders, because of a default by a borrowing local authority. Council would likely seek to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Sources of funding for future replacement of significant assets

Sources of funding for the replacement of assets can be found in the Council's Revenue and Financing Policy.

NZTA subsidy will continue to be available at the currently agreed percentage (see NZTA subsidy assumption).

Council has assumed that we will continue to receive funding from the LGFA to cover external borrowing requirements as per the Treasury Risk Management Policy.

Uncertainty level: Medium

Sources of uncertainty:

Changes in government funding policy.

Risk

Sources of funds are inadequate to fund the replacement of significant assets.

Implications

If funds are inadequate for the replacement of significant assets, work may not be progressed as per timing in the plan. Operational expenditure may rise as a result to extend the life of the assets, which would potentially cost the ratepayer more as we would still need to build reserves to pay for the eventual replacement.

Capital Expenditure

The quantum and timing of capital expenditure is achievable.

Uncertainty level: Medium / High

Sources of uncertainty:

The source of uncertainty is that our EPMO is not able to engage enough contracted resource to deliver the programme as planned.

Risk

While Council has contractual arrangements in place with Higgins, Fulton Hogan and WaterCare* Services Limited, non-delivery of scheduled works would cause a delay to Council's capital projects which

would impact our expenditure and may also impact levels of service in a given year.

*Council has assumed that its three waters services will be managed under the status quo contract with Watercare Services Limited until June 2026.

Implications

Should Council run into market constraints on the delivery of Council work programmes, compliance and/or critical asset related projects would be prioritised and other work programmes would be adjusted. This would likely reduce the levels of debt, related interest expense and depreciation. Significant budget adjustments would be made via an Annual Plans/LTP amendment and changes consulted on with the community.

Return on Investments

The annual financial return on the Council's investment properties and investments in Council-Controlled Organisations (CCOs) is projected to be zero throughout the duration of the plan. Given the uncertainty in estimating future investment values, no changes—either increases or decreases—in investment value have been recognised over the term of the plan.

Uncertainty level: Low

Sources of uncertainty:

The state of the economy is doing could influence the council's return on its investments. Returns could be higher or lower than predicted.

Risk

That economic growth differs significantly from that forecasted in this plan.

Implications

New Zealand's economic outlook, while outside the council's control, will affect the council's investments such as the Waikato Regional Airport.

Resource Consents

Water Supply

It is assumed that the one water supply consent that expires within the next 10 years will be renewed with the current conditions.

Wastewater

It is assumed that more stringent environmental outcomes and cultural considerations are expected to be required when Raglan, Te Kauwhata, Ngaaruawaahia and Huntly wastewater discharge consents expire (all within the next 10 years).

It is assumed that land disposal will not be required to meet environmental / cultural considerations and budgets have been set on similar methods of discharge with improved treatment processes.

Uncertainty level: High

Sources of uncertainty:

The proposed national wastewater environmental performance standards will create one treatment level for each receiving environment. The Water

Services Authority is still to refine the proposal with territorial authorities, regional councils and industry experts. It is therefore uncertain about the standards required at the time of budget setting and how these standards reflect against our Te Ture Whaimana obligations.

Risk

Conditions of resource consents are altered significantly and without sufficient warning.

Any new resource consents required are not approved or conditions imposed are not budgeted for.

Implications

If the Council is faced with significant changes to resource consent conditions, this could have a significant impact on the Council’s financial resources.

If consent conditions change, the timing of the consent process may need to be extended, particularly if upgrade works are required in order to comply.

Summary of our Significance and Engagement Policy

He whakaraapopoto i te Kaupapa Here Whakatau Taapuatanga me te Tuuhononga

Council reviewed and adopted its Significance and Engagement Policy (SEP) in December 2024. The SEP provides a robust framework that guides Council’s assessment of the significance of different issues, assets, proposals, or other matters, and the level of engagement applied to the decision. It sets clear expectations for our communities around how and when they can expect Council to engage with them around decision-making. The SEP aligns with

Council’s Trust and Confidence Strategy, supports consistency in our decision-making and helps to establish ongoing communication and engagement channels with our communities.

The full SEP can be viewed on our policies page at www.waikatodistrict.govt.nz/your-Council/plans-policies-and-bylaws/policies



Water and Sanitary Services Assessment and Waste Management and Minimisation Plan Statement
*Te Arotake Ratonga Wai me te Akuaku me Te Taukii
moo te Mahere Whakahaere me te Whakamookito Para*

Council is required under the Local Government Act 2002 to identify any significant variations between the proposals outlined in the LTP and its:

- 1. Assessment of drinking water, wastewater, and other sanitary services.
- 2. Waste Management and Minimisation Plan.

Assessment of water and sanitary services

Council’s ‘water and other sanitary services’ assessment was adopted in 2008. Every year a drinking water quality performance report is completed for the district, with the last report completed in 2024. There has not been an assessment report produced on water and other sanitary services since 2008. Since this assessment, Council has experienced significant growth and infrastructure expansion, particularly in water, wastewater, stormwater, and sanitary services. The district’s population has nearly doubled, requiring major upgrades to reticulated water supply, wastewater treatment, and stormwater management. In 2010, the Council inherited part of the disestablished Franklin District Council. This further increased demand for water and sanitary services.

The significant variations between the 2008 assessment and the 2025-2034 Long Term Plan are listed below:

- There have been upgrades to water treatment plants around the district to ensure they are compliant with drinking water standards. These water treatment plant upgrades include: Huntly, Ngaaruwaahia, Raglan, Port Waikato, Onewhero, Te Kauwhata and Te Akaau South.
- The Hopuhopu water treatment plant closed down in 2016 with both Huntly and Ngaaruwaahia water treatment plants now providing these services.

- New water supply services have been established to service part of the disestablished Franklin district in 2010. This includes Pookeno and Port Waikato.
- New reticulated water services have been provided to expanding communities including Pookeno, Tuakau and Te Kauwhata.
- We have identified new health risks of elevated levels of nitrogen and phosphorus resulting from land use.
- An addition of 15 public toilets to locations including Ngaaruwaahia, Lake Rotokauri, Port Waikato, Otaua, Tuakau and Te Kowhai.
- The removal of the Council-owned effluent disposal site located on Bollard Road, Tuakau.
- Whangarata Cemetery has been opened in Tuakau.

Waste Management and Minimisation Plan

The Waste Management and Minimisation Plan (WMMP) outlines Council’s strategic approach to achieving effective and efficient waste management and minimisation, in accordance with the Waste Minimisation Act 2008. The current WMMP, adopted in June 2025, introduces several key updates compared to the 2018 plan. Notable changes include the implementation of new waste service contracts starting in July 2027, which will help to standardise rubbish collection methods across the district. The plan also continues with kerbside sorted recycling and introduces a dedicated crate for glass bottles and jars. Additionally, it aims to expand access to recycling services in rural areas. This long term plan will provide services for the Te Aakau community starting in July 2025.

Section six

Infrastructure Strategy
Rautaki Tuuaahanga



1 Executive Summary
Ngaa Ariaa Matua

The Waikato district is home to over 92,500 people. It is spread across a vast 400,000 hectares, with the Waikato River running through the heart of the district. The district continues to be an attractive place to live and do business, with significant growth across multiple townships, our communities have the benefits of a healthy economy with options to live urban or rural.

The Waikato district is in the centre of the golden triangle where more than half of New Zealand’s population live, and two thirds of its recent population growth has occurred. The Infrastructure Strategy identifies efficiencies and significant decisions that need to be made over the next 30 years. This Infrastructure Strategy aligns with our Financial Strategy, in which we determine what we can afford to do, when we can afford to do it and how to fund it.

This includes the water treatment plants and the pipes that supply drinking water to towns, to the shade sails over playgrounds keeping our communities safe.

In a rapidly growing district, there are several challenges, including where and when to invest, how to enable growth, the size of the district, infrastructure and construction costs, ageing assets,

and changing priorities, and the increased impact of climate change

In addition to the challenges, we face with day-to-day management, we also have significant decisions to make over the next 10 years.

- Replacing worn out assets – prioritisation of asset renewals.
- Community infrastructure in growth areas – building communities not just houses.
- Ageing assets – significant infrastructure coming to end of life.
- Funding roading projects – increasing investment beyond government subsidies.

These decisions will have an impact on the cost of general rates and/or the levels of Service the community will receive.

Moving forward, we have significant decisions to make around our infrastructure. It’s critical we have a well-planned infrastructure network with a holistic, long-term view to ensure we are making evidence-based decisions, remain resilient to the challenges and fulfil our vision, of liveable, thriving and connected communities.

2 Introduction
Kupu Whakataki

The Infrastructure Strategy identifies the challenges and significant decisions required to be made over the next 30 years. It forms part of the Long Term Plan (LTP) to fulfil the requirements of the Local Government Act 2002 (LGA) Section 101B.

This Strategy aligns with our Financial Strategy, which determines what we can afford to do, when we can afford to do it and how we will fund it. This strategy utilises and seeks to implement the Growth and Economic Development Strategy (Waikato 2070), and the first 10 years will direct the activity and asset management planning process.

All financial information in this strategy includes inflation unless otherwise stated and excludes GST.

As required by the LGA, this strategy will address 10 years in detail and a further 20 years in outline. Waikato District Council completed an Enhanced Annual Plan in 2024/25, therefore for the 2025-2034 LTP to return to the three yearly cycles, it will present two years in detail instead of the legislative three years. Despite this, the Infrastructure Strategy will remain consistent with 10 years in detail.

This Infrastructure Strategy is within the framework of Waikato District Council policies, strategies, and plans as per Figure 1.

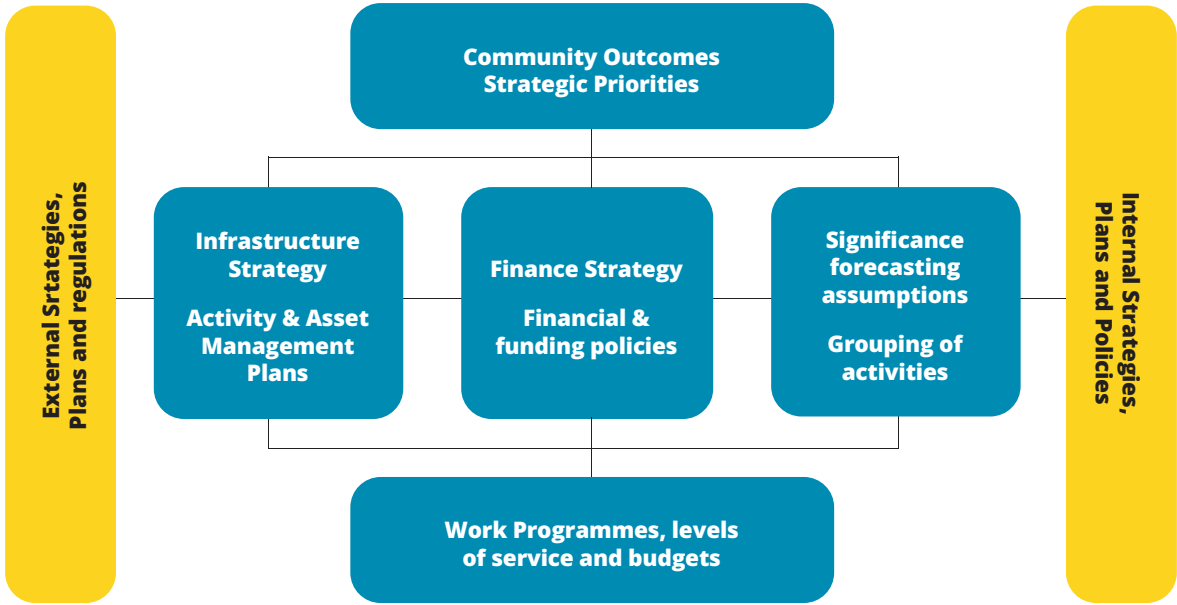


Figure 1: The portfolio of documents that form the Long Term Plan and interactions to other internal and external documents.

2.1 Purpose

The Infrastructure Strategy is a key component in the Waikato District Council’s decision-making process around the future of the district. It officially documents the management philosophy applied to infrastructure assets as required under section 101B of the Local Government Act 2002.

It identifies significant infrastructure issues over the next 30 financial years, the principle options for managing those assets and the implication of those options.

The Infrastructure Strategy also describes how infrastructure contributes to the delivery of the Waikato District Council’s Vision and our Community Outcomes by:

- Describes the key infrastructure provided by the Waikato District Council within each activity.
- Dealing with natural hazard risks that will be addressed in terms of infrastructure resilience and financial planning.

- Identifies significant infrastructure issues and the principle options for managing those issues.
- Describes the activity management practices to address:
 - Response to growth or decline in demand.
 - How to manage the renewal or replacement of existing assets over their lifetime.
 - Planned increases or decreases in Levels of Service.
 - Maintaining or improving public health and the environment.
- Outlines the key assumptions in putting together this Infrastructure Strategy; and
- Informs the Activity Management Planning process for infrastructure-based activities, and forms part of the Long Term Plan development process.

This strategy aligns with our Financial Strategy, in which we determine what we can afford to do, when we can afford to do it and how to fund it.

How Infrastructure is Defined

Infrastructure is defined as the physical structures and systems that provide a service for our community. Infrastructure is essential to meet our Community Outcomes, and this strategy only addresses infrastructure that the Waikato District Council owns or has an agreement to be responsible for.

Infrastructure has features that set it apart from other goods and services; these features impact how the asset is funded and operated. Infrastructure commonly shares, although not limited to, the following features:

- Infrastructure spans generations. If maintained correctly, some infrastructure can last over a century.
- Infrastructure investments come in peaks and troughs as it is expensive to build and improve.
- Infrastructure can be interconnected and reliant on one another.

- Infrastructure often lets many people share and receive the same service.
- Infrastructure often has spillover effect. Improving one area may increase or decrease the demand on another.

Categories and Overview

There are many services Waikato District Council provides which are supported by infrastructure.

The following (Figure 2) is how the infrastructure – the physical structures and systems – are grouped together.

Each of these groups are further planned and investigated in the corresponding *Asset Management Plan*. An overview of assets Waikato District Council manages and maintains is shown in (Figure 3).



Transport



Waste Services



Facilities
Aquatic Facilities,
Woodlands,
Libraries,
Community Facilities,
Corporate Buildings,
Public Toilets



Waters
Wastewater,
Stormwater,
Water Supply



Open Spaces
Cemeteries, Reserves
and Parks

Figure 2: The 5 key groupings of Waikato District Councils Infrastructure.

Assets Snapshot

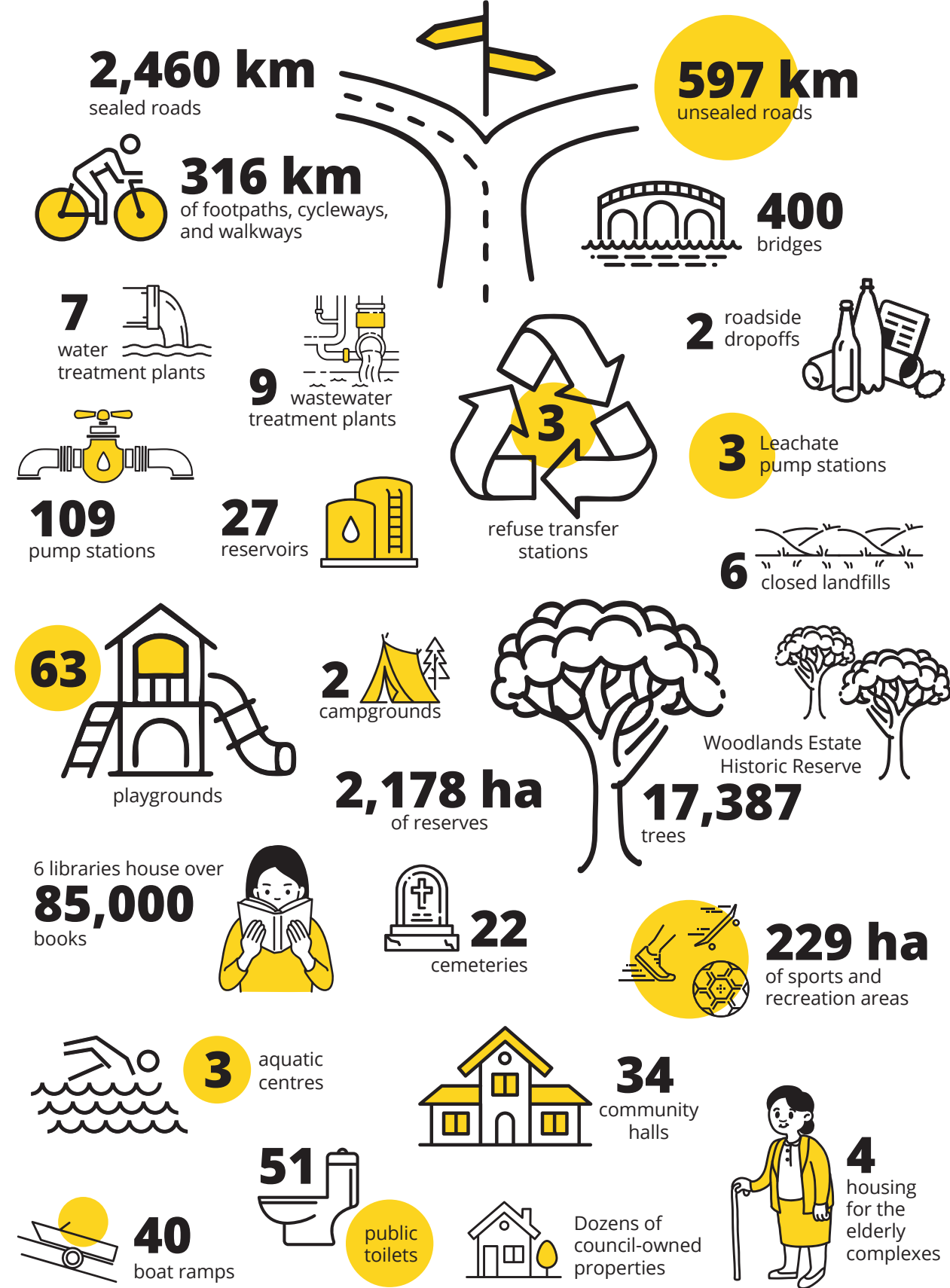


Figure 3: Overview of asset quantity.

2.2 Vision and strategic priorities

Vision



Liveable, thriving and connected communities.

He noohanga aahuru, he iwi whai ora, he hapori tuuhono tahi.

Our Vision and Community Outcomes set the goals we want to achieve in everything we do. Our vision is we work together as a district to build liveable, thriving, connected communities.

Community outcomes

Everything we do is aimed at improving the wellbeing of the people that live, work, and explore the Waikato District. Our Community Outcomes are developed under the four wellbeing pillars (Figure 4) and describe what we want to achieve for the Waikato District into the future.



Cultural - Ahurea

We celebrate who we are.

Ka whakanui i too maatou katoa.



Economic - Ohaoha

We support local prosperity.

Ka tautoko maatou i te houkura aa-rohe.



Social - Paapori

We have well connected communities.

He hononga whitake katoa o oo maatou hapori.



Environmental - Taiao

Our environmental health underpins the health of our people.

Ka taunaki too maatou oranga aa-taiao i te oranga o oo taatou iwi.

Strategic Priorities

Our Strategic Priorities represent the areas we want to focus on; they will help us to prioritise our investment to ensure we are meeting the immediate needs of our communities.

- Consistent delivery of core services.
- Improving Council responsiveness.
- Building relationships.
- Improving connectivity.
- Supporting sustainable growth.

To ensure this strategy delivers on our Vision and Community Outcomes, it's essential to understand what the strategic priorities mean, and how they are implemented through this strategy.



Consistent delivery of core services *Te tuku tonu i ngaa ratonga maataamua*

Providing safe, secure, and reliable essential services is fundamental to meeting community expectations. Our infrastructure must enable people to feel safe and comfortable when using roads, public spaces, and facilities. We aim to deliver services with minimal disruptions while ensuring they remain sustainable for future generations.



Improving Council responsiveness *Te whakawhanake i te urupare a te Kaunihera*

We are committed to maintaining high-quality, accurate asset data to support transparent decision-making. Reliable information enables us to respond effectively to infrastructure needs and ensure our services are well-planned and efficiently managed.



Building community resilience *Te whakatupu i te manawaroa aa-hapori*

Resilient infrastructure reduces the severity and duration of disruptions caused by unforeseen events. Our goal is to develop infrastructure that can predict, absorb, adapt to, and recover quickly from challenges.

Building resilience also requires a focus on:

- **Asset Maintenance and Longevity:**
Investing in upkeep and refurbishment of existing assets ensures they remain functional, cost-effective, and sustainable over their lifespan. Neglecting maintenance can lead to asset deterioration, rising costs, and premature replacement. We aim to optimise our investments to balance immediate needs with long-term benefits.
- **Preserving the Natural Environment:**
Maintaining the natural environment of the Waikato is crucial for current and future generations. Responsible asset management protects our resources and strengthens community resilience.



Building relationships *Te whakatupu whanaungatanga*

Resilience cannot be achieved alone. We will collaborate with key partners, including the Waikato Civil Defence Emergency Management Group, local iwi, and our communities to strengthen readiness, recovery, and shared ownership of outcomes.



Improving connectivity *Te whakawhanake aaheinga*

We aim to enhance physical and digital connectivity within our communities. By improving infrastructure networks, we will create better access to services, employment, and opportunities, ensuring our residents remain connected locally and regionally.



Supporting sustainable growth *Te tautoko i te whanaketanga toituu*

To accommodate future development, we will invest in core infrastructure that enables sustainable growth. As urban and rural populations converge and technological advancements reshape our communities, we will focus on optimising the use of existing resources and adapting primary networks to meet evolving needs. This approach ensures infrastructure supports growth while remaining efficient and resilient.

Figure 4: Waikato District Council's four community outcome wellbeing pillars.

2.3 Strategic context

Interactions with Other Strategies

The Infrastructure Strategy is a key component in the high-level Waikato District Council decision making processes around the future of the district.

The right (Figure 5) illustrates how this strategy is created and connected. The Infrastructure Strategy

interacts significantly with the following other strategies:

- Economic Development
- Growth
- Financial

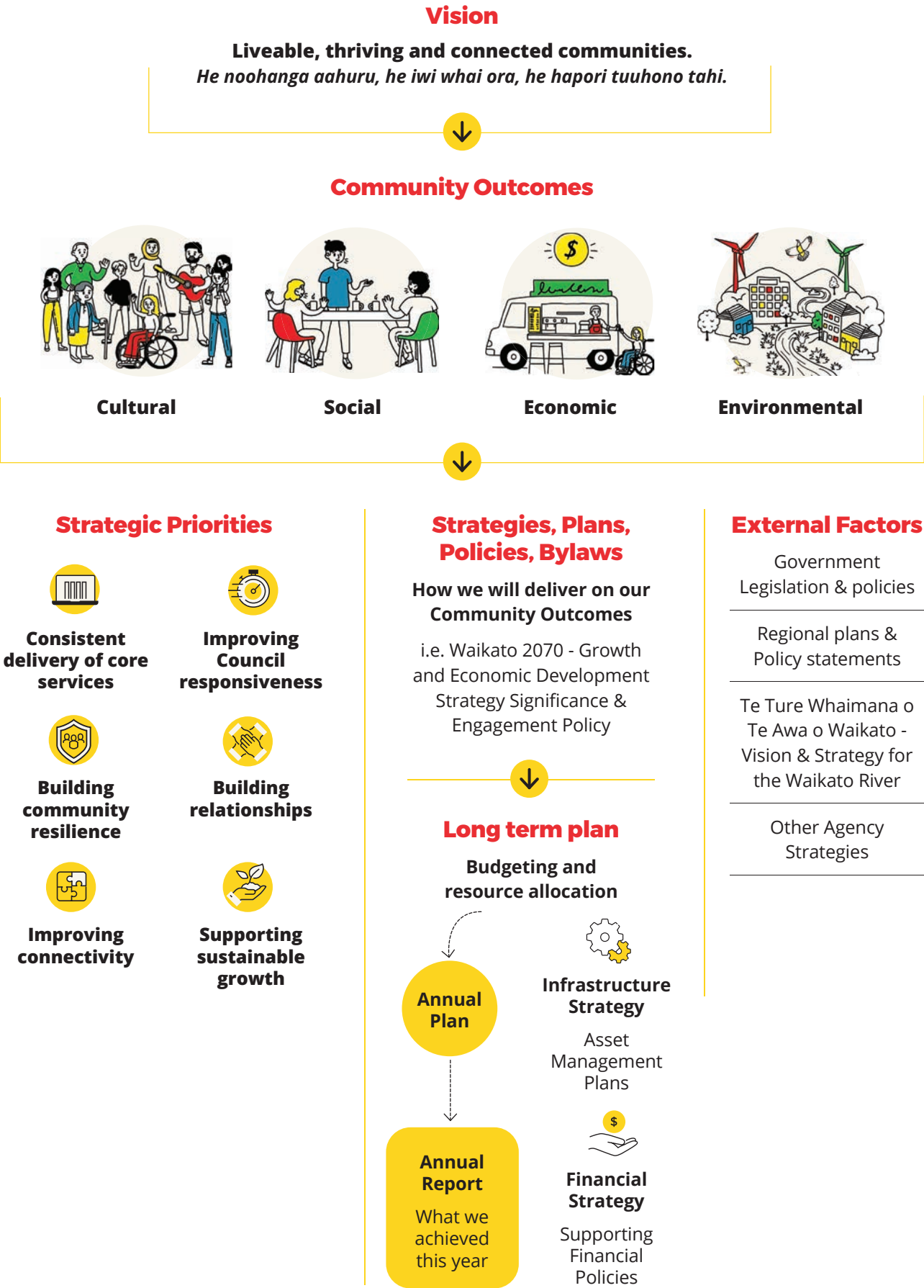


Figure 5: The creation, alignment, and interactions to internal and external documents.

