2024/25

Annual Report

Puurongo aa-Tau 2024/25

Te Kaunihera aa Takiwaa o Waikato
Waikato District Council

0800 492 452
www.waikatodistrict.govt.nz

Waikato District Council
Te Kaunihera aa Takiwaa o Waikato

What is an Annual Report?

He aha teenei mea, te Puurongo aa-Tau?

Every three years, we produce a Long Term Plan (LTP), which sets the direction of Council for the next 10 years. During the years in between, an Annual Plan is adopted which sets out the budget and funding sources for the year ahead. However, in 2024 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.

Annual reports, like this one, show you the progress we've made towards meeting the goals and intentions set out in both the LTP and the Annual Plan. It's our way of keeping you informed about our financial position after the 2024/25 year and highlights the work done in year four of the 2021-2031 LTP, as well as outlining how we've paid for it.

For more information, including details about our levels of service and our key financial policies, please refer to the LTP. This can be found on Council's website.

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Setting the scene

Ngaa aahuatanga o te takiwaa

Setting the scene

Ngaa aahuatanga o te takiwaa

Message from the Mayor and Chief Executive

Karere naa te Manu Kaahui me te Tumu Whakarae

Delivering value today while planning for tomorrow

As we reflect on the 2024/25 year, it's clear we are navigating one of the most challenging times in local government and a pivotal period for our district. With a growing population, rising expectations, and ongoing economic pressure, the need to focus on what matters most, delivering core services, maintaining affordability, and preparing for future growth, has never been more important.

This year, we made a conscious shift toward the essentials. We prioritised delivering high-quality services and infrastructure that our communities rely on every day; roads, water, waste, and facilities, while working within tighter financial parameters.

Council maintained its AA+ credit rating, reflecting strong financial management. This credit rating helps secure lower interest rates on borrowing, enabling us to invest more into essential infrastructure and services while keeping costs down for ratepayers.

Infrastructure under pressure

Maintaining and improving infrastructure remains a significant challenge in an environment of rising costs and constrained funding. Roads and water networks are lifelines for our communities, and this year we directed more than half of our total budget toward transport and water services. We introduced a new roading contract model this year, appointing two new contractors to improve service delivery, efficiency, and value for our communities.

Ngaaruawaahia marked a major milestone with the official opening of Festival Way and the newly constructed roundabout at the intersection of Great South Road, Regent Street and Old Taupiri Road. The Pookeno Main Street upgrade transformed the main street into a welcoming space for everyone and the River Road/Lake Road Roundabout and Gateway Drive project in Horotiu, providing access to the growing industrial estate at Horotiu, are just some of the roading projects completed across the district over the past year.

We continue to invest in water infrastructure, upgrading treatment systems to meet evolving environmental and regulatory standards. While this work comes at a considerable cost to residents connected to water services, it is essential to protect the long-term health and wellbeing of our communities and the environment. Two wastewater treatment plants were delivered for our communities in Raglan and Te Kauwhata, both on time and under budget.

Future delivery of our water services

A major milestone this year was the establishment of IAWAI - Flowing Waters, a new Council Controlled Organisation (CCO) jointly owned by Waikato District Council and Hamilton City Council. This entity reflects our commitment to securing safe, sustainable, and locally-governed water services for our communities. By working in partnership, we can create economies of scale, share expertise and achieve efficiencies, while keeping decision-making close to home.

Working with our communities

Through all of this, the strength of our communities continues to be a focus. This year we completed a wide range of community projects; from upgraded sports lighting at Onewhero Domain and the playground at Paterson Park Ngaaruawaahia, to Raahui Pookeka Huntly's new museum and cultural hub at the Huntly Rail Station, and many other projects across the district delivered in partnership with our communities.

We launched a series of Toituu Marae workshops, an important step in strengthening relationships with local iwi and hapuu, focusing on building genuine partnerships founded on mutual respect, reciprocity, and shared aspirations. These sessions provided a space for open koorero, helped deepen understanding of iwi and hapuu priorities, and laid the groundwork for more meaningful collaboration.

Our district's prosperity relies on the strength of our rural and urban partnership.

Rural areas contribute essential economic and environmental values that contribute to our social fabric, while urban centres provide infrastructure, innovation, and connectivity. Through our Rural Strategy, we will ensure rural needs are considered and investments made, so these communities can thrive alongside our urban areas—shaping a resilient district where inclusive planning, investment, and collaboration drive sustainable growth.

Looking ahead with purpose

The new 2025–2034 Long Term Plan, has been delivered with clear intent: to ensure value for our communities today, while planning responsibly for the Waikato district of tomorrow.

We stay focused on financial responsibility, transforming how we work to deliver better outcomes and strengthening trust though meaningful engagement. Every decision is made with our residents and ratepayers in mind, and every investment is about ensuring the Waikato district remains a great place to live, work, and thrive—now and into the future.

Ngaa mihi nui
Thank you very much

Jacqui

Her Worship, Jacqui Church
Mayor

Craig Hobbs
Chief Executive

Karere naa te Manu Kaahui me te Tumu Whakarae

Message from the Mayor and Chief Executive

He hua onaaianei me te whakamahere i te aapoopoo

I taa maatou tirotiro ki te tau 2024/2025, he maarakerake ake te kite i ngaa uauatanga moo ngaa kaunihera aa rohe me te hurihanga nui moo roto i too taatou takiwaa. I roto i ngaa pikinga taupori, ngaa pikinga hiahiatanga, me ngaa hereherenga ahu moni, me maatua aro puu ki ngaa mea nui – te tuku i ngaa ratonga tuaapapa, te uu ki te taha utu e taea ana te piikau, me te whakatikatika whakawhanaketanga.

Noo teenei tau whakatauria ai e maatou kia noho maataamua ko ngaa mea tuaapapa. Kua maataamua te tuku ratonga kounga, hanganga kounga o te ia raa hoki e hiahiatia ana e ngaa hapori; ngaa rori, ngaa wai, ngaa para, me ngaa waahanga tiaki taone, hakoa te itinga iho o te puutea.

I mau puu i te Kaunihera te tuuranga taurewa AA+, e kitea ana ai te pai o te whakahaere puutea. Maa teenei ine e ngaawari ake ai te tono nama me te whiwhi reiti iti ake ki aua nama, naa konei e taea ai e maatou te tuku puutea ki aua ratonga, hanganga tuaapapa nei mo ngaa hapori me te kore whakapiki i ngaa taake kaunihera a ngaa kainoho.

Ngaa toimahatanga kei ngaa hanganga

He mea uaua te whakapai me te whakatika hanganga i raro i ngaa peehitanga o te pikinga utu me te maaroo o te puutea tuku. Kei roto kei ngaa rori me ngaa iarere wai te oranga o ngaa hapori, ka mutu, i teenei tau whakapauria e maatou te haurua o te tahua ki aua rori me ngaa ratonga wai. I whakaputaina e maatou teetehi tauira kirimana hanga rori hou maa roto i te too mai i ngaa kaikirimana tokorua hou hei whakapai ake i, ngaa tukunga ratonga, te pai o te tuku me te whai hua o te tuku, ki o maatou hapori.

He tutukihanga nui te tuuwheratanga o te te tiriti hou ki Ngaaruawaahia, o Festival Way me te komititanga kei te whitinga rori o Great South Road, Regent Street me Old Taupiri Road. Kua noho hei waahi tau pai te tiriti matua o Pookeno i roto i ngaa whakapaitanga, ka mutu moo taua komititanga ki River Road, Lake Road, me Gateway Drive ki Horotiu raa, he mea whakawhanake i ngaa aaheinga moo ngaa papa ahumahi e tuputupu haere ana i reira. Koinei eetehi noa o ngaa mahi kua tutuki i roto i te takiwaa i teenei tau.

E tuku puutea tonu ana maatou ki ngaa hanganga wai me te whakahou i ngaa puunaha whakapai wai e ea ai ngaa ine, e panoni haere ana, ki te taha ki te taiao me ngaa ture whakahaere.

Ahakoa te utu nui o eenei mahi ki ngaa kainoho e hono ana ki eenei ratonga wai, he mea nui tonu te tiaki i te hauora me te oranga o ngaa hapori me te taiao aa haere ake nei. He tutukihanga nui anoo hoki te whakatuutanga o ngaa Pokapuu Hurihanga Waipara (Wastewater Treatment Plant) e rua ki Whaingaroa, me Te Kauwhata i roto i te waa tika me te iti ake o te utu, i teenaa i tohua i mua.

Ngaa ratonga wai aa haere ake nei

He tutukihanga nui i teenei tau te whakarewatanga o te IAWAI - Flowing Waters, he Roopuu Whakahaere a te Kaunihera (Council Controlled Organisation (CCO)) kua ara ake, kei raro i te Kaunihera aa Takiwaa o Waikato me te Kaunihera o Kirikiriroa. E kitea ana i roto i teenei roopuu taa maatou oati ki te whakarite ratonga wai haumaru, hoorokuroku, e whakahaerehia ana hoki e te Kaunihera aa Takiwaa o Waikato moo oo maatou hapori. Maa te mahi tahi ki ngaa kootuitanga, e taea ana te nui te tutuki i te iti, ngaa puukenga maha te toha me ngaa painga nui te whiwhi, i raro tonu i te mana whakatau o te waa kaainga.

Te mahi tahi ki ngaa hapori

I roto katoa i eenei aahuatanga, e piiata tonu mai ana te maarohirohi o ngoo maatou hapori. I oti pai te whaanui o ngaa takahanga hapori i teenei tau; te whakahou ake i ngaa rama papa haakinakina ki Te Papa o Onewhero (Onewhero Domain), te papa taakaro ki Paterson Park, Ngaaruawahia, tae rawa ake ki te puna ahurea me te Whare Ta_onga ki te Tauranga Tereina o Raahui Pookeka. He nui ngaa mea i tutuki i roto i te mahi tahi ki ngaa hapori.

He maha ngaa waananga Toituu Marae i tuu, e renarenarena nei i te taura here ki ngaa iwi me ngaa hapuu o te takiwaa, me te aro puu ki teenei kootuitanga i runga i te whakaute, te tauutuutu me te wawata tahi. He mea whai waahi koorero, he mea whai maaramatanga ki ngaa wawata o ngaa iwi me ngaa hapuu, ka mutu naa roto i eenei waananga i whakaritea te tuaapapa e pai ake ngaa mahinga ngaatahitanga aa haere ake nei.

Ko te huanui o te takiwaa he mea noho ngaatahi ki te pakari o te kootuitanga i waenga i te noho taone me te taiwhenua.

He whai waahitanga nui taa ngaa rohe taiwhenua ki ngaa hua ahu moni, taiao me te taha ahurea, ka mutu kei taa ngaa whaitua taone he whai waahi ki ngaa hanganga, ki te auahatanga me te honohonotanga. Maa roto i taa maatou Rautaki Taiwhenua (Rural Strategy) ka whai whakaarohia, ka mutu, ka taunakitia ngaa hiahia taiwhenua, e taea ai eenei hapori te tupu ngaatahi atu ki ngaa mea taone — he taarai i teetehi rohe aumangea i konei whakamahitia ana te whai waahitanga ki te whakamahere, te taunaki haumi me te mahi tahi e toituu ai te tupu.

Te aro whakamua

Kua whakaputaina te Long Term Plan 2025–2034 hou me te maarama o te whaainga: he whakatuuturu i te hua moo ngoo maatou hapori o naaianei, me te whakamahere i runga i ngaa kawenga tika moo te Kaunihera aa Takiwaa o Waikato o te aapoopoo.

E aroo puu ana maatou ki ngaa haepapa puutea me te panoni i aa maatou mahi e pai ake ngaa whaainga, e pakari ake te whakapono a ngaa kootuitanga. Katoa ngaa whakatau he mea whai whakaaro ki te hunga utu taake kaunihera, waihoki katoa ngaa tukunga rauemi/haumitanga he mea whakauu i te mauritau me te toonuitanga o te noho me te mahi ki te takiwaa o Waikato – inaaianei, aa haere ake nei.

Ngaa mihi nui
Thank you very much

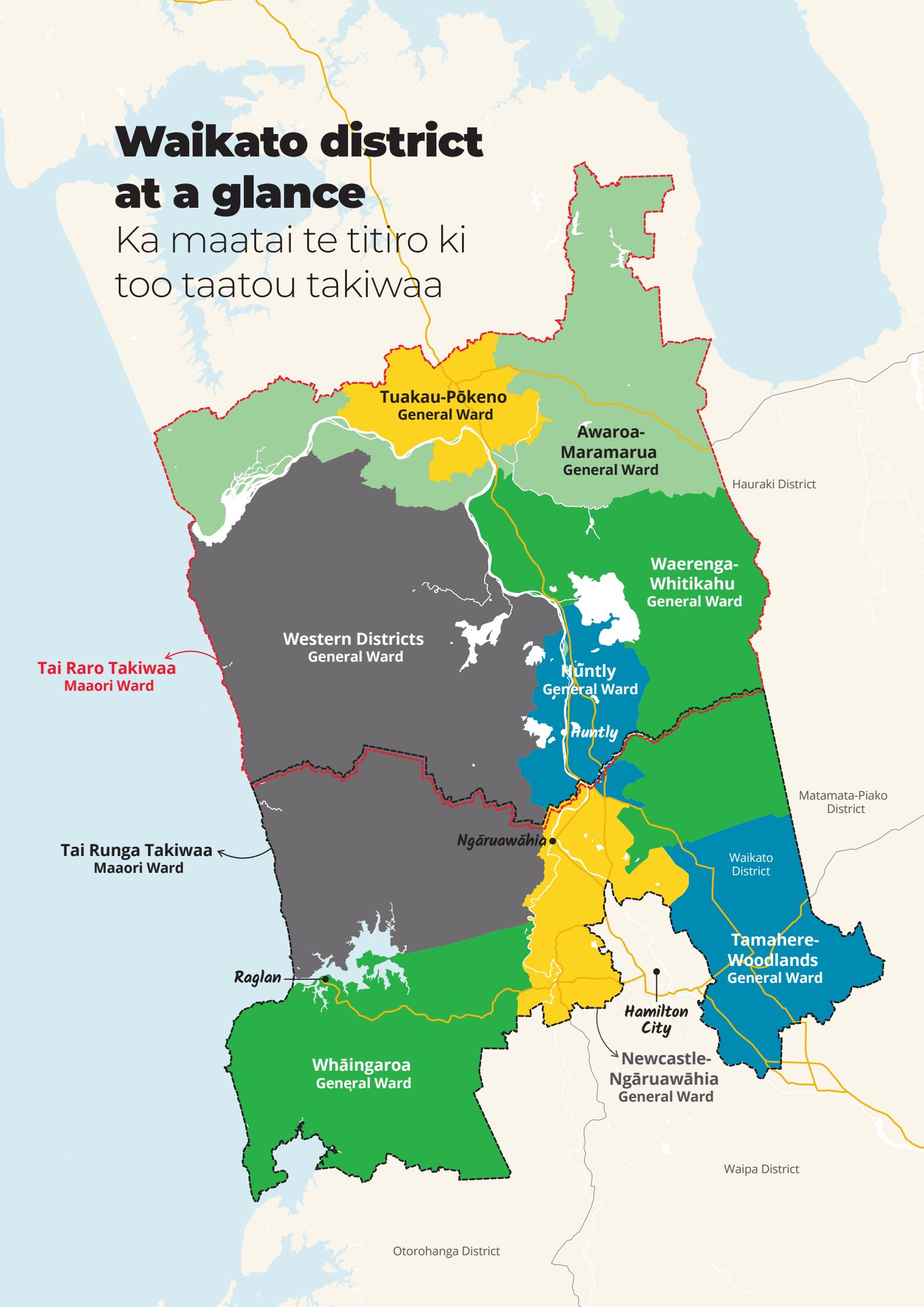
Jacqui

Her Worship, Jacqui Church
Mayor

Craig Hobbs
Chief Executive

Waikato district at a glance

Ka maatai te titiro ki too taatou takiwaa



Your Mayor and Councillors

Too koutou Manu Kaahui me oou 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

Jacqui Church

Mayor

jacqui.church@waidc.govt.nz

Carolyn Eyre

Deputy Mayor - Western Districts General Ward Councillor

carolyn.eyre@waidc.govt.nz

Crystal Beavis

Tamahere-Woodlands General Ward Councillor

crystal.beavis@waidc.govt.nz

David Whyte

Huntly General Ward Councillor

david.whyte@waidc.govt.nz

Eugene Patterson

Newcastle-Ngāruawāhia General Ward Councillor

eugene.patterson@waidc.govt.nz

Janet Gibb

Newcastle-Ngāruawāhia
General Ward Councillor

janet.gibb@waidc.govt.nz

Kandi Ngataki

Tuakau-Pōkeno
General Ward Councillor

kandi.ngataki@waidc.govt.nz

Lisa Thomson

Whāingaroa
General Ward Councillor

lisa.thomson@waidc.govt.nz

Marlene Raumati

Waerenga-Whitikahu
General Ward Councillor

marlene.raumati@waidc.govt.nz

Mike Keir

Tamahere-Woodlands
General Ward Councillor

mike.keir@waidc.govt.nz

Paaniora Matatahi-Poutapu

Tai Raro Takiwaa
Maaori Ward Councillor

Resigned on: 6 June 2025

Peter Thomson

Awaroa-Maramarua
General Ward Councillor

peter.thomson@waidc.govt.nz

Tilly Turner

Tai Runga Takiwaa
Maaori Ward Councillor

tilly.turner@waidc.govt.nz

Vernon (Vern) Reeve

Tuakau-Pōkeno
General Ward Councillor

vern.reeve@waidc.govt.nz

A snapshot of the Waikato district

Ka tiro mawhiti ki te takiwaa o Waikato

Our district is home to **92,500** people[1].

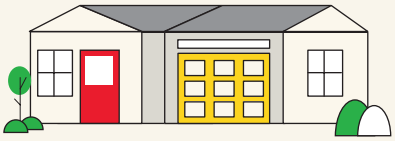
We have a diverse population, with **73.6%** identifying as European, **26.9%** a Maaori, **9.1%** as Asian, **5.5%** as Pacific peoples, and **2.4%** as other ethnicities[2].

We welcomed **392 new citizens** to the district this year.

50.3% of our district's population is male, **49.4%** is female, and **0.3%** identifies as another gender. The median age is **38 years**.

Our district covers **400,000ha** which makes us one of the largest councils geographically.

We have **28,123** urban and rural residential properties.*



There are **3,533** business and **3,449** farmland properties across our district.*

Council owns a total of **2,178ha** of reserves and **17,387** trees.

We have **229 ha** of sports and recreation areas.

We have **six** Council libraries with over **85,000 books**.

There are **42** community centres and town halls in our district.

Council maintains over **2,520km** of sealed and unsealed roads.

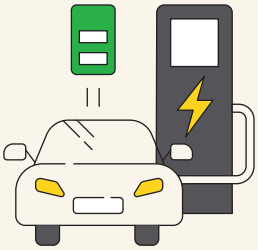
There are over **1,100kms** of pipes that either supply, drain, or remove water through our residential towns.

We have over **three million** individual rubbish and recycling collections per year.

Waikato is the principal iwi in the district and we are home to **27** hapuu and **40** marae.

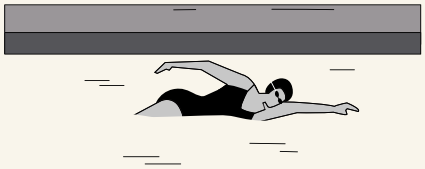
[1] Source: Stats NZ, Census 2023 data.
[2] Source: Stats NZ, Census 2023 data. Please note, these percentages do not equate to 100% as one person may identify as more than one ethnicity.
* The number of properties is defined as a rating unit. Some farmland and business properties might have multiple rating units.

Sustainability Snapshot
Te Toituutanga



71% of our vehicles are now hybrid, plug-in hybrid, or fully electric reducing fuel costs by **$26,000.**

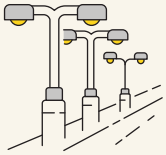
We saw a **97.3%** reduction in natural gas consumption due to the decommissioning of the Huntly Aquatic Centre gas boiler, resulting in average monthly savings of **$11,000.**



100% of Council's used IT equipment is sent to recyclers, with **246** pieces of equipment being recycled just this year.

Our district has **32 ecological** restoration/enhancement sites.

24,239 native trees planted across the district with partners like **Waikato Regional Council, RiverCare, and Enviroschools**.

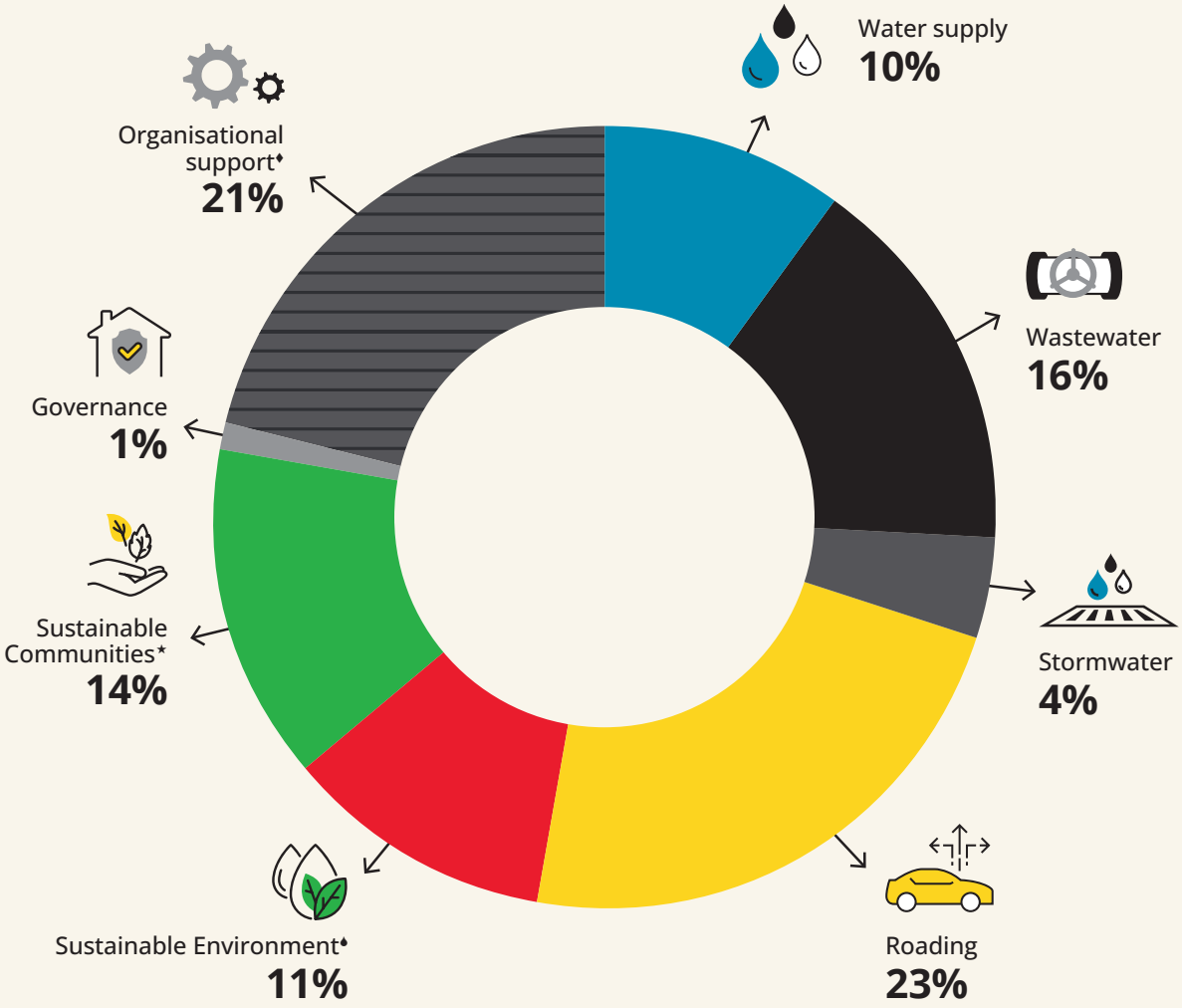


Out of **5,845** streetlights, **92.3%** use LEDs.

Our **glass recycling** is collected and turned into new bottles and jars for New Zealand food companies to use.

Where we spend our money
Ngaa utunga puutea

We deliver a broad range of services to our diverse district of residents, business owners, and visitors. Here is an overview of how your money is spent.



A number of these services are funded through targeted rates so you'll only pay for the services you receive.

*Community resilience, economic and community development, customer partnership, open spaces, such as parks and reserves, property, and community facilities, such as toilets and dog pounds.

♦Consenting, regulatory services, and strategic and spatial planning.

♦These services play a key role in moving Council forward, making services more efficient and cost effective for ratepayers, and fostering continuous improvement.

Our performance

Taa Maatou Mahi

Statement of service performance
Tauaaki Whakahaere Ratonga

Council's statement of service performance from page 16 to 95 has been prepared in accordance with the requirements of the Local Government Act 2002 (LGA), Public Benefit Entity Financial Reporting Standards (PBE FRS 48), and Generally Accepted Accounting Principles (GAAP).

The service performance information in this Annual Report has been selected to compare Waikato District Council's actual activities and performance with the intended activities and performance levels outlined for the 2024/25 year in the Long Term Plan (2021-2031) and the Enhanced Annual Plan (2024/25).

Service performance judgements and assumptions
Ngaa Matapae me te Arotake Ratonga

In preparing the statement of service performance for year four of the 2021-2031 LTP, Council has made the following judgements in the selection of our service performance measures:

- We have reflected on the extent to which the levels of service we plan to provide to the community were best captured by performance measures.
- We have ensured that the performance measures adequately inform progress towards delivering the outcomes in the 2021-2031 LTP.

Under the LGA we are mandated to report on standard performance measures for specific services. These include water supply, wastewater treatment and disposal, stormwater drainage, and the provision of roads and footpaths. We are also required to demonstrate regulatory compliance for statutory measures (such as percentage of both building consents and resource consents applications processed within statutory timeframes).

Further to the above, Council has applied professional judgement in how we measure, group and present service performance information. Council has balanced the information available with the need to report in a clear and easy to understand manner.

When setting funding levels, Council considered the impact on services and their related performance measures. Council has determined it is possible to continue to provide services at current levels and the related performance measures do not need to be adjusted for funding reasons.

Resident satisfaction survey

Council uses a resident satisfaction survey to measure how our community experiences and perceives the services we provide. This survey helps us track performance and identify areas for improvement.

The survey is designed by independent research experts, based on best practice methods, and the survey is independently run and analysed to ensure objectivity and reliability.

To make sure the results reflect the diverse population of the Waikato district, the survey uses sampling methods that aim to include a wide range of residents. To reduce the risk of under-representation, statistical weighting is applied so that the sample aligns with census data. The survey questions are regularly reviewed to ensure they remain relevant and effective.

The surveys are conducted quarterly and are usually electronic, however paper-based questionnaires can be provided upon request. The minimum sample size is 400 residents, however we had an average of 477 responses across the year. The margin of error is +/- 4.7%, with a confidence margin of 95%.

Business perception survey

We undertake a business perception survey bi-annually to measure the net promotor score of businesses operating in the district. The purpose of this survey is to understand how Council and its activities are perceived to be impacting and/or supporting local businesses. A total of 400 surveys are collected from businesses within the district in each survey cycle (every six months). There is a margin of error of +/-5%, with a confidence rating of 95%. Data collection is via computer assisted telephone interviewing and online (email invitation). The sample is stratified and data is collected by ward to ensure representation across the district. The survey is administered on our behalf by SIL Research.

Library customer survey

The library survey measures customer satisfaction with library services and seeks to understand which libraries in our district respondents use, whether they are library members, how often they visit, and their overall satisfaction with the library service to name a few. The survey is administered by an in-house team bi-annually. The survey has been ongoing for a number of years, with reviews undertaken by Council's library leadership group. The survey is available both online, via QR code at our libraries, and using printed questionnaires on site at our libraries. It runs for one week twice a calendar year in May and November. All customers onsite are asked to complete the survey during that time. The link to the online survey is available on our website and promoted via Council's social media. Sample size varies by site and is determined by the number of participants willing to complete the survey. In the 2024 calendar year, there were 762 respondents.

External implications for statements about performance

There are conditions that affect the service performance results and may cause a variation from the anticipated or forecasted results. These are outside Council's control. Examples of this are, but not limited to, changes in government policy in New Zealand, extreme weather events, global and domestic economic conditions that may impact areas such as recruitment and other unforeseen considerations.

Statement of compliance
Tauaakii Tuutohu Ture

The service performance information in this report is compliant with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

Our Vision and Community Outcome

Ngaa Whaainga me ngaa Putanga aa-Hapori

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 help 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.

Below you'll see the work we did in 2024/25 that shows how our community outcomes enable us to make progress towards improving wellbeing.

Cultural - Ahurea

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

In 2024/25, we undertook these key pieces of work to deliver on our cultural community outcome:

- Council deepened its partnerships with marae, hapuu, iwi, and Maaori communities through the establishment of Toituu Marae (which is a Marae forum), by participating in formal engagement events, and through upskilling our kaimahi (staff) to improve our cultural appreciation and understanding of Maaori values.
- Council aims to embed Te Mana o te Awa, Te Ture Whaimana and Maaori values into its planning and policy work. We collaborate with iwi and mana whenua on infrastructure planning and delivery. When we teamed up with Hamilton City Council to create the Council Controlled Organisation (CCO), IAWAI– Flowing Waters, to deliver water services from July 2026, we made sure that iwi were at the governance table.
- When updating the district plan rules, Council made papakaainga development rules more enabling, so ancestral Maaori land can be utilised for the benefit of its shareholders and their descendants. We also supported Waikato-Tainui with resource consents for the initial stages of its papakaainga housing development at Hopuhopu.
- Through the Central Goverment's Better Off funding, Council engaged with tangata whenua representatives to provide input into projects that will have a direct benefit to all our communities. This includes projects at Te Paina (Mercer) including a pest eradication to improve outcomes for the whenua and awa, restoration to repatriate cultural practices and a waters improvement programme to install improved wastewater, stormwater, and drinking water facilities.
- Partnerships with iwi continue to strengthen, particularly through our Joint Management Agreements (JMAs) with Waikato-Tainui and Te Nehenehenui. This gives effect to Treaty settlement legislation and supports iwi participation in natural resource management.
- To read more about the work undertaken by our cultural partnerships team, refer to page 28.
To read about the work our strategic and district planning function undertakes to support this outcome, refer to page 47.

Tuurangawaewae Kohanga Reo enjoying the new playground in Ngaaruawaahia.

Economic - Ohaoha

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

In 2024/25, we undertook these key pieces of work to deliver on our economic community outcome:

- We continued to reinstate roads damaged in previous storm events and undertook regular renewals works to provide the infrastructure our communitites and industry rely upon.
- The Rural Economic Advisory Panel met three times during 2024/25 to identify opportunities for rural voices to be heard through policy, regional engagement, and Council business.
- Council is developing a Rural Strategy to set out its goals and priorities for the district's rural areas. The strategy will help ensure rural voices are reflected in Council policies and activities, while supporting advocacy with partner organisations.
- Work is continuing on the 'Planning 2 Build 2gether' project, including leveraging automation to improve how customers navigate Council's planning and building consenting process. This project is expected to reduce application and processing timeframes and therefore make economic development in our district easier.
- We launched Takitini, a refresh of Council's economic development brand in March 2025, in partnership with Waikato-Tainui to promote the district to potential new business investors, provide information and tools to enable business resilience, and promote employment and skills training opportunities.
- To read more about the work undertaken by our economic and community led development team, refer to page 35.

Social - Paapori

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

In 2024/25, we undertook these key pieces of work to deliver on our social community outcome:

- Council partnered with the Electoral Commission and Waikato-Tainui to increase enrolment for the upcoming 2025 elections by attending events such as local markets, poukai, and the regatta at Tuurangawaewae.
- Provision of safety improvements, such as speed limits around schools, intersection upgrades, and roadside barriers have contributed positively to community safety and wellbeing. We also supported community connectivity through funding bus trials, and the Te Huia rail service.
- We embedded the organisation-wide strategy, Our Waikato – Trust and Confidence Strategy. This strategy aims to support and improve the way Council staff and elected members communicate, engage with, and serve the people and communities in our district with a view to building trust and confidence with people across our district.
- We continued to support community boards and committees across the district to help develop and complete community board and committee plans. We also provided additional engagement and project planning training to increase community awareness about specific outcomes being undertaken on their behalf.
- To read about additional work undertaken across the organisation to support and connect our communities, refer to the emergency management, strategic and district planning and open spaces and facilities activities in the Our activities in depth section of this report.

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.

In 2024/25, we undertook these key pieces of work to deliver on our environmental community outcome:

- We delivered projects in accordance with Resource Management Act 1991 (RMA) requirements, particularly erosion and sediment control. For example everday maintenance activities, such as street sweeping and sump clearing, contribute to environmental outcomes relating to stormwater discharges and treatment.
- Our water supply achieved full compliance for the year after being assessed by Taumata Arowai. We know that arsenic is always present in te Awa o Waikato and in late November 2024 arsenic levels were elevated at the Ngaaruawaahia and Huntly water treatment plants. To ensure drinking water remained safe and in line with standards, we amended the treatment process while mitigating the impacts of arsenic in the water.
- We contributed to a number of multi-agency environmental events. This included participating in Waikato Regional Council's Water Quality Programme to ensure appropriate health warnings are visible at water locations across the district when they do not meet the required water quality standards.
- We supported waste-related community initiatives through the distribution of $80,000 from the government's Waste Minimisation Community Fund.
- Council's internal Climate Action Plan was updated to address key actions, priorities, efficiencies, and set targets to reduce our operational greenhouse gas emissions. This supports the previously adopted Climate Response and Resilience Strategy which guides our response to climate change.

Vision and Strategy for the Waikato River

Te Ture Whaimana

Tooku awa koiora me oona pikonga he kura
The river of life, each curve more
tangihia o te maataamuri
beautiful than the last

(Kiingi Taawhiao)

Restoring the Waikato River

The work that Council does helps to deliver on Te Ture Whaimana o te Awa o Waikato – the vision and strategy for the Waikato River:

'Our vision is for a healthy Waikato River, which sustains abundant life and prosperous communities, which are in turn responsible for restoring and protecting the Waikato River, and all it embraces, for generations to come.'

(Waikato River Authority)

The vision and strategy were developed by the Guardians Establishment Committee and was formed under the Waikato-Tainui and Crown agreement in principle and legislated in the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010. Legislation requires Council to give effect to Te Ture Whaimana.

The Waikato River Authority is the custodian of Te Ture Whaimana and invests in rehabilitation initiatives. The Waikato River Authority Board is made up of representatives from each of the five river iwi (Waikato-Tainui, Tūwharetoa, Te Arawa River Iwi, Raukawa, and Maniapoto) and five Crown representatives.

Council's contribution

There are 13 objectives in Te Ture Whaimana and the work that Council does often helps to deliver on more than one objective. In 2024/25, Council supported restoring and protecting the health and wellbeing of the Waikato River in the following ways.

Building relationships

Council deeply values its relationship with Waikato-Tainui, one of the iwi of the Waikato River, and is committed to nurturing and safeguarding these connections alongside the communities within the Waikato River catchment. We have supported these objectives through:

- Working closely with Hamilton City Council and Waikato-Tainui to establish the joint Council Controlled Organisation (CCO), IAWAI. This will enable Council to deliver safe, financially sustainable and reliable water services across the district as well as honouring Te Tiriti o Waitangi and Te Ture Whaimana o te Awa o Waikato, while continuing to build upon the established relationships Council has developed with marae, hapuu and iwi.
- Early and ongoing engagement with Waikato-Tainui for all Strategy and Planning projects.
- The ongoing work on our Joint Management Agreement (JMA) with Waikato-Tainui which affirms our commitment to:
  - Achieve the overarching purpose of the settlement - to restore and protect the health and wellbeing of the Waikato River for future generations.
  - Provide an enhanced relationship between Waikato-Tainui and Council on areas of common interest.
  - Implement a collaborative strategic work programme that involves:
    - Submitting to central government on issues that are important to both Waikato-Tainui and Council such as the Resource Management Act Reforms, National Environmental Standards (NES), and National Policy Statement (NPS) on papakaainga, renewable energy and housing growth.
    - Implementing waters related projects that align with the maintenance and preservation of the Waikato River.
    - Working together with Waikato-Tainui to align the future Waikato's District Plan with iwi priorities, including the restoration and protection of the Waikato River.
    - Working with Tainui Group Holdings to identify growth and development opportunities within the district.
- Embedding a JMA with Ngaati Maniapoto to foster a co-operative relationship between Te Nehenehenui (post settlement governance entity) and local authorities to provide a constructive and effective basis to build partnerships and work together. This includes protecting and enhancing the health and wellbeing of the Waipaa and other rivers in the Maniapoto region.
- Working closely with Waikato Regional Council and Future Proof (a partnership which includes iwi representation) at a regional and subregional level to manage urban growth.

Developing strategy and policy

Council aims to take a precautionary approach towards decisions that may result in significant adverse effects on the Waikato River, particularly those effects that threaten serious or irreversible damage to the river. This is considered in strategic, regulatory, and statutory processes that we make, which includes:

- Our District Plan recognises the importance of ensuring the impacts on the Waikato River are appropriately mitigated through objectives, policies, and rules. Through Variation 3, Council increased the density provisions in the District Plan for some of our towns. As part of this work we undertook a detailed stormwater analysis to ensure we could manage the impacts of stormwater on the Waikato River and tributaries. We engaged with iwi and ensured that Council understood the effects before making any decisions.

- The 2024 Future Proof Strategy update celebrates the Waikato River as the defining ecological feature connecting the Hamilton-Waikato metropolitan area, supporting environmental and recreational use, and creating a sense of space.
- Council's Trade Waste and Wastewater Bylaw adopted in July 2023 aims to protect the Waikato River through prohibiting the release of mortuary waste into our wastewater system. Council staff engaged with mana whenua to further develop the definition of 'mortuary waste' and identify an appropriate disposal method this year. Council chose to delay further decisions related to the Trade Waste and Wastewater Bylaw until after the Local Government (Water Services) Bill was enacted, and will now continue to move this work forward.
- When submitting on the Proposed Local Government (Water Services) Bill, Council advocated for the Bill to allow trade permits to include requirements and conditions that respect cultural beliefs, particularly Te Ao Maaori.
- Council will consider and affirm Te Ture Whaimana when reviewing three waters bylaws and policies jointly with Hamilton City Council, which are required for IAWAI.

Promoting ecological health

Council has completed key works around the protection and enhancement of significant sites, flora, and fauna in 2024/25, including:

- Upgrading the Te Kauwhata wastewater treatment plant to address environmental concerns related to Lake Waikere and enable us to give effect to Te Ture Whaimana. To read more about this, refer to page 72.
- Projects to create new habitats dominated by native species, including planting over 12,000 native plants in coastal, inland, lake, and esplanade reserves to help with water quality.
- Partnership projects with Waikato River Care across the district including riparian plantings along the Waikato riverbanks and lakes.
- Ongoing school planting programmes in association with local schools across the district and Enviroschools. These plantings tend to be riverside plantings.
- Supported the Horotiu School Planting Day in July 2024 where between 70-100 kids planted nearly 1,200 seedlings to help restore native vegetation beside the Waikato awa.
- Partnership projects with Waikato Regional Council on dune restoration and habitat creation at Ohinewai Lake Reserve, which drains to the Waikato River.
- Advocacy for the removal of stock from Council lands where possible, and replacement with native species plantings or other low emissions forms of land management. This will reduce the amount of animal waste (nutrient loading) entering waterways.
- Council supports and has representation on project Echo/Waikato Bat Alliance, Lakes, and Wetlands Memorandum of Agreement Group and the Waikato Biodiversity Forum.
- Various forms of pest control of mammals were carried out on more than 200 hectares of Council reserves to help reduce the amount of nutrients entering waterways.

Our activities in depth

He whakamaarama i ngaa kaupapa mahi

How to read this section

Ka peewhea te paanui i teenei waahanga

This section of the Annual Report describes our 2024/25 service performance, as grouped in the 2021-2031 Long Term Plan (LTP). Within each group of activities, work is structured into individual activities. Each group of activity includes the following sections.

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

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

How this group of activities improves wellbeing - This section describes how the activities contribute to Council's community outcomes: cultural, economic, social, environmental.

What we achieved this year - This section features key highlights, as well as some business-as-usual activities for 2024/25.

What we delivered - This section describes the performance measure, target, and actual result for each activity, along with supporting commentary. Commentary is provided for measures that were not achieved or if it provides useful context. Performance status is determined using three categories, as described in the key below.

Achieved	All components of the performance measure have been met, including meeting or exceeding a stated target for performance.
Achieved in part	One or more but not all, of the components of a measure have been completed. This result is only applicable when the measure can be broken into more than one component.
Not achieved	All components were not achieved.

Trend data has been provided for each performance measure to illustrate how the result has changed over the last four years of the 2021-2031 LTP. The example below shows the performance measure target as a dotted line for 2021/22, 2022/23, 2023/24, and 2024/25 compared with the actual result as a solid line for the same periods.

The year-on-year change is indicated with the following symbols:

Result achieved and increased on previous year	Result not achieved, but increased on previous year	Result achieved and no change from previous year	Result not achieved and no change from previous year	Result achieved and decreased on previous year	Result not achieved and decreased on previous year

Potential significant negative effects – This section identifies potential significant negative effects caused by the activity and how we are addressing these.

How we paid for it – Finally, this section reports on the operating and capital costs to deliver the service, including any variances.

Governance
Mana Whakahaere

These activities include:
- Governance

What we do

Services provided to the community within this activity include:

- Managing local elections and the induction process for newly elected members.
- Managing conflicts of interest registers for elected members and staff.
- Providing the community with access to information about issues being considered by elected members and communicating decisions made about those issues.
- Support and advisory services to elected members to assist them in making informed decisions that promote the interests and wellbeing of the community.
- Working with whaanau, marae, hapuu, iwi, and Maaori communities to develop and maintain meaningful partnerships and provide opportunities for participation in decision-making.
- Supporting mahi (work) related to Council's joint management agreements (JMAs) with Waikato-Tainui and Te Nehenehenui, and other partnership agreements.

Why we undertake these activities

The purpose of this activity 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 that 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 JMAs. 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 this group of activities improves 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

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

What we achieved this year

The Democracy team continued to support and manage over 106 Council and committee meetings, 19 hearings and 108 community board and committee meetings. Over the year, the 14 elected councillors, including the Mayor, had an average attendance rate of 82% at meetings and committees they are assigned to attend. It should be noted that one councillor resigned on 6 June 2025 however a by-election was not required as this occurred within 12 months of the October 2025 elections. This councillor has been included in the attendance statistics for the full year.

Planning for the local government elections in October 2025 was undertaken this year with a three phased engagement approach of 'Enrol, Stand, Vote'. We partnered with the Waikato Electoral Commission to encourage people to enrol and raise awareness about the importance of local government elections at events across the district. The Pre-election Report was released at the end of June 2025 to further support candidates with candidate information sessions held and contextual information provided for the community on the election process.

In 2024/25 government legislation for Maaori wards changed and Council is now required to undertake a referendum to determine the future of Maaori wards for the 2028 and 2031 elections. A referendum will be undertaken alongside the local government elections in October 2025.

This year we continued to support community boards and committees across the district to complete 90% of their individual three-year plans. These plans outline the key priorities and activities that the boards/committees will lead across their communities. We also provided engagement and project planning training to prepare boards/committees for the 2025-2034 Long Term Plan consultation, and to promote their plans to the community.

A by-election was undertaken for the Huntly Community Board in late 2024 following an unexpected resignation. We also held workshops for the review of the elected members Code of Conduct, which will be adopted in early 2025/26.

Strengthening partnerships with Maaori

In 2024/25, Council deepened its partnerships with marae, hapuu, iwi, and Maaori communities, resulting in a significant lift in Maaori participation across Council decision-making. This shift reflects development of the Maaori Partnerships portfolio and the strong community and agency networks held by kaimahi (staff).

The establishment of Toituu Marae in October 2024 has played a key role in lifting engagement with the district's 40 marae through direct communication with Council. This year, Council approved the first draft of Kii Tapu, the forum's Terms of Reference, which set the foundation for how we work together.

We completed 22 formal engagement events with tangata whenua across the district. Cultural support was also provided at key events, including the blessings and openings of the Raaahui Pookeka-Huntly Railway Station, Ngaaruawaahia roundabout, Festival Way, and Patterson Park playground.

Partnerships with iwi continue to strengthen, particularly through our Joint Management Agreements (JMAs) with Waikato-Tainui and Te Nehenehenui which 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. Progress this year included:

- Finalising the revised JMA schedules for Te Nehenehenui. These were co-developed with partner councils (Waitomo, Waipā, Ōtorohanga and Waikato Regional Councils) and outline how we will collectively give effect to the Ngā Wai o Maniapoto (Waipā River) Act 2012 and the Maniapoto Claims Settlement Act 2022.
- Continuing a strong relationship with Waikato-Tainui to deliver joint projects such as the Takitini launch and a successful Maaori business networking event attended by over 50 registered tribal businesses. You can read more about Takitini on page 35. Progress is also underway to support Waikato-Tainui's proposed housing redevelopment at Hopuhopu.

- Council has focused on upskilling kaimahi this year to improve internal capability and understanding of Maaori values. Some of this work included:
- Launching Te Arotau, Council's cultural appreciation framework to strengthen capability in areas such as tikanga, reo, Te Tiriti o Waitangi, and engagement with Maaori.
- Providing a Reo and Tikanga course, Te Hua Rengarenga, along with Treaty training and a cultural induction that includes poowhiri and a local history session about tangata whenua.
- Established Te Kaahui Aronui, a staff network for Maaori kaimahi whose expertise is helping to embed cultural practices across Council and grow internal capability.
- Reviewed how Council manages data with a focus on Maaori data sovereignty. A new Data Governance policy was developed that recognises the importance of protecting Maaori data and ensuring it is collected, stored, and used in ways that uphold Maaori rights and interests to inform and support future work.

Our mahi also extends to environmental responsibilities, including ongoing efforts to restore the health of the Waikato River and strengthen marae resilience. To learn more about how we've supported the objectives of *Te Ture Whaimana o te Awa o Waikato – the Vision and Strategy* for the Waikato River, refer to page 22. Details on the marae resilience initiative and our emergency preparedness efforts can be found on page 36.

What we delivered

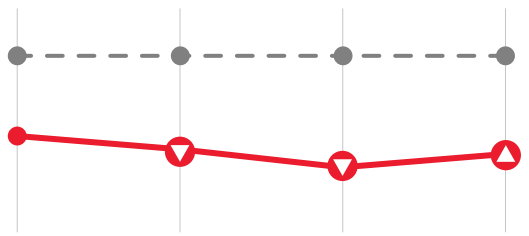
Governance performance measures

Percentage of customers satisfied that Council engages with the community regarding the right issues.[3]

2024/25 Target: 50%

Commentary: There has been a slight improvement in the result over the past year. Feedback from our community included dissatisfaction with Council's approach to decision-making after community engagement and Council's level of interest in what the community thinks or wants.

Trend data



2021/22: 32%	**2022/23:** 29%	**2023/24:** 25%	**2024/25: 28%**
Not achieved	Not achieved	Not achieved	**Not achieved**

In addition, the community want to be better informed regarding roading, water services, and Council managed services. This could also include communications around accessible facilities for those with disabilities in our community.

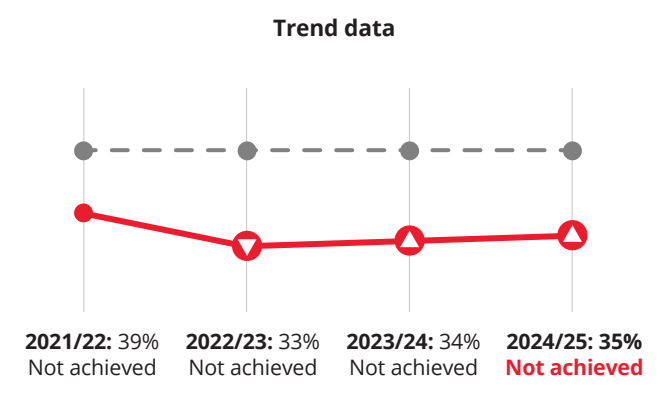
The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being achievable. As Council opted to produce an Enhanced Annual Plan for 2024/25 this caused existing performance measures to be reported for an additional year than planned. During the four years of reporting against this measure, customer satisfaction has steadily declined. However, through the Trust and Confidence Strategy an insights specialist has been appointed to provide increased visibility around community feedback to help Council improve processes and engagement where needed.

[3] The Resident Satisfaction Survey results inform this performance measure result.

Percentage of customers satisfied with the ease of access and clarity of information regarding key community issues.[4]

2024/25 Target: 50%

Commentary: There continues to be a slight improvement in this result each year. Council has developed the Trust and Confidence Strategy which is expected to help improve this result over time as the strategy continues to be implemented. All of Council are involved in improving our approach to communications and engagement to better serve our community.

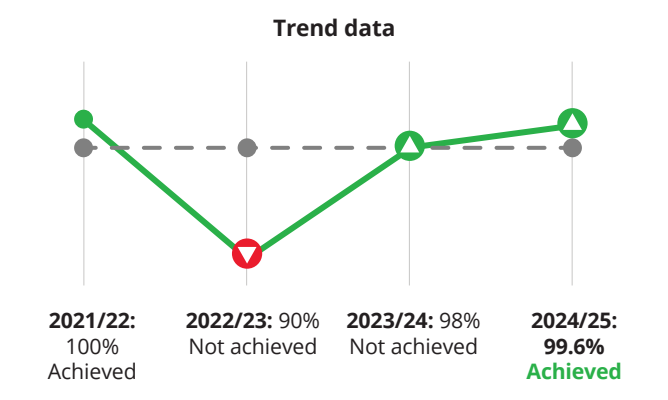


The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being achievable. During the four years of reporting against this measure, customer satisfaction has remained relatively low in relation to the target.

Percentage of agendas and minutes of all open meetings that are made publicly available via the Council's website within legislative timeframes.

2024/25 Target: 98%

Commentary: Council published agendas and minutes for 106 Council/committee meetings, 19 hearings, and 108 community board/committee meetings on our website. One set of Council minutes did not meet timeframes due to the high volume of meetings held in December and one set of committee minutes did not meet timeframes in June due to staff absences.

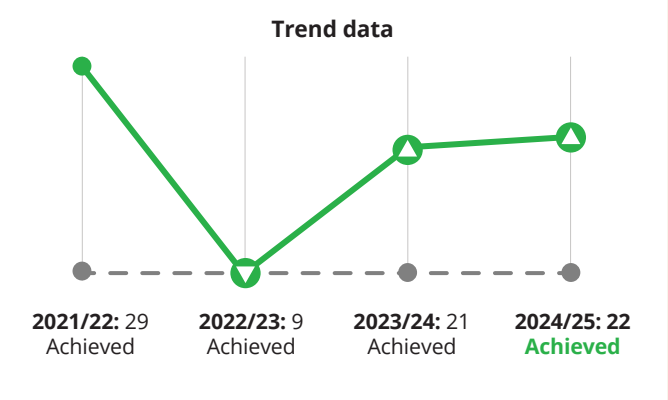


Number of formal hui held with iwi, mana whenua and hapuu groups.

2024/25 Target: 9

Commentary: Our relationship with marae, hapuu, iwi, our Joint Management Agreement (JMA) partners and Maaori communities have continued to strengthen and improve.

22 formal hui were held with iwi and JMA partners this past year, exceeding the target of nine. The higher result has been supported by increased resourcing for the Maaori Partnership team and the establishment of the Toituu Marae Forum. Collaboration with our JMA partners has also deepened as we are now more closely aligned on shared deliverables, including JMA schedule reviews



[4] The Resident Satisfaction Survey results inform this performance measure result.

Council's 2021-2031 Long Term Plan included the following performance measure: Percentage of customers satisfied with the availability of their councillor. Through our 2024/25 Enhanced Annual Plan consultation process we removed this performance measure as it does not accurately reflect the role our elected members play in supporting their communities. We will however report on our elected members attendance through this Annual Report. Refer to page 28.

Potential significant negative effects

There are no significant negative effects identified for the Governance group of activities

How we paid for it

Governance Operational Funding

Governance	
Operational	
76%	General rates, uniform annual general charge, rates penalties
3%	Targeted rates
0%	Subsidies and grants for operating purposes
0%	Fees and charges
21%	Internal charges and overheads recovered
0%	Local authorities fuel taxes, infringement fees and other receipts

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	6,837	6,996	8,430
Targeted rates	275	278	294
Subsidies and grants for operating purposes	-	-	4
Fees and charges	-	-	1
Internal charges and overheads recovered	1,558	1,593	2,352
Local authorities fuel tax, fines, infringement fees, and other receipts	2	2	25
Total operating funding (A)	**8,672**	**8,869**	**11,106**
Applications of operating funding			
Payments to staff and suppliers	3,134	3,355	3,903
Finance costs	-	-	-
Internal charges and overheads applied	5,510	5,486	6,816
Other operating funding applications	2	2	3
Total applications of operating funding (B)	**8,646**	**8,843**	**10,722**
Surplus (deficit) of operating funding (A - B)	**26**	**26**	**384**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	-
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**-**	**-**	**-**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	-	-	-
- to replace existing assets	-	-	-
Increase (decrease) in reserves	26	26	384
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**26**	**26**	**384**
Surplus (deficit) of capital funding (C - D)	**(26)**	**(26)**	**(384)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

Sustainable communities
Toituutanga Hapori

These activities include:
- Open spaces and facilities
- Community venues and events
- Customer and partnership focus
- Economic and community development
- Emergency management
- Grants and donations

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 carry out these activities to improve the lives and livelihoods of our communities, strengthening the ability to live, work, and play in a way that our residents want to.These activities also help us 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 this group of activities improves wellbeing
These activities primarily contribute to our economic and social wellbeing outcomes by providing leisure options and supporting community-led initiatives. They also promote economic development activities throughout the district to enhance local employment opportunities and quality of life. 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.

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

What we achieved this year

Open spaces and facilities

We undertook a number of projects across the district to provide new and refurbished parks, walkways and spaces for the community to enjoy, including:

- Completed construction of the Wi Neera and Putoetoe Walkways in Raglan as well as providing repair of the seawall, upgrades to accessibility and safety improvements.
- Replacement of Hakanoa Footbridge in Huntly due to subsidence of the previous structure to enable residents to continue to use the walkway.
- Finished the Buckland Road playground and neighbourhood park development to provide active recreation opportunities for the Tuakau community.
- Replacement of lighting at Onewhero sports park and upgrades to courts including the resurfacing of the Doctor John Lightbody courts in Tuakau and replacement of fencing within Meremere village.
- Planning for the phased development of the Pookeno sports park master plan to provide the blueprint for funding and development of a new reserve.
- Replaced the Patterson Park Playground and built a 3x3 court to provide wider recreation opportunities at the site.
- Renewal of the Raglan Wharf boat ramp to ensure safe access for all recreational watercraft users.
- Further developed the Ohinewai domain with eco-enhancements including planting of wetland areas and track development.
- Supported Council's ongoing partnership with the Tamahere Mangaone Restoration Trust delivering ecological restoration and track development within the Tamahere gully networks.

We continued to maintain and make improvements to Council-owned facilities, including:

- Opening of the Raahui Pookeka Huntly Railway Building to be used as a museum following refurbishment of the original building which was built in 1939.
- Completing new toilet facilities in Pookeno and refurbishing the Tuakau Domain toilets.
- Undertaking improvements at community pools including installing a new accessible entranceway and painting at the Ngaaruawaahia Pool, as well as refurbishing two family changing rooms at the Huntly Aquatic Centre.
- Refurbishing pensioner and residential houses owned by Council to ensure they meet healthy home standards for heating, insulation and ventilation.
- Upgrades to the Naike Old School Building and the Huntly Gymnasium to improve the longevity of the buildings.

Community venues and events

During the year we worked with local groups, enabling them to host events to bring the community together, and we continued future planning for the provision of venues across the Waikato district, including:

- Continuing to manage 38 Council-owned halls and six community-owned halls across the district. This includes upgrades to the Ngaaruawaahia War Memorial Hall in September 2024 to improve the longevity of the building.
- Supporting local events such as the night markets in Huntly and Ngaaruawaahia, the Te Awa Light the Night ride along the river path, Soundsplash music festival, sports team bookings at sports fields across the district, and Koroneihana, along with many smaller community and private events.
- Implementing an online booking system, Bookable, which enables customers to book venues across the district online and improves the data and reporting for staff managing the requests.
- Working with a wide range of community groups to facilitate leases that support community activities including sports groups, a community hub in Raahui Pookeka and a Menz Shed in Pookeno.
- Commenced engagement on the Ngaaruawaahia hub and library to assist in the development of concept design at the Old Waipa Tavern site.

- Completed concept design and carried out consultation with the community committee and mana whenua on the Pookeno hub.

Customer and partnership focus

This year we implemented a customer service charter and standards to assist in delivering a more consistent customer experience across Council. Since the implementation of our customer promise and our focus on ensuring we deliver a timely, effortless and respectful customer experience, we have observed significant improvements.

Council staff processed a large number of queries and requests over the 2024/25 year including:

- 58,167 phone calls.
- 29,368 service requests.
- 37,579 applications, requests, transactions received via our online service tools.

Through our 2024/25 Enhanced Annual Plan consultation process, two service request related performance measures were adopted to keep us accountable for delivering improved response and completion times for customer interactions.

We continue to focus on improving our customer experience to give customers greater freedom to engage with us at a time that suits them. This included continuing to release improved functionality in the Antenno app, a digital tool currently used by 2,049 residents to report issues, provide photos and geotag customer/photo locations. We saw a significant increase in the number of issues reported through Antenno from 549 last year to 1,302 this year. From June 2025, customers were able to receive out-bound messages relating to location or service specific topics.

In our libraries, we have been focusing on outreach programmes across the community which include delivering books to schools, early childcare centres and rest homes as well as creating programmes within the library to encourage customers to visit. These programmes had 9,324 participants during the year and included school holiday activities, sewing club, seed library and chess club. We also introduced voxblock books, audio books targeted at young readers and increased the offering of our kit collection.

Economic and community development

The economic and community-led development team were involved in several key projects and activities in 2024/25, including:

- Launching Takitini, a refresh of Council's economic development brand in March 2025, in partnership with Waikato-Tainui to promote the district to potential new business investors, provide information and tools to enable business resilience, and promote employment and skills training opportunities.
- Takitini hosted four business events across the district to support businesses with growth and increased employment opportunities. A dedicated Takitini website has also been launched, and three digital campaigns were run this year.
- Supporting the Waikato Regional Economic Development forum which was started this year to bring together 11 territorial authorities to support economic growth and the creation of jobs at a regional level.
- Partnering with five other councils to launch Made Here, a promotion alongside Hamilton Airport to coincide with the expansion of international flights. This is aimed at attracting business investment to the Waikato region to grow economic activity.
- Continuing to develop industry sector clusters to encourage an increase in skills training within our communities that lead to positive employment outcomes within these sectors, including tourism, construction, primary/rural, and logistics.
- Hosting a Puna Pakia event with over 84 Maaori business leaders in March 2025 to inform them about Council procurement processes and how to engage effectively with Council around possible procurement opportunities.
- Working with community groups to enable creative and environmental projects including the Raglan Water Tower mural and supporting the Te Araroa Trail project to deliver cultural narratives through signage, pest control, and planting.

- Supporting communities to develop individual identity projects to promote community participation and make towns more welcoming to both residents and visitors through beautification and environmental projects. Communities include Ngaarauwaahia, Te Kauwhata, Raahui Pookeka/ Huntly, and Taupiri.
- Continuing to support capability building of community groups and leaders, in particular a focus through Funding HQ to support communities to apply for and be successful in bringing funding to the district

Emergency management

The emergency management activity supports communities by coordinating recovery activities across Council teams and continuing to deliver resilience building initiatives that have long-term outcomes, like marae resilience and community response planning.

During 2024/25, we continued to focus on our district's recovery from extreme weather events, following the effects of Cyclone Gabrielle in early 2023.

We developed a Community Response Planning Framework, He Rangaranga Urupare aa-Hapori, a guideline for our community response groups that supports them to become sustainable and continue to develop their capability with support from Council.

There are currently 13 community response plans completed which cover 25 communities, with two further plans in progress. We supported community response group forums for Raglan and Northern Waikato to enable collaboration and practise. This included working with Auckland Council on cross border relationships in the north of the Waikato district.

We have also been preparing to deliver a marae data tool. This initiative is funded by WEL Energy and aims to create a platform to gather data to support the development of resilience in our Maaori communities. It will become a communication tool for marae in readiness, response and recovery.

Grants and donations

During 2024/25, we supported 151 local groups with grants awarded totalling $346,999 (from a budget of $386,365).

Community group	2024/25 funding provided ($)
Community Committees	11,098
Raglan Museum	20,000
Tuakau and District Museum Society Inc.	10,000
Waikato Coalfields Museum	50,000
Waikato Biodiversity Forum	3,000
Community administration funding	
Tauwhare Community Committee	300
Tamahere Woodlands Ward Heritage Group	300
Matangi Community Committee	300
Discretionary grants funding	
Conservation Fund	10,213
Creative communities scheme	68,520
Discretionary Grants - distributed through Council's Sustainability and Wellbeing Committee, the Mayor's Fund and community boards across the district.	173,267
Total Council funds committed 2024/25	**346,999**

We also continued to support Hamilton and Waikato Tourism as well as Waikato Screen, with funding of $149,500.

Implementation of Better Off funding projects

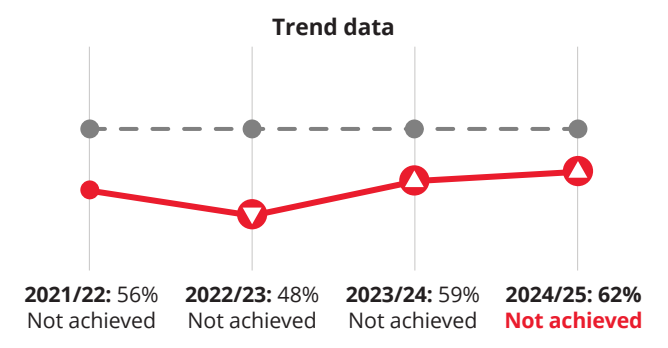
During 2022/23 Council was granted $7.88 million through the government's Better Off funding package for projects spanning multiple financial years. Twenty projects are being delivered under this funding programme with four being Council-led and 16 being community-led. From the 16 community-led projects, eight have been completed, seven are currently in delivery, and one is in the design phase. In 2024/25, $3.16 million was spent. This brings the cumulative expenditure to date to $5.23 million of the budgeted $7.88 million.

What we delivered

Open spaces and facilities

Percentage of customers who are satisfied in the annual satisfaction survey (public toilets).[5]

2024/25 Target: 75%

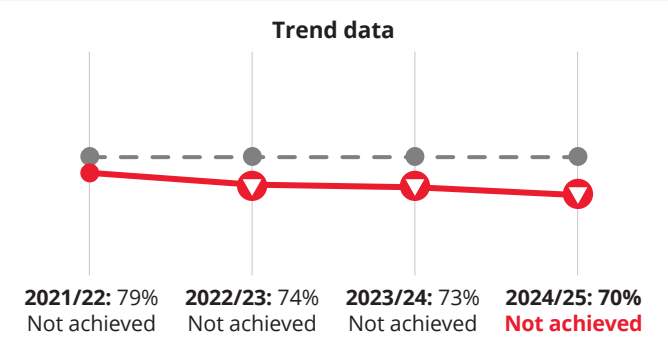


Commentary: There has been a slight improvement in the result for this measure compared to 2023/24 which was 59%. Throughout the year, staff have continued to work with the contractor to increase levels of service where required. Quarterly audits are also completed to further monitor the cleanliness of toilets and any opportunities to improve will continue to be implemented.

The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being achievable. As Council opted to produce an Enhanced Annual Plan for 2024/25 this caused existing performance measures to be reported for an additional year than planned. During the four years of reporting against this measure, customer satisfaction has remained relatively low in comparison to the target.

Percentage of customers who are satisfied with parks and reserves, including sports fields and playgrounds.[6]

2024/25 Target: 85%



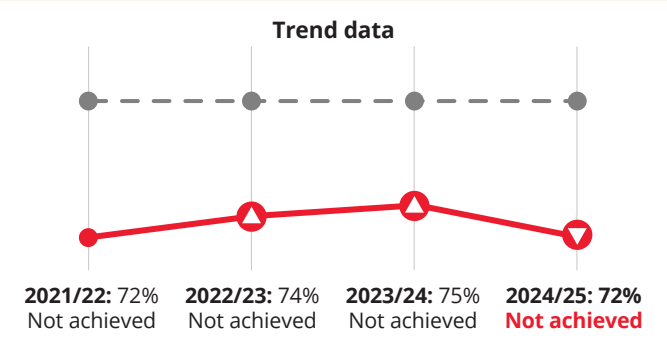
Commentary: Feedback from our community has shown customers feel rates increases do not match the level of service being provided. Throughout the year, staff increased the frequency of audits to check that the required services were being maintained. Staff will continue to work with our contractor to ensure parks and reserves are well maintained and improvements are made regarding customer experience.

[5] The Resident Satisfaction Survey results inform this performance measure result.
[6] The Resident Satisfaction Survey results inform this performance measure result.

Percentage of customers who are satisfied with the presentation of Waikato District Council cemeteries.[7]

2024/25 Target: 85%

Commentary: All cemeteries continue to be maintained to a high standard by our contractor. Staff will continue to conduct regular audits to ensure cemetery visitors have a high level of satisfaction.



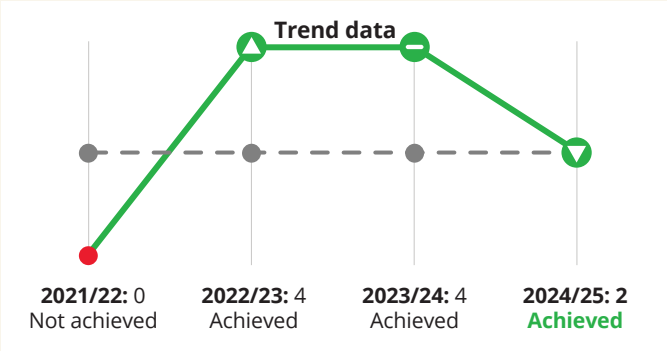
Council's 2021-2031 Long Term Plan included the following performance measure: Waikato District Council Carbon Road Map, which shows an improving trend in energy efficiency/emission reduction. Through our 2024/25 Enhanced Annual Plan consultation process we removed this performance measure as we recently adopted the revised Climate Response and Resilience Policy. This revised policy takes a more holistic view and this measure only reports on a portion of our energy efficiency/ emissions reduction work.

Community venues and events

The number of events workshops held each year to support event organisers.[8]

2024/25 Target: 2

Commentary: Two event workshops were held this year. One workshop was held with surf user groups in Raglan to discuss booking surf events at Manu Bay in line with the rules of the Reserve Management Plan. Another workshop was held with the Raglan Community Board to discuss Soundsplash fees and charges. No further workshops were held after quarter two due to focus shifting to implementing a new event booking system which will improve efficiency for event organisers and Council staff.



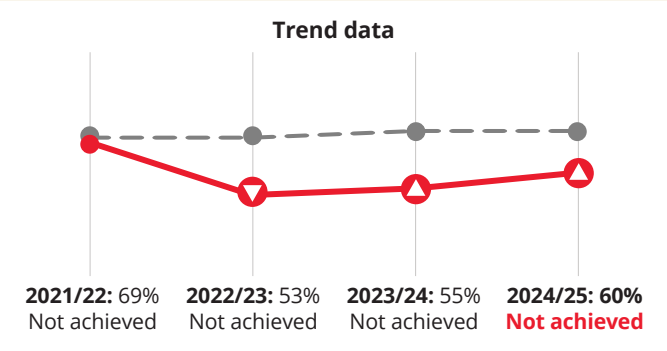
[7] The Resident Satisfaction Survey results inform this performance measure result.
[8] Event workshops are run by Council staff to educate event organisers, both internal and external, about the processes involved when arranging an event at Council venues. The number of workshops held during the year is logged at the time of the workshop.

Customer and partnership focus

The percentage of customers satisfied with the overall service received when contacting the Council.[9]

2024/25 Target: 72%

Commentary: Council's focus during 2024/25 on delivering training for staff working with service requests may have contributed to the 5% improvement in customer satisfaction this year.



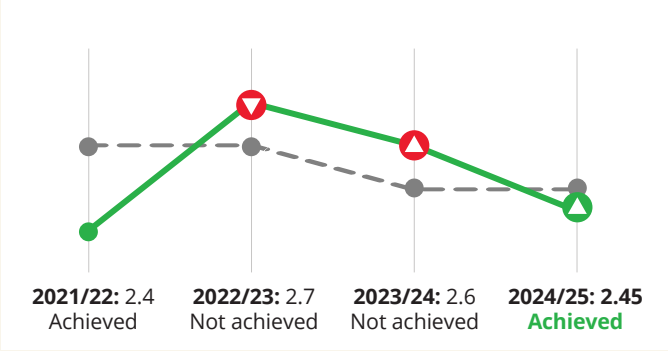
A recurring theme from customer feedback was a lack of communication and follow-up. Additionally, the data indicated that many customers are finding our website difficult to use. Council is currently reviewing our website to improve usability and accessibility.

Staff are also developing live post-interaction feedback loops to better understand from our customers first hand where improvements can be made and enhance overall service delivery.

Average level of effort to conduct business with Council. (On a scale of 1 - 5 (5 being high effort) how much effort did it take to conduct your business with Council?).[10]

2024/25 Target: <2.5

Commentary: The level of effort required for customers to conduct business with Council has decreased over the past year leading to an improvement in the overall result. The data shows that customers experience more difficulty when interacting with Council through our website. Improving our website usability will be a focus for next year as reducing customer effort remains a key focus for Council.



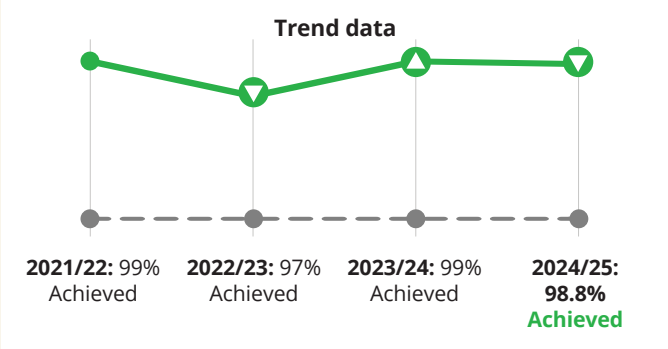
There are four communication channels included in this measure which are in person, telephone, email, and website.

[9] The Resident Satisfaction Survey results inform this performance measure result.
[10] The Resident Satisfaction Survey results inform this performance measure result.

Net promoter score (level of likelihood that library users will recommend to friends and family their library as a place to go) – as measured in a bi-annual in-house customer survey.[11]

2024/25 Target: 90%

Commentary: Feedback indicates that library users continue to value our library services and are likely to recommend them to others.

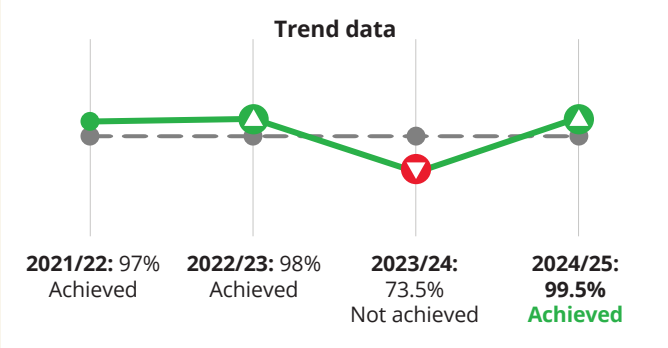


Level of customer satisfaction that the quality of libraries resources meets their needs - as measured in a bi-annual in-house customer survey.[12]

2024/25 Target: 90%

Commentary: Feedback indicates the majority of customers are satisfied or highly satisfied with the quality of library resources.

This year's result is a significant improvement on last year's result of 73.5%.

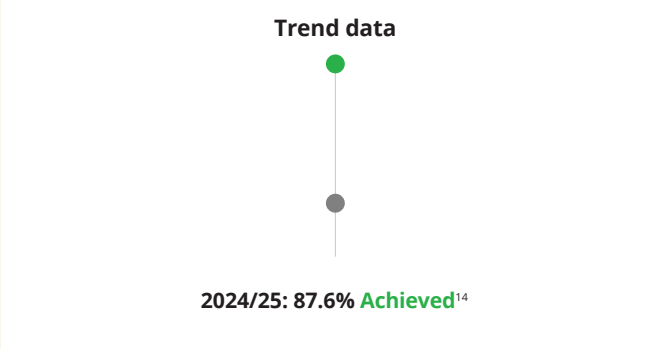


Staff have been focused on making our digital offerings more visible which could have contributed to the improvement in customer satisfaction as this was indicated as an area for improvement last year.

The overall percentage of service requests responded to by Council within the agreed timeframes.[13]

2024/25 Target: 83%

Commentary: 29,368 service requests were received this year, with 25,729 (87.6%) responded to within the agreed timeframes.



[11] The bi-annual in-house library customer survey informs this performance measure result. The question regarding likeliness to recommend the library to friends and family has four response options: highly likely, likely, unlikely, and highly unlikely. To calculate likelihood, the results for highly likely and likely are combined to calculate the Net Promoter Score.

[12] The bi-annual in-house library customer survey informs this performance measure result. The question regarding customer satisfaction has response options: highly satisfied, satisfied, dissatisfied, highly dissatisfied. To calculate whether library resources meet customer needs, the results for highly satisfied and satisfied are combined to calculate the level of customer satisfaction.

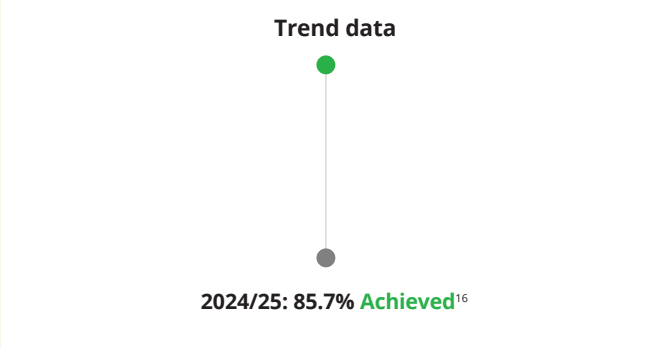
[13] A service request is a formal or informal communication from a customer to request assistance, support, or action from Council. This measure reports on all service requests received by Council that are responded to and completed following the timeframe types outlined on Council's website. This measure reports against responses to the specific service request, rather than an automated acknowledgement.

[14] This performance measure is being reported for the first time, following its adoption in the 2024/25 Enhanced Annual Plan. As we have changed the way we collect and report service request information to ensure it is robust and consistent across Council, we are unable compare this year's progress against previous years' reporting as it was not recorded centrally. Moving forward, improved internal processes will ensure ongoing accuracy of reporting. In addition, new customer channels such as Antenno have been introduced to provide customers with additional ways in which they can notify council of issues or seek assistance.

The overall percentage of service requests completed by Council within the agreed timeframes.[15]

2024/25 Target: 77%

Commentary: 28,305 service requests were completed this year, with 24,254 (85.7%) being completed within timeframes.



The following two measures were not included in our 2021-2031 Long Term Plan:

1. The overall percentage of service requests responded to by Council within the agreed timeframes.
2. The overall percentage of service requests completed by Council within the agreed timeframes.

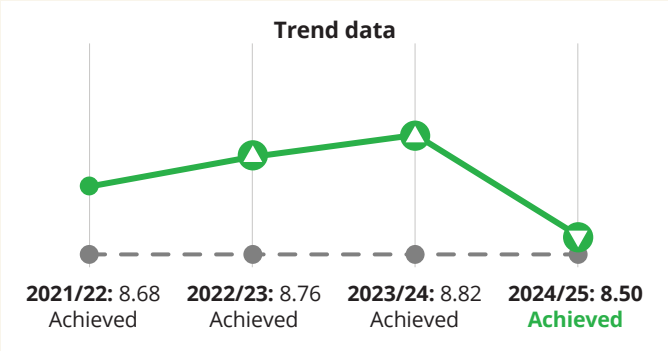
Through our 2024/25 Enhanced Annual Plan consultation process, these two performance measures were added as we understand that response times are important for our customers.

Economic development

The Business Perception Survey average rating is above target.[17]

2024/25 Target: 8.50

Commentary: Two Business Perception Surveys were conducted this year with the first survey achieving a score of 8.49 out of 10 and the second survey achieving a score of 8.5 out of 10.



Council continues to receive highly positive perceptions from the business environment with all wards in the district being recognised positively. The survey noted attention should be directed towards high priority business needs in the district such as infrastructure, roading development and consenting processes to maintain and grow business confidence.

Feedback has indicated that the slight decrease in this year's result compared to last year is due to perceptions of Council, levels of business engagement, and concerns around business cost and rates.

[15] A service request is a formal or informal communication from a customer to request assistance, support, or action from Council. This measure reports on all service requests received by Council that are responded to and completed following the timeframe types outlined on Council's website.

[16] This performance measure is being reported for the first time, following its adoption in the 2024/25 Enhanced Annual Plan. As we have changed the way we collect and report service request information to ensure it is robust and consistent across Council, we are unable compare this year's progress against previous years' reporting as it was not recorded centrally. Moving forward, improved internal processes will ensure ongoing accuracy of reporting. In addition, new customer channels such as Antenno have been introduced to provide customers with additional ways in which they can notify council of issues or seek assistance.

[17] A total of 400 surveys are collected from businesses across the district, in each survey cycle (every six months). There is a margin of error of +/-5%, with a confidence rating of 95%. Data collection is via computer assisted telephone interview and online (email invitation). The sample is stratified, and data collected by ward to ensure fair representation across Council's territorial area. The survey is administered on our behalf by SIL Research.

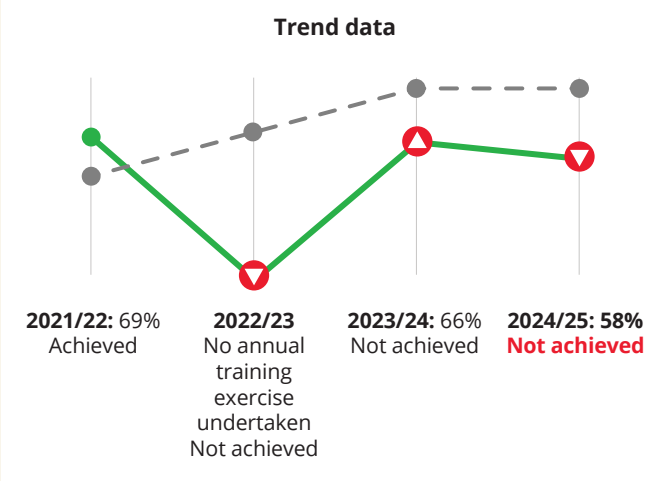
Emergency management

The evaluation of annual exercise as a measure of effectiveness of training delivery.[18] ♦

2024/25 Target: 90%

Commentary: While the 58% result did not meet the target, it is still classified as a 'good' result which indicates Council has a good organisational commitment to practice activation methodologies.

Initial feedback noted the scenario was well-designed and partner agency involvement was strong. Areas for improvement include the use of WHISPIR* for alerts, consistent application of Standard Operating Procedures, and enhanced coordination with iwi/Maaori and key teams.

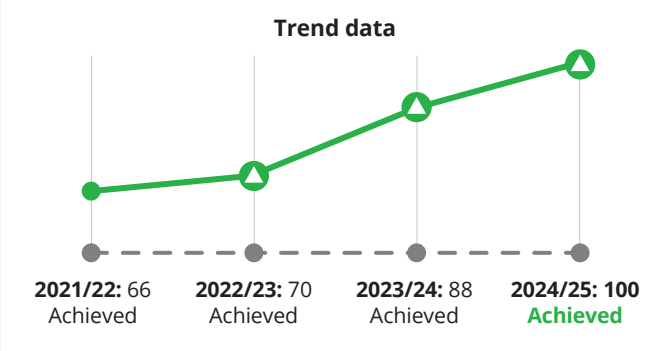


*A WHISPIR alert is a notification sent through the Whispir platform, which is a communication platform designed for businesses and organisations for emergency and crisis situations.

Council maintains a minimum number of trained staff to intermediate level, to fulfil core Emergency operations centre roles.[19]

2024/25 Target: 50

Commentary: Council continues to exceed the minimum requirement of 50 trained staff at the intermediate level to support core Emergency Operations Centre roles. This result is critical to ensure Council can operate multiple shifts with trained staff who understand the Emergency Operations Centre.



[18] The assessment was conducted by the Civil Defence Group Emergency Management Office. It should be noted that assessment is focused on the effectiveness of training, not on the overall response capability.

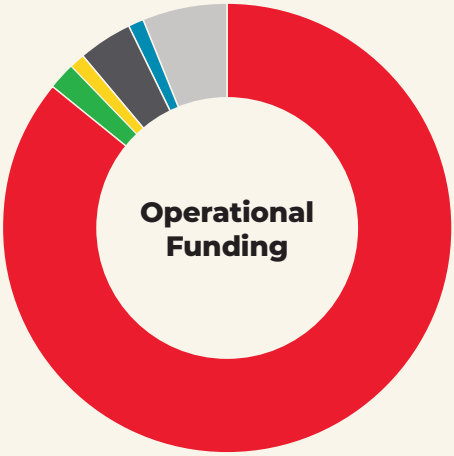
[19] Having this number of trained staff allows Council to draw on a selection of staff as required and ensures staff on duty can be rotated. This enables Council to maintain general business activities during an emergency.

♦ Mandatory Civil Defence Emergency Management performance measure for Councils in the Waikato region.

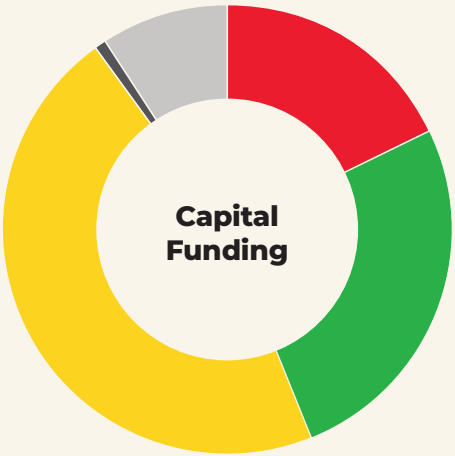
Potential significant negative effects

Potential negative effects	How we are addressing this
Open spaces and facilities	
Damage to property and harm to people from falling trees and branches.	A tree maintenance programme is delivered in accordance with industry standards. Increased asset data is used 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 customer and partnership focus, economic development, or emergency management activities.	

How we paid for it



Sustainable communities	
Operational	
86%	General rates, uniform annual general charge, rates penalties
2%	Targeted rates
1%	Subsidies and grants for operating purposes
4%	Fees and charges
1%	Internal charges and overheads recovered
6%	Local authorities fuel taxes, infringement fees and other receipts



Sustainable communities	
Capital	
18%	Subsidies and grants for capital expenditure
26%	Development and financial contributions
46%	Increase (decrease) in debt
1%	Gross proceeds from the sale of assets
0%	Lump sum contributions
9%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	28,217	29,846	37,272
Targeted rates	856	872	1,077
Subsidies and grants for operating purposes	133	136	228
Fees and charges	1,075	1,099	1,817
Internal charges and overheads recovered	2,506	2,553	620
Local authorities fuel tax, fines, infringement fees, and other receipts	3,056	3,127	2,796
Total operating funding (A)	**35,843**	**37,633**	**43,810**
Applications of operating funding			
Payments to staff and suppliers	22,275	22,695	24,839
Finance costs	-	-	-
Internal charges and overheads applied	6,974	7,715	9,397
Other operating funding applications	647	663	1,043
Total applications of operating funding (B)	**29,896**	**31,073**	**35,279**
Surplus (deficit) of operating funding (A - B)	**5,947**	**6,560**	**8,531**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	1,730
Development and financial contributions	1,359	3,261	2,444
Increase (decrease) in debt	11,631	9,502	4,498
Gross proceeds from the sale of assets	564	579	61
Lump sum contributions	-	-	-
Other dedicated capital funding*	-	-	833
Total sources of capital funding (C)	**13,554**	**13,342**	**9,566**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	4,744	2,400	291
- to improve the level of service	8,346	7,226	6,149
- to replace existing assets	7,609	6,165	5,121
Increase (decrease) in reserves	(1,198)	4,111	6,535
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**19,501**	**19,902**	**18,096**
Surplus (deficit) of capital funding (C - D)	**(5,947)**	**(6,560)**	**(8,530)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

*Other dedicated capital funding for the Sustainable Communities group of activities represents external funding and insurance proceeds received to fund the various capital projects.

Sustainable environment
Toituutanga Taiao

These activities include:
- Animal control
- Building quality
- Environmental health
- Solid waste
- Strategic and district planning

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. These activities also actively work to protect public health and safety and 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 as well as the aspirations and needs of our communities so that they see themselves reflected in our mahi (work).

How this group of activities improves 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 they are core components and drivers for our strategic and district planning.

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

What we achieved this year

Animal control

Animal control hosted its annual Pound Pups Pool Parties in April 2025. Over 220 dogs and their families enjoyed a day out at the public pools in Ngaaruawaahia and Tuakau. The event was held at the end of the swimming season prior to the pools being closed for the winter, so the dogs were the last to enter the water before the winter shutdown.

This year the events raised $2,955 for Impounded Dogs NZ and Animal Welfare Network NZ – Trusted Rescues South Island Pet Rehoming. These two organisations help rehome dogs and puppies each year.

In July 2024, we held the ever-popular Dirty Dog Challenge with 521 people and 401 dogs participating in the 2.5km or 6km mud run. This event raised over $6,000 to go towards the PUP (Preventing Unwanted Puppies) desexing programme. The PUP programme desexed 184 dogs across the district this year, 56 more than the previous year.

The Ngaaruawaahia Pound refurbishment project commenced at the beginning of June 2025 in preparation for servicing the whole district. These improvements will extend the longevity of the site, increase kennelling capacity and improve the functionality and safety of the building for pound users.

There has been a slight decrease in the number of impounded and surrendered dogs from last year and an increase in the number of dogs adopted with 183 being rehomed.

Building quality

The building quality team continues to deliver Building Consent Authority (BCA) services across the district, in accordance with regulations. This year, 1,452 building consents were issued, 9,092 building inspections completed and 1,368 Code Compliance Certificates were issued.