Financial Strategy

One of our main jobs is to plan, build, and maintain our infrastructure. Along with our Financial Strategy, our Infrastructure Strategy explains how we plan to meet our infrastructure duties in a way that aligns with our community goals, main strategies, and legal duties (Figure 5).

A Financial Strategy is a long-term forecast showing how we will use our money and other resources to reach our goals and targets over the next 10 years. It gives a plan for allocating money, managing debt, and making sure that financial practices are sustainable.

The Financial Strategy supports this strategy as it ensures the money needed to complete the projects within this strategy is allocated and available. This Strategy and Financial Strategy collaborate to strike the correct balance between meeting service levels and budget.

Waikato 2070

Waikato 2070 is The Waikato District Council Growth & Economic Development Strategy developed to provide guidance on appropriate growth and economic development that will support the wellbeing of the district. The document was prepared using the Special Consultative Procedure, Section 83, of the Local Government Act 2002 and adopted by Waikato District Council in May 2020. The strategy is scheduled for review within the period of the 2025 LTP. Waikato 2070 is a guiding document that the Waikato District Council uses to inform how, where and when growth will occur in the district over the next 50 years.

The growth indicated in Waikato 2070 has been informed by in-depth analysis and combines economic, community and environmental objectives to create liveable, thriving, and connected communities. The growth direction within Waikato 2070 informs Long Term Planning and impacts how we meet our Community Outcomes.

Future Proof Growth Strategy

Future Proof is a collaborative partnership of iwi, local government, and central government agencies working to manage growth in a way that provides the best outcomes for communities, focusing on a 30-year plan for the Hamilton, Waipā, Waikato, and Matamata-Piako sub-region. Our Waikato 2070 informs this wider regional strategy.

Asset Management Plans

Asset Management Plans (AMPs) are 10-year planning documents updated every three years, which help implement our policies and strategies. They deep dive into each infrastructure class and estimate how much it will cost to run, manage, and replace assets and explore what new assets will be needed in the future. They also help to investigate non-asset solutions to demand issues and explore the risks that are present for each asset class.

These documents also provide detail around the activity that the assets deliver and cover service levels, maintenance strategies, and continuous improvement items for each asset class. They provide insight to where assets may no longer be required due to lack of demand.

The AMPs are informed by many strategies, bylaws and polices from across the business. These range from specific reserve management plans through to Waikato 2070. They are developed in conjunction with stakeholders, asset and activity experts. They are also informed heavily by a range of data insights, which help to develop renewal plans and budgets, as well as forecast infrastructure demand and costs.

AMPs are critical to building our budgets and evaluating where affordability outweighs the risk associated with not completing work.

They document where projects are recommended and then removed to allow for financially sustainable outcomes. AMPs are critical for identifying where we can improve, and then monitor those improvements, over the life of the document.

By incorporating considerations from AMPs the Council, in preparing this Infrastructure Strategy, ensures their infrastructure investments are well planned, financially sustainable, and capable of meeting the districts future needs, the following are key considerations:

- Current Asset Condition and Performance: Understanding the state of our infrastructure (roads, water supply, wastewater, stormwater, open spaces, and public facilities). Identifying assets that are ageing, deteriorating, or failing to meet service standards.
- Asset Lifespan and Renewal Requirements: Projecting when key assets will need maintenance, renewal, or replacement of existing assets. Estimating costs and funding needs over a 30-year period. The required level of investment to maintain, renew and replace existing assets.

- Service Levels and Community Expectations: Aligning infrastructure planning with agreed service levels (e.g. water quality, road safety, resilience). Balancing affordability and public expectations. Increase/decrease in level of service – The balance between level of service expectations and affordability; and any potential threats or opportunities to maintain or improve the level of service.
- Growth and Demand Forecasts: Considering population growth, urban expansion and land use changes. Identifying areas where infrastructure capacity needs to be increased to meet growth. Growth/decline in demand for services – The level of infrastructure investment necessary to provide for growth and the appropriate timing of growth-related investment, to minimise costs to the community and operate at optimum infrastructure capacity.
- Risk and Resilience Planning: Assessing risks such as asset failures, climate change, extreme weather events and safety. Planning for disaster recovery and resilience improvements. Resilience in relation to natural hazards – identifying and managing risks relating to natural hazards and making appropriate financial provision for those risks.
- Sustainability and Climate Adaptation: Integrating environmentally sustainable practices into Infrastructure design and maintenance. Ensuring

- assets can withstand future environmental conditions.
- Public health and environmental outcomes: Any potential threats or opportunities to maintain or improve public health and environmental outcomes and mitigate any adverse effects on them.
- Regulatory and Compliance Requirements: Ensuring infrastructure meets government regulations, environmental laws and health and safety standards. Addressing any legislative changes that impact asset management.
- Financial Planning and Funding Strategies: Aligning infrastructure investment with council budgets, funding sources (rates, grants, government funding, partnerships). Using lifecycle costing to prioritise investments and avoid funding gaps.
- Technology and Innovation: Exploring the role of smart infrastructure, digital asset management and data driven decision making. Leveraging modern technologies for efficiencies and cost savings.

Legislation

These factors affect when, how, and where we build our infrastructure. Below (Figure 6) shows the main legislation and planning documents that dictate land use, funding, and transport.



Figure 6: Summary of current key legislative drivers for infrastructure planning, funding, and delivery.

Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River

In Te Ao Māori, the Maaori worldview, humans are connected physically and spiritually to land, water, air, and forests. People are an integral part of ecosystems, and ecosystems are an essential part of the heritage and genealogy (whakapapa). As kaitiaki (guardians), tangata whenua hold an intergenerational responsibility to sustain healthy wai (water) for future generations, ensuring the mauri (life force) of the water is preserved and, where possible, restored.

For Waikato iwi, hapuu and marae, the Waikato River is a spiritual and ancestral focal point, integral to their identity, tikanga (customs), and kaitiakitanga. The river is regarded as a tupuna (ancestor) with mana (prestige) and mauri, symbolising the vitality of the tribe. Respect for te mana o te awa (the river’s spiritual authority and power) underpins this relationship, as reflected in the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010.

The Waikato River Authority, established under this Act, leads efforts to restore and protect the river’s health and well-being through Te Ture Whaimana (the Vision and Strategy). Its role includes:

- Setting the direction for the river’s restoration and protection.
- Promoting a holistic, integrated approach to river management.
- Funding rehabilitation initiatives through the Waikato River Clean-up Trust.

About the District

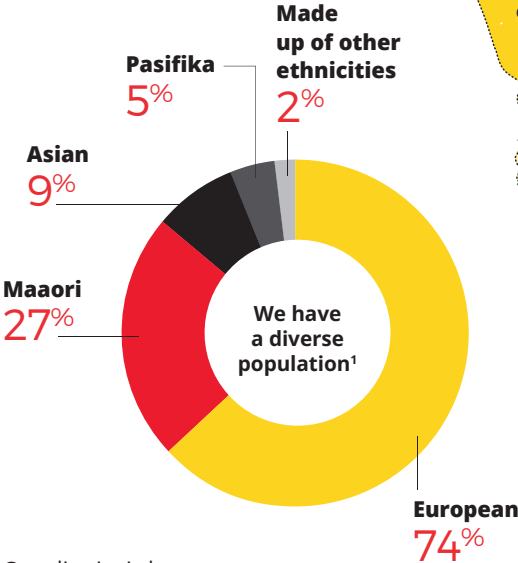
Waikato District Council is experiencing elevated levels of growth in parts of the district that border the larger urban centres of Hamilton and Auckland. There is also noticeable planned growth in six townships.

The Waikato district lies within the northern growth corridor between the large cities of Hamilton and Auckland along State Highway 1, consisting of eight general wards and two Maaori wards (Figure 7).

The district has been growing rapidly, with proximity to Auckland, Hamilton and Tauranga making us an attractive proposition for both business and residential development.

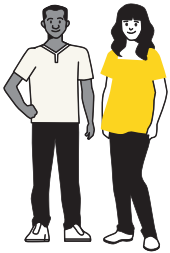
Our diverse district covers more than 400,000 hectares. The major towns are Huntly, Ngaruawahia, Raglan, Te Kauwhata, Pokeno and Tuakau. Smaller settlements including Gordonton, Matangi, Meremere, Port Waikato, Te Kowhai, Whatawhata and a major country living settlement at Tamahere. The Waikato and Waipa Rivers, and their catchments, are important to the cultural and economic activities in the region.

Waikato District at a glance



Our district is home to **92,500¹** people

We welcomed **375 new citizens** to the district.



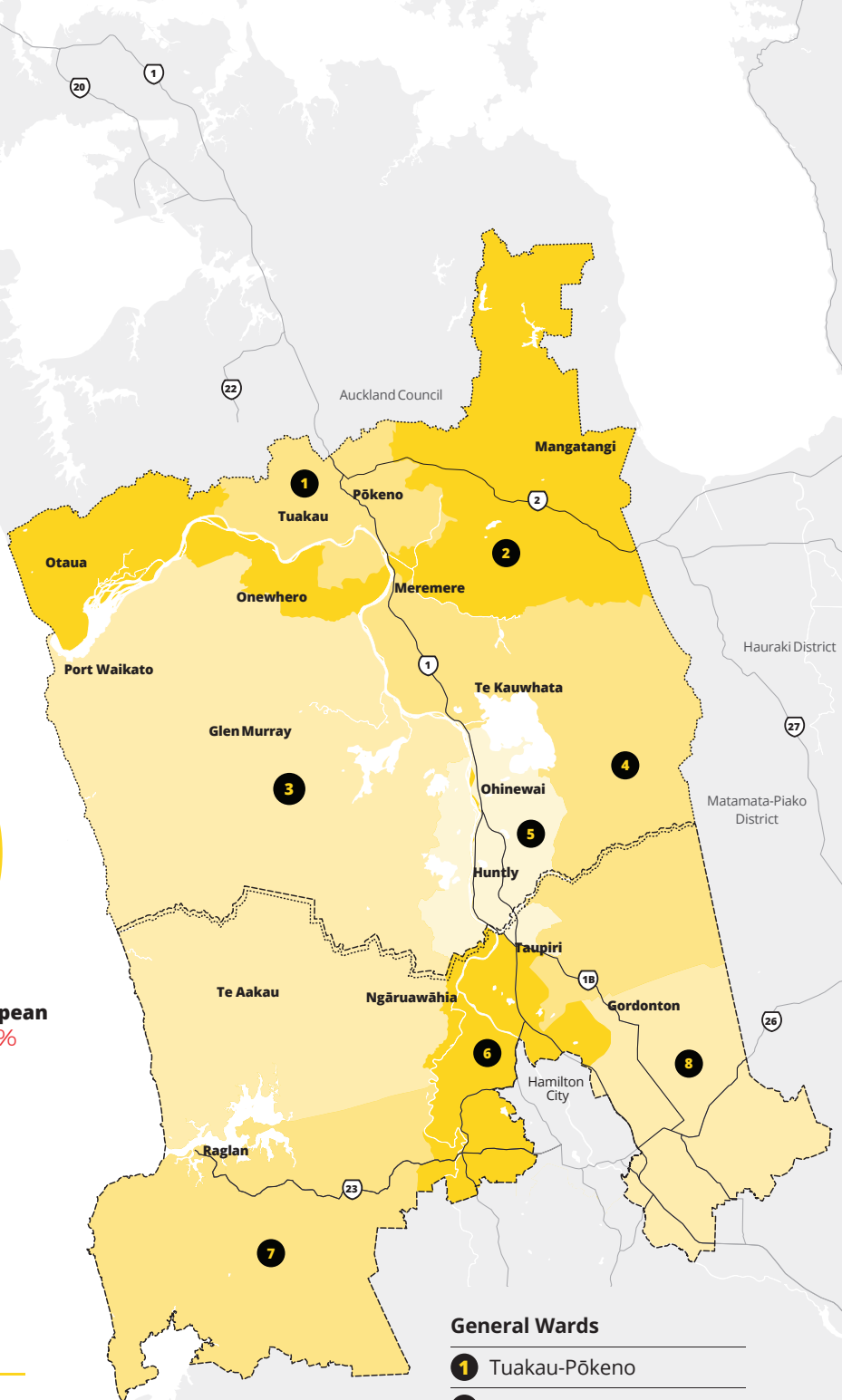
Our district covers more than

400,000 hectares



¹Source: 2023 Census

Figure 7: Overview of the Waikato District and Wards.



General Wards	
1	Tuakau-Pōkeno
2	Awaroa-Maramarua
3	Western Districts
4	Waerenga-Whitikahu
5	Huntly
6	Newcastle-Ngāruawāhia
7	Whāingaroa
8	Tamahere-Woodlands
Maaori Wards	
....	Tai Raro Takiwaa
--	Tai Runga Takiwaa

3 Key Infrastructure Issues

Ngaa Take Tuuaahanga Matua

There are several overarching challenges that can be addressed through the provision of infrastructure systems. These are not unique to our district and are caused by national and global drivers. We have a key role in addressing these challenges locally and contributing toward a national and global solution.

3.1 Facilitating Growth

We enable and respond to growth through the range of strategies, plans and policies, which help to guide us when infrastructure investment needs to occur.

Not all infrastructure is created equal when it comes to servicing growth areas. Core infrastructure in the form of connector roads and main water networks are needed to open growth cells for development while other core infrastructure like water treatment plant capacity, or road network capacity can be planned to be delivered as the population grows.

Community infrastructure such as playgrounds and libraries can also be delivered as populations grow or as Levels of Service gaps appear. Infrastructure investment can be categorised as either:

- Leading supply: built in advance of growth.
 - Leading demand: built as growth advances.
 - Lagging demand: built after growth has occurred.
- Ideally, Council can facilitate infrastructure, in partnership with developers, so investment in infrastructure is leading demand. This is the sweet spot where the risk is minimised. Where leading supply, Council has a risk of investing in infrastructure that then becomes a stranded asset due to anticipated demand not being met. On the other side, lagging demand leaves communities without social infrastructure, or leave Council in a situation where investment is greater due to elevated costs of land or compromising outcomes due to growth pressures.

The following table describes some examples of how our infrastructure investment is currently reacting to growth (Figure 8).

Activity	Infrastructure	Lead/Lag	Growth
Transport	New roads	Lead	Supply
	Network Capacity	Lead	Demand
3 Waters	Pipe Networks	Lead	Supply
	Treatment plants	Lead	Demand
Solid Waste	Collection capacity	Lead	Supply
	Processing capacity	Lead	Demand
Open spaces	Parks and playgrounds	Lag	Demand
Community Facilities	Community Hubs	Lag	Demand

Figure 8: Examples of infrastructure planning in relation to growth.

Population Growth and Demographics

Using our Population growth forecasting and Waikato 2070 we can predict where the population growth and the need for new homes and businesses will occur over the short, medium, and long term. More information on the application and implementation of this model is in *Waikato 2070, our Growth and Economic Development Strategy*.

The predicted population growth from 2018 to 2068 shows that our population is expected to grow by 42.1% between 2024 and 2054, from 88,113 to 126,454 residents, based on the high projection scenario (Figure 9).

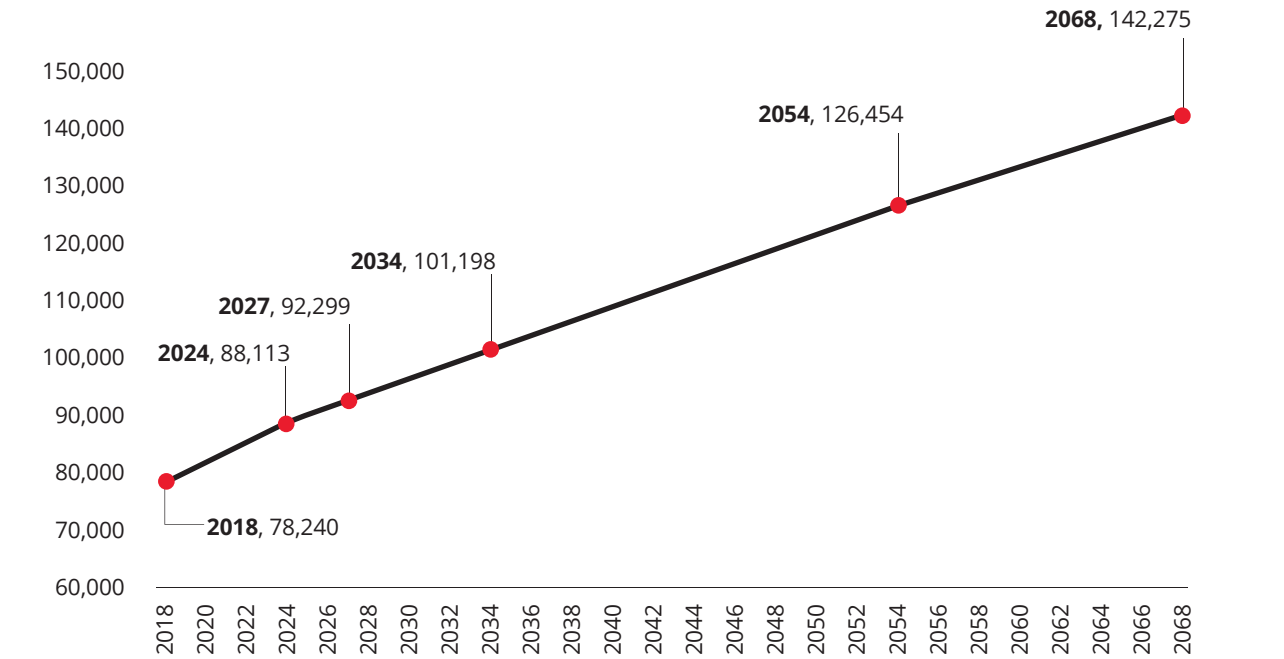


Figure 9: University of Waikato population projection 2021 – high growth; in the Waikato district area.

By 2048, it is expected to have an even spread of population across all age of demographics, therefore regardless of the demographics, urban areas will continue to expand, necessitating new or updated infrastructure and will require additional services to continue to support our communities.

Demand for New Infrastructure

An increased population will mean we will have greater pressure and need for more infrastructure to support our communities. Being located between two highly urbanised council areas to the north and south, means that more people will want (and need) to move to live in our district.

Residential and industrial/commercial growth, particularly on our northern and southern borders will result in increased demand for infrastructure.

Infrastructure planning to support the anticipated urban growth is a complex undertaking and requires accurate and reliable information about the timing and location of the anticipated growth. By 2034, it's anticipated that our district will have 34,548 households that will require some form of

infrastructure investment to meet the expected Levels of Service being provided.

The current demographic of our population is getting older and there are fewer people living in each home. Because of this shift, even if no new people move into our district, there will still be a requirement for more and adapted services.

The urbanisation and expansion of our townships has led to pressure on the limited reticulated services. Infrastructure investment to support the urbanisation of our townships is a significant cost particularly when we consider the anticipated growth the district.

Large infrastructure has a long lead time, meaning that it often takes years before the necessary assets are available. Infrastructure planning is a balancing act – providing too much or too soon places a large financial burden on ratepayers and developers. To minimise this burden, Council needs to be able to respond to development pressure by partnering with developers, so that infrastructure is constructed and funded as the demand happens (leading demand).

Climate change is impacting on our social, cultural, and economic systems, including our assets, infrastructure, and property. As experienced with Cyclone Gabrielle, and other weather events, the costs and risks to our economy, our people, our property/infrastructure, assets, and environment is high and likely to magnify.

More frequent and severe flooding and coastal erosion in communities and to infrastructure, will have knock-on effects on health, wellbeing, and the economy.

- Riverbank and coastal erosion can cause isolated communities to lose access to roads and the lifeline services these connections create.
- Flood events causing increased soil erosion, and coastal erosion increasing the risk of landslides, causing issues to critical infrastructure like our waters network.
- Could be changes in insurance costs and availability of coverage.
- May be a movement of people from flood prone and low-lying areas to safer areas.
- Coastal erosion has already impacted Waikato District Council and communities with loss of roads, car parks, homes, and buildings.

Examples of natural hazards and climate change across the district (Figure 11 & 12):



Figure 11: Sunset Beach Carpark, Port Waikato 2019.

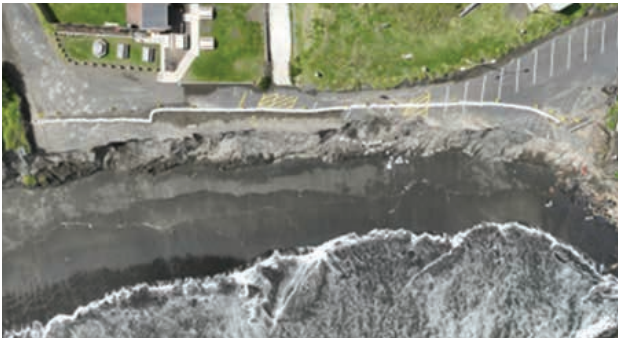


Figure 12: Sunset Beach Carpark, Port Waikato 2024. Most of the carpark has been claimed by the ocean.

3.2 Natural Hazards and Climate Change

In New Zealand, the past 10 years have been among the warmest on record and extreme weather events have occurred four to five times more frequently. We know that extreme weather events are becoming more frequent and extreme, and we need to be better prepared.

The Waikato District is likely to become warmer and wetter because of climate change, with average temperatures increasing as much as 3°C over the next 70-100 years. This may result in longer, drier summers and higher demand for water.

Rising sea levels will limit growth along the coastal regions due to potential flooding and erosion, placing development pressure on inland areas and existing infrastructure. Extreme weather events make the district prone to flooding and require resilient infrastructure to respond appropriately to keep our communities safe. Waikato District Council's Climate Response and Resilience Strategy, and associated action plans, are the leading guidance for infrastructure planning. In particular, the district is likely to experience the following climate challenges (Figure 10).

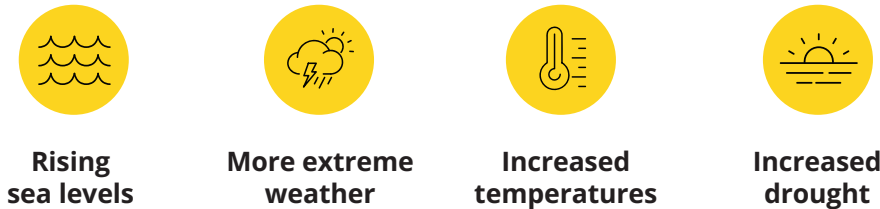


Figure 10: Climate Change projections for our district.

3.3 Affordability

We use the word “affordability” to mean what the resident ratepayers can pay (based on average annual income), not what they want to pay, or Waikato District Council's willingness to increase rates. It is a balance to build the infrastructure that communities need to be resilient and grow without significantly raising rates or taking on too much debt.

The cost of building infrastructure in New Zealand is some of the highest in the world, and they keep increasing. Many organisations are requiring specialised and skilled workforce to deliver on large infrastructure projects, while currently there are not enough workers to deliver.

This work force shortage is driving the supply and demand pattern, resulting in increasing prices. In addition, we are needing a greater amount of

investment to improve our current level of service to meet minimum environmental standards. This is creating a financial burden on our ratepayers.

We cannot sustainably fund the necessary infrastructure without impacting on rates. We need to adjust our planning and approach to partnership with developers to improve the way we plan and enable infrastructure projects to service growth.

The affordability challenges are a significant focus of this Long Term Plan. Our communities have shared how they are impacted by the increase cost of living. Waikato District Council acknowledges we need a different approach to raising funds to achieve priority infrastructure projects. We continue to seek opportunities to improve planning, funding, and delivery of projects with a focus on our developer community.

3.4 Ageing Infrastructure

Age of Assets

Our infrastructure is worth about \$2.2 billion. Our districts core infrastructure assets – including roads, water supply networks, wastewater systems, stormwater drainage, public facilities and open spaces have expected lifespans and even with regular maintenance and repairs, the cost of keeping these assets in good condition increases over time.

Some of our older assets, while still physically strong, no longer meet the needs of our community. This means we may need to replace them sooner than planned, which puts extra pressure on our budget and can delay other important projects. Some key challenges are.

- **Increased Maintenance and Repair Costs:** Ageing infrastructure requires more frequent interventions to remain operational.
- **Service Reliability Risks:** Older assets may be prone to failures and service disruptions.
- **Compliance and Safety Concerns:** Assets may no longer meet current environmental, safety or legislative requirements.
- **Capacity Constraints:** As the districts population grows, ageing infrastructure may not meet the

increased demand that could lead to inefficiencies or service shortfall.

- **Climate Resilience:** Ageing infrastructure may not be designed to withstand modern climate challenges such as increased flooding or extreme weather events.

Addressing ageing infrastructure is a strategic priority to ensure continued service, reliability, financial sustainability and community well-being, the following are potential solutions and strategic considerations:

- **Proactive Asset Management:** To implement regular condition assessments and predictive maintenance to extend asset lifespans.
- **Prioritise renewals and upgrades:** Where identifying critical assets for renewal or replacement based on risk, cost, and community impact.
- **Sustainable funding strategies:** Of exploring long term funding options e.g. central government support, targeted rates, or public-private partnerships.
- **Resilient infrastructure planning:** Of integrating climate adaptation strategies into asset upgrades to future proof the districts essential services.

3.5 Changing Priorities, Legislation and Standard Requirements

Several agencies such as regional councils, Waikato River Authority, and central government, set laws, policies and plans which we must adhere to.

These laws, policies and plans help us to provide high standards to all services and help to protect our environment. As laws and building standards change, older infrastructure must comply. For example, a wastewater treatment plant-built years ago, can continue operating in accordance with the conditions of operation set at the time of commencement.

However, on expiration of a consent to operate, the environmental rules that are required to be met are significantly different and require considerable financial investment to meet the minimum standards when renewing its operating consent.

The changes make renewals more expensive and can require Council to replace assets sooner than expected. When this happens, other planned projects may have to be delayed. To avoid future issues, we must have a greater understanding of the depreciation of the asset so we can carefully plan asset replacements/upgrades to meet both today's and tomorrow's requirements.