We have played a vital role in ensuring that homes, businesses and community spaces are safe, healthy and durable. The team also carried out swimming pool inspection audits to uphold compliance with regulations and ensure that residential pool areas remain secure. Fire safety also remains a high priority with 265 Building Warrant of Fitness Audits being conducted to ensure fire protection systems are fully operational and compliant.

Building quality continues to work with property owners in Port Waikato whose homes were affected by Cyclone Gabrielle. The team works with these communities by providing guidance as to how they can remediate their properties to an appropriate standard so that the placards can be removed which signal the property is no longer a geotechnical risk.

Environmental health

Council achieved the annual Joint Accreditation System of Australia and New Zealand (JASANZ) assessment of our food verification quality management systems. All Council-contracted food verifiers also achieved their continuous professional development requirements with the Ministry of Primary Industries (MPI). These achievements can give the community confidence that Council undertakes its food verification services to a high standard to ensure that safe and suitable food is sold in the district.

The team continued to meet the growing demand from applicants in the sale and supply of alcohol this year. We have worked with agencies such as the Ministry of Health and New Zealand Police to provide reports to the District Licensing Committee and have spoken at several complex hearings.

To meet legislative requirements, we started a review of the Alcohol Control Bylaw 2020 and adopted a new Keeping of Animals Bylaw. This includes rules for managing nuisance-related complaints relating to animals (excluding dogs which are covered under the Dog Control Bylaw and Policy 2022).

Our out-of-hours excessive noise service attended around 994 noise complaints this year, and we responded to 330 environmental health service requests. This is a 14% increase from last year.

Our contaminated land service provided timely reports to developers and assisted by providing information on environmental land use consent applications.

Solid waste

In 2024/25, we continued to provide kerbside rubbish and recycling services across the district, working closely with our collection contractors to promptly address complaints and ensure a high quality and efficient service.

The team have been focused on preparing to have new waste collection contracts in place by July 2027. Several changes are being investigated for rubbish and recycling services both district wide and to services for individual communities in advance of this. We carried out community consultation alongside the 2025-2034 Long Term Plan in early 2025 with Council agreeing a staged implementation approach to service changes from 1 July 2025. To read about future changes to waste services, refer to our 2025-2034 Long Term Plan.

The Waste Minimisation and Management Plan 2025-2031 (WMMP) was adopted in June 2025. With a vision: To turn the tide on waste – together, this document sets out how we will achieve the vision with an action plan and goals through to 2031.

There was a strong focus on education and engagement with numerous events delivered educating residents about resource recovery and waste minimisation, including:

- Love Food Hate Waste workshops for Ngaaruawaahia, Raglan, Pookeno, Te Kauwhata, and Tuakau.
- Tyre drop-off events for Te Kauwhata.
- Household hazardous waste drop-off for Tuakau, Ngaaruawaahia, and Huntly.
- Furniture waste event for Ngaaruawaahia and Tamahere.
- Toy swap events for Ngaaruawaahia.
- Scrap metal recycling drop-off event for Onewhero.
- Green Gorilla Recycling Centre open day in Huntly.
- Zero waste period school education in schools.
- Waste minimisation videos made for Council's website to encourage increased recycling and decreased food waste.

We progressed improvements to our resource recovery infrastructure to ensure we can meet growing community demand, including finalising site design and lodging consent applications for the Northern Resource Recovery Centre in Tuakau. Upgrades were also completed at the Te Kauwhata and McVie Road transfer station, along with safety improvements at the Raglan Resource Recovery Centre.

Strategic and district planning

The strategic and district planning teams were involved in many projects to ensure that development and growth across the rohe is well managed and supported by the necessary infrastructure. They also led Council's response to central government reform and ensured the district's needs were heard. Some of these include:

- Contributing to the adoption of the subregional Future Development Strategy as part of the Future Proof Partnership. This strategy is a 30-year growth management and implementation plan for the Hamilton, Waipaa, Waikato, and Matamata-Piako subregion.
- Adopting the Ngaaruawaahia, Hopuhopu, and Taupiri Structure Plan and the Ngaaruawaahia Town Centre Plan.
- Progressing the development of the Raahui Pookeka/Huntly Socio-Economic Master Plan, a Spatial Plan that identifies key social, cultural, environmental and economic opportunities, along with the projects and actions required over the next 30 years to achieve them.
- Continuing to progress the Proposed District Plan with it being made operative in part and formally named as the District Plan Operative in Part. The Proposed District Plan appeals are now 80% resolved, digitisation of the plan has occurred, and webpages have been updated to deliver improved public accessibility.
- Housing supply and development within the community can now be enhanced following changes to the district plan, known as Variation 3. Under the new rules, properties in Ngaaruawaahia, Huntly, Tuakau, Pookeno, and parts of Horotiu will be able to accommodate up to three homes, each up to three stories high, on land zoned for general or medium-density residential use.

- Under the updated district plan rules, papakaainga developments are now more enabling so ancestral Maaori land can be utilised for the benefit of its shareholders and their descendants. A dedicated webpage, Te Whakawhanake Papakaainga, has been created with detailed information about the development process.
- Following the issue of resource consent for the initial stage of its Hopuhopu development, Council is working with Waikato-Tainui to navigate the complexities of this large-scale development.
- We made submissions on Phase 2 of the government's Resource Management Reforms, including minor residential units, consenting, and other matters.
- Commencing the review of Waikato 2070, Council's Growth and Economic Development Strategy sets the direction for future growth in the district.
- Council adopting the updated Development Contributions Policy alongside the 2025-2034 Long Term Plan as well as negotiating several development agreements between Council and developers to facilitate the construction of key roading and waters infrastructure in Horotiu and Ngaaruawaahia.
- Progressing the development of an implementation plan to support the Heritage Strategy which will indicate the priorities for our heritage portfolio across the district.

The resource consent team focused on issuing resource consents, undertaking subdivision post approval work to enable the issuing of records of titles for new lots, providing the duty planner service, issuing property numbers, maintaining the land hazard register, issuing land information memorandums (LIMs), and answering property information enquiries. The team answered 2,433 duty planner enquiries, processed 761 resource consents, completed 210 engineering clearances, issued 993 new property lots, and issued 1,527 LIMs and answered 1,822 property information requests.

Climate action and sustainability

In November 2024, Council's internal Climate Action Plan was updated to address key actions, priorities, efficiencies, and set targets to reduce our operational greenhouse gas emissions. This supports the previously adopted Climate Response and Resilience Strategy which guides our response to climate change.

Key works completed in 2024/25 include:

- Development of a climate risk assessment framework to better understand impacts from a changing climate on our communities, infrastructure, and assets.
- Measuring and reporting on our operational CO2e emissions, which are reducing each year.
- Managing Council's Enviroschools contract with 26 schools supported across the district.
- Developed a Community Climate Action Kete, a resource to support communities with their climate action.
- Engaged over 270 people in workshops and presentations on sustainability, climate action, and resilience.

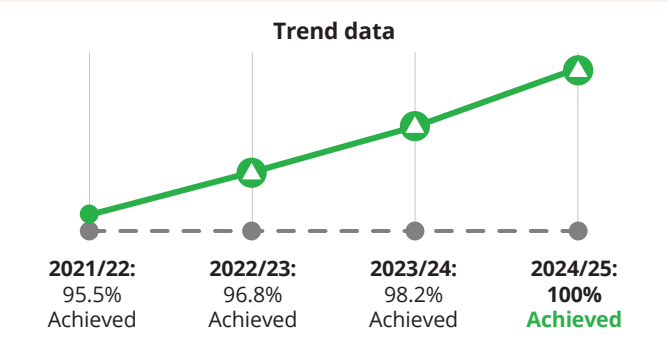
What we delivered

Animal control

The percentage of aggressive dog behaviour complaints, where immediate risk to public safety is present, that has Council personnel on site within one hour.

2024/25 Target: 95%

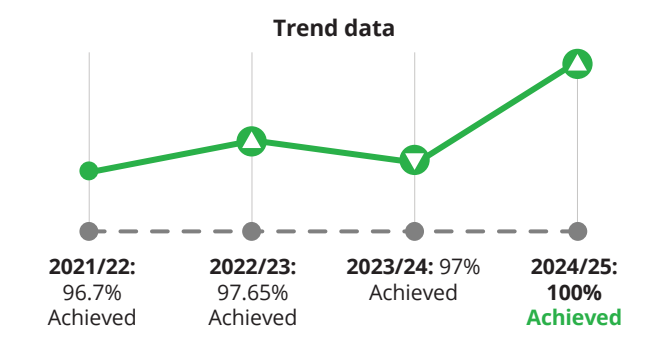
Commentary: 153 aggressive dog behaviour complaints were responded to this year, with all responded to within one hour.



The percentage of complaints regarding straying stock that have Council personnel on site within one hour.

2024/25 Target: 95%

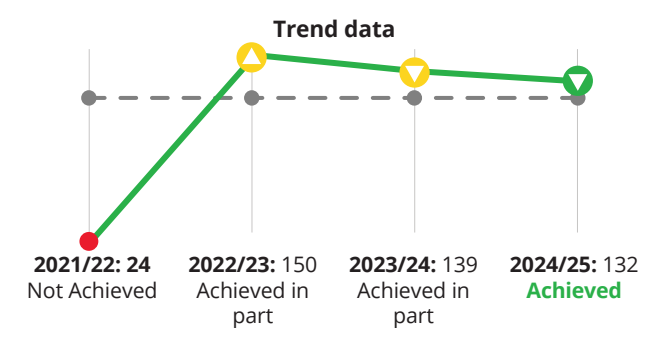
Commentary: 250 straying stock complaints were responded to this year, with all responded to within one hour.



Complete engagement and education visits throughout the district.

2024/25 Target: 120 per annum[20]

Commentary: 132 engagement and education visits have been conducted this year.

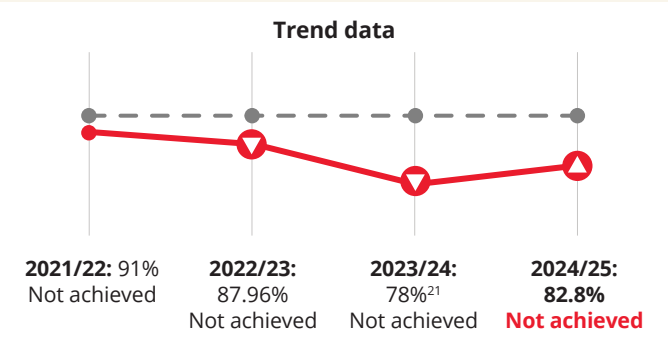


The percentage of known dogs currently registered.

2024/25 Target: 95%

Commentary: As at 30 June 2025, there is a total of 16,030 known dogs within our district. 13,273 (82.8%) were registered dogs and 2,757 (17.2%) were unregistered.

This measure is dependent on dog registration fees being paid. Council will be taking an earlier approach to dog registration follow up in 2025/26 and have further payment options available to remove barriers to compliance for dog owners.[22]



[20] The 2023/4 target was 120 visits per annum and included a requirement to undertake 10 per month. In the 2024/25 Enhanced Annual Plan, the monthly requirement for engagement and education visits was removed, but the annual target of 120 visits remained.

[21] The result included in the 2023/24 Annual Report was 86.6%. This result was reported inaccurately due to a timing error in capturing the data. The result has been retrospectively updated to 78% to reflect only the registrations within the appropriate financial year.

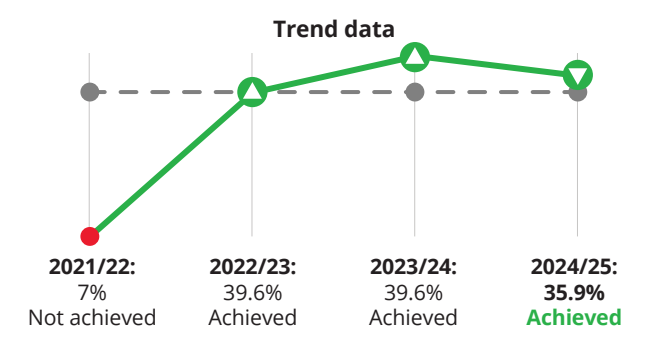
[22] In November 2024, work was undertaken to improve the data accuracy in our reporting system. The reporting upgrades have resulted in a slight variation in the 2024/25 results compared to previous years results, however this is a more accurate reflection of the data.

Building quality

The percentage of existing buildings with building WoFs that are monitored and audited for compliance annually.

2024/25 Target: 33%

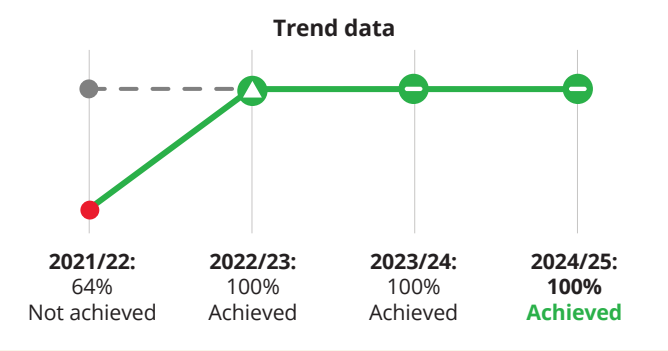
Commentary: A total of 204 out of 569 (35.9%) existing buildings were monitored and audited for compliance this year as required. All existing buildings with building WOFs are monitored once every three years with 189 required to be audited in 2024/25.



The percentage of buildings that provide sleeping care or paid accommodation that are audited for compliance annually.

2024/25 Target: 100%

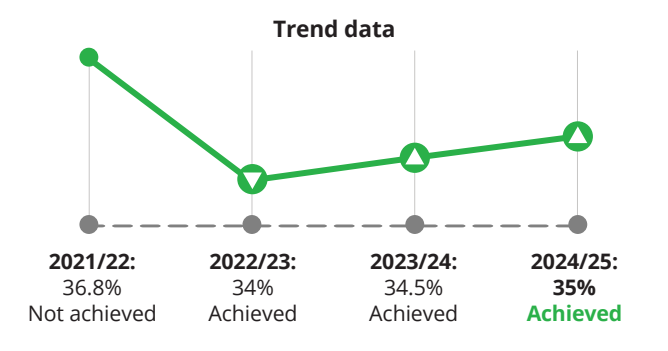
Commentary: A total of 61 out of 61 (100%) buildings that provide sleeping care or paid accommodation have been audited for compliance this year.



The percentage of swimming pools that are inspected for compliance annually.

2024/25 Target: 33%

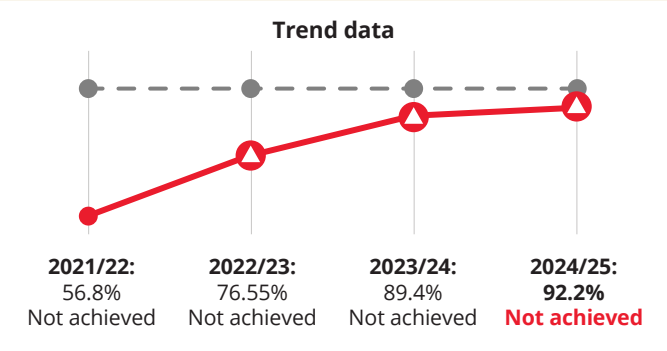
Commentary: A total of 886 out of 2,528 (35%) swimming pool inspections were carried out this year. All swimming pool fences are inspected once every three years with 842 required to be inspected in 2024/25.



The percentage of building consent applications that are processed within 20 working days.[23]

2024/25 Target: 98%

Commentary: A total of 1,452 building consents were received during 2024/25 with 1,339 (92.2%) processed within 20 working days. This is an increase from the 1,337 applications received in 2023/24. In 2024/25, staff have responded to a greater percentage within required timeframes.



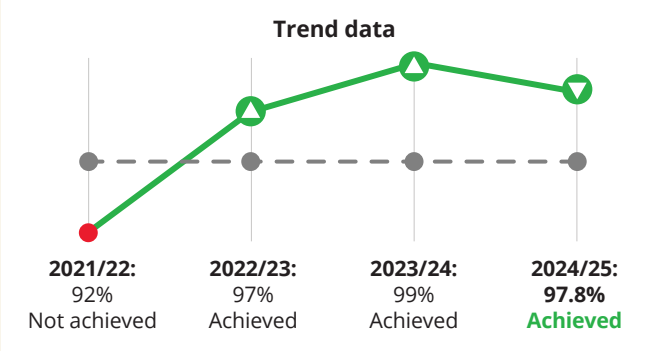
Most of the consents that took longer than 20 working days were consents sent to contractors where a peer review was required due to limited staff capacity. Staff have been making a considerable effort to improve this result while also reducing reliance on contractors.

Environmental health

The percentage of food operations that are required to be verified annually that are verified.

2024/25 Target: 95%

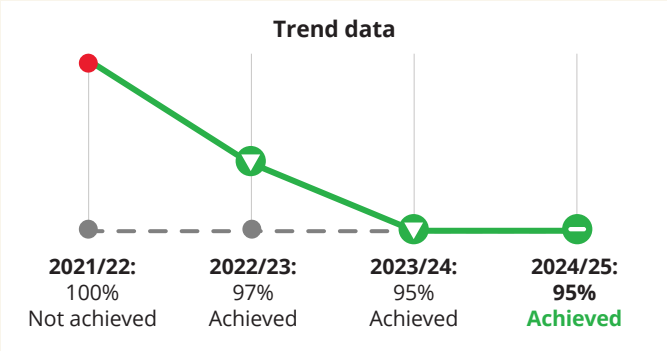
Commentary: 226 food operations were required to be verified this year, of which 221 (97.8%) were verified. Achieving this measure helps to ensure food sold for consumption in the district is safe and suitable.



The percentage of medium or higher risk category licensed premises inspected annually.

2024/25 Target: 95%

Commentary: 72 out of 76 (95%) premises categorised as medium and high risk were inspected this year to ensure compliance with licenses to minimise the risk of alcohol-related harm for the community.

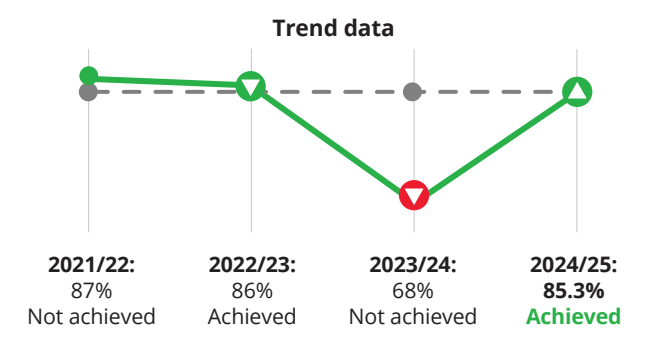


[23] The time it takes to process consents is measured according to the timeframes specified in the Building Act 2004, about when timing starts and stops

Percentage of excessive noise complaints responded to within agreed timeframes.[24,25]

2024/25 Target: 85%

Commentary: 994 excessive noise complaints were received this year with 848 (85.3%) responded to within agreed timeframes. Traffic and the location of complaints impacted response times. Achieving this measure helps to ensure the community can enjoy a peaceful environment.

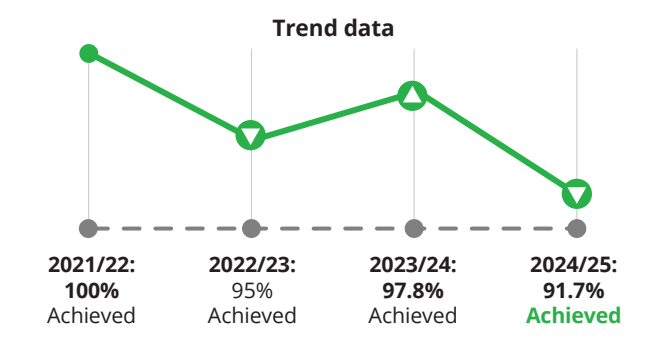


This measure has significantly improved since last year as the IT update which impacted communications between Council and our contractor for most of 2023/24 was resolved and Council's level of service improved.

The percentage of hazardous land use information (HAIL) reports that will be completed within 10 working days.

2024/25 Target: 90%

Commentary: 48 HAIL requests were received this year, with 44 (91.7%) processed within 10 working days. Achieving this measure ensures those living and developing property remain fully informed of any recorded land contamination.

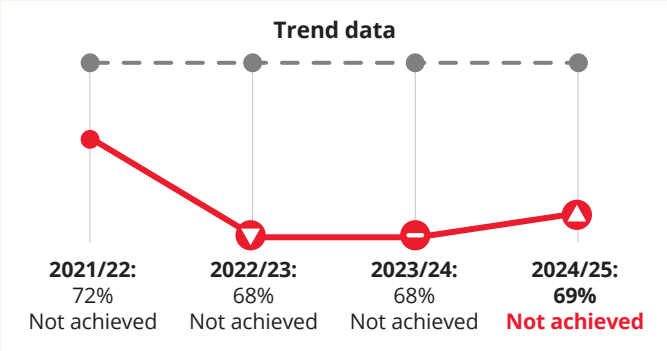


Solid waste

Customer satisfaction with waste collection services.[26]

2024/25 Target: 75%

Commentary: Staff and contractors continue to maintain high service standards and respond to complaints within five working days.



Feedback from our community included frustration around recycling guidelines and missed collections due to incorrect sorting. The community also voiced frustration around upcoming changes to the waste services being delivered. Rural residents complained about the cost of rates and lack of Council services as they "pay twice" for rubbish. More general comments about rural litter, illegal dumping and litter bins were also received.

[24] Armourguard Security responds to noise complaints on behalf of Waikato District Council.

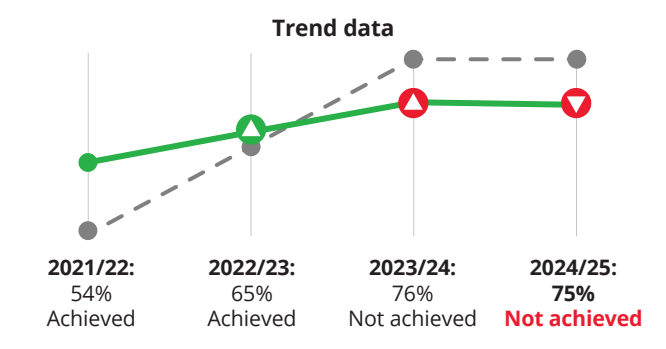
[25] An excessive noise direction directs the occupier of the place from which the sound is being emitted, or any other person who appears to be responsible for causing the excessive noise, to immediately reduce the noise to a reasonable level with effect for 72 hours (as per section 327 of the Resource Management Act 1991.

[26] The Resident Satisfaction Survey results inform this performance measure result.

Meet actions set within Waste Minimisation Management Plan (WMMP).

2024/25 Target: 90%

Commentary: Staff have completed nine out of the 12 actions identified in the Waste Minimisation Management Plan (WMMP) required to be completed in 2024/25. Staff have been focused on developing a new WMMP for majority of 2024/25 which was adopted June 2025.

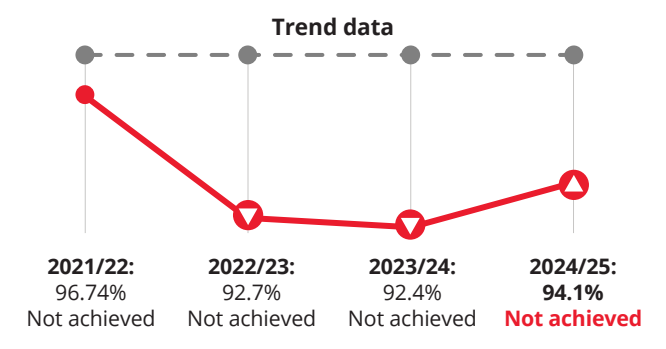


Strategic and district planning

The percentage of resource consent applications which are processed within statutory timeframes.[27]

2024/25 Target: 98%

Commentary: A total of 761 consents were lodged during 2024/25, with 664 consents being issued. Of these, 625 were issued within statutory timeframes, and 39 were issued out of time.

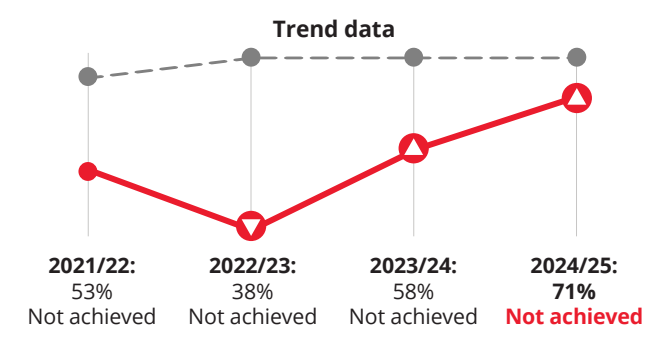


Staff manage each consent individually with the intention of completing them within timeframes. However, sometimes factors outside our control arise. Staff will continue to review the reasons why consents go over time and what further actions can be taken to prevent consents being processed outside of timeframes.

The percentage of current land use consents that are older than two years which have been monitored in the last two years.

2024/25 Target: 80%

Commentary: A total of 848 out of 1,194 (71%) land use consents older than two years were monitored within the last two years.



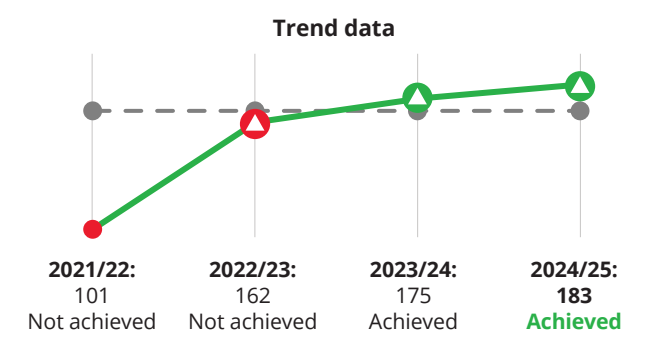
This year's result is a significant improvement on last year's result of 58%. Over previous years, we have seen a trend of new land use consents increasing, however, last financial year we saw the volume start to decrease. As the volume decreases, available resource capacity can focus on monitoring older consents.

[27] The time it takes to process consents is measured according to the timeframes specified in the Resource Management Act 1991 about when timing starts and stops. A majority of the consents that Council receives are non-notified and are normally required to be processed within 20 working days.

The number of parking patrols which are carried out in individual communities under the Public Places Bylaw.

2024/25 Target: 168

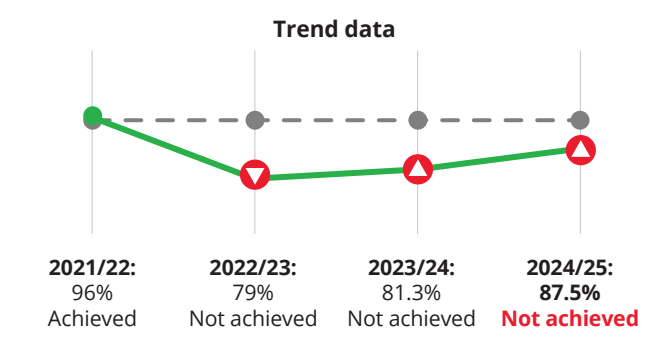
Commentary: A total of 183 parking patrols were undertaken across the district this year.



The percentage of bylaws and policies that are required by legislation are reviewed within their statutory timeframes.

2024/25 Target: 95%

Commentary: Council currently has 16 policies required by legislation and 11 bylaws, none of which are required by legislation.



The following two policies were not updated within their statutory timeframes, due to high staff workload and other pressing requirements:

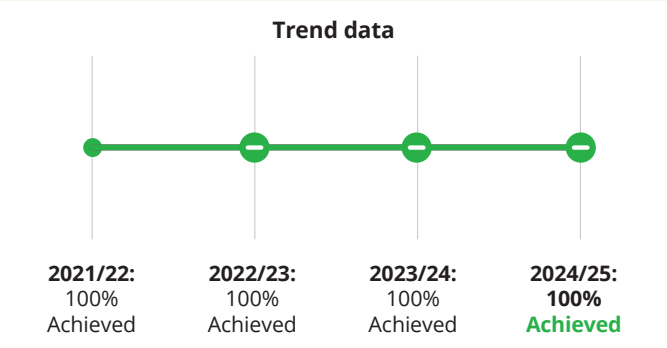
- Code of Conduct (elected members).
- Standing Orders.

The Code of Conduct policy has been through a comprehensive review and will be adopted by Council before the local government elections.

Standing Orders has been through a preliminary review and is awaiting updated best practice guidance from Local Government New Zealand. This policy will be updated by the end of 2025.

Adequate land supply (right type in right location) exists to cater for the growth and development of the district. Sufficient development capacity (as required by the National Policy Statement - Urban Development) is provided to meet expected short- and medium-term demand.[28]

2024/25 Target: 100% compliance with NPS-UD land supply requirements.



Commentary: The Future Proof Housing Business Assessment shows that:

- Residential short term housing is at 88% sufficiency and medium term is 135% sufficiency.
- Business land short and medium term is greater than 100% sufficiency.

Sufficiency means that land is available, zoned, and may require infrastructure to be developed by developers.

[28] Future Proof (sub-regional growth forum) undertook a Housing Business Assessment (July 2021) for councils in the sub-region, to determine the demand and land supply availability for both residential and business.

Potential significant negative effects

Potential negative effects	How we are addressing this
Animal control	
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.
Building quality	
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.	We are simplifying the consent process.
Strategic and district 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.
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.
Inadequate or harsh monitoring of District Plan requirements may discourage development, affecting the economy in the district.	Apply a reasonable, concise, consistent monitoring process.
There are no potential significant risks associated with the environmental health or solid waste activities.	

How we paid for it

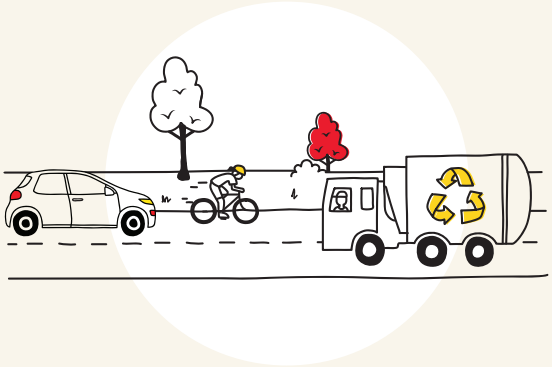
Sustainable environment	
Operational	
37%	General rates, uniform annual general charge, rates penalties
19%	Targeted rates
0%	Subsidies and grants for operating purposes
27%	Fees and charges
2%	Internal charges and overheads recovered
15%	Local authorities fuel taxes, infringement fees and other receipts

Sustainable environment	
Capital	
0%	Subsidies and grants for capital expenditure
0%	Development and financial contributions
100%	Increase (decrease) in debt
0%	Gross proceeds from the sale of assets
0%	Lump sum contributions
0%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	9,913	10,027	12,599
Targeted rates	5,317	5,614	6,534
Subsidies and grants for operating purposes	-	-	2
Fees and charges	9,492	10,105	9,452
Internal charges and overheads recovered	644	663	822
Local authorities fuel tax, fines, infringement fees, and other receipt	4,728	5,014	5,073
Total operating funding (A)	**30,094**	**31,423**	**34,482**
Applications of operating funding			
Payments to staff and suppliers	23,243	23,277	28,281
Finance costs	-	-	-
Internal charges and overheads applied	7,513	8,029	9,449
Other operating funding applications	59	61	309
Total applications of operating funding (B)	**30,815**	**31,367**	**38,039**
Surplus (deficit) of operating funding (A - B)	**(721)**	**56**	**(3,557)**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	122	16	410
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**122**	**16**	**410**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	-	-	-
- to improve the level of service	122	16	407
- to replace existing assets	174	211	71
Increase (decrease) in reserves	(895)	(155)	(3,625)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**(599)**	**72**	**(3,147)**
Surplus (deficit) of capital funding (C - D)	**721**	**(56)**	**3,557**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

Roading
Ngaa Huarahi



These activities include:
- Roading

What we do

The roading 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.

Our Waikato District Alliance (WDA) partner delivered the majority of this work, which is subsidised by the New Zealand Transport Agency.

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 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 this group of activities improves wellbeing

This activity primarily contributes to supporting our communities by enabling connectivity to employment and education. It also contributes to working together and enabling economic outcomes by supporting social, cultural, and recreational connectivity, as well as safety and sustainability.

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

What we achieved this year

Following several years of major storm events including Cyclone Gabrielle, repairs to flood damaged portions of the network have progressed well with more than a dozen dropouts repaired across the district this year. Improvements of deteriorated road sections were carried out with 112km lane length of resurfacing completed, and 11km of sealed roads rehabilitated. Over 387m of culverts were renewed, along with over 1km of kerb and channel repaired throughout the district.

A number of infrastructure upgrades were completed to ensure our roads are adequate for growing communities. These included the main street of Pookeno, roundabouts at key locations in Ngaaruawaahia and replacing two large box culverts to improve the overall resilience of the road network.

Council continued to work with Waikato Regional Council on bus routes across the district and support the Te Huia train service between Hamilton and Auckland. Our road safety education programme has continued to provide driver, motorcycle, and bicycle training, safety campaigns, and education to residents.

The adoption of the Speed Management Plan was completed during 2024/25 in response to central government's new legislation and guidance around speed limits. This is a new tool replacing the Speed Limits Bylaw and allows Council to review and set speed limits across the district following public consultation. We also amended our Traffic Bylaw in May 2025, prohibiting light motor vehicle traffic from using roads around the Northgate Business Park between 9pm and 4am to deter boy racing.

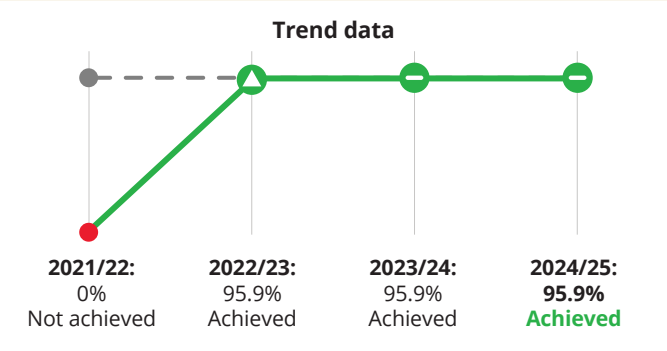
Throughout the year, the team were focused on preparing for the new roading contracts following the Alliance partnership ending on 30 June 2025. For the northern part of our district, Higgins will manage the network, with Fulton Hogan in the south. This change follows a 10-year Alliance partnership between Council and Downer and supports us to deliver services with greater transparency and efficiency.

What we delivered

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.[♦]

2024/25 Target: 95%

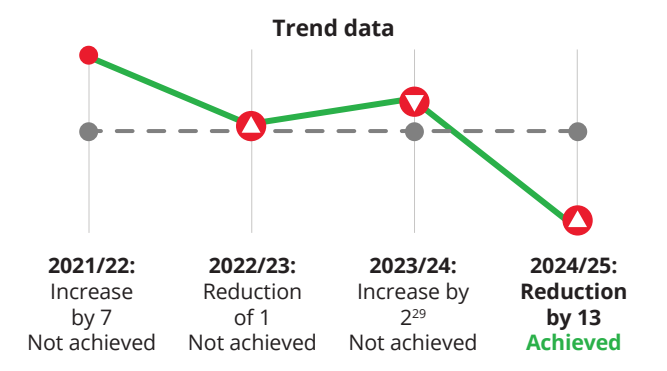
Commentary: This result considers footpath assets that are condition rated average, good and excellent across the network.



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.♦

2024/25 Target: Reduction by 2 on the previous year

Commentary: In 2024/25 there were 42 crashes on roads in the Waikato district, compared to the 2023/24 result of 55. This means there has been a reduction of 13 crashes on the previous financial year which is greater than the target of a reduction by two. This is our lowest result since the 2014/15 financial year.



While this is a positive result, crashes can be caused by other factors not linked to the condition of the roading network. Council continues to enhance road safety by constructing safer roads and roadsides, implementing safer speed limits, promoting safer vehicles and educating users on safe road use. These efforts contribute to reducing fatalities and serious injury crashes across our network.

Loss of control on bends continues to be the highest crash type. There has been a slight increase in pedestrian and turning crashes however, other types of crashes have reduced, such as manoeuvring, pedestrian crossing the road and intersection crashes.

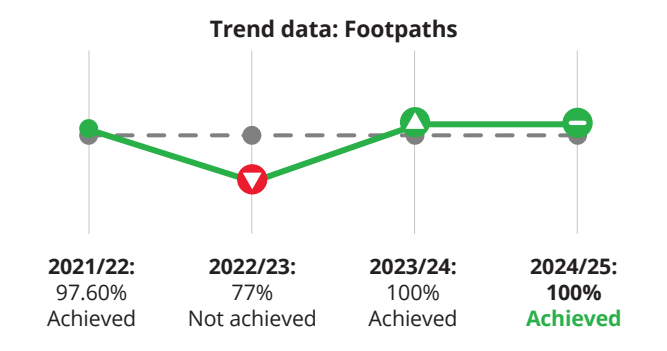
While the main contributing factor continues to be alcohol/drugs, there has been an increase in lack of seatbelt wearing which has resulted in more severe crashes.

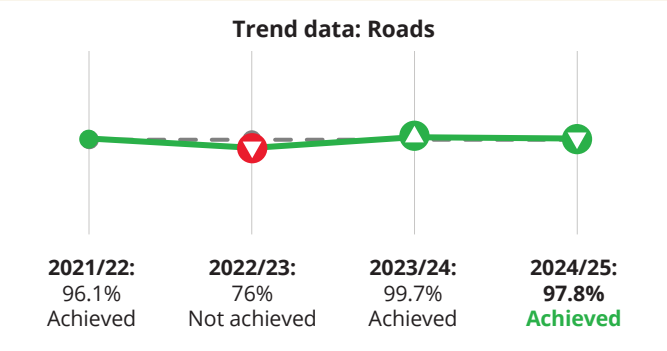
The percentage of customer service requests relating to roads and footpaths responded to within the timeframe specified in the LTP.[30] ♦

2024/25 Target: 95%

Commentary: 160 service requests relating to footpaths were received this year, all were responded to within timeframes.

2,087 service requests relating to roads were received this year with 2,041 (97.8%) responded to within timeframes.





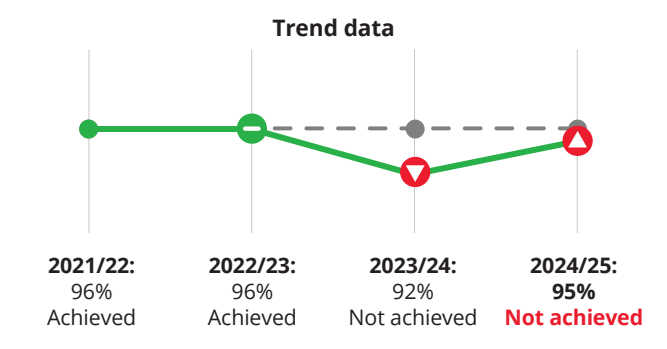
[29] The result included in the 2023/24 Annual Report was an 'increase by one'. This has been corrected to an 'increase by two' after an accident at the end of June 2024 was entered into the Crash Analysis System in late July 2024. The New Zealand Transport Agency has a standard four-week window for logging injury crashes once police reports are received which caused this crash to be missed.

[30] Specified time frames are defined in Council's Service Level Definitions table outlined in the 2021-2031 LTP. This includes the following response categories; 4 hours for immediate urgent requests, 8 hours for urgent requests and 5 business days for non-urgent requests.

The average quality of ride on a sealed local road network, measured by smooth travel exposure.[31]♦

2024/25 Target: 96%

Commentary: The average quality of ride on our sealed road network has slightly improved since last year to just below the target. It is noted that Council has an expansive network of sealed roads (1,800 km) to be maintained.



In addition, Council has experienced significant growth over the last few years which has resulted in an increase in traffic volumes, including heavy vehicles.

Council has recently moved from the Alliance model to a more traditional delivery model to manage the transport network. Staff plan to deliver an uplift in sealed road maintenance and renewal programmes over the next two years to bring about a gradual improvement in this measure.

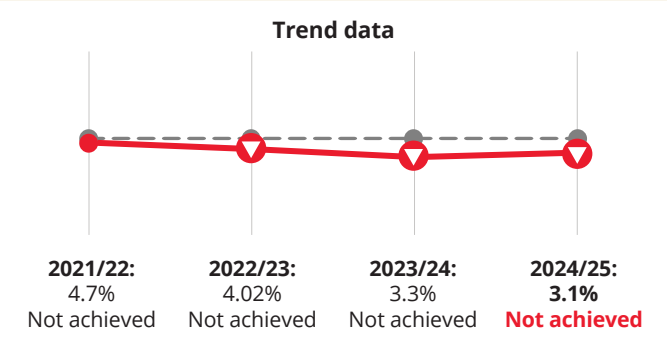
In addition, Council has experienced significant growth over the last few years which has resulted in an increase in traffic volumes, including heavy vehicles.

Council has recently moved from the Alliance model to a more traditional delivery model to manage the transport network. Staff plan to deliver an uplift in sealed road maintenance and renewal programmes over the next two years to bring about a gradual improvement in this measure.

The percentage of the sealed local road network that is resurfaced.[32]♦

2024/25 Target: Min 5%

Commentary: The decrease in sealed road resurfacing is largely due to increasing costs associated with the delivery of this work, including the price of materials, labour, and traffic management.



Council has recently moved from the Alliance model to a more traditional delivery model to manage the transport network. Staff expect resurfacing volumes to improve over the next two years as the programme becomes stabilised, and efficiencies are found with the change in models.

[31] Smooth Travel Exposure (STE) is a customer outcome measure indicating 'ride quality'. It is an indication of the percentage of vehicle kilometres travelled on a road network with roughness below a defined upper threshold level. The threshold varies depending on the traffic volume band and urban/rural environment of the road.

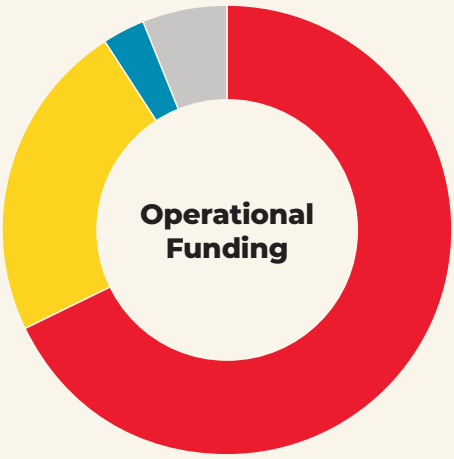
[32] These performance measure results are supplied by Waikato District Alliance, on behalf of Waikato District Council.

♦ Mandatory performance measure.