As communities grow, and the population ages, what they need and want will change. These changes in priorities can be challenging to plan for as they are interlinked with the global and national demands as well as changes in demographics.

Supplying multifunctional and flexible assets to ensure that communities of all shapes and sizes can rely on is critical to ensure an asset remains fit for purpose throughout its lifetime.

3.6 Geographical Size of the District

The Waikato District is expansive, covering over 400,000 ha and touching coast to coast of the North Island. The district has six main towns stretching along the Waikato River, with more than 20 smaller towns or settlements.

The district is well represented by both the urban and rural communities, with rich diversity in township identity and demographics. Unlike a city with most of the population in one geographical

area, the Waikato District is challenged with servicing multiple smaller population groups. This raises challenges with the prioritisation of infrastructure projects and requires multiple smaller assets to be developed to ensure equity in accessibility.











The isolated nature our township means that we have limited ability to achieve economies of scale, this increases the costs of our assets in proportion to our residents.







3.7 How these key issues impact our Assets

For each of the key issues identified in Section 3, further detail has been provided against each of the infrastructure groups (Table 1).

Table 1: Key issues described per infrastructure group.

 Key Issues	 Facilitating Growth	 Natural Hazards and Climate Change
 Transport	Growing traffic and infrastructure changes are expanding the network, outpacing capacity and future needs. Leading supply of new roads and leading demand of network capacity.	Poor communication erodes community trust and disrupts delivery. Risks include riverbank erosion and floods
 Waste Services	Northern growth is increasing demand for transfer and recycling facilities. Leading supply on collection capacity and leading demand of processing capacity	Incorporating energy efficiencies into the renewal programme.
 Facilities	Rapid growth and shifting demographics may change community needs, requiring sustainable hubs and services.	Riverbank and coastal erosion. Flood events.
 Open spaces	Land shortages from rapid growth impact service levels, limiting parks and playgrounds.	Using energy sustainably. Riverbank and coastal erosion. Flood events.
 Stormwater	Existing stormwater networks lack capacity for new development runoff, driving demand for pipes and treatment.	Managing climate impacts by improving overland flow paths for extreme weather resilience.
 Wastewater	Meeting future growth. Leading supply of pipe networks and leading demand of treatment plants.	Minimising the number of discharges to the environment, reduce environment effects and optimise operational efficiency.
 Water Supply	Future growth, driven by residential demand, requires more pipes and treatment capacity. Leading supply of pipe networks and leading demand of treatment plants.	

 Affordability	 Ageing Infrastructure	 Changing Priorities and Legislation	 Geographical Size of District
Past underinvestment accelerates asset decline, lowering service levels and satisfaction while raising insurance costs.	Tough terrain, aging assets, and extreme weather weaken network resilience, driving costs and regulatory changes.	The Road to Zero strategy prioritises safety, but aging roads and tough conditions increase community risk amid policy changes.	Population growth demands more infrastructure, careful planning, and adaptable services for diverse communities.
Service delivery contracts expiring may increase the cost of service but also provide opportunities to improve resource recovery. Changes in insurance costs.	Swimming pool performance and future aquatic needs face rising costs and regulatory changes.	Divestment of Housing for the Elderly. Changes in legislation and policies.	Growing populations require more infrastructure, careful planning, and adaptable services for diverse communities.
Rationalisation of community halls. Changes in insurance costs. Pricing of building infrastructure and resources to deliver.	Cost increase as assets age. Legislation and standards require changes to infrastructure.	Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.
Poor asset conditions drive higher renewal costs, insurance changes, and rising infrastructure prices.	Planning for and adapting to climate change. Cost increase as assets age. Legislation and standards require changes to infrastructure	Ensuring a more consistent service provision across the district in line with strategies. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.
Stormwater capacity struggles with intensifying storms, raising insurance and infrastructure costs.	Cost increase as assets age. Legislation and standards require changes to infrastructure.	Implementing stormwater source treatment infrastructure to meet legislative requirements e.g. healthy rivers is increasing cost. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.
Changes in insurance costs. Pricing of building infrastructure and resources to deliver.	Planning for and adapting to climate change. Cost increase as assets age. Legislation and standards require changes to infrastructure	Compliance with statutory obligations and meeting levels of service. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.
Ensuring quality efficient and sustainable infrastructure. Changes in insurance costs. Pricing of building infrastructure and resources to deliver.	Cost increase as assets age. Legislation and standards require changes to infrastructure.	Ensuring the protection and improvement of public health and safety. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.

4 Our Approach to Infrastructure Management and Growth

Ngaa Whakaritenga moo te Tupuranga me te Tiaki Tuuaahanga

4.1 Holistic and Integrated Planning

Projects are prioritised to achieve multiple objectives while minimising disruption and double handling. Coordinated planning ensures efficiency; for example, aligning water pipe replacements with road renewals prevents unnecessary rework. Growth across the district is guided by the *Waikato 2070 - Growth and Economic Development Strategy*, focusing on strategic development in well-connected areas with access to essential services. Compact, well-planned growth improves infrastructure utilisation, reduces future renewal obligations, and supports financial sustainability. Greater maturity and understanding of Waikato 2070 are assisting the business as they improve planning for asset investment. This planning is also guided through early engagement with developers as land is re-zoned through the district plan process or private plan changes.

4.2 Resilience and Sustainability

Resilience is a core focus as we prepare for natural disasters, extreme weather events, and climate change impacts. We are ensuring that asset resilience is front of mind when designing and completing projects. All risk factors are considered to ensure investment is occurring in the right locations and at the appropriate scale. When faced with coastal erosion, Council’s strategy is to safely manage retreat and monitor erosion thresholds to time the removal of assets. We are committed to using green infrastructure and nature-based solutions to reduce carbon emissions, improve biodiversity, and enhance liveability. Investments in sustainable transport, such as bike paths, walkways, and bus networks, help tackle greenhouse gas emissions from key sectors and contribute to a low-carbon district.

4.3 Asset Renewal and Maintenance

The management of infrastructure assets focuses on balancing renewals, maintenance, and demand management to ensure sustainable and efficient operations. Renewal needs are identified through condition reports, maintenance records (e.g. asset failures and expenditure history), service requests, and staff or contractor observations. Renewal forecasts are informed by assessments of remaining asset lives and conditions, integrated with the valuation process. Projects are prioritised based on risk, with consideration given to both short and long-term impacts on operational and structural integrity. Priorities are reassessed annually as latest information becomes available. In addition to renewals, demand management initiatives such as water conservation, demand pricing, and optimising existing asset use are critical to addressing challenges. This holistic approach ensures efficiency and maximises the value of our infrastructure.

4.4 Data Confidence Grade

Data Confidence grading in our Infrastructure Strategy refers to the level of certainty, accuracy, and reliability in the data used to assess and manage our critical infrastructure assets including water supply, wastewater, stormwater, roading, and community facilities. This grading is to determine how much we can trust the information when making long term infrastructure decisions and better understand risk, cost and uncertainty exist. The Waikato District Council is committed to managing and accessing its asset data to ensure it supports effective decision making and Long Term Planning.

- Asset Condition and Asset Performance:** Good quality knowledge of our asset information, condition, performance and how it is used, helps ensure appropriate funding and investment priorities, supports financial and renewal forecasts, compliance, reduces risks of asset failure and improves Levels of Service. All of these aspects could have a significant impact on our district. Understanding the current and future performance of individual assets also provides key inputs into asset management decision making, enabling further benefits such as:
- Mitigation of risks associated with asset failure, e.g. proactively maintaining or upgrading an asset to reduce the probability of failure.
 - Avoiding unplanned outages; pre-emptive asset remediation can be more cost-effective than allowing the asset to deteriorate to failure.
 - Accurate prediction of future expenditure requirements through understanding remaining asset life and capital investment needs.
 - Enhanced sustainability of the asset base as service life can be optimised and, in some cases, extended through effective, proactive understanding of the asset deterioration processes.
 - Identifying the most economic intervention (maintenance, rehabilitation, renewal) and when they should be carried out, resulting in an understanding of long-term optimised lifecycle costs.
 - Assessing current and future demand against the available capacity to better plan for demand changes.

- Assessment Methodology**
- Our data confidence grade is based on the framework outlined in the International Infrastructure Management Manual (IIMM) and Audit New Zealand guidelines. This involves evaluating:
 - Data Completeness: Coverage of all critical assets in our network. How precise and comprehensive the asset data is (e.g. condition, age, performance, maintenance history).
 - Data Accuracy: Verification through independent audits and condition assessments, whether there are gaps or inconsistencies in the data.
 - Data Currency: Frequency of updates to reflect changes in asset condition or performance.
 - Relevance: Alignment of data with decision-making requirements.

Current Data Confidence Grade: C (reasonably reliable)

The current grade of “C” indicates that our asset data is reliable, based on sound records and procedures. However, minor shortcomings exist, such as reliance on different data sources for water and roading assets.

- Strengths**
- Records for above-ground assets, including transport and community facilities.
 - Regular condition assessments for critical infrastructure such as roads and bridges.
 - Independent validation of asset valuations to ensure financial accuracy.
- Challenges**
- Limited inspection data for underground assets (e.g., stormwater pipes).
 - Gaps in historical records for older community facilities.
 - Variability in data quality across different asset classes.

4.5 Enabling Growth

Effectively enabling growth requires a strong understanding of where and when growth is anticipated. Waikato 2070 identifies where the Council anticipates growth to occur, based on the University of Waikato high growth model (2021), (Figure 13).

The settlement pattern within Waikato 2070 informs the Council where infrastructure is needed to be planned for to activate growth. Planning for growth to occur in a pragmatic and planned manner ensures that Council can appropriately support systematic and sequential growth of a township. Strategies and plans ensure that there are clear guidelines for investment at all stages of growth. Compact growth drives financial sustainability through the efficient use of infrastructure that already exists. Focusing on intensifying the

built form and growth within the existing built environment reduces costs compared to greenfield developments.

This type of growth allows for increased usage of the existing infrastructure which may have a positive or negative impact on the network design. Additionally, focused urbanised growth also allows Council to protect the rural environment from urban creep.

Development agreements, development contributions, cost-sharing with developers, and other innovative funding mechanisms enable this growth. Council supports a ‘growth funds growth’ model which proactively supports a leading demand approach, where partnership with developers ensures that infrastructure is constructed to meet the demand as land is developed.

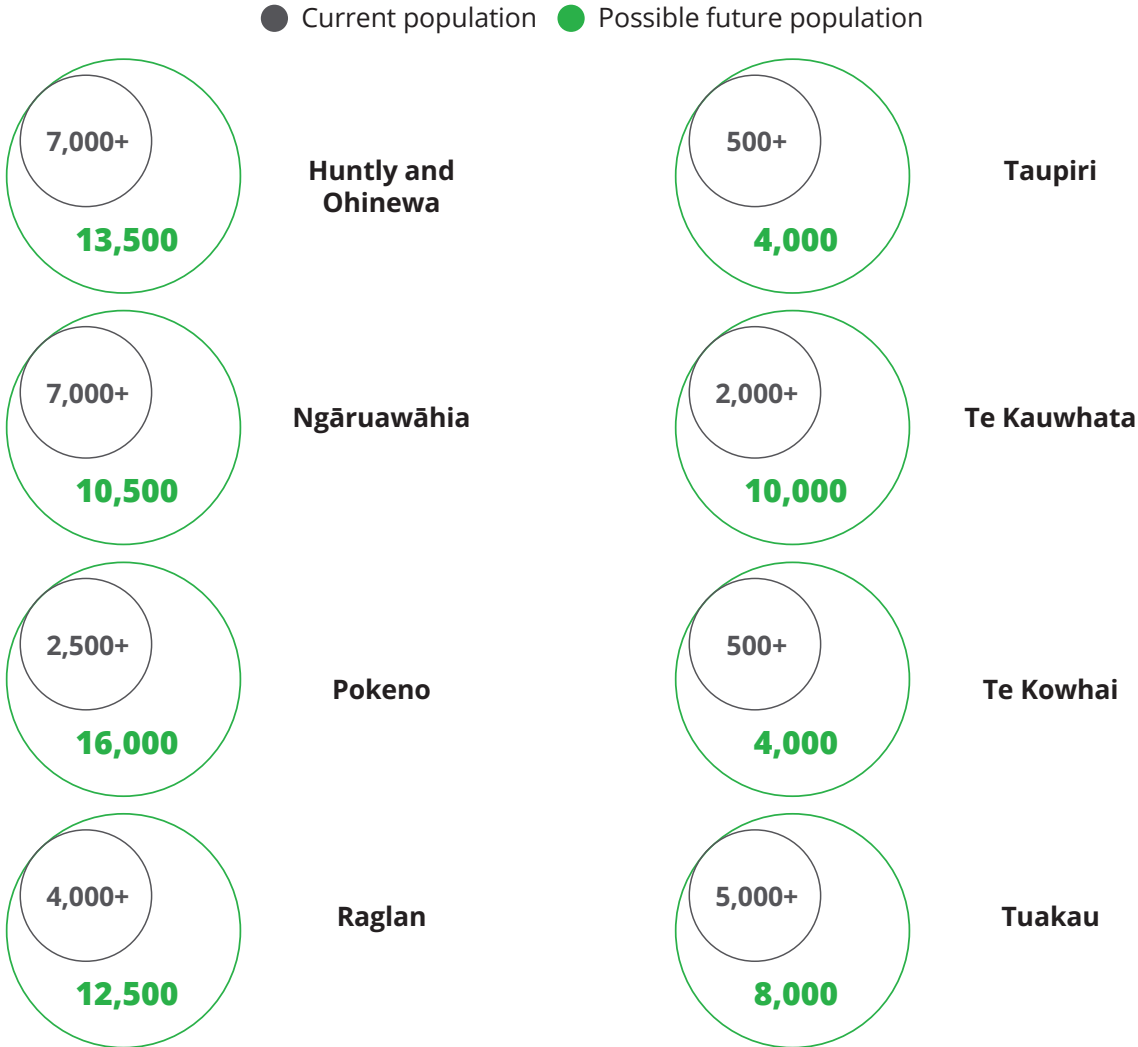


Figure 13: The growth cells in the key townships and villages of the Waikato district for the next 30 years. Information sourced from University of Waikato high growth model (2021).

4.6 Infrastructure Funding and Innovation

Infrastructure funding is provided through:

- **Rates** from residents for renewal and level of service of infrastructure.
- **Development contributions** from new growth.
- **Cost-sharing agreements** with developers.
- **Intergenerational debt** to spread costs over time.

While user-pays models are effective in some areas, other community services, such as libraries, require shared funding over time. With the Council's growth funds growth approach to development (which includes the benefit of a significant portion of development occurring on the edge of townships as

greenfield development) the developer is required to construct all local infrastructure and vest the public assets at no cost to Council.

Additionally, trunk infrastructure (that benefits more than a single developer) can often be constructed on behalf of Council, by the developer, with the Council only having to fund the portion of the asset that is not of direct benefit to the developer.

This reduces the debt that Council must carry until development occurs. The lead developer pays up front for their portion, through construction. Council utilises development agreements to establish cost share arrangements.

4.7 Levels of Service

Levels of Service (LoS) define the quality of delivery for a particular activity or service against which service performance can be measured and allow the relationship between the level of service and the cost of the service to be determined. This relationship is then evaluated in consultation with the community to determine the Levels of Service they are prepared to pay for.

We have developed a level of service framework which provides a structure to align the Council vision and Community Outcomes to delivery of the services and contractual performance measures.

The level of service framework describes the contribution each activity makes toward these outcomes and are included in the Long Term Plan with the associated performance measures and the targets required for each activity.

The Levels of Service can then be used to:

- Identify the costs and benefits of the services offered.
- Inform customers and the community of the proposed LoS.
- Develop activity management strategies to deliver the LoS.
- Measure performance against the defined LoS.

Our agreed Levels of Service are defined by community needs and legislative requirements. They can be found in the *Asset Management Plans* and *Long Term Plan* document.

These are reflected in the *Long Term Plan*, ensuring financial resources are prioritised to maintain current service levels while balancing affordability. Future upgrades will require thoughtful borrowing to meet rising standards and costs.

4.8 Managing Risks and Building Resilience

We address risks from natural disasters, extreme weather events, and infrastructure failures by prioritising critical assets and allocating resources efficiently.

Monitoring of critical assets ensures that risk thresholds are not surpassed. Resilience measures include:

- Building robust infrastructure to withstand challenges.
 - Insurance coverage for catastrophic events.
 - Government and agency subsidies for recovery efforts.
- We are continuously learning about climate change and its impacts on infrastructure to better prepare for medium and long-term challenges.

4.9 Public and Environmental Health

Infrastructure plays a vital role in promoting public and environmental health. This includes:

- Providing safe, efficient transport networks.
- Meeting water treatment and legislative standards.
- Encouraging biodiversity and recreational spaces in open areas.
- Reducing pollution and public health risks through effective solid waste management.

Through this comprehensive strategy, we aim to create a sustainable, resilient infrastructure network that supports growth, enhances community well-being, and safeguards public and environmental health for future generations.

Critical Assets and Lifelines

Successful risk management requires prioritisation. By understanding this, we can allocate resources effectively.

This will ensure that assets with high failure costs are effectively managed and maintained, while also discouraging excessive spending on assets whose failure will not have a significant impact on the public.

This is a crucial resource that keeps the infrastructure running.



5 Looking Forward – A Thirty-Year View

He Tirohanga Whakamua - Ngaa Tau Toru
Tekau e Heke Mai Nei

5.1 Most Likely Scenario

Since we cannot invest in everything all at once, we must rely on our strategic priorities and carefully assess the challenges we face to determine where to invest in infrastructure.

This strategy outlines Waikato District Council's approach to infrastructure management and investment timing. The investment scenario has been shaped by:

- Incorporating operational and capital budget estimates from the 2025–34 Long Term Plan. The 9-Year AMP have guide project timelines and funding allocations.
- Identifying projects within the 9-Year plan that cannot be funded within the financial constraints set by the Financial Strategy.
- Recognising that while some of these projects may not be immediately feasible, they will remain necessary and should be recognised in future Long Term Plans and Financial strategies.

- Making informed assumptions about service levels, demand, and asset renewals.

As economic and environmental conditions change, infrastructure investment priorities must continue to be reassessed, keeping the AMPs in a continual state of review.

To enhance understanding of how this LTP was developed, it is essential to highlight the key assumptions and pending significant decisions, along with their expected timing and impact. The LTP and its supporting documents, including the AMPs, provide a detailed outlook for the first two years, followed by a high-level overview of the next seven years. Due to Council completing an Enhanced Annual Plan in 2024, the 2025 LTP is required to present a 9-year plan, instead of the traditional 10-year plan. However, the Infrastructure Strategy is required to provide the first 10 years in detail and each subsequent period of 5 years to year 30.

5.2 Summary of Infrastructure Investment – Key Issues and Principle Options

The principle options for assessing the key infrastructure issues are described in the table below (Table 2). For each principle option, the impact and estimated costs are discussed with the preferred option identified.

The preferred option has been incorporated into the 2025 LTP budget and is a sum of the investment (\$) over the 9 years of the 2025 LTP.







The principle options take the form of comparing the status quo to meeting our statutory obligations, desired Levels of Service or not addressing the issue adequately. The principle options focus on the investment into our infrastructure, as well as the services that are provided by the infrastructure.

Regarding the water and wastewater services, the 2025 LTP consultation and deliberations, both








Waikato District Council and Hamilton City Council have resolved to form a joint Council Controlled Organisation (CCO) with water and wastewater assets to be transferred from 2026/27. A Joint Water Services Delivery Plan has been prepared to reflect this arrangement.

This would mean stormwater assets and associated budgets remain in Council, with the CCO delivering stormwater projects and services. Therefore, from years 2 (2026/27) onwards, the CCO will be the primary owner and decision maker of water and wastewater assets and associated budgets, consulted on through the Water Services Strategy. See Appendix A for further details on water and wastewater asset management.








Table 2: Summary of Infrastructure Investment – Key Issues and Principle Options

Activity	Significant Issues	
 Transport	Facilitating Growth and Changing Priorities and Legislation Developing key transportation routes are required to match population growth, however we did not receive any funding from NZTA towards the \$80m programme for upgrading roads across the district.	
	Natural Hazards and Climate Change Resilience projects are completed alongside the renewals programme, meaning the assets are not only replaced 'like for like' but upgraded to be prepared for impacts of climate change.	
	Affordability and Ageing Infrastructure A historic underinvestment in the renewals of Transport assets has created a backlog of renewal programme. The underinvestment has been a result of NZTA funding not increasing year on year, and Council maintaining a financial position to only match-fund renewals budget. Therefore, the total investment into the renewals programme has remained consistent but achieving less due to the rate of inflation and cost of materials. In 2024, Council has awarded a North and South roading contract, changing the way we deliver this service and striving for efficiency and value for money.	
	Ageing Infrastructure Significant critical infrastructure such as bridges are nearing the end of their remaining useful life.	
 Waste Services	Facilitating Growth Growth in the northern part of the district is creating additional demand for transfer station/ resource recovery and recycling facilities. The Council does not currently have resource recovery infrastructure north of Te Kauwhata. Leading to lack of options for rural and urban residents in the north. The Council will continue to cater for growth in other areas of the district with the continued provision of facilities in Raglan, Huntly and Te Kauwhata. These facilities along with the new northern facility will, over time, have increased capacity for diverting construction and demolition waste, being a by-product of growth and large impact on climate when it ends up in landfill.	









Options	Implications	Cost	Preferred Option
1. Complete projects that are already underway and have received previous NZTA funding. Meanwhile, undertake detailed design and planning for the remainder of the growth projects in preparation for the next NZTA funding round.	All additional key transportation routes required for growth will be placed on hold, resulting in increased congestion as growth progresses without supporting infrastructure.	\$0	1
2. Move forward with the full programme of new main trunk roads.	Enables economic growth in multiple areas of the district sooner.	\$80m	
1. Match-fund the remaining 24% of the resilience programme with NZTA contributing 76%. Full programme valued at \$4.7m.	Resilience projects are achieved alongside renewals programme.	\$1.13m	1
2. Do not match fund.	No resilience upgrades completed.	\$0	
1. Increase the value of local share (rates) towards the transport renewals programme to fund the full renewals programme to clear the backlog.	The asset condition of the whole network will improve, increasing reliability and safety. Increase in general rates by approximately 1.5% to fund this option.	\$191m	2
2. Prioritise the renewals programme and implement a graduated investment strategy that ensures a steady increase in renewals to avoid significant long-term liabilities.	Affordable approach to improve the historic underinvestment, while enabling upgrades or resilience projects to be programmed alongside the staged renewal programme. Consequence of under investment will continue a bow-wave of deferred renewal, with increasing maintenance costs.	\$134m	
1. Replace all bridges at the end of their scheduled asset life, with the Tuakau and Raglan bridge due for replacement this LTP period.	Maintains a network of transport assets to a high standard, minimising risk and increasing resilience.	\$90m	2
2. Continue to complete frequent assessments of each critical asset and phase a systematic replacement schedule.	Asset is inspected and maintained to achieve more use out of existing assets.	\$45m	
1. Develop the North Waikato Resource Recovery Centre on Council owned site in Bollard Road, Tuakau in a single stage.	The Council has acquired a suitable site and developed a concept for the facility. The Council has partially funded part of the full development and requires additional funding from the Ministry for the Environment Waste Minimisation Fund to complete the full facility.	\$11m	1
2. Develop the North Waikato Resource Recovery Centre on Council owned site in Bollard Road, Tuakau in stages as demand increases.	The Council would pursue this option if no external funding were available to support a full-service resource recovery centre and fund the first stage to provide a basic transfer station facility.	\$6m	

Activity	Significant Issues	
 Waste Services	Affordability The Council operates a mixed funding model of targeted rate applied to eligible dwellings and a user pays service for kerbside collection. Council has undertaken a comprehensive review of the costs of delivering waste services including looking at the proportion that user pays contributes to rubbish service costs. Service delivery contracts expiring may increase the cost of service but also provide opportunities to improve resource recovery. Costs to manage waste, including disposal levies, labour and fuel costs have increased while the user pays fee (bag sticker & wheelie bin tag prices) have not increased since 2018. Resulting in the targeted rate part of the income contributing a higher proportion.	
	Changing Priorities and Legislation & Natural Hazards and Climate Change Central Government proposed to mandate for all Councils to provide a food scraps collection service. This is no longer mandated, however is a service option that could be provided to the community to support waste and carbon outcomes.	 
	Geographical Size of District 94% of dwellings in our district receive some type of waste service. For most this is weekly rubbish and recycling collection. Servicing rural areas with low population densities is expensive. There are options to reduce the total number of households we service and reduce LOS to fortnightly. This would be supported by increase rural pop-up events.	
 Facilities	Facilitating Growth A new Community Hub and Library is proposed in the Long Term Plan for Pokeno and Ngaaruawaahia, this is a direct response to growth. The Council is also supporting community lead initiatives for the provision of facilities for the Community.	












Options	Implications	Cost	Preferred Option
1. Increase user pays proportion to enable a greater recovery of the costs for kerbside rubbish collection.	Maintain the current level of service, with more responsibility for individual waste volumes passed on via increased user pays.	\$3,118,000 (approx. 60% of rubbish service cost covered by user pays revenue)	1
2. Increase user pays proportion by a lesser amount and have a greater cost recovery from targeted rate.	Maintain current level of service with cost increases being covered by rate payers only, not sharing increase with all users of the service.	\$2,339,000 (approx. 45% of rubbish service costs covered by user pays revenue)	
1. Provide a weekly kerbside food scraps collection to urban dwellings.	We support diversion from landfill from our urban residential households by providing a service.	\$7.4m	2
2. Encourage all residence to reduce food waste at the outset, then manage food scraps at home, but do not provide a weekly kerbside food scraps collection service.	We support all households with education opportunities. Waste levy funded.	\$0	
1. Maintain the existing “eligible households” (large proportion of rural households) areas for weekly rubbish and recycling collection.	High cost associated with maintaining the level of service.	\$9.1m	1
2. Reduce the collection frequency to rural communities from weekly to fortnightly. And remove 3,144 households that are at a density of less than 5 rated dwellings per km of road.	Lower cost incurred but also a reduced level of service to the rural communities.	\$7.4m	
1. Invest in a new Community Hub and Library in Market Street Pokeno and Jesmond Street Ngāruawāhia.	These facilities will cater to a range of community services that are not currently available in Pokeno and the Ngāruawāhia facility will enable the ageing small library to be replaced with a more fit for purpose facility that caters to the increased population.	\$14m	1
2. Do not provide community facilities for growth.	This will result in the community being deprived of accessible, local access to a range of community services that will be offered at the new Community Hub. This option reduces initial capital costs but increases on-going costs to lease the building.	\$0	
3. Explore alternative delivery models (i.e. developer built, Council leased) to provide a community hub.	This is a lower key approach to managing the potential risks to Council assets.	unknown	

Activity	Significant Issues	
 Facilities	Natural Hazards and Climate Change The Council recognises the need to be more energy efficient with its facilities and take step to reduce carbon emissions (i.e. replacement of Huntly Aquatic Centre gas boilers and replacing with electricity). The Council is also seeking to understand the long-term impacts of climate change on its assets at the Raglan holiday park and has invested in improved resilience to its stormwater network at this site.	
	Affordability and Ageing Infrastructure Refurbishment or replacement of facilities is essential to meet increasing service volume, address health and safety concerns and to meet changing building standards. There are several benefits and financial to plan for refurbishments or replacements and is therefore a case-by-case basis – particularly the Ngāruawāhia Dog Pound. The combination of affordability and Ageing Infrastructure issues is a key focus further explored in Section 6 – Significant Decisions.	
	Changing Priorities and Legislation Seismic & roofing assessments are underway to meet regulations rating of the portfolio	
	Geographical Size of District Building new community infrastructure such as pools, halls and community hubs are difficult to prioritise as it is not equitable for all the community to access a facility if a significant investment is made in only one location. This issue also applies to providing for Open Spaces.	
 Open spaces	Facilitating Growth Providing for parks ahead of residential development is required for adequate access to meet growth demand.	

Options	Implications	Cost	Preferred Option
1. Consider low-cost initiatives to support managed retreat and retain an awareness of climate change matters when informing decisions.	This is a lower key approach to managing the potential risks to Council assets.	\$0	1
2. Support specific projects to enable work to commence on managed retreat.	Identify buildings at higher risk of coastal erosion that may benefit from an adaptive approach, including exploring suitable low-risk land options for potential relocation, while ensuring the same or improved levels of service	\$30,000	
1. Establish a new Dog Pound in the South of the District (Ngāruawāhia) to be designed to be safe and fit for purpose for all staff, customer and animals, meeting all modern health and safety, and animal welfare requirements.	Requires purchasing land, establishing a custom build a fit for purpose, low maintenance facility and decommissioning of the existing dog pound.	\$5m	2
2. Refurbish the existing Ngāruawāhia Dog Pound, meeting all modern health and safety, and animal welfare requirements.	Utilise and optimise an existing site and facility to meet standards and enable expansion in the future.	\$1.85m	
1. Complete assessments and establish a priority list of works that are required to bring building assets up to building standard.	Meet Building Act 2004 standards / requirements on Council owned assets to ensure the community have safe buildings that are fit for purpose.	\$2m	2
2. Do not commence further investigations	Inability to meet Building Act 2004 standards / regulation requirements.	\$0	
1. Plan and build fewer but larger, comprehensive community facilities in central locations, that can provide a higher level of service.	Creates inequity for proportions of the community that may face more barriers to access the facilities (i.e. travel cost and time).	Case-by-case	Case-by-case
2. Plan and build multiple smaller community facilities across the district.	Increases equity for more of the community to access facilities, however the facilities may not be comprehensive or large enough for events or desired usage.	Case-by-case	
1. Purchase a larger number of properties for the development of parks in each residential growth area (leading supply approach) and prepare to develop at the time of residential development (leading demand approach).	This approach is a more expensive in the short term by purchasing a larger number of properties for parks and waiting for residential growth to get underway (land banking). However, new residential areas will be able to enjoy fully developed neighbourhoods earlier.	\$17m	2
2. Phase property purchases for parks by prioritising purchases of a land where residential development is underway (leading demand approach) and developing the parks once the new community is established (lagging demand approach).	By purchasing land for parks by priority area can enable a greater level of planning to ensures the correct location and size is purchased and developed with input from the new residential community. However individual properties more expensive to purchase as the land will be at residential value. This option is affordable for our general rates and developer community to fund.	\$11.2m	

Activity	Significant Issues	
 Open spaces	Natural Hazards and Climate Change The approach to forward plan the removal of parks assets from natural hazards to increase the asset networks resilience and reduce risk of emergency works.	
	Affordability As the community grows there is additional pressures on the ability to provide quality spaces for the community to enjoy the outdoors and participate in organised sports.	
	Ageing Infrastructure Our parks assets have had a historic under-funded renewals programme, in addition we have experienced significant population growth, meaning our parks are being well used but requiring a greater amount of maintenance.	
	Changing Priorities and Legislation Community involvement in designing parks is essential to deliver fit for purpose spaces and places, however often the vision of the community for parks is aspiring to a higher level of service than is currently able to be funded or provided elsewhere in the district.	
 Stormwater	Facilitating Growth and Geographical Size of District Through catchment management planning, there are identified limitations and options for urbanising rural stormwater networks to meet the standards of an urban network for both attenuation and treatment.	
	Natural Hazards and Climate Change Maintenance of stormwater networks and improving designs is crucial for the network to function well in a high rainfall event reduce the impacts of significant events (i.e. Cyclone Gabrielle).	

Options	Implications	Cost	Preferred Option
1. Progress with further investigation and the relocation of parks assets at risk of natural hazards (i.e. coastal erosion).	Advanced approach addressing risk of damage to assets prior to the risk being realised. This option may avoid emergency works in the future but also remove an asset for the community sooner than necessary without replacement options identified.	\$160,000	2
2. Continue to monitor and forward plan for the relocation of assets at risk. Clearly document triggers and minimum thresholds to require the removal of an asset.	Enables an asset to be available to the community for a longer period and opportunity to forward plan a replacement option before removing an at-risk asset. However, does increase the risk of requiring emergency works in the future.	\$0	
1. Invest more towards improving the existing open spaces network to accommodate for additional usage (i.e. improve sports park drainage, upgrade to sports lighting and complete seasonal maintenance to enable more playing hours on the fields).	A higher investment into upgrading parks maximises the usage of the existing network. This option is achievable sooner than establishing a new sports park.	\$2.5m	1
2. Increase the planning and delivery of developing new sports parks to open new spaces for the community.	Meets community desires for open spaces but has significant up-front costs becoming less affordable overtime.	\$6.5m	
1. Renew all assets that are nearing end of life or requiring a higher level of maintenance	A more resilient and reliable network of parks assets sooner, that are available to the growing population. However, requires a spike in renewals programme.	\$48.3m	2
2. Prioritise and phase asset renewals programme to address safety and the lowest condition assets first with financial feasibility.	Evenly spreads the cost of renewals over the 9 years of the 2025 LTP. Gradually improves the resilience and reliability of the park's assets network.	\$43.8m	
1. Build parks to the full scope of the community's aspirations.	Delayed construction of parks as alternative funding is required to be sought.	\$15m	2
2. Stage Park designs and deliver on the current level of service that is provided for elsewhere in the district with the ability to add on to construction when funding becomes available.	Planned Park designs can commence within available budgets and allows for further development when funding is available.	\$6.5m	
1. Maintain the stormwater network as it is.	High increase in risk of not meeting environmental standards.	\$1.5m	2
2. Continue catchment management planning to identify features, challenges and solutions unique to each area.	Achieve environmental standards and expectations of country living residence	\$17.8m	
1. Adequate maintenance of SW network and applying modified maintenance schedules based on climate impact modelling.	To improve the network resilience and capacity.	\$57m	1
2. Minimal maintenance schedule focusing on reactive works.	Low network resilience increased ongoing maintenance and unplanned spikes in work programmes	\$12m	

Activity	Significant Issues	
 Wastewater	Facilitating Growth Tuakau and Pokeno are serviced by the Pukekohe wastewater treatment plant, managed by an agreement with Watercare Auckland. The treatment plant is nearing capacity causing constraints on future development in the northern area of the district.	
	Affordability and Ageing Infrastructure Huntly and Ngaruawahia Wastewater Treatment plants are nearing the end of their consented period, and all require upgrading to meet environmental standards and growth demand.	 
	Changing Priorities and Legislation The traditional method of water discharge back into the environment (direct to water sources) is not supported by the tikanga and mana of wai. Alternative discharge options have been explored through the upgrading of wastewater treatments plants in Huntly, Te Kauwhata and Raglan, to align with Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River.	
 Water Supply	Facilitating Growth and Affordability New reservoirs are required in Te Kauwhata and Tamahere / Matangi to continue supplying those growing townships with water supply that meets the current standards and maintains the level of service.	 
	Natural Hazards, Climate Change and Affordability Raw water intake from the Waikato River is fluctuating in water quality causing a longer and more expensive treatment, resulting in slowed production.	 
	Ageing Infrastructure Renewals of water treatment plant infrastructure to maintain the facilities and improvements to meet water quality standards.	

Options	Implications	Cost	Preferred Option
1. Upgrade the trunk main piped network to the Pukekohe treatment plant and negotiate with Watercare Auckland for further capacity at the treatment plant.	Utilises existing facilities and arrangements to provide this service.	\$55.9m	1
2. Evaluate alternative solutions to provide wastewater treatment services in the northern district including establishing a treatment plant within the northern area of the district.	Significant capital costs to establish a new site and facility to provide this service for the northern area of the district. Significant scenario testing on location and operation still required to further explore this option. This option would provide Council with control on decision making and enabling future growth.	\$100m	
1. Programme a phased and staged approach with treatment plant upgrades to meet environmental standards and current demand, while being designed in a layout that enables additional capacity to be built in the future for growth demand.	Raises the treatment plant to the required standard to meet consenting requirements and maintains the level of service for the existing community only, while enabling growth to be catered under future scheduled capacity. The staged approach is a 'leading demand' approach and enables alternative funding sources to be sought for growth demand.	Huntly example: \$14.46M (year2025/26) + \$10.3m (year 2026/27)	1
2. Construct the full design to meet environmental standards and growth demand at once.	Raises the treatment plant to the required standard to meet consenting requirements and provides adequate capacity for growth to occur sooner. This is a 'leading supply' approach.	Huntly example: \$14.46M (year2025/26) + \$10.3m (year 2026/27)	
1. Upgrade discharge to natural bodies of water as primary discharge option.	Against cultural practice and Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River.	Raglan example: Discharge to estuary (on outgoing tide) \$5m	2
2. Establish new discharge to land as primary discharge option.	Supported of cultural practices and Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River.	Raglan example: Discharge to land \$5.3m	
1. Build two reservoirs in Te Kauwhata and one in Tamahere / Matangi.	Facilitates the growth demand for water supply.	\$11.8m	1
2. Do not build the new reservoirs until alternative funding sources can be found.	Reduce the level of service for new dwellings or constrain growth in the short term until project can be funded.	\$0	
1. Maintain operational costs and manage raw water quality on a case-by-case basis.	Increase risk in not meeting demand for water supply when the Waikato River water quality fluctuates.	\$8m	2
2. Increase operational costs and prepare for increasing fluctuations in raw water quality.	Reduced risk and increase ability to maintain ability to meet water supply to a safe standard.	\$9m	
1. Complete renewals programme as forecasted, including a new roof at Huntly water treatment plant and upgrades to treatments plant equipment.	Reduce maintenance costs on renewed assets and reduce risk of not meeting water quality standards.	\$35.9m	1
2. Delay or reduce the renewals programme on facilities.	Increasing maintenance costs of facilities and assets as they near end of life and increase risk in not meeting water quality standards.	Not forecasted	

5.3 Activity Strategic Plans

The activity strategic plans provide a snapshot of the challenges and investment required for each of the five activities (roading, stormwater, open spaces, facilities and waste management). See Appendix A for water and wastewater activity strategic plans.

This provides an insight into the current state of asset management and context to how the 2025 LTP budget has been assembled, and the 30-year direction of these asset groups.



Transport

Overview and Strategic Direction

Waikato District Council's (WDC) roading network requires significant investment to maintain service levels, improve resilience, and support growth.

The district spans both urban and rural areas, which are vital for economic growth, freight movement, and community connectivity.

Over the next 30 years, WDC aims to balance maintenance, renewals, and capital investment to ensure a safe, efficient, and sustainable transport system that supports both WDC and regional growth aspirations.

However, the current reliance on NZTA subsidies limits investment to levels below the network's actual needs, leading to continued deterioration and higher future costs.

Challenges and Investment Needs

- **Ageing Infrastructure and Backlog of Renewals:** WDC faces deteriorating infrastructure due to underinvestment, particularly in rural areas. Ageing pavements and structures are driving up maintenance costs, which will continue to rise without additional funding.
- **Resilience Against Climate Change:** Increasing extreme weather events, such as flooding and storms, necessitate upgrades to drainage, bridges, and road surfaces. Limited funding restricts proactive resilience improvements.
- **Population Growth and Urbanisation:** Urban growth and intensification are increasing demand for road capacity and safety improvements. The current funding model limits WDC's ability to invest in these necessary infrastructure upgrades, with no NZTA subsidy supporting this category for the years 2025/26 and 2026/27.

Strategic Investment Plan

- **Maintenance and Renewals:** Sustained funding increases are necessary to preserve the network, including resurfacing, bridge replacements, and proactive asset management.
- **Capital Upgrades and Expansions:** Strategic investments will focus on resilience, growth-driven upgrades, and state highway transfers. However, limited local funding restricts the ability to address these needs.
- **Sustainable Transport:** WDC aims to enhance multi-modal transport options and reduce emissions. Achieving these goals will require additional local investment.

Implementation and Funding Approach

- **Funding Strategy:** A mix of Waka Kotahi NZ Transport Agency co-funding, local rates, and alternative funding mechanisms such as Public-Private Partnerships could be utilised. However, WDC must increase local funding to prevent further network degradation.
- **Procurement and Delivery:** WDC will transition to a new Road Maintenance and Renewals Contract in 2025, using a mix of procurement models for capital projects.
- **Monitoring and Performance:** Key performance indicators will track road condition, safety, cost efficiency, and compliance. Without increased funding, network performance is likely to decline.

Conclusion

The LTP funding levels are based on NZTA funding, Council's preference for only supporting NZTA-subsidised categories, and affordability.

However, current funding limits will lead to growing maintenance backlogs, higher future costs, and suboptimal Levels of Service for our communities.

A revised funding approach, with increased local investment, is essential to ensure a safe, resilient, and future-ready transport network for Waikato communities.



Stormwater

Overview and Strategic Direction

Waikato District Council (WDC) requires continued and ongoing investment in its three waters infrastructure to maintain service levels, improve resilience, and support growth. The supporting networks and treatment plants span multiple townships meaning multiple investments are required in each township to deliver the same service to each community.

All the urban areas within the WDC boundaries are experiencing significant growth. That growth, in some cases, is arriving at a faster rate than is planned and causing constraint.

Central Government has put a lens of local government water delivery. Local Waters Done Well requires Local Territorial Authorities (LTA) to invest in waters infrastructure that enables residential housing growth and compliance.

Financial sustainability, where revenue matches cost, is a focal point of the Water Services Delivery Plan, currently being drafted at the time of adoption of this strategy. To achieve financial sustainability, along with many other greater outcomes, Waikato District Council and Hamilton City Council have resolved to create a joint, asset owning, Council Controlled Organisations (CCO) and may enable other councils to join in the future to obtain regional benefits and economies of scale. The joint CCO will be required to deliver a Water Services Strategy, to set the forward works programme and associated budgets required, in similar function to a Long Term Plan. Stormwater assets will not be transferred to the joint CCO, however the CCO will provide a contract agreement to deliver stormwater activities and asset management.

Over the next 30 years, WDC aims to balance maintenance, renewals, and capital investment to ensure a safe, efficient, and sustainable water, wastewater and stormwater network that supports both WDC and regional growth aspirations. However, the size of the capital required and the affordability issue means it is costly to our communities.

This section addresses the stormwater strategic direction. Water and wastewater are addressed in Appendix A.

Stormwater

Climate change and changes to rain fall intensity is playing havoc with Council's stormwater systems. Catchment management plans are being updated with amended hydraulic models to ensure we are as well planned as we can be for the next weather event.

Existing rural storm water networks cannot support newly formed urbanised subdivision of farmland and require greater investment in planning and catchment modelling to enable the effects of housing density and hard surfaces to be accommodated.

Increasing extreme weather events and intensification of rainfall are causing increased flooding and erosion which necessitates upgrades to drainage, stream and riverbanks, stormwater networks, manholes and pump stations. Limited funding requires a targeted approach to resilience improvements.

Council has significantly increased its investment in stormwater to enable planning, design and upgrading of our network to put us in a better position to cope with these environmental and weather events.

Challenges and Investment Needs

- **Ageing Infrastructure:** With changes to environmental standards and increased population, it is often found renewal of existing infrastructure requires greater investment to accommodate higher regulatory standard and growth.
- **Resilience Against Climate Change:** Increasing extreme weather events and intensification of rainfall are causing increased flooding and erosion which necessitates upgrades to drainage, stream and riverbanks, stormwater networks, manholes and pump stations. Limited funding requires a targeted approach to resilience improvements.
- **Population Growth and Urbanisation:** Urban growth and housing intensification is increasing demand on networks. Existing rural storm water networks cannot support newly formed urbanised subdivision of farmland and requires greater investment in planning and catchment modelling to enable the effects of housing density and hard surfaces to be accommodated.

Strategic Investment Plan

- **Maintenance and Renewals:** Continue to invest in catchment management planning with clear delineation of catchments and their unique characteristics.
- **Sustainable Water:** Under Local Waters Done Well, WDC is required to ensure water is delivered sustainably.

Implementation and Funding Approach

- **Monitoring and Performance:** Key performance indicators will track Levels of Service and compliance. Taumata Arowai continues to be the regulator for water and has oversight on wastewater and stormwater. Under Local Water Done Well a new economic regulator will be introduced from July 2025.

Conclusion

Waters delivery is in a time of change. WDC has a well mapped out plan over the next 9 years that ensures the districts will be well served and that those plans can be adopted into the establishment plan of the new CCO. This will provide continuity to our communities and ongoing investment to deliver three waters that meets our community's needs.



Waste Management

Overview and Strategic Direction

Rubbish and recycling collections are a key touchstone service for the community. The rubbish collection specifically is critical for public health. Waikato District Council services a vast majority of our district, providing waste services to 94% of dwellings, most of which receive weekly letterbox collection for two services.

Some more remote households access unmanned depots or monthly pop-ups. Council also holds consents for six closed landfills.

Over the next 30 years, WDC aims to balance service improvements alongside maintenance, renewals, and capital investment of waste sites to ensure a safe, efficient, and sustainable waste service that supports a journey to a low waste lifestyle and makes the most of our resources.

However, the large geographic spread and low population makes it harder than metro areas to make collections financially economic. So, aspiration will need to be balanced with our communities ability to cover costs through rates.

Challenges and Investment Needs

- **Community desire for progress:** It is hard to replicate what our more metro neighbours can offer with the rating base and geography of our district. This relates to services, access to sites and education opportunities.
- **Resilience Against Climate Change:** Our closed landfills will need to be monitored and assessed to how at risk they are from increased weather events.
- **Availability of industrial land:** Most waste sites need to be on industrial land. There is often a shortage of Council-owned industrial land, making development costs higher.

Strategic Investment Plan

- **Planning for a network of resource recovery centres:** This is an action in our draft Waste Minimisation and Management Plan – to plan for an integrated network of resource recovery. This could be a mix of physical sites, pop up events, and the logistics. This will need to be approved through the LTP process.
- **Maintain what we have:** To make sure our tenants (or council) maintain the assets, we must make sure they are useable for as long as possible.
- **Partner for progress:** WDC aims to be open to partnerships with the Ministry for the Environment, other councils, businesses, or the waste sector to develop waste infrastructure in our district that works to reduce waste or keep resources in use.

Implementation and Funding Approach

- **Funding Strategy:** Funding may come from a mix of Ministry for the Environment levy or grant funding, local rates, and alternative funding mechanisms such as Public-Private Partnerships could be utilised.

Conclusion

Building waste sites will always be a significant investment for Council. So, supporting physical sites with pop ups and collection events will play a part in increasing access to waste diversion. Support from Central Government and other partners will be key. Regularly reviewing Council weekly waste services is important to check we have the right balance between access and cost to ratepayers.



Facilities

Overview and Strategic Direction

Facilities Services is essential for delivering core services, fostering community well-being, and supporting economic and social activity across the district. Our assets include community halls, aquatic centres, public toilets, campgrounds, and general properties such as pensioner housing. Each of our assets serve as a critical space for connection, recreation, and essential services.

Over the next 10 years, Waikato District Council (WDC) aims to maintain and improve these facilities to ensure they remain safe, accessible, and fit for purpose. However, increasing operational costs, ageing infrastructure, and growing community expectations require a strategic focus on maintenance, renewal, and capital investment to sustain these assets effectively.

Challenges and Investment Needs

- **Ageing Infrastructure and Deferred Maintenance:** Many facilities require significant renewal investments due to historical financial restraints and limited structured planning. Without funds and planning, maintenance costs will escalate, impacting service levels and community satisfaction.
- **Resilience Against Climate Change and Natural Hazards:** Facilities face increasing risks from extreme weather events, earthquakes, and ageing building materials (e.g., asbestos management). Strengthening resilience and compliance is critical.
- **Population Growth and Changing Demands:** As the district's population grows, demand for community spaces, public amenities, and adaptable infrastructure increases. Existing assets must be upgraded or expanded to meet future needs.

Financial Constraints and Funding Pressures:

- Limited funding sources restrict the ability to undertake necessary upgrades. Alternative funding mechanisms and partnerships must be explored to ensure long-term sustainability.

Strategic Investment Plan

- **Maintenance and Renewals:** A proactive asset management approach is needed, including planned preventative maintenance, facility refurbishments, and compliance upgrades to meet safety and regulatory requirements.
- **Capital Upgrades and Expansions:** A focus on new and upgraded facilities will be a high-priority area, such as accessibility improvements, fit for purpose, seismic strengthening, and energy efficiency enhancements.
- **Sustainable and Community Led Development:** WDC is committed to enhancing the environmental performance of facilities, supporting local partnerships, and ensuring assets meet the diverse needs of our communities.

Implementation and Funding Approach

- **Funding Strategy:** A combination of rates funding, user fees, and external funding opportunities will be explored.
- **Procurement and Delivery:** The Facilities Services will strengthen procurement practices, maximising the value of long-term contracts and cost-effective service delivery models.

Conclusion

Current funding levels and investment will determine whether WDC can maintain safe, accessible, and functional community facilities. Without well forecasted budgets and strategic direction, the risk is higher with long-term costs, reduced service levels, and community dissatisfaction.

A sustainable funding approach, focused on proactive maintenance and strategic upgrades, is critical to ensuring our facilities continue to support liveable, thriving, and connected communities.



Open Spaces

Overview and Strategic Direction

As our communities grow in population, so do our provisions for providing fit for purpose parks and reserves across the wider district.

The current LTP is focused on completing legacy projects, maintaining what we have, and future investment in new capital which will be driven by the current requirements and our provisions. Development of our existing sites will be phased over multiple years as opposed to targeted years.

Challenges and Investment Needs

- **Asset and Data Quality:** The current asset data captured in our system does not provide accurate estimation of replacement and depreciation costs which create barriers for effective planning. Without this data informing our business effectively, a waterfall approach to delivery will apply which may lead to a shortfall in maintaining our asset base.
- **Resilience Against Climate Change:** With the increasing impacts of climate change we are seeing effects across our assets, especially in coastal and low-lying areas. The sustainability of some parks and reserves will not be achievable into the future.
- **Population Growth and Provision of Open Spaces:** With a dispersed and growing population, the requirement for reserve spaces is ever increasing while the availability of land that's fit for purpose is decreasing. In recent times, Council has acquired marginal areas of land that require significantly more investment to be able to ensure they are fit for purpose. The strategic acquisition of land is a key consideration when investing in the future of open spaces.

Strategic Investment Plan

- **Maintenance and Renewals:** A proactive and sustainable asset management approach is required with increased funding to match the level of renewal required.
- **Capital Upgrades and Improvements:** Strategic investment across sports fields and lighting infrastructure will be ongoing and there will be minimal investment in relation to new assets unless associated with a new park or reserve.

- **Consistent Delivery of Core Services:** A focus on maintaining what we have to a high standard and improving quality of our services and connectivity of assets.
- **Improving Responsiveness:** Proactive maintenance, increased inspection, auditing of assets, and consolidating our service request portal for consistent and timely response.
- **Building Community Resilience:** Working with our communities, schools, and local groups to enable projects and the development of our spaces by and for our communities.
- **Building relationships:** Developing our connections to our communities to enable our strategic directions.
- **Improving connectivity:** Investing in infrastructure that links and enables our communities to connect directly and in sustainable ways.

Implementation and Funding Approach

- **Funding Strategy:** By general and targeted rates, user fees and external funding/granting opportunities as available.
- **Procurement Strategy:** We now have procurement strategies in place that outline a tiered approach to the purchasing of services. This creates greater market tension and cost efficiency.

Conclusion

Current funding levels and investment will continue to maintain safe, accessible, and functional community Open Spaces but with little investment in new assets for the immediate future.

Without well forecasted budgets and strategic direction, the risk is higher long-term costs, reduced service levels, and community dissatisfaction.