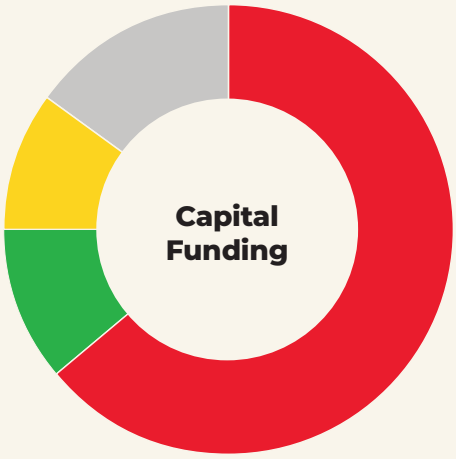
Potential significant negative effects

Potential negative effects	How we are addressing this
Economically, the cost of desired new infrastructure may exceed the community's ability to pay.	Consult with the community on all costs and options for levels of service through the Long Term Plan process.
Maintenance of ageing roading infrastructure becomes unaffordable.	Strategic asset management to ensure the timing of maintenance and asset replacement is done at the optimal time 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 divide communities.	Continuing 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 needs of cyclists and pedestrians and their conflicts with other forms of traffic.	Implement the recommendations of the Walking and Cycling Strategy, continue linkages within townships and communities. Continue three-year programme of new footpaths and shared cycleways.
Heavy traffic volumes can lead to loss of amenity in urban areas.	Continue to advocate for by-passes around urban centres. A review of some roads that the community has raised concerns about and address changes through the Public Spaces Bylaw schedules.

How we paid for it



Roading	
Operational	
68%	General rates, uniform annual general charge, rates penalties
0%	Targeted rates
23%	Subsidies and grants for operating purposes
0%	Fees and charges
3%	Internal charges and overheads recovered
6%	Local authorities fuel taxes, infringement fees and other receipts



Roading	
Capital	
64%	Subsidies and grants for capital expenditure
11%	Development and financial contributions
10%	Increase (decrease) in debt
0%	Gross proceeds from the sale of assets
0%	Lump sum contributions
15%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	25,147	25,649	31,241
Targeted rates	-	-	-
Subsidies and grants for operating purposes	10,273	10,523	10,319
Fees and charges	296	302	198
Internal charges and overheads recovered	756	772	1,364
Local authorities fuel tax, fines, infringement fees, and other receipt	2,086	2,118	2,813
Total operating funding (A)	**38,558**	**39,364**	**45,935**
Applications of operating funding			
Payments to staff and suppliers	24,063	24,427	24,965
Finance costs	-	-	-
Internal charges and overheads applied	4,409	4,929	6,433
Other operating funding applications	-	-	-
Total applications of operating funding (B)	**28,472**	**29,356**	**31,398**
Surplus (deficit) of operating funding (A - B)	**10,086**	**10,008**	**14,537**
Sources of capital funding			
Subsidies and grants for capital expenditure	20,938	20,419	13,255
Development and financial contributions	1,443	2,399	2,363
Increase (decrease) in debt	1,856	2,343	2,098
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding*	-	-	3,079
Total sources of capital funding (C)	**24,237**	**25,161**	**20,795**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	2,354	5,359	9,391
- to improve the level of service	7,185	5,048	4,017
- to replace existing assets	24,980	26,005	23,994
Increase (decrease) in reserves	(196)	(1,243)	(2,071)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**34,323**	**35,169**	**35,331**
Surplus (deficit) of capital funding (C - D)	**(10,086)**	**(10,008)**	**(14,537)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

*Other dedicated capital funding for the Roading group of activities represents external funding from Kāinga Ora for the Festival Way projects, as well as contributions from Waka Kotahi for revocation works. Additional funding from cost-sharing arrangements with the Fillmore Trusts Partnership and Ports of Auckland in accordance with the Development Agreement for Road 3 within the Northgate Business Park development in Horotiu.

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.

Watercare Services Limited currently undertakes the bulk of the operations, maintenance, and capital delivery for Council.

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 this group of activities improves 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.

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

What we achieved this year

During 2024/25, we progressed several projects across the district that increased levels of service, improved resilience and addressed ponding and flooding issues, including Mahi Road in Te Kauwhata, Government Road in Raglan, Marine Parade in Raglan, Port Waikato Wharf, Horotiu Road in Te Kowhai and Starr Road in Ngaaruawaahia.

We commenced planning for future projects that will be delivered in 2025/26, including:

- Replacement of the existing stormwater pump station at the Ngaaruawaahia Holiday Park to ensure service levels can be maintained.
- Stormwater inlet upgrade at Port Waikato Wharf to improve the service level and meet increased rain fall intensity the area has experienced over recent years.
- Rehabilitation project at the Lake Hakanoa stream to ensure local properties are protected from stream erosion as well as effective operation of the downstream flood pump operated by the Waikato Regional Council.

Repair and maintenance work was carried out across the district to enable the stormwater network to perform well and prevent any critical risks. Key projects included the Te Kauwhata stormwater railway crossing upgrade and Port Waikato flood resilience projects. As part of the annual CCTV programme, approximately 143 tonnes of sediment was removed from the stormwater network through heavy cleaning.

In Te Kowhai Estate, residents formed a working group with us and Waikato Regional Council to address persistent stormwater ponding. We worked together on design and planning processes, and undertook drainage works to remove blockages and realign the rural network. This work has improved level of service and reduced ponding events.

As part of consultation on our 2025-2034 Long Term Plan (LTP), we asked the community for feedback on Council's proposal to create a joint Council Controlled Organisation (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, to deliver water services from 1 July 2026. IAWAI 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.

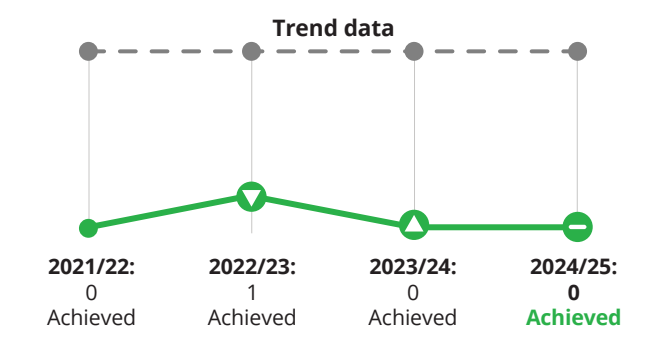
What we delivered

These performance measure results are supplied by Watercare Services Limited, on behalf of Waikato District Council.

The number of flood events that occur in the territorial authority district.♦

2024/25 Target: <5 events per annum

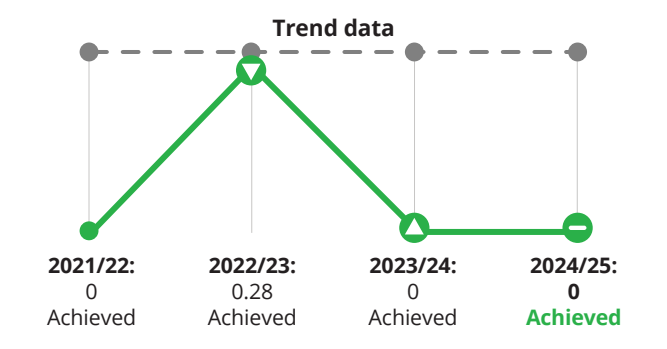
Commentary: There were no extreme weather events reported that met the criteria of a flood event in 2024/25.



For each flooding event, the number of habitable floors affected. (Expressed per 1,000 properties connected to the Council's stormwater system).♦

2024/25 Target: 0.3 affected per 1,000 properties per event

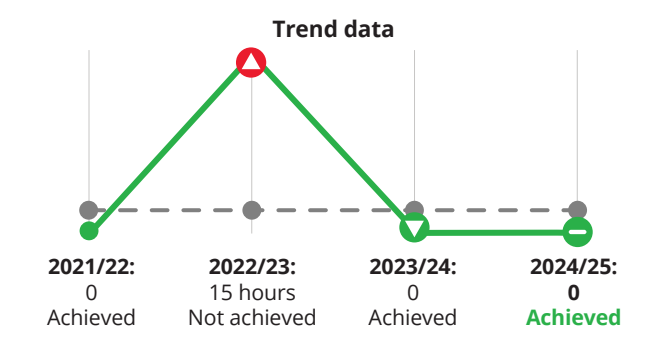
Commentary: There were no extreme weather events reported that met the criteria of a flood event in 2024/25.



The median response time to attend a flooding event, measured from the time that the Council receives notification to the time that service personnel reach the site.♦

2024/25 Target: ≤2 hours

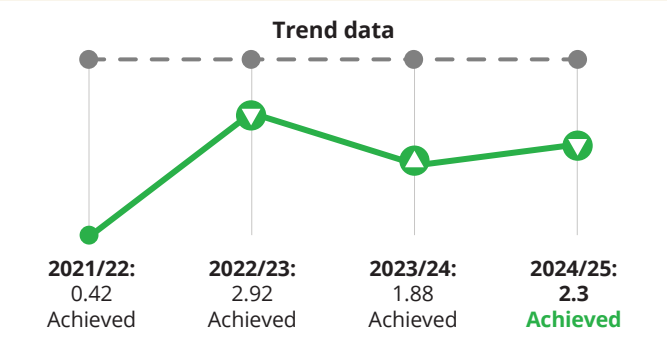
Commentary: There were no extreme weather events reported that met the criteria of a flood event in 2024/25.



The total number of complaints received by the territorial authority about the performance of its stormwater system, expressed per 1,000 properties connected to the Council's stormwater system.♦

2024/25 Target: <4 per 1,000 properties per year

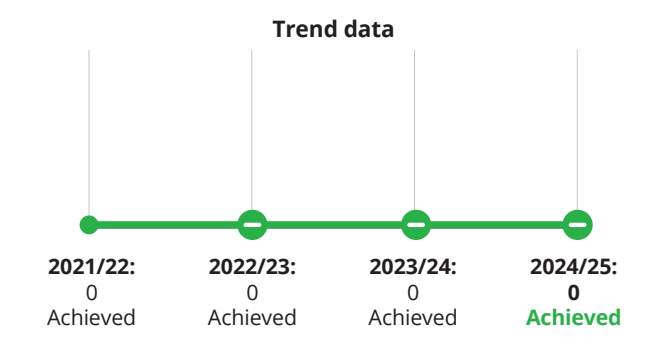
Commentary: The number of complaints per 1,000 properties was 2.3. Complaints were centred around areas in Huntly and Port Waikato. Projects are underway to improve the network in both these areas.



Compliance with the Council's resource consents for discharge from its stormwater system, measured by the number of abatement notices, infringement notices, enforcement orders and successful prosecutions received by the Council in relation to those resource consents.♦

2024/25 Target: 0

Commentary: There were no abatement notices, infringement notices, enforcement orders or successful prosecutions issued against Council's stormwater system in 2024/25.



Three notifications were logged by Waikato Regional Council relating to stormwater of which zero resulted in an abatement notice, infringement notice, enforcement order or successful prosecution.

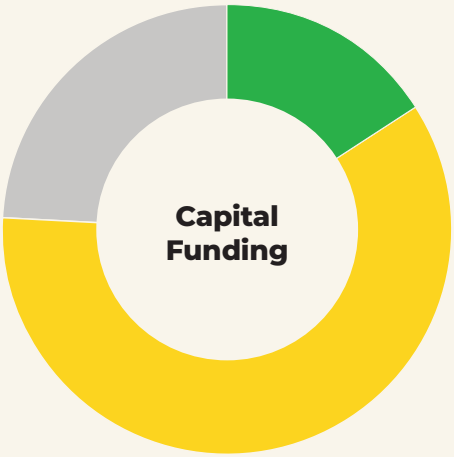
♦ Mandatory performance measure.

Potential significant negative effects

Potential negative effects	How we are addressing this
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 wastewater 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.

How we paid for it

Stormwater	
Operational	
7%	General rates, uniform annual general charge, rates penalties
80%	Targeted rates
0%	Subsidies and grants for operating purposes
0%	Fees and charges
13%	Internal charges and overheads recovered
0%	Local authorities fuel taxes, infringement fees and other receipts



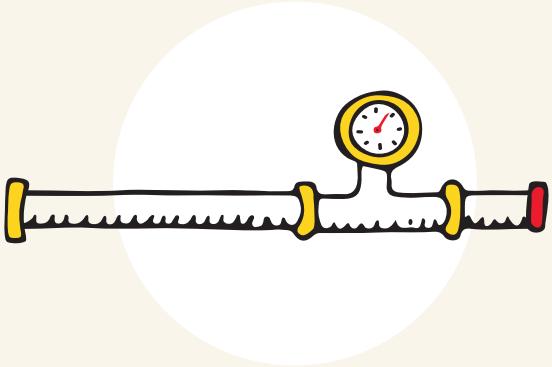
Stormwater	
Capital	
0%	Subsidies and grants for capital expenditure
16%	Development and financial contributions
60%	Increase (decrease) in debt
0%	Gross proceeds from the sale of assets
0%	Lump sum contributions
24%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	209	216	301
Targeted rates	2,918	3,327	3,630
Subsidies and grants for operating purposes	-	-	-
Fees and charges	-	-	2
Internal charges and overheads recovered	293	313	600
Local authorities fuel tax, fines, infringement fees, and other receipt	-	-	-
Total operating funding (A)	**3,420**	**3,856**	**4,533**
Applications of operating funding			
Payments to staff and suppliers	2,184	2,323	3,602
Finance costs	-	-	-
Internal charges and overheads applied	418	482	741
Other operating funding applications	8	9	22
Total applications of operating funding (B)	**2,610**	**2,814**	**4,365**
Surplus (deficit) of operating funding (A - B)	**810**	**1,042**	**168**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	325	948	369
Increase (decrease) in debt	1,572	1,751	1,331
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding*	-	-	549
Total sources of capital funding (C)	**1,897**	**2,699**	**2,249**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	149	103	2,552
- to improve the level of service	1,572	1,751	5,435
- to replace existing assets	475	608	859
Increase (decrease) in reserves	511	1,279	(6,430)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**2,707**	**3,741**	**2,416**
Surplus (deficit) of capital funding (C - D)	**(810)**	**(1,042)**	**(168)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

*Other dedicated capital funding for the Stormwater group of activities represents external funding from Kāinga Ora for the Festival Way projects.

Wastewater
Wai Para



These activities include:
- Wastewater

What we do

Through this activity we ensure that 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.

Watercare Services Limited currently undertakes the bulk of the operations, maintenance, and capital delivery for Council.

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 this group of activities improves wellbeing

This activity contributes primarily to supporting our communities 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

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

What we achieved this year

The Te Kauwhata wastewater treatment plant upgrade was completed in December 2024 to address environmental concerns. We are already seeing significantly improved permeate being discharged to Lake Waikere which will enable us to apply for a new discharge consent. This will give effect to Te Ture Whaimana and consider the requirements of local iwi and the community to ensure the long-term health of Lake Waikere and its restoration.

A technology upgrade of the existing Raglan wastewater treatment plant was completed in June 2025 to meet wastewater standards. This involved replacing the ponds-based system with Membrane BioReactor (MBR/MABR) technology that will service up to 7,000 people. Based on extensive community consultation, the next stage will be focused on relocating wastewater discharge from the harbour to a land contact area in Wainui Reserve.

An investigation is underway to understand the wastewater treatment plant limitations at the Pukekohe wastewater treatment plant which is resulting in current wastewater capacity constraints in Pookeno and Tuakau.

The following additional key projects were carried out in 2024/25 in response to growth:

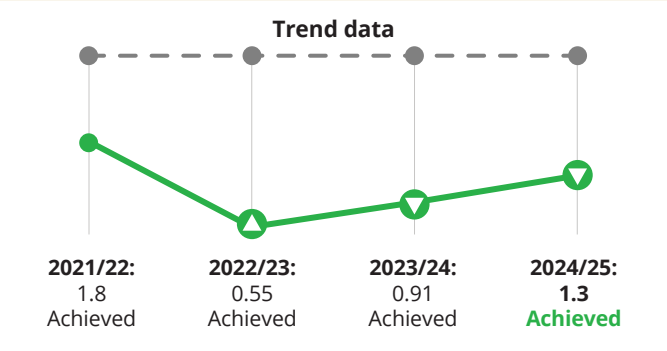
- **Tuakau:** The interceptor wastewater pump station upgrade was completed to enable additional capacity.
- **Ngaaruawaahia:** Pipeline replacement/upgrade was undertaken to continue current service levels.
- **District-wide:** Replacement of existing rising mains was completed to accommodate levels of service renewals and growth.

What we delivered

These performance measure results are supplied by WaterCare Services Limited, on behalf of Waikato District Council.

Number of dry weather sewerage overflows from the Council's sewerage system, expressed per 1,000 sewerage connections to the sewerage system.[33]♦

2024/25 Target: ≤3 per 1,000 connections



Commentary: The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being an accurate reflection of levels of service. During the four years of reporting against this measure, dry weather overflows have remained relatively low in relation to the target. Council now has more information about dry weather overflows due to improving technology and a well-established maintenance and renewals programme. In addition, there has been significant growth across the district resulting in new infrastructure being installed, reducing the number of failures across the network.

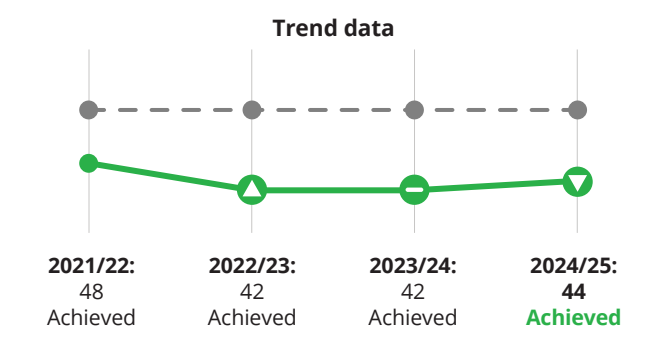
The change in result from 0.91 in the prior year to 1.3 is not deemed as significant as there is always a level of change expected due to weather events, growth and network demand.

[33] Dry weather sewerage overflow means sewage that escapes a territorial authority's sewerage system and enters the environment during periods of dry weather.

Where the Council attends to sewage overflows resulting from a blockage or other fault in the Council's sewerage system, median response.[34]♦

Attendance time: from the time that the Council receives notification to the time that service personnel reach the site.

2024/25 Target: ≤1 hour (60 minutes)

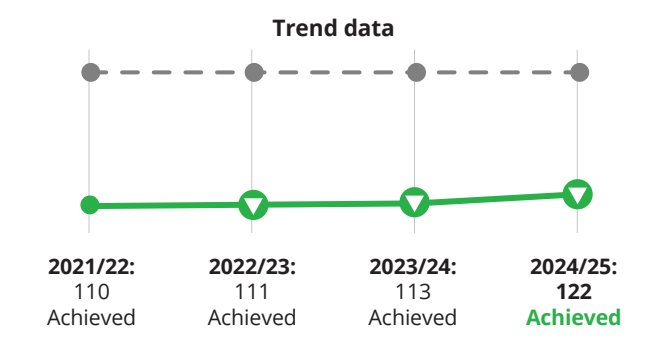


Commentary: The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being an accurate reflection of levels of service. This target is based on Council's agreed service level standards which are what we aim to achieve. While there has been strong levels of responsiveness to requests from the public over recent years, there are factors outside our control that can occur and have been factored into the target.

Where the Council attends to sewage overflows resulting from a blockage or other fault in the Council's sewerage system, median response.

Resolution time: from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.♦

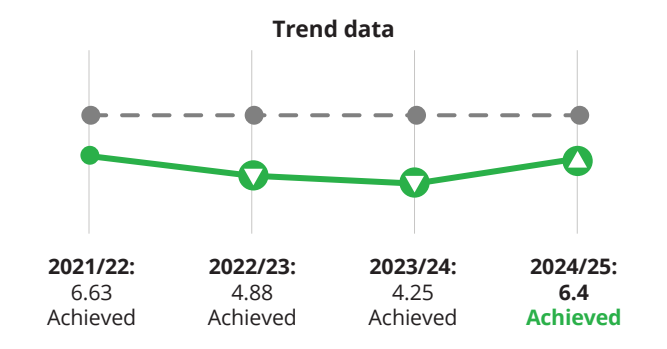
2024/25 Target: ≤4 hours (240 minutes)



Commentary: The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being an accurate reflection of levels of service. This target is based on Council's agreed service level standards which are what we aim to achieve. While there has been strong levels of responsiveness to requests from the public over recent years, there are factors outside our control that can occur and have been factored into the target.

The total number of complaints received by Council about sewage odour, sewerage system faults, sewerage blockages and the Council's response to issues with its sewerage system, expressed per 1,000 connections to the Council's sewerage system.♦

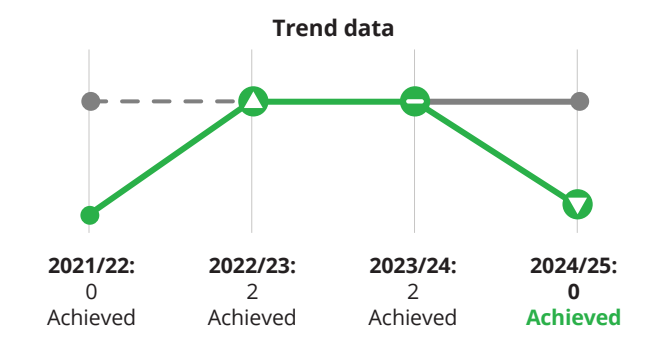
2024/25 Target: ≤10 per 1,000 connections



Commentary: The number of complaints per 1,000 properties was 6.4. This is higher than the 2024/25 result due to low pressure pump system faults in Te Ohaaki, Harris St, Whale Bay which have now been replaced. A mitigation measure for network blockages is the CCTV cleaning and jetting programme that occurred in Huntly and Ngaaruawaahia.

[34] Sewerage overflow means sewerage that escape a territorial authority's sewerage system and enters the environment.

Compliance with the Council's resource consents for discharge from its sewerage[35] system, measured by the number of abatement notices, infringement notices, enforcement orders, and successful prosecutions received by the Council in relation to those resource consents.[36]♦



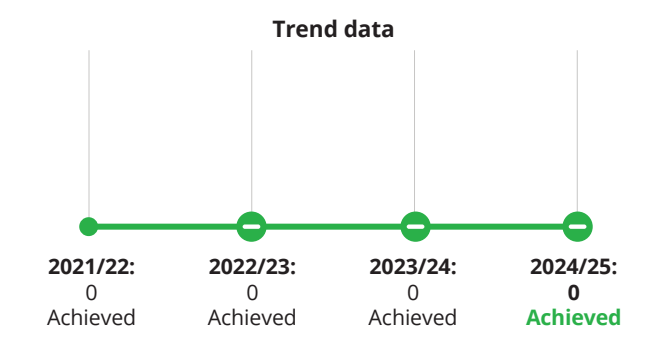
2024/25 Target: ≤2

Commentary: There were no abatement notices, infringement notices, enforcement orders or successful prosecutions issued against Council's sewerage system in 2024/25.

It should also be noted that there are existing abatement notices for Raglan and Te Kauwhata wastewater treatment plant carried over from prior years. A new plant in Raglan is currently being commissioned and a new discharge option for this is at the final stages of investigation/consultation. A new plant in Te Kauwhata has been commissioned to address compliance issues and Council is preparing to renew the resource consent. In addition, an abatement notice was issued for the Ngaaruawaahia wastewater treatment plant last year due to discharge quality non-compliance, however no formal enforcement action is pending due to an upgrade.

It should also be noted that five notifications were logged by Waikato Regional Council relating to wastewater or sewerage of which zero resulted in an abatement notice, infringement notice, enforcement order or successful prosecution.

Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of convictions received by the Council in relation to those resource consents.♦



2024/25 Target: 0

There were no convictions issued against Council's sewerage system in 2024/25.

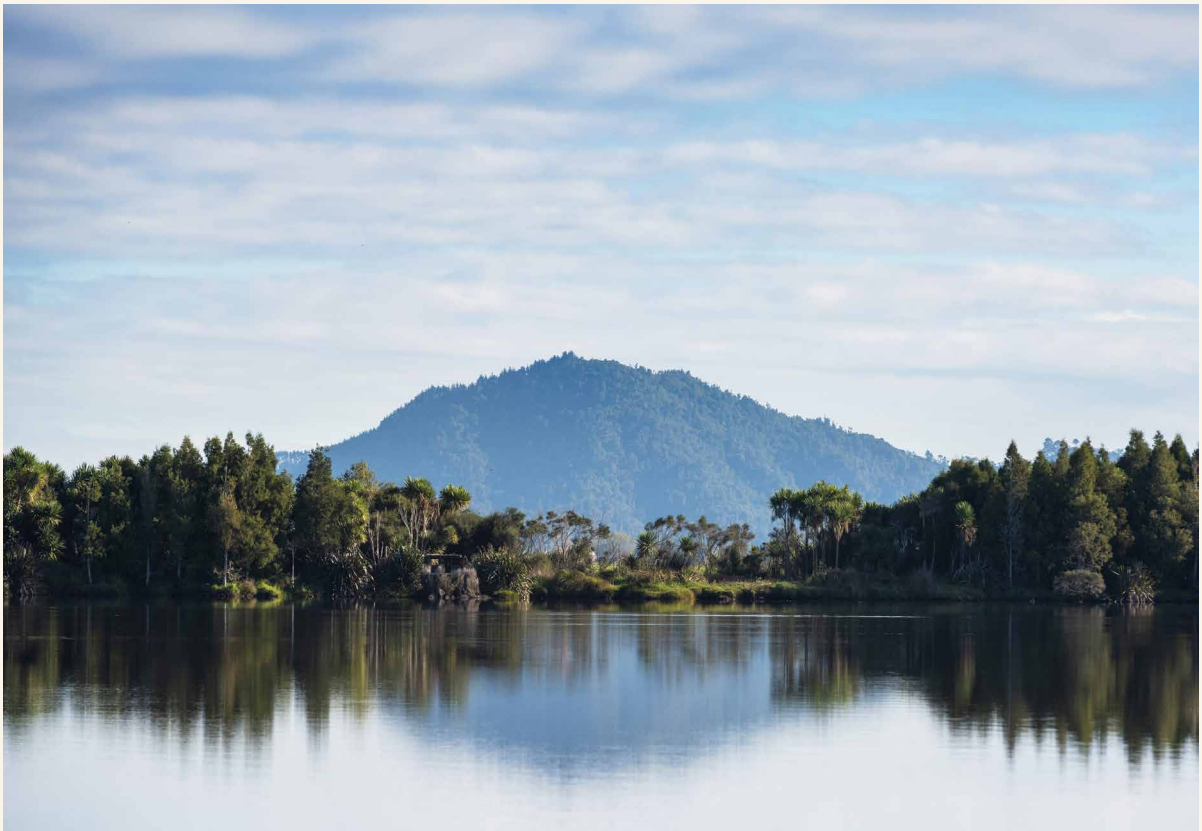
[35] In the 2021-2031 LTP the word 'sewerage' was incorrectly stated as 'stormwater'. Staff have replaced the word to ensure the intent of the measure is clear.

[36] This measure was unintentionally omitted from the 2022/23 Annual Report. The measure was still reported internally and the 2022/23 result was two.

♦ Mandatory performance measure.

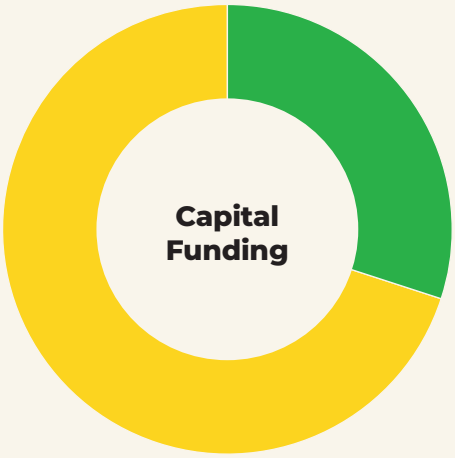
Potential significant negative effects

Potential negative effects	How we are addressing this
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.



How we paid for it

Wastewater	
Operational	
2%	General rates, uniform annual general charge, rates penalties
81%	Targeted rates
0%	Subsidies and grants for operating purposes
13%	Fees and charges
4%	Internal charges and overheads recovered
0%	Local authorities fuel taxes, infringement fees and other receipts



Wastewater	
Capital	
0%	Subsidies and grants for capital expenditure
30%	Development and financial contributions
70%	Increase (decrease) in debt
0%	Gross proceeds from the sale of assets
0%	Lump sum contributions
0%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	408	421	517
Targeted rates	16,222	18,153	20,277
Subsidies and grants for operating purposes	-	-	-
Fees and charges	3,848	3,889	3,133
Internal charges and overheads recovered	256	293	1,104
Local authorities fuel tax, fines, infringement fees, and other receipt	-	-	-
Total operating funding (A)	**20,734**	**22,756**	**25,031**
Applications of operating funding			
Payments to staff and suppliers	13,085	12,728	16,501
Finance costs	-	-	-
Internal charges and overheads applied	4,059	4,443	5,764
Other operating funding applications	434	469	177
Total applications of operating funding (B)	**17,578**	**17,640**	**22,442**
Surplus (deficit) of operating funding (A - B)	**3,156**	**5,116**	**2,589**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	3,389	5,138	5,972
Increase (decrease) in debt	9,313	9,415	13,638
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding*	-	-	-
Total sources of capital funding (C)	**12,702**	**14,553**	**19,610**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	10,685	14,680	6,920
- to improve the level of service	3,242	3,394	12,738
- to replace existing assets	7,781	7,110	8,448
Increase (decrease) in reserves	(5,850)	(5,515)	(5,906)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**15,858**	**19,669**	**22,200**
Surplus (deficit) of capital funding (C - D)	**(3,156)**	**(5,116)**	**(2,589)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

*Other dedicated capital funding for the Wastewater group of activities represents external funding from Kāinga Ora for the Festival Way projects.

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.

Watercare Services Limited currently undertakes the bulk of the operations, maintenance, and capital delivery for Council.

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 this group of activities improves wellbeing

This activity primarily contributes to environmental and economic 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.

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

What we achieved this year

Council's water supply achieved full compliance for the year after being assessed by Taumata Arowai - water regulator for New Zealand and audited by Wai Comply.

To meet drinking water standards and ensure safe access and management of large water takes, we have established bulk water supply points equipped with tanker filling stations across the district. Permanent water filling stations have been installed at Raglan, Ngaaruawaahia, Huntly, Te Kauwhata, and Pookeno.

The following projects were carried out across the district in 2024/25:

- District-wide: Continued a project to replace all water meters older than 15 years to ensure accurate and reliable meter performance.
- Taupiri and Tuakau: Completed upgrades to the water supply pipeline and booster pumpstation. This will improve the current level of service for existing residents and provide for the predicted population growth.
- Te Kauwhata: Completed construction of a second water supply reservoir in Te Kauwhata and an extension upgrade which will ensure we can continue to meet the growing demand.
- District-wide: Land has been purchased for reservoirs in Tuakau, Matangi, and Eureka to ensure demand management and water security for the rural trickle feed supply zones.
- District-wide: The water supply renewals programme was completed in accordance with the LTP work programme. This involved replacing aged pipes to ensure current service levels can continue.
- Meremere: Installed a new water main in May 2025 to improve the current level of service, address network fire-flow non-compliance, and deliver a more resilient and reliable water supply pipeline for the township.

What we delivered

These performance measure results are supplied by Watercare Services Limited on behalf of Waikato District Council.

Mandatory drinking water quality performance measures

Council has 12 drinking water supply areas across the Waikato district. Different drinking water quality rules apply to each supply area depending on the population that they service. For some supply areas, water is sourced from a water treatment plant outside of the district. When this occurs, the treatment rules apply to the water treatment plant the water is sourced from, not the zone it supplies.

The following table outlines the supply area and corresponding population, along with the applicable rules and water source.

Supply area	Population	Applicable rules	Notes
Onewhero	35 people	Level 1 rules (T1, D1)	
Te Aakau	75 people	Level 1 rules (T1, D1)	
Northwestern district	50 people	Level 1 rules (D1)	This supply area is sourced from a Hamilton City Council treatment plant. Treatment (T) rules only apply to the plant, not the zone it supplies.
Port Waikato	320 people	Level 2 rules (T2, D2.1)	
Western district	150 people	Level 2 rules (D2.1)	This supply area is sourced from a Hamilton City Council treatment plant. Treatment (T) rules only apply to the plant, not the zone it supplies.

Supply area	Population	Applicable rules	Notes
Huntly	8,500 people	Level 3 rules (T3, D3.29)	
Ngaaruawaahia	9,000 people	Level 3 rules (T3, D3.29)	
Raglan	4,500 people	Level 3 rules (T3, D3.29)	
Te Kauwhata	4,000 people	Level 3 rules (T3, D3.29)	
Pookeno	5,000 people	Level 3 rules (D3.29)	This supply area is sourced from a Watercare Auckland treatment plant. Treatment (T) rules only apply to the plant, not the zone it supplies.
Tuakau	5,750 people	Level 3 rules (D3.29)	This supply area is sourced from a Watercare Auckland treatment plant. Treatment (T) rules only apply to the plant, not the zone it supplies.
Southern district	8,500 people	Level 3 rules (D3.29)	This supply area is sourced from a Hamilton City Council treatment plant. Treatment (T) rules only apply to the plant, not the zone it supplies.

Out of district water supply

Water treatment plant	Managed by	Applicable rules	Supply areas
Hamilton water treatment plant	Hamilton City Council	Level 3 (T3)	This treatment plant supplies: Southern, Western, and Northwestern districts supply areas.
Waikato water treatment plant	Watercare Auckland	Level 3 (T3)	This treatment plant supplies: Pookeno and Tuakau supply areas.

The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules:

2024/25: All met (100%) Achieved

This measure is broken into nine parts with results, trend data and commentary included on the following pages for each part.

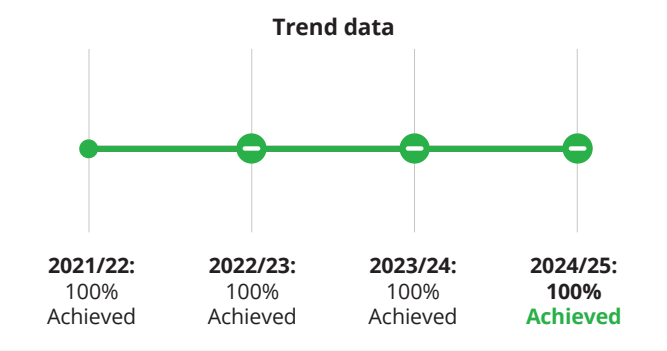
4.4 T1 Treatment Rules.♦

2024/25 Target: 100%

Onewhero
Bacterial compliance: All met
Protozoal compliance: All met

Te Aakau
Bacterial compliance: All met[37]
Protozoal compliance: All met[38]

Northwestern district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply area. Refer to Hamilton water treatment plant results.



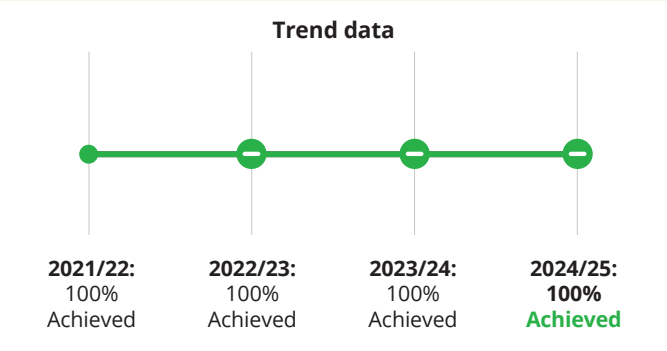
4.5 D1.1 Distribution System Rules.♦

2024/25 Target: 100%

Onewhero
Bacterial compliance: All met

Te Aakau
Bacterial compliance: All met[39]

Northwestern district:
Bacterial compliance: All met

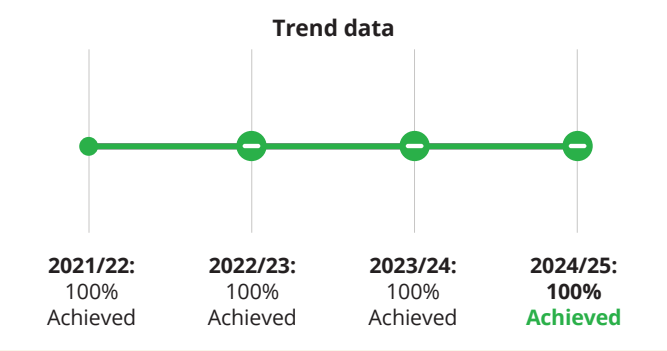


4.7.1 T2 Treatment Monitoring Rules.♦

2024/25 Target: 100%

Port Waikato
Bacterial compliance: All met
Protozoal compliance: All met

Western district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply. Refer to Hamilton water treatment plant results.



[37] From 9 April 2021, groundwater abstraction from the Te Aakau bore was discontinued. The supply sourced its drinking water from the Raglan supply via tankered water carrier services.

[38] From 9 April 2021, groundwater abstraction from the Te Aakau bore was discontinued. The supply sourced its drinking water from the Raglan supply via tankered water carrier services.

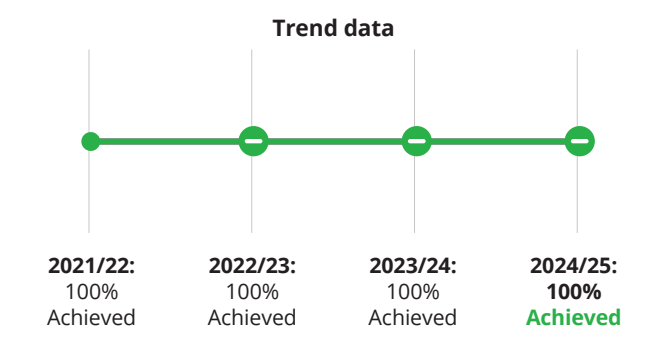
[39] From 9 April 2021, groundwater abstraction from the Te Aakau bore was discontinued. The supply sourced its drinking water from the Raglan supply via tankered water carrier services.

4.7.2 T2 Filtration Rules.♦

2024/25 Target: 100%

Port Waikato
Protozoal compliance: All met

Western district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply Refer to Hamilton water treatment plant results.

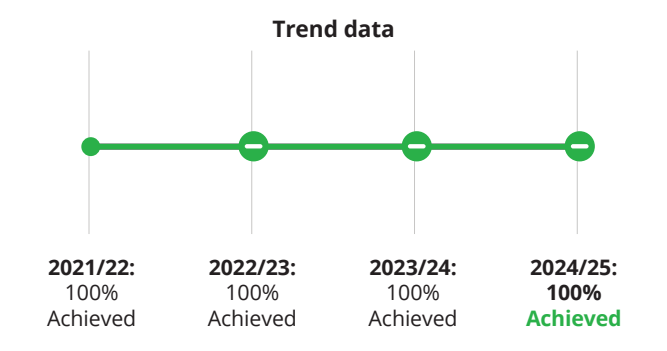


4.7.3 T2 UV Rules.♦

2024/25 Target: 100%

Port Waikato
Protozoal compliance: All met[40]

Western district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply. Refer to Hamilton water treatment plant results.

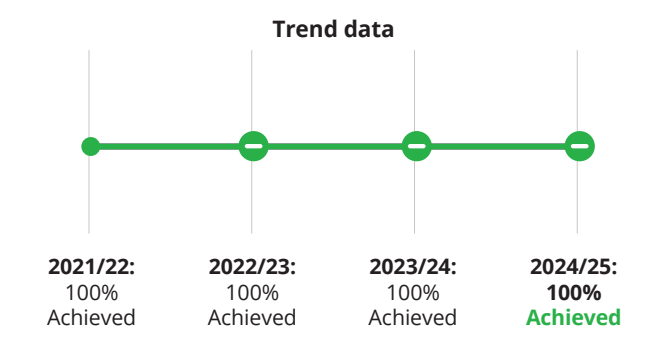


4.7.4 T2 Chlorine Rules.♦

2024/25 Target: 100%

Port Waikato
Bacterial compliance: All met

Western district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply. Refer to Hamilton water treatment plant results.

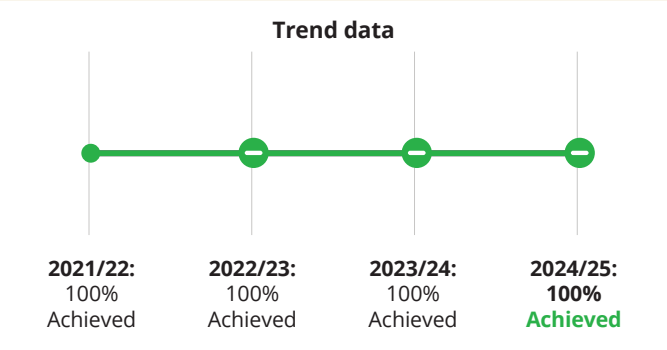


4.8 D2.1 Distribution System Rule.♦

2024/25 Target: 100%

Port Waikato
Bacterial compliance: All met

Western district
Bacterial compliance: All met[41]

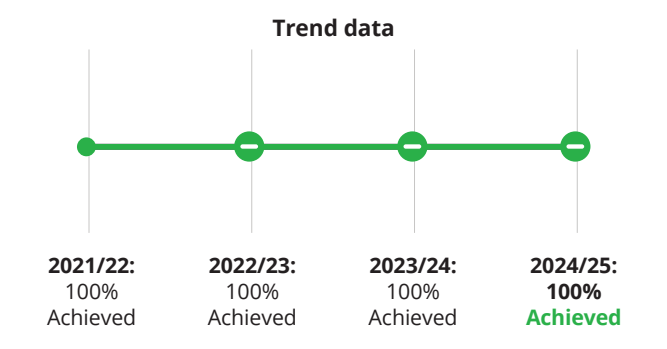


[40] On 24 September 2024 the UV intensity performance was 99.72% however the minimum requirement is 100%. Two manual samples confirmed that UV was within compliance limits and therefore remained safe to drink. It should be noted that this rule only applied for the period 1 July to 31 December 2024 as it was no longer a requirement following the Drinking Water Quality Assurance Rules 2022 (Revised 2024) taking effect from 1 January 2025.

[41] Water is sourced from a Hamilton City Council treatment plant. An independent audit confirmed that all reporting requirements were met.

4.10.1 T3 Bacterial Rules.♦

2024/25 Target: 100%



Huntly
Bacterial compliance: All met

Ngaaruawaahia
Bacterial compliance: All met[42]

Raglan
Bacterial compliance: All met[43] [44]

Te Kauwhata
Bacterial compliance: All met

Pookeno
Water is sourced from a Watercare Auckland treatment plant and therefore this treatment rule is not applicable to this supply Refer to Waikato water treatment plant results.

Tuakau
Water is sourced from a Watercare Auckland treatment plant and therefore this treatment rule is not applicable to this supply. Refer to Waikato water treatment plant results.

Southern district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply. Refer to Hamilton water treatment plant results.

Hamilton water treatment plant
This treatment plant supplies: Southern, Western, and Northwestern districts supply areas.
Bacterial compliance: All met

Waikato water treatment plant
This treatment plant supplies: Pookeno and Tuakau supply areas.
Bacterial compliance: All met

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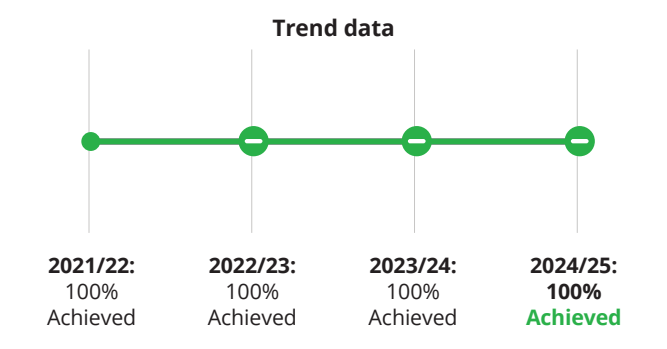
[42] On 7 August 2024, turbidity of the water leaving the plant was less than 1.0 NTU for 92.6% of the day, below the 95% requirement. The instrument was reading inaccurately due to residue build-up. Following instrument maintenance, turbidity levels were acceptable. All other treatment barriers (filters and UV) remained compliant and therefore water quality was not compromised.