A sustainable funding approach, focused on proactive maintenance and strategic upgrades, is critical to ensuring our Open Spaces continue to support liveable, thriving, and connected communities.

5.4 Key Assumptions and Uncertainties

The key assumptions that relate to the activities covered in this infrastructure strategy are outlined below.

Forecasting Assumptions Inflation

Council has used the 2024 Price Level Adjustors provided by Business and Economic Research Limited (BERL) as the primary tool to forecast future costs and adjust financial projections in its Long Term Plan.

These adjusters will be applied across all relevant areas of expenditure, including water infrastructure, labour, and operational costs, to ensure financial planning reflects anticipated changes in economic conditions such as inflation and wage growth.

	Waters (Pipelines)	Property Capital	PPI Local Govt inputs	Roading Operational	Waters
2026/27	1.036	1.031	1.025	1.027	1.036
2027/28	1.033	1.029	1.024	1.025	1.035
2028/29	1.031	1.026	1.021	1.022	1.033
2029/30	1.029	1.025	1.02	1.021	1.032
2030/31	1.028	1.024	1.019	1.021	1.03
2031/32	1.026	1.023	1.019	1.02	1.029
2032/33	1.025	1.022	1.019	1.02	1.028
2033/34	1.024	1.021	1.018	1.019	1.026

Uncertainty level: Medium

Implications

If inflation rates are higher than what has been assumed, then Council may not receive sufficient income to cover expenditure at the budgeted levels. Timing of expenditure may need to be altered.

If the changes are significant, this may impact the levels of service Council are able to provide or rates

increases over and above the predicted levels in future years may be needed.

Work programmes and budgets are reviewed annually through the annual plan process, so this assumption will be checked each year and adjustments made as needed.

Forecasting Assumptions

Household growth projections

Council has used the 2021 projection* (high scenario) for the Waikato region provided by the University of Waikato which indicates the Waikato district's population is expected to grow from the current 89,759 (2025) to 101,198 (2034).

Council has used the growth settlement pattern in Waikato 2070 and the Future Proof Growth and Development Strategy which indicates that most of the district's growth will occur in and around the existing settlements of Tuakau, Pookeno, Te Kauwhata, Huntly, Ngaaruwaahia (including Taupiri and Horotiu), and Raglan.

*Note: This report remains in line with 2024 Census data.

Uncertainty level: Low

Implications

Should growth be higher than projected and planned for in certain locations, there may be pressure for Council to provide and maintain additional infrastructure than that provided for in this plan. The estimated financial impacts are difficult to quantify, however, Council would review and adjust its work programmes accordingly to limit the impacts. In some situations, key infrastructure may limit, or lag behind, growth.

If growth is lower than anticipated, income from development contributions will be less than budgeted for, and growth-related infrastructure projects may be deferred. In some situations, Council may have over invested in lead infrastructure and the income to pay for it recovered over a longer period than budgeted.

Forecasting Assumptions

Three water service delivery

Council assumes that Watercare Services Limited will continue delivering three waters services under the current contract until 30 June 2026. From 1 July 2026, these services will transition to a new joint Council-Controlled Organisation (CCO) with Hamilton City Council.

Under this arrangement:

- Council's water services will continue to be managed under the status quo contract with watercare services Limited until 30 June 2026.
- Water and wastewater assets and service delivery will transfer to the CCO.
- Stormwater services will be delivered by the CCO under contract.
- The CCO will commence on 1 July 2026 and will take on the assets, associated debt, and reserves related to water services from that date.
- The Watercare contract will be novated to the CCO from 1 July 2026.
- The contract is still expected to terminate on or before 30 June 2028. The CCO will determine the future delivery model beyond that date.

- Legislation will allow Council to continue to collect rates and development contributions ofr the first five years of the LTP on behalf of the CCO, and thereafter the CCO will have the ability to charge residents directly.
- Council will align its decision making with Hamilton City Council.
- Debt will include reservices associated with water and wastewater.

The CCO will determine the future delivery model beyond that date.

Uncertainty level: High

Implications

f the CCO is not operational by 1 July 2026, or if significant delays or changes occur during the transition, Council may face service delivery disruptions, additional operational costs, and budgetary pressures. There may also be compliance risks if transition milestones are not met within statutory timeframes. Should the CCO not assume full ownership of the assets, liabilities and reserves, Council may need to fund residual debt or deficits, which could impact debt headroom. Potential rating impacts may result if Council needs to raise additional funding to cover any of these obligations.

Forecasting Assumptions

Legislative changes

Council has prepared its LTP based on the legislation and policy settings in place at the time of development. While Council acknowledges that central government reforms are ongoing and have the potential to significantly impact local government responsibilities, funding, and service delivery, this LTP does not pre-empt the outcomes of proposed or anticipated reforms. Any future changes resulting from central government reforms will be addressed through amendments to the LTP or other relevant planning and decision-making processes as required.

Uncertainty level: Medium

Implications

Most changes to legislation are known about in advance, giving councils the ability to prepare for implementation. Any financial uncertainty would relate to the speed and cost of implementing changes, training needs for staff and any additional resourcing required.

The recent Government changes and proposed approach to Resource Management Reform means this LTP is based on knowing that reform is coming, but not the degree, timing, or implications of it. As such (and as an example) the budgets provide for a comprehensive District Plan Review starting within the 9-year timeframe, but this could take the shape of the preparation of a new kind of plan under new legislation.

Forecasting Assumptions

Climate change

Council has used NIWA and Ministry for the Environment climate projections, which indicate the Waikato district is highly likely to experience the following weather pattern changes over the next two decades and beyond:

- Higher temperatures
- Less frosts
- Variable rainfall by season i.e., more rain in the winter less rain in the spring
- Some increase in storm intensity, wind extremes, thunderstorms, and frequency of more severe events
- Increased flooding
- A rise in sea levels.

Council has assumed its role in responding to climate change will continue to grow over the life of this plan. This includes increasing involvement in areas such as climate change mitigation, adaptation to its impacts, disaster recovery efforts, and initiatives to reduce emissions.

Uncertainty level: Medium

Implications

If climate related budget provisions are insufficient, or other funding sources are unavailable when needed, Council will need to adjust spending in line with the severity and urgency of unexpected work required. Reserves or contingency funds will need to be used where possible, as well as agility in reallocating funds if needed. For non-urgent works identified in any given year, budgets will be adjusted through the Annual Plan or Long Term Plan cycle.

Damage to our infrastructure, disaster response and recovery result in a need for more resources and funds to respond.

We must consider climate projections on planning, especially in vulnerable and exposed areas as identified by climate risk assessments.

We need to consider climate change impacts throughout activities, services, and capital works, and how we will support our communities.

Forecasting Assumptions

Natural disasters and Emergency Events

Council has assumed that a multi-agency approach would be used to address the impacts of significant natural disaster / emergency events that take place in the district.

Council has assumed that in the event of a significant natural disaster, Council would be required to fund 40% of the costs associated with damage to Council assets. The remaining 60% is assumed to be provided by Government.

Council has assumed that its insurance of underground assets will cover losses or unforeseen damage caused by earthquake, natural landslip, flood, tsunami, tornado, windstorm, volcanic eruption, hydrothermal, and geothermal activity, or subterranean fire.

Uncertainty level: Low

Implications

The potential effect of a natural disaster on our financial position is dependent upon the scale, duration, and location of the event.

Forecasting Assumptions

Asset life and value

Council has assumed that the estimated useful life of its assets, and their values, will remain relatively stable over the life of the LTP.

Council has assumed that asset revaluations will occur on a cycle of at least once every three years, with infrastructure asset classes revalued annually.

Useful lives are identified for each component of assets. They are assessed based on many factors including construction method, material, age, condition assessments, obsolescence and expected remaining economic potential.

Uncertainty level: High

Implications

Changes to the useful lives of assets has a direct

impact on the renewal profiles, for example, asset replacements could be delayed or required sooner than anticipated. The result of this is either an increase in depreciation reserves for a period, as this is the funding source for asset replacements, or drawing on reserve funding earlier than anticipated.

If the useful lives of Council assets change significantly, then:

- Council may have insufficient funds to undertake renewal works. Council may be able to extend borrowing to complete work which may come at a higher cost. Alternatively, service levels may have to reduce until funding is available.

Council may have allocated excess funding to renewal programmes. This may result in other works not being undertaken at the preferred time resulting in community dissatisfaction.

Forecasting Assumptions

Solid waste subsidy

Council has assumed that the portion of the Waste Disposal Levy allocated to local government, as well as the current method of distribution, will remain unchanged for the life of this LTP.

Uncertainty level: Medium

Implications

Council utilises levy income to fund the waste minimisation education and engagement programme, staff costs, and other such projects as is the intent of the Levy. Should Council not receive the amount of income predicted, expenditure in these areas may need to be reduced. This would impact our staff funding, levels of service to the community on waste minimisation.

Forecasting Assumptions

New Zealand Transport Agency (NZTA)

Council has assumed that its National Land Transport Fund (NLTF) subsidy funding envelope will increase each year of this LTP. Council has assumed that its Funding Assistance Rate (FAR) will remain consistent throughout the life of this LTP.

Council has assumed that FAR will be received as follows:

Year	Total Maintenance – local roads	Local road improvements	NZTA Safer Network Programme
2025/26	51%	0%	51%
2026/27	51%	0%	51%
2027/28 onwards	51%	51%	51%

Uncertainty level: High

Implications

There is a risk that the Waka Kotahi subsidy rates will differ from the assumed rates post 2027.

There is also a risk that the overall funding envelope for Waka Kotahi subsidy remains static or declines.

The annual quantity of planned work would need to be reduced if subsidies are not received at the expected level.

It is likely that there will be increased demand on the network and therefore, funding requirements.

The annual quantity of planned work would need to be reconsidered if subsidies are not received at the expected level.

Forecasting Assumptions

Capital Expenditure

The quantum and timing of capital expenditure is achievable.

Uncertainty level: Medium / High

Implications

While Council has contractual arrangements in place with Higgins, Fulton Hogan and WaterCare* Services Limited, non-delivery of scheduled works would cause a delay to Council’s capital projects which would impact our expenditure and may also impact levels of service in a given year.

*Council has assumed that its three waters services will be managed under the status quo contract with Watercare Services Limited until June 2026.

Should Council run into market constraints on the delivery of Council work programmes, compliance and/or critical asset related projects would be prioritised and other work programmes would be adjusted. This would likely reduce the levels of debt, related interest expense and depreciation. Significant budget adjustments would be made via an Annual Plans/LTP amendment and changes consulted on with the community

Forecasting Assumptions

Sources of funding for future replacement of significant assets

Sources of funding for the replacement of assets can be found in the Council's Revenue and Financing Policy.

Waka Kotahi NZTA subsidy will continue to be available at the currently agreed percentage (see Waka Kotahi NZTA subsidy assumption).

Council has assumed that we will continue to receive funding from the LGFA to cover external borrowing requirements as per the Treasury Risk Management Policy.

Uncertainty level: Medium

Implications

If funds are inadequate for the replacement of significant assets, work may not be progressed as per timing in the plan. Operational expenditure may rise as a result in an attempt to extend the life of the assets, which would potentially cost the ratepayer more as we would still need to build reserves to pay for the eventual replacement.

Forecasting Assumptions

Water supply and wastewater resource consents

Water Supply

It is assumed that the one water supply consent that expires within the next 10 years will be renewed with the current conditions.

Wastewater

It is assumed that more stringent environmental outcomes and cultural considerations are expected to be required when Raglan, Te Kauwhata, Ngaaruawaahia and Huntly wastewater discharge consents expire (all within the next 10 years).

It is assumed that land disposal will not be required to meet environmental / cultural considerations and budgets have been set on similar methods of discharge with improved treatment processes.

Uncertainty level: High

Implications

If the Council is faced with significant changes to resource consent conditions, this could have a significant impact on the Council's financial resources.

If consent conditions change, the timing of the consent process may need to be extended, particularly if upgrade works are required in order to comply.

5.5 Infrastructure Not Funded Within the First 9 Years

The following projects and programmes (Table 3) are main initiatives that are shown as unfunded within the next 9 years in the Forecast Capital Expenditure 2029-2054 (Figure 14).

It is envisaged that these projects will need to be considered for inclusion in future Long Term Plans. There is a risk that delaying these projects will result in higher costs than current estimates.

Table 4: Initiatives not Funded within years 1-9 of the 2025 Long Term Plan.

Initiative not funded	Estimated cost	Consequence of not funding this infrastructure
Southern Dog Pound (relocated and custom built).	\$5 million (CAPEX)	Decision to upgrade the existing Ngaaruawaahia Pound to make it fit-for-purpose, working within the \$1.85M budget approved in the 2021-2031 LTP.
Fleet Replacements & EV Charging Infrastructure (to own all infrastructure).	\$620,000 (CAPEX)	Reduce scope to be achieved with existing budgets.
Digitisation of Historic Cemetery Maps (digitisation and conservation planning).	\$85,000 (OPEX)	This is not a critical priority, recommended to be delayed or rescoped.
District Wide Trails (increase in quantity delivered).	\$3,367,000 (CAPEX)	Maintain existing level of service and delivery of new trails to achieved with existing budgets.
Public Toilets (increase in quantity delivered).	\$275,000 (annually; CAPEX)	Maintain existing level of service and delivery of new trails to achieved with existing budgets.
District wide Tree Management (increase scheduled works).	\$300,000 (annually; OPEX)	To be achieved with existing budgets.
Community Spaces Managed Retreat (implementation of risk assessments).	\$160,000 (CAPEX)	To be addressed once further investigations are complete.
General Road upgrades (Safe network improvements including intersections, signals etc).	\$14 million (CAPEX)	These are all part of the Safe network programme. Programme will be delayed until funding sources are secured.
Pookeno Roothing Upgrades (improving the streetscape for urbanisation).	\$6.95 million	Maintaining streets, footpaths, kerb, and channel, widening of seal and lighting upgraded. This programme will be postponed until additional funding sources are secured.
Roothing safety and bridge widening (roading projects required for increasing capacity and road safety).	\$42.8 million	Upgrades are required to improve network efficiencies and prevent congestion. The programme is associated with the Safe Network. This programme will be postponed until additional funding sources are secured.

5.6 Impact on Debt

Our Financial Strategy has been updated through the development of the 2025-34 Long Term Plan. The Financial Strategy has a 9-Year horizon and helps us and the community to understand the long-term financial impacts and sustainability of our budget and plans.

The Financial Strategy describes the impact on debt and rates of our budget. Over the next 9 years debt will remain below our debt to revenue limit.

Debt is at its peak in 2025/26 with Waters in, however, this reduces significantly from year two once the CCO is operational. Council maintains

a financially sustainable debt-to-revenue debt ratio with this being well below the 175% debt cap creating sufficient headroom facility. The Council will repay this debt over a rolling 10 year period.

The prudence benchmark graph below (Figure 14) compares Council's planned debt to the borrowing limit, which is set at a maximum of 175% of total revenue. The black bar represents the total allowable debt while the green bar shows Council's planned debt for the year.

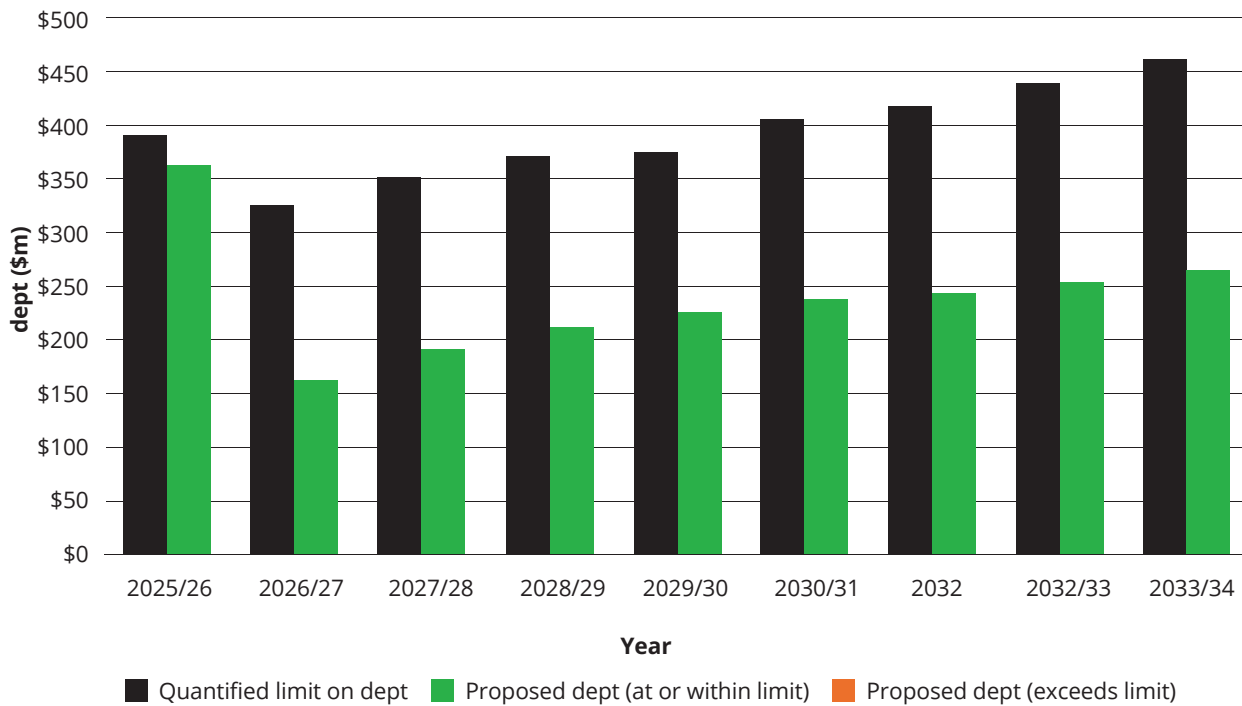


Figure 14 : Year 1 to 9 Proposed Debt.

5.7 30 Year Capital Forecasts

The capital expenditure for the next 10 years has been produced from the asset management planning framework, considering each option and scenario. This assessment is detailed within the asset management plans, and principle options which address key infrastructure issues are detailed in Section 5.2 and 5.3.

The forecasts for the first 9 years are presented in the 2025-34 Long Term Plan budget with the remainder of the years (10-30) documented in a response to growth, sustaining Levels of Service and forecasted renewals programme.

Regarding the water and wastewater services, the 2025 LTP consultation and deliberations, both Waikato District Council and Hamilton City Council have resolved to form a joint Council Controlled Organisation (CCO) with water and wastewater assets to be transferred from 2026/27. A Joint Water Services Delivery Plan has been prepared to reflect this arrangement.

This would mean stormwater assets and associated budgets remain in Council, with the CCO delivering stormwater projects and services. Therefore, from years 2 (2026/27) onwards, the CCO will be the primary owner and decision maker of water and wastewater assets and associated budgets, consulted on through the Water Services Strategy. Therefore, capital expenditure graphs have been produced to indicate the transfer of water and wastewater associated budgets removed from 2026/27 onwards.

For further details and associated budgets for water and wastewater infrastructure, see Appendix A.

In the below (Figure 15), the capital expenses are for year 1 to year 10, while the other (Figure 16) shows the capital expenses for Years 1 to 30. Figure 17 indicates the split of capital expenditure between growth, level of service and renewal for only the first 9 years incorporated in the 2025 LTP.

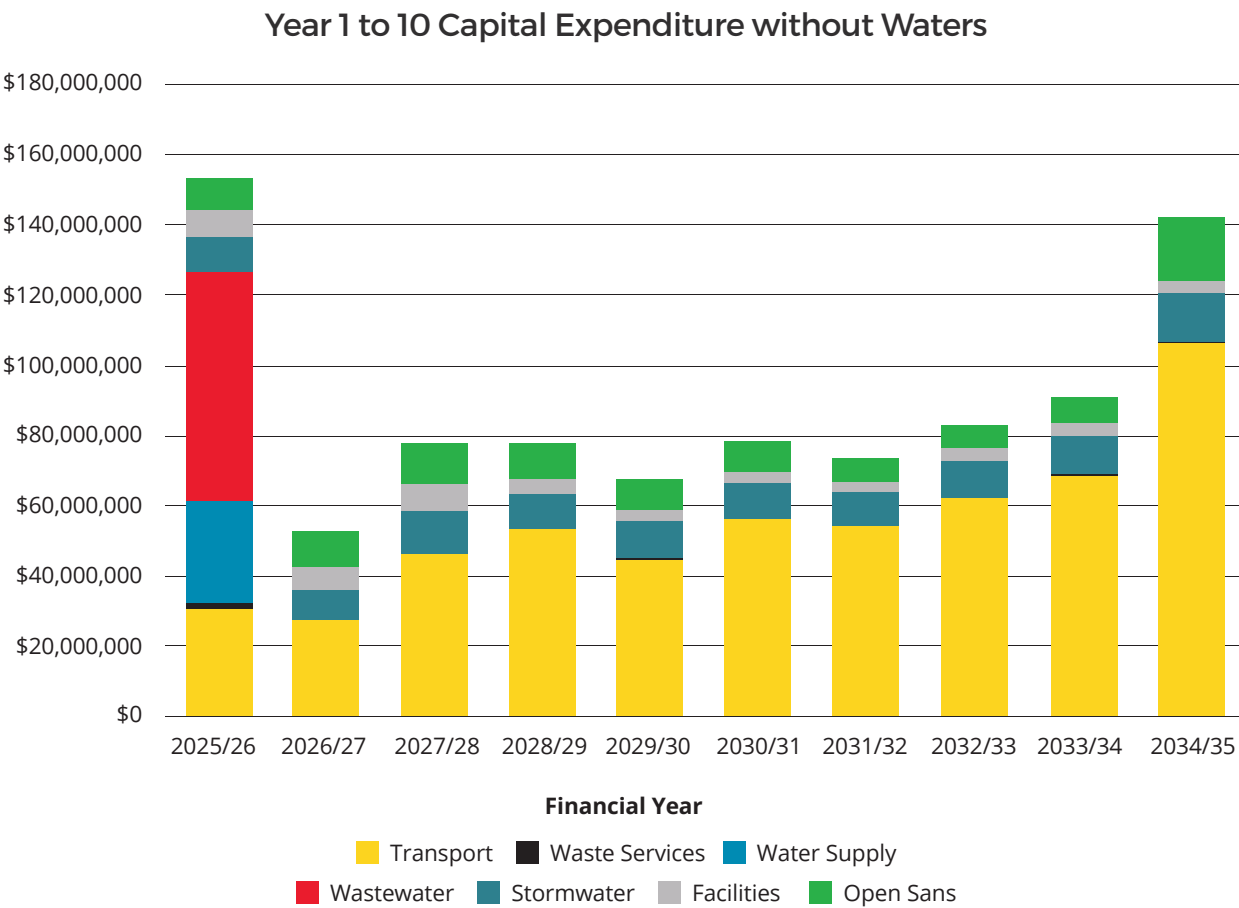


Figure 15: Year 1 to 10 Infrastructure Annual Capital Expenditure with water and wastewater transferred to the joint CCO from 2026/27 onwards.

Year 1 to 30 Infrastructure 5 Yearly Capital Expenditure

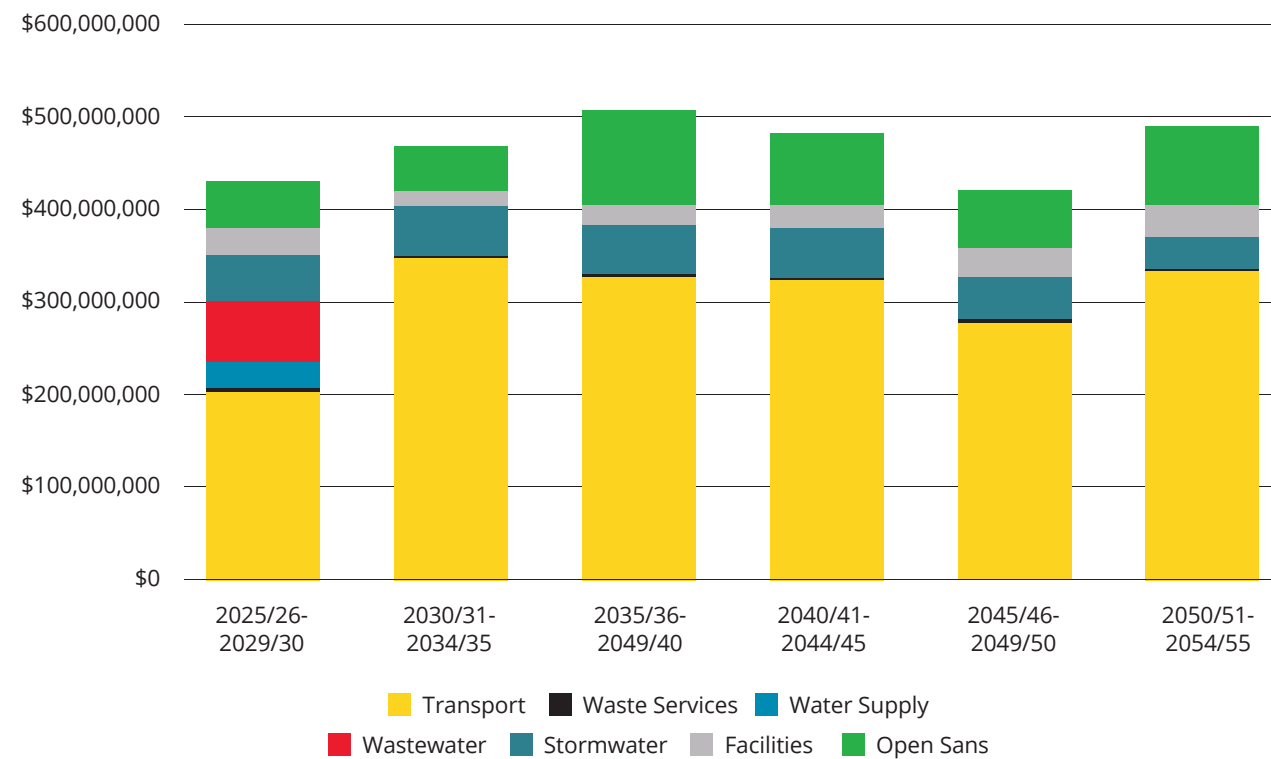


Figure 16: Year 1 to 30 Infrastructure 5 yearly Capital Expenditure with water and wastewater transferred to the joint CCO from 2026/27 onwards.

Total Expenditure Grouped by Growth/LOS/Renewal

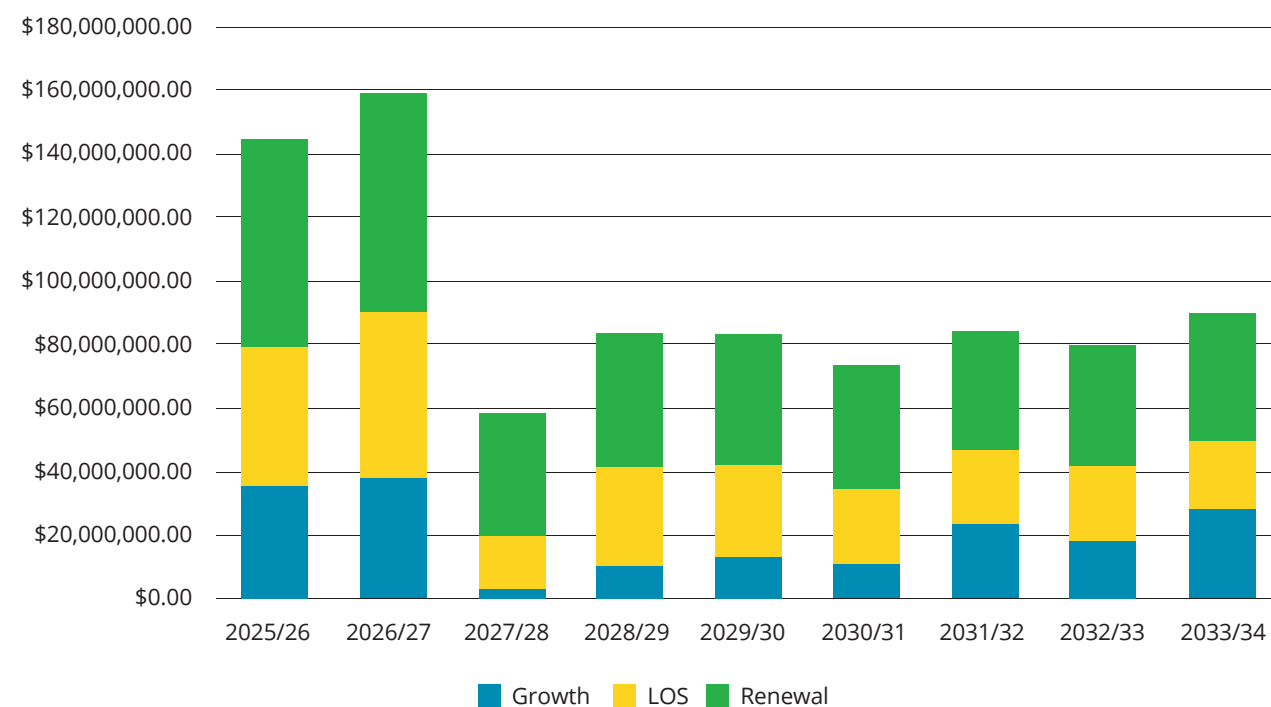


Figure 17: Year 1 to 9 Total Expenditure Grouped by Growth, Level of Service (LoS) and Renewal incorporated into the 2025-34 Long Term Plan.

5.8 30 Year Operational Forecasts

The operational cost addresses the repairs, maintenance, and operation of services to ensure the assets meet the appropriate level of service. The forecasts for the first nine years are investigated in the AMPs and longer-term estimates are calculated based on consequential operation cost of acquiring additional new assets (Council built and vested).

Regarding the water and wastewater services, the 2025 LTP consultation and deliberations, both Waikato District Council and Hamilton City Council have resolved to form a joint Council Controlled Organisation (CCO) with water and wastewater assets to be transferred from 2026/27. A Joint Water Services Delivery Plan has been prepared to reflect this arrangement.

This would mean stormwater assets and associated budgets remain in Council, with the CCO delivering

stormwater projects and services. Therefore, from years 2 (2026/27) onwards, the CCO will be the primary owner and decision maker of water and wastewater assets and associated budgets, consulted on through the Water Services Strategy. Therefore, operational expenditure graphs have been produced to indicate the transfer of water and wastewater associated budgets removed from 2026/27 onwards.

For further details and associated budgets for water and wastewater infrastructure, see Appendix A.

The below (Figure 18) the operational expenses for year 1 to year 10 while the other (Figure 19) shows the operating expenses for Years 1 to 30 as 5 yearly increments.

Year 1 to 10 Infrastructure Operational Expenditure without waters

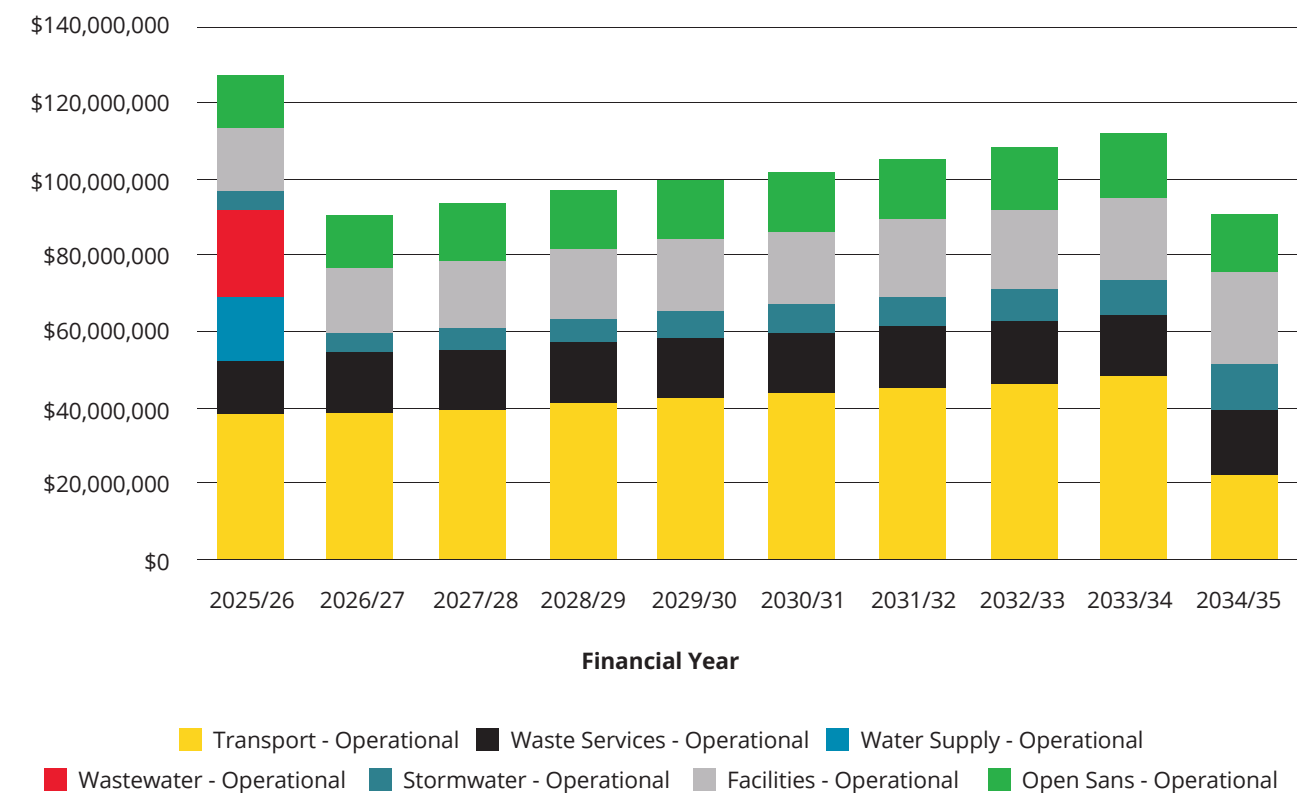


Figure 18: Year 1 to 10 Infrastructure Annual Operating Costs with water and wastewater transferred to the joint CCO from 2026/27 onwards.

Year 1 to 30 Infrastructure 5 Yearly Operational Expenditure

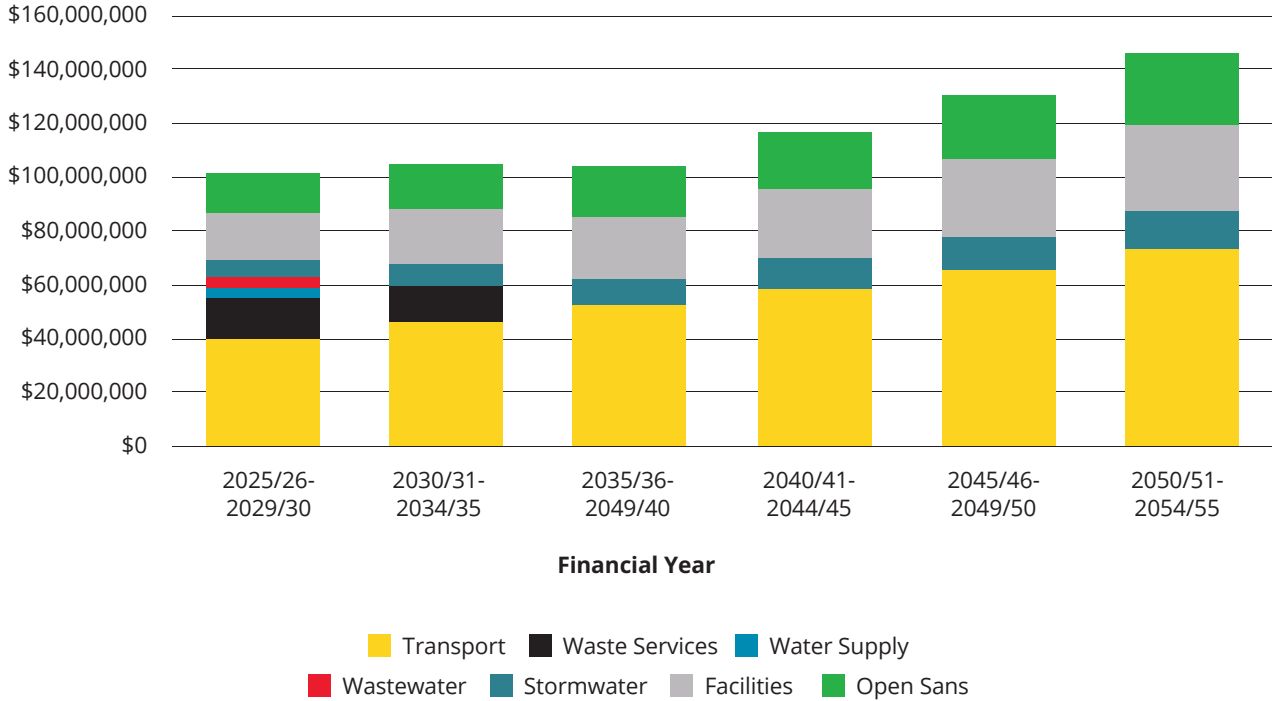


Figure 19: Year 1 to 30 Infrastructure 5 yearly Operating costs with water and wastewater transferred to the joint CCO from 2026/27 onwards.



5.9 Activity Summaries

The below (Figure 20) shows how the expenditure of infrastructure groups is split between operational and capital costs. Refer to Appendix B and the associated AMPs for a deeper dive into the activity summaries on our website.

Year 1 to 30 Infrastructure 5 Yearly Operational Expenditure

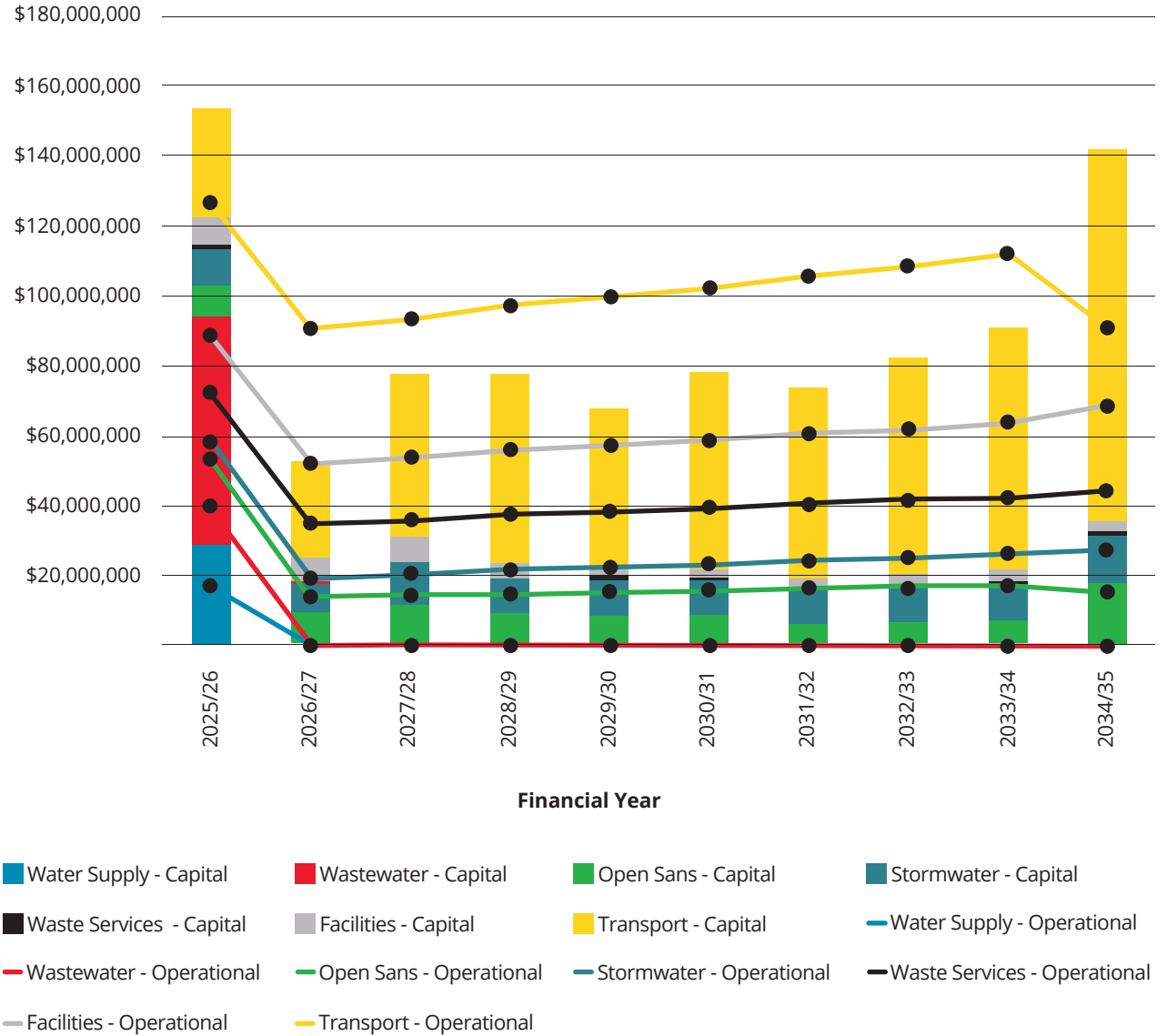


Figure 20: Year 1 to 10 Split of Operating and Capital Expenditure with water and wastewater transferred to the joint CCO from 2026/27 onwards.

6 Significant Decisions

Ngaa Whakataunga Taapua

Over the next 30 years, there will be several important decisions about capital spending that will need to be made to deal with the issues and priorities.

The important decisions that Waikato District Council will need to make, as well as the timing, estimated cost and impact is detailed in the following section. When investigating the options

available, consideration has been given to Waikato District Council's various strategies and plans.

Where necessary, a significant decision is also brought to our community to give feedback on what option they would prefer to see. Deciding when to consult on a topic is guided by the Significance and Engagement Policy.

6.1 Replacing Worn Out Assets



Every asset has its own lifecycle. Each new asset has a predicted life span and over time, with repairs and maintenance, we can extend the use of the asset to its 'end of useful life.' Over time, the maintenance cost of an asset will increase and it will no longer be financially sustainable to keep the asset, triggering a replacement.

As the number of assets in the district increases, the cost to replace worn out assets will also increase. For each of the asset groups, Asset Management Plans (AMPs) have been created. These plans have been revised for the Long Term Plan 2025–2034 and are used to predict when assets will need to be replaced based on the asset's useful life.

Option

Through the LTP and performance measures, Waikato District Council states the Levels of Service the community expect. The renewals programme and the required budget is created based on maintaining that level of service. It is possible to fund more or reduce the renewals programme budget, but changes to AMPs are the main factor that guides this choice.

Cost

The Waikato District Council has asked for more money to be put towards the renewals programme as part of the 2025–34 Long Term Plan process.

A budget of \$369 million has been set aside over the next nine years, and incorporated into the 2025 LTP, to replace assets. It is possible to reduce or increase the budget towards renewals. Both options would impact the renewals programme.

Implications

To reduce the budget and renewals programme, this would lead to some assets no longer being available and a higher risk profile. As a linked consequence, other assets will experience additional usage and result in increased maintenance costs and potential for the community to receive a lower level of service.

Alternatively, if the budget and renewals programme were increased, the asset network would be more reliable and safer. Due to a historic underfunded renewals programme in the past, if we spend more, the asset quality will increase and incrementally move towards meeting the desired level of service expected by the community. In addition, the overall asset portfolio will improve and there will be a savings in maintenance costs.

We are dedicated to making our AMPs better and focus on improving asset management tools and processes. We have a dedicated Community Assets team that works across the whole organisation to continuously improve asset management.

6.2 Community Infrastructure in Growth Areas



Our district has seen significant growth over a brief period. The Waikato District Plan is the rulebook that allows for land use and building to occur and controls this activity by zoning. As the Proposed District Plan (a revised District Plan) nears adoption, this has allowed for a change in zoning areas, enabling multiple growth cells to open for development.

Growing townships is more than just building more houses. Community infrastructure includes all the amenities that promotes a towns identity, brings people together and attracts new people to stay. Community infrastructure can look like town halls, sports parks, and recreational facilities such as cycle ways.

As a town's population grows, the community infrastructure needs to be adaptable to accommodate more people, or a threshold is met requiring new infrastructure to be built. This is known as a level of service and is further investigated per asset group in the Asset Management Plans.

Option

The timing of building new infrastructure or increasing the capacity of existing infrastructure is dependent on the townships growth rate. Although we know we are a high growth district, we can respond to investing in community infrastructure demand in three ways:

- Leading supply - built in advance of growth.
- Leading demand - built as growth advances.
- Lagging demand - built after growth has occurred.

The timing of making this decision will occur as a case-by-case basis and involve community consultation through the 2027 Long Term Plan. Further assessments and strategic direction are occurring in this space with the development of the Aquatics Strategy, Presence Strategy and Community Facilities strategy. Each of these strategies will involve community consultation. Therefore, the community should anticipate having input at each phase of planning to funding community infrastructure investments.

Cost

Community infrastructure projects, from planning to being delivered, requires a significant amount of financial investment followed by on-going operational costs. When to build and how to fund community infrastructure is an on-going crucial decision for Waikato District Council.

Waikato District Council is continually seeking efficiencies at each stage of a project. For example, identifying a future need and acquiring land ahead of growth (leading supply); then partnering with our developer community to build community infrastructure together (leading demand). The more expensive and limiting option is building after growth has occurred (lagging demand) as land prices can increase significantly.

Implications

Timing and funding of community infrastructure requires robust analysis of growth predictions and proactive planning, in order to be prepared to build as the population grows. However, when funding is tight, community infrastructure support is often delayed or removed from budgets.

By delaying or not providing community infrastructure, the growing communities can become disadvantaged or experience a lower level of service. This stance will also result in missed opportunities to partner with external agencies or aligning infrastructure projects to a 'dig once' model.

The land use zoning changes through the District Plan reviews is not an indication that Council is committed to or prepared to fund the community infrastructure required. Resources and budgets are planned, prioritised, and allocated through the Long Term Plan process.

6.3 Ageing Facilities



Facilities that have been around for generations often build part of the township's identity. Many of the facilities in the district have aged and were designed for a community that has since evolved in demographics. These ageing facilities now require comprehensive review and strategic action, whether through investment, rationalisation, or divestment. Examples include community halls and aquatic facilities, where the facilities have reached an age with higher maintenance costs and changing community expectations for the space.

This results in the facility becoming more operationally expensive and not fit-for-purpose for the community. A review of the ageing facilities portfolio will include the structural resilience of the assets, compliance with standards, environmental and financial sustainability and overall fit for purpose measure. It is crucial that the assessment takes a strategic network approach to ensure all solutions are explored.

Options

Each facility group will receive tailored assessment that align with its unique needs and community expectations. These assessments are currently underway with consultation and actions anticipated to be presented in the 2027 LTP. A customised approach is essential for each facility group/ type, with potential options including:

Option 1: Invest in significant maintenance and improvements of some facilities to make them safe, reliable, and fit for purpose.

Option 2: Replace with a new fit for purpose facility.

Option 3: Divest in the asset, removing the financial burden of maintenance and provide an alternative solution to meet the community's needs.

Option 4: Form partnerships with external agencies to provide a similar or better facility available to the community.

Cost

The review of the ageing facilities portfolio will identify a clear and strategic way forward to either improve quality or to remove burden of these facilities. Each asset will receive tailored actions that align with its unique needs and community expectations. The cost of each option, including capital and on-going maintenance will be factored into the assessment of each ageing facility group. A key focus will be to reduce any long-term financial burden on the community for a facility that is not fit for purpose.

Implications

The impacts of not reviewing the ageing facilities portfolio will be an increase in health and safety risks where a building may not meet standards, an increase in maintenance costs and a decrease in community satisfaction as the facility may not be fit for purpose or have unplanned closures. The flow-on impacts is the services supported by these facilities (i.e. aquatic centres and the learn to swim programme). By taking a strategic network approach, the ageing facilities can be reviewed in detail for each building and at a broader servicing approach.

The first two options, invest in improvements or build new, would result in a higher level of service being provided.

The third option, divest in the asset, would result in a lower level of service, however at a network approach, a community may be well located to benefit from a nearby facility that would better meet their needs.

The last option, partner with external agencies, lets us acknowledge and support other groups with facilities that also benefit our community.



6.4 Funding Roothing Projects



Through the National Land Transport Programme (NLTP), New Zealand Transport Agency (NZTA) provide co-funding towards new projects, repairs, and maintenance. Due to recent changes in the Government's priorities and policy statement on land transport, several new projects were not co-funded for the 2024 – 2027 period.

Waikato District Council only received 90% of the funding request towards Maintenance, Operations and Renewals (MO&R), creating a funding gap. Initially no funding was received from the NZTA for an est. \$60M of growth-related capital works projects, however in May 2025 the NZTA confirmed \$15M of Targeted Funding for resilience related work. Overall, there is a funding gap of more than \$50M for transport infrastructure. The consequences of the lack of capital funding and small reduction in MO&R will not immediately affect road safety and access. However, there will be challenges in meeting current levels of service targets, with increasing pressure on network congestion, and impediments to unlocking the region's economic growth potential.

To get the best value for money for our ratepayers, in the past Waikato District Council's strategy has been to only do work when we have received co-funding from NZTA on eligible new projects, repairs and maintenance. Waikato District Council has historically taken a conservative approach due to budget considerations, reducing the scope of forward works programmes. Despite this approach, many of the unfunded projects remained crucial for district wide transport network improvements and optimisation.

For the first two years of the 2025-2034 Long Term Plan, Council will continue with this conservative, co-funding-dependent approach to ensure affordability while still progressing essential transport improvements where possible.

Cost

Council consulted on options for increasing its contribution to roading activities through the 2025 Long Term Plan. The decision was to continue with the approach of only funding projects that have received co-funding from NZTA over the next two years (2025–2027). This approach allows Council to progress essential transport projects without requiring an increase to general rates. However, it means that projects without NZTA support will remain unfunded, and the backlog of deferred renewals will not be fully addressed within this timeframe.

Implications

This decision confirms a short-term funding direction that prioritises co-funded projects through the National Land Transport Programme (NLTP). The NLTP application is based on the Roothing Forward Works Programme and reflects the needs of the district's growing network, including improving asset condition, enhancing resilience, and maintaining road user safety. Unfunded projects fall into two main categories:

1. Safety Projects: Includes Road to Zero initiatives focused on improving safety outcomes across the network.
2. Growth and Infrastructure Efficiency Projects: Designed to support the demands of a growing district and improve network efficiency.

By delivering the full programme of NZTA co-funded projects, Council can maintain and improve service levels in key areas such as network resilience and safety. However, projects not supported by NZTA—particularly growth-related capital works—will remain on hold. This may limit the district's ability to support future growth, optimise the network, and could lead to further deterioration of road assets if renewals continue to be deferred.

Appendix A – About Our Water and Wastewater

Local Water Done Well is the Government’s plan to address decades of under investment nationwide in waters infrastructure through major structural change to the delivery of water services. The reforms introduce far reaching economic regulation, require financially sustainable delivery, and provide scope for alternative delivery structures, including for example, the creation of CCO to deliver water services.

By 3 September 2025 or earlier, councils must develop and submit a Water Services Delivery Plan (WSDP) to the Department of Internal Affairs, setting out how they will deliver drinking water, wastewater, and stormwater services and supporting infrastructure. The WSDP must identify the Council’s preferred delivery model and demonstrate how Waters assets will be managed to meet regulatory standards, be financially sustainable by June 2028.

As a result of Local Water Done Well, councils need to make significant decisions on the future delivery of water services.