[43] On 7 April 2025, residual chlorine dropped below the 0.2 mg/L due to equipment disruption. Compliance was maintained as the UV system remained operational as a secondary bacterial barrier.

[44] On 1 January 2025, Raglan water treatment plant recorded a residual chlorine reading of <0.2 mg due to equipment disruption. Compliance was maintained as the UV system remained operational as a secondary bacterial barrier.

4.10.2 T3 Protozoal Rules.♦

2024/25 Target: 100%



Huntly
Protozoal compliance: All met [45 46 47]

Ngaaruawaahia
Protozoal compliance: All met [48 49]

Raglan
Protozoal compliance: All met

Te Kauwhata
Protozoal compliance: All met [50 51 52 53]

Pookeno
Water is sourced from a Watercare Auckland treatment plant and therefore this treatment rule is not applicable to this supply area. Refer to Waikato water treatment plant results.

Tuakau
Water is sourced from a Watercare Auckland treatment plant and therefore this treatment rule is not applicable to this supply area. Refer to Waikato water treatment plant results.

Southern district
Water is sourced from a Hamilton City Council treatment plant and therefore this treatment rule is not applicable to this supply area. Refer to Hamilton water treatment plant results.

Hamilton water treatment plant
This treatment plant supplies: Southern, Western, and Northwestern districts supply areas.
Bacterial compliance: All met

Waikato water treatment plant
This treatment plant supplies: Pookeno and Tuakau supply areas.
Bacterial compliance: All met

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[45] From 29 to 31 December 2024, turbidity setpoints were adjusted to extend filter run time and meet water demands because of changes in the quality of water coming from the Waikato River. Compliance was not compromised as UV was in service and remained compliant as a secondary bacterial barrier.

[46] From 11 to 15 January 2025, turbidity setpoints were adjusted to extend filter run time and meet water demands because of changes in the quality of water coming from the Waikato River. Compliance was not compromised as UV was in service and remained compliant as a secondary bacterial barrier.

[47] On 7 December 2024, UV-1 was manually operated to lower the clear water tank level. Compliance was not compromised as filters continued to provide effective protozoal removal.

[48] From 5 - 16 July 2024, 1 to 14 August, 12 to 19 September, 27 to 29 December 2024 and 6 to 22 January turbidity setpoints were adjusted to extend filter run time and meet water demands because of changes in the quality of water coming from the Waikato River. Compliance was not compromised as UV was in service and remained compliant as a secondary bacterial barrier.

[49] On 30 November 2024 water turbidity exceeded normal levels because air got into the system. Compliance was not compromised as UV was in service and remained compliant as a secondary bacterial barrier.

[50] On 2 July 2024, UV B was in operation for 1 minute, failing to meet the minimum UV dose requirement. The valve was partially open and in the process of closing. During the event, UV A was operating, providing disinfection and therefore water quality levels remained within compliance limits.

[51] On 6 October 2024, turbidity setpoints were adjusted to extend filter run time and meet water demands because of changes in the quality of water coming from the Waikato River. Compliance was not compromised as UV was in service and remained compliant as a secondary bacterial barrier.

[52] On 25 February 2025, the UV B valve was corrected due to being out of alignment. Compliance was not compromised as UV-A was in service and all filters remained within compliance limits.

[53] On 12 June 2025, water turbidity was exceeded because of changes in the quality of water coming from the Waikato River. Compliance was not compromised as UV was in service and remained compliant as a secondary bacterial barrier.

4.11.5 D3.29 Microbiological Monitoring Rule.♦

2024/25 Target: 100%

Huntly
Bacterial compliance: All met

Ngaaruawaahia
Bacterial compliance: All met

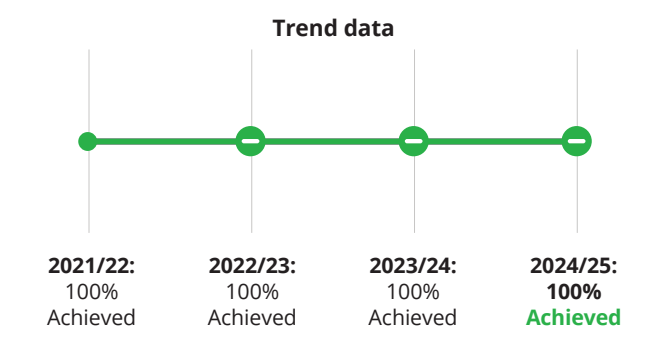
Raglan
Bacterial compliance: All met

Te Kauwhata
Bacterial compliance: All met

Pookeno
Bacterial compliance: All met[54]

Tuakau
Bacterial compliance: All met[55]

Southern district:
Bacterial compliance: All met[56]



Note: The trend data included above has been sourced from internal Council reporting systems. This data has not been subject to independent audit by Audit New Zealand. In addition, prior year results sourced from Hamilton City Council and Watercare Auckland have also not been subject to independent audit by Audit New Zealand.

♦ Mandatory performance measure.

Source data and judgements

The Department of Internal Affairs updated this performance measure after the Council had published its 2024/25 Enhanced Annual Plan which sets the statement of service. The updated measure still covers the bacterial and protozoal compliance of water supplies but now is directly reflected to the relevant rules in the *Drinking Water Quality Assurance Rules 2002* and *Drinking Water Quality Assurance Rules 2002 (revised 2004)*. Our reporting is therefore against those rules.

Drinking Water Quality Assurance Rules 2022 and Drinking Water Quality Assurance Rules 2022 (Revised 2024)
Council is using Watercare Services Limited to provide daily, weekly and monthly compliance summaries against a subset of the rules and are aligned with the monthly reporting requirements set out in the Drinking Water Quality Assurance Rules. These reports are uploaded to the Hinekōrako portal.

Compliance is monitored and reported through online monitoring along with a sampling regime, with minimum samples specified for various zones. Council adhered to the minimum sampling requirements and in some zones, exceeded the sampling requirements. Additional sampling is undertaken in situations where the Maximum Acceptable Value (MAV) of a determinant has been exceeded. Compliance against the DWQAR was independently assessed and verified by Wai Comply Limited.

[54] Water is sourced from a Watercare Auckland treatment plant. An independent audit confirmed that all reporting requirements were met.
[55] Water is sourced from a Watercare Auckland treatment plant. An independent audit confirmed that all reporting requirements were met.
[56] Water is sourced from a Hamilton City Council treatment plant. An independent audit confirmed that all reporting requirements were met.

On 29 November 2024, the *Drinking Water Quality Assurance Rules 2022* were revised to be the *Drinking Water Quality Assurance Rules 2022 (Revised 2024)* which came into effect 1 January 2025. Therefore from 1 July 2024 to 31 December 2024, Council measured compliance against the *Drinking Water Quality Assurance Rules (DWQAR) 2022* and from 1 January 2025 to 30 June 2025, Council measured compliance against the *Drinking Water Quality Assurance Rules 2022 (Revised 2024).*

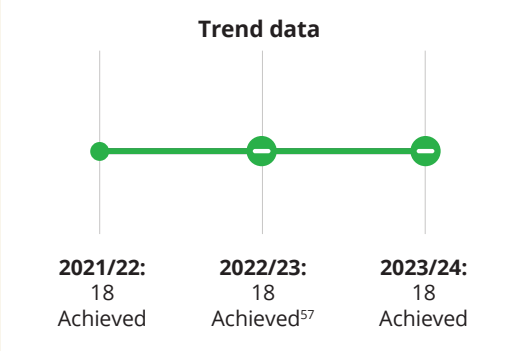
The result has been calculated in accordance with the methodology and calculations indicated in DIA's Supporting guidance for drinking water. The scale being applied (as per DIA's guidance) is: All met (100%), Almost met (95-99%), Partially met (1-94%), None met (0%).

The DWQAR can be found here https://www.taumataarowai.govt.nz/assets/Drinking-Water-Supplier/Drinking-Water-Quality-Assurance-Rules-2022-Released-25-July-2022.pdf

2023/24 result
The following outlines the prior period results and trend information for the previous mandatory drinking water quality measures which were superseded by the updated DIA mandatory drinking water quality measures from 21 August 2024.

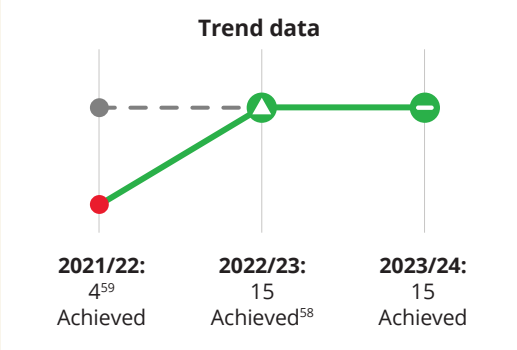
The extent to which the Council's drinking water supply (zones) complies with Part 4 of the drinking water standards (bacteria compliance criteria).♦

2023/24 Target: 18 (number of zones that comply out of 18)



The extent to which the Council's drinking water supply (zones) complies with Part 5 of the drinking water standards (protozoal compliance criteria).♦

2023/24 Target: 15 (number of zones that comply out of 18)



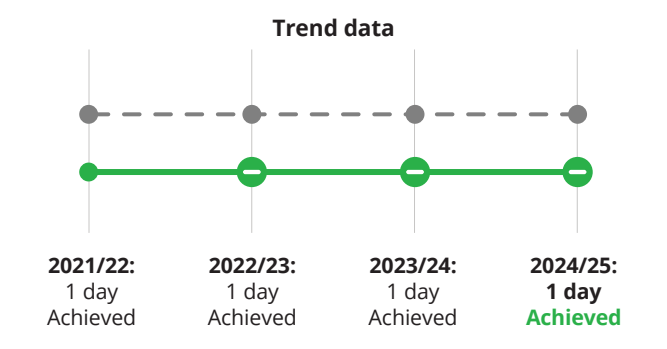
[57] In the 2022/23 Annual Report the result associated with these performance measures was separated into two parts; From 1 July 2022 to 31 December 2022, Council was required to comply with the Drinking Water Standard NZ 2018, and from 1 January 2023 to 30 June 2023 Council was required to record, monitor and when necessary, report on compliance against Taumata Arowai's Drinking Water Quality and Assurance Rules (DWQAR), Aesthetic Values and the new Drinking Water Standards. The result for 1 July 2022 to 31 December 2022 and 1 January 2023 to 30 June 2023 was '18, Achieved' as noted in the table.

[58] In the 2022/23 Annual Report the result associated with these performance measures was separated into two parts; From 1 July 2022 to 31 December 2022, Council was required to comply with the Drinking Water Standard NZ 2018, and from 1 January 2023 to 30 June 2023 Council was required to record, monitor and when necessary, report on compliance against Taumata Arowai's Drinking Water Quality and Assurance Rules (DWQAR), Aesthetic Values and the new Drinking Water Standards. The result for 1 July 2022 to 31 December 2022 and 1 January 2023 to 30 June 2023 was '15, Achieved' as noted in the table.

[59] In the 2021/22 Annual Report the result associated with this performance measure was reported as four. This reflects the four treatments plants that we have in our district. Each treatment plant within our district services a number of zones, and we also receive water from two treatments plants outside of Council's control (being Hamilton and Auckland). All four treatments plants within our district were compliant with Part 5 of the drinking water standards. In 2021/22 three of our zones provided supply to a low number of residents and thus didn't meet the servicing thresholds that would require Council to test that zone for compliance against Part 5 of the drinking water standards. Therefore 15 of the zones were compliant in 2021/22.

♦ Mandatory performance measure.

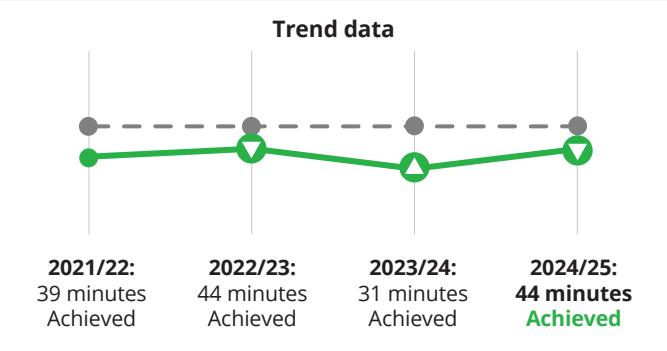
Where the Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, median response time - attendance for non-urgent callouts: from the time that the Council receives notification to the time that service personnel reach the site.♦[60]



2024/25 Target: ≤5 Days

Commentary: The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being an accurate reflection of levels of service. This target is based on Council's agreed service level standards which are what we aim to achieve. While there has been strong levels of responsiveness to requests from the public over recent years, there are factors outside our control that can occur and have been factored into the target.

Where the Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, median response time - attendance for urgent callouts: from the time that the Council receives notification to the time that service personnel reach the site.♦[61]



2024/25 Target: ≤60 minutes

Commentary: The median response time of 44 minutes is an increase from 31 minutes in 2023/24. Staff continue to focus on improving performance in this area. The location and frequency of call outs can impact the overall performance.

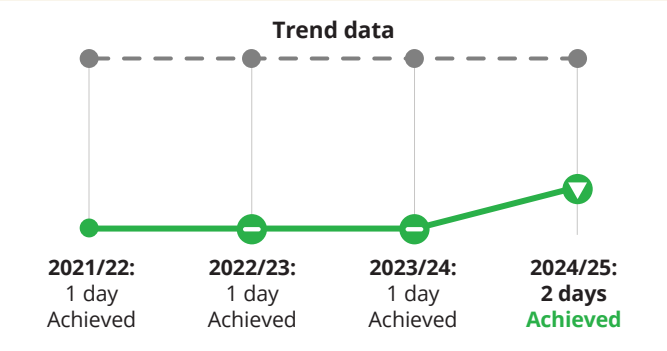
The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being an accurate reflection of levels of service. This target is based on Council's agreed service level standards which are what we aim to achieve. While there has been strong levels of responsiveness to requests from the public over recent years, there are factors outside our control that can occur and have been factored into the target.

The change in result from 31 minutes the prior year to 44 minutes this year is not deemed as significant as there is always a level of change expected due to weather events, maintenance and renewals, growth and network demand.

[60] A non-urgent call-out is where there is still a supply of drinking water e.g. water meter inspection, slow leaks. This measure reflects the time taken from notification to attending on-site.

[61] An urgent call-out is due to a complete loss of supply of drinking water, significant leakage, or high levels of turbidity. This measure reflects the time taken from notification to attending on-site.

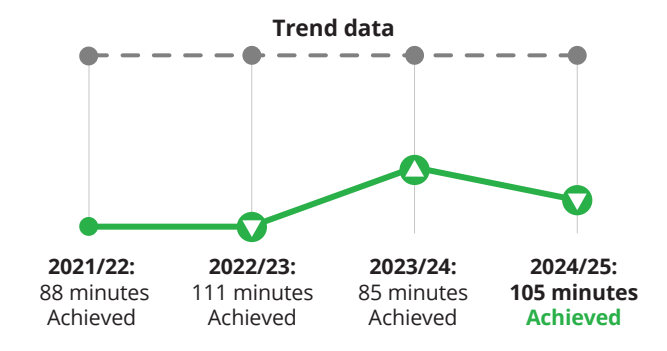
Where the Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, median response time - resolution of non-urgent callouts: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption.♦[62]



2024/25 Target: ≤5 Days

Commentary: The median resolution time of two days is an increase from one day in 2023/24. Staff continue to focus on improving performance in this area. The location and frequency of call outs can impact the overall performance.

Where the Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, median response time - resolution of urgent callouts: from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption.♦[63]



2024/25 Target: ≤240 minutes

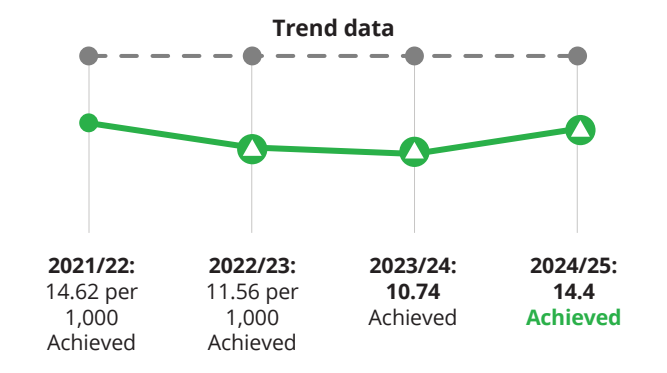
Commentary: The median response time of 99 minutes is an increase from 85 minutes in 2023/24. Staff continue to focus on improving performance in this area. The location and frequency of call outs can impact the overall performance.

[62] A non-urgent call-out is where there is still a supply of drinking water e.g. water meter inspection, slow leaks. This measure reflects the time taken from arriving on site to resolution of the request e.g. inspection completed, or leak repaired.

[63] An urgent call-out is due to a complete loss of supply of drinking water, significant leakage, or high levels of turbidity. This measure reflects the time taken from arriving on-site to resolution of the request e.g. restoration of water or repair of leak.

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 the Council's water system.♦

2024/25 Target: ≤25 per 1,000 connections



Commentary: A total of 278 complaints were received this year which is an increase from the 2023/24 result. This includes 73 complaints relating to drinking water quality[64] 151 relating to drinking water quantity/pressure[65] and 54 relating to a customer in an urban area experiencing periods when water was not available.

Of the 73 complaints received relating to drinking water quality, these are broken down by township as follows:

- Huntly (39)
- Pookeno (nine)
- Taupiri (eight)
- Ngaaruawaahia (seven)
- Te Kauwhata (four)
- Horotiu (two)
- Meremere (two)
- Tuakau (two).

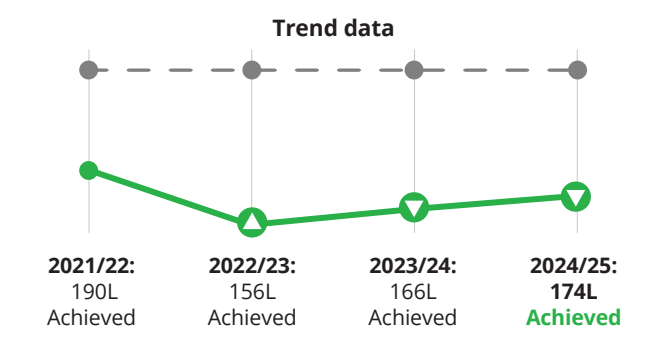
The increase in complaints from the prior year is likely due to complaints from Huntly residents relating to the high levels of manganese in the water which can sometimes cause the water to discolour, despite it being safe to drink. Council is currently working to improve this by using water mains flushing to remove excess iron and manganese deposits from the walls of the pipe.

[64] Drinking water clarity, drinking water taste and drinking water odour.

[65] Drinking water pressure or flow and continuity of supply.

The average consumption of drinking water per day per resident within the Waikato district.♦[66]

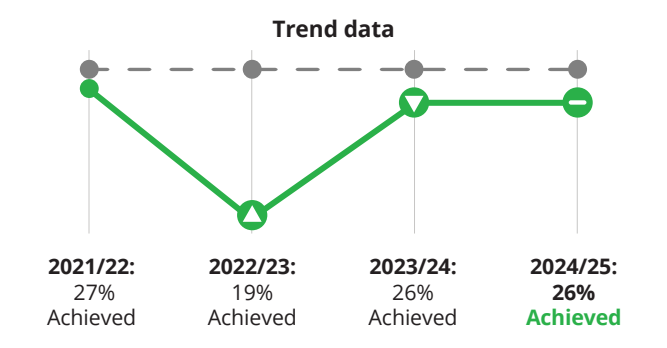
2024/25 Target: 250L



Commentary: The target for this performance measure was set as part of the 2021-2031 LTP. At this time, it was assessed as being an accurate reflection of levels of service. During the four years of reporting against this measure, the average consumption of drinking water has remained relatively low in relation to the target. This is likely due to factors such as the cost of water increasing, people being more conscious of consumption and increased awareness of water restrictions in summer months due to additional Council communications. It should also be noted that the target is below the average per capita water consumption across the country which is 281 litres per day.

The percentage of real water loss from Council's networked reticulation system (including a description of the methodology used to calculate this). ♦

2024/25 Target: 28%



Commentary: The water supply process starts with the consented collection of water from multiple sources, including the Waikato River, groundwater sources, and the Maraetai Stream in Port Waikato. These source waters require treatment before they become suitable for supply to households across the district. All commercial and domestic customers across the district have water meters for charging, water use efficiency, and leak identification. To calculate the level of leakage across the district, we compare the total amount of water produced at the treatment plants, against the water used for the operation of the network and customers meters. The difference between these figures is the water lost from Council's networked reticulation system for various reasons, e.g., leakage and unauthorised use.

It should also be noted that Council omitted to include the following two mandatory performance measures in its 2024/25 Enhanced Annual Plan. However, these measures were included in the 2021–2031 Long Term Plan and remain mandatory under the Local Government Act 2002 as outlined by the DIA. Council has reported on these measures in this Annual Report to ensure compliance with statutory requirements and to maintain continuity in performance reporting.

- The median on site attendance time for a non-urgent call-out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system.
- The median resolution time for non-urgent call-out where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system.

[66] A current Department of Internal Affairs (DIA) mandatory measure to provide information on whether the water supply system is being managed to ensure demand does not outstrip capacity. Careful management of the demand for water is an important component of integrated water resources management to ensure that demand does not exceed capacity, that water is allocated efficiently, and that productivity is maximised. We continue to use Statistics NZ's 2018 medium projections for population which include consumers living in commercial rest homes, hotels and hospitals, and other similar dwellings. We use multiplier 2.7 occupants per dwelling for the current number of connected dwellings (metered and rates based) and exclude the large-scale commercial users.

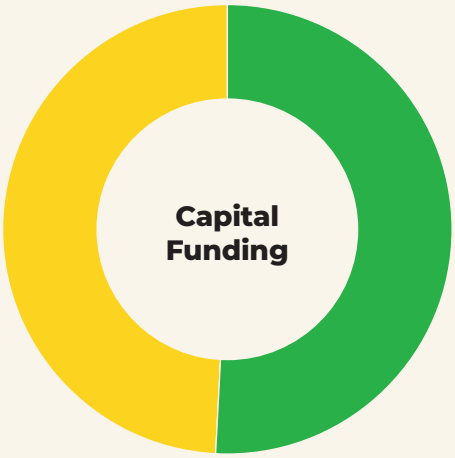
♦ Mandatory performance measure.

Potential significant negative effects

Potential negative effects	How we are addressing this
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 Quality Assurance Rules 2022 or Drinking Water Quality Assurance Rules 2022 (Revised 2024).	Continue to monitor water quality and improve process, if necessary, as per WSP. (May be capital related).
Inadequate pressure and flow to fight fires 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.

How we paid for it

Water supply	
Operational	
3%	General rates, uniform annual general charge, rates penalties
89%	Targeted rates
0%	Subsidies and grants for operating purposes
5%	Fees and charges
3%	Internal charges and overheads recovered
0%	Local authorities fuel taxes, infringement fees and other receipts



Water supply	
Capital	
0%	Subsidies and grants for capital expenditure
51%	Development and financial contributions
49%	Increase (decrease) in debt
0%	Gross proceeds from the sale of assets
0%	Lump sum contributions
0%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	363	377	504
Targeted rates	13,895	15,576	16,664
Subsidies and grants for operating purposes	-	-	-
Fees and charges	118	123	865
Internal charges and overheads recovered	278	300	606
Local authorities fuel tax, fines, infringement fees, and other receipt	-	-	2
Total operating funding (A)	**14,654**	**16,376**	**18,641**
Applications of operating funding			
Payments to staff and suppliers	9,668	10,273	12,900
Finance costs	-	-	-
Internal charges and overheads applied	2,890	3,212	4,861
Other operating funding applications	71	74	137
Total applications of operating funding (B)	**12,629**	**13,559**	**17,898**
Surplus (deficit) of operating funding (A - B)	**2,025**	**2,817**	**743**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	1,619	2,955	4,969
Increase (decrease) in debt	3,087	3,262	4,898
Gross proceeds from the sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding*	216	226	48
Total sources of capital funding (C)	**4,922**	**6,443**	**9,915**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	7,039	11,116	4,486
- to improve the level of service	3,030	3,202	3,807
- to replace existing assets	2,635	2,279	5,517
Increase (decrease) in reserves	(5,757)	(7,337)	(3,152)
Increase (decrease) in investments	-	-	-
Total applications of capital funding (D)	**6,947**	**9,260**	**10,658**
Surplus (deficit) of capital funding (C - D)	**(2,025)**	**(2,817)**	**(743)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

*Other dedicated capital funding for the Water group of activities received for cost-sharing arrangements with the Fillmore Trusts Partnership and Ports of Auckland in accordance with the Development Agreement for Road 3 within the Northgate Business Park development in Horotiu.

Organisational support

Tautoko aa-Toopuutanga

These activities include:
- Organisational support

What we do

This activity is at the core of Council's operations. It includes communications and engagement, information management, business improvement, finance, legal counsel, procurement, contract management, and people and capability. These teams work together behind the scenes to enable our external facing teams to deliver their services to our community. 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.
- Mitigation of, and advice on, legal and other risks across the organisation.
- Successful procurement and management of external contractors.
- Initiatives take the organisation forward, build resilience, and make services more efficient and cost effective for ratepayers.

How this group of activities improves wellbeing

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

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

What we achieved this year

This year Council adopted its 2025-2034 Long Term Plan (LTP) which outlines how we will maintain the services you rely on over the next nine years.

A range of projects have improved our ability to meet customer needs and deliver higher levels of service more efficiently, including:

- Embedding our organisation-wide communication and engagement strategy to deliver improved outcomes for our communities and staff.
- Continuing to refine our business continuity plans for our essential business functions and our Digital Disaster Recovery Plan.
- Enhanced our cyber security controls to improve protection of our data and systems.
- Concluded the modernisation phase of our Digital Transformation Programme. With 95% of systems now cloud based, staff are enabled to work from anywhere in our district, core end-of-life system risks have been addressed, and we've completed the digitisation of property files.
- Refining our learning and development framework for our staff, including onboarding and training.
- Implementing improvements to our recruitment processes which resulted in efficiencies and financial savings.
- Continuing to support the provision and ongoing maintenance of a safe and healthy working environment with a focus on:
  - Safety leadership and worker engagement and participation.
  - A fit for purpose and effective safety management system.
  - Managing our critical safety risks.
- Delivering an annual 'Work Safe, Home Safe' series of events to engage with staff on their health and safety responsibilities.
- Responding to an increasing number of 355 Local Government Official Information and Meetings Act (LGOIMA) requests from the public.
- Grown capability and capacity to deliver automation solutions across our business.
- Enhanced and automated several project information sharing systems, including automated project updates to our website and improved financial forecasting.
- Upgraded our contract management system to achieve increased compliance through automation.

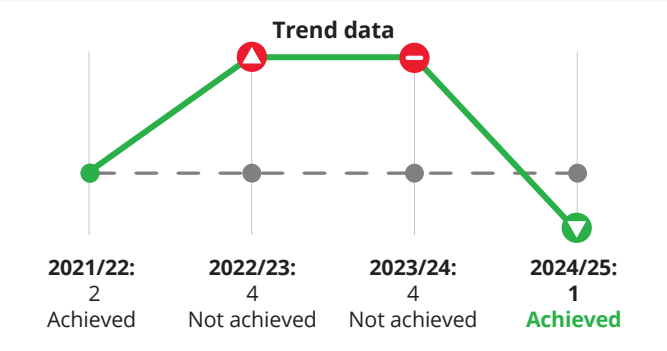
What we delivered

The number of total recordable injuries at Waikato District Council.

2024/25 Target: 2

Commentary: One total recordable injury (TRI) occurred this year. This incident required medical treatment and was investigated to identify the causes of the incident and recommendations for improvement.

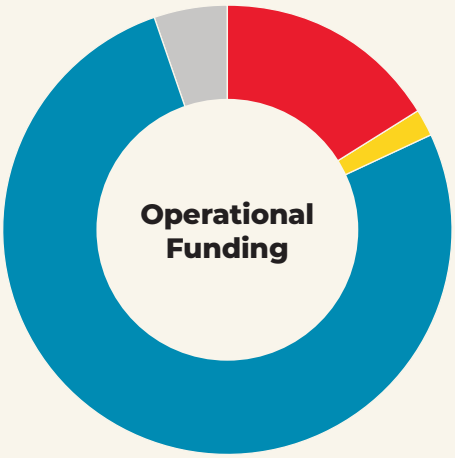
This result is a significant improvement on last year's result of four TRIs recorded. Additional resourcing has helped staff to deliver their planned work programme more efficiently.



Potential significant negative effects

There are no significant negative effects identified for the organisational support group of activities.

How we paid for it



Organisational support	
Operational	
16%	General rates, uniform annual general charge, rates penalties
0%	Targeted rates
2%	Subsidies and grants for operating purposes
0%	Fees and charges
77%	Internal charges and overheads recovered
5%	Local authorities fuel taxes, infringement fees and other receipts

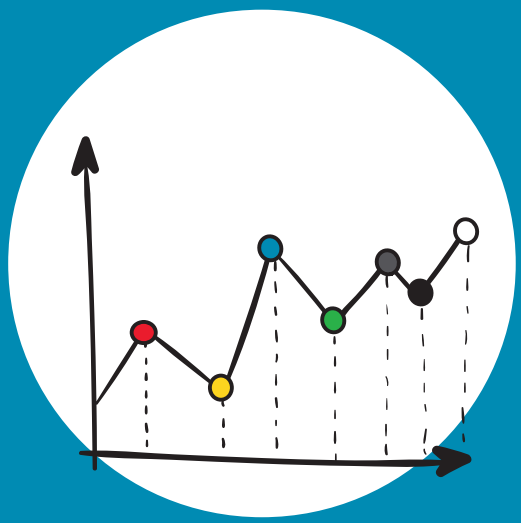
Organisational support	
Capital	
0%	Subsidies and grants for capital expenditure
0%	Development and financial contributions
85%	Increase (decrease) in debt
15%	Gross proceeds from the sale of assets
0%	Lump sum contributions
0%	Other dedicated capital funding

Funding impact statement

	2023/24 Long Term Plan $'000	2024/25 Long Term Plan $'000	2024/25 Actual $'000
Sources of operating funding			
General rates, uniform annual general charge, rates penalties	9,188	10,316	11,128
Targeted rates	-	-	-
Subsidies and grants for operating purposes	-	-	1,509
Fees and charges	-	-	28
Internal charges and overheads recovered	36,854	39,760	51,449
Local authorities fuel tax, fines, infringement fees, and other receipt	787	802	3,710
Total operating funding (A)	**46,829**	**50,878**	**67,824**
Applications of operating funding			
Payments to staff and suppliers	24,065	24,299	36,500
Finance costs	7,064	8,468	12,518
Internal charges and overheads applied	9,395	9,931	13,821
Other operating funding applications	1,930	1,823	3,640
Total applications of operating funding (B)	**42,454**	**44,521**	**66,479**
Surplus (deficit) of operating funding (A - B)	**4,375**	**6,357**	**1,345**
Sources of capital funding			
Subsidies and grants for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	14,489	11,720	1,613
Gross proceeds from the sale of assets	408	460	291
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	**14,897**	**12,180**	**1,904**
Applications of capital funding			
Capital expenditure			
- to meet additional demand	528	6,506	23
- to improve the level of service	27	28	1,389
- to replace existing assets	3,037	2,624	4,828
Increase (decrease) in reserves	14,947	8,753	(1,962)
Increase (decrease) in investments	733	626	(1,028)
Total applications of capital funding (D)	**19,272**	**18,537**	**3,250**
Surplus (deficit) of capital funding (C - D)	**(4,375)**	**(6,357)**	**(1,345)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**

Funding impact statement Whole of Council

	2023/24 Annual Plan $'000	2023/24 Actual $'000	2024/25 Annual Plan $'000	2024/25 Actual $'000
Sources of operating funding				
General rates, uniform annual general charge, rates penalties	86,383	88,939	97,366	101,991
Targeted rates	40,360	42,211	45,299	48,476
Subsidies and grants for operating purposes	10,566	13,926	16,471	12,062
Fees and charges	17,857	13,378	19,815	15,496
Interest and dividends from investments	180	3,257	660	3,344
Local authorities fuel tax, fines, infringement fees, and other receipts	10,978	10,099	10,535	11,074
Total operating funding (A)	**166,324**	**171,810**	**190,146**	**192,443**
Applications of operating funding				
Payments to staff and suppliers				
Finance costs	132,533	141,073	158,198	149,855
Other operating funding applications	5,950	9,727	9,346	12,518
Other operating funding applications	3,409	4,197	6,834	5,333
Total applications of operating funding (B)	**141,892**	**154,997**	**174,378**	**167,706**
Surplus (deficit) of operating funding (A - B)	**24,432**	**16,813**	**15,768**	**24,737**
Sources of capital funding				
Subsidies and grants for capital expenditure	14,632	17,672	23,409	14,985
Development and financial contributions	8,134	7,425	11,614	16,117
Increase (decrease) in debt	68,649	87,701	111,139	28,486
Gross proceeds from the sale of assets	564	3,146	200	352
Lump sum contributions	0	-	-	-
Other dedicated capital funding	216	5,816	216	4,508
Total sources of capital funding (C)	**92,195**	**121,760**	**146,578**	**64,448**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	36,632	32,508	36,041	23,663
- to improve the level of service	26,278	37,585	43,408	33,942
- to replace existing assets	45,710	57,585	65,230	48,838
Increase (decrease) in reserves	6,492	(2,140)	14,165	(16,229)
Increase (decrease) in investments	1,515	13,035	3,502	(1,028)
Total applications of capital funding (D)	**116,627**	**138,573**	**162,346**	**89,186**
Surplus (deficit) of capital funding (C - D)	**(24,432)**	**(16,813)**	**(15,768)**	**(24,737)**
Funding balance ((A - B) + (C - D))	**-**	**-**	**-**	**-**



Financial Pathway
Ara Ahumoni

From the Chair of the Performance and Strategy Committee

Naa te Upoko o te Komiti Whakahaere Rautaki

The past financial year has presented significant challenges, driven largely by a turbulent national economic climate and persistently high inflation rates. Despite this, I am pleased with the Annual Report results when compared with our 2024/25 budgets.

The demand for Council's services continues to grow, and we continue to face challenges in retaining and attracting qualified staff. This has made maintaining service levels challenging, resulting in increased costs and some service levels being adversely affected.

The Council's income for the 2024/25 financial year was $266 million, a positive variance of $38 million compared to the budget. Revenue above budget was the result of higher vested assets, higher growth in General and Targeted rates and due to higher-than-expected development and financial contributions received. This was partially offset by lower-than-expected subsidies and grants received.

The Council's operational expenditure amounted to $226 million, which is $1m above budget. Personnel expenses were lower than budget, offset by Finance costs that exceeded the budget due to higher-than-forecast interest rates.

Council's operating surplus was $39.5 million, exceeding the budgeted surplus of $2.5m, attributed to the variances detailed above.

Council's capital programme includes 2024/25 projects as well as projects from the previous year still to be completed. It should be noted, therefore, that the Annual Report depicts actual progress against the 2024/25 budget only.

In real terms, the $106 million spent delivered 48% per cent of the entire capital work programme, including budgets carried forward from previous years.

Janet Gibb
Chair

Council-controlled organisations

Ngaa Toopuutanga a te Kaunihera

Council operates four Council-Controlled Organisations (CCO's). 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 Council-Controlled Organisation (CCO). 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 Council's benefit, and ultimately Waikato District ratepayers' benefit.

The company generally traded profitably and provided significant dividends that supplemented the 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.

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

Waikato Regional Airport Limited

In December 1989, Council along with four 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 Objectives of the WRAL Group

5. Operate an efficient and compliant airport.
6. Enhance the traveller experience.
7. Maintain a viable aeronautical business.
8. Future proof the airport.

9. Maximise long-term income from diverse non-aeronautical business opportunities stemming from optimisation of land and property holdings.
10. Develop and optimise the land holdings of the Group to generate a long-term property income from a diversified property portfolio.
11. Investing in an organisation-wide strategy taking a holistic view of employee wellbeing.
12. Sustainability
13. Assist in the development and marketing of the Hamilton and Waikato region as a destination to domestic and internation visitors.
14. Creating a cultural legacy that authentically embraces and values Maaori tikanga and te reo.

The group achieved all but two of the financial targets included in their Statement of Intent. The performance against the Statement of Intent is summarised in the table below:

Agreed Measures	Actual 2024/25 $'000	Target 2024/25 $'000	Target met
Earnings Performance targets			
Net surplus/(deficit) before tax *no less than*	4,057	2,000	✓
Earnings before tax, interest, and depreciation and amortisation (EBITDA) excluding land sales *of at least*	5,955	4,800	✓
Earnings before tax, interest, and depreciation and amortisation (EBITDA) including land sales *of at least*	10,541	8,500	✓
Percentage of non-landing charges revenue to total revenue	65%	60%	✓
Land sales *of at least*	5,710	4,000	✓
Free cash flow	482	1,400	✗
Cash flow and funding performance targets			
Net operating cashflow excluding land sales *of at least*	3,736	4,000	✗
Net debt a *maximum of*	31,450	39,000	✓
Shareholder value performance targets			
Shareholders' funds to total assets	81%	75%	✓

Comments: All earnings and profitability financial performance targets exclude the effect of other gains and losses. Metrics are marked as n/a if not set for a particular year.

Free cash flow is defined as the cash flow available after EBITDA including land sales, adjusted for the effect of interest and current taxes, and general asset renewal and replacement capital expenditure.

The group achieved all but one of the non-financial targets included in their Statement of Intent.

Performance Target	Comment	Target met
Zero WorkSafe notifiable accidents/injuries.	Due to a delay in commissioning the farm, this metric was not met for the full year	✓
Operate a workplace that fosters employee wellbeing and improving organisational culture, as measured by the Employee Engagement Survey.	The annual staff engagement survey showed positive results in both years.	✓
To achieve airport certification standards required by the Civil Aviation Authority (CAA) as evidenced by CAA audit reports.	The airport continues to meet all relevant CAA certification standards including the increased requirements associated with resumption of international air services during 2025.	✓
Ensure airport is operationally available for all scheduled passenger services (except for uncontrollable events).	There have been no incidences of scheduled flights being operationally impacted by controllable events.	✓
Assist airlines to identify opportunities to increase flight schedules and passenger numbers.	The airport made significant progress towards securing new scheduled routes during both years and secured international services during 2025.	✓
Identify and activate new development opportunities within the general aviation sector.	The airport continued to pursue opportunities to tenant the former flight school training centre including development of an aero-medical hub during 2025.	✓
Position and protect the airport as an efficient, cost-effective international port.	The airport maintained relevant Customs and Biosecurity approvals to receive international flights including increased requirements associated with resumption of international air services during 2025.	✓
Remain collaborative with local authorities and central government agencies for joint infrastructure and transport initiatives.	The airport entered into agreements and joint investment around future three waters and roading infrastructure in 2024 and is working with central government to position the airport as an upper North Island diversion/alternate airport.	✓
Reduce Group electricity purchases by at least 20% on prior year levels (measured in kWh used) upon commissioning of the first stage of the solar farm development.	Due to a delay in commissioning the farm, this metric was not met in 2024 however the Airport achieved a 23% reduction on 2024 levels during 2025.	✓
Advance application for Level 4+ accreditation to the Airport Council International's Airport Carbon Accreditation Programme.	The airport did not advance its application for Level 4+ accreditation due to international air service resumption workstreams however maintains Level 4 accreditation.	✗
Reduce landfill waste through reduced usage of non-recyclable single-use materials and improved sustainable material usage in construction	Airport food and beverage retail moved to using biodegradable and recyclable single use packaging, and construction contractors were engaged with commitments to recycle and re-use construction materials.	✓
Complete detailed design for Stage One of the Northern Precinct Development	Design of Precinct North Stage One was consented by local authorities and construction had commenced by 2025-year end.	✓
Complete ecological management plan and commence development of ecological habitat compensation site.	Approval of the ecological management plan was granted by local authorities and development of the ecological compensation site had commenced by 2025-year end.	✓

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.

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.

Co-Lab's Statement of Intent at a glance – and 3-year-strategy:

Our vision
Council collaboration through Co-Lab maximises community wellbeing

Our Purpose
Support our councils to achieve this vision by helping them identify and realise shared communities

Performance Framework Outcomes

Reduce costs
- Achieve efficiency gains and economies of scale
- Reduce duplication of effort and eliminate waste through repetition
- Help councils achieve an appropriate balance in risk and return

Create value for councils
- Improved levels of quality and service
- Increased skills and expertise
- Improved compliance
- Improved decision making

Enable innovation and change
- Research and development
- Promote and contribute to the development of best practice
- Coordinated and consistent approach to provision of services
- Communities engage with councils in our region on a consistent basis

3 Year S.M.A.R.T.

Strategic Goals (3-Year)	Strategic Goals (3-Year)
1. Shareholding Councils understand we provide them value	• We know the value we provide shareholders has improved by 15%, by 30 June 2027 • By 30 June 2027, 80% of shareholders agree they get value from Co-Lab
2. Deliver value by growing the scale of our shared service function	• 24 new instances of Co-Lab shared services being utilised • All shareholders take up at least one additional shared service
3. Divers, talented and motivated people work for us	• Maintain staff engagement above 85% • Staff turnover is less than 15% per annum • Our vacancies are filled by suitable candidates within 3 months

Performance Reporting

The performance measures noted in the table below were included in the company's 2024 Statement of Intent. Co-lab has assessed whether each target has been achieved, and how these contribute to their outcomes as an organisation.

Strategic goal	3-year Objective	Annual KPI	Actual
Goal 1: Shareholding councils understand we provide them value	We know the value we provide shareholders has improved by 15%, by 30 June 2027 *(baseline y/e 30 June 24).*	Year-on-year increase in the value we provide to councils.	**FY24-25:** $1.1m decrease in the value we provide to councils as measured by our benefit analysis.
	By 30 June 2027, 80% of shareholders agree they get value from Co-Lab.	80%+ of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey).	**FY24-25:** 88% of council survey respondents believe those Co-Lab services they received met or exceeded their expectations.
Goal 2: 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).*	Year-on-year increase in the utilisation of services we provide to councils.	**FY24-25:** Measured as above.
	All Shareholders take up at least one additional shared service.	Year on Year increase in the number of services available to councils.	**FY24-25:** Introduced RATA Spaces & Places Launched Co-Lab Building Services
		Year-on-year increase in the utilisation of services we provide to councils	**FY24-25: New onboardings:** • 5 RATA Spaces & Places councils • 1 Smart Water – Watercare joined • 1 ECM – OtoDC joined • 1 Sampling & Analysis – Waikato Regional Airport joined • 1 Co-Lab Building Services – WBOP • 1 Professional Services Panel - WBOP
Goal 3: Diverse, talented and motivated people work for us	Maintain staff engagement above 85%.	Maintain staff engagement above 85%.	**FY24-25:** 86% staff engagement
	Staff turnover is less than 15%.	Staff turnover is less than 15%.	**FY24-25:** 10.5% staff turnover
	Our vacancies are filled by suitable candidates within 3 months. *(baseline y/e 30 June 24)*	Vacancies are filled by suitable candidates within 3 months.	**FY24-25:** The 1 position advertised was vacant for 2 months.