A Council meeting held 12 September 2024, Hamilton City Council confirmed its preferred response and long-term solution to Local Water Done Well would be a multi-council regional or Future Proof sub-regional wastewater and drinking water asset-owning waters company, which also provides stormwater services back to councils. On 24 September 2024, Waikato District Council agreed to co-designing an asset owning CCO with Hamilton City Council. Both Councils agreed to consult with their respective communities on a joint CCO as their preferred options on 12 and 13 December 2024 respectively. Final decisions could not be taken until after consultation concluded.

a. Waikato District Council’s consultation took place 11 April 2025 – 11 May 2025 with hearings 20 – 21 May 2025. Hamilton City Council’s consultation took place between 24 March 2025 and 27 April 2025; with hearings on 6 May 2025.

b. Under the Local Government (Water Services Preliminary Arrangements) Act 2024, when deciding whether or not to establish a joint water services CCO, Councils may also take into account the views of people in communities in the joint service area (as well as the views of people in the authority’s communities). Hamilton City Council and Waikato District Council have opted to do so in these deliberations.

c. Although work was done with Waipā District Council on the option of a three Council CCO, on 26 February 2025, Waipā opted to proceed with an alternative regional CCO model based around rural councils. This does not preclude the CCOs (if formed) working together in the future.

75% per cent of respondents to Waikato District’s consultation supported Hamilton City Council and Waikato District Council forming a joint asset-owning, Council Controlled waters Organisation. 74% of Hamilton City Council respondents supported the joint asset owning CCO.

Legislation:

The Government’s Local Water Done Well policy is supported by new and still evolving legislation.

The Water Services Acts Repeal Act repealed the Water Services Entities Act 2022, Water Services Legislation Act 2023 and the Water Services Economic Efficiency and Consumer Protection Act 2023.

The Act reinstated previous legislation related to the provision of water services (including local government legislation). This restored continued council ownership and control of water services, and responsibility for service delivery.

The second Act, the *Local Government (Water Services Preliminary Arrangements) Act 2024*¹, was enacted in September 2024 and puts in place several initial arrangements and requirements that will support

the transition to Local Water Done Well. One of these requirements is to prepare a Water Services Delivery Plan ensuring the delivery model is economically sustainable and able to meet required regulation standards.

Implications

Under the existing water services model Waikato District Council will continue to face a fundamental challenge of being able to fund and deliver the levels of infrastructure investment needed to support growth and development within the district through a ratepayer-funded model.

This challenge has been amplified by the Government’s policy announcement under the National Policy Statement on Urban Development (which requires councils to provide zoned and serviced land able to accommodate 30 years of future.

The risks under the status quo (contracting of services) model are significant as:

- Affordability of our water services for rate payers to receive the current level of service.
- Waikato District Council will find it incredibly challenging to meet its obligations to Te Ture Whaimana o Te Awa te Waikato (protecting and enhancing the health and wellbeing of the Waikato River and its catchment), including water and wastewater environmental allocations.
- Waikato District Council will contribute to prolonged delays in building housing which may result in an increase in housing unaffordability within the district.
- Waikato District Council will have limited capacity to service residential, business and/or wet industry.

- Delay in activating local and sub-regional growth in planned development areas and in ‘Fast Track’ growth areas around Hamilton city (a significant component of these areas is within the Waikato district).

Key Issues

For each of the key issues identified in Section 3, further detail has been provided against each of the water and wastewater infrastructure (Table 1).

Key Issues and Principle Options







The principle options for assessing the key infrastructure issues are described in the table below (Table 2). For each principle options, the impact and estimated costs are discussed with the preferred option identified.

For year 1 (2025/26) the preferred option has been incorporated into the 2025 LTP budget. The anticipated sum of the investment (\$) over the nine years of the 2025 LTP period is included in Table 2, however a Water Services Strategy will be developed and consulted with the community by June 2026 which will establish the forward works programme and budget requirements for water and wastewater services.

The principle options take the form of comparing the status quo to meeting our statutory obligations, desired Levels of Service or not addressing the issue adequately. The principle options focus on the investment into our infrastructure, however also the services that are provided by the infrastructure.

¹ Reference Local Government (Water Services Preliminary Arrangements) Act 2024

Table 5: Key issues described per infrastructure group.

 Key Issues	 Facilitating Growth	 Natural Hazards and Climate Change
 Stormwater	Existing stormwater networks lack capacity for new development runoff, driving demand for pipes and treatment.	Managing climate impacts by improving overland flow paths for extreme weather resilience.
 Wastewater	Meeting future growth. Leading supply of pipe networks and leading demand of treatment plants.	Minimising the number of discharges to the environment, reduce environment effects and optimise operational efficiency.
 Water Supply	Future growth, driven by residential demand, requires more pipes and treatment capacity. Leading supply of pipe networks and leading demand of treatment plants.	













 Affordability	 Ageing Infrastructure	 Changing Priorities and Legislation	 Geographical Size of District
Stormwater capacity struggles with intensifying storms, raising insurance and infrastructure costs.	Cost increase as assets age. Legislation and standards require changes to infrastructure.	Implementing stormwater source treatment infrastructure to meet legislative requirements e.g. healthy rivers is increasing cost. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.
Changes in insurance costs. Pricing of building infrastructure and resources to deliver.	Planning for and adapting to climate change. Cost increase as assets age. Legislation and standards require changes to infrastructure.	Compliance with statutory obligations and meeting levels of service. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.
Ensuring quality efficient and sustainable infrastructure. Changes in insurance costs. Pricing of building infrastructure and resources to deliver.	Cost increase as assets age. Legislation and standards require changes to infrastructure require changes to infrastructure.	Ensuring the protection and improvement of public health and safety. Changes in legislation and policies.	Growth requires more infrastructure, planning, and adaptable services for diverse communities.

Table 6: Summary of Infrastructure Investment – Key Issues and Principle Options.

Activity	Significant Issues	
 Wastewater	Facilitating Growth Tuakau and Pokeno are serviced by the Pukekohe wastewater treatment plant, managed by an agreement with Watercare Auckland. The treatment plant is nearing capacity causing constraints on future development in the northern area of the district.	
	Affordability and Ageing Infrastructure Huntly and Ngaruawahia Wastewater Treatment plants are nearing the end of their consented period, and all require upgrading to meet environmental standards and growth demand.	
	Changing Priorities and Legislation The traditional method of water discharge back into the environment (direct to water sources) is not supported by the tikanga and mana of wai. Alternative discharge options have been explored through the upgrading of wastewater treatments plants in Huntly, Te Kauwhata and Raglan, to align with Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River.	
 Water Supply	Facilitating Growth and Affordability New reservoirs are required in Te Kauwhata and Tamahere / Matangi to continue supplying those growing townships with water supply that meets the current standards and maintains the level of service.	
	Natural Hazards, Climate Change and Affordability Raw water intake from the Waikato River is fluctuating in water quality causing a longer and more expensive treatment, resulting in slowed production.	
	Ageing Infrastructure Renewals of water treatment plant infrastructure to maintain the facilities and improvements to meet water quality standards.	

* Subject to the confirmation of a Joint CCO Water Services Strategy 2026.

Options	Implications	Cost	Preferred Option
1. Upgrade the trunk main piped network to the Pukekohe treatment plant and negotiate with Watercare Auckland for further capacity at the treatment plant.	Utilises existing facilities and arrangements to provide this service.	\$55.9m	1
2. Evaluate alternative solutions to provide wastewater treatment services in the northern district including establishing a treatment plant within the northern area of the district.	Significant capital costs to establish a new site and facility to provide this service for the northern area of the district. Significant scenario testing on location and operation still required to further explore this option. This option would provide Council with control on decision making and enabling future growth.	\$100m	
1. Programme a phased and staged approach with treatment plant upgrades to meet environmental standards and current demand, while being designed in a layout that enables additional capacity to be built in the future for growth demand.	Raises the treatment plant to the required standard to meet consenting requirements and maintains the level of service for the existing community only, while enabling growth to be catered under future scheduled capacity. The staged approach is a 'leading demand' approach and enables alternative funding sources to be sought for growth demand.	Huntly example: \$14.46M (year2025/26) + \$10.3m (year 2026/27)	1
2. Construct the full design to meet environmental standards and growth demand at once.	Raises the treatment plant to the required standard to meet consenting requirements and provides adequate capacity for growth to occur sooner. This is a 'leading supply' approach.	Huntly example: \$14.46M (year2025/26) + \$10.3m (year 2026/27)	
1. Upgrade discharge to natural bodies of water as primary discharge option.	Against cultural practice and Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River.	Raglan example: Discharge to estuary (on outgoing tide) \$5m	2
2. Establish new discharge to land as primary discharge option.	Supported of cultural practices and Te Mana o Te Wai o Waikato – Vision and Strategy of the Waikato River.	Raglan example: Discharge to land \$5.3m	
1. Build two reservoirs in Te Kauwhata and one in Tamahere / Matangi.	Facilitates the growth demand for water supply.	\$11.8m	1
2. Do not build the new reservoirs until alternative funding sources can be found.	Reduce the level of service for new dwellings or constrain growth in the short term until project can be funded.	\$0	
1. Maintain operational costs and manage raw water quality on a case-by-case basis.	Increase risk in not meeting demand for water supply when the Waikato River water quality fluctuates.	\$8m	2
2. Increase operational costs and prepare for increasing fluctuations in raw water quality.	Reduced risk and increase ability to maintain ability to meet water supply to a safe standard.	\$9m	
1. Complete renewals programme as forecasted, including a new roof at Huntly water treatment plant and upgrades to treatments plant equipment.	Reduce maintenance costs on renewed assets and reduce risk of not meeting water quality standards.	\$35.9m	1
2. Delay or reduce the renewals programme on facilities.	Increasing maintenance costs of facilities and assets as they near end of life and increase risk in not meeting water quality standards.	Not forecasted	

Infrastructure Investment and Strategic Direction

Since we cannot invest in everything all at once, we must rely on our strategic priorities and carefully assess the challenges we face to determine where to invest in infrastructure.

A joint Water Services Delivery Plan (WSDP) is being developed at the time of adopting this Strategy, The WSDP considers a sub-regional approach and, for water and wastewater infrastructure, takes precedence over this Infrastructure Strategy.



Water and Wastewater

Overview and Strategic Direction

Waikato District Council (WDC) requires continued and ongoing investment in its three waters infrastructure to maintain service levels, improve resilience, and support growth. The supporting networks and treatment plants span multiple townships meaning multiple investments are required in each township to deliver the same service to each community. For further information and assessment of projects, please refer to the Waters Asset Management Plan and supporting documents.

All the urban areas within the WDC boundaries are experiencing significant growth. That growth, in some cases, is arriving at a faster rate than is planned and is causing constraint.

Central Government has put a lens of local government water delivery. Local Waters Done Well, requires Local Territorial Authorities (LTA) to invest in waters infrastructure that enables residential housing growth and compliance.

Over the next 30 years, WDC aims to balance maintenance, renewals, and capital investment to ensure a safe, efficient, and sustainable water, wastewater and stormwater network that supports both WDC and regional growth aspirations. However, the size of the capital required, and the affordability issue means it is costly to our communities.

This section focuses on water and wastewater, with stormwater being addressed in Section 5.2.

The activity strategic plans provide a snapshot of the challenges and investment required for each of the two waters activities (water and wastewater). This provides an insight into the current state of asset management and the 30-year direction of these asset groups. This Appendix A outlines Council's recommended approach to water and wastewater infrastructure management and investment timing, alongside all other infrastructure groups.

Wastewater

Within the next five years, all of the district's major wastewater treatment plants (WWTP) will require resource consent renewal and upgrading. Council has been moving away from ponds-based systems to more advanced forms of wastewater treatments to ensure environmental compliance. With changes to environmental standards and increased population, it is often found renewal of existing infrastructure requires greater investment to accommodate higher regulatory standard and growth

The district's growth in Tuakau and Pokeno is supported by Auckland as wastewater is sent, under agreement, to the Pukekohe WWTP owned by Watercare.

A program of WWTP upgrades has been scheduled to maintain Levels of Service, support growth, meet environmental compliance, provide resilience, and give effect to Te Ture Whaimana.

With changes to environmental standards and increased population, it is often found renewal of existing infrastructure requires greater investment to accommodate higher regulatory standard and growth.

Water Supply

Water treatment plants (WTP) and reservoirs are required to deliver safe drinking water to our communities. Significant process improvements are proposed to WDC's older treatment plants in

Ngaaruawaahia and Huntly. These two treatment plants are connected by a transmission main, and future capacity growth is also proposed at Ngaaruawaahia where there is less variability in the raw water quality.

Council will continue to ensure the potable water supply meets regulatory standards and can accommodate growth.

Our rural trickle feed supplies require investment to reservoirs, to ensure water security and demand management in order to maintain Levels of Service and provide for growth.

Challenges and Investment Needs

Ageing Infrastructure:
WDC faces deteriorating infrastructure due to age. Ageing water and wastewater treatment plants and our three waters networks require ongoing investment to maintain Levels of Service and improve resilience.

Council has a renewal program based on prudent asset management which ensures aged and deteriorating infrastructure is replaced or renewed on failure or at the end of its operational life.

With changes to environmental standards and increased population, it is often found renewal of existing infrastructure requires greater investment to accommodate higher regulatory standard and growth.

Resilience Against Climate Change:
Increasing extreme weather events and intensification of rainfall are causing increased flooding and erosion, which makes it necessary to drainage, stream and riverbanks, stormwater networks, manholes and pump stations. This places pressure on raw water quality and the ability to discharge wastewater into the receiving environment.

Limited funding requires a targeted approach to resilience improvements.

Population Growth and Urbanisation:

Urban growth and housing intensification is increasing demand on networks and treatment plants.

This growth is supported by Auckland as wastewater is sent under agreement, to the Pukekohe WWTP owned by Watercare. The capacity at the plant and within our wastewater trunk main is constrained, meaning Council needs to limit growth and new consents until a new servicing strategy is determined.

Strategic Investment Plan

Maintenance and Renewals:
Sustained funding increases are necessary to preserve the network, continue proactive asset management and upgrade WWTP to enable resource consent compliance.

Capital Upgrades and Expansions:
Strategic investments will focus on resilience, growth-driven upgrades, and compliance.

Sustainable Water:
Under Local Waters Well, WDC is required to ensure water is delivered sustainably.

Implementation and Funding Approach

Funding Strategy:
WDC utilises a district wide rate funding model to ensure all WTP, WWTP and three waters networks operations and maintenance are paid for across the district by all connected ratepayers.

Procurement and Delivery:
WDC will transition from Watercare to a joint CCO model with Hamilton City Council by July 2026.

Monitoring and Performance:
Key performance indicators will track Levels of Service and compliance. Taumata Arowai continues to be the regulator for water and has oversight on wastewater and stormwater. Under Local Water Done Well a new economic regulator will be introduced from July 2025.

Conclusion

Strategic investments will focus on resilience, growth-driven upgrades, and compliance, and this will mean sustained funding increases are necessary to ensure network capacity and resilience, continue proactive asset management and upgrade WWTP to enable growth and resource consent renewal and compliance.

WDC utilises a district wide rate funding model to ensure all WTP, WWTP and three waters networks operations and maintenance are paid for across the district by all connected ratepayers.

Waters delivery is in a time of change. WDC has a well mapped out plan over the next nine years that ensures the districts will be well served and that those plans can be adopted into the establishment plan of the new CCO. Under current legislation, water services will continue to be reviewed through the Water Services Delivery Plan and subsequently the Water Services Strategy to ensure continuity to our communities and ongoing investment to deliver three waters that meets our community’s needs is achieved.

30-year Capital Forecast

The capital expenditure for the next 10 years has been produced from the asset management planning framework, considering each option and scenario.

This assessment is detailed within the asset management plans and principle options which address key infrastructure issues are detailed above in Section 5.2, 5.3 and Appendix A.

Year 1 to 10 Capital Expenditure with Waters

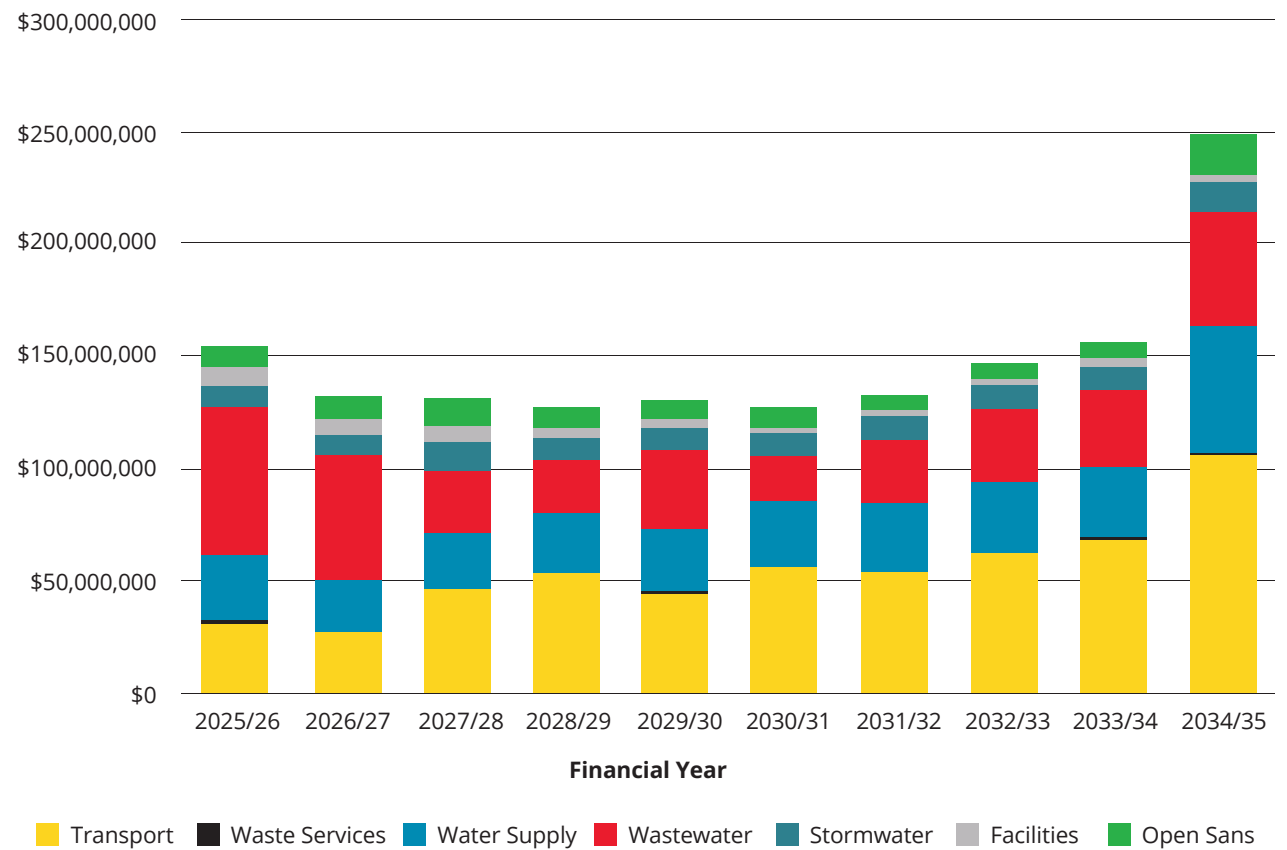


Figure 1: Year 1 to 10 Infrastructure Annual Capital Expenditure of all infrastructure groups.

Year 1 to 30 Infrastructure 5 Yearly Capital Expenditure

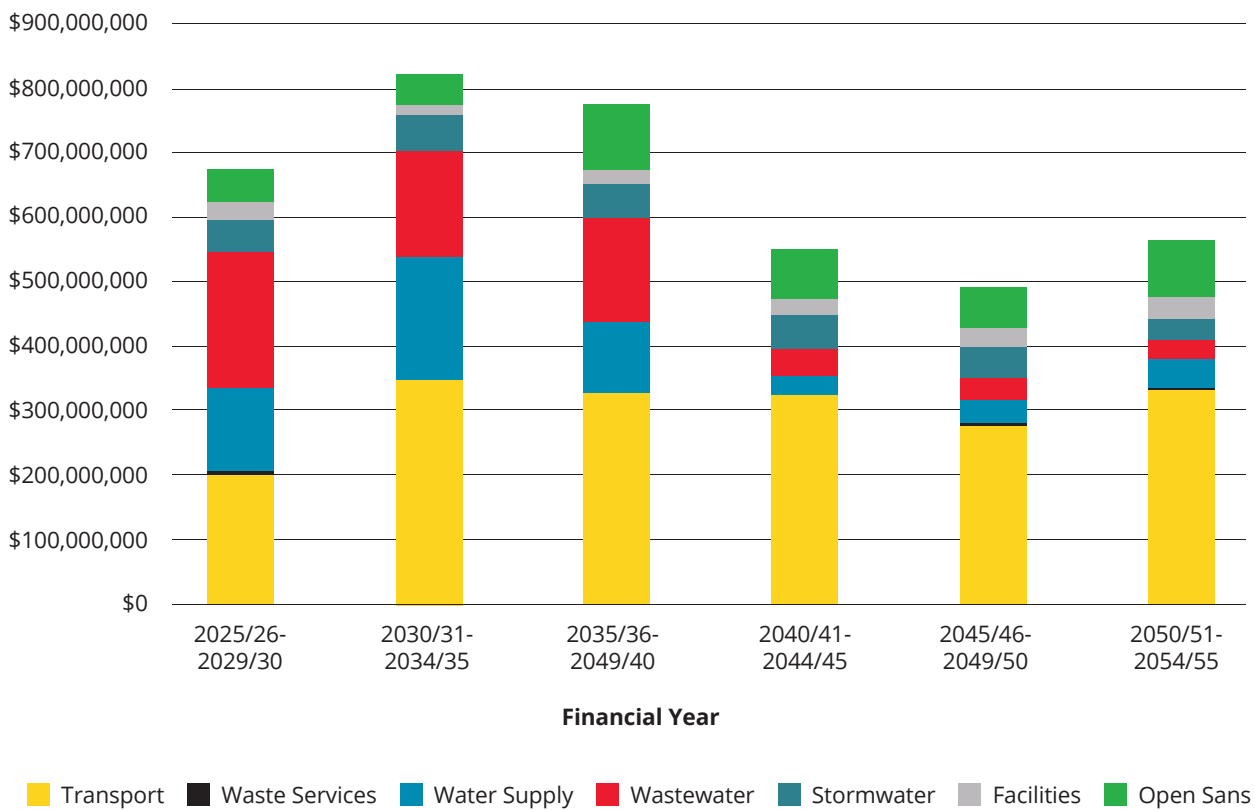


Figure 2: Year 1 to 30 Infrastructure 5 yearly Capital Expenditure with Water & Wastewaters.

30-year Capital Forecast

The operational cost addresses the repairs, maintenance, and operation of services to ensure the assets meet the appropriate level of service.

The forecasts for the first nine years are investigated in the AMPs and longer-term estimates are calculated based on consequential operation costs of acquiring additional new assets (Council built and vested).

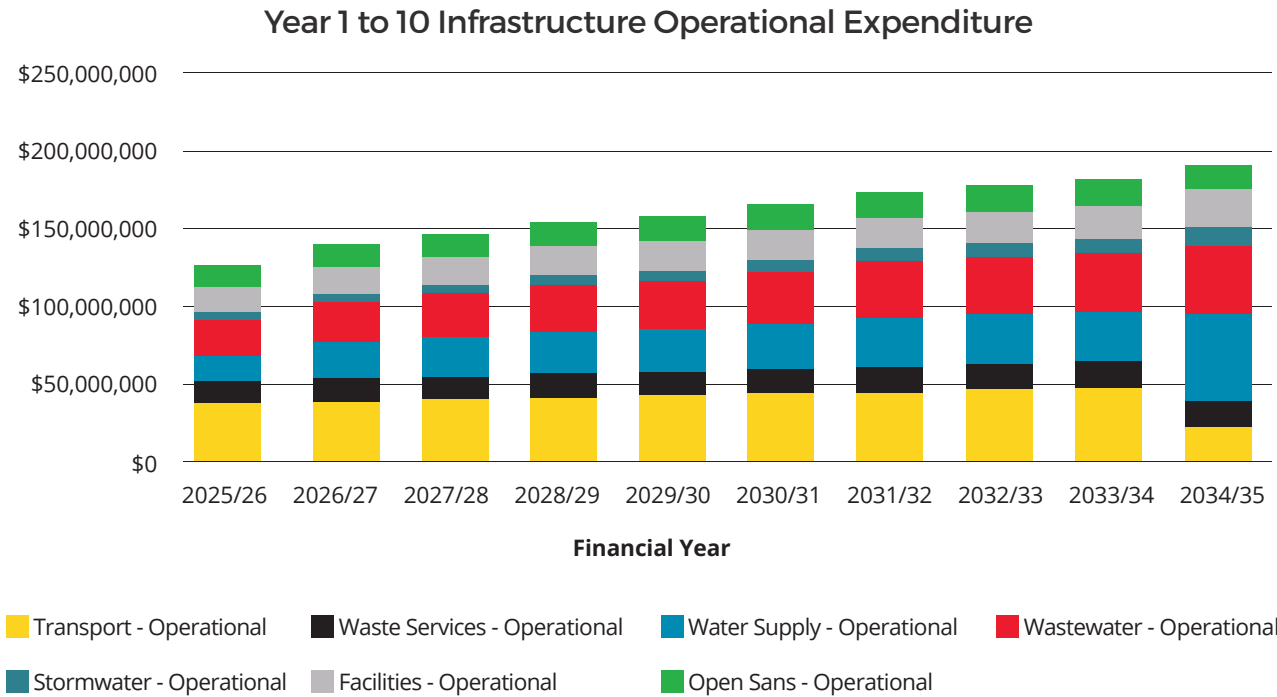


Figure 3: Year 1 to 10 Infrastructure Annual Operating Costs of all infrastructure groups.