Council's Financial returns

Returns on Investment	Expected return	2024/25 Results	Our performance
Financial	*5.55%*	5.57%	✓
Property	11.00%	7.19%	✗
Equity as follows:			
Waikato Regional Airport Ltd	0%	0%	✓
Civic Financial Services Ltd	0%	0%	✓
Local Authority Shared Services Ltd (Co Lab)	0%	0%	✓

Financial Statements
Taukii Ahumoni

For the year ended 30 June 2025

Statement of comprehensive revenue and expense
Taukii Toopuni Moniwhiwhi me te Moniwhakapau

for the year ended 30 June 2025

		Council and Group		
	Note	2024/25 Actual $'000	2024/25 Budget $'000	2023/24 Actual $'000
Revenue				
Rates	2	149,668	142,665	130,394
Development and financial contributions		16,117	11,614	7,425
Subsidies and grants		27,047	39,880	31,600
Finance revenue	3	3,344	660	3,264
Other revenue	4	69,475	32,785	52,288
Total revenue		**265,651**	**227,604**	**224,971**
Expenses				
Employee costs	6	49,150	51,737	44,997
Depreciation and amortisation expense	7	51,600	50,705	47,055
Finance costs	3	12,688	9,346	9,839
Other expenses and losses	8	112,672	113,294	102,803
Total operating expenses		**226,110**	**225,082**	**204,694**
Surplus (deficit) before tax		**39,541**	**2,522**	**20,277**
Income tax expense	9	-	-	-
Surplus(deficit) after tax wholly attributable to Waikato District Council		**39,541**	**2,522**	**20,277**
Other comprehensive revenue and expense				
Gain(loss) on property revaluations	15	114,570	99,993	249,582
Revaluation reserve – landfill		(458)	-	8
Gain (loss) on cessation of joint venture		-	-	-
Financial assets at fair value through other comprehensive revenue		6,156	-	(802)
Other comprehensive revenue and expense (net of tax)		**120,268**	**99,993**	**248,788**
Total comprehensive revenue and expense for the year		**159,809**	**102,515**	**269,065**

The accompanying notes form part of these financial statements
Explanations of major variances against budget are provided in note 35

Statement of financial position

Taukii Taunga Ahunga

as at 30 June 2025

	Note	Council and Group 2024/25 Actual $'000	2024/25 Budget $'000	2023/24 Actual $'000
Assets				
Current assets				
Cash and cash equivalents	10	25,555	13,669	13,967
Receivables from exchange transactions	11	19,541	12,747	23,163
Recoverables from non-exchange transactions	11	10,797	8,073	9,597
Prepayments		1,706	3,391	3,131
Other financial assets	13	2,023	49	21,824
Cattle	12	27	11	-
Derivative financial instruments	22	-	-	36
Non-current assets held for sale	14	11	-	438
Total current assets		**59,660**	**37,940**	**72,156**
Non-current assets				
Investment in CCO's and other similar entities	13	42,813	37,459	36,658
Investments in other entities	13	6,541	5,474	5,576
Investment in Joint Venture	13	-	-	-
Property, plant and equipment	15	2,857,648	2,666,481	2,654,059
Intangible assets	16	5,444	7,719	4,733
Investment property	17	577	635	615
Derivative financial instruments	**22**	-	4,323	2,973
Total non-current assets		**2,913,023**	**2,722,091**	**2,704,614**
Total assets		**2,972,683**	**2,760,031**	**2,776,770**
Liabilities				
Current liabilities				
Payables under exchange transactions	18	42,150	38,671	41,968
Taxes and transfers payable	18	4,689	2,912	2,794
Derivative financial instruments	22	17	-	-
Borrowing	20	45,979	37,215	20,977
Employee entitlements	19	9,530	5,917	5,770
Provisions	21	170	221	115
Total current liabilities		**102,535**	**84,936**	**71,624**
Non-current liabilities				
Derivative financial instruments	22	1,364	-	-
Borrowing	20	195,815	249,057	192,331
Employee entitlements	19	41	247	44
Provisions	21	2,207	1,987	1,861
Total non-current liabilities		**199,428**	**251,291**	**194,236**
Total liabilities		**301,963**	**336,227**	**265,860**
Net assets		**2,670,719**	**2,423,804**	**2,510,910**
Net assets/ equity				
Accumulated comprehensive revenue and expense		1,390,636	1,434,077	1,328,562
Other reserves		1,280,083	989,728	1,182,348
Total net assets/equity		**2,670,719**	**2,423,804**	**2,510,910**

The accompanying notes form part of these financial statements

Explanations of major variances against budget are provided in note 35

Statement of changes in net assets / equity

Taukii Hurihanga Rawa / Tuutanga

for the year ended 30 June 2025

	Council and Group		
	2024/25 Actual $'000	2024/25 Budget $'000	2023/24 Actual $'000
Balance at the beginning of the year			
Accumulated comprehensive revenue and expense	1,328,562	1,380,082	1,270,395
Other reserves			
Revaluation	1,182,404	997,086	933,490
Restricted	485	140	446
Council-created	16,790	16,508	22,971
Special rates and user pays	(31,967)	(10,661)	(20,621)
Capital replacement fund	40,204	9,968	33,173
Development contributions	(58,691)	(102,166)	(31,934)
Fair value through other comprehensive revenue and expense	33,122	30,332	33,924
Balance at 1 July as previously reported	**2,510,910**	**2,321,289**	**2,241,844**
Comprehensive revenue and expense for the year			
Accumulated comprehensive revenue and expense			
Surplus(deficit) after tax	39,541	2,522	20,277
Other reserves			
Revaluation	114,570	99,993	249,582
Revaluation – landfill	(458)	-	8
Fair value through other comprehensive revenue and expense	6,156	-	(802)
Total comprehensive revenue for the year wholly attributable to Waikato District Council	**159,809**	**102,515**	**269,066**
Transfers to(from) accumulated comprehensive revenue and expense			
Accumulated comprehensive revenue and expense	22,533	51,473	37,890
Other reserves			
Revaluation	(1,235)	-	(676)
Restricted	(275)	2	39
Council-created	(2,027)	(9,858)	(6,181)
Special rates and user pays	(1,800)	(14,754)	(11,346)
Capital replacement fund	4,712	(5,835)	7,031
Development contributions	(21,908)	(21,028)	(26,757)
Total transfers to(from) accumulated comprehensive revenue and expense	**-**	**0**	**-**
Balance at 30 June wholly attributable to Waikato District Council	**2,670,719**	**2,423,804**	**2,510,910**
Represented by net assets/equity at the end of the year			
Accumulated comprehensive revenue and expense	1,390,636	1,434,077	1,328,562
Other reserves			
Revaluation	1,295,281	1,097,079	1,182,404
Restricted	210	142	485
Council-created	14,763	6,650	16,790
Special rates and user pays	(33,767)	(25,415)	(31,967)
Capital replacement fund	44,917	4,133	40,204
Development contributions	(80,599)	(123,194)	(58,691)
Fair value through other comprehensive revenue and expense	39,278	30,332	33,122
Balance at 30 June wholly attributable to Waikato District Council	**2,670,719**	**2,423,804**	**2,510,910**

The accompanying notes form part of these financial statements

Explanations of major variances against budget are provided in note 35

Statement of cash flows

Taukii Kapewhiti

for the year ended 30 June 2025

	Note	Council and Group 2024/25 Actual $'000	2024/25 Budget $'000	2023/24 Actual $'000
Cash flows from operating activities				
Receipts				
Receipts from rates revenue		147,604	135,532	127,145
Subsidies received		29,421	35,892	29,508
Contributions received		16,117	10,453	8,675
Receipts from other revenue		33,633	31,587	22,509
Interest received		3,120	660	3,072
Dividends received		-	78	78
Goods and service tax (net)		2,076	-	-
Payments				
Payments to employees		(45,393)	(51,737)	(44,486)
Payments to suppliers		(109,801)	(113,294)	(78,923)
Interest paid		(13,083)	(9,346)	(8,502)
Goods and service tax (net)		-	-	399
Net cash flows from (used in) operating activities	**24**	**63,694**	**39,825**	**59,475**
Cash flows from investing activities				
Proceeds from the sale of property, plant and equipment		351	-	5,577
Proceeds from the sale of investments		-	500	-
Community loan repayments received		-	-	(62)
Receipts from repayment of advance		-	-	-
Purchase of intangible assets		(1,768)	(3,269)	(2,548)
Purchase of property, plant and equipment		(98,527)	(141,410)	(137,249)
Acquisition of investments		18,837	(3,002)	(22,280)
Net cash flow from (used in) investing activities		**(81,107)**	**(147,181)**	**(156,562)**
Cash flows from financing activities				
Proceeds from borrowing		50,000	131,139	109,668
Repayment of borrowing		(21,000)	(20,000)	(21,000)
Net cash flow from financing activities		**29,000**	**111,139**	**88,668**
Net increase(decrease) in cash, cash equivalents and bank overdrafts		**11,587**	**3,783**	**(8,419)**
Cash, cash equivalents and bank overdrafts at the beginning of the year		13,967	9,886	22,386
Cash, cash equivalents and bank overdrafts at the end of the year		**25,554**	**13,669**	**13,967**

The accompanying notes form part of these financial statements

Explanations of major variances against budget are provided in note 35

Statement of reserve funds

Taukii Puutea Taapui

for the year ended 30 June 2025

Reserves showing as negative have a debit balance and are mainly for development contributions and structure plan reserves. These reserves are in place to monitor the revenue and costs associated with development and growth. Often Council must incur the cost of works for base infrastructure before development contributions are received.

Essentially the negative balance for a reserve is the amount borrowed internally to fund the work ahead of revenue being received. A negative reserve is used instead of an internal loan because the amount is repaid by revenue received rather than a loan repayment regime. Like a loan, interest is charged and is added to the reserve balance for repayment from contributions received over time.

Reserve	Purpose	Related activities	Opening balance 1 July 2024 $'000	Transfers into fund $'000	Transfers out of fund $'000	Closing Balance 30 June 2025 $'000
Conservation fund	To fund expenditure items for conservation purposes.	Sustainable environment	544	27	(26)	545
Raglan Harbour reserve	Council took over assets from the Raglan Harbour Board. Any revenue or expenditure on these properties is kept separate from general funds.	Sustainable communities	(2,517)	2,048	(709)	(1,178)
Housing for the elderly	Revenue from housing for the elderly is put aside for use on the properties involved.	Sustainable communities	(743)	340	(392)	(795)
Plant reserve	Reserve used for control of expenditure and sale proceeds for vehicle and other plant running and maintenance costs.	Organisational support	(490)	1,434	(1,958)	(1,014)
Lake Hakanoa Caravan Park reserve	Revenue and expenditure for the Lake Hakanoa Caravan Park at Huntly is kept separate. The camp operation is self-funding.	Sustainable communities	287	283	(268)	302
Raglan Papahua Holiday Park reserve	Revenue and expenditure for the Holiday Park at Raglan is kept separate. The camp operation is self-funding.	Sustainable communities	2,128	2,566	(3,878)	816

Reserve	Purpose	Related activities	Opening balance 1 July 2024 $'000	Transfers into fund $'000	Transfers out of fund $'000	Closing Balance 30 June 2025 $'000
Wainui Reserve farm	Revenue and expenditure for Wainui Reserve farm operations is kept separate. The farm operation is self-funding and surpluses are used towards projects at Wainui Reserve.	Sustainable communities	721	243	(251)	713
Hillary Commission grants	These funds are committed to a club development programme for the future	Sustainable communities	22	-	-	22
Creative NZ grant	The balance from Creative Communities New Zealand to be re-distributed as grants to suitable candidates.	Sustainable communities	23	77	(79)	21
Disaster recovery fund	Fund set aside for use in the event of a disaster.	Organisational support	795	783	(1,640)	(62)
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.	Sustainable communities	(117)	-	(6)	(123)
North Waikato development reserve	Remaining funds (with interest credits) from the Department of Corrections for use to assist the local community.	Sustainable communities	287	10	(65)	232
Hamilton East property proceeds	Proceeds from the sale of the Hamilton East property held separate for property related purposes.	Organisational support	2,308	-	-	2,308
Mayoral Relief Fund	Fund set aside for use in the event of a natural disaster.	Sustainable communities	188	1	(6)	183
Hakarimata Restoration Trust	A restricted reserve for Hakarimata Hills Reserve Trust to record all trust operations.	Sustainable environment	-	-	-	-

Reserve	Purpose	Related activities	Opening balance 1 July 2024 $'000	Transfers into fund $'000	Transfers out of fund $'000	Closing Balance 30 June 2025 $'000
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.	Sustainable environment	(8)	5	(56)	(59)
Structure plan non- growth reserve	Reserve to provide funding for the non-growth element of Structure Plan development.	Organisational support	2,066	92	-	2,158
Waste minimisation reserve	To manage waste minimisation grants and qualifying expenditure.	Sustainable environment	2,344	1,904	(1,162)	3,086
Huntly College Jubilee Award	A restricted reserve for the interest revenue to be used as educational sponsorship.	Sustainable communities	13	1	(1)	13
Frances Paki Trust	A restricted reserve in memory of Francis Paki of Huntly. Interest revenue to be used as sponsorship for educational purposes.	Sustainable communities	2	-	-	2
Mungall Scholarship Trust	A restricted reserve in memory of Agnes Simpson Mungall. Interest revenue to be used for educational sponsorship.	Sustainable communities	1	-	-	1
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.	Organisational support	269	-	(284)	(15)

Reserve	Purpose	Related activities	Opening balance 1 July 2024 $'000	Transfers into fund $'000	Transfers out of fund $'000	Closing Balance 30 June 2025 $'000
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.	Sustainable communities	199	9	-	208
Sundry reserves	Sundry reserves for township development and other operational purposes.	Sustainable communities	37,022	9,388	(4,224)	42,186
Targeted rate reserves – operational	Reserves to monitor operational costs in relation to special rates and user pays.	Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply	(31,967)	10,556	(12,356)	(33,767)
Replacement funds	Reserves where amounts equivalent to funded depreciation are held for use on capital renewals work.	Roading, Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply, Organisational support	40,205	-	4,712	44,917
Revaluation reserves	"These non-cash reserves relate to the revaluation of property, plant and equipment to fair value."	Roading, Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply	1,182,404	114,112	(1,235)	1,295,281
Capital rates and contributions	Reserves for structure plans, development contributions, financial contributions and capital targeted rates.	Roading, Stormwater, Sustainable communities, Sustainable environment, Wastewater, Water supply	(53,639)	21,685	(43,945)	(75,899)
Total reserves			**1,182,348**	**165,564**	**(67,829)**	**1,280,083**

Notes to the financial statements

Pitopito Koorero moo te Taukii Ahumoni

Note 1 Statement of accounting policies

Reporting Entity

Waikato District Council (Council) is a territorial local 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 financial statements of Council and the Group are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 29 September 2025.

Basis of preparation

The financial statements of Council have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of Council have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R) which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with and comply with Tier 1 PBE accounting standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars ($000's) except for those within sections of narrative which are rounded to the nearest dollar.

New or amended standards adopted

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 these standards in the preparation of the Annual Report and there are no material impacts on the financial statements.

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:

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

Council has reviewed the amendment in the preparation of the Annual Report and included the additional disclosure in Note 8 of the financial statements. There are no material impacts to the financial statements.

Other changes in accounting policies

There have been no other changes in accounting policies.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Other financial assets

Note 13 provides information about the estimates and assumptions applied in determining the fair value of the equity investment in Waikato Regional Airport Limited.

Infrastructural assets

Note 15 provides information about the estimates and assumptions applied in determining the fair value of infrastructural assets.

Employee entitlement provisions

Note 19 provides information about the estimates and assumptions surrounding the retirement gratuities and long service leave provision.

Landfill aftercare provision

Note 21 provides information about the estimates and assumptions surrounding the landfill aftercare provision.

Goods and services tax

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 recoverable GST.

Budget figures

The budget figures are those approved by Council in its 2024/25 Enhanced Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing these financial statements.

Foreign currency transactions

Foreign currency transactions are translated into NZ dollars using the spot exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Equity

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

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

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 represent funds 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.

Council's and the Group's objectives, policies, and processes for managing capital are explained in note 34.

Fair value through other comprehensive revenue

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

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 appropriate cost drivers such as actual usage, staff numbers and floor area.

Note 2 Rates

Accounting policy

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

Rates arising from late payment penalties are recognised as revenue when the rates become overdue.

Revenue from water-by-meter rates is recognised on an accrual basis. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy.

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
General rates	82,827	72,597
Uniform annual general charge	15,722	13,559
Total general rates revenue	**98,549**	**86,156**
Targeted rates		
Community boards	294	281
Community centres and facilities	1,077	981
Refuse & waste management	6,534	6,383
Stormwater	3,630	3,025
Wastewater	20,277	17,236
Metered water supply	8,485	7,449
Other water rates	8,179	6,856
Total targeted rates	**48,476**	**42,211**
plus: Penalties revenue	3,442	2,783
Total rates revenue	**150,466**	**131,150**
less: Rate remissions	(798)	(756)
Total net rates	**149,668**	**130,394**

Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements (or notes) its annual rates revenue. That deed defines annual rates revenue as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by Council from other local authorities for services provided by Council for which those other local authorities rate. Annual rates revenue by this definition is as disclosed in the table above.

Rates remissions

Rates revenue is shown net of rates remissions. Council's rates remission policy allows Council to remit rates on condition of a ratepayer's extreme hardship, land used for community and sporting purposes, land protected for historic or cultural purposes, rating units with a capital valuation (CV) of $1,500 or less and Maaori freehold land.

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Land used for community and sporting purposes	322	355
Land protected for historical or cultural purposes	61	51
CV's under $1,500	156	136
Rating exclusions	186	140
Maaori freehold land	74	74
Total rates remissions	**798**	**756**

Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remission policy.

Non-rateable land

Under the Local Government (Rating) Act 2002 certain properties cannot be rated for general rates. These properties include schools, places of religious worship, public gardens and reserves. Non-rateable properties may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute a remission under Council's remission policy.

Rating base information

Council's rating base is as follows:

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Total number of rating units	**37,739**	**36,839**
Total land value	**$27,766m**	**$27,507m**
Total capital value	**$46,661m**	**$45,626m**

Note 3 Finance revenue and costs

Accounting policy

Interest revenue is recognised using the effective interest method.

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

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Finance revenue		
Interest - bank deposits	2,452	2,039
Interest - financial assets	-	85
Interest - community loans	55	61
Interest - other	1	-
Interest - LGFA borrower notes	292	305
Interest - swaps differences	545	774
Total finance revenue	**3,344**	**3,264**
less: Finance costs		
Interest - bank borrowing	-	-
Interest - LGFA borrowing	12,353	9,726
Interest - swaps differences	163	-
Provision: discount unwinding	105	112
Interest - financial assets	65	-
Other finance costs	1	1
Total finance costs	**12,688**	**9,839**
Net finance costs	**(9,344)**	**(6,575)**

Note 4 Other revenue

Accounting policy

Found and vested physical 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. 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.

Dividends are recognised as revenue when the right to receive payment has been established.

Revenue from traffic and parking infringements is recognised when the infringement notice is issued.

Rental revenue from investment properties is recognised as revenue on a straight-line basis over the term of the lease.

	Council and Group	
	2024/25 Actual	**2023/24 Actual**
	$'000	$'000
Found assets	283	1,207
Vested assets	37,349	20,336
Dividends	-	78
Other revenue	17,232	17,208
Regulatory revenue	9,561	9,110
Fees and charges – Council	4,448	3,075
Fair value through surplus (deficit) realised gain	514	967
Interest rate swaps revaluation gain	-	-
Gain on cessation of joint venture	-	-
Property, plant and equipment gains on disposal	88	307
Investment property revaluation gain	-	-
Fair value through surplus (deficit) unrealised gains	-	-
Total other revenue	**69,475**	**52,288**

Note 5 Exchange and non-exchange revenue

Accounting policy

Revenue is measured at fair value. For exchange revenue this equals the fair value of the consideration received or receivable. For non-exchange revenue it is the amount of the increase in net assets recognised by Council.

Council receives government grants from New Zealand Transport Agency (NZTA) which subsidise 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.

Development and financial contributions are recognised as revenue when Council is capable of providing the service for which the contribution is charged.

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Revenue from exchange transactions		
Revenue from metered water supply	8,485	7,449
Development and financial contributions	16,117	7,425
Other fees and charges – Council	14,208	13,674
Finance revenue	3,344	3,264
Dividends received	-	78
Other exchange revenue	7,639	9,836
Total revenue from exchange transactions	**49,793**	**41,726**
Revenue from non-exchange transactions		
Revenue from rates	141,183	122,945
Vested and found assets	37,632	21,543
Regulatory revenue	2,322	2,066
Infringements and fines	150	150
NZTA government subsidies	23,574	28,510
Petrol tax	577	604
Three Waters funding from the Department of Internal Affairs (DIA)*	399	199
Other subsidies and grants	3,074	2,891
Other fees and charges – Council	4,785	1,798
Other non-exchange revenue	2,162	2,539
Total revenue from non-exchange transactions	**215,858**	**183,245**
Revenue from exchange transactions	49,793	41,726
Revenue from non-exchange transactions	215,858	183,245
Total revenue per statement of comprehensive revenue and expense	**265,651**	**224,971**

*In June 2022, together with Watercare Limited, Waikato District Council completed the programme of works under the three waters stimulus funding grant. The grant received forms part of the transition support package for the Three Waters programme.

There are no unfulfilled conditions or other contingencies attached to other subsidies and grants recognised. (2024: $nil)

Note 6 Employee costs

Accounting policy

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

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Salaries and wages	44,149	43,338
Defined contribution plan employer contributions	1,243	1,150
Increase (decrease) in employee liabilities	3,758	509
Total employee costs	**49,150**	**44,997**

Employer contributions to defined contribution plans is made up of contributions to KiwiSaver.

Note 7 Depreciation and amortisation expense by group of activity

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Water supply	5,317	5,102
Wastewater	6,420	6,386
Stormwater	1,525	1,434
Roading	27,086	23,969
Sustainable environment	165	138
Sustainable communities	8,791	8,008
Governance	-	-
Organisational support	2,297	2,018
Total directly attributable depreciation and amortisation	**51,600**	**47,055**

Note 8 Other expenses and losses

Accounting policy

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's approval.

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

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Fees incurred for services provided by our audit firm: The Council and group's financial statements and service performance information for the year ended 30 June 2025 (the "financial report") are audited by Audit New Zealand on behalf of the Auditor-General. During the year, the following fees were incurred for services provided by our audit firm:		
Audit of the financial report	342	318
Audit or review related services		
Audit of the 2025-34 Long-term plan	155	-
Assurance engagement in relation to the Debenture Trust Deed	11	11
Other assurance services and other agreed-upon procedures engagements		
Assurance over:		
Roading procurement	78	47
Sustainable communities procurement	34	15
Organisational support	9	-
Total payments to Audit New Zealand	**629**	**391**
Asset write-off	2,510	1,454
Bad debt written off	230	31
Rates penalty write-offs	958	742
Other expenditure	89,621	83,192
Other personnel expenses	742	1,458
Inventories consumed	-	-
Minimum lease payments under operating leases	81	65
Legal expenses	398	491
Other professional fees	33	40
Consultant expenses	10,764	11,609
Litigation settlement	-	-
Insurance proceeds	-	-
Grants and sponsorship	1,782	1,499
Fair value loss on cattle	98	60
Investment property revaluation loss	38	20
Loss on revaluation of assets	-	-
Property, plant and equipment - losses on disposal	399	436
Interest rate swaps revaluation loss	4,389	1,315
Total other expenses and losses	**112,672**	**102,803**

Note 9 Income tax

Accounting policy

Income tax expense includes both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable surplus for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that a taxable profit will be available against the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and which at the time of the transaction affects neither accounting nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue or directly in equity.

	Council and Group	
	2024/25 Actual	**2023/24 Actual**
	$'000	$'000
Operating surplus before tax expense	39,541	20,277
Prima facie tax at 28%	11,071	5,678
Non-assessable income (net)	(11,071)	(5,678)
Non-deductible expenditure	-	-
Total income tax expense	**-**	**-**
Made up of:		
Deferred tax	-	-
Prior period adjustment	-	-
Income tax expense	-	-

Deferred tax (assets) liabilities	Plant and Equipment $'000	Employee entitlements $'000	Other provisions $'000	Total tax loss $'000	Total $'000
Balance at 1 July 2023	-	-	-	-	-
Charged to surplus (deficit)	-	-	-	-	-
Charged to other comprehensive revenue	-	-	-	-	-
Balance at 30 June 2024	-	-	-	-	-
Balance at 1 July 2024	-	-	-	-	-
Charged to surplus (deficit)	-	-	-	-	-
Charged to other comprehensive revenue	-	-	-	-	-
Balance at 30 June 2025	-	-	-	-	-

Note 10 Cash and cash equivalents

Accounting policy

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. The carrying value of cash and cash equivalents approximates their fair value.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Cash at bank and on hand	7,955	767
Short term deposits maturing within three months or less from date of acquisition	17,600	13,200
Total cash and cash equivalents per statement of financial position	**25,555**	**13,967**
Bank overdrafts	-	-
Cash and cash equivalents per statement of cash flows	**25,555**	**13,967**

The total value of cash equivalents that can only be used for a specific purpose is $208,717 (2024: $484,036).

Note 11 Recoverables and receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council and group apply the simplified ECL model of recognising lifetime ECL for short-term receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maaori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Previous accounting policy

In the previous year, the allowance for credit losses was based on the incurred credit loss model. An allowance for credit losses was recognised only when there was objective evidence that the amount due would not be fully collected.

Fair value

Receivables are non-interest bearing and receipt is normally on 30-day terms. Therefore, the carrying value of debtors and other receivables approximates their fair value.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Receivables from exchange transactions		
Receivables from related parties	-	-
Water rates receivable	496	79
Other receivables from exchange transactions	19,464	23,283
Gross receivables	**19,960**	**23,362**
Provision for uncollectability	(419)	(199)
Net receivables from exchange transactions	**19,541**	**23,163**
Recoverables from non-exchange transactions		
Rates receivable	10,218	8,482
Recoverables from user charges, taxes and other non-exchange revenue	1,079	1,379
GST refund	-	236
Gross recoverables	**11,297**	**10,097**
Provision for uncollectability	(500)	(500)
Net recoverables from non-exchange transactions	**10,797**	**9,597**
Total gross receivables and recoverables	31,257	33,459
Total provision for uncollectability	(919)	(699)
Total net recoverables and receivables	**30,338**	**32,760**

Assessment of expected credit loss

Rates receivable

Council provides for ECLs of rates receivable in certain circumstances; when the property is multiple-owned Maaori land or when there is no guarantor available. In all other circumstances, Council does not provide for any ECLs on rates receivable as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts. These powers allow Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If payment has not been made within three months of the Court's judgement, then Council is able to apply to the Registrar of the High Court to have the judgement enforced by the sale or lease of the rating unit.

Ratepayers can apply for payment options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value if the effect of discounting is material.

Other receivables

The ECL rates for other receivables at 30 June 2025 and 1 July 2024 are based on the payment profile of revenue on credit over the prior of one year at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the expected recoverability of receivables. Given the short period of credit risk exposure, the effects of macroeconomic factors are not considered significant.

There have been no changes since 1 July 2024 in the estimation techniques or significant assumptions in measuring the loss allowance.

The allowance for credit losses based on Council and the group's credit loss matrix is as follows:

	Gross $'000	Uncollectable $'000	Total $'000
Council and Group 2025			
Not past due	9,467	-	9,467
Past due 1 – 60 days	654	-	654
Past due 61 – 120 days	636	-	636
Past due > 120 days	20,500	(919)	19,581
Total gross recoverables and receivables	**31,257**	**(919)**	**30,338**
Council and Group 2024			
Not past due	19,212	-	19,212
Past due 1 – 60 days	727	-	727
Past due 61 – 120 days	899	-	899
Past due > 120 days	12,621	(699)	11,922
Total gross recoverables and receivables	**33,459**	**(699)**	**32,760**

Allowance for expected credit losses (ECL)

The ECL allowance has been calculated based on a review of specific overdue receivables together with a collective assessment.

	Council and Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Individual uncollectability	419	199
Collective uncollectability	500	500
Total provision for uncollectability	**919**	**699**

Individually impaired receivables have been determined to be impaired because of the improbability of collection. An analysis of the individually impaired debtors is shown below:

	Council and Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Past due 1 – 60 days	-	-
Past due 61 – 120 days	-	-
Past due > 120 days	419	199
Total individual uncollectability	**419**	**199**

Movements in the allowance for credit losses are as follows:

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Balance at 1 July	699	691
Additional provision made during the year	220	9
Provisions reversed during the year	199	171
Debts written off during the period	(199)	(172)
Balance at 30 June	**919**	**699**

In accordance with the write-off criteria of sections 90A and 90B of the Local Government (Rating) Act 2002, Council have written off a total of $419,267.13 during the year. (2024: $198,970.28).

Note 12 Cattle

Accounting policy

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.

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Balance at 1 July	-	11
Increase through purchases	125	60
Gains (losses) from fair value adjustments	(98)	(60)
Decrease through sales	-	(11)
Balance at 30 June	**27**	**-**

Council keeps cattle to graze on one of its reserves as part of reserve maintenance. Although a financial gain is achieved in most years it is not Council's primary purpose. The cattle are normally sold within the next twelve months after balance date. The number of cattle at balance date was 24 (2024: 0).

Council has no cattle with restricted title.

Note 13 Other financial assets

Accounting policy

Subsidiaries

Council consolidates all entities where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the subsidiary. This power exists where Council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially affect the level of potential ownership benefits that arise from the activities of the subsidiary.

Council will recognise goodwill where there is an excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed. This difference reflects the goodwill to be recognised by Council. If the consideration transferred is lower than the net fair value of Council's interest in the identifiable assets acquired and liabilities assumed, the difference will be recognised immediately in the surplus or deficit.

The investment in subsidiaries is carried at cost in Council's parent entity financial statements.

Other financial assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost.
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless the it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Initial recognition of concessionary loans

Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument. For loans to community organisations, the difference between the loan amount and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and held to maturity investments.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

Subsequent measurement of financial assets at FVTSD

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 and such an asset is classified as a current asset. Council's derivatives are categorised as held for trading unless they are designated into a hedge accounting relationship for which hedge accounting is applied. The current/non-current classification of derivatives is explained in the derivatives accounting policy in note 22. After initial recognition, financial assets in this category are measured at their fair values with gains or losses on re-measurement recognised in the surplus or deficit.

Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Council measures ECLs on loan commitments at the date the commitment becomes irrevocable. If the ECL measured exceeds the gross carrying amount of the financial asset, the ECL is recognised as a provision.

Shares in subsidiaries (at cost)

The investment in subsidiaries is carried at cost in Council's parent entity financial statements.

Previous accounting policy (summarised)

In the previous year, other financial assets were classified into the following categories:

- loans and receivables at amortised cost (included term deposits, related party loans, and community loans).
- held-to-maturity investments at amortised cost (included listed bonds); and
- fair value through other comprehensive revenue and expense (included shares and listed bonds).

The main differences for the prior year policies are:

- Impairment was recorded only when there was objective evidence of impairment. For equity investments, a significant or prolonged decline in the fair value of the investment below its cost was considered objective evidence of impairment. For debt investments, significant financial difficulties of the debtor, probability the debtor would enter into bankruptcy, receivership or liquidation, and default in payments were indicators the asset is impaired.
- Impairment losses on shares were recognised in the surplus or deficit.
- For shares, the cumulative gain or loss previously recognised in other comprehensive revenue and expense was transferred from equity to surplus or deficit on disposal of the investment.

	Council and Group	
	2024/25 Actual	**2023/24 Actual**
	$'000	$'000
Current portion		
Term deposits	1,265	1,409
Equity instruments	-	-
Fixed interest instruments	-	20,000
LGFA borrower notes	705	320
Community loans	53	95
Total current portion	**2,023**	**21,824**
Non-current portion		
Investments in CCO's and other similar entities		
Waikato Local Authority Shared Services Limited (a)	219	219
Strada - shares	700	700
Waikato Regional Airport Limited	41,894	35,739
Total investment in CCO's and similar entities	**42,813**	**36,658**
Investment in other entities		
Community loans	967	1,048
Fixed interest instruments	-	-
LGFA borrower notes	5,535	4,490
Civic Financial Services Limited	39	38
Total investment in other entities	**6,541**	**5,576**
Investment in Joint Venture		
IAWAI - Flowing Waters Limited *	-	-
Total investment in Joint Venture	**-**	**-**
Total non-current portion	**49,354**	**42,234**
Total other financial assets	**51,377**	**64,058**

*On 26 June 2025, the Council jointly incorporated IAWAI – Flowing Waters Limited in partnership with Hamilton City Council under the Local Waters Done Well legislation. The Council holds a 50% shareholding and joint control has been established via a Shareholder Forum, with one vote per shareholder and jointly appointed board members.

IAWAI – Flowing Waters Limited is accounted for as a joint venture in accordance with PBE IPSAS 36 using the equity method. As at 30 June 2025, no assets or liabilities have been transferred to the CCO, and no operations have commenced. The Council's investment is recognised at its nominal cost of $1.

The carrying amount will be reassessed in subsequent periods in line with the Council's share of the joint venture's net assets and performance.

(a) Council's investment in Waikato Local Authority Shared Services Limited comprises four distinct classes of share. The numbers held and values of each share class are as follows:

	No. of shares	Value per Share	Total Capital	Uncalled Capital	Paid up Capital
		$	$	$	$
Ordinary shares	1	1,000	1,000	1,000	-
Shared Valuation Database Service	106,674	1	106,674	-	106,674
Waikato Regional Photography Service	9,376	1	9,376	9,376	-
Waikato Regional Transport Model	11,250	10	112,500	-	112,500
			229,550	**10,376**	**219,174**

Fair value

Term deposits

The carrying amount of term deposits approximates their fair value.

Community loans

Community loans are measured at amortised cost using the effective interest method.

Their fair value is $1,022,132 (2024: $904,937). Fair value has been determined using cash flows discounted at the interest rate (current at 1 July 2024) charged by Council on community loans. The rate used is 4.25% (2024: 4.18%).

The face value of total community loans is $998,551 (2024: $861,996).

Unlisted investments and advances

The fair value of Council's shares in Local Authority Shared Services Limited has not been disclosed because the fair value cannot be reliably measured as there is no active market for these instruments; therefore, the shares are held at cost.

Council's investments in Waikato Regional Airport Limited (WRAL) and Civic Financial Services Limited (formerly NZ Local Government Insurance Corporation Limited) are carried at fair value through other comprehensive revenue and expenditure. The fair value for the investment in WRAL has been determined based on the Council's proportion of ownership of WRAL's net assets (15.625%). Net assets are considered to provide an appropriate estimate of WRAL's fair value, this is because WRAL's fair value derives mainly from the underlying fair value of its assets net of liabilities.

The details are:

	Share of net assets	Fair Value	
		2024/25	2023/24
Waikato Regional Airport Limited	15.62%	$41,894,246	$35,738,560
Civic Financial Services Limited	0.37%	$38,922	$38,242

Note 14 Non-current assets held for sale

Accounting policy

Non-current assets no longer required in Council's operations and therefore intended for sale have been measured at the lower of their carrying amount and their fair value, less costs to sell.

Any impairment losses for write-downs of such assets are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised in the surplus or deficit 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.

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Land	11	438
Buildings	-	-
Total non-current assets for sale	**11**	**438**

Council has classified 1 property as Non-Current Assets held for sale as at June 2025. (2024: 2 properties were classified as held for sale.)

Note 15 Property, plant and equipment

Accounting policy

Property, plant, and equipment consists 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 which can only be disposed of after following a rigorous legal and public consultation process.
- Infrastructural 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.

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.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are reported net in the 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. The depreciation rates used 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
Audio visual 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%

Description	Useful life (years)	Depreciation rate
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 is reviewed and adjusted if applicable, at each balance date.

Revaluation

Land and buildings (operational and restricted) and parks and reserves (except land under roads and infrastructural assets) are revalued on a regular basis (at least every three years) to ensure that their carrying amounts do not differ materially from fair value. Infrastructural assets are valued annually.

The carrying values of the revalued assets are assessed annually 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, in equity, for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the 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.

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

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return,

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a series of service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Work in progress

The total amount of Council property, plant and equipment in the course of construction by class of asset is detailed below:

	Council and Group	
	2024/25 Actual	**2023/24 Actual**
	$'000	$'000
Buildings - operational	6,602	6,535
Buildings – restricted	867	8,008
Parks and reserves	19,496	17,083
Wastewater	76,207	73,212
Stormwater	14,495	6,165
Water	32,345	29,048
Solid waste	1,259	946
Roading	6,405	25,843
Total work in progress	**157,674**	**166,839**

Infrastructural assets – further disclosures

	Closing book value $'000	Additions: Constructed by Council $'000	Additions: *Assets transferred to Council $'000	Estimated replacement cost $'000
Council 2025				
Water treatment plants and facilities	24,009	-	-	49,176
Other water assets	235,403	12,472	4,497	335,771
Wastewater treatment plants and facilities	42,486	-	-	81,449
Other wastewater assets	205,640	24,731	6,267	340,307
Stormwater and drainage	154,884	571	5,710	193,275
Roads, footpaths, bridges and culverts	1,550,048	55,338	20,875	2,251,757
Total infrastructural assets	**2,212,470**	**93,112**	**37,349**	**3,251,735**
Council 2024				
Water treatment plants and facilities	22,491	-	-	46,015
Other water assets	177,917	1,943	3,782	253,003
Wastewater treatment plants and facilities	35,957	-	-	72,991
Other wastewater assets	149,039	426	4,886	252,294
Stormwater and drainage	117,059	84	4,631	144,680
Roads, footpaths, bridges and culverts	1,500,931	26,199	7,059	2,106,097
Total infrastructural assets	**2,003,393**	**28,652**	**20,358**	**2,875,080**

* This includes found assets of $282,913 for 2025 (2024: $1,206,677).

Service concession assets – included in the table below

Service concession assets are infrastructure assets owned by the Council and operated by Watercare Services Limited (Watercare) for the provision of water, wastewater, and stormwater services in Waikato district. The agreement stipulates the services Watercare must provide, to whom it must provide them and regulates the price.

Watercare is responsible for upgrading and maintaining the entire network in the district. At the end of the contract period, which is due to end on 30 June 2028, the network must be in the same, or better overall condition than that which existed at the time the contract commenced in 2019. Council retains ownership of the infrastructure assets operated by Watercare.

	Council and Group			
	Water supply $'000	Wastewater $'000	Stormwater and drainage $'000	Total $'000
Balance at 1 July 2024				
Cost	200,407	184,995	117,060	502,462
Accumulated depreciation	-	-	-	-
Opening carrying amount	**200,407**	**184,995**	**117,060**	**502,462**
Year ended 30 June 2025				
Additions	16,969	30,998	6,281	54,248
Reclassification	-	-	-	-
Revaluation surplus (deficit)	48,225	39,421	33,067	120,713
Disposal – cost	(904)	(975)	(2)	(1,881)
Disposal – accumulated depreciation	29	66	-	95
Depreciation	(5,314)	(6,379)	(1,522)	(13,215)
Closing carrying amount	**259,412**	**248,126**	**154,884**	**662,422**
Balance at 1 July 2025				
Cost	259,412	248,126	154,884	662,422
Accumulated depreciation	-	-	-	-
Closing carrying amount	**259,412**	**248,126**	**154,884**	**662,422**

Council and Group 2024/25	Cost / valuation 1 Jul 2024 $'000	Accumulated depreciation and impairment charges 1 Jul 2024 $'000	Carrying amount 1 Jul 2024 $'000	Current year additions $'000	Current year Disposals and transfers from WIP $'000	Current year reclassification cost $'000
Operational assets						
Land	50,760	-	50,760	25	-	-
Buildings	37,619	-	37,619	1,894	-	-
Library books	8,101	(6,408)	1,693	457	-	-
Vehicles / moveable plant	6,583	(3,621)	2,962	1,446	(515)	-
Office equipment	1,418	(1,331)	87	78	-	-
Computer equipment	3,748	(2,670)	1,078	-	-	-
Furniture	1,917	(1,586)	331	24	-	-
Total operational assets	**110,146**	**(15,616)**	**94,530**	**3,924**	**(515)**	**-**
Infrastructural assets						
Wastewater	184,995	-	184,995	30,998	(975)	-
Stormwater	112,015	-	112,015	6,281	(2)	-
Water	200,407	-	200,407	16,969	(904)	-
Drainage	5,045	-	5,045	-	-	-
Solid waste	3,272	-	3,272	164	(24)	-
Roading	1,186,191	-	1,186,191	70,355	(302)	-
Bridges / culverts / pipes	314,740	-	314,740	5,858	-	-
Land under roads	111,321	-	111,321	1,294	-	-
Work in progress	167,336	-	167,336	104,673	(114,335)	-
Total infrastructural assets	**2,285,322**	**-**	**2,285,322**	**236,592**	**(116,542)**	**-**
Restricted assets						
Land	157,593	-	157,593	872	(438)	427
Buildings	36,898	-	36,898	48	-	-
Parks and reserves	80,212	-	80,212	15,204	(465)	-
Total infrastructural assets	**274,703**	**-**	**274,703**	**16,124**	**(903)**	**427**
Total Council and Group	**2,670,171**	**(15,616)**	**2,654,556**	**256,640**	**(117,960)**	**427**

* Work in Progress opening balance adjusted (In 2023/24, the addition of 3 projects was incorrectly reported as Intangibles Work in Progress)

Current year reclassification accumulated depreciation	Current year depreciation	Accumulated depreciation disposed	Revaluation surplus (deficit)	Cost / valuation 30 Jun 2025	Accumulated depreciation and impairment charges 30 Jun 2025	Carrying amount 30 Jun 2025
$'000	$'000	$'000	$'000	$'000	$'000	$'000
-	-	-	(1,376)	49,409	-	49,409
-	(1,814)	-	286	37,985	-	37,985
-	(441)	-	-	8,558	(6,849)	1,709
-	(737)	290	-	7,514	(4,068)	3,446
-	(31)	-	-	1,496	(1,362)	134
-	(475)	-	-	3,748	(3,145)	603
-	(70)	-	-	1,941	(1,656)	285
-	**(3,568)**	**290**	**(1,090)**	**110,651**	**(17,080)**	**93,571**
-	(6,379)	66	39,421	248,126	-	248,126
-	(1,465)	-	30,127	146,956	-	146,956
-	(5,314)	29	48,225	259,412	-	259,412
-	(57)	-	2,940	7,928	-	7,928
-	(143)	1	(42)	3,228	-	3,228
-	(19,802)	25	(29,334)	1,207,133	-	1,207,133
-	(7,243)	-	29,561	342,916	-	342,916
-	-	-	-	112,615	-	112,615
-	-	-	-	157,674	-	157,674
-	**(40,403)**	**121**	**120,898**	**2,485,988**	**-**	**2,485,988**
-	-	-	(6,103)	152,351	-	152,351
-	(1,745)	-	3,806	39,006	-	39,006
-	(5,321)	42	(2,939)	86,733	-	86,733
-	**(7,066)**	**42**	**(5,236)**	**278,090**	**-**	**278,090**
-	**(51,037)**	**453**	**114,572**	**2,874,729**	**(17,080)**	**2,857,648**

Council and Group 2023/24	Cost / valuation 1 Jul 2023 $'000	Accumulated depreciation and impairment charges 1 Jul 2023 $'000	Carrying amount 1 Jul 2023 $'000	Current year additions $'000	Current year Disposals and transfers from WIP $'000	Current year reclassification cost $'000
Operational assets						
Land	48,801	-	48,801	1,959	-	-
Buildings	38,897	(1,629)	37,268	640	-	1,709
Library books	7,664	(5,982)	1,682	437	-	-
Vehicles / moveable plant	6,363	(3,714)	2,649	1,474	(1,254)	-
Office equipment	1,418	(1,308)	110	-	-	-
Computer equipment	3,251	(2,293)	958	497	-	-
Furniture	1,906	(1,506)	400	11	-	-
Total operational assets	**108,300**	**(16,432)**	**91,868**	**5,018**	**(1,254)**	**1,709**
Infrastructural assets						
Wastewater	179,583	-	179,583	5,312	(399)	-
Stormwater	105,595	-	105,595	4,715	(10)	-
Water	191,348	-	191,348	5,725	(448)	-
Drainage	4,896	-	4,896	-	-	-
Solid waste	3,406	-	3,406	73	-	-
Roading	943,972	-	943,972	29,633	(332)	-
Bridges / culverts / pipes	310,339	-	310,339	3,625	(19)	-
Land under roads	110,269	-	110,269	1,052	-	-
Work in progress	87,245	-	87,245	126,107	(46,513)	-
Total infrastructural assets	**1,936,653**	**-**	**1,936,653**	**176,242**	**(47,721)**	**-**
Restricted assets						
Land	158,329	-	158,329	468	(2,770)	1,566
Buildings	36,359	(1,531)	34,828	1,766	-	2,192
Parks and reserves	81,511	-	81,511	10,670	(365)	-
Total infrastructural assets	**276,199**	**(1,531)**	**274,668**	**12,904**	**(3,135)**	**3,758**
Total Council and Group	**2,321,152**	**(17,963)**	**2,303,189**	**194,164**	**(52,110)**	**5,467**

Current year reclassification accumulated depreciation	Current year depreciation	Accumulated depreciation disposed	Revaluation surplus (deficit)	Cost / valuation 30 Jun 2024	Accumulated depreciation and impairment charges 30 Jun 2024	Carrying amount 30 Jun 2024
$'000	$'000	$'000	$'000	$'000	$'000	$'000
-	-	-	-	50,760	-	50,760
(262)	(1,736)	-	-	41,246	(3,627)	37,619
-	(426)	-	-	8,101	(6,408)	1,693
-	(656)	749	-	6,583	(3,621)	2,962
-	(23)	-	-	1,418	(1,331)	87
-	(377)	-	-	3,748	(2,670)	1,078
-	(80)	-	-	1,917	(1,586)	331
(262)	**(3,298)**	**749**	**-**	**113,773**	**(19,243)**	**94,530**
-	(6,345)	22	6,822	184,995	-	184,995
-	(1,377)	-	3,092	112,015	-	112,015
-	(5,098)	11	8,869	200,407	-	200,407
-	(55)	-	204	5,045	-	5,045
-	(115)	-	(92)	3,272	-	3,272
-	(16,957)	35	229,840	1,186,191	-	1,186,191
-	(6,972)	1	7,766	314,740	-	314,740
-	-	-	-	111,321	-	111,321
-	-	-	-	166,839	-	166,839
-	**(36,919)**	**69**	**256,501**	**2,284,825**	**-**	**2,284,825**
-	-	-	-	157,593	-	157,593
(221)	(1,667)	-	-	40,317	(3,420)	36,898
-	(4,736)	51	(6,919)	80,212	-	80,212
(221)	**(6,403)**	**51**	**(6,919)**	**278,122**	**(3,420)**	**274,703**
(483)	**(46,620)**	**869**	**249,582**	**2,676,720**	**(22,663)**	**2,654,059**

Valuation

Operational and restricted land and buildings

Land, buildings, and properties valued by their components have been valued at fair value either as determined by an independent valuer using market-based evidence or by using a replacement cost approach. The most recent valuation was performed by Quotable Value Limited (QV) and dated 30 June 2025.

The fair value of Council's land and buildings has been determined based on the highest and best use in accordance with PBE IPSAS 17 Property, Plant and Equipment.

Land

A number of estimates and assumptions must be made when valuing land and buildings. In this instance they include:

- Land valuations have been based on extensive local knowledge, the district rating records, the QV Mapping system and records held by QV and its predecessor Valuation New Zealand.
- Land has been valued as if vacant and incorporates the influences of size, contour, quality, location, zoning, designation, and current and potential usage.
- All land is valued on an open market "willing buyer willing seller" scenario. This is effectively the price an informed purchaser would have to spend to acquire a similar property.
- Where there is a designation held against the land, adjustments have been made to reflect that designation.

Buildings

All buildings have been valued on either a fair market or depreciated replacement cost basis (DRC). Where the fair value of an asset can be determined by reference to the price in an active market for the same or similar asset, the fair value of the asset is determined using this information. Where the fair value of the asset is not able to be determined using market-based evidence, depreciated replacement cost is considered to be the most appropriate basis for determination of fair value.

QV have considered the highest and best use of the property when formulating which approach to undertake the building valuations with. Where market-based evidence exists, structures have been valued on a market basis in relation to a market-based per square metre.

A number of estimates and assumptions must be made when valuing land and buildings. They may differ depending on the degree of specialisation inherent in the purpose or use of each particular building.

For specialised assets which are valued on a depreciated replacement cost basis:

- Replacement cost rates are derived from construction contracts of like assets, reference to publications such as QV Cost Builder (previously the Rawlinson's Construction Handbook), recent costings obtained from construction details and Property Institute of New Zealand's cost information.
- A componentisation approach is taken in most cases. The exceptions are where the cost of a component or the lives do not differ materially to the entire value of the structure to warrant being componentised. In all these cases, the building is reported as a structure only and will generally be under $50,000 in value. The components are summarised for financial reporting purposes as structure, roof, internal fit-out, services, plant and external works/other improvements.
- The remaining useful life of properties is estimated by determining the effective age of the components within each property and comparing with the economic life of the improvements. A minimum residual life of five years has been adopted for properties nearing the end of their theoretical lives.
- Straight line depreciation has been applied to all DRC valued assets to determine their DRC.
- Optimisation has been considered in the process of determining DRC. Optimisation defines the most efficient set of assets that deliver the required services.

Residential dwellings and commercial properties have been valued in relation to market-based evidence.

- Market rents and capitalisation rates were applied to reflect market value while considering the highest and best use alternatives.
- Optimisation is not considered under a market-derived assessment.

Comparisons of the carrying value of buildings valued using depreciated replacement cost and buildings valued using market-based evidence is as follows:

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Operational buildings		
Depreciated replacement cost	36,444	37,619
Market-based evidence	1,535	-
Total carrying value of operational buildings	**37,979**	**37,619**
Restricted buildings		
Depreciated replacement cost	36,317	36,898
Market-based evidence	2,694	-
Total carrying value of restricted buildings	**39,011**	**36,898**

Classification of property

Council owns a number of properties held to provide housing for the elderly. The receipt of market-based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of Council's social housing policy. The properties are therefore accounted for as property, plant and equipment rather than as investment property.

Parks and reserves

Parks and reserves assets include assets associated with cemeteries, public toilets (including toilet buildings); assets such as playgrounds, skate parks, carparks, roading within reserves, bollards, fences, pathways, gardens, rubbish bins, seating, and signage; and reserves-like assets associated with swimming pools.

Parks and reserves assets have been valued at fair value as determined on an optimised depreciated cost basis by an independent valuer. The most recent valuation was performed by WSP as at 30 June 2025.

The valuation process has been performed in accordance with generally accepted accounting practice, and with PBE IPSAS17 Property, Plant and Equipment, the relevant Property Institute of New Zealand (PINZ) standards and guidelines and with NZ local authority asset valuation practices (NZ Infrastructure Valuation and Depreciation Guidelines).

A number of estimates and assumptions must be made when valuing parks and reserves assets using the optimised depreciated replacement cost method. In this instance they include:

- The optimised replacement costs assume the use of a modern equivalent asset that replicates the existing asset's level of service most efficiently. They further assume that some assets may be surplus to requirements, obsolete or over-designed for their purpose.
- This year: Unit costs include all the physical works costs including the preliminary and general costs such as site establishment/dis-establishment, and contractor onsite and offsite overheads.

- This year: Assets are assigned an expected total useful life based on industry averages. To provide a more uniform approach to asset useful lives, the asset base lives have been reviewed in the 2025 valuation. The remaining lives of assets are calculated as the difference between the average life expectancy of the particular asset type and the age of the individual asset. Minimum remaining useful life is assumed to be of 10% of the total life, or a minimum of three years.
- Assets are assumed to have zero residual value at the end of their effective useful lives.

Infrastructural asset classes: water, wastewater, stormwater, and drainage

Utilities have been valued at fair value determined on an optimised depreciated replacement cost basis by an independent valuer. The most recent valuation performed by AECOM New Zealand and is dated 30 June 2025.

The valuation process has been performed in accordance with Public Benefit Entity International Public Sector Accounting Standard 17 Property, Plant and Equipment (PBE IPSAS 17) (incorporating amendments to February 2025), and New Zealand Infrastructure Valuation and Depreciation Guidelines – version 3.0 (2025), issued by Apopo.

- Estimates and assumptions for the revaluation of these assets included: Straight-line depreciation was used.
- Waters assets were used in the valuation (land was not included).
- Assets were assumed to have zero residual value.
- Remaining useful life is assessed on expected life less age. A minimum remaining useful life of two years was used.
- An optimisation approach was employed. Optimisation seeks to remove excess capacity, redundant assets, inappropriate design practices, old technologies, and conservative network design. No areas of significant optimisation opportunities were identified. It also focuses on the adoption of modern equivalent assets, incorporating advanced materials that align with current industry standards.
- Asset unit rates have been determined from actual costs where available, rates from comparable local authorities and rates used in previous valuations. This data was cost indexed as appropriate using indices published by Statistics New Zealand and compared with unit rates from other valuations carried out by AECOM

Infrastructural asset classes: roading

Roading assets including bridges and culverts have also been valued at fair value as determined using the optimised depreciated replacement cost basis by an independent valuer. The most recent valuation was performed by WSP Limited as at 30 June 2025.

The valuation process has been performed in accordance with generally accepted accounting standards (PBE IPSAS 17 Property, Plant and Equipment), Valuation Standards and with New Zealand Local Authority Asset Management Practice (NZ Infrastructure Asset – Valuation and Depreciation Guidelines Edition 2.0)

A number of estimates and assumptions must be made when valuing infrastructural assets using the optimised depreciated replacement cost method. In this instance they include:

- Replacement cost is the cost of building the existing infrastructure using present-day technology while maintaining the originally designed level of service.
- Unit costs represent brown-field costs which reflect increased difficulties and constraints of undertaking construction, maintenance and renewal work simultaneously with continuous operation of infrastructure. Where no changes have been made to unit rates, they are indexed to account for market deviation. For the 2024-25 roading valuation, NZ Transport Agency cost indices change between June 2024 - June 2025 is 0.41% for bridges and 0% for reseals and construction. Existing pavement unit rates for basecourse and asphaltic concrete are compared against those of other councils and Council's contract rates, which show they closely align with the existing rates. New unit rates for wearing course, unsealed basecourse, and unsealed sub-base based on Council's contract rates are added.
- Overhead factors of 14% (2024:14%) have been applied to allow for all expenses incidental to the asset acquisition and all costs directly attributable to bringing the asset into working condition and location.

- An optimisation approach was employed. Optimisation means provision of the required utility at a minimum overall cost.
- Assets have been valued based on unit costs provided and quantities expressed as length, area or each.
- Economic life has been calculated in accordance with the International Infrastructure Management Manual and further modified if local knowledge and experience suggest it is appropriate. Remaining useful life is then assessed as the difference between economic life and the age of the asset.
- A zero residual value is assumed for all assets.
- Straight line depreciation is used.

Infrastructural asset class: Solid Waste

Solid waste assets revaluation was performed by WSP as at 30 June 2025.

The valuation uses the optimised approach as described above.

The valuation process has been performed in accordance with generally accepted accounting practice and in particular with accounting standard PBE IPSAS 17 and with the NZ local authority asset management practice (NZ Infrastructure Asset Management Manual and NZ Infrastructure Valuation and Depreciation Guidelines 2025).

Estimates and assumptions for the revaluation of these assets included:

- Unit costs include the preliminary and general costs such as site establishment/dis-establishment,
- and contractor onsite and offsite overheads.
- Assets are assigned an expected total useful life based on industry averages. To provide a more uniform approach to asset useful lives, the asset base lives have been reviewed in the 2025 valuation.
- Remaining lives of assets are calculated as the difference between the average life expectancy of the particular asset type and the age of the individual assets, with adjustments dependent on condition, performance and utilisation.
- A zero residual value is assumed for all assets.

Land under roads

Land under roads was valued by both the former Franklin District Council (FDC) and Waikato District Council (WDC) before the transition by each to NZ Equivalent International Financial Reporting Standard (NZIFRS). On transition to NZIFRS both councils elected to use the revaluation amounts for land under roads as the deemed cost. Following the merger of part of the former FDC and WDC, land under roads is stated at deemed cost and is not revalued.

Raglan Airfield

In February 1936, the area now known as Raglan Airfield was selected as a suitable location for an emergency airfield by an Airforce Officer and obtained for this purpose. The 36-hectare airfield block was made up of land from the Te Kopua and Papahua blocks which were Māori freehold land. In 1969, the land was declared 'Crown Land' and formally vested in the Raglan County Council. In early 2019, the CAA issued a notice to aviators which prompted many airfield operators to review the safety of their sites. During the implementation of these safety improvements, significant interest was generated in the community which resulted in an onsite occupation of the land. As a result of this and extensive discussions to decide on the future of the land, Council will be engaging with Te Arawhiti and other relevant agencies to facilitate the return of the land to its rightful owners.

Currently, the land (10.3ha) is owned by the Waikato District Council and held by the Council in trust as a Reserve under the Reserves Act 1977. The land is classified as a Local Purpose (aerodrome) Reserve. Section 27 of the Act states that the vesting in the reserve may, with the consent of the administering body (Council) be cancelled by the minister. This action would relinquish Council of administration responsibilities and would facilitate the return of the land to the rightful owners. The process to be followed to return the land is likely to be complicated, involve multiple agencies and parties, and will not always be in Council's direct control.

Other comments

There are no items of property, plant and equipment that are not in current use. There have been no restrictions in titles relating to property, plant and equipment or items pledged as security for liabilities.

No impairment losses have been recognised for property, plant and equipment in the current period (2024: $nil).

There are no items of property, plant and equipment held under finance leases in the current period (2024: nil).

Gains on disposal of property, plant and equipment of $88,359 (2024: $307,052) has been recognised in the Statement of comprehensive revenue and expense in the line item Other revenue. Losses on disposal amounting to $399,454 (2024: $436,282) have also been recognised in comprehensive revenue and expense in the line item Other expenses and losses.

Note 16 Intangible assets

Accounting policy

Software acquisition and development

Acquired computer software licenses 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 straight line 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 on a straight-line basis over the finite life of the consents (between 10 and 35 years). The amortisation charge for each period is recognised in the 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.

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return,

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a series of service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

	Council and Group		
	Computer software	Consents	Total
	$'000	$'000	$'000
Balance at 1 July 2024			
Cost	6,384	5,826	12,210
Accumulated amortisation and impairment	(5,058)	(4,838)	(9,896)
Work in progress*	1,922	-	1,922
Opening carrying amount	**3,248**	**988**	**4,236**
Year ended 30 June 2025			
Additions	277	-	277
WIP additions	1,770	-	1,770
Disposals and transfer from WIP	(277)	-	(277)
Disposal – accumulated amortisation	-	-	-
Impairment losses	-	-	-
Amortisation charge	(490)	(72)	(562)
Closing carrying amount	**4,528**	**916**	**5,444**
Balance at 30 June 2025			
Cost	6,661	5,826	12,487
Accumulated amortisation and impairment	(5,548)	(4,910)	(10,459)
Work in progress	3,415	-	3,415
Closing carrying amount	**4,528**	**916**	**5,444**
Balance at 1 July 2023			
Cost	5,403	5,826	11,229
Accumulated amortisation and impairment	(4,681)	(4,765)	(9,446)
Work in progress	1,833	-	1,833
Opening carrying amount	**2,555**	**1,061**	**3,616**
Year ended 30 June 2024			
Additions	981	-	981
WIP additions	1,568	-	1,568
Disposals and transfer from WIP	(981)	-	(981)
Disposal – accumulated amortisation	-	-	-
Impairment losses	-	-	-
Amortisation charge	(378)	(73)	(451)
Closing carrying amount	**3,745**	**988**	**4,733**
Balance at 30 June 2024			
Cost	6,384	5,826	12,210
Accumulated amortisation and impairment	(5,058)	(4,838)	(9,896)
Work in progress	2,419	-	2,419
Closing carrying amount	**3,745**	**988**	**4,733**

* Intangibles Work in Progress opening balance adjusted (In 2023/24, the additions of 3 projects were incorrectly reported as Intangibles Work in Progress)

The carrying amount of the assets has been assessed as less than their replacement cost.

There are no restrictions over the title of Council's intangible assets, nor are any intangible assets pledged as security for liabilities.

There are no intangible assets which have been internally generated.

Note 17 Investment property

Accounting policy

Properties leased to third parties under non-cancellable 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 initially measured at cost, including transaction costs. After initial recognition, all investment properties are measured at fair value effective at 30 June each year. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

	Council and Group	
	2024/25 Actual	**2023/24 Actual**
	$'000	$'000
Balance at 1 July	615	635
Fair value gains (losses) on valuation	(38)	(20)
Disposals		-
Balance at 30 June (at valuation)	**577**	**615**

Valuation

At 30 June 2025 the valuation was performed by Quotable Value Limited. Quotable Value is an experienced valuer with extensive market knowledge in the types and locations of investment properties owned by Council.

The fair value of Council's investment properties has been determined based on the highest and best use in accordance with PBE IPSAS 16 Investment Property.

A number of estimates and assumptions must be made when valuing investment property. In this instance they include:

- All land is valued on a fair market basis determined from market-based evidence and conditions that prevailed at 30 June 2025.
- Land has been valued as if vacant and incorporates the influences of size, contour, quality, location, zoning, designation and current and potential usage.
- Where there is a designation held against the land, adjustments have been made to reflect that designation.
- All buildings have been valued on either a fair market or depreciated replacement cost basis. Where the fair value of an asset can be determined by reference to the price in an active market for the same or similar asset, the fair value of the asset is determined using this information. Where the fair value of the asset is not able to be determined using market-based evidence, depreciated replacement cost is considered to be the most appropriate basis for determination of fair value.

Revenue and expenses relating to investment property

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Rental revenue	44	44
Expenses from investment property generating revenue	-	-

Rental revenue from investment properties is recognised as revenue on a straight-line basis over the term of the lease.

Note 18 Payables, taxes and transfers

Accounting policy

Short-term payables are recorded at their face value.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Payables under exchange transactions		
Trade payables	4,093	4,806
Water rates in advance	1,563	1,500
Accrued expenses	33,004	32,374
Amounts due to related parties	1,085	1,085
Revenue in advance	2,405	2,203
Total payables under exchange transactions	**42,150**	**41,968**
Taxes and transfers payable under non-exchange transactions		
Rates in advance	2,498	2,472
Deposits and bonds	270	246
GST and FBT payable	1,840	-
Other non-exchange payables	81	76
Total taxes and transfers payable	**4,689**	**2,794**
Total payables, taxes and transfers	**46,839**	**44,762**

Payables are non-interest bearing and are normally settled within 30 days, therefore the carrying value of payables approximates their fair value.

Note 19 Employee entitlements

Accounting policy

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 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; and
- An inflation factor based on the expected long term increase in remuneration for employees.

	Council and Group	
	2024/25 Actual	2023/24 Actual
	$'000	$'000
Current portion		
Annual leave	3,090	2,878
Long service leave	78	71
Sick leave provision	231	213
Accrued payroll	3,325	1,661
Other employee liabilities	2,806	947
Total current portion	**9,530**	**5,770**
Non-current portion		
Long service leave	-	3
Retirement gratuities	41	41
Sick leave	-	-
Total non-current portion	**41**	**44**
Total employee entitlements	**9,571**	**5,814**

Estimating retirement and long service leave obligations

The present values of Council's non-current retirement gratuities and long service leave obligations depend on a number of factors that are determined on an actuarial basis. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any change in these assumptions will affect the carrying amount of the liability. Expected future payments are discounted using forward rates derived from 10-year New Zealand Government bonds. The salary inflation factor has been determined in accordance with the inflation factors forecast by Berl in September 2021 for the years 2022-2032. A discount rate of 4.53% (2024: 4.67%) and an inflation factor of 1.9% (2024: 2.0%) have been used.

Note 20 Borrowing

Accounting policy

All borrowing is initially recognised at cost, being the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are measured at amortised cost using the effective interest method.

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

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Current portion		
Housing Infrastructure Fund (HIF) Loan	979	977
LGFA borrowing	45,000	20,000
Total current portion	**45,979**	**20,977**
Non-current portion		
Housing Infrastructure Fund (HIF) Loan	5,815	7,331
LGFA borrowing	190,000	185,000
Total non-current portion	**195,815**	**192,331**
Total borrowing (all secured)	**241,794**	**213,308**

Council secured debt of $241,794,045 (2024: $213,308,469), $6,794,045 of this is interest free debt secured from the Housing Infrastructure Fund (HIF). The balance of $235,000,000 is either issued at a fixed rate of interest or has been swapped for fixed interest instruments. Council has 27 swap contracts in place (2024: 26). One swap matured during the year (2024: nil); two outright new contracts (2024: nil) were undertaken. Council has 2 (2024: 2) swaps with start dates after 30 June 2025.

Council's committed cash advance facility of $15,000,000 (2024: $15,000,000) expires on 22 May 2028.

A fully fluctuating overdraft facility of $500,000 is also available to Council on demand for Council's working capital requirements. There is a facility fee of 0.04% per month.

At 30 June 2025 total borrowings from Local Government Funding Agency Limited (LGFA) were $235,000,000 (2024: $205,000,000). The average rate of interest was 4.16% (2024: 6.03%). The carrying amounts and the fair values of non-current LGFA borrowings are as follows:

	Carrying amount		Fair Value	
	2024/25 Actual	2023/24 Actual	2024/25	2023/24
	$'000	$'000	$'000	$'000
Council and Group				
Secured loans - Interest bearing	190,000	185,000	189,056	182,283
Secured loans - Interest free	5,815	7,331	5,815	7,331
Total non-current borrowing	**195,815**	**192,331**	**194,871**	**189,614**

Secured loans – Interest bearing:

The fair values are based on cash flows discounted using a weighted average rate based on the borrowing rates which range:

	2024/25	2023/24
From	2.98%	2.98%
To	5.47%	6.67%

Secured loans – Interest free:

The fair values are based on cash flows discounted using a market rate of 2.10% (2024: 2.32%).

Internal loans

Council has a policy to utilise investment funds for internal debt purposes so that external borrowing is minimised, and Council keeps its borrowing costs to a minimum.

Council and Group 2024/25	Balance at 1 July $'000	Borrowing $'000	Repayments $'000	Reclassification $'000	Balance at 30 June $'000	Interest paid $'000
2025						
Water supply	27,179	4,898	(922)	-	31,155	1,333
Wastewater	49,340	13,640	(1,395)	-	61,585	2,402
Stormwater *	5,634	1,331	(244)	-	6,721	268
Roading *	25,522	2,099	(1,716)	-	25,905	1,202
Sustainable environment	3,579	410	(123)	-	3,866	171
Sustainable communities	35,738	4,498	(1,546)	-	38,690	1,701
Governance	-	-	-	-	-	-
Organisational support	8,242	3,217	(216)	-	11,243	321
Total internal loans (gross)	**155,234**	**30,093**	**(6,162)**		**179,165**	**7,398**
2024						
Water supply	22,772	5,174	(767)	-	27,179	1,180
Wastewater	29,626	20,582	(868)	-	49,340	1,539
Stormwater	3,773	1,870	(190)	-	5,453	203
Roading	24,034	3,389	(1,720)	-	25,703	1,213
Sustainable environment	3,299	385	(105)	-	3,579	171
Sustainable communities	28,052	8,974	(1,288)	-	35,738	1,445
Governance	-	-	-	-	-	-
Organisational support	5,054	3,321	(133)	-	8,242	263
Total internal loans (gross)	**116,610**	**43,695**	**(5,071)**	**-**	**155,234**	**6,014**

* 2024/25 Opening balances for Stormwater and Roading adjusted. The 2023/24 balances reflected a reclassification of $181k between Stormwater and Roading in 2021/22 that did not occur.

Note 21 Provisions

Accounting policy

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 at the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time (discount unwinding) is recognised as an interest expense and is included in finance costs.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Current portion		
Landfill aftercare	170	115
Total current portion	**170**	**115**
Non-current portion		
Landfill aftercare	2,207	1,861
Total non-current portion	**2,207**	**1,861**
Total provisions	**2,377**	**1,976**

Movements for each class of provision are as follows:

	Landfill aftercare $'000	Total $'000
2025		
Balance at 1 July 2024	1,976	1,976
Change in provision made during the year	458	458
Amounts used	(162)	(162)
Unused amounts reversed	-	-
Discount unwind	105	105
Balance at 30 June 2025	**2,377**	**2,377**
2024		
Balance at 1 July 2023	2,056	2,056
Change in provision made during the year	(8)	(8)
Amounts used	(183)	(183)
Unused amounts reversed	-	-
Discount unwind	112	112
Balance at 30 June 2024	**1,976**	**1,976**

Weathertightness claims

No claims remain with the Weathertight Homes Resolution Service (WHRS) as at 30 June 2025 (2024: none).

At 30 June 2025, no further claim had been received directly by Council (2024: none).

Landfill aftercare costs

Council has five landfill sites within the District. They are at Te Kauwhata, Ngaaruawaahia, Huntly, Raglan and Tuakau. Council has responsibility under the resource consents to provide ongoing maintenance and monitoring of the landfills after the sites are closed.

The cash outflows for landfill post-closure are expected to occur over 30 years. The long-term nature of the liability means that there are inherent uncertainties in estimating the costs which will be incurred. The provision has been made taking into account existing technology and known changes to legal requirements. The gross provision before discounting is $4,589,710 (2024: $3,841,942). A discount rate of 3.14% (2024: 5.30%) and an inflation factor of 2.5% (2024: 2.5%) have been used.

Note 22 Derivative financial instruments

Accounting policy

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 on derivatives are recognised in the surplus or deficit. The portion of the fair value of non-hedge accounted interest rate derivatives 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.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Current assets		
Interest rate swaps	-	36
Non-current assets		
Interest rate swaps	-	2,973
Total derivative financial instruments assets	**-**	**3,009**
Current liability portion		
Interest rate swaps	17	-
Non-current liability portion		
Interest rate swaps	1,364	-
Total derivative financial instruments liabilities	**1,381**	**-**

The fair values of interest rate swaps are measured against the prevailing market conditions at balance date. Council's interest rate swaps have been independently valued using Hedgebook software designed to capture, value and report interest rate swaps. Hedgebook uses daily rate feeds of floating rate references such as BKBM and NNSW from industry benchmark sources.

The notional principal amounts of outstanding interest rate swap contracts are:

	2024/25 Actual $'000	No.	2023/24 Actual $'000	No.
Active swaps	110,500	25	105,500	24
Forward starting swaps	30,000	2	7,000	2
	140,500	**27**	**112,500**	**26**

Note 23 Revaluation reserve – property, plant and equipment

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Land	123,626	131,563
Buildings	64,141	60,049
Parks and reserves	32,782	35,894
Wastewater	126,960	88,003
Water	151,215	103,457
Bridges	285,747	256,186
Roading	435,950	465,397
Urban stormwater	66,597	36,471
Rural drainage	5,864	2,923
Solid waste	2,400	2,461
Balance at 30 June	**1,295,281**	**1,182,404**

Note 24 Reconciliation of net surplus (deficit) after tax with net cash flows from operating activities

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Net surplus (deficit) after tax	39,541	20,277
Plus (minus) non-cash items		
Depreciation, amortisation and asset write-off	54,110	46,885
Interest expense on financial assets not at fair value through surplus(deficit)	-	-
Vested and found assets	(37,631)	(21,543)
(Gains) losses on fair value of investment property	38	20
(Gains) losses on derivative financial instruments	4,389	1,315
(Gains) losses on cattle	98	60
Interest revenue on financial assets not at fair value through surplus(deficit)	(514)	(967)
Capitalised internal charges	-	(1,373)
Plus (minus) items classified as investing or financing activities		
(Gains) losses on disposal of property, plant and equipment	311	129
(Gains) losses on investments	-	-
Disposal of non-current assets for sale	-	-
Decrease (increase) in creditors for capital expenditure	(6,757)	12,732
Plus (minus) movements in working capital items		
Receivables and recoverables	2,422	(11,575)
Prepayments	1,425	(525)
Cattle	27	(11)
Payables, taxes and transfers	2,077	13,622
Changes in provision	401	(80)
Employee entitlements	3,757	509
Net cash inflow (outflow) from operating activities	**63,694**	**59,475**

Note 25 Reconciliation of total comprehensive revenue with net operating funding (per funding impact statement)

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Total comprehensive revenue wholly attributable to Waikato District Council	159,809	269,065
Surplus (deficit) of operating funding per Whole of Council funding impact statement	24,737	16,813
Difference	**135,072**	**252,252**
The difference comprises:		
Capital revenue	35,610	30,831
Revaluation of assets	114,570	249,582
Revaluation reserve - landfill	(458)	8
Financial assets at fair value	6,670	165
Depreciation and amortisation	(51,600)	(47,055)
Profit (loss) on sale	(311)	(129)
Write off of assets	(2,510)	(1,454)
Vested and found assets	37,632	21,543
Change in provisions	57	71
Interest revenue from financial assets	-	85
Interest expense from financial assets	(65)	-
Unrealised gains	-	-
Unrealised losses	(4,525)	(1,395)
Fair value through surplus(deficit) realised gain	-	-
Total difference	**135,072**	**252,252**

Note 26 Reconciliation of Liabilities arising from Financial Activities

	Council and Group
	Actual
	$'000
2024 Opening balance	
Current borrowings	20,977
Non-current borrowings	192,331
Total opening balances	**213,308**
2025 Cash flow movements - current	
Repayment of borrowings - current	(21,000)
New borrowings	45,000
2025 Cash flow movements - non-current	
New borrowings	4,486
Total Cash movements	**28,486**
Non-cash flow movements	
2025 Total movements	**28,486**
2025 Closing balance	
Current borrowings	45,979
Non-current borrowings	195,815
2025 Total closing balance	**241,794**
2023 Opening balance	
Current borrowings	20,967
Non-current borrowings	104,640
Total opening balances	**125,607**
2024 Cash flow movements - current	
Repayment of borrowings - current	(21,000)
New borrowings	20,000
2024 Cash flow movements - non-current	
New borrowings	88,701
Total Cash movements	**87,701**
2024 non-cash flow movements	**-**
2024 Total movements	**87,701**
2024 Closing balance	
Current borrowings	20,977
Non-current borrowings	192,331
2024 Total closing balance	**213,308**

Note 27 Capital commitments and operating leases

Capital commitments represent capital expenditure contracted for at balance date but not yet incurred.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Capital commitments are for expenditure on:		
Water	43,232	66,178
Wastewater	95,339	37,154
Stormwater	25,758	21,963
Parks and reserves	924	2,285
Buildings - operational	2,863	114
Roading	108,622	35,680
Bridges	11,212	2,448
Library books	801	-
Intangible assets	219	0
Total capital commitments	**288,971**	**165,822**

Operating leases as lessee

Council and the Group lease property, plant and equipment in the normal course of business. The lease has a non-cancellable term of one year and six months (2024: one year and three months).

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Not later than one year	37	37
Later than one year and not later than five years	19	46
Later than five years	0	-
Total minimum operating lease payments payable	**56**	**83**

Council

Council has a contract with Canon NZ for the lease of photocopiers. There are no minimum amounts payable; charges are based on actual volumes of printing. The agreement was renewed with a term of five years from January 2022.

No contingent rent relating to copiers was recognised during the period. (2024: $nil)

Council's Tuakau office is leased from Young Investors Limited. The current agreement has been extended for a further two years effective from October 2025 with an option to extend for a further two years.

Other leases may be renewed at Council's option, with rents set by reference to current market rates for items of equivalent age and condition. Council and the Group do not have the option to purchase any assets at the end of the lease term.

Strada

Strada has no leased property.

Operating leases as lessor

Council leases community and investment properties and grazing rights under operating leases. The leases have non-cancellable terms ranging from less than one year up to 30 years.

The future aggregate minimum lease payments to be collected under non cancellable operating leases are as follows:

Council has recognised no contingent rents during the period (2024: $nil).

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Not later than one year	508	328
Later than one year and not later than five years	1,661	504
Later than five years	644	372
Total minimum operating lease payments receivable	**2,812**	**1,204**

Note 28 Contingencies

Contingent liabilities

Quantifiable contingent liabilities are as follows:

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Uncalled share capital (LASS – ordinary shares)	1	1
Uncalled share capital (LASS - WRPS shares)	9	9

Outstanding insurance claims

There are no outstanding claims (2024: none) in progress.

Capital contributions

As disclosed in note 13, Council holds four classes of share in Waikato Local Authority Shared Services Limited (WLASS). There is uncalled capital on two classes of share.

Unquantified claims

Lord Cowell Holdings Limited

There is currently a claim against Council in the High Court filed by Lord Cowell Holdings Limited.

The claim relates to alleged defects in the construction of a large replica manor house and other associated outbuildings. The claim is essentially a leaky building claim involving defects as a result of water ingress, however there are other aspects of the claim that relate to structural defects. The claim is as yet unquantified, however is likely to be between $1,000,000 and $3,400,000 including likely costs and disbursements if significant. Council has filed third party claims against seven other entities and individuals involved in the construction of the buildings.

All the joined parties have all either issued records of work and/or producer statements that clearly outline what work they have carried out. If the defects pleaded by the plaintiff exist, and subject to expert views in due course, the advice is that these parties need to share responsibility with the Council.

There is a three-week fixture in the Hamilton High Court scheduled to commence on 10 May 2027, if the claim is not settled. Council has recently granted a building consent for the remedial works to the buildings. This will assist in clarifying the quantum of the claim.

The insurance position is still being clarified given the nature of defects alleged and Council's insurance.

Kodiak Consulting/Jon Hall

This matter involved fraudulent Producer Statements provided by Jon Hall/Kodiak Consulting Limited to Council (design and construction). Council was one of many councils throughout New Zealand affected by this situation.

Council notified this matter to the insurer on a precautionary basis in the event that any affected property owners try to make a claim against Council in relation to this matter. To date, no claims have been made against Council relating to this situation.

Mr. Hall pleaded guilty to a number of charges relating to this matter and was sentenced on 10 May 2024 to four years and six months prison.

Riskpool New Zealand

Riskpool New Zealand is making a call on members in August to fund deficits in previous Fund Years. Riskpool has carried out a review of its current and future liabilities and a call for $3.7 million is necessary (across the membership, not per individual member).

The funding will cover:

i. Operational costs for the financial year 2025/26; and

ii. Legal and advisory fees relating to reinsurance recovery and domestic litigation.

The Board has resolved to make a call on Members to pay a contribution to fund the deficits for Fund Years 7, 10, 11, 12, 13, 14, 15, 18 and 19 being:

- Fund Year 7 $0.075 million
- Fund Year 10 $0.225 million
- Fund Year 11 $0.215 million
- Fund Year 12 $0.145 million
- Fund Year 13 $0.220 million
- Fund Year 14 $0.075 million
- Fund Year 15 $0.295 million
- Fund Year 18 $1.550 million
- Fund Year 19 $0.900 million

Total: $3.7 million

The amount of the call for Waikato District Council will be $18,416.99 (excl GST) and is payable on 20 September 2025.

Other claims

At balance date no other claims (2024: none) expose Council or the Group to contingent liabilities. Council's maximum financial exposure is $nil (2024: $nil).

NZ Local Government Funding Agency Limited (LGFA)

Waikato District Council is a guarantor of the LGFA. The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. The LGFA has a current local currency rating from Fitch ratings Standard and Poor's of AA+ and a foreign currency rating of AA+.

Council is one of 72 local authority guarantors, 30 of which are also shareholders of LGFA. The LGFA has an aggregate amount of uncalled shareholder capital ($20m) which is available in the event that an imminent default is identified. At 30 June 2025, the LGFA had borrowings totalling $26.3 billion (2024: $23.02 billion), for which Council is a guarantor along with other shareholders and guarantors.

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, Council is unable to determine a sufficiently reliable fair value of the guarantee and therefore has not recognised a liability. Council considers the risk of LGFA defaulting on payments of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Contingent assets

Council is a 35% capital beneficiary of the WEL Energy Trust. The life of the Trust ends in 2073 unless terminated earlier if its purpose is completed. Given the uncertainty surrounding the life of the Trust, Council is unable to accurately establish an appropriate value for the 35% share.

Note 29 Related party transactions

Waikato District Council has a 100% shareholding in Strada Corporation Limited.

All related party transactions and related payments are on normal commercial terms. There was no impairment of any of these transactions (2024: nil).

The following transactions were carried out between related parties:

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Between Council and Strada Corporation Limited (Strada)		
Council's accounts payable to Strada	1,085	1,085
Between Council and Local Authority Shared Services (LASS)		
Services provided to LASS	-	-
Charges from LASS	602	637
Council's accounts payable to LASS	296	265
Council's accounts receivable from LASS		
Between Council and Waikato Regional Airport Limited (WRAL)		
Dividend paid by WRAL	-	78
Regional Tourism funding payment to WRAL	-	-
Between Council and Civic Financial Services Limited (Civic)		
Dividend paid by Civic	-	-
Between Strada and Waikato Quarries Limited (WQL)		
Share of WQL cash received	-	-
Deferred settlement received from WQL	-	-

Key management personnel compensation

Council's key management personnel include the Mayor, Councillors, the Chief Executive, General Managers and other members of the Executive Leadership Team. The Group enters into various transactions such as rates, water charges and the sale of goods or services with key management personnel in the ordinary course of business and on an arm's length basis. No disclosure has been made for these transactions.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Remuneration		
Councillors	1,027	1,016
Senior management team (including CE)	2,970	2,667
Total key management personnel remuneration	**3,997**	**3,683**

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Full-time equivalent members		
Councillors	14	14
Senior management team (including CE)	11	9
Total full-time equivalent personnel	**25**	**23**

Because of the difficulties inherent in estimating the number for full-time equivalent Councillors, the figure used is the number of Councillors. There are close family members of key management personnel employed by Council and the Group. The terms and conditions of these arrangements are no more favourable than they would have been if there were no relationships to key management personnel.

Related party transactions requiring disclosure

In the current year, there were no other related party transactions requiring disclosure.

Note 30 Remuneration

Remuneration of elected members

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Councillors		
Cash benefits		
J Church, Mayor	160	183
C Eyre	98	93
J Gibb	84	80
E Thomson	84	80
E Patterson	84	80
T Matatahi-Poutapu	60	61
M Turner	65	61
K Ngataki	56	54
M Raumati	56	54
C Beavis	56	54
V Reeve	56	54
M Keir	56	54
P Thomson	56	54
D Whyte	56	54
Total cash benefits paid to Councillors	**1,027**	**1,016**
Non-cash benefits		
J Church, Mayoral car	32	32
Total non-cash benefits paid to Councillors	**32**	**32**
Total remuneration of Councillors	**1,059**	**1,048**

	Council	
	2024/25 Actual $'000	2023/24 Actual $'000
Community board and committee members		
Cash benefits		
S Matenga	11	11
K Bredenbeck	6	6
G McCutchan	1	6
E Wawatai	7	6
F McInally	6	6
J Sandhu	6	6
T Jones	3	-
K Morgan	12	12
J Ayers	6	6
D Firth	6	6
K Hooker	6	6
V Rice	6	6
G Wiechern	5	6
D Amoore	11	10
S Bains	5	5
K Binnersley	5	5
A Oosten	5	5
C Rayner	5	5
R Wallis	5	5
J Morley	5	5
D Lovell	2	2
H Lovell	2	2
S Ormsby-Cocup	2	2
G Tema-Liapaneke	12	11
D Henderson	6	6
S Henderson	6	6
F Semau	6	6
C Morgan	6	6
R Gee	6	1
B Cameron	10	10
F Coker-Grey	5	5
R Costar	5	5
L Fry	5	5
Total cash benefits paid to community board and committee members	**195**	**190**
Total remuneration of Councillors and other elected representatives	**1,254**	**1,238**

Remuneration of Chief Executive

The Chief Executive of Waikato District Council is appointed under section 42 of the Local Government Act 2002. During the year, there was a change in Chief Executive. Outgoing Chief Executive Gavin Ion served from 01 July 2024 to 02 February 2025, and Incoming Chief Executive Craig Hobbs commenced on 03 February 2025. The remuneration paid to each chief executive is disclosed separately in the tables below.

Remuneration includes salary, employer contributions to superannuation, and value of non-financial benefits. No severance payments were made to other chief executives during the year.

	Council	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Remuneration of Chief Executive - former		
Salary and other short-term employee benefits	309	378
Vehicle	10	17
Defined contribution plan employer contributions (KiwiSaver)	9	11
Expenses and other allowances	10	10
Other fringe benefits (value of benefit plus FBT)	6	7
Total Chief Executive's remuneration	**344**	**423**

	Council	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Remuneration of Chief Executive - present		
Salary and other short-term employee benefits	148	-
Vehicle	7	-
Defined contribution plan employer contributions (KiwiSaver)	5	-
Expenses and other allowances	1	-
Other fringe benefits (value of benefit plus FBT)	4	-
Total Chief Executive's remuneration	**165**	**-**

Employee numbers

	Council	
	2024/25 Actual $'000	2023/24 Actual $'000
Number of employees (at 30 June)		
Full-time employees	397	375
Part-time employees (including casual employees)	101	111
Total employees	**498**	**486**
A full-time employee works 40 hours per week		
Full-time equivalent employees		
Full-time employees	386.05	375.06
Part-time employees (in full-time equivalents)	54.51	56.26
Total full-time equivalent employees	**440.56**	**431.32**

Total annual employee remuneration by band

	Council	
	2024/25 Actual $'000	2023/24 Actual $'000
Number of employees (at 30 June)		
$0 - $59,999	122	145
$60,000 - $79,999	99	96
$80,000 - $99,999	87	89
$100,000 - $119,999	93	66
$120,000 - $139,999	40	43
$140,000 - $159,999	32	22
$160,000 - $179,999	7	9
$180,000 - $199,999	7	-
$200,000 - $219,999	-	7
$220,000- $259,999	8	7
$260,000- $439,999	3	2
Total employees	**498**	**486**

Total remuneration includes non-financial benefits provided to employees.

Note 31 Severance payments

For the year ended 30 June 2025, Council made six (2024: 2) severance payments to employees. The payments totalled: $146,459: they comprised of $32,820, $32,000, $2,500, $32,350, $14,989, and $32,000 (2024: Total $49,500).

Strada had no employees during the year (2024: none).

Note 32 Events after balance date

Local Water Done Well

In December 2023 the New Zealand Government announced a plan for water services, called Local Water Done Well.

Legislation has been enacted to progress the policy, being:

- Local Government (Water Services Preliminary Arrangements) Act 2024 (WSPA)
- Local Government (Water Services) Act 2025 (WSA)
- Local Government (Water Services) (Repeals and Amendments) Act 2025 (WSRAA)

The latter two Acts received Royal assent on 26 August 2025.