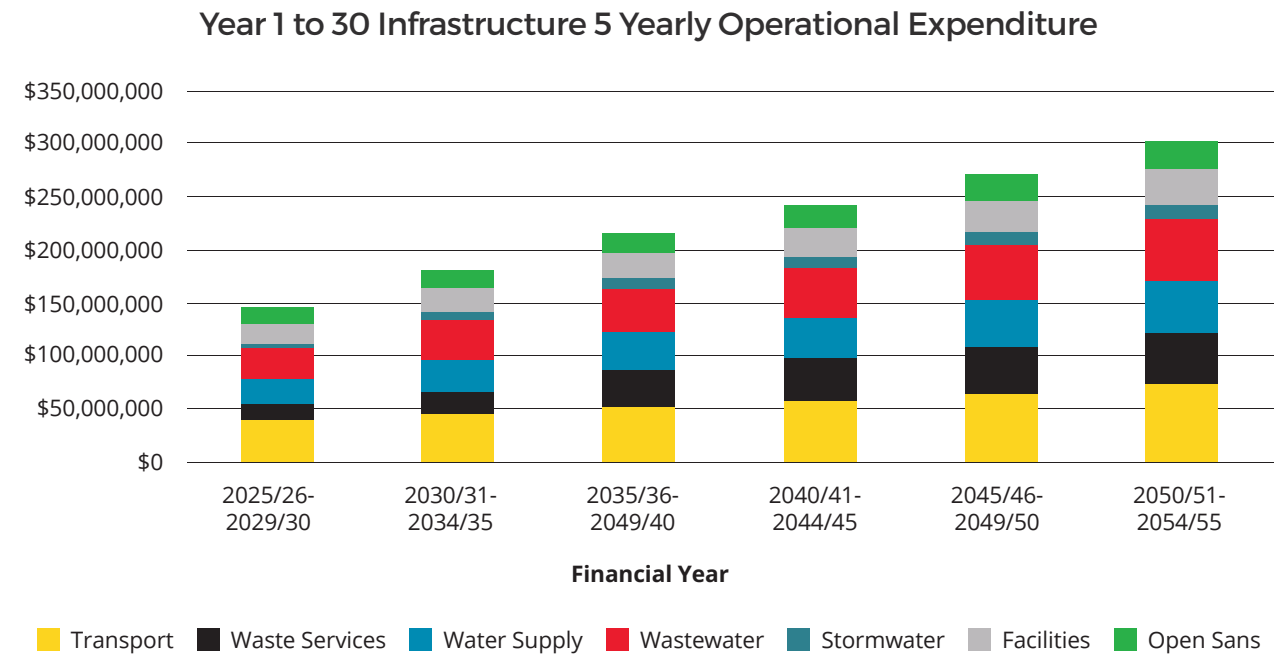


Figure 4: Year 1 to 30 Infrastructure 5 yearly Operating costs of all infrastructure groups.

Activity Summary

The below (Figure 5) shows how the expenditure of infrastructure groups is split between operational and capital costs. Refer to Appendix B and the associated AMPs for a deeper dive into the activity summaries on our website.

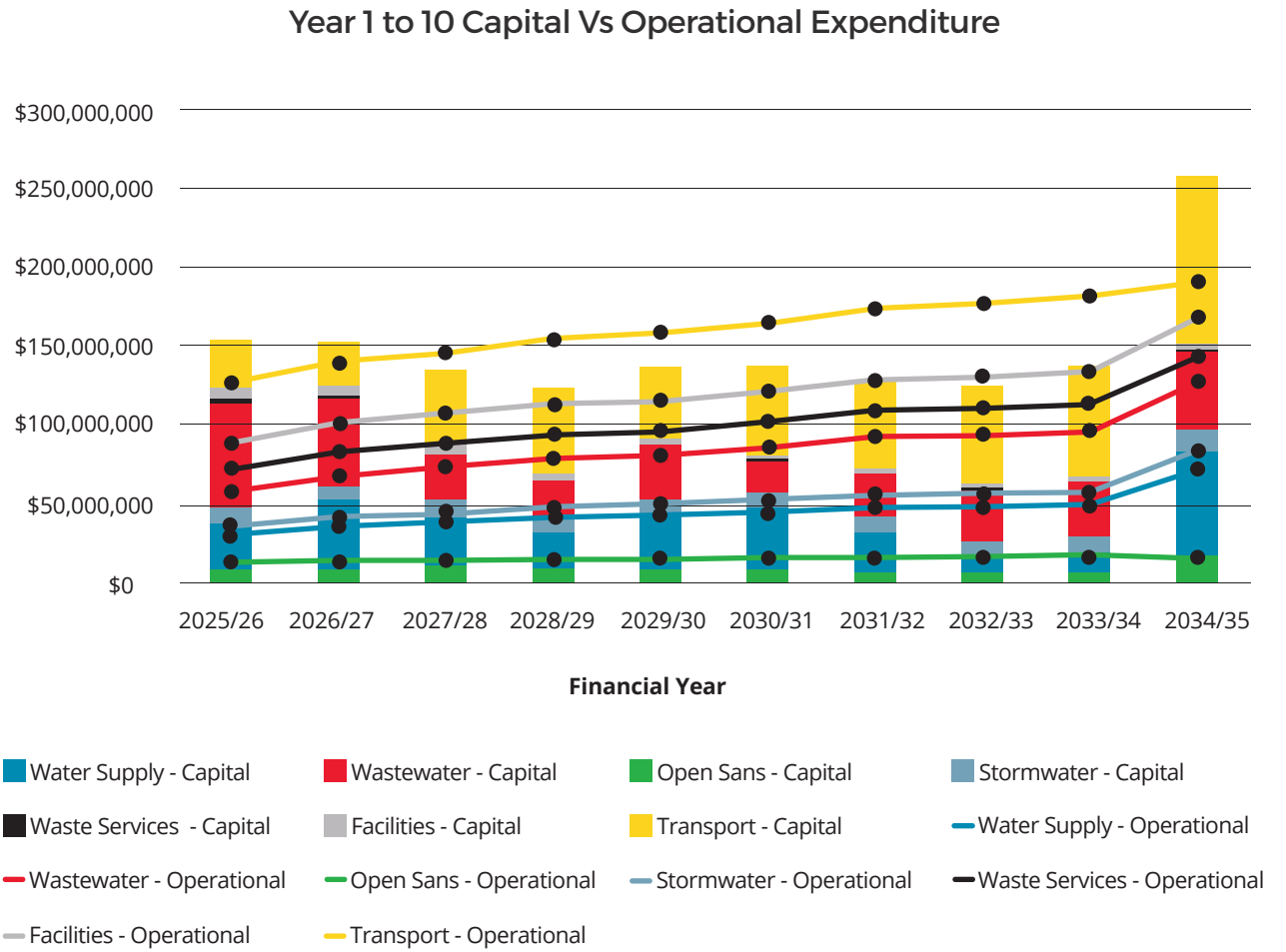


Figure 5: Year 1 to 10 Split of Operating and Capital Expenditure of all infrastructure groups.

Section seven

Council Controlled Organisations

Ngaa Toopuutanga a te Kaunihera

Council operates four council controlled organisations (CCOs). These organisations independently manage facilities and deliver services, with the exception of Strada Corporation Limited, which wound up activities during the 2016/17 financial year. The following information explains what the organisations do and how their performance is measured.



Strada Corporation Limited

Strada Corporation Limited (formerly Tanlaw Corporation prior to 1 July 2009) was established in 1992 as a wholly owned CCO. The Council wished to separate the planning and development of its work programme from the physical works. Strada was established to achieve this and to operate as a profitable business for the Council's benefit, and ultimately Waikato District ratepayers.

The company generally traded profitably and provided significant dividends that supplemented Council's income. However, in recent years in a more competitive market Strada had difficulty securing maintenance contract work and when the

opportunity arose during 2015/16 to sell Strada's joint venture the decision was made to wind up operations.

The operational assets were sold during 2016/17 and liabilities extinguished. While Strada has remained open in order to receive the final settlement payments in relation to the disposal of its previous interest in the joint venture (Waikato Quarries Limited), it is no longer a going concern.

As Strada is no longer trading, management have elected to file a non-active declaration with Inland Revenue.



Waikato Regional Airport Limited

In 1989, Council along with three other local authorities purchased the Crown’s 50% shareholding in the Waikato Regional Airport Limited. The purchase increased Council’s shareholding to 15.625%. At the time Council considered the airport to be a significant infrastructural asset for the region and important to economic growth and development. Council’s shareholding is considered a strategic asset. The airport also operates a tourism subsidiary which aims to promote the region to tourists. Council contributes separately to this entity.

The airport has the following core purpose and key objectives for the business:

Core Purposes

1. Enable air services to the region.
2. Support and develop aviation through investment in, and provision of, airport infrastructure and support services for both general aviation and commercial airline activities.
3. Operate a first class, safe, sustainable and compliant airport that connects the Mighty Waikato to New Zealand and beyond.
4. Strategic positioning of the business to enhance capital value and be financially self-sustaining through an income diversification strategy.

Key Performance Targets relating to core purposes and key objectives

	2026	2027	2028
Earnings Before Interest and Tax Depreciation Amortisation excl Land Sales	\$6.0m	\$8.0m	\$9.0m
Earnings Before Interest and Tax Depreciation Amortisation incl Land Sales	\$6.0m	\$13.0m	\$14.0m
Net Profit Before Tax no less than	\$3.0m	\$8.5m	\$9.0m
Net Operating Cash Flow	\$4.5m	\$6.0m	\$10.0m
Percentage of Non-Landing Charge Revenue	60%	60%	60%
Interest Coverage	2.0x	3.0x	3.0x
Total Debt	\$70.0m	\$70.0m	\$70.0m
Shareholder value	\$254.0m	\$275.0m	\$289.0m

Key Objectives of the WRAL Group

1. Operate an efficient and compliant airport.
2. Enhance the traveller experience.
3. Maintain a viable aeronautical business.
4. Future proof the airport.
5. Maximise long-term income from diverse non-aeronautical business opportunities stemming from optimisation of land and property holdings.
6. Develop and optimise the land holdings of the Group to generate a long-term property income from a diversified property portfolio.
7. Investing in an organisation-wide strategy taking a holistic view of employee wellbeing.
8. Sustainability.
9. Assist in the development and marketing of the Hamilton and Waikato region as a destination to domestic and internation visitors.
10. Creating a cultural legacy that authentically embraces and values Maaori tikanga and te reo.

Waikato Local Authority Shared Services Limited

Local authorities of the Waikato region established Waikato Local Authority Shared Services

(WLASS) Limited during 2005/2006. The company trades under the name “Co-Lab”. It is currently owned and controlled by 12 local authorities of the region, being Waikato Regional Council, Hamilton City Council, Hauraki District Council, Matamata Piako District Council, Otorohanga District Council, Rotorua District Council, South Waikato District Council, Thames-Coromandel District Council, Waikato District Council, Waipa District Council, Waitomo District Council and Western Bay of Plenty District Council.

The Co-Lab Board has six directors, and independent chair and council representatives appointed by Hamilton City Council, Waikato Regional Council, Central Waikato, East Waikato and South Waikato.

These local authorities have worked closely together over the years on mutually beneficial joint projects.

The company generates savings for them through economies of scale and additional purchasing power. It also creates value in other ways, for example, reducing duplication of effort.

Performance reporting

Co-Lab’s vision, purpose and the outcomes it seeks are encapsulated in its performance framework (see below).

Co-lab has three main functions:

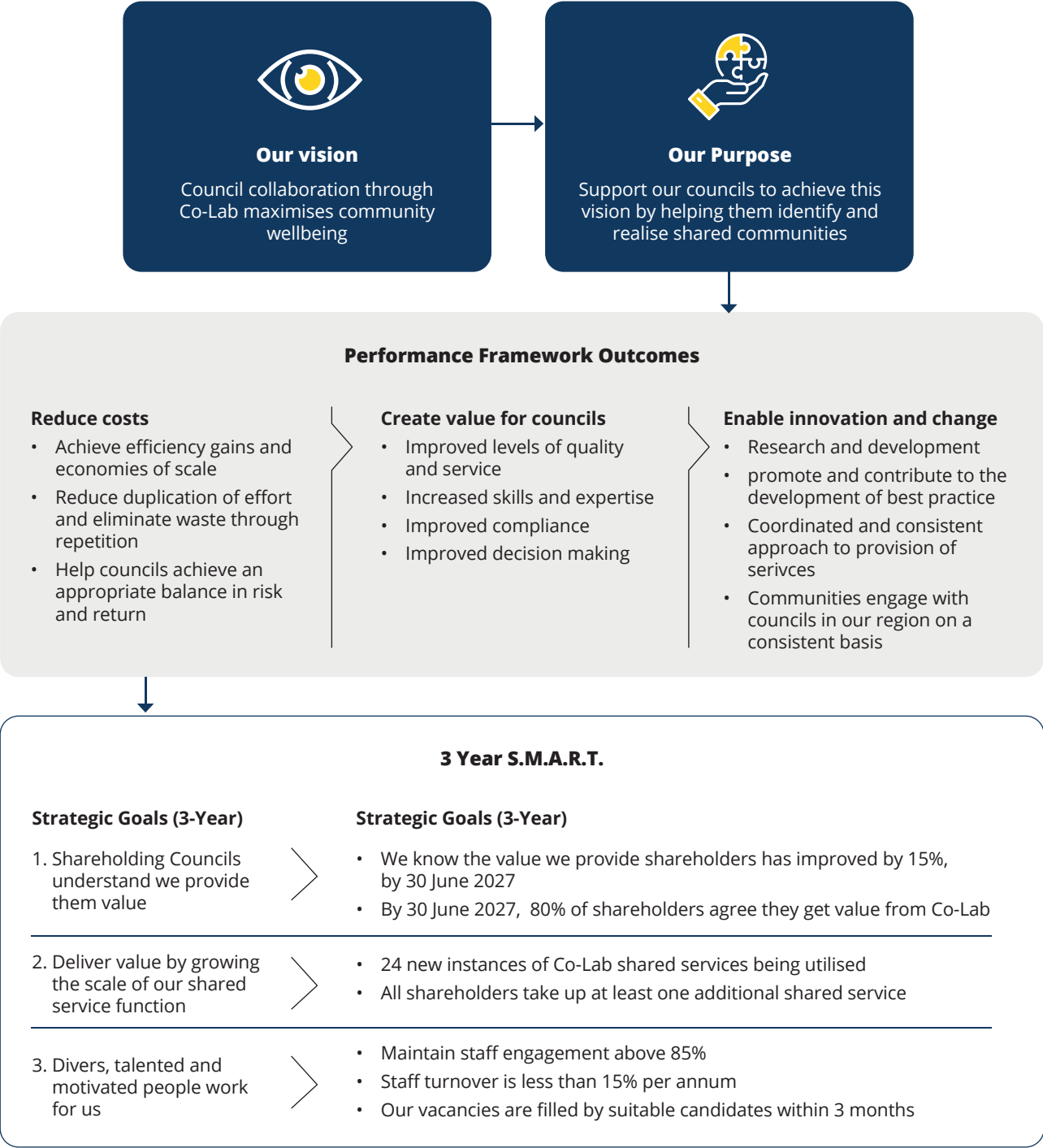
1. Acting as an ideas laboratory for developing opportunities that create value to councils;
2. Providing shared services to councils; and
3. Entering joint procurement arrangements for the benefit of councils.

Performance measures

Co-Lab continues to operate under its three-year strategy which was adopted from the 2024 Statement of Intent.

The following annual Key Performance Indicators are used:

Strategic goal	3-year Objective	Annual KPI
Shareholding councils understand we provide them value	<ul style="list-style-type: none">• We know the value we provide shareholders has improved by 15%, by 30 June 2027* (baseline y/e 30 June 24).• By 30 June 2027, 80% of shareholders agree they get value from Co-Lab.• All shareholders take up at least one additional shared service. <p>*Based on the regional benefits of collaboration (not an individual council’s benefits from collaboration).</p>	<ul style="list-style-type: none">• Year-on-year increase in the value we provide to councils.• 80%+ of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey).• Year-on-year increase in the utilisation of services we provide to councils.
Deliver value by growing the scale of our shared service function	24 new instances of Co-Lab shared services being utilised, by June 2027. (baseline y/e 30 June 24).	<ul style="list-style-type: none">• Year-on-year increase in the utilisation of services we provide to councils.• Year on Year increase in the number of services available to councils.
Diverse, talented and motivated people work for us	<ul style="list-style-type: none">• Maintain staff engagement above 85%.• Staff turnover is less than 15%.• Our vacancies are filled by suitable candidates within 3 months. <p>(All baselined y/e 30 June 24).</p>	<ul style="list-style-type: none">• Maintain staff engagement above 85%.• Staff turnover is less than 15%.• Vacancies are filled by suitable candidates within 3 months.



Co-Lab will continue to operate under its three-year strategy which was adopted from the 2024 Statement of Intent

IAWAI Flowing Waters

Joint Waikato District Council and Hamilton City Council (HCC) asset owning CCO

Introduction

The IAWAI Flowing Waters Council-Controlled Organisation (CCO) is a joint delivery model established by Hamilton City Council and Waikato District Council. Its purpose is to provide equitable, affordable, and consistent water services across both districts. The CCO will maintain the existing level of service whilst providing for the region's future growth, economic development, and the councils' shared commitments to Te Ture Whaimana o Te Awa o Waikato and Te Tiriti o Waitangi.

By creating a dedicated water services entity, the councils aim to enhance financial capacity, improve investment flexibility, and strengthen the ability to safeguard the health and wellbeing of the Waikato and Waipaa rivers, and Whaaingaroa moana.

Purpose of IAWAI Flowing Waters

The CCO will deliver a range of benefits, including:

- Enabling the faster delivery of critical infrastructure to support compliance, housing, and industrial development.
- Supporting improved environmental outcomes for the Waikato River through coordinated catchment management.
- Allowing councils to better manage costs and respond to climate change challenges.
- Improving emergency response capability through dedicated service capacity.
- Establishing a larger, specialist organisation capable of attracting and retaining skilled talent.
- Enabling cross-boundary investment and service delivery by removing current limitations tied to individual council boundaries

Ownership Structure

- Hamilton City and Waikato District will be the establishment shareholders.
- The CCO will own and manage water supply infrastructure and wastewater assets, with financial and performance accountability to the shareholding councils.
- Stormwater assets will remain council-owned, with the CCO managing under contractual arrangements with councils.

Scope of services

The CCO will own, operate, and manage:

- All water supply infrastructure and services, including abstraction, treatment, distribution, and supply of drinking water.
- All wastewater infrastructure and services, including collection, treatment, and disposal.

In addition, the CCO:

- May contract or partner with other entities to deliver parts of its services.
- May provide services to other local authorities or water service entities by agreement.
- Will deliver stormwater services on behalf of each council under contract. This includes strategy, planning, consenting, project design and delivery, operations, maintenance, and related engineering services, with an initial focus on urban areas.
- May provide non-urban stormwater services or support water-related infrastructure in parks, transport corridors, and other public assets, where aligned with council strategies and service agreements.

Performance measures

Water Supply Levels of Service and Performance Measures

Note: In 2025/26 (year 1) Council will deliver the level of service defined in the table below. From 2026/27 (year 2) onwards the joint CCO with Hamilton City Council will deliver the defined level of service. In 2025/26 (year 1) the performance measures will fall under clause 4 of schedule 10 of the Local Government Act 2002. As the CCO will be established from 1 July 2026, from year 2 onwards the performance measures will fall under clause 7 of schedule 10 in the Local Government Act 2002

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Safety – The community can expect a quality water supply that protects people's health and supports industry requirements.	We will provide water supply that is safe to drink.	The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.4 T1 Treatment Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.5 D1.1 Distribution System Rule.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.7.1 T2 Treatment Monitoring Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.7.2 T2 Filtration Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.7.3 T2 UV Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.7.4 T2 Chlorine Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.8 D2.1 Distribution System Rule.♦	New measure.	Not applicable	100%	100%

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Safety – The community can expect a quality water supply that protects people's health and supports industry requirements.	We will provide water supply that is safe to drink.	The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.10.1 T3 Bacterial Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.10.2 T3 Protozoal Rules.♦	New measure.	Not applicable	100%	100%
		The extent to which the Council's drinking water supply complies with the drinking water quality assurance rule: 4.11.5 D3.29 Microbiological Monitoring Rule.♦	New measure.	Not applicable	100%	100%
Reliability / responsiveness – The community can rely on a continuous supply of water.	We will provide water supply that is reliable and ensure that water which is received has a good flow / pressure.	Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Attendance for nonurgent callouts: from the time that Council receives notification to the time that service personnel reach the site.♦	2023/24: 1 day.	Not applicable	≤5 Days	≤5 Days
		Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Attendance for urgent callouts: from the time that Council receives notification to the time that service personnel reach the site♦	2023/24: 31 minutes.	Not applicable	≤60 minutes	≤60 minutes
		Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Resolution of nonurgent callouts: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.♦	2023/24: 1 day.	Not applicable	≤5 Days	≤5 Days

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Reliability / responsiveness – The community can rely on a continuous supply of water.	We will provide water supply that is reliable and ensure that water which is received has a good flow / pressure.	Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the median response time. Resolution of urgent callouts: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.♦	2023/24: 85 minutes.	Not applicable	≤240 minutes	≤240 minutes
		The total number of complaints received by Council on drinking water clarity, drinking water taste, drinking water odour, drinking water pressure or flow, continuity of supply, and Council's response to any of these issues, expressed per 1,000 connections to Council's networked reticulation system.♦	2023/24: 10.74.	Not applicable	Less than or equal to 25 per 1,000 connections	Less than or equal to 25 per 1,000 connections
Sustainability – The community can expect a water supply network that minimised wastage.	We will ensure we don't waste water and that we consider the needs of future generations.	The average consumption of drinking water per day per resident within the Waikato district.♦	2023/24: 166L.	Not applicable	250L	250L
		The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this).♦	2023/24: 26%.	Not applicable	28%	28%
♦ Mandatory measure required by the Department of Internal Affairs.						

Wastewater Levels of Service and Performance Measures

Note: In 2025/26 (year 1) Council will deliver the level of service defined in the table below. From 2026/27 (year 2) onwards the joint CCO with Hamilton City Council will deliver the defined level of service. In 2025/26 (year 1) the performance measures will fall under clause 4 of schedule 10 of the Local Government Act 2002. As the CCO will be established from 1 July 2026, from year 2 onwards the performance measures will fall under clause 7 of schedule 10 in the Local Government Act 2002.

What is important for this activity (major aspects)	What the community can expect from us (level of service)	How we will measure our performance (performance measure)	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Safety – The community can expect the wastewater system to protect people's health and our environment.	We will minimise risks to public health and our waterways.	The number of dry weather sewerage overflows from Council's sewerage system, expressed per 1,000 sewerage connections to the sewerage system.♦	2023/24: 0.91.	Not applicable	Less than or equal to 3 per 1,000 connections	Less than or equal to 3 per 1,000 connections
Reliability / responsiveness – The community can rely on our services to remove wastewater from properties.	We will provide a wastewater system that is reliable, efficient and effective.	Where Council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system, the median response time. Attendance time: from the time that Council receives notification to the time that service personnel reach the site.♦	2023/24: 42 minutes.	Not applicable	≤60 minutes	≤60 minutes
		Where Council attends to sewerage overflows resulting from a blockage or other fault in Council's sewerage system, the median response time. Resolution time: from the time that Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.♦	2023/24: 113 minutes.	Not applicable	≤240 minutes	≤240 minutes
		The total number of complaints received by Council about sewerage odour, sewerage system faults, sewerage system blockages, and Council's response to issues with its sewerage system, expressed per 1,000 connections to Council's sewerage system.♦	2023/24: 4.25.	Not applicable	Less than or equal to 10 per 1,000 connections	Less than or equal to 10 per 1,000 connections

What is important for this activity <i>(major aspects)</i>	What the community can expect from us <i>(level of service)</i>	How we will measure our performance <i>(performance measure)</i>	Targets			
			Baseline result	Year 1 2025/26	Year 2 2026/27	Years 3-9 2027/28 – 33/34
Sustainability – The community can expect us to minimise the pollution of the district's waterways caused by contaminants in stormwater runoff.	We will manage wastewater treatment and disposal to minimise harm to the environment.	Compliance with Council's resource consents for discharge from its sewerage system measured by the number of convictions received by Council in relation to those resource consents.♦	2023/24: 0.	Not applicable	0	0
		Compliance with the Council's resource consents for discharge from its sewerage system, measured by the number of Abatement Notices, Infringement Notices and Enforcement Orders received by the Council in relation to those resource consents.♦	2023/24: 2.	Not applicable	≤2	≤2

♦ Mandatory measure required by the Department of Internal Affairs.

Section eight

Audit Opinion

Huatau Taatari Kaute



To the reader:

Independent Auditor's Report on
Waikato District Council's 2025 34 long term plan

I am the Auditor-General's appointed auditor for Waikato District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 30 June 2025.

Opinion

In our 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 126-129 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.

Emphasis of matter – future of water delivery

Without modifying our opinion, we draw attention to pages 22, which outline that the Council has consulted on the future delivery model for water services and is planning to establish a jointly owned

council-controlled organisation with Hamilton City Council, to take effect from 1 July 2026. The jointly owned council-controlled organisation will own the water and wastewater assets and be responsible for delivering those services. The jointly owned council-controlled organisation will also provide stormwater services under contract as the stormwater assets will still be owned by the Council. The plan reflects these decisions.

There is some uncertainty as the proposal is yet to be accepted by the Secretary for Local Government. There is also uncertainty about the financial impact of this decision because details of the exact arrangements are still being considered.

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 Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- 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.

We are 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. We do not express an opinion on the merits of the plan's policy content.

Independence and quality management

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour; and
- quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.

Leon Pieterse, Audit New Zealand

On behalf of the Auditor-General,
Hamilton, New Zealand.

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