The Local Water Done Well programme restores council ownership and control of water infrastructure and services.

The WSPA required Council to:

1. Prepare and consult on a draft Water Services Delivery Plan (WSDP) and finalise that plan
2. To submit the WSDP to the Department of Internal Affairs by 3 September 2025
3. Department of Internal Affairs to consider the WSDP and either approve the plan if compliant or request amendments
4. Reflect the proposal in its Annual or Long-term Plan.

Council consulted on and approved its WSDP on 30 June 2025. The WSDP proposed establishment of a Council Controlled Organisation (CCO) in partnership with Hamilton City Council. The CCO, called Iawai – Flowing Waters Limited, will commence operations on 1 July 2026. The CCO will provide water services and wastewater services while providing management services for storm water. Ownership of storm water assets is being retained by Council

The WSDP was submitted to the Department of Internal Affairs on 15 July 2025, and approval was received on 24 July 2025.

The 2025-2034 Long Term Plan (LTP) reflects the establishment of Iawai – Flowing Waters Limited.

The estimated financial impact on Council is shown below:

$'000	2025/26 Forecast	2026/2027 Forecast
Revenue		
Storm Water	4,669	5,324
Waste Water	28,083	-
Water Supply	20,225	-
Expenditure		
Storm Water	5,055	5,051
Waste Water	22,842	-
Water Supply	16,933	-
Capital Expenditure		
Storm Water	9,921	8,364
Waste Water	64,970	-
Water Supply	29,196	-

These estimates are extracted from Pages 70, 78 and 86 of the 2025-2034 Long-term Plan approved by Council on 29th June 2025.

The quantification and timing and make up of debt transfers has not yet been determined. The net value of the transfer is expected to approximate the value of the Council's initial investment in IAWAI – Flowing Water.

Although the service potential of the assets will not be realised by the Council through use of the assets, it will be realised by the CCO to provide the same services to the same ratepayers before and after the transfer.

Although legal ownership of the assets change, the beneficiaries of the assets remain the same. Therefore, assets and liabilities related to the transfer of the waters operations have not been reclassified as Held for Sale as at 30 June 2025.

Further information on our Water Services Delivery Plan and establishment of the CCO, Iawai – Flowing Waters Limited, can be found on our website: https://www.waikatodistrict.govt.nz/services-facilities/water/iawai-flowing-waters

Note 33 Financial instruments

A: Financial instrument categories

The following tables are comparisons of carrying amounts of Council's financial assets and liabilities in each of the financial instrument categories:

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Financial assets		
Amortised cost		
Cash and cash equivalents	25,555	13,967
Recoverables and receivables	30,338	32,760
Community loans	1,020	1,143
Term deposit	1,265	1,409
LGFA borrower notes	6,240	4,810
Total amortised cost	**64,418**	**54,089**
Fair value through surplus (deficit) (FVTSD)		
Fixed interest investments	-	20,000
Equity investments	-	-
Derivative financial instruments assets	-	3,009
Total FVTSD	**-**	**23,009**
Fair value through other comprehensive revenue (FVTOCRE)		
Unlisted shares in Civic Financial Services Limited	39	38
Waikato Regional Airport Limited	41,894	35,739
Total FVTOCRE	**41,933**	**35,777**
Financial assets at cost		
Local Authority Shared Services Limited	219	219
Shares in Strada Corporation Limited (subsidiary)	700	700
IAWAI - Flowing Waters Limited *	-	-
Total financial assets at cost	**919**	**919**
Financial liabilities		
FVTSD		
Derivative financial instruments liabilities	1,381	-
Financial liabilities at amortised cost		
Payables, taxes and transfers	38,533	38,529
Borrowing -secured loans	241,794	213,308
Total financial liabilities at amortised cost	**280,327**	**251,837**

*On 26 June 2025, the Council jointly incorporated IAWAI – Flowing Waters Limited in partnership with Hamilton City Council under the Local Waters Done Well legislation. The Council holds a 50% shareholding and joint control has been established via a Shareholder Forum, with one vote per shareholder and jointly appointed board members.

IAWAI – Flowing Waters Limited is accounted for as a joint venture in accordance with PBE IPSAS 36 using the equity method. As at 30 June 2025, no assets or liabilities have been transferred to the CCO, and no operations have commenced. The Council's investment is recognised at its nominal cost of $1.

The carrying amount will be reassessed in subsequent periods in line with the Council's share of the joint venture's net assets and performance.

B: Fair value hierarchy disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Quoted market price (level 1): financial instruments with quoted prices for identical instruments in active markets.
- Valuation technique using observable inputs (level 2): financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.
- Valuation technique with significant non observable inputs (level 3): financial instruments valued using models where one or more significant inputs are not observable.

The following table analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position:

	Council and Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Valued at quoted market price (level 1)		
Fixed interest investments	-	-
Equity investments	-	-
Total financial instruments valued at quoted market price	**-**	**-**
Valued using observable inputs (level 2)		
Financial liabilities – derivatives	1,381	-
Financial assets - derivatives	-	3,009
Valued using significant non-observable inputs (level 3)		
Unlisted shares	41,933	35,777

Instruments valued using significant non-observable inputs (level 3)

The table below provides reconciliation between the opening and closing balances for level 3 financial instruments:

	Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Balance at 1 July	35,777	36,578
Gains and losses recognised in other comprehensive revenue	6,156	(802)
Other movements	-	-
Balance at 30 June	**41,933**	**35,777**

There were no transfers between the different levels of the fair value hierarchy.

C: Financial instruments risks

Council has a series of policies to manage the risks associated with financial instruments. Council is risk averse and seeks to minimise exposure from its treasury activities. Council has established and approved a Treasury Risk Management Policy which includes a Liability Management Policy and an Investment Policy. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of change in market prices. Council has no exposure to price risk because it does not hold any listed securities.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Council is not exposed to currency risk, as it has minimum foreign currency transactions.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market in interest rates.

Borrowings and investments issued at fixed rates of interest expose Council to interest rate risk. Council's Treasury Risk Management Policy sets a range of control limits for the fixed rate proportion of borrowings with different maturities. The range is from a maximum of 90% for debt maturing in the current period through to 50% for debt maturing in ten years.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose Council to cash flow interest rate risk.

Generally, Council raises longterm borrowing at floating rates and swaps them into fixed rates using interest rate swaps to manage the cash flow interest rate risk. Council enters into interest rate swaps in order to manage the cash flow interest rate risk. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if Council borrowed at fixed rates directly. Under the interest rate swaps, Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

Credit risk

Credit risk is the risk that a third party will default on its obligation to Council and the Group, causing it to incur a loss.

Council's Treasury Risk Management Policy clearly specifies approved institutions, minimum credit ratings and investment limits.

Council is exposed to credit risk as a guarantor of all of LGFA's borrowings. Information about this exposure is explained in note 28.

Council and the Group have no other collateral or credit enhancements for financial instruments that give rise to credit risk.

Maximum exposure to credit risk

Council's maximum credit risk exposure for each class of financial instrument is as follows:

	Council and Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Cash and cash equivalents	25,555	13,967
Recoverables and receivables	30,338	32,760
Term deposits	1,265	1,409
Community loans	1,020	1,143
Fixed interest investments	-	20,000
LGFA borrower notes	6,240	4,810
Derivative financial instruments assets	-	3,009
Total credit risk	**64,418**	**77,098**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates:

	Council and Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Counterparties with credit ratings		
Cash and cash equivalents		
AA-	25,555	13,967
Term deposits		
AA-	1,265	1,409
Derivative financial instruments assets		
AA-	-	3,009
Borrower notes		
AA+	6,240	4,810
Counterparties without credit ratings		
Community loans with no defaults in the past	1,020	1,143
Unrated equity investments	42,852	36,696
Unrated fixed interest investments	-	-

Debtors and other receivables mainly arise from Council's statutory functions, therefore there are no procedures in place to monitor or report the credit quality of debtors and other receivables with reference to internal or external credit ratings. Council has no significant concentrations of credit risk in relation to debtors and other receivables, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Council aims to maintain flexibility in funding by keeping committed credit lines available.

Council manages its liquidity risks including borrowings in accordance with its Treasury Risk Management Policy, which includes a Liability Management Policy. These policies have been adopted as part of Council's Long-Term Plan.

Council has a $500,000 overdraft facility (2024: $500,000) and a committed cash advance facility of $15,000,000 (2024: $15,000,000), of which $15,000,000 (2024: $15,000,000) is available to be drawn. Council's committed cash advance facility expires on 22 May 2028.

Council utilises funding through the Local Government Funding Agency Limited (LGFA). As at 30 June 2025 Council had borrowed $235,000,000 (2024: $205,000,000) and held borrower notes with a face value of $6,240,000 (2024: $4,810,000).

Council is also exposed to liquidity risk as a guarantor of all of LGFA's borrowings. This guarantee becomes callable in the event of the LGFA failing to pay its borrowings when they fall due. Information about this exposure is contained in note 28.

Contractual maturity analysis of financial liabilities, excluding derivatives

The table below analyses Council and the Group's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

	Council and Group	
	2024/25 Actual $'000	**2023/24 Actual** $'000
Carrying amount		
Payables, taxes and transfers	38,533	38,529
Secured loans	241,794	213,308
Total carrying amount	**280,327**	**251,837**
Contractual cash flows		
Payables, taxes and transfers	38,533	38,529
Secured loans	265,105	248,175
Total contractual cash flows	**303,638**	**286,704**

The following table summarises the pattern of contractual cash flows:

	Less than 1 yr $'000	1-2 yrs $'000	2-5 yrs $'000	More than 5 yrs $'000
Council 2025				
Payables, taxes and transfers	38,533	-	-	-
Secured loans	54,400	52,710	132,159	25,836
Total	**92,933**	**52,710**	**132,159**	**25,836**
Council 2024				
Payables, taxes and transfers	38,529	-	-	-
Secured loans	31,939	40,511	138,877	36,848
Total	**70,468**	**40,511**	**138,877**	**36,848**

Contractual maturity analysis of derivative financial instruments

The table below analyses Council and the Group's derivative financial instruments into those that will be settled on a net basis and those that will be settled on a gross basis in relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Net settled derivative assets		
Carrying amount	0	3,009
Contractual cash flows	-	-
Net settled derivative liabilities		
Carrying amount	1,381	0
Contractual cash flows	8,558	7,655

	Less than 1 yr $'000	1-2 yrs $'000	2-5 yrs $'000	More than 5 yrs $'000
Net settled derivative liabilities				
2024/25	722	1,591	4,143	2,102
2023/24	1,798	1,578	3,068	252

Contractual maturity analysis of financial assets

The table below analyses Council and the Group's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

	Council and Group	
	2024/25 Actual $'000	2023/24 Actual $'000
Carrying amount		
Cash and cash equivalents	25,555	13,967
Recoverables and receivables	30,338	32,760
Other financial assets		
- term deposit	1,265	1,409
- community loans	1,020	1,143
- LGFA borrower notes	6,240	4,810
- Fixed interest investments	0	20,000
Total carrying amount	**64,418**	**74,089**
Contractual cash flows		
Cash and cash equivalents	25,555	13,967
Recoverables and receivables	30,338	32,760
Other financial assets		
- term deposit	-	-
- community loans	1,518	1,343
- LGFA borrower notes	7,054	6,093
Total contractual cash flows	**64,465**	**54,163**

The following table summarises the pattern of contractual cash flows:

	Less than 1 yr $'000	1-2 yrs $'000	2-5 yrs $'000	More than 5 yrs $'000
Council 2025				
Cash and cash equivalents	25,555	0	0	0
Recoverables and receivables	30,338	0	0	0
Other financial assets				
- term deposit	0	0	0	0
- community loans	104	208	313	893
- LGFA borrower notes	942	1,491	3,593	1,028
Total	**56,939**	**1,699**	**3,906**	**1,921**
Council 2024				
Cash and cash equivalents	13,967	-	-	-
Recoverables and receivables	32,760	-	-	-
Other financial assets				
- term deposit	-	-	-	-
- community loans	95	178	267	803
- LGFA borrower notes	274	590	3,220	2,009
Total	**47,096**	**768**	**3,487**	**2,812**

Sensitivity analysis

The tables below illustrate the potential effect on the surplus or deficit and equity (excluding accumulated funds) for reasonably possible market movements, with all other variables held constant, based on Council and the Group's financial instrument exposures at the balance date.

	2024/25		2023/24	
Interest rate risk	**Actual -100bps** $'000	**Actual +100bps** $'000	**Actual -100bps** $'000	**Actual +100bps** $'000
Council				
Financial assets				
Cash and cash equivalents	(265)	265	(140)	140
Term deposits	-	-	(14)	14
Financial liabilities				
Derivatives	(5,748)	2,746	(566)	6,424

Foreign exchange risk	2024/25 Actual -100bps $'000	2024/25 Actual +100bps $'000	2023/24 Actual -100bps $'000	2023/24 Actual +100bps $'000
Group				
Financial assets				
Cash and equity investments	-	-	-	-

Equity price risk	2024/25 Actual -100bps $'000	2024/25 Actual +100bps $'000	2023/24 Actual -100bps $'000	2023/24 Actual +100bps $'000
Group				
Financial assets				
Equity investments	-	-	-	-

Explanations of sensitivity analysis

The interest rate, foreign exchange and equity price sensitivities are based on reasonably possible movements in interest rates, exchange rates and equity market valuations; with all other variables held constant, measured as a basis points (bps) movement. For example, a decrease in 100bps is equivalent to a decrease in interest rates of 1%.

The sensitivity for derivatives (interest rate swaps) has been calculated using a derivative valuation model based on parallel shift in interest rates of -100bps/+100bps (2024: -100bps/+100bps).

Note 34 Capital management

Council's capital is its equity (or ratepayers' funds) which include accumulated funds and other reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner which promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of asset detailing renewal and maintenance programmes to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Long-Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act also sets out the factors that Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financing policies in Council's LTP.

Council has the following Council-created reserves:

- reserves for different areas of benefit;
- self-insurance reserves; and
- trust and bequest reserves.

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from payers of general rate. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserve.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events. The release of these funds generally can be approved only by Council.

Trust and bequest reserves are set up where Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purpose they were donated.

Note 35 Explanation of major variances against budget

The major variance explanations are set out below and explain the significant differences between actual results for 2024/25 compared to the budget for 2024/25. Please note that the abbreviations used in this note are $Xm, millions of dollars; $Xk, thousands of dollars.

Statement of comprehensive revenue and expense

Council recorded an operational surplus of $39.5 million, significantly above the budgeted surplus of $2.5 million. This favourable result was largely driven by $37 million from found and vested assets, together with general and targeted rates revenue that exceeded budget by $7 million due to higher-than-estimated capital values. Development and financial contributions were $4.5 million higher than budget, reflecting the timing of development cycle. Personnel expenses were $2.6 million lower than budget due to staff vacancies, while other revenue was $36.7 million higher, primarily from found and vested assets. These gains were partly offset by subsidies and grants, which were $12.8 million below budget. Net finance costs were $0.7 million over budget due to higher-than-forecast interest rates. In addition, total other comprehensive revenue and expense was $159.8 million, $57.3 million above budget, reflecting revaluation gains from the annual asset valuation.

Statement of financial position

The statement of financial position indicates a $212.6m increase in total assets compared to the budget. The largest variance is in Non-Current Assets, where property, plant, and equipment exceed the budget by $191.2m, primarily due to new assets and revaluation gains from the annual asset valuation. Investments in CCOs and similar organisations are $5.3m above budget, driven by a higher-than-expected increase in the value of Waikato Regional Airport Limited. In current assets, receivables and recoverables are $9.5m above budget and Cash and cash equivalents are $11.9m over budget, reflecting greater year-end funds on hand than planned.

Total liabilities are $34.2m lower than budgeted, largely due lower levels of activity.

Statement of cash flows

The cash flow statement reveals that net cash flows from operating activities were above expectations for the year, primarily due to higher-than-anticipated receipts from rates revenue and development contributions.

Net cash flows from financing activities were also higher than expected due to an increased capital works program, which led to increased borrowings. As a result, cash balances at the end of the year were $11.9m above budget.

Funding impact statements

The whole of Council funding impact statement reports cash or soon to be cash items (such as revenue or expenses in receivables or payables) and does not consider non-cash funded items such as asset write-offs or assets vested in Council. The report analyses separately the surplus or deficit for operating funding and capital funding.

This year, the overall operating funding surplus was $24.7m, compared to a budgeted surplus of $15.8m. Total operating funding was $2.3m above budget, driven by increased growth in General and Targeted Rates, and higher interest received from investments.

Operating expenditure was lower the budget by $6.7m, mainly due to lower payments to suppliers and staff, resulting from lower activity levels.

Capital funding sources were $82m below budget, primarily due to lower-than-anticipated borrowings and subsidies and grants resulting from a lower capital expenditure.

Note 36 Insurance of assets

The total value of all assets of Council that are covered by insurance contracts as at 30 June 2025 is $1,244,216,216 (2024: $1,064,749,393) and the maximum amount to which they are insured is $454,523,709 (2024: $254,998,459).

Insurance Class	Total Declared Value	Policy Limit
Infrastructure	$869,691,650	The liability of Insurer(s) is limited to 40% of NZD $300,000,000 combined limit for any one loss of series of losses arising out of one event, subject to the applicable sublimits. (Limit of Liability) $100,000,000 per loss (For anything that falls outside primary layer cover, these insurance contracts provide for the recovery of 40 per cent of the costs of loss or damage to declared assets)
Material Damage	$370,000,857	$150,000,000 combined limit any one loss or series of losses arising out of any one event in excess of policy deductible $25,000,000 fire limit
Motor Vehicle	$4,248,169	$4,248,169
Other	$275,540	$432,290
Total	**$1,244,216,216**	**$1,244,216,216**
In addition to the insurance contracts noted above, the council maintains a disaster recovery reserve to meet the costs of damage that may not be recoverable through insurance. At 30 June 2025 the balance of this reserve was $61,972 (2024: $795,105).		

Annual Report Disclosure Statement

Taukii Puakanga Puurongo aa-Tau 2024/25

for the year ended 30 June 2025

What is the purpose of this statement?

The purpose of this statement is to disclose Council's 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 annual report 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.

Council's 2021-2031 long-term plan set revised limits for its rates and debt affordability benchmarks. For the previous years the 2018-2028 long-term plan figures were used.

Rates affordability benchmarks

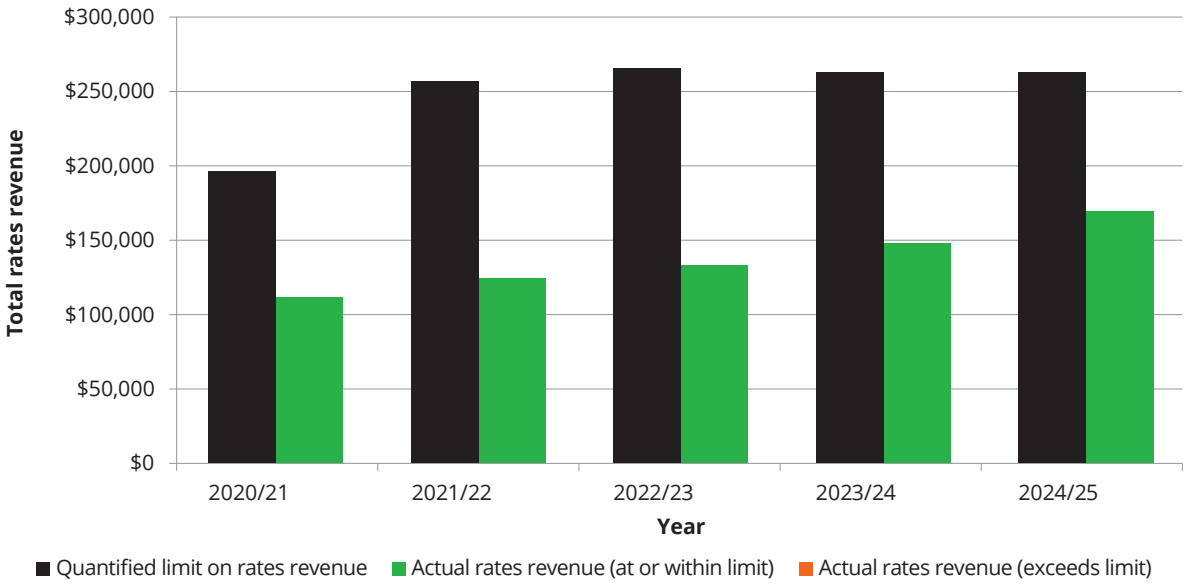
Council meets the rates affordability benchmarks if:

- its actual rates revenue equals or is less than each quantified limit on rates; and,
- its actual rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

This graph compares Council's actual rates income with a quantified limit on rates contained in the financial strategy included in Council's 2021-31 long-term plan (pg. 109).

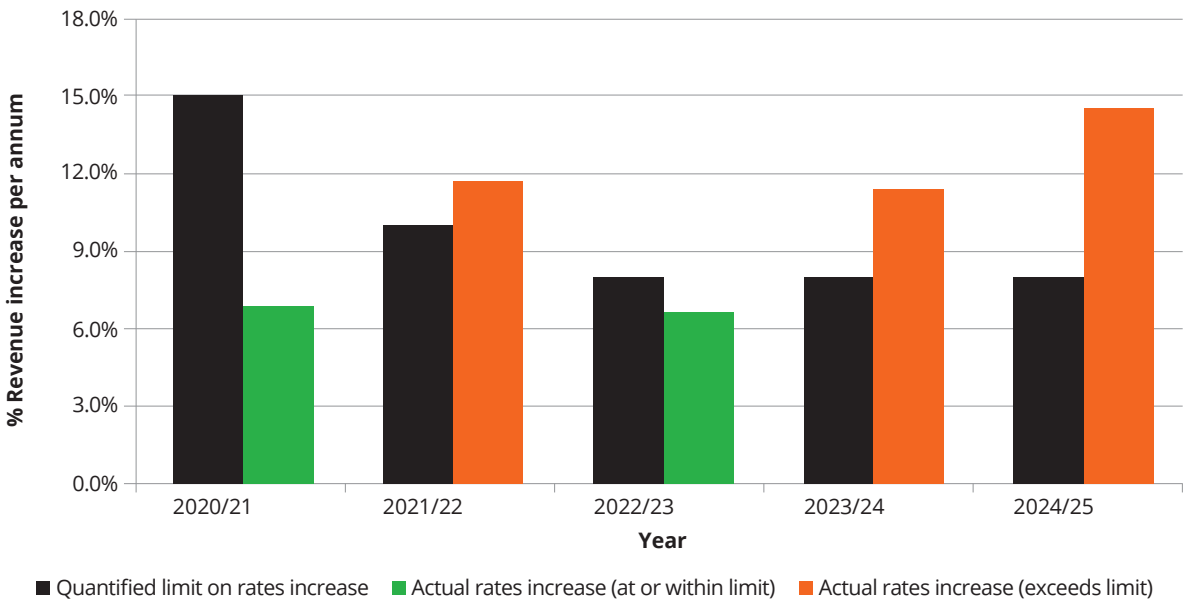
The quantified limit for the current year is that total rates revenue will not exceed $264,043 (2024: $263,245).



Rates (increases) affordability

This graph compares Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in Council's 2021-31 long-term plan (pg. 109).

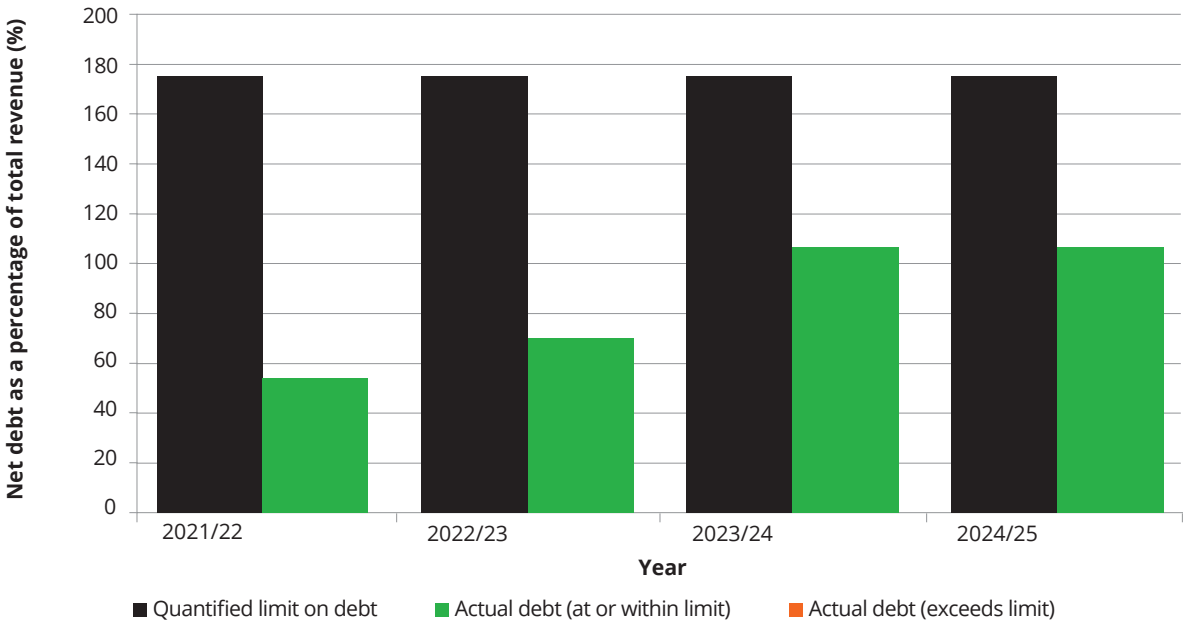
The quantified limit on increases in rates is that average annual rate increases to existing ratepayers* are not to exceed 15 percent in the first year, reducing to 10 percent in 2022 and 8 percent per annum from 2023.



Debt affordability benchmarks

Council meets its debt affordability benchmark if its actual borrowing is within the quantified limit on borrowing. This graph compares Council's actual borrowing with the quantified limit on borrowing stated in the financial strategy included in Council's 2021-31 long-term plan (pg. 110).

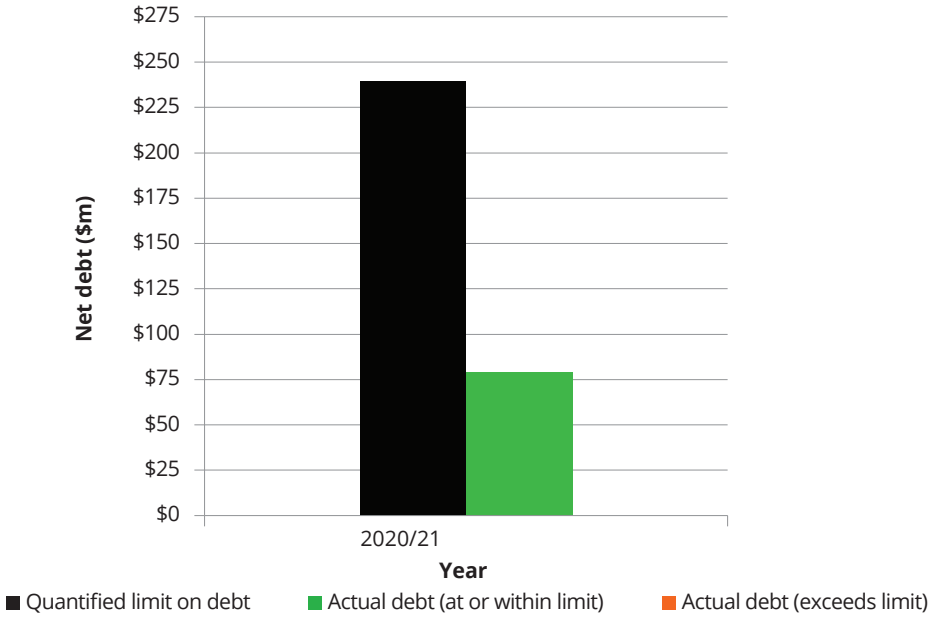
The quantified limit on net debt[1] is that it does not exceed 175 percent of revenue[2].



1 Net debt equals total external debt, net of borrower notes.

2 Revenue is net of developer contributions and vested asset.

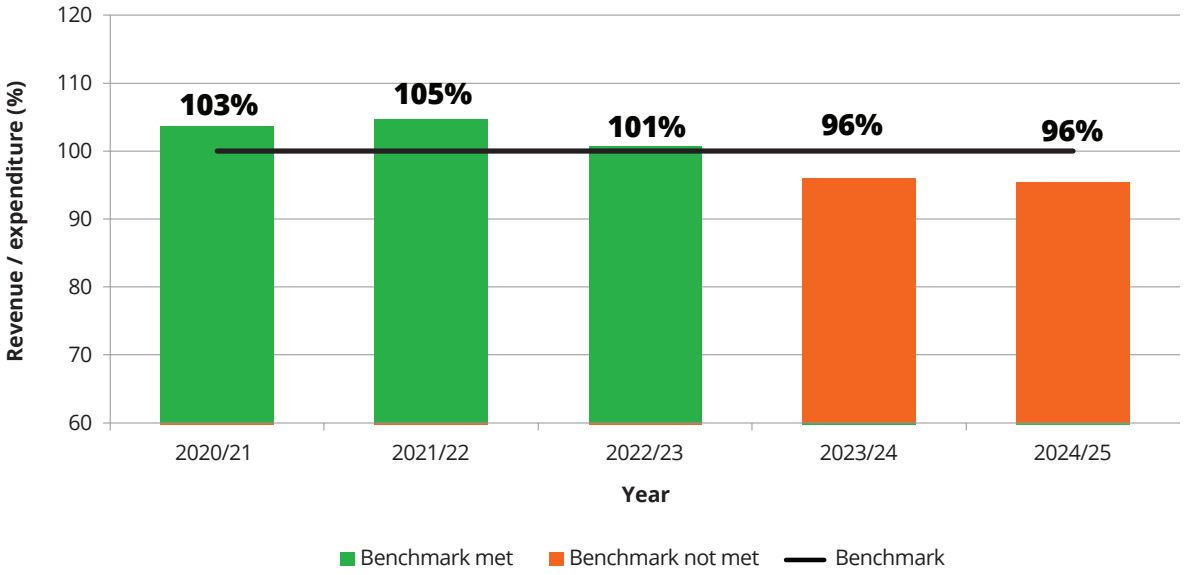
Council's previously reported its quantified limit on net debt as not exceeding 150 percent of revenue as shown below.



Balanced budget benchmark

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

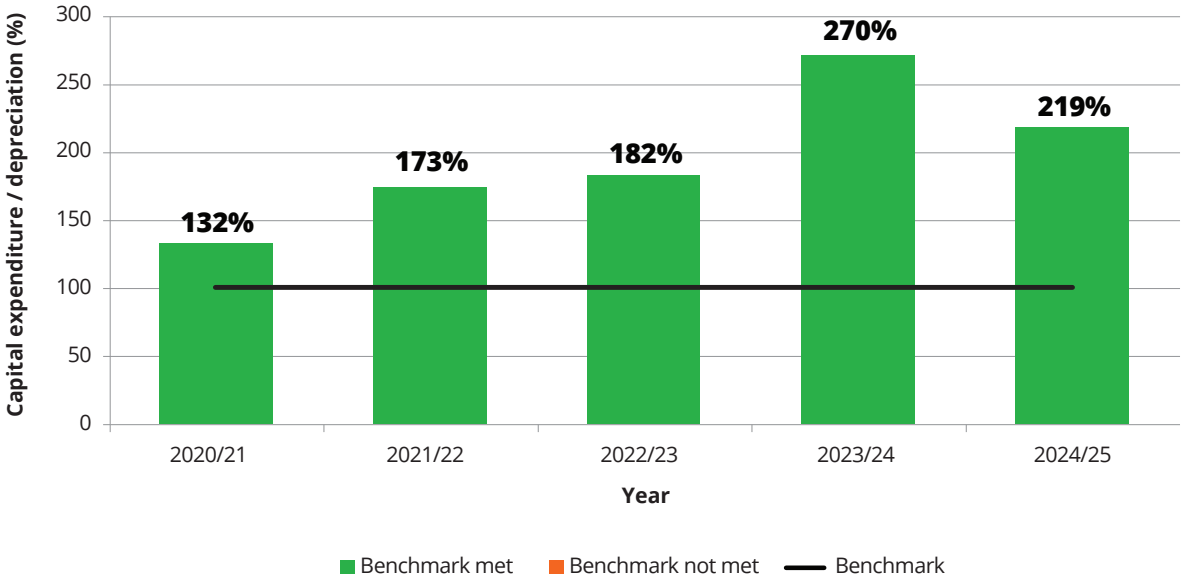
Council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential services benchmark

This graph displays Council's capital expenditure on network services as a proportion of depreciation on network services.

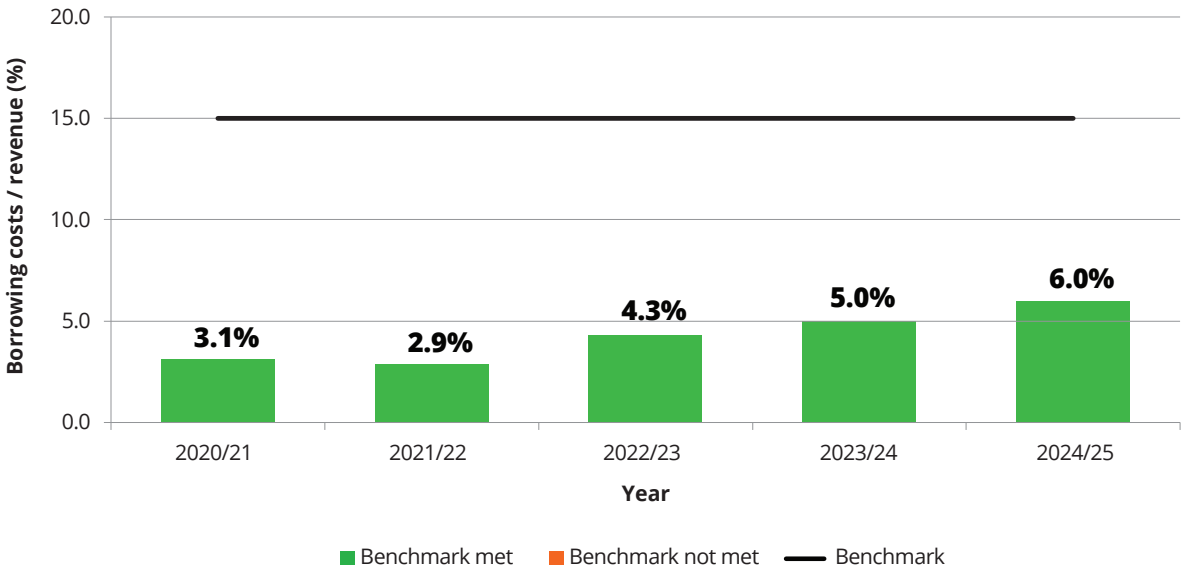
Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

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

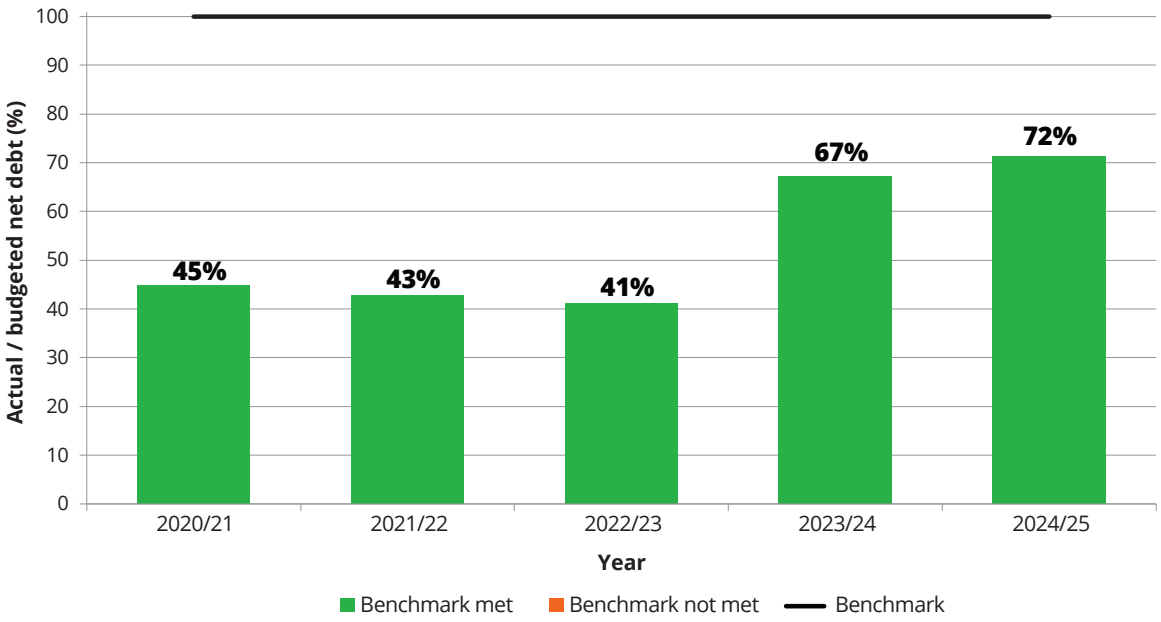
Because Statistics New Zealand projects that Council's population will grow faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its planned revenue.



Debt control benchmark

This graph displays Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

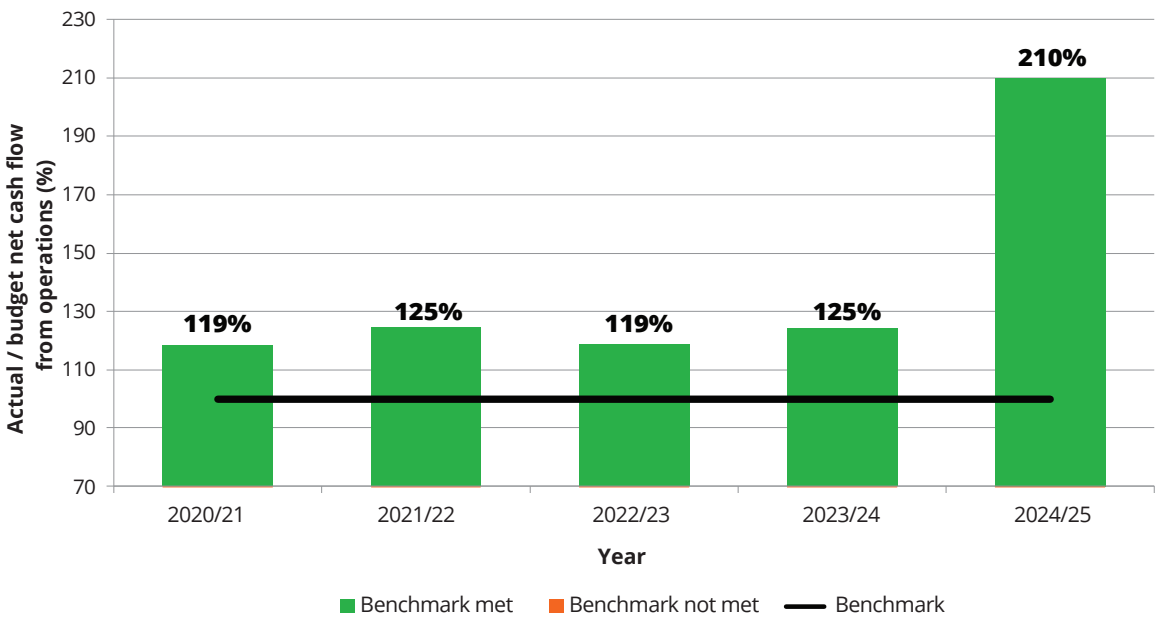
Council meets the debt control benchmark if its actual net debt equals or is less than planned net debt.



Operations control benchmark

This graph displays Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations set in the 2025 Annual Plan.



Statement of Compliance and Responsibility

Taukii Tuutohu Ture me te Haepapa

Statement of compliance

The Council and management of the Waikato District Council confirm that all the statutory requirements in relation to the Annual Report have been complied with.

Statement of responsibility

The Council and management of the Waikato District Council accept responsibility for:

a) the preparation of the Annual Financial Statements and the judgements used in them, and

b) establishing and maintaining internal control systems to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of the Waikato District Council, the Annual Financial Statements and Statements of Service Provision for the year ended 30 June 2025 fairly reflect the financial position and operations of the Council.

Jacqui Church
Mayor

Craig Hobbs
Chief Executive

Audit Opinion
Huatau Taatari Kaute

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of Waikato District Council group's annual report for the year ended 30 June 2025

The Auditor-General is the auditor of Waikato District Council (the Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf.

We have audited the annual report of the Group in accordance with the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as "the disclosure requirements" in our report.

Opinion on the audited information

In our opinion:

- the financial statements of the Group on pages 106 to 185:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2025;
    - the results of its operations and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the Group's statement of service performance for the year ended 30 June 2025 on pages 16 to 27 to 95:

- provides an appropriate and meaningful basis to enable readers to assess the Group's actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
- fairly presents, in all material respects, the Group's actual levels of service for each group of activities, including:
  - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
  - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;

- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025 on pages 32 to 97, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act;
- the funding statement for each group of activities of the Council for the year ended 30 June 2025 on pages 32 to 97 has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act;
- the funding impact statement of the Council for the year ended 30 June 2025 on page 98, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.

Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 to the Act for the year ended 30 June 2025; and
- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2025 are complete and accurate.

Date

We completed our work on 29 September 2025. This is the date on which we give our opinion on the audited information and our report on the disclosure requirements.

Emphasis of matter – Future of water delivery

Without modifying our opinion further, we draw attention to note 32 on pages 173 to 174, which outlines that in response to the Government's Local Water Done Well reforms, the Council has decided to establish a multi-owned water organisation with Hamilton City Council to deliver the water and wastewater assets and be responsible for delivering those services from 1 July 2026.

The financial impact of this decision is unknown because details of the exact arrangements are still being considered.

Basis for our opinion on the audited information and the disclosure requirements

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor for the audited information and the disclosure requirements section of our report.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information and our report on the disclosure requirements.

Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing its ability to continue as a going concern.

Responsibilities of the auditor for the audited information and the disclosure requirements

Responsibilities for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion.

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

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Group's annual plan and long-term plan.

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

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

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.

- We evaluate whether the statement of service performance includes all groups of activities that we consider are likely to be material to the readers of the annual report.

- We evaluate whether the measures selected and included in the statement of service performance for groups of activities present an appropriate and meaningful basis that will enable readers to assess the Group's actual performance. We make our evaluation by reference to generally accepted accounting practice in New Zealand.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Group.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group audited information. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of Schedule 10 to the Act and Part 2 of the Regulations; and

- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the Group's audited information and, where applicable, the Group's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure

requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

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

In addition to the audit we have carried out engagement in the areas of an audit engagement for the 2025-34 Long term-plan, limited assurance engagement related to the Council's debenture trust deed and assurance engagements in relation to procurement of significant contracts, which are compatible with the independence requirements. Other than the audit, our report on the disclosure requirements, and these engagements, we have no relationship with or interests in, the Group.

Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Hamilton, New Zealand

Head office 15 Galileo Street, Ngaaruawaahia, 3720

Freepost Waikato District Council, Private Bag 544,
Ngaaruawaahia 3742, New Zealand

Email info@waidc.govt.nz

0800 492 452
www.waikatodistrict.govt.nz

Waikato
District Council
Te Kaunihera aa Takiwaa o Waikato